Chair's Statement

RALPH FINDLAY, CHAIR

I am pleased to report continued operating progress across C&C in the year ended FY2026. However, our financial performance was below expectations in a year which was characterised by ongoing macro-economic uncertainty and sectoral challenges.

We have maintained our focus on the immediate key objectives of improving customer service, developing innovation capabilities, driving operational efficiency, and simplifying Group structures, which all show clear momentum. The Executive team has been refreshed, and the Board is confident in the business leadership as we continue to operate in a period of heightened uncertainty.

The ongoing macro-economic challenges felt across the UK in 2025 proved to be testing as cautious consumers constrained spending in advance of the Chancellor's Autumn Statement in November. Market volumes softened substantially in this period and volumes remained weak in the balance of the financial year despite reasonable trading across the festive period. While the economic outlook in Ireland was more favourable, consumer confidence, as in the UK, has been fragile, creating lower demand, particularly outside Dublin.

More positively, our strategy to simplify the Group, enhance operating discipline and drive sustainable growth has continued to gain traction. Improvements in commercial execution within our Branded business, alongside further efficiency gains across production, distribution and warehousing, demonstrate progress. We have continued to focus on cost control while selectively investing in brand support, customer management capability, and systems infrastructure.

Group revenue for the year was €1,570m (FY2025: €1,666m). FY2026 operating profit(1) was €70.5m (FY2025: €77.1m), with operating margin(7) of 4.5%. Profit before tax(1) was €49.8m (FY2025: €55.9m), while statutory profit before tax was €9.1m (FY2025: €19.6m).

The business remains cash generative. Free cash flow(5) for the year was €45.3m (FY2025: €68.8m). Net debt(3) at the end of the period was €121.4m (FY2025: €80.9m), representing a leverage ratio(8) of 1.6x. The Group retains

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substantial liquidity(2) headroom, with committed bank facilities extending to 2030 and no near-term refinancing requirements.

Dividend and Shareholder Returns

The Board remains committed to a balanced capital allocation framework, supporting investment in the business while delivering sustainable returns to Shareholders. We regularly review our capital allocation choices and seek to maximise long-term return to Shareholders.

The Group returned €38.2m during FY2026 through a combination of dividends and share buybacks. Since the start of FY2025, and including the FY2026 final dividend, cumulative returns amount to €105m.

The Board has proposed, subject to Shareholder approval at the AGM, a final dividend of 3.67 cent per Ordinary Share; the proposed amount has principally been determined by distributable reserves as referenced in the CFO Review. The final dividend would be payable on 17 July 2026 to Shareholders on the register at 12 June 2026. Together with the interim dividend of 2.08 cent per Ordinary Share paid during the year, this represents a full-year dividend of 5.75 cent per Ordinary Share.

Economic Environment

As referenced above, the trading environment throughout FY2026 remained challenging. Consumer confidence across the UK and Ireland continued to be affected by elevated living costs, unpredictable interest rates, and geopolitical uncertainty.

Weak demand and higher costs have resulted in a challenging environment for pubs and restaurants, evidenced by financial stress for some operators, including closures. Most operators have continued to increase prices to offset these headwinds, and value for customers and consumers is becoming ever more important. This is reflected in relatively weaker sales of higher priced drinks including wine and spirits which has been well documented across the industry, in favour of long alcoholic drinks impacting the sales mix in our wholesale business.

Cost inflation, while moderating, remained unpredictable and with recent events in the Middle East we expect further volatility and uncertainty for the foreseeable future.

Against this backdrop, our focus has remained on disciplined cost management, simplification of our operating model and driving productivity improvements across the supply chain. We continue to prioritise strong, dedicated customer service and maintaining close partnership with our customers as we support them in navigating the cost and demand pressures currently facing hospitality.

Board, People and Governance

This past year was one of transition for our leadership. During this time our Chief Executive Officer, Roger White, has further developed the Executive team, bringing in new skills and perspectives to the business with more than 50% of the Executive Committee having joined the business over the course of the last year.

This year of evolution should provide us with a stronger base from which to develop the business for the longer-term. The Board is confident that the refreshed leadership team has the appropriate experience, capability and focus to deliver the next phase of performance improvement and business development for the Group.

The Board warmly thanks Andrew Andrea for his contribution as he stepped down from the Board and his role as Chief Financial & Transformation Officer in March 2026. We are pleased to welcome Adam Phillips who joined the Board as Chief Financial Officer in April 2026. We also welcomed Karen Bates, Chief People Officer, and Paul Graham, Chief Commercial Officer, who joined the Executive team in recent months.

The Board would also like to express sincere thanks to Independent Non-Executive Director, Vineet Bhalla, who stepped down from the Board at the close of the year on 28 February 2026 for his valuable contribution and support during his tenure of almost five years with the Group.

Overall, the Board composition is well balanced and diverse, combining sector expertise, financial oversight and experience to ensure the highest standards of governance.

On behalf of the Board, I would like to thank our colleagues across the Group for their continued dedication, professionalism and resilience in what has remained a demanding operating environment.

Outlook and Strategy Update

The CEO Review sets out the updated strategy we plan to execute in the medium-term, which provides optionality and flexibility in how we best create value for Shareholders, despite the ongoing volatility and uncertainty being experienced in global markets. Importantly, it will be built on strong executional basics which are the bedrock of success in the markets we operate in.

C&C Group therefore enters FY2027 with a renewed focus and a refreshed Executive team. The Board believes the Group's portfolio of well-established brands, leading market positions, capable, committed teams and strong sustainable customer relationships provide a solid platform from which to make progress.

Management remains focused on further recovering profitability, driving cash generation and delivering sustainable long-term growth through a renewed strategic focus.

Looking forward, the Board is confident that the actions taken over the past year have materially strengthened the business and positioned C&C to navigate near-term challenges across the market, while pursuing our longer-term strategic ambitions.

Ralph Findlay
Chair

Notes to the Chair's Statement can be found on page 23.