**23 July 2019**

**Fevertree Drinks plc**

**(“Fever-Tree”, the “Group” or the “Company”)**

**Interim Results**

Fever-Tree, the world's leading supplier of premium carbonated mixers today announces its Interim Results for the period ended 30 June 2019.

**Financial Highlights:**

* Revenue up 13% to £117.3m (H1 2018: £104.2m)
* Gross margin of 51.9% (H1 2018: 53.2%)
* Adjusted EBITDA1 up 8% to £36.7m (H1 2018: £34.0m)
* Net cash at period end of £104.1m (H1 2018: £56.4m)
* Diluted EPS up 7% to 24.30 pence (H1 2018: 22.72 pence)
* Interim dividend up 23% to 5.20 pence per share (H1 2018: 4.22 pence)

1*Adjusted EBITDA is earnings before interest, tax, depreciation, amortisation, share based payment charges and finance costs*

**Operational Highlights:**

* Continued growth across all four regions
* Strengthened our position as the no. 1 brand across the UK mixer category, driving growth in both the Off and On-Trade\*
* Very encouraging momentum in the US with notable national distribution gains in the first half of the year
* Significant Off-Trade distribution wins secured in key European markets
* Acceleration of growth in Australia and Canada, reflecting the Group’s growing global footprint
* Ongoing investment in marketing and capability to support our growth across all regions

*\* (IRI – Total UK Retail Mixer Market value share - 13 weeks to 16/6/19). (CGA – Packaged Mixers 52 weeks to 18/5/19))*

**Tim Warrillow, CEO of Fever-Tree said:**

“It has been an encouraging first half for the Group with growth across all our four regions, most notably in the US, where we have made significant distribution gains and operational progress. While we have not been immune to the impact of the unseasonably poor weather in the UK, we have further strengthened our market leadership position within the UK and have seen positive momentum in Europe and the rest of the world reflecting our increasingly global footprint.

The move to long mixed drinks is gathering momentum and starting to win share from beer and wine. Our broad range of high-quality mixers, relationships with spirits companies, brand strength and our growing international distribution network provide us with confidence in the significant global opportunity that lies ahead for the Group.

Whilst we remain mindful of the tough comparators over the remainder of the summer in the UK, the Board anticipates that the outcome for the full year will be in line with its expectations.”

**For further information:**

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**Notes to Editors:**

Fever-Tree is the world's leading supplier of premium carbonated mixers for alcoholic spirits by retail sales value, with distribution to over 70 countries worldwide. Based in the UK, the brand was launched in 2005 to provide high quality mixers which could cater to the growing demand for premium spirits, in particular gin, but also increasingly for vodka, rum and whisky. The Company sells a range of carbonated mixers to hotels, restaurants, bars and cafes ("On-Trade") as well as selected retail outlets ("Off-Trade").

**Chief Executive’s report**

It has been an encouraging half for the Group, with all of our regions seeing continued growth despite lapping some exceptional comparatives. Fever-Tree is now market leader across the whole UK mixer category and we have continued to gain distribution. The US delivered a very strong performance, building on the operational changes made and infrastructure put in place since taking direct management of our US operations in June 2018. We are increasingly optimistic about the global opportunity for Fever-Tree and continue to invest across all our regions, particularly the US and Europe.

During the period, the Group delivered revenue of £117.3m, representing growth of 13% on the first half of 2018.

Gross profit margin remained strong at 51.9%, with the Group delivering an adjusted EBITDA of £36.7m, representing an adjusted EBITDA margin of 31.3%. This performance resulted in diluted earnings per share in the six month period of 24.30p (H1 2018: 22.72p), up 7% on H1 2018. The Group’s balance sheet remains robust with net cash of £104.1m at the period end (H1 2018: £56.4m).

**Results**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Half year ended 30 June 2019 | Half year ended 30 June 2018 | Reported Movement | Constant Currency Movement |
|  | £m | £m | % | % |
|  |  |  |  |  |
| Revenue | 117.3 | 104.2 | 13% | 12% |
|  |  |  |  |  |
| Gross Profit | 60.8 | 55.5 | 10% | 8% |
| Gross Profit margin | 51.9% | 53.2% |  |  |
|  |  |  |  |  |
| Adjusted EBITDA | 36.7 | 34.0 | 8% | 7% |
| Adjusted EBITDA margin | 31.3% | 32.6% |  |  |
|  |  |  |  |  |
| Diluted EPS | 24.30p | 22.72p | 7% |  |
| Interim Dividend | 5.20p | 4.22p | 23% |  |
|  |  |  |  |  |

**Territory review**

**Revenue by territory**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Half year ended 30 June 2019 | Half year ended 30 June 2018 | Reported Movement | Share of Group revenue |
|  | £m | £m | % | % |
|  |  |  |  |  |
| UK | 60.7 | 58.0 | 5% | 51% |
| USA | 19.8 | 15.1 | 31% | 17% |
| Europe | 29.0 | 25.8 | 13% | 25% |
| RoW | 7.8 | 5.3 | 49% | 7% |
|  |  |  |  |  |
| Total | 117.3 | 104.2 | 13% | 100% |
|  |  |  |  |  |

**UK**

The UK is Fever-Tree’s largest market and the Group has consolidated its position as the no. 1 mixer by value across both the Off-Trade, where we hold a 39% value share, and the On-Trade, where we now hold a 45% value share. Over the last 15 years we have delivered against our strategy of creating clearly differentiated products with premium provenance, thus establishing a new premium segment of the mixer market. In doing so, we have become the clear market leader of a category that has doubled in size over recent years to now be worth nearly £900m across both the Off and On-Trade.

As expected, following several years of exceptional growth, the first half of 2019 has seen a moderation in both Fever-Tree’s and the wider UK mixer category’s underlying growth rates, to what still remains strong levels but off a higher base. In addition, as has been widely reported across many sectors, the poor weather in the past quarter has had a dampening effect on growth rates in the short term as we lap what was an incredibly strong period of trading in summer 2018. However, despite this, the region delivered revenue of £60.7m, up 5% compared to the first half of 2018.

As we have stated previously, we are widely penetrated across the Off-Trade, but in the period continued to grow our distribution, ending the first half with over 62,000 distribution points. Our range of flavoured tonics now accounts for over half of our total tonic sales at retail, and alongside the ongoing evolution of the UK gin category, continues to stimulate consumers’ appetite for exploring different flavour combinations. The first half also saw the launch of our first “ready to drink” gin and tonic products. Comprising three variants and paired with craft gins that were created exclusively for Fever-Tree, we believe it is a category with potential over the longer term.

In the On-Trade, we have seen a good performance in the first half, during which time we have become firmly established as no. 1 mixer by value and volume, with a 45% share of the category, a significant achievement. The Group secured further distribution gains as we continued to win new accounts across the UK. In addition, we have had success in not only broadening our range in our more established accounts but have focused on working closely with our key accounts to drive incremental sales. While our pioneering G&T menus continue to prove very popular, we have also introduced broader long mixed drinks menus including spritz serves, reflecting the growing popularity of lower alcohol drinks.

The Group has built a very strong position in what is our largest region. The Group’s market leading position across both channels, unrivalled support, relationships and expertise, alongside the brand’s now established bar call with consumers means we are extremely well positioned to drive further growth in the UK as drinking habits continue to evolve and momentum begins to build in wider premium long mixed drink serves alongside the well-established G&T trend.

**USA**

We have delivered a strong performance in the US in the first half of 2019, building on the operational changes made by the team since taking direct control of our operations in June 2018.

Revenue was £19.8m, with growth accelerating to 31% versus the first half of 2018, which is growth of 24% on a constant currency basis. Fever-Tree is firmly established as the no. 1 premium mixer, delivering over half of the growth of the premium segment in what is the world’s most significant mixer market.

We are delivering against our strategy in the region and continue to invest and build a very strong platform for future success. The Off-Trade has seen good momentum, building on the distribution wins that were secured towards the end of 2018 alongside further gains in the first half. The Group has seen significant broadening of our footprint across major national accounts such as Target, Kroger and Walmart, as well as regional chains such as Publix in the Southeast.

In the On-Trade our anchor distribution network is firmly established. The partnership with Southern Glazers Wines & Spirits (“SGWS”) continues to develop well with new account wins secured in On-Trade outlets as part of a fast start initiative implemented by both parties. During the period, Union Beer Distributors were appointed in New York state, strengthening our route to market in an influential state.

The trend towards spirits premiumisation continues, with all the major spirits categories seeing positive growth at the premium end of their portfolios, reflecting consumers’ willingness to not only trade up in their drinking choices but switch from beer and wine. Our relationship with spirits companies, across both global and local craft brands, has continued to strengthen, with a broad range of co-promotional activity during the first six months of the year.

We have seen good growth across both our Indian and flavoured tonics, with Elderflower Tonic and Mediterranean Tonic increasing distribution and sales by 50%. In addition, our Ginger Beer and Ales are performing well; the first half saw the launch of our Spiced Orange and Smoky Ginger Ales to a very positive response across the trade and we remain excited about the longer term opportunity for our ginger range in the US.

It is now a year since we established our wholly owned operations in the US and we have been very pleased with the progress to date. We have a great team in place with over 40 people across the country. We have established a strong route to market, are winning national distribution across both channels and continue to drive the growth of the mixer category. Our marketing and investment remain key areas of focus and the brand is building awareness and recognition with both consumers and the trade.

**Continental Europe**

Europe has delivered a good performance with revenue growth of 13%, representing 14% on a constant currency basis in what is our second largest market. As we have seen in previous years, our weighting between the first half and second half growth can be influenced by the phasing of order fulfillments around the half year and we remain confident of seeing an acceleration in the second half.

We have increased our investment in the region and are seeing the benefits of having our own dedicated Fever-Tree team working closer to our end markets. We have seen a positive performance across a number of our markets with significant new listings secured during the period across both the On and Off-Trade, notably in Spain, France and Germany. Alongside this, we have changed and improved our approach in Germany, transitioning from an importer relationship to an agency arrangement with our local distribution partner. This is a positive step which brings us closer to a market with significant potential in the region.

Whilst well established in a small number of countries, the gin and tonic trend is gathering momentum across much of Europe. Premium gin is in strong growth across many of its markets and we are well positioned to capitalise on and help drive this movement. We also see significant opportunities across other spirits categories, with multiple co-promotional campaigns taking place this year. Meanwhile our Ginger Beer and Ginger Ales are seeing strong growth in Italy, the Netherlands and Germany. We are optimistic about the potential in Europe, not just within our tonic products but also across our wider mixer portfolio and will continue to invest to drive the growth in this region.

**RoW**

The Group delivered sales growth of 49% within the RoW region in the first six months of the year. Australia and Canada saw an acceleration in their growth during the period and are becoming increasingly notable markets for the Group. Within the tonic category we now have a 23% value share in both markets and in each we are driving over two thirds of the category growth.

We have notably increased our personnel resource, adding dedicated senior managers in Australia and Canada. We have also recently appointed an experienced regional director for Asia, a reflection of the significant potential we see within this region over the medium to longer term.

**Financial and Operational**

**Gross margin and operating expenses**

Gross margin of 51.9% is in line with the full year 2018 gross margin; however, as expected it has retracted from the 53.2% gross margin reported in the first half of 2018. A full six months of the pass through of the UK sugar tax had a dilutive impact on our percentage gross margin compared to the first half of 2018. Alongside this, there has been an increase in underlying UK glass costs, as well as increased storage costs arising from elevated levels of inventory in the UK and growing levels of inventory in the USA as we underpin future growth in that region. These factors have been partially mitigated by net positive foreign currency movements, most notably a strengthening dollar, as well as the release of a portion of our German returnable bottle deposit provision following the change to an agency model in that country.

Underlying operating expenses1 were 20.6% of revenue during the period, in line with the first half of 2018 (H1 2018: 20.6%). Within this, whilst we continue to gain efficiencies on our central overheads, we have increased our investment, particularly in Europe and the US, most notably in marketing and staff costs. As a result, the Group generated adjusted EBITDA of £36.7m representing a margin of 31.3% (H1 2018: 32.6%).

**Balance Sheet**

The Group held cash of £104.1m at the period end (H1 2018: £62.5m), following the repayment of £6.1m of bank loans during the first half. Pre-tax operating cash flow in the period was 106% of adjusted EBITDA (H1 2018: 60%). The increase in operating cash flow conversion is a reflection of a reduced level of working capital at period end.

The cash balance and high operating cash flow conversion provides the Group with a strong platform, allowing for the opportunity to increase investment at the appropriate stage whilst also allowing the Group to remain agile and take advantage of opportunities as they arise, providing further advantage over many of our competitors globally.

From 1 January 2019 the Group has adopted IFRS 16. As a result, at period end we are carrying £1.9m of right of use non-current assets on our balance sheet, representing the leased offices in London and New York as well as our leased vehicles. The corresponding lease liability is £2.0m, with £0.6m held in current liabilities and £1.4m held in non-current liabilities.

**Operational review**

Reflecting the Group’s growing global footprint, we have continued to expand our outsourced production capabilities during the period. Alongside this, further progress has also been made in identifying a bottling partner in the US as we look to underpin future growth in that region with a local bottling partner at the appropriate stage.

The Group continues to monitor the potential impact and risks of the UK’s exit from the European Union, including leaving the EU without a deal. Whilst the potential for short term disruption remains, the Group’s increasing European bottling footprint, having added a fourth production partner in the region during the first half of 2019, leaves the Group well placed to respond to and mitigate the potential impacts of the different scenarios under which the UK’s exit from the EU could occur.

**Dividend**

The Directors are pleased to declare an interim dividend of 5.20 pence per share (H1 2018: 4.22 pence per share). The dividend will be paid on 6 September 2019, to shareholders on the register on 9 August 2019.

**Outlook**

We remain well positioned across all our key regions and our broad range of high-quality mixers, global footprint, relationships with key spirits companies and brand strength provide us with confidence in the outlook and the significant global opportunity that lies ahead for the Group. Whilst we remain mindful of the tough comparators over the remainder of the summer in the UK, the Board anticipates that the outcome for the full year will be in line with its expectations.

**Consolidated statement of comprehensive income**

**For the six months ended 30 June 2019**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **Unaudited**  **Six months ended** | **Unaudited**  **Six months ended** | **Audited**  **Year ended** |
|  | **30 June** | **30 June** | **31 December** |
|  |  | **2019** | **2018** | **2018** |
|  | Note | £’000 | £’000 | £’000 |
|  |  |  |  |  |
| **Revenue** | 2 | 117,312.1 | 104,213.1 | 237,449.3 |
|  |  |  |  |  |
| Cost of sales |  | (56,465.3) | (48,746.6) | (114,489.2) |
|  |  |  |  |  |
|  |  |  |  |  |
| **Gross profit** |  | **60,846.8** | **55,466.5** | **122,960.1** |
|  |  |  |  |  |
| Administrative expenses |  | (26,091.2) | (22,872.5) | (47,602.9) |
|  |  |  |  |  |
| **Adjusted EBITDA** |  | **36,693.7** | **33,959.7** | **78,637.6** |
| Depreciation |  | (750.4) | (322.3) | (738.6) |
| Amortisation |  | (360.0) | (360.0) | (720.0) |
| Share based payment charges |  | (827.7) | (683.4) | (1,821.8) |
|  |  |  |  |  |
| **Operating profit** |  | **34,755.6** | **32,594.0** | **75,357.2** |
|  |  |  |  |  |
| **Finance costs** |  |  |  |  |
| Finance income |  | 246.1 | 101.9 | 327.2 |
| Finance expense |  | (51.1) | (43.5) | (107.0) |
|  |  |  |  |  |
|  |  |  |  |  |
| **Profit before tax** |  | **34,950.6** | **32,652.4** | **75,577.4** |
|  |  |  |  |  |
| Tax expense |  | (6,626.5) | (6,188.6) | (13,801.6) |
|  |  |  |  |  |
| **Profit for the year/period** |  | **28,324.1** | **26,463.8** | **61,775.8** |
| ***Items that may be reclassified to profit or loss*** |  |  |  |  |
| Foreign currency translation difference of foreign operations |  | (5.1) | 100.9 | (110.3) |
| **Comprehensive income attributable to equity holders of the parent company** |  | **28,319.0** | **26,564.7** | **61,665.5** |
|  |  |  |  |  |
| **Earnings per share for profit attributable to the owners of the parent during the year** |  |  |  |  |
| Basic (pence) | 4 | 24.39 | 22.91 | 53.38 |
| Diluted (pence) | 4 | 24.30 | 22.72 | 53.19 |
|  |  |  |  |  |

**Consolidated statement of financial position**

**30 June 2019**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **Unaudited**  **30 June** | **Unaudited**  **30 June** | **Audited**  **31 December** |
|  |  | **2019** | **2018** | **2018** |
|  |  | £’000 | £’000 | £’000 |
| **Non-current assets** |  |  |  |  |
| Property, plant and equipment |  | 4,893.7 | 1,908.4 | 2,734.3 |
| Intangible assets |  | 41,330.7 | 42,075.9 | 41,690.7 |
| Deferred tax asset |  | 308.9 | 1,871.4 | - |
| Other financial assets |  | 2,243.2 | - | - |
| **Total non-current assets** |  | **48,776.5** | **45,855.7** | **44,425.0** |
|  |  |  |  |  |
| **Current assets** |  |  |  |  |
| Inventories |  | 30,353.3 | 18,488.8 | 28,322.2 |
| Trade and other receivables |  | 55,489.7 | 67,247.3 | 62,916.1 |
| Cash and cash equivalents |  | 104,096.7 | 62,504.5 | 89,721.1 |
| **Total current assets** |  | **189,939.7** | **148,240.6** | **180,959.4** |
|  |  |  |  |  |
| **Total assets** |  | **238,716.2** | **194,096.3** | **225,384.4** |
|  |  |  |  |  |
| **Current liabilities** |  |  |  |  |
| Trade and other payables |  | (29,921.5) | (32,966.6) | (33,033.2) |
| Loans and borrowings |  | - | (6,075.0) | (6,075.0) |
| Corporation tax liability |  | (5,917.5) | (6,177.8) | (2,607.7) |
| Derivative financial instruments |  | (317.1) | (13.1) | (309.4) |
| Lease liability |  | (568.2) | - | - |
| **Total current liabilities** |  | **(36,724.3)** | **(45,232.5)** | **(42,025.3)** |
|  |  |  |  |  |
| **Non-current liabilities** |  |  |  |  |
| Deferred tax liability |  | - | - | (193.6) |
| Lease liability |  | (1,456.5) | - | - |
| **Total non-current liabilities** |  | **(1,456.5)** | - | **(193.6)** |
|  |  |  |  |  |
| **Total liabilities** |  | **(38,180.8)** | **(45,232.5)** | **(42,218.9)** |
|  |  |  |  |  |
| **Net assets** |  | **200,535.4** | **148,863.8** | **183,165.5** |
|  |  |  |  |  |
| **Equity attributable to equity holders of the company** |  |  |  |  |
| Share capital |  | 290.3 | 288.8 | 290.3 |
| Share premium |  | 54,783.1 | 53,883.9 | 54,769.5 |
| Capital Redemption Reserve |  | 93.2 | 93.2 | 93.2 |
| Translation Reserve |  | (115.4) | 100.9 | (110.3) |
| Retained earnings |  | 145,484.2 | 94,497.0 | 128,122.8 |
|  |  |  |  |  |
| **Total equity** |  | **200,535.4** | **148,863.8** | **183,165.5** |

**Consolidated statement of cash flows**

**For the six months ended 30 June 2019**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Unaudited**  **Six months ended** | **Unaudited**  **Six months ended** | **Audited**  **Year ended** |
| **30 June** | **30 June** | **31 December** |
|  | **2019** | **2018** | **2018** |
|  | £’000 | £’000 | £’000 |
| **Operating activities** |  |  |  |
| Profit before tax | 34,950.6 | 32,652.4 | 75,577.4 |
| Finance expense | 51.1 | 43.5 | 107.0 |
| Finance income | (246.1) | (101.9) | (327.2) |
| Depreciation of property, plant and equipment | 750.4 | 322.3 | 738.6 |
| Amortisation of intangible assets | 360.0 | 360.0 | 720.0 |
| Share based payments | 827.7 | 683.4 | 1,821.8 |
|  | 36,693.7 | 33,959.7 | 78,637.6 |
|  |  |  |  |
| (Increase)/Decrease in trade and other receivables | 7,455.3 | (11,417.4) | (7,301.0) |
| (Increase)/Decrease in inventories | (2,031.1) | (5,253.1) | (16,414.0) |
| Increase/(Decrease) in trade and other payables | (3,111.7) | 3,017.7 | 3,461.9 |
|  | 2,312.5 | (13,652.8) | (20,253.1) |
|  |  |  |  |
| **Cash generated from operations** | **39,006.2** | **20,306.9** | **58,384.5** |
|  |  |  |  |
| Income taxes paid | (3,709.8) | (5,874.8) | (12,744.1) |
|  |  |  |  |
| **Net cash flows from operating activities** | **35,296.4** | **14,432.1** | **45,640.4** |
|  |  |  |  |
| **Investing activities** |  |  |  |
| Purchase of property, plant and equipment | (701.4) | (314.2) | (1,477.3) |
| Interest received | 246.1 | 101.9 | 327.2 |
|  |  |  |  |
| **Net cash used in investing activities** | **(455.3)** | **(212.3)** | **(1,150.1)** |
|  |  |  |  |
| **Financing activities** |  |  |  |
| Interest (paid) | (51.1) | (43.5) | (107.0) |
| Issue of shares | 13.6 | 195.2 | 1,082.2 |
| Dividends paid | (11,937.9) | (8,826.5) | (13,725.2) |
| Repayment of loan | (6,075.0) | - | - |
| Issue of other financial assets | (2,243.2) | - | - |
| Other financing activities | (108.8) | - | - |
|  |  |  |  |
| **Net cash used in financing activities** | **(20,402.4)** | **(8,674.8)** | **(12,750.0)** |
|  |  |  |  |
| Net increase in cash and cash equivalents | 14,438.7 | 5,545.0 | 31,740.3 |
|  |  |  |  |
| Cash and cash equivalents at beginning of period | 89,721.1 | 56,959.5 | 56,959.5 |
| Effect of movements in exchange rates on cash held | (63.1) | **-** | 1,021.3 |
| **Cash and cash equivalents at end of period** | **104,096.7** | **62,504.5** | **89,721.1** |

**Notes to the consolidated financial information**

**For the six months ended 30 June 2019**

1. **Basis of preparation and accounting policies**

The interim financial information has been prepared in accordance with the recognition and measurement requirements of International Financial Reporting Standards (IFRS) and IFRIC interpretations issued by the International Accounting Standards Board (IASB) adopted by the European Union.

The principal accounting policies adopted in the preparation of the interim financial information are unchanged from those applied in the company’s financial statements for the year ended 31 December 2018 except for those relating to IFRS 16 Leases, which is applicable for periods starting on or after 1 January 2019. The accounting policies applied herein are consistent with those expected to be applied in the financial statements for the year ended 31 December 2019.

IFRS 16 has introduced a single, on-balance sheet accounting model for lessees, eliminating the distinction between operating and finance leases. As a result, the Group has recognised a number of right-of-use assets and corresponding lease liabilities. These are included within property, plant and equipment and loans and borrowings respectively on the balance sheet. Right of use assets are initially measured at cost, and subsequently measured at cost less any accumulated depreciation and accumulated impairment losses, if applicable. Lease liabilities are initially measured at the present value of the future lease payments discounted at the incremental borrowing rate specific to that lease. Lease liabilities are subsequently measured at amortised cost using the effective interest rate method.

The Group has applied IFRS 16 using the modified retrospective approach; accordingly, the comparative information presented for 2018 has not been restated – i.e. it is presented, as previously reported, under IAS 17 and related interpretations. The Group applied the practical expedients permitted by IFRS 16 of not recognising right-of-use assets and liabilities for leases with less than 12 months of lease term remaining, and of applying a single discount rate to a portfolio of leases with reasonably similar characteristics.

This report is not prepared in accordance with IAS 34.  The financial information does not constitute statutory accounts within the meaning of section 435 of the Companies Act 2006. Statutory accounts for Fevertree Drinks plc for the year ended 31 December 2018 have been delivered to the Registrar of Companies. The auditor’s report on those accounts was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

Adjusted EBITDA has been calculated consistently with the method applied in the financial statements for the year ended 31 December 2018. Operating profit is adjusted for a number of non-cash items, including amortisation of the Fever-Tree brand intangible acquired in March 2013, depreciation, and the share-based payment charge which recognises the fair value of share options granted. The intention is for adjusted EBITDA to provide a comparable, year on year indicator of underlying trading and operational performance.

1. **Revenue**

An analysis of turnover by geographical market is given below:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Six months ended** | **Six months ended** | **Year ended** |
| **30 June** | **30 June** | **31 December** |
|  | **2019** | **2018** | **2018** |
|  | £’000 | £’000 | £’000 |
|  |  | | |
| United Kingdom | 60,664.5 | 58,042.6 | 134,172.9 |
| United States of America | 19,771.7 | 15,133.1 | 35,769.1 |
| Europe | 29,006.7 | 25,743.6 | 55,516.2 |
| Rest of the World | 7,869.2 | 5,293.8 | 11,991.1 |
|  | 117,312.1 | 104,213.1 | 237,449.3 |

1. **Dividends**

The interim dividend of 5.20 pence per share will be paid on 6 September 2019 to shareholders on the register on 9 August 2019.

1. **Earnings Per Share**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Six months ended** | **Six months ended** | **Year ended** |
| **30 June** | **30 June** | **31 December** |
|  | **2019** | **2018** | **2018** |
|  | £’000 | £’000 | £’000 |
| **Profit** |  |  |  |
| Profit used in calculating basic and diluted EPS | 28,324.1 | 26,463.8 | 61,775.8 |
|  |  |  |  |
| **Number of shares** |  |  |  |
| Weighted average number of shares for the purpose of basic earnings per share | 116,121,648 | 115,494,587 | 115,734,845 |
| Weighted average number of employee share options outstanding | 427,211 | 966,337 | 396,350 |
| Weighted average number of shares for the purpose of diluted earnings per share | 116,548,859 | 116,460,924 | 116,131,195 |
|  |  |  |  |
| Basic earnings per share (pence) | 24.39 | 22.91 | 53.38 |
|  |  |  |  |
| Diluted earnings per share (pence) | 24.30 | 22.72 | 53.19 |

|  |
| --- |
|  |
|  |