

Origin Enterprises plc
INTERIM RESULTS STATEMENT

*Strong first half operating performance across all three segments
despite the challenges of a volatile supply chain*

8 March 2022: Origin Enterprises plc ('Origin' or 'the Group'), the international Agri-Services group, providing specialist agronomy advice, crop inputs and digital agricultural solutions to farmers, growers, landscapers and amenity professionals, announces interim results for the half year ended 31 January 2022 ('H1 2022').

Financial Highlights and Outlook

- Group revenue increased by 53.2% to €877.1 million. On an underlying basis, at constant currency, revenues increased by €275.9 million (48.2%)
- Global feed and fertiliser price inflation represented over 80% of the revenue growth in the half, with increased overall demand driven by a combination of forward buying by farmers and an encouraging autumn/winter planting season
- Operating profit was €11.1 million (*H1 2021: €1.2 million*); the €7.3 million increase in underlying¹ operating profit was driven by significantly improved contributions from all three segments
- Continued high crop prices contributed to positive on-farm sentiment and a favourable mix of cash and credit sales
- Adjusted diluted earnings per share of 4.99 cent (*H1 2021: loss per share of 1.53 cent*)
- Decrease in net bank debt⁵ of €104.6 million to €53.7 million delivered Net Debt/EBITDA ratio reduction from 2.76x to 0.61x
- Interim dividend of 3.15 cent per share (*H1 2021: 3.15 cent per share*)
- Launch of up to €40.0 million share buyback programme
- Encouraging cropping profile across each geography ahead of the H2 growing season
- The Group is well placed to deliver solid growth in earnings for the full year

Strategic and Operating Update

- Completion of the first phase of Cork property disposals, generating cash flow of €19.5 million
- Following an initial temporary suspension of activities, our team in Ukraine has recommenced limited localised operations in areas away from conflict and only when deemed safe to do so
- Continued progress on the Group's 'Nurturing Growth' sustainability framework with the launch of a new Soil Resilience service in UK, building on the commitment to develop science based targets
- Capital Markets Day for analysts and institutional investors scheduled for 10 May 2022 in London

Results Summary

	31 Jan 2022	31 Jan 2021	Change	Constant Currency
	€'000	€'000	€'000	€'000
Group revenue	877,112	572,410	304,702	275,871
Operating profit ²	11,097	1,220	9,877	9,047
Associates and joint venture ³	1,300	785	515	437
Total Group operating profit²	12,397	2,005	10,392	9,484
Finance cost, net	(4,779)	(4,549)	(230)	(47)
Profit/(loss) before tax²	7,618	(2,544)	10,162	9,437
Adjusted diluted earnings/(loss) per share (cent)⁴	4.99	(1.53)	6.52	5.94
Group net bank debt ⁵	53,739	158,339	(104,600)	
Interim dividend per ordinary share (cent)	3.15	3.15	-	

Commenting on the results, Origin Chief Executive Officer, Sean Coyle said:

“The announcement of these results today is completely overshadowed by the terrible events in Ukraine following the Russian invasion. Right across the wider Origin Group we are hugely concerned for our colleagues and have been supporting the safety and wellbeing of our team and their families in the region. We are deeply saddened by the loss of innocent lives and support the strong international response. Thanks to our colleagues in Agrii Polska and Agrii Romania, we have established internal support teams in Poland and Romania to meet colleagues and their families as they cross the border. These teams are in close contact with our Ukrainian colleagues, organising transport, accommodation, food, clothing, medication, and any other support required by the families that are crossing the border. I would like to thank those teams for their generosity, particularly those who have taken colleagues into their own homes.

The Group delivered a strong operating profit result in the first half of the year, driven by strong performances across all three operating segments. While rising fertiliser pricing resulted in a 5% reduction in fertiliser demand in the period, security of product supply is the key focus ahead of peak seasonal demand. The UK and Ireland saw a notable recovery through improved plantings and good early season volumes across our seed and crop protection portfolios. An improved contribution from Continental Europe was driven by early season demand and positive on-farm sentiment. Our Latin American segment delivered a strong underlying performance in both our core portfolio and new controlled-release fertiliser volumes as our CRF plant in Minas Gerais in Brazil successfully managed its first seasonal peak.

Group revenue was €877.1 million for the first half, an increase of 53.2% on a reported basis, reflecting underlying volume growth of 15.0%. We saw price escalation across our full product portfolio, with inflationary pressure most significant for fertiliser, driven by global raw material price increases.

The Group continued to deliver strong cash generation in the period, reducing net debt to €53.7 million at 31 January 2022 compared to €158.3 million at 31 January 2021 and €264.2 million at January 2020. Our strong cashflow and debt reduction has been achieved through a sustained focus on working capital management initiatives across all business units, an improved cash/credit sales mix in the period, the positive cash collection impact of early season demand, and the benefit of €19.5 million generated from the completion of the first phase of the sale of our property in Cork, Ireland.

Although in the seasonally quieter trading period, the Group’s first half performance represents a positive foundation for the full year, with an encouraging cropping profile across each of our geographies. We are conscious of the challenges of price volatility and risk in the supply chain and are taking appropriate actions to mitigate these risks where possible.

Shareholder Returns

As we continue to manage and evaluate balance sheet efficiency, and in light of the Group’s continued progress during the period, we intend to launch a share buyback programme of up to €40.0 million. The buyback programme will commence on 9 March 2022 and may continue until 15 November 2022. In addition, we are pleased to announce an interim dividend of 3.15 cent per share.

Outlook

Aside from the normal weather risk, we are mindful of the price volatility and supply chain risks which could represent a challenge in the second half. However, driven by our first half performance, the Group currently expects to deliver solid growth in earnings for the full year. Consistent with previous years, we will provide an update on full year guidance in Q3.”

ENDS

This announcement contains inside information.

¹ Excluding currency movements and the impact of acquisitions. ² Before amortisation of non-ERP intangible assets and exceptional items.

³ Profit after interest and tax. ⁴ Before amortisation of non-ERP intangible assets, net of related deferred tax (2022: €4.6 million, 2021: €3.4 million) and exceptional items, net of tax (2022: gain of €2.8 million, 2021: charge of €0.4 million). ⁵ Net bank debt excludes IFRS16 Lease liabilities.

Capital Markets Day

The Group will host a Capital Markets Day for analysts and institutional investors on Tuesday, 10 May 2022 in London, between 14:00-17:00 GMT. The event will be hosted at the offices of Numis at 45 Gresham St, EC2V 7BF.

Registration details for Capital Markets Day 2022 are available at the following link: <https://originenterprises.com/capital-markets-day-2022>

Conference Call

Origin will host a live conference call and webcast, for analysts and institutional investors today, 8 March 2022, at 08:30 (Irish/UK time). Dial-in details are set out below for the conference call and the webcast can be accessed on the Group website: www.originenterprises.com. Participants are requested to dial in 5 to 10 minutes prior to the scheduled start time.

Participant access numbers:

Ireland:	Tel: +353 (0)1 506 0650
UK/International:	Tel: +44 (0)844 481 9752
Confirmation Code:	8859099

Replay

A replay of this call will be available for seven days.

Replay Access Code:	8859099
Replay Access Numbers:	
Dublin:	Tel: +353 (0)1 553 8777
UK/International:	Tel: +44 (0)844 571 8951

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About Origin Enterprises plc

Origin Enterprises plc is an international Agri-Services group, providing specialist agronomy advice, crop inputs and digital agricultural solutions to farmers, growers, landscapers and amenity professionals. The Group has leading market positions in Ireland, the United Kingdom, Brazil, Poland, Romania and Ukraine. Origin is listed on the Euronext Growth (Dublin) and AIM markets of the Irish and London Stock Exchanges.

Euronext Growth (Dublin) ticker symbol: OIZ

AIM ticker symbol: OGN

Website: www.originenterprises.com

INTERIM RESULTS STATEMENT

Financial Review – Summary

	6 months ended 31 Jan 2022 €'000	6 months ended 31 Jan 2021 €'000
Group revenue	<u>877,112</u>	<u>572,410</u>
Operating profit ¹	11,097	1,220
Associates and joint venture, net ²	<u>1,300</u>	<u>785</u>
Adjusted Group operating profit¹	<u>12,397</u>	<u>2,005</u>
Finance cost, net	<u>(4,779)</u>	<u>(4,549)</u>
Pre-tax profit/(loss)	<u>7,618</u>	<u>(2,544)</u>
Income tax (charge)/credit	<u>(1,153)</u>	<u>621</u>
Adjusted net profit/(loss)	<u>6,465</u>	<u>(1,923)</u>
Adjusted diluted earnings/(loss) per share (cent)³	<u>4.99</u>	<u>(1.53)</u>
Adjusted net profit reconciliation		
Reported net profit/(loss)	4,625	(5,752)
Amortisation of non-ERP intangible assets	5,387	4,023
Tax on amortisation of non-ERP related intangible assets	(794)	(631)
Exceptional items, net of tax	<u>(2,753)</u>	<u>437</u>
Adjusted net profit/(loss)	<u>6,465</u>	<u>(1,923)</u>
Adjusted diluted earnings/(loss) per share (cent)³	<u>4.99</u>	<u>(1.53)</u>

Origin delivered an adjusted diluted earnings per share³ in H1 2022 of 4.99 cent compared to an adjusted diluted loss per share of 1.53 cent in H1 2021. On a like-for-like basis (excluding the impact of currency movements and acquisitions/disposals) the underlying increase in adjusted diluted earnings per share³ was 4.88 cent.

Group revenue

Group revenue was €877.1 million in H1 2022 compared to €572.4 million in the corresponding period last year, an increase of 53.2%. On an underlying basis at constant currency, revenues increased by €275.9 million (48.2%).

The underlying increase in agronomy services and crop input volumes, excluding crop marketing, was 15.0% in H1 2022 compared to H1 2021 (and 8.9% including crop marketing). While continuing global raw material price increases in fertiliser and feed represented over 80% of the revenue growth in the half, we also witnessed increased demand driven by a combination of forward buying by farmers and an encouraging autumn/winter planting season.

Operating profit¹

Operating profit¹ in H1 2022 was €11.1 million compared to €1.2 million in H1 2021. On an underlying basis at constant currency, the increase in operating profit year-on-year was €7.3 million.

Associates and joint venture²

Origin's share of the profit after interest and taxation from associates and joint venture amounted to €1.3 million, a €0.5 million increase on the prior year.

Net bank debt and financing costs

Net bank debt⁵ at 31 January 2022 was €53.7 million compared with €158.3 million at 31 January 2021, and is 0.61 times EBITDA⁴ for the twelve months to 31 January 2022. The period end net bank debt reduction is principally attributable to a sustained focus on working capital management across all business units, an improved cash/credit sales mix in the period and the positive impact of early season demand. In addition, the Group completed the first phase of the sale of our property portfolio in Cork, Ireland, generating cash flow of €19.5 million. Net finance costs amounted to €4.8 million compared to €4.5 million in the corresponding period last year. The marginal increase in net finance costs in the period reflected higher interest rates across each of the markets in which the Group operates.

At period end our key banking covenants are as follows:

	Banking Covenant	H1 2022 Times	H1 2021 Times	FY 2021 Times
Net debt to EBITDA	Maximum 3.5	0.61	2.76	0.13
EBITDA to net interest	Minimum 3.0	11.10	6.75	10.36

Working capital

Following the seasonal investment in working capital in the period, the net cash outflow from operating activities was €41.5 million (H1 2021: €94.3 million) and there was a decrease in working capital at period end to €58.9 million (H1 2021: €101.2 million). The year-on-year net working capital movement reflects the continued focus on working capital efficiencies across the Group, with increased sales and debtor recoveries, timing of sales and the positive impact of a higher cash sales mix due to strong crop prices.

Sustainability

The Group continues to progress its 'Nurturing Growth' sustainability framework through both environmental and social initiatives. As part of our on-farm 'Green Horizons' initiative, our Agrii operations in the UK launched a new service for farmers and growers dedicated to improving soil health and the sustainability of their systems. Agrii's Soil Resilience Strategy is a new R&D-based soil service that combines physical, chemical, and biological soil assessments with scientific interpretation to develop practical solutions which help farmers and growers to maximise crop potential and become more sustainable.

In addition to strengthening our customer offering, the Group is developing targets aligned to the Science Based Targets initiative, as we continue to progress the implementation of a new environmental management system.

Dividend

We are pleased to announce that an interim dividend of 3.15 cent per share (H1 2021: 3.15 cent per share) will be paid on 24 June 2022 to shareholders on the register on 6 June 2022.

Share Buyback Programme

Origin is launching a share buyback programme to repurchase up to €40.0 million of ordinary shares. The programme will commence on 9 March 2022 and may continue until 15 November 2022 subject to market conditions, the ongoing capital requirements of the business and termination provisions customary for arrangements of this nature. The purpose of the share buyback programme is to reduce the share capital of the Company and the repurchased Ordinary Shares will be held in treasury pending their cancellation or re-issue in due course.

- ¹ *Operating profit/(loss) and Group operating profit/(loss) are stated before amortisation of non-ERP intangible assets and exceptional items*
- ² *Profit after interest and tax*
- ³ *Before amortisation of non-ERP intangible assets, net of related deferred tax (2022: €4.6 million, 2021: €3.4 million) and exceptional items, net of tax (2022: gain of €2.8 million, 2021: charge of €0.4 million)*
- ⁴ *Net debt/EBITDA ratio as per the requirements of the Group's syndicated bank loan agreement*
- ⁵ *Net bank debt excludes IFRS16 Lease liabilities*

Review of Operations

Group Overview

	H1 2022 €'m	H1 2021 €'m	Change on prior period		Constant Currency ⁵ €'m
			Change €'m	Underlying ⁴ €'m	
Revenue	877.1	572.4	304.7	271.2	275.9
Operating profit / (loss) ¹	11.1	1.2	9.9	7.3	9.0
Associates and joint venture ²	1.3	0.8	0.5	0.4	0.4
Adjusted diluted EPS (cent) ³	4.99	(1.53)	6.52	4.88	5.94

¹ Before amortisation of non-ERP intangible assets and exceptional items
² Profit after interest and tax
³ Before amortisation of non-ERP intangible assets, net of related deferred tax (2022: €4.6 million, 2021: €3.4 million) and exceptional items, net of tax (2022: gain of €2.8 million, 2021: charge of €0.4 million)
⁴ Excluding currency movements and the impact of acquisitions/disposals
⁵ Excluding currency movements

Origin's recovery continued in the first half of the year delivering a strong financial performance primarily driven by good early season crop protection and seed volumes. Group revenue increased by 53.2% to €877.1 million on a reported basis and by 48.2% on a constant currency basis. Operating profit and adjusted fully diluted earnings per share grew to €11.1 million and 4.99 cent, respectively. This performance was supported by a positive planting profile across our geographies with good crop establishment to date. In addition, rising global fertiliser markets, while delivering strong pricing led revenue growth, have had a modest impact on demand.

Ireland and the United Kingdom

	H1 2022 €'m	H1 2021 €'m	Change on prior period		Constant Currency ⁴ €'m
			Change €'m	Underlying ³ €'m	
Revenue	561.7	344.5	217.2	172.8	187.2
Operating profit/(loss) ¹	3.2	(2.7)	5.9	3.3	5.0
Associates and joint venture ²	1.3	0.8	0.5	0.4	0.4

¹ Before amortisation of non-ERP intangible assets and exceptional items
² Profit after interest and tax
³ Excluding currency movements and the impact of acquisitions
⁴ Excluding currency movements

Ireland and the United Kingdom recorded increased revenues and contribution reflecting a recovery in performance in H1 2022.

The increase in revenues and profitability in the period largely reflects improved plantings and good early season volumes across our seed and crop protection portfolios. The rising fertiliser price environment resulted in a modest reduction in overall demand, with security of product supply the key focus ahead of the peak application period. On an underlying basis, at constant currency, there was a €3.3 million increase in operating profit. The increase in underlying business volumes of 10.1% was primarily driven by crop protection, feed and seed volumes.

Integrated On-Farm Agronomy Services

Integrated On-Farm Agronomy Services recorded increased revenues and contribution in the period. The increase in crop input volumes was supported by favourable in-field conditions, with encouraging levels of winter plantings, which are more input intensive than crops drilled in spring. By comparison H1 2021 volumes were weaker due to a delayed harvest and increased levels of carry over stock on-farm. Farm sentiment is generally positive, however increasing input prices and product availability may temper this in the seasonally important second half.

Total autumn and winter plantings for principal crops are estimated to be 7.2% ahead of last year at 2.6 million hectares. The area of winter wheat is estimated to be up 6.7% to 1.8 million hectares (1.7 million hectares in FY 2021) and oil seed rape up 19.0% to 0.4 million hectares (0.3 million hectares in FY 2021).

Total autumn, winter and spring plantings for the 2022 growing season are forecast to be 1.4% ahead of last year, at 4.3 million hectares. To date, mild weather conditions across the UK has resulted in good crop establishment, with crops in some areas more developed than normal as a result.

During the period, the Group enhanced our near market R&D capabilities through the acquisition of Envirofield Limited in the UK, an expert independent field-trials company specialising in agricultural and environmental research.

Digital Agricultural Services

Digital Agricultural Services continues to develop the Group's capabilities in precision farming and digital agronomy. Accelerating data-driven activities centres on benchmarking and outcome-based farm and field evidence. An exclusive partnership was agreed during the period to provide radar-based cloud-free imagery in the Group's markets from this spring. This is an industry first and will provide arable farmers a substantial advantage in sustainably optimising yield and input use.

Over 1.8 million active hectares are currently in the Group's digital platform at the end of H1 2022, an increase of 26% compared to H1 2021 (1.4 million hectares).

The priority for RHIZA, the Group's digital agronomy and precision farming operation, is strengthening in-field insights and decision-making, enhancing user functionality, and aligning Group technology to core business operations.

Business-to-Business Agri-Inputs

Our Business-to-Business Agri-Inputs division continued to recover from challenging prior year trading conditions, delivering a strong start to the financial year.

Fertiliser

While fertiliser had a reasonable result in the period, with revenue growth driven by global raw material inflation, there was a negative impact on overall demand in the period. The continuing inflationary environment for global fertiliser prices in the period was a result of increased global raw material prices and supply chain challenges. With energy prices remaining elevated and general inflationary and supply chain challenges likely to persist, we expect product availability and pricing to remain the key headwinds for H2 trading.

In addition to ensuring product availability for the important seasonal application period, the Group continues to focus on growing its speciality and bespoke nutrition product ranges.

Feed Ingredients

Feed Ingredients achieved an improved performance in H1 2022, recording higher volumes compared to H1 2021. This contribution was delivered in an inflationary environment and follows the challenging trading and operating environment experienced in FY 2021.

The Group's animal feed manufacturing associate, John Thompson & Sons Limited, in which the Group has a 50% shareholding, delivered a satisfactory performance in the period.

Amenity

The Group's Amenity business delivered an improved performance in the period, continuing the positive momentum from the first quarter. The integration of Green-tech, the UK's leading manufacturer and distributor of landscaping, forestry and ground maintenance equipment, has progressed to plan and is performing ahead of expectations.

Continental Europe¹

			Change on prior period		
	H1 2022 €'m	H1 2021 €'m	Change €'m	Underlying ³ €'m	Constant Currency ⁴ €'m
Revenue	182.1	122.4	59.7	69.9	60.1
Operating profit ²	1.1	0.1	1.0	1.2	1.2

¹ Excluding crop marketing. While crop marketing has a significant impact on revenue, its impact on operating profit is insignificant. An analysis of revenue and profit attributable to agronomy services and inputs more accurately reflects the underlying drivers of business performance

² Before amortisation of non-ERP intangible assets and exceptional items

³ Excluding currency movements and the impact of acquisitions

⁴ Excluding currency movements

Continental Europe recorded a €1.2 million increase in underlying operating profit in the seasonally quieter first half. Underlying business volumes increased by 18.7% in H1 2022, compared to H1 2021. There was an encouraging start to the year in each of our geographies, some of which is due to early season demand as a result of product supply and further input price inflation concerns. Overall, the autumn and winter planted area is expected to reduce marginally across our CE markets.

Poland

Poland delivered a strong contribution with increased volumes and margins across the business.

Autumn and winter plantings are forecasted to be broadly in line with FY 2021 at 5.1 million hectares. To date, mild weather has resulted in little winter damage to crops. Crop establishment is generally good across Poland except for some localised areas of oil seed rape where establishment is poor, due to unfavourable weather conditions.

The total cropping area for the 2022 growing season is expected to be broadly equivalent to last year at 8.8 million hectares. Farm sentiment is generally positive yet tempered by the impact of increasing fertiliser prices.

Romania

Romania had an improved start to the year, recording underlying business volume growth and an increased contribution in H1 2022.

Mild weather across most of Romania resulted in good winter crop establishment, with autumn and winter plantings expected to be 7.9% ahead of the prior year at 3.1 million hectares. Combined winter and spring plantings for the growing season are currently forecasted to be 0.9% ahead of last year at 8.4 million hectares.

Crop protection and fertiliser price inflation resulted in early purchasing decisions on-farm. General farm sentiment, while overall positive, is impacted by price uncertainty across a range of inputs.

Ukraine

Ukraine delivered a satisfactory result in the period in line with expectations. Overall crop establishment in the period is solid, with sufficient snow cover in place to limit crop damage.

Total autumn and winter plantings are anticipated to be 4.6% behind last year at 8.4 million hectares. This represents a more normalised level of plantings for autumn and winter. Given the uncertain conditions in Ukraine it is too early to estimate the impact on expected spring planting levels.

Following an initial temporary suspension of activities, our team in Ukraine has recommenced limited localised operations in areas away from conflict and only when deemed safe to do so. The Group's top priority is the safety and wellbeing of our colleagues and doing everything possible to support them and their families through this difficult time.

In the last two years the Group has undertaken a significant de-risking of the balance sheet in Ukraine through a sustained focus on working capital reduction. Ukraine does not represent a material contribution to overall Group profit.

Latin America

	H1 2022 €'m	H1 2021 €'m	Change on prior period		
			Change €'m	Underlying ³ €'m	Constant Currency ⁴ €'m
Revenue	44.5	21.6	22.9	21.9	21.9
Operating profit ¹	6.7	3.9	2.8	2.7	2.7

¹ Before amortisation of non-ERP intangible assets and exceptional items

² Profit after interest and tax

³ Excluding currency movements and the impact of acquisitions/disposals

⁴ Excluding currency movements

Latin America delivered a strong performance in the period, recording an underlying increase in agronomy services and crop input volumes of 72.7%. The volume development and underlying growth is driven by increases in our core product range and a significant increase in controlled release fertiliser sales following the completion of the Group's new production facility in Minas Gerais in the second half of FY 2021.

Operating profit increased to €6.7 million from €3.9 million in the comparative period last year, with an underlying increase of €2.7 million.

The total cropping area dedicated to soya, Brazil's principal crop, is expected to increase by 4.4% on the prior year to 40.6 million hectares. However, despite the encouraging planting in the period, adverse weather conditions have resulted in the expected soya harvest reducing to 122.8 million tonnes from the 145.7 million tonnes initially forecasted. The harvest for maize, Brazil's secondary crop, is also expected to reduce to 21.5 million tonnes from the 29.0 million tonnes initially forecasted.

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Origin Enterprises plc

Condensed Interim Consolidated Income Statement

for the six months ended 31 January 2022

	Notes	Six months ended January 2022 Pre-exceptional €'000	Six months ended January 2022 Exceptional €'000 Note 6	Six months ended January 2022 Total €'000	Six months ended January 2021 Total €'000 Note 8	Year ended July 2021 Total €'000 Note 8
Revenue	5	877,112	-	877,112	572,410	1,658,367
Cost of sales		(748,886)	-	(748,886)	(495,559)	(1,412,936)
Gross profit		128,226	-	128,226	76,851	245,431
Operating costs		(122,516)	3,794	(118,722)	(80,179)	(191,495)
Share of profit of associates and joint venture		1,300	-	1,300	785	2,438
Operating profit/(loss)	5	7,010	3,794	10,804	(2,543)	56,374
Finance income		664	-	664	511	795
Finance expense		(5,443)	-	(5,443)	(5,060)	(9,347)
Profit/(loss) before income tax		2,231	3,794	6,025	(7,092)	47,822
Income tax (expense)/credit		(359)	(1,041)	(1,400)	1,340	(9,590)
Profit/(loss) attributable to equity shareholders		1,872	2,753	4,625	(5,752)	38,232
				Six months ended January 2022	Six months ended January 2021	Year ended July 2021
Basic earnings/(loss) per share	7			3.68c	(4.58c)	30.44c
Diluted earnings/(loss) per share	7			3.57c	(4.58c)	29.74c

Origin Enterprises plc

Condensed Interim Consolidated Statement of Comprehensive Income for the six months ended 31 January 2022

	Six months ended January 2022 €'000	Six months ended January 2021 €'000	Year ended July 2021 €'000
Profit/(loss) for the period	4,625	(5,752)	38,232
Other comprehensive income/(expense)			
Items that are not reclassified subsequently to the Group income statement:			
<i>Group/Associate defined benefit pension obligations</i>			
- remeasurements of Group's defined benefit pension schemes	3,790	3,294	4,653
- deferred tax effect of remeasurements	(961)	(569)	(1,112)
- share of remeasurements on associate's defined benefit pension schemes	-	-	2,438
- share of deferred tax effect of remeasurements – associates	-	-	(610)
Items that may be reclassified subsequently to the Group income statement:			
<i>Group foreign exchange translation details</i>			
- exchange difference on translation of foreign operations	4,335	(1,772)	6,840
<i>Group/Associate cash flow hedges</i>			
- effective portion of changes in fair value of cash flow hedges	3,125	(1,403)	(520)
- fair value of cash flow hedges transferred to operating costs	(200)	1,904	2,651
- deferred tax effect of cash flow hedges	(332)	(78)	(299)
- share of associates and joint venture cash flow hedges	1,619	(1,632)	1,166
- deferred tax effect of share of associates and joint venture cash flow hedges	(202)	204	(146)
Other comprehensive income/(expense) for the period, net of tax	11,174	(52)	15,061
Total comprehensive income/(expense) for the period attributable to equity shareholders	15,799	(5,804)	53,293

Origin Enterprises plc

Condensed Interim Consolidated Statement of Financial Position

as at 31 January 2022

	Notes	January 2022 €'000	January 2021 €'000	July 2021 €'000
ASSETS				
Non-current assets				
Property, plant and equipment	9	109,350	108,760	104,528
Right of use asset		46,403	43,158	45,177
Investment properties		2,270	2,270	2,270
Goodwill and intangible assets	10	251,216	234,492	248,445
Investments in associates and joint venture	11	43,141	36,177	42,774
Other financial assets		566	531	552
Derivative financial instruments		1,440	-	-
Deferred tax assets		6,010	6,198	6,185
Post employment benefit surplus		10,088	3,896	5,939
		<hr/>	<hr/>	<hr/>
Total non-current assets		470,484	435,482	455,870
		<hr/>	<hr/>	<hr/>
Current assets				
Properties held for sale		5,800	24,200	24,200
Inventory		366,441	251,059	214,221
Trade and other receivables		347,196	286,042	434,614
Derivative financial instruments		2,195	67	224
Cash and cash equivalents	13	143,278	106,455	168,660
		<hr/>	<hr/>	<hr/>
Total current assets		864,910	667,823	841,919
		<hr/>	<hr/>	<hr/>
TOTAL ASSETS		1,335,394	1,103,305	1,297,789
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Origin Enterprises plc

Condensed Interim Consolidated Statement of Financial Position *(continued)*

as at 31 January 2022

	Notes	January 2022 €'000	January 2021 €'000	July 2021 €'000
EQUITY				
Called up share capital presented as equity	14	1,264	1,264	1,264
Share premium		160,521	160,498	160,498
Retained earnings and other reserves		206,420	144,030	199,243
TOTAL EQUITY		368,205	305,792	361,005
LIABILITIES				
Non-current liabilities				
Interest-bearing borrowings	13	185,506	225,835	140,184
Lease liability	13	34,487	34,341	36,226
Deferred tax liabilities		22,315	19,101	21,161
Put option liability		25,286	21,302	24,138
Provision for liabilities	12	1,479	1,532	1,445
Derivative financial instruments		2	728	323
Total non-current liabilities		269,075	302,839	223,477
Current liabilities				
Interest-bearing borrowings	13	11,511	38,959	42,882
Lease liability	13	12,859	9,911	9,910
Trade and other payables		654,712	435,854	645,924
Corporation tax payable		5,256	7,421	11,841
Provision for liabilities	12	2,540	1,096	2,014
Dividend payable to shareholders	15	9,860	-	-
Derivative financial instruments		1,376	1,433	736
Total current liabilities		698,114	494,674	713,307
TOTAL LIABILITIES		967,189	797,513	936,784
TOTAL EQUITY AND LIABILITIES		1,335,394	1,103,305	1,297,789

Origin Enterprises plc

Condensed Interim Consolidated Statement of Changes in Equity

for the six months ended 31 January 2022

	Share capital €'000	Share premium €'000	Treasury shares €'000	Capital redemption reserve €'000	Cashflow hedge reserve €'000	Revaluation reserve €'000	Share-based payment reserve €'000	Re-organisation reserve €'000	Foreign currency translation reserve €'000	Retained earnings €'000	Total €'000
At 1 August 2021	1,264	160,498	(8)	134	(1,858)	12,843	2,147	(196,884)	(53,336)	436,205	361,005
Profit for the period	-	-	-	-	-	-	-	-	-	4,625	4,625
Other comprehensive income for the period	-	-	-	-	4,010	-	-	-	4,335	2,829	11,174
Share-based payment charge	-	-	-	-	-	-	2,143	-	-	-	2,143
Change in fair value of put option	-	-	-	-	-	-	-	-	-	(905)	(905)
Shares issued	-	23	-	-	-	-	-	-	-	-	23
Dividend payable to shareholders (Note 15)	-	-	-	-	-	-	-	-	-	(9,860)	(9,860)
At 31 January 2022	1,264	160,521	(8)	134	2,152	12,843	4,290	(196,884)	(49,001)	432,894	368,205

Origin Enterprises plc

Condensed Interim Consolidated Statement of Changes in Equity

for the six months ended 31 January 2021

	Share capital €'000	Share premium €'000	Treasury shares €'000	Capital redemption reserve €'000	Cashflow hedge reserve €'000	Revaluation reserve €'000	Share-based payment reserve €'000	Re-organisation reserve €'000	Foreign currency translation reserve €'000	Retained earnings €'000	Total €'000
At 1 August 2020	1,264	160,498	(8)	134	(4,710)	12,843	1,131	(196,884)	(60,176)	398,234	312,326
Loss for the period	-	-	-	-	-	-	-	-	-	(5,752)	(5,752)
Other comprehensive expense for the period	-	-	-	-	(1,005)	-	-	-	(1,772)	2,725	(52)
Share-based payment charge	-	-	-	-	-	-	90	-	-	-	90
Change in fair value of put option	-	-	-	-	-	-	-	-	-	(820)	(820)
At 31 January 2021	1,264	160,498	(8)	134	(5,715)	12,843	1,221	(196,884)	(61,948)	394,387	305,792

Origin Enterprises plc

Condensed Interim Consolidated Statement of Cash Flows for the six months ended 31 January 2022

	Six months ended January 2022 €'000	Six months ended January 2021 €'000	Year ended July 2021 €'000
Cash flows from operating activities			
Profit/(loss) before tax	6,025	(7,092)	47,822
Exceptional items	(3,794)	525	(1,103)
Finance income	(664)	(511)	(795)
Finance expense	5,443	5,060	9,347
Profit on disposal of property, plant and equipment	(140)	(306)	(434)
Share of profit of associates and joint venture	(1,300)	(785)	(2,841)
Depreciation of property, plant and equipment	4,474	3,958	8,176
Depreciation of right of use assets	5,305	5,253	10,913
Amortisation of intangible assets	6,085	5,111	12,162
Employee share-based payment charge	2,143	90	1,016
Pension contributions in excess of service costs	(224)	(226)	(790)
Payment of exceptional rationalisation/ pension related costs	-	(962)	(1,207)
Payment of exceptional disposal costs	-	-	(344)
Payment of exceptional acquisition costs	-	-	(253)
	<hr/>	<hr/>	<hr/>
Operating cash flow before changes in working capital	23,353	10,115	81,669
(Increase) in inventory	(147,745)	(61,722)	(20,857)
Decrease/(increase) in trade and other receivables	90,311	119,208	(17,983)
Increase/(decrease) in trade and other payables	4,294	(156,117)	34,886
	<hr/>	<hr/>	<hr/>
Cash (absorbed)/generated from operating activities	(29,787)	(88,516)	77,715
Interest paid	(2,995)	(2,157)	(5,755)
Income tax paid	(8,690)	(3,611)	(10,073)
	<hr/>	<hr/>	<hr/>
Cash (outflow)/inflow from operating activities	(41,472)	(94,284)	61,887
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Origin Enterprises plc

Condensed Interim Consolidated Statement of Cash Flows *(continued)* for the six months ended 31 January 2022

	Six months ended January 2022 €'000	Six months ended January 2021 €'000	Year ended July 2021 €'000
Cash flows from investing activities			
Proceeds from sale of investment property	19,500	2,900	2,900
Deposits received in advance for properties held-for-sale	-	-	3,000
Proceeds from sale of property, plant and equipment	209	587	2,842
Purchase of property, plant and equipment	(8,031)	(3,512)	(8,155)
Additions to intangible assets	(4,804)	(4,522)	(10,073)
Consideration relating to acquisition	-	-	(9,175)
Payment of contingent acquisition consideration	-	(1,655)	(1,844)
Net proceeds from disposal of subsidiary	-	-	15,249
Loan repayment with associate	2,700	56	56
Dividends received from associates	2,918	4,197	4,468
	<hr/>	<hr/>	<hr/>
Cash inflow/(outflow) from investing activities	12,492	(1,949)	(732)
	<hr/>	<hr/>	<hr/>
Cash flows from financing activities			
Drawdown of bank loans	171,493	109,841	137,665
Repayment of bank loans	(161,187)	(57,235)	(180,065)
Lease liability payments	(5,882)	(5,982)	(12,553)
Share issued	23	-	-
Payment of dividends to equity shareholders	-	-	(3,956)
	<hr/>	<hr/>	<hr/>
Cash inflow/(outflow) from financing activities	4,447	46,624	(58,909)
	<hr/>	<hr/>	<hr/>
Net (decrease)/ increase in cash and cash equivalents	(24,533)	(49,609)	2,246
Translation adjustment	522	665	856
Cash and cash equivalents at start of period	155,778	152,676	152,676
	<hr/>	<hr/>	<hr/>
Cash and cash equivalents at end of period (Note 13)	131,767	103,732	155,778
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Origin Enterprises plc

Notes to the Condensed Interim Consolidated Financial Statements

for the six months ended 31 January 2022

1 Basis of preparation

The Group condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (IAS 34), as endorsed by the EU. The condensed interim consolidated financial statements have been prepared as information for the shareholders and do not include all the information and disclosures required in the annual financial statements. They should be read in conjunction with the Group's annual financial statements in respect of the year ended 31 July 2021, which have been prepared in accordance with IFRSs. The financial statements for the year ended 31 July 2021 are available on the company's website www.originenterprises.com. Those financial statements contained an unqualified audit report.

The Group condensed interim consolidated financial statements for the six months ended 31 January 2022 and the comparative figures for the six months ended 31 January 2021 are unaudited and have not been reviewed by the Auditors. The summary financial statements for the year ended 31 July 2021 represent an abbreviated version of the Group's full accounts for that year.

A comprehensive review of the Group's performance for the six months ended 31 January 2022 is included in the financial highlights included on pages 5 to 12. The group's business is seasonal and is heavily weighted towards the second half of the financial year.

2 Going concern

The Group condensed interim financial statements have been prepared on the going concern basis of accounting. The Directors have considered the Group's business activities and how it generates value, together with the main trends and factors likely to affect future development, business performance and position of the Group including the impact of the current COVID-19 pandemic. Having reassessed the principal risks facing the Group, the Directors believe that the Group is well placed to manage these risks successfully. There are no material uncertainties that cast a significant doubt on the Group's ability to continue as a going concern over a period of at least 12 months from the date of these financial statements.

The Directors report that they have satisfied themselves that the Group is a going concern, having adequate resources to continue in operational existence for the foreseeable future. In forming this view, the Directors have reviewed the Group's forecast for a period not less than 12 months and the long-term plans, and have taken into account the cash flow implications, including capital expenditure, and compared these with the Group's borrowing facilities.

3 Accounting policies

The Group condensed interim consolidated financial statements have been prepared on the basis of the accounting policies as set out on pages 115 to 122 of the Group's Annual Report for the year ended 31 July 2021.

There are a number of new standards which are also effective from 1 August 2021. The following amendments, issued by the International Accounting Standards Board ('IASB') and the International Financial Reporting Interpretations Committee ('IFRIC'), are effective for the Group for the first time in the current financial period and where relevant have been adopted by the Group:

- Amendments to IFRS 9 '*Financial instruments*', IAS 39 '*Financial instruments: Recognition and measurement*', IFRS 7 '*Financial instruments: Disclosures*', IFRS 4 '*Insurance contracts*' and IFRS 16 '*Leases*' – Interest Rate Benchmark Reform (phase 2);
- Amendments to '*IFRS 16 Leases*' – COVID-19-Related Rent Concessions beyond 30 June 2021

Adoption of the standards above has had no material impact on the Group condensed interim consolidated financial statements during the period. The Group has not applied early adoption of any standards for which the effective date is not yet required.

Origin Enterprises plc

Notes to the Condensed Interim Consolidated Financial Statements *(continued)* for the six months ended 31 January 2022

4 Reporting currency

The Group condensed interim consolidated financial statements are presented in euro (denoted by the symbol '€') and rounded to the nearest thousand, which is the functional currency of the parent. Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the period end date are translated to functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Consolidated Income Statement.

The principal exchange rates used for translation of results and balance sheets into euro were as follows:

	Average foreign exchange rate			Closing foreign exchange rate		
	Six months ended	Six months ended	Year ended	Six months ended	Six months ended	Year ended
	Jan 2022	Jan 2021	July 2021	Jan 2022	Jan 2021	July 2021
	EUR €1=	EUR €1=	EUR €1=	EUR €1=	EUR €1=	EUR €1=
Brazilian Real	6.28886	6.42944	6.42318	5.99755	6.59468	6.04689
British Pound Sterling	0.84837	0.90251	0.88236	0.83140	0.88520	0.85210
Polish Zloty	4.59089	4.49292	4.51804	4.59630	4.53460	4.57610
Romanian Leu	4.94416	4.86466	4.90469	4.94910	4.87990	4.92350
Ukrainian Hryvnia	31.13084	33.52279	33.31493	31.91121	33.91050	31.90228

5 Segment information

IFRS 8, 'Operating Segments', requires operating segments to be identified on the basis of internal reports that are regularly reviewed by the Chief Operating Decision Maker ('CODM') in order to allocate resources to the segments and to assess their performance. Three operating segments have been identified: (1) Ireland and the United Kingdom, (2) Continental Europe and (3) Latin America.

Ireland and the United Kingdom

This segment includes the Group's wholly owned Irish and UK based Business-to-Business Agri-Inputs operations, Integrated Agronomy and On-Farm Services operations and Digital Agricultural Services business. In addition, this segment includes the Group's Associate and joint venture undertakings.

Continental Europe

This segment includes the Group's Business-to-Business Agri-Inputs operations, Integrated Agronomy and On-Farm Services operations in Poland, Romania and Ukraine.

Latin America

This segment includes the Group's 65 per cent controlling interest in the Brazilian based speciality nutrition and crop inputs business, Fortgreen Commercial Agricola Ltda.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment operating profit as included in the internal management reports that are reviewed by the Group's CODM, being the Origin Executive Directors. Segment operating profit is used to measure performance, as this information is the most relevant in evaluating the results of the Group's segments.

Origin Enterprises plc

Notes to the Condensed Interim Consolidated Financial Statements *(continued)* for the six months ended 31 January 2022

5 Segment information (continued)

	Ireland & UK		Continental Europe		Latin America		Total Group	
	Six months ended Jan 2022 €'000	Six months ended Jan 2021 €'000	Six months ended Jan 2022 €'000	Six months ended Jan 2021 €'000	Six months ended Jan 2022 €'000	Six months ended Jan 2021 €'000	Six months ended Jan 2022 €'000	Six months ended Jan 2021 €'000
Total revenue	764,083	500,211	270,900	206,351	44,492	21,596	1,079,475	728,158
Less revenue from associates and joint venture	(202,363)	(155,748)	-	-	-	-	(202,363)	(155,748)
Revenue	561,720	344,463	270,900	206,351	44,492	21,596	877,112	572,410
Segment result	3,205	(2,688)	1,145	41	6,747	3,867	11,097	1,220
Profit from associates and joint venture	1,300	785	-	-	-	-	1,300	785
Amortisation of non-ERP intangible assets	(3,742)	(2,394)	(753)	(757)	(892)	(872)	(5,387)	(4,023)
Operating profit /(loss) before exceptional items	763	(4,297)	392	(716)	5,855	2,995	7,010	(2,018)
Exceptional items	3,794	(525)	-	-	-	-	3,794	(525)
Operating profit/(loss)	4,557	(4,822)	392	(716)	5,855	2,995	10,804	(2,543)
Segment earnings before financing and tax							10,804	(2,543)
Finance income							664	511
Finance expense							(5,443)	(5,060)
Reported profit/(loss) before tax							6,025	(7,092)
Income tax (expense)/credit							(1,400)	1,340
Reported profit/(loss) after tax							4,625	(5,752)

Origin Enterprises plc

Notes to the Condensed Interim Consolidated Financial Statements *(continued)* for the six months ended 31 January 2022

5 Segment information (continued)

(ii) Segment assets

	Ireland & UK		Continental Europe		Latin America		Total Group	
	Six months ended Jan 2022 €'000	Six months ended Jan 2021 €'000	Six months ended Jan 2022 €'000	Six months ended Jan 2021 €'000	Six months ended Jan 2022 €'000	Six months ended Jan 2021 €'000	Six months ended Jan 2022 €'000	Six months ended Jan 2021 €'000
Assets excluding investment in associates and joint venture	738,766	528,166	286,399	327,041	113,599	98,670	1,138,764	953,877
Investment in associates and joint venture (including other financial assets)	43,707	36,708	-	-	-	-	43,707	36,708
Segment assets	782,473	564,874	286,399	327,041	113,599	98,670	1,182,471	990,585

Reconciliation to total assets as reported in Condensed Interim Consolidated Statement of Financial Position

Cash and cash equivalents							143,278	106,455
Derivative financial instruments							3,635	67
Deferred tax assets							6,010	6,198
Total assets as reported in Condensed Interim Consolidated Statement of Financial Position							1,335,394	1,103,305

(iii) Segment liabilities

	Ireland & UK		Continental Europe		Latin America		Total Group	
	Six months ended Jan 2022 €'000	Six months ended Jan 2021 €'000	Six months ended Jan 2022 €'000	Six months ended Jan 2021 €'000	Six months ended Jan 2022 €'000	Six months ended Jan 2021 €'000	Six months ended Jan 2022 €'000	Six months ended Jan 2021 €'000
Segment liabilities	470,583	294,111	212,276	174,776	48,504	35,149	731,363	504,036

Reconciliation of total liabilities as reported in Condensed Interim Consolidated Statement of Financial Position

Interest-bearing loans							197,017	264,794
Derivative financial instruments							1,378	2,161
Derivative financial instruments							9,860	-
Current and deferred tax liabilities							27,571	26,522
Total liabilities as reported in Condensed Interim Consolidated Statement of Financial Position							967,189	797,513

Origin Enterprises plc

Notes to the Condensed Interim Consolidated Financial Statements *(continued)* for the six months ended 31 January 2022

6 Exceptional items

Exceptional items are those that, in management's judgement, should be separately presented and disclosed by virtue of their nature or amount. Such items are included within the consolidated income statement caption to which they relate. The following exceptional items arose during the year:

	Six months ended January 2022 €'000	Six months ended January 2021 €'000
Gain on disposal of held for sale properties (i)	3,794	-
Pension and rationalisation related costs (ii)	-	(525)
Total exceptional credit/ (charge) before tax	3,794	(525)
Tax (charge)/credit on exceptional items	(1,041)	88
Total exceptional credit/ (charge) after tax	2,753	(437)

(i) Gain on disposal of held for sale properties

Following the disposal of held for sale properties held by the Group, a pre-tax disposal gain of €3.8 million was recorded.

	€'000
Carrying value of investment properties	18,400
Disposal costs	306
	<u>18,706</u>
Consideration received	(19,500)
Deposits received in advance	(3,000)
Gain on disposal of held for sale properties	<u>3,794</u>

The tax impact of this exceptional item in the current year was a tax charge of €1.0 million.

(ii) Pension and rationalisation related costs

Rationalisation costs in the prior year related to termination payments from restructuring programmes across the Group. The tax impact of this exceptional item in the prior year was a tax credit of €0.1 million.

Origin Enterprises plc

Notes to the Condensed Interim Consolidated Financial Statements *(continued)* for the six months ended 31 January 2022

7 Earnings/(loss) per share

Basic earnings/(loss) per share

	Six months ended January 2022 €'000	Six months ended January 2021 €'000
Profit/(loss) for the financial period attributable to equity shareholders	<u>4,625</u>	<u>(5,752)</u>
	'000	'000
Weighted average number of ordinary shares for the period	<u>125,602</u>	<u>125,596</u>
	Cent	Cent
Basic earnings/(loss) per share	<u>3.68</u>	<u>(4.58)</u>

Diluted earnings/(loss) per share

	Six months ended January 2022 €'000	Six months ended January 2021 €'000
Profit/(loss) for the financial period attributable to equity shareholders	<u>4,625</u>	<u>(5,752)</u>
	'000	'000
Weighted average number of ordinary shares used in basic calculation	125,602	125,596
Potential impact of shares with dilutive effect (1)	2,000	1,402
Potential impact of SAYE scheme with dilutive effect (1)	<u>1,929</u>	<u>1,901</u>
Weighted average number of ordinary shares (diluted) for the period	<u>129,531</u>	<u>128,899</u>
	Cent	Cent
Diluted earnings/(loss) per share	<u>3.57</u>	<u>(4.58)</u>

(1) In the prior year, the impact from potential shares are anti-dilutive for earnings per share.

Origin Enterprises plc

Notes to the Condensed Interim Consolidated Financial Statements *(continued)* for the six months ended 31 January 2022

7 Earnings/(loss) per share (continued)

Adjusted basic earnings/(loss) per share	Six months ended January 2022 €'000	Six months ended January 2021 €'000
Profit/(loss) for the financial period attributable to equity shareholders	4,625	(5,752)
Amortisation of non-ERP related intangible assets	5,387	4,023
Tax on amortisation of non-ERP related intangible assets	(794)	(631)
Exceptional items, net of tax	(2,753)	437
Adjusted basic profit/(loss)	6,465	(1,923)
	Cent	Cent
Adjusted basic earnings/(loss) per share	5.15	(1.53)
Total adjusted basic earnings/(loss) - as above	6,465	(1,923)
	Cent	Cent
Total adjusted diluted earnings/(loss) per share (1)	4.99	(1.53)

The calculation of basic adjusted earnings per share is based on the weighted average number of shares in issue during the period of **125,602,332** (31 January 2021: 125,595,854). The weighted average number of shares used in the calculation of adjusted diluted earnings/(loss) per share is **129,530,824** (31 January 2021: 128,898,822).

(1) In the prior year, the impact from potential shares are anti-dilutive for earnings per share.

Origin Enterprises plc

Notes to the Condensed Interim Consolidated Financial Statements *(continued)* for the six months ended 31 January 2022

8 Condensed Interim Consolidated Income Statements for the six months ended 31 January 2021 and year ended 31 July 2021

An analysis of the Condensed Interim Consolidated Income Statement (including exceptional items) for the six months ended 31 January 2021 and year ended 31 July 2021 is set out below.

Six months ended 31 January 2021

	Six months ended Jan 2021 Pre-Exceptional €'000	Six months ended Jan 2021 Exceptional €'000	Six months ended Jan 2021 Total €'000
Revenue	572,410	-	572,410
Cost of sales	(495,559)	-	(495,559)
Gross profit	76,851	-	76,851
Operating costs	(79,654)	(525)	(80,179)
Share of profit of associates and joint venture	785	-	785
Operating loss	(2,018)	(525)	(2,543)
Finance income	511	-	511
Finance expense	(5,060)	-	(5,060)
Loss before income tax	(6,567)	(525)	(7,092)
Income tax credit	1,252	88	1,340
Loss attributable to equity shareholders	(5,315)	(437)	(5,752)

Year ended 31 July 2021

	Year ended July 2021 Pre-Exceptional €'000	Year ended July 2021 Exceptional €'000	Year ended July 2021 Total €'000
Revenue	1,658,367	-	1,658,367
Cost of sales	(1,412,936)	-	(1,412,936)
Gross profit	245,431	-	245,431
Operating costs	(193,001)	1,506	(191,495)
Share of profit of associates and joint venture	2,841	(403)	2,438
Operating profit	55,271	1,103	56,374
Finance income	795	-	795
Finance expense	(9,347)	-	(9,347)
Profit before income tax	46,719	1,103	47,822
Income tax expense	(9,712)	122	(9,590)
Profit for the year	37,007	1,225	38,232

Origin Enterprises plc

Notes to the Condensed Interim Consolidated Financial Statements *(continued)* for the six months ended 31 January 2022

9 Property, plant and equipment

	January 2022 €'000	July 2021 €'000
Net book value		
At beginning of period	104,528	109,363
Arising on acquisition	-	481
Additions	7,495	7,374
Disposals	(69)	(2,150)
Arising on disposal of subsidiary	-	(5,209)
Depreciation charge	(4,474)	(8,176)
Translation adjustments	1,870	2,845
	<hr/>	<hr/>
At end of period	109,350	104,528
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10 Goodwill and intangible assets

	January 2022 €'000	July 2021 €'000
Net book value		
At beginning of period	248,445	235,949
Arising on acquisition	-	9,716
Additions	4,804	10,073
Arising on disposal of subsidiary	-	(3,351)
Amortisation of non-ERP intangible assets	(5,387)	(8,577)
ERP intangible amortisation	(698)	(3,585)
Translation adjustments	4,052	8,220
	<hr/>	<hr/>
At end of period	251,216	248,445
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Included in the total goodwill and intangible assets above is goodwill of €173,866,000 (July 2021: €171,022,000). There have been no indicators of impairment in the first half of the year therefore a full assessment of the carrying value of goodwill and intangibles will be carried out in the second half of the year.

Origin Enterprises plc

Notes to the Condensed Interim Consolidated Financial Statements *(continued)* for the six months ended 31 January 2022

11 Investments in associates and joint venture

	January 2022 €'000	July 2021 €'000
At beginning of period	42,774	40,597
Share of profits after tax, before exceptional items	1,300	2,841
Share of exceptional items, net of tax	-	(403)
Dividends received	(2,918)	(4,468)
Share of other comprehensive income	1,417	2,848
Translation adjustments	568	1,359
	<hr/>	<hr/>
At end of period	43,141	42,774
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12 Provision for liabilities

The estimate of provisions is a key judgement in the preparation of the condensed interim consolidated condensed financial statements.

	January 2022 €'000	July 2021 €'000
At beginning of period	3,459	6,042
Provided in period	800	146
Paid in period	(278)	(2,871)
Translation adjustments	38	142
	<hr/>	<hr/>
At end of period	4,019	3,459
	<hr/> <hr/>	<hr/> <hr/>

Provisions primarily relate to contingent acquisition consideration arising on a number of acquisitions completed during prior years.

Origin Enterprises plc

Notes to the Condensed Interim Consolidated Financial Statements *(continued)* for the six months ended 31 January 2022

13 Analysis of net debt

	31 July 2021 €'000	Cashflow €'000	Non-cash movements €'000	Translation adjustment €'000	31 January 2022 €'000
Cash	168,660	(26,154)	-	772	143,278
Overdraft	(12,882)	1,621	-	(250)	(11,511)
Cash and cash equivalents	155,778	(24,533)	-	522	131,767
Loans	(170,184)	(10,306)	(256)	(4,760)	(185,506)
Net debt	(14,406)	(34,839)	(256)	(4,238)	(53,739)
Lease liabilities	(46,136)	5,882	(6,107)	(985)	(47,346)
Net debt including lease liabilities	(60,542)	(28,957)	(6,363)	(5,223)	(101,085)

At 31 January 2022, the Group had unsecured committed banking facilities of €400 million, of which €100 million will expire in May 2022, €34m will expire in June 2024 and €266 million will expire in June 2025.

The Group adopted IFRS 16 on the transition date of 1 August 2019. As at 31 January 2022, the Group has an outstanding lease liability of €47,346,000 (July 2021: €46,136,000) and a corresponding right-of-use leased asset €46,403,000 (July 2021: €45,177,000) has been recognised.

14 Share capital

	January 2022 €'000	July 2021 €'000
Authorised		
250,000,000 ordinary shares of €0.01 each (i)	2,500	2,500
Allotted, called up and fully paid		
126,402,662 (2021: 126,396,184) ordinary shares of €0.01 each (i)	1,264	1,264

- (i) Ordinary shareholders are entitled to dividends as declared and each ordinary share carries equal voting rights at meetings of the Company.

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Notes to the Condensed Interim Consolidated Financial Statements *(continued)* for the six months ended 31 January 2022

15 Dividends

On 4 February 2022 a dividend of 7.85 cent per ordinary share was paid in respect of the year ended 31 July 2021. The dividend was approved by shareholders at the Annual General Meeting on 25 November 2021.

An interim dividend of 3.15 cent per share will be paid on 24 June 2022 to shareholders on the register on 6 June 2022. These condensed interim consolidated financial statements do not reflect this dividend payable.

16 Taxation

The taxation charge for the interim period is an estimate based on the expected full year effective tax rate on full year profits.

17 Contingent liabilities

The Group is not aware of any major changes with regard to contingent liabilities in comparison with the situation as of 31 July 2021.

18 Financial commitments

The Group has a financial commitment of €3.8 million attributable to a strategic partnership with University College Dublin ('UCD'). The commitment was originally over a five year period and was extended to January 2023.

19 Related party transactions

Related party transactions occurring in the period were similar in nature to those described in the 2021 Annual Report.

20 Subsequent events

The Group has temporarily suspended trading in Ukraine following the Russian invasion. Please refer to page 11 of the business review for further details.

21 Release of half yearly condensed interim consolidated financial statements

The Group condensed interim consolidated financial information was approved for release by the Board on 7 March 2022.

22 Distribution of Interim Report

This interim report is available on the Group's website (www.originenterprises.com). A printed copy is available to the public at the Company's registered office.