

Origin Enterprises plc

PRELIMINARY RESULTS STATEMENT

*Full year adjusted EPS of 71.53 cent ahead of expectation
Strong operational performance in exceptionally volatile trading environment*

Dublin, London, 27 September 2022: Origin Enterprises plc ('Origin' or 'the Group'), the international Agronomy-Services group, providing specialist advice, inputs and digital solutions to promote sustainable land use, today announces its full year results for the year ended 31 July 2022 ('FY22').

Results Summary	2022 €'000	2021 €'000	Change %	Constant Currency %
Group revenue	2,342,102	1,658,367	41.2%	38.0%
Operating profit ¹	119,740	61,007	96.3%	89.7%
Associates and joint venture ²	6,845	2,841	140.9%	134.0%
Total group operating profit¹	126,585	63,848	98.3%	91.6%
Finance expense, net	(11,057)	(8,552)	29.3%	24.5%
Profit before tax¹	115,528	55,296	108.9%	102.0%
Basic EPS (cent)	65.40	30.44	114.8%	106.4%
Adjusted diluted EPS (cent)³				
- Excluding impact of buyback	69.62c	35.50c	96.1%	89.3%
- Including impact of buyback	71.53c	35.50c	101.5%	94.7%
Return on capital employed (%)	18.3%	9.3%	900bps	
Group net cash/(bank debt)⁴ (€'000)	43,434	(14,406)	57,840	
Operating margin¹ (%)	5.1%	3.7%	140bps	
Free cash flow (€'000)	108,489	49,168	59,321	
Dividend per ordinary share (cent)	16.00c	11.00c	5.00c	

Financial Highlights

- Group revenue increase of 41.2% to €2.3 billion, primarily reflecting commodity price growth
- Operating profit¹ of €119.7 million, up 96.3% delivering an operating margin of 5.1% (FY21: 3.7%)
- Adjusted diluted earnings per share³ of 71.53 cent (FY21: 35.50 cent)
- Strong cash generation and conversion with free cash flow of €108.5 million (FY21: €49.2 million) and year end net cash⁴ position of €43.4 million
- Proposed final dividend of 12.85 cent per share with total FY22 dividend of 16.00 cent
- Completion of €40.0 million share buyback programme at average price of €3.97 per share
- Launch of new share buyback programme of up to €20.0 million

Operational and Strategic Highlights

- Generally very good conditions during the key planting and application periods in all markets provided a favourable backdrop for the business and allowed the Group to successfully navigate exceptional price volatility across its markets
- Strong volume performance across the Group's seed and crop protection portfolios were offset by reduced fertiliser demand due to significantly higher raw materials pricing
- Completion of the first phase of Cork property disposals, generating cash flow of €19.5 million
- Key medium-term strategic, financial, operational and ESG objectives launched at recent Capital Markets Day

Commenting on FY22 performance, Origin's Chief Executive Officer, Sean Coyle said:

"FY22 saw strong agricultural commodity price growth and volatile trading conditions across all of the Group's three segments throughout the financial year. Despite these challenges, Origin delivered significantly improved financial returns and a strong operating performance supported by favourable conditions across all markets in the key planting and application periods of the year, in contrast to the previous two years, which were impacted by extreme weather and COVID-19.

The war in Ukraine and ongoing global energy and supply disruptions have resulted in exceptional price volatility for feed and fertiliser raw materials. Strong on-farm sentiment, bolstered by high crop prices, supported the Group in successfully navigating this price volatility across each segment.

The Group delivered strong increases in revenue, operating profit and EPS. Return on capital employed also grew to 18.3%, driven by the improved earnings performance. The Group also delivered strong free cash flow of €108.5 million including a working capital inflow of €16.2 million. Our net cash position of €43.4 million at year end, compares to a net debt position of €14.4 million in FY21. This strong net cash position reflects the impact of certain one-off items but was also delivered on top of the return of €40.0 million to shareholders during the year through our share buyback programme.

Following an interim dividend of 3.15 cent, the Board is proposing a final dividend of 12.85 cent per share; a total dividend payment per share of 16.00 cent. Following on from the €40.0 million share buyback programme in FY22, and consistent with our objectives outlined at the Capital Markets Day, we intend to return a further €20.0 million by way of share buyback launching on 28 September 2022 and which may continue until 31 March 2023.

During the year, we set out our key medium-term strategic, financial, operational and ESG objectives at our Capital Markets Day. Our FY22 results represent a strong foundation from which to achieve these targets.

In June 2022, the Group announced that Gary Britton was appointed Chair Designate to succeed Rose Hynes at the 2022 AGM. On behalf of the Origin management team, I sincerely thank Rose for her contribution to the Group during her tenure as Chairman, wish her well in her future endeavours and look forward to working with Gary to drive the next phase of growth and development of the business.

Current Trading and Outlook

FY22 was characterised by several challenging macro-economic factors, including significant inflation, increasing energy costs and disrupted supply chains, which led to an exceptionally volatile trading environment. While these conditions are likely to persist, with the Group's strong balance sheet, market positions, deep customer relationships, access to diverse sources of product supply, and established routes to market, Origin is well positioned to deliver the financial, strategic and ESG objectives as outlined in the recent Capital Markets Day.

Consistent with previous years, the Group will issue a Q1 Trading Update for FY23 on the date of the AGM, 22 November 2022.

ENDS

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

² Profit after interest and tax before exceptional items

³ Before amortisation of non-ERP intangible assets, net of related deferred tax (2022: €13.0m, 2021: €8.6m) and exceptional items, net of tax (2022: credit of €2.8m, 2021: credit of €1.2m)

⁴ Group net bank debt before impact of IFRS 16 Leases

Conference Call and Webcast details:

The management team will host a live conference call and webcast, for analysts and institutional investors today, 27 September 2022, at 08:30 (Irish/UK time). Registration details for the Conference Call and Webcast can be accessed at: www.originenterprises.com

Alternatively, please contact FTI Consulting by email at originenterprises@fticonsulting.com

Participants are requested to dial in 5 to 10 minutes prior to the scheduled start time.

Enquiries:

Origin Enterprises plc
TJ Kelly
Chief Financial Officer

Tel: +353 (0)1 563 4959

Brendan Corcoran
Head of Investor Relations

Tel: +353 (0)1 563 4900

Goodbody (Euronext Growth (Dublin) Adviser)
Joe Gill

Tel: +353 (0)1 641 9449

Davy (Nominated Adviser)
Anthony Farrell

Tel: +353 (0)1 614 9993

Numis Securities (Stockbroker)
Stuart Skinner

Tel: +44 (0)20 7260 1314

FTI Consulting (Financial Communications Advisers)
Jonathan Neilan / Patrick Berkery

Tel: +353 (86) 602 5988

About Origin Enterprises plc

Origin Enterprises plc is an international Agronomy-Services group, providing specialist advice, inputs, services and digital solutions to promote sustainable land use. 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

Financial Review - Summary

	2022 €'000	2021 €'000
Group revenue	<u>2,342,102</u>	<u>1,658,367</u>
Operating profit ¹	119,740	61,007
Associates and joint venture, net ²	<u>6,845</u>	<u>2,841</u>
Group operating profit¹	126,585	63,848
Finance costs, net	<u>(11,057)</u>	<u>(8,552)</u>
Profit before tax¹	115,528	55,296
Income tax	<u>(25,509)</u>	<u>(9,657)</u>
Adjusted net profit	<u>90,019</u>	<u>45,639</u>
Adjusted diluted EPS (cent)³		
- Excluding the impact of buyback	69.62c	35.50c
- Including the impact of buyback	71.53c	35.50c
Adjusted net profit reconciliation		
Reported net profit	79,899	38,232
Amortisation of non-ERP intangible assets	15,236	8,577
Tax on amortisation of non-ERP related intangible assets	(2,269)	55
Exceptional items (net of tax)	<u>(2,847)</u>	<u>(1,225)</u>
Adjusted net profit	<u>90,019</u>	<u>45,639</u>
Adjusted diluted EPS (cent)³		
- Excluding the impact of buyback	69.62c	35.50c
- Including the impact of buyback	71.53c	35.50c
Operating margin¹	5.1%	3.7%
Return on capital employed	18.3%	9.3%
Free cash flow	€108.5m	€49.2m

Adjusted diluted earnings per share³ increased by 101.5% to 71.53 cent. On a constant currency basis, adjusted diluted earnings per share increased by 94.7% when compared to the prior year.

Group revenue

Group revenue increased by 41.2% from €1,658.4 million in the prior year to €2,342.1 million. On an underlying basis revenue increased by 38.6%, driven by the exceptionally high fertiliser raw material pricing environment offset by reduced fertiliser demand and strong growth in both crop protection and seed volumes.

The underlying reduction in agronomy services and crop input volumes, excluding crop marketing volumes, was 5.4% for FY22.

Operating profit¹

Operating profit¹ increased by 96.3% to €119.7 million compared to €61.0 million in the previous year. On an underlying basis, operating profit¹ increased by €54.0 million (88.5%), driven by strong contributions across all three segments.

Group operating margin increased from 3.7% to 5.1% in FY22. This was principally driven by the Ireland and UK segment, which saw its operating margin increase from 3.7% in FY21 to 5.9% in FY22.

Associates and joint venture²

Origin's share of the profit after taxation from associates and joint venture amounted to €6.8 million in the period (2021: €2.8 million). This performance benefitted from exceptional operating and trading conditions and is set against a challenging prior year, which was impacted by a facility fire in our animal feed business R&H Hall, at the Port of Cork, Ireland and shipping challenges.

Finance costs and net bank debt⁴

Net cash⁴ at 31 July 2022 was €43.4 million (net debt⁴ of €5.1 million including IFRS 16 lease debt) compared to net bank debt⁴ of €14.4 million (€60.5 million including IFRS 16 lease debt) at the end of the prior year, an improvement of €57.8 million. The movement is primarily driven by the strong FY22 operating performance and a net working capital inflow in the year.

Net finance costs amounted to €11.1 million, which represents an increase of €2.5 million on the prior year. Excluding the impact of IFRS 16, there was an increase in net finance costs of €2.4 million reflecting increased interest rates, year-on-year, across the Group.

At 31 July 2022, the Group had unsecured committed banking facilities of €400.0 million (2021: €430.0 million), with pricing linked to ESG performance, of which €33.8 million will expire in 2024 and €366.2 million in 2026.

At year end the Group's key banking covenants were as follows:

	Banking Covenant	2022	2021
Net debt to EBITDA	Maximum 3.5	-	0.13
EBITDA to net interest	Minimum 3.0	13.83	10.36

Working capital

For the year ended 31 July 2022, there was a working capital inflow of €16.2 million. Improvements in the mix of cash versus credit sales and certain one-off items were partly offset by an underlying working capital outflow due to higher commodity prices. The year end working capital position includes the net impact of trade payables which have been suspended in accordance with international sanctions imposed by authorities in response to the Russian invasion of Ukraine in 2022 of approximately €40.0 million. We continue to closely monitor the situation with regard to sanctions and act accordingly. Excluding the impact of suspended payments, the Group would have had a modest net bank debt⁴ position at year end. The year end represents the low point in the working capital cycle for the Group reflecting the seasonality of the business.

Adjusted diluted earnings per share ('EPS')³

Adjusted diluted EPS³ amounted to 71.53 cent per share, an increase of 101.5% from FY21. This was driven by an increase in like-for-like underlying profits of 87.6%, the positive impact of acquisitions, foreign

currency translation and share buyback programme of 3.8%, 6.8% and 5.4% respectively and a reduction of 2.1% as a result of disposals. Excluding the impact of the completed €40.0 million share buyback into account, the adjusted diluted earnings per share is 69.62 cent.

Free cash flow

	2022	2021
	€'m	€'m
Free cash flow	108.5	49.2
Free cash flow conversion ratio	130.5%	114.9%

The Group generated free cash flow in the year of €108.5 million (2021: €49.2 million).

Free cash flow means the total of earnings before interest, tax, depreciation (excluding depreciation of IFRS 16 Right of Use leased assets), amortisation of non-ERP related intangible assets and exceptional items of wholly owned businesses ('EBITDA') adjusted to take account of interest, tax, routine capital expenditure, working capital cash flows and dividends received.

Free cash flow conversion ratio means free cash flow as a percentage of profit after tax of wholly owned businesses, excluding exceptional items and amortisation of non-ERP related intangible assets.

Return on capital employed

	2022	2021
Return on capital employed	18.3%	9.3%

Return on capital employed is a key performance indicator for the Group and represents Group earnings before interest, tax and amortisation of non-ERP related intangible assets from continuing operations ('EBITA') taken as a percentage of the Group Net Assets. For the purposes of this calculation:

- (i) EBITA includes the net profit contribution from associates and joint venture (after interest and tax) and excludes the impact of exceptional and non-recurring items; and
- (ii) Group Net Assets means total assets less total liabilities as shown in the annual report excluding net debt, derivative financial instruments, put option liabilities, accumulated amortisation of non-ERP related intangible assets and taxation related balances. Net Assets are also adjusted to reflect the average level of acquisition investment spend and the average level of working capital for the accounting period.

Exceptional items

Exceptional items net of tax amounted to a credit of €2.8 million in the year (FY21: credit of €1.2 million). These principally relate to the disposal of investment properties and are summarised in the table below:

Exceptional items	2022	2021
	€'m	€'m
Gain on the disposal of investment properties	(2.7)	-
Gain on disposal of Belgian fertiliser business	-	(2.6)
Pension and rationalisation related costs	-	0.7
Arising in associates and joint venture	-	0.4
Transaction, other related costs and movements in contingent consideration, net	-	0.3
Other	<u>(0.1)</u>	<u>-</u>
Total exceptional items, net of tax	<u>(2.8)</u>	<u>(1.2)</u>

Dividends

The Directors are proposing a final dividend of 12.85 cent per ordinary share for approval at the AGM in November 2022, bringing the total dividend payment to 16.00 cent. Subject to shareholder approval at the AGM, this final dividend will be paid on 6 February 2023 to shareholders on the register on 13 January 2023.

Share buyback programme

On 9 March 2022 the Group commenced a share buyback programme to repurchase up to €40.0 million of ordinary shares. The programme completed on 8 July 2022 with 10,086,258 shares purchased at average price of €3.97. 1,084,797 shares were cancelled from Treasury shares on 29 July 2022 and further cancellations will be put into effect in due course.

The Group intends to launch another share buyback programme of up to €20.0 million. The buyback programme will commence on 28 September 2022 and may continue until 31 March 2023 subject to shareholder approval of a renewed repurchase authority at the 2022 AGM, 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.

Sustainability

During the year we progressed our long-term Nurturing Growth sustainability strategy, with the development of Key Performance Indicators (KPIs) for our People Strategy, focused on Health and Safety, Diversity, and Inclusion.

Supporting the transition to more sustainable land use, we continued to adopt a strategic approach to reduce our environmental footprint and support our customers to do the same. To advance our efforts, we commenced the development of a formal Environmental Management System aligned to the ISO14001 standard and accelerated our work in the development of science-based Greenhouse Gas (GHG) reduction targets which we aim to submit for verification by the Science-Based Targets Initiative (SBTi) in 2023.

In line with Taskforce on Climate-related Financial Disclosures ('TCFD') we continue to consider climate related risks and opportunities within our business model.

Investor relations

Our strategy aims to create long-term shareholder value and we support this strategy through regular and open communication with all capital market participants.

Contact with institutional shareholders is the responsibility of the executive management team including the Chief Executive Officer, the Chief Financial Officer and the Head of Investor Relations.

We engage with institutional investors in numerous one-on-one meetings, as well as at roadshows and equity conferences. During FY2022, meetings were held with 174 institutional investors. Engagement was facilitated through a combination of in-person meeting and remotely using virtual conferences and video calls.

In May 2022 Origin hosted a Capital Markets Day in London, to set out the Group's key medium-term strategic, financial, operational and ESG objectives. The event attracted a strong in-person attendance of analysts, shareholders and institutional investors, in addition to a large number of participants joining via the live broadcast on Origin's website.

Details of Origin's Capital Markets Day 2022 including the presentation and webcast replay are available on the investor relations section of the website <https://originenterprises.com/capital-markets-day-2022>

Annual General Meeting (AGM)

The AGM is scheduled to be held on 22 November 2022 at 11.00am (UK/Ireland time) in the Merrion Hotel, Upper Merrion Street, Dublin 2.

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

² Profit after interest and tax before exceptional items

³ Before amortisation of non-ERP intangible assets, net of related deferred tax (2022: €13.0m, 2021: €8.6m) and exceptional items, net of tax (2022: credit of €2.8m, 2021: credit of €1.2m)

⁴ Group net bank debt before impact of IFRS 16 Leases

Review of Operations

Group Overview

	2022 €'m	2021 €'m	Change on prior year		
			Change %	Underlying ³ %	Constant Currency ⁴ %
Revenue	2,342.1	1,658.4	41.2%	38.6%	38.0%
Operating profit ¹	119.7	61.0	96.3%	88.5%	89.7%
Operating margin ¹	5.1%	3.7%	140bps	130bps	140bps
Adjusted diluted EPS (cent) ²	71.53	35.50	101.5%	87.6%	94.7%

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

² Before amortisation of non-ERP intangible assets, net of related deferred tax (2022: €13.0m, 2021: €8.6m) and exceptional items, net of tax (2022: credit of €2.8m, 2021: credit of €1.2m)

³ Excluding currency movements and the impact of acquisitions and disposals (and for EPS excluding impact of buyback)

⁴ Excluding currency movements

FY22 was a strong year for Origin with increases in Group revenue, operating profit and adjusted fully diluted earnings per share of 38.0%, 89.7% and 94.7% respectively on a constant currency basis. Operating margin increased to 5.1% in FY22 from 3.7% in FY21, primarily attributable to strong contributions from all three segments.

There was an underlying decrease in agronomy services and crop input volumes, excluding crop marketing volumes, of 5.4% for FY22.

Ireland and the United Kingdom

	2022 €'m	2021 €'m	Change on prior year		
			Change %	Underlying ³ %	Constant Currency ⁴ %
Revenue	1,614.4	1,049.3	53.9%	47.0%	48.7%
Operating profit ¹	94.5	39.1	141.4%	125.8%	131.3%
Operating margin ¹	5.9%	3.7%	220bps	200bps	210bps
Associates and joint venture ²	6.8	2.8	140.9%	134.0%	134.0%

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

² Profit after interest and tax before exceptional items

³ Excluding currency movements and the impact of acquisitions

⁴ Excluding currency movements

Ireland and the UK delivered an improved performance in FY22 compared to the prior year, delivering an increase in underlying revenue of 47.0%, while underlying operating profit increased 125.8%.

There was an underlying volume reduction for agronomy services and crop inputs of 7.3% in the period. While raw material price inflation was the primary driver of revenue growth, it negatively impacted fertiliser

volumes during the year. The reduction in fertiliser volumes of 22.6% was partially offset by a strong volume performance across our seed and crop protection portfolios.

FY22's performance was supported by strong on-farm sentiment and a positive trading environment, set against the backdrop of a significantly better crop mix at planting, excellent crop establishment and ideal application and growing conditions. Despite the extremely dry weather conditions experienced in Q4, to date the overall harvest has been strong.

Operating margin increased to 5.9% from 3.7% driven by management of the exceptional raw material pricing volatility in the market and a higher intensity of crop input spend by farmers and growers, influenced by strong output prices and favourable weather.

Integrated Agronomy and On-Farm Services

Integrated Agronomy and On-Farm Services delivered an improved result during the year, recording higher seed and crop protection volumes, revenues and margins.

The contribution was supported by a positive trading environment, despite the impact of price inflation, as a result of the strong planting profile, with good crop establishment and favourable weather conditions. Given the dry conditions in Q4, the harvest progressed at pace with strong yields and quality widely reported.

During the year, the Group enhanced its near market R&D capabilities with the acquisition of Envirofield Limited in the UK, an expert independent field-trials company specialising in agricultural and environmental research. The integration of Envirofield Limited is progressing to plan and is performing to expectations.

Digital Agricultural Services

The development and roll-out of Origin's digital offering continued during the year, with over 1.8 million (FY21: 1.7 million) active hectares on the platform.

Digital Agricultural Services continues to develop the Group's capabilities in precision farming and digital agronomy. The Group continues to work on in-house developments and foster external collaborative partnerships to build its capabilities. During the year, the Group partnered with Aspia Space to launch ClearSky, a world-first service with an aim to revolutionise the way satellite imagery is used in precision agriculture by farmers. 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 had a strong financial year, recording an overall improved contribution, despite reduced demand as a result of global raw material inflation during the year.

Fertiliser

Fertiliser delivered a strong financial and operating performance in FY22, despite the exceptional inflationary environment for global fertiliser prices in the year, as a result of increased global raw material prices and supply chain challenges. The global fertiliser market saw significant raw material price volatility through the year, however the Group continues to successfully navigate these supply chain and pricing pressures.

In addition to ensuring product availability for the important seasonal application period, the Group continues to focus on growing its speciality and bespoke soil health and nutrition product ranges. With high energy prices and general inflationary and supply chain challenges persisting, we expect product availability and pricing to remain a key challenge into FY23.

Amenity

The Group's Amenity business delivered a strong performance in the period, continuing the positive momentum of FY21.

The integration of Green-tech, the UK's leading distributor of landscaping, forestry and ground maintenance equipment, is complete and it is performing ahead of expectations.

Feed Ingredients

Origin's Feed Ingredients division reported an improved performance in FY22, achieved in an inflationary environment and follows the challenging trading and operating environment experienced in FY21.

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

Continental Europe¹

			Change on prior year		
	2022	2021	Change	Underlying ³	Constant
	€'m	€'m	%	%	Currency ⁴
					%
Revenue	461.8	415.7	11.1%	18.4%	11.6%
Operating profit ²	14.8	15.7	(5.3%)	9.6%	0.4%
Operating margin ²	3.2%	3.8%	(60bps)	(30bps)	(40bps)

¹ Excluding crop marketing. While crop marketing has a significant impact on revenue, its impact on operating profit is insignificant. For the year ending 31 July 2022 crop marketing revenues and profits attributable to Continental Europe amounted to €192.7 million and €0.8 million respectively (2021: €154.4 million and a loss of €0.1 million respectively). An analysis of revenues, profits and margins 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 and disposals

⁴ Excluding currency movements

Continental Europe ('CE') delivered a strong underlying performance in Poland and Romania in FY22, with the overall result impacted by a reported loss in Ukraine as consequence of the Russian invasion in February 2022. CE's underlying business volumes reduced by 5.4% as fertiliser volumes reduced by 11.3%, in the period, with overall volume increases in Poland and Romania offset by reductions in Ukraine. Excluding Ukraine, overall volumes increased by 6.9%. Operating margin in FY22 for CE was 3.2% (FY21: 3.8%).

The war in Ukraine is having a profound impact on agriculture in the region. 30% of arable land is estimated to be in either Russian occupied regions or unsafe areas and agricultural production is forecast to be 35% down from 2021 levels. Furthermore, with the area under agricultural production declining, so too has farmer liquidity. To align with the more challenging operational environment and smaller market, the Group took the difficult, but necessary, decision in August to reduce the size of our team in Ukraine. This included the provision of a comprehensive financial assistance package and additional supports to those impacted.

Poland

Poland delivered a strong performance in FY22 supported by a marginally improved cropping area compared to FY21.

Weather conditions were generally favourable during the year, with the harvest well progressed despite prolonged dry periods in some localised geographies. There was renewed focus on Origin's nutrition portfolio which continued to develop a more favourable mix of speciality and strategic products positively contributing to returns. The strong operational performance reflects the continued focus on working capital management and margin optimisation in the region. While farm sentiment has remained generally positive, it is being impacted by input price inflation which may influence on-farm decisions in FY23.

Romania

Romania reported a strong performance in FY22, ahead of prior year contribution supported by a larger planted area.

The harvest is well progressed across Romania, and despite good crop establishment earlier in the year, dry conditions across the country have resulted in a reduced yield potential of up to 20% for some crops.

General farm sentiment, while overall positive, is impacted by price uncertainty across a range of inputs and the dry conditions are challenging for autumn seed planting.

Working capital management continued to be an area of focus during the year together with a focus on improving the mix of higher margin speciality and strategic products. The result was a working capital inflow year-on-year and higher margin delivery.

Ukraine

Activity levels have reduced sharply since the start of the war, with on-farm liquidity significantly impacted by the limited sale of last year's crop. 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.

The Group's top priority remains ensuring the safety and wellbeing of our colleagues and the continued de-risking of the balance sheet in Ukraine. The Group continues to closely monitor the situation on the ground and support the limited localised operations in areas away from conflict, overseen by the local team.

Latin America

	2022 €'m	2021 €'m	Change on prior period		
			Change %	Underlying ² %	Constant Currency ³ %
Revenue	73.2	39.0	87.9%	71.4%	71.4%
Operating profit ¹	9.7	6.3	53.7%	37.7%	37.7%
Operating margin ¹	13.2%	16.1%	(290bps)	(320bps)	(320bps)

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

² Excluding currency movements and the impact of acquisitions and disposals

³ Excluding currency movements

The Latin American ('LATAM') reporting segment incorporates the Group's operations in Brazil.

Latin America delivered a strong performance in FY22, sustaining the momentum of FY21, with operating profit increasing to €9.7 million from €6.3 million in FY21, with an underlying increase of €2.4 million.

There was an underlying increase in crop input volumes of 43.4%. The volume development and underlying growth is driven by increases in our core product range and a significant increase in controlled release fertiliser volumes, following the completion of the Group's new production facility in Minas Gerais in the second half of FY21. Volume growth during the year was driven equally by controlled release fertiliser volumes and the core product portfolio.

The overall result was supported by an increase in the cropping area dedicated to soya, Brazil's principal crop, to 41.5 million hectares from 39.2 million in FY21. Planting of the FY23 soya crop has commenced, with initial estimates of the planted area increasing by 2.9% to 42.7 million hectares.

ENDS

Origin Enterprises plc

Consolidated Income Statement For the financial year ended 31 July 2022

	Notes	Pre- exceptional 2022 €'000	Exceptional 2022 €'000 (Note 3)	Total 2022 €'000	Pre- exceptional 2021 €'000	Exceptional 2021 €'000 (Note 3)	Total 2021 €'000
Revenue	2	2,342,102	-	2,342,102	1,658,367	-	1,658,367
Cost of sales		(1,972,937)	-	(1,972,937)	(1,412,936)	-	(1,412,936)
Gross profit		369,165	-	369,165	245,431	-	245,431
Operating costs		(264,661)	3,919	(260,742)	(193,001)	1,506	(191,495)
Share of profit of associates and joint venture		6,845	-	6,845	2,841	(403)	2,438
Operating profit		111,349	3,919	115,268	55,271	1,103	56,374
Finance income		1,127	-	1,127	795	-	795
Finance expense		(12,184)	-	(12,184)	(9,347)	-	(9,347)
Profit before income tax		100,292	3,919	104,211	46,719	1,103	47,822
Income tax (expense)/credit		(23,240)	(1,072)	(24,312)	(9,712)	122	(9,590)
Profit for the year		77,052	2,847	79,899	37,007	1,225	38,232
Earnings per share for the year				2022			2021
Basic earnings per share		4		65.40c			30.44c
Diluted earnings per share		4		63.49c			29.74c

Origin Enterprises plc

Consolidated Statement of Comprehensive Income

For the financial year ended 31 July 2022

	2022	2021
	€'000	€'000
Profit for the year	79,899	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 on Group's defined benefit pension schemes	909	4,653
-deferred tax effect of remeasurements	(176)	(1,112)
-share of remeasurements on associate's defined benefit pension schemes	(2,386)	2,438
-share of deferred tax effect of remeasurements - associates	596	(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	9,588	6,840
<i>Group/Associate cash flow hedges</i>		
-effective portion of changes in fair value of cash flow hedges	9,186	(520)
-fair value of cash flow hedges transferred to operating costs and other income	(3,751)	2,651
-deferred tax effect of cash flow hedges	(840)	(299)
-share of associates and joint venture cash flow hedges	2,134	1,166
-deferred tax effect of share of associates and joint venture cash flow hedges	(267)	(146)
Other comprehensive income for the year, net of tax	14,993	15,061
Total comprehensive income for the year attributable to equity shareholders	94,892	53,293

Origin Enterprises plc

Consolidated Statement of Financial Position

As at 31 July 2022

	Notes	2022 €'000	2021 €'000
ASSETS			
Non-current assets			
Property, plant and equipment	5	107,906	104,528
Right of use asset		47,705	45,177
Investment properties		2,270	2,270
Goodwill and intangible assets	6	251,999	248,445
Investments in associates and joint venture	7	47,053	42,774
Other financial assets		561	552
Deferred tax assets		6,363	6,185
Post employment benefit surplus	9	7,767	5,939
Derivative financial instruments		4,241	-
Total non-current asset		475,865	455,870
Current assets			
Properties held for sale		5,800	24,200
Inventory		380,412	214,221
Trade and other receivables		455,110	434,614
Derivative financial instruments		2,162	224
Cash and cash equivalents	11	193,059	168,660
Total current assets		1,036,543	841,919
TOTAL ASSETS		1,512,408	1,297,789

Origin Enterprises plc

Consolidated Statement of Financial Position (continued)

As at 31 July 2022

	Notes	2022 €'000	2021 €'000
EQUITY			
Called up share capital presented as equity	12	1,253	1,264
Share premium		160,521	160,498
Retained earnings and other reserves		241,003	199,243
TOTAL EQUITY		402,777	361,005
LIABILITIES			
Non-current liabilities			
Interest-bearing borrowings	11	132,936	140,184
Lease liabilities		38,753	36,226
Deferred tax liabilities		20,854	21,161
Put option liability		-	24,138
Provision for liabilities	8	4,002	1,445
Derivative financial instruments		-	323
Total non-current liabilities		196,545	223,477
Current liabilities			
Interest-bearing borrowings	11	16,689	42,882
Lease liabilities		9,803	9,910
Trade and other payables		841,085	645,924
Corporation tax payable		12,290	11,841
Put option liability		29,695	-
Provision for liabilities	8	1,610	2,014
Derivative financial instruments		1,914	736
Total current liabilities		913,086	713,307
TOTAL LIABILITIES		1,109,631	936,784
TOTAL EQUITY AND LIABILITIES		1,512,408	1,297,789

Origin Enterprises plc

Consolidated Statement of Changes in Equity

For the financial year ended 31 July 2022

	Share capital €'000	Share Premium €'000	Treasury shares €'000	Capital redemption reserve €'000	Cash flow 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 year	-	-	-	-	-	-	-	-	-	79,899	79,899
Other comprehensive income for the year	-	-	-	-	6,462	-	-	-	9,588	(1,057)	14,993
Total comprehensive income for the year	-	-	-	-	6,462	-	-	-	9,588	78,842	94,892
Share-based payment charge	-	-	-	-	-	-	2,285	-	-	-	2,285
Shares issued	-	23	-	-	-	-	-	-	-	-	23
Share buyback	-	-	(39,997)	-	-	-	-	-	-	-	(39,997)
Cancellation of treasury shares	(11)	-	4,000	11	-	-	-	-	-	(4,000)	-
Change in fair value of put option	-	-	-	-	-	-	-	-	-	(1,982)	(1,982)
Dividend paid to shareholders	-	-	-	-	-	-	-	-	-	(13,449)	(13,449)
Transfer of share based payment reserve to retained earnings	-	-	-	-	-	-	(238)	-	-	238	-
At 31 July 2022	1,253	160,521	(36,005)	145	4,604	12,843	4,194	(196,884)	(43,748)	495,854	402,777

Origin Enterprises plc

Consolidated Statement of Cash Flows

For the financial year ended 31 July 2022

	2022	2021
	€'000	€'000
Cash flows from operating activities		
Profit before tax	104,211	47,822
Exceptional items	(3,919)	(1,103)
Finance income	(1,127)	(795)
Finance expense	12,184	9,347
Loss/ (Profit) on disposal of property, plant and equipment	650	(434)
Share of profit of associates and joint venture	(6,845)	(2,841)
Depreciation of property, plant and equipment	10,696	8,176
Depreciation of right of use assets	11,482	10,913
Amortisation of intangible assets	17,112	12,162
Employee share-based payment charge	2,285	1,016
Pension contributions in excess of service costs	(762)	(790)
Payment of exceptional rationalisation costs	-	(1,207)
Payment of exceptional disposal costs	(206)	(344)
Payment of exceptional acquisition costs	-	(253)
	-----	-----
Operating cash flow before changes in working capital	145,761	81,669
Movement in inventory	(161,914)	(20,857)
Movement in trade and other receivables	(18,464)	(17,983)
Movement in trade and other payables	196,531	34,886
	-----	-----
Cash generated from operating activities	161,914	77,715
Interest paid	(8,040)	(5,755)
Income tax paid	(26,213)	(10,073)
	-----	-----
Cash inflow from operating activities	127,661	61,887
	-----	-----

Origin Enterprises plc

Consolidated Statement of Cash Flows (continued) For the financial year ended 31 July 2022

	2022	2021
	€'000	€'000
Cash flows from investing activities		
Proceeds from disposal of held for sale properties	19,500	2,900
Deposits received in advance for properties held-for-sale	-	3,000
Proceeds from sale of property, plant and equipment	1,083	2,842
Purchase of property, plant and equipment	(13,128)	(8,155)
Additions to intangible assets	(10,998)	(10,073)
Consideration relating to acquisition	(1,457)	(9,175)
Payment of contingent acquisition consideration	(106)	(1,844)
Net proceeds from disposal of subsidiary	-	15,249
Repayment of loans	2,898	56
Dividends received from associates	3,042	4,468
	<hr/>	<hr/>
Cash inflow/(outflow) from investing activities	834	(732)
	<hr/>	<hr/>
Cash flows from financing activities		
Drawdown of bank loans	295,365	137,665
Repayment of bank loans	(334,465)	(180,065)
Lease liability payments	(13,499)	(12,553)
Share buyback	(39,997)	-
Payment of dividends to equity shareholders	(13,449)	(3,956)
	<hr/>	<hr/>
Cash outflow from financing activities	(106,045)	(58,909)
	<hr/>	<hr/>
Net increase in cash and cash equivalents	22,450	2,246
Translation adjustment	(1,858)	856
Cash and cash equivalents at start of year	155,778	152,676
	<hr/>	<hr/>
Cash and cash equivalents at end of year (Note 11)	176,370	155,778
	<hr/>	<hr/>

Origin Enterprises plc

Notes to the preliminary results statement

For the financial year ended 31 July 2022

1 Basis of preparation

The financial information included on pages 14 to 34 of this preliminary results statement has been extracted from the Group financial statements for the year ended 31 July 2022 on which the auditor has issued an unqualified audit opinion.

The financial information has been prepared in accordance with the accounting policies set out in the Group's consolidated financial statements for the year ended 31 July 2022, which were prepared in accordance with International Financial Reporting Standards as adopted by the EU.

The consolidated financial information is presented in Euro, rounded to the nearest thousand, which is the functional currency of the parent.

2 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.

The Group has three operating segments as follows:

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 associates 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. Prior year comparatives include the Pillaert business, a Belgian company that was disposed of during prior year.

Latin America

This segment includes the Group's 65% controlling interest in Fortgreen Commercial Agricola Ltda ("Fortgreen"). Origin entered the Latin American market in August 2018 through the acquisition of Fortgreen, a business which is focused on the development and marketing of value added crop nutrition and speciality inputs and which is headquartered in Paraná State in southern Brazil.

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. Segment results include all items directly attributable to a segment.

Origin Enterprises plc

Notes to the preliminary results statement (continued)

For the financial year ended 31 July 2022

2 Segment information (continued)

(i) Segment revenue and results

	Ireland & the UK		Continental Europe		Latin America		Total Group	
	2022	2021	2022	2021	2022	2021	2022	2021
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Total revenue	2,101,719	1,406,528	654,446	570,131	73,233	38,966	2,829,398	2,015,625
Less revenue from associates & joint venture	(487,296)	(357,258)	-	-	-	-	(487,296)	(357,258)
Revenue	1,614,423	1,049,270	654,446	570,131	73,233	38,966	2,342,102	1,658,367
Segment result	94,480	39,137	15,604	15,587	9,656	6,283	119,740	61,007
Profit from associates and joint venture	6,845	2,841	-	-	-	-	6,845	2,841
Amortisation of non-ERP intangible assets	(7,967)	(5,302)	(5,354)	(1,529)	(1,915)	(1,746)	(15,236)	(8,577)
Total operating profit before exceptional items	93,358	36,676	10,250	14,058	7,741	4,537	111,349	55,271
Exceptional items	3,919	(1,496)	-	2,599	-	-	3,919	1,103
Operating profit	97,277	35,180	10,250	16,657	7,741	4,537	115,268	56,374

Origin Enterprises plc

Notes to the preliminary results statement (continued)

For the financial year ended 31 July 2022

2 Segment information (continued)

(ii) Segment earnings before financing costs and tax is reconciled to reported profit before tax and profit after tax as follows:

	2022 €'000	2021 €'000
Segment earnings before financing costs and tax	115,268	56,374
Finance income	1,127	795
Finance expense	(12,184)	(9,347)
Reported profit before tax	104,211	47,822
Income tax expense	(24,312)	(9,590)
Reported profit after tax	79,899	38,232

3 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:

	2022 €'000	2021 €'000
Gain on disposal of properties held for sale (i)	3,794	-
Gain on disposal of subsidiary (ii)	-	2,599
Transaction related credit / (costs) (iii)	125	(253)
Pension and rationalisation related costs (iv)		(840)
Total exceptional credit before tax and before associates and joint venture	3,919	1,506
Arising in associates and joint venture (v)	-	(403)
Total exceptional credit before tax including associates and joint venture	3,919	1,103
Tax (credit) / charge on exceptional items	(1,072)	122
Total exceptional credit after tax	2,847	1,225

Origin Enterprises plc

Notes to the preliminary results statement (continued)

For the financial year ended 31 July 2022

3 Exceptional items (continued)

(i) Gain on disposal of properties held for sale

During the current year, held for sale properties were sold, resulting in an exceptional gain of €3.8 million. Also included are costs relating to the disposal of the properties. The tax impact of this exceptional item in the current year was a charge of €1.1 million.

(ii) Gain on disposal of subsidiary

Following the disposal of the Group's Pillaert business operated in Belgium a disposal gain of €2.6 million was recorded in the prior year.

	2021
	€'000
Identified net assets on disposal of Pillaert:	
Property, plant and equipment	5,209
Goodwill and intangible assets	3,351
Working capital	4,900
Cash & cash equivalents	269
Deferred tax liabilities	<u>(1,323)</u>
	12,406
Consideration received, net of transaction costs	<u>(15,005)</u>
Gain on disposal of subsidiary	<u>2,599</u>

The tax impact of this exceptional item in the prior year was a tax charge of €Nil.

(iii) Transaction and other related credit / (costs)

Transaction and other related credit / (costs) comprise of a dilapidation credit. The costs in the prior year principally comprised of costs incurred in relation to the acquisition completed during the prior year.

(iv) Pension and rationalisation related costs

Rationalisation costs in the prior year related to termination 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.

(v) Arising in associates and joint venture

The exceptional charge in the prior year related to past service costs in respect of the defined benefit pension scheme of associates and joint venture. The net tax impact of this exceptional item in the prior year was a tax credit of €0.1 million.

Origin Enterprises plc

Notes to the preliminary results statement (continued) For the financial year ended 31 July 2022

4 Earnings per share

Basic earnings per share	2022	2021
	€'000	€'000
Profit for the financial year attributable to equity shareholders	<u>79,899</u>	<u>38,232</u>
Weighted average number of ordinary shares for the year	<u>122,164</u>	<u>125,595</u>
	Cent	Cent
Basic earnings per share	<u>65.40</u>	<u>30.44</u>
Diluted earnings per share		
	2022	2021
	€'000	€'000
Profit for the financial year attributable to equity shareholders	<u>79,899</u>	<u>38,232</u>
Weighted average number of ordinary shares used in basic calculation	<u>122,164</u>	<u>125,595</u>
Impact of shares with a dilutive effect	<u>1,928</u>	<u>1,019</u>
Impact of the SAYE scheme	<u>1,759</u>	<u>1,929</u>
Weighted average number of ordinary shares (diluted) for the year	<u>125,851</u>	<u>128,543</u>
	Cent	Cent
Diluted earnings per share	<u>63.49</u>	<u>29.74</u>

Origin Enterprises plc

Notes to the preliminary results statement (continued)

For the financial year ended 31 July 2022

4 Earnings per share (continued)

	2022 '000	2021 '000
Adjusted basic earnings per share		
Weighted average number of ordinary shares for the year	<u>122,164</u>	<u>125,595</u>
	2022 €'000	2021 €'000
Profit for the financial year	79,899	38,232
Adjustments:		
Amortisation of non-ERP related intangible assets (Note 6)	15,236	8,577
Tax on amortisation of non-ERP related intangible assets	(2,269)	55
Exceptional items, net of tax	(2,847)	(1,225)
Adjusted earnings	<u>90,019</u>	<u>45,639</u>
	Cent	Cent
Adjusted basic earnings per share	<u>73.68</u>	<u>36.34</u>
Adjusted diluted earnings per share		
	2022 '000	2021 '000
Weighted average number of ordinary shares used in basic calculation	122,164	125,595
Impact of shares with a dilutive effect	1,928	1,019
Impact of the SAYE scheme	1,759	1,929
Weighted average number of ordinary shares (diluted) for the year	<u>125,851</u>	<u>128,543</u>
	2022 €'000	2021 €'000
Adjusted earnings (as above)	<u>90,019</u>	<u>45,639</u>
	Cent	Cent
Adjusted diluted earnings per share	<u>71.53</u>	<u>35.50</u>

Origin Enterprises plc

Notes to the preliminary results statement (continued)

For the financial year ended 31 July 2022

5 Property, plant and equipment

	2022 €'000	2021 €'000
At 1 August	104,528	109,363
Arising on acquisition (Note 10)	874	481
Additions	13,477	7,374
Disposals	(1,733)	(2,150)
Arising on disposal of subsidiary	-	(5,209)
Depreciation charge for the year	(10,696)	(8,176)
Translation adjustments	1,456	2,845
At 31 July	107,906	104,528

6 Goodwill and intangible assets

	2022 €'000	2021 €'000
At 1 August	248,445	235,949
Arising on acquisition (Note 10)	2,314	9,716
Additions	10,998	10,073
Disposals	(848)	-
Arising on disposal of subsidiary	-	(3,351)
Amortisation of non-ERP intangible assets	(15,236)	(8,577)
ERP intangible amortisation	(1,876)	(3,585)
Translation adjustments	8,202	8,220
At 31 July	251,999	248,445

Origin Enterprises plc

Notes to the preliminary results statement (continued)

For the financial year ended 31 July 2022

7 Investments in associates and joint venture

	2022 €'000	2021 €'000
At 1 August	42,774	40,597
Share of profits after tax, before exceptional items	6,845	2,841
Share of exceptional items, net of tax	-	(403)
Dividends received	(3,042)	(4,468)
Share of other comprehensive income	77	2,848
Translation adjustment	399	1,359
At 31 July	47,053	42,774
Split as follows:		
Total associates	24,580	24,178
Total joint venture	22,473	18,596
	47,053	42,774

8 Provision for liabilities

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

	2022 €'000	2021 €'000
At 1 August	3,459	6,042
Arising on acquisition	1,460	-
Provided in year	1,045	146
Paid in year	(384)	(2,871)
Currency translation adjustment	32	142
At 31 July	5,612	3,459
Split as follows:		
Current liabilities	1,610	2,014
Non-current liabilities	4,002	1,445
	5,612	3,459

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

Origin Enterprises plc

Notes to the preliminary results statement (continued)

For the financial year ended 31 July 2022

9 Post employment benefit obligations

The Group operates a number of defined benefit pension schemes and defined contribution schemes with assets held in separate trustee administered funds. All of the defined benefit schemes are closed to new members.

The valuations of the defined benefit schemes used for the purposes of the following disclosures are those of the most recent actuarial valuations carried out at 31 July 2022 by an independent, qualified actuary. The valuations have been performed using the projected unit method.

Movement in net asset recognised in the Consolidated Statement of Financial Position

	2022 €'000	2021 €'000
At 1 August	5,939	403
Current service cost	(590)	(526)
Past service costs	-	(17)
Employer contributions	1,352	1,333
Other finance income	93	8
Remeasurements	909	4,653
Translation adjustments	64	85
At 31 July	7,767	5,939

Origin Enterprises plc

Notes to the preliminary results statement (continued)

For the financial year ended 31 July 2022

10 Acquisition of subsidiary undertakings

On 9 February 2022, the Group acquired 100% of the share capital of Envirofield Limited ('Envirofield') in the UK, an expert independent field-trials company specialising in agricultural and environmental research. Envirofield is expected to enhance the Groups near market R&D capabilities.

On 4 July 2022, the Group acquired 100% of the share capital of George Duncan Agri Solutions Limited ('George Duncan') in the UK, specialising in agricultural grass seed mixtures and provider of agricultural GPS services.

Details of the net assets acquired and goodwill arising from the business combinations are as follows:

	Fair value €'000
Assets	
Non-current	
Property, plant & equipment	874
Intangible assets	1,006
Total non-current assets	1,880
Current assets	
Inventory	86
Trade receivables	980
Other receivables	40
Total current assets	1,106
Liabilities	
Trade and other payables	(1,004)
Corporation tax	(68)
Deferred tax liability	(305)
Total liabilities	(1,377)
Total identifiable net assets at fair value (excluding cash acquired)	1,609
Goodwill arising on acquisition	1,308
Total net assets acquired (excluding cash acquired)	2,917
Consideration satisfied by:	
Cash consideration	2,194
Cash acquired	(737)
Net cash outflow	1,457
Contingent consideration arising from acquisition	1,460
Total consideration related to acquisitions	2,917

Origin Enterprises plc

Notes to the preliminary results statement (continued)

For the financial year ended 31 July 2022

11 Analysis of net debt

	2021 €'000	Cash flow €'000	Non-cash movements €'000	Translation adjustment €'000	2022 €'000
Cash	168,660	25,403	-	(1,004)	193,059
Overdrafts	(12,882)	(2,953)	-	(854)	(16,689)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Cash and cash equivalents	155,778	22,450	-	(1,858)	176,370
Loans	(170,184)	39,100	(595)	(1,257)	(132,936)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net debt	(14,406)	61,550	(595)	(3,115)	43,434
Lease liabilities	(46,136)	13,499	(15,216)	(703)	(48,556)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net debt including lease liabilities	(60,542)	75,049	(15,811)	(3,818)	(5,122)

12 Share capital

	2022 €'000	2021 €'000
Authorised		
250,000,000 ordinary shares of €0.01 each (i)	2,500	2,500
	<hr/>	<hr/>
Allotted, called up and fully paid		
125,317,865 (2021: 126,396,184) ordinary shares of €0.01 each (i) (ii)	1,253	1,264
	<hr/>	<hr/>

Origin Enterprises plc

Notes to the preliminary results statement (continued)

For the financial year ended 31 July 2022

12 Share capital – continued

	Number of ordinary shares	Nominal value of shares €'000	
Allotted, called up and fully paid			
At 1 August 2021	126,396,184	1,264	
Share options exercised (ii)	6,478	-	
Cancellation of treasury shares (v)	(1,084,797)	(11)	
	<hr/>	<hr/>	
At 31 July 2022	125,317,865	1,253	
	<hr/>	<hr/>	
	Number of treasury shares	Nominal value of shares €'000	Carrying value of shares €'000
Treasury shares in issue			
At 1 August 2021	(800,330)	(8)	(8)
LTIP share options exercised (iii)	38,615	-	-
Share buyback (iv)	(10,086,258)	(101)	(39,997)
Cancellation of treasury shares (v)	1,084,797	11	4,000
	<hr/>	<hr/>	<hr/>
	(9,763,176)	(98)	(36,005)
	<hr/>	<hr/>	<hr/>

- (i) Ordinary shareholders are entitled to dividends as declared and each ordinary share carries equal voting rights at meetings of the Company.
- (ii) In current financial year, the issued ordinary share capital was increased by the issue of 6,478 ordinary shares of nominal value €0.01 each, at an issue price of €2.02 each pursuant to the terms of the Origin Save As You Earn Scheme.
- (iii) During the current financial year, the Group transferred 38,615 treasury shares to satisfy an exercise of share options granted under the Company's Long-Term Incentive Plan (2015).
- (iv) During the financial year, the Group completed a share buyback programme. The total number of ordinary shares purchased by the Group was 10,086,258 for a total consideration before expenses of €40 million. The re-purchased shares are held as treasury shares.
- (v) On 29 July 2022, the Group cancelled 1,084,797 treasury shares and intends to cancel further tranches of treasury shares in due course.

Origin Enterprises plc

Notes to the preliminary results statement (continued)

For the financial year ended 31 July 2022

13 Return on capital employed

Return on capital employed is a key performance indicator for the Group and represents Group earnings before interest, tax and amortisation of non-ERP related intangible assets taken as a percentage of Group net assets and is consistent with the definition approved as part of the 2015 Long Term Incentive Plan.

	2022 €'000	2021 €'000
Total assets	1,512,408	1,297,789
Total liabilities	(1,109,631)	(936,784)
<i>Adjusted for:</i>		
Net debt	5,122	60,542
Tax, put option and derivative financial instruments, net	51,987	51,790
Accumulated amortisation of non-ERP related intangible assets	72,793	64,796
Capital employed	532,679	538,133
Average capital employed	691,369	684,136
Operating profit (excluding exceptional items)	104,504	52,430
Amortisation of non-ERP intangible assets	15,236	8,577
Share of profit of associates and joint venture	6,845	2,841
Return	126,585	63,848
Return on capital employed	18.3%	9.3%

In years where the Group makes significant acquisitions or disposals, the return on invested capital calculation is adjusted accordingly to ensure that the impact of the acquisition or disposal is time apportioned appropriately.

14 Related party transactions

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

15 Dividend

The Board is recommending a final dividend of 12.85 cent per ordinary share (2021: 7.85) which when combined with the interim dividend of 3.15 cent per ordinary share brings the total dividend for the year to 16.00 cent per share (total dividend of €18.5 million) (2021: 11.00 cent per share). Subject to shareholders' approval at the Annual General Meeting, the dividend will be paid on 6 February 2023 to shareholders on the register on 13 January 2023. In accordance with IFRS, this dividend has not been provided for in the Consolidated Statement of Financial Position as at 31 July 2022.

Origin Enterprises plc

Notes to the preliminary results statement (continued)

For the financial year ended 31 July 2022

16 Financial commitments

The Group has a financial commitment of €3.2 million attributable to a strategic partnership with University College Dublin ('UCD'). The commitment is over a five year period and was extended until January 2023.

17 Subsequent events

There have been no material events subsequent to 31 July 2022 that would require adjustment to or disclosure in this report.