TOTAL PRODUCE PLC

RESULTS TO 30 JUNE 2019

Total Produce continues strong earnings growth in 2019

- **Total Revenue up 39.6% to €3.051 billion**
- **Adjusted EBITDA up 106.6% to €117.1m**
- **Adjusted EBITA up 103.5% to €92.8m**
- **Adjusted profit before tax up 57.8% to €65.9m**
- **Adjusted fully diluted EPS (excluding impact of new lease accounting standard) up 71.4% to 10.30 cent**
- **Adjusted fully diluted EPS up 63.1% to 9.80 cent**
- **Interim dividend of 0.9129 cent per share, unchanged**

Performance measures are defined on page 34

Commenting on the results, Carl McCann, Chairman, said:

"Total Produce, the leading international fresh produce company is pleased to report strong results for the first half of the year. As previously announced, the Group completed the acquisition of a 45% stake in Dole Food Company ('Dole'), one of the largest fresh produce companies in the world on 31 July 2018. This is the first full year incorporating the Group's share of Dole's results.

Total Produce recorded a 71.4% increase in adjusted fully diluted EPS in the first half year, excluding the impact of the new lease accounting standard, due primarily to the contribution of Dole. This was in turn slightly offset by certain Eurozone markets. The results of Dole are in line with expectations led by a good recovery in the Fresh Vegetables division. The Dole business is seasonal with the greater share of earnings recorded in the first half of the financial year.

For the full year, Total Produce continues to target an increase in the adjusted fully diluted EPS, excluding the impact of the new lease accounting standard, in the mid-to-upper single digit range over the 2018 adjusted fully diluted EPS of 13.50 cent.

The Group is pleased to announce an interim dividend of 0.9129 cent per share, unchanged on the prior period".

29 August 2019

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TOTAL PRODUCE PLC INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2019

	2019	2018	
	€'million	€'million	change
Total Revenue[1]	**3,051**	2,187	+39.6%
Group Revenue	**1,833**	1,857	(1.3%)
Adjusted EBITDA[1] (after add back of right-of-use asset depreciation)	**144.8**	56.7	+155.5%
Adjusted EBITDA[1]	**117.1**	56.7	+106.6%
Adjusted EBITA[1]	**92.8**	45.6	+103.5%
Operating profit after intangible asset amortisation	**60.9**	44.9	+35.6%
Adjusted profit before tax[1]	**65.9**	41.8	+57.8%
Profit before tax	**55.3**	42.3	+30.8%
	€'cent	€'cent	
Adjusted fully diluted earnings per share (excluding IFRS 16)	**10.30**	6.01	+71.4%
Adjusted fully diluted earnings per share	**9.80**	6.01	+63.1%
Basic earnings per share	**11.23**	7.23	+55.3%
Diluted basic earnings per share	**11.20**	7.20	+55.5%
Total dividend per share	**0.9129**	0.9129	–

(1) **Alternative Performance Measures**
The Group uses a number of alternative performance measures (APMs), which are non-IFRS measures to monitor financial performance. These measures are referred to throughout the discussion of our reported operating performance and financial position and are measures which are regularly reviewed by Group management in assessing Group performance. The APMs are defined on page 34 of this announcement.

Forward-looking statement
Any forward-looking statements made in this press release have been made in good faith based on the information available as of the date of this press release and are not guarantees of future performance. Actual results or developments may differ materially from the expectations expressed or implied in these statements, and the Company undertakes no obligation to update any such statements whether as a result of new information, future events, or otherwise. Total Produce's Annual Report contains and identifies important factors that could cause these developments or the Company's actual results to differ materially from those expressed or implied in these forward-looking statements.

Overview

Total Produce (the 'Group') has delivered a good performance in the first half of 2019. The results for the period include the Group's 45% share of Dole Food Company ('Dole'). The comparable prior period did not include Dole, as the transaction completed on 31 July 2018 after receiving regulatory approval. Dole's overall business is seasonal with the greater share of adjusted EBITA earned in the first half of the financial year.

Total revenue in the period grew 39.6% to €3,051m (2018: €2,187m), adjusted EBITDA increased by 106.6% to €117.1m (2018: €56.7m) with adjusted EBITA increasing 103.5% to €92.8m (2018: €45.6m). The increase on the comparative period was due to the incremental benefit of the acquisition of Dole offset in part by competitive conditions in certain markets in the Eurozone division and generally more uncertainty surrounding international trade.

Excluding the impact from the new lease accounting standard (IFRS 16 *Leases)*, the adjusted fully diluted earnings per share was 10.30 cent, an increase of 71.4% with the increase due to incremental impact of the acquisition of Dole together with the weighting of its profits to the first half of the year. Including the effect of IFRS 16, adjusted fully diluted earnings per share grew 63.1% to 9.80 cent (2018: 6.01 cent).

The Group continues to be cash generative with operating cash flows of €30.7m (2018: €37.8m) before normal seasonal working capital outflows.

The Board is pleased to announce an interim dividend of 0.9129 cent per share, which is unchanged on the comparative period.

Operating review

The table below details a segmental breakdown of the Group's total revenue and adjusted EBITA for the six months ended 30 June 2019. The European and International operating segments are primarily involved in the procurement, marketing and distribution of hundreds of lines of fresh fruit and vegetables. The Group's 45% share of the results of Dole is included as a separate operating segment. Dole is one of the world's leading fresh producers/marketers and distributors of fresh fruit and vegetables which are sold through a wide network in North America, Europe, Latin America, the Middle East and Africa. Segment performance is evaluated based on total revenue and adjusted EBITA.

	(Unaudited)* 6 months to 30 June 2019		*(Unaudited)* 6 months to 30 June 2018	
	Total revenue €'000	**Adjusted EBITA €'000**	Total revenue €'000	Adjusted EBITA €'000
Europe – Non-Eurozone	**766,403**	**22,678**	781,229	21,378
Europe – Eurozone	**816,410**	**11,211**	874,218	14,906
International	**604,917**	**8,945**	556,430	9,320
Dole *	**891,021**	**49,987**	–	–
Inter-segment revenue	**(27,400)**	**–**	(25,377)	–
Total revenue and adjusted EBITA	**3,051,351**	**92,821**	2,186,500	45,604

**Dole's financial calendar consists of thirteen 4 weekly periods and the first half results are for the first six periods ended 15 June 2019. The Group's share of the adjusted EBITA of Dole above is after the deduction of the Group's share of the non-controlling interests charge within Dole and an allocation of a corporate overhead.*

Total revenue increased 39.6% to €3,051m (2018: €2,187m) with adjusted EBITA increasing by 103.5% to €92.8m (2018: €45.6m) due to the incremental impact of the acquisition of Dole offset in part by the continued challenging trading environment in certain parts of the Eurozone. On a like-for-like basis, excluding acquisitions, divestments and currency translation, revenues were 2% behind the comparative period with a small decrease in volume partially offset by price increases.

Fresh produce markets particularly in certain parts of Europe were very competitive. The poor weather in California in April to June led to less optimal growing conditions and weaker trading in the strawberry growing operation. There was a small drop in exported goods from the US to India and China due to higher tariffs.

Europe – Non-Eurozone
This segment includes the Group's businesses in the Czech Republic, Poland, Scandinavia and the UK. Revenue decreased by 1.9% to €766m (2017: €781m). This was due in particular to the adverse impact of the translation of the results of foreign currency denominated operations into Euro, the cessation of a small distribution business in the second half of 2018, offset in part by the incremental contribution of bolt-on acquisitions. On a like-for-like basis excluding divestments, acquisitions and disposals, revenue decreased by circa 1% with a small decrease in volumes offset in part by a marginal average price increase. Adjusted EBITA increased 6.1% to €22.7m with the benefit of good operating margins and the incremental impact of the cessation of a small loss making distribution business in the second half of 2018.

Europe – Eurozone
This segment includes the Group's businesses in France, Ireland, Italy, the Netherlands and Spain. Revenue decreased by 6.6% to €816m (2018: €874m) with a 24.8% decrease in adjusted EBITA to €11.2m (2018: €14.9m). Overall trading conditions were challenging, particularly in the Netherlands in the vegetable and salad categories where the market remains very competitive. Trading was satisfactory in Southern Europe but behind a particularly strong comparable period. Excluding the effect of acquisitions and divestments, revenue on a like-for-like basis was circa 6% behind prior year due to volume decreases partially offset by a marginal price increase.

International
This division includes the Group's businesses in North America, South America and India. Revenue increased by 8.7% to €605m (2018: €556m) with the benefit on translation of results to Euro of the stronger US and Canadian Dollar which strengthened by 6.6% and 2.5% respectively. On a like-for-like basis excluding effects of currency, revenue increased circa 2% with higher average pricing partially offset by some marginal volume decline. Whilst domestic US volumes have marginally increased, there was a small drop in US export volumes to India and China due to increased tariffs.

Adjusted EBITA decreased 4.0% to €8.9m (2018: €9.3m) with poor weather in California in April to June leading to weaker trading in the strawberry growing operation. This was offset in part by the strong US and Canadian Dollar which benefitted results on translation to Euro and good performance in some other produce categories.

Dole
This segment includes the Group's share of the results of Dole. As noted earlier, the Group completed the acquisition of the initial tranche of 45% of Dole on 31 July 2018 and is equity accounting for its 45% share of the results of Dole on an IFRS basis with effect from 1 August 2018. The 2019 financial year is therefore the first full year to reflect this transaction.

Dole's financial calendar consists of thirteen periods of four weeks, and the first half results are for the first six periods ended 15 June 2019. Dole's overall business is seasonal, with the greater share of adjusted EBITA earned in the first half of the financial year. Hence the results for the period ended are not indicative of the results of the operations for a full year. As Dole is more vertically integrated their operations are sensitive to a number of factors including weather related phenomena and the effects on industry volumes, prices, produce quality and costs.

On an IFRS basis, Dole has recorded revenues of $2,236m (€1,980m) for the period ended 15 June 2019. Adjusted EBITDA was $161.0m (€142.9m) with adjusted EBITA of $130.3m (€115.6m). Total Produce's 45% share of revenue and adjusted EBITA was €891m and €50.0m respectively.

Trading for the period ended 15 June 2019 has been good. Revenues on a like-for-like basis, excluding the disposal of the salad business in Sweden, were in line with the comparable period. Adjusted EBITDA and adjusted EBITA increased, led by a recovery in the Fresh Vegetable division which was impacted by two industry-wide safety notices in 2018, not directly linked to Dole, which affected romaine lettuce.

Revenues in the Fresh Fruit division were marginally behind the comparable prior period due primarily to unfavourable foreign currency exchange movements in European denominated revenues and the sale of the salad business in Sweden in the first half of 2019. Revenues in the Fresh Vegetable division were ahead due to higher pricing of fresh packed vegetables and packaged salads, higher volumes of packaged salads offset in part by lower volumes in the fresh packed vegetable business.

Further details on the acquisition of Dole and its financial performance and position for the period ended 15 June 2019 are outlined in Note 7 of the accompanying financial information.

Financial Review

Impact of IFRS 16 Leases
As explained in detail in Note 1 of the accompanying financial statements, the Group has adopted IFRS 16 *Leases* (IFRS 16) with effect from 1 January 2019.

As a result of initially applying IFRS 16 in relation to leases that were previously classified as operating leases, the Group recognised €108.2m of right-of-use assets and €115.2m of lease liabilities at 30 June 2019.

The incremental impact of adoption of IFRS 16 in the income statement in the period is a reduction in operating expenses of €661,000 and an increase in the net financial expense of €1,495,000. Profit after tax of joint ventures and associates, which includes the Group's 45% share of the results of Dole has decreased by €1,433,000. The incremental impact of IFRS 16 on the adjusted earnings per share for the six month period was a reduction of 0.50 cent per share.

Revenue and adjusted EBITA
An analysis of the factors influencing the changes in revenue and adjusted EBITA are discussed in the operating review above.

Share of profits of joint ventures and associates
The Group's share of after tax profits of Dole for the period amounted to €18.6m before exceptional items. Post exceptional items the Group's share of after tax profits was €25.6m. Further details of the performance of Dole and its financial position at the end of the period is outlined in Note 7 of the accompanying financial statements.

Excluding the contribution from Dole the share of after tax profits of joint ventures and associates increased in the period to €4.9m (2018: €4.8m). Dividends declared from joint ventures and associates in the period amounted to €6.0m (2018: €5.9m) with €6.3m (2018: €5.9m) received in cash reflecting the Group's continued focus on cash return from these investments.

Intangible asset amortisation
Acquisition related intangible asset amortisation in subsidiaries decreased to €5.0m (2018: €5.3m) due to intangible assets becoming fully amortised. The share of intangible asset amortisation within joint ventures and associates was €1.3m (2018: €1.3m).

Exceptional items
Exceptional items in the period amounted to a net credit after tax of €8.7m (2018: net credit €7.0m), which relate to exceptional gains on a disposal of an investment and the Group's share of exceptional items within Dole. A full analysis of these exceptional items is set out in Note 5 of the accompanying financial information and has been excluded from the calculation of the adjusted numbers.

Operating Profit
Operating profit before exceptional items increased by 36.1% in the period to €52.4m (2018: €38.5m). Operating profit after these items amounted to €60.9m (2018: €44.9m).

Net Financial Expense
Net financial expense (before exceptional items) in the period increased to €5.5m (2018: €3.2m) due to the impact of applying IFRS 16, higher average net debt in the period due to the acquisition of Dole, partly offset by lower cost of funding. The Group's share of the net interest expense of joint ventures and associates in the period was €21.4m (2018: €0.6m).

Profit Before Tax
Excluding acquisition related intangible asset amortisation charges and costs, fair value movements on contingent consideration and share of joint venture interest and tax which is netted in profit before tax in the statutory income statement, the adjusted profit before tax increased by 57.8% in the period to €65.9m (2018: €41.8m) due primarily to the contribution of Dole partly offset by a reduction in profits in some entities in the Eurozone and higher interest charges from funding the Dole acquisition. Statutory profit before tax after these items was €55.3m (2018: €42.3m).

Non-Controlling Interests
The non-controlling interests' share of after tax profits in the period was €6.1m (2018: €7.8m). Included in this was the non-controlling interests' share of exceptional items, acquisition related intangible asset amortisation charges and costs (net of tax impact) of €1.0m (2018: €1.6m). Excluding these non-trading items, the non-controlling interests' share of after tax profits decreased by €2.3m to €7.1m (2018: €9.4m). The decrease in the period was due primarily to a decrease in certain non-wholly owned companies in Europe and North America.

Adjusted and Basic Earnings per Share
Excluding the impact of the new IFRS 16 *Leases* standard, adjusted fully diluted earnings per share was 10.30 cent, an increase of 71.4% due to the benefit of the Dole acquisition offset in part by higher interest charges to fund the Dole transaction and challenging conditions in some markets in the Eurozone. Including the effect of IFRS 16, adjusted fully diluted earnings per share increased by 63.1% in the six month period to 9.80 cent per share (2018: 6.01 cent).

Management believes that adjusted fully diluted earnings per share, which excludes acquisition related intangible asset amortisation charges and costs, fair value movements on contingent consideration, unrealised gains or losses on derivative financial instruments, gains and losses on foreign currency denominated intercompany borrowings, exceptional items and the related tax on these items, provides a fairer reflection of the underlying trading performance of the Group.

Basic earnings per share and diluted earnings per share after these non-trading items amounted to 11.23 cent per share (2018: 7.23 cent) and 11.20 cent per share (2018: 7.20 cent) respectively.

Note 6 of the accompanying financial information provide details of the calculation of the respective earnings per share amounts.

Cash Flow and Net Debt

Net debt (excluding lease liabilities) at 30 June 2019 was €294.3m compared to €173.7m (excluding restricted cash of €150.2m) at 30 June 2018. The increase reflects the additional finance of €110m required for the Dole investment which completed on 31 July 2018. Net debt at 31 December 2018 was €219.7m with the increase due to normal seasonal working capital outflows in the period. Average net debt for the six months ended June 2019 was €285.9m compared to €169.2m for the six months ended 30 June 2018 and €217.1m for the year ended 31 December 2018 with both 2018 measures excluding the proceeds from the share placing. In addition, the Group has trade receivables financing at 30 June 2019 of €35.0m (30 June 2018: €48.1m and 31 December 2018: €30.0m).

The Group generated €30.7m (2018: €37.8m) in operating cash flows in the period before seasonal working capital outflows of €62.2m (2018: €61.4m). Cash outflows on routine capital expenditure, net of disposals, were €9.8m (2018: €11.0m). Dividends received from joint ventures and associates in the period were €6.3m (2018: €5.9m) while dividends paid to non-controlling interests were €9.7m (2018: €7.6m).

Cash outflows on acquisitions amounted to €9.9m (2018: €4.0m) with the payments in 2019 primarily due to payment of Dole acquisition fees and some bolt-on acquisitions in the period. Contingent and deferred consideration payments relating to prior period acquisitions were €7.2m (2018: €6.2m). In the period there were cash outflows of €3.8m (2018: €5.0m) on non-routine capital expenditure. The Group distributed €9.8m (2018: €9.5m) in dividends to equity shareholders in the period, representing the payment of the final 2018 dividend. There was a negative movement of €0.7m (2018: positive €6.5m) on the translation of foreign currency denominated debt/cash into Euro at 30 June 2019.

	(Unaudited) **6 months to 30 June 2019 €'m**	***(Unaudited)*** **6 months to 30 June 2018 €'m**	***(Audited)*** **Year-ended 31 Dec 2018 €'m**
Adjusted EBITDA	**117.1**	56.7	133.3
Deduct adjusted EBITDA of joint ventures and associates	**(74.6)**	(10.1)	(44.5)
Net financial expense and tax paid	**(11.2)**	(8.8)	(20.5)
Right-of-use asset depreciation net of IFRS 16 lease payments	**1.2**	–	–
Other	**(1.8)**	–	(0.2)
Operating cash flows before working capital movements	**30.7**	37.8	68.1
Working capital movements	**(62.2)**	(61.4)	(15.2)
Operating cash flows	**(31.5)**	(23.6)	52.9
Routine capital expenditure net of routine disposal proceeds	**(9.8)**	(11.0)	(22.1)
Dividends received from joint ventures and associates	**6.3**	5.9	10.9
Dividends paid to non-controlling interests	**(9.7)**	(7.6)	(10.5)
Free cash flow	**(44.7)**	(36.3)	31.2
Cashflow from exceptional items	**(0.6)**	0.8	3.0
Acquisition payments, net [1]	**(9.9)**	(4.0)	(259.6)
Net cash assumed on acquisition of subsidiaries	**0.4**	2.3	3.8
Contingent consideration payments	**(7.2)**	(6.2)	(7.0)
Non-routine capital expenditure/property additions	**(3.8)**	(5.0)	(7.4)
Dividends paid to equity shareholders	**(9.8)**	(9.5)	(13.1)
Proceeds from issue of share capital - share placing	–	141.0	141.0
Proceeds from issue of share capital - other	–	0.2	0.4
Other	**0.1**	(0.2)	(0.6)
Total net debt movement in period	**(75.5)**	83.1	(108.3)
Net debt at beginning of period	**(219.7)**	(113.1)	(113.1)
Finance leases reclassified from net debt to lease liabilities	**1.6**	–	–
Foreign currency translation	**(0.7)**	6.5	1.7
Net debt at end of period [2]	**(294.3)**	(23.5)	(219.7)
Less restricted cash	–	(150.2)	–
Net debt at end of period, excluding restricted cash[2]	**(294.3)**	(173.7)	(219.7)

[1] *Includes payments in the period in respect of subsidiaries, non-controlling interests, joint ventures and associates and is net of contributions from non-controlling interests and proceeds on disposal of shares to non-controlling interests. The 2018 full year figure included €5.1m of long term funding to a joint venture in Europe to fund a development.*

[2] *Net debt has been defined on Page 34 and excludes lease liabilities.*

Employee Defined Benefit Obligations
The net liability of the Group's defined benefit pension schemes (net of deferred tax) decreased to €8.4m at 30 June 2019 (31 December 2018: €8.8m). The decrease in the net liability during the period was primarily due to a 10% return on pension scheme assets in the period and a reduction in the long term Irish inflation assumption which decreases the net present value of the scheme's obligations. This was offset by the impact of a reduction in the discount rates for the Irish and UK schemes which results in an increase in the net present value of the schemes' obligations. Other post-employment defined benefit obligations increased to €6.2m at 30 June 2019 (31 December 2018: €5.0m). Further details are outlined in Note 8 of the accompanying financial information.

Shareholders' Equity
Shareholders' equity has increased by €16.0m in the six month period to €449.1m at 30 June 2019. On adoption of IFRS 16 *Leases*, the net impact to retained earnings at 1 January 2019 was a reduction of €6.9m. Profit after tax of €43.6m attributable to equity shareholders was offset by remeasurement losses of €1.1m (net of deferred tax) on post-employment benefit schemes, a currency translation loss of €2.8m on the retranslation of the net assets of foreign currency denominated operations to Euro, a €5.7m movement in the put option liability and the payment of a dividend of €9.8m to equity shareholders of the Company.

Development Activity
The Group made a number of bolt-on acquisitions during the six months ended 30 June 2019 with committed investment of €4.0m including €1.5m of deferred and contingent consideration payable on the achievement of future profit targets.

Dividends
The Board has declared an interim dividend of 0.9129 (2018: 0.9129) cent per share, unchanged on the comparative period. The dividend will be paid on 11 October 2019 to shareholders on the register at 13 September 2019 subject to dividend withholding tax. In accordance with company law and IFRS, this dividend has not been provided for in the balance sheet at 30 June 2019.

Post Balance Sheet Events
There have been no material events subsequent to 30 June 2019 which would require disclosure or adjustment in the financial statements.

Going Concern
The Directors are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they have adopted the going concern basis in preparing the financial statements.

Changes to Board of Directors
As part of a planned transition to ensure orderly board succession, and as previously announced, Imelda Hurley, former Director and CFO of Origin Enterprises plc and Helen Nolan, former Company Secretary of Bank of Ireland have joined the Board.

Frank Gernon and Jerome Kennedy have advised the Board that they will retire prior to the 2020 AGM.

Following these changes, the Board will comprise nine directors, of which three will be executive and six non-executive.

Summary and Outlook
Total Produce, the leading international fresh produce company is pleased to report strong results for the first half of the year. As previously announced, the Group completed the acquisition of a 45% stake in Dole Food Company ('Dole'), one of the largest fresh produce companies in the world on 31 July 2018. This is the first full year incorporating the Group's share of Dole's results.

Total Produce recorded a 71.4% increase in adjusted fully diluted EPS in the first half year, excluding the impact of the new lease accounting standard, due primarily to the contribution of Dole. This was in turn slightly offset by certain Eurozone markets. The results of Dole are in line with expectations led by a good recovery in the Fresh Vegetables division. The Dole business is seasonal with the greater share of earnings recorded in the first half of the financial year.

For the full year, Total Produce continues to target an increase in the adjusted fully diluted EPS, excluding the impact of the new lease accounting standard, in the mid-to-upper single digit range over the 2018 adjusted fully diluted EPS of 13.50 cent.

The Group is pleased to announce an interim dividend of 0.9129 cent per share, unchanged on the prior period.

Carl McCann, Chairman
On behalf of the Board
29 August 2019

Total Produce plc
Condensed Group Income Statement
for the half-year ended 30 June 2019

	(Unaudited) **6 months to 30 June 2019 Pre-Exceptional €'000**	*(Unaudited)* **6 months to 30 June 2019 Exceptional items (Note 5) €'000**	*(Unaudited)* **6 months to 30 June 2019 Total €'000**	*(Unaudited)* 6 months to 30 June 2018 Pre-Exceptional €'000	*(Unaudited)* 6 months to 30 June 2018 Exceptional items (Note 5) €'000	*(Unaudited)* 6 months to 30 June 2018 Total €'000	*(Audited)* Year ended 31 Dec 2018 Pre-Exceptional €'000	*(Audited)* Year ended 31 Dec 2018 Exceptional items (Note 5) €'000	*(Audited)* Year ended 31 Dec 2018 Total €'000
Revenue, including Group share of joint ventures and associates	**3,051,351**	**–**	**3,051,351**	2,186,500	–	2,186,500	5,043,490	–	5,043,490
Group revenue	**1,832,598**	**–**	**1,832,598**	1,857,024	–	1,857,024	3,727,591	–	3,727,591
Cost of sales	**(1,582,218)**	**–**	**(1,582,218)**	(1,606,397)	–	(1,606,397)	(3,220,805)	–	(3,220,805)
Gross profit	**250,380**	**–**	**250,380**	250,627	–	250,627	506,786	–	506,786
Operating expenses	**(216,556)**	**1,447**	**(215,109)**	(211,659)	6,386	(205,273)	(432,618)	9,450	(423,168)
Share of profit/(loss) of joint venture - Dole	**18,638**	**6,997**	**25,635**	–	–	–	(2,697)	(3,658)	(6,355)
Share of profit of other joint ventures and associates	**4,934**	**–**	**4,934**	4,782	–	4,782	10,868	–	10,868
Operating profit before acquisition related intangible asset amortisation	**57,396**	**8,444**	**65,840**	43,750	6,386	50,136	82,339	5,792	88,131
Acquisition related intangible asset amortisation	**(4,986)**	**–**	**(4,986)**	(5,251)	–	(5,251)	(10,281)	–	(10,281)
Operating profit after acquisition related intangible asset amortisation	**52,410**	**8,444**	**60,854**	38,499	6,386	44,885	72,058	5,792	77,850
Financial expense	**(5,515)**	**–**	**(5,515)**	(3,202)	623	(2,579)	(7,365)	(667)	(8,032)
Profit before tax	**46,895**	**8,444**	**55,339**	35,297	7,009	42,306	64,693	5,125	69,818
Income tax expense	**(5,964)**	**304**	**(5,660)**	(7,350)	(18)	(7,368)	(14,619)	(1,395)	(16,014)
Profit for the period	**40,931**	**8,748**	**49,679**	27,947	6,991	34,938	50,074	3,730	53,804
Attributable to:									
Equity holders of the parent			**43,620**			27,142			35,793
Non-controlling interests			**6,059**			7,796			18,011
			49,679			34,938			53,804
Earnings per ordinary share									
Basic			**11.23**			7.23			9.37
Fully diluted			**11.20**			7.20			9.34

Total Produce plc
Condensed Group Statement of Comprehensive Income
for the half-year ended 30 June 2019

	(Unaudited) **6 months to 30 June 2019 €'000**	*(Unaudited)* 6 months to 30 June 2018 €'000	*(Audited)* Year ended 31 Dec 2018 €'000
Profit for the period	**49,679**	34,938	53,804
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation effects:			
- foreign currency net investments – subsidiaries	**(1,255)**	(3,921)	(6,416)
- foreign currency net investments – joint ventures and associates	**(373)**	(139)	3,236
- foreign currency borrowings designated as net investment hedges	**(376)**	53	(4,387)
- foreign currency recycled to income statement on joint venture becoming a subsidiary	–	–	90
Effective portion of changes in fair value of cash flow hedges, net	**(78)**	336	340
Changes in fair value of cost of hedging, net	**145**	26	23
Deferred tax on items above	**(2)**	(86)	(97)
Share of joint ventures and associates effective portion of cash flow hedges	**(1,708)**	–	51
Share of joint ventures and associates deferred tax on items above	**265**	–	696
	(3,382)	(3,731)	(6,464)
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement (losses)/gains on post-employment defined benefit schemes	**(665)**	7,411	6,323
Remeasurement (losses)/gains on other post-employment defined benefit schemes	**(523)**	561	354
Revaluation gains on property, plant and equipment, net	**–**	–	475
Deferred tax on items above	**(128)**	(1,217)	(1,172)
Share of joint ventures and associates remeasurement losses on post-employment benefit schemes	**(1,881)**	–	(1,867)
Share of joint ventures and associates deferred tax on items above	**547**	–	854
	(2,650)	6,755	4,967
Other comprehensive income for the period	**(6,032)**	3,024	(1,497)
Total comprehensive income for the period	**43,647**	37,962	52,307
Attributable to:			
Equity holders of the parent	**37,021**	29,392	33,071
Non-controlling interests	**6,626**	8,570	19,236
	43,647	37,962	52,307

Total Produce plc
Condensed Group Balance Sheet
as at 30 June 2019

	(Unaudited)	*(Unaudited)*	*(Audited)*
	30 June 2019	30 June 2018	31 Dec 2018
	€'000	€'000	€'000
Assets			
Non-current assets			
Property, plant and equipment	**176,573**	169,836	175,825
Right-of-use assets	**109,793**	–	–
Investment property	**7,369**	7,228	7,344
Goodwill and intangible assets	**267,112**	276,275	266,950
Investments in joint venture - Dole	**264,426**	–	245,881
Investments in joint ventures and associates - other	**104,968**	104,342	105,172
Other financial assets	**4,968**	712	3,465
Other receivables	**24,181**	11,660	18,724
Deferred tax assets	**12,370**	11,965	12,393
Total non-current assets	**971,760**	582,018	835,754
Current assets			
Inventories	**84,134**	102,569	90,295
Biological assets	**4,215**	3,036	5,066
Trade and other receivables	**481,996**	493,614	392,786
Other investments	**8,629**	–	6,612
Corporation tax receivable	**2,765**	3,702	4,523
Derivative financial instruments	**4,584**	423	4,388
Cash and cash equivalents	**78,876**	231,617	102,299
Total current assets	**665,199**	834,961	605,969
Total assets	**1,636,959**	1,416,979	1,441,723
Equity			
Share capital	**4,105**	4,101	4,104
Share premium	**295,454**	295,240	295,421
Other reserves	**(131,604)**	(130,674)	(123,057)
Retained earnings	**281,148**	253,974	256,654
Total equity attributable to equity holders of the parent	**449,103**	422,641	433,122
Non-controlling interests	**95,484**	81,136	82,483
Total equity	**544,587**	503,777	515,605
Liabilities			
Non-current liabilities			
Interest-bearing loans and borrowings	**217,611**	162,498	263,356
Lease liabilities	**99,276**	–	–
Deferred government grants	**297**	360	322
Other payables	**1,471**	816	1,289
Contingent consideration and other provisions	**12,499**	13,545	12,931
Put option liability	**25,297**	38,604	34,975
Corporation tax payable	**6,658**	6,286	6,676
Deferred tax liabilities	**30,196**	27,645	31,140
Employee benefit liabilities	**16,140**	13,842	15,964
Total non-current liabilities	**409,445**	263,596	366,653
Current liabilities			
Interest-bearing loans and borrowings	**155,558**	92,665	58,686
Lease liabilities	**17,280**	–	–
Trade and other payables	**500,017**	538,697	482,934
Contingent consideration and other provisions	**7,253**	13,543	14,333
Derivative financial instruments	**405**	229	296
Corporation tax payable	**2,414**	4,472	3,216
Total current liabilities	**682,927**	649,606	559,465
Total liabilities	**1,092,372**	913,202	926,118
Total liabilities and equity	**1,636,959**	1,416,979	1,441,723

Total Produce plc
Condensed Group Statement of Changes in Equity
for the half-year ended 30 June 2019

	Attributable to equity holders of the parent											
For the half-year ended 30 June 2019 (*Unaudited*)	***Share capital €'000***	***Share premium €'000***	***Unde-nominated capital €'000***	***De-merger Reserve €'000***	***Own shares reserve €'000***	***Currency translation reserve €'000***	***Reval-uation reserve €'000***	***Other equity reserves €'000***	***Retained earnings €'000***	***Total €'000***	***Non-controlling interests €'000***	***Total equity €'000***
As at 1 January 2019 as presented in balance sheet	**4,104**	**295,421**	**140**	**(122,521)**	**(8,580)**	**(22,721)**	**28,336**	**2,289**	**256,654**	**433,122**	**82,483**	**515,605**
Adjust for impact of transition to IFRS 16	**–**	**–**	**–**	**–**	**–**	**159**	**–**	**–**	**(6,937)**	**(6,778)**	**(1,337)**	**(8,115)**
Balance at 1 January 2019 as presented in the balance sheet	**4,104**	**295,421**	**140**	**(122,521)**	**(8,580)**	**(22,562)**	**28,336**	**2,289**	**249,717**	**426,344**	**81,146**	**507,490**
Adjust for NCI subject to put option transferred for presentation purposes	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(34,673)**	**–**	**(34,673)**	**34,673**	**–**
As at 1 January 2019	**4,104**	**295,421**	**140**	**(122,521)**	**(8,580)**	**(22,562)**	**28,336**	**(32,384)**	**249,717**	**391,671**	**115,819**	**507,490**
Comprehensive income												
Profit for the period	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**43,620**	**43,620**	**6,059**	**49,679**
Other comprehensive income:												
Items that may be reclassified subsequently to profit or loss:												
Foreign currency translation effects, net	**–**	**–**	**–**	**–**	**–**	**(1,730)**	**–**	**(1,069)**	**–**	**(2,799)**	**795**	**(2,004)**
Effective portion of cash flow hedges, net	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(49)**	**–**	**(49)**	**(29)**	**(78)**
Changes in fair value of cost of hedging, net	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**135**	**–**	**135**	**10**	**145**
Deferred tax on items above	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(11)**	**–**	**(11)**	**9**	**(2)**
Share of JV & associates effective portion of cashflow hedges	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(1,708)**	**–**	**(1,708)**	**–**	**(1,708)**
Share of JV & associates deferred tax on cashflow hedges	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**265**	**–**	**265**	**–**	**265**
Items that will not be subsequently reclassified to profit or loss:												
Remeasurement losses on defined benefit pension schemes	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(432)**	**(432)**	**(233)**	**(665)**
Remeasurement losses on other post-employment defined benefits	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(540)**	**(540)**	**17**	**(523)**
Deferred tax on items above	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(126)**	**(126)**	**(2)**	**(128)**
Share of JV & associates remeasurement losses on post-employment defined benefit schemes	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(1,881)**	**(1,881)**	**–**	**(1,881)**
Share of JV & associates deferred tax on items above	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**547**	**547**	**–**	**547**
Total other comprehensive income	**–**	**–**	**–**	**–**	**–**	**(1,730)**	**–**	**(2,437)**	**(2,432)**	**(6,599)**	**567**	**(6,032)**
Total comprehensive income	**–**	**–**	**–**	**–**	**–**	**(1,730)**	**–**	**(2,437)**	**41,188**	**37,021**	**6,626**	**43,647**
Transactions with equity holders of the parent												
New shares issued	**1**	**33**	**–**	**–**	**–**	**–**	**–**	**(10)**	**10**	**34**	**–**	**34**
Non-controlling interest arising on acquisition of subsidiaries	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1,537**	**1,537**
Put option liability extinguished in the period	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**11,657**	**–**	**11,657**	**–**	**11,657**
Fair value movements on put option liability	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(891)**	**–**	**(891)**	**–**	**(891)**
Dividends	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(9,767)**	**(9,767)**	**(9,229)**	**(18,996)**
Share-based payment transactions	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**109**	**–**	**109**	**–**	**109**
Total transactions with equity holders of the parent	**1**	**33**	–	–	–	–	–	**10,865**	**(9,757)**	**1,142**	**(7,692)**	**(6,550)**
As at 30 June 2019	**4,105**	**295,454**	**140**	**(122,521)**	**(8,580)**	**(24,292)**	**28,336**	**(23,956)**	**281,148**	**429,834**	**114,753**	**544,587**
Transfer of NCI subject to put option for presentation purposes	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**19,269**	**–**	**19,269**	**(19,269)**	**–**
As at 30 June 2019 as presented in the balance sheet	**4,105**	**295,454**	**140**	**(122,521)**	**(8,580)**	**(24,292)**	**28,336**	**(4,687)**	**281,148**	**449,103**	**95,484**	**544,587**

Total Produce plc
Condensed Group Statement of Changes in Equity
for the half-year ended 30 June 2019 (Continued)

	Attributable to equity holders of the parent											
For the half-year ended 30 June 2018 ***(Unaudited)***	***Share capital €'000***	***Share premium €'000***	***Unde-nominated capital €'000***	***De-merger Reserve €'000***	***Own shares reserve €'000***	***Currency translation reserve €'000***	***Reval-uation reserve €'000***	***Other equity reserves €'000***	***Retained earnings €'000***	***Total €'000***	***Non-controlling interests €'000***	***Total equity €'000***
As at 1 January 2018 as presented in balance sheet	3,468	150,763	140	(122,521)	(8,580)	(14,168)	28,035	(10,960)	233,632	259,809	79,774	339,583
Adjust for NCI subject to put option transferred for presentation purposes	–	–	–	–	–	–	–	(26,788)	–	(26,788)	26,788	–
As at 1 January 2018	3,468	150,763	140	(122,521)	(8,580)	(14,168)	28,035	(37,748)	233,632	233,021	106,562	339,583
Comprehensive income												
Profit for the period	–	–	–	–	–	–	–	–	27,142	27,142	7,796	34,938
Other comprehensive income:												
Items that may be reclassified subsequently to profit or loss:												
Foreign currency translation effects, net	–	–	–	–	–	(4,551)	–	60	–	(4,491)	484	(4,007)
Effective portion of cash flow hedges, net	–	–	–	–	–	–	–	250	–	250	86	336
Changes in fair value of cost of hedging, net	–	–	–	–	–	–	–	31	–	31	(5)	26
Deferred tax on items above	–	–	–	–	–	–	–	(78)	–	(78)	(8)	(86)
Items that will not be reclassified subsequently to profit or loss:												
Remeasurement gains on defined benefit pension schemes	–	–	–	–	–	–	–	–	7,387	7,387	24	7,411
Remeasurement gains on other post-employment defined benefits	–	–	–	–	–	–	–	–	365	365	196	561
Deferred tax on items above	–	–	–	–	–	–	–	–	(1,214)	(1,214)	(3)	(1,217)
Total other comprehensive income	–	–	–	–	–	(4,551)	–	263	6,538	2,250	774	3,024
Total comprehensive income	–	–	–	–	–	(4,551)	–	263	33,680	29,392	8,570	37,962
Transactions with equity holders of the parent												
New shares issued	633	144,477	–	–	–	–	–	(66)	(3,821)	141,223	–	141,223
Non controlling interest arising on acquisition of subsidiary	–	–	–	–	–	–	–	–	–	–	758	758
Fair value movements on put option liability	–	–	–	–	–	–	–	297	–	297	–	297
Joint venture becoming a subsidiary	–	–	–	–	–	–	–	–	–	–	157	157
Termination of subsidiary with NCI	–	–	–	–	–	–	–	–	–	–	(57)	(57)
Contribution by non-controlling interest	–	–	–	–	–	–	–	–	–	–	300	300
Dividends	–	–	–	–	–	–	–	–	(9,517)	(9,517)	(7,217)	(16,734)
Share-based payment transactions	–	–	–	–	–	–	–	288	–	288	–	288
Total transactions with equity holders of the parent	633	144,477	–	–	–	–	–	519	(13,338)	132,291	(6,059)	126,232
As at 30 June 2018	4,101	295,240	140	(122,521)	(8,580)	(18,719)	28,035	(36,966)	253,974	394,704	109,073	503,777
Transfer of NCI subject to put option for presentation purposes	–	–	–	–	–	–	–	27,937	–	27,937	(27,937)	–
As at 30 June 2018 as presented in the balance sheet	4,101	295,240	140	(122,521)	(8,580)	(18,719)	28,035	(9,029)	253,974	422,641	81,136	503,777

Total Produce plc
Condensed Group Statement of Changes in Equity
for the half-year ended 30 June 2019 (Continued)

For the year ended 31 December 2018 *(Unaudited)*	*Attributable to equity holders of the parent*											
	Share capital €'000	***Share premium €'000***	***Undenominated capital €'000***	***De-merger reserve €'000***	***Own shares reserve €'000***	***Currency translation reserve €'000***	***Revaluation reserve €'000***	***Other equity Reserves €'000***	***Retained earnings €'000***	***Total €'000***	***Non-controlling interests €'000***	***Total equity €'000***
As at 1 January 2018 as presented in the balance sheet	3,468	150,763	140	(122,521)	(8,580)	(14,168)	28,035	(10,960)	233,632	259,809	79,774	339,583
Adjust for NCI subject to put option transferred for presentation purposes	–	–	–	–	–	–	–	(26,788)	–	(26,788)	26,788	–
As at 1 January 2018	3,468	150,763	140	(122,521)	(8,580)	(14,168)	28,035	(37,748)	233,632	233,021	106,562	339,583
Comprehensive income												
Profit for the year	–	–	–	–	–	–	–	–	35,793	35,793	18,011	53,804
Other comprehensive income:												
Items that may be reclassified subsequently to profit or loss:												
Foreign currency translation effects, net	–	–	–	–	–	(8,553)	–	154	–	(8,399)	922	(7,477)
Effective portion of cash flow hedges, net	–	–	–	–	–	–	–	248	–	248	92	340
Changes in fair value of cost of hedging, net	–	–	–	–	–	–	–	(14)	–	(14)	37	23
Deferred tax on items above	–	–	–	–	–	–	–	(63)	–	(63)	(34)	(97)
Share of JV & associates effective portion of cash flow hedges	–	–	–	–	–	–	–	51	–	51	–	51
Share of JV & associates deferred tax on items above	–	–	–	–	–	–	–	696	–	696	–	696
Items that will not be reclassified subsequently to profit or loss:												
Revaluation gains on property, plant and equipment, net	–	–	–	–	–	–	409	–	–	409	66	475
Remeasurement gains on defined benefit pension schemes	–	–	–	–	–	–	–	–	6,306	6,306	17	6,323
Remeasurement gains on other post-employment defined benefits	–	–	–	–	–	–	–	–	230	230	124	354
Deferred tax on items above	–	–	–	–	–	–	(108)	–	(1,065)	(1,173)	1	(1,172)
Share of JV & associates remeasurement losses on defined benefit pension schemes	–	–	–	–	–	–	–	–	(1,867)	(1,867)	–	(1,867)
Share of JV & associates deferred tax on items above	–	–	–	–	–	–	–	–	854	854	–	854
Total other comprehensive income	–	–	–	–	–	(8,553)	301	1,072	4,458	(2,722)	1,225	(1,497)
Total comprehensive income	–	–	–	–	–	(8,553)	301	1,072	40,251	33,071	19,236	52,307
Transactions with equity holders of the parent												
New shares issued	636	144,658	–	–	–	–	–	(97)	(3,790)	141,407	–	141,407
Non-controlling interest arising on acquisition of subsidiaries	–	–	–	–	–	–	–	–	–	–	2,314	2,314
Recognition of put option liability on acquisition	–	–	–	–	–	–	–	(896)	–	(896)	–	(896)
Fair value movements on put option liability	–	–	–	–	–	–	–	4,728	–	4,728	–	4,728
Acquisition of non-controlling interests	–	–	–	–	–	–	–	–	(388)	(388)	(723)	(1,111)
Disposal of shareholding to non-controlling interest	–	–	–	–	–	–	–	–	11	11	275	286
Contribution by non-controlling interest	–	–	–	–	–	–	–	–	–	–	130	130
Dividends	–	–	–	–	–	–	–	–	(13,062)	(13,062)	(10,638)	(23,700)
Share-based payment transactions	–	–	–	–	–	–	–	557	–	557	–	557
Total transactions with equity holders of the parent	636	144,658	–	–	–	–	–	4,292	(17,229)	132,357	(8,642)	123,715
As at 31 December 2018	4,104	295,421	140	(122,521)	(8,580)	(22,721)	28,336	(32,384)	256,654	398,449	117,156	515,605
Transfer of NCI subject to put option for presentation purposes	–	–	–	–	–	–	–	34,673	–	34,673	(34,673)	–
As at 31 December 2018 as presented in the balance sheet	4,104	295,421	140	(122,521)	(8,580)	(22,721)	28,336	2,289	256,654	433,122	82,483	515,605

Total Produce plc
Condensed Group Statement of Cash Flows
for the half-year ended 30 June 2019

	(Unaudited) **6 months to 30 June 2019 €'000**	*(Unaudited)* 6 months to 30 June 2018 €'000	*(Audited)* Year ended 31 Dec 2018 €'000
Net cash flows from operating activities (Note 12)	**(26,570)**	(23,623)	44,943
Investing activities			
Acquisition of subsidiaries	**(2,200)**	(1,899)	(2,496)
Cash assumed on acquisition of subsidiaries, net	**401**	2,334	3,833
Acquisition of, and investment in, joint ventures and associates	**(7,715)**	(2,371)	(251,949)
Payments of contingent consideration	**(7,205)**	(6,234)	(7,009)
Acquisition of other investments	**–**	(5)	–
Proceeds from disposal of joint ventures and associates	**48**	22	–
Disposal of investment in subsidiary to non-controlling interests	**–**	–	286
Acquisition of property, plant and equipment	**(11,916)**	(14,179)	(25,942)
Acquisition of intangible assets – computer software	**(1,904)**	(2,000)	(4,352)
Acquisition of intangible assets – brands	**–**	(20)	(19)
Development expenditure capitalised	**(56)**	(93)	(121)
Proceeds from disposal of property, plant and equipment -routine	**301**	229	797
Proceeds from exceptional items	**2,396**	849	5,876
Dividends received from joint ventures and associates	**6,282**	5,903	10,908
Government grants received	**–**	–	11
Net cash flows from investing activities	**(21,568)**	(17,464)	(270,177)
Financing activities			
Drawdown of borrowings	**135,062**	84,090	436,319
Repayment of borrowings	**(111,788)**	(71,036)	(329,766)
Proceeds from the issue of share capital	**34**	141,223	141,408
Capital element of finance lease repayments	**–**	(331)	(681)
Lease payments	**(7,959)**	–	–
Acquisition of non-controlling interests	**–**	–	(490)
Capital contribution by non-controlling interests	**–**	300	130
Dividends paid to non-controlling interests	**(9,687)**	(7,585)	(10,535)
Dividends paid to equity holders of the parent	**(9,767)**	(9,517)	(13,062)
Net cash flows from financing activities	**(4,105)**	137,144	223,323
Net (decrease)/increase in cash, cash equivalents and overdrafts	**(52,243)**	96,057	(1,911)
Cash, cash equivalents and overdrafts at start of period	**92,739**	88,979	88,979
Net foreign exchange difference	**(79)**	5,978	5,671
Cash, cash equivalents and overdrafts at end of the period (Note 13)	**40,417**	191,014	92,739
Less restricted cash *	**–**	(150,185)	–
Cash, cash equivalents and overdrafts, excluding restricted cash (Note 13)	**40,417**	40,829	92,739

Condensed Summary Group Reconciliation of Net Debt
for the half-year ended 30 June 2019

	(Unaudited) **6 months to 30 June 2019 €'000**	*(Unaudited)* 6 months to 30 June 2018 €'000	*(Audited)* Year ended 31 Dec 2018 €'000
Net (decrease) /increase in cash, cash equivalents and overdrafts	**(52,243)**	96,057	(1,911)
Drawdown of borrowings	**(135,062)**	(84,090)	(436,319)
Repayment of borrowings	**111,788**	71,036	329,766
Capital element of finance lease repayments	**–**	331	681
Other movements on finance leases	**–**	(253)	(500)
Foreign exchange movement	**(669)**	6,499	1,666
Movement in net debt	**(76,186)**	89,580	(106,617)
Finance leases reclassified from net debt on adoption of IFRS 16	**1,636**	–	–
Net debt at beginning of the period	**(219,743)**	(113,126)	(113,126)
Net debt at end of the period[1] (Note 13)	**(294,293)**	(23,546)	(219,743)
Less restricted cash *	**–**	(150,185)	–
Net debt at end of the period, excluding restricted cash[1] (Note 13)	**(294,293)**	(173,731)	(219,743)

*The restricted cash of €150.2m related to the proceeds of €141m from the share placing (net of associated costs) that were used to purchase dollars. The €150.2m is the retranslated amount of the US Dollar deposit including accrued interest income. This deposit was held in escrow at 30 June 2018 pending completion of the Dole transaction.

[1]Net debt is defined on page 34 and excludes lease liabilities.

1. Basis of preparation

The condensed consolidated interim financial statements of Total Produce plc as at, and for the six months ended 30 June 2019, have been prepared in accordance with IAS 34 *Interim Financial Reporting,* as adopted by the EU. The accounting policies and methods of computation adopted in the preparation of the financial information are consistent with those set out in the Group's consolidated financial statements for the year ended 31 December 2018, with the exception of those disclosed below, which were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

The interim financial information for both the six months ended 30 June 2019 and the comparative six months ended 30 June 2018 is unaudited. The financial information for the year ended 31 December 2018 represents an abbreviated version of the Group's statutory financial statements for that year. Those statutory financial statements contained an unqualified audit report and have been filed with the Registrar of Companies.

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2018.

Changes in significant accounting policy and disclosures
Except as described below, the accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at 31 December 2018.

The changes in accounting policy will be reflected in the Group's consolidated financial statements as at 31 December 2019.

The Group has initially adopted IFRS 16 *Leases* with effect from 1 January 2019

A number of new standards are also effective from 1 January 2019 but they have not had a material impact on the Group's consolidated financial statements.

IFRS 16 *Leases*

The Group has initially adopted IFRS 16 *Leases* with effect from 1 January 2019.

IFRS 16 introduces a single lessee accounting model to be adopted and accordingly the majority of all lease agreements will now result in the recognition of a right-of-use asset and a lease liability on the balance sheet. This will increase the Group's recognised assets and liabilities. The income statement charge in relation to all leases will now comprise a depreciation element relating to the right-of-use asset and also a financing charge relating to the lease liability. Lessor accounting remains similar to previous accounting policies.

The Group has applied IFRS 16 using the modified retrospective approach on transition, under which the cumulative effect of initial application is recognised in equity as an adjustment to the opening balance of retained earnings, non-controlling interest and currency translation reserve at 1 January 2019. The comparative information for prior periods has not been re-stated. It is presented as previously reported under IAS 17 and related interpretations.

The details of the changes in accounting policies are disclosed below:

Definition of a lease
Under IFRS 16 a contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. On transition to IFRS 16, the Group used the practical expedient to grandfather the assessment of which contracts were leases and therefore applied IFRS 16 on transition only to those contracts that had previously been identified as leases.

Changes as a lessee
As a lessee, the Group previously classified leases as operating or finance leases based on whether the lease transferred substantially all of the risks and rewards of ownership. Under IFRS 16, the Group recognises right-of-use-assets and lease liabilities for most leases on its balance sheet. However, the Group has elected not to recognise right-of-use assets and lease liabilities for some short-term leases and leases of low-value assets. The Group recognises the lease payments for these leases as an expense on a straight-line basis over the lease term.

Accounting policies applied in respect of leases

The Group recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost and subsequently at cost less accumulated depreciation and impairments and adjusted for certain remeasurements of the lease liability. The cost of the right-of-use asset includes the lease liability recognised, any initial direct costs, restoration costs and payments made on or before the lease commencement date less any lease incentives received. The right-of-use asset is depreciated on a straight line basis over the lower of the lease term and the useful life of the asset. Where the lease contains a purchase option and the lessee is reasonably certain to exercise the purchase option the asset is depreciated over the useful life of the asset. Right-of-use assets are subject to impairment testing.

The lease liability is initially measured as the present value of the lease payments to be made over the term of the lease, discounted using the rate implicit in the lease or, where this is not available, the Group's incremental borrowing rate. Lease payments include fixed and variable lease payments and amounts expected to be paid under residual value guarantees. Lease payments also include the exercise price of a purchase option where the Group is reasonably certain that they will exercise the option and also any termination costs associated with a lease where the lease term reflects the termination of the lease.

The lease liability is subsequently increased by the interest cost of the lease liability and decreased by lease payments made. The lease liability is remeasured when there is a change in future lease payments as a result of a change in an index or rate, a change in the amount expected to be paid under a residual value guarantee, or a change in the assessment of whether a purchase or termination option is reasonably expected to be exercised or not exercised. The Group has availed of the practical expedient not to separate lease components from any associated non-lease components for leases of plant and equipment and motor vehicles.

The Group has applied judgement in determining the lease term for leases where they are the lessee and the lease contract contains renewal and/or termination options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term which in turn impacts the right-of-use asset and lease liability to be recognised.

Transition

At transition, for leases previously classified as operating leases under IAS 17, lease liabilities were measured as the present value of the remaining lease payments, discounted at the incremental borrowing rate at 1 January 2019. Right-of-use assets were measured at either:

- their carrying amount if IFRS 16 had been applied since the commencement date, discounted using the incremental borrowing rate at 1 January 2019. The Group applied this approach for certain property leases; or
- an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. The Group applied this approach to all other leases.

The Group used the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17:

- Applied the exemption not to recognise right-of-use assets and lease liabilities for leases with less than 12 months of a lease term.
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
- Used hindsight when determining the lease term if the contract contained options to extend or terminate the lease.

At transition, for leases previously classified as finance leases under IAS 17, the carrying amount of the right-of use asset and lease liability at 1 January 2019 were determined at the carrying amount of the lease asset and lease liability under IAS 17 immediately before that date.

Impact on the financial statements

Impact on transition

On transition to IFRS 16, the Group recognised additional right-of-use assets, lease liabilities and restoration provisions with the difference being recognised in reserves. The impact on transition is summarised below:

	1 January 2019 **€'000**
Right-of-use assets	**115,336**
Lease liabilities	**(121,101)**
Restoration provisions	**(905)**
Investment in joint ventures and associates - Dole	**(3,326)**
Prepayments	**1,513**
Deferred tax asset	**368**
Retained earnings	**6,937**
Non-controlling interests	**1,337**
Currency translation reserve	**(159)**

When measuring lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using its incremental borrowing rate at 1 January 2019. The weighted average rate applied was 2.6%.

The lease liabilities recognised at 1 January 2019 can be reconciled to the operating lease commitments as at 31 December 2018 as follows:

	€'000
Operating lease commitment at 31 December 2018	**86,583**
Extension options reasonably certain to be exercised	**59,416**
Non-lease components	**3,360**
Commitments relating to low value and short-term leases	**(997)**
Lease contracts not commenced at 1 January 2019	**(5,635)**
Effect of discounting	**(21,626)**
Finance lease liabilities recognised at 31 December 2018	**1,636**
Lease liabilities at 1 January 2019	**122,737**

Impact on the Balance Sheet in the period

As a result of initially applying IFRS 16, in relation to leases that were previously classified as operating leases, the Group recognised €108.2m of right-of-use assets and €115.2m of lease liabilities at 30 June 2019.

The carrying amount of right-of-use assets are as follows;

	Land and buildings €'000	***Plant and equipment €'000***	***Motor vehicles €'000***	***Total €'000***
Reclassification of assets held under finance leases from Property, plant and equipment on adoption of IFRS 16	–	379	1,521	**1,900**
Arising on adoption of IFRS 16	105,372	5,920	4,044	**115,336**
Additions in period	1,486	185	626	**2,297**
Arising on acquisition of a business	469	–	–	**469**
Arising on business disposals	(645)	–	–	**(645)**
Termination of leases	–	–	(21)	**(21)**
Depreciation charge	(7,207)	(849)	(1,118)	**(9,174)**
Foreign exchange movement	(242)	(92)	(35)	**(369)**
Carrying value at 30 June 2019	99,233	5,543	5,017	**109,793**

The carrying amount of lease liabilities are as follows:

	2019 €'000
Reclassification of finance leases on adoption of IFRS 16	**1,636**
Arising on adoption of IFRS 16	**121,101**
New leases arising in period	**2,297**
Arising on acquisition of a business	**469**
Arising on business disposals	**(654)**
Leases terminated	**(21)**
Lease payments	**(9,466)**
Interest	**1,507**
Foreign exchange movement	**(313)**
Balance at 30 June 2019	**116,556**

Impact on the income statement in the period

For subsidiaries in relation to those leases previously classified as operating leases, under IFRS 16, the Group has recognised depreciation and interest costs instead of an operating lease expense. During the six months to 30 June 2019 the Group recognised €8,902,000 of depreciation costs and €1,495,000 of interest costs from these leases. Under IAS 17 the operating lease cost associated with these leases would have been €9,563,000.

The Group's share of depreciation costs and of interest costs of joint ventures and associates from leases that would previously have been classified as operating leases amounted to €16,607,000 and €5,047,000 respectively. Under IAS 17 the Group's share of the operating lease cost associated with these leases would have been €20,057,000.

The net incremental impact on Group's profit after tax and non-controlling interests in the period was a decrease of €1,936,000.

The incremental impact of IFRS 16 on adjusted fully diluted earnings per share was a decrease of 0.50 cent for the six month period.

2. Translation of foreign currencies

The reporting currency of the Group is Euro. The exchange rates used for the translation of the results and balance sheets into Euro are as follows:

	Average rate 6 months to			Closing rate		
	30 June 2019	30 June 2018	% change	**30 June 2019**	31 Dec 2018	% change
Brazilian Real	**4.3410**	4.2036	(3.3%)	**4.3511**	4.4440	2.1%
Canadian Dollar	**1.5066**	1.5450	2.5%	**1.4886**	1.5601	4.6%
Czech Koruna	**25.6785**	25.5830	(0.4%)	**25.4472**	25.7240	1.1%
Danish Kroner	**7.4661**	7.4480	(0.2%)	**7.4647**	7.4668	0.0%
Indian Rupee	**79.0941**	79.4801	0.5%	**78.4129**	79.5453	1.4%
Polish Zloty	**4.2915**	4.2195	(1.7%)	**4.2454**	4.2973	1.2%
Pound Sterling	**0.8712**	0.8787	0.9%	**0.8955**	0.8986	0.3%
Swedish Krona	**10.5308**	10.1669	(3.6%)	**10.5577**	10.2188	(3.3%)
US Dollar	**1.1296**	1.2100	6.6%	**1.1371**	1.1445	0.6%

3. Segmental Analysis

The table below details a segmental breakdown of the Group's total revenue and adjusted EBITA for the six months ended 30 June 2019, the six months ended 30 June 2018 and the full year ended 31 December 2018.

In accordance with IFRS 8, the Group's reportable operating segments based on how performance is currently assessed and resources are allocated are as follows:

- *Europe – Non-Eurozone*: This operating segment is an aggregation of six operating segments in the Czech Republic, Poland, Scandinavia and the United Kingdom primarily involved in the procurement, marketing and distribution of fresh produce. Up to the middle of 2018 it also included a small healthfoods business that has been discontinued. These operating segments have been aggregated because they have similar economic characteristics.
- *Europe – Eurozone:* This reportable segment is an aggregation of thirteen operating segments principally in France, Ireland, Italy, the Netherlands and Spain primarily involved in the procurement, marketing and distribution of fresh produce and some healthfoods and consumer goods products. These operating segments have been aggregated because they have similar economic characteristics.
- *International*: This segment is an aggregation of five operating segments in North America, one in South America and one in India primarily involved in the procurement, marketing and distribution of fresh produce. These operating segments have been aggregated because they have similar customer profiles and primarily transact in US Dollar.
- *Dole:* This operating segment represents the Group's 45% interest in Dole. Dole is one of the world's leading producers, marketers and distributors of fresh fruit and vegetables. It has an iconic brand and leading market positions and scale. It is one of the world's largest producers of bananas and pineapples and a leader in other fresh fruits, value added and fresh-packed vegetables and berries. In terms of market share they hold the number one and three positions respectively for bananas in North America and Europe and are number two and three respectively for pineapples in North America and Europe. They sell and distribute throughout a wide network in North America, Europe, Latin America, the Middle East and Africa.

Segment performance is evaluated based on total revenue and adjusted EBITA. Management believes that adjusted EBITA, while not a defined term under IFRS, gives a fair reflection of the underlying trading performance of the Group. Adjusted EBITA represents earnings before interest, tax, acquisition related intangible asset amortisation charges and costs, fair value movements on contingent consideration, unrealised gains or losses on derivative financial instruments, gains and losses on foreign currency denominated intercompany borrowings and exceptional items. It also excludes the Group's share of these items within joint ventures and associates. Adjusted EBITA is therefore measured differently from operating profit in the Group financial statements as explained and reconciled in full detail in the analysis that follows.

Finance costs, finance income and income taxes are managed on a centralised basis. These items are not allocated between operating segments for the purpose of the information presented to the Chief Operating Decision Maker ('CODM') and are accordingly omitted from the detailed segmental analysis that follows.

	(Unaudited) **6 months to 30 June 2019**		*(Unaudited)* 6 months to 30 June 2018		*(Audited)* Year ended 31 Dec 2018	
	Total revenue €'000	**Adjusted EBITA €'000**	Total revenue €'000	Adjusted EBITA €'000	Total revenue €'000	Adjusted EBITA €'000
Europe - Non-Eurozone	**766,403**	**22,678**	781,229	21,378	1,511,780	41,593
Europe - Eurozone	**816,410**	**11,211**	874,218	14,906	1,716,584	27,252
International	**604,917**	**8,945**	556,430	9,320	1,175,297	18,880
Dole*	**891,021**	**49,987**	–	–	692,239	10,297
Inter-segment revenue**	**(27,400)**	**–**	(25,377)	–	(52,410)	–
Total revenue and adjusted EBITA	**3,051,351**	**92,821**	2,186,500	45,604	5,043,490	98,022

**Dole's financial calendar consists of thirteen 4 weekly periods and the first half results are for the first six periods ended 15 June 2019. The Group's share of the adjusted EBITA of Dole above is after the deduction of the Group's share of the non-controlling interests charge within Dole and an allocation of corporate overhead*

***All inter-segment revenue transactions are at arm's length.*

Reconciliation of segmental profit to operating profit

Below is a reconciliation of adjusted EBITA per the Group's management reports to operating profit and profit before tax as presented in the Group income statement:

	Note	***(Unaudited)*** **6 months to 30 June 2019 €'000**	*(Unaudited)* 6 months to 30 June 2018 €'000	*(Audited)* Year ended 31 Dec 2018 €'000
Adjusted EBITA per management reporting		**92,821**	45,604	98,022
Acquisition related intangible asset amortisation within subsidiaries	(i)	**(4,986)**	(5,251)	(10,281)
Share of joint ventures and associates acquisition related intangible asset amortisation	(i)	**(1,349)**	(1,323)	(2,684)
Fair value movements on contingent consideration	(ii)	**1,067**	1,581	4,043
Acquisition related costs within subsidiaries	(iii)	**(23)**	(101)	(105)
Share of joint ventures and associates net financial expense	(iv)	**(21,359)**	(610)	(13,784)
Share of joint ventures and associates tax (before tax on exceptional items)	(iv)	**(13,761)**	(1,401)	(3,153)
Operating profit before exceptional items		**52,410**	38,499	72,058
Net financial expense before exceptional items	(v)	**(5,515)**	(3,202)	(7,365)
Profit before tax before exceptional items		**46,895**	35,297	64,693
Exceptional items (Note 5)	(vi)	**8,444**	7,009	5,125
Profit before tax after exceptional items		**55,339**	42,306	69,818

(i) Acquisition related intangible asset amortisation charges are not allocated to operating segments in the Group's management reports.

(ii) Fair value movements on contingent consideration are not allocated to operating segments in the Group's management reports.

(iii) Acquisition related costs are transaction costs directly related to the acquisition of subsidiaries and are not allocated to operating segments in the Group's management reports.

(iv) Under IFRS, included within profit before tax is the Group's share of joint ventures and associates profit after acquisition related intangible amortisation charges and costs, tax and interest. In the Group's management reports these items are excluded from the adjusted EBITA calculation.

(v) Financial income and expense is primarily managed at Group level, and is therefore not allocated to individual operating segments in the Group's management reports.

(vi) Exceptional items (Note 5) are not allocated to operating segments in the Group's management reports.

4. Adjusted profit before tax, adjusted EBITA and adjusted EBITDA

For the purpose of assessing the Group's performance, Total Produce management believe that adjusted EBITDA, adjusted EBITA, adjusted profit before tax and adjusted earnings per share (Note 6) are the most appropriate measures of the underlying performance of the Group.

	(Unaudited) **6 months to 30 June 2019 €'000**	*(Unaudited)* 6 months to 30 June 2018 €'000	*(Audited)* Year-ended 31 Dec 2018 €'000
Profit before tax per income statement	**55,339**	42,306	69,818
Adjustments			
Exceptional items (Note 5)	**(8,444)**	(7,009)	(5,125)
Fair value movements on contingent consideration	**(1,067)**	(1,581)	(4,043)
Share of joint ventures and associates tax (before tax on exceptional items)	**13,761**	1,401	3,153
Acquisition related intangible asset amortisation within subsidiaries	**4,986**	5,251	10,281
Share of joint ventures and associates acquisition related intangible asset amortisation	**1,349**	1,323	2,684
Acquisition related costs within subsidiaries	**23**	101	105
Adjusted profit before tax	**65,947**	41,792	76,873
Exclude			
Net financial expense – subsidiaries before exceptional items	**5,515**	3,202	7,365
Net financial expense – share of joint ventures and associates	**21,359**	610	13,784
Adjusted EBITA	**92,821**	45,604	98,022
Exclude			
Amortisation of software costs	**947**	771	1,397
Depreciation of property, plant and equipment – subsidiaries	**8,782**	8,366	17,194
Depreciation of property, plant and equipment – share of joint ventures and associates	**14,555**	1,947	16,679
Adjusted EBITDA	**117,105**	56,688	133,292
Exclude			
Depreciation of right of use assets – subsidiaries	**9,174**	–	–
Depreciation of right of use assets – share of joint ventures and associates	**18,533**	–	–
Adjusted EBITDA (before depreciation on right-of-use assets)	**144,812**	56,688	133,292

5. Exceptional items

	(Unaudited) **6 months to 30 June 2019 €'000**	*(Unaudited)* 6 months to 30 June 2018 €'000	*(Audited)* Year ended 31 Dec 2018 €'000
Gain on disposal of investment (a)	**1,447**	–	14,728
Share of joint venture and associates exceptional items – Dole (b)	**6,199**	–	(4,580)
Foreign currency gains arising on foreign currency intercompany borrowings relating to proceeds from share placing (c)	**–**	7,909	12,535
Costs associated with the Dole transactions, net (d)	**–**	(900)	(3,225)
Charge on employee defined benefit obligations (e)	**–**	–	(1,304)
Impairment of goodwill (f)	**–**	–	(9,060)
Restructuring costs and costs associated with termination of a business (g)	**–**	–	(4,891)
Total exceptional items (before share of joint ventures and associates tax)	**7,646**	7,009	4,203
Share of joint venture and associates tax on exceptional items – Dole (b)	**798**	–	922
Exceptional items within profit before tax	**8,444**	7,009	5,125
Net tax credit/ (charge) on exceptional items (h)	**304**	(18)	(1,395)
Total	**8,748**	6,991	3,730
Attributable as follow:			
Equity holders of the parent	**8,135**	6,991	560
Non-controlling interests	**613**	–	3,170
	8,748	6,991	3,730

(a) Gain on disposal of farming investment
In 2018 a subsidiary of the Group disposed of an interest in a farming entity for consideration of shares in an equity investment which will be realised over a period of three years and may vary depending on certain circumstances. The exceptional gain, which represents the gain on the disposal of the investment received to date and fair valuing the investment held in escrow, net of associated costs, resulted in an exceptional gain of €1.4m being recorded in the income statement in 2019 and €14.7m being recorded in 2018.

(b) Share of joint ventures and associates exceptional items - Dole
Exceptional items in Dole relate to non-trading exceptional items such as gains on disposal of businesses, non-cash gains/losses on mark to market of derivative financial instruments, foreign currency movements on long term foreign currency denominated inter-company borrowings and restructuring costs. In 2018 it also included some costs associated with the industry wide ban on romaine lettuce.

The share of the exceptional items in Dole for the period to 15 June 2019 was a gain of €6.2m and primarily related to the gain on the sale of the Swedish salad business in the period. The Group share of the exceptional loss in the five month period ended 31 December 2018 was a loss of €4.6m. The share of the associated tax credit was €0.8m (31 December 2018: €0.9m).

(c) Foreign currency gains on foreign currency intercompany borrowings relating to proceeds from share placing
In February 2018 the Group issued 63 million new ordinary shares, raising proceeds of €141m (net of associated costs) to finance the Dole transaction. The net proceeds from this share placing were used, via an intercompany loan, to purchase US Dollars in February. The strengthening of the US Dollar from the date of purchase to 30 June 2018 resulted in a foreign currency gain of €7.9m, and from the date of purchase to the date when the intercompany loan was converted to equity in August 2018 following the completion of the acquisition of Dole resulted in a foreign currency gain of €12.5m.

(d) Costs associated with the Dole transactions, net
Costs associated with the committed financing and other transaction costs associated with Dole net of interest income on the proceeds of share placing were €0.9m in the period to 30 June 2018 and totalled €3.2m in the year ended 31 December 2018.

(e) Charge on employee benefit obligations
In December 2018, a charge of €1.3m relating to the UK defined benefit pension schemes was recognised in the income statement as a result of the UK High Court ruling that pension benefits must be equalised in respect of Guaranteed Minimum Pensions (GMPs) accrued between 17 May 1990 and 5 April 1997.

(f) Impairment of goodwill
In December 2018 the Group recognised a non-cash impairment charge of €9.1m in relation to its fresh produce business in the Netherlands which have experienced a difficult trading environment resulting in a slower recovery than had been anticipated.

(g) Restructuring costs and costs associated with termination of a business
In the second half of 2018, the Group ceased operations in a non-performing sports supplements businesses in the UK. The total costs associated with the termination of this business were €2.3m including the write off of fixed assets, intangible assets, other assets and redundancies. The Group implemented restructuring programmes in a number of entities primarily within the Eurozone Division in late 2018 with the €2.6m of costs associated with these programmes being recorded as an exceptional cost in the income statement.

(h) Tax credit/ (charge) on exceptional items
The net tax effect on the exceptional items above was a credit of €0.3m (year ended 31 December 2018: a charge of €1.4m and a charge of €0.02m for the 6 months ended 30 June 2018).

Effect of exceptional items on cash flow statement
The net effect of the items above was a cash outflow of €0.6m for the six month period to 30 June 2019 (2018: inflow €0.8m). The net effect of exceptional items for the year ended 31 December 2018 was a cash inflow of €3.0m.

6. Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period, excluding shares purchased by the Company which are held as treasury shares.

	(Unaudited) **6 months to 30 June 2019 €'000**	*(Unaudited)* 6 months to 30 June 2018 €'000	*(Audited)* Year ended 31 Dec 2018 €'000
Profit attributable to equity holders of the parent	**43,620**	27,142	35,793
	'000	'000	'000
Shares in issue at beginning of period	**410,429**	346,829	346,829
New shares issued from exercise of share options (weighted average)	**47**	130	275
New shares issued from share placing (weighted average)	**–**	50,470	56,786
Effect of treasury shares held	**(22,000)**	(22,000)	(22,000)
Weighted average number of shares at end of period	**388,476**	375,429	381,890
Basic earnings per share – cent	**11.23**	7.23	9.37

Diluted earnings per share
Diluted earnings per share is calculated by dividing the profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding after adjustment for the effects of all ordinary shares and options with a dilutive effect.

	(Unaudited) **6 months to 30 June 2019 €'000**	*(Unaudited)* 6 months to 30 June 2018 €'000	*(Audited)* Year ended 31 Dec 2018 €'000
Profit attributable to equity holders of the parent	**43,620**	27,142	35,793
	'000	'000	'000
Weighted average number of shares at end of period	**388,476**	375,429	381,890
Effect of share options with a dilutive effect	**867**	1,409	1,257
Weighted average number of shares at end of period (diluted)	**389,343**	376,838	383,147
Diluted earnings per share – cent	**11.20**	7.20	9.34

The average market value of the Company's shares for the purpose of calculating the dilutive effect of share options was based on the quoted market prices for the period during which the options were outstanding.

Adjusted basic earnings per share and adjusted fully diluted earnings per share

Management believe that adjusted fully diluted earnings per share as set out below provides a fairer reflection of the underlying trading performance of the Group after eliminating the effect of acquisition related intangible asset amortisation charges and costs, fair value movements on contingent consideration, unrealised gains or losses on derivative financial instruments, gains and losses on foreign currency denominated intercompany borrowings and exceptional items and the related tax on these items.

Adjusted basic earnings per share is calculated by dividing the adjusted profit attributable to ordinary equity holders of the parent (as calculated below) by the weighted average number of ordinary shares outstanding during the period, excluding shares purchased by the Company which are held as treasury shares.

Adjusted fully diluted earnings per share is calculated by dividing the adjusted profit attributable to ordinary equity holders of the parent (as calculated below) by the weighted average number of ordinary shares outstanding after adjustment for the effects of all ordinary shares and options with a dilutive effect.

	(Unaudited) **6 months to 30 June 2019 €'000**	*(Unaudited)* 6 months to 30 June 2018 €'000	*(Audited)* Year ended 31 Dec 2018 €'000
Profit attributable to equity holders of the parent	**43,620**	27,142	35,793
Adjustments:			
Exceptional items – net of tax (Note 5)	**(8,748)**	(6,991)	(3,730)
Acquisition related intangible asset amortisation within subsidiaries	**4,986**	5,251	10,281
Share of joint ventures and associates acquisition related intangible asset amortisation	**1,349**	1,323	2,684
Acquisition related costs within subsidiaries	**23**	101	105
Fair value movements on contingent consideration	**(1,067)**	(1,581)	(4,043)
Tax effect of amortisation of goodwill, intangible assets and fair value movements on contingent consideration	**(1,006)**	(1,029)	(805)
Non-controlling interests share of items above	**(1,002)**	(1,572)	1
Adjusted profit attributable to equity holders of the parent	**38,155**	22,644	40,286
	'000	'000	'000
Weighted average number of shares	**388,476**	375,429	381,890
Weighted average number of shares (diluted)	**389,343**	376,838	383,147
Adjusted basic earnings per share – cent	**9.82**	6.03	10.55
Adjusted fully diluted earnings per share – cent	**9.80**	6.01	10.51

Memo item for 2018		
Adjusted fully diluted earnings per share – cent (excluding the effect of the Dole acquisition and related share placing)*	6.94	13.50

*The calculation presented here is the adjusted fully diluted earnings per share calculated excluding the impact of the Dole acquisition and the related 63 million share placing in early February 2018.

7. Investment in Dole

As disclosed previously on 31 July 2018, the Group completed the transaction to acquire a 45% stake in Dole Food Company ('Dole') for $300m.

In addition, and at any time after closing of the First Tranche, the Group has the right, but not the obligation, to acquire (in any one or more tranches of 1%) up to an additional 6% of Dole common stock (the 'Second Tranche'). The Group has no present intention to exercise its option to acquire the Second Tranche. In the event the Group exercises the right to acquire the additional 6%, the total consideration for the 51% stake shall be $312 million.

Following the second anniversary of the closing of the First Tranche, the Group has the right, but not the obligation, to acquire the balance of Dole common stock (the 'Third Tranche'), whereby the consideration for the Third Tranche is to be calculated based on nine times the preceding three year average historical Dole Adjusted EBITDA less net debt.However, in no event shall the Third Tranche purchase price be less than $250 million or exceed $450 million(such cap subject to increase after six years). The Third Tranche consideration is payable in cash or, if the parties mutually agree, Total Produce stock.

From the fifth anniversary of completion of the acquisition of the First Tranche, in the event the Group has notexercised its right to acquire 100% of Dole, Mr. David H. Murdock is permitted to cause a process to market and sell 100% of Dole common stock.

On completion of the acquisition of the First Tranche on 31 July 2018, the Group and Mr. David H. Murdock have balanced governance rights with respect to Dole. The Board of Directors of Dole comprises of six members, three of which are appointed by Total Produce and three by Mr. David H. Murdock. Mr. David H. Murdock remains Chairman of Dole and Carl McCann was appointed Vice Chairman. Major decisions require consent of at least one Board Member appointed by each of Total Produce and Mr. David H. Murdock.

The investment in Dole and its financial contribution is being treated as a joint venture and accounted for under the equity method in accordance with IFRS in the consolidated Group accounts following completion of the acquisition of the First Tranche on 31 July 2018 and until an exercise of the Third Tranche.

Total Produce is therefore equity accounting for its 45% share of the results of Dole with effect from 1 August 2018. The overall business is seasonal with the greater share of EBITDA in the first half of the financial year. The 2019 financial year is therefore the first full year reflecting this transaction.

The table below summarises the consideration paid and fair value of the net identifiable assets of Dole on acquisition as prepared in accordance with IFRS. The initial assignment of fair values to net assets for this investment was performed on a provisional basis in respect of this acquisition given the timing of completion of the transaction and could be finalised within twelve months from the acquisition date. A number of adjustments were identified and are presented in the table below. There was no income statement impact from these adjustments in the period from date of acquisition to 31 December 2018. Given that the adjustments are all equity accounted for within investment in joint ventures and associates on the Balance Sheet, no adjustment was required in the Total Produce Group Balance Sheet.

	Updated within 12 month period		**Provisional acquisition accounting**	
	2018	**2018**	**2018**	**2018**
Consideration paid	**US$'m**	**€'m**	**US$'m**	**€'m**
Cash consideration	300	256	300	256
Acquisition fees (net of contribution from Dole) [(a)]	2	2	2	2
Fair value of Second Tranche Option [(b)]	(5)	(4)	(5)	(4)
Total cost of acquisition	**297**	**254**	**297**	**254**
Fair value of indemnification assets on acquisition[(c)]	(4)	(4)	(4)	(4)
Total deemed cost of acquisition	**293**	**250**	**293**	**250**
Fair value identifiable assets and liabilities on acquisition				
Intangible assets – Brand	287	245	287	245
Property, plant and equipment	1,008	861	1,008	861
Assets held for sale / Actively marketed property	185	158	185	158
Other non-current assets	105	89	105	89
Other current assets	869	742	869	742
Net debt	(1,343)	(1,147)	(1,343)	(1,147)
Employee benefit obligations	(184)	(157)	(184)	(157)
Other current liabilities	(599)	(511)	(599)	(511)
Other non-current liabilities	(283)	(242)	(286)	(244)
Non-controlling interests	(8)	(7)	(8)	(7)
Fair value of identifiable assets and liabilities on acquisition	37	31	34	29
Total Produce's 45% share of identifiable assets & liabilities on acquisition	**17**	**14**	**15**	**13**
Goodwill arising	**276**	**236**	**278**	**237**

[(a)] As part of the Securities Purchase Agreement, it was agreed that Dole would make a contribution of $15m to cover professional and advisory fees relating to the transaction.

[(b)] As part of the provisions of acquisition accounting, a fair value was determined for the Second Tranche Option which is recognised as a current derivative financial asset in the Total Produce Group balance sheet and correspondingly reduces the deemed cost of the acquisition of the First Tranche. The fair value of the Third Tranche Option was not deemed material at the date of acquisition.

[(c)] As part of the Securities Purchase Agreement, the seller provided indemnities against certain liabilities outstanding at the date of acquisition. The fair value of these indemnities was recognised as a long term asset in the Total Produce Group balance sheet with a corresponding reduction in the deemed cost of the acquisition.

Summary of Financial Information for Dole for the period ended 15 June 2019

The following is the summarised financial information of Dole at 15 June 2019 based on consolidated financial statements prepared under IFRS, modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

Summary income statement for the period ended 15 June 2019

	2019 US$'m Pre-exceptional	2019 US$'m Exceptional Items	2019 US$'m Total	2019 €'m Pre-exceptional	2019 €'m Exceptional items	2019 €'m Total
Revenue	**2,236**	**–**	**2,236**	**1,980**	**–**	**1,980**
Operating profit	**130.3**	**15.6**	**145.9**	**115.6**	**13.8**	**129.4**
Net financial expense	(51.1)	–	(51.1)	(45.3)	–	(45.3)
Profit before tax	**79.2**	**15.6**	**94.8**	**70.3**	**13.8**	**84.1**
Income tax	(31.3)	2.0	(29.3)	(27.8)	1.8	(26.0)
Profit for period	**47.9**	**17.6**	**65.5**	**42.5**	**15.6**	**58.1**
Non-controlling interests	(1.2)	–	(1.2)	(1.1)	–	(1.1)
Profit for period attributable to equity shareholders	**46.7**	**17.6**	**64.3**	**41.4**	**15.6**	**57.0**
Groups' 45% share of profit attributable to equity shareholders	**21.0**	**7.9**	**28.9**	**18.6**	**7.0**	**25.6**

Summary of other comprehensive income statement for the period ended 15 June 2019

	2019 US$'m	2019 €'m
Other comprehensive expense for the period (net of tax)	(13.0)	(11.5)
Non-controlling interests share	–	–
Other comprehensive expense for the period attributable to equity shareholders	**(13.0)**	**(11.5)**
Group's 45% share of other comprehensive expense attributable to equity shareholders	**(5.8)**	**(5.2)**

Key performance indicators for the period ended 15 June 2019

	2019 US$'m	2019 €'m
Adjusted EBITDA (adding back depreciation of right-of-use assets)	202.4	179.6
Adjusted EBITDA	161.0	142.9
Adjusted EBITA	130.3	115.6

<u>Impact of IFRS 16 on Dole</u>

Impact on transition

As explained in Note 1, the Group has adopted IFRS 16 *Leases* using the modified retrospective approach, with the date of initial application of 1 January 2019. On transition to IFRS 16, the Group recognised additional right of use assets, lease liabilities and restoration provisions with the difference being recognised in reserves. The impact on transition in Dole is summarised as follows:

	2019 US$'m
Right-of-use assets	296
Lease liabilities	(304)
Prepaid / Deferred rent (net)	(3)
Deferred tax asset	3
Retained earnings	8

Impact for the period ended 15 June 2019

As a result of applying IFRS 16 to leases that were previously classified as operating leases ,the Group has recognised depreciation and interest costs instead of an operating lease expense. During the period ended 15 June 2019, Dole recognised $38m of depreciation costs and $12m of interest costs from these leases. Under IAS 17 the operating lease costs associated with these leases would have been $46m.

Right-of-use assets
The following is a reconciliation of right-of-use lease assets in the period.

	2019 US$'m
Reclassification of assets held under finance leases from property, plant and equipment on adoption of IFRS 16	21
Arising on adoption of IFRS 16	296
Additions (net of disposals)	13
Depreciation	(41)
Carrying value at 15 June 2019	289

Lease liabilities
The following is a reconciliation of right-of-use liabilities in the period.

	2019 US$'m
Reclassification of finance leases on adoption of IFRS 16	22
Arising on adoption of IFRS 16	304
Payments during period	(48)
Interest expense	12
Additions (net of disposals)	13
At 15 June 2019	303

Summary Balance Sheet of Dole at 15 June 2019

	15 June 2019		31 December 2018 (Restated)*	
	US$'m	€'m	US$'m	€'m
Intangible assets – Brand	286	252	286	250
Property, plant and equipment	1,024	901	1,046	913
Right-of- use assets	289	254	–	–
Assets held for sale / Actively marketed property	80	70	103	90
Other non-current assets	119	105	114	99
Other current assets	858	754	863	754
Net debt	(1,272)	(1,118)	(1,350)	(1,180)
Lease liabilities	(303)	(267)	–	–
Employee benefit obligations	(187)	(164)	(186)	(162)
Other non-current liabilities	(258)	(228)	(262)	(228)
Other current liabilities	(571)	(502)	(593)	(518)
Non-controlling interests	(9)	(8)	(9)	(8)
Fair value of net assets attributable to equity shareholders	**56**	**49**	**12**	**10**
Total Produce's 45% share of net assets	**25**	**22**	**6**	**5**
Goodwill	276	242	276	241
Total carrying amount of 45% interest in Dole	**301**	**264**	**282**	**246**

* As explained on page 26, the fair value of the net identifiable assets on Dole were revised and finalised within twelve months from the acquisition date.

Reconciliation of Group's carrying value of investment in Dole

	2019 US$'m	2019 €'m
Carrying amount at start of 1 January 2019	282	246
Retained earnings adjustment on transition to IFRS 16	(4)	(3)
Group share of profit for period attributable to equity shareholders	29	25
Group share of other comprehensive expense for period attributable to equity shareholders	(6)	(5)
Foreign exchange movement	–	1
Total carrying amount of 45% interest in Dole at 15 June 2019	**301**	**264**

8. Post-employment obligations

	(Unaudited) **30 June 2019 €'000**	*(Unaudited)* 30 June 2018 €'000	*(Audited)* 31 Dec 2018 €'000
Employee defined benefit pension schemes obligations	**(9,955)**	(9,029)	(10,941)
Other post-employment defined benefit obligations	**(6,185)**	(4,813)	(5,023)
	(16,140)	(13,842)	(15,964)

Employee defined benefit pension schemes

	(Unaudited) **6 months to 30 June 2019 €'000**	*(Unaudited)* 6 months to 30 June 2018 €'000	*(Audited)* Year ended 31 Dec 2018 €'000
Pension assets	**185,179**	173,316	168,766
Pension obligations	**(195,134)**	(182,345)	(179,707)
Net liability	**(9,955)**	(9,029)	(10,941)
Net related deferred tax asset	**1,557**	1,619	1,889
Net liability after tax	**(8,398)**	(7,410)	(9,052)
Movement in period			
Net liability at beginning of period	**(10,941)**	(16,707)	(16,707)
Net interest expense and current service cost recognised in the income statement	**(872)**	(1,005)	(2,035)
Exceptional charge to the income statement	**–**	–	(1,304)
Employer contributions to schemes – normal	**2,537**	1,355	2,693
Remeasurement (loss)/gain recognised in other comprehensive income	**(523)**	7,411	6,323
Translation adjustment	**(156)**	(83)	89
Net liability at end of period before deferred tax	**(9,955)**	(9,029)	(10,941)

The table above summarises the movements in the net liability of the Group's various defined benefit pension schemes in Ireland, the UK, Continental Europe and North America in accordance with *IAS 19 Employee Benefits (2011)*.

The Group's balance sheet at 30 June 2019 reflects net pension liabilities of €10.0m in respect of schemes in deficit, resulting in a net deficit of €8.4m after deferred tax.

The current and past service costs, settlement credits and the net finance expense on the net scheme liabilities are charged to the income statement. Remeasurement gains and losses are recognised in other comprehensive income. In determining the valuation of pension obligations, consultation with independent actuaries is required. The estimation of employee benefit obligations requires the determination of appropriate assumptions such as discount rates, inflation rates and mortality rates.

The decrease in the net liability during the period was primarily due to a 10% return on pension scheme assets in the period and a reduction in the long term Irish inflation assumption which decreases the net present value of the scheme's obligations. This was offset by the impact of a reduction in the discount rates for the Irish and UK schemes which results in an increase in the net present value of the schemes' obligations. The discount rate in Ireland and the Eurozone decreased to 1.40% (31 December 2018: 2.10% and 30 June 2018: 2.10%) and in the UK decreased to 2.30% (31 December 2018: (2.90% – 3.00% and 30 June 2018: 2.90%). The inflation assumption for Ireland and the Eurozone decreased to 1.20% (31 December 2018: 1.60% and 30 June 2018: 1.70%).

9. Dividends

The Board has declared an interim dividend of 0.9129 (2018: 0.9129) cent per share, unchanged on the comparative period. The dividend will be paid on 11 October 2019 to shareholders on the register at 13 September 2019 subject to dividend withholding tax. In accordance with company law and IFRS, this dividend has not been provided for in the balance sheet at 30 June 2019. The final dividend for 2018 of €9,767,000 was paid in June 2019.

During the period, the Group declared dividends of €9,229,000 to non-controlling shareholders in certain of the Group's non wholly-owned subsidiaries. In the same period cash dividends of €9,687,000 were paid.

10. Businesses acquired and other developments

A key part of the Group's strategy is to grow by acquisition. During the six month period, the Group made a number of acquisitions and investments with committed investment of €4.0m including €1.5m of deferred and contingent consideration payable on the achievement of future profit targets.

The initial assignment of fair values to net assets for all investments has been performed on a provisional basis in respect of these acquisitions given the timing of the completion of these transactions and will be finalised within twelve months from the acquisition date, as permitted by IFRS 3 (Revised) *Business Combinations*.

Payment of contingent and deferred consideration in the period
During the period, the Group paid €7,205,000 of contingent consideration relating to prior period acquisitions.

11. Financial instruments

The fair values of financial assets and financial liabilities, together with the carrying amounts in the Condensed Group Balance Sheet at 30 June 2019, 30 June 2018 and 31 December 2018 are as follows:

	(Unaudited) **30 June 2019**		*(Unaudited)* 30 June 2018		*(Audited)* 31 Dec 2018	
	Carrying value €'000	**Fair value €'000**	Carrying value €'000	Fair value €'000	Carrying value €'000	Fair value €'000
Other investments[1]	**13,597**	**n/a**	712	n/a	10,077	10,077
Trade and other receivables – current[1]*	**463,690**	**n/a**	476,011	n/a	381,295	n/a
Trade and other receivables – non-current[1]*	**24,181**	**n/a**	11,660	n/a	18,724	n/a
Cash and cash equivalents[1]	**78,876**	**n/a**	231,617	n/a	102,299	n/a
Derivative financial assets	**4,584**	**4,584**	423	423	4,388	4,388
	584,928		720,423		516,783	
Trade and other payables – current[1]	**(500,017)**	**n/a**	(538,697)	n/a	(482,934)	n/a
Trade and other payables – non-current[1]	**(1,471)**	**n/a**	(816)	n/a	(1,289)	n/a
Bank overdrafts[1]	**(38,459)**	**n/a**	(40,603)	n/a	(9,560)	n/a
Bank borrowings	**(334,710)**	**(335,210)**	(212,854)	(212,324)	(310,846)	(310,817)
Derivative financial liabilities	**(405)**	**(405)**	(229)	(229)	(296)	(296)
Contingent consideration	**(17,924)**	**(17,924)**	(27,088)	(27,088)	(24,517)	(24,517)
Other provisions[1]	**(1,828)**	**n/a**	–	–	(2,747)	n/a
Put option liability	**(25,297)**	**(25,297)**	(38,604)	(38,604)	(34,975)	(34,975)
	(920,111)		(858,891)		(867,164)	

[1] The Group has availed of the exemption under IFRS 7 *Financial Instruments: Disclosure* for additional disclosures where fair value closely approximates carrying value.

* For the purposes of this analysis prepayments have not been included within other receivables. Carrying value of other financial assets, trade receivables and other receivables are stated net of impairment provisions where appropriate and consequently fair value is considered to approximate to carrying value.

A number of other put and call options arising from acquisitions are of immaterial fair value.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly;
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

	30 June 2019 Level 1 €'000	*(Unaudited)* 30June 2019 Level 2 €'000	30 June 2019 Level 3 €'000	*(Unaudited)* 30 June 2018 Level 2 €'000	30 June 2018 Level 3 €'000	31 Dec 2018 Level 1 €'000	*(Audited)* 31 Dec 2018 Level 2 €'000	31 Dec 2018 Level 3 €'000
Assets measured at fair value								
At fair value through profit or loss								
Other investments	**12,230**	**–**	**1,367**	–	712	9,550	–	527
Interest rate swap	**–**	**–**	**–**	–	–	–	1	–
Options to acquire additional shares in subsidiaries, joint ventures and associates	**–**	**–**	**4,344**	–	–	–	–	4,317
Designated as hedging instruments								
Foreign exchange contracts	**–**	**240**	–	423	–	–	70	–
Liabilities measured at fair value								
At fair value through profit or loss								
Foreign exchange contracts	**–**	**(25)**	–	(23)	–	–	(8)	–
Interest rate swaps	**–**	**(5)**	–	(27)	–	–	(12)	–
Contingent consideration	**–**	–	**(17,924)**	–	(27,088)	–	–	(24,517)
At fair value through equity								
Put option liability	**–**	–	**(25,297)**	–	(38,604)	–	–	(34,975)
Designated as hedging instruments								
Foreign exchange contracts	**–**	**(375)**	–	(177)	–	–	(276)	–
Interest rate swaps	**–**	**–**	–	(2)	–	–	–	–

Additional disclosures for Level 3 fair value measurements

	(Unaudited) **Other investments €'000**	***(Unaudited)*** **Options to acquire additional shares [1] €'000**	***(Unaudited)*** **Contingent consideration €'000**	***(Unaudited)*** **Put option liability €'000**
At 1 January 2019	**527**	**4,317**	**(24,517)**	**(34,975)**
Paid during the period	**–**	**–**	**7,205**	**–**
Arising on acquisition of subsidiaries	**–**	**–**	**(1,461)**	**–**
Extinguishment of put option liability	**–**	**–**	**–**	**11,657**
Fair value movement on put option recognised directly within equity	**–**	**–**	**–**	**(891)**
Foreign exchange movements	**(8)**	**27**	**(218)**	**(1,088)**
Included in the income statement				
- Fair value movements	**848**	**–**	**1,067**	**–**
At 30 June 2019	**1,367**	**4,344**	**(17,924)**	**(25,297)**
Presented on Balance Sheet as follows:				
Current asset/(liability)	**846**	**–**	**(6,337)**	**–**
Non-current asset/(liability)	**521**	**4,344**	**(11,587)**	**(25,297)**
	1,367	**4,344**	**(17,924)**	**(25,297)**

[1]*The Group has options to acquire additional shares in certain subsidiaries, joint ventures and associates at the end of the period.*

Contingent consideration

Contingent consideration represents the provision for the net present value of the amounts expected to be payable in respect of acquisitions which are subject to earn-out arrangements. Contingent consideration for each individual transaction is valued internally by the Group Finance team in consultation with Senior Management and updated as required at each reporting period.

Put option liability
The Group has a number of contractual put options and forward commitments in place in relation to non-controlling interest ('NCI') shares in subsidiaries whereby the NCI shareholder can require the Group, or the Group has agreed to acquire ('forward commitment') the shares in these subsidiaries at various future dates. The value of the put option or forward commitment liability recognised represents management's best estimate of the fair value of the amounts which may be payable discounted to net present value. The put option or forward commitment for each individual transaction is valued internally by the Group Finance team in consultation with Senior Management and updated as required at each reporting period.

During the period, and with consent of the Group, a non-controlling shareholder sold their shares to other third parties (existing management). As a result the put option between the Group and this non-controlling shareholder was extinguished.

12. Cash flows generated from operations

	(Unaudited) **6 months to 30 June 2019 €'000**	*(Unaudited)* 6 months to 30 June 2018 €'000	*(Audited)* Year ended 31 Dec 2018 €'000
Operating activities			
Profit for the period	**49,679**	34,938	53,804
Adjustments for non-cash items:			
Income tax expense	**5,660**	7,368	16,014
Income tax paid	**(5,659)**	(6,031)	(13,349)
Depreciation of property, plant and equipment	**8,782**	8,366	17,194
Depreciation of right of use assets	**9,174**	–	–
Exceptional items – operating expenses	**(1,447)**	(6,386)	(9,450)
Restructuring and termination payments - exceptional	**(1,354)**	–	(1,219)
Other exceptional cash flow	**(1,690)**	–	(1,665)
Fair value movements on contingent consideration	**(1,067)**	(1,581)	(4,043)
Amortisation of intangible assets – acquisition related	**4,986**	5,251	10,281
Amortisation of intangible assets – capitalised development costs	**120**	164	267
Amortisation of intangible assets – computer software	**947**	771	1,397
Amortisation of government grants	**(25)**	(26)	(75)
Defined benefit pension scheme expense – normal	**872**	1,005	2,035
Contributions to defined benefit pension schemes – normal	**(2,537)**	(1,355)	(2,693)
Other post-employment benefit schemes' expense	**223**	218	442
Net contributions/(payments) for other post-employment benefit schemes	**22**	(29)	(168)
Share-based payment expense	**109**	288	557
Net gain on disposal of property, plant and equipment	**(68)**	(112)	(492)
Currency recycled to income statement on joint venture becoming subsidiary	**–**	–	90
Net finance expense	**5,515**	2,579	8,032
Net financial expense paid	**(5,531)**	(2,748)	(7,173)
(Gain)/loss on non-hedging derivative financial instruments	**(42)**	91	(59)
Gain on disposal of joint venture	**(88)**	–	–
Fair value movements on biological assets	**713**	(162)	(6)
Fair value gain on other investments	**(848)**	–	–
Movements in provisions	**(298)**	–	–
Share of profits of joint ventures and associates	**(30,569)**	(4,782)	(4,513)
Net cash flows from operations before working capital movements	**35,579**	37,827	65,208
Movements in working capital:			
- Movements in inventories	**6,400**	(12,293)	1,179
- Movements in biological assets	**182**	1,179	(851)
- Movements in trade and other receivables	**(94,034)**	(123,912)	(23,571)
- Movement in trade and other payables	**25,303**	73,576	2,978
Total movements in working capital	**(62,149)**	(61,450)	(20,265)
Cash flows from operating activities	**(26,570)**	(23,623)	44,943

13. Analysis of Net Debt and Cash and Cash Equivalents

Net debt is a non-IFRS measure which comprises cash and cash equivalents and current and non-current borrowings. The calculation of net debt at 30 June 2019, 30 June 2018 and 31 December 2018 is as follows:

	(Unaudited) **30 June 2019 €'000**	*(Unaudited)* 30 June 2018 €'000	*(Audited)* 31 Dec 2018 €'000
Current assets			
Cash and cash equivalents	**67,706**	*218,376	91,099
Call deposits (demand balances)	**11,170**	13,241	11,200
Current liabilities			
Bank overdrafts	**(38,459)**	(40,603)	(9,560)
Current bank borrowings	**(117,099)**	(51,527)	(48,658)
Current finance leases	**–**	(535)	(468)
Non-current liabilities			
Non-current bank borrowing	**(217,611)**	(161,327)	(262,188)
Non-current finance leases	**–**	(1,171)	(1,168)
Net debt at end of the period[1]	**(294,293)**	(23,546)	(219,743)
Less restricted cash *	**–**	(150,185)	–
Net debt at end of the period, excluding restricted cash[1]	**(294,293)**	(173,731)	(219,743)

Reconciliation of cash and cash equivalents per balance sheet to cashflow statement

	(Unaudited) **30 June 2019 €'000**	*(Unaudited)* 30 June 2018 €'000	*(Audited)* 31 Dec 2018 €'000
Cash and cash equivalents per balance sheet	**78,876**	231,617	102,299
Bank overdrafts	**(38,459)**	(40,603)	(9,560)
Cash, cash equivalents and bank overdrafts per cash flow statement	**40,417**	191,014	92,739
Less restricted cash *	**–**	(150,185)	–
Cash, cash equivalents and bank overdrafts per cash flow statement , excluding restricted cash	**40,417**	40,829	92,739

*The restricted cash of €150.2m at June 2018 relates to the proceeds of €141m from the share placing (net of associated costs) that were used to purchase dollars. The €150.2m is the retranslated amount of the US Dollar deposit including accrued interest income. This deposit was held in escrow at 30 June 2018 pending completion of the Dole transaction.

[1] Net debt is defined on page 34 and excludes lease liabilities.

14. Post balance sheet events

There have been no material events subsequent to 30 June 2019 which would require disclosure or adjustment in the financial statements.

15. Related party transactions

There have been no related party transactions or changes to related party transactions other from those as described in the 2018 Annual Report that materially affect the financial position or affect the performance of the Group for the six month period ended 30 June 2019.

16. Board approval

This interim results statement was approved by the Board of Directors of Total Produce plc on 28 August 2019.

Glossary

Alternative Performance Measures defined

The Group uses a number of alternative performance measures (APMs), which are non-IFRS measures to monitor financial performance. These measures are referred to throughout the discussion of our reported operating performance and financial position and are measures which are regularly reviewed by Group management.

The principal APMs used by the Group are defined as follows:

Total revenue includes the Group's share of the revenue of its joint ventures and associates.

Adjusted EBITDA is earnings before interest, tax, depreciation on property, plant and equipment, acquisition related intangible asset amortisation charges and costs, fair value movements on contingent consideration, unrealised gains or losses on derivative financial instruments, gains and losses on foreign currency denominated intercompany borrowings and exceptional items. It also excludes the Group's share of these items within joint ventures and associates. The calculation is outlined on page 22 of this announcement.

Adjusted EBITDA (after add back of right-of-use asset depreciation) is earnings before interest, tax, depreciation on property, plant and equipment, depreciation on right-of-use assets, acquisition related intangible asset amortisation charges and costs, fair value movements on contingent consideration, unrealised gains or losses on derivative financial instruments, gains and losses on foreign currency denominated intercompany borrowings and exceptional items. It also excludes the Group's share of these items within joint ventures and associates. The calculation is outlined on page 22 of this announcement.

Adjusted EBITA is earnings before interest, tax, acquisition related intangible asset amortisation charges and costs, fair value movements on contingent consideration, unrealised gains or losses on derivative financial instruments, gains and losses on foreign currency denominated intercompany borrowings and exceptional items. It also excludes the Group's share of these items within joint ventures and associates. The calculation is outlined on page 22 of this announcement.

Adjusted profit before tax excludes acquisition related intangible asset amortisation charges and costs, fair value movements on contingent consideration, unrealised gains or losses on derivative financial instruments, gains and losses on foreign currency denominated intercompany borrowings and exceptional items. It also excludes the Group's share of these items within joint ventures and associates. The calculation is outlined on page 22 of this announcement.

Adjusted fully diluted earnings per share excludes acquisition related intangible asset amortisation charges and costs, fair value movements on contingent consideration, unrealised gains or losses on derivative financial instruments, gains and losses on foreign currency denominated intercompany borrowings, exceptional items and related tax on such items. It also excludes the Group's share of these items within joint ventures and associates. The calculation is outlined on page 25 of this announcement.

Net debt represents the net total of current and non-current borrowings and cash and cash equivalents as presented in the Consolidated Group Balance Sheet. It excludes lease liabilities. The calculation is outlined on page 33 of this announcement.