Irn-Bru maker AG Barr shrugs off damp weather to grow sales



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<u>Irn-Bru</u> maker <u>AG Barr</u> has revealed a rise in sales for the past six months amid strong soft drink demand despite "disappointing early summer weather".

The <u>Scottish</u> firm however revealed a decline in profits due to one-off costs related to the closure of the Barr Direct delivery operation earlier this year and the integration of Boost, the energy drink business it bought in 2022.

Nevertheless, recently appointed boss Euan Sutherland said he was "pleased to report a strong set of first-half results".

The company revealed that total revenues increased by 5.2% to £221.3 million for the six months to July 26.

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Euan Sutherland, Irn Bru boss

This was driven by its soft drink business, which saw 7% sales growth on the back of increased pricing and higher sales volumes from customers.

The company said this came despite a slight volume decline in the wider UK soft drink market, which was "partly as a consequence of the disappointing early summer weather".

It highlighted a particularly strong sales performance from its <u>Rubicon</u> brand while Irn-Bru also grew on the back of positive trading linked to its Euro 2024 marketing campaign.

Its positive soft drink trading helped offset weaker sales of its Funkin pre-mixed cocktail brand, which was hit by pressure in the hospitality sector.

AG Barr said Funkin sales were 9.4% lower as "late-night venues" were particularly affected by weak consumer demand.

The company held firm on its performance targets for the rest of the year but stressed that it remains "conscious of the current pressure on consumers".

Mr Sutherland, who became chief executive of AG Barr in May, said: "My first few months with the business has further cemented my view that AG Barr is an excellent business with exciting, tangible and deliverable growth opportunities.

"The business has delivered both revenue and profit growth as well as good progress on our key strategic margin rebuild programme.

"We anticipate a strong second-half performance from our four core brands — Irn-Bru, Rubicon, Boost and Funkin — in particular, with current trading momentum underpinned by

further marketing and innovation activities."