



News Release

17 December 2024

BUNZL PRE-CLOSE STATEMENT

Bunzl plc, the specialist international distribution and services Group, is updating the market today prior to entering its closed period for the year ending 31 December 2024.

Group revenue in 2024 is expected to be approximately 3% higher than in 2023, at constant exchange rates, and between 0% and 1% lower at actual exchange rates. Group revenue growth at constant exchange rates is expected to be driven by acquisitions, and with a small decline in underlying revenue over the year. Within underlying revenue, volume growth in the third quarter is expected to continue in the fourth quarter, although deflation is likely to be more persistent than previously anticipated. This is expected to have a slight impact on Group adjusted operating profit in 2024, driven by Continental Europe. Group adjusted operating profit in 2024 will represent a strong increase in comparison with 2023 at constant exchange rates. Expected Group operating margin for 2024 is strong and continues to be moderately above the level reported for 2023.

Looking ahead, despite uncertainties relating to the wider economic and geopolitical landscape, the Group expects robust revenue growth in 2025, at constant exchange rates, driven by announced acquisitions and slight underlying revenue growth. Group operating margin is expected to be maintained in-line with 2024 and to remain substantially higher compared to pre-pandemic levels, driven by higher margin acquisitions, as well as a good underlying margin increase.

In August 2024, we made a commitment to allocate c.£700 million per annum, primarily to be invested in value-accretive acquisitions and, if required, returns of capital in each of the three years ending 31 December 2027, which is intended to steadily return Bunzl to its target leverage range by the end of 2027. Alongside this, Bunzl has demonstrated the strength of its acquisition pipeline, with 2024 a record year for committed spend of more than £850 million. We also initiated a £250 million buyback in August, of which approximately £200 million has now been completed. In addition, we confirm that a further £200 million buyback will be executed during 2025, as previously outlined.

In October, Bunzl completed the acquisition of the C&C Group (“C&C”), a specialist foodservice business that complements our existing commercial catering businesses in the UK. The business generated revenue of £26 million in the year to April 2024.

In December, Bunzl completed the acquisition of Comodis, a leading distributor of cleaning and hygiene products in the Rhône-Alpes region of France, strengthening our presence in this region. This business generated revenue of EUR 23 million (c.£20 million) in the year to March 2024.

Commenting on today’s announcement, Frank van Zanten, Chief Executive Officer of Bunzl, said:

“2024 will be another year of significant progress for Bunzl, demonstrating the continued growth and resilience of the business model. The Group is expected to deliver a strong increase in Group adjusted operating profit year-on-year, alongside a Group operating margin that has expanded over recent years. We continue to execute on our capital allocation commitments, and welcome C&C and Comodis to the Group, enhancing our offerings in the UK and France, whilst also confirming a further £200m share buyback over 2025. Overall, during 2024 the Group has committed a record spend of more than £850 million with 13 announced acquisitions year-to-date, and our pipeline remains active.”

Enquiries:

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