



BUNZL

2025 ANNUAL

GENERAL MEETING

Q1 2025 PERFORMANCE

Q1 profit below expectations; reduction to 2025 guidance; action plan in place



Q1 25 revenue growth

2.6%¹

Adjusted operating profit^{1,2} was down significantly year-on-year in Q1, reflective of an operating margin decline driven by performance in North America and Continental Europe

Revised 2025 Guidance

- Moderate revenue growth in 2025¹, driven by announced acquisitions and broadly flat underlying revenue
- Group operating margin^{1,2} for the year is expected to be moderately below 8.0%, compared to 8.3% in 2024
- Operating margin^{1,2} in the first half of the year is expected to be around 7.0%
- Any potential benefit from tariffs, together with a potential adverse impact on economic growth, is excluded from our guidance

North America:

- Since our last update, in a more uncertain macro environment, we have seen some revenue softness across our North American businesses. This has resulted in operating margin pressure across the business area, and in particular it has amplified challenges specific to our largest business, which primarily services foodservice and grocery customers.
- We have taken a series of decisive actions to improve performance. These include leadership changes to ensure there is a renewed focus on commercial agility and operational excellence.

Continental Europe:

- Operating margin decline in the first quarter continued to be driven by dynamics already seen in the second half of 2024, with the decline broadly in line with expectations. We expect margin management and cost initiatives to deliver improvement towards the end of the second half of the year.

UK and Ireland:

- Underlying revenue growth was lower than expected, driven by deflation, with a decline in operating margin reflective of the mix effect of Nisbets in the quarter.

Rest of the World:

- Strong underlying revenue growth continues, driven by Latin America, with the business area maintaining a good operating margin.

Notes

1. At constant exchange rates
2. Alternative performance measure – see Appendix 1

INCOME STATEMENT

Strong operating profit growth, supported by operating margin expansion



FY24 adjusted operating profit¹ growth vs 2023

7.2%²

56.1%² growth vs 2019

FY24 operating margin¹

8.3%

vs 8.0% in 2023 and 6.9%² in 2019

Operating margin driven by acquisitions and an underlying margin increase

FY24 adjusted earnings per share^{1,3,4} growth

5.5%²

£m	2024	2023	REPORTED GROWTH	CONSTANT EXCHANGE ¹
Revenue	11,776.4	11,797.1	(0.2)%	3.1%
Adjusted operating profit ¹	976.1	944.2	3.4%	7.2%
Operating margin ¹	8.3%	8.0%		
Net adjusted finance expense ¹	(103.2)	(90.5)	14.0%	17.1%
Adjusted profit before income tax ¹	872.9	853.7	2.2%	6.2%
Effective tax rate ¹	25.5%	25.0%		
Adjusted profit for the year ¹	650.5	640.3	1.6%	5.5%
Adjusted earnings per share ^{1,3,4}	194.3p	191.1p	1.7%	5.5%
Total dividend per share	73.9p	68.3p	8.2%	
Statutory				
Operating profit	799.3	789.1	1.3%	
Profit before income tax	673.6	698.6	(3.6)%	
Basic earnings per share ^{3,4}	149.6p	157.1p	(4.8)%	

Notes

1. Alternative performance measure – see Appendix 1
2. At constant exchange rates
3. Weighted average number of shares of 334.4 million in 2024 and 335.0 million in 2023
4. After excluding £0.6m of profit for the year attributable to a non-controlling interest within our Nisbets business

CASH FLOW AND LEVERAGE

Our model is highly cash generative



FY24 cash conversion¹

93%

Strong cash conversion

FY24 Free cash flow¹

£634m

FY24 Adjusted net debt to EBITDA¹

1.8x

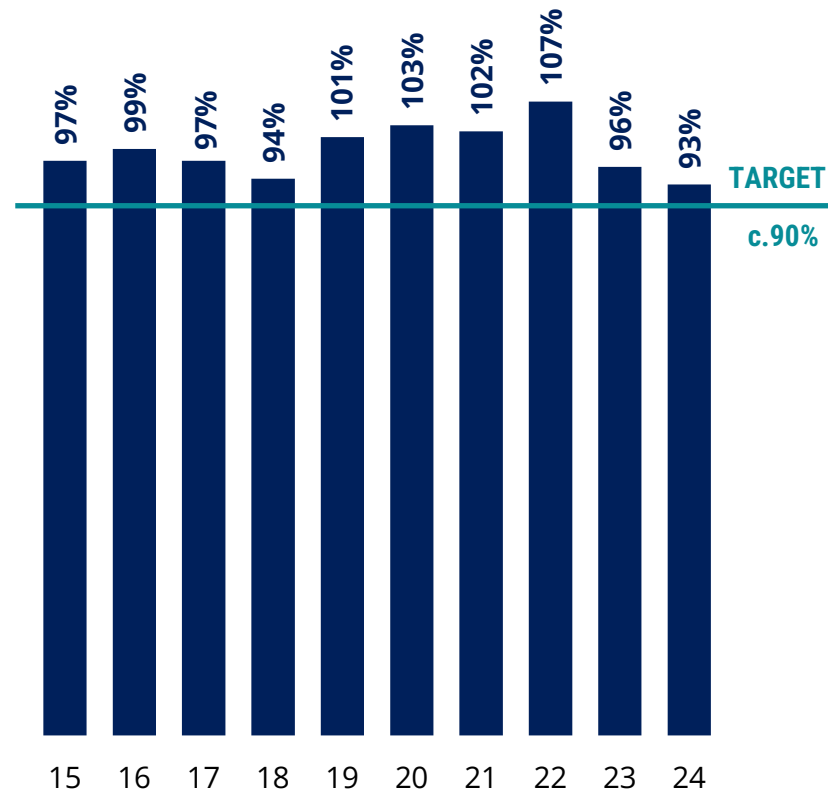
Including deferred and contingent consideration expected to be paid

Return on invested capital¹

14.8%

vs. 13.6% in 2019

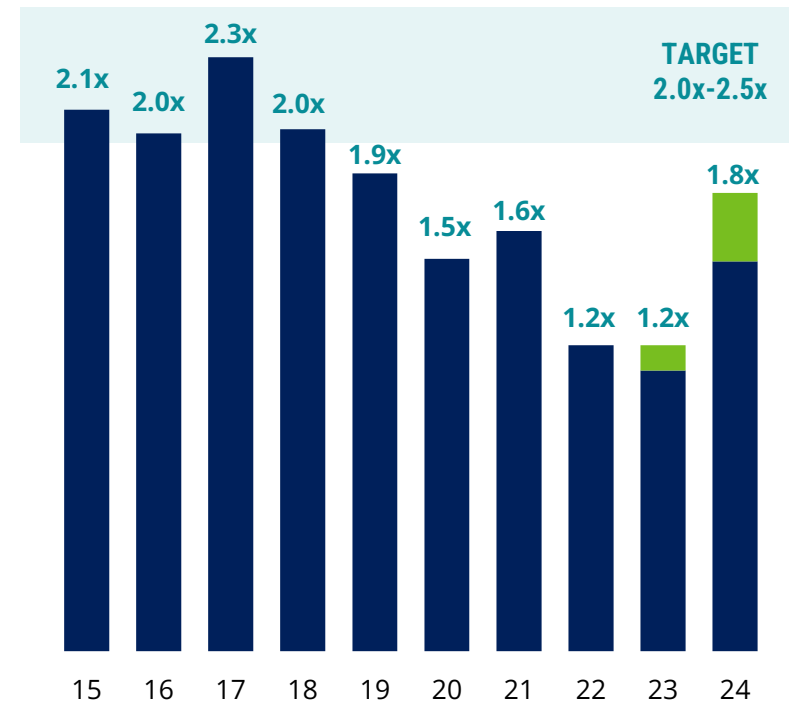
Cash conversion¹ over the last 10 years



Notes

1. Alternative performance measure – see Appendix 1
2. As at 31 December 2024

Adjusted net debt to EBITDA¹



Key

- Adjusted net debt to EBITDA¹ excluding deferred and contingent consideration to be paid²
- Impact on adjusted net debt to EBITDA¹ from deferred and contingent consideration to be paid²

DIVIDEND TRACK RECORD

Strong growth in 2024 dividend per share



8.2%

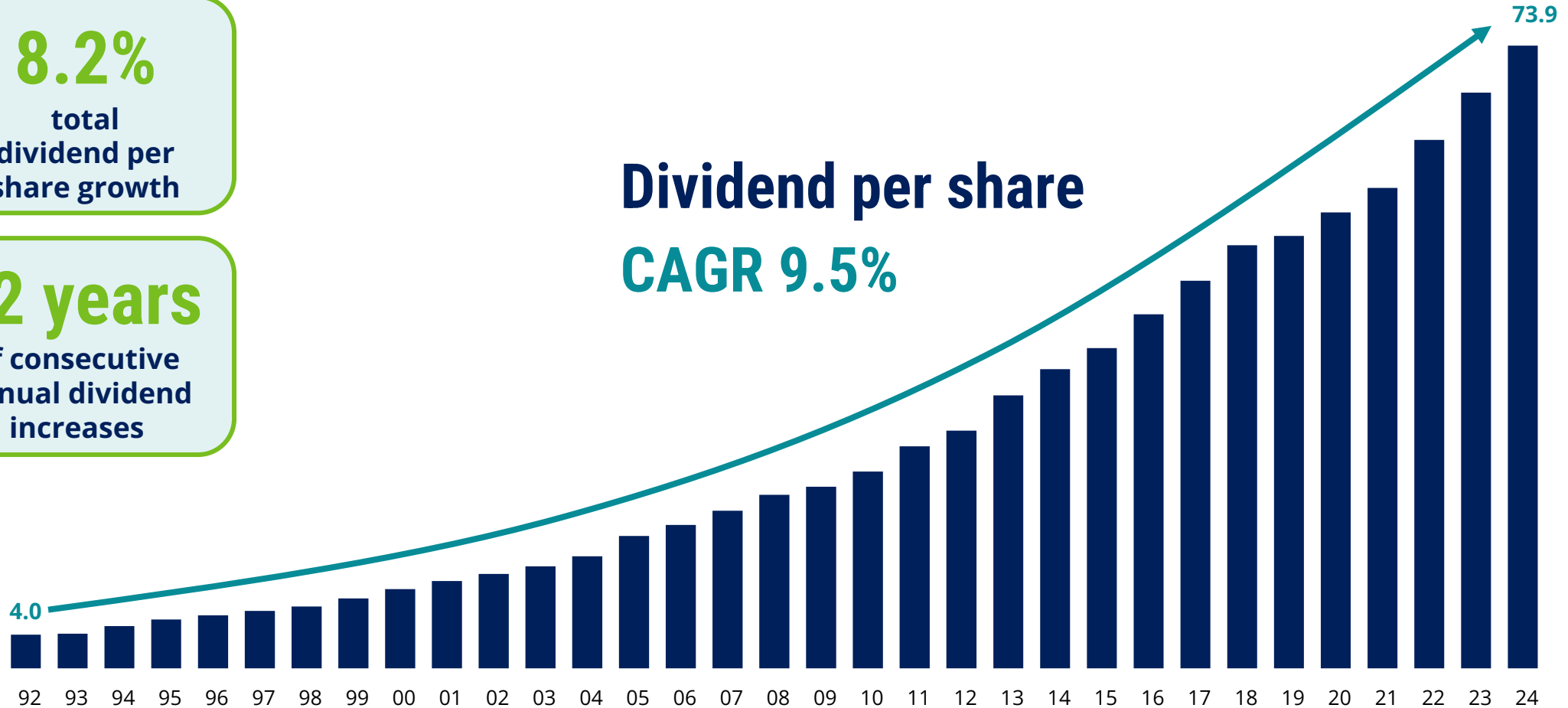
total
dividend per
share growth

32 years

of consecutive
annual dividend
increases

Dividend per share

CAGR 9.5%



SUCCESSFUL COMPOUNDING GROWTH STRATEGY

Growth strategy which has delivered consistently, and with strong returns



CONSISTENT COMPOUNDING GROWTH MODEL

Organic revenue growth¹

- Win new customers
- Sell more to existing customers
- Expand product ranges, supported by own brand and sustainability expertise
- Product price inflation

Acquisitions

- Fragmented industry
- Large end markets
- Strong track record
- Value-accretive multiples
- Active pipeline

Operating margin¹ expansion

- Good margin management, including own brand and digital penetration
- Operational efficiency, including cost control
- Value-accretive acquisitions drive margin

Cash return

- Progressive dividend; 32 years of consecutive annual growth
- Share buybacks aligned to capital allocation commitment

10 YEAR DELIVERY:



Adjusted operating profit¹ CAGR

c.9%²



Total free cash flow¹ generated

£5.0bn²

- reinvested into acquisitions³

c.70%

Strong value creation



Adjusted EPS¹ growth

125%



10 year dividend return⁴

28%

Notes

1. Alternative performance measure - see Appendix 1

2. At actual exchange rates

3. Cumulative cash outflows related to acquisitions as a percentage of cumulative free cash flow¹ generated over the last 10 years

4. Total dividends paid over the last 10 years compared to the market capitalisation of Bunzl plc on 31st December 2014 (£5.9bn)



APPENDICES

APPENDIX 1.1

Alternative performance measures



This presentation includes various performance measures defined under International Financial Reporting Standards ('IFRS') as well as a number of alternative performance measures. The principal alternative performance measures used are:

Organic revenue growth – Revenue excluding the incremental impact of acquisitions and disposals compared to revenue in prior years at constant exchange

Underlying revenue growth - Revenue excluding the incremental impact of acquisitions and disposals compared to revenue in prior years at constant exchange, adjusted for differences in trading days between years and adjusted to exclude growth in excess of 26% per annum in hyperinflationary economies

Adjusted operating profit - Operating profit before amortisation excluding software, acquisition related items through operating profit and non-recurring pension scheme charges/credits

Operating margin - Adjusted operating profit as a percentage of revenue

Adjusted finance expense - Finance expense before interest on unwinding of discounting deferred consideration

Adjusted profit before income tax - Profit before income tax, amortisation excluding software, acquisition related items, non-recurring pension scheme charges/credits and profit or loss on disposal of businesses

Adjusted profit for the year - Profit for the year before amortisation excluding software, acquisition related items, non-recurring pension scheme charges/credits, profit or loss on disposal of businesses and the associated tax

Effective tax rate - Tax on adjusted profit before income tax as a percentage of adjusted profit before income tax

Adjusted earnings per share - Adjusted profit for the year attributable to the company's equity holders divided by the weighted average number of ordinary shares in issue

Adjusted diluted earnings per share - Adjusted profit for the year attributable to the company's equity holders divided by the diluted weighted average number of ordinary shares

Operating cash flow - Cash generated from operations before acquisition related items after deducting purchases of property, plant and equipment and software and adding back the proceeds from the sale of property, plant and equipment and software and deducting the payment of lease liabilities

Free cash flow - Operating cash flow after deducting payments for income tax and net interest excluding interest on lease liabilities

Lease adjusted operating profit - Adjusted operating profit after adding back the depreciation of right-of-use assets and deducting the payment of lease liabilities

Cash conversion - Operating cash flow as a percentage of lease adjusted operating profit

Working capital - Inventories and trade and other receivables less trade and other payables, excluding non-operating related receivables, non-operating related payables (including those relating to acquisition payments) and dividends payable

Return on average operating capital - The ratio of adjusted operating profit to the average of the month end operating capital employed (being property, plant and equipment, right-of-use assets, software, inventories and trade and other receivables less trade and other payables)

APPENDIX 1.2

Alternative performance measures



Return on invested capital - The ratio of adjusted operating profit to the average of the month end invested capital (being equity after adding back net debt, lease liabilities, net defined benefit pension scheme assets/liabilities, cumulative amortisation excluding software, acquisition related items and amounts written off goodwill, net of the associated tax)

Dividend cover – The ratio of adjusted earnings per share to the total dividend per share

EBITDA - Adjusted operating profit on a historical GAAP basis, before depreciation of property, plant and equipment and software amortisation and after adjustments as permitted by the Group's debt covenants, principally to exclude share option charges and to annualise for the effect of acquisitions and disposal of businesses

Net debt excluding lease liabilities - Net debt excluding the carrying value of lease liabilities

Covenant net debt to EBITDA - Net debt excluding lease liabilities calculated at average exchange rates divided by EBITDA

Adjusted net debt - Net debt excluding lease liabilities and including total deferred and contingent consideration

Adjusted net debt including lease liabilities - Net debt including lease liabilities and total deferred and contingent consideration

Adjusted net debt to EBITDA - Adjusted net debt calculated at average exchange rates divided by EBITDA adjusted for contractually agreed earnings targets

Adjusted net debt including lease liabilities to EBITDA - Adjusted net debt including lease liabilities calculated at average exchange rates divided by adjusted operating profit, before depreciation of property, plant and equipment and right of use assets and software amortisation and after adjustments to exclude share option charges and to annualise for the effect of acquisitions and disposal of businesses adjusted for contractually agreed earnings targets

Constant exchange rates - Growth rates at constant exchange rates are calculated by retranslating the results for the prior periods at the average rates for the comparative periods so that they can be compared without the distorting impact of changes caused by foreign exchange translation

APPENDIX 2

Statutory P&L



£m	2024	2023
Revenue	11,776.4	11,797.1
Adjusted operating profit ¹	976.1	944.2
Operating margin ¹	8.3%	8.0%
Adjusting items	(176.8)	(155.1)
Operating profit	799.3	789.1
Net finance expense	(105.4)	(90.5)
Disposal of business	(20.3)	-
Profit before income tax	673.6	698.6
Reported tax rate	25.6%	24.7%
Profit for the year	501.0	526.2
Basic earnings per share ²	149.6p	157.1p

Notes

1. Alternative performance measure – see Appendix 1
2. After excluding £0.6m of profit for the year attributable to a non-controlling interest within our Nisbets business

Appendix 3

Confidence in long-term growth opportunities

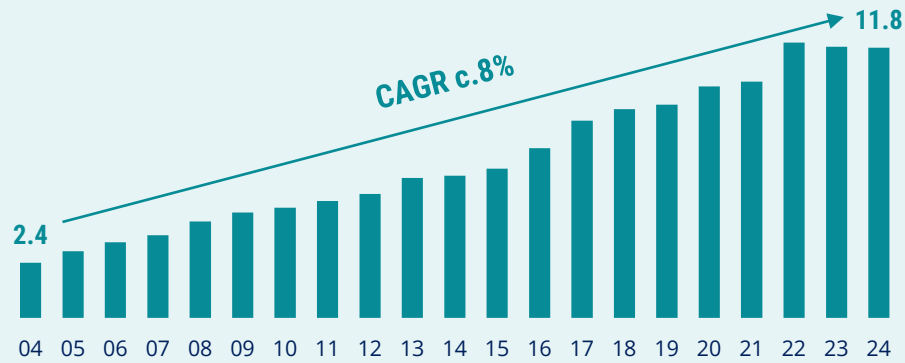


Proven compounding growth strategy

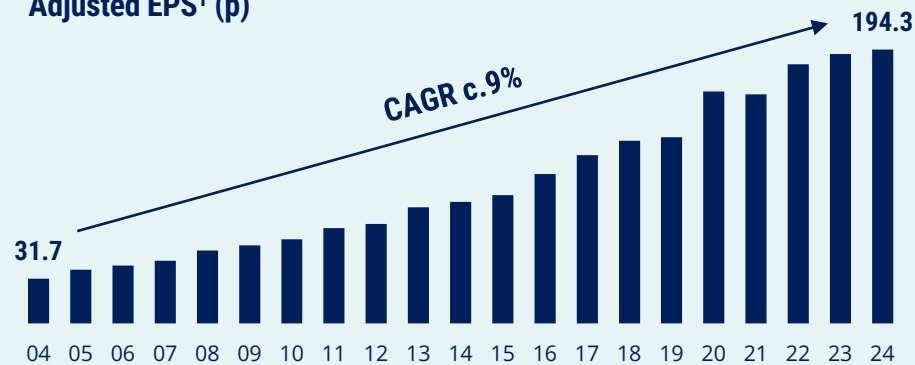
c.9%

adjusted operating profit¹ and adjusted EPS¹ CAGR since 2004

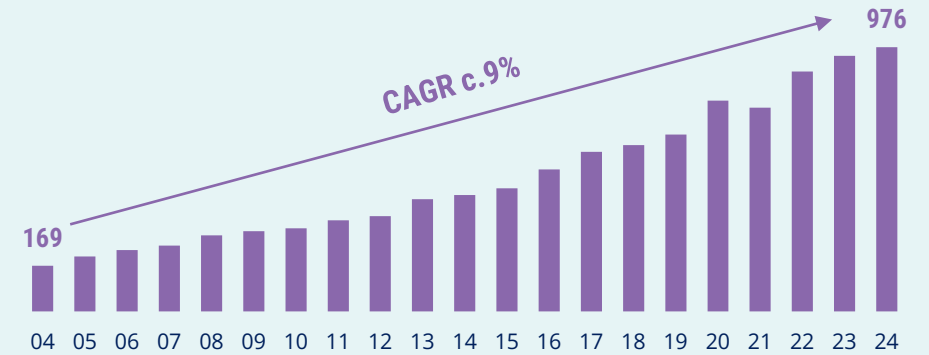
Revenue (£bn)



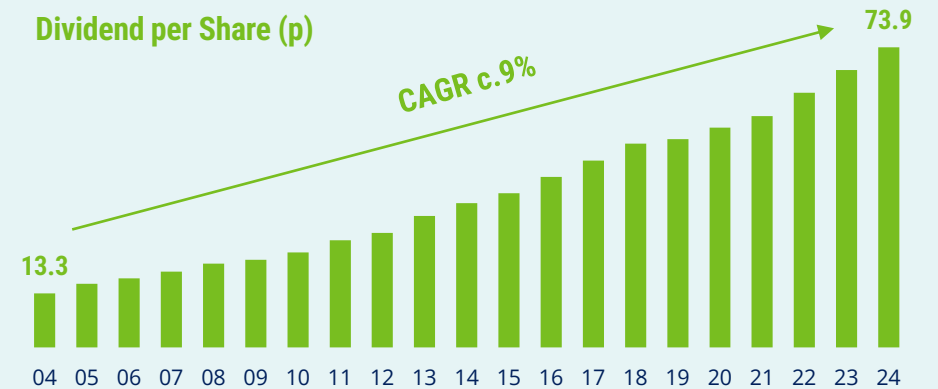
Adjusted EPS¹ (p)



Adjusted operating profit¹ (£m)



Dividend per Share (p)



Note

1. Alternative performance measure - see Appendix 1

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