



News Release

14 September 2021

BUNZL AGREES TO ACQUIRE US BASED SAFETY BUSINESS AND HEALTHCARE DISTRIBUTOR IN AUSTRALASIA

Bunzl plc, the specialist international distribution and services Group, today announces that it has entered into agreements to acquire a US based safety business and a medical supplies distributor with operations in Australia and Singapore.

McCue Corporation (“McCue”), based in Boston, Massachusetts, is a leading business in the distribution of safety and asset protection solutions, and provides Bunzl with a strong position in this fast growing market segment. Supported by a strong portfolio of innovative own brand solutions and smart products, McCue specialises in the distribution of products such as safety barriers, floor railings and bumpers, for use in warehouses and high footfall environments spanning sectors such as grocery and ecommerce. The business has operations in Massachusetts, Texas and California, as well as in the UK and other international markets.

The business has delivered very strong double digit annual growth over the last three years. This trajectory continues, supported by the growth in ecommerce-based distribution activities, the importance of health and safety measures in operating environments and the increasing prevalence of higher value warehouse equipment which increases the importance of asset protection. In the 12 months to July 2021 McCue generated revenue of \$90 million (c.£65 million), predominantly in the US. The business has an operating margin above the level typically experienced in the Group’s safety businesses. The acquisition is subject to competition clearance in the US and is expected to complete later this year.

MedShop is an online distributor of medical supplies and devices to a diverse range of healthcare customers, predominately in Australia. The business has a strong digital platform and operations in Melbourne and in Singapore. MedShop generated revenue in 2020 of AUD 22 million (c.£12 million). The acquisition completed in early September.

Commenting on the acquisitions, Frank van Zanten, Chief Executive Officer of Bunzl, said:

“The acquisition of McCue represents an exciting expansion of our safety operations in North America and the UK. It is a high quality business with a strong leadership team and track record, with good opportunities for further growth supported by innovation and international expansion. It demonstrates the range of important value-added products and services the Group can provide to customers and our continual focus on evolving our portfolio alongside sector trends.

MedShop is a complementary business that builds on our capabilities in the Australian healthcare sector, allowing us to target an expanded customer base. The strength of the digitally focused leadership team supports the significant potential to grow the business in Australasia.

Year to date we have now agreed ten acquisitions, with a combined committed spend of approximately £390 million. Our balance sheet remains strong, providing opportunity to self-fund further acquisitions alongside an active pipeline and ongoing discussions.”

Enquiries:

Bunzl plc
Frank van Zanten, Chief Executive Officer
Richard Howes, Chief Financial Officer
Tel: +44 (0)20 7725 5000

Tulchan
Martin Robinson
Suniti Chauhan
Tel: +44 (0)20 7353 4200