



2021 HALF YEAR RESULTS

August 2021





INTRODUCTION

FRANK VAN ZANTEN

CEO



FIRST HALF 2021 HIGHLIGHTS



Strong H1 performance demonstrates resilience of Bunzl model

Revenue +6%[◇] and adjusted operating profit* +15%[◇] year-on-year

Underlying revenue^Δ +6% compared to 2019

Diversification supports growth

Significant reduction in larger Covid-19 related sales more than offset by partial recovery in base business

Growth in smaller Covid-19 related orders driven by Q1

Significant cash generation to self-fund acquisitions

Strong cash conversion* of 100% achieved

Net debt / EBITDA* 1.4x
(debt covenant basis)

Balance sheet strength supportive to strategy

8 acquisitions year-to-date; active pipeline; significant headroom for future growth

Dividend per share growth of +2.5%

* Alternative performance measure – see Appendix 1

◇ At constant exchange rates

Δ Underlying revenue is a measure of revenue over comparative periods at constant exchange rates, excluding the incremental impact of acquisitions and disposals and adjusted for differences in trading days between periods

CONFIDENCE IN LONG-TERM GROWTH



- Quality and consistency of business model reinforced
- Customer proposition and strength of supply chain proven over a challenging period
- Attractive growth outlook
 - Continued base business recovery
 - Enhanced hygiene trends and safety related activity following economic stimuli
 - Sustainability and digital investments a growing competitive advantage
- Strong cash generation and continued dividend growth track record
- Headroom provides substantial firepower for self-funded acquisitions; active pipeline
- Proven compounding strategy

* Alternative performance measure (see Appendix 1) and on an IAS 17 basis

ADJUSTED OPERATING PROFIT* (£m)



DIVIDEND PER SHARE (p)



ACCELERATING SUSTAINABLE PRIORITIES



Continued focus on climate change

- Carbon benefits from product consolidation
- Bunzl has meaningfully improved efficiency over the last 10 years: c.50% reduction in scope 1&2 CO₂e / £m revenue

Next: Long-term carbon reduction target



Providing sustainable solutions

- Play a proactive role in the supply chain as an advisor to customers on the shift to sustainable solutions
- Supported by own brand sustainable ranges

Next: Setting new commitments to accelerate our provision of alternative products



A responsible supply chain

- Asia sourcing and auditing operation since 2008
- Industry leading function with c.700 in-person audits per annum covering c.95% of spend in Asia

Next: Continue to focus on enhancing our leading practices relating to supply chain oversight



Investing in a diverse workforce and thriving communities

- Decentralised business model that supports a focus on colleagues
- Diversity & Inclusion Director appointed in North America

Next: Focus on expanding diversity and inclusion programmes





FINANCIAL RESULTS

RICHARD HOWES

CFO



REVENUE GROWTH

Revenue growth[◇]

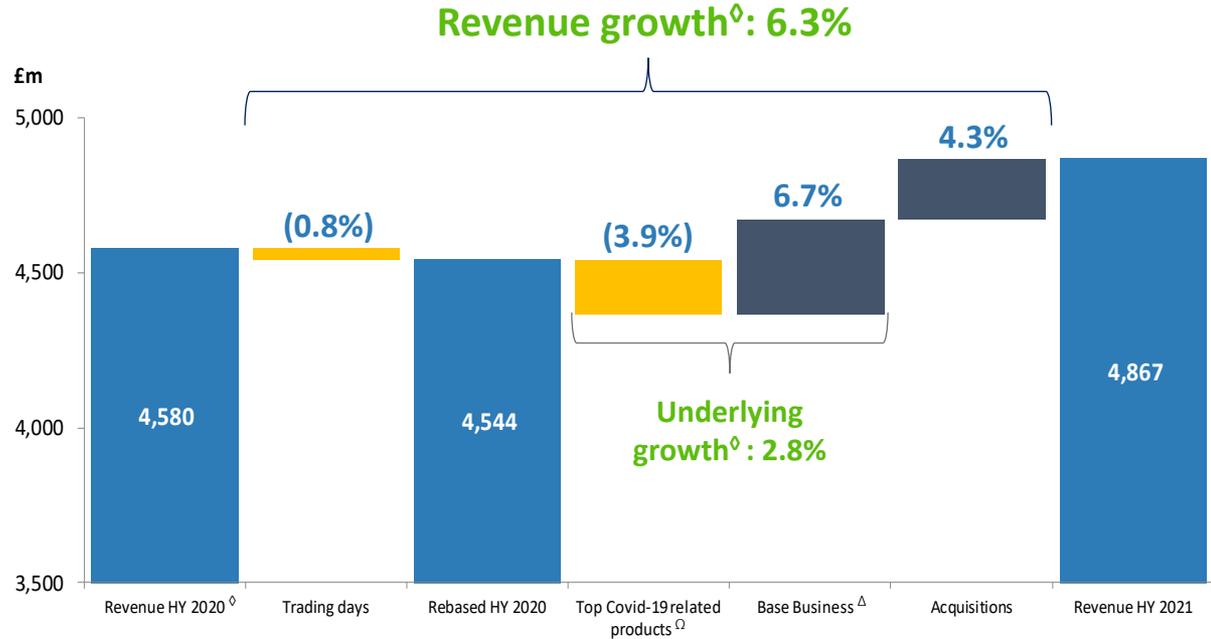
6.3%

Underlying growth
vs 2020[◇]

2.8%

Underlying growth
vs 2019[◇]

5.7%



[◇] At 2021 constant exchange rates

^Ω Top 8 Covid-19 related products are masks, sanitisers, gloves, disinfectants, coveralls, disposable wipes, face shields and eye protection. The total revenue from these products declined from c.£1,001m in H1 20 to c.£824m in H1 21, excluding the impact of acquisitions and adjusted for trading days

^Δ Base business defined as underlying revenue excluding the top 8 Covid-19 related products

INCOME STATEMENT

Adjusted operating profit* growth[◇]

14.7%

Increase in operating margin

+50bps

£m	JUNE 2021	JUNE 2020	REPORTED	CONSTANT EXCHANGE
Revenue	4,866.6	4,846.3	0.4%	6.3%
Adjusted operating profit*	366.8	340.8	7.6%	14.7%
Operating margin*	7.5%	7.0%		
Adjusting items	(62.7)	(61.4)		
Operating profit	304.1	279.4		
Net finance expense	(28.4)	(34.0)		
Profit before income tax	275.7	245.4		
Adjusted profit before income tax*	338.4	306.8	10.3%	17.5%

INCOME STATEMENT (CONTINUED)

Adjusted earnings per share* growth[◇]

18.1%

Interim dividend growth of

2.5%

£m	JUNE 2021	JUNE 2020	REPORTED	CONSTANT EXCHANGE
Effective tax rate*	23.5%	23.8%		
Adjusted profit for the period*	258.9	233.8	10.7%	17.9%
Weighted average number of shares (m)	333.4	333.5		
Adjusted earnings per share*	77.7p	70.1p	10.8%	18.1%
Interim dividend per share	16.2p	15.8p	2.5%	
Reported tax rate	23.5%	24.4%		
Profit for the period	211.0	185.5		
Basic earnings per share	63.3p	55.6p		

* Alternative performance measure – see Appendix 1
 ◇ At constant exchange rates

BALANCE SHEET

Net debt : EBITDA*[◇]

1.4x

Substantial capacity for self-funded acquisitions

H1 21 acquisition spend

£111m

ROIC*

16.5%

£m	JUNE 2021	DECEMBER 2020
Intangibles	2,453.1	2,441.9
Right-of-use assets	458.2	453.4
Property, plant and equipment	118.1	122.7
Working capital*	1,020.3	1,021.4
Other net liabilities	(429.5)	(323.0)
	3,620.2	3,716.4
Net pension deficit	(10.5)	(44.8)
Net debt excluding lease liabilities*	(1,183.3)	(1,255.0)
Lease liabilities	(500.6)	(497.5)
Equity	1,925.8	1,919.1
Net debt : EBITDA*	1.7x	1.8x
Net debt : EBITDA* on a debt covenant basis [◇]	1.4x	1.5x
Return on invested capital*	16.5%	16.2%
Return on average operating capital*	46.1%	45.4%

CASH FLOW

Cash conversion*

100%

Free cash flow*
ahead of 2019

lower than 2020 driven by
higher income tax payments
and reduced net advance
payments from customers

£m	JUNE 2021	JUNE 2020
Operating cash flow* ^Δ	353.6	367.0
Net interest paid excluding interest on lease liabilities	(19.3)	(30.1)
Income tax paid	(109.1)	(68.6)
Free cash flow*	225.2	268.3
Dividends paid	(52.8)	(51.7)
Acquisitions [◊]	(93.0)	(75.2)
Net payments relating to employee share schemes	(25.5)	2.0
Net cash inflow	53.9	143.4
Cash conversion**[†]	100%	112%

* Alternative performance measure – see Appendix 1

[†] Cash conversion for the half year was 100% despite an adverse movement in advance payments from customers net of upfront payments to suppliers of £26m. Excluding this movement, cash conversion was 107%

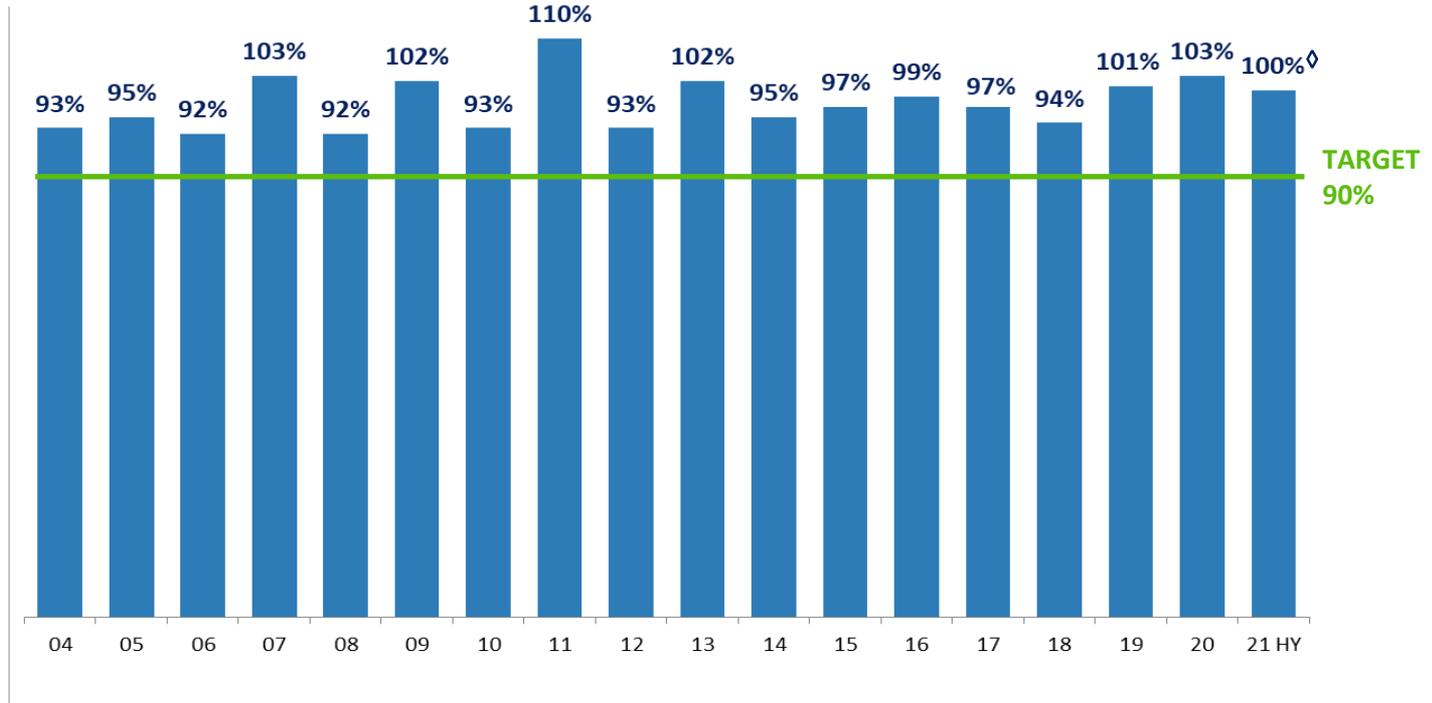
◊ Including acquisition related items

Δ Before acquisition related items

CASH CONVERSION

Average cash conversion*

98%



* Alternative performance measure – see Appendix 1

◇ Cash conversion for the half year was 100% despite an adverse movement in advance payments from customers net of upfront payments to suppliers of £26m. Excluding this movement, cash conversion was 107%

FINANCIAL SUMMARY



Strong underlying growth vs. 2019, demonstrates the strength and resilience of the Bunzl business model

Operating margin supported by inflation on certain Covid-19 related products and mix

Strong cash conversion

Funding headroom provides substantial capacity for self-funded acquisitions

Underlying revenue growth vs. 2019[◊]

+5.7%

Adjusted operating profit* growth vs. 2020[◊]

+14.7%

Cash conversion*

100%

Net debt: EBITDA*
on a debt covenant basis

1.4x

* Alternative performance measure – see Appendix 1

◊ At constant exchange rates



BUSINESS REVIEW

FRANK VAN ZANTEN

CEO



DIVERSIFICATION DRIVES RESILIENCE

Diversification has supported the business over a multi-year period

Recovery of base businesses offsetting impact of lower Covid-19 related sales, particularly larger orders

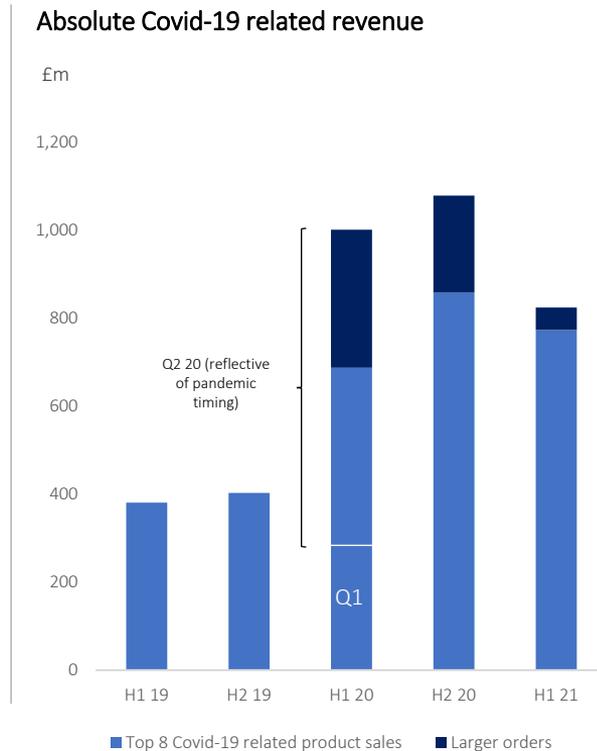
		H1 revenue as % of Group total	Underlying revenue H1 21 vs. H1 20	Underlying revenue H1 21 vs. H1 19
 Healthcare  Safety  Cleaning & Hygiene	35% vs 32% in H1 19	 £m: (9)% y-o-y	 +12% vs 2019	
 Grocery  Other	29% Stable vs H1 19	 £m: +7% y-o-y	 +7% vs 2019	
 Foodservice  Retail	36% vs 39% in H1 19	 £m: +13% y-o-y	 Flat vs. 2019	

} All sectors supported by Covid-19 related product sales

COVID-19 RELATED SALES

Significant decline in larger Covid-19 related sales, as expected

Smaller Covid-19 related sales remain meaningfully higher than 2019 levels



- Larger Covid-19 related sales significantly lower, as expected
 - Impacting Continental Europe and UK & Ireland business areas in particular
- Year-on-year decline in smaller Covid-19 related sales in Q2, as expected
 - Inflation remained supportive to revenue in Q2
 - Covid-19 related sales remain meaningfully higher than pre-Covid-19 related levels
- Expect to see a further reduction in Covid-19 related sales in H2
 - Price deflation on certain products evidenced towards the end of Q2 and expected to continue in H2

STRONG RECOVERY IN THE BASE BUSINESS

Base business is recovering

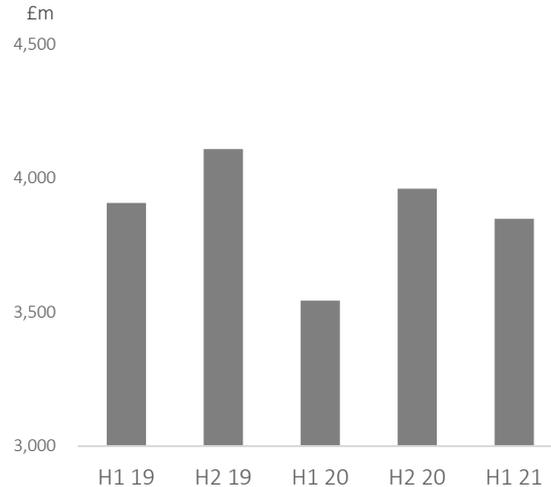
North America driven by volume and inflation in foodservice and retail

Foodservice and Retail improving over Q2 in UK & Ireland

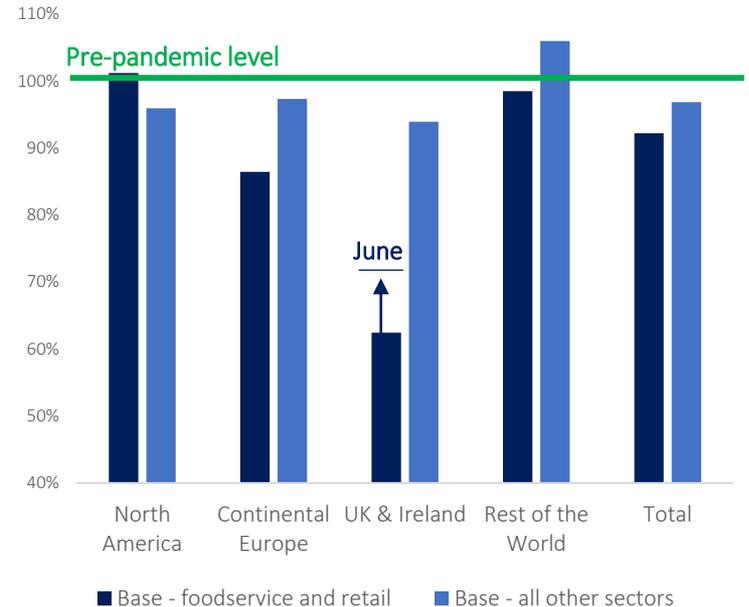
Sector mix impacts business area speed of recovery

Base business^Δ revenue in H1 21 vs H1 19

Absolute base business revenue



Base business revenue H1 21 as a percentage of H1 19



^Δ Base business defined as underlying revenue excluding the top 8 Covid-19 related products

INFLATION IN THE BUNZL CONTEXT

Inflation in Covid-19 related products supportive to H1

Started to experience inflation in other products

However, impact of Covid-19 related product deflation a bigger feature of H2

COVID-19 RELATED PRODUCTS – INFLATION AND DEFLATION

- Inflation on certain Covid-19 products continued in H1
- Deflation started in Q2; revenue and margin impact anticipated in H2

BASE BUSINESS - INFLATION

Experiencing a more inflationary environment

Product inflation

- Increasing levels of inflation being experienced in key categories such as paper, plastics and chemicals in Q2
- With larger customers, particularly in North America, product price movements are usually factored into agreements; elsewhere regular price renegotiations are normal practice

Operating cost inflation

- Wage inflation largely offset through operating efficiencies and growth
- Freight cost movements often factored into pricing agreements with customers

BUSINESS AREA ANALYSIS

31
countries

6
sectors



NORTH AMERICA
59% Revenue
53% Operating profit*



CONTINENTAL EUROPE
20% Revenue
24% Operating profit*



UK & IRELAND
12% Revenue
6% Operating profit*



REST OF WORLD
9% Revenue
17% Operating profit*

* Adjusted operating profit (alternative performance measure, see Appendix 1) before corporate costs

NORTH AMERICA

£m	JUNE 2021	JUNE 2020	GROWTH	
			REPORTED	CONSTANT EXCHANGE
Revenue	2,857.7	2,728.4	4.7%	14.4%
Adjusted operating profit*	199.9	154.2	29.6%	41.0%
Operating margin*	7.0%	5.7%		
Return on average operating capital*	46.8%	35.3%		

- Underlying revenue growth of 10.6% driven by continued recovery and product inflation although certain Covid-19 related products started to experience deflation in the second quarter
- Strong operating margin* of 7.0% up from 5.7%, with some operating cost inflation more than offset by favourable product cost inflation and operating efficiencies in addition to higher margin acquisitions
- Strong grocery growth with continued customer demand alongside product cost inflation, although the availability of salad bars and other freshly prepared foods remain below pre-pandemic levels
- Very strong growth of foodservice redistribution, driven by further reopening of in-restaurant dining, against the backdrop of pent-up demand and inflation on packaging products
- Safety benefited from the acquisition of MCR Safety, although demand remained soft in certain end markets

* Alternative performance measure – see Appendix 1

CONTINENTAL EUROPE

£m	JUNE 2021	JUNE 2020	GROWTH	
			REPORTED	CONSTANT EXCHANGE
Revenue	971.8	1,088.7	(10.7)%	(8.7)%
Adjusted operating profit*	91.8	123.9	(25.9)%	(22.3)%
Operating margin*	9.4%	11.4%		
Return on average operating capital*	50.1%	53.7%		

- Underlying revenue declined by 11.2%, driven by the reduction of the exceptional larger Covid-19 related sales seen in 2020. Excluding larger Covid-19 related sales underlying revenue grew modestly
- The negative impact of Covid-19 related lockdowns for most of the period limited the pace of base business recovery, although smaller Covid-19 related sales continued to support with only a moderate decline year-on-year
- Operating margin* of 9.4%, down from 11.4%, reflects the reduction of larger Covid-19 related sales and the associated impact on a partly fixed cost base
- In France, our cleaning & hygiene business was impacted by Covid-19 related restrictions, although sales into the foodservice sector performed better than the prior year
- The Netherlands saw modest growth in grocery and good growth in e-commerce fulfilment, but restrictions impacted other sectors

* Alternative performance measure – see Appendix 1

UK & IRELAND

£m	JUNE 2021	JUNE 2020	GROWTH	
			REPORTED	CONSTANT EXCHANGE
Revenue	579.6	626.1	(7.4)%	(7.3)%
Adjusted operating profit*	22.8	29.4	(22.4)%	(22.2)%
Operating margin*	3.9%	4.7%		
Return on average operating capital*	34.3%	45.1%		

- Underlying revenue declined by 10.3%, driven by the reduction in exceptional larger Covid-19 related sales and due to Covid-19 related restrictions remaining in place throughout the first half of 2021 impacting the pace of base business recovery. Excluding larger Covid-19 related sales underlying revenue was broadly stable
- Operating margin* of 3.9% down from 4.7%, reflects the reduction of larger Covid-19 related sales on a partly fixed cost base and the recovery of the base business where margins remain lower than pre-pandemic levels
- Safety recovery was impacted by the slow return to normal activity amongst manufacturing and construction customers, with the recovery in cleaning & hygiene also limited by the number of people yet to return to offices
- Foodservice recovered very strongly in Q2, with improved performance over the quarter, but continued to be affected by reduced capacities in restaurants and hotels

* Alternative performance measure – see Appendix 1

REST OF THE WORLD

£m	JUNE 2021	JUNE 2020	GROWTH	
			REPORTED	CONSTANT EXCHANGE
Revenue	457.5	403.1	13.5%	16.9%
Adjusted operating profit*	64.8	47.3	37.0%	45.3%
Operating margin*	14.2%	11.7%		
Return on average operating capital*	54.6%	38.3%		

- Very strong underlying revenue growth of 12.3% driven by Latin America. Operating margin* increased from 11.7% to 14.2% with a substantial increase in adjusted operating profit* in Latin America
- Price inflation in key Covid-19 related products, as well as currency-driven inflation, in Latin American markets continued to support growth, although price normalisation was seen in the second quarter
- Australasia performance was impacted by the increase in Covid-19 related restrictions in the second quarter which offset the partial recovery in foodservice and safety seen earlier in the year

* Alternative performance measure – see Appendix 1

H1 ACQUISITION SNAPSHOT

Six acquisitions in H1 with committed spend of **£111m**

Average annual spend over the last five years^Δ **£310m**

Obex Medical Holdings



- Medical distribution business serving hospitals and other healthcare providers in New Zealand
- Supplies a broad range of healthcare equipment and devices
- Revenue in 2020 of c.NZD 51 million (c.£ 27 million)

Comax



- Distributor to the leisure, janitorial, care home and foodservice sectors in the UK
- Supplying an array of cleaning and hygiene products, as well as catering and kitchen supplies
- Generated revenue of £14 million in 2020

Harvey Distributors



- Cleaning & hygiene distributor in Australia with customers in the healthcare, education, foodservice and facilities management sectors
- Generated revenue in 2020 of AUD 7 million (c.£4 million)

Δ Average annual spend for the five years from 2016 to 2020

ACQUISITIONS ANNOUNCED TODAY

Acquisitions since
2004

177

Total annual
revenues acquired
YTD

£127m

Proin Pinilla

- Largest independent safety distributor to end-users in Spain, with a focus on PPE and specialising in workwear
- Revenue in 2020 of c.€17m (c.£ 15m)
- Supportive to enhanced safety offering in the Spanish market

Arprosa

- Similarly, a distributor of PPE to end-users in Spain
- Revenue in 2020 of c.€8m (c.£ 7m)
- Further enhances safety offering alongside Proin Pinilla acquisition

2021 OUTLOOK

2021 OUTLOOK UNCHANGED

- The Group's revenue guidance[◇] for the year remains unchanged from that published in our pre close statement
 - Underlying revenue is expected to be moderately higher in 2021 compared to 2019, demonstrating the resilience of the Bunzl business model
 - Recent acquisitions will further support growth
- Operating margin* for the year is expected to be slightly ahead of historical levels
- Expect 2022 operating margin* to be in-line with historical levels as the business mix continues to normalise

* Alternative performance measure - see Appendix 1

◇ At constant exchange and inclusive of the two acquisitions announced today



CAPITAL MARKETS DAY

11 October 2021

Update on strategic priorities which will support Bunzl's continued compounding track record

- Value-added customer proposition
- Sustainability a growing competitive advantage
- Strength of Bunzl's compounding growth model



CONFIDENCE IN LONG-TERM GROWTH



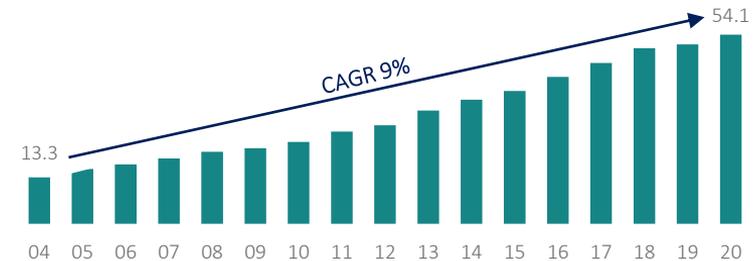
- Quality and consistency of business model reinforced
- Customer proposition and strength of supply chain proven over a challenging period
- Attractive growth outlook
 - Continued base business recovery
 - Enhanced hygiene trends and safety related activity following economic stimuli
 - Sustainability and digital investments a growing competitive advantage
- Strong cash generation and continued dividend growth track record
- Headroom provides substantial firepower for self-funded acquisitions; active pipeline
- Proven compounding strategy

* Alternative performance measure (see Appendix 1) and on an IAS 17 basis

ADJUSTED OPERATING PROFIT* (£m)



DIVIDEND PER SHARE (p)



Q&A

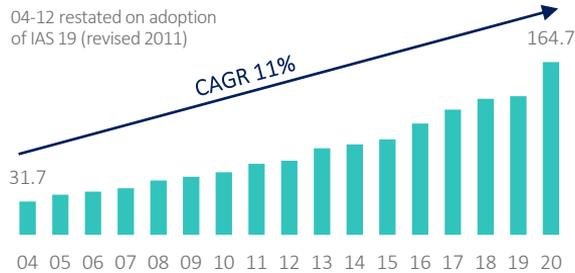


REVENUE (£bn)



ADJUSTED EPS* (p)

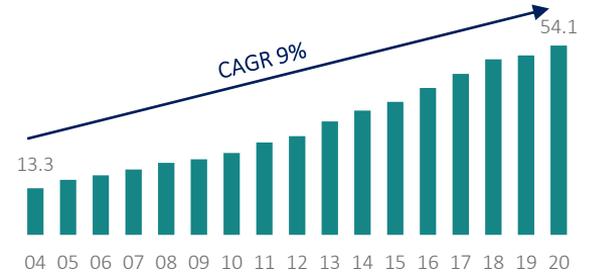
04-12 restated on adoption of IAS 19 (revised 2011)



ADJUSTED OPERATING PROFIT* (£m)



DIVIDEND PER SHARE (p)



* Alternative performance measure (see Appendix 1) and on an IAS 17 basis



APPENDICES



APPENDIX 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 in this presentation are:

Adjusted operating profit - Operating profit before customer relationships and brands amortisation, acquisition related items, non-recurring pension scheme charges and profit or loss on disposal of businesses

Operating margin - Adjusted operating profit as a percentage of revenue

Adjusted profit before income tax - Profit before income tax, customer relationships and brands amortisation, acquisition related items, non-recurring pension scheme charges and profit or loss on disposal of businesses

Adjusted profit for the period - Profit for the period before customer relationships and brands amortisation, acquisition related items, non-recurring pension scheme charges, 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 period divided by the weighted average number of ordinary shares in issue

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)

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 liabilities, cumulative customer relationships and brands amortisation, acquisition related items and amounts written off goodwill, net of the associated tax)

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

Constant exchange rates - Growth rates at constant exchange rates are calculated by retranslating the results for the period ended 30 June 2020 at the average exchange rates for the period ended 30 June 2021 so that they can be compared without the distorting impact of changes caused by foreign exchange translation

APPENDIX 2

ACQUISITION GROWTH



177
acquisitions*

£310m
average spend in
last 5 years^Δ

	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21 YTD
Number of acquisitions	7	7	9	8	7	2	9	10	13	11	17	22	14	15	6	3	9	8
Committed acquisition spend (£m)	302	129	162	197	123	6	126	185	277	295	211	327	184	616	183	124	445	134
Annualised acquisition revenue (£m)	430	270	386	225	151	27	154	204	518	281	223	324	201	621	148	97	602	127

* Includes 8 acquisitions completed in 2021 up to 31 August 2021

Δ Average annual spend for the five years from 2016 to 2020

APPENDIX 3 DIVIDEND PER SHARE

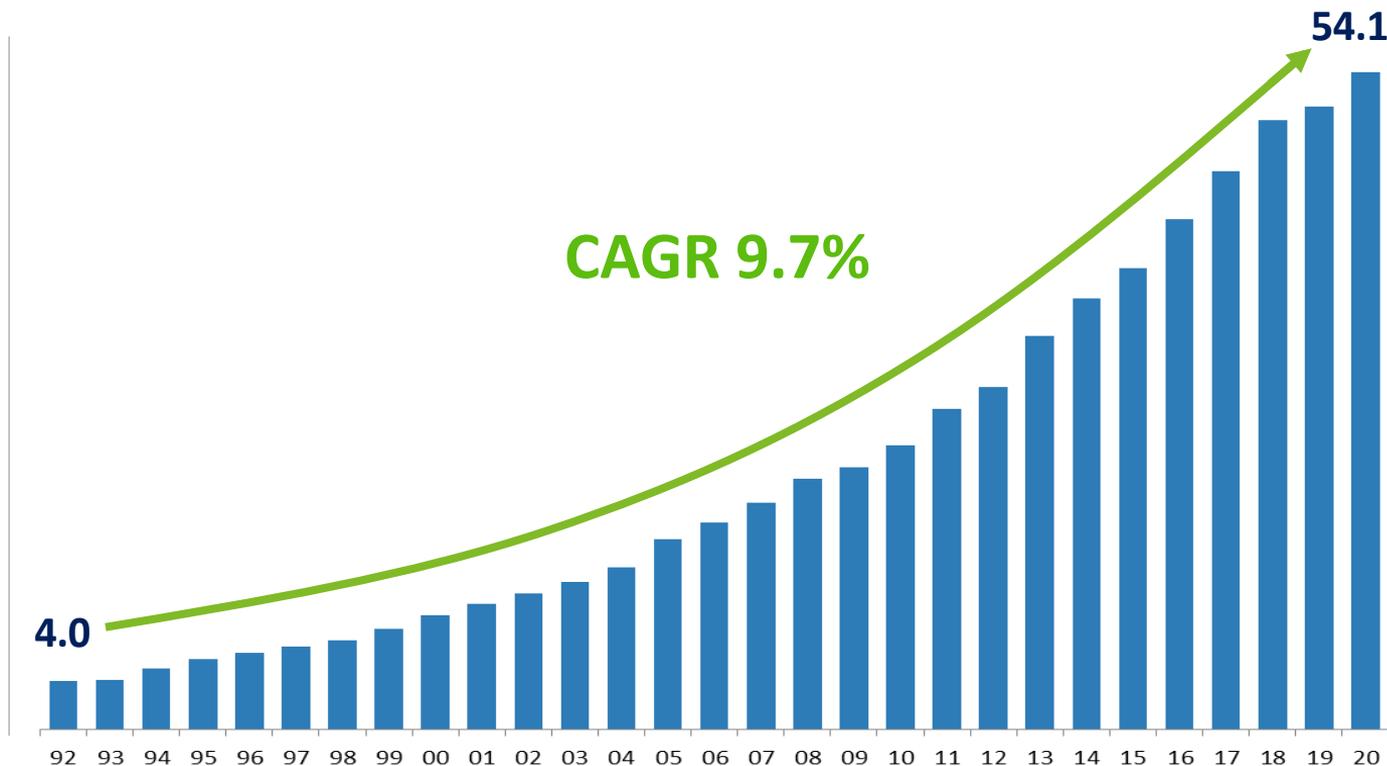


28 years

of consecutive
dividend growth

2021 Interim
dividend growth

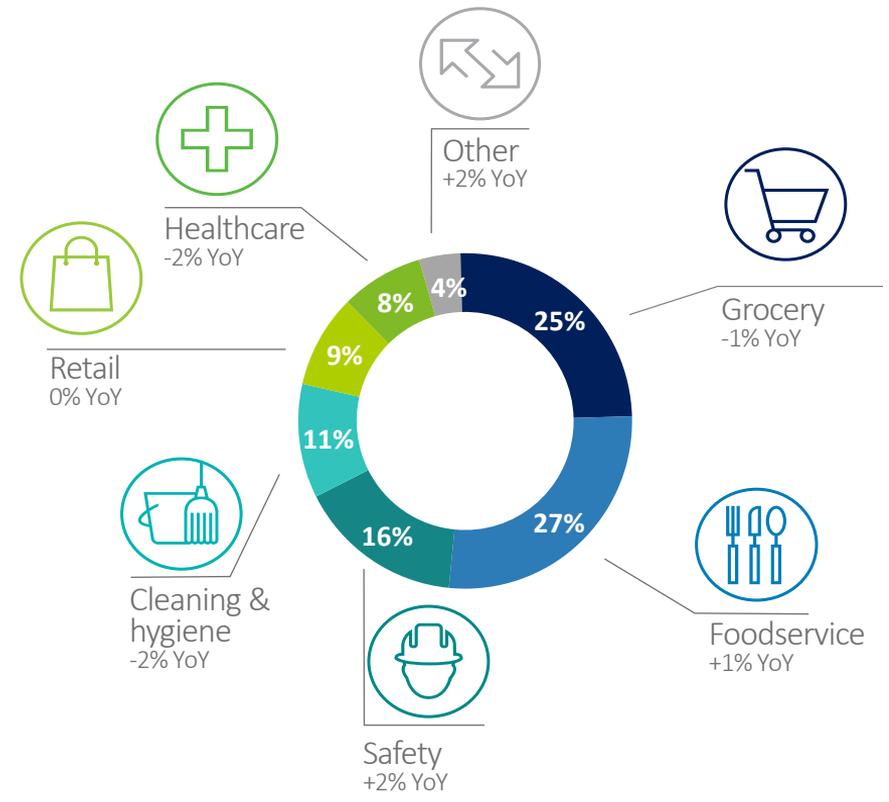
2.5%, reflecting
commitment to
sustainable growth



APPENDIX 4

REVENUE BY CUSTOMER MARKETS

Diversified customer exposure



DISCLAIMER



This document has been prepared by Bunzl plc (the 'Company') solely for use at the presentation of the Company's results announcement in respect of the period ended 30 June 2021. For the purposes of this disclaimer, "Presentation" shall mean this document, the oral presentation of the slides by the Company and related question-and-answer session and any materials distributed at, or in connection with, that presentation.

The Presentation does not constitute or form part of and should not be construed as, an offer to sell or issue, or the solicitation of an offer to buy or acquire, securities of the Company in any jurisdiction or an inducement to enter into investment activity. No part of this Presentation, nor the fact of its distribution, should form the basis of, or be relied on or in connection with, any contract or commitment or investment decision whatsoever.

The Presentation contains forward-looking statements. They are subject to risks and uncertainties that might cause actual results and outcomes to differ materially from the expectations expressed in them. You are cautioned not to place undue reliance on such forward-looking statements which speak only as of the date hereof. The Company undertakes no obligation to revise or update any such forward-looking statements.

Nothing in the Presentation shall be construed as a profit forecast.

The information and opinions contained in this Presentation do not purport to be comprehensive, are provided as at the date of the Presentation and are subject to change without notice. The Company is not under any obligation to update or keep current the information contained herein.

None of the Company, its shareholders, its advisors nor any other person shall have any liability whatsoever, to the fullest extent permitted by law, for any loss arising from any use of the Presentation or its contents or otherwise arising in connection with the Presentation.