



News Release

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BUNZL Q1 TRADING STATEMENT RESULTS AS EXPECTED, GUIDANCE UNCHANGED

Bunzl plc, the specialist international distribution and services Group, today announces its trading statement for the period since 31 December 2023.

Bunzl's resilient business model continues to perform well, following its strong performance over recent years. Adjusted operating profit for the quarter was in line with expectations and the Group maintains its profit guidance for the year.

Group revenue in the first quarter declined by 2.4% at constant exchange rates, with underlying revenue, which is organic revenue adjusted for trading days¹, declining by 5.4% as expected. This was mainly driven by volume reduction in our US foodservice redistribution business, the ongoing impact from transitioning customer specific inventory in our US retail business, and deflation. Acquisitions contributed growth of 2.9% at constant exchange rates. Overall, at actual exchange rates, Group revenue declined by 5.9%. Operating margin over the quarter was strong, supporting our outlook for the year.

The Group's guidance remains unchanged² from our FY results announcement. The Group continues to expect to deliver slight revenue growth in 2024, at constant exchange rates, driven by acquisitions already completed in 2023 and 2024; with underlying revenue declining slightly. Group operating margin is expected to be slightly below the record level reported for 2023.

Following the Group's announcement in February that it has signed an agreement to acquire Nisbets, the UK Competition and Markets Authority has indicated in a response to a briefing paper from Bunzl that it has no further questions on the transaction. The acquisition is still subject to clearance by the Irish competition authority which is expected during the first half of 2024. At the end of February, Bunzl completed its anchor acquisition in Finland of Pamark. In addition, the Group has sold its business in Argentina to the management team. This safety business had a total revenue in 2023 of c.£3 million.

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

"I am pleased with the strategic progress that we continue to make after achieving a strong margin performance in 2023. We are taking appropriate action to pursue the opportunities for volume growth in our foodservice redistribution business in North America and this focus on organic growth, alongside our ongoing actions to further improve profitability and returns will enhance the Group's prospects over the medium term. After a strong start to the year for acquisitions, our pipeline is active and our balance sheet remains strong."

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1. Net of the benefit of growth in excess of 26% per annum in hyperinflationary economies, largely in Turkey, which contributed a small decrease of 0.1%
2. The guidance does not include the acquisition of Nisbets, however it does now include the Pamark acquisition, which was completed at the end of February 2024