

FULL YEAR PRESENTATION

Nichols plc

MARCH 2025



AGENDA

01	Strategic & Operational Review:	Andrew Milne, CEO
02	Financial Review:	David Taylor, Finance Director
03	Looking Ahead:	Andrew Milne, CEO
04	Q&A	Andrew Milne, CEO and David Taylor, Finance Director



ANDREW MILNE



DAVID TAYLOR

2024 HIGHLIGHTS

**WE
MAKE
LIFE
taste
BETTER**

01

**Strong Packaged
revenue growth in line
with strategy**

02

**UK Packaged value
and volume growth**

03

**Strong GM%
progression**

04

**Accelerated investment
in the brand**

05

**Adjusted PBT growth
+15.6%**

06

**Increased
Shareholder returns**

STRATEGIC

& OPERATIONAL REVIEW

OUR STRATEGY IS CLEAR AND FOCUSED

ACCELERATE GROWTH IN OUR PACKAGED BUSINESS

DRIVE BOTTOM LINE VALUE FROM OUT OF HOME



MORE FROM THE CORE

Accelerating organic growth through distribution and brand investment in our core brands, categories, channels and geographies



THIRST FOR NEW

Driving incremental growth through innovation, geographic expansion and acquisition



FUEL FOR GROWTH

Fuel growth through efficiencies and leveraging asset light model



HAPPIER FUTURE

Building a happier future for people and planet

BRANDS

PARTNERSHIPS

PEOPLE

UK PACKAGED

SOFT DRINKS MARKET

A RESILIENT UK SOFT DRINKS MARKET

- Inflation driving value as volume growth returns
- Water strong performer as Sports falls out of top performers

PERFORMANCE

TOTAL TAKE HOME

VALUE

+3.8%

Value £13.5bn



WINNERS

WATER

VALUE

+11.1%

VOLUME

+8.6%

Value £1.4bn



ENERGY

VALUE

+6.7%

VOLUME

+1.9%

Value £2.2bn



FRUIT JUICE

VALUE

+5.7%

VOLUME

-6.8%

Value £1.6bn



TOTAL TAKE HOME

VOLUME

+1.4%

Volume 9.7bn ltrs



LOSERS

SPORTS

VALUE

-20.0%

VOLUME

-14.3%

Value £344m



MIXERS

VALUE

-6.7%

VOLUME

-8.4%

Value £293m



LEMONADE

VALUE

-6.0%

VOLUME

-9.2%

Value £167m



VIMTO IN GROWTH ACROSS ALL 3 SUB CATEGORIES



£121.2M
RSV

Value
+3.3%

Volume
+3.0%

Soft
Drinks
Market



Squash



VALUE



VOLUME

+2.1%

+2.6%



VALUE

-0.7%

VOLUME

-1.7%

Flavoured Carbs



VALUE



VOLUME

+0.1%

+0.4%



VALUE

+2.9%

VOLUME

-1.9%

RTD Still Juice



VALUE



VOLUME

+5.0%

+5.7%



VALUE

+3.0%

VOLUME

-0.8%

Internal sales revenue growth on Flav Carbs +9% vs 23

STRATEGY IN ACTION MORE FROM THE CORE

CATEGORY STRATEGY



- Consumer Research Driven
- Customer Collaboration
- Future Growth

BRAND INVESTMENT



- Biggest Ever Campaign
- Building Brand Penetration

DRIVING DISTRIBUTION



- Increased Visibility & Availability
- New Customer Wins

UK PACKAGED

STRATEGY IN ACTION THIRST FOR NEW

VIMTO ACCELERATION



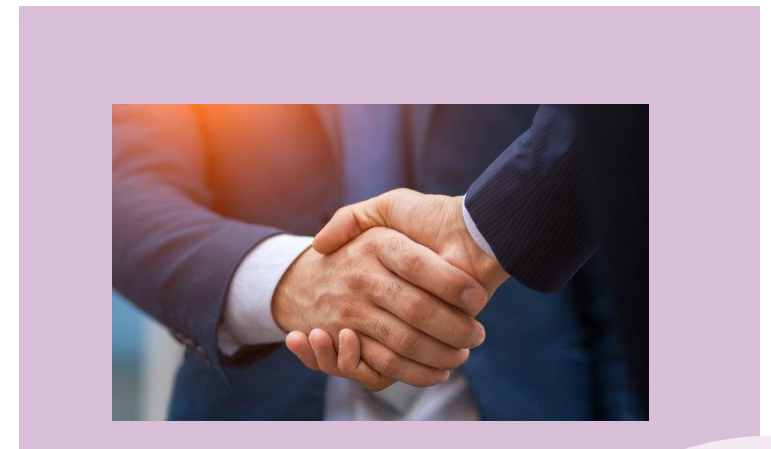
- Upweighted Investment
- Innovation Focus

LICENSED EXPANSION



- Licensed Category Expansion
- Taste Appeal

TARGETED M&A



- UK Packaged Focused
- Value Add Acquisition

UK PACKAGED

STRATEGY IN ACTION MORE FROM THE CORE

RAMADAN EXECUTION



- Strong Execution
- World Class Campaigns
- Emotional Connection

LOCALISED PRODUCTION



- Concentrate Model
- Supply Risk Mitigation
- ESG Benefits

NICHOLS SENEGAL



- Feet on the Street
- Regional Hub
- Marketing Support

INTERNATIONAL

STRATEGY IN ACTION THIRST FOR NEW

PORTFOLIO GROWTH



- New Flavours
- Health - Fortification
- Drive Penetration

AFRICAN MARKETS



- Sierra Leone Launch
- PET Focus
- Increased Marketing

MALAYSIA



- Launch Into New Geography
- 1L Squash in over 3000 Stores
- Strong Marketing Launch Plan

INTERNATIONAL

STRATEGY IN ACTION FUEL FOR GROWTH

OUT OF HOME



- Simplified Operating Model (+35% PBT vs 2023)
- Efficiencies delivered to plan – reinvestment in Packaged
- Range Expansion
- Profitable Outlets Focus

ERP LAUNCH



- ERP system change to SAP 4 Hana – Go Live Spring '25
- Benefits include:
 - Supply Chain and Procurement Efficiencies
 - Enhanced Customer Satisfaction Levels
 - Reduced Business Risk

STRATEGY IN ACTION **HAPPIER FUTURE**

EVERYONE MATTERS



- Embedded Wellbeing Forum
- Achieved Integrum 'A' rating

PRODUCTS WE'RE PROUD OF



- Achieved 51% rPET content on all plastic bottles in UK
- 100% of primary suppliers signed Nichols code of conduct

OWNING OUR CLIMATE IMPACT

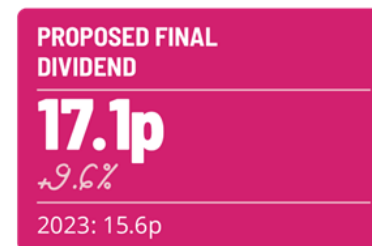
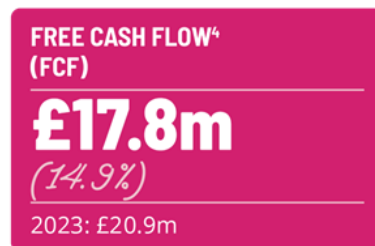
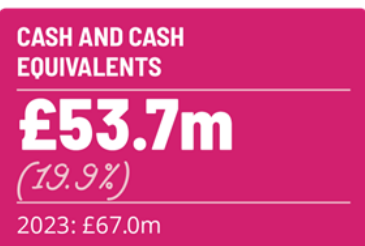
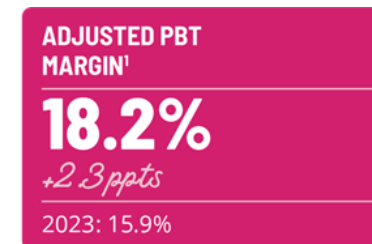
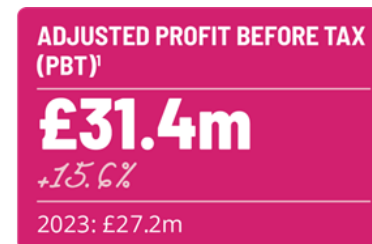
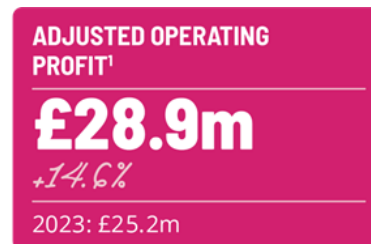
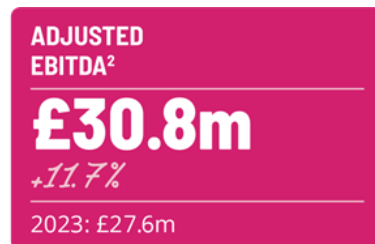
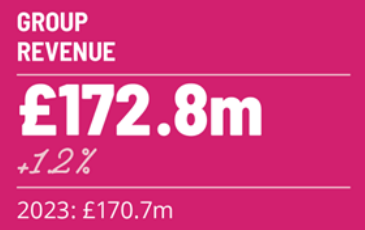


- Commenced production in Senegal
- Delivered 28% reduction in carbon emissions vs '23

FINANCIAL REVIEW

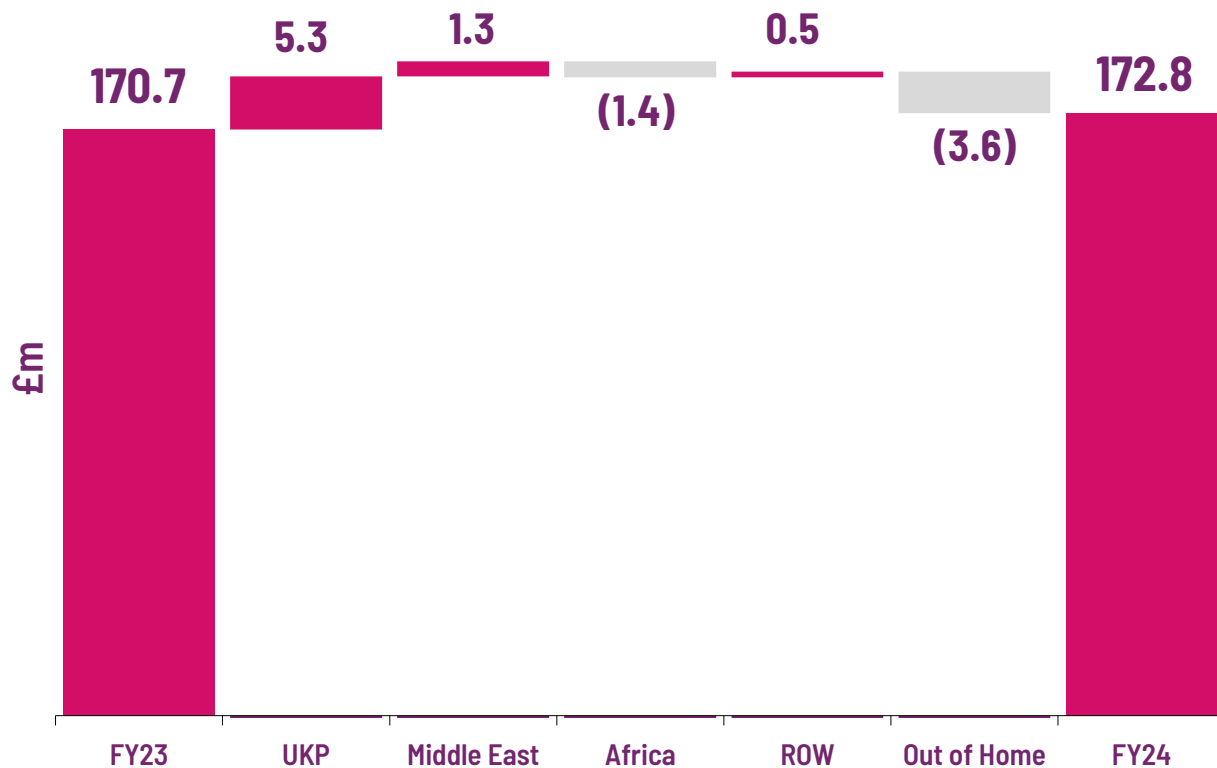
FINANCIAL HIGHLIGHTS

Strong progress on all key financial metrics in line with strategic ambition



REVENUE

Volume and value delivering an increase in revenue to **£172.8m**



- Group revenue +1.2% (LFL +5.2%)
- UK Packaged +6.3%
- International Packaged +0.8% (LFL +8.2%)
 - ME +9.6%
 - Africa -6.3% (LFL +8.3%)
 - ROW +5.8%
- Packaged business +4.4% (LFL +7.0%)
- OoH -8.2% withdrawal from unprofitable accounts

SEGMENTAL

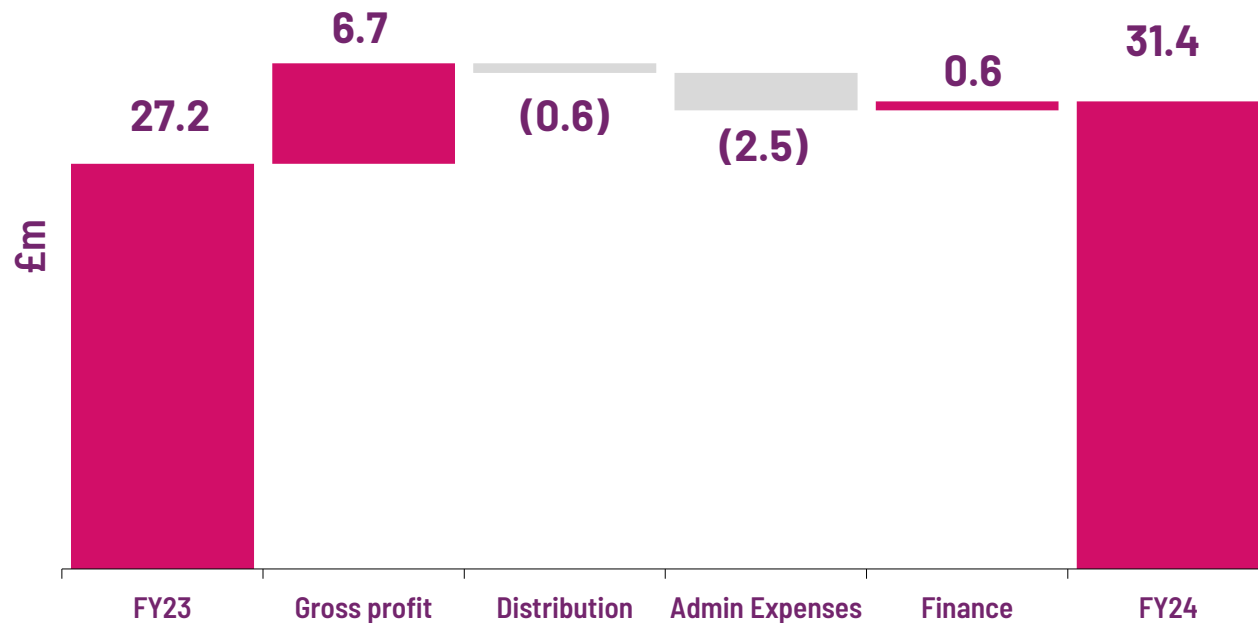
Profit growth delivered by all our businesses

	UK £m	International £m	Total Packaged £m	Out of Home £m	Central £m	Operating Profit £m	Interest £m	Profit Before Tax £m
2024								
Revenue	89.2	43.6	132.8	40.0	-	172.8	-	172.8
Adjusted profit			40.6	6.8	(18.6)	28.9	2.5	31.4
Return on sales (ROS %)			30.6%	17.1%		16.7%		18.2%
2023								
Revenue	83.9	43.3	127.2	43.5	-	170.7	-	170.7
Adjusted profit			36.3	5.1	(16.2)	25.2	2.0	27.2
Return on sales (ROS %)			28.6%	11.6%		14.8%		15.9%

- Total Packaged profit +£4.3m (+11.9%)
 - 30.6% ROS
- OoH profit +£1.7m (+35.0%)
 - 17.1% ROS
- Central costs +£2.4m
 - investment to support strategy
- Group adj. PBT margin 18.2%
- Growth in line with CMD target

ADJUSTED PROFIT BEFORE TAX

Gross profit increase supports increased investment and PBT growth



- Gross profit
 - Gross profit +£6.7m
 - Gross margin increase from 42.2% to 45.7%
 - Increase driven in Packaged
 - OoH maintained despite revenue decrease
 - Volume, mix and Input Cost Benefits
- Administrative Expenses
 - Investment in Marketing
 - Investment in Operations
 - Reduction in OoH overhead

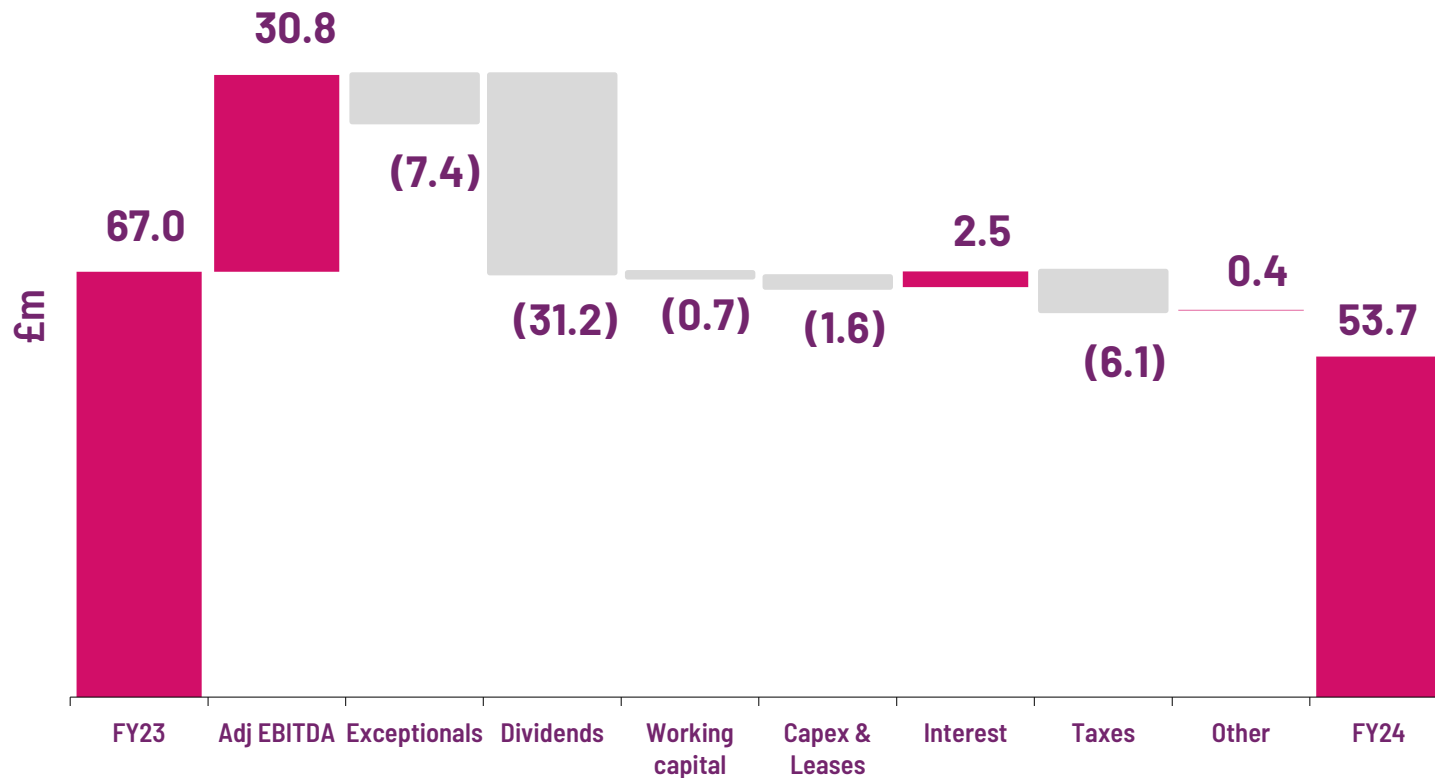
EXCEPTIONAL ITEMS

Investment in Business Change Programme

	2024	2023
Business Change Programme and Systems	£7.6m	£1.7m
Historic Incentive Scheme	(£0.2m)	(£0.6m)
Out of Home Strategic Review	-	£1.8m

NET CASH

Strong cash maintained to support growth



- Strong cash position maintained
- Adjusted EBITDA £30.8m +11.7%
- Exceptional cash out £7.4m - ERP
- Ordinary dividend £11.2m
- Special dividend £20.0m
- Working capital well controlled

CAPITAL ALLOCATION AND DIVIDENDS

Ability to deliver strategy and create shareholder value

Capital Allocation

Investment
in profitable
growth

Progressive
ordinary
dividend

Potential
M&A

Surplus cash
returned to
shareholders

Dividend

2x
cover

64.0p
Adj. EPS (basic)

17.1p
final dividend
1 May 2025

32.0p
total dividend

Special Dividend

54.8p
paid September 2024

LOOKING AHEAD

STRATEGIC FOCUS UK PACKAGED

IGNITING INNOVATION



- New Squash Sub Brand – Wonder fuel – 3 Flavours – Q1 25 Launch
- Beyond the Bottle – Hydration Tablets and Gels

ENERGY EXPANSION



- Ensuring Presence & Availability
- Multi Channel Strategy

ENHANCED BRAND BUILDING



- Bigger Multi-Faceted Campaign
- Winning With Shoppers

STRATEGIC FOCUS INTERNATIONAL

MIDDLE EAST



- Organic growth – TV Advertising
- Innovation
- New Territory

MALAYSIA



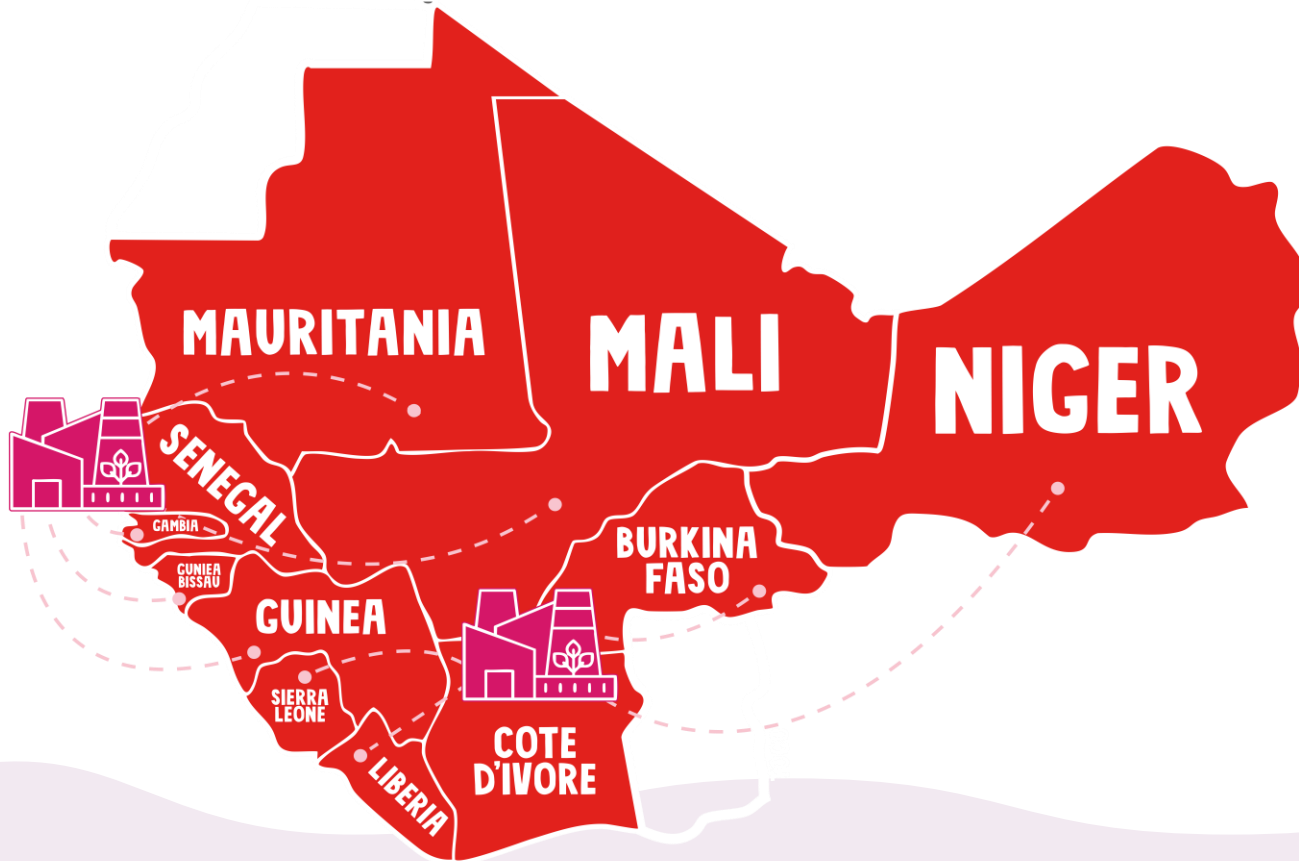
- Advertising Campaign
- Consumer off-take

AFRICA



- West Coast production
- Phase 2 – Ivory Coast With Current Partner

STRATEGIC FOCUS WEST AFRICA CASE STUDY



1. The Scale of Our Business

- Vimto's Africa business stands at **60** million litres, with Red Can accounting for **30** million litres (**50%**).
- We have **11** Key Red Can VIMTO countries in West Africa.

2. Strategic Expansion Plan

- Phase 1: 24/25: Senegal to serve **6** countries – Gambia, Guinea, Guinea-Bissau, Mali, Mauritania, Senegal.
- Phase 2: 25/26: Ivory Coast to serve **5** countries – Burkina Faso, Liberia, Sierra Leone, Niger, Ivory Coast.
- Our goal is to increase market share from 8% to **12%** in the above territories.

3. Key Enablers for Growth

- Local production & concentrate model to enhance margins and drive product availability
- Marketing programmes & activation teams to drive demand.
- Supply chain risk reduction for operational resilience.
- ESG benefits, aligning with sustainability goals.

STRATEGIC FOCUS **HAPPIER FUTURE**

EVERYONE MATTERS



- Employee Value Proposition
- Camp Vimto 2025

PRODUCTS WE'RE PROUD OF



- Sustainable Packaging Roadmap
- DRS readiness

OWNING OUR CLIMATE IMPACT



- Carbon and Water footprint mapping
- Direct and indirect emissions reduction

SUMMARY & OUTLOOK

OUR MEDIUM-TERM FINANCIAL AMBITION

2024 results show strong progression versus our financial ambitions.

	FY23 Actual	FY24 Actual	Medium-Term Ambition (Organic)	Change
Revenue	£170.7m	£172.8m	£225m	+30%
Profit margin Adjusted profit before tax	15.9%	18.2%	20%	+250bps
Profit before Tax Adjusted	£27.2m	£31.4m	£45m	+50%

SUMMARY AND OUTLOOK

**WE
MAKE
LIFE
taste
BETTER**

- Strong financial performance
- A resilient soft drinks category
- Clear and focused strategy
 - Accelerate growth in Packaged business
 - Drive bottom line value from OoH
 - Continued focus on driving efficiencies through Operational Change and Business Transformation
- Confident in delivering medium-term financial ambitions and creating further shareholder value

QUESTIONS

APPENDICES

CONSOLIDATED INCOME STATEMENT

	Audited Year ended 31 December 2024 £'000	Audited Year ended 31 December 2023 £'000
Continuing operations		
Revenue	172,809	170,741
Cost of sales	(93,855)	(98,565)
Gross profit	78,954	72,176
Distribution expenses	(10,214)	(9,567)
Administrative expenses	(47,249)	(40,323)
Operating profit	21,491	22,286
Finance income	2,660	2,095
Finance expenses	(117)	(123)
Profit before taxation	24,034	24,258
Taxation	(6,196)	(5,896)
Profit for the period	17,838	18,362
Earnings per share (basic)	48.84p	50.34p
Earnings per share (diluted)	48.81p	50.32p
Adjusted for exceptional items		
Operating profit	21,491	22,286
Exceptional items	7,370	2,907
Adjusted operating profit	28,861	25,193
Profit before taxation	24,034	24,258
Exceptional items	7,370	2,907
Adjusted profit before taxation	31,404	27,165
Adjusted earnings per share (basic)	64.02p	56.41p
Adjusted earnings per share (diluted)	63.98p	56.39p

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Audited 31 December 2024 £'000	Audited 31 December 2023 £'000
ASSETS		
Non-current assets		
Property, plant and equipment	8,743	9,457
Intangibles	175	256
Pension surplus	3,721	4,014
Total non-current assets	12,639	13,727
Current assets		
Inventories	9,322	8,809
Trade and other receivables	44,340	41,393
Corporation tax recoverable	-	-
Cash and cash equivalents	55,185	82,546
Total current assets	108,847	132,748
Total assets	121,486	146,475
Current liabilities		
Borrowings	1,512	15,516
Trade and other payables	33,271	30,719
Corporation tax payable	243	318
Total current liabilities	35,026	46,553
Non-current liabilities		
Other payables	1,672	1,865
Deferred tax liabilities	743	715
Total non-current liabilities	2,415	2,580
Total liabilities	37,441	49,133
Net assets	84,045	97,342
EQUITY	£'000	£'000
Share capital	3,697	3,697
Share premium reserve	3,255	3,255
Capital redemption reserve	1,209	1,209
Other reserves	2,471	1,845
Retained earnings	73,413	87,336
Total equity	84,045	97,342

CONSOLIDATED STATEMENT OF CASH FLOWS

	Audited Year ended 31 December 2024		Audited Year ended 31 December 2023	
	£'000	£'000	£'000	£'000
Cash flows from operating activities				
Profit for the financial year		17,838		18,362
Adjustments for:				
Depreciation and amortisation	1,909		2,343	
Loss on sale of property, plant and equipment	52		67	
Finance income	(2,480)		(2,095)	
Finance expense	117		123	
Tax expense recognised in the income statement	6,196		5,896	
Change in inventories	(513)		1,623	
Change in trade and other receivables	(2,984)		(1,549)	
Change in trade and other payables	2,549		384	
Change in share-based payments	272		-	
Charge for share-based payments	39		(81)	
Fair value loss/(gain) on derivative financial instruments	37		(285)	
		5,194		6,426
Cash generated from operating activities		23,032		24,788
Tax paid		(6,131)		(4,776)
Net cash generated from operating activities		16,901		20,012
Cash flows from investing activities				
Finance income	2,480		2,095	
Proceeds from sale of property, plant and equipment	18		192	
Acquisition of property, plant and equipment	(851)		(479)	
Net cash from investing activities		1,647		1,808
Cash flows from financing activities				
Payment of lease liabilities	(755)		(909)	
Purchase of own shares			-	
Dividends paid	(31,153)		(10,177)	
Net cash used in financing activities		(31,908)		(11,086)
Net (decrease)/increase in cash and cash equivalents		(13,360)		10,734
Exchange gain on cash and cash equivalents		3		-
Cash and cash equivalents at start of year		67,030		56,296
Cash and cash equivalents at end of year		53,673		67,030