



# News Release

14 December 2023

## **BUNZL PRE-CLOSE STATEMENT 2023 PROFIT OUTLOOK UPGRADED; THREE FURTHER ACQUISITIONS ANNOUNCED**

Bunzl plc, the specialist international distribution and services Group, is updating the market today prior to entering its closed period for the year ending 31 December 2023.

Following the Group's strong performance over recent years, Bunzl expects to deliver another set of good annual results, with adjusted operating profit expected to be slightly ahead of prior guidance. Group revenue in 2023 is expected to be broadly in line with 2022, at constant exchange rates and excluding the impact of the disposal of our UK healthcare business. Within this, revenue growth from acquisitions is expected to be offset by the expected underlying revenue decline, reflective of lower Covid-19 related sales, reducing inflation benefit and wider post-pandemic related normalisation trends, particularly in North America. Inclusive of the disposal of our UK healthcare business, total Group revenue in 2023 is expected to be 1 to 2% lower than in 2022, at constant exchange rates, and with currency over the year expected to have minimal impact. Group adjusted operating profit is expected to deliver moderate growth, with operating margin expected to be slightly ahead of the previous record level.

Looking ahead, despite uncertainties relating to the wider economic and geopolitical landscape, the Group expects some revenue growth in 2024, at constant exchange rates, driven by announced acquisitions and slightly positive organic growth. Group operating margin is expected to be broadly in-line with 2023, and to remain substantially higher compared to pre-pandemic levels, driven by the higher margin acquisitions acquired since then, as well as an underlying margin increase.

In November 2023, Bunzl completed the acquisition of Melbourne Cleaning Supplies, a distributor of cleaning & hygiene supplies in Australia which expands our customer proposition and complements our existing business. In 2022, the business generated revenue of AUD 18 million (c.£10 million).

In addition, Bunzl completed the acquisition of Flexpost in November 2023, a higher margin distributor of flexible signposts and bollards in North America with a strong own brand portfolio. Flexpost generated revenue of USD 4 million (c.£3 million) in 2022 and follows other recent acquisitions focused on asset protection solutions.

In December, Bunzl completed the acquisition of Miracle Sanitation Supply, a leading cleaning & hygiene distributor in the Canadian province of Manitoba which strengthens Bunzl's presence in the region. The business generated CAD 11 million revenue in 2022 (c.£7 million).

Bunzl also completed the previously announced acquisitions of Safety First and Grupo Lanlimp in November, and of CT Group in December, which generated combined revenue of £97 million in 2022.

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

"I'm pleased with the performance Bunzl has delivered this year, reflecting the dedicated efforts of our people in supporting our customers around the world. The Group is on track to deliver moderate adjusted operating profit growth, supported by a record operating margin, and we are guiding to further growth in 2024, continuing to build on the strong performance we have seen over recent years. Furthermore, we welcome three new complementary businesses to the Group today, taking the total acquisitions announced this year to 17. Over the last four years we have committed a cumulative c.£1.7bn to acquisitions, reflecting a step-up in our spend, and with our pipeline remaining active and supported by our strong balance sheet."

### **Enquiries:**

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