



HALF YEAR RESULTS

For the Six Months ended 31 March 2024

RYAN GOVENDER

Interim Chief Executive Officer

ALISON SLEIGHT

Interim Chief Financial Officer

2024 SUMMARY OF THE HALF YEAR

REVENUE Q1 impacted by destocking, Q2 growth of 5%

SALES TEAM strengthening with greater industry experience

PROFIT growth of 4%, with good cost disciplines

VISION 2027 strategy delivering tangible results

OUTLOOK Q2 exit rate strong with healthy order book



FINANCIAL HIGHLIGHTS

REVENUE

£72.1m

-5.1%

GROSS MARGIN

27.8%

-40BPS

PROFIT BEFORE TAX & EXCEPTIONALS

£7.6m

+4.5%

NET OPERATING MARGIN

11.3%

+120BPS

DIVIDEND

2.60p

+2.0%



VISION 2027 - OUR WINNING STRATEGY

**PROTECT
OUR
HERITAGE**



Single digit growth



CITRUS



**HERBS, SPICES
& FLORALS**



**SYNTHETIC
AROMA**

**ACCELERATE
PREMIUM
CATEGORIES**



High single digit growth



**HEALTH &
WELLNESS**



TEA



**FRUIT &
VEGETABLES**

**GROW
IN NEW
MARKETS**



Double digit growth



TREATTZEST™



CHINA



COFFEE

WINNING WITH THE 7Cs

CONSUMER

CITRUS

COFFEE

CULTURE

CHINA

CAPACITY

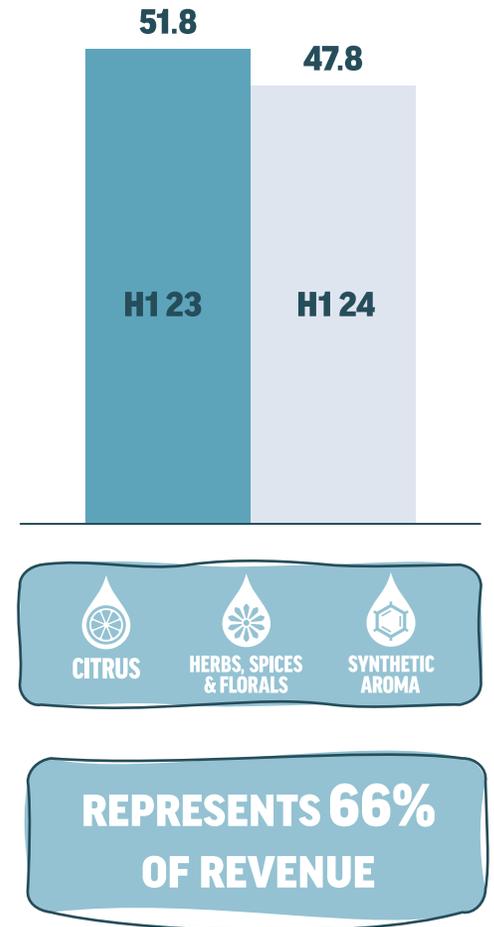
COST BASE



PROTECT HERITAGE

- Q1 impacted by destocking, Q2 growth of 5%
- Natural citrus substitutes launched in response to high raw material prices
- Destocking softening most prevalent in synthetic aromas
- Deeper technical presence at industry trade events
- Continued focus on strategic sourcing and improved operational utilisation

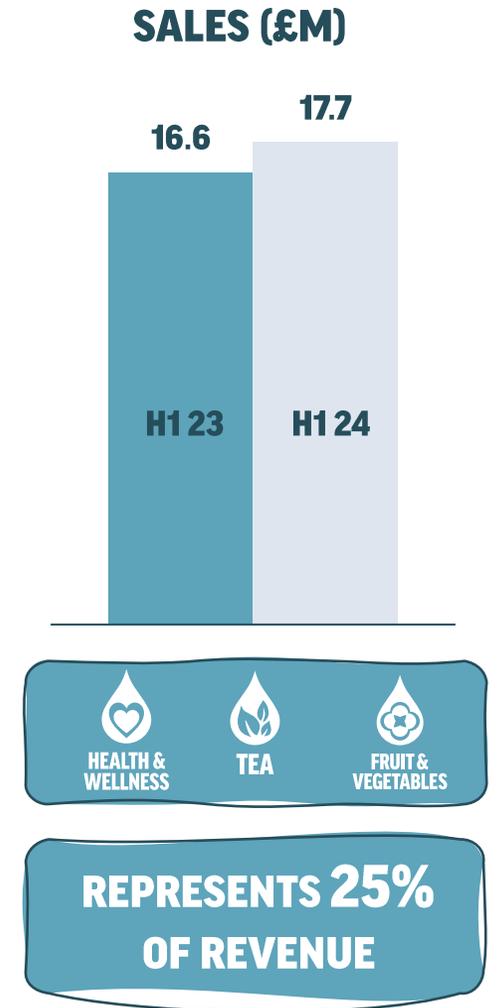
SALES (£M)





ACCELERATE PREMIUM

- Exciting growth of 7%
- Premium beverage market resilient with natural, better-for-you positioning increasingly important
- Innovation customer collaboration driving new Tea wins
- US R&D plant investment to triple premium trials
- Premium is typically H2 weighted in North America, with tangible pipeline targets





PROGRESS IN NEW MARKETS

CHINA

- Local sales +28%, with four national brand wins
- Operational capabilities enhanced with local partnerships

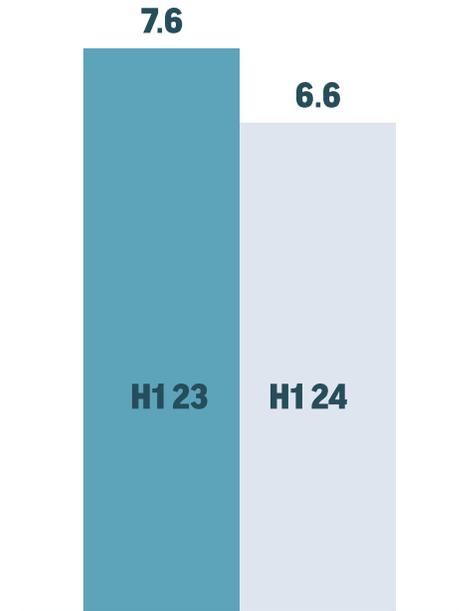
COFFEE

- Decline in coffee sales offset with margin improvement
- Strong focus on customer diversification in coffee pipeline

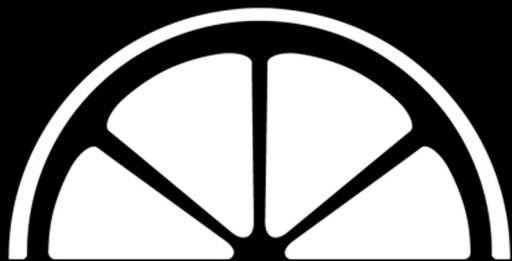
TREATTZEST

- Launch of new product range with global marketing campaign
- Scale up of manufacturing capacity

SALES (£M)



**REPRESENTS 9%
OF REVENUE**



TREATTZEST™

HIGHLY CONCENTRATED

INTENSE IMPACT

PROVEN PERFORMANCE





FINANCIAL REVIEW



INCOME STATEMENT

Period Ended 31 March	2024 H1 £'000	2023 H1 £'000	Change
Revenue	72.1	76.0	(5.1%)
Gross profit	20.0	21.4	(6.4%)
Gross profit margin	27.8%	28.2%	(40 BPS)
Administrative expenses ⁽¹⁾	(11.9)	(13.7)	(13.3%)
Adjusted Operating profit ⁽¹⁾	8.1	7.7	5.9%
Adjusted Operating profit margin ⁽¹⁾	11.3%	10.1%	120 BPS
Net finance costs	(0.5)	(0.4)	(25.0%)
Adjusted profit before tax ⁽¹⁾	7.6	7.3	4.5%
Exceptional items	(0.5)	(0.7)	28.6%
Profit before taxation	7.1	6.6	7.9%
Taxation	(1.8)	(1.7)	5.8%
Profit for the period	5.3	4.9	8.1%
Adjusted earnings per share ⁽¹⁾	9.35p	9.04p	3.4%

KEY POINTS

REVENUE

mid single digit decline as expected driven by heritage and coffee decline in H1

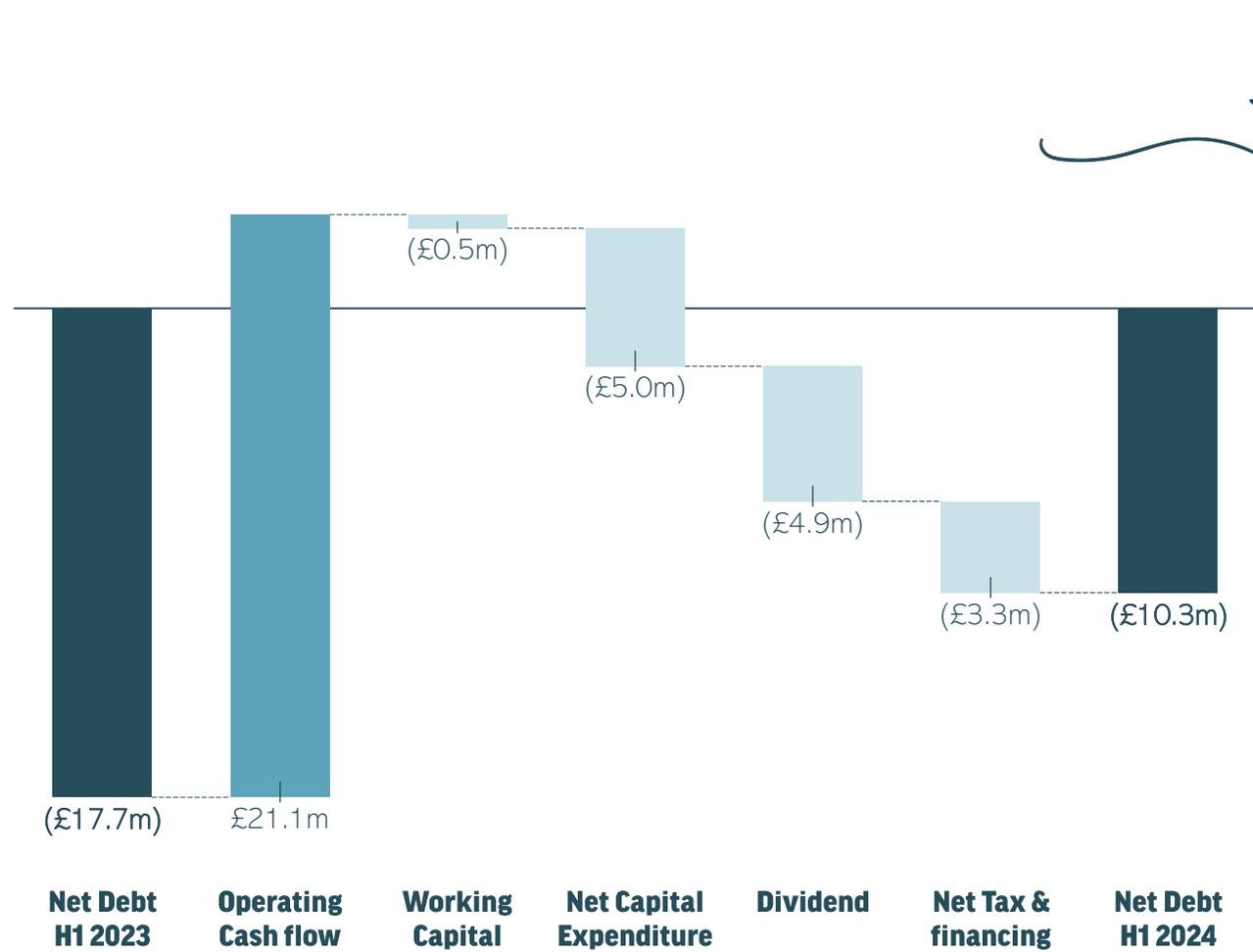
GROSS MARGIN

broadly in line, expected to increase in H2 due to product mix

NET OPERATING MARGIN PROGRESSION

focus on cost disciplines

CASH FLOW



KEY POINTS

STRONG CASH GENERATION

over the last twelve months

WORKING CAPITAL WELL MANAGED

despite high raw material prices

CONTINUED CAPITAL INVESTMENT

at normalised levels to ensure operational capacity meets future demand

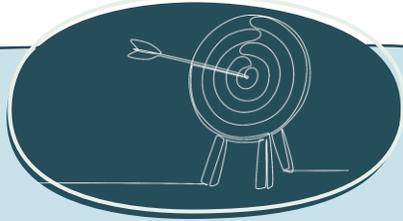
FY24 GUIDANCE



SALES

- Gain of wallet share with existing customers
- Pipeline conversion - customer focussed innovation, particularly in premium & new

SALES GROWTH
3 – 5%



GROSS MARGIN

- Margin improvement, through operational efficiencies
- Strategic sourcing supporting margin resilience

GROSS MARGIN
28 – 30%



OPERATING MARGIN

- Maintaining cost discipline appropriately scaled for growth
- Investment in sales team and commercial activity to drive top line growth

NET OPERATING MARGIN
12 – 13%



BALANCE SHEET

- Normalised capex spend - targeting operational efficiencies and investment for growth
- Reduction in net debt - net debt/EBITDA <0.5x

NET DEBT
£3 – 5M

GUIDANCE

2024 OUTLOOK

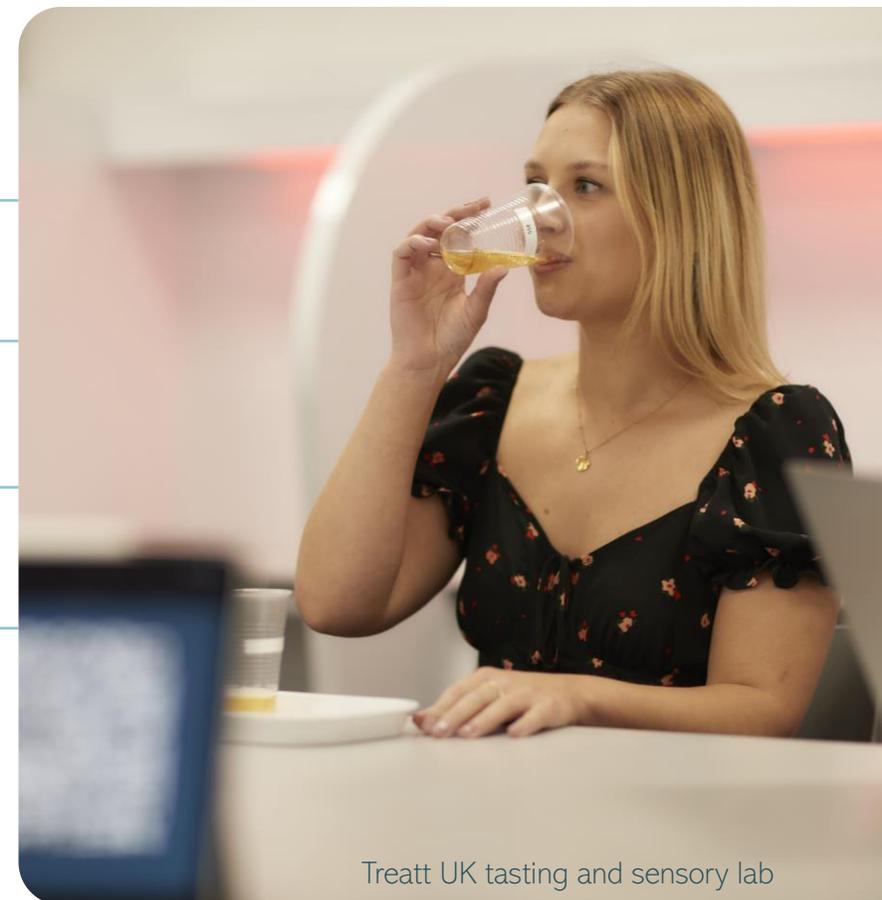
BEVERAGE MARKET RESILIENT as destocking softens

HEALTHY ORDER BOOK and sales pipeline giving confidence

INNOVATION driving new business wins

VISION 2027 continued focus on delivery of growth plans

TRADING in line with board expectation





TREATT

Q&A

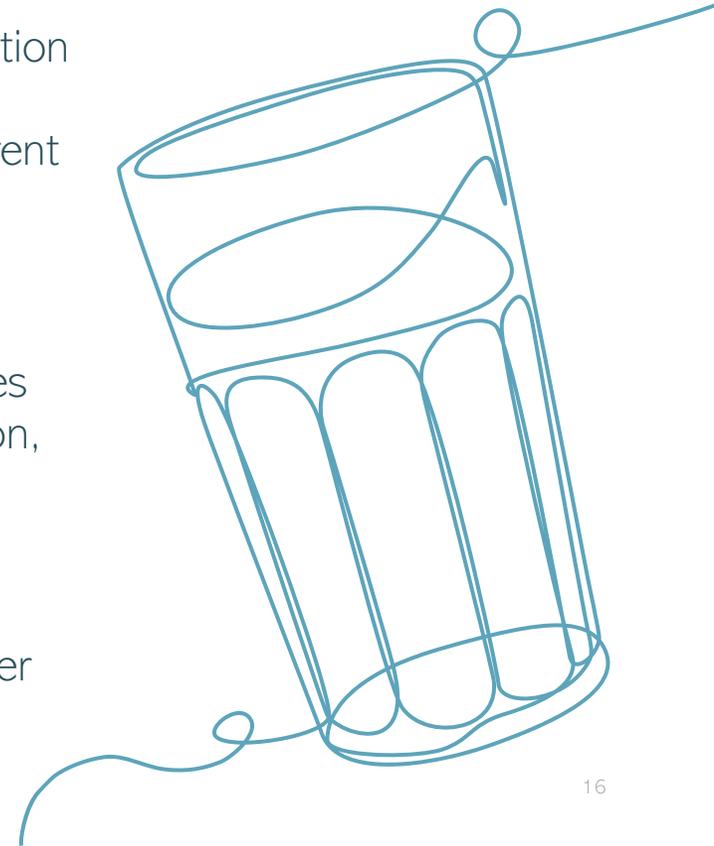
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A photograph of three people in a modern office setting. A man in a light blue shirt sits on the left, a woman in a black and white patterned shirt sits in the middle, and another man in a light blue shirt sits on the right. They are gathered around a small white table with a laptop and a blue mug. The background features a blue wall with three framed posters: 'CITRUS', 'TEA', and 'FRUIT & VEGETABLE'. A large green plant is on the right, and a window with blinds is on the far right. The word 'APPENDIX' is overlaid in large white letters in the center.

APPENDIX

OUR PRODUCT CATEGORIES

Herbs, Spices & Florals



Botanical ingredients are growing in popularity in several markets as 'naturalness' continues to be an increasing priority

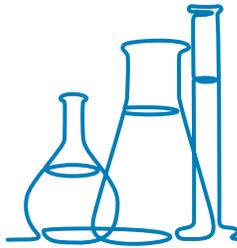
Citrus

With a strong and established background in citrus, our range of natural and synthetic products are well aligned with consumer tastes



Synthetic Aroma

Our synthetic aroma business continues to perform well as our ability to deliver a consistent and high-quality service stands us apart from other players



Our diverse and growing product range allows us to maximise commercial opportunities across the world

Health & Wellness

Consumers continue to look for 'better-for-you' products and our minimal label solutions are performing well in this space



Coffee

Coffee has become one of the fastest growing beverage categories in the world and we are well positioned to take advantage



Fruit & Vegetables

Our natural distillates deliver on impact and minimal label requirements, both of which are increasingly important to customers

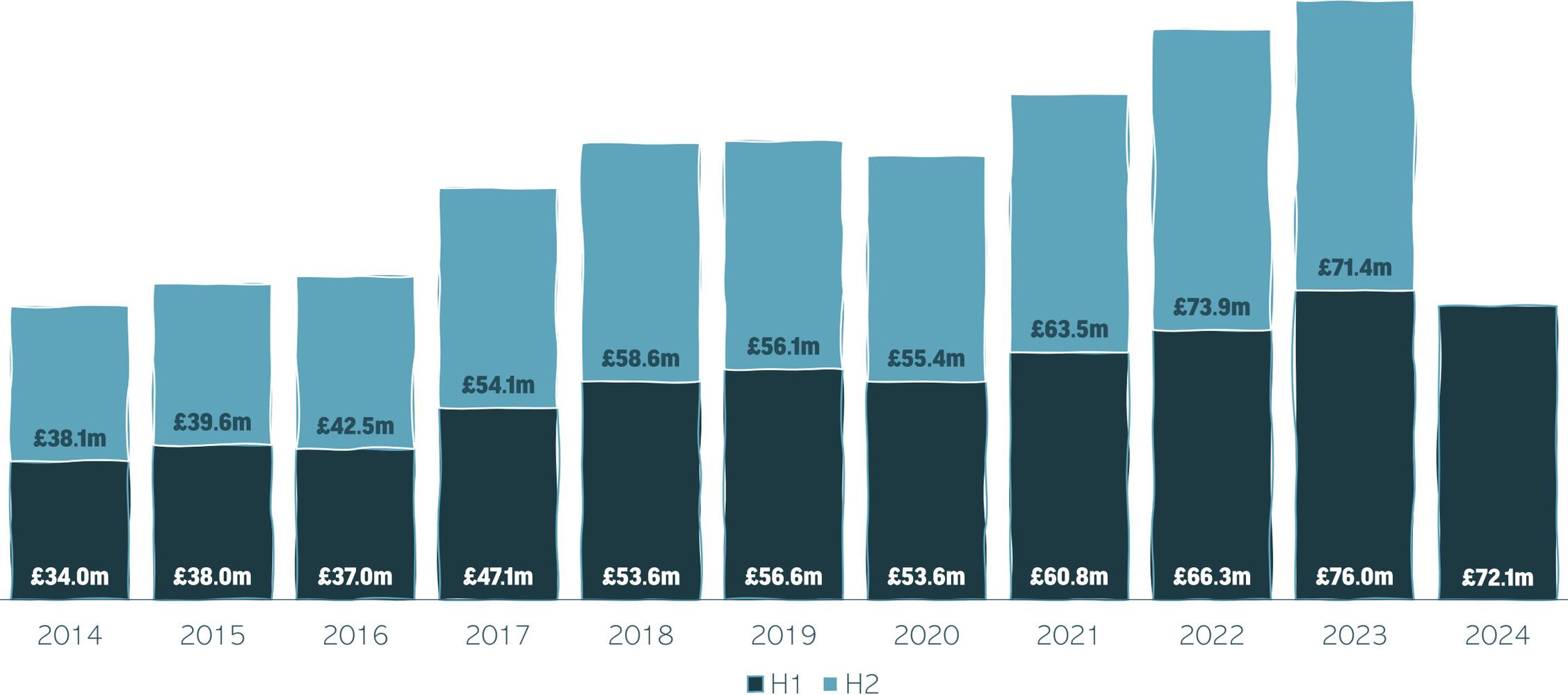


Tea

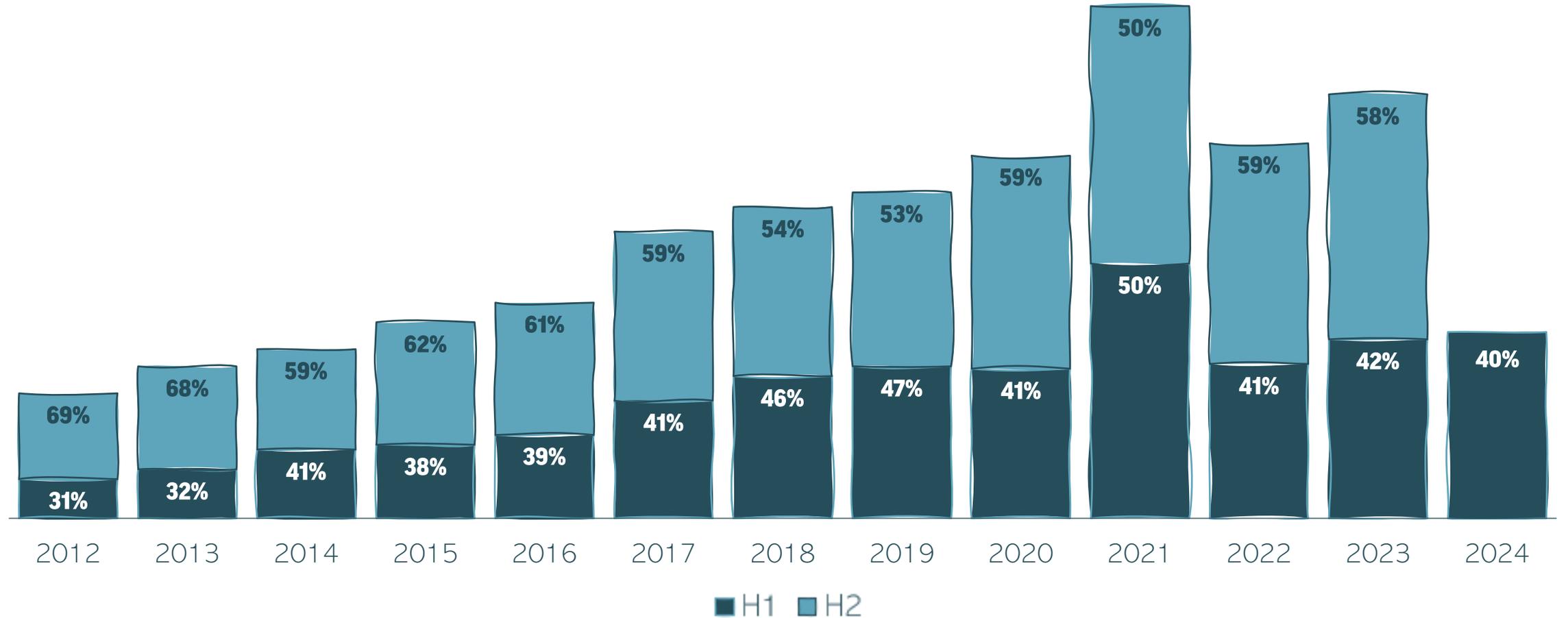
Tea is the second most widely consumed beverage in the world, after water, and our natural range of tea products continue to win



REVENUE



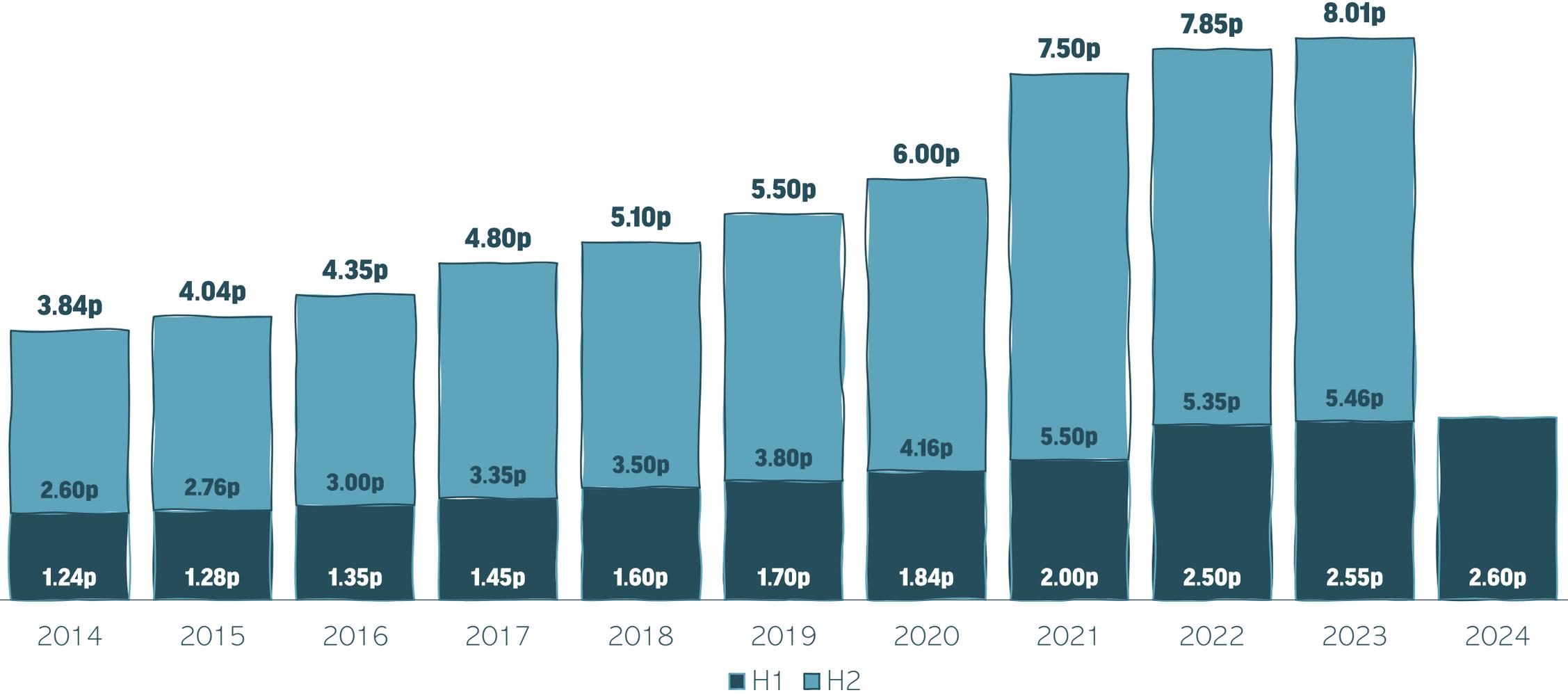
PROFIT BEFORE TAX ⁽¹⁾



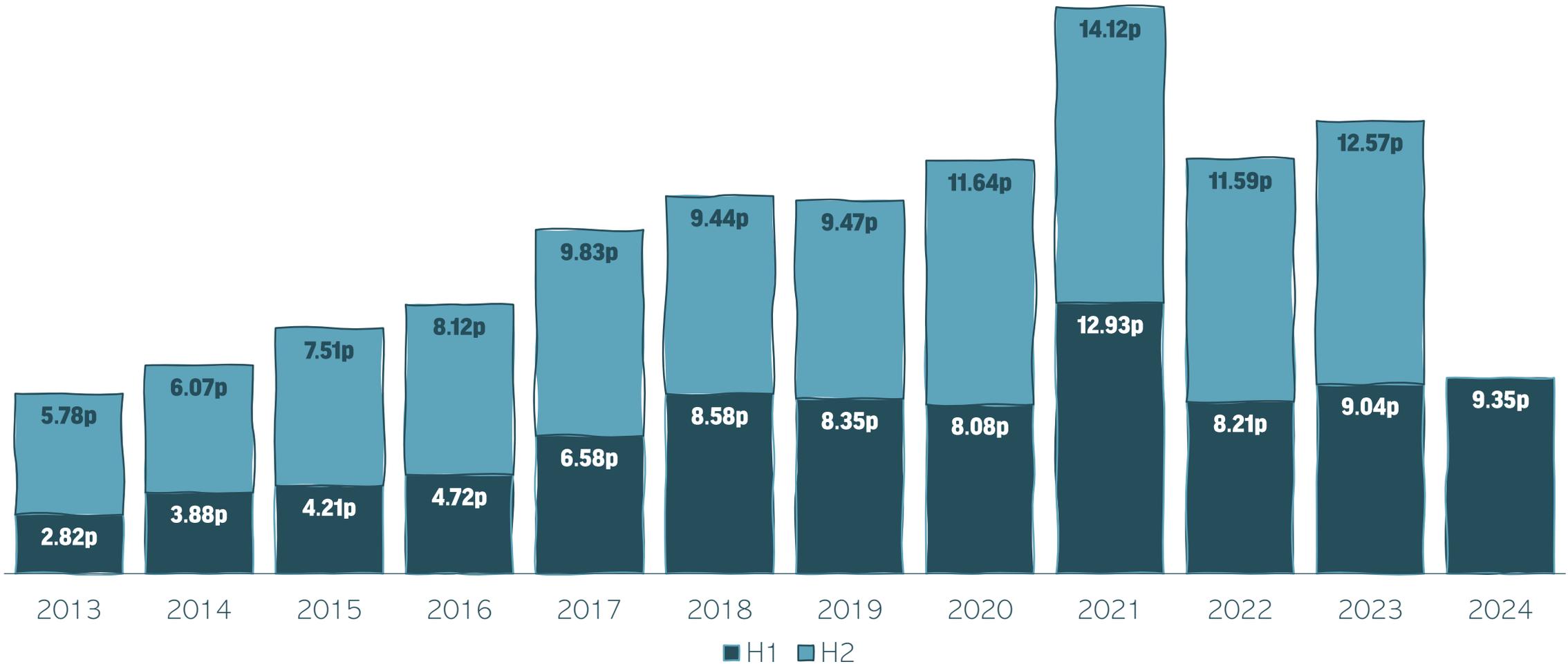
¹ excluding exceptional items



DIVIDEND PER SHARE 2024: +2.0%



EARNINGS PER SHARE⁽¹⁾



¹ 2018 – 2020 EPS is shown from continuing activities

2024 BALANCE SHEET

	As at 31 March 2024	As at 30 September 2023
Fixed assets	£73.7m	£74.8m
Inventories	£60.9m	£62.4m
Receivables	£37.4m	£33.0m
Payables	(£22.1m)	(£20.7m)
Working capital	£76.2m	£74.7
Taxation	(£6.1m)	(£5.3m)
Net (debt)/cash	(£10.3m)	(£10.4m)
Pension asset	£4.3m	£3.7m
Other net (liabilities)/assets	£(0.2)m	(£0.3m)
Shareholder funds	£137.6m	£137.2m

KEY POINTS

NET DEBT IN LINE WITH YEAR END

But expected to reduce in H2, the cash generative half

INVENTORY

Volumes have declined but prices led to increase in value

WORKING CAPITAL

Focus remains

2024 CASH FLOW

Period Ended 31 March	2024 H1 £'000	2023 H1 £'000
Operating cash flow	10.5	9.6
Decrease in inventories	0.2	3.7
(Increase)/Decrease in receivables	(4.9)	2.4
Increase /(decrease) in payables	1.3	(5.4)
Cash generated from operations	7.1	10.3
Contributions to pension scheme	(0.2)	(0.2)
Taxation paid	(1.1)	(0.7)
Net cash from operating activities	5.8	9.4
Purchase of property, plant & equipment	(1.8)	(2.3)
Purchase of intangible assets	(0.1)	(0.1)
Proceeds on disposal of property, plant & equipment	-	1.1
Free cash inflow	3.9	8.1
Dividends paid	(3.3)	(3.3)
Other financing activities	(0.5)	(0.3)
FX	-	0.2
Movement in net (debt)/cash	0.1	4.7
Net debt at beginning of period	(10.4)	(22.4)
Net debt at the end of the period	(10.3)	(17.7)

KEY POINTS

DEBTORS HIGHER due to record sales in March

CONTINUED CAPITAL INVESTMENT at normalised levels to ensure operational capacity meets future demand