



GLOBAL COMMERCIAL OVERVIEW:

Delivering long-term sustainable growth



YOUR SPEAKERS



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OUR FOCUS

- 01 Macro consumer trends
- 02 Emerging opportunities in beverage
- 03 Our global commercial strategy
- 04 - UK/EUR/ROW
- 05 - North America
- 06 - China – with overview from Steve Fan

- 07 Growing our product ranges
- 08 Managing supply chain
- 09 Questions



Consumers and Trends



MACRO TREND

Health for all

A globally relevant megatrend

Health & Wellbeing has morphed from a trend to a way of life but remains a key motivator for consumer behaviour globally.





**SUSTAINABILITY
& ETHICS**

**MODERATION &
AVOIDANCE**

**FRESH
& NATURAL**

**SENSORY
& INDULGENCE**

WHO'S DRIVING INNOVATION

Gen Z and Millennials are the dominating cohorts in a complex, five generation, consumer landscape.

Transparency, accountability, and trust are key to engaging with these two key demographics, as their influence over innovation will only intensify.

The state of the climate and the move towards a green economy are also high on the agenda.

Priorities:

- **Sustainability is no longer a nice to have**
- **Make a genuine commitment to equality and be transparent about progress**
- **Move at the speed of societal change**



HOW THIS CREATES OPPORTUNITY FOR US



FUNCTIONAL

PREMIUMISATION

NATURAL

SUSTAINABLE

HYBRIDISATION



Global commercial strategy

A stylized white line drawing of a plant with several leaves, positioned in the lower right corner of the slide.

WHY CUSTOMERS CHOOSE US

- Diversified portfolio
- Customer centric mindset
- Technical excellence
- Diverse routes to growing markets
- Responsible approach to sourcing
- Dual-site manufacturing in strategic locations

*94% of customers surveyed are happy or very happy with our products and service**

*According to our customer experience research – June 2021

ROUTES TO MARKET

FLAVOUR HOUSES

FOCUS:

We forge relationships with the key flavour house companies in each of our territories, developing strong connections shaped by our unrivalled ingredient knowledge and dedication to outstanding customer service.

BEVERAGE BRANDS

FOCUS:

Our truly natural flavour extracts and ingredients will be sought after for their ability to bring the 'real deal' to a finished beverage by the world's biggest brands, as well as start-ups tipped for success.

OUR ADDRESSABLE MARKET

Market Size

The global non-alcoholic beverage market size is expected to reach a valuation of **USD 1.6 trillion by 2030**

The global market size of the alcoholic beverage market will increase to over **USD 2.2 trillion by 2025.**

Consumer Market

Adult millennials are 23% of global population, and GenZ are 30% - a potential of **4bn end consumers** aligned with our offering

NORTH AMERICA

The US market represents the largest market for Treatt due to the population size, coupled with being the highest per capita consumer of beverages.

There is significant opportunity for long-term growth as value forecasts continue to outpace volume growth as premiumisation continues to gain momentum.



UK AND EUROPE



The health and wellness trend heavily influences these territories as consumers shift towards low-calorie and low-sugar variants.

Both RTD Tea and Coffee are poised for further growth in both territories, particularly in Germany where consumers are drawn by the premium and trending positioning.

CHINA

The growth potential of the Chinese market cannot be understated. A growing middle class with an increasing disposable income, combined with a growing demand for natural/better-for-you products are positive signals for us.

Sports drinks, flavoured waters, and RTD/Iced Tea drinks are expected to perform well as consumers continue to seek out products with a positive perceived impact on their health.





Diversified products



A PORTFOLIO DESIGNED TO GROW

in line with Healthier Living trends



CITRUS



TEA



COFFEE



**FRUIT &
VEGETABLES**



**HEALTH &
WELLNESS**



**HERBS, SPICES
& FLORALS**



**AROMA &
HICs**



Managing supply chain



SUSTAINABLE AND STRATEGIC SUPPLY

Macro inflation and supply chain challenges create opportunity for Treatt

- 80% of our raw materials are natural
- We have decades of experience growing our business amidst moving raw material prices
- We turn our unique intelligence into a value creation opportunity through our customer partnerships

"

OUR POSITION IN THE VALUE SYSTEM IS A HUGE ADVANTAGE. WE KNOW THESE RAW MATERIALS LIKE NO ONE ELSE AND CONSISTENTLY CAPTURE THE BEST OF NATURE SO OUR LEMON TASTES THE SAME...WHETHER IT'S BEING ENJOYED IN EDINBURGH OR ECUADOR.

"

Daemnon Reeve