Clipper

A market leader in retail logistics

2019 Full Year Results Presentation

30 August 2019

"Continued evolution in a dynamic world"

Disclaimer

This presentation includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believe”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will”, or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts and include statements regarding the Company’s intentions, beliefs or current expectations.

Any forward-looking statements in this presentation reflect the Company’s current expectations and projections about future events. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein. Forward-looking statements contained in this presentation regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. You should not place undue reliance on forward-looking statements, which speak only as of the date of this presentation. No representations or warranties are made as to the accuracy of such statements, estimates or projections.

Please note that the Directors of the Company are, in making this presentation, not seeking to encourage shareholders to either buy or sell shares in the Company. Shareholders in any doubt about what action to take are recommended to seek financial advice from an independent financial advisor authorised by the Financial Services and Markets Act 2000.

1

Highlights and operational developments

Highlights – Financial*

- Group revenue growth of 15.0% to £460.2m (2018: £400.1m), driven by strong growth in e-fulfilment.
- Group EBIT[1] of £20.2m, or £17.1m excluding property-related income, up 18.0% (2018: £14.5m):
  - E-fulfilment & returns management services – EBIT of £13.6m, up 20.1% (2018: £11.3m).
  - Non e-fulfilment logistics – EBIT of £9.9m, up 10.4% (2018: £9.0m).
  - Commercial vehicles – EBIT of £1.1m, down 53.6% (2018: £2.5m).
  - Property-related income – EBIT of £3.1m (2018: £6.4m).
- Group profit after tax for the year £13.4m (2018: £14.3m), reflecting decline in commercial vehicles and property-related income.
- EPS of 13.2p (2018: 14.2p).
- Proposed final dividend of 6.5p per share giving total dividend of 9.7p per share, up 15.5% (2018: 8.4p).
- Cash generated from operations of £28.3m (2018: £24.5m), up 15.6%.
- Certain contracts entered into towards the end of FY19 to be accounted for under IFRS 3 and will enhance FY20 earnings in e-fulfilment & returns management services by £3.0m.

* *The highlights are for the 12 months ended 30 April 2019, as compared to the 12 months ended 30 April 2018.*

[1] *Group EBIT is defined as operating profit, including the Group's share of operating profit in equity-accounted investees, before amortisation of intangible assets arising on consolidation .*

Operational Developments

- Key new contract wins:
  - PrettyLittleThing
  - Shop Direct
  - Zara Home
  - Adnams
- Significant contract developments
  - John Lewis - Electrical Repairs / Data Cleanse
  - Sports Direct
  - Halfords
- Innovation remains key:
  - Data analytics
  - Solutions design
  - Robots & Automation
- European expansion – Poland
  - Second operational facility on stream
  - Asos returns
  - Mountain Warehouse
  - WestWing
- Clicklink
  - Expected to become profitable for full year FY20
- Contract Pipeline
  - Pipeline remains very strong

2 Financial review

Summary Income Statement

£m	Year to 30 April 2019	2018	Change %
Revenue	460.2	400.1	*+15.0%*
Cost of sales	(331.9)	(283.3)	
Gross profit	128.3	116.8	
Other net (losses) / gains	(0.3)	2.4	
Admin expenses	(108.5)	(98.4)	
Operating profit before share of equity-accounted investees, net of tax	19.5	20.8	
Share of equity-accounted investees, net of tax	(0.4)	(0.9)	
Operating profit	19.1	19.9	
EBIT excluding property-related income	17.1	14.5	*+18.0%*
Property-related income	3.1	6.4	
EBIT	20.2	20.9	
Less: amortisation of other intangible assets	(1.2)	(1.1)	
share of tax and finance costs of equity-accounted investees	0.1	0.1	
Operating profit	19.1	19.9	
Net finance costs	(2.2)	(1.9)	
Profit before income tax	16.9	18.0	
Income tax	(3.5)	(3.7)	
Profit for the financial year	13.4	14.3	*-6.1%*
Basic earnings per share (p)	13.2	14.2	*-7.0%*
Diluted earnings per share (p)	13.1	14.1	

Headline financials

- Strong top-line performance in the year with logistics revenue growth of 27.0% and Group revenue growth of 15.0%, after impact of commercial vehicle decline.
- EBIT before property-related income grew by 18.0% driven by continued organic growth in the logistics business.
- Property-related income reduced by £3.3m to £3.1m.

IFRS 3

- Certain contracts entered into the latter part of FY19 fall to be accounted for in FY20 under IFRS 3, resulting in a shift of profit into FY20 and therefore dampening FY19 profit growth. EBITA will be enhanced by £3.0m in FY20.

Dividends

- Interim dividend of 3.2 pence per share, paid January 2019.
- Final proposed dividend 6.5 pence per share.
- Total dividend 9.7 pence per share (8.4 pence year to 30 April 2018), an increased 15.5%

Profit Shift into FY20

- Series of contracts entered into during latter part of FY19 including logistics services agreement, asset purchase agreement, TUPE of staff and assumption of certain liabilities.
- Initially considered ordinary course business activities.
- Further to extensive discussion with KPMG treatment as a business combination under IFRS 3 considered appropriate.
- Tests of a 'Business Combination' included:
  - Inputs
  - Outputs
  - Processes
- Compelling reasoning for including in either FY19 or FY20, but on (a fine) balance considered FY20 more appropriate.
- Consequently earnings for FY20 will be enhanced by £3.0m, and earnings for FY19 were adversely impacted.
- Majority of profit is cash backed.
- Overall cash position of business unaffected by treatment.

Segmental and Business Activity Performance

Revenue

£m	Year to 30 April		Change
	2019	2018	*%*
E-fulfilment & returns management services	**233.9**	**159.4**	***+46.8%***
Non e-fulfilment logistics	**145.3**	**139.1**	***+4.4%***
Total value-added logistics services	**379.2**	**298.5**	***+27.0%***
Commercial vehicles	**82.6**	**103.6**	***-20.3%***
Inter-segment sales	**(1.5)**	**(2.0)**	***-25.0%***
Group revenue	**460.2**	**400.1**	***+15.0%***

EBIT

£m	Year to 30 April		Change
	2019	2018	*%*
E-fulfilment & returns management services	**13.6**	11.3	***+20.1%***
Non e-fulfilment logistics	**9.9**	9.0	***+10.4%***
Central logistics overheads	**(5.5)**	(5.7)	***-1.8%***
Total value-added logistics services	**18.0**	14.6	***+22.6%***
Commercial vehicles	**1.1**	2.5	***-53.6%***
Head office costs	**(2.0)**	(2.6)	***-23.1%***
Group EBIT pre property-related income	**17.1**	14.5	***+18.0%***
Property-related income	3.1	6.4	***-51.2%***
Group EBIT	**20.2**	20.9	***-3.1%***

- Continued growth in Logistics:
  - Very strong growth in e-fulfilment revenues of 46.8% reflecting continued migration of retail online both in the UK and Europe.
  - Non e-fulfilment revenues grew by 4.4% despite the widely reported difficulties on the high street.
  - Organic growth and new business activities on existing contracts including Antler, ASOS returns, Asda, Browns, Inditex, Wilko and Zara in the UK, and WestWing in Germany.
  - Full year benefit of prior year contract wins including M&S returns, River Island and Halfords in the UK, and ASOS returns in Poland.
  - Part-year impact of wins in the year including PrettyLittleThing, Ginger Ray, Levi Straus and Vestel in the UK, and Mountain Warehouse in Poland.
  - Certain contracts entered into the latter part of FY19 to be accounted for in FY20 under IFRS 3, resulting in a shift of profit into FY20 and therefore dampening FY19 profit growth. EBITA will be enhanced by £3.0m in FY20.
- Adverse performance in Commercial vehicles due mainly to the lack of manufacturer sales incentives.
- Central Logistics costs and Head Office costs reflect lower share based payment charges.

Summary Cash Flow Statement

£m	Year to 30 April	
	2019	**2018**
EBIT[1]	**20.2**	20.9
Depreciation & amortisation	**8.2**	6.9
Other non-cash items[2]	**(0.7)**	(0.1)
Change in working capital	**0.6**	(3.2)
Cash generated from operations	**28.3**	24.5
Net interest paid	**(1.9)**	(1.9)
Tax paid	**(4.3)**	(4.0)
Net cash flows from operating activities	**22.1**	18.6
Investment in joint venture	**-**	-
Acquisition	**(0.5)**	(11.8)
Net capital expenditure	**(25.9)**	(6.0)
Net cash flows from investing activities	**(26.4)**	(17.8)
Loan advance to joint venture	**-**	(0.5)
Net drawdown / (repayment of) bank loans	**7.2**	8.2
Finance leases advanced	**18.7**	5.0
Repayment of capital on finance leases	**(10.4)**	(7.4)
Share issue	**0.3**	1.6
Dividends paid	**(8.9)**	(7.6)
Net cash flows from financing activities	**6.9**	(0.7)
Net increase in cash & cash equivalents	**2.6**	0.1

1. *EBIT is defined as operating profit, including the Group's share of operating profit in equity-accounted investees, before amortisation of intangible assets arising on consolidation.*
2. *Other non-cash items comprise exchange differences ,share based payments and share of joint venture.*

- Strong cash flow generated from operations £28.3m (2018: £24.5m).
- Significant capex reflects new contract rollouts during the year, predominantly to be repaid by customers through open book mechanisms.
- Approximately £7.7 million (2018: £7.7 million) of the fixed asset additions were purchased in cash and £18.7 million (2018: £5.0 million) were purchased through HP and finance leases.
- Tax increase in line with profits.
- £0.3m (2018: £1.6m) raised through share issues to employees through Sharesave.
- Dividends paid in line with stated policy at IPO.

Summary Balance Sheet

£m	As at 30 April	
	2019	2018
Intangible assets	**37.3**	**37.2**
Property, plant & equipment	**61.5**	**45.0**
Interest in equity-accounted investees	**0.9**	**1.3**
Non-current financial assets	**1.9**	**1.9**
Non-current assets	**101.6**	**85.4**
Inventories	**24.0**	**22.1**
Trade & other receivables	**96.4**	**73.4**
Cash & cash equivalents	**3.5**	**2.3**
Current assets	**123.9**	**97.8**
Trade & other payables	**126.0**	**102.4**
Borrowings	**12.3**	**9.2**
Short term provisions	**0.2**	**0.1**
Current tax liabilities	**0.8**	**2.5**
Current liabilities	**139.3**	**114.2**
Borrowings	**39.1**	**26.7**
Long term provisions	**1.6**	**1.5**
Deferred tax liabilities	**2.3**	**1.5**
Non-current liabilities	**43.0**	**29.7**
Net assets	**43.2**	**39.3**
Net debt	**45.9**	**31.7**

- Increase in PP&E reflects the capex incurred in the year, predominantly on open book contracts.
- Investment in fixed assets included a pick tower in Poland, new site development at Crick and Peterborough, conveyors in Ollerton, and an additional mezzanine floor to facilitate growth in Northampton.
- Net current liabilities position reflects positive working capital model as the business grows.
- Headline Net debt: EBITDA of 1.6x
- £34.9m of capex to be recovered from customers through open book mechanisms, reducing look – through leverage.

IFRS 16 Impact

Anticipated impact of adoption of IFRS 16 on balance sheet

£m	Range of impact	
	From	To
‘Right of use’ asset	121.9	148.5
Other assets/liabilities	3.8	3.8
Deferred tax assets	5.3	4.0
Total assets	131.0	156.3
Lease liabilities	154.0	175.3
Retained earnings	(23.0)	(19.0)
Total equity and liabilities	131.0	156.3

- On adoption of IFRS 16 on 1 May 2019, there will be a material impact on the balance sheet
- We are currently refining our assessment of what this impact will be. Our provisional assessment is highly sensitive to the discount rate used for leasehold properties. Illustratively, discount rates of 3.5% and 6.5% will have the following impacts on assets and liabilities respectively:
  - Recognition of a right of use asset of between £121.9m and £148.5m
  - Recognition of financial liabilities of between £154.0m and £175.3m
  - Recognition of deferred tax assets of between £4.0m and £5.3m
  - Derecognition of rent-related assets and liabilities of £3.8m
  - A reduction in retained earnings of between £19.0m and £23.0m
- In the year ending 30 April 2020, the adoption of IFRS 16 is expected to:
  - Increase EBITA by between £7.0m and £8.0m
  - Increase finance costs by between £7.0m and £8.0m
  - Decrease profit before tax of between £0.5m and £1.0m
- We will continue to implement and refine procedures and processes to apply the new requirements of IFRS 16. As a result of this ongoing work, it is possible that there may be some changes to the illustrative impact outlined above.

3 Operational review

Strategic Focus

- Developing solutions which allow Bricks and Mortar retailers to compete with Pureplay etailers.
- Supporting Pureplay etailers by developing solutions to help drive growth & cost efficiency.
- Building on European success - pre & post Brexit - facilities in Poznan have served to support UK and European retailers/etailers.
- Acting as a bridge between retailers to drive more collaboration in the retail sector – *"Club Team Clipper & Drapers Partnership."*
- Identifying and developing opportunities to drive the circular economy and support customers with sustainability.
- Seeking out complementary and additive acquisitions.

Supporting Bricks and Mortar Retailers

- **AGILE STOCK**: To compete against their pureplay counterparts, retailers need end-to-end ‘Agile Stock’ capability, meaning the ability to move stock between any branch / customer in their network to service the demand.

- **AGILE TRANSPORT**: High-Street Retailers need 7 day access to transport solutions to move stock between fulfilment centres and stores to rapidly fulfil demand. The development of ***Clicklink*** is proving very attractive to the UK omni-channel sector.

- **AGILE RETURNS:** Retailers need to provide the ability to process returns through multiple channels, to suit the lifestyle and demands of their customers. ***Boomerang*** capabilities – across all non-food markets linked with ***Technical Services*** & secondary disposition solutions is proving to be attractive.

Driving Collaboration with Retailers / Etailers

- **SHARED TRANSPORT:** As well as **Clicklink f**or Click and Collect, we are looking to drive consolidated delivery schedules for high street retailers to drive cost reduction and reduce carbon usage. Currently working on a joint proposal for New Look and Mountain Warehouse.

- **SHARED USE RETURNS PROCESSING**: In order to drive efficiency and to share space and overhead resources, Clipper is developing a multi-category shared use Boomerang proposition. We are also collaborating with Yodel to develop joint solutions for B2B and B2C for retailers – H&M and Cotswold Outdoors being recent examples.

- **SHARED USE ROBOTIC FULFILMENT**: Building on the installation of robotic fulfilment for Superdry, we are developing a business case for a shared use fulfilment centre, offering high volume, reliable fulfilment with a low CPU.

Driving the Circular Economy & Sustainability

- **CONTINUING TO DRIVE SECONDARY MARKET SALES FOR CUSTOMERS:** As customers continue to face issues of end of season markdown, we continually provide new channels to market for end of season product via online trading channels, ‘flash’ sales, ‘friends and family’ sales and auctions.

- **HELPING OUR CUSTOMERS WITH SOLUTIONS FOR RE-USE OF PRODUCT**: Clipper has partnered with ***Give Back Box***, an innovative solution for retailers to offer their customers where used product can be returned free of charge to the customer and distributed to charity outlets.

- **ADOPTING LOW CARBON SOLUTIONS WHERE POSSIBLE:** Clipper continues to seek operational solutions which allow us to reduce our carbon emissions, and we continue to explore possibilities to expand on electric vehicle operations in London.

New Customers – e-fulfilment & returns management

- PrettyLittleThing - New facility fully operational at a 610k sq ft site in Sheffield. 5 year contract. Core head count 1,000 colleagues with up to 2,500 at peak.

- Shop Direct – Take on of existing Shop Direct facility (180k sq ft) and TUPE of 400 staff responsible for pre-retail and 1-man and 2-man returns processing. Further strengthens market leadership in returns management and assists the integration of Clipper Technical Services. Swadlincote being set up to support new East Midlands automated operation - 5 year contract.

- Adnams Brewery – Clipper provides e-com pick and despatch services to the whole of the Adnams product range, including a wide range of bought in brands, especially wines and spirits, and snack items.

New Customers – e-fulfilment & returns management (cont.)

- Simba Sleep – Challenger brand commenced operations in Swadlincote (16k sq ft) on JDA foundation application. 5 year contract with ambitious growth plans.
- Zara Home – Developed the solution for Zara Home at the ADC - 40k sq ft rising to 80k sq ft
- Ginger Ray – Wholesale, retail and e-com operations in 60k sq ft.
- Amazon Germany – Electrical white goods repair and refurbishment via Technical Services – Boomerang.
- Mountain Warehouse – Accelerated start up in Poznan to support Brexit contingency. Utilising JDA foundation application.
- Hope & Ivy – Emerging fashion brand backed by Dragon's Den investors. Part of our strategy to support fashion start-ups.

Development of Existing Partnerships – e-fulfilment

- ASOS Poznan – Facilities further developed to process EU returns.
- John Lewis Returns – Electricals Data Cleansing & Fashion Repairs – fully integrated into the ADC operation to drive value for JLP.
- Zara – Additional 200k sq ft mezz over 3 floors to add capacity to dedicated operation.
- WestWing – Poznan – New 575k sq ft site to support retail and wholesale activity. We already operate e-com from the Poznan complex. Full photographic studio also created.
- British American Tobacco – Extension of services to support e-cigarettes.
- American Golf Retail – Expansion from retail only into multi-channel fulfilment.

Non e-fulfilment Developments

- Antler Luggage – Full outsource contract renewal.
- EWM – Transport partner of choice as they acquire further brands.
- Sports Direct – Contract for pre retail operations to support Sports Direct supply chain – up to 200 colleagues at the Clipper refurbished property in Peterborough.
- Halfords – opened new facility of c.200k sq ft in Crick to facilitate Halfords’ network expansion and support supply chain optimisation.
- M&S – New season pre-retail, storage & distribution. Outlet logistics & clearance management.

New Innovation Solutions To Support Customer Growth

- Wilko outbound automation completion of £multi million programme with capability to handle wide variations in product range characteristics.

- PrettyLittleThing Automation – Conveyor systems developed to allow for auto-bagging capabilities.

- Supergroup robotics pilots further extended & now includes two solution options - Eiratech and HikVision.

- WestWing **(Poznan) –** Autobox cutting machinery to match despatched goods to carton outer – no void fill needed, least volume for carriage.

- John Lewis - New conveyor / mechanisation & flow layout / to support gainshare through efficiency and enhanced throughput capacity.

- Developing ideas to create multi-user automation application (shared use of the future).

- JDA Systems – "Clipper Light" foundation product developed to allowing for rapid project go-live and a "plug and play" approach.
  - Successfully deployed for Mountain Warehouse in **Poznan** – very rapid start up.

New Operational Sites

- **Clipper Crick**
  - 200k sq ft for Halfords.
- **Clipper Poznan**
  - 900k sq ft for WestWing
  - We now have two operational sites in Poznan and have more than doubled the operation in the last 12 months.
- **Clipper Sheffield**
  - 615k sq ft for PrettyLittleThing
- **Clipper Raven Mill**
  - 180k sq ft for Shop Direct

- **Circa 1.9M sq ft of additional operational capacity**

Customer Development Case Study – WestWing Poznan

- **Westwing** – German based business - two trading models “flash sale” and on-line store – circa €250m+

- **Account Development:**
  - April 2017: setup a 100k sq ft operation for the flash sale fulfilment in Poznan (Poland).
  - Oct. 2017: Integrated returns handling in the 100k sq ft operation for all sales channels.
  - Aug. 2018: Added in 90k sq ft for all bulky/ 2 man fulfilment.
  - Feb. 2019: Moved to the new facility (adjacent unit) 260k sq ft warehouse with an initial pick-tower. structure of 320k sq ft. Relocated all stock from the German warehouse – all fulfilment for all sales channels.
  - April 2019: Setup the online photo studio to speed up the stock delivery to website ‘live’ process.
  - September 2019: Extended the picktower with an additional 200k sq ft.

- **Resulting In:**
  - Warehouse footprint: 470k sq ft with a picktower of 520k sq ft.
  - FTE : 340 FTE.
  - Services : Inbound, Photo studio, Storage, Fulfilment / Outbound & Boomerang Returns.

Transport Activity & Fleet Growth

Sports Direct

- Delivering Pre-Retailed product from Peterborough into Shirebrook.

New Look

- Four year contract renewal following a full tender process; Clipper will be introducing gas rigid vehicles onto this contract from October 2019.

Gas Powered Artics and Long Double Deck Trailers

- Introduced onto the EWM contract from October, providing a number of environmental and financial benefits. Larger vehicles, less movement required & cleaner fuel.

Armed Forces Team Recruitment and Retention Programs:

- Revolve (warehouse to wheels scheme).
- Traffic Office CPC.
- Covenant.

Clicklink New Customers

clicklink
connecting retailers to customers

Harvey Nichols

- Retail replenishment and Click & Collect deliveries into their store estate 6/7 days per week.

H&M

- Click and Collect into H&M stores to support their growing UK e-commerce strategy – Live February 2019.

Outdoor and Cycle Concepts (Cotswold Outdoors, Snow and Rock, Cycle Surgery and Runners Need)

- Retail replenishment and Click and Collect deliveries into their store estate.

John Lewis Consolidation Customers:

- Hush
- Kurt Geiger
- Allsaints
- Boden
- PUMA

Clicklink Developments

clicklink
connecting retailers to customers

- **John Lewis Consolidation** - Clicklink is providing transport services to brand suppliers into John Lewis for both their store and distribution centre traffic. In turn this has shaped further development:
  - Utilisation of empty backhaul space on delivery and trunk vehicles.
  - Reducing the number of vehicle movements into John Lewis stores and distribution centre locations reducing congestion.
  - Consolidation is proving to be the most environmentally friendly way of dealing with delivery demand.
  - Clipper are currently servicing 18 suppliers using this method, with new suppliers being onboarded weekly.

- **Clicklink Collect**
  - Clipper have been developing an IT solution to allow any Clicklink retailer to act as a collection point for other retailers within the Clicklink network.
  - Clipper are currently planning to go live with a trial for Boden & Superdry stock into a selection of Waitrose stores in September; upon proof of concept in January, this will be offered to all clients.

Clipper Technical Services – Boomerang

RepairTech part of the Clipper group

Servicecare part of the Clipper group

New Customers

- John Lewis Partnership – Developed a ‘box in box’ repair operation at the Clipper ADC Northampton.
- John Lewis Partnership – Setting up an on line store for JLP graded returns. A first for John Lewis and utilising the expertise Servicecare have in this field.
- Argos – Contract extension agree for ‘box in box’ solution at the Argos returns centre.
- Perfect Home – Insurance repairs for retail for consumer electronics goods.
- Amazon DE – New product lines being added to service schedule.
- Shop Direct - Selling B and C grade TVs via Servicecare eCommerce channels.
- Techdata – Set up the refurbishment and selling of their laptop returns via Servicecare Oldham.
- Vestel UK – Won the business for large format displays and microwaves (Sharp) to add to the current portfolio.
- Development of Nintendo refurbishment area in preparation for new product launch.

Awards & Recognition

- Employers Network for Equality & Inclusion (ENEI)
  - Award for Diversity and Inclusion
- Road Haulage Association (RHA)
  - Award for Diversity and Inclusion
- RoSPA Gold Award – Group Level
- Talent In Logistics Awards 2019
- Motor Transport Awards
  - Partnership Award - Clipper Logistics with Superdry

- Supply Chain Excellence Awards – 3 Awards
  - Delivery Innovation - Superdry with Clipper Logistics
  - Supply Chain Strategy & Design - Superdry
  - Overall Winner - Superdry with Clipper Logistics
- UKWA (United Kingdom Warehousing Association)
  - Chairman's Award For Achievement & Lasting Contribution to the Logistics Industry - Tony Mannix

4 Outlook

Outlook

- Expect continuation of strong organic growth into FY20 and beyond, both UK and importantly Europe.
- E-fulfilment & returns management services revenue will continue to be a key growth driver.
- Contracts entered into the latter part of FY19 to be accounted for under IFRS 3 will enhance FY20 earnings by £3.0m. This is predominantly cash backed profit.
- Continue to search for strategic acquisitions.
- Challenging market conditions facing UK retailers and the macroeconomic uncertainty within the UK economy may well have some impact in the year ahead, but we remain confident in our ability to continue the momentum in the business.

5 Summary and Q&A

Summary

- Significant revenue growth, particularly in e-fulfilment & returns management, across UK and Europe.
- Operational growth fuelled by new contracts wins with major multinational customers.
- Increased activity and service expansion with existing clients to grow relationships and enhance customer loyalty.
- Focus on innovation with development and implementation of robotic / automated services.
- Brexit-related opportunities leveraged through extended service to certain customers, particularly in tobacco market.
- Strong performance and confidence highlighted by Dividend per share increasing by 15.5% to 9.7p.