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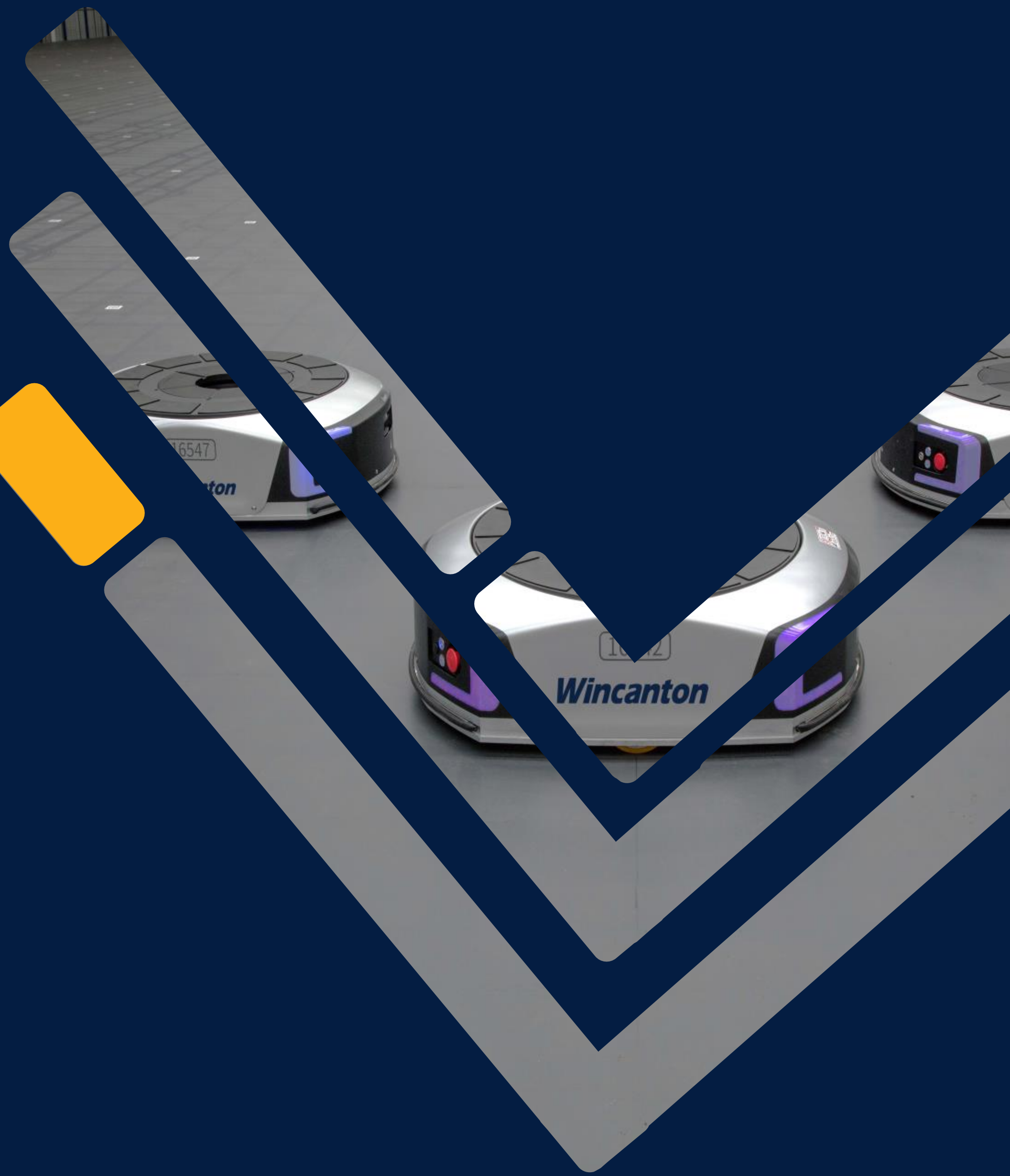
At the heart of British supply chains



Wincanton plc
Results for the half year to 30 September 2022

Certain statements in this presentation are forward-looking statements.

Such statements are based on current expectations and by their nature are subject to a number of risks and uncertainties that could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statement.

The information does not assume any responsibility or obligation to update publicly or revise any of the forward-looking statements contained herein.

Agenda

James Wroath, CEO — Executive summary

Tom Hinton, CFO — Financial performance

James Wroath, CEO — Strategic update

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Executive summary

Diversified portfolio delivers growth in challenging environment

- Robust financial performance
  - Revenue growth +9.2% YOY, across all sectors
  - Underlying PBT up +2.6% YOY
  - Solid balance sheet with net debt of £2.2m
  - Interim dividend of 4.4p
- Continued strategic progress
  - Strong sales pipeline in strategic growth markets
  - Increasing importance of Public Sector to the business
  - Foundation markets underpin cashflow
  - Investing in technology, robotics and automation
- Mindful of headwinds
  - Proactively managing impact of inflation
  - Retail peak and shared asset transport networks’ volumes important
  - Resilience of business model and potential for increased outsourcing

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Financial performance

Tom Hinton, CFO

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Financial highlights

	HY 22/23 £m	HY 21/22 £m	Change %
Total revenue	**753.6**	690.3	9.2%
Underlying profit before tax (PBT)	**28.0**	27.3	2.6%
Underlying PBT margin	***3.7%***	*4.0%*	*(24)bps*
Underlying EPS (pence)	**18.8**	18.2	3.3%
Free cash flow	**17.7**	17.9	
Net cash flow	**(5.9)**	(28.3)	
Net debt	**(2.2)**	(16.4)	
Dividend per share (pence)	**4.4**	4.0	10.0%

- Strong revenue growth of 9.2% driven across all four sectors (6.9% excluding Cygnia acquisition)
- Underlying profit before tax up 2.6%
  - Growth in public and health
  - Consistent performance from foundation sectors
  - Volume headwinds in transport networks
- Continued free cash flow performance, with a year-on-year improvement in net debt
- Interim dividend of 4.4p, increase of 10%

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Year-on-year revenue growth by sector

eFulfilment

+19.1%

HY 22/23: £123m
HY 21/22: £103m

- eFulfilment sector growth, boosted by Cygnia acquisition
- Net growth in high volume efulfilment
- Softening volumes in two-person home delivery and omnichannel

Public & Industrial

+5.2%

HY 22/23: £149m
HY 21/22: £142m

- New business and contract mobilisation in public sector
- Increasing activity delivering growth across infrastructure
- Construction volume reduction

Grocery & Consumer

+3.2%

HY 22/23: £260m
HY 21/22: £252m

- Core grocery volume stable year-on-year
- Downturn in retail transport volume
- Strong performance in consumer packaged goods

General Merchandise

+14.6%

HY 22/23: £221m
HY 21/22: £193m

- Solid core volumes
- Growth from new business secured with Primark and MGAE

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Sector contribution to Revenue

7

Underlying profit

	HY 22/23 £m	HY 21/22 £m	Change %
Underlying EBITDA	**57.4**	50.8	13.0%
Underlying EBITDA margin	***7.6%***	*7.4%*	*26bps*
Depreciation and amortisation	**(25.2)**	(21.0)	(20.0)%
Financing costs	**(4.2)**	(2.5)	(68.0)%
Underlying PBT	**28.0**	27.3	2.6%
Underlying PBT margin	***3.7%***	*4.0%*	*(24)bps*
Tax	**(4.8)**	(4.7)	(2.1)%
Underlying profit after tax	**23.2**	22.6	2.7%
Effective tax rate	***17.1%***	*17.2%*	

- Underlying EBITDA growth of 13.0% reflecting growth in Public & Industrial sector and new business offset by transport headwinds
- Increase in depreciation as a result of new assets and leases year-on-year
- Financing costs increased due to
  - Higher number of leased assets
  - Higher interest rates
- Underlying PBT of £28.0m (HY 21/22: £27.3m)
- Effective tax rate 17.1%; lower than statutory rate due to the benefit of super capital allowances

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Managing headwinds

Labour market

Inflationary pressures

Changing consumer behaviour

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Proactive steps around labour

Labour market

20k

Colleagues

Breakdown of costs

58%

Labour costs

Wage negotiation status

81% Of colleagues' wage increase agreed

13% Open book colleague wage increase to be agreed

6% Closed book colleague wage increase to be agreed

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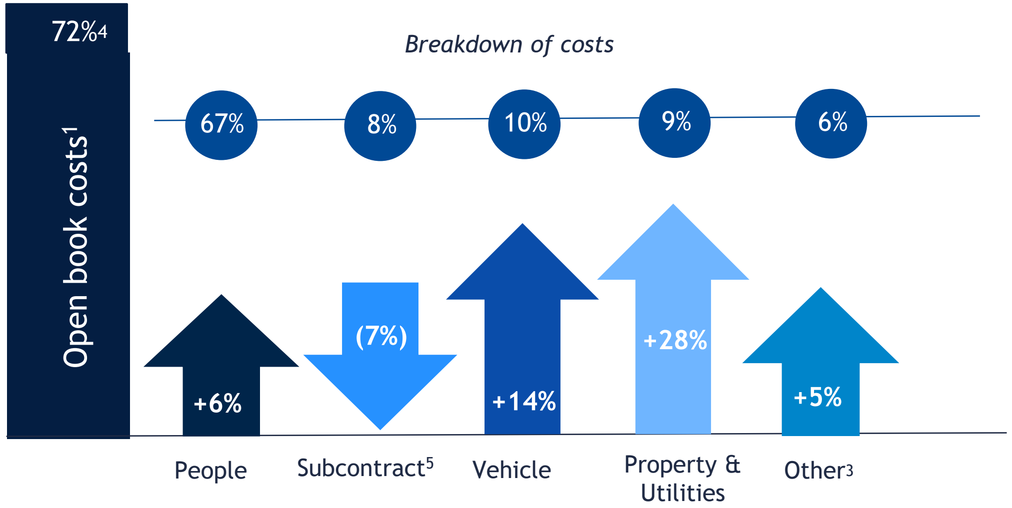
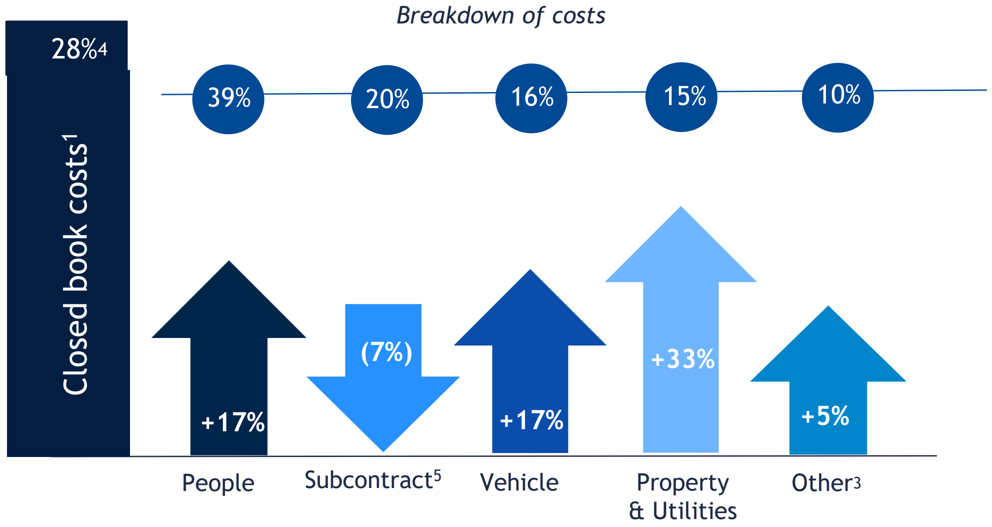
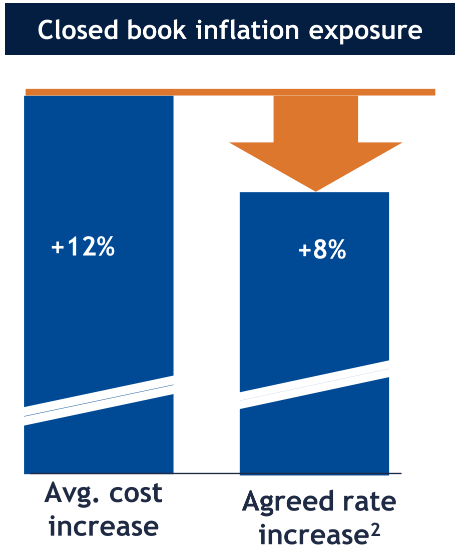
Managing inflation with confidence





Incremental costs passed through

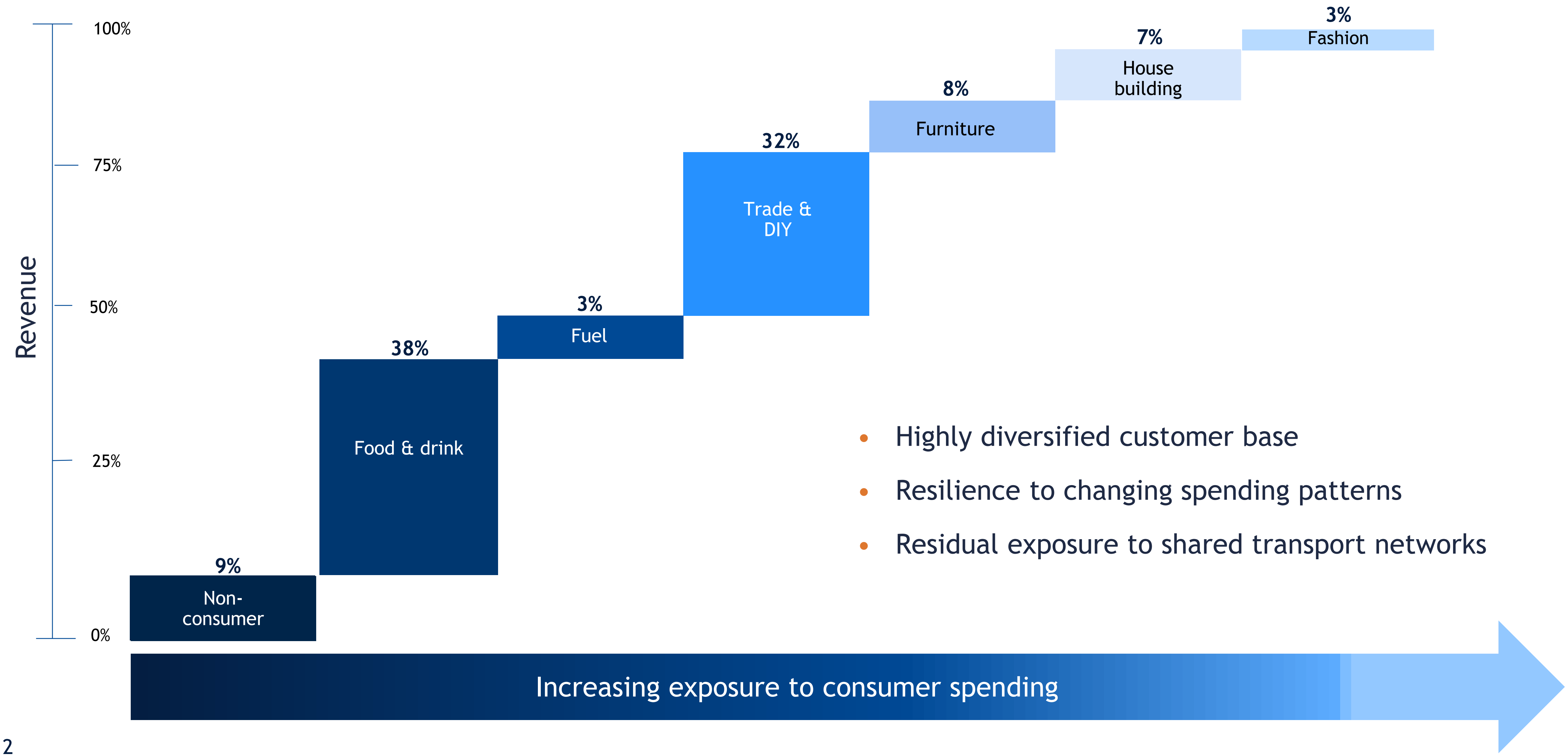


Actions

- Strong customer relationships
- Rate reviews – contractual and exceptional
- Fuel escalator mechanism
- Ongoing continuous improvement – own fleet vs subcontraction
- People Campus

1. Calculation based on H1 FY23 vs H1 FY22. Average cost increase across material expense categories
2. Represents average exceptional and contractual (RPI & CPI) increases across two-person home delivery and construction transport agreed in H2 FY22
3. Other costs includes costs like software and general admin costs. Reflects the total cost increase for the Group in these categories
4. Open book and closed book spilt 72%/28%
5. Based on average subcontractor lane rates

Resilience to consumer spending



- Highly diversified customer base
- Resilience to changing spending patterns
- Residual exposure to shared transport networks

Strong balance sheet and cash management

	HY 22/23 £m	HY 21/22 £m
Underlying EBITDA	**57.4**	50.8
Working capital	**(1.9)**	(10.6)
Tax	**(4.7)**	(1.8)
Net interest	**(5.4)**	(2.9)
Other items	**0.5**	0.2
Repayment of obligations under leases	**(18.9)**	(13.5)
Capex net of disposal proceeds	**(7.6)**	(1.1)
Non-underlying items	**(1.7)**	(3.2)
Free cash flow	**17.7**	17.9
Pension payments	**(10.0)**	(9.2)
Dividends	**(9.9)**	(9.4)
Own shares acquired	**(3.7)**	-
Acquisition:		
- consideration	**-**	(23.9)
- acquired assets	**-**	(3.7)
Increase in net debt	**(5.9)**	(28.3)
Closing net debt	**(2.2)**	(16.4)

- Closing net debt of £2.2m and free cash flow of £17.7m
- Good working capital maintained with healthy mix of new and organic business on favourable payment terms
- Tax includes payment on the tax losses deferred
- Higher interest reflects increased leases and banking interest rates together with RCF drawings in the period
- Increase in lease payments mainly reflects the additional property leases acquired
- Increased capex investment supporting automation and innovation
- Non-underlying items primarily relates to the phase 2 implementation costs for Oracle Cloud

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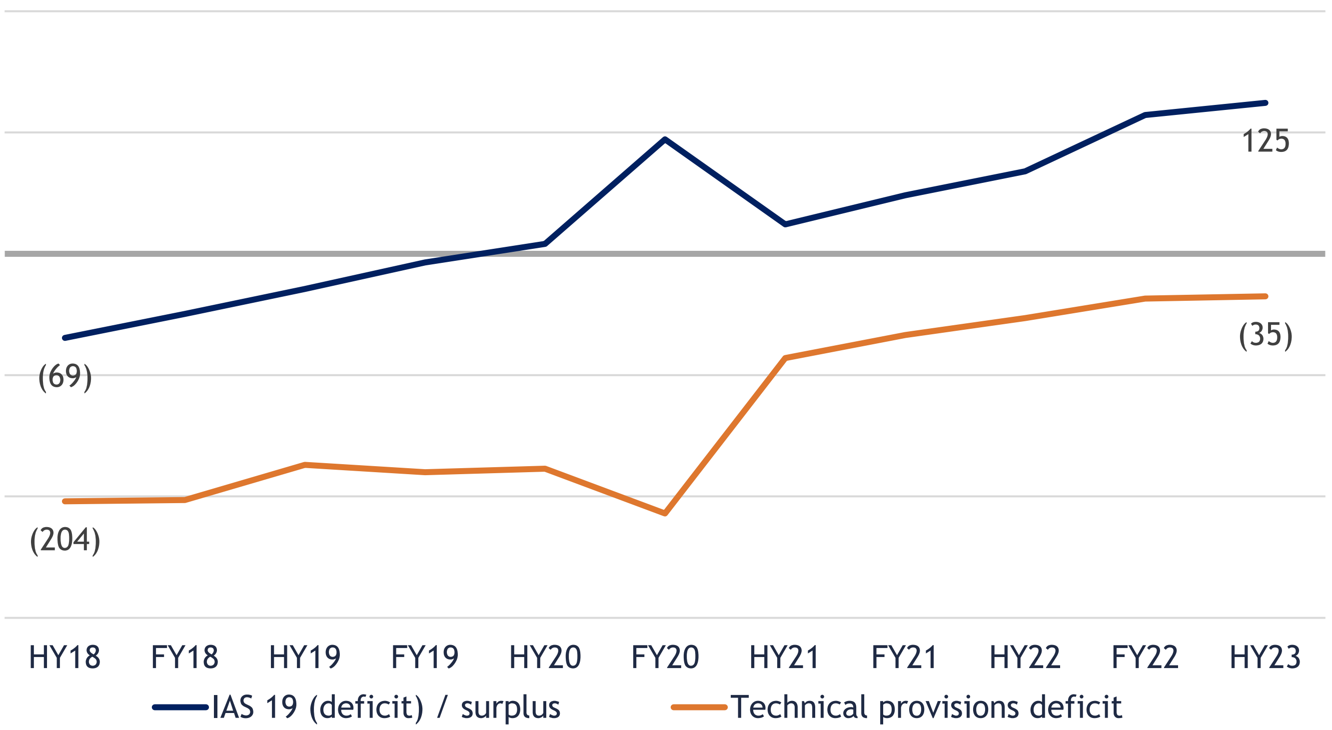
Improved pension position

Pension surplus/(deficit) (£m)



- IAS 19 pension surplus of £124.5m, increased by £10.0m from 31 March 2022 due to pension contributions and actuarial movements
- Net pension contribution for H1 £10.0m (FY23:£20.1m)
- Technical provision deficit at 30 September is estimated to be £35m (31 March 2022 was £37m)
- Next triennial valuation as at 31 March 2023
- Collateral position monitored; no concerns triggered during recent market volatility around levels of collateral and liability driven investment (‘LDI’) strategy

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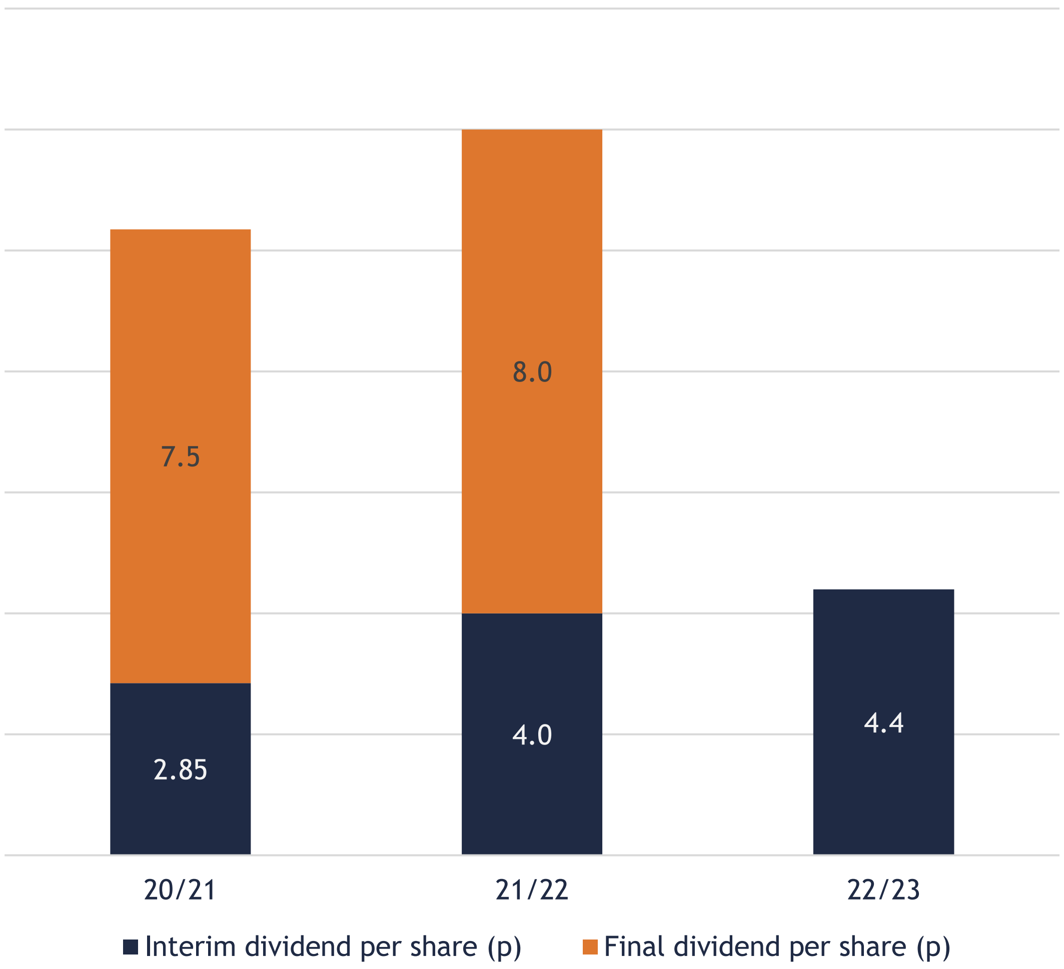
Progressive dividend



- Interim dividend of 4.4p per share
- Dividend policy consistent with prior years:
  - Split broadly 1/3 interim: 2/3 final
- To be paid on 30 December 2022

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FY23 guidance

- Expect revenue growth to be in line with consensus of mid single digits
- Underlying profit before tax guidance remains in line with current consensus estimates
- Managing macro-economic environment:
  - Protection through our mix of open and closed book contracts
  - Broad portfolio of customers
  - Continued vigilance on operational efficiencies and costs
  - Strong pipeline with Public Sector and eFulfilment growth

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Strategic update

James Wroath, CEO

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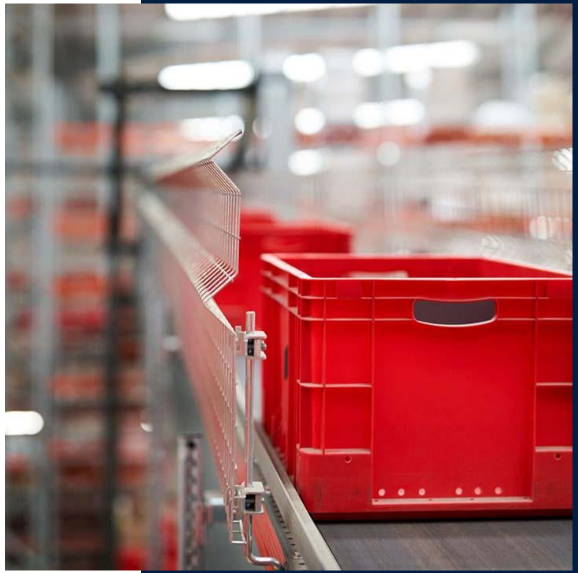
Continued delivery of strategy



1. Refocused on four sectors: foundation and growth markets clearly identified
2. Accelerated investment in mid-market eCommerce retailers
3. Expansion of Public Sector operations
4. Greater emphasis on Wincanton technology to deliver for customers
5. Strong Group culture: the Wincanton Way

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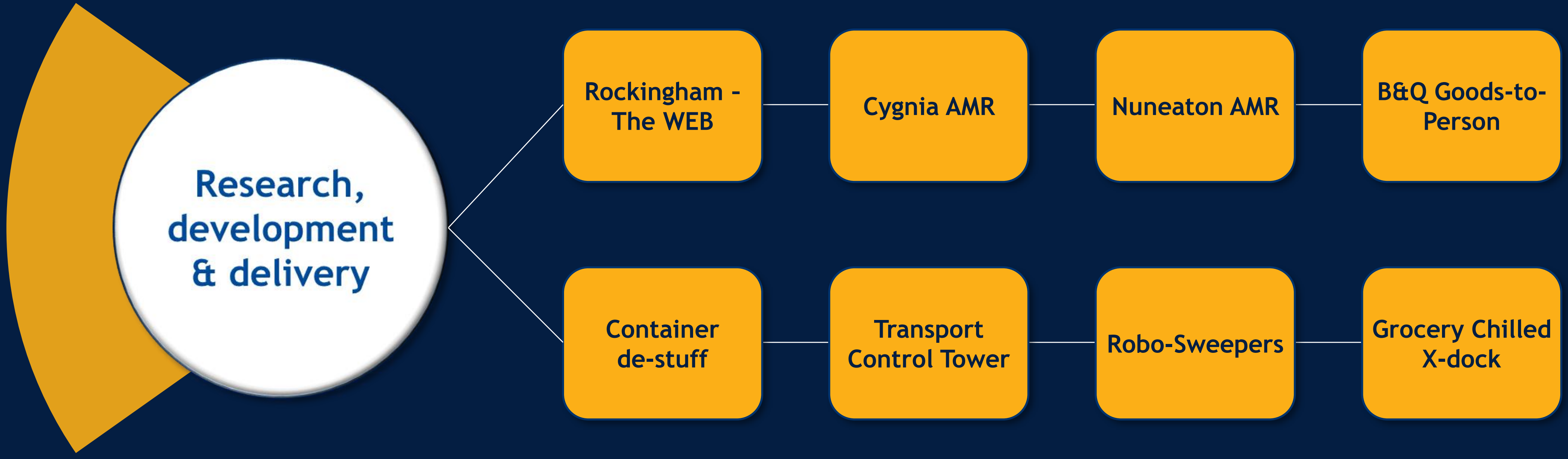
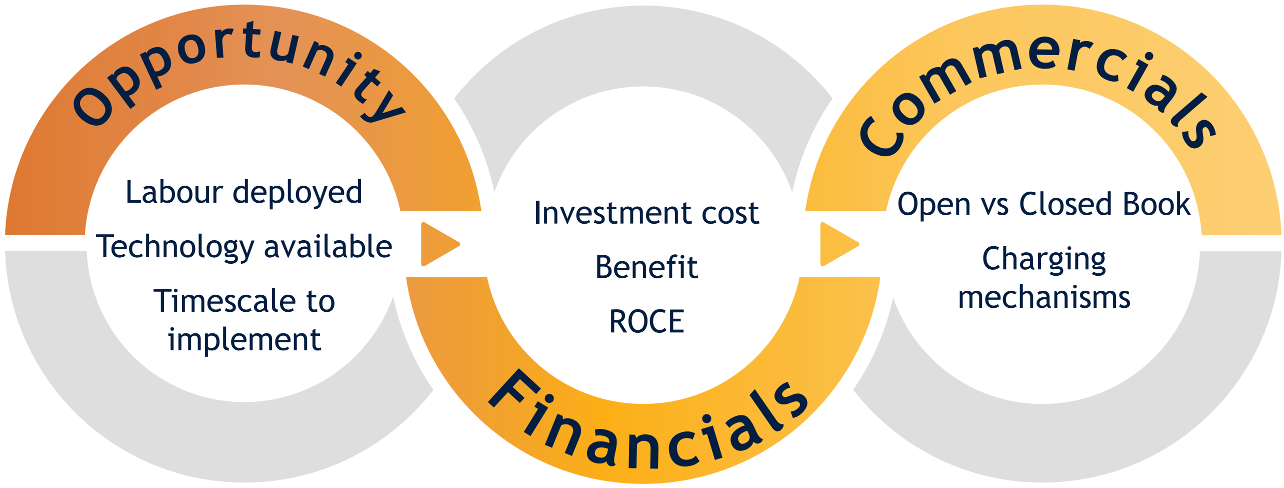
Increasing the pace of Wincanton's technology development – a parallel process



Strategic planning



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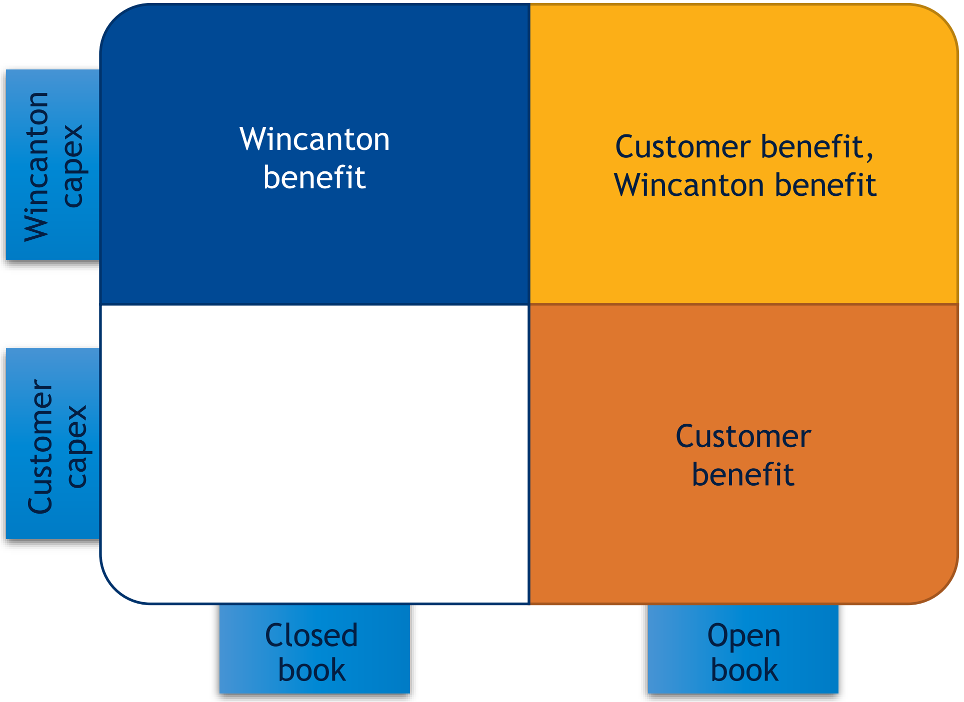
Delivering value for Wincanton from technology

Pricing model	Customer benefit	Wincanton benefit
Open book	Full benefit from investment delivered in lower costs	Low risk R&D with high perceived value delivery for customers
Closed book	Lower prices from productivity improvement, no investment required	Increased margins from investments
Technology priced to open book contract	Lower prices from productivity improvement, no investment required	Margin opportunity in largest proportion of the business

Economic Return on Investment



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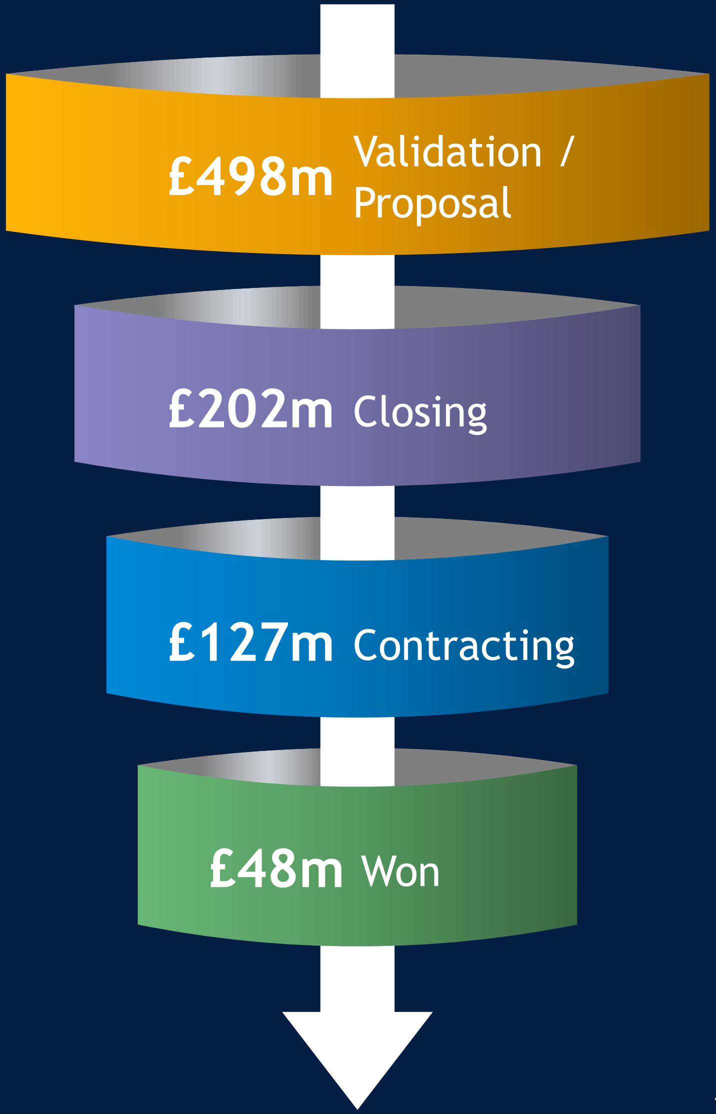
Exciting new business pipeline and industry recognition

THE WHITE COMPANY LONDON | IKEA

gopuff | NEAL'S YARD REMEDIES

CEF YOUR ELECTRICAL EXPERTS | naked wines | HOWDENS



As of October 2022

ECOMMERCE AWARDS 2022 WINNER Best Innovation in Delivery

WINNER SUPPLY CHAIN EXCELLENCE AWARDS 2022 The Best Use of Robotics

NTA National Technology Awards 2022 SHORTLISTED

Logistics Awards Recognising leadership and excellence in logistics 2022 Finalist LOGISTICS UK

RGA RETAIL GAZETTE AWARDS The GAME CHANGERS

THE MOTOR TRANSPORT AWARDS 2022 FINALIST APPRENTICESHIP OF THE YEAR

HR EXCELLENCE AWARDS 2022 FINALIST

ESG – delivering sustainable supply chain value

Roadmap to Net-Zero by 2040

- Engaged with various partners in Zero Emission Road Freight Demonstration (ZERFD) project funding
- Developing solar panel project proposals for warehouse estate

Social value: launched roadmap

- Our culture of care event - 1 November
- People Campus launched
- Part of Birmingham Pride 2022
- Armed Forces Covenant - Silver award
- Inside-out campaign launched

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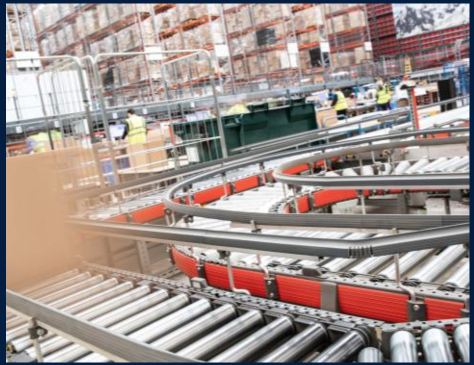

Outlook and summary

Continuing to deliver on our strategy

- Committed to driving growth through sustainable supply chain value, strong pipeline of sales
- Future growth opportunities across all four business sectors
- Healthy cashflow enabling continued investment in people, robotics and innovation
- Resilient performance in H1. Managing macro-economic headwinds; expectations for FY23 underlying PBT in line with market consensus

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Q&A

For more information, see our
[Capital Market Event]

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