



INVESTING IN FUTURE GROWTH

FINAL RESULTS
TO 31 MAY 2017



GROUP OVERVIEW

Results summary: Diversified business model delivered growth

Revenue

£555.8m +19.3%

2017	£555.8m
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2016	£465.9m
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Headline operating profit*

£9.0m +3.4%

2017	£9.0m
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2016	£8.7m
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Headline profit before tax*

£8.5m +2.4%

2017	£8.5m
------	-------

2016	£8.3m
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Headline earnings per share*

14.0p +3.7%

2017	14.0p
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2016	13.5p
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Net debt

£13.0m +31.3%

2017	£13.0m
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2016	£9.9m
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Dividend per share

6.0p +5.3%

2017	6.0p
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2016	5.7p
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* Stated before exceptional items and the net finance cost of the Group's defined benefit pension scheme and the tax effect thereon where relevant

GROUP OVERVIEW

Key highlights

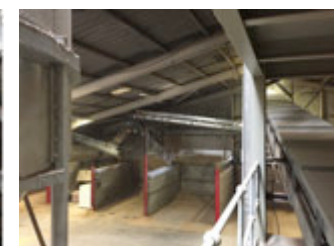
- » Revenue growth in all three divisions
 - » Feeds increased volumes and traded product sales
 - » Food greater activity levels and Palletline growth
 - » Fuels volume growth across the network depots and successful “cold starts” in South East
- » Volatile market conditions
 - » Key commodities and exchange rates
 - » Warm summer and autumn
- » Major strategic investment completed – new feed mills and strong operational platform established
- » Net debt 1.0 x EBITDA
- » Dividend growth of 5% in line with progressive policy



FEEDS - OPERATING HIGHLIGHTS

Investment in a challenging market

- » Investment despite challenging market conditions
 - » Milk prices increasing from a low point, up 31% to 26.9ppl
 - » Milk production falling, down 5%
 - » Ruminant feed market volumes up 1.5% (sheep)
 - » Spot commodities up 17% to March '17 and volatile
- » Maintained market share with increased volumes
- » Northern and Cheshire mill expansions completed
- » Catching up with commodity price increases in a competitive market
- » Acquisitions performing to plan



Revenue

£158.2m +16.5%

2017 £158.2m

2016 £135.8m

Operating profit

£1.5m (28.6%)

2017 £1.5m

2016 £2.1m

Tonnes

589,000 +1.6%

2017 589,000

2016 580,000

FOOD - OPERATING HIGHLIGHTS

Delivering increased activity profitably

- » Wardle at capacity – operating efficiently
- » Service levels maintained at 99.7%
- » Activity levels (loads) over 6% ahead of prior year
- » Palletline distribution service – continued development and additional resources deployed
- » New Mercedes fleet delivering improved mpg and more vehicles on order
- » Contracts being renewed, targeting new business in 2018



Revenue

£39.0m +3.7%

2017	£39.0m
2016	£37.6m

Operating Profit

£3.0m +11.1%

2017	£3.0m
2016	£2.7m

Pallets stored

97,000 -

2017	97,000
2016	97,000

FUELS - OPERATING HIGHLIGHTS

Growth across the depot network

- » Record volume growth to over 500 million litres
- » Warm summer and autumn reduced heating oil demand
- » Growth across the depot network, commercial business offset lower demand for heating oil
- » Solid progress in South East “cold starts” – over 30 million litres
- » Brent crude in the range \$42 - \$57 per barrel



Revenue

£358.6m +22.6%

2017 £358.6m

2016 £292.5m

Operating Profit

£4.5m +15.4%

2017 £4.5m

2016 £3.9m

Volume

513m +8.2%

2017 513m

2016 474m

FINANCIAL REVIEW

Income statement summary

	May 2017 £m	May 2016 £m
Revenue		
Feeds	158.2	135.8
Food	39.0	37.6
Fuels	358.6	292.5
Total revenue	555.8	465.9
Operating profit		
Feeds	1.5	2.1
Food	3.0	2.7
Fuels	4.5	3.9
Headline operating profit*	9.0	8.7
Exceptional items	(1.2)	(1.6)
Operating profit	7.8	7.1
Finance costs	(1.1)	(1.1)
Headline profit before tax*	8.5	8.3
Exceptional items	(1.2)	(1.6)
Net finance costs - DB scheme	(0.6)	(0.7)
Profit before tax	6.7	6.0
Tax	(1.2)	(1.2)
Profit after tax	5.5	4.8
Headline EPS (pence)*	14.0	13.5
DPS (pence)	6.0	5.7
Dividend cover	2.3	2.4
Interest cover (excl pension finance)	18.0	21.8

» Revenue increased by 19.3% - higher activity levels, increased commodity prices in Feeds and Fuels and acquisition contribution

» Headline operating profit of £9.0 million + 3.4% on prior year

» Exceptional costs of £1.2 million (£1.0 million cash impact in year) - restructuring costs in Feeds

» Headline PBT* increased 2.4% to £8.5m

» Record Headline EPS - increased 3.7% to 14.0p

» Full year dividend increased by 5.3% to 6.0p

* Stated before exceptional items and the net finance cost of the Group's defined benefit pension scheme, and the tax effect thereon where relevant

FINANCIAL REVIEW

Balance sheet summary

	May 2017 £m	May 2016 £m
Fixed assets	69.4	64.4
Net working capital	3.5	3.7
Assets employed	72.9	68.1
Pension deficit	(19.9)	(18.3)
Net debt	(13.0)	(9.9)
Deferred consideration	(1.4)	(1.4)
Tax provisions	(0.6)	(1.3)
Provisions	(0.3)	(0.5)
Net assets	37.7	36.7
Net debt : EBITDA	1.0	0.8
Total Assets	138.7	126.0
ROCE:		
Feeds	4.2%	6.9%
Food	11.3%	10.0%
Fuels	45.5%	39.0%
Total ROCE	12.4%	12.9%

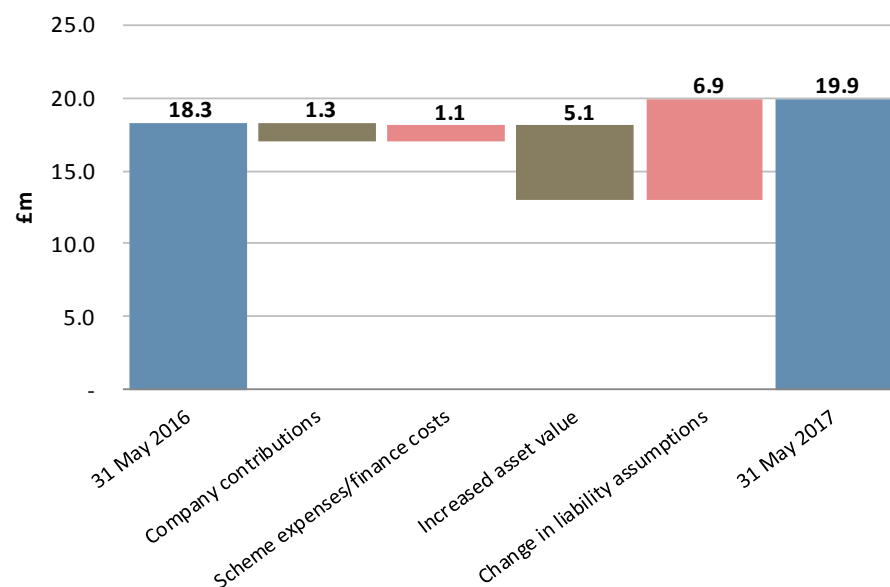
- » Fixed assets increased to £69.4 million as a result of capex (development and replacement spend)
- » Working capital improved by £0.2 million despite increased commodity prices
- » Strong asset underpin - total assets £138.7 million
- » Net debt increased by £3.1 million reflecting capital investment of £9.4 million
- » Net debt: EBITDA 1.0x (2016: 0.8x)
- » Group ROCE reduced slightly to 12.4% - reduced profit and increased capital base in Feeds

FINANCIAL REVIEW

Pension summary

Movement in pension scheme deficit

	May 2017 £m	May 2016 £m
Assets	39.5	34.5
Liabilities	(59.4)	(52.8)
Deficit	(19.9)	(18.3)
Related deferred tax asset	3.4	3.3
Net pension liability	(16.5)	(15.0)
Discount rate	2.60%	3.55%
Inflation rate (RPI)	3.15%	2.90%



- » Single defined benefit pension scheme
- » Closed to new members in 2002 and future accrual in 2016
- » Pension scheme deficit increase of £1.6 million (accounting basis) since May 2016 – primarily impact of discount rate
- » Current recovery plan contributions £1.3 million
- » Triennial valuation at 31 December 2016 – outcome expected in H1 FY18
- » Not constraining investment in Group development

FINANCIAL REVIEW

Cash flow summary

	May 2017 £m	May 2016 £m
Cashflows from operating activities		
Operating profit	7.8	7.1
Depreciation and amortisation	4.2	3.9
Impairment/loss on disposal of fixed assets	-	0.7
Net gain on pension scheme closure	-	(1.3)
Working capital	0.2	5.2
Utilisation of provision	(0.2)	-
Cash contributions to pension scheme	(1.3)	(1.8)
Other	0.1	0.5
Operating cash flow	10.8	14.3
Interest paid	(0.5)	(0.4)
Tax paid	(1.4)	(2.0)
Net cash from operating activities	8.9	11.9
Cash flows from investing activities		
Capital additions (net of receipts from disposals)	(9.2)	(3.4)
Acquisition of subsidiary	-	(7.5)
	(0.3)	1.0
Dividends paid	(2.8)	(2.6)
Repayment of bank borrowings in respect of acquisitions	-	(2.0)
	(3.1)	(3.6)
HP acquired	-	(0.4)
Movement in net debt	(3.1)	(4.0)

- » Headline EBITDA* £13.2 million (2016: £12.6 million)
- » Further sustained improvement in working capital performance
- » Cash contribution to the pension scheme £1.3 million (2016: £1.8 million)
- » Strong cash generation from operating activities of £8.9 million (2016: £11.9 million)
- » Continued good cash conversion ratio of 99%
- » Net capital expenditure of £9.2 million
 - » Development - £5.2 million
 - » Net Replacement - £4.0 million

* Stated before exceptional items and the net finance cost of the Group's defined benefit pension scheme, and the tax effect thereon where relevant

FINANCIAL REVIEW

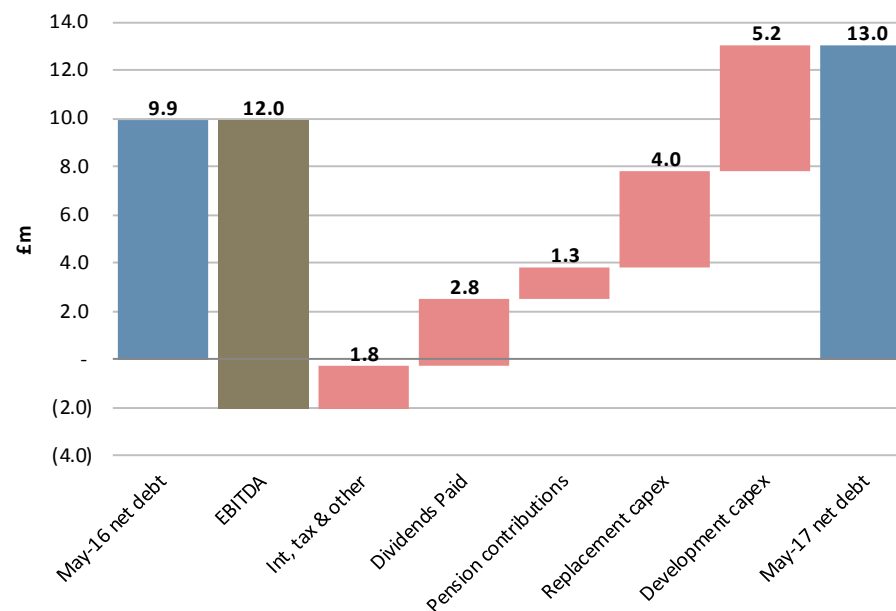
Net debt summary

- » Committed facilities of £65 million with RBS until October 2019
- » May 2017 net debt of £13.0 million, substantial facility and covenant headroom

Facility	Facility	Drawn
Invoice Discounting	£50.0m	£9.8m
RCF/Guarantee	£14.0m	£4.0m
Overdraft/(Cash)	£1.0m	(£1.0m)
Bank facilities	£65.0m	£12.8m
Hire Purchase		£0.2m
		£13.0m

- » Majority of debt in the form of invoice discounting at a rate of Base +1.25%
- » Borrowing covenants:
 - » Net debt : EBITDA
 - » EBIT : Interest cost

Movement in net debt



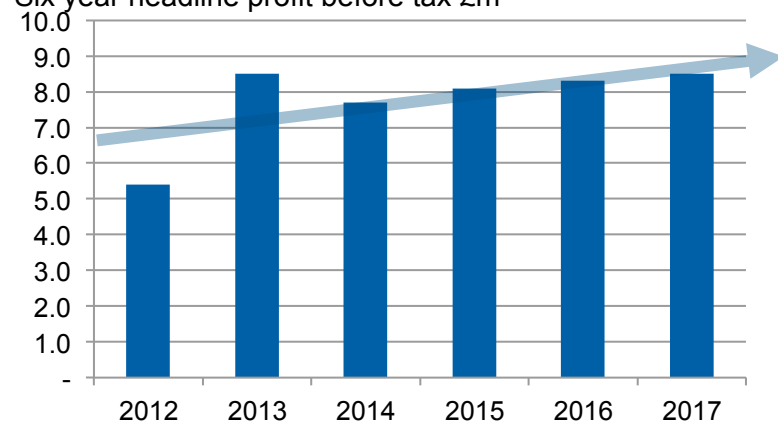
GROUP DEVELOPMENT STRATEGY

Solid platform for growth – good track record

- » Diversified source of earnings delivers resilient growth
- » Solid cash generative businesses in large stable markets
- » Agriculture focus: consolidate the market and broaden offer
- » Fuels development through new start-ups and bolt on acquisitions
- » Food to develop through customer gains and targeted expansion
- » Solid track record and an ambitious Board
- » Focus on total shareholder return – progressive dividend policy

Track record

Six year headline profit before tax £m



FEEDS - DEVELOPMENT STRATEGY

Investing in development

- » Operational platform completed
- » Market prospects underpinned by improved milk prices
- » Agriculture an attractive market for the Group
- » National player with a strong track record

Development Strategy

- » Further market consolidation opportunities – driving market efficiency through lower cost to serve
- » Focus on increasing breadth of offering through organic development and acquisitions

Acquisition criteria

- » Synergy with existing business
- » Development capability
- » Proven management team

Principal feed mills



FOOD - DEVELOPMENT STRATEGY

Delivering service and efficiency

- » Market for ambient groceries challenging but stable
- » Working under contracts with blue chip brands and retailers
- » Delivering products across the UK
- » Warehousing remains in short supply

Development Strategy

- » Maintain service and improve efficiencies
- » Fully utilise the Wardle facility in 2018
- » Continue development of Palletline, exploring geographical expansion
- » Optimise customer mix



FUELS - DEVELOPMENT STRATEGY

Adding depots to a successful network

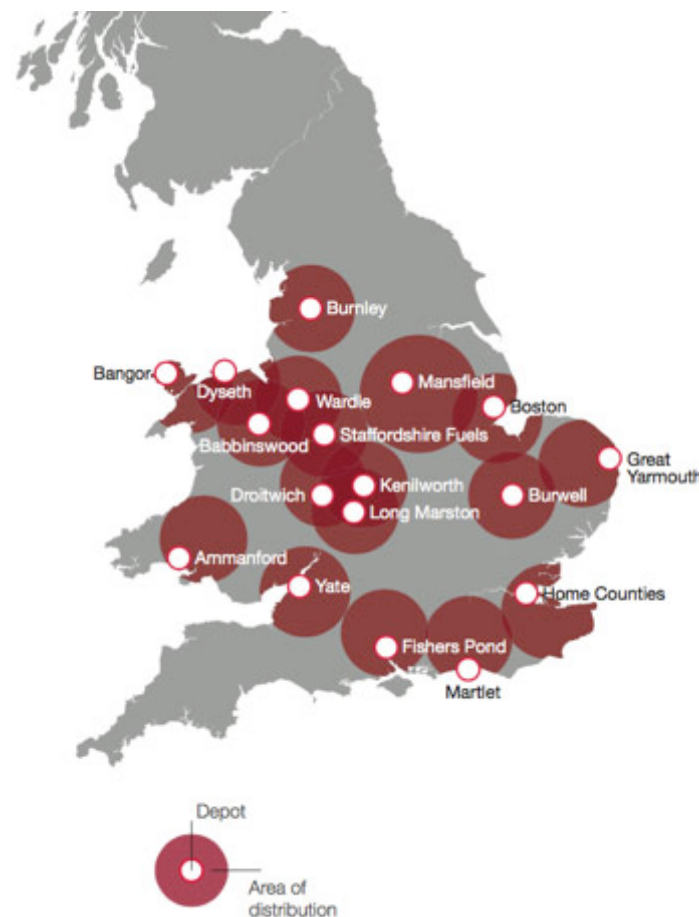
- » Third largest oil distributor in the UK
- » Low cost depot focused operating model
- » Network built predominantly by acquisition
- » Strong track record
- » Low ROS, high ROCE > 20%

Development Strategy

- » Targeting better business balance at depots
- » Targeting bolt-on acquisitions and cold starts

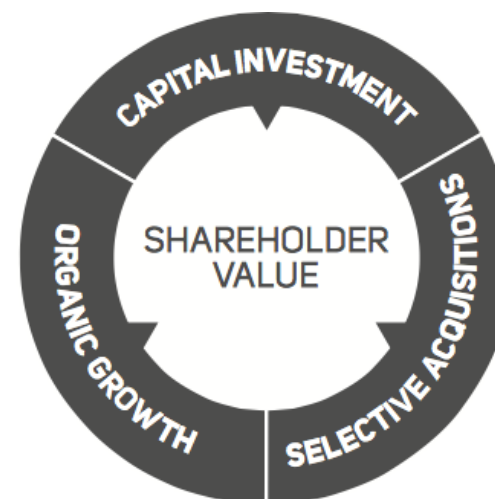
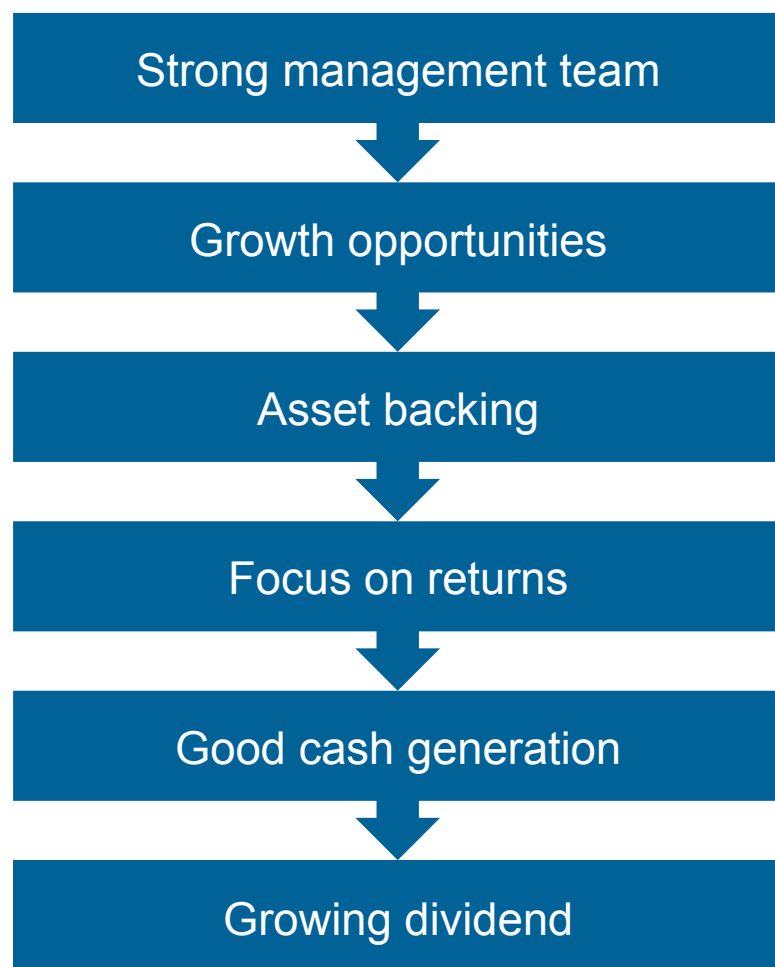
Acquisition criteria

- » Expand existing geographical area
- » Increase business density in an existing territory
- » Well established customer mix



GROUP OVERVIEW

NWF Investment summary



GROUP OVERVIEW

Summary and outlook

- » Revenue growth in all three divisions
- » Diversified business model delivered record earnings per share
- » Major strategic investment completed – new feed mills and strong operational platform
- » Current pricing in line with commodity costs
- » Acquisitions reflect stated strategic intention and performing well
- » Significant financing headroom for investment in growth initiatives
- » Board changes complete from September 2017
- » Brexit:
 - » No changes to the fundamentals of our markets to date
 - » Increased foreign exchange volatility and longer term uncertainty in agriculture
- » Currently trading in line with the Board's expectations



GROUP OVERVIEW

Additional information

- » Business overview
- » Locations
- » Organisation
- » Main site photo
- » Group financial performance
- » Divisional track record
- » Additional market data

BUSINESS OVERVIEW

Feeds

Supply of feed to ruminants in the UK – principally dairy

- » National player – feeds one in six dairy cows in the UK, number two in the market
- » 589,000 tonnes per annum
- » Feed for dairy, beef and sheep
- » Sell added value products including minerals, supplements and fertiliser
- » 4,750 customers
- » 202 people
- » 40 trucks, 21 trailers
- » Compound mills in Cumbria, Cheshire and Devon
- » Blend plants in Cumbria, Cheshire and Devon



BUSINESS OVERVIEW

Food

Consolidation of ambient grocery products to UK Supermarkets

- » 100,000 pallet spaces
- » 800,000ft² of warehousing in Wardle
- » Market leader in the North West
- » 461 people
- » 106 trucks, 229 trailers
- » 99.7% service level
- » 200 customers including Princes & Typhoo
- » Packing room for added value work
- » Palletline member and operation in Cheshire



BUSINESS OVERVIEW

Fuels

Supply of fuels and fuel cards to commercial, domestic and retail customers across the UK

- » Third largest oil distributor in the UK
- » 58,000 customers
- » 215 people
- » 19 depots across the UK
- » Supply 30 retail petrol stations
- » 93 tankers
- » Fuel card marketing
- » 513 million litres per annum



GROUP OVERVIEW

Business Locations

Feeds

Aspatia
Longtown
Wardle*
Wixland

Food

Wardle*

Fuels

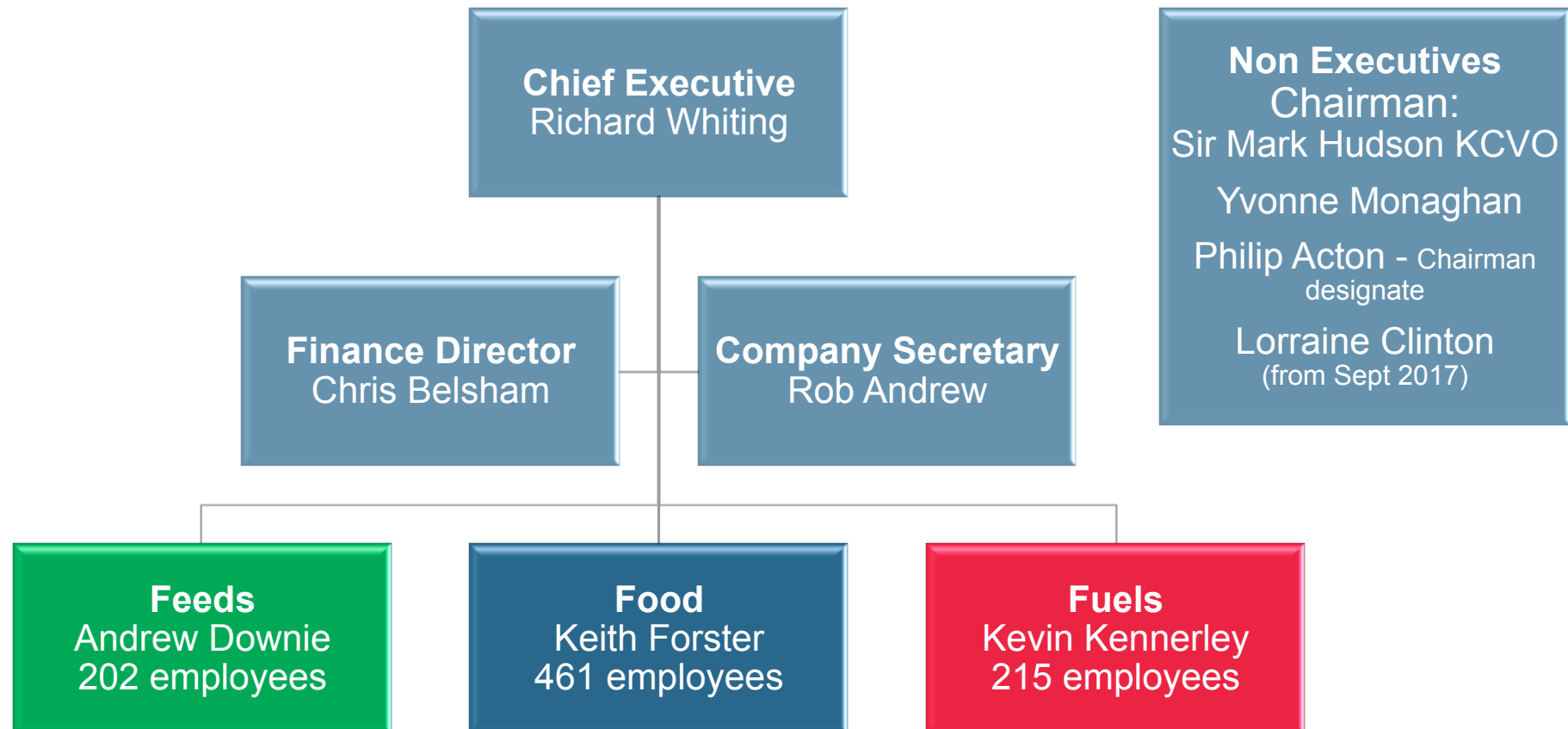
Ammanford
Babbinswood
Bangor
Boston
Burnley
Burwell
Droitwich
Dyserth
Fishers Pond
Great Yarmouth
Home Counties
Kenilworth
Long Marston
Mansfield
Martlet
Staffordshire Fuels
Stoke
Wardle*
Yate

* Wardle = Head office



GROUP OVERVIEW

Organisation



GROUP OVERVIEW

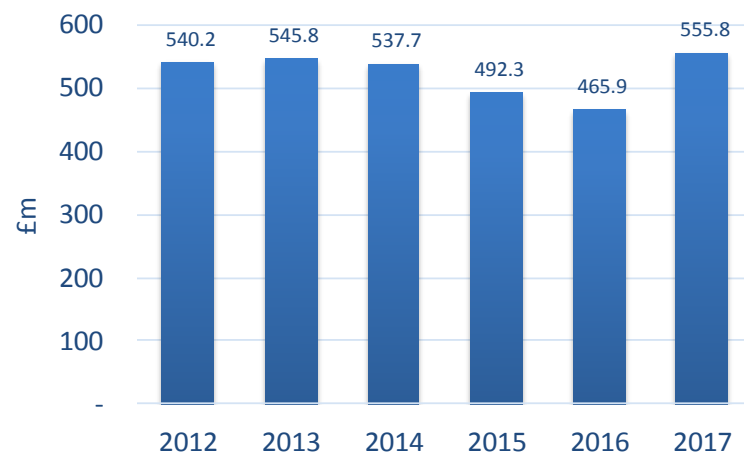
Wardle – Main operating site



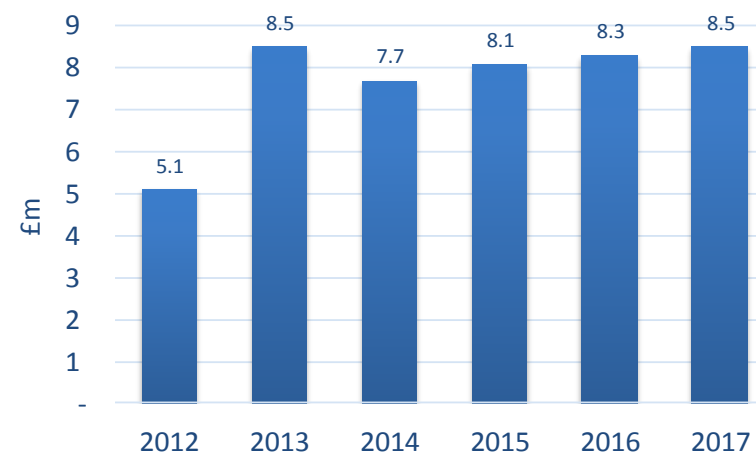
GROUP OVERVIEW

Track record

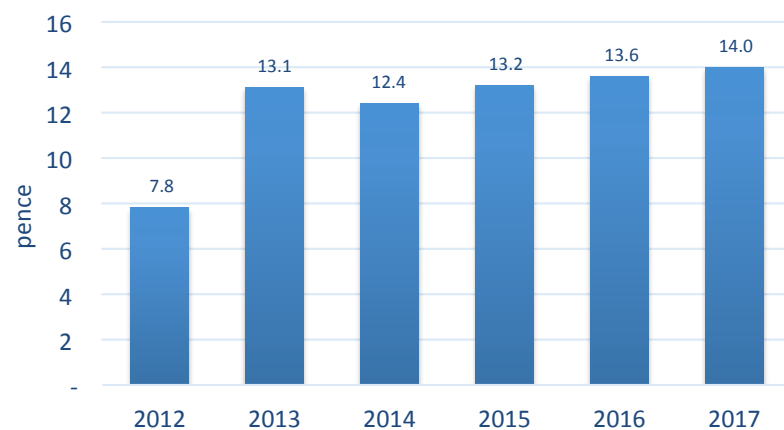
Revenue



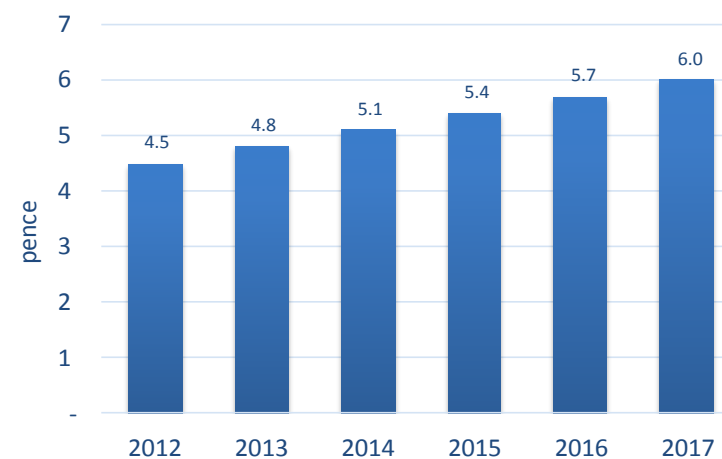
Headline PBT



Headline EPS



Dividend



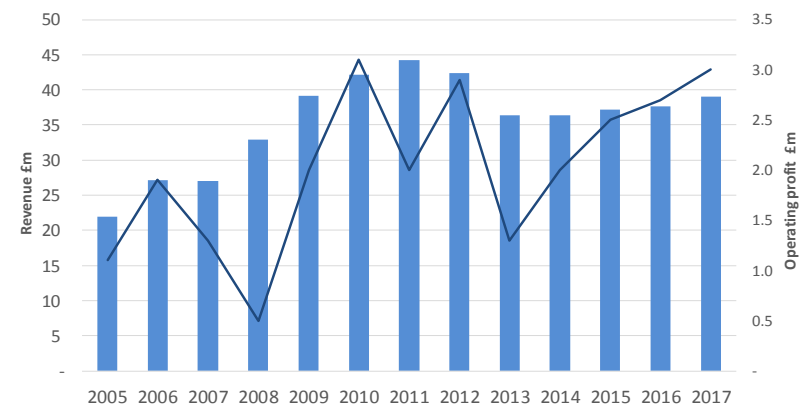
GROUP OVERVIEW

Divisional track record

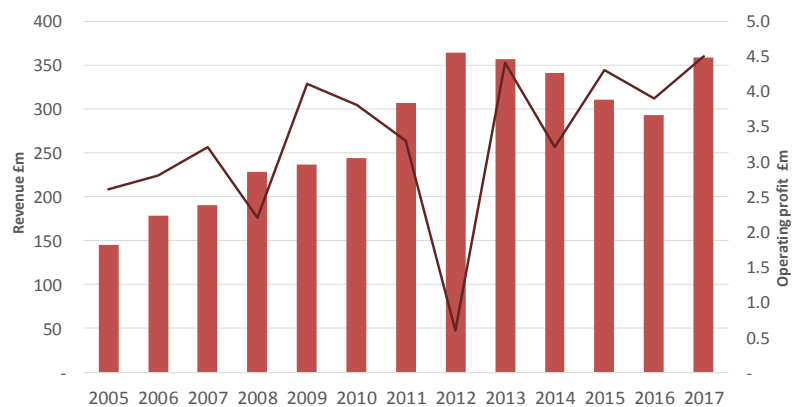
Feeds



Food



Fuels



Key:



GROUP OVERVIEW

Fuels additional market data

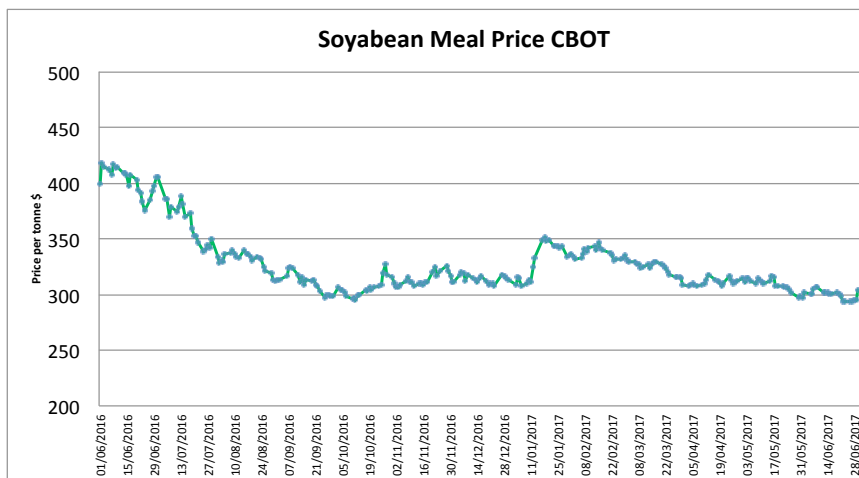
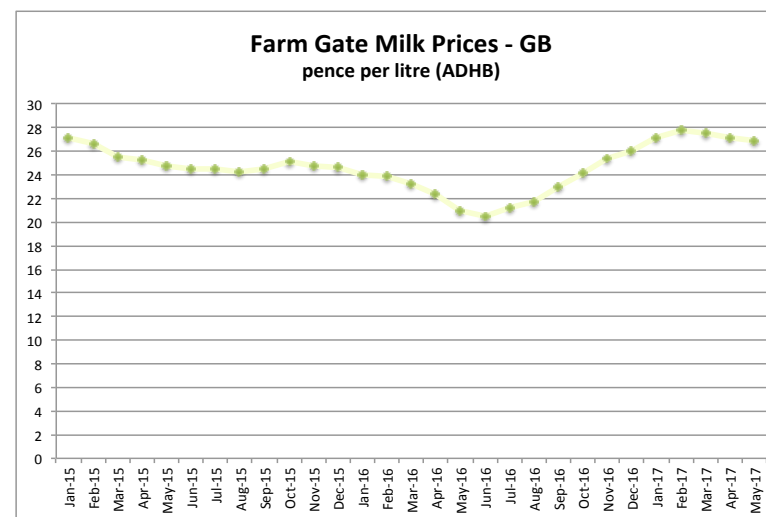
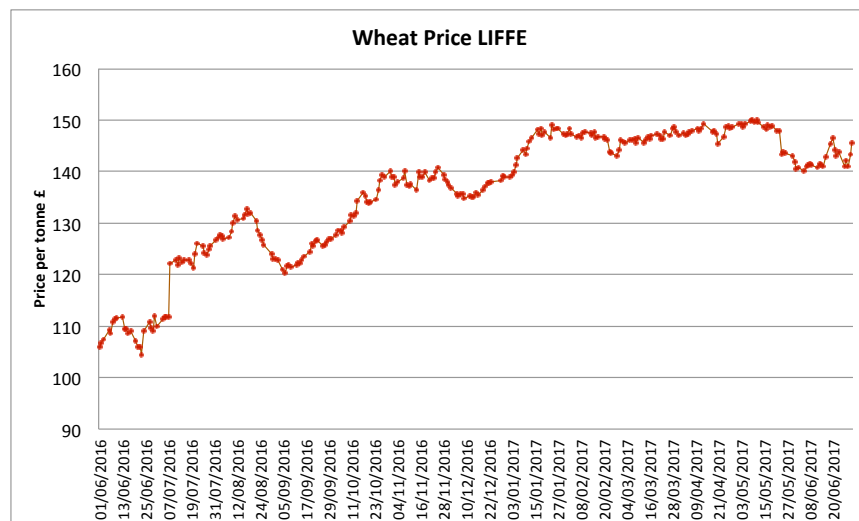
Oil Prices - Brent crude \$ per barrel

Oil Market Journal



GROUP OVERVIEW

Feeds additional market data



GB Market	2013	2014	2015	2016	2017
Milk (Litres)	11.0bn	11.6bn	12.2bn	12.4bn	11.8bn
UK Dairy Herd	1.8m	1.8m	1.9m	1.9m	-
Ruminant Feed Market (tonnes)	5.2m	4.9m	4.8m	4.7m	4.8m
NWF (tonnes)	481k	543k	567k	580k	589k
Market share	9%	11%	12%	12%	12%