Fever-Tree

FY24 Results

25th March 2025



AGENDA

1. FY24 Summary & future opportunity
2. Sustainability
3. Financial Review
4. Strategic update
5. Summary

MIX with the BEST



Key messages

Fever-Tree is in a fantastic position to capture the evolving global opportunity

Broadening global opportunity

- Global trends remain firmly in Fever-Tree's favour
- Fever-Tree is uniquely positioned across all adult socialising occasions, from mixing, to lower ABV options, as well as a premium non-alc alternative.

Transformative partnership with Molson Coors

- Fever-Tree will leverage Molson Coors' national network of US distributors and customers, the scale and strength of their sales and commercial teams, alongside a substantial incremental marketing fund to drive the US opportunity.

Improving quality of earnings

- Increased revenue opportunity, with guaranteed profits and lower working capital requirements, will generate a significant increase in cash generation with an ongoing ability to return cash to shareholders
- Intention to extend the initial buyback programme by £29m to £100m, subject to shareholder approval.



FY24 Strategic Progress

The brand continues to outperform the category across our key regions

US +12%*



- ✓ Nielsen sales growth +15%, significantly ahead of the category[1]
- ✓ Extended our #1 value share in Ginger Beer and Tonic categories to 32% and 27% respectively.

UK -3%*



- ✓ The brand maintained its #1 position by value
- ✓ Non-Tonic products performed strongly and now comprise c.30% of our UK sales as we continue to diversify across adult socialising occasions

Europe 0%*



- ✓ Continue to gain share of the total mixer category and extend our strong lead as the #1 premium mixer[2]
- ✓ Driving the growth of the Ginger Beer category, with c.39% value share[2]

ROW +22%*



- ✓ Fever-Tree is growing well ahead of the mixer category in Australia and Canada, supported by strong marketing activities
- ✓ Good growth in our can format across both markets



*year-on-year Fever-Tree brand revenue growth at constant currency; [1]Nielsen 52 weeks to 28 Dec 2024; [2]Nielsen 2024 top 12 EU markets;

Evolution of the total addressable opportunity for the Fever-Tree brand

Adult socialising occasions

Mixing with spirits





- ✓ There's an increasing interest in good quality ingredients
- ✓ Global spirits continue to grow, take share of TBA and premiumise
- ✓ The brand still has a considerable amount of white space to penetrate globally, both in existing and new markets

Lower calorie & ABV







- ✓ Consumers are more health conscious than ever before, but still want to treat themselves
- ✓ Lower calorie and lower ABV options are becoming increasingly popular

Non-Alcoholic





- ✓ Consumers increasingly want to socialise with both alcoholic and non-alcoholic drinks
- ✓ Flavour, quality and sophistication are just as important for non-alcoholic occasions

No brand is better positioned to capture this fast-growing global opportunity

Adult socialising occasions

Mixing with spirits



Lower calorie & ABV



Non-Alcoholic



#1 premium mixer brand:

- Fever-Tree is the largest premium mixer brand by value across the world, extending our lead against the competition and making us the clear choice for co-promotions and partnerships across a broad spectrum of drinking occasions, with a right to play in adult non-alc occasions.

Broad range and best-in-class innovation:

- Fever-Tree's unparallelled mixer range caters to the full spectrum of spirit categories, including lower ABV options, as well as being a high-quality non-alcoholic option, with a strong innovation track record to continue to deliver against evolving trends.

Route-to-market execution:

- Extensive distribution coverage with strong presence, partners and expertise selling into both the On-Trade and Off-Trade.

Post-period end Fever-Tree announced a strategic partnership with Molson Coors

FEVER-TREE
MIX with the BEST

MOLSON COORS beverage company

Strategic alignment

- Shared vision, belief and commitment to driving Fever-Tree's opportunity across alcohol and non-alcoholic categories
- Establishes Fever-Tree as an important contributor to Molson Coors' Beyond Beer ambitions

Scale & platform

- Molson Coors' national network across the On- and Off-Trade accelerates Fever-Tree's ability to broaden and deepen its distribution in new and existing channels
- High-frequency account visits are ideal for Fever-Tree's rate-of-sale

Step-change in marketing investment

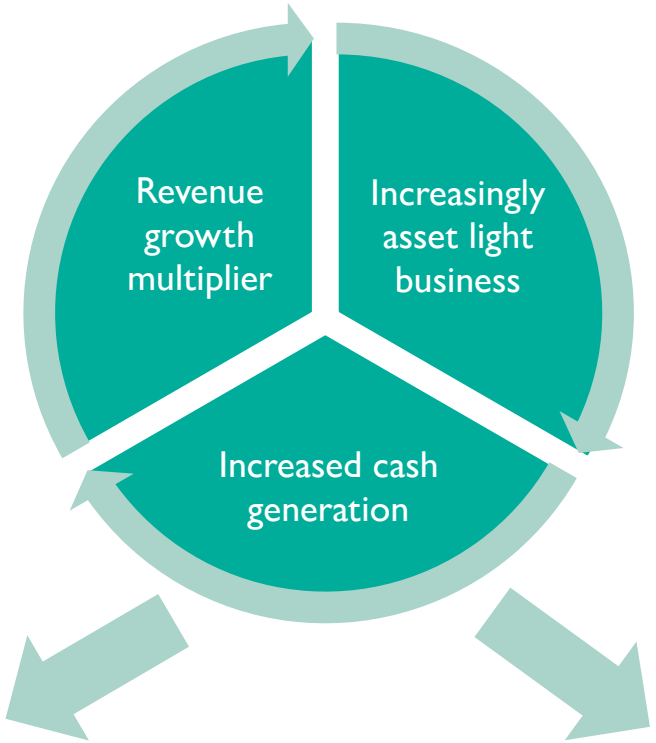
- Substantial incremental marketing fund providing the firepower to drive further brand and category awareness
- Ability to leverage Molson Coors' buying power and strong execution

Local US production

- Molson Coors will manage the onshoring of production over the medium-term, reducing lead times and exposure to trans-Atlantic freight costs, as well as capitalising on Molson Coors' ability to drive operational efficiencies



The new US partnership enhances the Group's earnings quality and cash generation



Retain sufficient cash to drive the global opportunity

Distribute surplus cash to shareholders



Sustainability

Strong progress made across the ESG spectrum in 2024

Climate

- Global corporate & product carbon footprint analyses completed
- 100% renewable electricity used across our operations
- Purchased HVO-ready trucks in the UK
- Climate risk assessment with TCFD report

Circularity

- Conducted first global packaging footprint analysis
- Exploring options to increase recycled content in packaging

Communities

- Winners at the Drinks Sustainability Awards for Tiny Forest partnership with Earthwatch and Mitchells & Butlers
- US On-Trade holiday and retail activations supporting One Tree Planted
- Water stewardship strategy advanced

Conservation

- Launched Fever-Tree's Human Rights Charter for priority supply chains
- Funded 'Power of Everyone' malaria behaviour change campaign, reaching 11.45 million people in Kenya
- Fifth year of Future Frontiers mentoring programme

Colleagues

- DEI working groups formally set up across our key markets
- Established "Green Team" employee resource group

Financial Review



FY24 Financial Highlights

REVENUE

Fever-Tree Brand:
£364.0m ↑ **4%** constant currency

Total Group:
£368.5m ↑ **3%** constant currency

- Gaining market share across our key regions
- Acceleration to +7% revenue growth at constant currency in H2 for the Fever-Tree Brand
- Double digit US growth at constant currency

PROFITABILITY

Gross profit: £138.4m ↑ **18%**
Margin 37.5% ↑ **540bps**

Adj EBITDA[1]: £50.7m ↑ **66%**
Margin 13.7% ↑ **530bps**

- Delivered strong gross margin recovery and Adjusted EBITDA +66%
- Exceptional items of £5.0m ahead of transition to US strategic partnership

CASH GENERATION

Working Capital 20.3% of net revenue
Op. Cash flow 150% of Adj EBITDA

Net cash: £96.0m ↑ **60%**

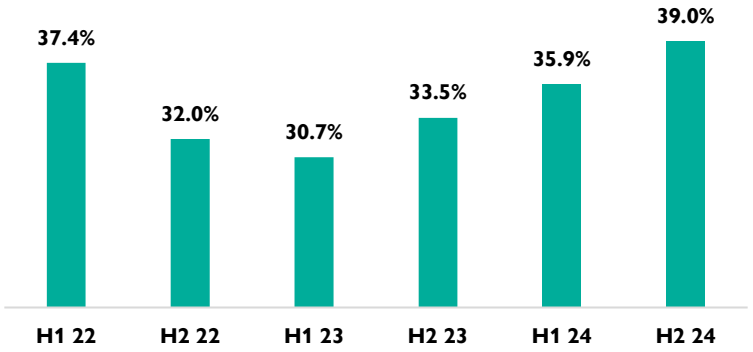
- Strong working capital improvement drove 150% operating cash flow conversion
- Net cash +60%
- Announcing final dividend +2% and £29m extension of share buyback programme to run to end of year

[1]Adjusted EBITDA is earnings before interest, tax, depreciation, amortisation, share based payment charges, exceptional items and finance costs

Strong margin recovery in line with expectations

£m	FY24	FY23	Change
FT Brand Revenue	**364.0**	**353.6**	**+3% *(+4% cc)***
Total Group Revenue	**368.5**	**364.4**	**+1% *(+3% cc)***
Gross profit	**138.4**	**117.0**	**+18%**
Gross margin	*37.5%*	*32.1%*	**+540 bps**
Operating expenses	**(87.7)**	**(86.5)**	**+1%**
% of revenue	*23.8%*	*23.7%*	**+10 bps**
Adjusted EBITDA[1]	**50.7**	**30.5**	**+66%**
Adjusted EBITDA margin	*13.7%*	*8.4%*	**+530 bps**
Operating profit	**32.8**	**20.8**	**+57%**
Profit before tax	**35.5**	**22.2**	**+60%**
Diluted EPS (pence per share)	20.85	13.18	**+58%**
Normalised EPS (pence per share)	28.01	15.37	**+82%**
Dividend (pence per share)	**16.97p**	**16.64p**	**+2%**

- **Gross margin improved significantly through the year:**
  - Driven by improved glass costs, recalibrating trans-Atlantic freight costs and net price increases taken with customers and distributors
  - Continued gross margin recovery through year



- Within operating expenditure:
  - Marketing spend increased to 9.4% of Fever-Tree brand revenue (9.2% of Group revenue)
- Exceptional Items:
  - US – relates to the wind down of primary US bottling relationship and advisory fees ahead of transition to strategic partnership with Molson Coors

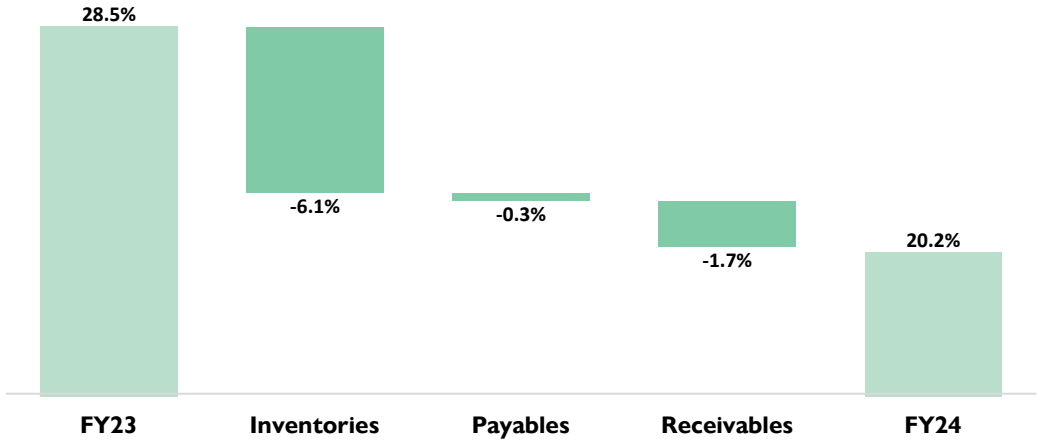
[1]Adjusted EBITDA is earnings before interest, tax, depreciation, amortisation, share based payment charges, exceptional items and finance costs

Working capital optimisation drove cash generation

£m	FY24	FY23
Working capital	**75.0**	**103.8**
- Inventories	45.8	67.6
- Trade and other receivables	86.1	91.5
- Trade and other payables	(57.0)	(55.3)
% of LTM revenue	*20.3%*	28.5%

£m	FY24	FY23
Cash generated from operations	***75.9***	**4.6**
Operating cash flow conversion	***150%***	***15%***
All other movements	(34.9)	(40.0)
Net cash flow	**36.1**	**(35.4)**
Cash at beginning of period	**59.9**	**95.3**
Cash at end of period	**96.0**	**59.9**

Working capital as % of LTM revenue FY23 vs FY24:



- Significant improvement in working capital driven by inventory optimisation as we leverage technology programme
- Working capital improvement drove improved operating cash flow conversion which led to a +60% increase in net cash held to £96.0m
  - Recommending a final dividend of 11.12p (+2% YoY)
  - Extending share buyback programme by £29m, resulting in up to £100m returned to shareholders in 2025

Molson Coors partnership recap

License Agreement	• **Long term agreement** with option to extend subject to performance criteria • The **key elements** of the partnership will be **managed by a governance committee** composed of an **equal number of representatives** from Fever-Tree and Molson Coors senior management • Fever-Tree **retain control of brand identity, vision and innovation**
Pro Forma P&L impact	• The partnership P&L will sit within Molson Coors' financials under the licence agreement • Fever-Tree will recognise their share of the profit generated under the partnership via a royalty fee invoiced to Molson Coors • This will **impact the shape of Fever-Tree's statutory P&L** and so we will provide reconciliations to allow **revenue and EBITDA margin to be reported on a consistent basis** to historic disclosures and allow for a clear understanding of underlying performance going forward • Molson Coors have **guaranteed a proportion of Fever-Tree's share of profits from 2026 to 2030** based on an agreed business plan, which **underpins confidence in the opportunity** for both parties and **significantly de-risks US P&L** progress for Fever-Tree
Sale of Fevertree USA Inc	• Molson Coors have acquired 100% of the share capital of the local US trading subsidiary for consideration of $23.9m in cash • This **assists with the transition** of working capital, employees and existing relationships & operations to Molson Coors • Fever-Tree IP remains with Fevertree Limited in the UK
Equity investment & Buy-back	• To **underpin the long-term relationship**, Molson Coors have acquired an 8.5% shareholding in Fevertree Drinks plc issued for cash consideration of £71m • Fever-Tree **have commenced a share buyback programme** of up to £100m • **Strong balance sheet + improved working capital profile and cash generation going forward** will allow Fever-Tree to **drive the global opportunity** alongside the **potential for further shareholder returns beyond this initial buyback**

Partnership P&L – clear opportunity to drive profitability improvements

The Fever-Tree brand P&L will sit within Molson Coors' financials going forward under the licence agreement:

- Molson Coors will invoice US customers / distributors
- Fever-Tree will report on US brand revenue as per the partnership P&L to allow consistency with historic reporting

	Subsidiary P&L		Partnership P&L
	Fever-Tree's financials under Subsidiary Model	*Moves to*	Molson Coors' financials under Licence Agreement
Net revenue	X		X
Gross Profit	X		X
Marketing spend	(X)		(X)
Staff & other costs	(X)		(X)
EBITDA	X		X
Partnership EBITDA shared based on agreed % split:			
Fever-Tree share extracted via Royalty fee			X
Molson Coors retained profit			X

Production

- Molson Coors will manage the onshoring of US production over an initial period
- This **de-risks the transition to local US production** for Fever-Tree, unlocking **economies of scale** whilst **reducing exposure** to Trans-Atlantic freight costs and potential tariffs, **driving a material improvement in the Partnership P&L gross margin**

Brand & Marketing

- Whilst Fever-Tree **retains control of the brand**, marketing execution will sit with Molson Coors. All marketing expenditure sits within the partnership P&L
- Both parties have agreed to **deploy a substantial incremental marketing fund** over the initial period of the partnership

Staff costs

- Partnership staff costs include a focused Fever-Tree brand team within Molson Coors as well as an allocation from the wider Molson Coors organisation – allowing access to a national sales team footprint more cost-effectively than under the subsidiary model

Profit share

- The partnership EBITDA will be shared on a contractually agreed basis with both parties receiving a broadly equal share of earnings
- **Molson Coors have guaranteed a proportion of Fever-Tree's share of profits from 2026-2030 based on an agreed business plan.**

The EBITDA margin of the partnership P&L is expected to increase significantly over the medium-term:

- There will be an initial period of investment as we transition distribution and operations and deploy the incremental marketing fund
- Followed by increasing local US production levels and leveraging of Molson Coors economies of scale, operational efficiencies and procurement power

Medium-term Outlook

Reiterating guidance provided in January:

2025	• Low single digit revenue growth for Group • Short term EBITDA impact due to US transition
2026	• Double digit revenue and EBITDA growth for Group • Upweighted US marketing spend reduces Royalty fees from US
2027 onwards	• Uplift in Group revenue and EBITDA over medium term as benefits of partnership with Molson Coors are fully leveraged

The above guidance does not include the impact of potential US tariffs. Should tariffs be levied, Fever-Tree's share of the associated costs would impact royalty fee income from Molson Coors in 2025 and 2026. From 2027 onwards the Group is confident that the on-going impact of US tariffs would be materially mitigated by a combination of on-shored US production and the profit guarantee mechanism.

Other key metrics:

Other operating expenses:

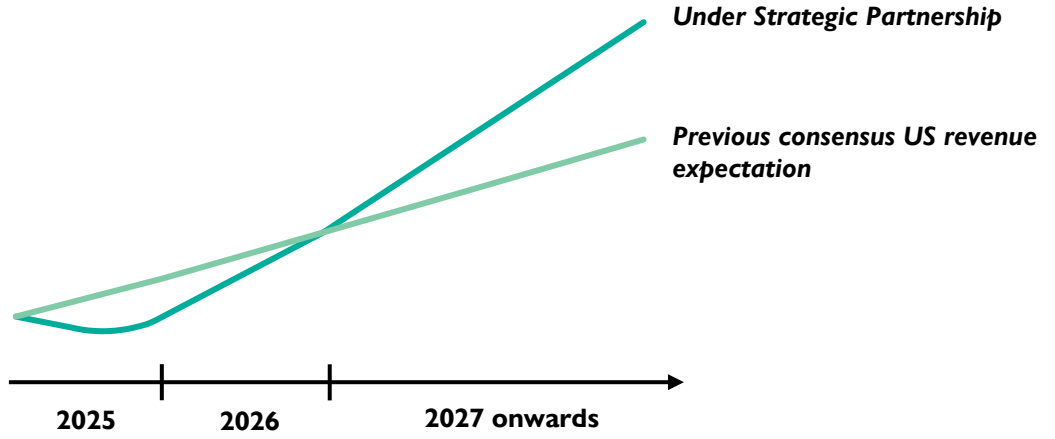
- Depreciation c. £4.0m
- Amortisation c. £5.0m
- Share Based Payment Charges c. £5.0m

Net interest income c. £3.0m

Tax underlying c. 25% ETR

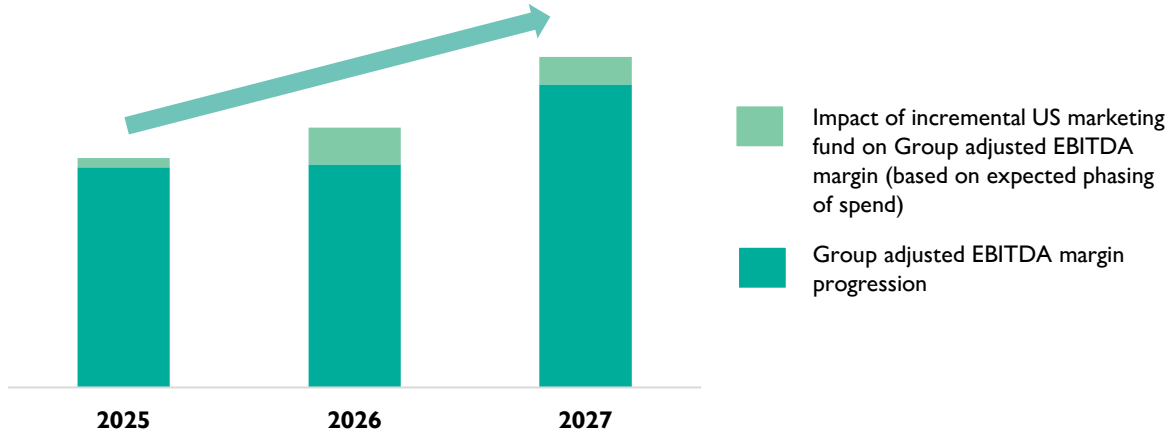
Accelerating the US growth trajectory:

US Brand revenue: *FY25 transition year followed by acceleration*



Investing in the brand to drive US growth:

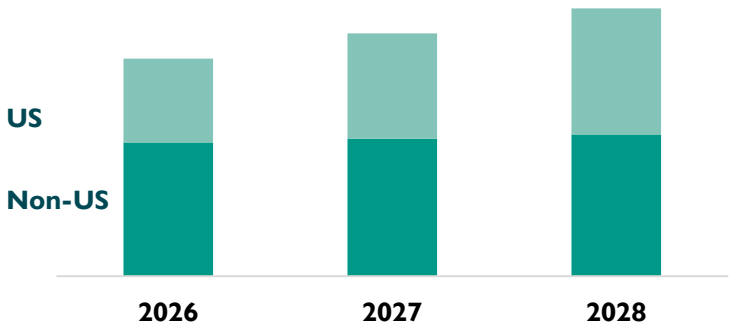
Expected Group Adjusted EBITDA margin % progression:



Enhanced Quality of Earnings over the medium term

REVENUE

Group adjusted revenue in GBP:

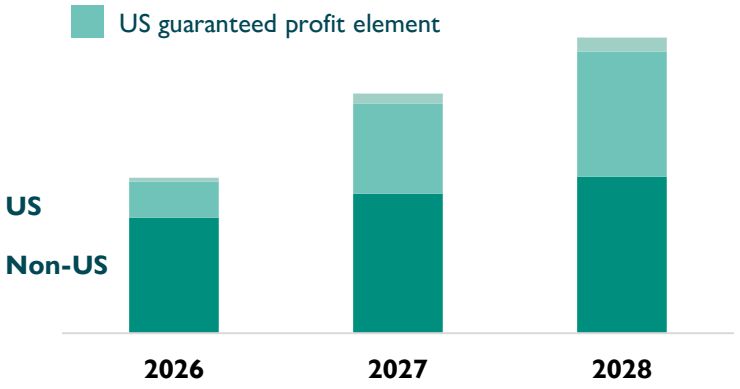


Strong Group revenue growth

- Molson Coors partnership **underpins US revenue delivery with potential for double-digit US growth CAGR** over the medium-term

PROFITABILITY

Group adjusted EBITDA in GBP:

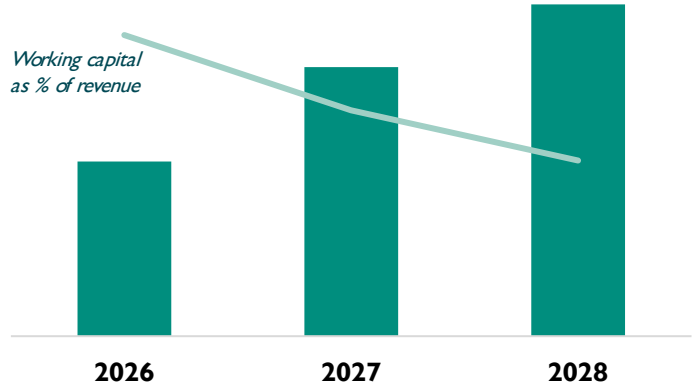


EBITDA grows ahead of revenue

- US profit trajectory **de-risked**:
  - Leverage Molson Coors operational expertise and economies of scale to onshore US production
  - **Guaranteed level of US profits from 2026 to 2030** based on agreed business plan

CASH GENERATION

Group operating cash flow in GBP:



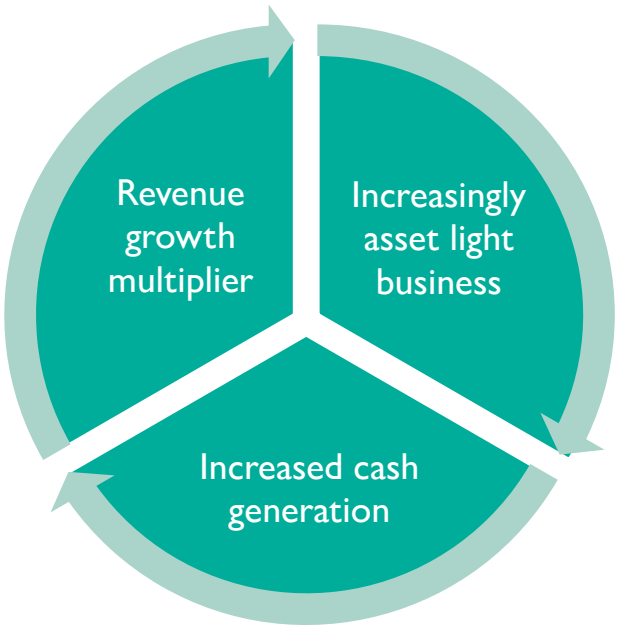
Cash grows ahead of EBITDA

- US local **working capital funded by Molson Coors**, Group working capital reduces as US production is on-shored

Asset-light, cash compounding business model

Increased cash generation enables further opportunities to drive global growth, alongside returning cash to shareholders

Enhanced quality of earnings & cash generation



Capital Allocation framework

Invest in the global opportunity

- Retain cash to drive the global opportunity
- While we remain focused on organic growth, we remain vigilant to M&A opportunities that would assist in the delivery of our global growth strategy

Distribute surplus cash to shareholders

- Significant ongoing opportunities to return cash to shareholders
- Intending to extend the current share buyback programme by £29m, resulting in up to £100m returned to shareholders in 2025

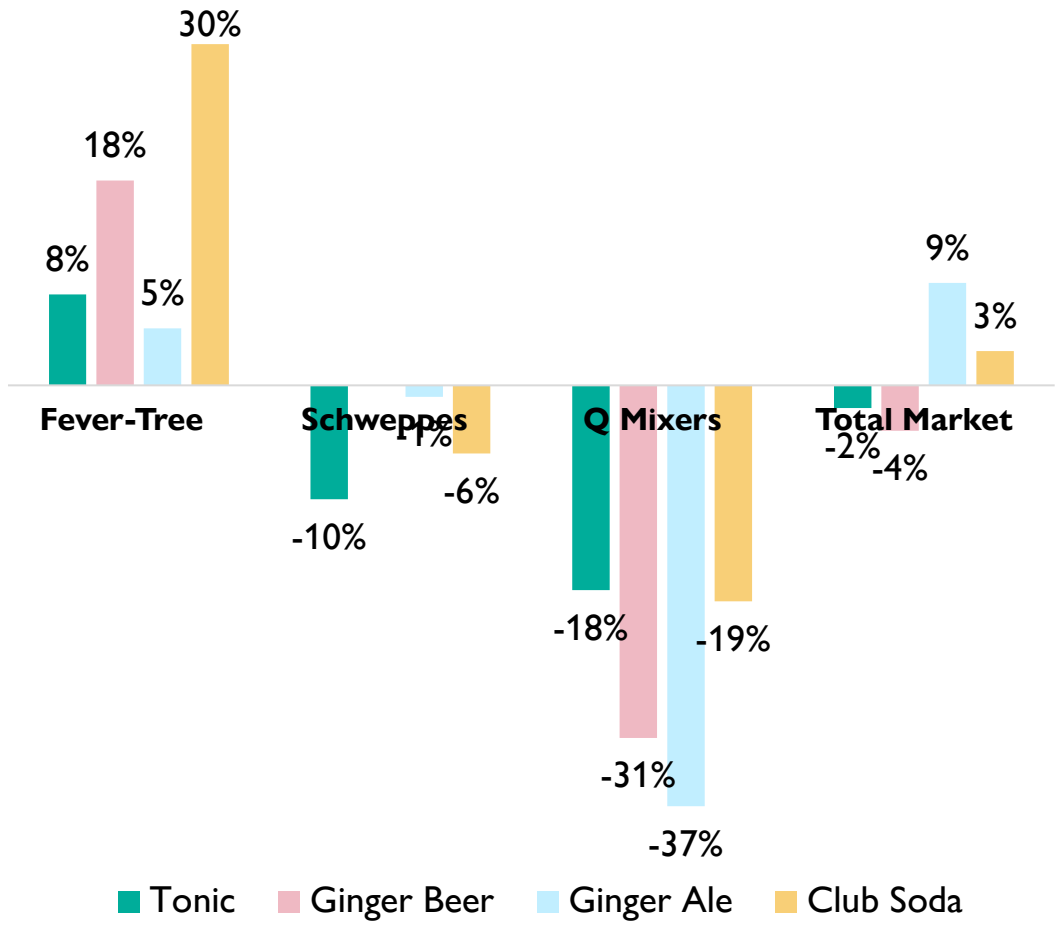
Strategic update



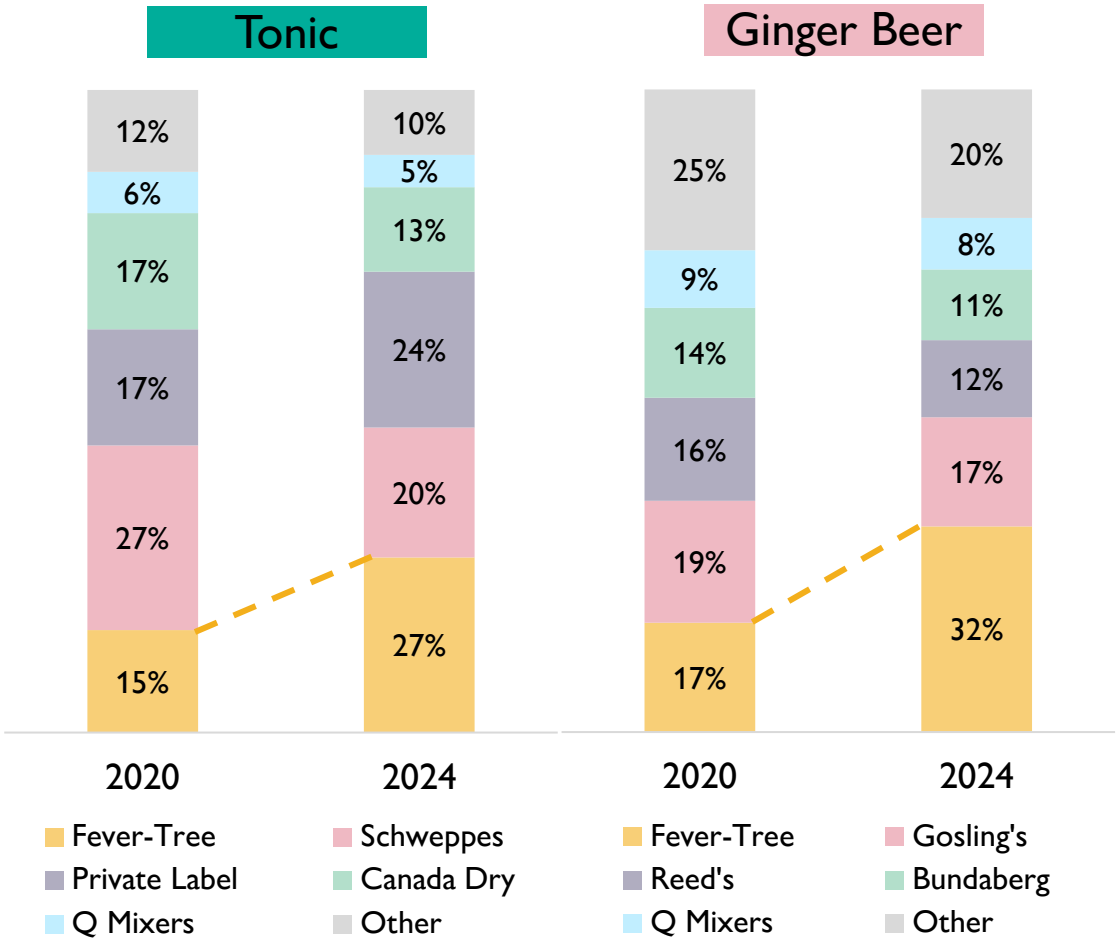
US: FY24 review

Fever-Tree continues to significantly outperform its competitors, gaining market share

Mixer sales growth by brand and category[1]
2024 vs 2023, % change



Fever-Tree value share gains 2020-2024[1]
% share



Source: [1]Nielsen 52 weeks to 28 Dec 2024

US: The partnership with Molson Coors increases Fever-Tree's addressable opportunity

The Molson Coors system will step-change Fever-Tree's reach and execution

National distribution

Supply chain expertise

Fantastic team, execution and thought leadership

> 500,000 accounts serviced, across the On- and Off-Trade

> 400 distributors & > 5,000 merchandisers

~30,000 deliveries a day

Strong category and revenue management

Sales analytics, insights and data

MOLSON COORS beverage company

Core opportunity



TONICS

SPARKLING

GINGERS

GROCERY

LIQUOR

ON-TRADE

Future opportunity



COCKTAIL MIXERS

NON-ALC & ADULT SOFT DRINKS

RTDs

GROCERY

LIQUOR

ON-TRADE

CONVENIENCE

MASS MERCH

US: The strategic partnership with Molson Coors creates a revenue growth multiplier

FEVER-TREE + MOLSON COORS beverage company

Distribution Breadth	×	Distribution Depth	×	Velocity
Number of Accounts ⬆		**Products per Account** ⬆		**Rate of sale per product** ⬆

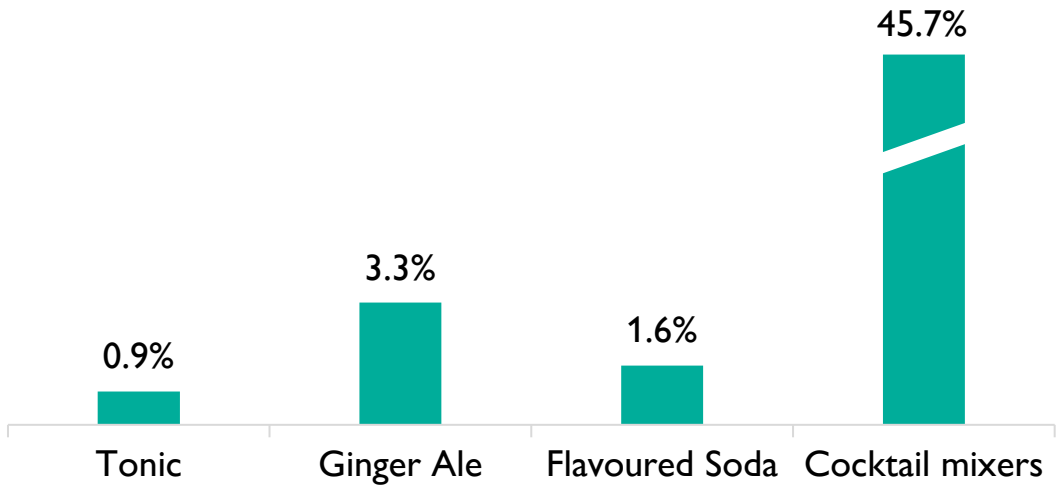
- Molson Distribution platform
  - 400 independent distributors
  - Servicing 500,000 accounts
  - Making 30,000 deliveries a day
- Leverage senior customer relationships and category management capabilities
- Significant white space remains to drive distribution breadth and depth across the core premium mixer opportunity
- Perfect platform to drive adjacent opportunities such as non-alc and RTD

- Leverage increased visit frequency, category management and merchandising capabilities
  - Improved placement in store
  - Increased off-shelf space
  - Increased availability on shelf
- Step change in marketing spend to drive brand awareness

UK: FY24 review

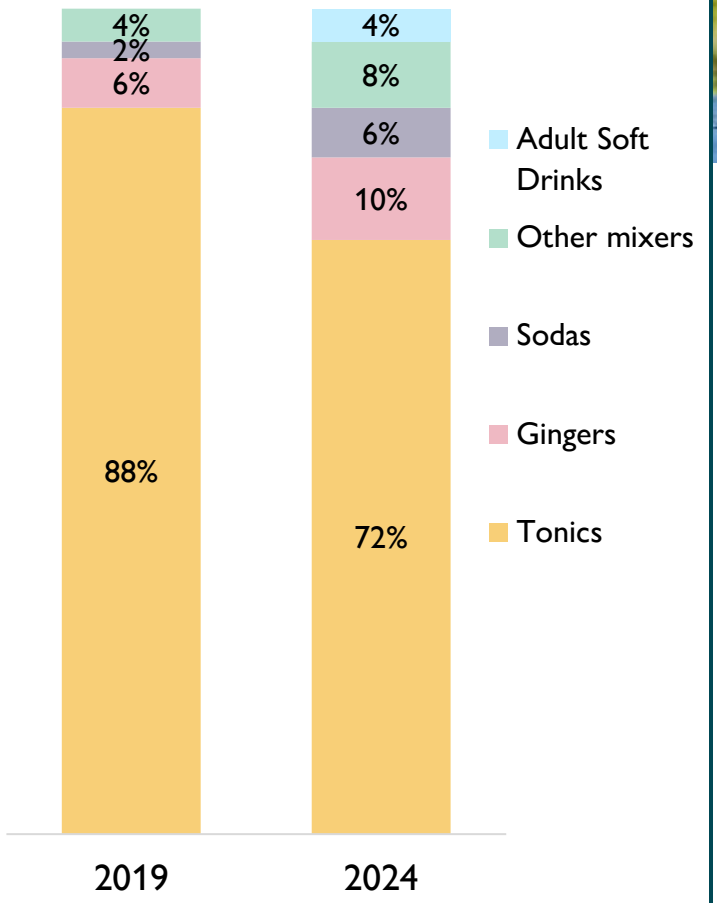
The brand continues to outperform and diversify its portfolio to cater the most popular adult drinking occasions

Fever-Tree outperformance by category[1]
Fever-Tree growth vs total category growth, % YoY



- The Fever-Tree brand declined by 3% in the UK as Tonic performance was impacted by continued Gin category declines and a subdued consumer environment
- However, the Fever-Tree brand remain strong as we retained our position as the **#1** mixer brand by value in the UK across *all mixer sub-categories*[2]

Fever-Tree revenue contribution by category
% sales





Successfully diversifying beyond Tonics:

- Fever-Tree's non-Tonic sales have increased by **14%** CAGR over the last 5 years
- Our Adult Soft Drink sales grew by **8%** year-on-year
- Our Cocktail Mixer range grew sales by **>80%** year-on-year

Source: [1]IRI 52 weeks to 22 Dec 2024; [2]IRI 52 weeks To 22 Dec 2024 & CGA OPMS Data MAT to 28 Dec 2024

UK: Fever-Tree has a unique position at the heart of adult socialising occasions

Inherently "adult" and increasingly blurring the lines between alcohol and non-alcoholic occasions

Significant popularity and penetration



- #1 mixer brand by value in both the On-Trade and Off-Trade
- Higher UK household penetration than any other beer, wine, spirit or mixer brand
- Voted #1 trending & #1 best selling global mixer for the 11th year running

Premium, high-quality positioning



- Unrivalled focus on the best quality ingredients from around the world
- Clearly differentiated products with premium ingredients, packaging and price
- Enhances category margins, benefitting our customers

Best-in-class innovation



- The brand has revitalised the category through innovation from the beginning
- Widest range of formats and flavours of any UK mixer brand
- Continue to diversify our portfolio to cater to the latest drinking trends

Desired partner for multiple TBA brands

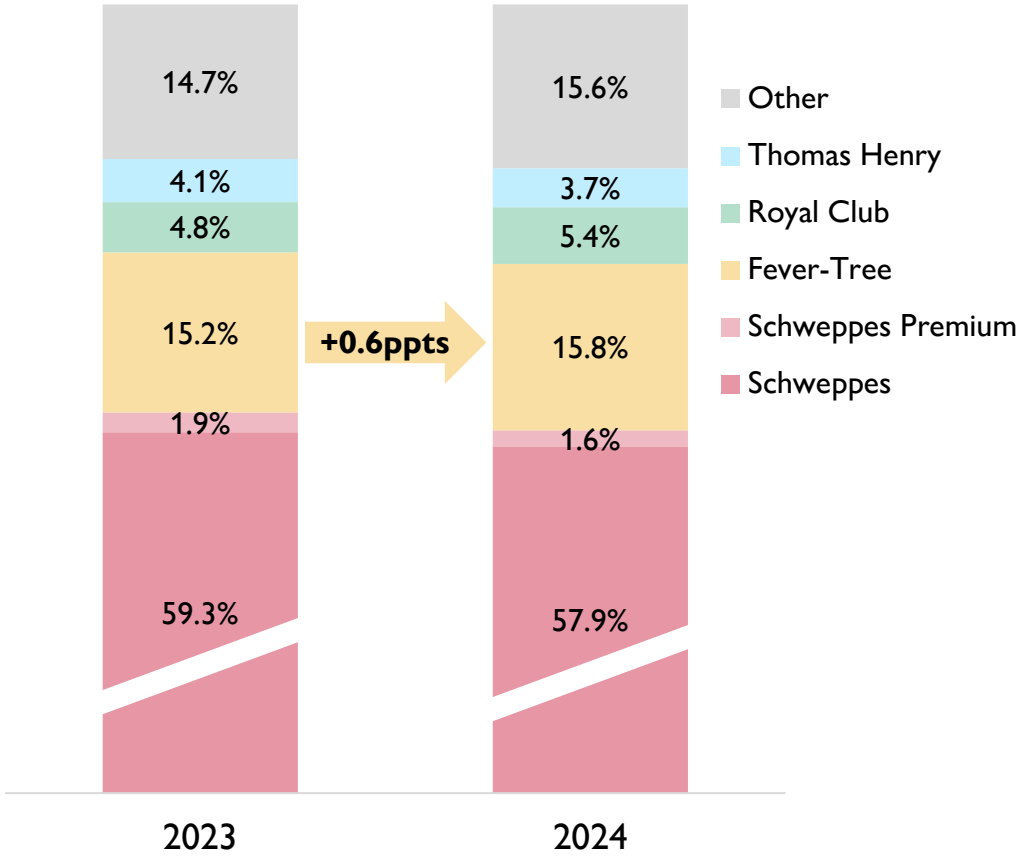


- Fever-Tree's position as the #1 mixer brand by value, with the broadest distribution and most diverse portfolio makes us the top choice for co-promotions
- Recent examples: Mirabeau Rose wine Spritz & our new Blood Orange Spritz RTD with Papa Salt Gin

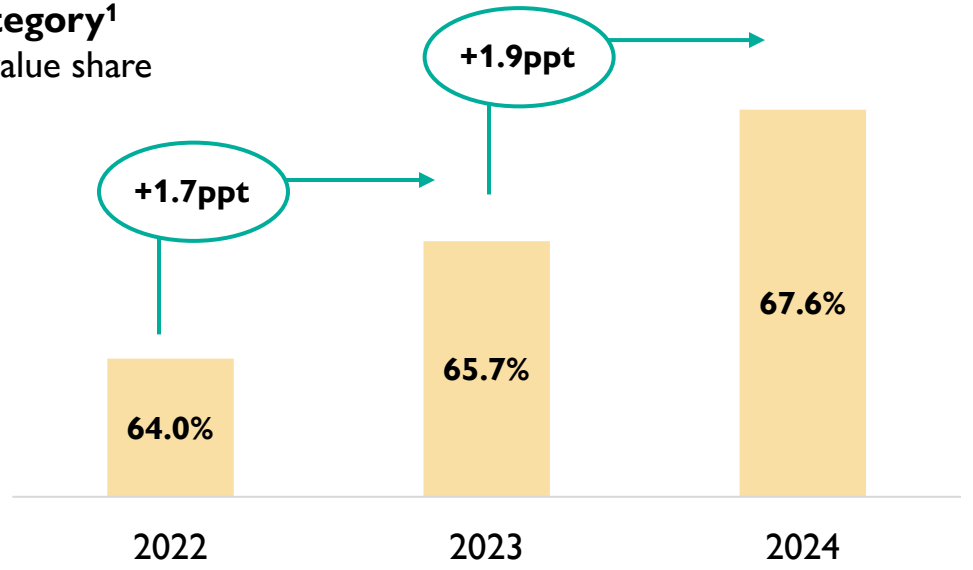
Europe: FY24 review

Fever-Tree continues to gain value share of the total mixer category and extend its position as the #1 premium brand

European retail branded mixer value share[1]
% value share



Fever-Tree value share of the European premium mixer category[1]
% value share



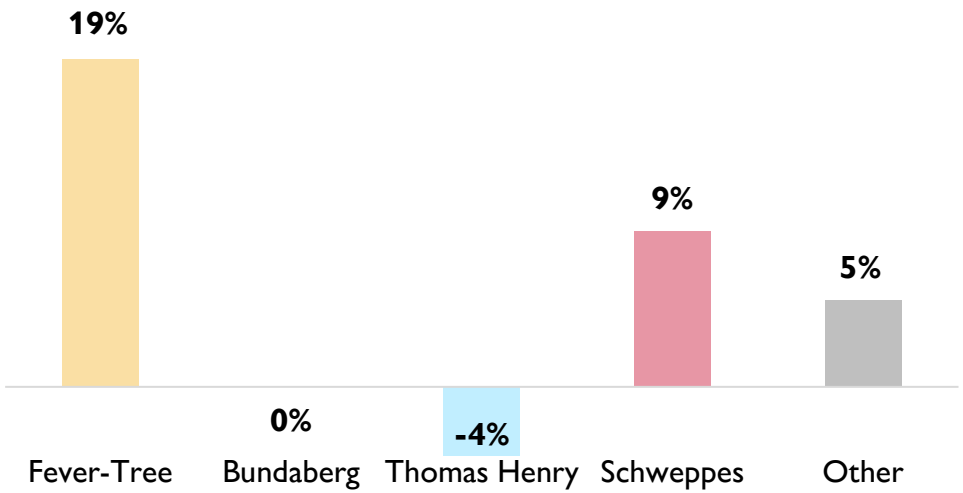
- The Fever-Tree brand delivered flat revenue in FY24 at constant currency, alongside strong value share growth across Europe.
- In H2, the brand accelerated growth, growing by 12% at constant currency following a subdued H1 performance, driven by poor weather across Europe in the early summer months and order phasing.

Source: [1]Nielsen 2024 top 12 EU markets

Europe: Extending Fever-Tree's reach into new channels and occasions

The brand's success in Ginger Beer highlights the brand's ability to grow and lead categories beyond Tonic

Ginger Beer value share growth by brand[1]
% value share change YoY



	Fever-Tree	Bundaberg	Thomas Henry	Schweppes	Other
Market share[1]	**38.6%**	**20.2%**	**8.0%**	**6.4%**	**26.8%**
Market share growth YoY	**+3.4ppts**	**-1.7ppts**	**-0.9ppts**	**+0.1ppts**	**-0.8ppts**

Fever-Tree is driving Ginger Beer category growth across Europe, both as a mixer and an Adult Soft Drink

Introducing Adult Soft Drinks to our more mature European markets: Benelux & Switzerland

New format	New channels	Greater visibility



Sparkling Grapefruit & Ginger Beer 250ml cans introduced

- Petrol stations
- Convenience stores
- Vending machines
- Airports



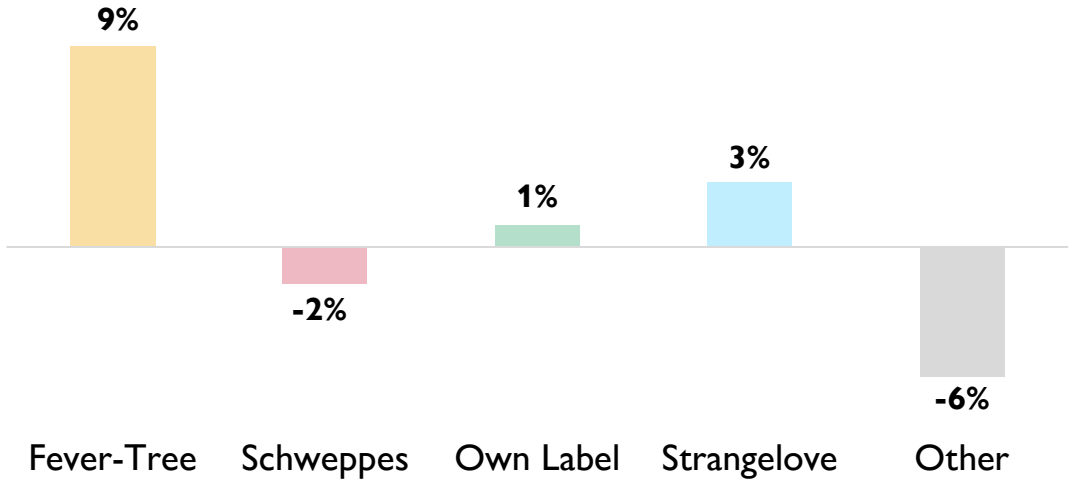
Increased POS displays, incl. dedicated Fever-Tree fridges

Source: [1]Nielsen 2024 top 12 EU markets

RoW: FY24 review and future opportunity

Australia

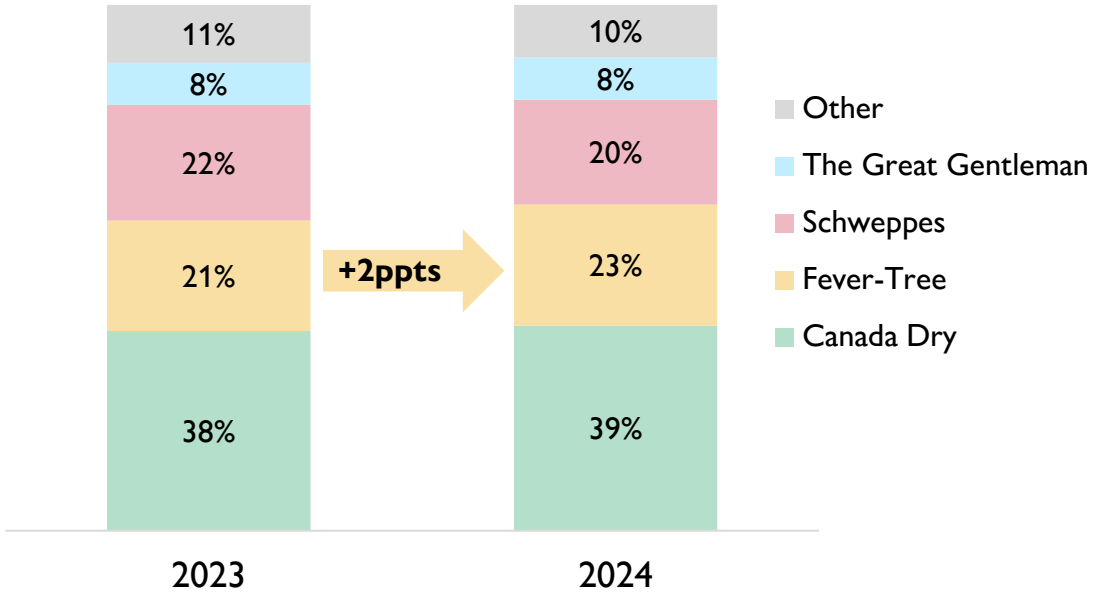
Retail mixer value growth by brand[1]
% value change YoY



- ✓ Fever-Tree continues to grow well ahead of the mixer category, driven by a strong performance from our Soda range
- ✓ Significant opportunity in Cocktail Mixers and Adult Soft Drinks: Margarita, Mojito, Espresso Martini and 250ml Soda cans launched during 2024 and have started well
- ✓ Starting local production from 2025 to accelerate our strong progress in the Australian market

Canada

Retail mixer category value share by brand[2]
% value share



- ✓ Fever-Tree has contributed more value growth to the category than any other brand during 2024, growing value share by 2% vs 2023
- ✓ Our Sparkling range and Club Soda are growing particularly strongly, and we see an opportunity beyond our core range with the launch of Cocktail Mixers towards the end of the year

Source: [1]Australian grocery scanner data MAT to 29 Dec 2024; [2]Nielsen 52 weeks to 28 Dec 2024

Summary

Fever-Tree is in a fantastic position to capture the evolving global opportunity

Broadening global opportunity

- Global trends remain firmly in Fever-Tree's favour
- Fever-Tree is uniquely positioned across all adult socialising occasions, from mixing, to lower ABV options, as well as a premium non-alc alternative.

Transformative partnership with Molson Coors

- Fever-Tree will leverage Molson Coors' national network of US distributors and customers, the scale and strength of their sales and commercial teams, alongside a substantial incremental marketing fund to drive the US opportunity.

Improving quality of earnings

- Increased revenue opportunity, with guaranteed profits and lower working capital requirements, will generate a significant increase in cash generation with an ongoing ability to return cash to shareholders
- Intention to extend the initial buyback programme by £29m to £100m, subject to shareholder approval.



FEVER-TREE

If 3/4 of your drink is the *mixer*,
MIX with the BEST