

Travis Perkins 

Building for the future

29 September 2021

Chair's welcome and early perspective

Getting to know the businesses has revealed many strengths:

- Powerful culture and phenomenal colleagues
- Deep customer relationships

The Group has proved resilient and responded well to recent challenges

Refocused Group provides a firm foundation for success



Growth prospects are healthy with the market expanding and our businesses gaining share



We must capture the opportunities that come from changes in the industry



Continued execution is key to driving change, landing our strategy and delivering for all our stakeholders

Agenda for today

- 01 WELCOME AND INTRODUCTION
- 02 OPERATING AND LEADING IN ATTRACTIVE MARKETS
- 03 LEADING THE EVOLUTION OF THE MERCHANTING MODEL
- 04 MAXIMISING THE LONG-TERM POTENTIAL OF TOOLSTATION IN THE UK AND EUROPE
- 05 LEVERAGING THE POWER OF THE GROUP
 - Advancing customer propositions
 - Aligning technology to propositional development
 - Framing our long-term future
- 06 DELIVERING ATTRACTIVE FINANCIAL OUTCOMES
- 07 WRAP-UP AND Q&A

01 WELCOME AND INTRODUCTION

Nick Roberts

We have delivered on our 2018 agenda

Our ambition for the Group is clear

Delivery of value to customers and shareholders is at the heart of our strategy

Having delivered on our 2018 agenda

- ✓ Demerged Wickes
- ✓ Disposed of Plumbing and Heating
- ✓ Disposed of Tile Giant
- ✓ Reduced annualised cost base by ~£120m
- ✓ Reset operating model
- ✓ Strengthened the Balance Sheet

**Simplify
the Group**

**Focus on
the Trade**

- ✓ Improved digital enablement through TP and Toolstation apps
- ✓ Improved the branch network to deliver better service
- ✓ Strengthened the core in the general merchant
- ✓ Opened ~60 Toolstation UK branches per year
- ✓ Acquired controlling stake in Toolstation Europe to accelerate growth

We have set our leading ambition

Construction
is changing

We are
broadening the
way we work

Traditional methods

Products

Branch and phone

Advice on products

Leading stand-alone businesses



Modern methods

Services

Integrated digital experiences

Value-added design

Collaborative and
customer-focused network



Our ambition
must evolve
to maintain
leadership

Leading suppliers of building
materials to the trade

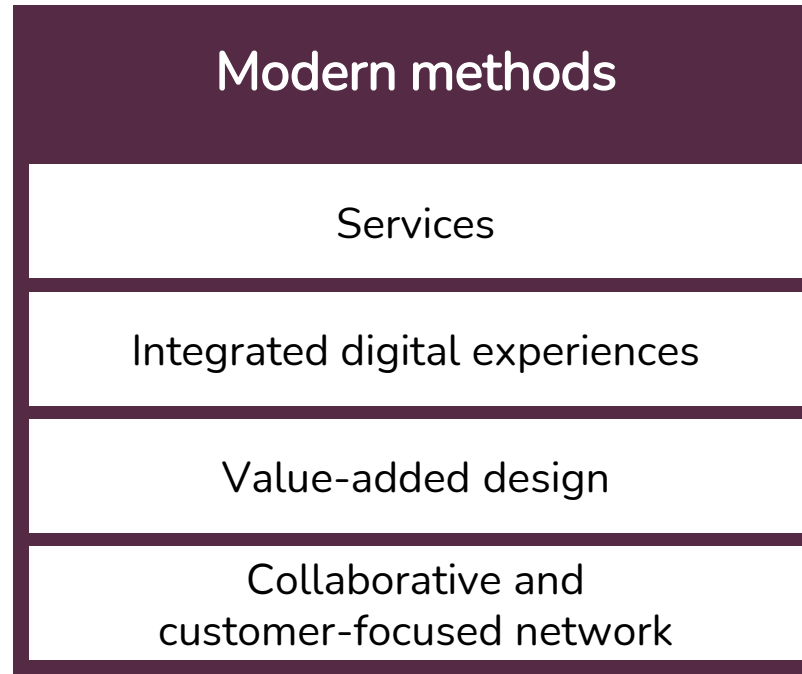


The leading partner to the
construction industry

An ambition that will add value for customers and shareholders

Construction is changing

We are broadening the way we work



Our ambition must evolve to maintain leadership

The leading partner to the construction industry

Better for customers

- Deeper relationships
- Value-added services
- Solutions for the future of construction
- Help to work more sustainably

Better for Shareholders

- Opens up new avenues for growth
- Enhanced margin opportunities
- Clear capital allocation priorities
- Sustainable and differentiated business model

02 OPERATING AND LEADING IN ATTRACTIVE MARKETS

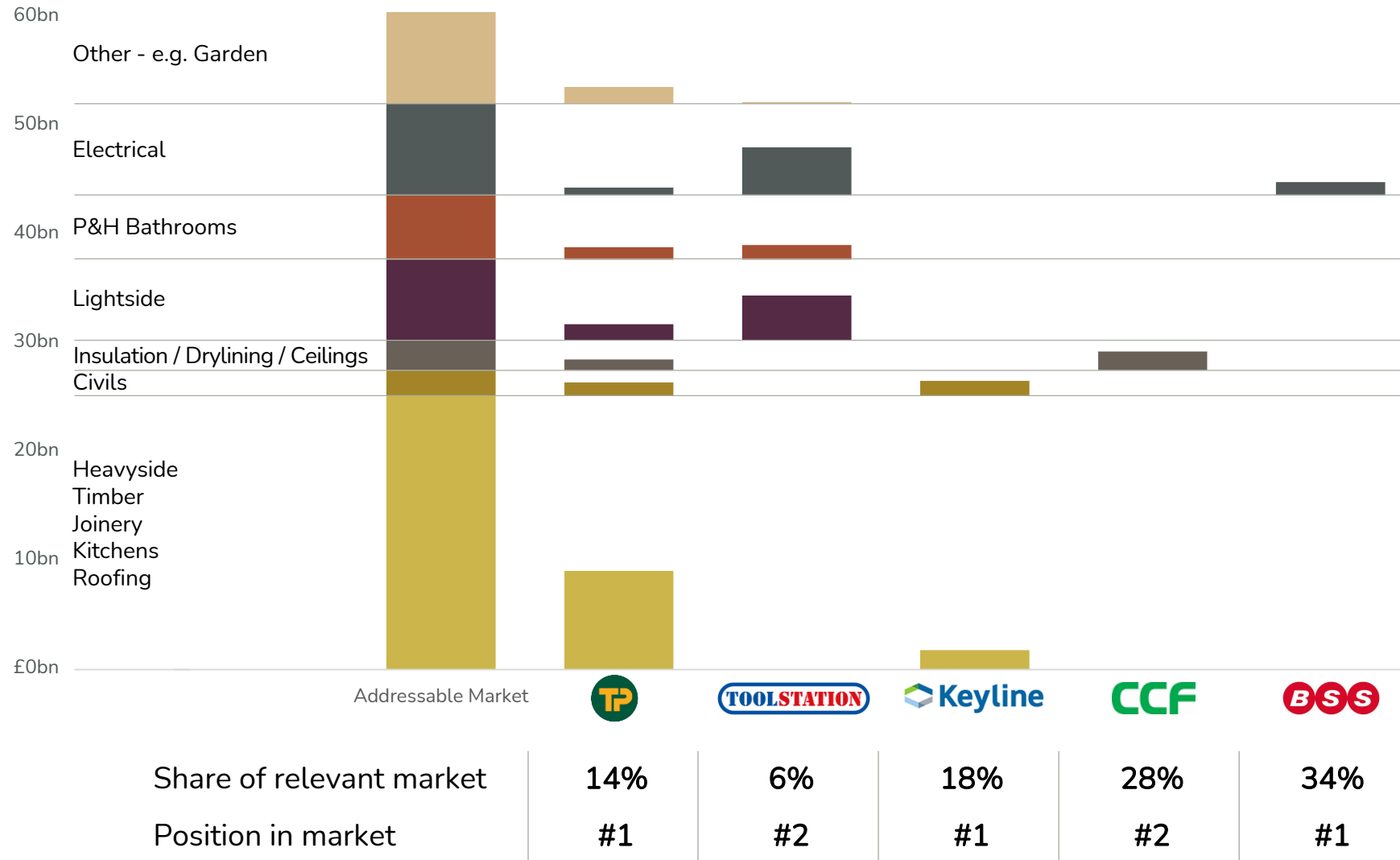
Nick Roberts

We operate and lead across sectors of a large and growing market

We are choosing to be an active leader as the market changes

The reshaped Group is uniquely positioned to do well

The Group operates in a £76bn+ market



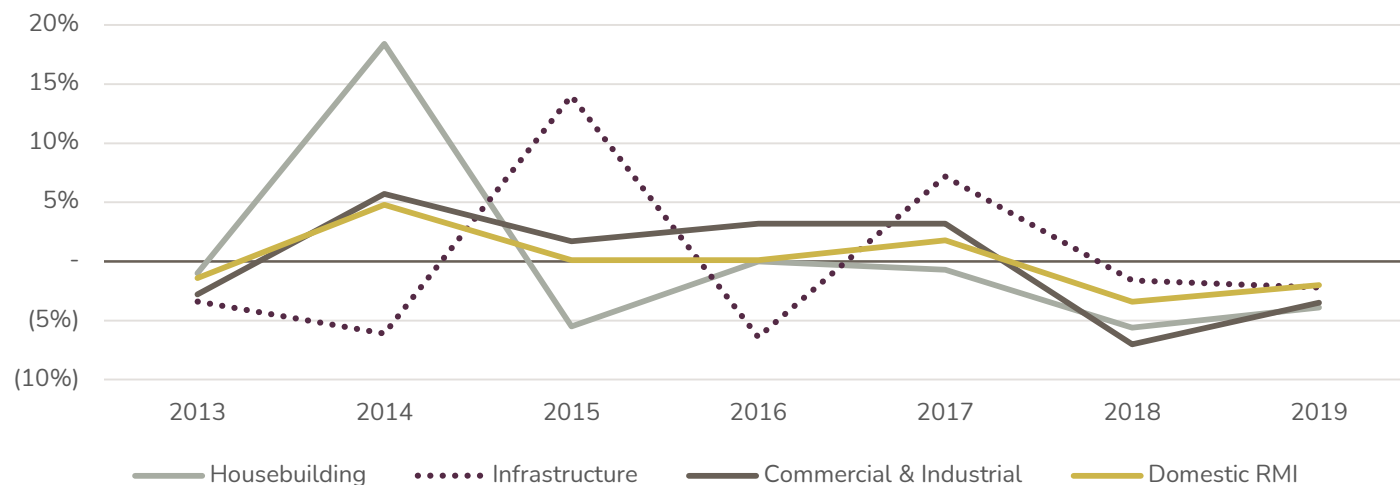
- Market CAGR of 3.4% 2013-2019
- Overall construction materials market £76bn
- £60bn addressable market for the Group
- Businesses are #1 or #2 in their markets
- Significant M&A and capital inflow into the sector

Group end market exposure is majority RMI

Reshaped Group Market Exposure	Domestic	Commercial & Industrial	Infrastructure	Total TP Group	Market
RMI	43%	11%	1%	55%	35%
New	23%	18%	4%	45%	65%
Total	66%	29%	5%	100%	100%

Domestic RMI Market vs. New Build Sectors

Growth vs. CAGR 2013 -2019



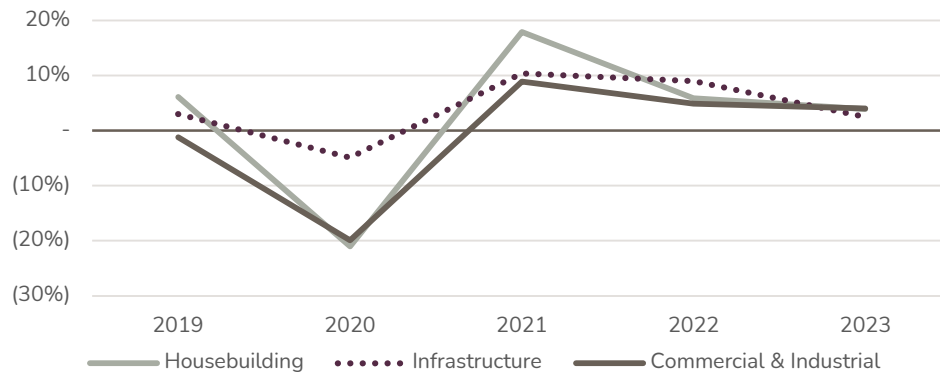
- Dependable end markets driven by:
 - Housing transactions
 - Consumer confidence
 - Trade resilience vs Consumer
 - RMI shows lower cyclicalities than new build
- Infrastructure a significant area of potential for the Group
- Public Sector exposure of 23% represents an opportunity given Group credentials and ambition

Market fundamentals are strong

Markets recovering well post the Covid-19 period:

Construction Output Forecast – New Work

Source: Experian



Construction Output Forecast RMI

Source: Experian



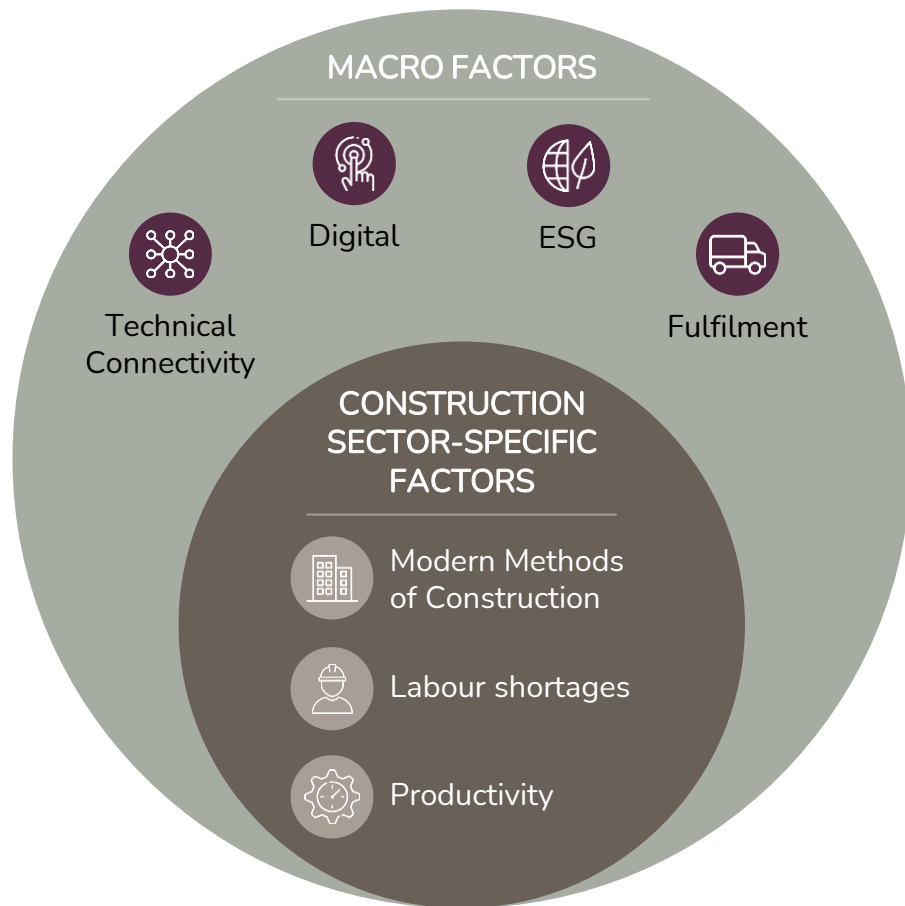
New Build

- Average age of housing stock c. 70 years
- Aim to build 300,000 new homes each year:
 - Average shortfall of 90,000 per annum last 5 years
 - Completed 165,000 GB 2019
- Clear government intention to increase infrastructure spend

Repairs, Maintenance and Improvements

- Robust domestic RMI market as working patterns drive relocation
- Carbon targets mean substantial investment is required to upgrade building stock

Market changes are gathering pace



Macro factors

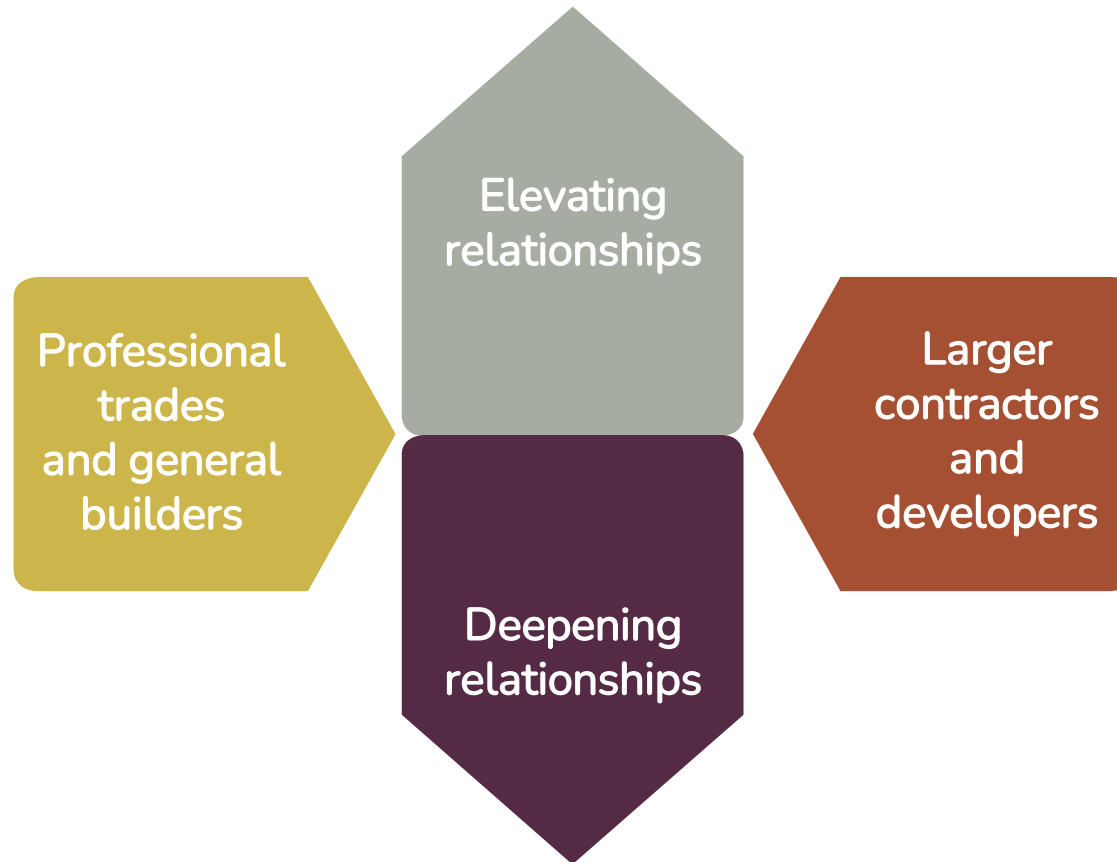
- Digital and technology progress having significant impact across all industries
- Customer expectations are increasing - although more traditional customer interactions still dominate
- ESG agenda highly relevant to all customers and suppliers

Sector-specific factors

- Modern Methods of Construction (“MMC”) are beginning to change the industry
- Labour and knowledge scarcity is driving change
- Stakeholders are keen to improve productivity

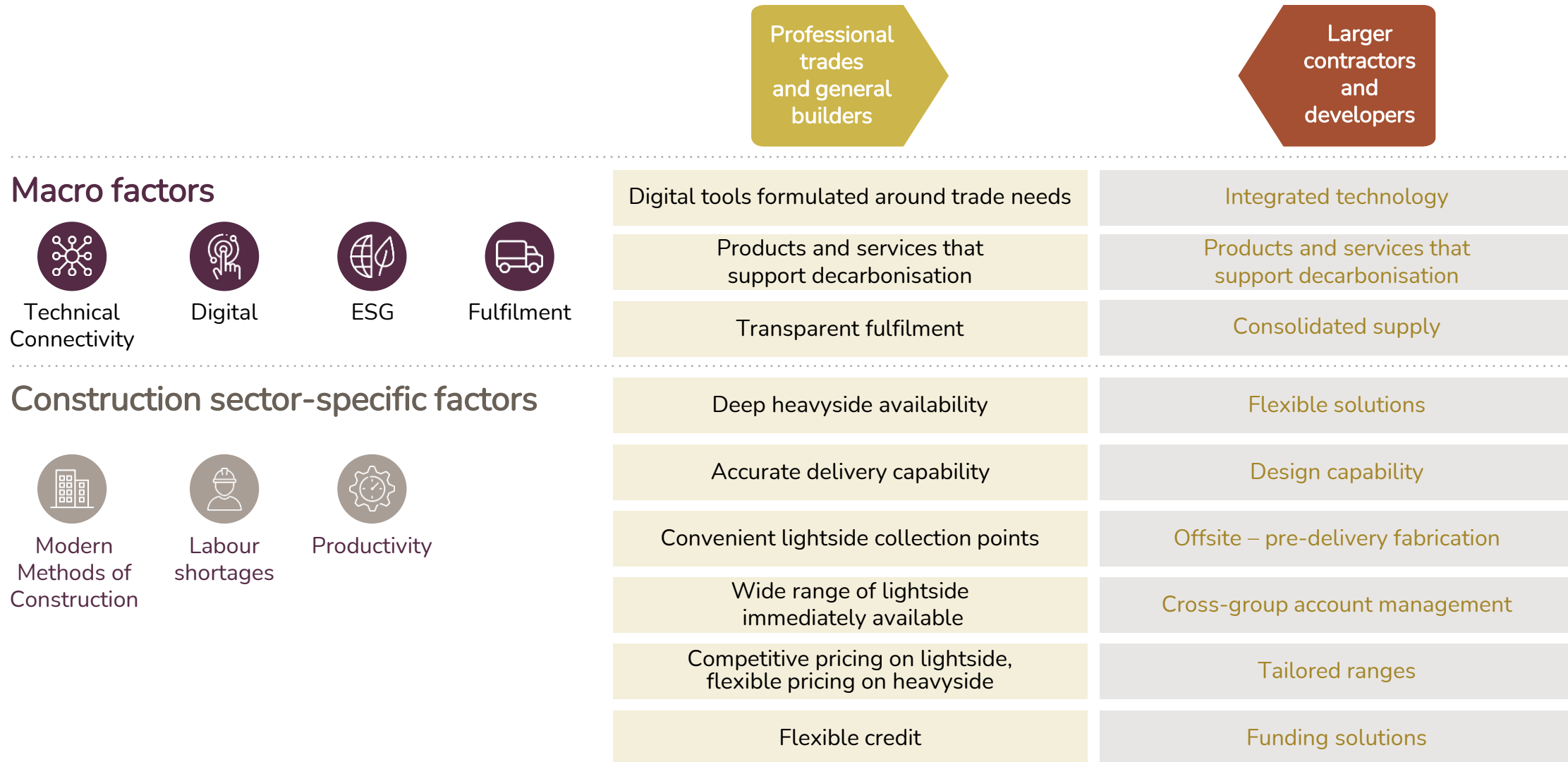
We are focusing our efforts on our relationships with customers

Elevating relationships by the addition of services and new areas of value add

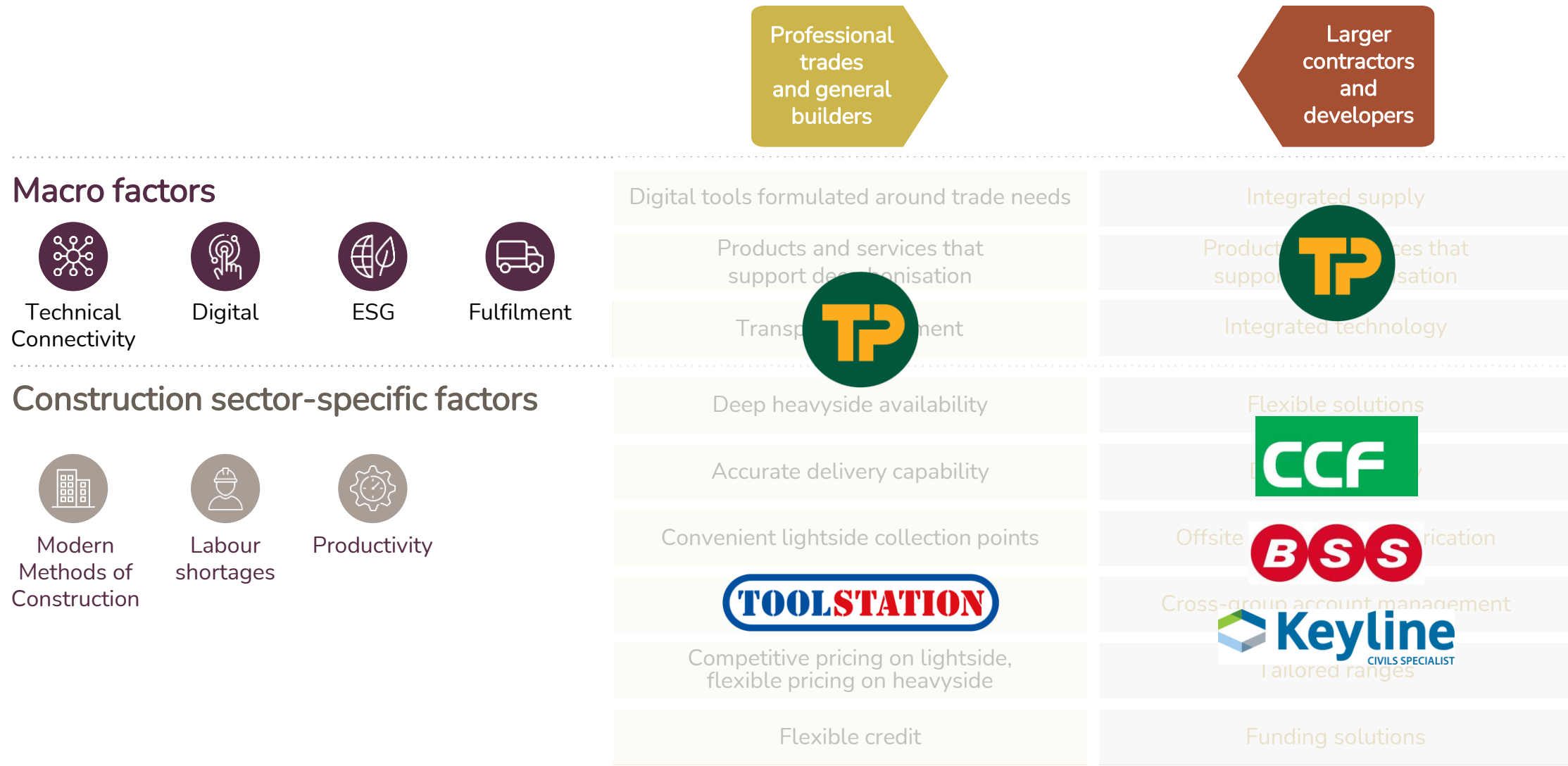


Deepening relationships to earn a greater share of spend

Market changes are shaping customer needs



The Group is uniquely placed to respond



A tighter Group well positioned to outperform

Leading businesses

Inspiring leaders

Specialists in their field

Unique network

Significant barriers to entry

Organised to collaborate

Speaking today



03 LEADING THE EVOLUTION OF THE MERCHANTING MODEL

Kieran Griffin



The TP business is in an excellent position to win share

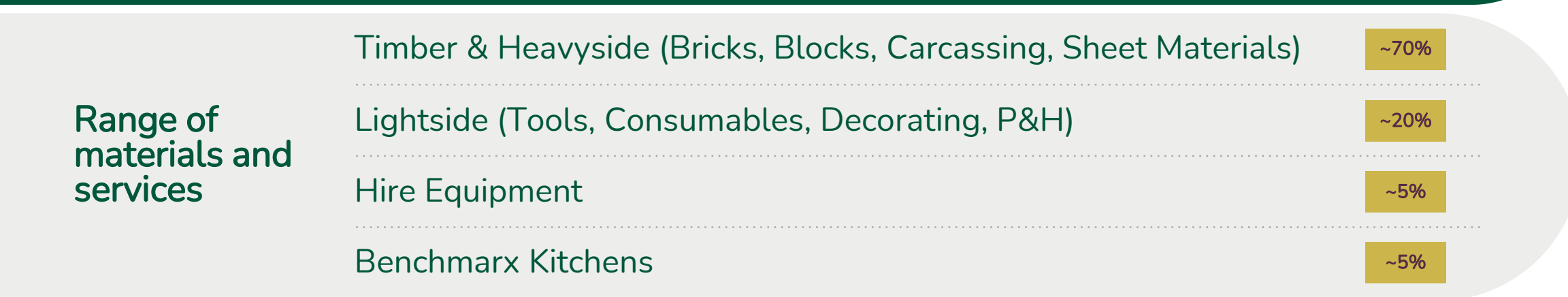
We are deepening customer relationships to expand share of wallet by mining our data, driving digital penetration and enhancing our network

We can further elevate our customer relationships by offering value-added services alongside our products

Travis Perkins supplies a broad range of customers



% Revenue



Delivered business represents 60% sales Fleet comprises over 1,800 specialist vehicles

→ Differentiated by our broader exposure to customer and product categories

Travis Perkins is in an excellent position



Significant progress made during the Covid-19 period:

More competitive	Competitive and accessible pricing
	Local branch empowerment
	Commercial deals simplified
More capable	Bespoke apprenticeship and colleague training increased
	Launch of customer mobile app
	Larger, more capable, branches opened - increased depth of heavyside stock
	Delivery management system rolled out
	Benchmarkx integration

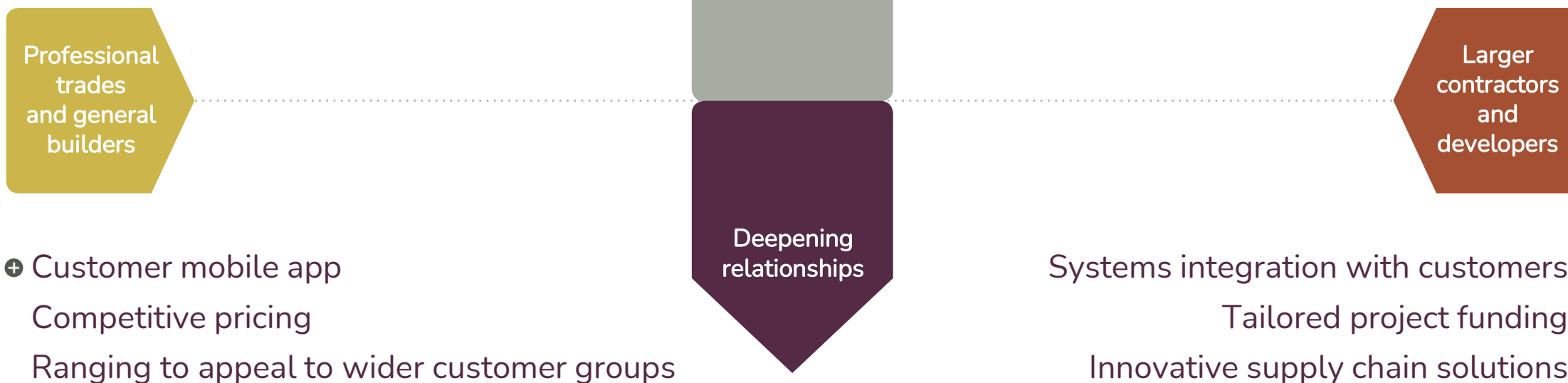
TP has significant growth opportunities



More detail in
subsequent slides +

- + Improved network (branch and delivery capability)
- + Hire of equipment
- + Kitchen design & supply service

- Managed Services +
- Value-added hire +
- Kitchen solutions +



Underpinned by strengthening data-driven customer insights

Data is driving an enhanced understanding of our customers



Customer segments



Detailed insight providing opportunities for engagement

Value enhancing opportunities to both broaden and deepen relationships

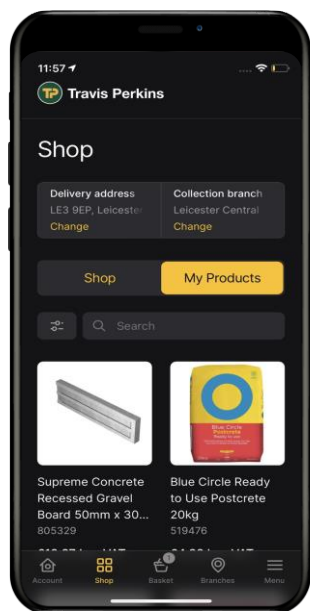




Digital journeys developed for customers and colleagues

Better for customers

Customer app launched



Trade with TP at a time and place convenient to customers

- Check stock
- Order products
- Pay on account

Manage TP Account

- See credit limit
- Pay invoices
- Manage credit notes

106k

Downloads

>2x

App conversion vs web

+25%

AOV vs web

Better for colleagues

Colleague app launched



Improvements to branch operations

- Stock counting
- Goods receipting

Enabling better customer experience

- Stock accuracy
- Sales in the yard



Significant future digital roadmap

Developing the branch proposition to drive market share gains



Larger, more efficient branches with range and delivery advantages

Where possible, utilise sustainable products to reduce carbon footprints

The urban market share opportunity

- TP currently under-index in the top 50 conurbations
- Goal is to grow share by the deployment of more capable branches and a leading digital offer

Larger branches provide a safer environment for customers, colleagues and suppliers

Enabling attractive returns on investment



	New branches	Relocation / Redevelopment
Capital requirement per branch	~£1.5m	~£0.7m
Incremental revenue per branch at maturity	~£7.0m	~£2.6m
Target ROI	30%+	30%+
Potential number of projects	Up to 50 in next 5 years	Up to 50 in next 5 years

Ambition to grow value-added services



Managed
Services
~£200m

- Currently serves public sector domestic RMI market
- Long-term commitments to customer contracts
- Potential to extend to other adjacent markets

Benchmarkx
~£150m

- Integrated into TP with 67 implants and 84 stand-alone branches
- 30% of customers buy kitchens, currently 4% buy them from TP
- Digital developments will drive customer journey

Hire
~£110m

- 12% of TP customers hire from over 250 branches
- Customers can benefit from product and tool hire at the same time
- Full range offered to customers through 're-hire' partners



Value-added services are margin accretive



Managed Services is a differentiator for our customers

TP Managed Services is a supply chain and procurement partner delivering bespoke solutions to customers



Support services



Active catalogue management



Management information portal



Van stock management tools



Project tracking



Product swaps



TP General Merchant – Well positioned for success



In an excellent position
after significant progress
during COVID period



Performing well and
taking share in the market



Significant opportunities to
drive additional value through
deepening relationships
across all customer segments



Digitisation underway, with
strong results from recent
developments and an active
roadmap



New branches and relocations
give an opportunity to build
a branch network that offers
better service to our
customers



Margin accretive value-added
services give a sound
foundation to elevate our
customer relationships further

03 LEADING THE EVOLUTION OF THE MERCHANTING MODEL

Frank Elkins



The specialist businesses are market leaders and have delivered excellent performance and returns

The businesses are well placed to capitalise on the investment required to make the built environment more energy efficient

Opportunities exist to deliver new growth in adjacent areas of the value chain

Specialist merchants driven by long-term customer partnerships



Air conditioning specialist

11 branches

2017-2019 revenue

CAGR: ~14%



**Commercial plumbing
& heating solutions**

50 branches

2016-2019 revenue

CAGR: ~3%



**Internal drywall,
ceilings & insulation**

36 branches

2016-2019 revenue

CAGR: ~7%

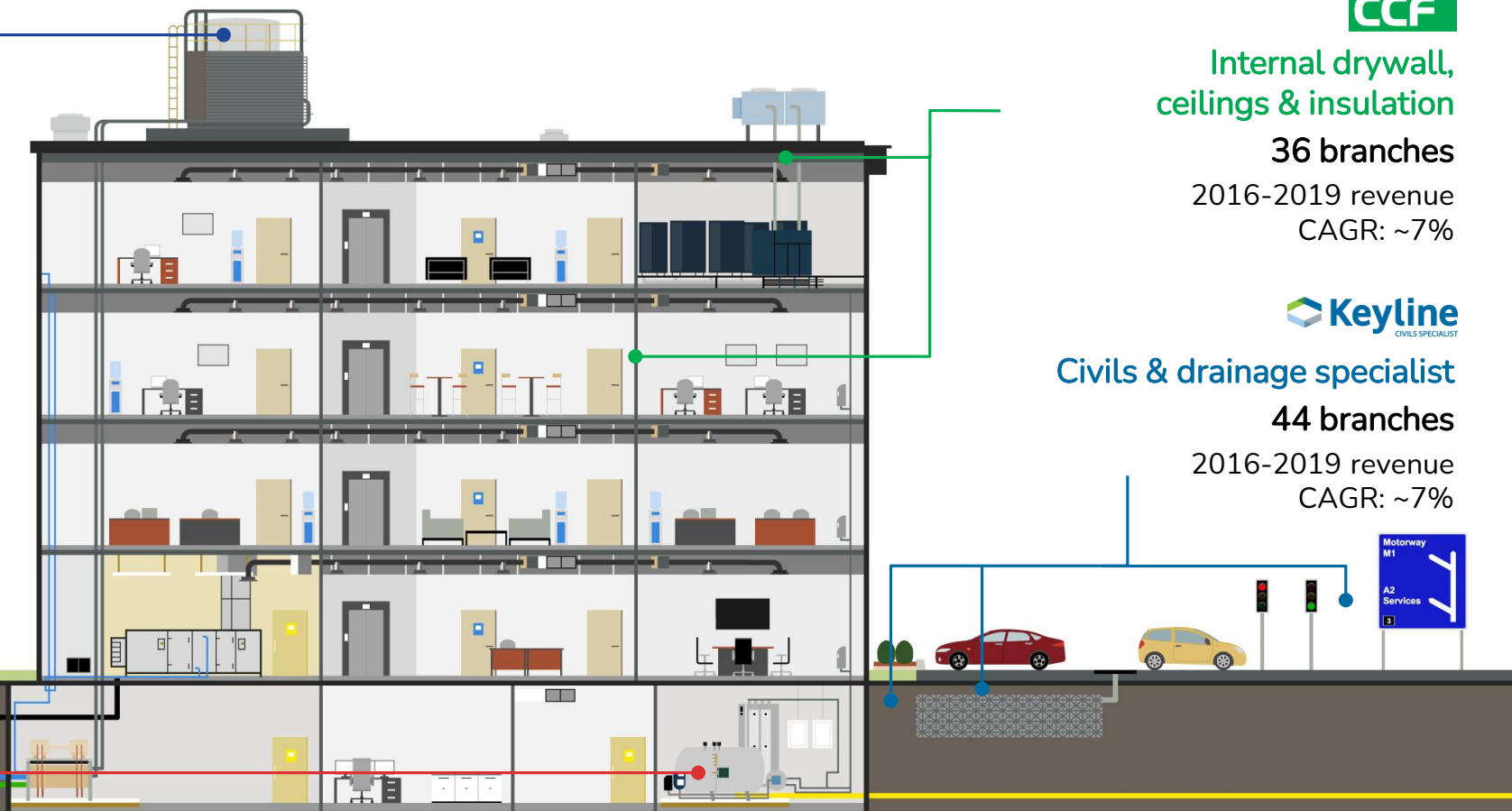


Civils & drainage specialist

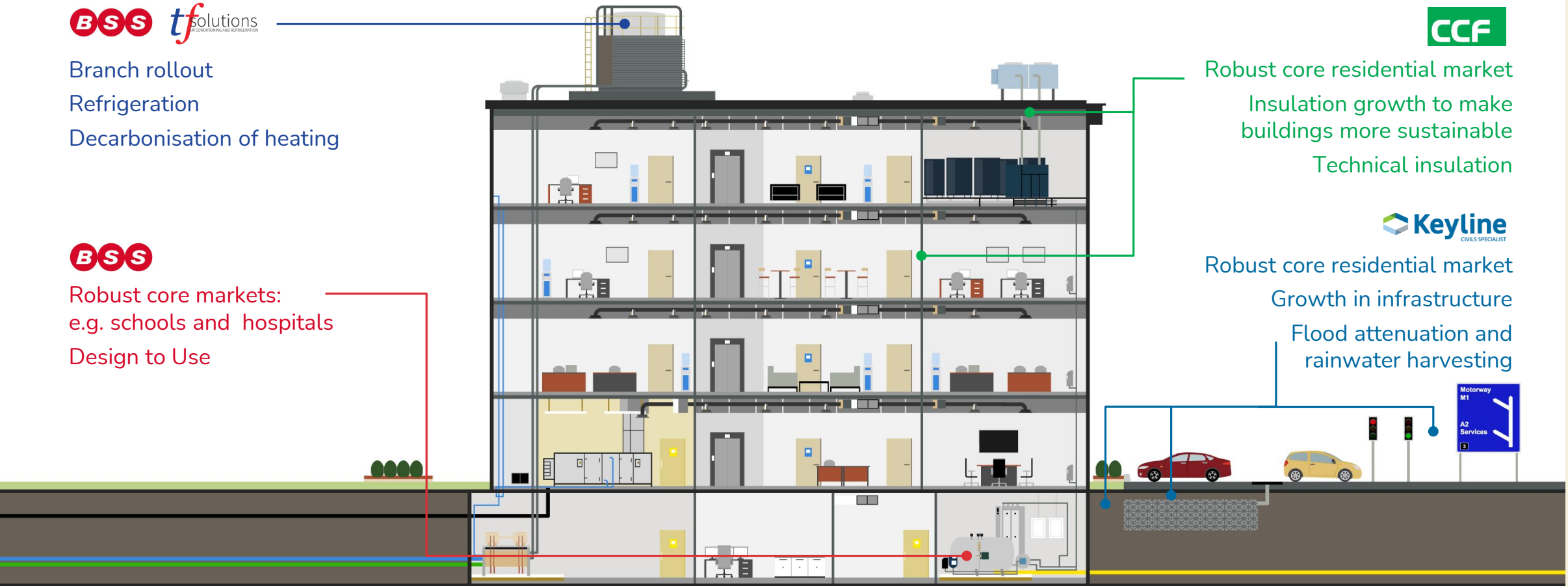
44 branches

2016-2019 revenue

CAGR: ~7%



The businesses have significant growth potential



Core markets + Decarbonisation + Adjacencies + Value-added services

The need to decarbonise creates opportunities

Significant investment required across all sectors driven by the need for higher standards

Regulatory requirements are increasing...

- Domestic spend increasing as Future Homes Standard drives changes to building regulations and EPC ratings require improvement to ~65% of private rented homes¹
- 57% of commercial rented property will fail to meet 2028 EPC target²
- Over £40bn of sustainable investment announced in UK Infrastructure Bank

...driving demand for new products and services...

- Improved building fabric to increase energy efficiency
- Insulation, ventilation, air quality and draft proofing are key categories
- Lower carbon heating sources plus energy capture and storage solutions to reduce the use of fossil fuels

...which we are well positioned to deliver

Building Fabric



Heating, Ventilation and Air Conditioning

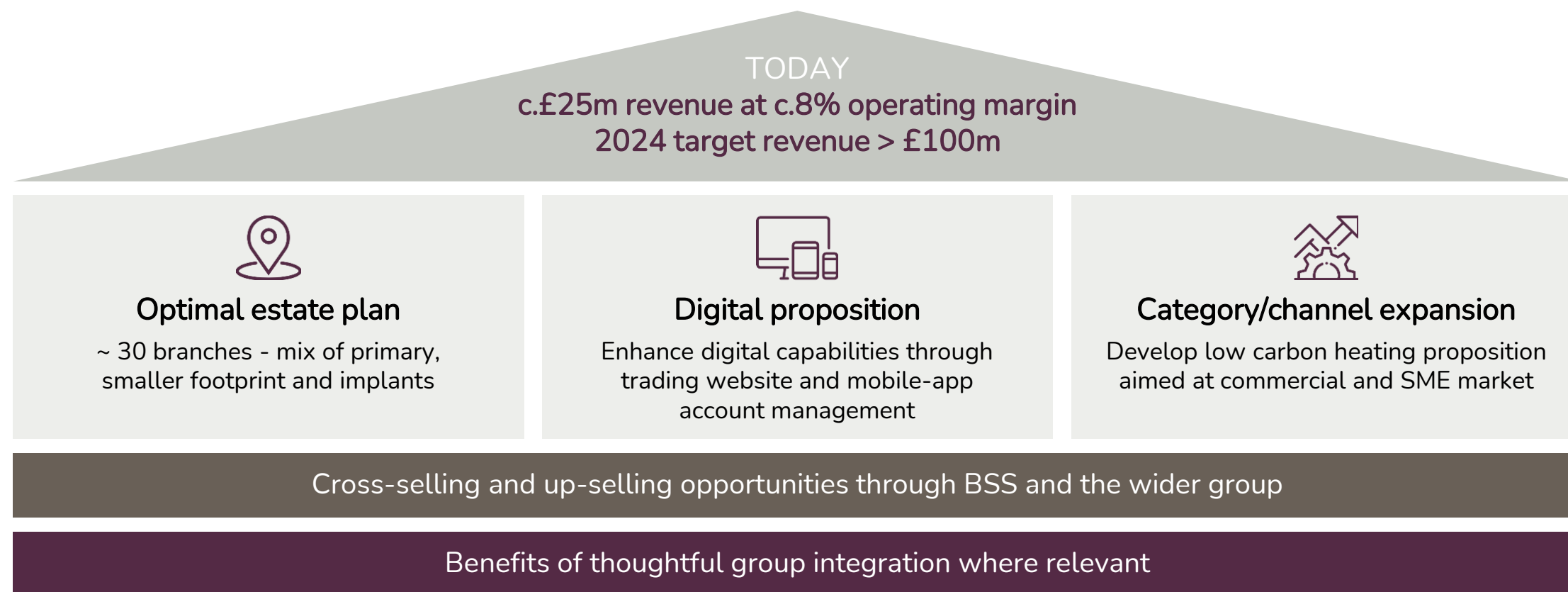


¹ Kamma research ² Colliers research

TF Solutions offers routes to growth in adjacent markets



A leading provider of air conditioning products to SME installers operating from 11 c. 10,000 ft² branches



Value-added services bring differentiation and margin opportunities

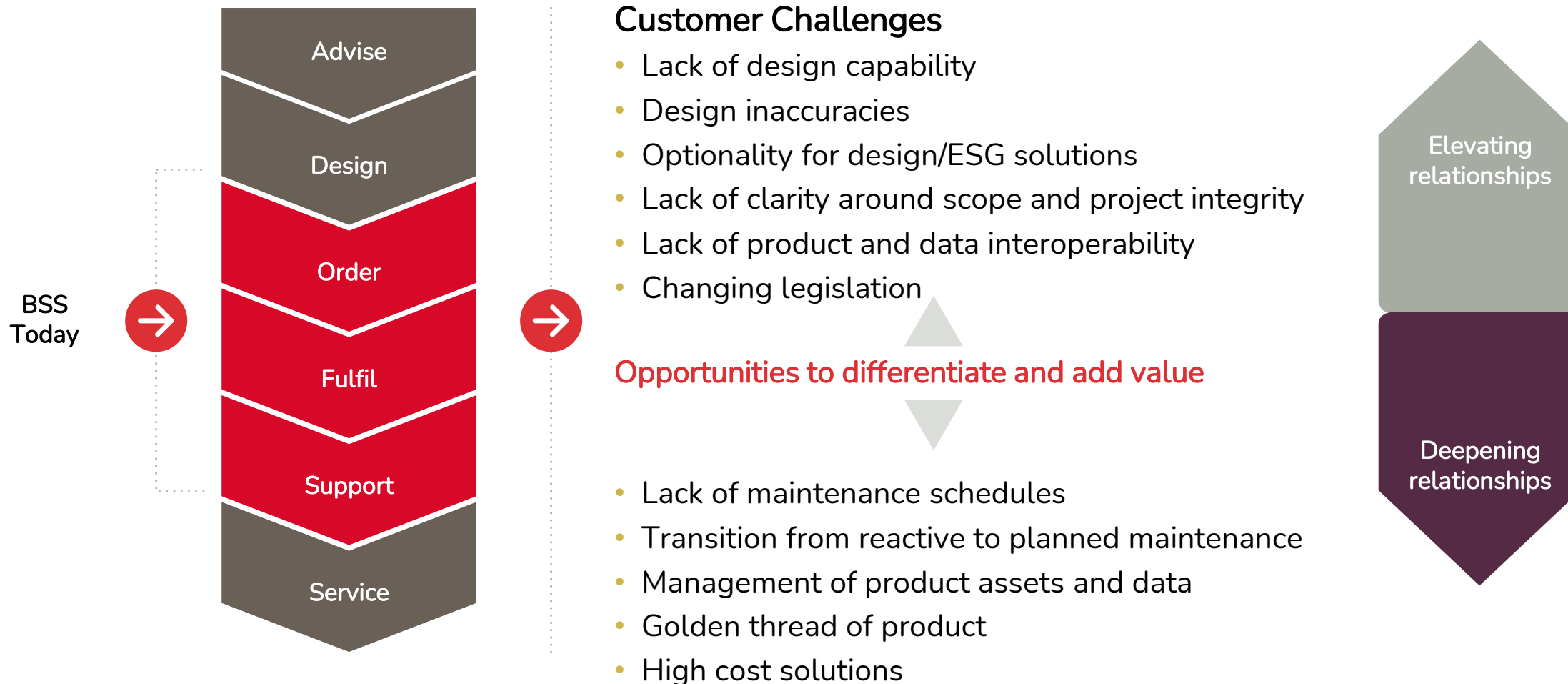




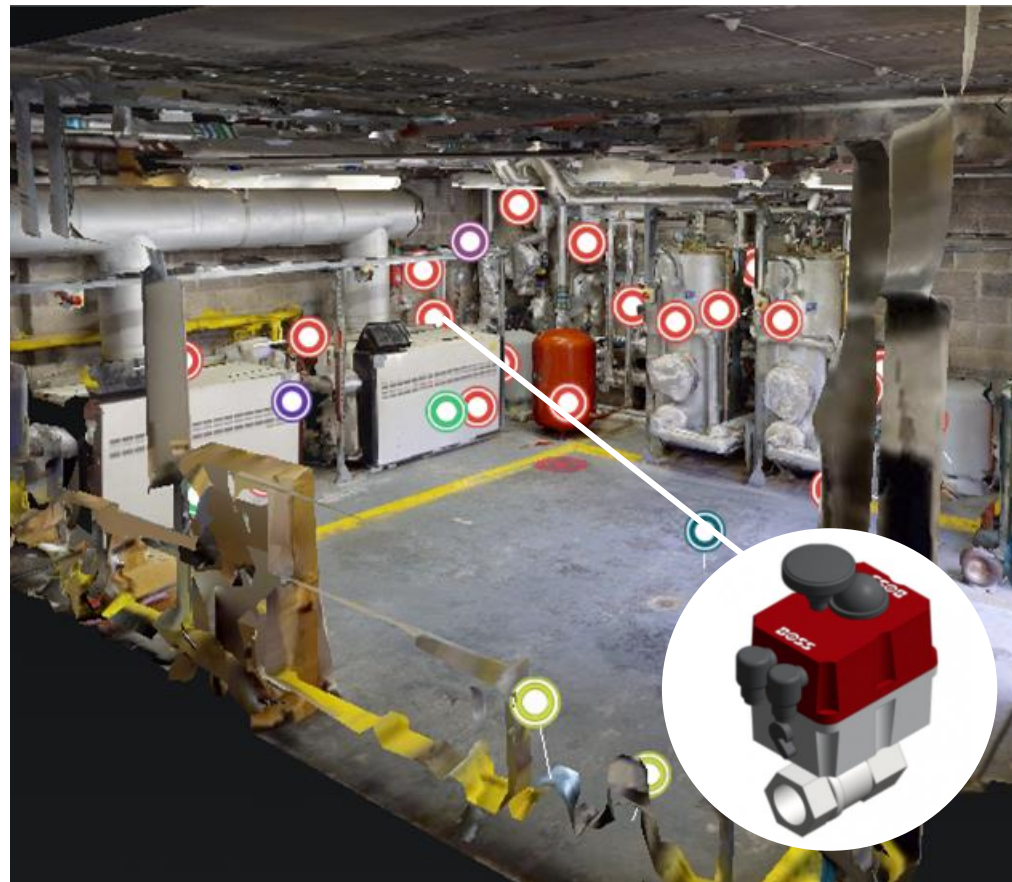
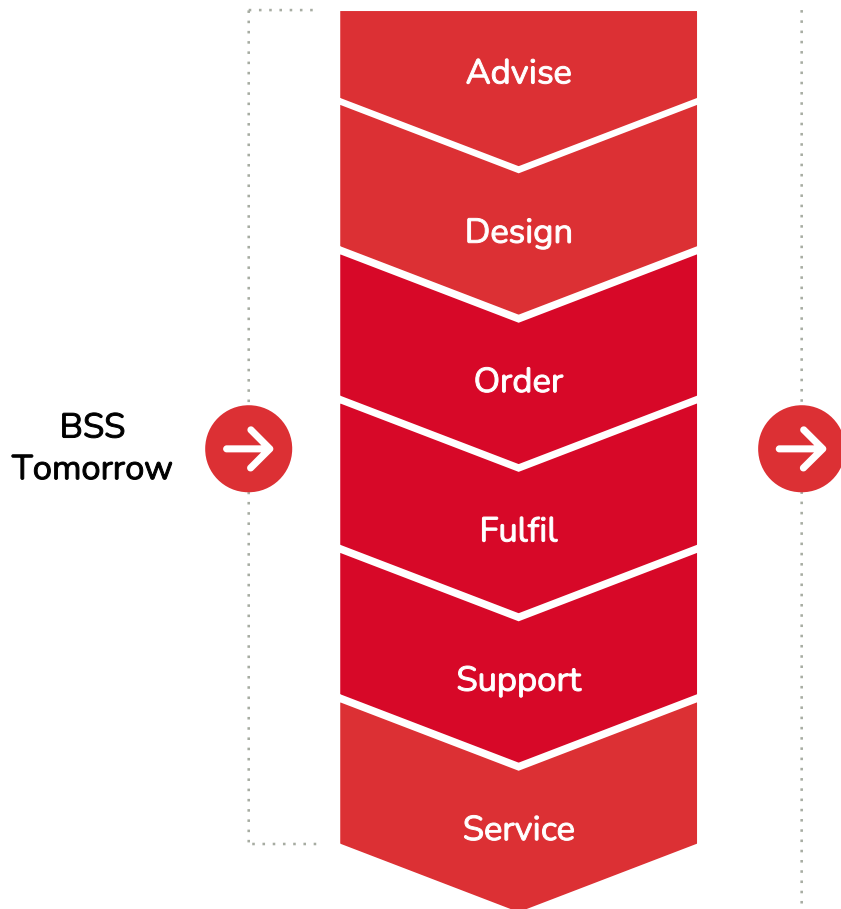
Design to Use Case Study

Angela Rushforth

BSS Design to Use - Value-adding customer solutions



BSS Design to Use - Expanding our role in the value chain



Elevating
relationships

Deepening
relationships

Specialists - further levers to drive value



The success of the Group's specialist merchants is driven by long-term partnerships developed with customers and suppliers and the capability of our people



As the construction industry changes, further opportunities to differentiate and elevate customer relationships will arise



The need to decarbonise will produce opportunities which our businesses are well positioned to capture



The capabilities being developed in areas such as ESG are differentiating and allow us to win work in tender situations



Differentiating services will add to the financial performance-enhancing returns

04 MAXIMISING THE LONG-TERM POTENTIAL OF TOOLSTATION IN THE UK AND EUROPE

James Mackenzie and Alan Williams



Toolstation is a brilliant business - offering customers simple, convenient and multichannel access to products

In the UK, it is well set for growth to £1bn (2024) and beyond

At maturity, it will generate a high single-digit operating margin

The model is portable, with European businesses following a similar route to the UK

A model designed to address customer needs **TOOLSTATION**

Professional
trades
and general
builders

↓ Key customer needs

Depth and breadth of range

High availability

Convenient locations

Certainty and reliability

Speed of service

Great value

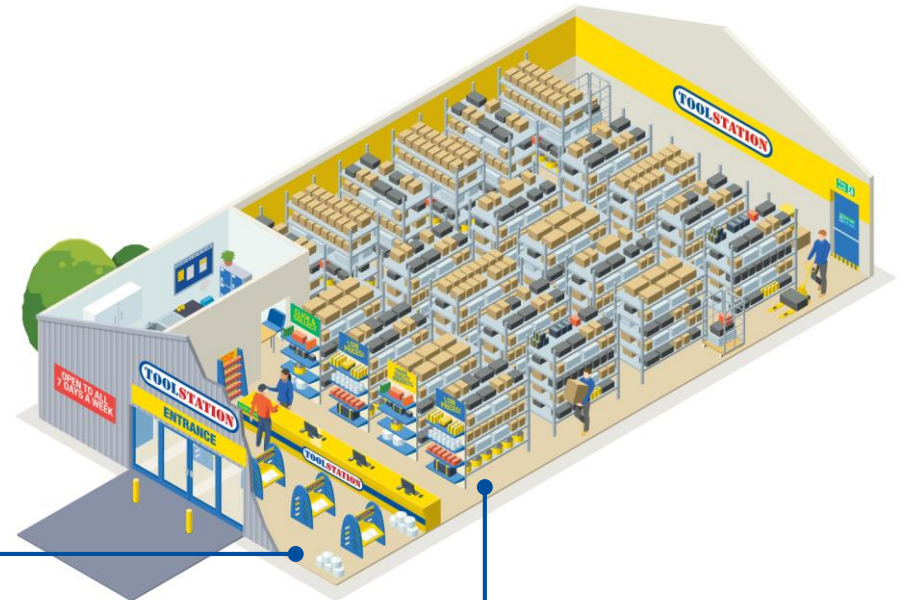
Digitally-led
proposition
engineered
to meet
customer
needs

25,000 products



13,000
Available
next day

12,000
Stocked in branch



FAST
in-store service

LONG OPENING
hours (>90pw)

NATIONWIDE
coverage

SMALL, LOW COST BRANCHES
with simple fit-out.

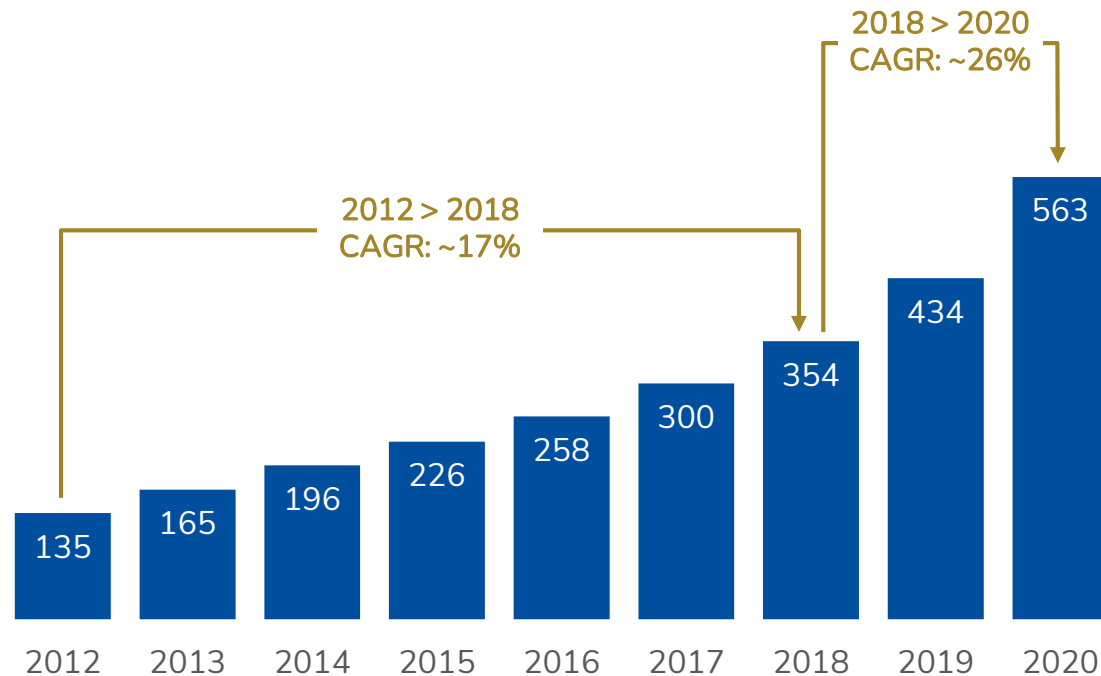
DYNAMIC
stock

UNIFORM
stock range

Toolstation UK has significantly outperformed the market



Toolstation UK revenue (£m)



Levers of growth

01

Network

- Accelerated branch opening plan, facilitated through smaller footprint branches

02

Propositional Development

- 5 minute click and collect
- Digital acceleration
- 7 day delivery with late cutoff
- Trade credit offering

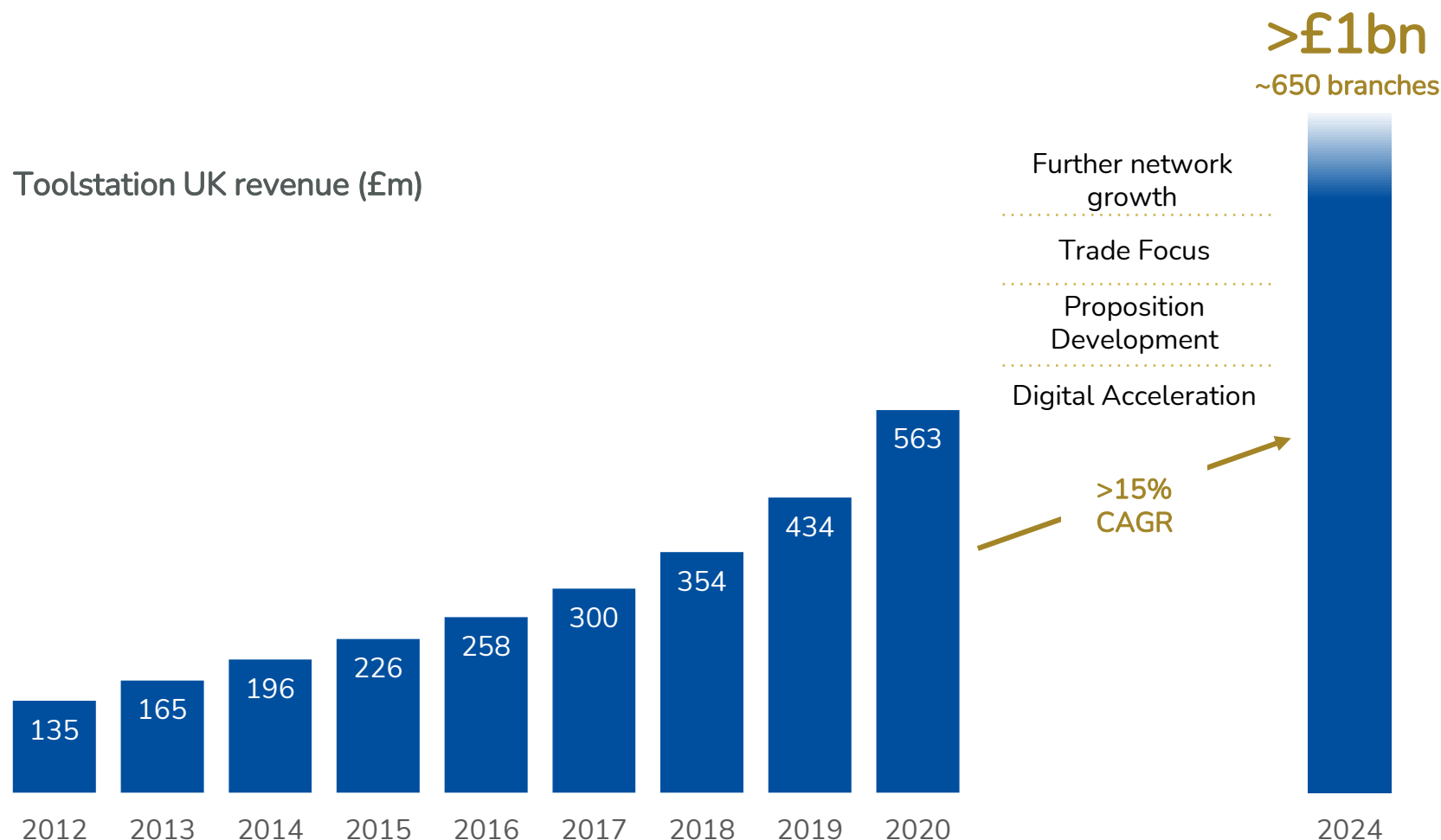
03

Range Extension

- 10,000 new products

A clear path to reach £1bn of sales by 2024

Toolstation UK revenue (£m)



- Significant market share growth by 2024 (~3% pts)
- Further growth opportunities post 2024 to drive revenue CAGR of ~10%
- In 2024 ~19% of the estate will be less than two years old, compared to ~27% now.

Future growth comes from four key areas

01



Further network growth

- ~60 new branches annually to around 650
- Potential for smaller format branches and collection points
- Blending new delivery capacity with local fulfilment

02



Trade focus

- Enhanced trade proposition
- Extended trade ranges
- Maximising convenience for the trade

03



Proposition development

- Range development to reach 50,000 products
- Enhanced delivery proposition, e.g. last mile and same day
- New value-add services



04

Digital
acceleration

Digital penetration will accelerate further



Digital channels have grown significantly during the Covid-19 period:

Digital sales participation

+30%

Direct fulfilment volume

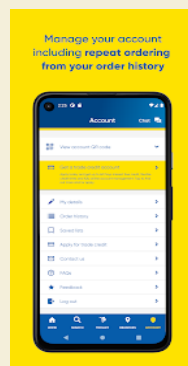
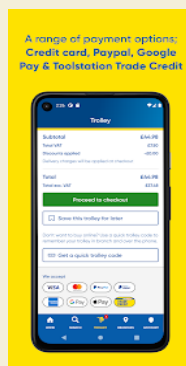
+52%



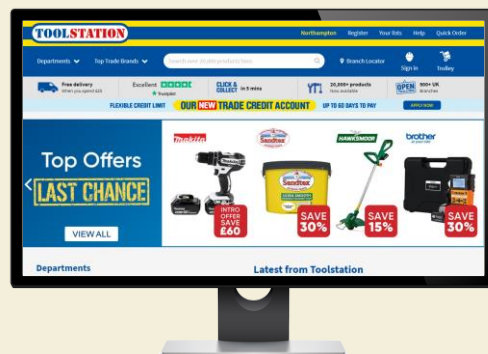
New 500,000ft² DC in Northampton

Key levers to further accelerate growth

New mobile app



Enhanced digital experience



Loyalty programme



Customer Data



Clear line of sight to high single-digit operating margin at maturity

01

Once mature, branches generate a contribution margin of >20%

Branches reach maturity after approximately five years

02

Recently opened branches benefit from continuous improvement and deliver enhanced financial performance

In addition, successful smaller footprints mean more convenient locations and better returns

03

Supply chain and back-office costs are mainly stepped in nature and represent ~12% of mature sales







Material non-branch costs comprise logistics, digital marketing and support centre



Toolstation Europe Video

Toolstation Europe will follow a similar route

Over time, expect businesses to be similar to UK in revenue, gross margin and net margin trajectory

	Market Size (€bn)	Branches	Business Maturity	Potential relative to UK	
 Netherlands	~€6bn	Today 66 Potential 150+		Medium	<ul style="list-style-type: none"> • Expect to break even in next 24 months • Gross margin growth through customer mix and supplier deals • Operating margin driven by gross margin and operating leverage
 Belgium	~€5bn	Today 7 Potential 100+		Medium	<ul style="list-style-type: none"> • Expect to break even in 3-5 years • Continue branch rollout at pace • Shared warehousing and central costs with NL will aid move to profitability
 France	~€22bn	Today 31 Potential 600+		Equivalent or larger	<ul style="list-style-type: none"> • Longer-term opportunity but with highest potential • Testing and refining network model and marketing proposition prior to more significant scale-up • Investment of €35-40m over next two years

Toolstation offers an exciting prospect for growth



Toolstation UK offers a compelling case:

- Clear route to £1bn+ business
- Drivers of revenue are clear and well understood
- High single-digit margins at maturity

Toolstation Europe is developing well:



- Netherlands and Belgium offering clear route to profitability



- France in earlier phase but has significant potential and is developing well



The model is applicable to other countries and offers a route to expansion through organic growth

A close-up photograph of a brick wall. A prominent horizontal crack runs across the middle of the frame, passing through several bricks. The bricks are dark grey or black with a rough, textured surface. The lighting is dramatic, with strong shadows and highlights that emphasize the texture and the crack. The word "Break" is overlaid in a bright yellow font on the left side of the image.

Break

LEVERAGING THE POWER OF THE GROUP

05

- Advancing customer propositions
- Aligning technology to propositional development
- Framing our long-term future

Nick Roberts

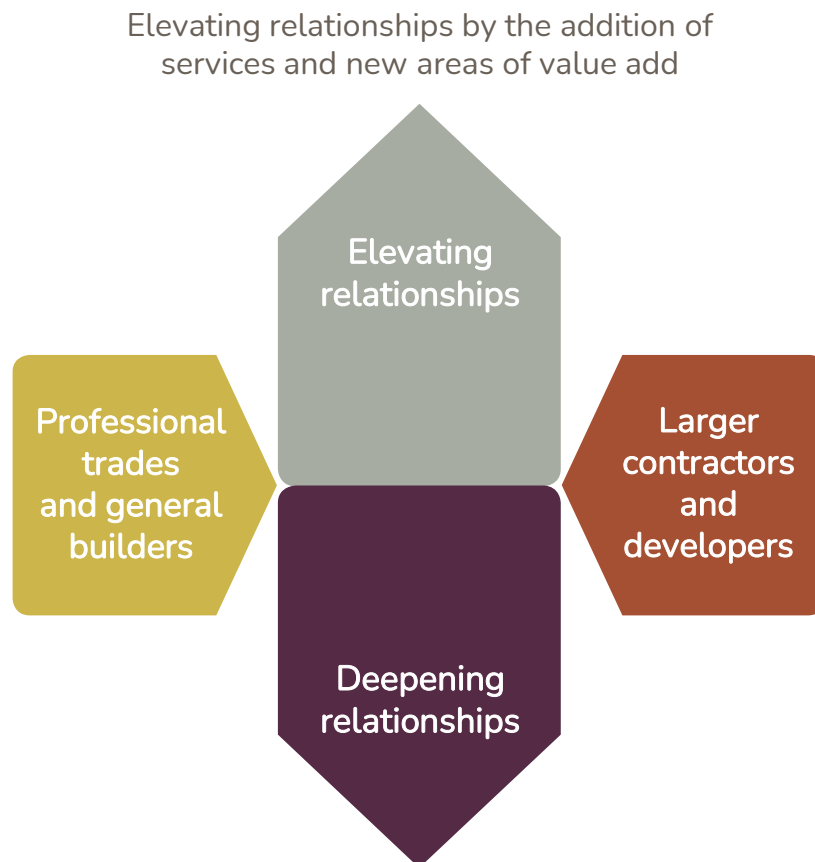
The Group's collection of market-leading businesses facilitates the development of unique customer propositions

Aligning the Group's technology to customer segments drives value

There is an opportunity to embrace a new agenda for the industry and set the foundational pillars for the Group's long term success

Two unique areas to enhance customer propositions

TP TOOLSTATION
collaboration
to provide better
and more convenient
solutions for trade

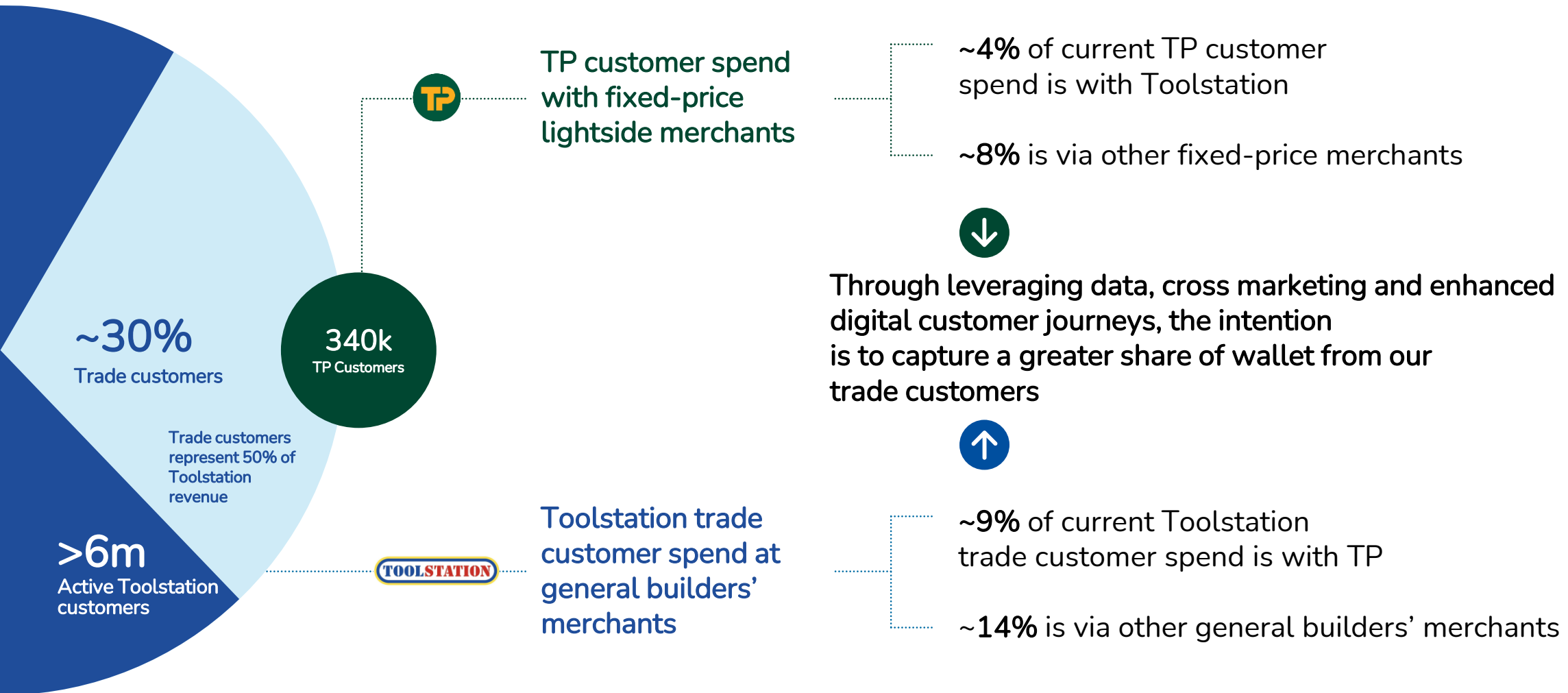


Deepening relationships to earn a greater share of spend



Innovative solutions
for customers working
with
Modern Methods
of Construction


Leveraging the customer overlap



To maximise the potential of our market-leading businesses



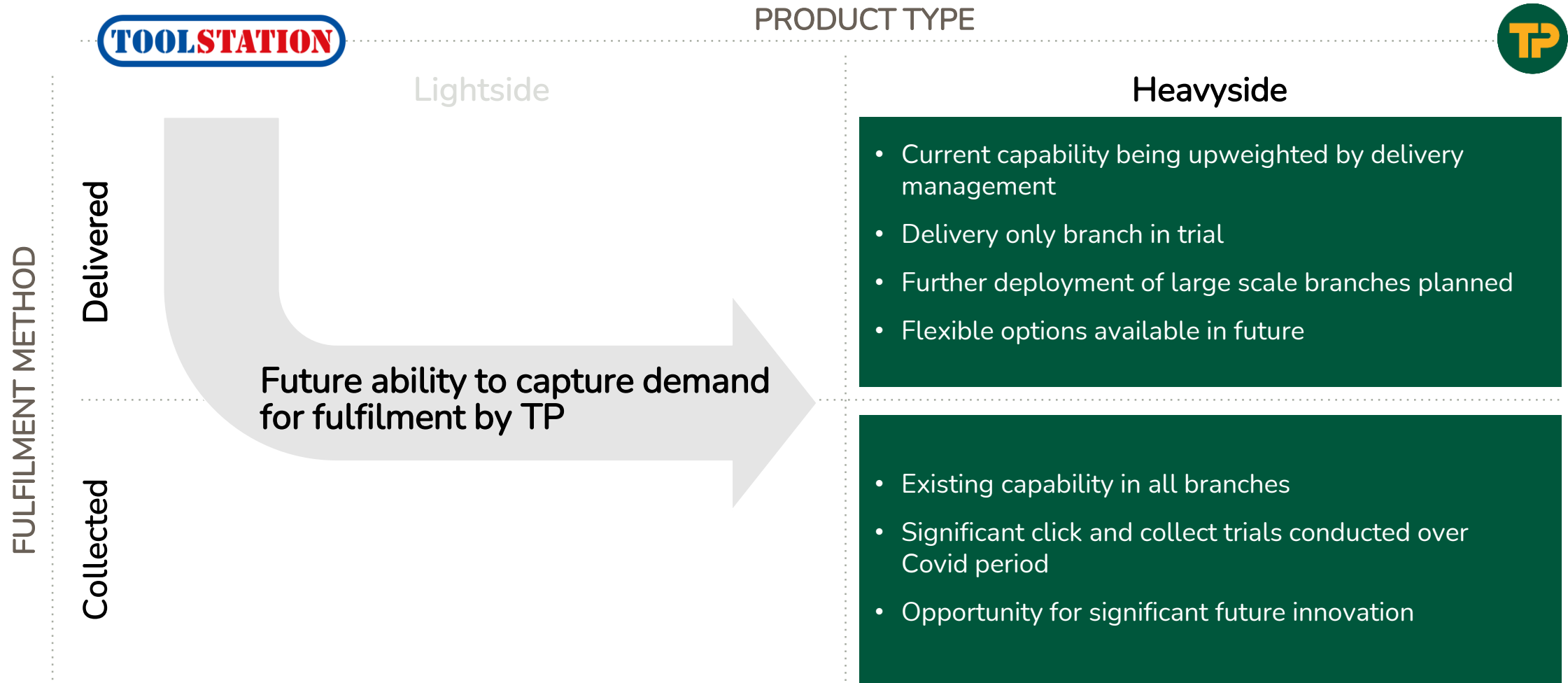
Lightside expertise from Toolstation already helping TP

		PRODUCT TYPE		TP
		Lightside	Heavyside	
FULFILMENT METHOD	Delivered	<ul style="list-style-type: none">• Trial underway with 2,000 Toolstation SKUs live in TPGM digital channels• Plans to broaden to other categories• New joint facility for direct lightside fulfilment under construction		
	Collected	<ul style="list-style-type: none">• Leading capability in place in Toolstation with innovative plans for the future• Trials being planned to leverage Toolstation expertise within TPGM network		

Lease signed on 500,000 sq.ft. premises near Northampton for direct customer dispatch

Lease signed on 500,000 sq.ft. premises near Northampton for direct customer dispatch

Medium-term potential for Toolstation to capture heavyside orders



Helping customers navigate a changing industry

Customer needs



More efficient use of materials

Offsite manufacturing reduces waste through automation and maximising material utilisation



More efficient use of time

Offsite manufacturing leads to economies of scale benefits and simplifies installation processes on site



A more sustainable way of working

Decarbonisation and reduced consumption of natural resources



Our responses

Introduce new solutions to modular builders to ensure that the right materials are available when and where required

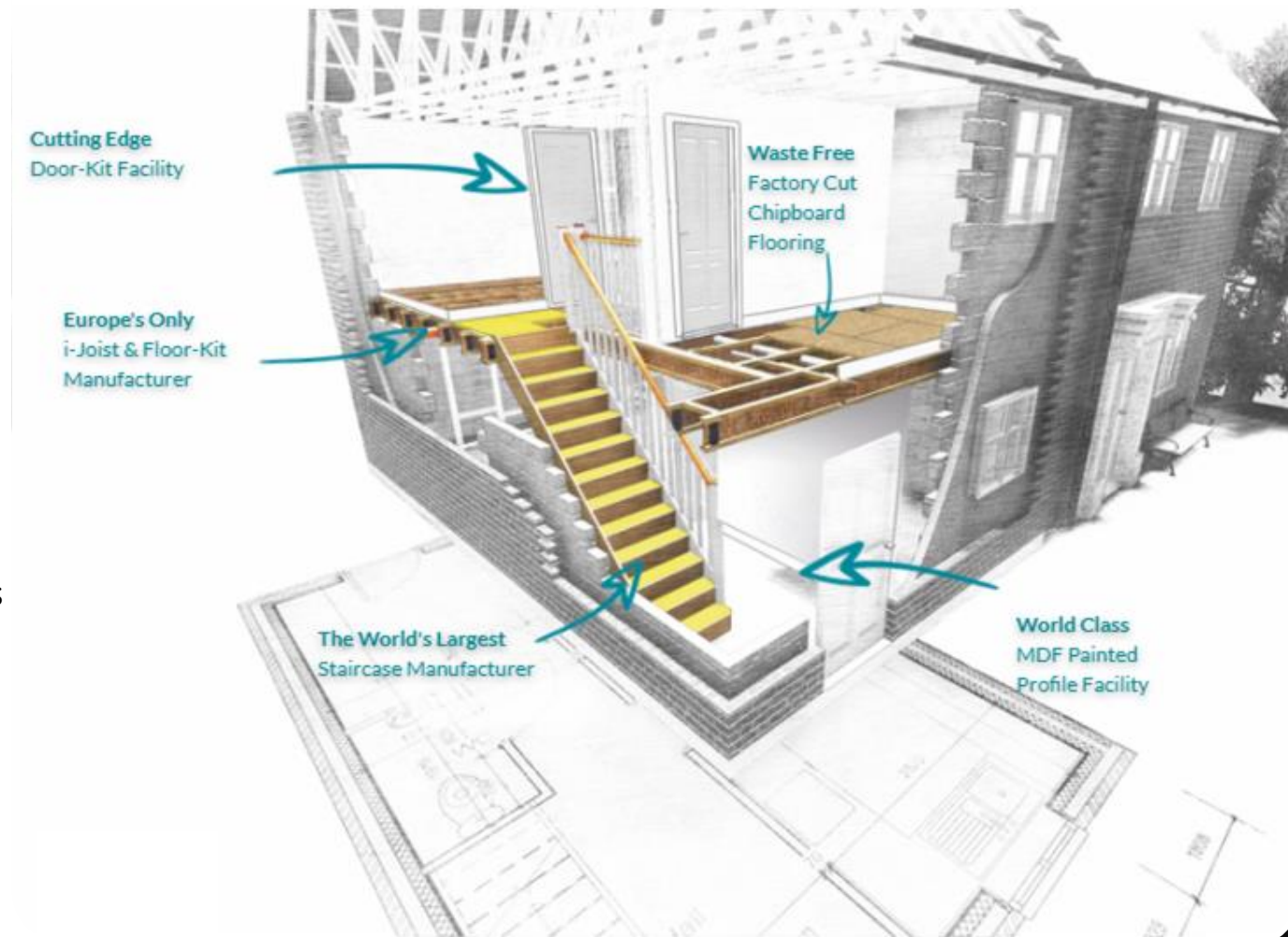
Innovate to bring the benefits of MMC to SME housebuilders - offering best in class design and build with integrated fulfilment

Enhance our integrated customer proposition through the full control of Staircraft

Staircraft adding significant capabilities to the Group



- + Minority share acquired in 2015
- + Full control effective from Q4 2021
- + Market-leading proposition for national, offsite and regional housebuilders.
- + Fully integrated stair and flooring solutions
- + Technology led
- + 2015 – 2019 revenue CAGR of ~30%



An intelligent approach to leveraging scale

Tailored propositions



Specialist sales force



Commercial proposition



Dedicated fulfilment capability



Bespoke digital propositions



Group advantages

01

Enhanced customer propositions

02

Flexible combinations of assets

03

Alignment and collaboration with suppliers

04

Technology platforms deployed at scale

05

Differentiated capability to shape and lead on key issues

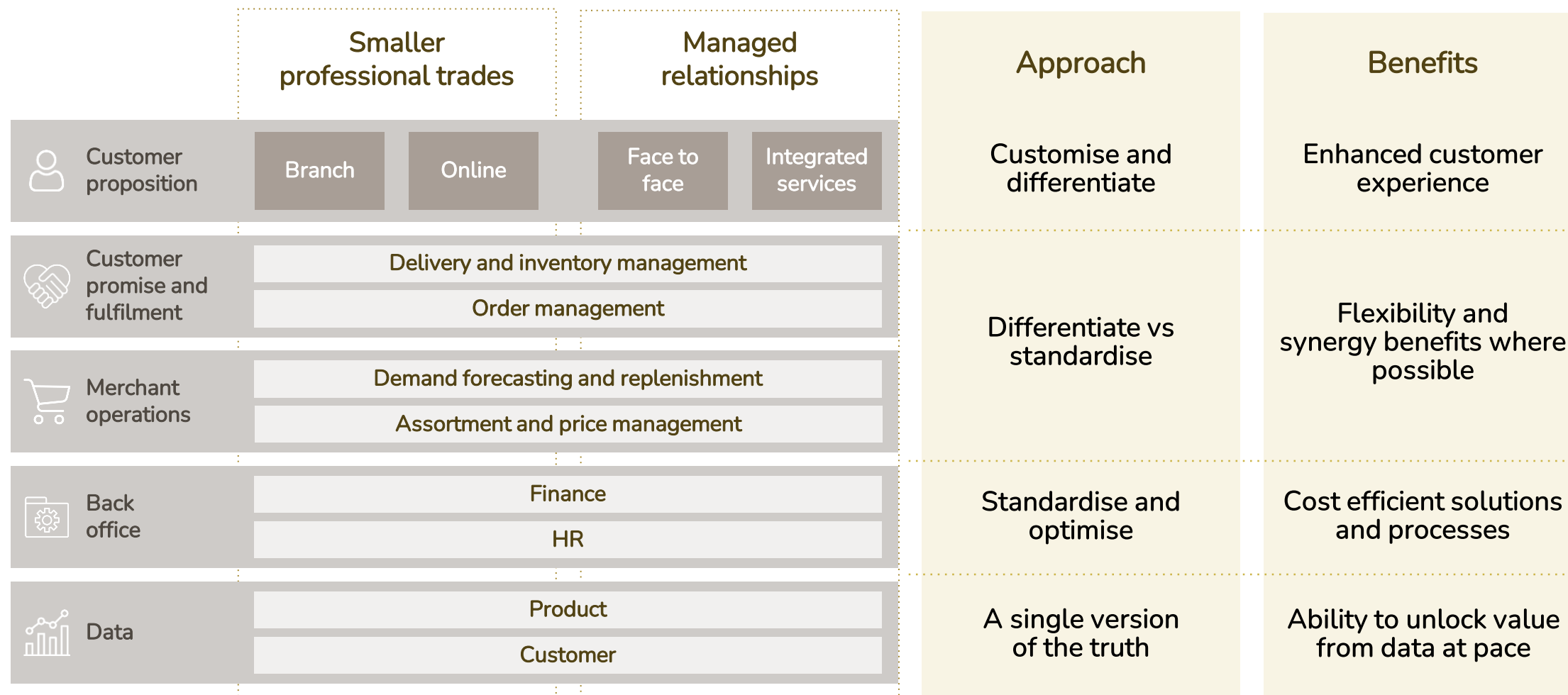
LEVERAGING THE POWER OF THE GROUP

05

- Advancing customer propositions
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Phil Tenney

Aligning technology to customer segments



Modern technology delivery methods are being used

From

Fewer major programmes



To

More agile products

Capex spend plus depreciation



More opex - SaaS payments

Higher risk implementations



Lower risk go-live (test and learn)

Lengthy design phases



Agile development cadence

A beginning... and an end



An ongoing profile of investment

Investment planned in new technology landscape –
Incremental £5-10m on current £30m p.a. run rate

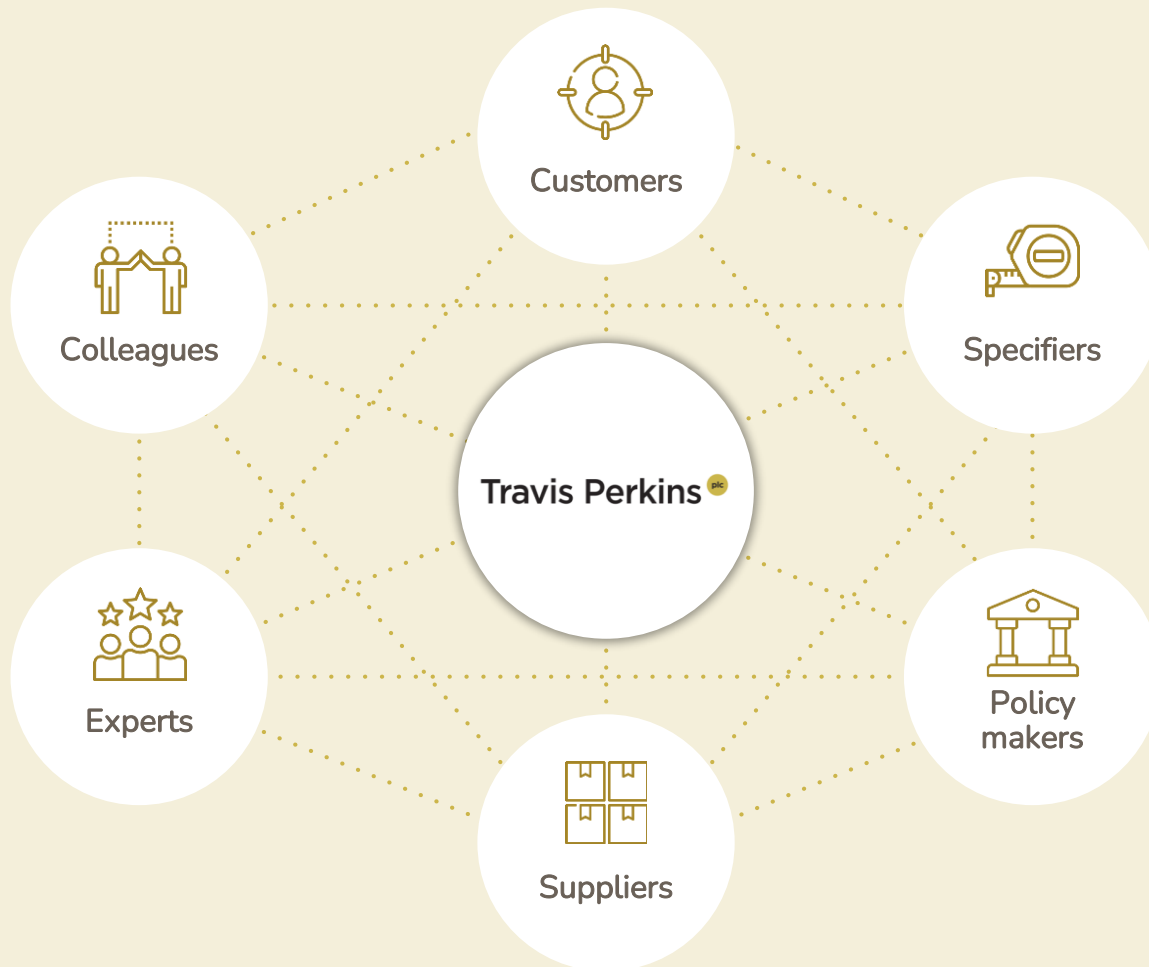
LEVERAGING THE POWER OF THE GROUP

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- Advancing customer propositions
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Emma Rose

Embracing the opportunity to shape our industry



Unique position at the heart of the industry

Able to shape the agenda and lead through example

Leadership role provides competitive advantage

Embracing change is fundamental to future success

Guided by a clear purpose and stretching goals



Group Purpose

We're here to help build better communities and enrich lives

Group Ambition - Leading Partner to the Construction Industry

Helping to change construction

Leading the development of future construction processes that enables the industry to build better, higher quality outputs in a safer and more sustainable way

Decarbonising our industry

Helping the industry to decarbonise by using the most efficient products, supplied in the most efficient way to produce the right outcomes for our communities

Developing the next generation

Impact a generation of young people, enriching their lives through work experience, skills building and career opportunities

Driving strong total shareholder returns

Committed to reducing our environmental impact



Net Zero Carbon

- Decarbonising fleet of over 4,000 vehicles
- Decarbonising estate of over 1,300 buildings

Net Zero Carbon
for **Scopes 1 and 2** by
2035 (80% reduction,
20% offset)



Sustainable products and services

- Helping customers to select sustainable products
- Training and upskilling colleagues and customers
- Providing services to support the decarbonisation of buildings and the circular economy

63% reduction in
Scope 3 supply chain
carbon by 2035,
in line with a 1.5
degree pathway



Responsible sourcing

- Sourcing safe and quality products
- Assessing suppliers to ensure trusted, sustainable and transparent supply chains
- Sourcing certified timber

100%
certified timber

Thriving culture, colleagues and communities sit at the heart of our future success



Safety and wellbeing

- Advancing our safety culture through a risk focus
- Supporting physical, mental and financial wellbeing
- Collaborating with the industry to drive change

Everybody
home safe and well
every single day



People development

- Attracting talent to our business and industry
- Developing colleagues for changing markets
- Ensuring all colleagues have the chance to grow

1,000 colleagues on
Apprenticeships
in 2021



Diversity and inclusion

- Empowering colleagues to drive the agenda
- Enabling networks
- Educating through training and reverse mentoring
- Improving pay equality
- Attracting diverse talent

500 young people
16-24 Kickstart
programme

06 DELIVERING ATTRACTIVE FINANCIAL OUTCOMES

Alan Williams

A compelling investment proposition

01

Reshaped Group more stable and predictable with competitively advantaged, trade-focused portfolio

02

Actions taken to simplify processes, speed up decision making and address the cost base

03

Well positioned to take advantage of new market opportunities and deliver profitable growth ahead of our markets

04

Strong balance sheet with good cash conversion, sufficient to fund investment requirements

05

Scope for enhanced shareholder returns over and above ordinary dividend

Group well set for medium term outperformance

Revenue	Ahead of the market	<ul style="list-style-type: none"> • Toolstation a growing component of the Group • Opportunities to win share through deeper customer relationships • Extension into value-added services
Gross margin (%)	Modest accretion	<ul style="list-style-type: none"> • Segmental mix benefit - Toolstation higher gross margin and faster growing • Maintain overall gross margin percentage in Merchanting
Cost to serve (%)	Stable at Group level	<ul style="list-style-type: none"> • Segmental mix impact as Toolstation has higher cost to serve • Merchanting - focus on gross profit flow through, more flexible cost base post June 2020 restructuring • Addressing fixed cost base from portfolio changes
Operating margin (%)	Modest accretion	<ul style="list-style-type: none"> • Rapid expansion of Toolstation UK and Europe drives improvements in operating leverage • Merchanting operating margins are more stable with modest accretion over time

Strong underlying cash conversion

Continue to build on strong recent performance driven by working capital management



Merchanting working capital as a proportion of sales has been relatively stable, driving 80%+ cash conversion

2021 reflects a normalised position post Covid-19



Investment in network and growth results in lower cash conversion than merchanting until network matures

Group cash conversion further supported by completion of restructuring phase

$$^1 \text{Cash conversion \%} = \frac{\begin{array}{l} \text{Adjusted EBITA excl. Property Profits} \\ + \text{ depreciation \& amortisation (excl. IFRS 16)} \\ +/- \text{ change in working capital} \\ - \text{ non-freehold capital expenditure} \end{array}}{\text{Adjusted EBITA excl. Property Profits}}$$

Clear capital allocation priorities aligned to strategy

Strategic Priorities
~50%



Toolstation UK & Europe expansion



TPGM network improvements

Capex guidance¹
2022 c. £125m

Maintenance ~35%

Maintaining
a modern,
sustainable
fleet



Network
IT estate
Hire portfolio

Selected other investments
~15%

¹ Excludes freehold purchases

Value-adding M&A through bolt-on 'buy and build' strategy

Elevating
relationships

Deepening
relationships

Potential to **exploit the Group's scale advantage** and to provide further opportunities to **elevate or deepen relationships**.

TF Solutions offers routes to growth in adjacent markets



A leading provider of air conditioning products to SME installers operating from 11 c. 10,000 ft² branches

TODAY
c.£25m revenue at c.8% operating margin
2024 target revenue > £100m



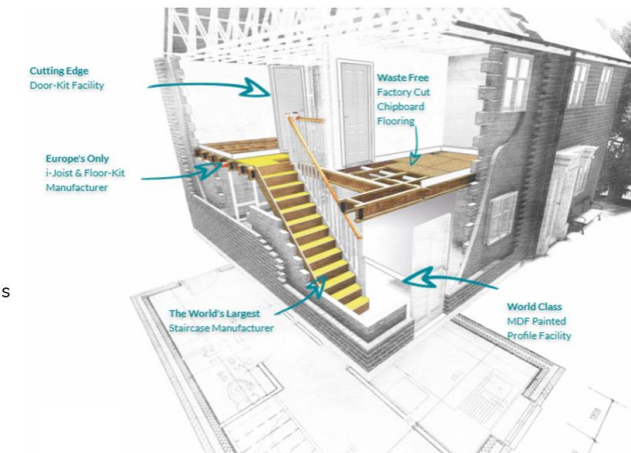
Optimal estate p
~ 30 branches - mix of
smaller footprint and in

Staircraft adding significant capabilities to the Group



STAIRCRAFT

- + Minority share acquired in 2015
- + Full control effective from Q4 2021
- + Market leading proposition for national, off-site and regional house-builders.
- + Fully integrated stair and flooring solutions
- + Technology led
- + 2015 – 2019 revenue CAGR of ~30%

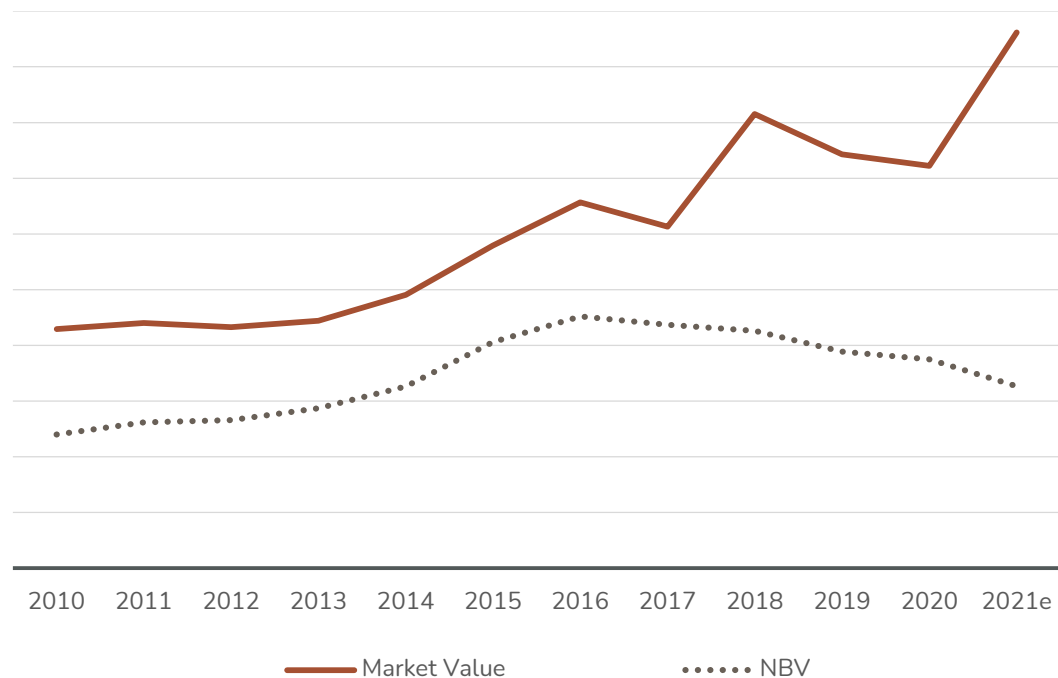


Appreciating property portfolio releases profit and cash

2010-2021

Market value has grown by over £500m

NBV has grown by ~£90m despite cash receipts of over £130m



Significant latent value in property portfolio

- Average of c. £40m cash-inflow from property disposals per annum fully funding acquisitions - with additional inflows expected in 2022-23

Case Study: Cambridge

Up to 2017

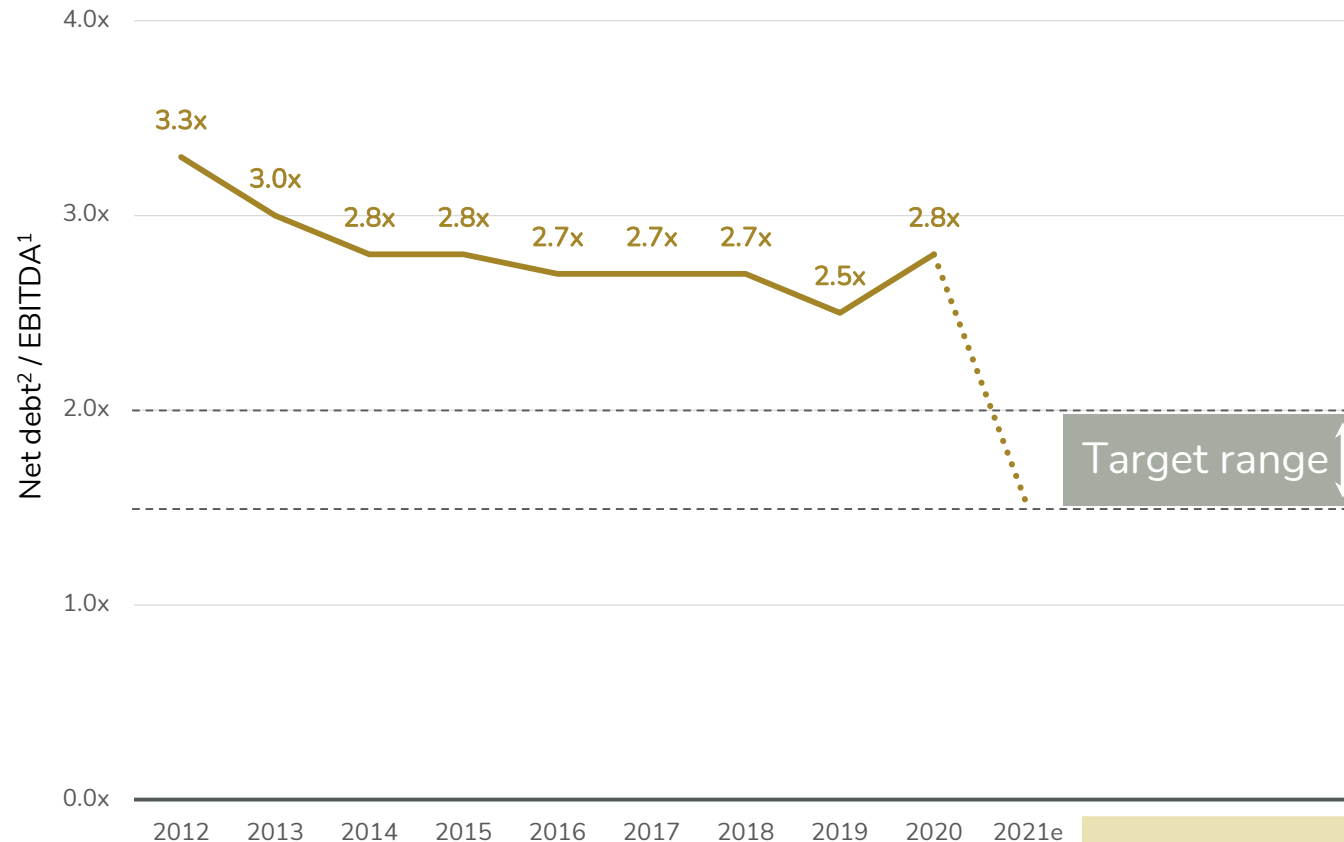
- 3-acre Cambridge city centre freehold branch
- 15-20% market share

Portfolio reshaping

- Opened second 1 ¾ acre freehold site
- Deal done to sell original site
- Land acquired for second 2 ½ acre site

Potential to increase market share by 10-20%
Sale fully funds development and realises significant profit

Highly achievable leverage targets

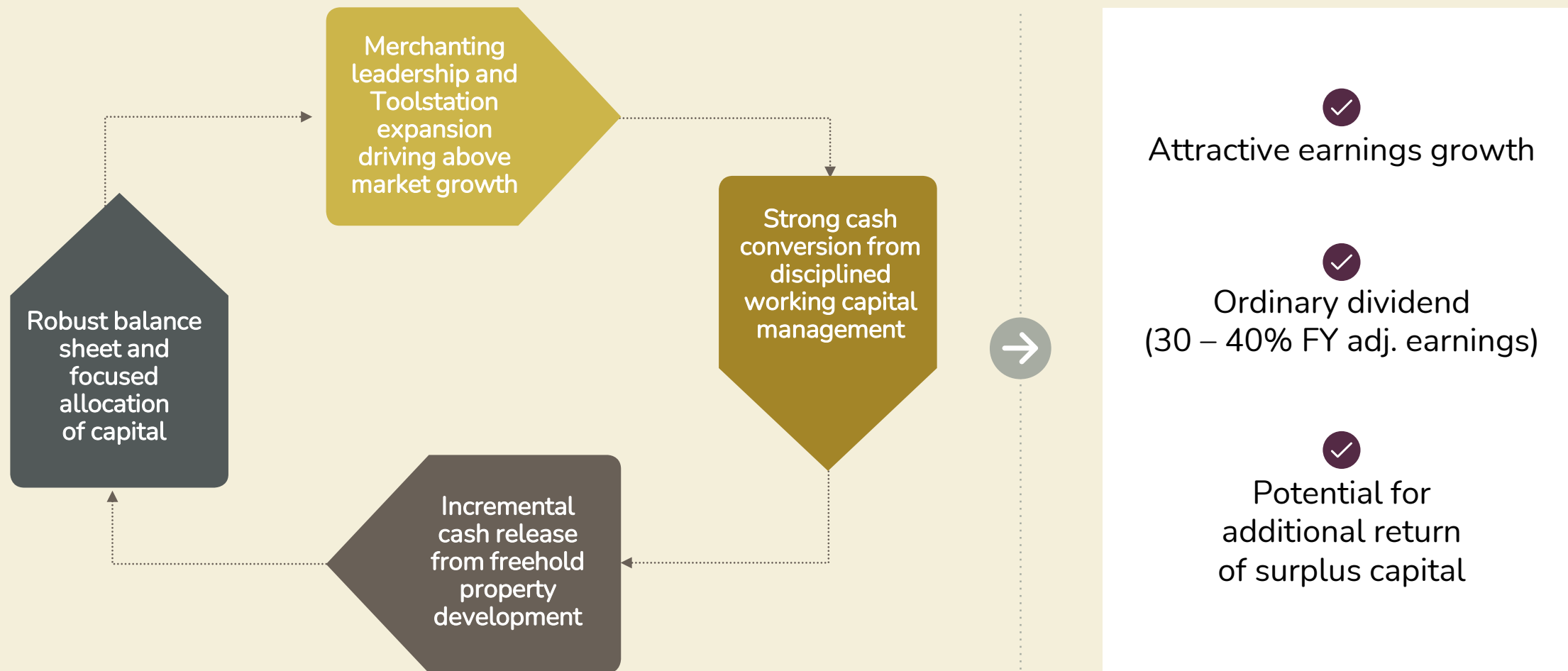


- Significant reduction in Group leverage since 2012 with material reduction in 2021 driven by portfolio actions.
- Target leverage of 1.5x - 2.0x Net debt/EBITDA
- 2021 outturn forecast in range of 1.4x - 1.6x Net debt/EBITDA
- Expect to operate in the medium term towards the lower end of the target range

¹ Values for 2018 and earlier are calculated as the ratio of lease-adjusted net debt to EBITDA adjusted for rent ("EBITDAR")

² Net debt is presented on an IFRS16 basis

Repeatable model focused on delivering sustainable TSR



07 WRAP-UP AND Q&A

Nick Roberts

Summary

01

The construction sector is changing, driven by both macro and sector-specific factors

02

The Group is well positioned to adapt quickly to these changing conditions

03

Elevating and deepening customer relationships will be key to win

Summary

04

Our businesses all have clear plans to enable future growth and further value can be added through leveraging the power of the Group

05

We take our role as a leader in the sector seriously – we will help to create a more sustainable construction industry

06

We believe our strategy will grow earnings and cash which with disciplined investment, will lead to growing returns for shareholders

We're here to help build better communities and enrich lives

Purpose

We're here to help build better communities and enrich lives

Ambition

Leading Partner to the Construction Industry

Collaborating to add value



Leading assets and capabilities

Driving strong total shareholder returns

We have a differentiated and clear purpose with a stretching ambition

Our combination of market-leading business adds value to customers and society

With a business built on sound foundations for future growth

Appendix

The Group Leadership Team



Nick Roberts
CEO

Joined 2019

Experience:
Previously President at design, engineering and project management consultancy, Atkins



Alan Williams
CFO

Joined 2017

Experience:
CFO of Greencore PLC, and senior Finance roles at Cadbury PLC



Frank Elkins
COO

Joined 2003

Experience:
30 years merchanting experience, previously managing director of BSS industrial



Phil Tenney
CITO

Joined 2021

Experience:
CTDO at Asda and other senior IT positions across retail and banking sectors



Robin Miller
General Counsel and
Company Secretary

Joined 2018

Experience:
General Counsel & Company Secretary at Dairy Crest Group plc



Emma Rose
CHRO

Joined 2020

Experience:
HR Director at Kerry Foods other senior HR roles across leisure and food manufacturing sectors



Martin Meech
Group Property Director

Joined 2005

Experience:
Property Director at Dixons, Halfords and Gateway



James Mackenzie
MD Toolstation

Joined 2017

Experience:
Commercial and Digital Director at Screwfix, and GM Kingfisher Asia



Kieran Griffin
MD Travis Perkins

Joined 1995

Experience:
Joined the group as a management trainee, progressed to manage the group's specialist businesses BSS, Keyline and CCF



Angela Rushforth
MD BSS

Joined 2015

Experience:
Managing Director at Ridgeons, and executive roles at Wolseley and Screwfix



Dean Pinner
MD Keyline

Joined 2014

Experience:
Over 30 years experience in the independent building merchant sector to include EH Smith and Shire Building Supplies



Catherine Gibson
MD CCF

Joined 2015

Experience:
Joined the Group from Aggregate Industries, initially as an Operations Director before being promoted to MD of the Group's Toolhire business.

Group ESG framework

