



LUCAS BOLS

1575

Huub van Doorne – CEO

VFB - Dag van de Tips

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Disclaimer



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Lucas Bols at a glance



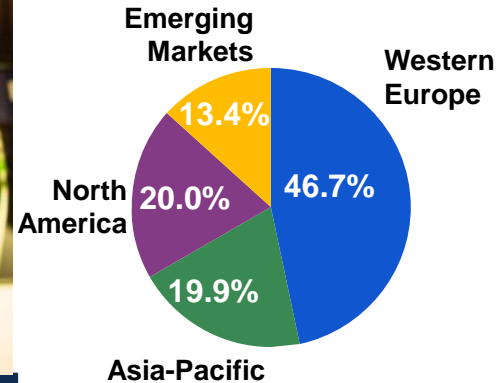
Amsterdam 1575



**>25 brands
46 Bols liqueur
flavours**



**Over 110 countries, 53%
revenue outside Western
Europe**



% of total FY 2016/17 revenue

80.5

margin

23%

18.2

**Revenue
€m**

**EBIT*
€m**

FY 2016/17

Strong offering of global brands and regional brands



Global brands

Bols Liqueurs range



White Spirits



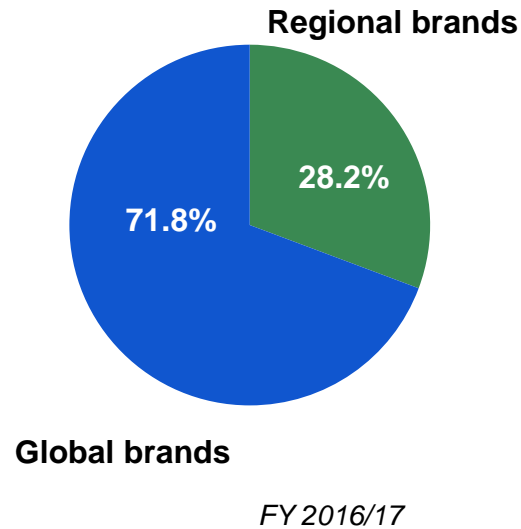
Italian Liqueurs



Passoã



Revenue structure



Regional brands

Liqueurs



Dutch Jenever portfolio



Value brands

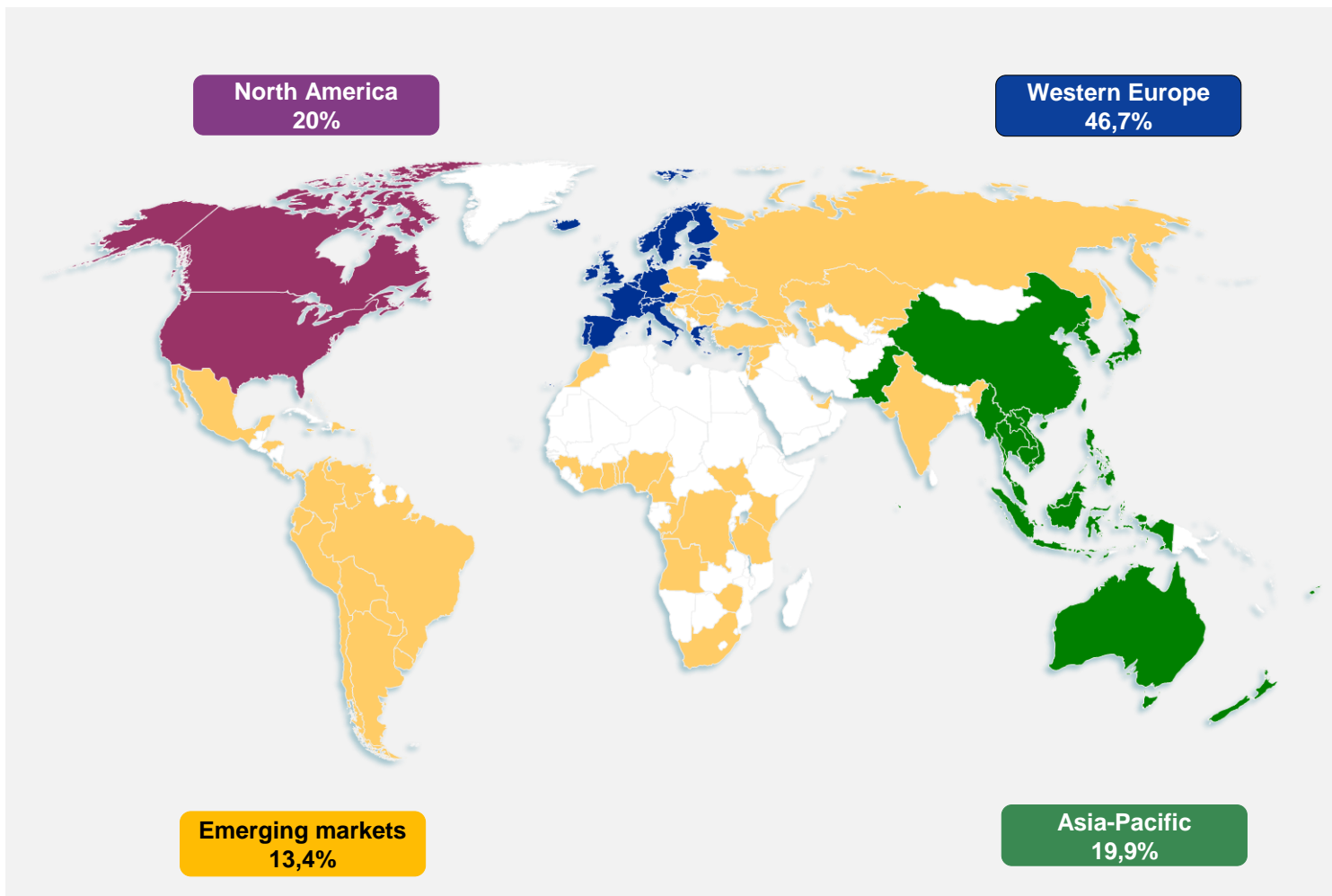


Global footprint in over 110 countries

53% of revenue outside Western Europe



Group revenue per geographical segment



Lucas Bols' mission & strategic framework



Mission Lucas Bols



We create great cocktail experiences around the world



Strategic framework Lucas Bols



**Build the
brand equity**



**Lead the
development of
the cocktail market**



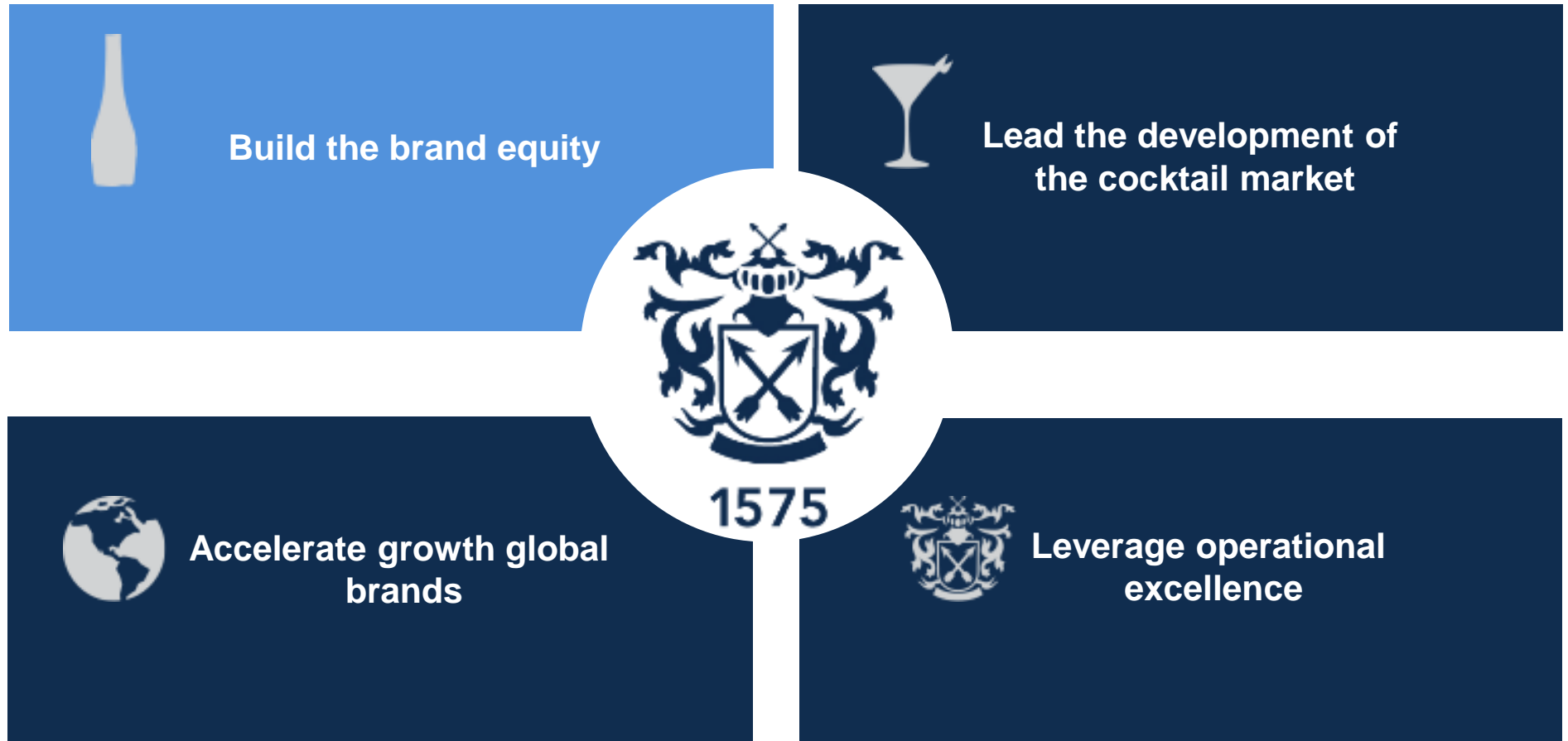
**Accelerate global
brand growth**



**Leverage
operational
excellence**

- To strengthen and grow our global brands in the international cocktail market
- To maintain the competitiveness of our regional brands in regional and local markets

Lucas Bols: Four strategic pillars



Our journey to become the leading cocktail brand worldwide started over 440 years ago



More than 440 years of experience

The World's Oldest Distilled spirit Brand

Important role in cocktail culture in the USA

Semper idem

Original recipes

Ingredients from all over the World

Traditional production methods

Over 300 quality checks

In more than 110 countries

Bartender endorsement

Outperformance in independent flavour testing

Most awarded liqueur brand

Building the brand equity – global brands



Position Bols Liqueurs as **the leading branded liqueur range in the world**

Position white spirits as **essential base spirit for cocktails**

- Global market leader in the genever category
- Damrak Gin: The premium original gin from Amsterdam
- Bols Vodka: Perfect for mixing and the preparation of cocktails

Position Italian Liqueurs as **unique super premium liqueurs**

- Galliano: Strong worldwide consumer and bartender brand
- Vaccari Sambuca: Strong brand in Mexico, Ireland and The Netherlands

Passoã has

- a **leading position** in the Western-European retail segment and
- strong growth potential in the cocktail market

House of Bols Cocktail & Genever Experience

Your best hour in Amsterdam



After 10 years with nearly 500,000 visitors, The House of Bols was fully revamped in 2016/17

- Spectacular flavour sensation
- Ingredients and production processes
- Do-It-Yourself: new bar for visitors to make their own cocktail



Building the brand equity – regional brands



Market leader with Dutch genever portfolio

Strong presence in Africa with Henkes and with Bols Brandy in South Africa and India

Maintain strong and stable cash generation

Maintain competitiveness by active brand management and trade marketing initiatives

Lucas Bols: Four strategic pillars



Build the brand equity



**Lead the development of
the cocktail market**



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**Accelerate growth global
brands**



**Leverage operational
excellence**

Bols around the world - the Genever edition 2016/17



- Grand final in Amsterdam in May 2017
- > 2.000 bartenders from over 75 countries



BATW Movie



Bols Business Class en Bols Bartending seminars



A series of one day bar business talks about trends in the horeca and cocktail scene

Lucas Bols: Four strategic pillars



Build the brand equity



**Lead the development of
the cocktail market**



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**Accelerate growth global
brands**

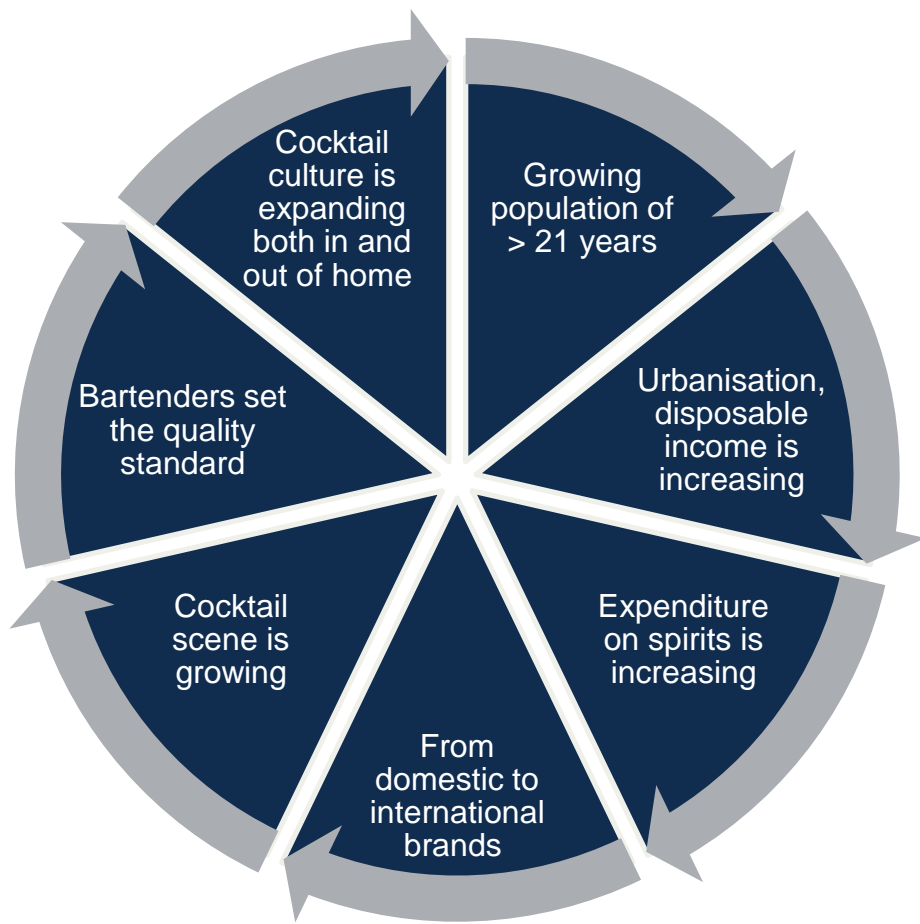


**Leverage operational
excellence**

Cocktail growth trend continues each region at a different stage



Growth drivers



Regional Cocktail development

North America

- **Sophisticated cocktail culture**

Western Europe

- **Cocktail culture becoming more sophisticated and widespread**

Emerging markets

- **Cocktail scene is emerging and growing, particularly in big cities**

Asia-Pacific

- **Developing cocktail culture & bartender scene**

Lucas Bols: Four strategic pillars



Build the brand equity



**Lead the development of
the cocktail market**



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**Accelerate growth global
brands**



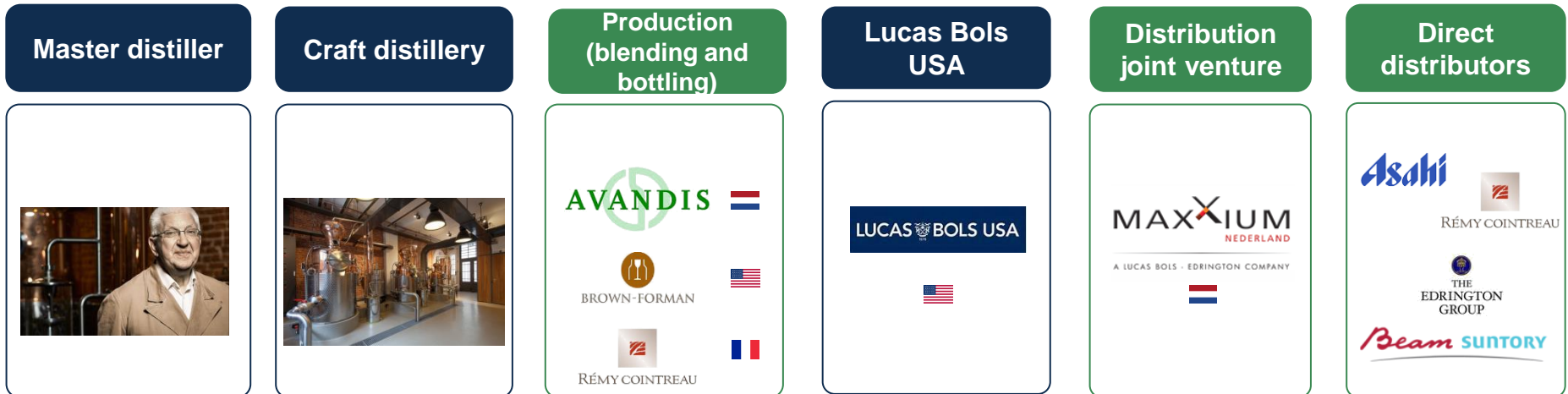
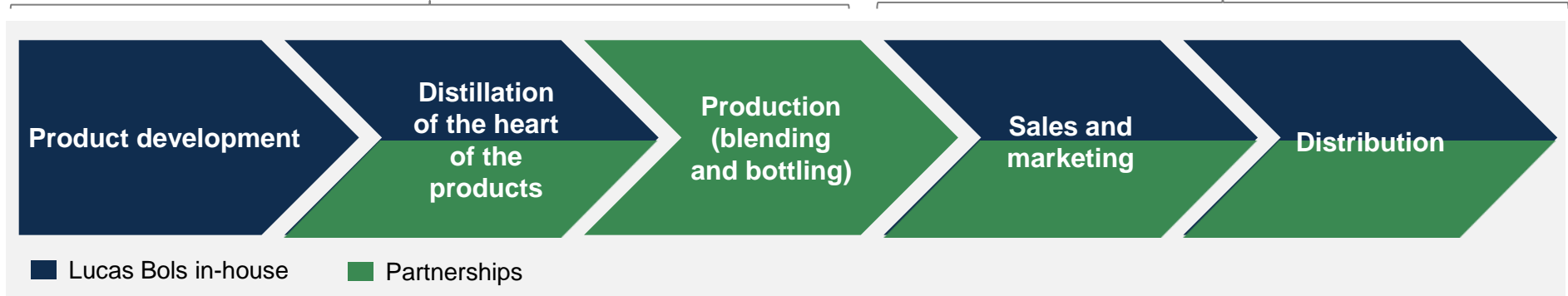
**Leverage operational
excellence**

Flexible and asset-light business model allowing management to focus on core activities



Production set-up to increase efficiencies and ensure quality

Distribution set-up to ensure route to market



Asset-light business model creates strong platform for growth



Leveraging our strong distribution and production platform to accelerate growth could be considered by:

- adding brands to our strong platform, through add on acquisitions
- adding third party brands to our distribution channels
- adding more volume to our production capacity at Avandis with third party brands



Highlights 2016/17

Revenue

Strong revenue growth of 10.8% to € 80.5 million as a result of both 3.4% organic growth and consolidation of the first four months of Passoã

Brand performance

Revenue of the global brands increased by 14.8% (+4.2% organically), while regional brands delivered 1.8% revenue growth (+1.6% organically)

Regional performance

All regions performed well, with good revenue growth in Emerging Markets (+20.1% organically) and North America (+4.7% organically)

Gross margin

Gross profit was up 13.4% (4.3% organically) and gross margin increased by 130 bps to 60.1% (+50 bps organically)

EBIT

Substantially increased investments in the commercial organisation and A&P compared to a year ago (+ € 2.3 million) resulted in a slight decline in organic EBIT

Net Profit

Net profit increased 28.6% to € 15.1 million (2015/16: € 11.7 million), including one-off tax benefit. Normalized net profit was € 12.3 million.

Dividend

Proposed final dividend of € 0.26 per share, bringing total full-year dividend to € 0.57 per share, up 5.6% compared to 2015/16

Our shareprice performed well since the IPO

Performance since IPO¹



The Lucas Bols proposition



Lucas Bols' strategy for growth



**Build the
brand equity**



**Lead the
development of
the cocktail market**



**Accelerate global
brand growth**



**Leverage
operational
excellence**



Organic growth from global brands



At least 50% dividend pay out



High profit margins



**Scalable distribution and production
platform**



Strong cash conversion



Q & A