

Innovative ingredient

solutions



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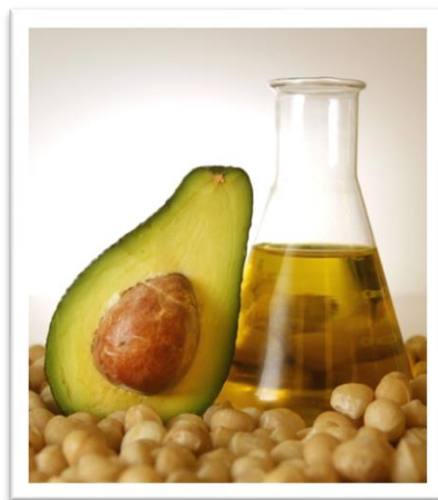


Beverage Specialties

Developed specifically for use in beverage applications offering enhanced flavour and improved solubility and cost, amongst other benefits, compared with standard essential oils.

Citrus

We have always been known for the quality of our citrus products such as orange, lemon, lime and grapefruit, which impart a natural, zesty flavour and aroma to a number of food, drink and personal care products.

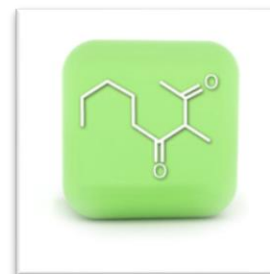


Wellness

Solutions for lower calorie and health-conscious products, as formulators seek to reduce the sugar content in their products, whilst maintaining mouthfeel and sweetness.

Treattarome®

Our Treattarome® products 100% natural specialties produced from fruits and vegetables. Their true-to-character profile makes them ideal for use in soft drinks, alcoholic drinks and juices.



Essential Oils

Derived from a variety of origins. Using our advanced technical expertise, we can ensure there is a product available to match our customers' specific requirements.

Natural & Aroma Chemicals

Our range of aroma, natural and high impact specialty chemicals work well in a number of flavour and fragrance applications and offer manufacturers a way of delivering authentic, aromatic profiles.



Fragrance Ingredients

Provides solutions to many allergen, cost and stability issues associated with natural ingredients in fragrance applications such as fabric and personal care.

Organic Oils

Our diverse product range includes 100% organically-certified ingredients for the flavour, fragrance and personal care industries.

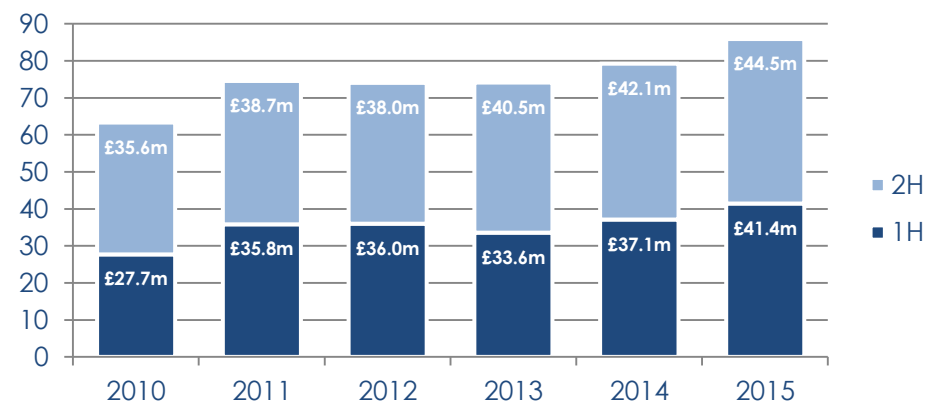
Results at a Glance

Year ended 30 September	2014	2015
Revenue	£79.2m	£85.9m
EBITDA*	£9.0m	£10.1m
Profit before tax *	£6.9m	£8.0m
Earnings per share *	10.0p	11.9p
Dividends per share	3.8p	4.0p
Net Assets per share	55.0p	63.0p

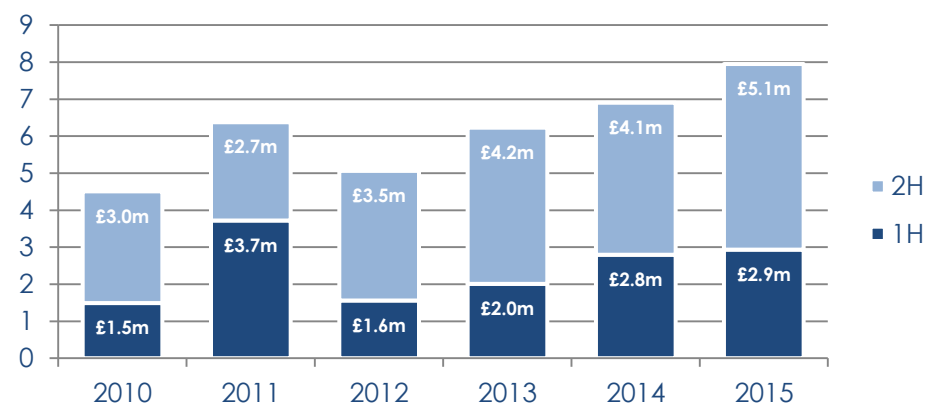
* Excludes exceptional items



Revenue £'m

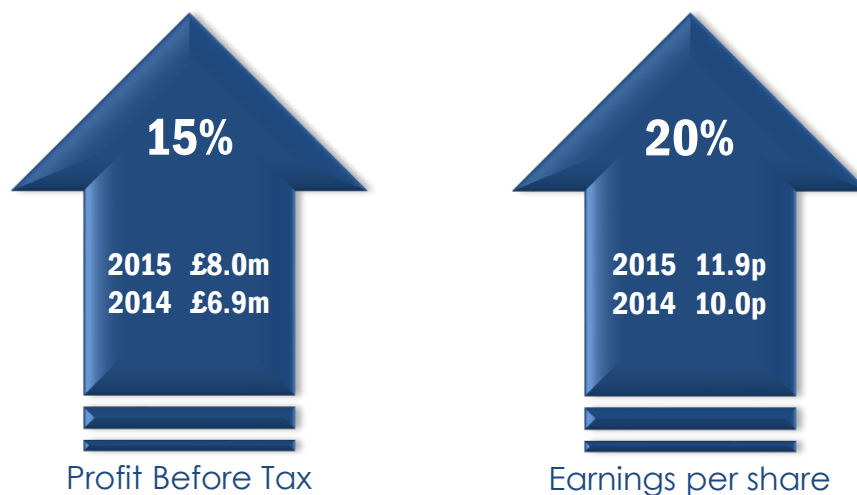


Profit before tax* £'m



- > 2012 three year strategic plan objectives delivered
- > Good revenue growth across all product sectors
- > Strongest growth from FMCG customers
- > Free cash flow – up by £4.9m to £6.2m
- > Operating margin greater than 10% - highest for 10 years
- > Strategic new business wins in wellness and beer

Key Performance Indicators



	2014	2015
Net operating margin	9.6%	10.1%
Return on capital employed	19.9%	22.1%
Average net debit to EBITDA	0.99 x	0.78 x

	2014 £'000	Change %	2015 £'000
Revenue	79,189	+8.5%	85,934 ^①
Gross Profit	17,971		18,979
<i>Gross Profit %</i>	<i>22.7%</i>		<i>22.1%</i> ^②
Administrative expenses	(10,343)		(10,289)
Operating Profit	7,628	+13.9%	8,690
<i>Operating Profit %</i>	<i>9.6%</i>		<i>10.1%</i>
Net Finance costs	(724)		(740)
Profit before taxation & exceptionals	6,904	+15.2%	7,950
Exceptional items	(1,402)		(174) ^③
Profit before taxation	5,502	+41.3%	7,776
Taxation	(1,553)		(1,786) ^④
Profit for the period	3,949	+51.7%	5,990
<i>Profit for the period %</i>	<i>5.0%</i>		<i>7.0%</i>

Key Points

1. Underlying sales growth of 6%
2. Margins slightly down due to long-term contracts
3. Exceptional costs relate to legal and professional fees for the continuing Earthoil Earnout dispute
4. Effective tax rate of 23% v 26%

	2014 £'000	2015 £'000
Net cash from operating activities	1,976	7,198
Cash flow from investing activities		
Purchase of property, plant and equipment	(538)	(924)
Purchase of intangible assets	(212)	(108)
Other	5	6
	(745)	(1,026)
Free cash flow	1,231	6,172
Cash flow from financing activities		
Interest payable	(725)	(741)
Dividends paid	(1,899)	(1,978)
Net sales of own shares by Share Trust	91	180
	(2,533)	(2,539)
Net decrease/(increase) in net debt	(1,302)	3,633
Effect of foreign exchange rates	12	(204)
Movement in net debt	(1,290)	3,429

Key Points

- Free cash flow: +£6.2m (2014: +£1.2m)
- Improved inventory turn

As at 30 September	2014	2015
Goodwill	£1.1m	£1.1m
Fixed Assets	£11.7m	£11.7m
Inventories	£28.0m	£25.8m ①
Debtors	£14.5m	£17.6m ②
Creditors	(£12.1m)	(£10.9m) ③
Working Capital	£30.4m	£32.5m
Taxation	(£0.9m)	(£1.1m)
Net Debt	(£9.6m)	(£6.2m)
Other net liabilities	(£3.9m)	(£4.8m)
Shareholders' Funds	£28.8m	£33.2m

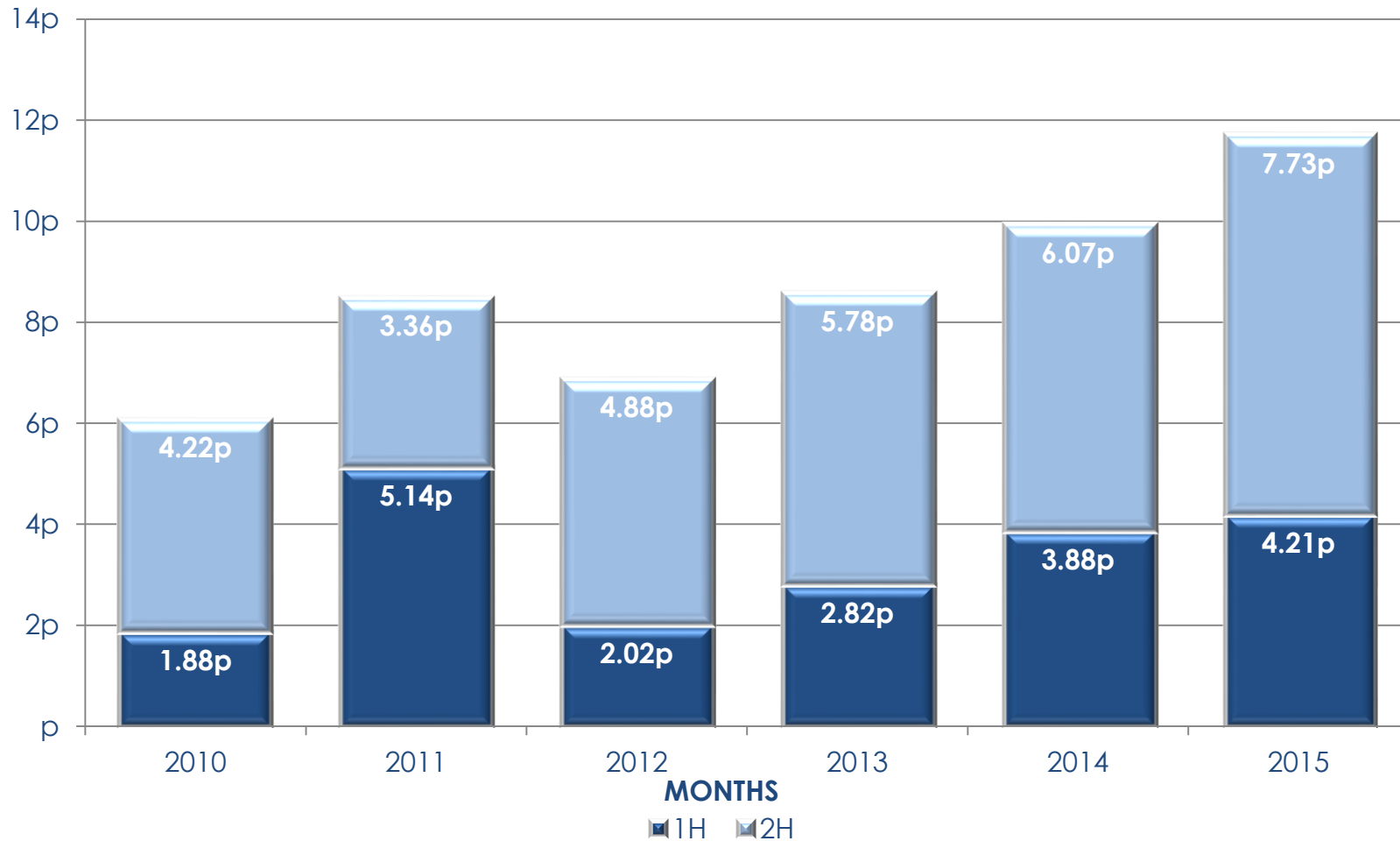
Key Points

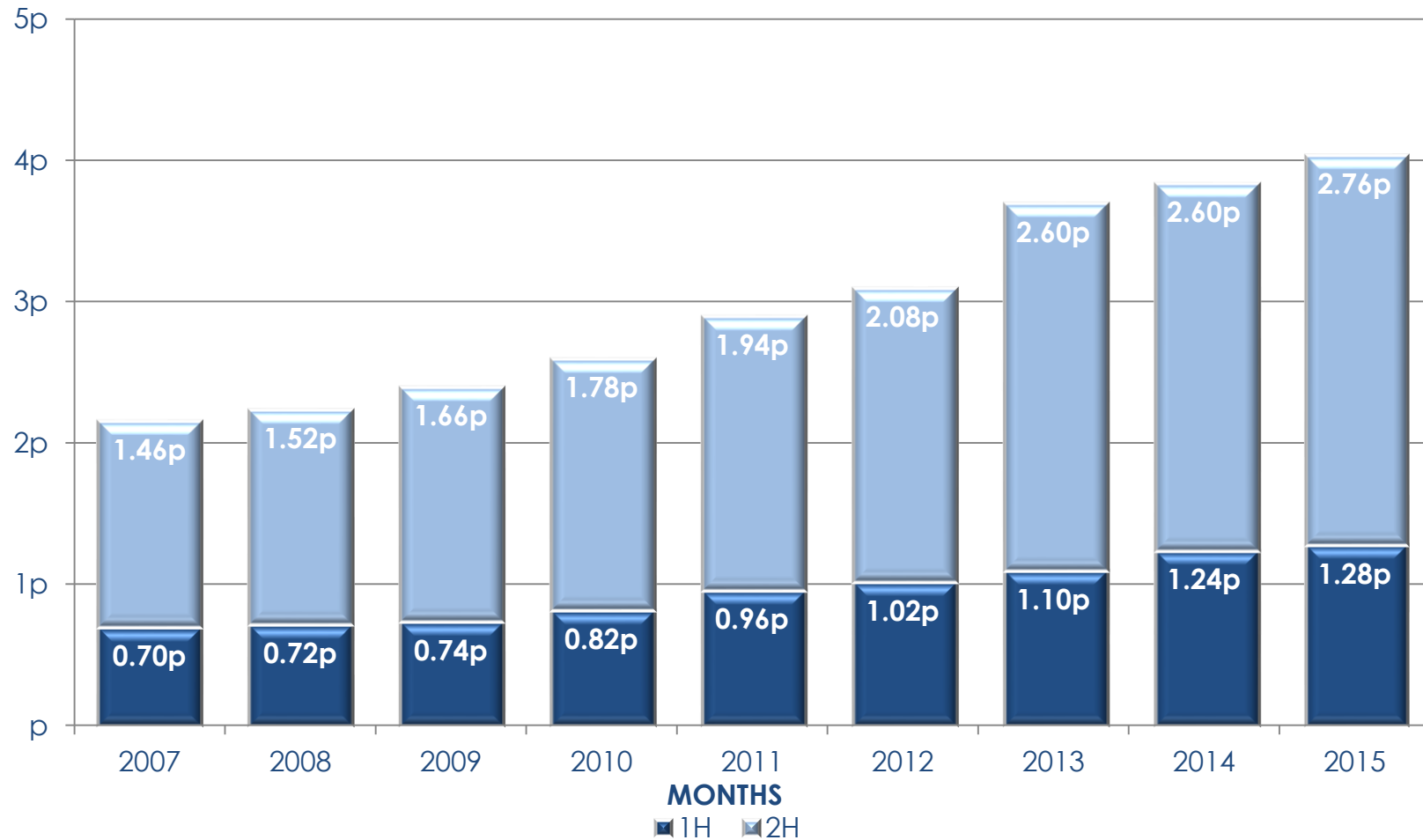
1. Inventory levels reduced due to improved stock turn efficiencies
2. Debtors higher due to strong sales in Q4
3. Creditors reduced as payment made for agency termination

- > Group headroom of £14.5m (Sept 2014: £10.7m)
- > Multi bank facilities totalling £20.7m

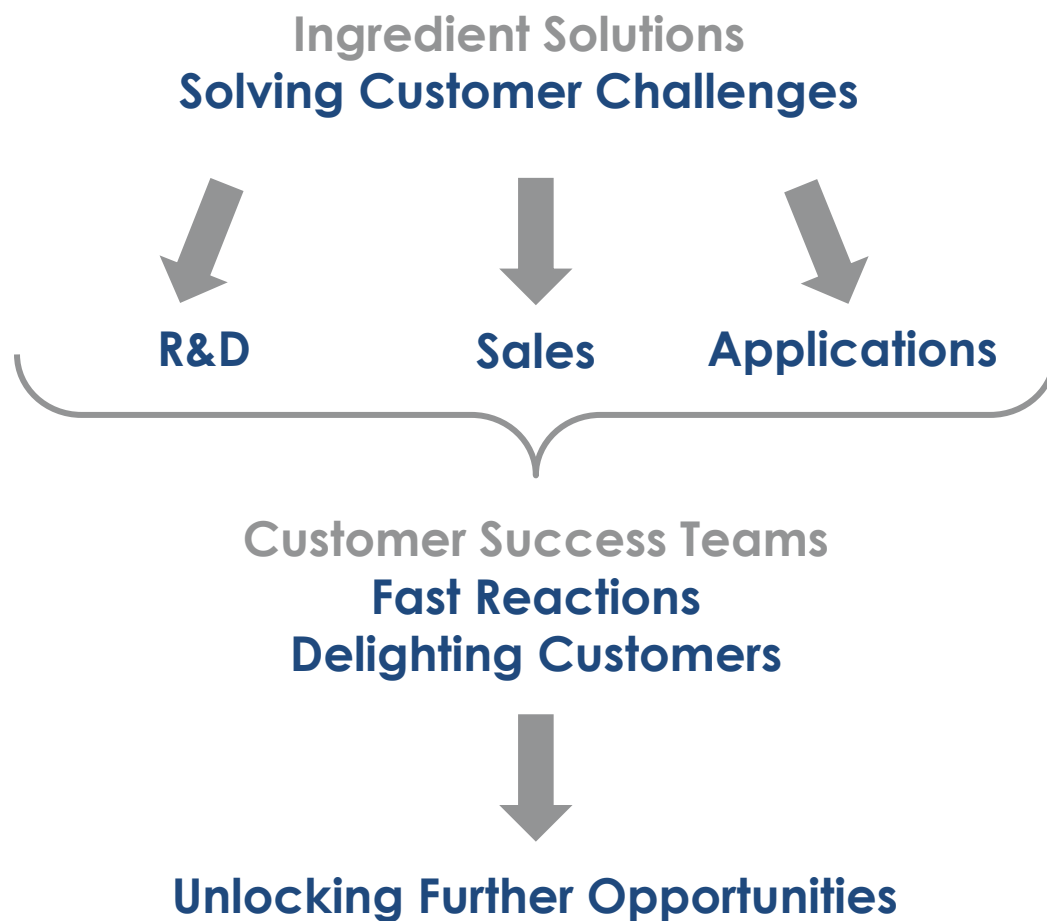
Interim/Final Earnings per Share

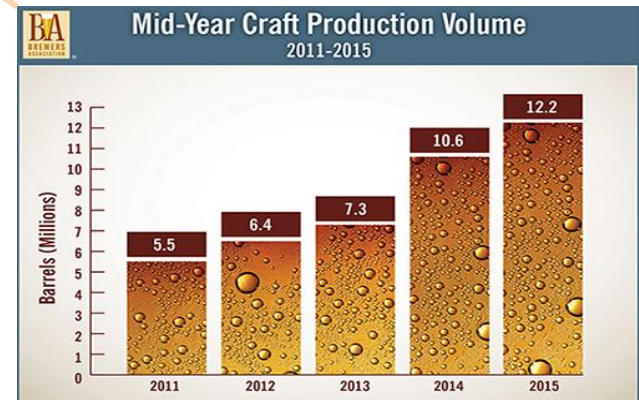
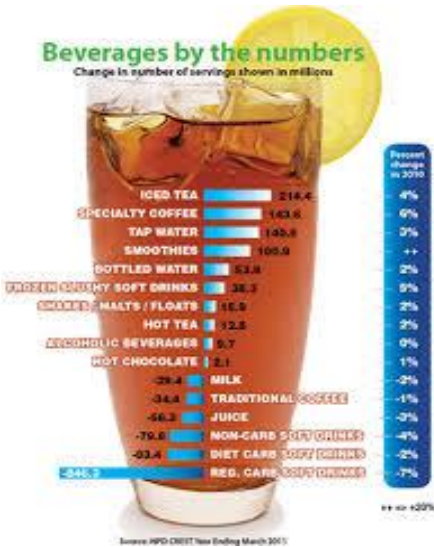
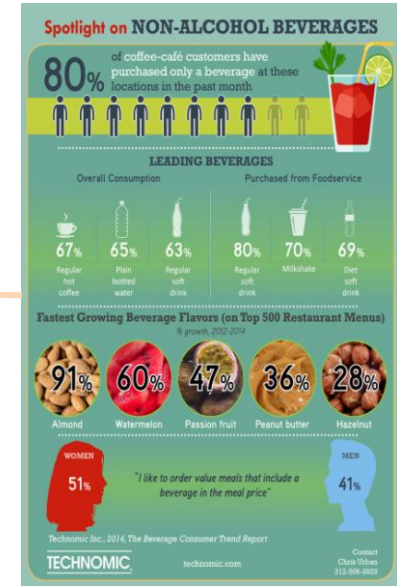
2010-2015

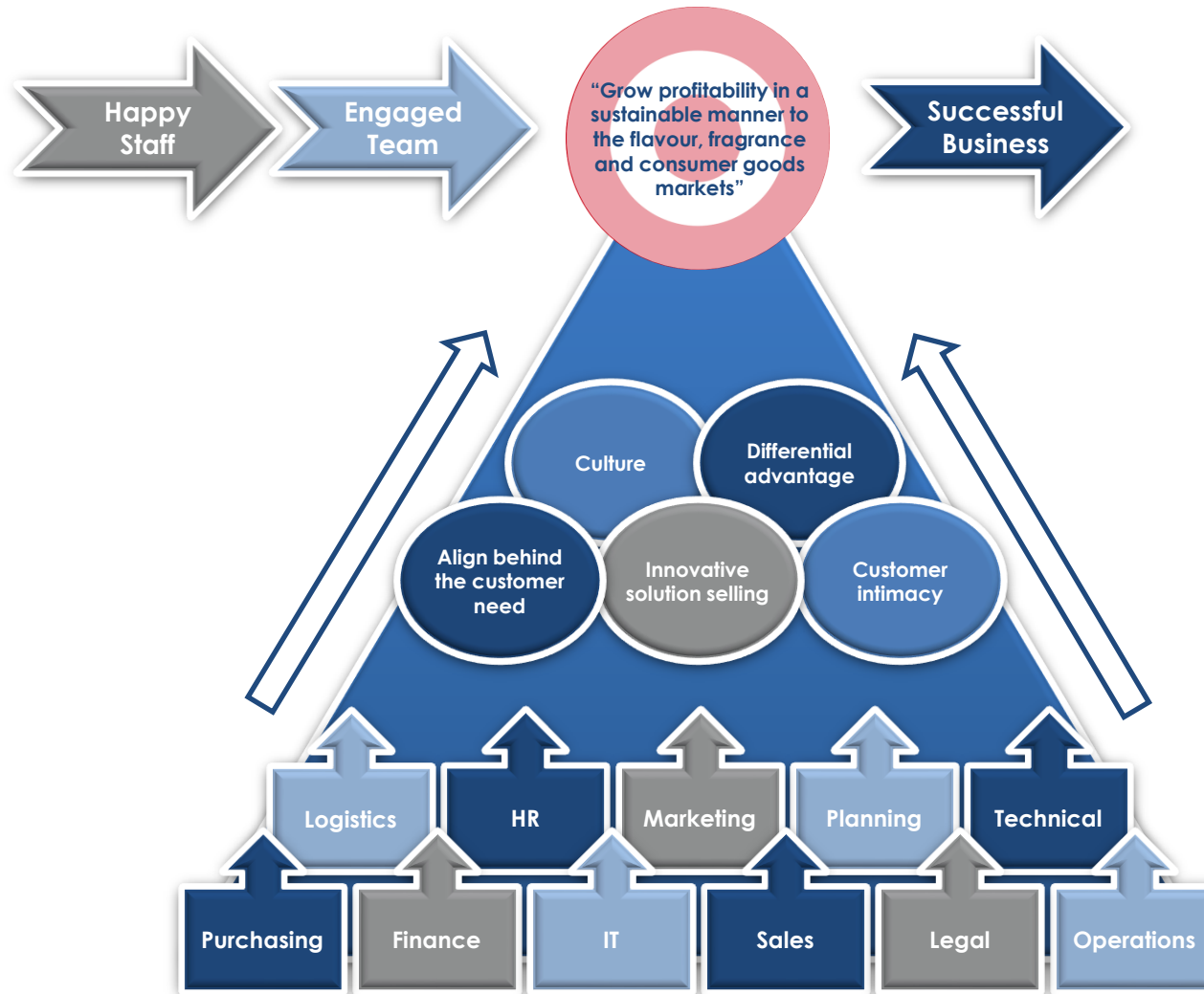


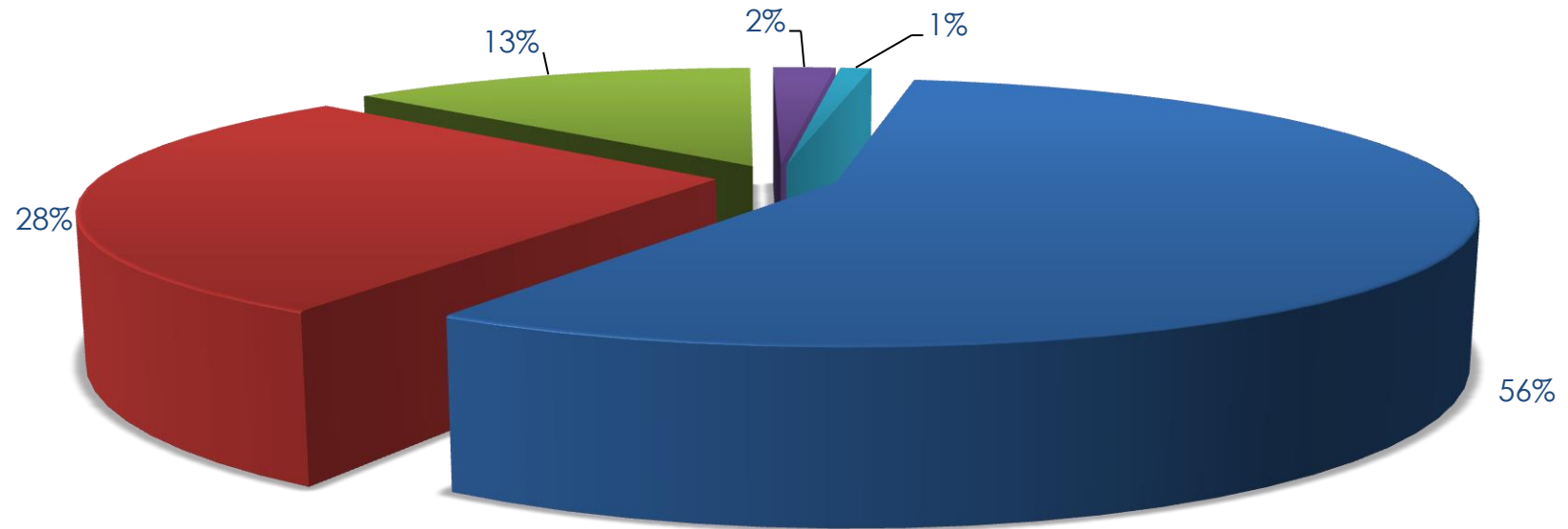


- > Growth in R&D investment – short and long term product innovation
- > New business wins in wellness, beer and tea
- > Margin optimisation through process improvement
- > Delivering success through cultural change
- > Portfolio growth at largest customer
- > Additional Earthoil capacity in Kenya









■ Flavour & Fragrance ■ Beverage ■ Personal Care ■ Chemicals ■ Pharmaceuticals

Future Developments

- > Over next 2-3 years continue to invest to drive our growth
- > UK site relocation
- > Enhanced technical infrastructure in US
- > Increased headcount investment in revenue driving areas
- > China expansion





- > New potential site identified
 - > estimated £15-£20m net of disposal proceeds from our existing site
 - > existing freehold site to be sold/redeveloped once move complete
 - > working with property & planning consultants and local authorities to build precise plans, specifications and costings
- > Existing site – sub optimal
 - > significant medium term spend required to meet regulatory requirements
- > Funding requirements and options determined once site availability timescales and working capital position confirmed
- > Project build assumed to start in 2016/2017



Current Trading & Outlook

- > Steady start to Q1 – better than prior year
- > Underlying growth, but steady sales due to falling prices of some key raw materials
- > Strong opportunity pipeline over 18 months – 2 years
- > Margin improvement expected
- > Earthoil growth