



# BOARD PRESENTATION

PROCUREMENT UNLOCKING VALUE, TO SUPPORT GROWTH

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**UNLOCKING**  
RUMINANT POTENTIAL



# Supply chain services

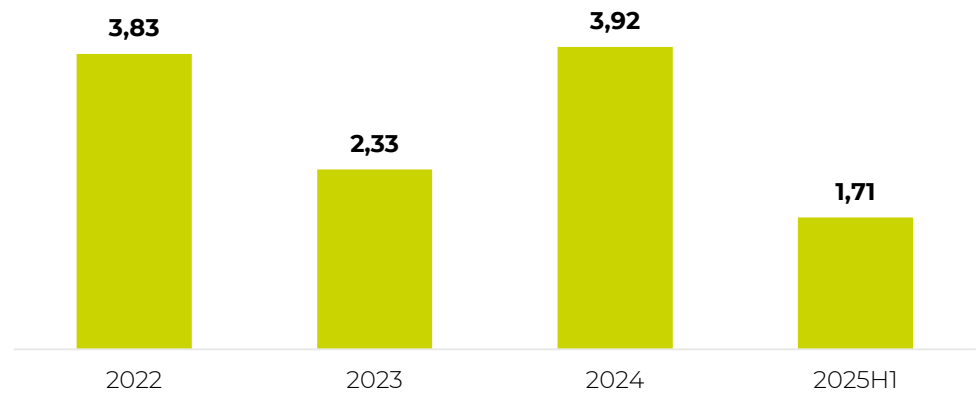
## Enabling 2030 Growth



# Spend profiling and categorisation

## Annual Procurement Spend

Annual Procurement Spend, £m



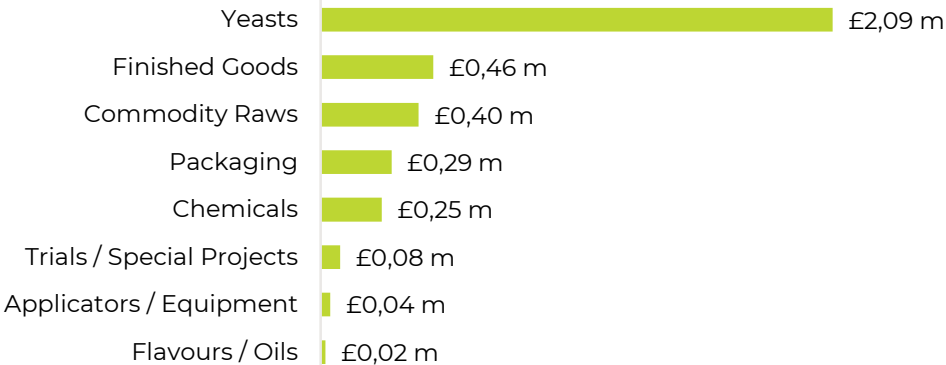
**Spend broadly stable:** £3.8m (2022), £2.3m (2023), £3.9m (2024).



**2025 YTD £1.7m** – not directly comparable as partial year.



Procurement spend typically **£3–4m per year**



■ Spend by Functional Category (2024)



**Yeasts dominate spend** = core risk & opportunity area.



**Finished goods & commodity raws** = → need tighter stock policy & sourcing leverage.



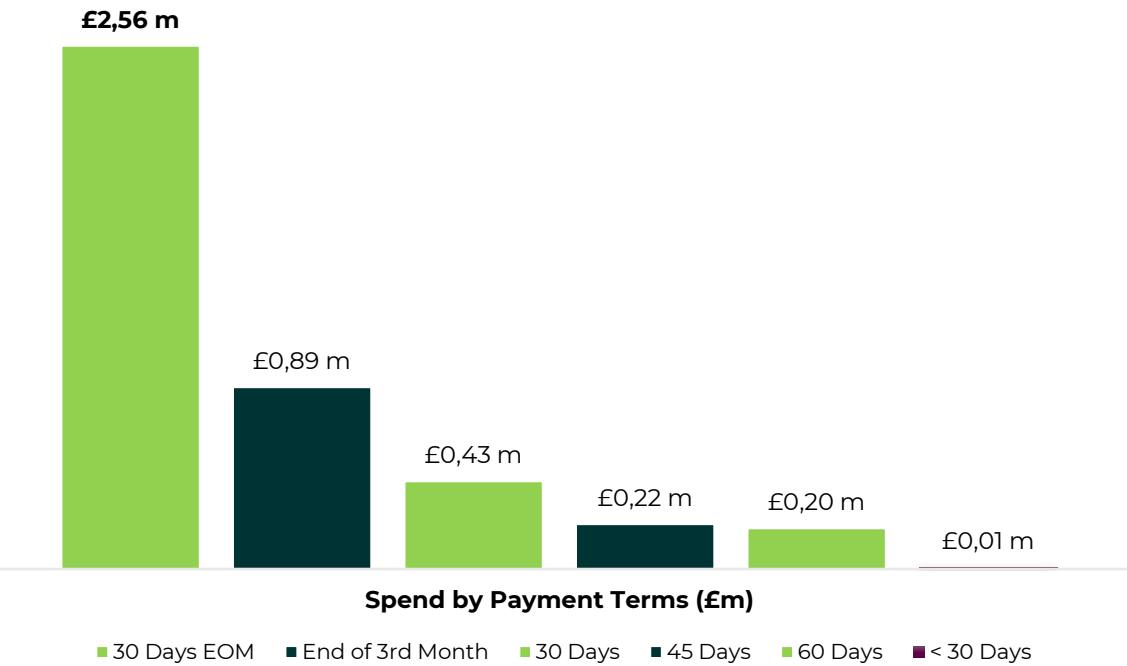
**Packaging & chemicals** = simplification and supplier consolidation potential.



**£3–4m annual spend: concentrated, high-impact, and ripe for optimisation**

# Spend profiling and categorisation

## Spend by Payment Terms



**Spend concentration:** Over **65% of supplier spend (£2.56m)** is on **30 Days EOM**, a major lever for working capital optimisation.



**£213K** Working Capital saving available moving 30 days to 60 days EOM



**£2.56m per year on 30 days EOM.** Extends terms by one month =  $\text{£2.56m} / 12 = \text{£213K}$

















**65% of spend stuck at 30 days EOM — £213k cash can be unlocked by moving to 60.**



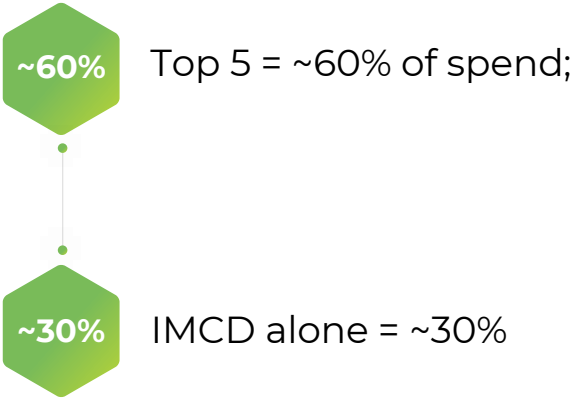
# Spend profiling and categorisation

## Spend by Supplier

The table shows the top 10 supplier by spend in 2024

 Supplier			
	 Spend (GBP)	 Share (%)	 Cumulative Share (%)
 IMCD UK Limited	£1,180,944.50	30.09	30.09
 Realistic Agri Ltd	£439,725.00	11.2	41.29
 Brenntag UK Ltd (Swansea)	£300,068.62	7.65	48.94
 FF Chemicals BV	£225,995.58	5.76	54.7
 Phileo UK & Ireland Limited	£201,196.45	5.13	59.83
 AB Mauri Italy S.p.A. Società Benefit.	£170,032.25	4.33	64.16
 Kerry Food Ingredients (Cork) Ltd	£164,573.91	4.19	68.35
 Longcliffe Quarries Ltd	£129,203.87	3.29	71.64
 Direct Food Ingredients Limited	£122,388.00	3.12	74.76
 Danstar Ferment A.G.	£117,043.46	2.98	77.74












Highly concentrated supply base:



# Spend profiling and categorisation

## Spend by Parts

The table shows the top 10 parts and their respective share %

	Part No			
	Part Description	Spend (GBP)	Share (%)	Cumulative Share (%)
	300327 Yeast Extract without Salt (NuCel 751 MG)	£1,111,324.50	36.23	36.23
	300968 L.Brevis (LBR VM 2E11) 15KG	£439,725.00	14.34	50.57
	102392 UltraCell HT 10kg (GB/FR/ES/PL)	£170,032.25	5.55	56.12
	102391 BioXylanase KGM	£164,573.91	5.37	61.49
	300353 Dextrose Monohydrate kg	£126,935.00	4.14	65.63
	300387 Longcal AG25 Limestone Bulk bags	£123,585.65	4.03	69.66
	300341 FNI 150 Yeast Extract (IBC)	£117,043.46	3.82	73.48
	301106 Vistacell 15KG	£112,500.00	3.67	77.15
	301104 Actisaf HR+ 25kg	£103,350.00	3.37	80.52
	300974 Yeast Cell Wall - SafWall 25kg	£74,200.00	2.42	82.94

01. The top 2 parts cover ~51% of total spend
02. The top 5 parts cover ~66% of total spend
03. The top 10 parts cover ~83% of total spend

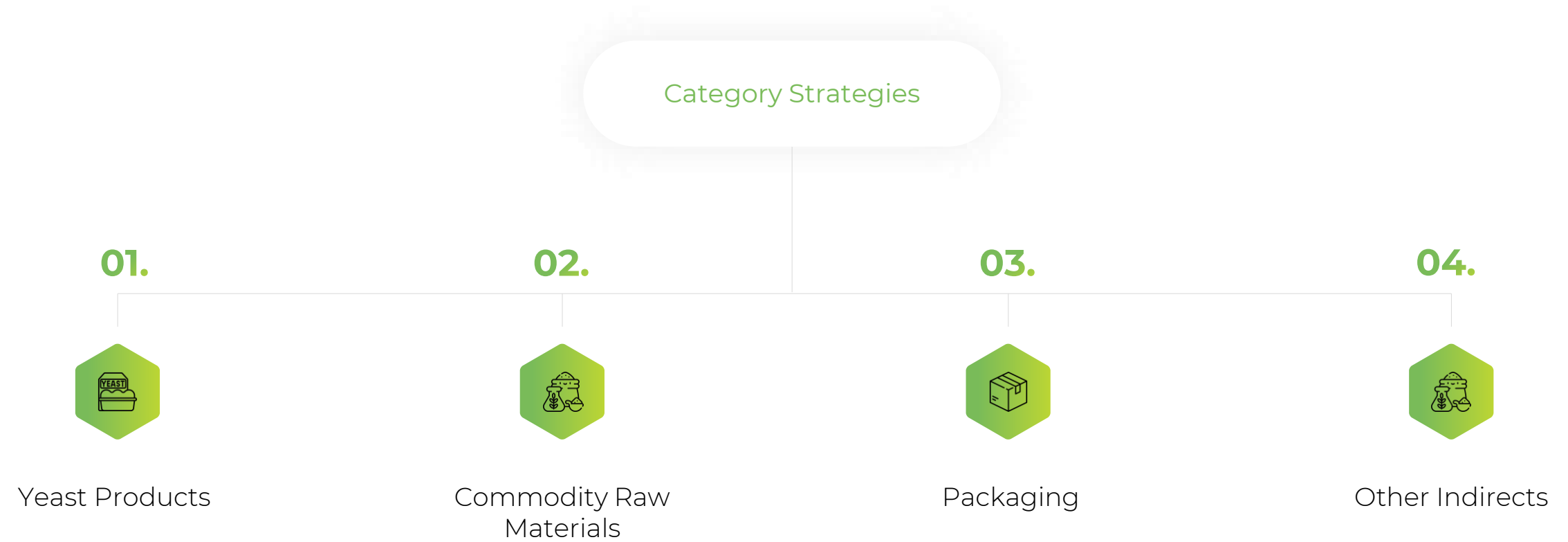


Half of all spend sits in just 2 parts – focus here drives outsized results





# Category strategies – focus areas for 2025–2030



**We will win through tailored category strategies — focus on Yeast first**



# Executive summary – yeast category strategy (2025-2030)

## Strategic Importance:

- ✓ Accounts for ~£2.09m annual spend (≈50% + of raw material costs).
- ✓ Critical input into silage and feed additives.



## The approach:



Portfolio segmentation: Treat yeast as a Strategic item (high value / high risk) within the Kraljic matrix.



Stock holding policy: Move from large infrequent buys (high cash tied up, shelf-life risk) → to smaller call-offs, supplier-held stock, and strategic reserves.



Supplier strategy: Balance partnership with key suppliers (secure innovation, quality, continuity) with selective multi-sourcing to reduce dependency.



Risk management: Build resilience to commodity volatility, plant outages, and geopolitical/regulatory disruptions.





# Procurement value bridge



## Supplier consolidation & long-term partnerships

- » Move from 6 suppliers → 2–3 strategic partners.
- » Secure better pricing, scale leverage.
- » **Impact: £150k annual saving** (removing AB Mauri, rationalising Actisaf)



## Commodity yeast consolidation

- » Group commodity strains through one supplier.
- » Impact: **£30k annual saving**



## Alternative sourcing (IMCD trials)

- » Moving to alternate supply of Nucel 751 - **£400K saving**

## Profit & Cash Composition



## Payment term extension (30 → 60 days EOM)

- » Payment term extension (30 → 60 days EOM)
- » Shift £2m yeast spend from 30 to 60 days.
- » **Working capital freed: ~£167k one-off cash benefit but ongoing benefit overall**



## Working Capital Opportunity – Yeast Portfolio Core levers:

- » £40–60k each freed for every 30-day stock reduction
- » Together = ~£120k cash release potential
- » Reducing stock by 30 days on our two core yeast lines (NuCel 751 & Peptone, ~£1.45m spend) =  $(30 \div 365 \times £1.45m) \approx$  **£120k cash released**



**£580K**  
cost reductions

and

**£287K**  
cash release





Thank You



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