

# Fevertree Drinks

15:20 24 Jul 2018

## Fevertree fizzes to fresh all-time high as it upgrades full-year guidance once again

Fevertree Drinks PLC (LON:FEVR) fizzed to a fresh all-time high at the opening bell on Tuesday as the posh tonic maker returned to its usual ways with a full-year guidance upgrade.

The Chelsea-based company, one of the biggest on AIM, has made a habit of telling investors that full-year results will be better than expected, although it disappointed investors in May's trading update when it failed to do so.

**READ:** Jefferies cites US potential as it hikes Fevertree price target up to £40 That seems to be a blip though, with Fevertree, which also makes a Madagascan Cola and Sicilian Lemonade, claiming that full-year numbers will be "comfortably ahead" of forecasts.

Shares popped above 3,900p shortly after the bell, although they retreated to 3,680p in late afternoon trading - still a healthy 6.4% gain for the day.

For the six months ended June 30 2018, Fevertree reported a 45% jump in revenue to £104.2m (H1 17: £71.9m). Adjusted underlying earnings (EBITDA) climbed 35% to £34.0m (H1 17: £25.2m).

Those numbers prompted a 40% hike in the interim dividend, which now stands at 4.22p (H1 17: 3.01p). With more than £62m of cash in the bank, Fevertree can easily afford that.

Much of the growth came from the £4bn firm's home (and most mature) UK market, where sales rose 73% to £58.0m (H1 17: £33.6m).

US management team in place

Of much interest to shareholders will be the performance in the US, where a lot of growth is expected over the coming years as Fevertree's establishes itself in one of the world's largest drinks markets, estimated to be seven times that of the UK.

To try to tap into this, the company has recently opened a US headquarters in New York, having previously relied on importer Brands of Britain to sell its tonics, lemonades and ginger beers in the US.

Sales across the pond rose 15% to £15.1m (H1 17: £13.2m) in the first half but the market will be looking for those figures to soar over the next year or two as the new direct management team gets it feet under the table.

Potentially helping it to meet those lofty expectations will be the on-trade (bars and restaurants) distribution deal it signed with SGWS recently - the largest distributor of wines and spirits in North America.

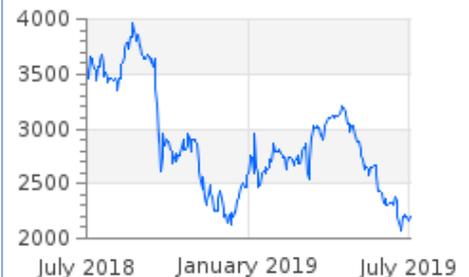
'Major progress'

"The first half of 2018 has been one of major progress for Fever-Tree," said chief executive and co-founder Tim

**Price:** 2193p

**Market Cap:** £2546.67M

### 1 Year Share Price Graph



### Share Information

**Code:** FEVR

**Listing:**

**52 week**                      **High**                      **Low**  
4,120.00p                      2,021.00p

**Sector:** General Retailers

**Website:** www.fever-tree.com

### Company Synopsis:

*Fever-Tree is the world's leading supplier of premium carbonated mixers for alcoholic spirits by retail sales value, with distribution to approximately 50 countries internationally. Based in the UK, the brand was launched in 2005 by Charles Rolls and Tim Warrillow to provide high quality, natural mixers which could accompany the growing demand for premium spirits.*

**Author:**

**Proactive Investors Ltd**

**+44 (0)207 989 0813**

**action@proactiveinvestors.com**

Warrillow.

"The group delivered a strong performance, most notably in the UK, as we continue to drive and lead the evolution of the wider mixer category.

"We have successfully launched our wholly-owned US operations with a talented team recruited and now in place. The exclusive distribution agreement with SGWS, the largest North American wine and spirits distribution company, is a significant endorsement and provides a strong platform for Fever-Tree US in 2019 and beyond."

He concluded: "Given the strong performance in the first half of the year, the board anticipates that the outcome for the full year will be comfortably ahead of its expectations."

--Updates for share price--

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 [action@proactiveinvestors.com](mailto:action@proactiveinvestors.com)

### No investment advice

Proactive Investors is a publisher and is not registered with or authorised by the Financial Conduct Authority (FCA). You understand and agree that no content published constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value or suitability of any particular security, portfolio of securities, transaction, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including company related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.