

ESSENTRA PLC**ESTABLISHMENT OF FILTERS JOINT VENTURE IN CHINA - COMPLETION**

Further to the announcement on 6 December 2019, Essentra plc (the 'Company') is pleased to confirm that with the completion of certain ancillary documents as required under the joint venture (JV) agreement, all JV partners have made the relevant initial capital investment as required for completion of the establishment process for the new JV company, China Tobacco Essentra (Xiamen) Filters Co., Ltd.

The Company's total capital contribution to this JV is US \$10.3m, which will be made in three equal installments over the course of the coming eighteen months, the first of which has been completed earlier today.

Factoring in delays being caused by the situation with COVID-19, the Company's current best estimate is that the JV will commence construction and fit out of the new plant and machinery in Q3 2020. The Company expects the JV to ship first production volumes to local customers in Q1 2021, at the earliest.

Commenting on today's announcement, Paul Forman, Chief Executive said:

"I am very pleased with the establishment of this particular strategic 'game changer' for Filters. As highlighted in our COVID-19 Update announcement (dated 27 March 2020), whilst there had been some limited impact on trading from COVID-19 in the first two months of the year in the China Filters business, demand has now returned back to more normalised levels. The Filters business is non-cyclical in nature, and hence underlying customer demand is expected to remain robust. Hence, even though we are currently going through unprecedented macroeconomic times, we continue to drive on our strategic initiatives, such as this Chinese JV. Having said that, the Company's three main priorities during these challenging times remain our current focus; employee physical and emotional wellbeing, continued high levels of customer support, and cash conservation".

Enquiries

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Notes to Editors

About Essentra plc

Essentra plc is a FTSE 250 company and a leading global provider of essential components and solutions. Organised into three global divisions, Essentra focuses on the light manufacture and distribution of high volume, enabling components which serve customers in a wide variety of end-markets and geographies.

Headquartered in the United Kingdom, Essentra's global network extends to 34 countries and includes 7,552 employees, 50 principal manufacturing facilities, 34 sales & distribution operations and 4 research & development centres. For further information, please visit www.essentraplc.com.

Essentra Components

Essentra Components is a global market leading manufacturer and distributor of plastic injection moulded, vinyl dip moulded and metal items. Operating in 29 countries worldwide, 14 manufacturing facilities and 29 logistics centres serve more than 85,000 customers with a rapid supply of low cost but essential products for a variety of applications in industries such as equipment manufacturing, automotive, fabrication, electronics and construction. The division also includes the Reid Supply business, which provides a wide range of branded hardware supplies to a broad base of industrial customers, largely located in the US Mid-West.

Essentra Packaging

Essentra Packaging is one of only two multicontinental suppliers of a full secondary packaging range to the health and personal care sectors, with 24 facilities across four geographic regions. The division's innovative products include cartons, leaflets, self-adhesive labels and printed foils used in blister packs, which help customers to meet the rapidly-changing requirements of these end-markets and can also be combined with Essentra's authentication solutions to help the fight against counterfeiting.

Essentra Filters

Essentra Filters is the only global independent cigarette filter supplier. The seven worldwide locations, plus a dedicated Technology Centre supported by three regional development facilities, provide a flexible infrastructure strategically positioned to serve the tobacco sector. The business supplies a wide range of value-adding high quality innovative filters, packaging solutions to the roll your own segment and analytical laboratory services for ingredient measurement to the industry: Essentra's offering also includes Heat Not Burn and e-cigarette solutions to the rapidly evolving market for Next Generation Products. The division now also includes the Tear Tapes business, which is globally recognised as the leading manufacturer and supplier of pressure-sensitive tear tapes, that are largely used in the tobacco, food and drink and specialist packaging sectors.