

Q3 2022 TRADING UPDATE

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ESSENTRA PLC

("Essentra" or "the Company")

A leading global provider of essential components and solutions

Q3 TRADING UPDATE

- On a continuing operations basis¹, the Group delivered Q3 revenue growth of 10.9% compared to prior year, on a like-for-like ("LFL") basis²
- Continued success in mitigating inflationary pressure through pricing, driving revenue growth and protecting profitability
- The sale of Filters was announced in October, and remains on track to complete no later than 31 January 2023
- Strong balance sheet to pursue value creating organic and inorganic opportunities post completion of the Packaging and Filters transactions, and shareholder return of approximately £150m
- The FY 2022 adjusted operating profit remains in line with the Board's expectations

Financial and strategic highlights

The continuing business has delivered a good performance in Q3 2022, alongside a period of strong strategic and commercial progress.

In October 2022, the Company announced the sale of the Filters division to a wholly owned subsidiary of Centaury Management Limited, the final major milestone in realising the strategic goal of establishing a pure-play Components business, and positioning Essentra as a leading manufacturer and distributor of components. After completion of the Filters transaction and shareholder return, it is the Board's intention for the Group to have a net financial leverage of approximately 0x, providing the flexibility to pursue value creating organic and inorganic opportunities, including future bolt-on acquisitions.

The Components division delivered 10.9% LFL revenue growth compared to Q3 2021 (+4.7% growth after adjusting for four more trading days). The underlying business operations remain robust amid toughening market headwinds in Q3 2022 and management remain confident in the strength and resilience of the business model. New price increases have been implemented in the quarter, with further benefit expected in Q4 2022 as the business continues to proactively monitor inflation.

Investing in the business remains a focus, and in September Essentra opened a new purpose built European distribution hub in Poland, expanding market presence and enhancing service to our customers. The hub will service 20,000 product lines across Europe, laying foundations for future growth.

The Group remains mindful of the more challenging economic environment and continues to monitor headwinds, taking proactive cost management actions where appropriate. Whilst slower economic growth is expected in Q4, FY 2022 adjusted operating profit remains in line with the Board's expectations. The Group's resilience is supported by its breadth of customers, market categories and geographies as well as a strong balance sheet.

Discontinued Operations

When reporting the FY22 results ending 31 December 2022, the Packaging and Filters divisions will be accounted for as discontinued operations. Packaging and Filters delivered Q3 growth of 30.4% and 34.7% respectively, compared to the prior year versus relatively weak comparatives.

Notes

(1) Continuing operations excludes the Filters division and the Packaging division, which will be reported under IFRS 5 as a discontinued operation at the FY 2022 results

(2) The term "like-for-like" adjusts for the impact of acquisitions and foreign exchange

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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. As a result of the completion of the sale of Packaging to the Mayr-Melnhof Group, the Group is now organised into two 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 32 countries and includes over 4,500 employees, 25 principal manufacturing facilities, 28 sales & distribution operations and two 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 25 countries worldwide, 13 manufacturing facilities and 23 sales & distribution centres serve more than 79,000 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 Filters

Essentra Filters is the only global independent cigarette filter supplier. Currently headquartered in Singapore, the division has 12 sites across nine countries, including two innovation centres, providing 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 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, e-commerce, food and beverage and specialist packaging sectors.

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