

FY22 PRE-CLOSE TRADING UPDATE

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ESSENTRA PLC

FY 2022 PRE-CLOSE TRADING UPDATE

- On a continuing operations basis¹, the Group expects to deliver full year like-for-like² ("LFL") revenue growth of c.6.5%
- Disposal of Packaging and Filters divisions completed, realising Essentra's strategic goal of becoming a pure-play components business
- Q4 2022 continuing business revenue declined c.3.0% compared to Q4 2021, on a LFL trading day adjusted basis
- Pricing and proactive cost management actions have offset the Q4 volume decline profit impact
- Acquisition of the Wixroyd Group announced in December
- FY 2022 adjusted operating profit remains in line with the Board's expectations
- As previously guided, the Board confirms its intention to return approximately £150m to shareholders in the first quarter

Essentra plc, ("Essentra", or the "Company"), a leading global provider of essential components and solutions, today provides a pre-close trading update for the 12 months ended 31 December 2022.

On a continuing operations basis, the Group expects to deliver a robust financial performance with full year LFL revenue growth of c.6.5%. FY 2022 adjusted operating profit remains in line with the Board's expectations.

In Q4 2022, as anticipated, the business saw a period of slower global economic growth, with toughening market headwinds. Coupled with the strong comparative for the quarter, LFL trading day adjusted sales declined by c.3.0% compared to Q4 2021. Performance in Q4 has varied by region. The European business has continued to deliver growth at moderated levels, whilst the US business has faced greater headwinds, with signs of distributor destocking. Asia has seen a continuation of disrupted trading in China as a result of enforced lockdowns, with that disruption showing signs of abating through H1 2023 considering recent changes in policies.

Management remains confident in the business' ability to pass through price increases to offset cost inflation, and the underlying business operations remain strong. There continues to be an improvement in customer satisfaction and service levels through Essentra's ongoing focus on enhancing its hassle-free proposition.

The Company was pleased to announce the acquisition of the Wixroyd Group in December for an initial consideration of £29.5m. This represents Essentra's first acquisition as a pure-play components business, further strengthening the breadth of offer and expertise to the benefit of its customers. Early integration plans are on track.

Looking ahead, the Group continues to monitor the macro-economic outlook and is focused on maintaining profit margins. The Group's resilience is supported by its breadth of customers, market categories, geographies and acquisition momentum. The Company's strong balance sheet also provides flexibility to pursue organic and inorganic growth opportunities.

Notice of results

The Company will report its full year results, for the twelve months ended 31 December 2022, on Wednesday 22 March 2023. Further details regarding the Company's presentation to analysts and investors will be provided nearer the time.

Notes

(1) Continuing operations excludes the Filters and Packaging divisions, which will be reported as discontinued operations in accordance with IFRS 5 in 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, focusing on the manufacture and distribution of plastic injection moulded, vinyl dip moulded and metal items.

Headquartered in the United Kingdom, Essentra's global network extends to 25 countries worldwide and includes over 3,000 employees, 13 manufacturing facilities, 24 distribution centres and 33 sales & service centres serving c.80,000 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, medical and renewable energy.

For further information, please visit www.essentraplc.com

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