



20 January 2023

## DE LA RUE PLC PROVIDES UPDATE ON LEGACY ISSUES IN KENYA AND INDIA

De La Rue plc (LSE: DLAR) ("De La Rue", the "Group" or the "Company") provides an update on recent developments related to structure and legacy issues in Kenya and India.

### Kenya

De La Rue today provides the following update on the Company's activities in Kenya, that are now conducted through a joint venture with the Government of Kenya, in which the Government of Kenya holds a 40% equity share.

Owing to current global market demand, and no expectation of new banknote orders from the Central Bank of Kenya for at least the next 12 months, De La Rue Kenya has suspended banknote printing operations in the country. De La Rue continues to operate with three banknote sites in the UK, Malta and Sri Lanka. This is a reduction from five sites operating in 2020 and further serves to adjust the capacity to current market demand, while retaining the capability to scale up operations when market demand recovers. The expansion of our factory in Malta, which will increase capacity in both Currency and Authentication, remains unaffected by this decision and continues as previously planned.

Importantly, the joint venture between De La Rue and the Government of Kenya remains active, and the Company continues to explore further business opportunities, both in Kenya and for export from Kenya, with a view to restarting production if the economic climate permits.

The suspension of activities at De La Rue Kenya does not affect the previous guidance provided related to current year financial performance.

In addition, on 13 January 2023, the High Court in Nairobi, Kenya dismissed an appeal from a De La Rue subsidiary in Kenya related to a historical tax issue, equating to approximately £7.2m at today's exchange rate. De La Rue is disappointed with the ruling and its Kenya subsidiary is preparing an appeal to the Court of Appeal.

### India

De La Rue has been made aware that the Central Bureau of Investigation in India (CBI-I) has launched an investigation into the conduct of Arvind Mayaram, the former Indian Finance Secretary, in which the historical activities of De La Rue in India prior to 2016 have been implicated. The Company has not received any official direct communication of this investigation from the CBI-I, but has learned about it from publicly-available sources.

De La Rue has not served the Government of India or the Central Bank of India in any capacity since 2016. The Company believes that there is no merit to the allegations that relate to De La Rue and is seeking legal advice in this regard.

De La Rue plc's LEI code is 213800DH741LZWIJXP78.

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### About De La Rue

De La Rue plc's purpose is to secure trust between people, businesses and governments. As a trusted partner of governments, central banks and commercial organisations seeking to secure their global supply chains and cash cycles, De La Rue provides highly secure physical and digital solutions that underpin the integrity of economies and trade.

De La Rue's Currency division provides market-leading end-to-end currency solutions, from finished banknotes to secure polymer substrate and banknote security features to over half the central banks and issuing authorities around the world.

Our Authentication division protects revenues and reputations through the provision of physical and digital solutions to governments and commercial organisations. We also manufacture ID security components.

As at 31 December 2022 De La Rue had 1,900 employees who work with organisations in more than 140 countries, leveraging the group's manufacturing facilities in the UK, US, Malta, Sri Lanka and Kenya.

De La Rue's shares are traded on the London Stock Exchange (LSE:DLAR). For further information please visit [www.delarue.com](http://www.delarue.com).

#### **Cautionary note regarding forward-looking statements**

This announcement includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "plans", "may", "will", "could", "shall", "risk", "aims", "predicts", "continues", "assumes", "positioned" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this announcement and include statements regarding the intentions, beliefs or current expectations of the directors, De La Rue or the Group concerning, amongst other things, the results of operations, financial condition, liquidity, prospects, growth and strategies of De La Rue and the industry in which it operates.

By their nature, forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors because they relate to events and depend on circumstances that will occur in the future whether or not outside the control of the Company. Past performance cannot be relied upon as a guide to future performance and should not be taken as a representation or assurance that trends or activities underlying past performance will continue in the future. Accordingly, investors or potential investors should not place undue reliance on these forward-looking statements. The Group's actual results of operations, financial condition, liquidity and the development of the industry in which it operates may differ materially from the impression created by the forward-looking statements contained in this announcement. In addition, even if the results of operations, financial condition and liquidity of the Group and the development of the industry in which it operates, are consistent with the forward-looking statements contained in this announcement, those results or developments may not be indicative of results or developments in subsequent periods.

Other than in accordance with its legal or regulatory obligations, De La Rue does not undertake any obligation to update these forward-looking statements, which speak only as at the date of this announcement, and will not publicly release any revisions that may be made to these forward-looking statements, which may result from events or circumstances arising after the date of this announcement.

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