

ROBINSON

Robinson plc

24 January 2023

TRADING STATEMENT & UPDATE ON DEFINED BENEFIT PENSION SCHEME BUY-IN

Robinson plc ("Robinson" or the "Group" stock code: RBN), the custom manufacturer of plastic and paperboard packaging based in Chesterfield, is pleased to issue the following trading statement, prior to the announcement of its final results for the year ended 31 December 2022, which are scheduled to be released on 30 March 2023.

Revenue for 2022 is anticipated to be £50.5m, which represents a 10% increase over the prior year, or a 1% increase excluding the effect of the Schela Plast business, acquired in February 2021. After adjusting for price changes and foreign exchange, sales volumes in the underlying business, which have been affected by changes in consumer behaviour, delisting of certain products by our customers and overall reduced customer demand, are 10% below 2021.

2021 was heavily impacted by resin and other cost inflation and we were largely successful in passing these increases through to sales prices in the first quarter of 2022. We have experienced further input cost inflation during the year, including that driven by the Russian invasion of Ukraine and the consequent impact on global oil and energy markets. We are in the process of a further substantial sales price increase program with all customers in 2023 to reflect these increased costs.

Notwithstanding the challenges of lower sales volume and input cost inflation, the directors anticipate the operating profit before exceptional items and amortisation of intangible assets for the year ended 31 December 2022 will be in line with the current market expectations, and comfortably ahead of 2021.

Net debt at 31 December 2022 is expected to be £9.2m (31/12/2021: £13.1m) following the payment of £2.3m deferred consideration on the Schela Plast acquisition, the receipt of £3.5m proceeds on sale of two properties in the period and tight control of working capital.

Property

The Sutton-in-Ashfield factory, which was sold in April, was vacated in October after the successful relocation of production to existing Robinson premises in Kirkby-in-Ashfield. Consolidating our UK plastics manufacturing activity will allow operational efficiency improvements in 2023 and beyond.

We continue to progress our surplus property disposal program and subject to the necessary planning approvals, we would expect further sales in Chesterfield, to be achieved in 2023 and 2024. The property disposals in the first half of 2022 both achieved valuations in excess of their book value. As a result, the carrying value of the Group's remaining UK properties is currently being assessed in advance of the final results for 2022.

The intention of the Group remains, over time, to realise value from the disposal of surplus properties and to reinvest the proceeds in developing our packaging business.

Update on defined benefit pension scheme buy-in

We are also pleased to provide an update on the buy-in transaction effected by the Robinson & Sons' Limited Pension Fund (the "Scheme"), which was announced on 7 December 2022. The transaction completed as planned on 14 December 2022 with the Scheme having now paid the premium of £45.5m, which was financed entirely using assets held within the Scheme. A full buy-out is proposed, after a data cleanse exercise, both of which are expected to complete before the end of 2023. Any surplus remaining in the Scheme after the full buy-out would be used to augment member benefits.

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About Robinson:

Being a purpose-led business, Robinson specialises in custom packaging with technical and value-added solutions for food and consumer product hygiene, safety, protection, and convenience; going above and beyond to create a sustainable future for our people and our planet. Its main activity is in injection and blow moulded plastic packaging and rigid paperboard luxury packaging, operating within the food and beverage, homecare, personal care and beauty, and luxury gift sectors. Robinson provides products and services to major players in the fast-moving consumer goods market including McBride, Procter & Gamble, Reckitt Benckiser, SC Johnson and Unilever.

Headquartered in Chesterfield, UK, Robinson has 2 plants in the UK, 2 in Poland and acquired a plant in Denmark in 2021, Schela Plast. Schela Plast specialises in the design and manufacture of plastic blow moulded containers, serving a number of the major FMCG brands in Denmark and neighbouring countries.

Robinson was formerly a family business with its origins dating back to 1839, currently employing nearly 400 people. The Group also has a substantial property portfolio with development potential.

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