



The information contained within this announcement is deemed by the Company to constitute inside information as stipulated by the Market Abuse Regulation (EU) No.596/2014, as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"). Upon the publication of this announcement, this inside information is now considered to be in the public domain.

30 May 2024

De La Rue plc

## Strategic Update

De La Rue plc ("De La Rue", the "Group" or the "Company") today gives a further update ahead of full year results for the financial year ended 30 March 2024 ("FY24").

### Trading Update

There is no change to the previous guidance in relation to FY24 outturn although, given the developments referred to below, De La Rue's full year results are now expected to be announced in late July.

### Order Books

Positive momentum in both our Authentication and Currency divisions with a number of significant recent contract wins and renewals.

#### Authentication

We are pleased to announce that we have reached agreement with two existing Government Revenue Solutions customers for multi-year extensions to their contracts, for three and five years respectively, for the supply of a digital tax stamp solution to track and trace excisable products.

This brings the total of substantial contract renewals that De La Rue Authentication has achieved within the last 12 months to four. Together, these renewals carry with them expected total contract values exceeding £150m. De La Rue's Authentication division now holds multi-year contracts with anticipated future revenues of over £350m, equivalent to approximately three and a half times FY24 total revenues, highlighting the long-term nature and strength of this division.

#### Currency

De La Rue's Currency division continues to progress, based on the actions undertaken over the past four years and the strong contract win-rate, in a recovering market for banknotes and associated components. The division's order book increased to £239m at the end of March and since that time we have secured agreements for further orders totalling approximately £60m. This compares favourably to the order book of £137m at the end of FY23, and the £220m announced last December, and has been achieved even in the context of strong Q4 shipments.

### Strategic Update

As set out in the Company's half year results on 19 December 2023 and in the trading update on 17 April 2024, the Board has been undertaking a review of the core strategic strengths of the Group and how best to optimise the underlying intrinsic value of the business for the benefit of all stakeholders.

This review and analysis has included:

- recognising the improved order intake over the last year, and the future prospects for the Group's operating divisions and the Group as a whole;
- the accretive value creation that may be achieved with increased scale and capabilities in both of our operating divisions; and
- our commitment to reduce leverage and create greater financial flexibility in the funding structure of the Group as a whole.

This review, and associated learnings, has guided the Board in its process to evaluate strategic options for the group and each division. As a result, the Board is in discussions with a number of parties who have made proposals in relation to, or expressed interest in, either of the Group's divisions, although at this stage there can be no certainty that the interest received by the Company will result in a transaction(s), nor as to the terms of any such transactions. A further announcement will be made in due course.

Clive Vacher, Chief Executive Officer at De La Rue commented, "We are delighted to extend our relationship with these high-profile customers within our Authentication division. This, alongside other recent renewals and the expanding Currency order book, demonstrates further progress in the development of De La Rue which will help to underpin our performance in FY25."

Clive Whiley, Chairman at De La Rue commented, "Since my appointment a year ago, the Board has considered a broad range of possible strategic alternatives including transactions with multiple parties which may involve a combination with, or the sale of, the Group's divisions. The Board confirms that the discussions with the relevant parties are advancing, and we expect to update further at the time of the full year results in July."

The person responsible for the release of this announcement on behalf of De La Rue for the purposes of MAR is Jon Messent (Company Secretary).

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## About De La Rue

Established over 210 years ago, De La Rue is trusted by governments, central banks, and international brands, providing digital and physical solutions that protect their supply chains and cash cycles from counterfeiting and illicit trade.

With operations in five continents, customers in 140 countries and solutions that include advanced track and trace software, security document design, banknotes, brand protection labels, tax stamps, security features and passport bio-data pages, De La Rue brings unparalleled knowledge and expertise to its partnerships and projects.

Our core focus areas are:

- Authentication: leveraging advanced digital software solutions and security labels to protect revenues and reputations from the impacts of illicit trade, counterfeiting, and identity theft.
- Currency: designing and manufacturing highly secure banknotes and banknote components that are optimised for security, manufacturability, cash cycle efficacy and public engagement.

The security and trust derived from our solutions pave the way for robust economies and flourishing societies. This is underpinned by a significant Environmental, Social, and Governance commitment that is evidenced by accolades such as the ISO 14001 certification and a consistent ranking in the top tier of the Financial Times European Climate Leaders list.

De La Rue's shares are traded on the London Stock Exchange (LSE: DLAR). De La Rue plc's LEI code is 213800DH741LZWJXP78. For further information please visit [www.delarue.com](http://www.delarue.com).

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