

28 November 2024

**MACFARLANE GROUP PLC**  
**("MACFARLANE GROUP", "THE GROUP")**

**Trading Update**

***Effective response to market headwinds***

Macfarlane Group PLC, the protective packaging specialist, today provides an update on trading for the period 1 January to 31 October 2024.

- The Board anticipates the Group's performance for 2024 will be broadly in line with its full year expectations.
- Revenue year to date is 4% below the same period last year, with continued challenging market conditions resulting in weaker volumes and lower pricing impacting most sectors.
- These impacts are being offset by improved new business performance, effective management of pricing and costs and the completion of two acquisitions during the period, both of which are performing well.
- The Group continues to progress its strong acquisitions pipeline.
- A strong balance sheet and cash generation, supported by a £35m bank facility, underpin the Group's strategy; net bank debt at 31 October 2024 was £4.7m (30 June 2024: Net bank funds of £0.8m), after £11.3m of investment in acquisitions and payment of dividends of £5.8m.
- The increase in employers' national insurance rates and National Minimum Wage announced in the UK Government Budget on 30 October 2024 will increase the Group's costs by c£1.5m annually from April 2025. Mitigation actions are currently being reviewed to minimise the impact.

Aleen Gulvanessian, Chair of Macfarlane Group, said:

"As outlined in our Interim Results, the management team is responding effectively to the market headwinds. Our strong balance sheet gives us confidence we can continue to execute accretive acquisitions. There is good new business momentum as customers increasingly recognise the added value we can offer both on an environmental and cost savings basis. The Group remains well-positioned to benefit when the macro-economic outlook improves."

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**Legal Entity Identifier (LEI): 213800LVRYDERSJAA273**

**Notes to Editors:**

- Macfarlane Group PLC has been listed on the Main Market of the London Stock Exchange plc (LSE: MACF) since 1973 with over 70 years' experience in the UK packaging industry.
- Through its two divisions, Macfarlane Group services a broad range of business customers, supplying them with high quality protective packaging products which help customers reduce supply chain costs, improve operational efficiencies and sustainability and enhance their brand presentation. The divisions are:
  - **Packaging Distribution - Macfarlane Packaging Distribution** is the leading UK distributor of a comprehensive range of protective packaging products; and
  - **Manufacturing Operations - Macfarlane Design and Manufacture** is a UK market leader in the design and production of protective packaging for high value and fragile products.
- Headquartered in Glasgow, Scotland, Macfarlane Group employs over 1,000 people at 40 sites, principally in the UK, as well as in Ireland, Germany and the Netherlands.
- Macfarlane Group supplies more than 20,000 customers, principally in the UK and Europe.
- In partnership with 1,700 suppliers, Macfarlane Group distributes and manufactures 600,000+ lines supplying to a wide range of sectors, including: retail e-commerce; consumer goods; food; logistics; mail order; electronics; defence; medical; automotive; and aerospace.

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