

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

28 August 2026

McBride plc

Strategic partnership with Vestacy

Highlights

- *Transformational business win, growing Group Revenues 15%, cementing our Household and Laundry leadership in Europe*
- *Entry into strategic partnership with Vestacy through long-term contract manufacturing agreements for supply across Europe*
- *Revenues at maturity of £170m per annum expected in H2 FY28, materially earnings accretive with margins consistent with Group average and EPS growth in line with the revenue growth achieved*
- *Capital-efficient transaction structure with, over the next two years, c.£34m (€40m) of equipment funded by Vestacy and c.£17m (€20m) of investment from McBride, covering transition, project and certain capex costs*
- *Acquisition of two Vestacy manufacturing sites located in Spain and Portugal for nominal consideration*
- *Transaction increases the proportion of higher-visibility contract manufacturing revenue within the Group's overall revenue base beyond the 25% Capital Markets Day target set in 2024*

McBride plc ("McBride" or the "Group"), the leading European manufacturer and supplier of private label and contract manufactured products for the domestic household and professional cleaning/hygiene markets, today announces a strategic partnership securing two long-term contract manufacturing agreements with E.H. Group B.V. ("Vestacy"), the global home care company behind brands including Air Wick, Calgon, Cillit Bang and Mortein. As part of this partnership, McBride has signed a Share Purchase Agreement ("SPA") to acquire two dedicated manufacturing facilities located in Spain and Portugal for a nominal consideration.

The transfer of the Iberian manufacturing assets is part of a new, long-term strategic partnership between McBride and Vestacy. The contract manufacturing agreements, which have a duration of between five and eight years, will see the Group manufacture a variety of household products for Vestacy. The majority of these products are currently produced by a third-party supplier to Vestacy and are focused on laundry markets, a target strategic growth category for the Group. To optimise efficiency and proximity to geographical markets, production volumes will be distributed across the two newly acquired sites, together with existing McBride sites in Belgium, Italy, Poland, UK and France.

Under the terms of the master agreement, over the next two years, Vestacy will fund most of the additional equipment required for capacity needs across the McBride production network, totalling £34m (€40m). This structure minimises the upfront capital requirement for the Group while securing long-term, manufacturing volumes. Over the same period, McBride will be responsible for c. £12m (€14m) of transition and project costs, alongside approximately c. £5m (€6m) of specific capital expenditure over the next two years.

The Board expects this transaction to be materially earnings accretive, significantly advancing the Group's strategic and financial objectives. At maturity, the new agreement, when combined with other contracts being signed in parallel, is expected to generate revenues annualising at £170m during H2 FY28 from volumes at the two acquired sites and from volumes currently produced by a third-party supplier. These new arrangements will increase the proportion of contract manufacturing in the Group's total revenue beyond the 25% target set out at the Group's 2024 Capital Markets Day. Profit margins are expected to be in line with existing McBride levels, delivering EPS growth consistent with revenue growth. Net debt is expected to increase by up to £25 million at its peak during H2 FY28, reflecting the investment in capacity expansion, associated working capital requirements and transition costs. Furthermore, the new contracts include the customary contract manufacturing terms regarding quarterly pricing mechanisms, providing McBride with further improved margin visibility and resilience going forward. The incremental investment is expected to be funded from the Group's existing facilities and cash flow from operations.

The delivery of these new revenues will be multi-phased. Completion of the acquisition and transfer of the two factories from Vestacy to McBride is anticipated early in calendar year 2027, with the new capacity across the designated Group sites expected to be fully operational early in calendar year 2028.

Chris Smith, CEO of McBride, commented:

"This transaction represents a disciplined application of our capital allocation framework, driving profitable growth that directly aligns with our strategic priorities while we continue to return capital to shareholders through our share buyback programme. For the Board, a partnership of this scale with a global brand owner is further validation of the embedded value within the Group. Securing these two manufacturing sites for a nominal consideration, underpinned by long-term, highly visible contract manufacturing agreements, enables us to further expand our European operational footprint while accelerating our growth targets within the key laundry category.

"We are excited about the potential of this new partnership with Vestacy which highlights our ability to deliver sustainable value through our core competencies leveraging our scale, quality, innovation and integrity to reinforce our position as the manufacturing partner of choice for both retailers and brand owners in multiple markets across the household sector."

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Note: This announcement contains inside information which is disclosed in accordance with the Market Abuse Regulation which came into effect on 3 July 2016. The person responsible for arranging the release of this announcement on behalf of McBride is Rob Henry, General Counsel and Company Secretary.

[1] These expectations are stated before any potential fair value accounting adjustments arising from the transaction

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