

11 May 2021

ANNUAL GENERAL MEETING STATEMENT

Macfarlane Group PLC (“Macfarlane”) today publishes its Annual General Meeting (“AGM”) Statement and trading update covering 2021 to date. At the AGM in Glasgow, Stuart Paterson, Chairman, will say:

Current Trading

“Macfarlane Group has made a positive start to 2021, with sales in the first quarter 15% ahead of the same period in 2020. Group profit for the year to date is also well ahead of that achieved in 2020.

We have grown our Packaging Distribution business by 10%, with strong sales to our e-commerce retail customers and some signs of recovery from our industrial customers being offset by continued weakness in sales to our aerospace, high street retail and hospitality customers. Our Manufacturing Operations grew sales by 45% compared to the same period in 2020. This reflected ongoing strength in our Labels business, some recovery in our Design and Manufacture business and the initial benefit from the acquisition of GWP Holdings Limited (“GWP”).

Acquisitions

We acquired GWP, a protective packaging manufacturing and distribution business based in Wiltshire, on 1 March 2021 and a month later we acquired Carters Packaging (Cornwall) Limited, the leading distributor of protective packaging in the South-West of England. Both businesses are progressing well post-acquisition.

Liquidity

Following these acquisitions net debt has increased to £6.0m (31 December 2020: £0.5m). This remains well within the Group’s bank facilities of £30m which are committed until December 2025.

Outlook

Covid-19, supply shortages and raw material price increases will continue to have an impact on the markets we serve for the remainder of 2021. However, we have consistently demonstrated our ability to address such challenges and effectively support our customers. We are therefore confident that the resilience of our business model, together with the skill and commitment of our people, will ensure 2021 will be another year of good progress for Macfarlane Group.”

Further enquiries:	Macfarlane Group	Tel: 0141 333 9666
	Stuart Paterson Chairman	
	Peter Atkinson Chief Executive	
	Ivor Gray Finance Director	
	Spreng Thomson	
	Callum Spreng	Mob: 07803 970103

Legal Entity Identifier (LEI): 213800LVRYDERSJAAZ73

Notes to Editors:

- Macfarlane Group PLC has been listed on the Premium segment of the Main Market of the London Stock Exchange (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 high quality protective packaging and labels which help customers reduce supply chain costs, improve their operational efficiencies 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 Labels** who design and print high quality self-adhesive and resealable labels, principally for FMCG companies, and **Macfarlane Design and Manufacture** who design and produce protective packaging for high value and fragile products.
- Headquartered in Glasgow, Scotland, Macfarlane Group employs over 1,000 people at 39 sites, principally in the UK, as well as in Ireland, Sweden and the Netherlands.
- Macfarlane Group supplies more than 20,000 customers in the UK, Europe and the USA.
- In partnership with 1,700 suppliers, Macfarlane Group distributes and manufactures 600,000+ lines across a wide range of sectors, including: retail e-commerce; consumer goods; food; logistics; mail order; electronics; defence, automotive and aerospace.