

17 May 2022

Macfarlane Group PLC

**Strategic acquisition of PackMann in Germany**

*Expanding Macfarlane’s protective packaging capability in Northern Europe*

Macfarlane Group PLC (“Macfarlane”) is pleased to announce the acquisition of PackMann Gesellschaft für Verpackungen und Dienstleistungen mbH (“PackMann”), a protective packaging distribution business based in Eppelheim near Heidelberg, Germany. The acquisition is in line with Macfarlane’s strategy of building its protective packaging business in Northern Europe through a combination of organic and acquisitive growth and is immediately earnings enhancing.

Macfarlane has acquired 100% of PackMann for a maximum cash consideration of €8.625 million (including an earn-out of €1.75 million based on agreed profit growth targets over two years) and a recovery for closing adjustments estimated to be €0.6 million, including €0.6 million of net bank debt. The consideration will be financed through the Group’s existing £30 million bank facility. For the year ended 31 December 2021, PackMann generated sales of €12.8 million, EBITDA of €0.9 million and pre-tax profits of €0.8 million.

PackMann has been established for nearly 28 years and supplies customers across Germany and neighbouring countries. The business has an experienced team of 112 employees, including its founder and director Frank Westermann and director Volker Thorn, both of whom will remain with the company following its acquisition. There are significant opportunities for customers of both PackMann and Macfarlane to benefit from access to their respective ranges of protective packaging products and services.

Peter Atkinson, Chief Executive of Macfarlane, said:

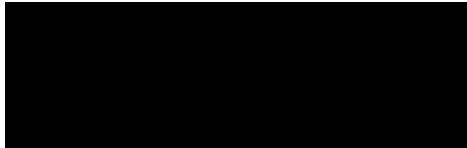
“PackMann is Macfarlane’s first acquisition outside the UK in recent years and I am delighted that we have secured this excellent business with its strong history of profitability and an experienced management team. This transaction strengthens our “Follow the Customer” strategy, giving us a solid platform from which to accelerate the growth of our protective packaging business in Northern Europe.”

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	Peter Atkinson      Chief Executive	
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**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 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 Design and Manufacture** who design and produce protective packaging for high value and fragile products.
- Headquartered in Glasgow, Scotland, Macfarlane Group employs over 900 people at 36 sites, principally in the UK, as well as in Ireland 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 across a wide range of sectors, including: retail e-commerce; consumer goods; food; logistics; mail order; electronics; defence, automotive and aerospace.