

ANNUAL GENERAL MEETING
TRADING UPDATE
Solid start to 2023 – on course to meet full year expectations

Macfarlane Group PLC (“Macfarlane”) will today hold its Annual General Meeting (“AGM”) at which the Company will provide a Trading Update covering 2023 to date. Aleen Gulvanessian, Chair, will update shareholders:

- Macfarlane has made a solid start to 2023, with Q1 sales and profits ahead of the same period in 2022.
- Packaging Distribution sales grew by 4% in Q1 2023, with the benefit of the acquisition of PackMann in May 2022 and new business growth being partly offset by continuing weak demand from the e-commerce retail sector.
- Manufacturing Operations grew sales by 14% in Q1 2023, with good recovery in certain industrial markets enhanced by the acquisition of A.E. Sutton Limited in March 2023.
- Macfarlane has completed two quality acquisitions during the first four months of 2023, the latest being the acquisition of Gottlieb Packaging Materials, a protective packaging distributor based in Manchester.
- Net bank debt at the end Q1 2023 was £0.1m, an improvement on the position at 31 December 2022 (£3.4m). This remains well within the Group’s bank facilities of £30m and related covenants, committed until December 2025.
- Macfarlane continues to focus on organic growth in attractive end markets supplemented by quality acquisitions, strong cash generation and targeting a progressive dividend.
- Our expectations for the full year are unchanged.

Aleen Gulvanessian will further comment:

“The growth in both sales and profits that we have achieved in the first quarter of 2023 continues to demonstrate the effectiveness of our strategy, the quality of our people and the resilience of our business model.”

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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 with high quality protective packaging products which help customers reduce supply chain costs, improve operational efficiencies, support their sustainability objectives 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 1,000 people at 39 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 across a wide range of sectors, including: retail e-commerce; consumer goods; food; logistics; mail order; electronics; defence, automotive and aerospace.