



AGM Presentation

May 2026



Agenda

- Macfarlane Group Introduction
- Market Issues
- Areas for Focus
- Key Actions
- Summary/Close



Our Purpose



Protecting Products from a Wide Range of Industries

Medical & Scientific		Aerospace & Defence	
<p>Biotechnology</p> <p>Medical devices</p> <p>Scientific equipment</p> <p>Imaging equipment</p>		<p>Aircraft components</p> <p>Ejector seats</p> <p>In-flight refuelling systems</p>	
Electronics		General Industrial	
<p>Electronic components</p> <p>Circuit boards</p> <p>Electronic equipment</p>		<p>Automotive components</p> <p>Construction materials</p> <p>Industrial components</p>	



Protecting a Diverse Range of Products in Retail

The way we look and feel		Where we live	
<ul style="list-style-type: none"> Health & Beauty Gym Pharmaceuticals Fashion 		<ul style="list-style-type: none"> Homeware Furniture Glassware Plants Pets 	
What we eat and drink		How we work and play	
<ul style="list-style-type: none"> Snacks Beer/Wine Meal kits Fresh food 		<ul style="list-style-type: none"> Phones Laptops Bicycles Scooters Hobbies 	



Macfarlane Group Today

20,000+
Customers

9
Countries

1,000+
Suppliers

26,000+
SKUs

1,200+
Employees

50,000+
Deliveries
per month



Current Trading Environment

 The Guardian

UK faces £35bn hit and risk of recession this year over impact of Iran war, thinktank warns

 Sky News


UK to 'flirt' with recession as Iran war oil shock bites, report warns

 International Business Times UK


UK 'On Brink' Of Recession — 250,000 People Could Lose Jobs By Mid-2027 Due To Iran War | IBTimes UK

 GB News

'Trouble ahead' for UK economy as inflation set to hit 5.8 per cent

 Sky News

Britain's economic prospects downgraded more than any other major economy

 This is Money

NatWest alarm over jobs as UK economy stalls

 Financial Times

OBR warns energy price surge could derail UK inflation retreat



The Voice of the Customer

"Demand risks and costs pressures are real challenges to my business"

"Global tensions mean I need supply chain security"

"Our objective is to remove excess packaging from the supply chain"

"Help us mitigate the impact of EPR on our overall costs"

"Inflation in costs will most likely reduce demand "

"Cost pressures on labour and property mean my current priority is to work with suppliers who can save me money.....NOW"

"Supplier rationalisation is sure to be a consequence of the weak industry demand and cost pressures"



Changing Market Dynamics

CUSTOMERS	SUPPLIERS	MACRO-ECONOMICS	ENVIRONMENT
Short-term decisions Focus on cost reduction Security of supply Credit risk	Consolidation in the corrugate sector Moves to private equity ownership	Input price pressure Slowing demand Supply chain uncertainty	Increasing legislative pressure to reduce the amount of packaging being used... particularly in retail

Customers will become more price sensitive, suppliers will look to increase pricing and demand, particularly in Retail, will reduce due to environmental pressures



Impact of Middle East Events

<p>Macfarlane Group has no direct Middle East sourcing or Middle East based customers, but events are beginning to impact our suppliers and are creating issues we are addressing</p>	
<p>Direct Impact</p> <ul style="list-style-type: none">• Increase in fuel costs• Supplier surcharges• Product price inflation	<p>Potential Risks</p> <ul style="list-style-type: none">• Inflation reduces consumer demand• Reduced availability of raw materials• Raw material and energy increases
<p>Mitigation</p>	<ul style="list-style-type: none">• Price recovery• Innovation Labs & Optimiser• Focus on costs• Focus on markets – Industrial• Optimised procurement• New business



Responding to Market Changes

Improving the Basics through business simplification and focus on core activities

Focus Sales Development in most resilient market sectors

Reduce Costs through improved operational efficiency and targeted overhead cost savings

Refine Sourcing to reduce input pricing and ensure a secure supply chain

Pitreavie Performance Recovery through the investment in replacement corrugate production capacity

Maintain Momentum in Design & Manufacturing



Improving the Basics

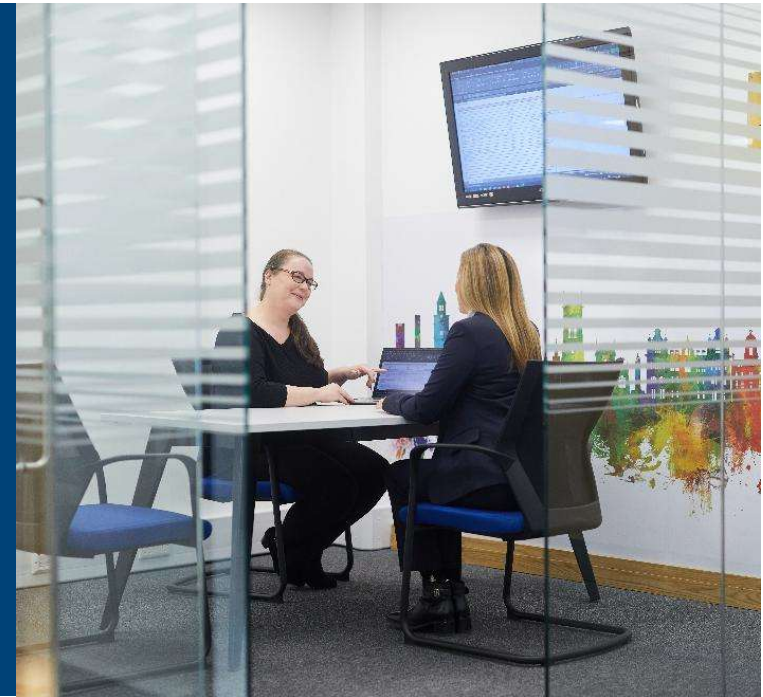
Best Practice Programme to enhance return on sales

Address Low Margin Customers through price/cost changes and packaging redesign

Prioritise non-core business units

Focus only on critical projects

Greater emphasis on people development



Focus Sales Development

Allocate Resources to industrial markets

Optimise Resources in retail markets

New Strategic Account Sales Model to more effectively cross-sell our services



Cost Savings

Improve Efficiency of sales resource through differentiated service offering based on customer needs

Reduce Costs through headcount reduction and elimination of non-value-added activities

Site Rationalisation Programme as leases come up for renewal

Reduction of local/regional suppliers to improve input costs



Pitreavie Recovery

Full Utilisation of new machine investment:

- **Protect** existing **customer** relationships
- Develop **new business**
- **Restart in-house supply** to Macfarlane RDCs

Implement both **sourcing** and **operational** synergies with Macfarlane



Momentum in Design & Manufacturing

Align with growing markets :

- Aerospace
- Defence
- Medical
- Space

Strengthen the partnership with Macfarlane Distribution



Summary/Conclusions

Macfarlane has a **strong record** of performance



2025 was a particularly **disappointing year**



The markets we serve are becoming **increasingly challenging**



Our immediate priority is to **focus on profit recovery**



The opportunities to **deliver further profitable growth** remain strong





AGM

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Resolution 1

Adopt the Directors' Report and the Accounts for the year ended 31st December 2025

Proxy Votes Lodged

For/ Discretion: 83,526,068

Against: 77,939

Vote withheld: 98,641

Being **99.9%** in favour



Resolution 2

Approve Directors' Remuneration Report

Proxy Votes Lodged

For/ Discretion: 81,163,088

Against: 2,400,415

Vote withheld: 139,145

Being **97.1%** in favour



Resolution 3

Declare a final dividend of 2.70p per share payable on 12th June 2026

Proxy Votes Lodged

For/ Discretion: 83,566,895

Against: 29,144

Vote withheld: 106,609

Being **99.9%** in favour



Resolution 4

Re-elect Aleen Gulvanessian as a director of the Company

Proxy Votes Lodged

For/ Discretion: 79,906,332

Against: 3,631,936

Vote withheld: 106,609

Being **95.7%** in favour



Resolution 5

Re-elect Peter D. Atkinson as a director of the Company

Proxy Votes Lodged

For/ Discretion: 83,430,631

Against: 129,447

Vote withheld: 142,570

Being **99.9%** in favour



Resolution 6

Re-elect Ivor Gray as a director of the Company

Proxy Votes Lodged

For/ Discretion: 83,450,713

Against: 107,555

Vote withheld: 144,380

Being **99.9%** in favour



Resolution 7

Re-elect James W. F. Baird as a director of the Company

Proxy Votes Lodged

For/ Discretion: 82,484,197

Against: 1,072,789

Vote withheld: 145,662

Being **98.7%** in favour



Resolution 8

Re-elect Laura Whyte as a director of the Company

Proxy Votes Lodged

For/ Discretion: 82,735,270

Against: 827,706

Vote withheld: 139,672

Being **99.0%** in favour



Resolution 9

Re-elect David Stirling as a director of the Company

Proxy Votes Lodged

For/ Discretion: 82,756,839

Against: 803,620

Vote withheld: 142,189

Being **99.0%** in favour



Resolution 10

Re-appoint Deloitte LLP as auditors

Proxy Votes Lodged

For/ Discretion: 83,161,966

Against: 187,635

Vote withheld: 353,047

Being **99.8%** in favour



Resolution 11

Authorise directors to determine the remuneration of the auditors

Proxy Votes Lodged

For/ Discretion: 83,450,065

Against: 142,198

Vote withheld: 110,385

Being **99.8%** in favour



Resolution 12

Authorise directors to allot shares

Proxy Votes Lodged

For/ Discretion: 80,496,596

Against: 434,995

Vote withheld: 2,771,057

Being **99.4%** in favour



Special Resolution 13

Authorise directors to allot shares up to an aggregate nominal amount of £1,960,456 as if Section 561 of the Companies Act did not apply (general authority)

Proxy Votes Lodged

For/ Discretion: 77,996,566

Against: 2,930,149

Vote withheld: 2,775,933

Being **96.4%** in favour



Special Resolution 14

Authorise directors to allot shares up to an aggregate nominal amount of £1,960,456 as if Section 561 of the Companies Act did not apply (specific authority)

Proxy Votes Lodged

For/ Discretion: 78,007,112

Against: 2,915,859

Vote withheld: 2,779,677

Being **96.4%** in favour



Special Resolution 15

Authorise company to re-purchase its own shares, up to a maximum of 15,683,649 shares (10% of shares outstanding)

Proxy Votes Lodged

For/ Discretion: 81,511,020

Against: 2,085,508

Vote withheld: 106,120

Being **97.5%** in favour





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