ESSENTRA PLC

"Essentra", the "Group" or the "Company"

RESULTS FOR THE HALF YEAR ENDED 30 JUNE 2026

Strong first half performance; FY26 expectations unchanged; new adjusted operating margin milestone established for 2028

Essentra plc, a leading global provider and manufacturer of essential components and solutions, today announces its interim results for the six-month period ended 30 June 2026 ("H1" or the "period").

Results at a glance

	H1 2026 £m	H1 2025 £m	Change Constant FX	Change Actual FX
Revenue	166.1	152.4	9.8%	9.0%
Adjusted[1] operating profit	18.1	16.5	7.7%	9.7%
Adjusted[1] operating margin	10.9%	10.8%	(20bps)	10bps
Adjusted[1] pre-tax profit	14.0	12.5	7.3%	12.0%
Adjusted[1] net profit	12.2	9.7	20.4%	25.8%
Adjusted[1] basic earnings per share	4.3p	3.4p	21.3%	26.5%
Adjusted[1] net cash flow from operating activities	14.3	17.4	(22.3%)	(17.8%)
Reported operating profit	7.2	5.3	27.4%	35.8%
Reported pre-tax profit	3.1	1.3	63.9%	138.5%
Reported net profit	3.6	0.3	>100%	>100%
Reported basic earnings per share[5]	1.9p	0.1p	>100%	>100%
Dividend per share	0.9p	0.8p		12.5%
Reported net cash flow from operating activities[2]	11.1	10.8		2.8%
Free cash flow[2]	8.7	11.9		(26.9%)
Net debt excluding lease liabilities[4]	70.7	68.7		2.9%
Net debt excluding lease liabilities to adjusted EBITDA[3,4]	1.6x	1.5x		

Numbers presented above are on a continuing operations basis. For details of discontinued operations, refer to Note 16 in the Condensed Consolidated Interim Financial Statements

Financial performance

- H1 2026 performance in line with the Board's expectations
- Revenue of £166.1m (H1 2025: £152.4m), 9.8% growth on a constant currency basis, 7.8% like-for-like[6] ("LFL")
- Adjusted[1] operating profit growth to £18.1m (H1 2025: £16.5m), representing adjusted[1] operating margin of 10.9% (H1 2025: 10.8%)
- Adjusted[1] basic earnings per share 21.3% growth on a constant currency basis to 4.3p (H1 2025: 3.4p)
- Adjusted[1] cash conversion of 79%, with an adjusted[1] net cash inflow from operating activities of £14.3m (H1 2025: £17.4m)
- Net debt of £70.7m excluding IFRS16 lease liabilities (30 June 2025 £68.7m), representing leverage of 1.6x adjusted EBITDA[3] following the completion of the acquisition of Boteco

Market and operational performance

- Organic revenue growth across all three regions, supported by underlying volume improvements, pricing and order book momentum
- Faster-growing target end-markets delivered c.8.5% LFL growth representing c.47% of Group revenue
- Boteco acquisition completed in June, strengthens Essentra's position in machine building and automation end-markets

- Growth and Simplification programme launched using 80:20 methodologies, introducing a dual customer proposition designed to better align commercial resource, service levels and inventory investment with customer value

Margin progression and cash generation

- New adjusted operating margin target of 14% for 2028 established, providing a clear milestone towards the Group’s medium-term 18% adjusted operating margin target
- 2028 delivery will be driven principally by self-help initiatives, including commercial execution, pricing discipline, procurement savings and cost-base optimisation, without requiring a material improvement in underlying market conditions
- Alongside commercial initiatives, the Group is simplifying its operating model and lowering its cost base, leading to c.150bps adjusted operating margin progression in 2028, with a cash flow benefit of c.£6-8m initially through IT cost rationalisation

Outlook

- Trading to date is in line with the Board's expectations; FY26 expectations are unchanged
- Whilst the Group remains mindful of the wider geopolitical environment, continued strength in order intake and revenue momentum provide confidence in full year delivery
- During FY26, the Group expects to deliver underlying margin progression towards its 2028 target, enabling strategic reinvestment and the build back of variable compensation, resulting in adjusted operating margins remaining broadly flat year-on-year, while the underlying performance of the Group continues to improve
- Successful execution of strategic priorities and self-help initiatives will support sustainable growth and further margin progression
- With a differentiated customer proposition, clear strategic priorities and disciplined capital allocation, Essentra is well positioned to deliver shareholder returns over the medium-term

Commenting on the Half Year results, Scott Fawcett, Chief Executive, said:

“Essentra delivered a strong first half, returning to organic revenue and order growth across all three regions. Performance was supported by volume recovery, disciplined pricing and continued momentum in our faster-growing target end-markets. Trading through the period was consistent with the encouraging trends seen as we entered 2026, resulting in 7.8% like-for-like revenue growth and performance in line with the Board's expectations.

Alongside investment in our growth opportunities and go-to-market approach, we have launched a series of self-help initiatives across our commercial operations, supply chain and cost base that support margin progression, cash generation and enhanced operational leverage. To provide greater visibility on our progress, we have established a new target of 14% adjusted operating margin for 2028, representing an important milestone on our path towards our medium-term target of 18%.

The acquisition of Boteco, our second value-enhancing acquisition in the last twelve months, further strengthens our position in attractive growth markets while remaining fully aligned with our disciplined approach to capital allocation. Our strong balance sheet continues to provide strategic flexibility.

We continue to focus on the elements within our control, including pricing, operational efficiency and simplification initiatives to support sustainable growth. The Board's expectations for 2026 remain unchanged, and we continue to make good progress towards our medium-term targets."

Presentation

A copy of these results is available on www.essentraplc.com.

There will be a presentation to analysts and investors starting at 8:30am, with registration from 8:00am, on Tuesday 28 July 2026, at the Storey Club (100 Liverpool Street, London, EC2M 2RH).

There are two options for participating in the event:

1. To attend in person, please e-mail your details to investorrelations@essentra.com.
2. To join the live webcast of the presentation, please pre-register at http://www.essentraplc.com/en/investors/company-information/webcasts-and-presentations.

A recording of the webcast will be made available on the Company's website later in the day.

Enquiries

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Notes

1. On a continuing operations basis, before amortisation of acquired intangible assets and adjusting items. Further details can be found in Note 3 of the Condensed Consolidated Interim Financial Statements.
2. A reconciliation of free cash flow and net cash inflow from continuing operating activities is set out in the Financial Review section.
3. Adjusted EBITDA is defined as operating profit before depreciation (and other amounts written off property, plant and equipment), share option expense, amortisation of acquired intangible assets and adjusting items. Net debt to adjusted EBITDA including lease liabilities is 1.8x (H1 2025: 1.8x).
4. Presented on a last twelve-month basis excluding lease liabilities. £99.1m (H1 2025: £95.5m) when including lease liabilities.
5. Reported basic earnings per share is presented on a total Group basis, which includes £1.7m gain on discontinued operations in H1 2026. Further details can be found in Note 16 to the Condensed Consolidated Interim Financial Statements.
6. Excluding the acquisition of Device Technologies completed in December 2025.

Notes to Editors

About Essentra plc

Essentra plc is a leading global provider of essential components and solutions, focusing on the manufacture and distribution of plastic injection moulded, vinyl dip moulded and metal items.

Headquartered in the United Kingdom, Essentra’s global network extends to 28 countries worldwide and includes c.3,000 employees, 16 manufacturing facilities, 27 distribution centres and 37 sales & service centres serving c.64,000 customers with a rapid supply of low cost but essential products for a variety of applications in industries such as equipment manufacturing, automotive, fabrication, electronics, medical and renewable energy. For further information, please visit www.essentraplc.com.

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Cautionary forward-looking statement

These results contain forward-looking statements based on current expectations and assumptions. Various known and unknown risks, uncertainties and other factors may cause actual results to differ from future results or developments expressed or implied from the forward-looking statements. Each forward-looking statement speaks only as of the date of this document. The Company accepts no obligation to revise or update these forward-looking statements publicly or adjust them to future events or developments, whether as a result of new information, future events or otherwise, except to the extent legally required.

CEO Review

Strong first half performance

Essentra delivered a strong first half performance, with results in line with the Board's expectations against a volatile geopolitical backdrop. The Group returned to like-for-like revenue and order growth across all three regions, supported by underlying volume improvements, pricing and sustained momentum in its faster-growing target end-markets.

The Group delivered revenues of £166.1m, representing growth of 9.8% on a constant currency basis and 7.8% on a like-for-like basis. Foreign exchange impacted Group revenue by 0.8%, with reported Group revenue increasing by 9.0% compared to the prior year.

EMEA delivered 8.9% like-for-like growth, supported by broadly equal contributions from underlying volume and price, with early signs of modest recovery emerging across Western Europe. The Americas delivered 5.7% like-for-like growth, supported by pricing and low single-digit volume increases, with constant currency growth of 12.1%, including Device Technologies, acquired in December 2025, which is performing in line with management expectations. APAC delivered 7.8% like-for-like growth led by volume growth across China and South East Asia.

Pricing actions throughout the first half supported the recovery of inflationary impacts, including elevated freight and raw material costs linked to disruptions in the Middle East. These actions included targeted surcharges and annual pricing initiatives demonstrating Essentra's pricing agility as a low-cost bill-of-material-manufacturer alongside its predominantly local-for-local operating model.

Gross margin was 43.0% in H1 2026 (H1 2025: 43.6%), with stable EMEA margins and improved APAC performance offset by temporary margin dilution in the Americas. Group pricing actions offset inflationary pressures in the first half, with the full benefit of additional pricing initiatives implemented during Q2 expected to support margin progression in H2. Americas margins were impacted by short-term operational inefficiencies associated with the transfer of manufacturing operations from Costa Rica to Mexico, together with a temporary focus on service levels and timing lags in pricing recovery. As operational efficiency improves and pricing benefits build, gross margin is expected to recover through the second half.

Adjusted operating profit increased to £18.1m, with adjusted operating margin of 10.9% compared to 10.8% in the prior year. The Group maintained disciplined control of overheads during the period and will continue to rebuild variable compensation in line with volume recovery per previous guidance.

Free cash flow of £8.7m was generated in the first half. Adjusted operating cash conversion was 79%, reflecting the phasing of first half working capital, including higher trade receivables associated with revenue growth. Conversion is expected to strengthen in the second half, supporting delivery of the Group's adjusted operating cash conversion target of >85% for the full year.

Net debt (excluding IFRS 16 leases) at 30 June 2026 was £70.7m following completion of the Boteco acquisition, resulting in net debt leverage of 1.6x, as previously guided. The Group remains committed to its disciplined capital allocation framework and medium-term leverage target of 1.5x, with strong cash generation expected to support a reduction in leverage through the second half.

Growth and Simplification: accelerating margin progression and cash generation

Essentra is a global, service-led manufacturer with breadth and depth of product expertise. The Group focuses on faster-growing target end-markets with strong structural growth fundamentals, winning customers through product expertise and scaling relationships through cross-selling across product categories, supported by “hassle-free” customer service. Its high volume of transactions and diversified customer mix underpin attractive margins and strong cash generation, enabling disciplined reinvestment to support further growth and shareholder value creation.

Building on the progress made through 2025 to drive operational effectiveness and focus on commercial opportunities in faster-growing target end-markets, Essentra has launched Growth and Simplification, a strategic programme underpinned by 80:20 methodologies, and is designed to improve growth, accelerate margin progression and enhance cash generation.

The programme underpins Essentra's go-to-market strategy through a dual proposition model, enabling greater focus on customers and end-markets with the strongest growth potential while simplifying the proposition for lower-potential customers. This approach is expected to improve sales effectiveness, align service levels and inventory investment more closely to customer value potential, reduce cost-to-serve and enhance working capital efficiency. Simplification programmes will continue to enhance operational efficiency, creating additional opportunities for margin progression, cash generation and operational leverage.

Alongside these commercial initiatives, the Group is simplifying its operating model and reducing its cost base, leading to c.150bps adjusted operating margin progression in 2028, with a cash flow benefit of c.£6-8m. This saving is initially driven by a reduction in the IT cost base over the next 18 months including the rationalisation of legacy platforms, standardisation across the IT landscape, and selective outsourcing.

Delivering the path to 18% adjusted operating profit margin in the medium-term with new 2028 milestone target

Essentra remains fundamentally well positioned to deliver sustainable growth and attractive returns over the medium term. The Board remains committed to its medium-term target of 18% adjusted operating margin and a through-cycle revenue CAGR target of c.10%.

To provide greater visibility on the Group's progress towards these targets, the Board has identified a new adjusted operating profit margin milestone target, with a clear pathway to 14% in 2028. Achievement of this milestone will be driven principally by self-help initiatives within management's control, led by the Growth and Simplification programme and supported by enhanced commercial execution, gross margin improvement through procurement, manufacturing and mix initiatives, disciplined pricing actions, IT cost-base simplification and broader overhead optimisation. Importantly, delivery of the 14% target does not require a material improvement in underlying market conditions and provides a clear milestone towards the Group's medium-term 18% margin target.

The Group's medium-term targets continue to be supported by:

- delivering organic revenue growth through targeted share gains in a highly fragmented market;
- expanding margins through scale, operational efficiencies and disciplined pricing;
- sustaining a highly cash-generative business model with strong working capital management; and
- deploying capital within a disciplined framework, including selective bolt-on acquisitions and shareholder returns.

Target markets to support sustainable growth

Essentra is increasing its focus on five key faster-growing target end-markets supported by structural growth drivers: machine building & automation, energy transformation, specialist vehicles, digital infrastructure and defence & aerospace. Together, these end-markets account for c.47% of Group revenue today and delivered collectively 8.5% like-for-like growth in H1 2026. The Group is aligning sales, marketing and product development activity behind these customer segments, to identify new business wins, develop new product introductions and increase cross-selling opportunities across its product categories. Alongside Essentra’s established exposure to more traditional markets, including consumer electronics and automotive, this targeted shift is expected to improve the quality of growth, reduce cyclicality over time and enhance the Group’s medium-term growth profile.

Cash generation and capital allocation

The Group remains committed to sustaining a highly cash generative business model and is targeting average net working capital to revenue of approximately 21% in the medium term (H1 2026: 24.5%, FY25:

26.3%), alongside a reduction in ERP implementation cash costs in 2027, enabling the business to continue to invest selectively, supporting its strategic priorities. Capital allocation is focused on organic growth opportunities, alongside value-enhancing bolt-on acquisitions and returns to shareholders. This disciplined framework enables Essentra to maintain balance sheet strength and support long-term shareholder value creation.

Inorganic strategy in action

Essentra has completed four bolt-on acquisitions in the last five years, demonstrating its disciplined approach to inorganic growth and ability to add complementary product capabilities in attractive adjacent markets. The Group continues to maintain an active pipeline of potential bolt-on opportunities, with a focus on enhancing its product offering, extending manufacturing capabilities and creating cross-selling opportunities across its breadth of end-markets. The Group maintains a rigorous M&A framework, including strategic fit, synergy potential and returns discipline, with a target return on invested capital of 15% over a three-year period. Essentra typically targets to buy at 6 - 9x EBITDA, improving to 4 - 7x EBITDA after synergies.

The most recent acquisition Boteco, was announced in May 2026 and completed in June 2026. Boteco is an Italian, family-owned designer and manufacturer of mechanical components, with over 50 years of operational history and more than 900 active customers worldwide. The business designs and manufactures a broad range of machine components, including handles, plastic and metal knobs, feet and hinges, providing a strong adjacency to Essentra's machine and automation end-markets and extending the Group's manufacturing footprint in Europe. The acquisition, funded through Essentra's free cash flow, comprises an initial cash payment of €7.4m, excluding debt-like items, and deferred contingent cash consideration of up to €2.5m on a cash-free, debt-free basis, payable subject to certain performance conditions over a two-year period.

Limited direct exposure from conflict in the Middle East

The Group has limited direct exposure to the Middle East. Management is mindful of the potential for indirect effects through supply chain disruption, freight cost volatility and broader macroeconomic pressures. Essentra remains well positioned to respond to such developments, supported by its geographically diversified manufacturing footprint, predominantly local-for-local supply chains and track record of pricing agility. Through the first half, the Group worked closely with its customers and supply chain and has a good track record of pricing agility. Where there have been instances of inflationary pressures, additional pricing actions, including surcharges, were initiated through Q2 across all three regions, with further benefit anticipated to materialise through the orderbook in H2.

Sustainability as a source of competitive differentiation

The Group continued to make progress against its sustainability priorities during H1 2026, focused on reducing the environmental impact of its operations and expanding products with sustainability attributes for customers. Following the achievement in 2025 of its Science Based Targets initiative ("SBTi") goal to reduce Scope 1 and 2 greenhouse gas emissions by 50% by 2030, five years ahead of schedule, the Group is reviewing its climate targets to support continued progress and alignment with evolving regulatory requirements.

Sustainability continues to support product innovation and strengthen the Group's customer offering. Revenue from products with sustainability attributes remained stable at £8.4m in H1 2026 (H1 2025: £8.4m), with new business wins across all three regions and in faster-growth target end-markets such as energy transformation (heating and ventilation) and specialist vehicles (agricultural equipment).

Material innovation and sustainability remain embedded and central to Essentra's sustainability strategy and customer proposition. During the period, the Group continued to strengthen its sustainable offering of c.8,000 products, building on the 2025 launch of its first range of components made from 100% post-consumer recycled materials and completing five trials of bio-based material alternatives in H1 2026.

The Group's progress continues to be recognised externally. In March 2026, Essentra received its CDP A List award in recognition of environmental leadership and climate disclosure excellence, and in April 2026 was upgraded to ISS ESG Prime status.

Ordinary dividend

The Board has declared a 2026 interim dividend of 0.9 pence per share (2025 interim: 0.8 pence per share). The interim dividend is in line with the Group's dividend policy maintaining full year dividend cover in the order of three times adjusted earnings.

The interim dividend will be paid on 23 October 2026 to shareholders on the share register at the record date, being 18 September 2026. The ex-dividend date will be 17 September 2026. Essentra operates a Dividend Re-Investment Programme ("DRIP"), details of which are available from the Company's Registrars, Computershare Investor Services PLC. The final date for DRIP elections will be 2 October 2026.

Share buyback programme

The Company's share buyback programme remains in progress. The pace of deployment is dependent on the Group's capital allocation opportunities and priorities, and in particular the timing and access to earnings accretive acquisitions.

Since the launch of the programme to 30 June 2026, a total of 19,803,228 shares have been purchased, at an average purchase price of 163.01 pence per share, totalling £32.3m. Of the shares purchased, 4,632,821 are currently held in treasury, and 15,170,407 have been cancelled, which represents 5.0% of the issued share capital of the Company (excluding treasury shares) when the programme commenced.

Outlook

Trading to date is in line with the Board's expectations and FY26 expectations remain unchanged. Whilst the Group is mindful of the wider geopolitical environment, continued strength in order intake and revenue momentum provide confidence in full year delivery.

Alongside investment in growth opportunities and its go-to-market approach, the Group continues to execute a broad range of self-help initiatives across its commercial operations, supply chain and cost base to support margin progression and cash generation.

During FY26, the Group expects to deliver underlying margin progression, supported by sustained volume growth, first half pricing actions and operational efficiencies across the business. This will enable strategic investment and the build back of variable compensation, as previously guided, resulting in adjusted operating margins remaining broadly flat year-on-year, while the underlying performance of the Group continues to improve.

Management remains focused on actions within its control, which together with improving order trends and increasing exposure to structurally attractive end-markets, support confidence in the Group's ability to deliver sustainable growth and enhanced profitability.

The Board remains confident in the Group's ability to deliver attractive shareholder returns over the medium-term, including the achievement of its newly established 14% adjusted operating margin target in 2028.

Regional Review

EMEA

	H1 2026 (£m)	H1 2025 (£m)	Constant FX (%)	Actual FX (%)
Revenue	89.6	82.0	+8.9	+9.3
Gross profit	44.1	39.9	+8.9	+10.5
Gross margin	49.2%	48.7%	no change	+50 bps

Revenue in H1 was £89.6m (H1 2025: £82.0m), reflecting growth of 8.9% on a constant currency basis. Growth was supported by both underlying volume improvements and pricing actions, with encouraging signs of modest recovery across parts of Western Europe alongside continued strength in faster-growing target end-markets.

Faster-growing target end-markets delivered high single-digit growth in the period, led by digital infrastructure and energy transformation, offsetting a low single-digit decline in more traditional cyclical sectors including automotive and metal fabrication.

The region also continued to benefit from new product development and targeted product introductions, supporting customer acquisition and new business wins across machine automation, digital infrastructure and energy transformation end-markets. These initiatives remain focused on broadening customer relationships and expanding exposure to structurally attractive growth sectors.

Turkey (c.14% of EMEA revenue) continued to perform strongly, reflecting its exposure to the Group's structurally attractive end-markets which account for c.60% of revenue. Pricing was a significant contributor to growth in the continued hyperinflationary environment, while underlying volumes also increased year-on-year.

EMEA delivered underlying volume growth alongside mid single-digit pricing benefit. Pricing reflected both annual customer price increases and targeted surcharges introduced during Q2 to recover elevated freight and raw material inflation associated with disruption in the Middle East, demonstrating pricing agility and ability to protect gross margin.

Operational performance continued to improve through H1 2026 following targeted investment to restore service levels after ERP deployment and elevated backlog levels through 2025. OTIF performance improved steadily during the period, reaching 78.7% in June, compared with H1 average of 73.0% and 65.1% in FY 2025. The region is now progressing towards the conclusion of the D365 platform rollout, with the remaining two deployments expected in H2 2026 and Q1 2027. The region continues to realise incremental benefits from the new ERP. Alongside reduced reliance on legacy systems and improved data quality, the region is seeing improved pricing transparency and in Q2, commenced the setup of a shared finance centre in Poland which is expected to deliver efficiency and cost benefits from H2 2026 onwards.

Whilst reported gross margin increased 50bps to 49.2%, constant currency gross margin remained broadly unchanged year-on-year. The region continued to navigate the mix impact of stronger growth in lower-margin Turkey and larger strategic customers, offset by procurement savings, manufacturing efficiencies, improved cost-to-serve and disciplined pricing actions.

Revenue from acquisition-led product ranges, including BMP TAPPI and Wixroyd, increased by c.10% year-on-year, demonstrating the scalability of Essentra's platform and the value of its disciplined bolt-on acquisition strategy. Following completion in June 2026, Boteco further strengthens the Group's position in machine building and automation end-markets, with integration progressing in line with plan and early trading consistent with expectations.

AMERICAS

	H1 2026 (£m)	H1 2025 (£m)	Constant FX (%)	Actual FX (%)
Revenue	54.3	50.0	+12.1	+8.6
Gross profit	19.0	19.4	+0.1	(2.1)
Gross margin	35.0%	38.8%	(420) bps	(380) bps

Revenue in H1 was £54.3m (H1 2025: £50.0m), reflecting growth of 12.1% on a constant currency basis and 5.7% on a like-for-like basis excluding the acquisition of Device Technologies (December 2025). Like-for-like revenue growth was supported by pricing actions as well as low single-digit underlying volume growth, with improving demand trends and distributor volumes continuing the normalisation seen through H2 2025.

Faster-growing target end-markets delivered high single-digit growth in the period, led by digital infrastructure and specialist vehicles, supported by customer wins offsetting a low single-digit decline in more traditional cyclical sectors, including automotive.

The Americas pricing performance in H1 reflected both annual customer price increases and specific additional pricing increases introduced towards the end of Q2 as the business started to recover additional freight and raw material inflation arising from disruption in the Middle East through the orderbook.

Gross margins declined to 35.0% in the first half (H1 2025: 38.8%), reflecting a combination of timing lag on pricing recovery, customer mix, inventory adjustments and temporary operational inefficiencies associated with the transfer of manufacturing operations from Costa Rica to its Mexico facility, a key component of the Group's regional manufacturing strategy, that commenced during H2 2025. During the period, the region prioritised temporary focus on service and backlog reduction while continuing to build manufacturing capability and productivity at the new facility resulting in short-term inefficiencies. Performance is expected to improve through targeted operational initiatives, and increased benefit from pricing actions which have already been initiated.

The region has initiated 80:20 methodologies in the first half to segment its customers and product ranges, supporting resource allocation and enabling greater focus on customers with the strongest growth potential whilst simplifying the offer for lower-potential customers. These actions are expected to increase sales effectiveness, reduce cost-to-serve and support profitability.

The integration of Device Technologies, acquired in December 2025, continues to progress well. Trading in the first half was in line with expectations, with strong levels of local demand especially across defence & aerospace, energy transformation and digital infrastructure faster-growth target end-markets, with cross-sell opportunities in EMEA and APAC regions.

APAC

	H1 2026 (£m)	H1 2025 (£m)	Constant FX (%)	Actual FX (%)
Revenue	22.2	20.4	+8.2	+8.8
Gross profit	8.3	7.2	+13.9	+15.3
Gross margin	37.4%	35.3%	+190 bps	+210 bps

Revenue in H1 was £22.2m (H1 2025: £20.4m), reflecting growth of 8.2% on a constant currency basis. Revenue growth was led by underlying volume increases and new business wins, reflecting continued progress in faster-growing target end-markets, whilst pricing actions supported in delivering low single-digit growth in the period.

Consistent with 2025, performance continued to be influenced by market dynamics in China (c.70% of APAC revenue), where demand remained mixed between domestic and export customers. Growth was led by larger export-focused customers in faster-growth target end-markets, whilst softer demand persisted amongst smaller domestically focused customers, highlighting the importance of Essentra's customer, product and end-market diversification strategy.

The region remains well-positioned in faster-growth target end-markets. Double-digit revenue growth was achieved within machine building and automation in China, whilst South East Asia delivered strong growth in digital infrastructure. More traditional end-markets grew, albeit at a lower rate, reflecting the region's increasing exposure and focus on structurally attractive growth sectors.

Gross margins increased 190bps to 37.4%, reflecting an improved customer and product mix, targeted pricing actions and continued cost control. The region remained focused on prioritising higher margin opportunities, whilst also improving the profitability of lower-margin customers and aligning labour and operating costs to volume growth, demonstrating operational leverage available within the business.

Following a review of its regional footprint and simplification of the region’s go-to-market approach in 2025, the transition away from direct commercial presence in Japan to a distributor model has been completed, with cost efficiencies realised during the first half of 2026.

The region remains focused on improving customer mix and driving new business wins within faster-growing end-markets. Alongside continued growth of product expertise within access hardware, leveraging the Hengzhu facility in China, management is investing in additional commercial and technical capabilities in India to support longer-term growth opportunities and further enhance the region’s footprint.

Financial Review

Constant currency, like-for-like, and adjusted measures are provided to reflect the underlying financial performance of Essentra. For further details on the performance metrics used by Essentra, please refer to pages 26 to 29 and 33 to 34 of the Essentra plc Annual Report 2025.

Constant foreign exchange rates. The constant exchange rate basis adjusts the comparative to exclude the effect of currency movements, to show the underlying performance of the Company. The principal exchange rates for Essentra were:

	-------- Average --------		-------- Closing --------	
	H1 2026	**H1 2025**	**H1 2026**	**H1 2025**
£:US$	1.35	1.30	1.33	1.37
£:€	1.15	1.19	1.16	1.17

Re-translating at H1 2026 average exchange rates decreases the prior year period revenue by £1.2m, increases prior year gross profit by £0.2m and increases prior year operating profit by £0.3m.

Like-for-like (“LFL”). The term “like-for-like” describes the performance of the continuing business on a comparable basis, adjusting for the impact of acquisitions, disposals and foreign exchange.

Discontinued operations. Discontinued operations recognised a £4.0m pre-tax profit and a £1.7m post-tax profit (H1 2025: £nil), as reported in the Condensed Consolidated Interim Income Statement. £4.0m credit arises from the recognition of a receivable associated with the disposal of the Filters business in 2022. Refer to Note 16 in the Condensed Consolidated Interim Financial Statements for further information.

Adjusted basis. The term “adjusted” excludes the impact of amortisation of acquired intangible assets and adjusting items, less any associated tax impact. In H1 2026, amortisation of acquired intangible assets was £4.8m (H1 2025: £5.5m), and there was a pre-tax charge for adjusting items of £6.1m (H1 2025: £5.7m). In line with previous guidance, H1 2026 adjusting items include £3.2m major “SaaS” development expenditure; and £0.7m relating to legacy pension scheme costs. Adjusting items also include costs of £2.2m associated with acquisitions, disposals and site closures. SaaS development adjusting items and associated cash flows are expected to reduce materially following completion of the ERP programme in 2027. Further details on adjusting items are shown in Note 3 to the Condensed Consolidated Interim Financial Statements.

Adjusted operating cash flow. Adjusted operating cash flow is net cash flow from operating activities, excluding income tax paid, contributions to legacy pension schemes and cash flows relating to adjusting items, less net capital expenditure. It is a measure of the underlying cash generation of the business. Net capital expenditure is included in this measure as Management regard investment in operational assets (tangible and intangible) as integral to the underlying cash generation capability of the Company.

Net finance expense. Net finance expense of £4.1m compared to £4.0m in the prior year period.

Tax. The effective tax rate ("ETR") for H1 2026 on adjusted profit before tax (before adjusting items and amortisation of acquired intangible assets) is 12.9% (H1 2025: 22.4%). The lower H1 2026 ETR was due to a true-up adjustment to recognised deferred tax assets resulting in a £1.8m credit, reducing the effective tax rate by 12.8%. The medium-term guidance remains closely aligned to the tax rates applied in the majority of jurisdictions in which the Group operates and remains unchanged between 26-29%.

Adjusted operating cash flow from continuing operations. Adjusted operating cash flow from continuing operations of £14.3m equated to an operating cash conversion of 79.0% at the half year (H1 2025: £17.4m and 105.5%). Free cash flow was £8.7m (H1 2025: £11.9m).

	H1 2026 £m	**H1 2025 £m**
Adjusted operating profit	**18.1**	**16.5**
Depreciation and amortisation of non-acquired intangible assets	6.2	5.8
Right-of-use assets depreciation	3.3	3.1
Share option expense / other movements	0.7	0.5
Change in working capital	(9.0)	(4.3)
Net capital expenditure	(5.0)	(4.2)
Adjusted operating cash flow from continuing operations	**14.3**	**17.4**
Tax	(1.7)	(1.0)
Cash outflow in respect of adjusting items[1]	(6.5)	(9.8)
Add back: net capital expenditure	5.0	4.2
Net cash inflow from continuing operating activities[2]	**11.1**	**10.8**
Adjusted operating cash flow from continuing operations	**14.3**	**17.4**
Tax	(1.7)	(1.0)
Net interest paid	(3.9)	(4.5)
Free cash flow	**8.7**	**11.9**

1 Pension contribution of £1.1m in H1 2026 for legacy pension schemes has been included within cash outflow in respect of adjusting items (H1 2025: £1.0m)

2 Statutory cash flows from operating activities can be found in the Condensed Consolidated Interim Financial Statements.

Net debt. Net debt at the end of the period was £70.7m, compared to net debt of £60.7m at 31 December 2025 (excluding lease liabilities of £28.4m). The increase in net debt in the period was supported by strong operational cash flow generation in the first six months of 2026 offset by cash outflow in respect of adjusting items (£6.5m) and the initial net cash consideration for Boteco (£5.7m).

On 12 month rolling adjusted EBITDA basis, following the acquisition of Boteco, the leverage position has increased to 1.6x. Guidance for the full year, and in the medium-term remains unchanged <1.5x, supported by strong operating cash conversion across the Group.

	H1 2026 £m
Net debt as at 1 January 2026	**60.7**
Free cash flow	(8.7)
Cash outflow in respect of adjusting items	6.5
Acquisition of businesses including net of short-term loans and net of cash acquired	5.7
Share buyback	1.2
Principal lease payments	3.3
Amortisation of arrangement facility fees paid	0.2
Movement in loan hedging derivatives	0.2
Foreign exchange	1.6
Net debt as at 30 June 2026	**70.7**

Banking facilities. One of the main sources of funding for the Company is a Revolving Credit Facility ("RCF") provided by a group of five banks totalling £200.0m. As at 30 June 2026, £38.1m was drawn (30 June 2025: £37.2m drawn).

The Company retains $102.5m of long dated US Private Placement debt ("USPP") at an average coupon rate of 3.8%. In June 2026, the Group extended its USPP hedging arrangements to mitigate foreign exchange exposure, aligning to the 2031 and 2033 maturity profile of the USPP notes (previously in place to 2028 only).

Type	Amount	Interest Rate	Maturity
RCF	£200.00m	Floating	July 2030
USPP	$32.80m	3.62%	July 2028
USPP	$34.85m	3.90%	July 2031
USPP	$34.85m	4.00%	July 2033

Treasury policy and controls. Essentra has a centralised treasury function to manage funding, liquidity and exposure to interest rate and foreign exchange risk. Treasury policies are approved by the Board and cover the nature of the exposure to be hedged, the types of derivatives that may be employed and the criteria for investing and borrowing cash. The Company intends to use derivatives to manage foreign currency and interest rate risk arising from underlying business activities. Whilst some transactions may be of a more speculative nature, they are in place with a view to manage exchange rate risk only. Underlying policy assumptions and activities are reviewed by the Treasury Committee. Controls over exposure changes and transaction authenticity are in place, and dealings are restricted to those banks with the relevant combination of geographical presence, expertise and suitable credit rating.

Foreign exchange risk. The majority of Essentra's net assets are in currencies other than sterling. The Company's normal policy is to reduce the translation exposure and the resulting impact on shareholders' funds through measures such as borrowing in those currencies in which the Group has significant net assets. The majority of Essentra's transactions are carried out in the functional currencies of its operations, and therefore transaction exposure is limited. However, where such exposure does occur, Essentra uses derivatives to hedge its exposure to movements in the exchange rates on its highly probable forecast foreign currency sales and purchases over a period of up to 18 months.

2026 Half Year Risk Disclosure

The Company has established and maintains an effective risk management and internal control framework designed to manage the delivery of the Company's strategic objectives.

The objectives of this framework are to:

- identify the Company's material risks and appropriate mitigating actions;
- formulate the risk appetite and ensure that our business profile and plans are consistent with it;
- develop plans to bring any exposures that are outside appetite in line with the agreed appetite;
- ensure that growth plans are properly supported by an effective risk management framework; and
- help management teams to improve the control and co-ordination of risk-taking across the Company.

The risk framework, along with the Company's Principal and Emerging risks, is described in detail in the "Risk Management Report" section of the Company's Annual Report and Accounts for the year ended 31 December 2025, on the Company website: www.essentraplc.com.

During the period, the Board has considered the Principal and Emerging Risks, as disclosed on pages 65 to 67 of our 2025 Annual Reports and Accounts, in the context of the objectives noted above and across four risk categories: strategic risks, external risks, operational risks and disruptive risks.

As anticipated, 2026 continues to be characterised by heightened geopolitical volatility, with ongoing uncertainty relating to the conflict in the Middle East. The Group's direct exposure to the Middle East remains limited, with the region accounting for less than 1% of Group sales.

Whilst we are not currently seeing a material impact on underlying demand, some cost inflation has emerged.

Our processes for identifying, assessing and responding to such external risks are well established. The Group continues to maintain pricing agility, and in Q2 2026, management implemented a further round of pricing actions across all regions to help mitigate inflationary pressures.

Although the situation remains dynamic, the Board considers that there have been no material changes to the Company's Principal and Emerging Risks since the publication of the 2025 Annual Report and Accounts. The Board remains confident that the mitigations in place are appropriate and sufficient to manage these risks within the Group's agreed risk appetite. The Principal and Emerging Risks are summarised below:

Strategic risks

- Environmental – evolving customer and regulatory sentiment towards plastics and/or sustainability negatively impacts our revenue, product mix or reputation
- Digital transformation – the delivery of digital transformation initiatives aimed at enhancing customer experience, operational efficiency and data-driven decision-making fail to enhance our market competitiveness
- Leadership, talent and capability – inability to attract, retain, develop and motivate the talent that we need to be successful
- M&A execution and integration – poor management of M&A pipeline, and/or inadequate integration planning and delivery adversely impact expected returns
- Delivery of key growth initiatives - central and regional strategic initiatives fail to support growth in market share in existing markets, and expansion in high-growth end-markets

External risks

- Legal and regulatory – current and emerging regulations negatively impact our ability to deliver our strategy, and we are unable to comply with laws and regulations in one or more of our jurisdictions
- Cyber events – cyber security or data breach with significant operational, reputational or financial impact on the business

- Macroeconomic environment – concurrent downturns and insufficient mitigating actions in the broad range of global and geographic markets in which we operate

Operational risks

- Health and safety performance – adverse impacts on our people and reputation from a health and safety incident or event

Disruptive risks

- Operational and supply chain disruption – negative impact on our ability to service customers, lost revenue and profitability, due to disruptive events, including natural disasters and geopolitical events, exacerbated by any single points of failure in our own operations

Emerging risk

- Artificial intelligence ("AI") - AI presents significant opportunities for operational efficiency and innovation. Rapid adoption and evolving regulatory landscapes introduce emerging risks that could impact data integrity, compliance, workforce dynamics and intellectual property. Proactive risk management is essential to ensure responsible AI deployment and to safeguard the Company's reputation and assets

Condensed consolidated income statement

	Notes	Six months ended 30 Jun 2026 £m	Six months ended 30 Jun 2025 £m	Year ended 31 Dec 2025 £m
Revenue	2	**166.1**	152.4	302.0
Gross Profit	2	**71.4**	66.5	131.9
Operating profit	2	**7.2**	5.3	8.5
Finance income		**1.2**	5.8	7.0
Finance expense		**(5.3)**	(9.8)	(15.0)
Profit before tax		**3.1**	1.3	0.5
Income tax credit/(charge)		**0.5**	(1.0)	1.6
Profit for the period from continuing operations		**3.6**	0.3	2.1
Gain from discontinued operations	16	**1.7**	-	-
Profit for the period		**5.3**	0.3	2.1
Attributable to:				
Equity holders of Essentra plc		**5.3**	0.3	2.1
Profit for the period		**5.3**	0.3	2.1
Earnings per share attributable to equity holders of Essentra plc:				
Basic	5	**1.9p**	0.1p	0.7p
Diluted	5	**1.9p**	0.1p	0.7p
Earnings per share from continuing operations attributable to equity holders of Essentra plc:				
Basic	5	**1.3p**	0.1p	0.7p
Diluted	5	**1.3p**	0.1p	0.7p

Adjusted profit measure: continuing operations				
Operating profit	2	**7.2**	5.3	8.5
Amortisation of acquired intangible assets		**4.8**	5.5	11.0
Adjusting items	3	**6.1**	5.7	12.5
Adjusted operating profit[1]		**18.1**	16.5	32.0

Notes:

1 See Note 3 for further details of the adjusted profit measure.

Condensed consolidated statement of comprehensive income

	Notes	Six months ended 30 Jun 2026 £m	Six months ended 30 Jun 2025 £m	Year ended 31 Dec 2025 £m
Profit for the period		**5.3**	0.3	2.1
Other comprehensive (expense)/income:				
Items that will not be reclassified to profit or loss in subsequent periods:				
Remeasurement of defined benefit pension schemes		**(8.2)**	4.9	5.7
Deferred tax credit/(charge) on remeasurement of defined benefit pension schemes		**2.1**	(1.2)	(1.7)
		(6.1)	3.7	4.0
Items that may be reclassified subsequently to profit or loss in subsequent periods:				
Effective portion of changes in fair value of cash flow hedges:				
Net change in fair value of cash flow hedges transferred to the income statement		**(0.5)**	2.2	1.9
Effective portion of changes in fair value of cash flow hedges		**(0.2)**	(2.1)	(1.7)
Foreign exchange translation differences:				
Attributable to equity holders of Essentra plc:				
Arising on translation of foreign operations		**1.2**	(13.5)	(9.4)
Arising on effective net investment hedges	13	**(0.6)**	2.1	2.0
Net income tax (expense)/credit		**(0.3)**	1.5	2.5
		(0.4)	(9.8)	(4.7)
Total other comprehensive expense for the period, net of tax		**(6.5)**	(6.1)	(0.7)
Total comprehensive (expense)/credit for the period		**(1.2)**	(5.8)	1.4
Attributable to:				
Equity holders of Essentra plc		**(1.2)**	(5.8)	1.4
Total comprehensive (expense)/credit for the period		**(1.2)**	(5.8)	1.4
Attributable to:				
Continuing operations		**(2.9)**	(5.8)	1.4
Discontinued operations		**1.7**	-	-
Total comprehensive (expense)/credit for the period		**(1.2)**	(5.8)	1.4

Condensed consolidated balance sheet

	Notes	30 Jun 2026 £m	30 Jun 2025 £m	31 Dec 2025 £m
Assets				
Property, plant and equipment	6	**64.5**	60.5	64.5
Lease right-of-use assets	7	**24.5**	22.4	24.1
Intangible assets	8	**196.7**	191.8	194.3
Long-term receivables		**0.5**	0.5	0.5
Derivative assets	13	**1.4**	0.4	1.6
Deferred tax assets		**19.2**	13.7	16.7
Retirement benefit assets	9	**3.5**	13.8	14.1
Total non-current assets		**310.3**	303.1	315.8
Inventories		**73.8**	66.2	68.7
Income tax receivable		**1.0**	2.0	1.4
Trade and other receivables		**72.0**	67.0	52.6
Derivative assets	13	**0.1**	0.4	-
Cash and cash equivalents	10	**42.5**	41.3	36.2
Total current assets		**189.4**	176.9	158.9
Assets held for sale		**-**	10.7	-
Total assets		**499.7**	490.7	474.7
Equity				
Share capital	12	**71.7**	72.4	72.1
Capital redemption reserve	12	**4.0**	3.3	3.6
Other reserve		**(132.8)**	(132.8)	(132.8)
Cash flow hedging reserve		**(0.5)**	0.1	0.2
Translation reserve		**(82.2)**	(87.5)	(82.5)
Retained earnings		**408.2**	409.7	405.4
Attributable to equity holders of Essentra plc		**268.4**	265.2	266.0
Total equity		**268.4**	265.2	266.0
Liabilities				
Interest bearing loans and borrowings	10	**113.9**	110.4	98.5
Lease liabilities	10	**21.4**	19.2	20.8
Retirement benefit obligations	9	**6.3**	9.8	9.1
Other financial liabilities	13	**0.7**	-	0.9
Deferred tax liabilities		**7.6**	10.6	7.3
Total non-current liabilities		**149.9**	150.0	136.6
Interest bearing loans and borrowings	10	**0.7**	-	-
Lease liabilities	10	**7.0**	7.6	7.5
Income tax payable		**5.5**	6.8	6.5
Trade and other payables		**66.4**	60.5	57.6
Other financial liabilities	13	**1.2**	-	-
Provisions		**0.6**	0.6	0.5
Total current liabilities		**81.4**	75.5	72.1
Total liabilities		**231.3**	225.5	208.7
Total equity and liabilities		**499.7**	490.7	474.7

Condensed consolidated statement of changes in equity

	Six months ended 30 June 2026						
	Share capital £m	**Capital redemption reserve £m**	**Other reserve £m**	**Cash flow hedging and cost of hedging reserves £m**	**Translation reserve £m**	**Retained earnings £m**	**Total equity £m**
At 1 January 2026	**72.1**	**3.6**	**(132.8)**	**0.2**	**(82.5)**	**405.4**	**266.0**
Profit for the period	-	-	-	-	-	5.3	5.3
Other comprehensive expense	-	-	-	(0.7)	0.3	(6.1)	(6.5)
Total comprehensive expense for the period	**-**	**-**	**-**	**(0.7)**	**0.3**	**(0.8)**	**(1.2)**
Share option expense	-	-	-	-	-	0.8	0.8
Tax relating to share-based incentives	-	-	-	-	-	0.5	0.5
Net impact of hyperinflation[1]	-	-	-	-	-	3.5	3.5
Purchase of own shares	-	-	-	-	-	(1.2)	(1.2)
Cancellation and transfer of shares	(0.4)	0.4	-	-	-	-	-
At 30 June 2026	**71.7**	**4.0**	**(132.8)**	**(0.5)**	**(82.2)**	**408.2**	**268.4**

	Six months ended 30 June 2025						
	Share capital £m	Capital redemption reserve £m	Other reserve £m	Cash flow hedging and cost of hedging reserves £m	Translation reserve £m	Retained earnings £m	Total equity £m
At 1 January 2025	72.6	3.1	(132.8)	-	(77.6)	405.5	270.8
Profit for the period	-	-	-	-	-	0.3	0.3
Other comprehensive (expense)/income	-	-	-	0.1	(9.9)	3.7	(6.1)
Total comprehensive (expense)/income for the period	-	-	-	0.1	(9.9)	4.0	(5.8)
Share option expense	-	-	-	-	-	0.9	0.9
Tax relating to share-based incentives	-	-	-	-	-	0.4	0.4
Net impact of hyperinflation[1]	-	-	-	-	-	(0.2)	(0.2)
Purchase of own shares	-	-	-	-	-	(0.9)	(0.9)
Cancellation of shares	(0.2)	0.2	-	-	-	-	-
At 30 June 2025	72.4	3.3	(132.8)	0.1	(87.5)	409.7	265.2

Condensed consolidated statement of changes in equity (continued)

	Year ended 31 December 2025						
	Share capital £m	Capital redemption reserve £m	Other reserve £m	Cash flow hedging and cost of hedging reserves £m	Translation reserve £m	Retained earnings £m	Total equity £m
At 1 January 2025	72.6	3.1	(132.8)	-	(77.6)	405.5	270.8
Profit for the period	-	-	-	-	-	2.1	2.1
Other comprehensive (expense)/income	-	-	-	0.2	(4.9)	4.0	(0.7)
Total comprehensive income/(expense) for the period	-	-	-	0.2	(4.9)	6.1	1.4
Share option expense	-	-	-	-	-	1.7	1.7
Tax relating to share-based incentives	-	-	-	-	-	0.1	0.1
Net impact of hyperinflation[1]	-	-	-	-	-	1.3	1.3
Purchase of own shares	-	-	-	-	-	(2.6)	(2.6)
Cancellation of shares	(0.5)	0.5	-	-	-	-	-
Dividends paid	-	-	-	-	-	(6.7)	(6.7)
At 31 December 2025	72.1	3.6	(132.8)	0.2	(82.5)	405.4	266.0

Notes:

1 The net impact on retained earnings as a result of the index-based adjustments in Turkey under IAS 29 *'Financial Reporting in Hyperinflationary Economies'*.

Condensed consolidated statement of cash flows

	Notes	Six months ended 30 Jun 2026 £m	Six months ended 30 Jun 2025 £m	Year ended 31 Dec 2025 £m
Operating activities				
Profit for the period from:				
Continuing operations		**3.6**	0.3	2.1
Discontinued operations		**1.7**	-	-
Profit for the period		**5.3**	0.3	2.1
Adjustments for:				
Income tax expense/(credit)		**1.8**	1.0	(1.6)
Net finance expense		**4.1**	4.0	8.0
Intangible amortisation		**5.9**	6.3	12.8
Adjusting items		**6.1**	5.7	12.5
Credit relating to a business disposal in previous years		**(4.0)**	-	-
Depreciation of property, plant and equipment		**5.1**	5.0	9.9
Lease right-of-use asset depreciation		**3.3**	3.1	6.2
Profit on sale of property, plant and equipment		**-**	-	(1.0)
Share option expense		**0.8**	0.9	1.7
Hedging activities and other movements		**(0.1)**	(0.4)	-
Increase in inventories		**(2.4)**	(1.4)	(3.0)
Increase in trade and other receivables		**(14.1)**	(12.7)	(6.7)
Increase in trade and other payables		**7.5**	9.8	7.3
Cash outflow in respect of adjusting items	3	**(6.5)**	(9.8)	(19.3)
Cash inflow from operating activities		**12.8**	11.8	28.9
Income tax paid		**(1.7)**	(1.0)	(3.5)
Net cash inflow from operating activities		**11.1**	10.8	25.4
Investing activities				
Interest received		**0.2**	0.2	0.3
Acquisition of property, plant and equipment		**(3.6)**	(3.8)	(10.6)
Proceeds from sale of property, plant and equipment		**-**	-	6.8
Proceeds from sale of investment properties		**-**	-	5.2
Payments for intangible assets		**(1.4)**	(0.4)	(0.4)
Acquisition of businesses net of cash acquired		**(5.0)**	-	(5.2)
Cash inflow from costs of business disposals		**-**	-	10.0
Net cash (outflow)/inflow from investing activities		**(9.8)**	(4.0)	6.1
Financing activities				
Interest paid		**(4.1)**	(4.7)	(9.3)
Dividends paid to equity holders		**-**	-	(6.7)
Arrangement fee paid for financing activities		**-**	(0.2)	(0.3)
Repayments of short-term loans		**-**	(1.0)	(1.0)
Repayments of long-term loans		**(4.4)**	(7.6)	(42.6)
Proceeds from long-term loans		**18.2**	19.2	41.2
Lease liability principal payments		**(3.3)**	(2.9)	(6.0)
Purchase of own shares		**(1.2)**	(0.9)	(2.6)
Net cash inflow/(outflow) from financing activities		**5.2**	1.9	(27.3)
Net increase in cash and cash equivalents		**6.5**	8.7	4.2
Cash and cash equivalents at the beginning of the period		**36.2**	33.7	33.7
Net increase in cash and cash equivalents		**6.5**	8.7	4.2
Net effect of currency translation on cash and cash equivalents		**(0.2)**	(1.1)	(1.7)
Cash and cash equivalents at the end of the period	10	**42.5**	41.3	36.2

1. Basis of preparation

Essentra plc is a public company limited by shares that is incorporated and domiciled in England and Wales (registration no 05444653). The address of its registered office is Langford Locks, Kidlington, Oxford, OX5 1HX, United Kingdom. The Company's ordinary shares are publicly traded on the London Stock Exchange. For the purposes of these condensed consolidated interim financial statements "Essentra" or "the Group" means Essentra plc (the "Company") and its subsidiaries. The Group's principal activities are focused on the manufacture and distribution of a comprehensive range of components, used in diverse industrial applications and end-markets.

The condensed consolidated interim financial statements of the Essentra plc Group have been prepared in accordance with UK-adopted International Accounting Standards 34 and the disclosure guidance and transparency rules sourcebook of the United Kingdom's Financial Conduct Authority.

Except as described below, the accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2025 which comply with applicable law and UK-adopted International Accounting Standards. The condensed consolidated interim financial statements have been reviewed, not audited.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 31 December 2025, which has been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards, and any public announcements made by Essentra plc during the interim reporting period.

The comparative figures for the financial year ended 31 December 2025 are not the Company's statutory accounts for that financial year. Those accounts have been reported on by the Company's auditor and delivered to the Registrar of Companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under Section 498(2) or (3) of the Companies Act 2006. The Group's audited consolidated financial statements for the year ended 31 December 2025 are available at the Company's website (www.essentraplc.com) or upon request from the Company's registered office.

The Group's foreign operations in Turkey, whose functional currency is the Turkish Lira, were designated as hyperinflationary during the year ended 31 December 2025. Over the six months to 30 June 2026 the Turkish economy continued to be designated as hyperinflationary, and therefore the Group has continued to apply hyperinflationary accounting to its Turkish operations for the reporting period ended 30 June 2026. The price index used to apply IAS 29 is the Turkish Consumer Price Index. At 30 June 2026 the price index was 4,137.77 (31 December 2025: 3,513.87, 30 June 2025: 3,132.17, 31 December 2024: 2,684.55).

Pronouncements

The Group adopted all new and amended accounting standards and interpretations that became effective during the period ended 30 June 2026. The adoption of these pronouncements did not have a material impact on the Group's condensed consolidated interim financial statements.

IFRS 18 – Presentation and Disclosure in Financial Statements

Effective for annual reporting periods beginning on or after 1 January 2027, IFRS 18 introduces new requirements relating to the structure of profit or loss, including defined categories of income and expenses, new subtotals and enhanced disclosures relating to management-defined performance measures. It also introduces additional guidance on the aggregation and disaggregation of information in the financial statements.

An initial impact assessment has been performed and the Group does not anticipate the standard to have a material impact on its reported profit, net assets or cash flows. The Group anticipates the primary impact to relate to presentation and disclosure changes within the financial statements, including the classification of income and expenses and enhanced disclosures relating to alternative performance measures.

Going concern

The Directors have prepared the condensed consolidated interim financial statements for the half year ended 30 June 2026 on a going concern basis.

In reaching this conclusion, the Directors have reviewed the Group's financial position, forecasts and cash flows for a period of at least 18 months from the date of approval of these financial statements, including the availability of committed funding and forecast compliance with the Group's financial covenants.

At 30 June 2026, the Group had external financing arrangements of £277.1m, comprising US$102.5m of US Private Placement loan notes maturing between July 2028 and July 2033, and a £200.0m multi-currency revolving credit facility maturing in July 2030. £38.1m was drawn under the revolving credit facility at 30 June 2026, leaving £161.9m undrawn. Total liquidity, comprising cash and available undrawn facilities, was £204.4m.

The Group's facilities are subject to two financial covenants, tested semi-annually: net debt to EBITDA and EBITA to net finance charges. The Directors have considered the Group's base case forecasts and a severe but plausible downside scenario, including reduced market demand, delayed market recovery, lower market share gains and climate transition risks. The financial impact of the severe but plausible downside scenario in 2026 and 2027 is a reduction in adjusted operating profits by 20% and 26%, respectively, compared to the Group strategic plan.

Under these scenarios, the Group is expected to retain sufficient liquidity and remain in compliance with its financial covenants throughout the assessment period.

Accordingly, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Directors have therefore adopted the going concern basis in preparing the condensed consolidated interim financial statements. The Directors do not consider there to be any material uncertainty that may cast significant doubt over the Group's ability to continue as a going concern.

Critical Accounting Judgements and Estimates

The preparation of the condensed consolidated interim financial statements requires the Directors and management to make judgements and estimates in respect of certain items where the choice of accounting policy and assumptions applied in determining the judgement or estimate could materially affect the Group's financial position, results, or cash flows at the reporting date.

Management regularly reviews the critical accounting judgements that significantly impact the amounts recognised in the condensed consolidated interim financial statements and the critical accounting estimates that, due to their significant estimation uncertainty, may give rise to a material adjustment in the next financial reporting period.

The critical accounting judgements and estimates applied are consistent with those in the annual financial statements for the year ended 31 December 2025, as described in those financial statements on pages 159 and 160 in the 2025 Annual Report and Accounts.

2. Segment analysis

The Group has determined its operating segments based upon the information reported to the Board of Directors ("Board"), which is the Group's Chief Operating Decision Maker. Segment information is reported on a geographical basis consistent with the basis upon which the Group manages its operations, allocates resources, and assesses performance. Central corporate costs include executive and non-executive management, investor relations, corporate development, corporate reward, governance, risk and assurance, group finance, tax, treasury and related information technology costs.

	Six months ended 30 June 2026				
	EMEA	**Americas**	**APAC**	**Unallocated[3]**	**Continuing operations**
	£m	**£m**	**£m**	**£m**	**£m**
External revenue	89.6	54.3	22.2	-	166.1
Gross profit	44.1	19.0	8.3	-	71.4
Adjusted operating profit/(loss) before corporate costs	25.0	8.7	3.5	(12.6)	24.6
Central corporate costs[1]					(6.5)
Adjusted operating profit					**18.1**
Amortisation of acquired intangible assets					(4.8)
Adjusting items					(6.1)
Operating profit on continuing operations					**7.2**
Total Assets	**263.3**	**120.6**	**37.1**	**78.7**	**499.7**
Total Liabilities	**(53.4)**	**(23.5)**	**(11.3)**	**(143.1)**	**(231.3)**

	Six months ended 30 June 2025				
	EMEA	Americas	APAC	Unallocated[2,3]	Continuing operations
	£m	£m	£m	£m	£m
External revenue	82.0	50.0	20.4	-	152.4
Gross profit	39.9	19.4	7.2	-	66.5
Adjusted operating profit/(loss) before corporate costs	22.8	9.4	2.2	(11.3)	23.1
Central corporate costs[1]					(6.6)
Adjusted operating profit					16.5
Amortisation of acquired intangible assets					(5.5)
Adjusting items					(5.7)
Operating profit on continuing operations					5.3
Total Assets[2]	251.1	108.5	32.6	98.5	490.7
Total Liabilities	(49.0)	(22.2)	(8.9)	(145.4)	(225.5)

1 Central corporate costs include executive and non-executive management, investor relations, corporate development, corporate reward, governance, risk and assurance, group finance, tax, treasury, and related information technology costs.

2 As at 30 June 2025 unallocated assets included Assets Held For Sale of £10.7m.

3 Unallocated operating expenses include operating expenses relating to the regions that are managed at a total trading level rather than by individual segment.

3. Adjusting items from continuing operations

	Six months ended 30 Jun 2026 £m	Six months ended 30 Jun 2025 £m	Year ended 31 Dec 2025 £m
Costs/(credits) relating to transactions including acquisitions, disposals, business structuring, related advisory and integration costs[1]	**2.2**	0.5	2.2
Customisation and configuration costs of significant software as a service ("SaaS") arrangements[2]	**3.2**	4.9	9.3
Defined benefit pension scheme charges[3]	**0.7**	0.8	1.7
Other[4]	**-**	(0.5)	(0.7)
Adjusting items	**6.1**	5.7	12.5
Tax	**(1.3)**	(0.5)	(2.8)
Adjusting items after tax	**4.8**	5.2	9.7
Reconciliation of cash flows from adjusting items:			
Adjusting items	**6.1**	5.7	12.5
Non-cash net (charges)/credits in adjusting items	**(0.4)**	1.0	3.2
Pension contribution adjustment	**0.4**	0.2	0.6
Utilisation of prior year end acquired accruals and provisions	**0.4**	2.9	3.0
Cash outflow from adjusting items before tax	**6.5**	9.8	19.3
Tax on adjusting items	**-**	-	-
Cash outflow from adjusting items	**6.5**	9.8	19.3

Adjusting items are separately presented from other items by virtue of their nature, size and/or incidence. They are identified separately in order for the reader to obtain a clearer understanding of the underlying results of the ongoing Group's operations, by excluding items which, in management's view, do not form part of the Group's underlying operating results, such as gains, losses or costs arising from business acquisition and disposal activities, significant restructuring and closure costs, and costs of major Software as a Service projects, items which are non-recurring or one-off in nature (such as the costs of fundamental strategic review and reorganisation) and charges relating to the Group's legacy defined benefit pension schemes, as adjusting items. Operating profit before adjusting items and acquired intangible amortisation is called "Adjusted operating profit", which forms the primary basis of management's review and assessment of operational performance of the Group's businesses.

Notes:

1 Costs of £2.2m were associated with acquisitions, disposals and site closures. In the six months ended 30 June 2025, net costs of £1.3m were associated with acquisitions, disposals and site closures, offset by a £0.6m credit arising from the reversal of deferred consideration that was no longer payable and a £0.2m credit from an increase in the fair value of deferred consideration receivable.

2 Costs of significant SaaS arrangements, which in the view of management, represents investment in upgrading the Group's technological capability, were expensed as adjusting items in accordance with the Group's accounting policies. In the current period, costs of £3.2m (six months ended 30 June 2025: £4.9m) were attributable to major SaaS projects and relate primarily to the costs of implementing a new cloud-based enterprise resource planning ("ERP") system within the Group.

3 Costs of £0.7m (six months ended 30 June 2025: £0.8m) were incurred in relation to defined benefit pension scheme charges which, following the outcome of the strategic review, no longer pertain to the continuing operations of the Group.

4 For the six months ended 30 June 2025, £0.5m related to the release of provisions associated with property and historic indemnity claims previously recognised as an adjusting item.

4. Taxation

The taxation charges for the continuing operations for the six months ended 30 June 2026 and 30 June 2025 are based on the expected effective tax rate for the full year, including the impact of prior period tax adjustments. The enacted tax rates and forecast profits of the jurisdictions the Group operate in determines this effective tax rate.

The effective tax rate on underlying profit before tax (before adjusting items and amortisation of acquired intangible assets) was 12.9% (six months ended 30 June 2025: 22.4%).

5. Earnings per share

	Six months ended 30 Jun 2026 £m	Six months ended 30 Jun 2025 £m	Year ended 31 Dec 2025 £m
Earnings from continuing operations			
Profit attributable to equity holders of the Company	**3.6**	0.3	2.1
Adjustments:			
Amortisation of acquired intangible assets	**4.8**	5.5	11.0
Tax on amortisation of acquired intangible assets	**(1.0)**	(1.3)	(2.6)
Adjusting items	**6.1**	5.7	12.5
Tax relief on adjusting items	**(1.3)**	(0.5)	(2.8)
Adjusted earnings attributable to equity holders of the Company[1]	**12.2**	9.7	20.2
Adjustment for derecognition of deferred tax asset on tax losses[2]	**-**	-	(2.7)
Total for calculation of adjusted earnings per share[2]	**12.2**	9.7	17.5
Earnings from discontinued operations			
Profit attributable to equity holders of the Company	**1.7**	-	-

	Six months ended 30 Jun 2026	Six months ended 30 Jun 2025	Year ended 31 Dec 2025
Weighted average number of shares[3]			
Basic weighted average ordinary shares outstanding (million)	**284.2**	286.3	285.7
Dilutive effect of employee share option plans (million)	**2.7**	2.0	2.6
Diluted weighted average ordinary shares (million)	**286.9**	288.3	288.3
Earnings per share from continuing operations (pence)			
Basic earnings per share from continuing operations	**1.3p**	0.1p	0.7p
Adjustment	**3.0p**	3.3p	5.4p
Basic adjusted earnings per share from continuing operations	**4.3p**	3.4p	6.1p
Diluted earnings per share from continuing operations	**1.3p**	0.1p	0.7p
Adjustment	**3.0p**	3.3p	5.4p
Diluted adjusted earnings per share from continuing operations	**4.3p**	3.4p	6.1p
Loss per share from discontinued operations (pence)			
Basic loss per share	**0.6p**	-	-
Diluted loss per share	**0.6p**	-	-
Total Earnings per share attributable to equity holders of the Company (pence)			
Basic earnings per share	**1.9p**	0.1p	0.7p
Diluted earnings per share	**1.9p**	0.1p	0.7p

Notes:

1 Adjusted earnings per share from continuing operations is provided to reflect the underlying performance of the Group.

2 For the year ended 31 December 2025, following a change in the definition of adjusted earnings per share, the adjusted earnings per share reflects the derecognition and recognition of deferred tax assets on tax losses where there is a change in probability that the related tax benefits will be realised.

3 The basic weighted average number of ordinary shares in issue excludes shares held in treasury and shares held by an employee benefit trust.

6. Property, plant and equipment

During the period, the additions of land and buildings, plant and machinery and fixtures, fittings and equipment amounted to £3.5m (six months ended 30 June 2025: £4.4m; year ended 31 December 2025: £10.8m) and there was an increase of £1.1m (six months ended 30 June 2025: decrease of £1.9m; year ended 31 December 2025: decrease of £0.8m) in net book value due to foreign exchange movements which includes the impact from the application of IAS 29.

Land and buildings, plant and machinery and fixtures, fittings and equipment with a net book value of £nil (six months ended 30 June 2025: £0.1m; year ended 31 December 2025: £4.5m) were disposed of for proceeds of £nil (six months ended 30 June 2025: £nil; year ended 31 December 2025: £6.8m).

7. Lease right-of-use assets

The Group's non-current assets include right-of-use assets from asset leasing arrangements. Depreciation is charged to the income statement to depreciate the right-of-use asset from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset and the end of the lease term.

During the period, additions, extensions and surrenders to right-of-use assets amounted to £2.4m (six months ended 30 June 2025: £1.4m; year ended 31 December 2025: £5.0m) and the depreciation of right-of-use assets amounted to £3.3m (six months ended 30 June 2025: £3.1m; year ended 31 December 2025: £6.2m). In addition, right-of-use assets recognised on leases acquired through business combinations amounted to £1.1m during the period (six months ended 30 June 2025: £nil; year ended 31 December 2025: £0.5m).

During the period the right-of-use assets net book value increased by £0.2m (six months ended 30 June 2025: decrease of £0.1m; year ended 31 December 2025: increase of £0.6m) due to foreign exchange movements which includes the impact from the application of IAS 29.

8. Intangible assets

During the period, the additions of intangible assets (not through acquisitions) amounted to £1.4m (six months ended 30 June 2025: £0.4m; year ended 31 December 2025: £0.4m) and there was an intangible net book value increase of £3.0m (six months ended 30 June 2025: decrease of £7.2m; year ended 31 December 2025: decrease of £3.2m) due to foreign exchange movements which includes the impact from the application of IAS 29.

Included within intangibles were goodwill assets of £152.5m (six months ended 30 June 2025: £140.8m; year ended 31 December 2025: £148.6m) and there was a goodwill net book value increase of £2.8m (six months ended 30 June 2025: decrease of £6.5m; year ended 31 December 2025: decrease of £3.4m) due to foreign exchange movements which includes the impact from the application of IAS 29.

Included in the gross carrying amount of goodwill assets as at 1 January 2026 was £152.8m and the accumulated losses were £4.2m. As at 30 June 2026 the gross carrying amount was £156.7m and the accumulated losses were £4.2m.

The cash generating units ("CGUs") are primarily the manufacturing and distribution sites, at which impairment of intangible assets (excluding goodwill) and property, plant and equipment would be performed.

The three geographical segments: EMEA, Americas and APAC, represented by groups of cash-generating-units (the manufacturing and distribution sites), are considered to represent the lowest level within the Group at which goodwill is monitored for internal management purposes.

An impairment review of goodwill was performed for the year to 31 December 2025, as disclosed in Note 8 to the Essentra plc Annual Report 2025. Management have performed a review of impairment indicators for the six months to 30 June 2026. No indicators of impairment have been identified.

9. Retirement benefit assets and obligations

Movement in pension net assets / (liabilities) during the period

	Six months ended 30 Jun 2026 £m	Six months ended 30 Jun 2025 £m	Year ended 31 Dec 2025 £m
Movements			
Net assets/(liabilities) at the beginning of period	**5.0**	(2.0)	(2.0)
Current service cost and administrative expense	**(0.7)**	(0.8)	(1.8)
Employer contributions	**1.1**	1.0	2.4
Net (reduction)/increase on plan assets excluding amounts in net finance income	**(12.4)**	0.1	2.7
Actuarial gains arising from changes in financial assumptions	**4.8**	1.8	0.1
Actuarial gains arising from change in demographic assumptions	**-**	-	3.3
Actuarial (losses)/gains arising from experience adjustment	**(0.4)**	3.0	(0.4)
Net finance cost	**0.2**	-	0.1
Defined benefit liability assumed on acquisition	**(0.3)**	-	-
Currency translation	**(0.1)**	0.9	0.6
Net (liabilities)/assets at the end of period	**(2.8)**	**4.0**	**5.0**

Included within reduction on plan assets is an actuarial loss of £10.1m relating to an investment decision to purchase a bulk purchase annuity ('buy-in') contract. A premium of £104.0m was paid to purchase the buy-in to insure against liabilities within the UK defined benefits scheme. The loss represented the difference between the premium paid and the estimated present value of the obligations and is included within other comprehensive income.

The net pension liability of £2.8m (31 December 2025: net pension asset of £5.0m) includes retirement benefit assets of £3.5m (31 December 2025: £14.1m) and retirement benefit obligations of £6.3m (31 December 2025: £9.1m).

The assets and liabilities of the principal defined benefit schemes were reviewed by independent qualified actuaries as at 30 June 2026. The assets of the schemes have been updated to the balance sheet date to take account of the investment returns achieved by the schemes and the contributions made during the period. The liabilities of the schemes at the balance sheet date have been updated to reflect the latest discount rates and other assumptions as well as benefit payments. The principal assumptions used by the independent qualified actuaries were as follows:

Europe

	30 Jun 2026 £m	30 Jun 2025 £m	31 Dec 2025 £m
Rate of increase in pensions			
At RPI capped at 5%	2.9%	2.9%	2.8%
At CPI capped at 5%	2.7%	2.6%	2.6%
At CPI minimum 3%, capped at 5%	3.5%	3.4%	3.5%
At CPI capped at 2.5%	1.9%	2.0%	1.9%
Discount rate	5.9%	5.6%	5.5%
Inflation rate – RPI	3.0%	2.9%	2.9%
Inflation rate – CPI	2.7%	2.6%	2.6%

US

	30 Jun 2026 £m	30 Jun 2025 £m	31 Dec 2025 £m
Discount rate	5.5%	5.4%	5.2%

10. Analysis of net debt

	30 Jun 2026 £m	30 Jun 2025 £m	31 Dec 2025 £m
Cash at bank and in hand	**42.5**	41.3	36.2
Cash and cash equivalents in the statement of cash flows	**42.5**	41.3	36.2
Derivative financial instruments hedging private placement loans	**1.4**	0.4	1.6
Debt due within one year	**(0.7)**	-	-
Debt due after one year	**(113.9)**	(110.4)	(98.5)
Lease liabilities due within one year	**(7.0)**	(7.6)	(7.5)
Lease liabilities due after one year	**(21.4)**	(19.2)	(20.8)
Debt from financing activities	**(141.6)**	(136.8)	(125.2)
Net debt	**(99.1)**	(95.5)	(89.0)

Lease liabilities are measured at the present value of future lease payments, including variable lease payments and the exercise price of purchase options where it is reasonably certain that the option will be exercised, discounted using the interest rate implicit in the lease, if readily determinable, or alternatively the lessee's incremental borrowing rate.

At 30 June 2026, the Group's committed facilities primarily comprised a series of US Private Placement Loan Notes from various financial institutions totalling US$102.5m (£77.1m) and a syndicated multi-currency revolving credit facility of £200m from its banks. At 30 June 2026, the available bank facilities totalled £200m (31 December 2025: £200m) of which £38.1m (31 December 2025: £24.0m) was drawn down and £161.9m (31 December 2025: £176.0m) was undrawn.

11. Dividends

	Per share			Total		
	Six months ended 30 Jun 2026 p	Six months ended 30 Jun 2025 p	Year ended 31 Dec 2025 p	Six months ended 30 Jun 2026 £m	Six months ended 30 Jun 2025 £m	Year ended 31 Dec 2025 £m
2025 interim: paid 24 October 2025	-	0.8	-	-	2.3	-
2025 final: Paid 3 July 2026	-	-	1.2	-	-	3.4
2026 interim: payable 23 October 2026	0.9	-	-	2.5	-	-

In the table above, each dividend is shown in the period that it is attributable to. The interim dividend for 2026 of 0.9p per 25p ordinary share will be paid on 23 October 2026 to equity holders on the register at the record date, being 18 September 2026. The estimated amount to be paid of £2.5m has not been included as a liability in these accounts.

12. Share Capital

During the period 1,301,500 (six months ended 30 June 2025: 828,000) 25p Ordinary Shares ("shares") were purchased by the Company for total cash consideration of £1.2m (six months ended 30 June 2025: £0.9m) at a weighted average price of 88.9p pence per share, of which 844,500 shares with an aggregate nominal value of £0.2m were cancelled, and £0.2m transferred from issued share capital to the capital redemption reserve.

As at 30 June 2026 the number of shares in issue was 287,420,301 (31 December 2025: 288,264,801) of which 3,534,057 (31 December 2025: 3,127,057) were held in treasury.

13. Financial instruments

Essentra held the following financial instruments at fair value at 30 June 2026. There have been no transfers between levels of the fair value hierarchy and there are no non-recurring fair value measurements.

	30 Jun 2026 £m	30 Jun 2025 £m	31 Dec 2025 £m
Level 2 of fair value hierarchy			
Derivative assets[1]	**1.5**	0.8	1.6
Level 3 of fair value hierarchy			
Other financial assets[2]	**4.5**	10.3	0.5
Other financial liabilities	**(1.9)**	-	(0.9)
Total	**4.1**	11.1	1.2

Notes:

1 Fair values of forward foreign exchange contracts, including options, and cross currency interest rate swaps have been calculated at period-end forward exchange rates compared to contracted rates using observable market data from third party financial institutions.

2 Includes £4.0m (31 December 2025: £nil) relating to a deferred contingent consideration on the disposal of the Filters business.

Essentra had US dollar denominated borrowings which it designated as hedges of its net investments in subsidiary undertakings, upon which exchange losses of £0.6m (six months ended 30 June 2025: £2.2m gains) were recognised in other comprehensive income. Essentra also had Euro denominated borrowings which it designated as hedges of its net investments in subsidiary undertakings, upon which net exchange losses of £nil (six months ended 30 June 2025: losses of £0.1m) were recognised in other comprehensive income.

At 30 June 2026, the carrying amount of the US Private Placement Loan Notes ("USPP") was £77.1m with a fair value of £68.0m. At 31 December 2025, the carrying amount of the USPP was £75.7m with a fair value of £67.3m. For all other financial instruments, including Revolving credit facility ("RCF") GBP denominated loans of £21.0m (31 December 2025: £5.0m), RCF Euro denominated loans of £nil (31 December 2025: £4.3m), and RCF US denominated loans of £17.1m (31 December 2025: £14.7m), the fair value approximates to the carrying amount.

In the six months ended 30 June 2026, the Group revised its hedging arrangements to align its cross-currency interest rate swap contracts with the maturity profile of its US Private Placement Loan Notes and re-establish hedge accounting for the foreign currency risk being hedged. Following these revised arrangements, the Group has cross-currency interest rate swap contracts designated as hedges of the foreign currency risk on its US Private Placement Loan Notes, with a total notional value of $83m (2025: $33m), maturing in 2028 ($33m), 2031 ($25m) and 2033 ($25m).

The hedge ratio is 1:1 and hedge ineffectiveness may arise from changes in the credit risk of the counterparties and the Group. The weighted average contracted exchange rate of the cross-currency swaps outstanding at 30 June 2026 was US$1.35:£1 (2025: US$1.37:£1).

14. Acquisitions

Acquisition of Device Technologies LLC

On 16 December 2025, Essentra acquired Device Technologies through a trade and asset purchase. Device Technologies is a US-based manufacturer, designer and distributor of specialty cable management and cable protection products. The purchase was made to strengthen Essentra's product portfolio and to enhance the Group's manufacturing footprint in the US. The Group acquired Device Technologies for cash consideration of $7.0m (£5.2m) with an additional $1.2m (£0.9m) of deferred consideration. The purchase price included a German subsidiary entity.

The Group used an external valuation specialist whose assessment considered forecast cash flows, expected attrition rates and the application of an appropriate discount rate specific to the customer relationship asset and associated intangibles. The resulting analysis was to recognise a provisional fair value of £2.9m. Consequently the goodwill recognised was revised down by £2.9m.

At the reporting dates on 31 December 2025 and 30 June 2026, the purchase price allocation and fair value adjustments are provisional.

Acquisition of Boteco Srl

On 23 June 2026, Essentra acquired 100% of the equity interest in Boteco Srl ("Boteco") an Italian, family-owned, expert designer and manufacturer of mechanical components. The purchase was made to strengthen Essentra‘s product portfolio and has strong alignment with Essentra’s target industry growth segment, as well as providing further cross-selling opportunities.

The Group acquired Boteco for cash consideration of €5.9m (£5.1m) with an additional deferred consideration estimated to be €1.1m (£1.0m). The amount of revenue and profit recognised in the current reporting period since the acquisition date is nil.

Had the acquisition completed on 1 January 2026, the contribution to the Group’s revenue and operating profit would have been £3.2m and £0.3m, respectively.

Acquisition-related costs of £0.2m are included within adjusting items in the condensed consolidated income statement (see Note 3).

The Group‘s provisional assessment of the fair value of assets and liabilities, recognised as part of the acquisition of Boteco, is comprised of plant and equipment of £0.5m, right-of-use assets of £0.8m and working capital of £2.5m offset by lease liabilities of £0.8m, short-term bank loans of £0.7m and pension liabilities of £0.3m. The provisional goodwill recognised on acquisition is £3.9m which represents the expected operating and financial synergies, and the value of the assembled workforce acquired.

15. Related parties

During the period, the Company paid £25,897 (six months ended 30 June 2025: £19,917) to the wife of Scott Fawcett, CEO of Essentra plc, in respect of her employment by the Group. Scott’s wife was employed by the Group prior to his appointment as a director of Essentra plc on 1 January 2023.

16. Discontinued operations

During the period £4.0m was recognised as a receivable in relation to a completion accounts adjustment provided for in the Sale and Purchase Agreement associated with the disposal of the Filters business in 2022. Following the resolution of various legacy tax matters, the amount is expected to be recovered from the buyer of the Filters business in the second half of 2026. Tax charge relating to the disposal of this discontinued business of £2.3m has also been recognised.

Responsibility statement of the directors in respect of the half-yearly financial report

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting';
- the interim management report includes a fair review of the information required by the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority:
  a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
  b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last Annual Report that could do so.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Scott Fawcett	Rowan Baker
Chief Executive	Chief Financial Officer

27 July 2026

Independent review report to Essentra Plc

Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed Essentra Plc's condensed consolidated interim financial statements (the "interim financial statements") in the Results for the Half Year Ended 30 June 2026 of Essentra Plc for the 6 month period ended 30 June 2026 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:

- the Condensed consolidated balance sheet as at 30 June 2026;
- the Condensed consolidated income statement and Condensed consolidated statement of comprehensive income for the period then ended;
- the Condensed consolidated statement of cash flows for the period then ended;
- the Condensed consolidated statement of changes in equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the Results for the Half Year Ended 30 June 2026 of Essentra Plc have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the Results for the Half Year Ended 30 June 2026 and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The Results for the Half Year Ended 30 June 2026, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the Results for the Half Year Ended 30 June 2026 in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the Results for the Half Year Ended 30 June 2026, including the interim financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the Results for the Half Year Ended 30 June 2026 based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report.

Use of this report

This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP

Chartered Accountants

East Midlands

27 July 2026