

ESSENTRA PLC
 (“Essentra”, the “Group” or the “Company”)

RESULTS FOR THE FULL YEAR ENDED 31 DECEMBER 2025

FY25 results in line with expectations; well-set for further strategic progress in 2026

Results at a glance

	2025 £m	2024 £m	Change Constant FX	Change Actual FX
Revenue	302.0	302.4	2.5%	(0.1%)
Adjusted ¹ operating profit	32.0	40.1	(17.7%)	(20.2%)
Adjusted ¹ operating margin	10.6%	13.3%	(260bps)	(270bps)
Adjusted ¹ pre-tax profit	24.0	31.2	(20.8%)	(23.1%)
Adjusted ¹ basic earnings per share	6.1p	8.5p	(25.2%)	(28.2%)
Adjusted ¹ net cash flow from operating activities	44.0	36.4	20.8%	20.9%
Reported operating profit	8.5	14.6	(37.6%)	(41.8%)
Reported pre-tax profit	0.5	5.7		
Reported net profit	2.1	11.6		
Reported basic earnings per share	0.7p	4.0p		
Dividend per share	2.0p	2.8p		
Reported net cash inflow from operating activities ²	25.4	25.7		
Free cash flow ²	31.5	22.5		
Net debt excluding lease liabilities ⁴	60.7	68.2		
Net debt excluding lease liabilities to adjusted EBITDA ^{3,4}	1.4x	1.3x		

Numbers reported on a continuing operations basis

Financial Highlights

- FY 2025 performance in line with market expectations
- Revenue of £302.0m (2024: £302.4m), 2.5% growth on a constant currency basis
- In the context of mixed market conditions, gross margins remained robust at 43.7% (2024: 45.3%). Year-on-year variance reflects geographic sales mix effects including Turkish inflation and near-term prioritisation of service recovery following ERP deployment in EMEA
- Adjusted¹ operating profit £32.0m (2024: £40.1m), representing operating margin of 10.6% (2024: 13.3%)
- Excellent adjusted¹ cash conversion of 137.5% (2024: 90.8%) supported by good working capital management, with an adjusted¹ net cash inflow from operating activities of £44.0m (2024: £36.4m)
- Net debt of £60.7m excluding IFRS16 lease liabilities (31 December 2024: £68.2m), representing leverage of 1.4x adjusted EBITDA³ in line with <1.5x guidance
- Final dividend of 1.2p per share proposed, consistent with the Company’s policy for full year dividend cover in the order of three times adjusted¹ earnings

Good strategic progress, strong operational execution and return to revenue growth in all regions

- Management focused on driving strategic progress underpinned by greater focus on pricing, advancement of ERP deployment in EMEA and footprint optimisation in Americas and APAC
- Strategically aligned and value enhancing acquisition of Device Technologies in December 2025, a US-based designer, manufacturer and distributor of specialty cable protection devices
- All three geographic regions delivered year-on-year constant currency revenue growth, with encouraging orderbook momentum heading into 2026
 - EMEA +2.6% year-on-year, with an accelerated growth of 10.8% in H2 as comparatives eased and service levels started to stabilise
 - Americas +2.0% year-on-year, with 3.3% growth in H2 as the region benefited from sustained improvement in pricing performance and continued stabilisation within the wider customer industrial environment
 - APAC + 3.1% year-on-year, with 2.6% decline in H2, as anticipated, following a number of larger projects in late 2024 that did not repeat

Well-positioned for further progress in 2026, FY 2026 expectations unchanged

- Trading-to-date in the new financial year provides confidence in achieving the Board’s expectations for 2026
- Management notes the emerging situation in the Middle East. Whilst the Group has no operating footprint in the region, it continues to monitor potential broader impacts and remains well-positioned with established local supply chains and operational capacity

- Management remains focused on driving margins through operational efficiency initiatives whilst continuing to enhance its “hassle-free” customer proposition
- The Group’s strong balance sheet remains strong, with sufficient headroom to invest in strategic and operational value-enhancing growth initiatives
- With a unique customer proposition, clear strategic priorities and a disciplined approach to capital allocation, Essentra is well-positioned to create strong shareholder value over the medium-term

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

“2025 was a year of good strategic progress delivered against a backdrop of subdued global industrial demand. Essentra returned to modest revenue growth across all three regions, maintaining robust gross margins through a number of commercial and operational initiatives, including increased focus on pricing and footprint optimisation.

We made good progress with our strategic priorities throughout the year, furthered by our inorganic growth strategy with the acquisition of Device Technologies, and advanced the roll-out of our ERP programme across EMEA.

We entered 2026 with strengthened foundations and good orderbook momentum. Our balance sheet remains strong providing the flexibility to invest selectively for growth to drive market share gains organically and inorganically in faster-growing end-markets, including energy transformation, digital infrastructure, defence and machine automation.

With a unique customer proposition, clear strategic priorities and a disciplined approach to capital allocation, Essentra is well-positioned to create strong shareholder value over the medium-term.”

Enquiries

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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 Financial Statements.

2 A reconciliation of free cash flow and net cash inflow from 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.

4 Presented on a last twelve months basis excluding lease liabilities. £89.0m when including lease liabilities (2024: £97.1m).

Presentation

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

There will be a presentation to analysts and investors starting at 09:00am (UK time, registration from 08:30am) on Tuesday 17 March 2026 at the offices of Peel Hunt, 100 Liverpool Street, London EC2M 2AT.

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.

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, 14 manufacturing facilities, 25 distribution centres and 35 sales & service centres serving c.76,000 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.

2025 was a year of further strategic progress, delivered against a backdrop of subdued global industrial demand and geopolitical uncertainty. Throughout the year, the Group continued to drive efficiencies and optimise its operational footprint, whilst maintaining leading customer and employee satisfaction scores, as our value-added, service-led manufacturing proposition continues to drive new business wins across a number of key market sectors. Essentra delivered results in line with expectations whilst demonstrating the importance of focusing on what it can control as the Group works towards its medium-term targets.

Essentra remains fundamentally well-positioned, with a unique business model in a highly fragmented market combining breadth and depth of product manufacturing expertise with high service levels. The business is diversified by geography, end-markets and products and is increasing its exposure to structurally faster-growing end-markets such as machine automation, defence and digital infrastructure. The Group continues to generate high gross margins through the cycle, with the scope to expand through scale, operating leverage and through the ongoing implementation of operational efficiency measures.

Financial Performance

Essentra returned to modest revenue growth across all regions, whilst experiencing near-term margin dilution as a consequence of geographic mix effects and reinvestment across the business.

The Group delivered revenues of £302.0m, representing growth of 2.5% on a constant currency basis. Foreign exchange impacted Group revenue by 2.6%, with reported Group revenue remaining flat compared to the prior year.

Market recovery throughout the year varied by region. EMEA revenue increased by 2.6% on a constant currency basis compared to the prior year, with the rate of recovery accelerating through the second half as comparatives to the prior year eased. Turkey's growth relative to the rest of the EMEA region was strong and continues to be driven by growth in faster-growing end-markets, such as digital infrastructure, and successful pricing initiatives, which have partially offset high levels of local inflation. The Americas reported consistent levels of growth throughout the year, with the exception of Q2, which saw a temporary period of wider market uncertainty linked to the introduction of tariffs. The region reported growth of 2.0% on a constant currency basis as volumes across end-channels continued to show further signs of normalisation and stability alongside improved pricing performance. APAC maintained its positive growth trajectory with 3.1% constant currency revenue growth, with performance continuing to be driven by market dynamics in China.

As first referenced in the half year results announcement in July 2025, the variation in geographic sales mix, including Turkish inflation, alongside management prioritising near-term focus on a recovery in service levels, following the ERP implementation in EMEA, led to a near-term reduction in gross margin. At a Group level, gross margins declined to 43.7% in 2025 (2024: 45.3%). Pricing and operational efficiencies mitigated this impact as the year progressed, demonstrating the strength of Essentra's business model, and reinforcing the importance of Essentra's regional manufacturing footprint, cost discipline and customer service focus.

Delivering against medium-term strategic objectives

Essentra made progress in a number of strategic areas through 2025 to support the achievement of its medium-term targets. The Group's medium-term ambitions are underpinned by a clear set of strategic priorities:

- Driving market share gains, underpinned by leading market positions in a highly fragmented market
- Expanding margins through scale, operational efficiencies and disciplined pricing initiatives
- Sustaining a highly cash generative business model with continued focus on working capital management and a strong balance sheet
- Deploying capital selectively with a clear framework to support growth and enhance shareholder returns

A key medium-term target and focus for management remains the achievement of a c.18% adjusted operating margin in addition to a through-cycle organic and total revenue CAGR target, in aggregate, of c.10%.

Essentra continues to focus selectively on growth initiatives that are expected to drive market share gains, particularly across new product development in faster-growing end-markets, including energy transformation, digital infrastructure, machine and automation, defence, aerospace and specialist vehicles.

Future growth and efficiencies continue to be supported by embedding enabling technology as seen through the deployment of the new ERP platform in EMEA and a new connected planning platform enhancing the service proposition in each region.

The Group's disciplined approach to cost control and procurement activities to support margins remains strong. Targeted pricing initiatives, in response to inflation and tariff dynamics, were implemented successfully in 2025, with enhanced pricing tools launched across the business through the second half.

A number of footprint optimisation actions were also taken through 2025, including the transfer of manufacturing operations from Costa Rica into Mexico to improve scale and service across the region. This will further support operational leverage and margin accretion as volumes normalise. The Group retains the capacity to grow and ensures it remains well-positioned to take advantage of market recoveries when they occur.

Inorganic strategy in action

Bolt-on M&A remains a key component of Essentra's inorganic growth strategy. The pipeline is active and continues to be reviewed in line with the Group's disciplined acquisition criteria. Focus remains on expanding Essentra's product offering and targeting new product capabilities. The acquisitions of BMP TAPPI in 2023 and Wixroyd in 2022 continue to enhance returns through revenue and cost synergies, predominantly through cross-selling.

In December 2025, the Group announced the acquisition of Device Technologies, a US designer and manufacturer of specialty cable protection devices. This is another example of value-enhancing M&A that is fully aligned to Essentra's inorganic strategy; it deepens manufactured product capability and broadens the product offer to customers. Initial stages of integration are underway and trading performance to date is in line with expectations.

Global trading and tariffs

The Group is well-positioned to navigate the increased uncertainty within global trading conditions with its established supply chains and operational capacity. Essentra's service-led manufacturing global footprint spans 14 manufacturing sites worldwide. In all three regions, the significant majority of products that are made in region, are sold in region and, therefore, the direct impact of tariffs is limited.

Throughout the year, the Group worked closely with its customers and supply chain and successfully passed through the incremental costs associated with tariff changes. The Americas region continues to optimise its competitive position resulting from scale and ability to serve customers in-region and management continues to monitor the dynamic trading backdrop.

ERP deployment roll out remains on track

Throughout 2025 and early 2026, the Group progressed with the deployment of Microsoft Dynamics 365 across EMEA, with six additional locations launched. The programme remains on track to conclude in early 2027, with deployment costs reducing in line with expectations as efficiencies and standardisation benefits are realised.

As communicated at the half year, the West Europe deployment in December 2024 coincided with higher order intake and led to temporary service disruption during 2025. Management responded by adding additional temporary resources to stabilise operations and protect customer relationships. Importantly, execution improved materially with each subsequent deployment, and disruption reduced as the year progressed.

Following the UK deployment in early January 2026, manufacturing and commercial activities normalised by the end of February. Whilst the near-term focus has been on stabilisation and transition away from legacy systems, early benefits are now emerging, including improved visibility and more standardised data to support better operational and commercial decision making. Annual deployment costs have reduced by c.£1.5m over the past two years, and c.90% of EMEA is now operating on the new platform.

Sustainability as a source of competitive differentiation

Developing innovative products with strong sustainability properties continues to be a source of competitive advantage and differentiation for the Group. During the year, the first range of components using post-consumer recycled materials was launched demonstrating the Company's continued focus on material innovation and supporting its customers with more sustainable and lower carbon options. In 2025, more than 1,600 products were introduced into the sustainable product ranges, including those with lower carbon emissions, increased recycled content or biomaterials, and improved circularity. 68 bio-based alternative trials were completed in 2025 with materials approved for commercial use in Italy, Spain and Thailand.

The Group also continues to make significant progress on its sustainability journey, including the decarbonisation of its global footprint, focus on renewable energy tariffs and energy saving initiatives across the manufacturing footprint. In 2025, Essentra

surpassed its 2030 SBTi target of 50% reduction in its scope 1 and 2 emissions, which is five years earlier than planned. In 2026, the Group will update its targets to ensure momentum is maintained, aligning its decarbonisation pathway with emerging regulatory expectations, whilst supporting delivery of the wider business strategy and values.

Talent, culture and leadership

At the start of 2026, a number of changes have been made to the Group Executive Committee to evolve the Group's leadership for the future and to bring renewed focus and alignment to the medium-term strategic priorities. Emma Reid, Group Company Secretary, and Hugues Delcourt, Managing Director EMEA, will leave the Company at the end of March 2026, and the business recognises and appreciates their contributions to Essentra. On an interim basis the EMEA region will be led by a strong and capable regional management team with oversight from the CEO whilst a successor is identified.

Shaun Laubscher, was appointed as Chief People Officer in February 2026, bringing more than 15 years of HR leadership experience and a proven track record in the manufacturing sector. Shaun's analytical and people-focused capabilities will play a key role in building on Essentra's strong employee engagement as well as driving the delivery of its strategic initiatives.

Outlook

At this early stage in the year, results for 2026 are anticipated to be in line with the Board's expectations. Whilst management notes the emerging situation in the Middle East, the Group has no operating footprint in the region and continues to monitor potential broader impacts. Essentra remains well-positioned, with established supply chains and operational capacity, and has entered 2026 with strengthened foundations. The Group will continue to enhance its customer proposition in faster-growing end-markets, whilst driving further operational efficiencies. The balance sheet remains strong, providing the flexibility to invest selectively in value-enhancing growth initiatives and assess bolt-on growth opportunities that will support long-term value creation, positioning Essentra well to deliver further progress in 2026.

Regional Review

EMEA

	2025 (£m)	Constant FX (%)	Actual FX (%)
Revenue	163.8	2.6	0.3
Gross profit	79.2	(4.5)	(5.7)
Gross margin	48.4%	(360) bps	(300) bps

Revenue for the year was £163.8m (2024: £163.3m), reflecting growth of 2.6% on a constant currency basis despite a challenging demand environment. Performance improved materially through the year, with H1 2025 down 4.5% on a constant currency basis, accelerating to growth of 10.8% in H2 as comparatives eased and service levels stabilised.

Structurally less-cyclical sectors such as energy transformation and specialist vehicles delivered low single-digit revenue growth, partially offsetting continued softness in more traditional cyclical sectors such as automotive. Exposure to defence remains modest, however, the number of customers serving defence-related applications increased during the year, supporting longer-term opportunities for growth. Turkey (c.15% of EMEA revenue) outperformed the wider region with strong levels of growth, reflecting its exposure to faster growing end-markets such as energy transformation and digital infrastructure.

Revenue synergies from BMP TAPPI and Wixroyd continued to accelerate, with successful cross-selling into the wider regional customer base, demonstrating Essentra's breadth and depth of product expertise. The number of products sold from acquisition-based ranges increased by c.20% year-on-year strengthening Essentra's protection and fastening product proposition. This performance demonstrates the scalability of Essentra's platform and the strategic value of targeted bolt-on acquisitions. The launch of post-consumer and post-industrial recycled ranges within BMP TAPPI was well received, supporting customers' sustainability objectives whilst reinforcing Essentra's differentiated product offering as these ranges increasingly form part of customer selection criteria.

Service performance in EMEA was temporarily impacted during 2025 following the December 2024 ERP deployment in West Europe, that coincided with higher order intake and resulted in an elevated orderbook backlog through 2025. Additional labour and freight costs were incurred, primarily in the first half, to restore operational performance and protect customer service

levels. As these actions took effect, disruption and levels of backlog reduced through the year. Together with lower volumes in historically high-margin West Europe markets and the relative mix shift towards lower-margin Turkey, resulted in short-term gross margin dilution to 48.4%. Despite these temporary challenges, management remained focused on margin improvement actions including procurement and manufacturing efficiencies. As service levels continue to normalise and temporary cost increases unwind, the region is well-positioned to improve customer cost to serve efficiencies in 2026, with an increasing focus on margin accretion through pricing and operational leverage.

The EMEA region saw a customer NPS score of 35 reflecting continued customer appreciation of Essentra's breadth of range and service proposition. Whilst OTIF declined to 65% following ERP-related disruption described above, performance improved steadily through the year, with a Q4 exit rate of 75% (FY 2024: 81%) and consistently strong performance in the UK and Turkey.

AMERICAS

	2025 (£m)	Constant FX (%)	Actual FX (%)
Revenue	97.6	2.0	(1.2)
Gross profit	37.5	1.4	(1.3)
Gross margin	38.4%	(20) bps	(10) bps

Revenue for the year was £97.6m (2024: £98.8m), reflecting growth of 2.0% on a constant currency basis despite macroeconomic uncertainty. H1 2025 delivered constant currency growth of 0.7%, improving to 3.3% in H2 as comparatives eased and pricing actions gained momentum.

The Americas demonstrated its resilience in the year in relation to macroeconomic disruption and uncertainty related to tariffs as customers reviewed their own supply chains. The year reinforced the importance of pricing agility, regional manufacturing flexibility and customer engagement. The region successfully mitigated cost increases through disciplined pricing actions and remained proactive in a dynamic and evolving trade environment.

Revenue growth was supported by pricing and increasing stability in the distribution end-customer channels. While traditional cyclical sectors such as metal fabrication and automotive remained suppressed, resulting in low single-digit revenue declines, digital infrastructure and electrification linked sectors delivered high single-digit growth, reflecting the region's increasing exposure to structurally attractive, faster-growth end markets.

As part of the Group's medium-term strategy to optimise its commercial and operational footprint, the region closed its manufacturing site in Costa Rica in H2 following a comprehensive review of the regional operating cost base and customer service requirements. Operations were transferred to the Mexico manufacturing hub, opened in 2023, which is well-positioned to support current and future demand whilst strengthening Essentra's presence in Mexico and Latin America. This transition supports improved scalability, resilience and operational leverage over the medium-term.

Gross margins remained stable at 38.4% (2024: 38.5%) as strong pricing execution offset cost inflation alongside actions to improve the profitability mix of the product and customer base. As end-customer channel volumes continue to recover, the region is well-positioned to benefit from its enhanced footprint and further improve operating leverage through 2026.

Encouragingly, the NPS customer survey score improved in the year from 49 to 55 showing that customers continue to value Essentra's breadth of range and service proposition despite short-term operational disruption. Whilst the OTIF metric for the Americas reduced year-on-year to 69% (2024: 80%), performance in the first half remained strong before reducing through H2 2025 as manufacturing transferred to Mexico. Performance is expected to recover through 2026 as backlogs return to normalised levels following the transfer of operations.

The integration of Device Technologies, acquired in December 2025, has progressed well in the first quarter of 2026 and trading-to-date is in line with expectations. The acquisition deepens Essentra's product expertise, expands exposure to high-growth end-markets while also supporting the development of regional manufacturing capability.

APAC

	2025 (£m)	Constant FX (%)	Actual FX (%)
Revenue	40.6	3.1	0.7
Gross profit	15.2	2.4	0.7
Gross margin	37.4%	(30) bps	(10)bps

Revenue for the year was £40.6m (2024: £40.3m), reflecting growth of 3.1% on a constant currency basis in a year characterised by uneven demand across APAC markets. H1 2025 delivered strong constant currency growth of 9.5%, whilst H2 declined by 2.6%, as expected, following a number of larger projects in late 2024 that did not repeat.

Performance continues to be influenced by China (c.70% of APAC revenue), where demand remained mixed across domestic and export markets. Growth was led by larger export-focused customers, whilst smaller, domestically oriented customers continued to experience softer demand, reinforcing the importance of customer and end-market diversification across the region.

Double digit revenue growth was achieved in digital infrastructure and machine building in China, whilst South East Asia saw strength in energy transformation. Specialist vehicles and automotive declined across APAC, although these markets remain relatively small within the Group's overall exposure reflecting the region's increasing focus on better alignment with structurally attractive end-markets.

As part of the Group's medium-term strategy to enhance its commercial and operational footprint, targeted investments were made in South East Asia, including the launch of a new Vietnamese website and an enhanced local service proposition in Thailand. Following a review of the go-to-market approach in Japan, direct operations were exited in Q2 and transitioned to a select distributor model, delivering cost efficiencies in the second half.

Following improvements in customer mix and selective pricing actions, gross margins recovered in the second half, with full year margins stable at 37.4% and an improved exit rate, compared to 35.3% in H1 2025. The cost base remains well controlled, with labour efficiencies and resourcing investment aligned to volume growth.

OTIF remained above 90% following continued investment in product availability and limited supply chain disruption. NPS scores improved across the rest of Asia, whilst China declined to 47 (from 57 in 2024) amid increased pricing tension. Overall customer feedback continues to reflect high levels of satisfaction with service levels across the region.

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 Note 12 of the Condensed Consolidated Financial Statements.

Group revenue. Group sales of £302.0m were 2.5% higher than last year at constant currency and 0.1% lower on a reported basis (2024: £302.4m).

Gross margin and adjusted operating profit. Whilst regional gross margins remained robust, Group gross margin reduced to 43.7% in 2025 (2024: 45.3%), primarily reflecting regional mix effects, with comparatively stronger growth in the lower margin Americas and APAC regions. EMEA margins were also impacted by mix, as typically higher margin West Europe grew more slowly than Turkey, which continued to experience elevated inflation through the year. In addition, EMEA gross margin was temporarily diluted by incremental labour and freight costs incurred to stabilise service following higher backlog levels associated with the new ERP deployment across the region. This modest level of investment was time bound and necessary to restore operational performance and protect customer service through H2, contributing to the reduction in Group operating profit in the year.

The Group maintains a disciplined approach to overhead cost control whilst partially reinstating employee-related variable compensation costs, which were removed in 2024, as previously guided. Initiatives including targeted pricing actions and footprint optimisation taken through H2 2025, are expected to deliver annualised benefits in 2026, supporting gross margin progression and improvement in operational gearing as volumes normalise.

Central corporate costs of £11.8m in 2025 (2024: £10.9m) were well managed despite inflationary pressures and stay below the initial £13.0m run-rate guidance. Adjusted operating profit reduced to £32.0m in 2025 (2024: £40.1m), with an adjusted operating margin of 10.6%.

Acquisitions. In December 2025, Essentra announced the strategically aligned, bolt-on acquisition of Device Technologies for an initial cash consideration of \$6.7m, representing an acquisition multiple of 6.6x EBITDA for the last-twelve-months to June 2025, within the targeted range of 6-8x. Given the relative size and trading for a limited number of days in 2025, no adjustment has been made to like-for-like performance in 2025.

Adjusting items. In 2025, amortisation of acquired intangible assets was £11.0m (2024: £11.5m) and there was a pre-tax charge for adjusting items of £12.5m (2024: £14.0m). In line with previous guidance, current year adjusting items include £9.3m major software-as-a-service (“SaaS”) development expenditure (2024: £9.6m) and £1.7m relating to legacy pension scheme costs.

Further details on adjusting items are shown in Note 3 to the Condensed Consolidated Financial Statements. After adjusting items and amortisation of acquired intangible assets, the Group reported operating profit was £8.5m (2024: £14.6m).

Finance costs. Net finance expense reduced to £8.0m (2024: £8.9m) with the year-on-year movement largely a result of FX movement on the interest payable on bank borrowing and leases.

Taxation. The effective tax rate on underlying profit before tax (before adjusting items and amortisation of acquired intangible assets) was 15.8% (2024: 11.5%). The effective tax rate in both 2024 and 2025 was below the guided forecast range as a result of accounting for the recognition of additional deferred tax assets. The medium-term guidance of 26-29% remains closely aligned to the tax rates applied in the majority of jurisdictions in which the Group operates.

Shareholder returns and ordinary dividends. 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 31 December 2025, a total of 18,501,728 shares have been purchased, at an average purchase price of 168.2 pence per share, totalling £31.1m. Of the shares purchased, 4,141,321 were transferred into treasury, and 14,360,407 have subsequently been cancelled, which represented 5.0% of the issued share capital of the Company (excluding treasury shares) when the programme commenced.

The Board of Directors recommends a final ordinary dividend of 1.2p and therefore a total 2025 dividend of 2.0p. (2024: final 1.55p, total 2.8p). The full year dividend maintains dividend cover in the order of three times adjusted earnings, in line with the Group’s dividend policy, after adjusting for the one-off recognition of deferred tax assets.

The final dividend will be paid on 3 July 2026 to shareholders on the share register at the record date, 15 May 2026. The ex-dividend date will be 14 May 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 12 June 2026.

Net Working Capital. Net working capital is defined as inventories plus trade and other receivables less trade and other payables, adjusted to exclude deferred consideration payable and receivable, interest and accruals and capital payables. The Group saw a marginal increase in net working capital to £66.1m (2024: £65.0m), with inventory being built to strengthen the Group’s product offer and enhance service. Given the increase in sales through the second half of 2025 compared to the same period in 2024 there is a timing-related accounts receivable increase that is anticipated to unwind through Q1 2026.

Cashflow and net debt. The Group continued to see strong adjusted operating cash flow and free cash flow in 2025. Adjusted operating cash flow from continuing operations of £44.0m equating to an operating cash conversion of 137.5% (2024: 90.8%) ahead of 85% guidance. Included within the operating cash flow from continuing operations is £6.8m proceeds from the sale of property relating to reorganisation of operational facilities in Kidlington, UK. Excluding these proceeds, operating cash conversion is c.120%.

Capital expenditure was £11.0m (2024: £12.8m) equating to 3.6% of revenue in 2025, in line with medium-term guidance, and reflects 94.0% (2024: 110.3%) of the depreciation charge (including amortisation of non-acquired intangible assets) for the year of £11.7m (2024: £11.6m).

	2025	2024
	£m	£m
Adjusted operating profit	32.0	40.1
Depreciation and amortisation of non-acquired intangible assets	11.7	11.6
Right-of-use asset depreciation	6.2	6.3
Share option expense / other movements	1.7	1.1
Change in working capital	(2.4)	(9.9)
Add back profit on fixed asset disposals	(1.0)	-
Capital expenditure	(11.0)	(12.8)
Proceeds from sale of property, plant and equipment	6.8	-
Adjusted operating cash flow from continuing operations	44.0	36.4
Tax ¹	(3.5)	(5.8)
Cash outflow in respect of adjusting items ^{1,2}	(19.3)	(17.7)
Add back: net capital expenditure	4.2	12.8
Net cash inflow from operating activities	25.4	25.7
Adjusted operating cash flow from continuing operations	44.0	36.4
Tax ¹	(3.5)	(5.8)
Net interest paid	(9.0)	(8.1)
Free cash flow	31.5	22.5

¹ In 2024 tax paid excludes the tax paid/received in relation to adjusting items. This is included within the cash outflow in respect of adjusting items.

² Pension contribution of £2.3m in 2025 for legacy pension schemes has been included within cash outflow in respect of adjusting items (2024: £1.8m).

Net debt reduced by £7.5m to £60.7m as at 31 December 2025, excluding lease liabilities of £28.3m. The overall reduction in net debt was driven by continued strong operating cash conversion in excess of 100%, cash inflows for two property sales in the second half totalling £12.0m and the receipt of the final £10.0m tranche of deferred consideration from the 2022 sale of the Filters division. This was partly offset by £19.3m cash outflows relating to adjusting items, including SaaS spend, and the acquisition of Device Technologies in December 2025.

Net debt to adjusted EBITDA pre-IFRS16 lease liabilities was 1.4x, within the Group's target leverage range of <1.5x. The Group retains headroom to support operational and strategic value-enhancing growth initiatives.

	£m
Net debt as at 1 January 2025	68.2
Free cash flow	(31.5)
Deferred consideration received relating to discontinued businesses	(10.0)
Cash inflow in respect of the sale of property relating to discontinued businesses	(5.2)
Cash outflow in respect of adjusting items	19.3
Ordinary dividend to equity holders	6.7
Share buyback	2.6
Acquisitions less cash acquired	5.2
Principal lease payments	6.0
Movement in loan hedging derivatives and amortisation of pre-paid facility fees	4.5
Foreign exchange	(5.1)
Net debt as at 31 December 2025	60.7

Balance Sheet. At the end of 2025, the Group had shareholders' funds attributable to Essentra equity holders of £266.0m (2024: £270.8m). Total capital invested in the business was £349.0m (2024: £362.8m). This finances non-current assets of £315.8m (2024: £328.7m), of which £64.5m (2024: £68.6m) is tangible fixed assets, the remainder being intangible assets, right-of-use assets, deferred tax assets, retirement benefit assets, derivative assets and long-term receivables.

Pension Schemes. As at 31 December 2025, the Company's IAS 19 net pension surplus was £5.0m (2024: £2.0m net liability). The improved position was a result of higher returns of plan assets as well as favourable movements in the present value of future obligations.

Funding and Liquidity. One of the main sources of funding for the Company is a Revolving Credit Facility ("RCF") provided by a group of five highly rated banks totalling £200.0m. As at 31 December 2025, £24.0m was drawn on this facility (31 December 2024: £26.1m). In June 2025, the Company exercised a one-year extension to the term of its existing RCF to July 2030 with all five banks, whilst maintaining the existing covenants, terms and size. The extension provides the Company with greater stability as well as reducing the need for frequent refinancing activities, providing greater liquidity to support operational and strategic initiatives.

The Company retains \$102.5m of long-dated US Private Placement debt (“USPP”) at an average coupon rate of 3.8%.

Type	Amount	Interest Rate	Maturity
RCF	£200.00m	Floating	July 2030
USPP	\$32.80m	3.62%	July 2028
USPP	\$34.85m	3.91%	July 2031
USPP	\$34.85m	4.00%	July 2033

Treasury policies 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 managing 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.

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

	----- Average -----		----- Closing -----	
	2025	2024	2025	2024
US\$:£	1.31	1.28	1.35	1.25
€:£	1.17	1.18	1.15	1.21

Re-translating at 2025 average exchange rates decreases the prior year revenue by £7.6m, reduces prior year gross profit by £2.4m and reduces prior year adjusted operating profit by £1.1m.

2025 Full Year Risk Disclosure

The Company has established a risk and internal control framework designed to manage the delivery of its strategic objectives. The objectives of this risk management framework are to:

- support the identification and management of risk within defined appetite levels;
- consider risks at both a strategic and operational level;
- provide a clear line of sight over risk to enable informed decision-making;
- to promote a positive risk culture; and
- to deliver improved resilience.

The risk framework, along with the Company's Principal and Emerging risks, will be described in detail in the "Risk Management Report" section of the Company's Annual Report and Accounts for the year ended 31 December 2025, available on 31 March 2026 on the Company website: www.essentraplc.com

**Condensed consolidated income statement
for the year ended 31 December 2025**

	Note	2025 £m	2024 £m
Revenue	2	302.0	302.4
Gross profit	2	131.9	137.1
Operating profit	2	8.5	14.6
Finance income	4	7.0	3.6
Finance expense	4	(15.0)	(12.5)
Profit before tax		0.5	5.7
Income tax credit		1.6	5.9
Profit for the year from continuing operations		2.1	11.6
Loss from discontinued operations		–	(1.0)
Profit for the year		2.1	10.6
Attributable to:			
Equity holders of Essentra plc		2.1	10.6
Profit for the year		2.1	10.6

Earnings per share attributable to equity holders of Essentra plc:

Basic	5	0.7p	3.7p
Diluted	5	0.7p	3.7p

Earnings per share from continuing operations attributable to equity holders of Essentra plc:

Basic	5	0.7p	4.0p
Diluted	5	0.7p	4.0p

	Note	2025 £m	2024 £m
Adjusted profit measure: continuing operations			
Operating profit		8.5	14.6
Amortisation of acquired intangible assets		11.0	11.5
Adjusting items	3	12.5	14.0
Adjusted operating profit	12	32.0	40.1

**Condensed consolidated statement of comprehensive income
for the year ended 31 December 2025**

	2025 £m	2024 £m
Profit for the year	2.1	10.6
Other comprehensive income/(expense):		
Items that will not be reclassified to profit or loss in subsequent periods:		
Remeasurement of defined benefit pension schemes	5.7	8.0
Deferred tax on remeasurement of defined benefit pension schemes	(1.7)	(2.1)
	4.0	5.9
Items that may be reclassified to profit or loss in subsequent periods:		
Net change in fair value of cash flow hedges transferred to the income statement	1.9	(0.5)
Effective portion of changes in fair value of cash flow hedges	(1.7)	0.7
Foreign exchange translation differences:		
Attributable to equity holders of Essentra plc:		
Arising on translation of foreign operations	(9.4)	(7.1)
Arising on effective net investment hedges	2.0	0.1
Net income tax credit/(expense)	2.5	(0.1)
	(4.7)	(6.9)
Total other comprehensive income/(expense) for the year, net of tax	(0.7)	(1.0)
Total comprehensive income for the year	1.4	9.6
Attributable to equity holders of Essentra plc:		
Continuing operations	1.4	10.6
Discontinued operations	–	(1.0)
Total comprehensive income for the year	1.4	9.6

Condensed consolidated balance sheet at 31 December 2025

	Note	31 December 2025 £m	31 December 2024 £m
Assets			
Property, plant and equipment		64.5	68.6
Lease right-of-use assets		24.1	24.2
Intangible assets		194.3	205.0
Long-term receivables		0.5	0.5
Derivative assets		1.6	5.8
Deferred tax assets		16.7	14.0
Retirement benefit assets		14.1	10.6
Total non-current assets		315.8	328.7
Inventories		68.7	67.9
Income tax receivable		1.4	2.4
Trade and other receivables		52.6	56.2
Cash and cash equivalents		36.2	33.7
Total current assets		158.9	160.2
Assets held for sale		–	5.1
Total assets		474.7	494.0
Equity			
Share capital	8	72.1	72.6
Capital redemption reserve		3.6	3.1
Other reserve		(132.8)	(132.8)
Cash flow hedging reserve		0.2	–
Translation reserve		(82.5)	(77.6)
Retained earnings		405.4	405.5
Attributable to equity holders of Essentra plc		266.0	270.8
Total equity		266.0	270.8
Liabilities			
Interest-bearing loans and borrowings	9	98.5	106.7
Lease liabilities	9	20.8	21.2
Retirement benefit obligations		9.1	12.6
Other financial liabilities		0.9	–
Deferred tax liabilities		7.3	10.2
Total non-current liabilities		136.6	150.7
Interest-bearing loans and borrowings	9	–	1.0
Lease liabilities	9	7.5	7.7
Income tax payable		6.5	7.6
Trade and other payables		57.6	51.7
Other financial liabilities		–	0.8
Provisions		0.5	3.7
Total current liabilities		72.1	72.5
Total liabilities		208.7	223.2
Total equity and liabilities		474.7	494.0

**Condensed consolidated statement of changes in equity
for the year ended 31 December 2025**

	Note	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 year		–	–	–	–	–	2.1	2.1
Other comprehensive (expense)/income		–	–	–	0.2	(4.9)	4.0	(0.7)
Total comprehensive income/(expense) for the year		–	–	–	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		–	–	–	–	–	1.3	1.3
Purchase of own shares		–	–	–	–	–	(2.6)	(2.6)
Cancellation of shares		(0.5)	0.5	–	–	–	–	–
Dividends paid	10	–	–	–	–	–	(6.7)	(6.7)
At 31 December 2025		72.1	3.6	(132.8)	0.2	(82.5)	405.4	266.0

	Note	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 2024		73.3	2.4	(132.8)	(0.2)	(70.5)	401.0	273.2
Profit for the year		–	–	–	–	–	10.6	10.6
Other comprehensive income/(expense)		–	–	–	0.2	(7.1)	5.9	(1.0)
Total comprehensive income/(expense) for the year		–	–	–	0.2	(7.1)	16.5	9.6
Share option expense		–	–	–	–	–	1.1	1.1
Tax relating to share-based incentives		–	–	–	–	–	(0.2)	(0.2)
Net impact of hyperinflation		–	–	–	–	–	2.5	2.5
Purchase of own shares		–	–	–	–	–	(4.9)	(4.9)
Cancellation of shares		(0.7)	0.7	–	–	–	–	–
Dividends paid	10	–	–	–	–	–	(10.5)	(10.5)
At 31 December 2024		72.6	3.1	(132.8)	–	(77.6)	405.5	270.8

Condensed consolidated statement of cash flows for the year ended 31 December 2025

	Note	2025 £m	2024 £m
Operating activities			
Profit for the year from:			
Continuing operations		2.1	11.6
Discontinued operations		–	(1.0)
Profit for the year		2.1	10.6
Adjustments for:			
Income tax credit		(1.6)	(6.1)
Net finance expense	4	8.0	8.9
Intangible amortisation		12.8	13.5
Adjusting items	12	12.5	15.8
Loss on business disposals		–	1.2
Depreciation of property, plant and equipment		9.9	9.6
Lease right-of-use assets depreciation		6.2	6.3
Profit on sale of property, plant and equipment		(1.0)	–
Reversal of impairment of fixed assets	3	–	(1.8)
Share option expense		1.7	1.1
(Increase) in inventories		(3.0)	(5.8)
(Increase)/decrease in trade and other receivables		(6.7)	3.3
Increase/(decrease) in trade and other payables		7.3	(7.4)
Cash outflow in respect of adjusting items	12	(19.3)	(18.4)
Cash generated from operations		28.9	30.8
Income tax paid		(3.5)	(5.1)
Net cash inflow from operating activities		25.4	25.7
Investing activities			
Interest received		0.3	0.5
Acquisition of property, plant and equipment		(10.6)	(11.9)
Proceeds from sale of property, plant and equipment		6.8	–
Proceeds from sale of investment properties		5.2	–
Payments for intangible assets		(0.4)	(0.9)
Acquisition of businesses net of cash acquired		(5.2)	(4.1)
Net cash inflow/(outflow) from cost of business disposals ¹		10.0	(14.8)
Net cash inflow/(outflow) from investing activities		6.1	(31.2)
Financing activities			
Interest paid		(9.3)	(8.6)
Dividends paid to equity holders	10	(6.7)	(10.5)
Arrangement fee paid for financing activities		(0.3)	(1.2)
Repayment of short-term loans		(1.0)	–
Repayments of long-term loans		(42.6)	(56.3)
Proceeds from short-term loans		–	1.0
Proceeds from long-term loans		41.2	67.6
Lease liability principal repayments		(6.0)	(5.5)
Purchase of own shares		(2.6)	(4.9)
Net cash outflow from financing activities		(27.3)	(18.4)
Net increase/(decrease) in cash and cash equivalents		4.2	(23.9)
Net cash and cash equivalents at the beginning of the year			
		33.7	59.7
Net increase/(decrease) in cash and cash equivalents		4.2	(23.9)
Net effect of currency translation on cash and cash equivalents		(1.7)	(2.1)
Net cash and cash equivalents at the end of the year	9	36.2	33.7

Notes:

¹ In 2025, the inflow related to £10m received for the settlement of deferred consideration receivable. In 2024, net cash outflow from cost of business disposals includes £24.8m on the settlement of deferred consideration payable on the Filters business and £10.0m received for the settlement of deferred consideration receivable.

Accounting policies and notes to the financial statements

Basis of preparation

1. Basis of preparation

The financial information set out in this document does not constitute statutory accounts for Essentra plc for the year ended 31 December 2025 but is extracted from the 2025 Annual Report.

The Annual Report for 2025 will be delivered to the Registrar of Companies in due course. The auditors' report on those accounts are unqualified and neither drew attention to any matters by way of emphasis nor contained a statement under either section 498(2) of Companies Act 2006 (accounting records or returns inadequate or accounts not agreeing with records and returns), or section 483(2) on 498(3) of Companies Act 2006 (failure to obtain necessary information and explanations).

The Group's condensed consolidated financial statements for the year ended 31 December 2025 have been prepared in accordance with UK-adopted International Accounting Standards and comply with the requirements of the Companies Act 2006.

These condensed consolidated financial statements are prepared under the historical cost convention unless otherwise stated.

The principal accounting policies used in the preparation of the condensed consolidated financial have been consistently applied to all periods presented.

Going concern

The Directors have prepared the condensed consolidated financial statements for the year ended 31 December 2025 on a going concern basis. In adopting the going concern basis, the Directors have considered the Group's balance sheet position, forecast earnings and cash flows for a period of at least 15 months from the date of approval of these condensed consolidated financial statements.

At 31 December 2025, the Group's external financing arrangements amounted to £275.9m, comprising United States Private Placement Loan Notes ("USPP") of US\$102.5m (with a range of expiry dates from July 2028 to July 2033) and a multi-currency revolving credit facility ("RCF") of £200.0m (expiring in July 2030).

£24.0m (2024: £26.1m) was drawn under the RCF as at 31 December 2025 with the available undrawn balance amounting to £176.0m (2024: 173.9m). The facility is subject to two covenants, which are tested semi-annually: net debt to EBITDA (leverage) and EBITA to net finance charges. Despite the significant economic and operational challenges in the recent years, the Group has not sought to change either of the two covenants. The Directors believe that the Group is well placed to manage its business risks and, after making enquiries including a review of forecasts and predictions, taking account of reasonably possible changes in trading performances and considering the existing borrowing facilities, including the available liquidity, have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least the next 15 months following the date of approval of the financial statements, and no breaches of covenants are expected.

As part of the going concern assessment, the Board has considered a downside scenario that includes severe, but reasonably plausible, changes in macro-economic conditions. The results of this scenario show that there is sufficient liquidity in the business for a period of at least 15 months from the date of approval of these financial statements, and does not indicate any covenant breach during the test period. The downside scenario assumes a period of prolonged market decline in 2026, and subsequently delays in market recovery to 2027. The downside scenario also assumes a market environment in which the business cannot win market share to the extent included in the strategic plan, and incorporates the transition risks associated with a "middle of the road scenario" without the inclusion of any opportunities from the climate change quantitative analysis. These opportunities include reduced energy costs through the implementation of renewable energy and increased revenue from sales of components into renewable energy sectors.

The financial impact of the severe but plausible downside scenario in 2026 and H1 2027 is a reduction in adjusted operating profits by 14% and 22%, respectively, compared to the Group strategic plan. There is no break in covenants with £71m and £92m of net debt headroom in 2026 and H1 2027 respectively.

The overall level of liquidity (defined as available undrawn borrowing facility plus cash and cash equivalent) at 31 December 2025 was £212.2m. Capital expenditure, sales and general overhead, and working capital will continue to be managed closely to ensure sufficient liquidity. Substantial liquidity remains within the severe by plausible downside scenario.

The scenarios, including assessment of risk relating to cyber events, do not indicate a material uncertainty that may cast significant doubt over the Company's and Group's ability to continue as a going concern. Based on these and taking into consideration the risks, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and, accordingly, have adopted the going concern basis in preparing the condensed consolidated financial statements. This disclosure has been prepared in accordance with the Financial Reporting Council's UK Corporate Governance Code.

Accounting policies and notes to the financial statements

2. Segment analysis

The Group has determined its operating segments based upon the information reported to the Board of Directors ("The 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.

Central corporate costs exclude certain costs that are regarded as attributable to the operating segments.

	2025				Total £m
	EMEA £m	Americas £m	APAC £m	Unallocated items ¹ £m	
Income statement information					
External revenue	163.8	97.6	40.6	–	302.0
Gross profit	79.2	37.5	15.2	–	131.9
Adjusted operating profit/(loss) before corporate costs	45.1	17.6	5.5	(24.4)	43.8
Central corporate costs ²				(11.8)	(11.8)
Adjusted operating profit/(loss)	45.1	17.6	5.5	(36.2)	32.0
Amortisation of acquired intangible assets	(4.7)	(4.6)	(1.7)	–	(11.0)
Adjusting items	(1.3)	(1.8)	(1.0)	(8.4)	(12.5)
Operating profit/(loss)	39.1	11.2	2.8	(44.6)	8.5
Balance sheet information					
Segment assets	106.9	71.4	28.4	3.7	210.4
Intangible assets	140.9	44.0	6.1	3.3	194.3
Unallocated items ¹				70.0	70.0
Total assets	247.8	115.4	34.5	77.0	474.7
Segment liabilities	45.3	21.8	9.5	10.7	87.3
Unallocated items ¹				121.4	121.4
Total liabilities	45.3	21.8	9.5	132.1	208.7
Other segment information					
Capital expenditure (cash spend)	4.6	3.7	1.0	1.7	11.0
Depreciation of plant, property and equipment	3.2	1.7	2.1	2.9	9.9
Average number of employees	1,213	681	889	207	2,990

	2024				
	EMEA £m	Americas £m	APAC £m	Unallocated items ¹ £m	Total £m
Income statement information					
External revenue	163.3	98.8	40.3	–	302.4
Gross profit	84.0	38.0	15.1	–	137.1
Adjusted operating profit/(loss) before corporate costs	50.7	17.3	4.8	(21.8)	51.0
Central corporate costs ²				(10.9)	(10.9)
Adjusted operating profit/(loss)	50.7	17.3	4.8	(32.7)	40.1
Amortisation of acquired intangible assets	(5.1)	(4.7)	(1.7)	–	(11.5)
Adjusting items	(1.4)	(1.0)	(0.9)	(10.7)	(14.0)
Operating profit/(loss)³	44.2	11.6	2.2	(43.4)	14.6
Balance sheet information					
Segment assets	101.8	72.4	30.0	18.3	222.5
Intangible assets	143.1	49.5	7.8	4.6	205.0
Unallocated items ¹				66.5	66.5
Total assets	244.9	121.9	37.8	89.4	494.0
Segment liabilities	35.4	24.8	10.0	14.9	85.1
Unallocated items ¹				138.1	138.1
Total liabilities	35.4	24.8	10.0	153.0	223.2
Other segment information					
Capital expenditure (cash spend)	5.1	3.7	1.6	2.4	12.8
Depreciation of plant, property and equipment	4.1	2.3	1.7	1.5	9.6
Average number of employees	1,206	702	928	204	3,040

Notes:

¹ Unallocated items include operating expenses related to the regions that are managed at a total trading level rather than by individual segment. Assets, liabilities and employees also managed at a total trading level are presented within Unallocated items. Central segment assets of £3.7m (2024: £18.3m) include investment property of £nil (2024: £5.1m). The unallocated assets relate to income and deferred tax assets, retirement benefit assets, derivatives, other financial assets and cash and cash equivalents. The unallocated liabilities relate to interest-bearing loans and borrowings, retirement benefit obligations, derivatives, deferred tax liabilities and income tax payable.

² Central corporate costs include executive and non-executive management, investor relations, corporate development, governance, risk and assurance, group finance, tax, treasury and related information technology costs.

³ In 2024 operating profit excludes the loss on disposal of discontinued operations of £1.2m.

Intersegment transactions are carried out on an arm's-length basis.

On a continuing basis, no customer accounted for more than 10% of revenue in either 2025 or 2024. Non-current assets in the UK (the Company's country of domicile) totalled £68.2m (2024: £74.4m), with the other significant location being the USA with £89.6m (2024: £95.2m). Total Group net finance expense of £8.0m (2024: £8.9m) and total Group income tax credit of £2.1m (2024: £6.1m) cannot be meaningfully allocated by segment. The Group revenue does not include any variable consideration which is constrained.

Disaggregation of revenue

% of total Continuing External Revenue	2025	2024
Revenue by channel		
End users	71%	71%
Distributors	29%	29%
Revenue by offer type		
Standard	66%	69%
Configured	21%	21%
Custom	13%	10%
Revenue by customer segment		
Industrial manufacturers	68%	69%
Large consumer manufacturers	24%	19%
SME consumers	8%	12%

Revenue by geographical location

External revenue is presented in the table below, on a continuing basis, by location of the Group operation where the sales originated.

	2025 £m	2024 £m
UK (country of domicile)	26.7	28.0
US	87.0	88.1
China	28.9	28.6
Turkey	25.4	26.3
Germany	19.0	18.8
Italy	18.6	19.4
France	13.4	13.0
The Netherlands	12.4	12.3
Spain	11.6	11.3
Poland	11.1	10.3
Rest of World	47.9	46.3
Total continuing Group	302.0	302.4

3. Adjusting items from continuing operations

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), one-off impairments of non-current assets and charges relating to the Group's legacy defined benefit pension schemes, and the related tax effect.

	2025	2024
	£m	(re-presented) ⁶ £m
Costs/(credits) relating to transactions including acquisitions, disposals, business structuring, related advisory and integration costs ¹	2.2	2.5
Customisation and configuration costs of significant Software as a Service ("SaaS") arrangements ²	9.3	9.6
Defined benefit pension scheme charges ³	1.7	1.8
Reversal of impairment ⁴	–	(1.8)
Other ⁵	(0.7)	1.9
Adjusting items before tax	12.5	14.0
Tax	(2.8)	(6.8)
Adjusting items after tax	9.7	7.2

	2025	2024
	£m	£m
Reconciliation of cash flows from adjusting items:		
Adjusting items	12.5	14.0
Non-cash credits/(expenses) in adjusting items	3.2	(1.3)
Pension contribution adjustment	0.6	–
Utilisation of prior year end acquired accruals and provisions	3.0	5.7
Cash outflow from adjusting items before tax	19.3	18.4
Tax received on adjusting items	–	(0.7)
Cash outflow from adjusting items	19.3	17.7

Notes:

- ¹ This comprises a credit of £0.7m for the reversal of a deferred consideration which is no longer payable and £0.4m credit for the uplift in valuation of deferred contingent consideration receivable on the disposal of the Filters business (disposed in 2022). These are offset by net costs of £3.3m associated with acquisitions, disposals and site closures (2024: £2.5m).
- 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 2025 costs of £9.3m (2024: £9.6m) 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 £1.7m (2024: £1.8m) were incurred in relation to defined benefit pension scheme charges which, following the outcome of the strategic review in 2022, no longer pertain to the continuing operations of the Group.
- ⁴ In 2024 £1.8m credit was incurred for the reversal of impairment of investment property.
- ⁵ Credits of £0.7m (2024: £1.9m expense) related to gains and provision releases associated with property no longer owned by the Group.
- ⁶ The comparative has been re-presented to group the following categories: "Costs relating to restructuring following disposals of businesses", "Gains and transaction costs relating to acquisitions of businesses" and "Acquisition integration and restructuring costs" to be included within one category being "Costs/(credits) relating to transactions including acquisitions, disposals, business structuring, related advisory and integration costs". There is no impact to the financial result for the prior year or presentation of the primary statements. The re-presentation has been made to ensure the disclosure remains relevant in the current period.

4. Net finance expense from continuing operations

	2025 £m	2024 £m
Finance income		
Bank deposits	0.3	0.5
Other finance income ¹	6.1	2.8
Net interest on pension scheme assets	0.6	0.3
Total finance income	7.0	3.6
Finance expense		
Interest on loans and overdrafts	(7.0)	(6.4)
Amortisation of bank facility fees	(0.3)	(0.2)
Other finance expense ²	(4.9)	(2.6)
Net interest on pension scheme liabilities	(0.5)	(0.7)
Interest on leases	(2.3)	(2.6)
Total finance expense	(15.0)	(12.5)
Net finance expense	(8.0)	(8.9)

Notes:

¹ Included within other finance income is £nil (2024: £0.5m) relating to gains on derivative financial instruments, £4.9m (2024: £0.8m) relating to exchange gains on cash, borrowings and leases, £0.8m (2024: £1.5m) relating to monetary gains on Hyperinflationary economies and £0.4m (2024: £nil) relating to interest received on corporation tax.

² Included within Other finance expense is £2.4m (2024: £nil) relating to loss on derivative financial instruments, £2.3m (2024: £2.6m) relating to exchange losses on cash, borrowings and leases and £0.2m (2024: nil) relating to interest on tax.

5. Earnings per share

	Note	2025 £m	2024 £m
Earnings from continuing operations			
Profit attributable to equity holders of the Company		2.1	11.6
Adjustments:			
Amortisation of acquired intangible assets	2	11.0	11.5
Tax on amortisation of acquired intangible assets		(2.6)	(2.7)
Adjusting items	3	12.5	14.0
Tax on adjusting items	3	(2.8)	(6.8)
Adjusted earnings attributable to equity holders of the Company¹		20.2	27.6
Adjustment for recognition of deferred tax asset on tax losses ²		(2.7)	(3.3)
Total for calculation of adjusted earnings per share²		17.5	24.3
Earnings from discontinued operations			
Earnings attributable to equity holders of Essentra plc		-	(1.0)

Notes:

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

² This 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.

	2025	2024
Weighted average number of shares		
Basic weighted average number of ordinary shares outstanding (million) ¹	285.7	287.3
Dilutive effect of employee share option plans (million)	2.6	2.4
Diluted weighted average number of ordinary shares (million)	288.3	289.7

Earnings per share from continuing operations (pence)

Basic earnings per share from continuing operations	0.7p	4.0p
Adjustment	5.4p	4.5p
Basic adjusted earnings per share from continuing operations	6.1p	8.5p
Diluted earnings per share from continuing operations	0.7p	4.0p
Adjustment	5.4p	4.4p
Diluted adjusted earnings per share from continuing operations	6.1p	8.4p

Earnings per share from discontinued operations (pence)

Basic earnings per share	-	(0.3)p
Diluted earnings per share	-	(0.3)p

Total Earnings per share attributable to equity holders of the Company (pence)

Basic earnings per share	0.7p	3.7p
Diluted earnings per share	0.7p	3.7p

Notes:

¹ The basic weighted average number of ordinary shares in issue excludes shares held in treasury and shares held by the employee benefit trust.

6. Property, plant and equipment & assets held for sale

In 2024 the fair value of the investment property was £5.1m. In 2025 this investment property was sold for proceeds of £5.2m. In 2025 property plant and equipment with a net book value of £5.8m was sold for proceeds of £6.8m.

7. Intangible assets

Essentra tests goodwill assets annually for impairment, or more frequently if there are indications of impairment. A discounted cash flow analysis is computed to compare the discounted estimated future operating cash flows to the net carrying value of the goodwill and other intangible and tangible assets for each cash generating unit (“CGU”) or group of cash generating units (“CGUs”) as appropriate. Following an impairment assessment of the carrying value of goodwill held by the Group’s operations performed by management as at 31 December 2025, no impairment of goodwill was required to be recognised on the Group’s continuing operations.

8. Share capital

	2025 £m	2024 £m
Issued, authorised and fully paid ordinary shares of 25p (2024: 25p) each:		
Beginning of year	72.6	73.3
Cancellation of shares of 2,137,000 (2024: 2,965,414) shares of 25p each:	(0.5)	(0.7)
End of year	72.1	72.6
	2025	2024
Number of ordinary shares in issue		
Beginning of year	290,401,801	293,367,215
Cancellation of shares	(2,137,000)	(2,965,414)
End of year	288,264,801	290,401,801

Purchase and cancellation of own shares

During the year, 2,478,759 (2024: 3,022,914) 25p Ordinary Shares (“shares”) were purchased by the Company for total cash consideration of £2.6m (2024: £4.9m) at a weighted average price of 103.5 pence per share (2024: 162.8 pence per share), of which 2,137,000 (2024: 2,965,414) shares with an aggregate nominal value of £0.5m (2024: £0.7m) were cancelled, and £0.5m (2024: £0.7m) transferred from issued share capital to the capital redemption reserve.

At 31 December 2025, the Company held 3,127,057 (2024: 3,627,057) of its own shares with a nominal value of £0.8m (2024: £0.9m) in treasury. This represents 1.1% (2024: 1.2%) of the number of ordinary shares in issue.

9. Analysis of net debt

	1 January 2025 £m	Cash flow £m	Business disposals £m	Business acquisitions £m	Lease additions £m	Exchange movements ⁴ £m	Non-cash movements ^{1,2,3} £m	31 December 2025 £m
Cash at bank and in hand	33.7	(0.6)	10.0	(5.2)	–	(1.7)	–	36.2
Cash and cash equivalents in the statement of cash flows	33.7	(0.6)	10.0	(5.2)	–	(1.7)	–	36.2
Derivative financial instruments hedging								
private placement loans ⁴	5.8	–	–	–	–	(4.2)	–	1.6
Debt due within one year	(1.0)	1.0	–	–	–	–	–	–
Debt due after one year	(106.7)	8.4	–	–	–	6.8	(7.0)	(98.5)
Lease liabilities due within one year ³	(7.7)	8.3	–	(0.2)	(0.4)	–	(7.5)	(7.5)
Lease liabilities due after one year ³	(21.2)	–	–	(0.3)	(4.6)	0.1	5.2	(20.8)
Debt from financing activities	(130.8)	17.7	–	(0.5)	(5.0)	2.7	(9.3)	(125.2)
Net debt	(97.1)	17.1	10.0	(5.7)	(5.0)	1.0	(9.3)	(89.0)

	1 January 2024 £m	Cash flow £m	Business disposals £m	Business acquisitions £m	Lease additions £m	Exchange movements ⁴ £m	Non-cash movements ^{1,2,3} £m	31 December 2024 £m
Cash at bank and in hand	59.7	(5.0)	(14.8)	(4.1)	–	(2.1)	–	33.7
Cash and cash equivalents in the statement of cash flows	59.7	(5.0)	(14.8)	(4.1)	–	(2.1)	–	33.7
Derivative financial instruments hedging								
private placement loans ⁴	4.2	–	–	–	–	1.6	–	5.8
Debt due within one year	–	(1.0)	–	–	–	–	–	(1.0)
Debt due after one year	(95.5)	(5.3)	–	–	–	(0.9)	(5.0)	(106.7)
Lease liabilities due within one year ³	(7.1)	8.1	–	–	(0.6)	–	(8.1)	(7.7)
Lease liabilities due after one year ³	(23.8)	–	–	–	(3.8)	0.9	5.5	(21.2)
Debt from financing activities	(122.2)	1.8	–	–	(4.4)	1.6	(7.6)	(130.8)
Net debt	(62.5)	(3.2)	(14.8)	(4.1)	(4.4)	(0.5)	(7.6)	(97.1)

Notes:

¹ The non-cash movements in debt due after one year represents interest expense on borrowings of £7.0m (2024: £6.0m) in addition to prepaid facility fees of £0.3m (2024: £1.2m) and amortisation prepaid facility fees of £0.3m (2024: £0.2m).

² The net non-cash movements in lease liabilities represents interest on leases of £2.3m (2024: £2.6m).

³ During the year, £5.2m (2024: £5.5m) of lease liabilities moved from due after one year to due within one year.

⁴ Included within exchange movements for derivative financial instruments hedging private placement loans is an outflow of £1.7m (2024: £0.7m inflow) relating to the fair value movements on cross-currency interest rate swaps.

The net cash outflow relating to lease liabilities for low value, short term and variable lease payments was £0.1m (2024: £0.1m).

10. Dividends

	Per share		Total	
	2025	2024	2025	2024
	p	p	£m	£m
2024 interim: paid 25 October 2024		1.25		3.6
2024 proposed final: paid 3 July 2025		1.55		4.4
2025 interim: paid 24 October 2025	0.8		2.3	
2025 proposed final: payable 3 July 2026 ¹	1.2		3.4	

Notes:

¹ Subject to approval at the Annual General Meeting on 20 May 2026, the proposed final dividend for the year ended 31 December 2025 will be paid on 3 July 2026 to shareholders on the register of the Company on 15 May 2026. The ordinary shares will be quoted ex-dividend on 14 May 2026.

11. Related parties

During the year, the Company paid £46,592 (2024: £48,953) to the wife of Scott Fawcett, CEO of Essentra plc. She exercised her discretion to cancel 6,364 shares from SAYE 2023 and 4,897 shares from SAYE 2024. As a result, no share options remain outstanding as of 31 December 2025. Scott's wife was employed by the Group prior to his appointment as a Director of Essentra plc on 1 January 2023.

12. Adjusted performance measures

The Group presents alternative performance measures, including adjusted operating profit, adjusted operating profit/(loss), adjusted profit before income tax, adjusted net income, adjusted operating profit from continuing operations, adjusted operating cash flow from continuing operations, cash outflow on adjusting items recognised in the year, cash outflow from adjusting items, free cash flow, net debt and adjusted earnings per share which are not defined or specified in accordance with UK-adopted International Financial Reporting Standards. These non-GAAP measures enable management to reflect the underlying performance of the continuing operations of the Group and provide investors with a more meaningful comparison of how the business is managed and measured on a periodic basis.

The adjusted performance measures presented below cannot be derived directly from the Group's condensed consolidated financial statements and therefore, a reconciliation of the adjusted performance measure to the most directly comparable reported measure in accordance with UK-adopted International Financial Reporting Standards has been provided.

Reconciliation to the Group's adjusted profit measures

		2025	2024
		£m	£m
Continuing operations			
Operating profit	Reported statutory measure	8.5	14.6
Amortisation of acquired intangible assets	Note 3	11.0	11.5
Adjusting items	Note 3	12.5	14.0
Adjusted operating profit	Adjusted performance measure	32.0	40.1
Finance income	Note 3	7.0	3.6
Finance expenses	Note 3	(15.0)	(12.5)
Adjusted profit before income tax	Adjusted performance measure	24.0	31.2
Tax on adjusted profit		(3.8)	(3.6)
Adjusted net income	Adjusted performance measure	20.2	27.6
Adjustment for recognition of deferred tax losses		(2.7)	(3.3)
Total for calculation of adjusted earnings per share	Note 5	17.5	24.3

Reconciliation of reported statutory measures to the Group's segment analysis

		2025					Total
		EMEA	Americas	APAC	Unallocated operating expenses	Central corporate costs	£m
		£m	£m	£m	£m	£m	£m
Operating profit/(loss)	Reported statutory measure	39.1	11.2	2.8	(32.8)	(11.8)	8.5
	Amortisation of acquired intangible assets	4.7	4.6	1.7	-	-	11.0
	Adjusting items	1.3	1.8	1.0	8.4	-	12.5
	Note 3						
Adjusted operating profit/(loss)	Adjusted performance measure	45.1	17.6	5.5	(24.4)	(11.8)	32.0

		2024					Total
		EMEA	Americas	APAC	Unallocated operating expenses	Central corporate costs	£m
		£m	£m	£m	£m	£m	£m
Operating profit/(loss)	Reported statutory measure	44.2	11.6	2.2	(32.5)	(10.9)	14.6
	Amortisation of acquired intangible assets	5.1	4.7	1.7	-	-	11.5
	Adjusting items	1.4	1.0	0.9	10.7	-	14.0
	Note 3						
Adjusted operating profit/(loss)	Adjusted performance measure	50.7	17.3	4.8	(21.8)	(10.9)	40.1

Net debt

Net debt is defined as cash and cash equivalents (including short-term liquid investments) and derivatives against hedging placement loans, net of lease liabilities and interest-bearing loans and borrowings. It is a measure that provides additional information on the Group's financial position.

		2025	2024
		£m	£m
Cash and cash equivalents	Reported statutory measure	36.2	33.7
Debt liabilities		(98.5)	(107.7)
Lease liabilities		(28.3)	(28.9)
Derivative financial instruments hedging placement loans		1.6	5.8
Net debt	Adjusted performance measure	(89.0)	(97.1)

Reconciliation to the Group's adjusted operating cash flow measure

Adjusted operating cash flow from continuing operations is presented to exclude the impact of tax, adjusting items, interest and other items not impacting operating profit. Net capital expenditure is included in this measure as management regards investment in operational assets (tangible and intangible) as integral to the underlying cash-generation capability of the Group, except amounts relating to adjusting items.

		2025 £m	2024 £m
Net cash inflow from operating activities	Reported statutory measure	25.4	25.7
Cash outflow from adjusting items	Note 3	19.3	17.7
Net tax paid on continuing operations		3.5	5.8
Capital expenditure	Note 2	(11.0)	(12.8)
Proceeds from sale of property, plant and equipment		6.8	–
Adjusted operating cash flow from continuing operations	Adjusted performance measure	44.0	36.4

		2025 £m	2024 £m
Adjusting operating profit from continuing operations	Adjusted performance measure	32.0	40.1
Depreciation of property, plant and equipment		9.9	9.6
Lease right-of-use asset depreciation		6.2	6.3
Amortisation of non-acquired intangible assets		1.8	2.0
Share option expense		1.7	1.1
Profit on disposal of property, plant and equipment		(1.0)	–
Working capital movements		(2.4)	(9.9)
Capital expenditure		(11.0)	(12.8)
Proceeds from sale of property, plant and equipment		6.8	–
Adjusted operating cash flow from continuing operations	Adjusted performance measure	44.0	36.4
Net tax paid on continuing operations ²		(3.5)	(5.8)
Interest received		0.3	0.5
Interest paid		(9.3)	(8.6)
Free cash flow	Adjusted performance measure	31.5	22.5

Reconciliation of cash flows from adjusting items:

Adjusting items	Note 3	12.5	14.0
Non-cash credits/(expenses) in adjusting items ¹		3.2	(1.3)
Tax		–	(0.7)
Cash outflow on pension contributions		0.6	–
Cash outflow on adjusting items recognised in the year		16.3	12.0
Utilisation of prior year end acquired accruals and provisions		3.0	5.7
Cash outflow from adjusting items	Adjusted performance measure	19.3	17.7

Notes:

¹ Net non-cash expenses/credits in adjusting items includes a £1.2m credit on disposal of property, plant and equipment (2024: £1.8m impairment release relating to investment property) £0.6m credit (2024: £nil) for deferred consideration that is no longer due and net credits of £1.4m (2024: £3.2m) of other non-cash movements in adjusting items.

² In 2024 tax paid excludes the tax received in relation to adjusting items of £0.7m. This is included within the cash outflow in respect of adjusting items.

13. Post balance sheet event

Following the year ended 31 December 2025, the Trustees of the UK Essentra Pension Plan have entered into a buy-in arrangement with an insurance provider to insure against the liabilities within the UK defined benefit scheme.

14. Cautionary forward-looking statements note

This Report contains 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 any 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 publicly revise or update these forward-looking statements 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.