

# ROBINSON

Robinson plc

24 June 2021

## AGM TRADING STATEMENT

Robinson plc ("Robinson" or the "Group" stock code: RBN), the custom manufacturer of plastic and paperboard packaging, is holding its Annual General Meeting today at 11.30am in Chesterfield. The Chairman, Alan Raleigh, will make the following statement:

### Current trading

"As we indicated in the 2020 full year results, published in March, sharp increases in resin prices, together with some lack of availability, have created volatility in 2021. As a result, margins to date are reduced.

Since 1 January the market price of resins used in the Group have increased by on average 60%. There were numerous force majeure declarations by resin producers in the first quarter and no meaningful increase in imports into Europe, initially due to the large-scale, weather-related disruptions in the US and recently because of shipping container shortages from Asia. Whilst some converters have been forced to shut down production lines, we have been successful in mitigating the substantial challenge of securing resin supply to continue to operate.

Group sales in the first five months of the year are 17% ahead of the same period in 2020, 2% excluding the impact of the recently acquired Schela Plast business. After adjusting for price changes, sales volumes in the underlying business are 1% higher than 2020, which included additional demand due to the Covid-19 pandemic. As a result of the short-term transitional impact of resin price increases on our Group, earnings for the year to date are well behind that achieved in the same period in 2020.

### Schela Plast acquisition

The acquisition of Schela Plast A/S, a specialist in the design and manufacture of blow moulded containers, based in Denmark, was completed on 10 February 2021. The integration with the Robinson Group is progressing well. In common with our existing operations, Schela Plast has faced resin availability and price challenges and it has also experienced a slower reopening of the market sectors that it serves following Covid-19 related lockdowns. Robinson has recently entered a strategic supply partnership with a major FMCG brand owner in the region, which provides confidence for the future.

### Net debt

Including the acquisition, net debt<sup>1</sup> has increased to £13.1m at 31 May 2021 (31 December 2020: £6.6m). This remains well within the Group's total facilities of £21.1m.

### Outlook

Raw material shortages and price increases will continue to have a short-term impact on earnings in the first half of 2021. Whilst many of our customers have been supportive, accepting price increases outside of contractual resin escalators, the impact is not sufficient to offset the lag effect of additional material costs in the first half. Notwithstanding the short-term challenges and market uncertainty, we remain committed in the medium term to returning above-market profitable growth and our target of 6-8% of adjusted operating margin<sup>2</sup>.

For further information, please contact:

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**About Robinson:**

Being a purpose-led business, Robinson specialises in custom packaging with technical and value-added solutions for food and consumer product hygiene, safety, protection, and convenience; going above and beyond to create a sustainable future for our people and our planet. Its main activity is in injection and blow moulded plastic packaging and rigid paperboard luxury packaging, operating within the food and beverage, homecare, personal care and beauty, and luxury gift sectors. Robinson provides products and services to major players in the fast-moving consumer goods market including McBride, Procter & Gamble, Reckitt Benckiser, SC Johnson and Unilever.

Headquartered in Chesterfield, UK, Robinson has 3 plants in the UK, 2 in Poland and recently acquired a plant in Denmark, Schela Plast. Schela Plast specialises in the design and manufacture of plastic blow moulded containers, serving a number of the major FMCG brands in Denmark and neighbouring countries.

Robinson was formerly a family business with its origins dating back to 1839, currently employing nearly 400 people. The Group also has a substantial property portfolio with development potential.

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<sup>1</sup> cash less borrowings (excludes IFRS 16 lease liabilities)

<sup>2</sup> operating profit margin before exceptional items and amortisation of intangible assets

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU No. 596/2014) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. Upon the publication of this announcement, this inside information is now considered to be in the public domain.