

# Preliminary Results 2021

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# Group businesses support global trends

BIOME  
BIOPLASTICS



## Tackling the global plastics problem

Our materials have made over **half a billion** compostable coffee pods in the last year alone

STANELCO  
RF TECHNOLOGIES



## Supporting global internet connectivity

Our latest equipment supports the rollout of **120 million km** of fibre optic cable each year

# 2021 highlights

## Bioplastics division

- revenue declined by 3.0%
- challenging year with post-pandemic logistics issues and customer delays
- customer base and application base broadening
- continuing strength shown in pipeline of commercial opportunities

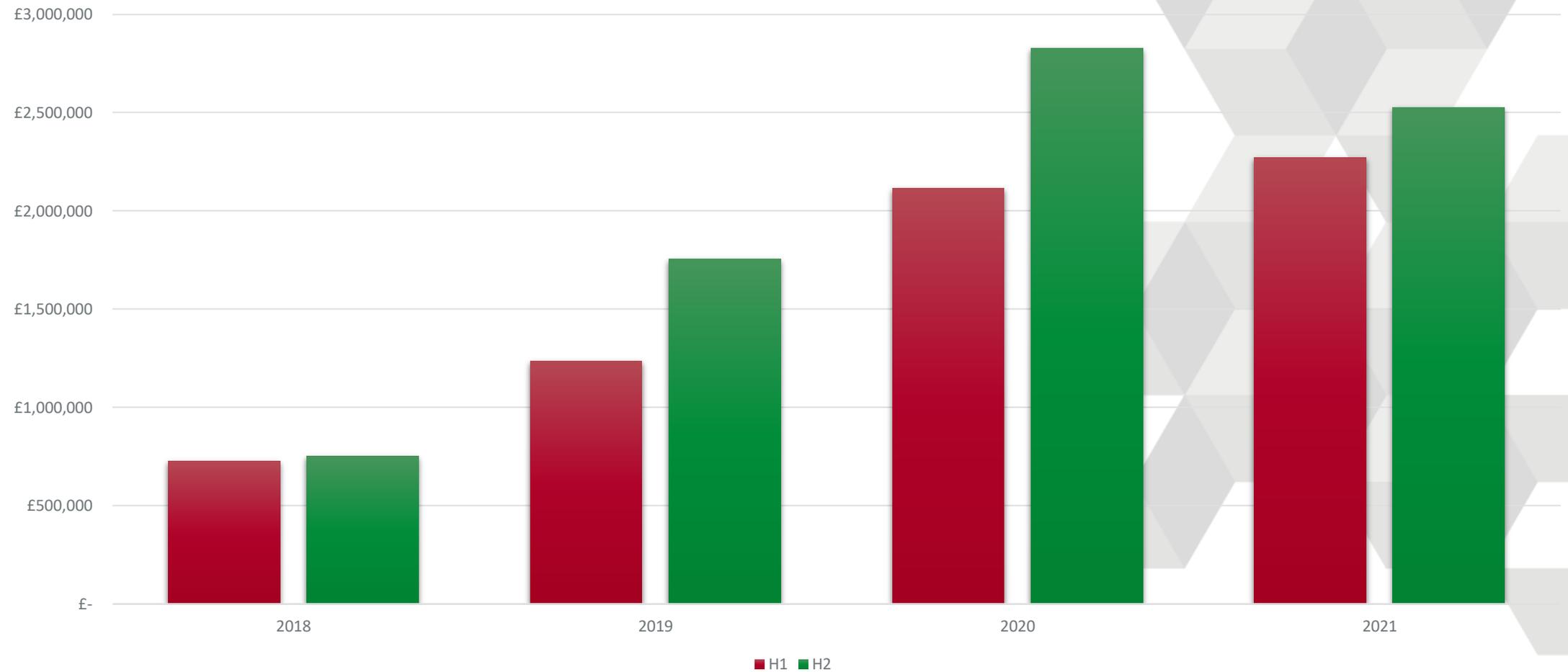
## RF Technologies division

- revenues increased as push into adjacent markets starts to gain momentum
- orders from medical and food packaging industries received and scheduled for delivery in 2022
- first fibre optic system order received since 2018 and scheduled for delivery in H1 2022
- Order intake in Q4 2021 and Q1 2022 particularly encouraging

# 2021 results

	2020 £m	2021 £m	Comment
<b>Group Revenue</b> <small>(excludes grant income)</small>	<b>5.7</b>	<b>5.7</b>	
<b>Bioplastics division</b>	<b>4.9</b>	<b>4.8</b>	3% revenue decline due to supply/logistics/customer delays
RF Technologies division	0.8	0.9	Early signs of recovery, with good order book going into 2022
(Gross Margin)	29%	34%	Change in product mix towards higher margin products
Overheads	(3.6)	(3.4)	Full year benefit of overhead reductions and lower share option charges
(L)/EBITDA	(1.0)	(0.6)	
Operating loss	(1.6)	(1.1)	
<b>Opening Cash</b>	<b>2.1</b>	<b>1.7</b>	
Reported (L)/EBITDA	(1.0)	(0.6)	
Working Capital	(0.1)	-	
Investment / R&D tax credit	(0.2)	(0.1)	
Financing Activities	0.9	-	
<b>Closing Cash</b>	<b>1.7</b>	<b>1.0</b>	

# Bioplastics division – sales growth



# Bioplastics division growth drivers - update

## Project

## Application

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### Existing customer growth

Growth at existing customers flattened in the year after strong growth in 2020. We expect growth in flexible film in North America to be more pronounced in the medium term.

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### Filtration mesh (patent application pending)

This application area continues to be an important driver for the business. The new customer win announced in Q1 2021 has seen a number of delays but we are engaged with the client in managing the transition to Biome's products. Substantive discussions have begun with two further customers to deploy this material and could be of scale in the medium-term.

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### Coffee pod material

We continue to see good demand for this product range. In addition to continued demand from the lead customer this material is now at a late stage of testing with another large end-user organisation. Following Covid related delays, commercial volumes are now expected to ramp-up in H2 2022.

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### Packaging film

Packing film continues to be an important target market and we have made good progress with 6 of the original 7 opportunities identified continuing and a number of new opportunities in process. Progress has been slower than expected due to the industry wide supply issues but we still see expect a growing revenue contribution from this market, and we expect 2 or 3 of these to become commercially meaningful during 2022.

# Bioplastics technology development

## Biodegradable tree-guards

- tens of thousands of product being tested at various UK locations
- commercial sales have begun
- we will seek to exploit its potential in the coming seasons years.

## Home compostable products

- shift in technical requirements in the bioplastic market with more consumers and brands seeking products that can be certified for home composting
- we are working to deliver products with this performance and a patent for a new family of materials has been filed recently
- work to exploit this technology commercially will step-up in this financial year.



# Group outlook

- End market interest/demand continues to be strong for Bioplastics' products. As logistics and supply issues ease, we expect growth to return.
- Large Californian coffee pod customer is still "in play" and we continue to engage with them to secure the ramp in mutual business
- Tree guard project progressing well with tens of thousands of products now in use a trial sites. Now investigating potential overseas markets to accelerate this opportunity.
- RF technology division entered the year with the strongest orderbook since 2018 and a good pipeline of opportunities and quote activity allows us to be cautiously optimistic.
- First quarter trading 2022 has been in line with management's expectations. Expect Bioplastics division growth to return in H2 2022.
- Cash position as of 22 March: cash £0.9m and no bank debt (YE 2021 £1.0m) and we continue to work our cash resources to support further growth and achieve sustainability for the Group.

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Mr JM Rushton-Turner	406,384	10.82%
Mr P Evershed CBE (family)	279,445	7.44%
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## Directors

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Mr Rob Smith	3,000	0.08%
Mr Simon Herrick	-	-