



CHANGING THE WORLD OF PACKAGING

FY21 Presentation

ASX:SES

WHAT IS DRIVING THIS TREND IN BIOPLASTICS?



- The problem of regular plastics – is that it is often in plain sight for many years.
 - A significant portion (100-130 million mt per annum) is comprised of flexible single use plastic.
 - 10-12% recycled
 - 40% to land fill
 - 30% leaks to the environment
 - Regulation increasing around single use plastic
- ⇒ Compostables are a viable material alternative to regular plastics.
- ⇒ Cardia certified compostable products, compost (home & Industrial) create a soil mulch.
- ⇒ Facilitate the diversion of organic waste to organic waste streams.



Every day approximately 10,000 times the energy consumed by humanity (people & industry) is transmitted by the Sun to the Earth.

And that energy is completely renewable as opposed to hydrocarbons which when, converted to energy increase CO₂ emissions.

Renewable energy and increasingly materials that utilize renewables are seeing an increase in demand as they use a greater % of renewable carbon.

⇒ Cardia compostable bag & films, incorporate plant-based ingredients with other compostable ingredients, which significantly lower the use of fossil derived carbon when compared to regular plastic bags

SECOS FOCUS IS TO REPLACE SINGLE USE FLEXIBLE PLASTIC WITH CERTIFIED COMPOSTABLE BAGS



Fully vertically integrated production capacity from raw materials to finished product

Cardia Biopolymer Resin



B2B

A range of resin formulations sold to converters around the world

Cardia Biopolymer Film



B2B

Sold to converters such as Hygiene & Femcare manufacturers

Film converted to bags



B2B

Sold to directly to retailers under Cardia or retail brands

Direct sales under MyEcoBag brand



B2B & B2C

Sold directly to retailers and direct under MyEcoBag™ or MyEcoWorld™

At each stage SECOS can sell globally to converters or use internally to create & sell end product, either resin film or bags

Have a research program focused on developing different barrier properties that will enable use in compostable food packaging

SECOS' MARKET FOCUS - 70% OF PLASTICS ARE FLEXIBLE OR FILMS

More countries and governments are embracing compostable technologies



Food and organic diversion

Local government rolling out food and garden organic waste diversion programs (FOGO) that use Cardia™ compostable bags to allow households to separate their food waste



Food packaging

Compostable food packaging provides a safe alternative to traditional plastics known for causing Microbeads and plastic leaching



Retail

Consumer demanding environmentally friendly products driving sales in retail outlets for a range of compostable bags and packaging products e.g. retail bags, courier bags



Hygiene and Femcare

Nappy and femcare brands moving to manufacture fully compostable nappies, pads and other hygiene products.



Pet market

Pet waste driving boom in compostable pet bags worldwide



Agriculture

Compostable agricultural film offers an environmentally superior and safer alternative to using traditional plastics when growing crops

KEY STRENGTHS & HIGHLIGHTS



