





FY21 Presentation

ASX:SES

WHAT IS DRIVING THIS TREND IN BIOPLASTICS?

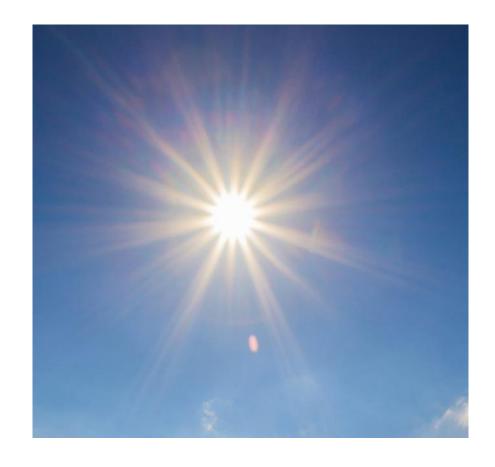




- The problem of regular plastics is that it is often in plain sight for many years.
- A significant portion (100-130 million mt per annum) is comprised of flexible single use plastic.
- 10-12% recycled
- 40% to land fill
- 30% leaks to the environment
- Regulation increasing around single use plastic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

FUTURE CHOICES -> RENEWABLES





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

Source: https://news.mit.edu/2011/energy-scale-part3-1026#:

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

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

Film converted to bags



B2B
Sold to directly to retailers under Cardia or retail brands



Direct sales under MyEcoBag brand

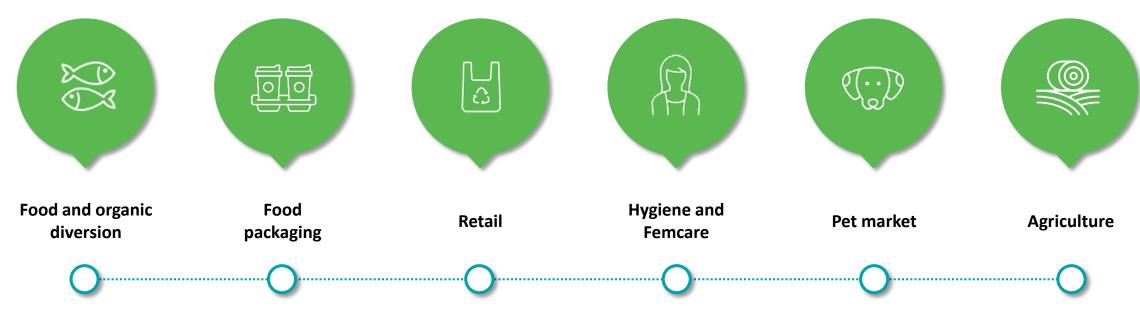
B2B & B2C Sold directly to retailers and direct under MyEcoBag™ or MyEcoWorld™

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



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

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

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

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

Pet waste driving boom in compostable pet bags worldwide

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

KEY STRENGTHS & HIGHLIGHTS



Bioplastic sales growing at 126.6% pcp FY21 outstripping conventional plastic growth of leading players

Strong balance sheet with > \$11m cash and no debt

New Malaysian biopolymer plant to add circa half billion bags capacity by March quarter 2022

Current capacity expansion when sold will add incremental revenue of \$25m per year

Integrated Biopolymer producer in fast growth industry offering a material alternative to conventional plastics



Developed a compostable resin formulation to run off the Group's high speed hygiene cast lines

Growing government and legislative changes moving to further support compostable technology

Further investment into new product development to open new market opportunities

New AU\$2 mil. R & D centre for excellence being established in Melbourne in order support new applications development

