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27 October 2017

## **SYMPHONY ENVIRONMENTAL TECHNOLOGIES PLC**

("Symphony", the "Company" or "the Group")

### **Trading Update**

Symphony Environmental Technologies Plc (AIM: SYM), a global specialist in products and technologies to "make plastic smarter", is pleased to provide a trading update following the positive start to the second half of the year announced in the Company's interim results on 7 September 2017.

The Group has continued to generate increased sales of its d2w oxo-biodegradable plastic additives in several of its markets. These markets include South America and the Far East but momentum has been most apparent in the Middle East, and in particular Saudi Arabia, where legislation requires the use of oxo-biodegradable technology for almost all everyday plastic items made in or imported into the country. Enforcement of the legislation commenced earlier this year.

The initial uplift in orders and enquiries from the Company's regional distributor (as previously reported) have continued, and the Board now expect revenues for the year to 31 December 2017 to be approximately £8.0 million (2016: £6.8 million). Due to the operational gearing of the Group, the Board expects that profit before tax will be significantly higher than current market expectations, and not less than £350,000 for the full year (2016: £123,000).

As at close of business on 26 October 2017 the Group had cash in the bank, net of its invoice discounting facility, of £317,000 as compared with a net borrowing position of £577,000 on 30 June 2017. In addition, the Group has a £1.50 million invoice discounting facility to assist in funding receivables, together with a £0.50 million overdraft facility. The working capital of the Group fluctuates depending on the customer mix within its revenues at any point in time. The cash position as stated is not necessarily an indication of the cash position at the end of the year.

Michael Laurier, Chief Executive commented "I am very pleased with the Group's progress and in particular the growing adoption of our core d2w oxo-biodegradable products. With the growing problem of plastic pollution, and in particular microplastics, we continue to see a growth in enquiries, not just in the Middle East, but globally. It is becoming much better known that plastics treated with d2w oxo-biodegradable technology will go a long way towards reducing the issue of plastic waste on land and in the oceans."

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NOTES TO EDITORS:

#### **About Symphony Environmental Technologies plc**

Symphony has developed and continues to develop, controlled-life plastic technology which helps tackle the problem of microplastics by turning ordinary plastic at the end of its service-life into biodegradable materials. It is then no longer a plastic and can be bioassimilated in the open environment in the same way as a leaf. The

technology is branded d<sub>2</sub>w® and appears as a droplet logo on many thousands of tonnes of plastic packaging and other plastic products around the world. In some countries oxo-biodegradable plastic is mandatory. For a video of d<sub>2</sub>w® plastic degrading see <https://www.youtube.com/watch?v=tQ7ce532BBM>

In addition, Symphony has developed a range of additives, concentrates and master-batches marketed under its d<sub>2</sub>p® brand, which can be incorporated in a wide variety of plastic and non-plastic products so as to give them protection against many different types of bacteria, fungi, algae, moulds, insects and fire.

Symphony has also developed the d<sub>2</sub>Detector®, a portable device which analyses plastics and detects counterfeit products. This will be useful to government officials tasked with enforcing legislation. Symphony's d<sub>2</sub>t tagging and tracer technology is also available for further security.

Symphony has a diverse and growing customer-base and has established itself as an international business with 74 distributors around the world. Products made with Symphony's plastic technologies are now available in nearly 100 countries and in many different product applications. Symphony is accredited to ISO9001 and ISO14001.

Symphony is a member of The Oxo-biodegradable Plastics Association ([www.biodeg.org](http://www.biodeg.org)) (OPA), the Society for the Chemical Industry (UK), and the Pacific Basin Environmental Council. Symphony actively participates in the Committee work of the British Standards Institute (BSI), the American Standards Organisation (ASTM), the European Standards Organisation (CEN), and the International Standards Organisation (ISO).

Further information on the Symphony Group can be found at [www.symphonyenvironmental.com](http://www.symphonyenvironmental.com).

### **Caution regarding forward looking statements**

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should" "envisage", "estimate", "intend", "may", "plan", "potentially", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors.

A number of factors could cause actual results to differ materially from the results discussed in the forward looking statements including risks associated with vulnerability to general economic and business conditions, competition, environmental and other regulatory changes, actions by governmental authorities, the availability of capital markets, reliance on key personnel, uninsured and underinsured losses and other factors, many of which are beyond the control of the Company. Although any forward looking statements contained in this announcement are based upon what the Directors believe to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with such forward looking statements. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Subject to any continuing obligations under applicable law or any relevant AIM Rule requirements, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.