



16 July 2020

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SYMPHONY ENVIRONMENTAL TECHNOLOGIES PLC

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

Trading & Market Update

Symphony Environmental Technologies Plc (AIM: SYM), a global specialist in technologies to enhance the properties of plastic and some non-plastic products by making them biodegradable, and/or to provide protection against threats to health and safety, is pleased to announce a trading update for the six months ended 30 June 2020 as well as market updates for the Group's two main technologies, d2p and d2w, each of which are at potentially transformational points of development.

Highlights

Financials

- Group revenue increased by 17% to £4.8 million (H1-19: £4.1 million)
- Net cash and cash equivalents of £0.3 million to which £1.0 million can be added with respect to letters of credit and invoice financing (31 December 2019: net cash and cash equivalents £0.9 million plus invoice financing £0.6 million)
- Unaudited draft management information indicates Group returned to profitability generating positive EBITDA in H1-20

d2p "Designed to Protect" Technologies & Finished Products

- FDA approved Symphony's antibacterial d2p bread packaging - customer trials progressing well
- Personal Protective Equipment ("PPE") orders exceeding £950,000 for delivery in the second half of the year

d2w Oxo-biodegradable Technology

- Positive legislation indicators in some markets for d2w type biodegradable plastics
- Single use plastic bans outside the EU being suspended
- Saudi Arabia adds further oxo-biodegradable products to its enforcement programme

Financial performance for the six months ended 30 June 2020

Total revenues for the six months ended 30 June 2020 increased 17% to £4.8 million (H1-19: £4.1 million). Some of Symphony's distributors have experienced severe COVID lockdowns which have delayed growth during the last three months. In this context, we are pleased with the Group's like-for-like revenue growth during the first half of 2020 and look forward with confidence as various government restrictions are eased.

Based upon unaudited draft management information, the Group has returned to profitability generating positive EBITDA during the first half driven by the increase in revenue.

The Group's cash position at 30 June 2020 remained healthy, with approximately £1.3 million available in cash and existing bank facilities. Based on current financial modelling the Group does not expect to need any additional cash in the next 12 months and will be able to continue to operate comfortably within its current financial resources.

d2p "Design to Protect" Technologies & Finished Products

d2p bread packaging

As announced in February, the US Food & Drugs Administration ("FDA") approved one of Symphony's d2p technologies for use in bread packaging. Since the FDA approval, the Group has been working on evaluation trials with customers as well as independently, the results of which are expected over the coming months.

The global packaged bread and roll market is very large, and the United States industry alone, based on 2018 data, had a value of circa \$21 billion. Whilst packaging represents only a small portion of this, it remains a substantial number and whilst it is too early to forecast the potential value to Symphony, or the timing of any such revenues, this could over time represent a material increase in Symphony revenues.

Other d2p technologies

The Group has also invested and developed several other types of d2p products for use in food and non-food packaging and products, including active formulations that are approved for their respective applications in the European Union. Many of these d2p formulations have shown good test results and are currently undergoing customer trials in several countries. In addition, and as previously announced, Symphony has also commissioned a laboratory to conduct antiviral tests on the Group's d2p antimicrobial technology, the results of which continue to be expected by the end of September this year.

Symphony's d2p products and technologies cover many applications including PPE, food packaging and water and irrigation piping. Unsurprisingly, given COVID-19, demand has increased significantly for anti-microbial d2p in PPE.

PPE finished products

The current PPE product range includes nitrile, latex, vinyl and plastic examination gloves, and face masks. New orders in excess of £950,000 have been received for these types of finished products for delivery in the second half of this year into Symphony's export markets. This includes the previously announced £500,000 of orders received in May.

Symphony is also benefitting from its strategic relationship with Protector Health and Hygiene Limited who have received increased orders for their range of PPE products which include d2p additive technology.

d2w Oxo-biodegradable Technology

The positive impact of COVID-19 is not restricted to Symphony's d2p technology and is also expected to help drive overseas legislative changes benefitting the Group's d2w oxo-biodegradable technology. Against a backdrop of increasing public awareness in recent years

regarding the issue of plastic waste and in particular single-use plastics, COVID-19 has reinforced the importance of using plastics, and especially single-use plastics. Recent policies of some governments banning single-use plastics therefore contradict current social needs and has therefore reinvigorated the arguments for alternative solutions to be adopted. Outside of the EU a number of these bans have now been suspended. It is not clear what will happen once COVID-19 becomes less of an influence, but the Group is working hard to take advantage of the current change in attitude.

Plastics treated with Symphony's d2w oxo-biodegradable technology are scientifically proven to biodegrade on land and in oceans, are not disruptive to supply chains, and have a marginal to zero on-cost.

This economic argument of d2w's relatively low cost (particularly when compared with other products and technologies, and their respective infrastructure requirements) is increasingly relevant in a number of Symphony's markets where, so much financial resource has and is being deployed by governments to support their economies during COVID-19 lockdowns and beyond.

Symphony has and is campaigning in a number of countries at what the Board perceive to be a key juncture in the history of environmental policy making. COVID-19 has reinforced the view that simply banning certain plastics, particularly single-use plastics is inconsistent with societal and economic needs. Symphony's campaigns have invariably focused on the markets where the Group is most active, and the Board is cautiously optimistic that legislators and opinion-formers in those jurisdictions will take meaningful steps towards further encouraging the use of Symphony's type of biodegradable technology over the next 12 months.

Such dialogue however is not restricted to Symphony's overseas markets and we continue our engagement with the UK government.

Middle East

Several of these markets have enacted legislation requiring plastics to be oxo-biodegradable. The most recent to have enacted new legislation are Bahrain and Jordan, following the lead taken by Saudi Arabia and the UAE.

In Saudi Arabia, the current enforcement programme is progressing, and now includes three new products; woven plastic bags, disposable tableware, and seedling bags. This is in addition to shopping and garbage bags, clothes bags and table covers.

Outlook

An increasing demand for plastics in the current circumstance is creating a stronger market opportunity for Symphony's biodegradable, antimicrobial and other associated products, and technologies.

Despite COVID-19 causing delays in a small part of Symphony's sales and development programme, the Group is pleased to see growing orders, and indications of a much stronger order book going forward. Whilst the Board is confident that the Group is in a strong position, and is, with its suite of highly relevant technologies, well placed in the current environment, it is not yet appropriate to provide forward looking guidance.

The Group expects to announce its interim results for the six months ended 30 June 2020 in September 2020.

Enquiries

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The person responsible for arranging the release of this information is Michael Laurier, CEO of the Company.

NOTES TO EDITORS:**About Symphony Environmental Technologies plc**www.symphonyenvironmental.com

Symphony has developed a range of additives, concentrates and master-batches marketed under its d2p® (“designed to protect”) trademark, which can be incorporated in a wide variety of plastic and non-plastic products so as to provide protection against many different types of microbes, and insects and rodents, and against fire. d2p products also include odour, moisture and ethylene adsorbers as well as other types of food-preserving technologies. Symphony has also launched d2p anti-microbial household gloves and toothbrushes and is developing a range of other d2p finished products for retail sale. See www.d2p.net

Symphony has developed and continues to develop and market, a biodegradable 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 a similar way to a leaf. The technology is branded d2w® and appears as a droplet logo on many thousands of tonnes of plastic packaging and other plastic products around the world. In some countries, most recently Saudi Arabia, oxo-biodegradable plastic is mandatory. See www.d2w.net

The Group has complemented its d2w biodegradable product range with d2c “compostable resins and products” that have been tested to US and EU composting standards.

Symphony has also developed the d2Detector®, a portable device which analyses plastics and detects counterfeit products. This is useful to government officials tasked with enforcing legislation, and Symphony's d2t tagging and tracer technology is 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 itself is accredited to ISO9001 and ISO14001.

Symphony is a member of The OPA (www.biodeg.org) and 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 Group can be found at www.symphonyenvironmental.com and twitter @SymphonyEnv See also Symphony on Instagram. A Symphony App is available for downloading to smartphones.