

The information contained within this announcement is deemed by the Company to constitute inside information stipulated under the Market Abuse Regulation (EU) No. 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018. Upon the publication of this announcement via the Regulatory Information Service, this inside information is now considered to be in the public domain.



17 December 2021

SYMPHONY ENVIRONMENTAL TECHNOLOGIES PLC

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

Trading and Business Update

Improved anti-viral kill rate of d2p gloves

Symphony Environmental Technologies Plc (AIM:SYM) global specialists in technologies that make plastic and rubber products "smarter, safer and sustainable", is pleased to announce a trading and business update.

Trading update

Group revenue (draft and unaudited) for the financial year ending 31 December 2021 ("FY 2021") is currently expected to be approximately £9.8 million (FY 2020: £9.8 million) resulting in an operating loss of approximately £800,000 (FY 2020: £390,000 and H1 2021: £600,000). As always, this is subject to completion of final shipment consignments for revenue recognition purposes at the year end.

Group revenue for FY 2021 by product type is expected to show a 5% year-on-year increase of d2w masterbatch and a 29% year-on-year increase of d2p masterbatch. However, finished good sales, particularly of PPE/gloves reduced year-on-year. Separately, a total of £1.8 million d2p masterbatch and PPE/glove pipeline revenues, originally expected to be recognised in FY 2021 has been delayed into FY 2022 – further explanation is provided in the "Business development updates" section below.

Revenue in the final quarter of FY 2021 was comparatively much stronger than earlier in the year and is expected to total approximately £2.8 million and be operating break even. On an annualised basis, the Group would be generating revenue of at least £11.2 million.

Business development updates

The Group continues its investment programmes across several areas each aimed to stimulate new sales and markets in the short and medium term including gaining key regulatory and product approvals. The new business pipeline of d2p technologies and PPE/gloves currently totals over 100 projects for which management estimate if successfully commercialised would generate in excess of \$40 million of recurring annual revenues.

We are particularly excited by our new d2p glove product which has a proven coronavirus (see note 1 below) kill rate of 99.99% within just 10 minutes. This is a massive improvement on our previously reported result which showed a 99.84% kill rate within 24 hours. We are not currently aware of any competitor gloves offering this combination of speed and protection. Further details are provided below, but Symphony expect regulatory approvals to market and sell in the EU and the US to be obtained in Q2 2022. Given the continual mutations of Covid-19, Symphony is and will continue to seek to launch this new product to the market as soon as practicable.

It should also be noted that from the sales pipeline, conversion of circa £1.0 million of revenue from d2p technology projects was anticipated to be completed before the year end, but due to unforeseen delays beyond the Company's control have moved into the new trading year. This part of the sales pipeline covers bread packaging, water pipes and other types of antimicrobial products. A further £800,000 of

PPE/gloves revenues was also expected to be completed before the end of the financial year but negotiations are taking longer to complete than anticipated due to the complexity of the technical requirements.

Listed below are some of the more notable revenue opportunities within the d2p and PPE/gloves sales pipeline:

- *d2p USA FDA & Canadian approved bread-packaging technology*

Following successful initial trials during the year, small commercial product sales have commenced in Latin America with a large bakery for use in one type of bread packaging. Testing on other types of bread products is continuing with a progressive programme to expand the evaluation process and eventual use of d2p in a wide geographical area.

The results from these small-scale commercial trials are expected to be positive based on data collected to date. Symphony are working closely with relevant key decision makers of the bread producers as to the benefits to their business attributable to d2p.

Separately, bread packaging products made with d2p have now been produced to specific customer specifications for evaluation in Canada, USA, Middle East, Pakistan, and South Africa. These markets have shown strong interest in using our d2p technology if the local trials confirm the expected results. The sales volumes indicated would be potentially large which would then translate into meaningful Group revenues if the trials and subsequent commercial discussions proceed as hoped.

- *Nitrile disposable gloves made with d2p technology*

As noted above, nitrile gloves made with d2p have completed pre-production trials and also have been successfully tested against ISO Standards for anti-viral and anti-bacterial performance with kill rates of at least 99.99% with a recent result showing a coronavirus kill rate of 99.99% within 10 minutes.

Regulatory applications will be made imminently, and if approved, Symphony currently anticipate will translate to the Group being able to market and sell in the EU and the US in Q2 2022. Based on current and ongoing communications with several key customers and distributors, the Board are confident that upon regulatory approval being received, the Group will be able to generate immediate and material revenues from the sale of d2p enhanced nitrile gloves and d2p additives for glove production into these significant geographies.

- *Meditech China*

In August 2021, Symphony entered into four agreements with Meditech to expand sales in the Far East and globally. Symphony are pleased with progress to date and alongside Meditech, Symphony has commenced upgrading current EU CE certification and US FDA registration. This process is expected to complete in early Q2 2022.

- *Gloves - other*

Further to the work being carried out with Meditech, negotiations are taking place in the USA (for use in medical facilities such as hospitals and clinics) and Europe (for large retail distributors in Spain and Italy) for d2p gloves and other finished products. The volumes being discussed would be material to Symphony.

d2w Masterbatch

Volumes of d2w masterbatch increased across Latin America, the Middle East, and some parts of Asia during FY 2021. We are seeing a positive impact from the advisory and advocacy work being carried out for our d2w technology in these markets as well as increasing enforcement of favourable legislation by the relevant authorities.

India - Symphony Environmental (India) Pvt Ltd

As announced on 23 October 2021, Symphony formed a joint venture (“JV”) with Indorama. Agreement has also been reached for manufacturing and product-development with an Indian manufacturing group, Bihani. This JV removes one of the biggest obstacles that previously precluded Symphony from succeeding in the Indian market as the punitive duties and other import costs made our products uncompetitive. Based upon work and progress achieved to date, Symphony are optimistic that this new relationship and structure will provide significant revenue opportunities for both d2w and d2p products during FY 2022 and beyond.

Note 1: Coronavirus strain MHV-3 genus Betacoronavirus (same family and genus as SARS-CoV-1, SARS- CoV-2/COVID19 and MERS)

Enquiries

Symphony Environmental Technologies Plc

Michael Laurier, CEO

Ian Bristow, CFO

www.symphonyenvironmental.com

Tel: +44 (0) 20 8207 5900

Zeus Capital Limited (Nominated Adviser and Joint Broker)

David Foreman / Kieran Russell / Guy Brinkley (Corporate Finance)

Dominic King / Victoria Ayton (Sales)

Tel: +44 (0) 161 831 1512

Tel: +44 (0) 203 829 5000

Hybridan LLP (Joint Broker)

Claire Louise Noyce

Tel: +44 (0) 203 764 2341

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 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, including Saudi Arabia, Jordan, Bahrain and the UAE 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.