



**ZOTEFOAMS**

# Preliminary Results

19 March 2024

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Wearing the new Nike Alphafly 3 with ZoomX foam, Kelvin Kiptum set a stunning new men's marathon world record with a time of 2:00:35. As we pay tribute to Kiptum and his coach Gervais Hakizimana, we celebrate their unwavering dedication to greatness and incredible achievements together.

## Introduction



# Business overview

## AUTOCLAVE TECHNOLOGY

### POLYOLEFIN FOAMS

#### AZOTE®

##### Premium durable foams

Uniformly dense foam sheets with a consistent cell structure. These foam sheets and blocks are manufactured from common polymers using our unique nitrogen-expansion process.

##### Key Markets

Automotive / Aviation / Construction / Industrial / Marine / Military / Product Protection / Sport and leisure

##### Key Market Drivers

Lightweighting  
Durability  
Fire safety  
Reduced toxicity

#### ZOTEK®

##### Lightweight technical foams

Foams which offer superior technical properties such as energy management, durability, heat and/or fire-resistance, ZOTEK foams are manufactured from engineering polymers using our unique nitrogen-expansion process.

##### Key Markets

Automotive / Aviation / Athletic footwear / Construction

##### Key Market Drivers

Lightweighting  
Personal safety  
Durability  
Fire safety  
Energy management

### HPP

#### T-FIT®

##### Technical insulation for industry

A range of insulation products manufactured from Zotefoams' own ZOTEK block foam materials. T-FIT® insulation products are purpose-designed to perform in demanding environments.

##### Key Markets

Food and personal care manufacturing  
High-temperature processing environments

Pharmaceutical, biotech and semiconductor clean rooms

##### Key Market Drivers

Aging population  
Demographic changes  
Reduced toxicity

## EXTRUSION TECHNOLOGY

### MEL

#### ReZorce®

##### Based on MuCell® innovative technology for greener, lower cost plastic products

This pioneering technology injects gas into plastics to create micro-bubbles which add new performance characteristics. ReZorce® mono-material barrier packaging is a disruptive technology for the beverage carton market - a high risk, with potentially high reward, application development that is recyclable and circular.

##### Key Markets

Consumer packaging

##### Key Market Drivers

Environmental benefit

# Strategy

Our ambition is to be the **world leader in cellular materials** technology in our chosen markets

We **focus resources** primarily on markets where we are, or have the potential to be, a **market leader**

We deliver stakeholder value by using **unique technology** to create a portfolio of **differentiated products**

We intend to develop our business **through sustained high levels of organic growth** and through partnerships or acquisitions



**Overall, we believe our strategy is sound and the ability to realign our business, to adapt to a rapidly changing environment and to manage our cost base and investment profile demonstrates the flexibility of our product range, capacity and people**

# Strategic Metrics

- 1. Improved product mix:** adjusted average selling price during 2023 improved by 2.7% compared with the prior year
- 2. High-capacity utilisation to optimise the returns from our assets:**
  - asset utilisation in the year improved by 2.6%
  - adjusted production volumes were 4.3% higher than adjusted sales volumes due to planned inventory increases in anticipation of strong demand in the first few months of 2024
  - efficiency gains in manufacturing during the year added 1.5% to the effective capacity of the Group
- 3. Group operating margin (adjusted):**
  - increased to 12.1% (2022: 11.1%)
  - excluding MEL/ReZorce, operating margin was 15.5% (2022: 12.7%)
- 4. Group return on capital employed:** improved to 10.3% (2022: 10.1%)
  - Excluding MEL/ReZorce, return on capital employed was 14.2% (2022: 12.0%)
  - Working capital at the year-end accounted for 45% of net assets (2022: 38%), with this significant increase due primarily to investment in inventory in anticipation of strong demand in Q1 2024 and higher raw material prices for certain HPP products
- 5. Sustainability:** “Net zero” target to be reviewed during our annual Board strategy session and the approach to net zero to be evaluated by the Executive team through our Group Sustainability Steering Committee
- 6. MEL/ReZorce:** With initial market trials imminent, we are turning our focus to full-scale commercialisation and engagement with potential strategic partners to facilitate this



# Results summary

Revenue flat at  
£127.0m

Margins up, with adj  
operating margin  
excl MEL up to 15.5%

Adjusted basic EPS  
down 8% to 19.38p due  
to tax

Leverage multiple  
unchanged at 1.2x

	Excluding MEL <sup>4</sup>			Group		
	2023	2022	Change	2023	2022	Change
Revenue (£m)	125.7	124.6	1%	127.0	127.4	0%
Gross profit (£m)	42.6	38.6	10%	41.1	38.7	6%
Gross margin (%)	33.9%	31.0%	290 ppt	32.3%	30.4%	190 ppt
Adj. operating profit <sup>1</sup> (£m)	19.5	15.8	23%	15.4	14.2	8%
Adj. operating margin (%)	15.5%	12.7%	280 ppt	12.1%	11.1%	100 ppt
Adj. profit before tax <sup>1</sup> (£m)	17.2	14.1	22%	13.1	12.5	5%
Adj. basic EPS <sup>1</sup> (p)				19.38	21.04	(8%)
Net debt (£m)				31.6	27.8	(13%)
Leverage ratio <sup>2</sup>				1.2x	1.2x	-
Final dividend <sup>3</sup> (p)				4.90	4.62	6%

- **Group revenue of £127.0m, in line with record Group revenue in prior year**
- **Record profits and continued improvement in profit margins**
  - Gross margin up 190ppt to 32.3%, (33.9% excl. MEL)
  - Adj operating margin up 280ppt to 15.5% excl. MEL and 100ppt to 12.1% incl. MEL
  - Segment margin in Polyolefin Foams up from 7% to 11%
  - Adj profit before tax excl. MEL up 22% to a record £17.2m
  - Adj profit before tax up 5% to £13.1m after continued investment drives progress in our ReZorce technology
- **Strong cash generation reinvested in growth**
  - £6.3m of inventory build to optimise capacity and in expectation of HPP growth
  - £5.5m cash outflow in MEL to drive the ReZorce opportunity
  - Net debt at £31.6m while year-end leverage ratio unchanged at 1.2x

<sup>1</sup> This is an adjusted number and is before the deduction of amortisation of acquired intangibles amounting to £0.257m in 2023 and £0.258m in 2022

<sup>2</sup> Leverage is that defined under the bank facility, with net debt at the end of the period divided by the preceding 12 months' EBITDA, adjusted for the impact of IFRS2 and IFRS16

<sup>3</sup> Final dividend is subject to approval at the May 2024 Annual General Meeting

<sup>4</sup> MuCell Extrusion LLC (MEL) is incurring operating losses as it invests in ReZorce mono-material barrier packaging

# Strategic highlights

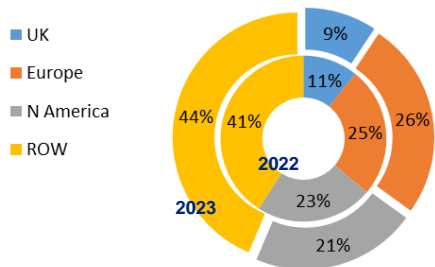
- Two business streams at different stages of development – both performing well
- Foams business
  - Record profit, strongly ahead of previous year
  - Margin growth through mix enrichment, efficiency and cost control
  - Exclusivity agreement with Nike extended to December 2029, first sales into basketball category
  - Planned investment in North America to support further organic growth
- MEL/ReZorce® mono-material barrier packaging
  - Joint development agreement with a world-leading packager of beverages
  - Significant technical and commercial progress
  - Multi award-winning development
  - Preparing to fill the first ReZorce cartons with fruit juice on commercial-scale equipment



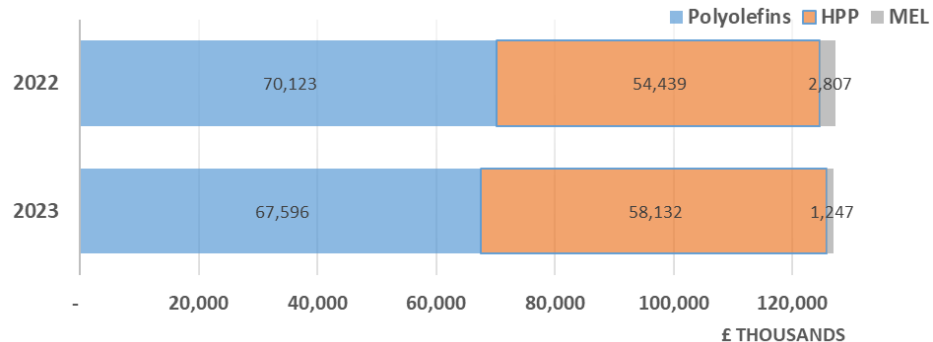


# Segment overview

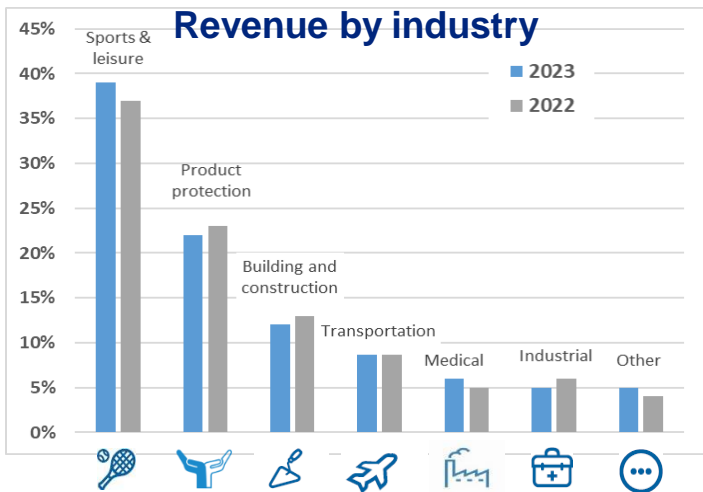
## Revenue by geography



## Revenue by business unit



## Revenue by industry



A well balanced geographical and industrial spread



# Financial review

# Abbreviated income statement

- Adjusted numbers exclude amortisation of acquired intangibles at MEL of £257k (2022: £258k)
- Group revenue flat against a previous year record
- Gross profit margin up 190 ppt to 32.3%
  - full-period impact of the 2022 price adjustments
  - LDPE raw material costs reverting to more normal levels
  - other operational efficiencies returning Polyolefin Foams margins to more normalised levels
  - greater total share of higher-margin HPP sales
- Distribution costs unchanged, with cost pressures offset by operational efficiencies
- Underlying administrative expenses (stripping out FX movements) up £2.7m (19%) with £0.9m related to ReZorce®
- Excluding MEL £4.4m loss, PBT up 22% to £17.2m (2022: £14.1m)
- Tax charge reflects the increase in the UK Corporation Tax rate and the Group's prudent approach to tax loss utilisation in USA
- EPS impacted by tax rate
- Proposed final dividend increase of 6%, full year dividend cover of 2.6x

£million	2023	2022	Change
Group revenue	127.0	127.4	(0%)
Gross profit	41.1	38.7	6%
Gross profit margin	32.3%	30.4%	190ppt
Distribution and Admin	(25.9)	(24.8)	(5%)
Adjusted operating profit	15.4	14.2	8%
Net finance costs/JV	(2.3)	(1.7)	(35%)
Adjusted profit before tax	13.1	12.5	5%
Tax charge	(3.6)	(2.2)	(62%)
Adjusted profit after tax	9.5	10.3	(8%)
Effective tax rate	(28.0%)	(18.1%)	-
Adjusted EPS (p)	19.38	21.04	(8%)
Final proposed DPS (p)	4.90	4.62	6%

	Foam business only		
	2023	2022	Change
Revenue (£m)	125.7	124.6	1%
Gross margin (%)	33.9%	31.0%	290 ppt
Adj operating profit (£m)	19.5	15.8	23%
Adj operating margin (%)	15.5%	12.7%	280 ppt
Adj profit before tax (£m)	17.2	14.1	22%

# Statement of cash flows

- Good profit performance
- Significant investment in working capital
  - Receivables increase reflects the trading pattern of higher sales near year-end and the timing of receipt of material Footwear invoices
  - Inventory increase reflects a strategic build of certain products in Q4 to utilise capacity following a slowdown in polyolefin demand in that period but expectation of capacity constraints in H1 2024. Build in footwear and Europe-based polyolefin foams is already being consumed. The inventory increase also reflects a significant rise in ZOTEK F raw material value following a doubling of raw material cost during the year
- Higher tax payments represent a higher share of plc profits and no adjustments from previous periods. Higher interest payments reflect base rate increases
- Capex is split £5.7m PPE (2022: £5.4m) and £2.7m Intangibles (2022: £1.7m), the latter entirely related to the investment in ReZorce. The cash flow line also includes a small amount of interest receivable
- Sizeable 2022 repayment of, and proceeds, from borrowings reflect the refinancing activity of March 2022

£million	Dec-23	Dec-22
Profit before tax	12.8	12.2
Depreciation/Amortisation	8.2	8.2
Finance costs	2.3	1.8
Equity-settled share-based payments	1.3	0.8
Net exchange differences	(0.7)	0.9
Other	0.0	0.2
<b>Operating profit before movements in W/C and provisions</b>	<b>24.0</b>	<b>24.1</b>
Movement in receivables	(3.8)	(4.8)
Movement in inventory	(6.3)	0.4
Movement in payables	(1.0)	4.1
Pension contributions	(0.9)	(0.8)
<b>Cash generated from operations</b>	<b>12.1</b>	<b>23.0</b>
Interest & income tax paid	(4.3)	(1.9)
<b>Net cash flows from operating activities</b>	<b>7.8</b>	<b>21.1</b>
<b>Net cash used in investing activities</b>	<b>(8.3)</b>	<b>(7.0)</b>
Repayment of borrowings	(1.2)	(50.9)
Proceeds from borrowings	1.6	43.0
Dividend paid	(3.4)	(3.2)
Other	(0.8)	(0.6)
<b>Cash flows from financing activities</b>	<b>(3.7)</b>	<b>(11.6)</b>
<b>Free cash flow</b>	<b>(0.5)</b>	<b>14.0</b>
<b>Cash and cash equivalents at period end</b>	<b>6.3</b>	<b>10.6</b>

# Abbreviated Statement of Financial Position

## Key observations

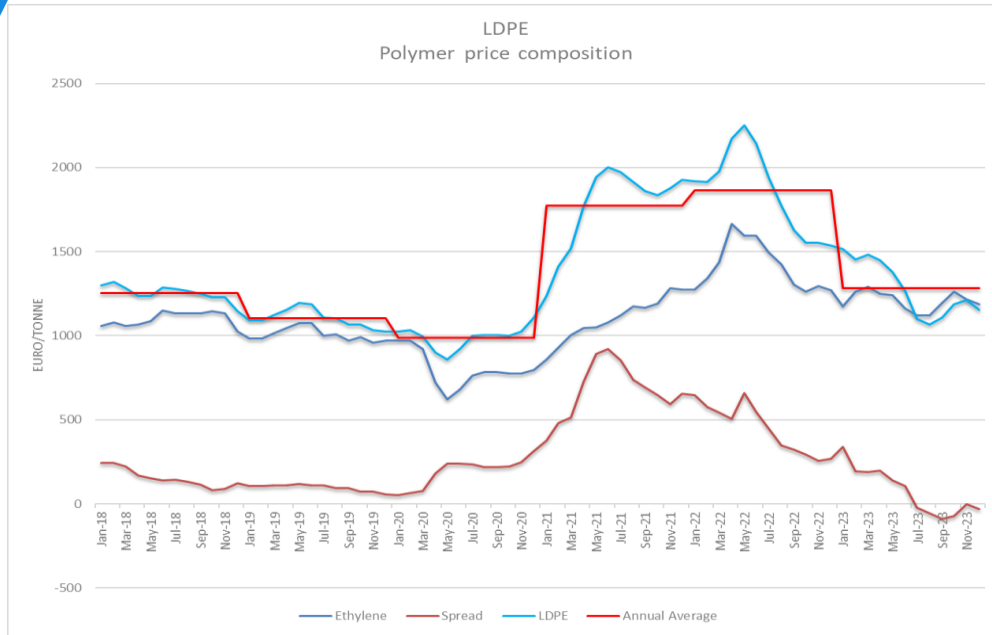
- Intangible asset net book value is almost entirely MEL-related
- Tangible asset additions offset by depreciation and FX movements
- Net working capital balance increase driven by receivables and inventory as covered on cash flow slide
- Post employment benefit represents 2.3% of net assets (2022: 3.0%)
- Net debt increase driven by investment in MEL/ReZorce, which generated a £5.5m cash outflow, and working capital
- Leverage ratio of 1.2 maintained
- ROCE up to 10.3% (2022: 10.1%)
- ROCE excl. MEL up to 14.2% (2022: 12.0%)

## Debt facility reminder

- Held with Handelsbanken and NatWest
- £50m multi-currency RCF
- Leverage covenant of 3.5x
- Accordion of £25m
- ESG linkage
- End date March 2027

£million	Dec-23	Dec-22	Change
Intangible assets	9.4	7.8	21%
Tangible assets	93.0	95.2	(2%)
Net working capital	52.0	42.1	23%
Net deferred tax liability	(4.8)	(3.4)	(41%)
Post employment benefits	(2.7)	(3.3)	19%
Net debt	(31.6)	(27.8)	(13%)
Other	0.4	(1.0)	-
<b>Total net assets</b>	<b>115.8</b>	<b>109.5</b>	<b>6%</b>
Issued share capital	2.4	2.4	0%
Share premium	44.2	44.2	0%
Translation reserve	4.0	5.9	(32%)
Retained earnings	64.5	57.3	12%
Other	0.7	(0.3)	-
<b>Total equity</b>	<b>115.8</b>	<b>109.5</b>	<b>6%</b>

# Inflation and FX influencers



## LDPE (costs)

- Low-density polyethylene polymer is the primary raw material for AZOTE® foams
- 2023 pricing in line with longer term averages after (mainly supply constraint induced) break-out in 2021/22

## Energy & Nitrogen (costs)

- 3 main sites (Croydon UK, Kentucky USA, Brzeg Poland)
- Approx 75% of Group energy consumption is on the UK site
- Prices have become less volatile and forward purchasing of energy requirements has resumed
- 2023 prices approx. 8% above previous year

## Foreign Exchange (revenue and costs)

- ~ 90% of Zotefoams invoices are non-sterling
- Euros are mostly naturally hedged, with euro-invoiced sales offset by all Croydon plant LDPE costs and many HPP raw materials being sourced from mainland Europe
- Majority of HPP sales, including all of Footwear, are invoiced in USD
- Little US dollar movement year-on-year despite sizeable volatility during the year
- £0.5m negative PBT impact (2022: £2.5m positive PBT impact)



# Business review

# Polyolefin Foams results

## AZOTE®

Common polymers made extraordinary by Zotefoams' unique process, creating premium, durable, consistent materials

### Revenue: down 4% (53% of Group sales)

- Sales decreased 4%, with a 7% volume drop partially offset by a 3% average price improvement
- Slower industrial markets generally
- Best performing markets were those still in recovery from previous years
- Demand patterns across regions relatively consistent and all regions impacted by lower demand, particularly in the latter part of the year
- Pricing improvements were primarily a result of the actions taken in 2022
- “Right Product, Right Price”: Trend to lower-density products redefining customer needs and the balance between price adjustments and potential demand reduction
- Sustainability offering (new materials with 30% recycled polymer) slowly gaining acceptance
- Poland facility now operating 24/5

*The commercial focus of our AZOTE business is to grow revenues through closer collaboration with end-users and channel members, to continually enhance our product range and deliver capacity and efficiency improvements from production*

Polyolefin Foams	Dec 23 £m	Dec 22 £m	Change
Segment revenue	67.6	70.1	(4%)
Segment profit	7.5	4.9	53%
Segment profit margin	11.1%	7.0%	410ppt

### Costs and margin

- Input costs are predominantly LDPE polymers, labour and energy, with nitrogen largely linked to the energy price
- LDPE pricing trended around its long-term average, some 30% below the highs of 2022
- Decreased volatility in energy pricing. Have settled marginally higher than 2022, but off their peaks
- Good progress on efficiency gains, lowering costs and increasing capacity
- Waste reduction and logistics improvements also improve cost competitiveness



## HPP results

# ZOTEK®

ZOTEK foams: retaining the attributes of high-performance polymers with the added benefits of consistent foaming

### Revenue: up 7% (46% of Group sales)

- Overall volumes up 12%
- Footwear sales up 7% to £45.3m (2022: £42.1m) and represent 36% (2022: 35%) of Group revenue. Nike exclusivity agreement extended. First basketball sales made
- ZOTEK F fluoropolymer sales (mainly aviation) up 6% to £6.5m (2022: £6.2m)
- T-FIT insulation sales up 1% to £5.9m (2022: £5.8m) with growth in India and the Food and Beverage sector in China largely offset by a decline in biotech and pharma activity in China
- Higher raw material costs will impact pricing from 2024, with the associated risks

*HPP remains an aggregation of products and markets at different stages of development*

- ZOTEK® F fluoropolymer foams: fire, smoke, chemical resistance
- ZOTEK® N nylon foams: high temperature performance
- ZOTEK® PEBA and TPE foams: excellent kinetic-energy return
- T-FIT® technical insulation products, using ZOTEK F and N foams

# T-FIT®

T-FIT high-performance insulation

HPP	Dec 23 £m	Dec 22 £m	Change
Segment revenue	58.1	54.4	+7%
Segment profit	15.4	15.3	+1%
Segment profit margin	26.5%	28.1%	(160ppt)

### Costs and margin

- Footwear processing and supply chain improvements deliver almost zero waste in these products
- High input cost inflation in the most common non-footwear raw materials used, but little profit impact in the year as existing inventory was consumed

# MuCell Extrusion (MEL) results

**Mucell<sup>®</sup>** Polymer reduction technology

## ReZorce<sup>®</sup> barrier packaging

- Preparing for first fill fruit juice cartons on commercial-scale equipment
- Development agreement with world-leading packager of beverages signed in July
- Industry-expert team assembled
- Process:
  - Manufacture of ReZorce sheet in Zotefoams Denmark
  - Printing and creation of carton pre-form
  - Carton assembly and filling at the beverage packager
- Strategic (investor) partner process timed around market trials

Primary focus on ReZorce mono-material barrier packaging for beverage cartons

## Licensing

- Limited new activity in the traditional MEL licensing model, with staff mainly redeployed to support existing clients & ReZorce
- Revenue relates to licensing and equipment sales of MEL

MEL	Dec 23 £m	Dec 22 £m	Change
Segment revenue	1.2	2.8	(54%)
Segment loss pre amortisation*	(4.1)	(1.6)	(156%)
Amortisation*	(0.3)	(0.3)	-
Segment loss post amortisation*	(4.4)	(1.9)	(132%)

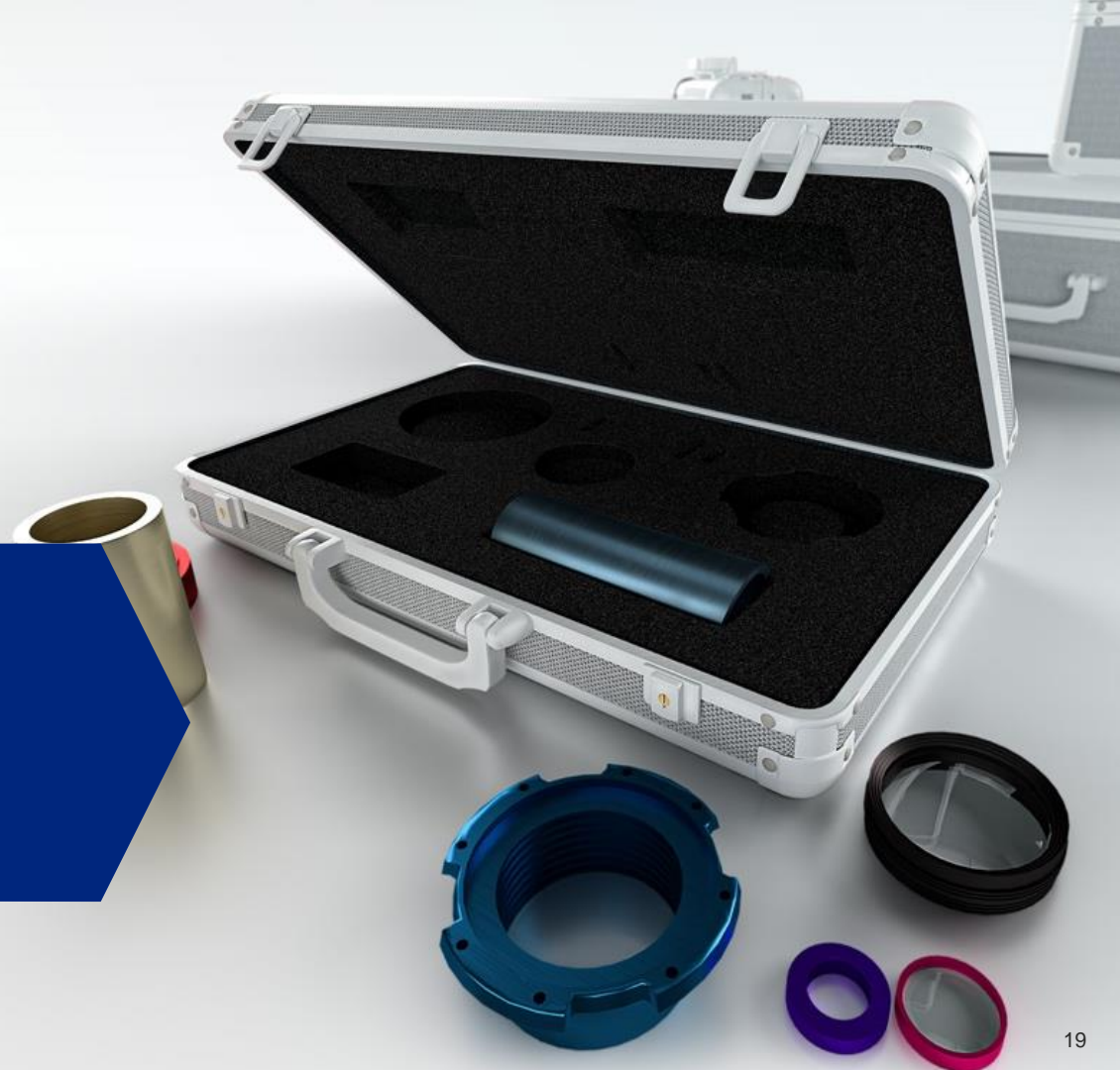
\* of acquired intangibles

## Capital investment in tangible equipment and development costs

- £2.8m (2022: £2.2m) capitalised in ReZorce, split £2.5m (2022 £1.4m) intangible assets and £0.3m (2022 £0.8m) tangible assets
- Net book value of capitalised investment over the life of the project amounts to £6.8m (2022: £4.7m)



Sustainability



# Sustainability: Approach and Progress

Four aspects of our business will enable us to thrive in a lower carbon economy

- Our nitrogen-based process
- Efficient use of raw material
- Our products' role in avoiding emissions (Scope 3)
- New product development (including ReZorce)

## Focus & Progress

- Sustainability embedded in decision making
- 85% of revenues from products considered “green”
- Strong ESG scoring across a number of platforms
  - AA score from MSCI (2<sup>nd</sup> highest achievable)
  - B rating from Integrum
  - LSE Green Economy mark

Sustainability-focused investor presentation held in September 2023



# reZorce® Circular Packaging

## Positioning

- The first fully recyclable beverage carton with performance to match current multi-material solutions
- Up to 53% less energy; 51% less water; 50% lower Global Warming Potential<sup>1</sup>
- 100% recyclable (up to 100% recycled content<sup>2</sup>)
- Complies with forthcoming legislation
- IP-backed & scalable using current infrastructure

<sup>1</sup> Independent Lifecycle analysis performed vs a comparable aseptic beverage carton

<sup>2</sup> Current formulations from 12%-70% recycled content. Subject to food contact regulations



# Key messages & outlook

## KEY MESSAGES: 2023

- Two business streams at different stages of development, both performing well
- Foams business:
  - Record profits, margin growth through mix enrichment, efficiency and cost control
  - Exclusivity agreement with Nike extended to Dec 29, first sales into basketball
  - Planned investment in NA to support further organic growth
- MEL/ReZorce mono-material barrier packaging
  - Joint development agreement with a world-leading packager of beverages
  - Significant technical and commercial progress, multi-award-winning technology
  - Preparing to fill first cartons with fruit juice on commercial-scale equipment
- Adj PBT up 5% £13.1m (2022: £12.5m) and up 22% excl. MEL to £17.2m (2022: £14.1m)
- Strong balance sheet with leverage multiple of 1.2x
- Proposed final dividend up 6% to 4.90p

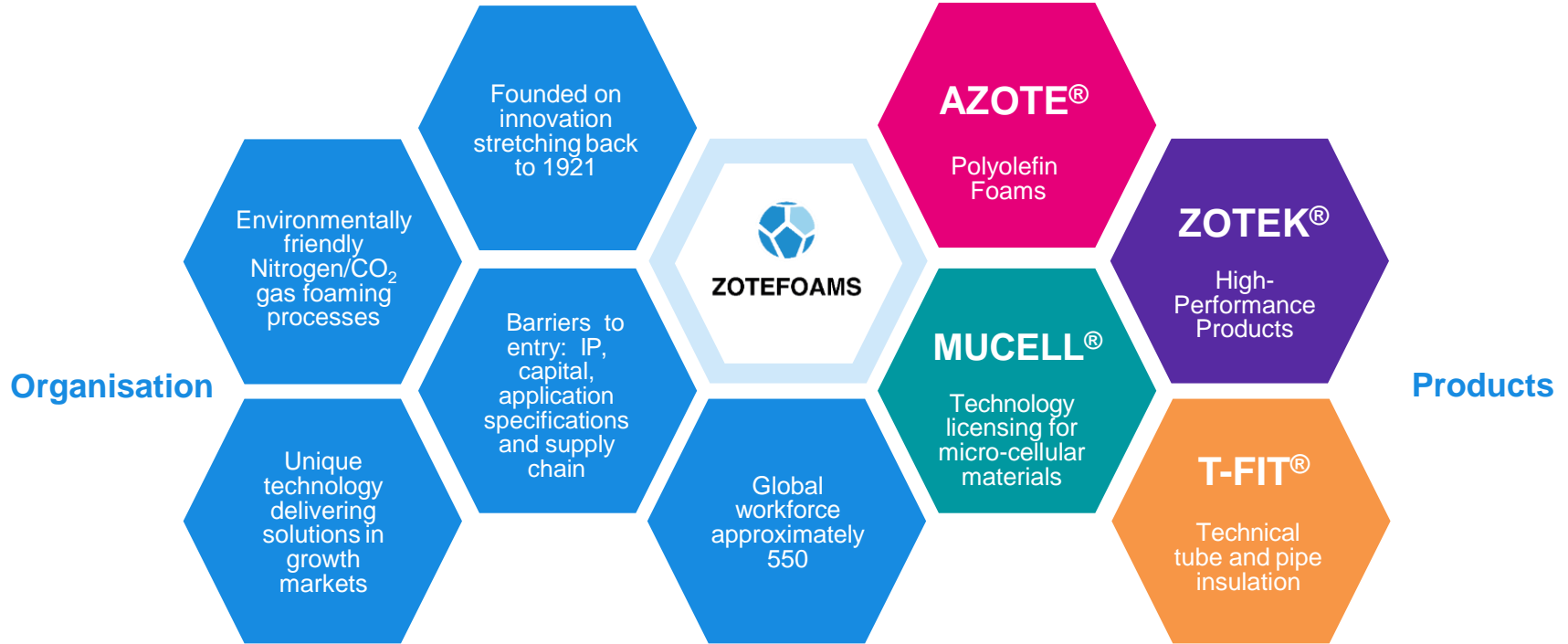
## OUTLOOK

- Positive start to 2024 with overall sales in excess of previous year's record first quarter
- Expect further growth in HPP linked to in-year footwear demand and underlying improvements in the markets for aviation and T-FIT insulation products
- Cautiously optimistic about underlying demand environment for polyolefin foams, supported by a business focus on application-specific initiatives to increase market share
- Polymer and energy input costs currently relatively stable
- No further price increases expected, margin enhancement is reliant on improved asset utilization, product mix and operational efficiency
- Continue to make good progress against our commercialisation objectives for ReZorce, with some important milestones expected to be reached in Q2
- Investment to support this will continue during 2024
- 2024 is expected to be another year of progress for Zotefoams



# Appendices

# Overview

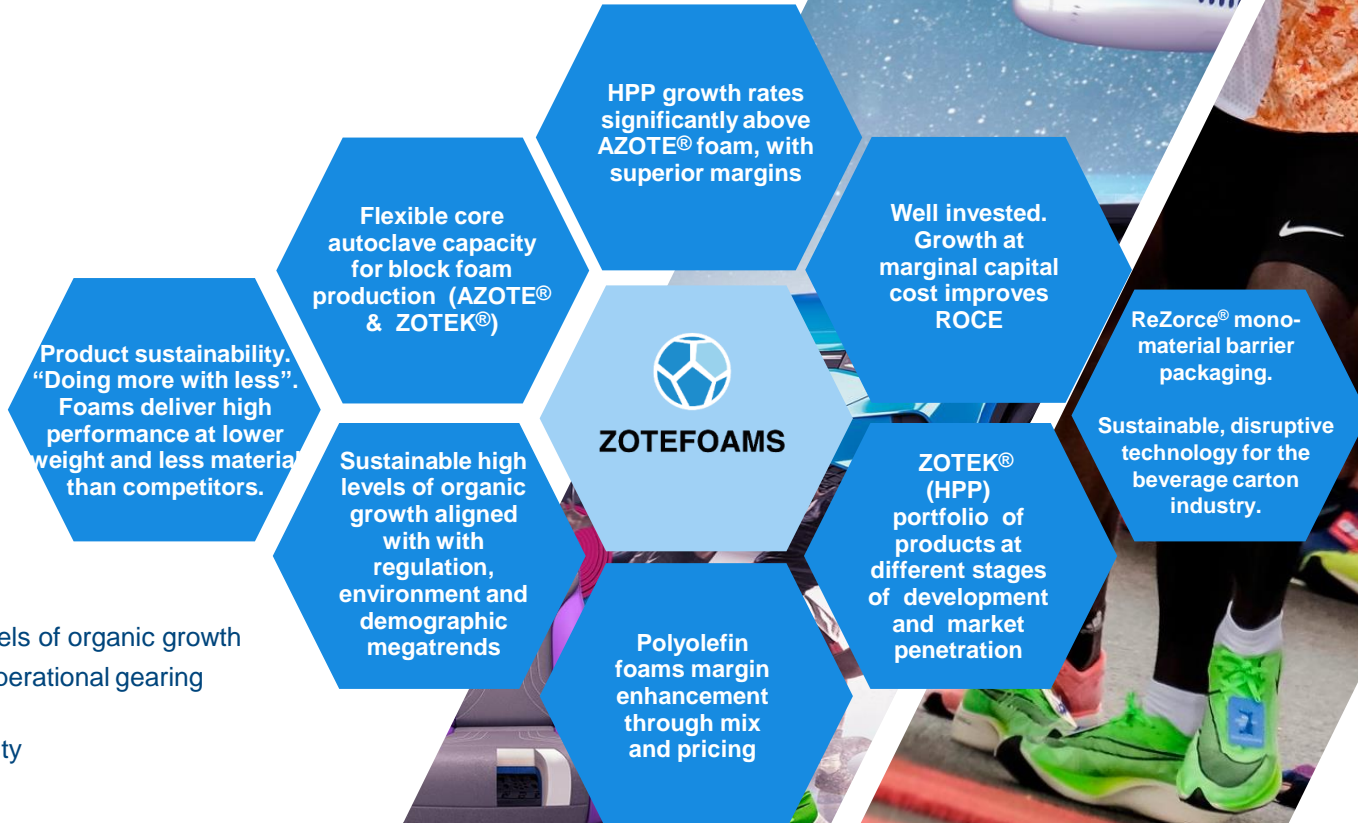


**A world leader in cellular materials technology**



# Investment case

Positioning > Growth > Mix > Return + Optionality

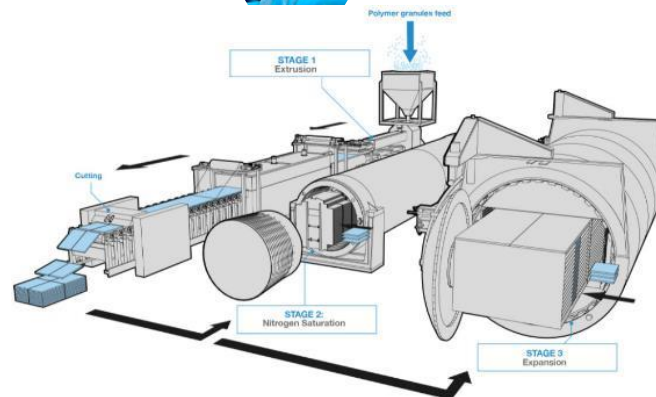
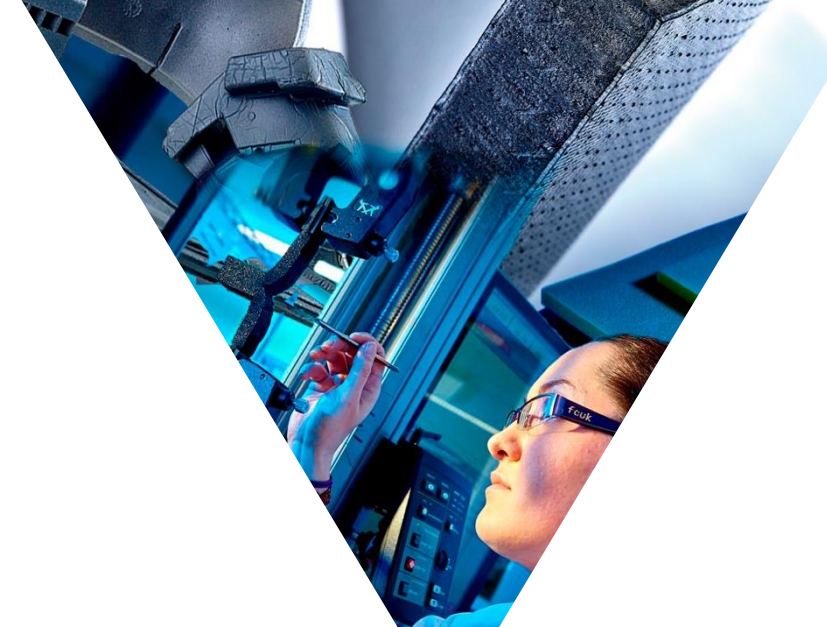


- Sustained high levels of organic growth
- Product mix and operational gearing enhancing returns
- ReZorce® optionality

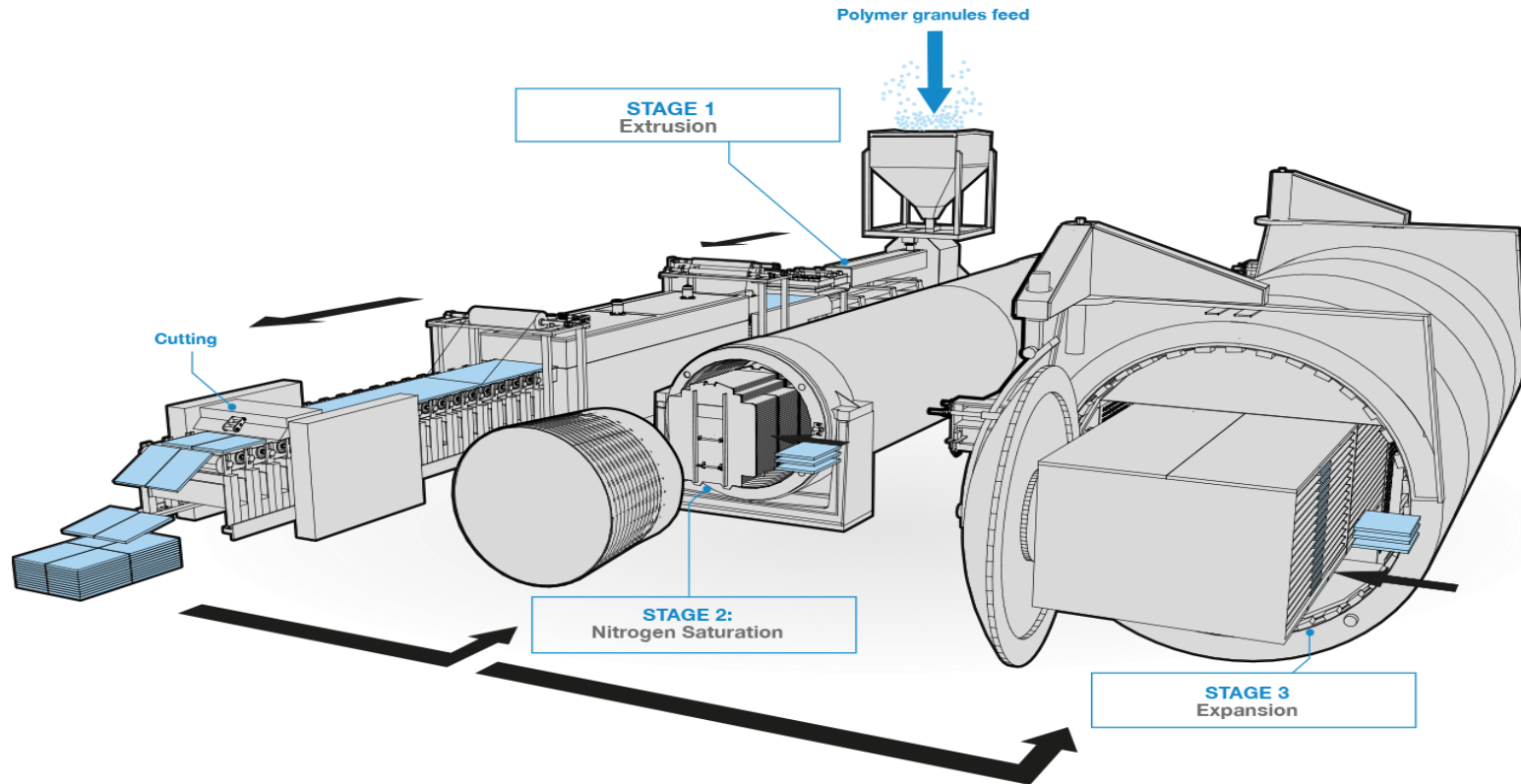
# How our foams business works

Leveraging our unique technology with an innovation-led portfolio of advanced products

- **Starting with a core process**
  - Proprietary three-stage process
  - Meaningful and sustainable competitive advantage
- **Making the best use of our assets**
  - Running full and mix-enriching
  - AZOTE® and ZOTEK® foams, regional versus global
- **Working with our partners and enriching the product mix**
  - Working with a network of customers who fabricate and promote
  - AZOTE® foams offer best-in-class performance and permanent solutions
- **Developing our HPP portfolio to further mix-enrich**
  - More global in nature, close and direct collaboration with customers
  - High investment levels delivering a portfolio of products and applications at different stages of lifecycle
- **Adding more value for customers, and to our business**
  - Unique and advanced properties help meet stringent regulations and offer better products
  - Offers high margin opportunities, at times further up the value chain
- **Ensuring sufficient capacity to meet growing demand**
  - Significant growth opportunity backed up by recent high levels of capacity investment
  - State of the art facilities outside the UK improve local service offering

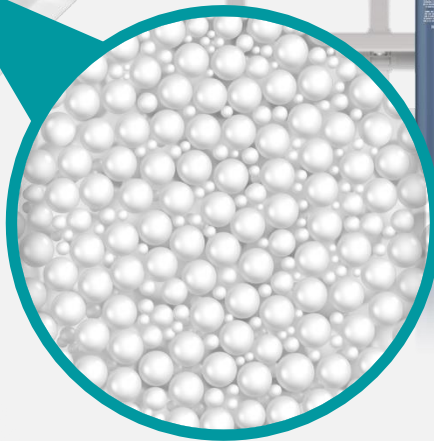
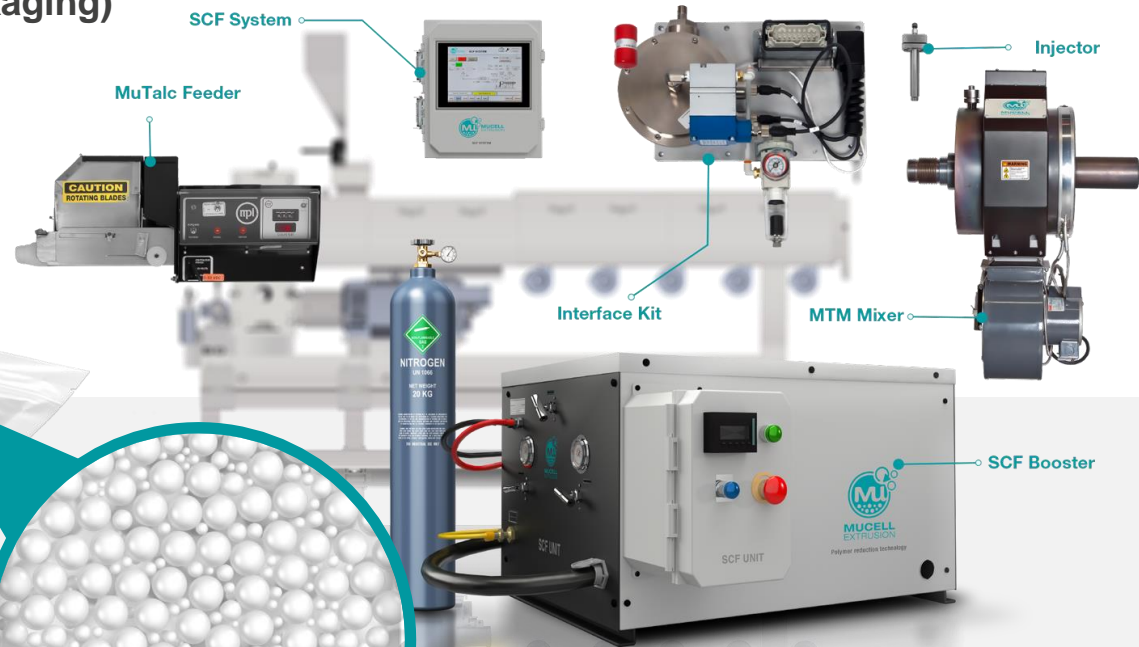


# Three stage process



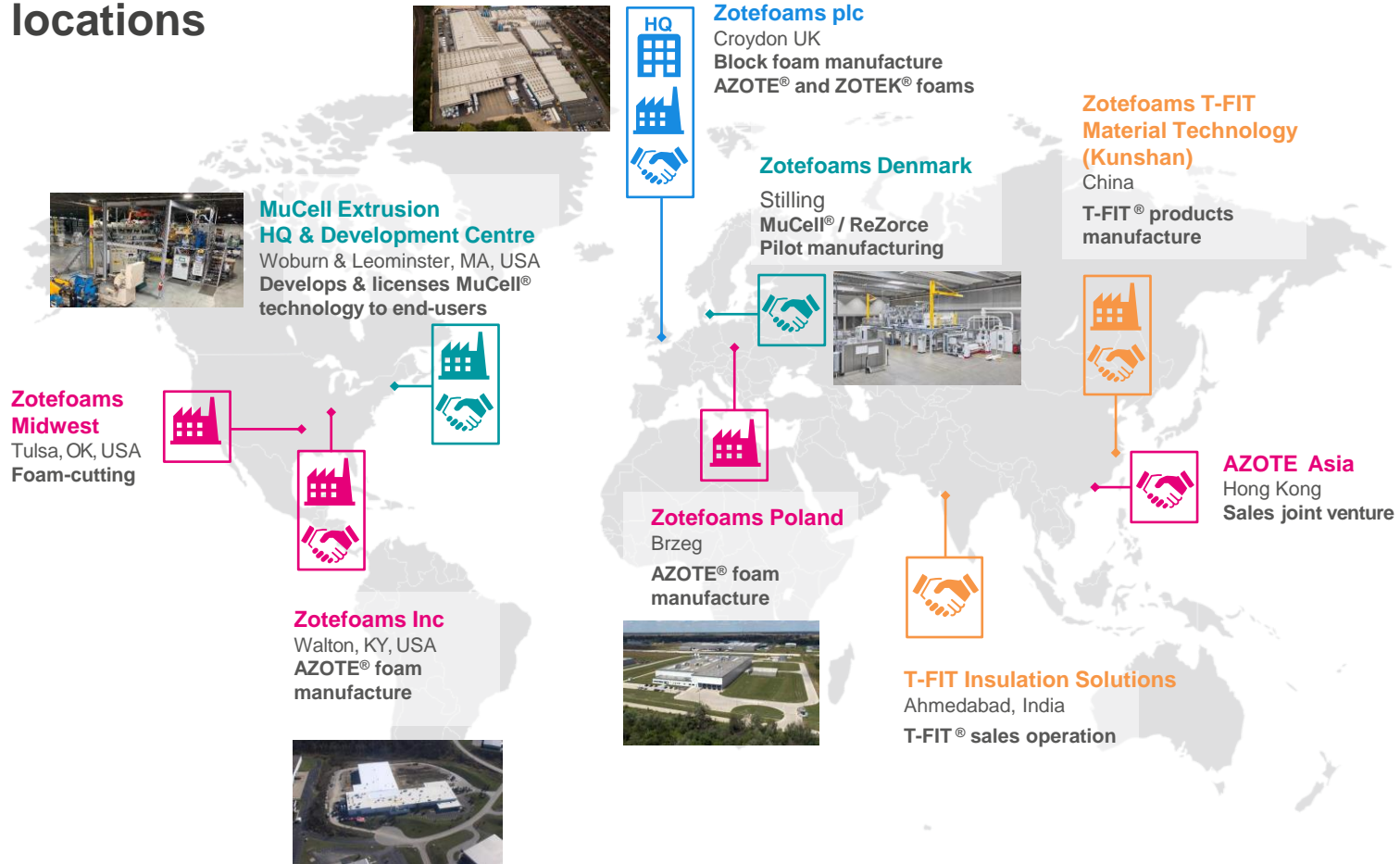
# MuCell® process technology (as used for ReZorce® barrier packaging)

MuCell technology creates revolutionary microcellular materials using less material and creating unique performance attributes



With a patented process that creates microbubbles in the core of plastic parts through gas injection, typically generating a 15-20% reduction in material and an opportunity under development that takes core MuCell technology to produce mono-material barrier packaging, branded ReZorce

# Group main sites & locations



# Main markets & typical applications

## Product Protection



**AZOTE® ZOTEK® MuCell®**

Luxury, fine art and museum  
Industrial protective and transit  
Aviation & aerospace  
Electronics  
Space station transit pods  
Consumer (food and household)

## Transport



**AZOTE® ZOTEK® MuCell®**

Aircraft seats and seals  
Automotive seals and gaskets  
Galley areas, window seals, ECS (air ducting), soft touch trim/close outs, composites panels  
Automotive airducts

## Industrial



**AZOTE® ZOTEK® T-FIT®**

Seals and gaskets  
Marine hoses and fenders  
Cleanroom environments  
High heat up to 205°C including food processing & personal care plants

## Sports & leisure



**AZOTE® ZOTEK®**

Impact protection padding  
Life jackets, swim floats, paddle boards  
Sports turf underlay  
Athletic shoes, impact pads

## Building & construction



**AZOTE® ZOTEK® MuCell®**

Roof and wall insulation  
District heating pipe spacers  
Seals and gaskets, acoustic dampening  
Piping, signage and insulation

## Medical

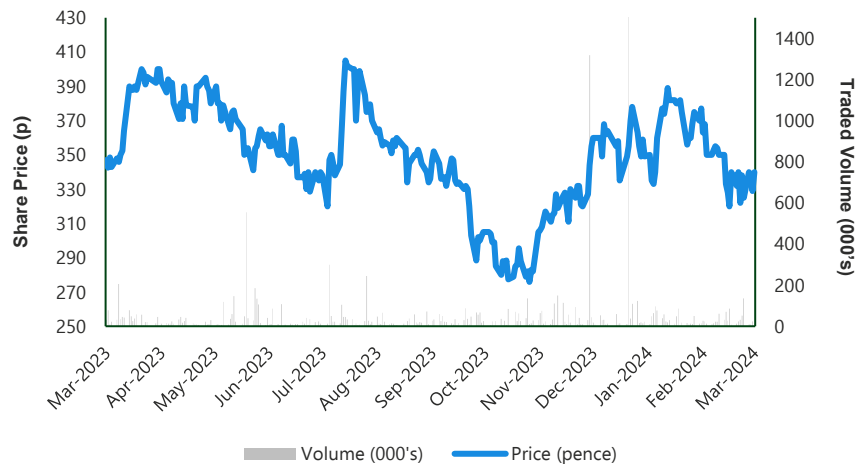


**AZOTE®**

PPE  
Product protection  
Buoyancy aids  
Prosthetics / orthoses  
Pads, seats and cushions

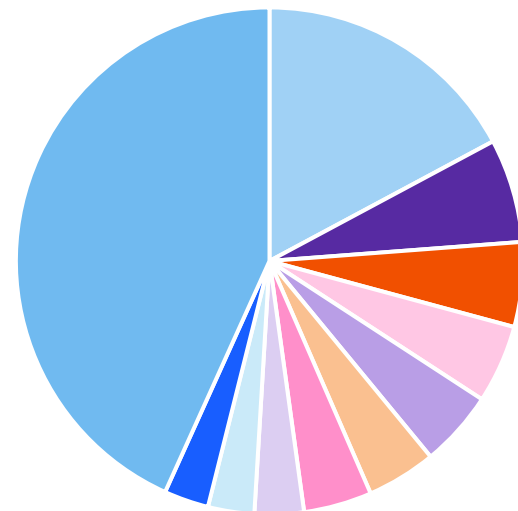
# Market Information

<b>Share Price</b>	335p (15/03/2024)
<b>Market</b>	Main Market
<b>Ticker</b>	ZTF.L
<b>Market Cap</b>	166.1m
<b>Ord. Shares in Issue</b>	48,846,234



Note: Volume on 03/01/2024 was c.4.2m  
 Source: Factset as at 15/03/2024

# Shareholder Profile



- Schrodgers, 17.18%
- Premier Miton, 5.40%
- Odd Asset Mgt, 4.85%
- Mr Nicholas Beaumont-Dark, 4.35%
- Columbia Threadneedle, 2.95%
- Other, 43.25%
- BGF Investments, 6.62%
- Canaccord Genuity, 4.99%
- Mr Marc & Mrs Claire Downes, 4.43%
- Interactive Investor, 3.14%
- Highclere International, 2.85%

# Board of Directors



**Dr Lynn Drummond, Non-Executive Director/Chair** Appointed Chair of Zotefoams in May 2023. She worked in the cabinet office in London as Private Secretary to the Chief Scientific Adviser before spending 16 years as Managing Director within Investment Banking for Rothschild & Co. She has held Non-Executive directorships at Venture Life Group plc, RPC Group plc, Infirst Healthcare, Shield Holdings AG, Allocate Software plc, Consort Medical plc and Alimentary Health Ireland. She has also been Chair of Trustees for Breast Cancer Haven and was a member of the University of Cambridge Centre for Science and Policy Development Group. Lynn holds a Bachelor of Science Degree in Chemistry from the University of Glasgow and a PhD in Biochemistry from the University of London. Lynn is also a Fellow of the Royal Society of Chemistry and Fellow of the Royal Society of Edinburgh. Lynn is the Chair and Pro-Chancellor of the University of Hertfordshire, a Non-Executive Director of Stevenage Bioscience Catalyst and a Board mentor for Criticaleye.



**David Stirling, Group CEO** Joined Zotefoams plc in September 1997 as Finance Director and was appointed Group CEO in May 2000. He started his career with KPMG in Scotland, where he qualified as a Chartered Accountant and has worked for Price Waterhouse in the USA and Poland and for BICC plc. David is a graduate of Glasgow University and has an MBA from Warwick University and an MSc in Finance from London Business School. He is also a Fellow of the Institute of Materials, Minerals and Mining.



**Gary McGrath, Group CFO** Joined Zotefoams plc in December 2015 and was appointed Group CFO on 1 February 2016. He is a Chartered Accountant, qualifying with Arthur Andersen and spent 11 years with RMC Group plc before joining Koch Industries Inc, where he spent several years in various positions, including Global Finance Director of INVISTA Apparel and EMEA Vice President of Finance, Planning and Analysis at Georgia Pacific. Before joining Zotefoams, Gary was CFO of GC Aesthetics Limited. He has worked across public, private and private equity environments in the UK, Belgium, Germany, the USA and the Republic of Ireland.



**Doug Robertson, Senior Independent Director (Chair of the Audit Committee)** Appointed to the Board in August 2017. Doug is a Chartered Accountant and was Group Finance Director of SIG plc until his retirement in January 2017. Prior to joining SIG, Doug had been Group Finance Director of Umeco plc and Seton House Group Limited, having spent his early career with Williams plc in a variety of senior financial and business roles. Doug is also a Non-Executive Director, Chair of the Audit Committee, member of the Remuneration and Nomination Committees for HSS Hire Group plc and a Non-Executive Director, Chair of the Audit Committee and member of the Remuneration and Nomination Committees for Mpac plc.



**Jonathan Carling, Non-Executive Director** Appointed to the Board in January 2018, Jonathan was previously the CEO of Tokamak Energy, a technology business developing a faster route to fusion power, COO for Civil Large Engines at Rolls-Royce plc, COO at Aston Martin Lagonda Limited and Chief Engineer with Jaguar Land Rover Limited. He was also a Non-Executive Director of Aga Rangemaster Group plc between 2011 and 2015.



**Malcolm Swift, Non-Executive Director** Appointed to the Board in September 2023. Malcolm was an Executive Committee member of McCormick & Co Inc, where his executive positions included President, Global Flavour Solutions and Chief Administration Officer. From 2017 to 2023 he was a Non-Executive Director and, from 2019, Chair of the Remuneration Committee of Devro plc, and prior to this a Non-Executive Director of Stolt Sea Farm Holdings plc. Malcolm is also a non-Executive Director of NovaTaste Group, a Board advisor to Nactarome S.p.A., President of the European Brands Association and Chair of Governors at Caldicott School, Buckinghamshire.



**Catherine Wall, Non-Executive Director** Appointed to the Board in May 2020. Catherine has 30 years' experience in the private equity industry, primarily with Equistone Partners Europe, where she led numerous management buy-outs and later became UK Portfolio Partner, supervising the management of all the business's UK investments. Catherine also has extensive industrial markets and Non-Executive Director experience working with and helping develop many management teams to deliver ambitious growth plans. Catherine is also a Trustee of the City of Birmingham Symphony Orchestra.



## Five-year trading history - KPIs

	<b>2023</b> £m	2022 £m	2021 £m	2020 £m	2019 £m
Group revenue	<b>127.0</b>	127.4	100.8	82.7	80.9
Operating profit (excluding exceptional item)	<b>15.1</b>	13.9	8.1	9.1	9.1
Profit before tax (excluding exceptional item)	<b>12.8</b>	12.2	7.0	8.3	8.8
Profit before tax	<b>12.8</b>	12.2	7.0	8.3	9.8
Profit after tax	<b>9.2</b>	10.0	4.4	7.2	8.2
Capital expenditure (including intangibles)	<b>8.5</b>	7.0	7.0	12.7	24.4
Cash generated from operations	<b>12.1</b>	23.0	12.2	13.0	11.8
Basic earnings per share excluding exceptional item (p)	<b>19.00</b>	20.61	9.01	14.87	14.91
Basic earnings per share (p)	<b>19.00</b>	20.61	9.01	14.87	17.10
Dividends per ordinary share (p)	<b>7.18</b>	6.80	6.50	6.30	2.03
ROCE%	<b>10.3</b>	10.1	6.1	9.0	10.5



# ZOTEFOAMS

Optimal material solutions for the benefit of society

