

EUROCELL PLC

2022 Full Year Results



**Investor
Meet
Company**

Agenda

Introduction to Eurocell

Sustainability

2022 in review

Outlook

Presenters

Mark Kelly

Chief Executive Officer

Michael Scott

Chief Financial Officer

Product Range



Ranges of window profile and doors



Fascias, soffits and guttering



Traded goods

Standard products



Skypod pitched skylights



Conservatories and Equinox tiled roofs



Syncro patio and Aspect bi-fold doors

Made-to-order products

New Products 2022 and 2023

Customer Centric Development



Profiles Division

▶ Manufactures:

- Extruded rigid and foam PVC profiles using virgin PVC compound
- Rigid products also include recycled compound

▶ Recycles:

- Factory offcuts (post-industrial) and old windows (post-consumer waste)

▶ Sells:

- Rigid PVC profiles to a network of c.400 third party fabricators
 - Principally trade fabricators, but with new build becoming increasingly important
 - c.300 produce windows, trims cavity closer systems for customers
 - c.100 make patio doors and conservatories
- Foam PVC profiles to Building Plastics division

▶ Acquisitions since IPO:

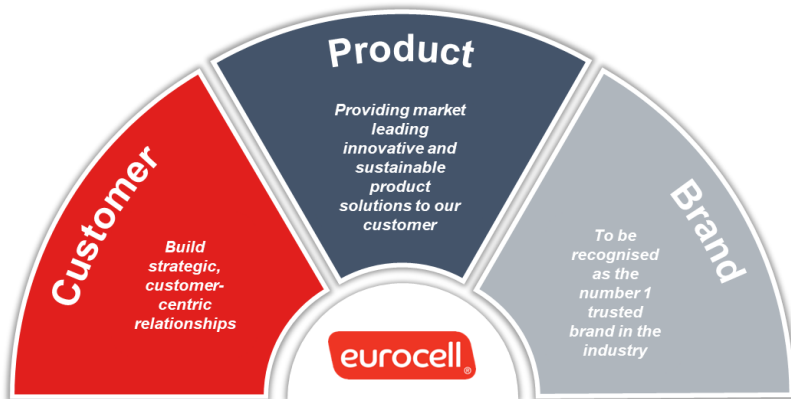
- S&S Plastics (injection moulding, acquired in 2015)
- Vista Panels (composite and panel doors, acquired in 2016)
- Eurocell Recycle North (formerly Ecoplas, PVC window recycler, acquired in 2018)



Divisional Review

Profiles – Opportunities to Grow Share

Profiles Strategic Plan



Leading the Industry

To become the number 1 sustainable choice for fabricators across the UK

Sector-Led Strategy

Trade / Retail
(c.55%)

New Build
(c.35%)

Commercial
(c.10%)

New Business

Be recognised as the number 1 choice for the Trade / Retail fabricator

Maintain our number 1 position in the New Build market

Establish ourselves as a credible solution for the Commercial market

Identify strategic partners that deliver profitable growth for the Group

Medium-term objective to further increase share and consolidate position as largest supplier of rigid PVC profile to UK market

▶ Compelling case for trade fabricators to switch to Eurocell

- Strong product range, continued product development / range extension and improved environmental characteristics
- Benefit of pull-through profile specifications

▶ Favourable new build dynamics

- Building regulations complexity plays to Eurocell technical expertise
 - Future Homes Standard – windows and doors key to compliance
 - Drives high performance specifications
- Good relationships with large and medium-sized housebuilders
 - Now targeting regionals



Ministry of Housing, Communities & Local Government

Future Homes Standard

2025

Year when the Future Homes Standard will be implemented

75%

From 2025, new homes will have to emit at least 75% less carbon than those built to old regulations

c.30%

Reduction in carbon emissions that new homes have so far produced vs old regulations

Increased run rate on new account wins

29 new accounts added in 2022
(2017-21: average 15 accounts p.a.)

Healthy new prospect pipeline

Supported by recent major investments in operating capacity driving excellent customer service

New account on-boarding period
c.6 months

Large and professional Eurocell fabricators consolidating supply

Gaining market share

Estimate now c.20% (Dec 2021: c.18%)

Building Plastics Division

▶ Sells:

- Range of Eurocell manufactured and branded PVC foam roofline and window fitting / maintenance products
- Third party manufactured ancillary products: sealants, tools and rainwater products
- Vista doors
- Windows fabricated by third parties using products manufactured by the Profiles Division

▶ Distribution:

- Through our nationwide network of 214 branches

▶ Main customers:

- Roofline and window installers
- Small and independent builders, house builders
- Nationwide maintenance companies

▶ Acquisitions since IPO:

- Kent Plastics (building plastics distributor, acquired in 2018)
- Trimseal (building plastics distributor, acquired March 2019)



Divisional Review

Building Plastics –
Opportunities to Grow Share

Building Plastics 5-Point Strategic Plan

1

First for service for the
tradesperson

2

Create the market leading
proposition

3

Listen and engage

4

Deliver value through services

5

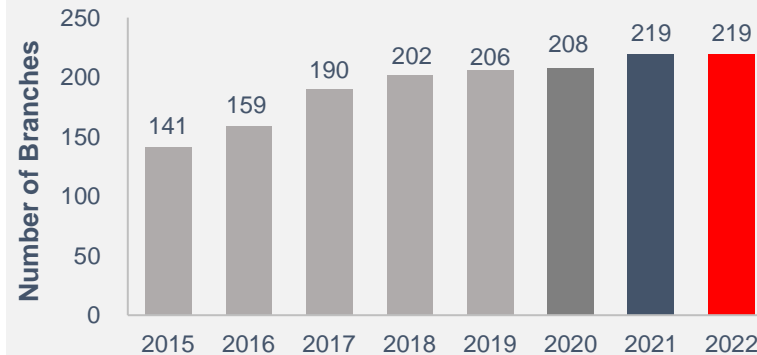
Operate for less cost

Target to become the number 1 choice for
relevant trades across the UK



Fragmented market with > 60% served by small independents

Gaining market share – estimate now c.25% (roofline)



Medium-term objective to target sector-
leading operations from 270-300 sites

▶ 2023 focus on optimising existing estate

- Define characteristics of best performing branches
- Replicate across the network to optimise returns on invested capital

▶ Deep dive review encompassing:

- Branch format, scale and infrastructure costs
- Product range and new product development
- People-related metrics
- Will determine optimal estate size and shape

▶ Opportunities to reduce labour attrition

- Systems and processes – simplify, with better use of technology
- Environment and engagement – improve welfare facilities and communication
- Pay and reward – competitive market rates and incentive schemes
- Training – comprehensive induction and on-boarding programme, including product training

▶ Value added services

- Select Installer scheme for conservatory roofs
- Centralised window and door quotation system
- Product configurators

▶ Operational efficiencies

- Margin control, stock optimisation, asset protection

Powerful Sustainability Credentials

Leading UK-based Recycler of PVC Windows

▶ Improving % of recycled material consumed

- Use in primary extrusion increased to 29% of consumption in 2022 (2021: 27%)
- Strategic objective to increase to 33% of consumption
- Output also used in products made from 100% recycled material or sold to third parties

▶ Recycling drives substantial carbon and cost savings

- Estimate recycling operation saved c.47kt of carbon in 2022 vs the use of virgin PVC⁽¹⁾
- c.3m end-of-life window frames saved from landfill in 2022
- Gross margin benefit from use of recycled material vs virgin compound

▶ Challenging market dynamics for recycling feedstock in 2022

- More competition for feedstock, impacting availability and pricing
- Strategies in place to increase feedstock supply in 2023
 - Waste windows and fabricator off-cuts (driven by commercial terms)

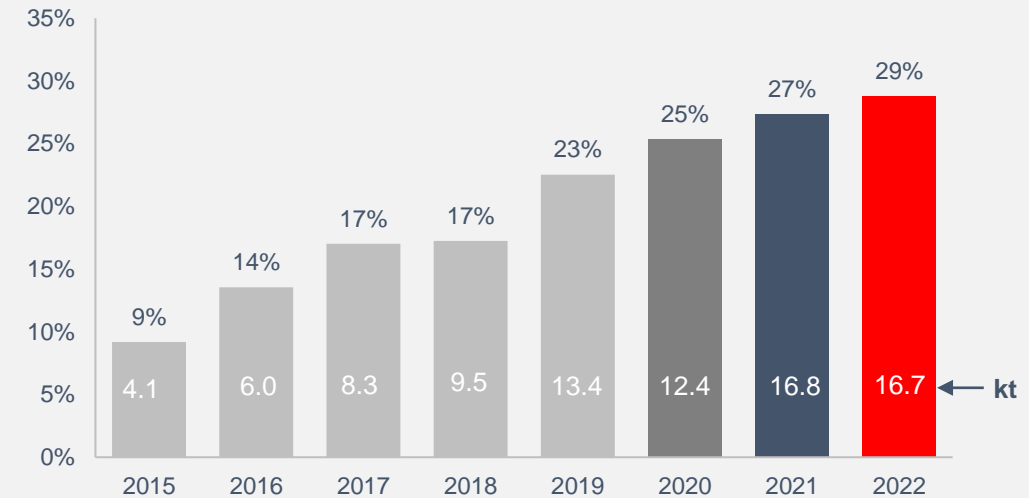
▶ Total waste recycled 82% in 2022 (2021: 82%)

- New applications for recycling operation waste products previously landfilled
- Substantially all scrap generated in extrusion is recycled

▶ Reporting progress to improve sustainability via suite of KPIs

- Encompassing: circular economy, emissions, energy management, social and governance
- Recently approved c.£1.5m investment in solar panels for primary manufacturing facilities
 - Supply of more than 5% manufacturing energy requirement

Use of Recycled PVC in Manufacturing



What does c.47k tonnes of CO₂ look like?

Annual CO₂ output of > 7,000 homes⁽²⁾

What does it mean for house builders?

Estimate a house builder constructing 2,500 semi-detached houses will save c.500 tonnes of CO₂ equivalent per year by using Eurocell windows and cavity closures, compared to a competitor using virgin PVC windows⁽³⁾

(1) Savings calculated at c.1.7t of CO₂ saved per tonne of recyclate, derived from "Life Cycle Assessment of Re-cycling PVC Window Frames", Heinz Sticchnothe, School of Chemical Engineering and Analytical Science, University of Manchester

(2) Based on 2017 UK national figures

(3) Based on typical semi-detached home with 7 windows and french doors

Looking to a Sustainable Future

Four Themes to Our Sustainable Development

► Carbon, energy and water

- Defining pathway to potential carbon neutrality and net zero
 - Continuing to reduce Scope 1 and 2 emissions, particularly in PVC extrusion and recycling
 - Reducing transport and mobile plant emissions
 - Working with suppliers and sector partners to better understand and improve Scope 3 emissions
- Further developing our closed-loop water cooling

► Waste minimisation and circularity

- Strengthening our materials recovery and process optimisation, driving leaner and more sustainable resource use
- Creating Environmental Product Declarations (EPDs) to differentiate our key products on sustainability grounds

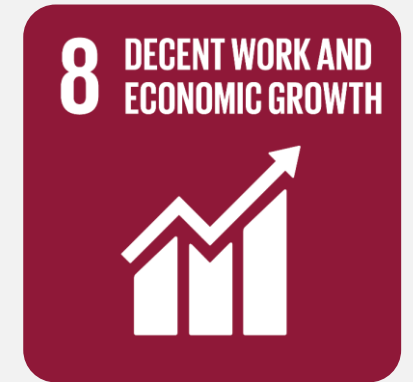
► People and places

- Increasing focus on employee wellbeing, including mental health, remote working and diversity – becoming a regional employer of choice
- Continuing to develop new and / or refurbish facilities
- Stepping up our community engagement

► Governance

- ESG Board sub-committee established
- Reporting our progress vs ESG targets and KPIs
- Aligning with SASB standards
- Enhancing our non-financial disclosures

Leading UN Sustainable Development Goals for Eurocell



2022 Overview

Solid financial results against strong 2021 comparatives

Recovering unprecedented input cost inflation

Delivering operational efficiencies

Increasingly challenging backdrop

Market share gains

Increased run rate on new fabricator account acquisitions

Maturing branches and widening product range

Powerful sustainability credentials

Market-leading recycling operation

Outlook

Action taken on costs to prepare for 2023 and beyond

Expect market share gains to continue in 2023

Revenue

£381.2m

▲ 12% 2021

Adjusted profit before tax

£28.7m

▲ 4% 2021

Net debt (pre-IFRS 16)

£14.4m

▲ £3.4m December 2021

Total dividends

10.7p per share (£12.0m)

▲ 11% 2021

2022 Financial Highlights

Revenue

£381.2m

▲ 12% 2021: £339.8m

Adjusted profit before tax

£28.7m

▲ 4% 2021: £27.7m

Adjusted operating profit margin

8.2%

▼ 0.5% 2021: 8.7%

Adjusted earnings per share

21.4p

▲ 10% 2021: 19.4p

Total dividends

10.7p per share

▲ 11% 2021: 9.6p per share

Net debt (pre-IFRS 16)

£14.4m

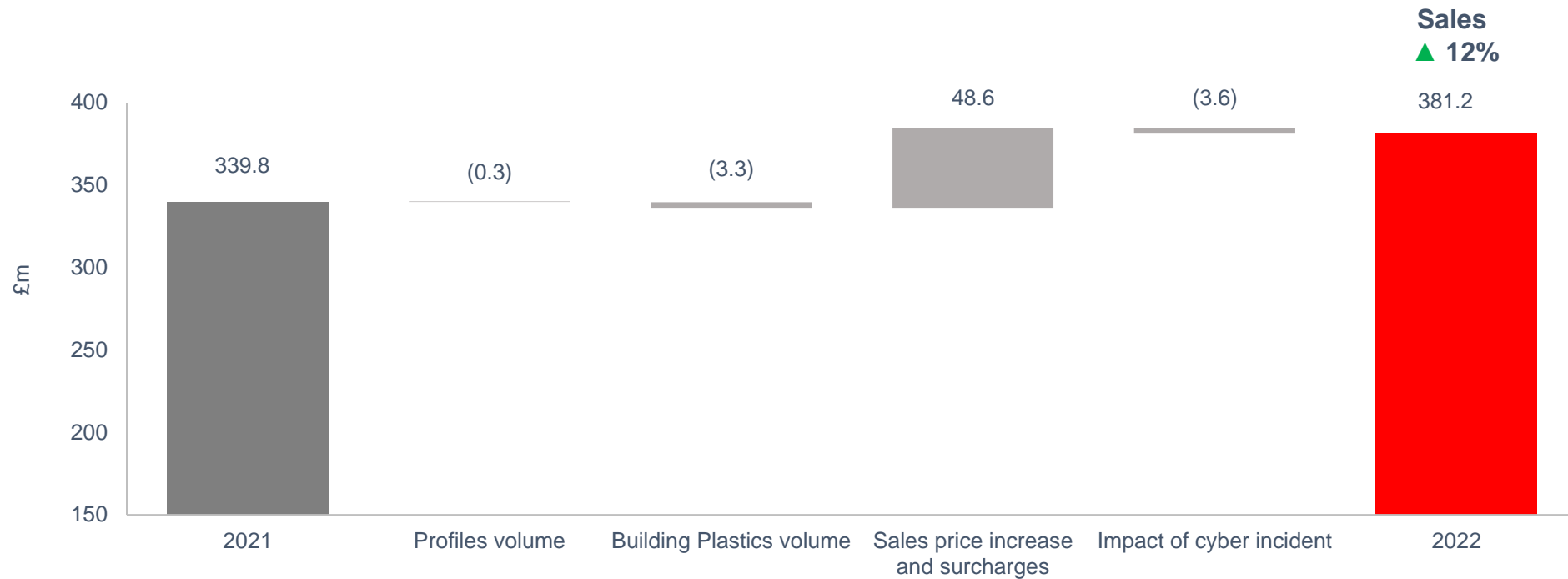
▲ £3.4m December 2021: £11.0m

- ▶ **Solid financial performance against strong 2021 comparatives**
- ▶ **Sales growth ▲ 12% vs 2021**
 - Price the significant driver of sales growth
 - Selling price increases and surcharges recovering unprecedented input cost inflation
- ▶ **Adjusted profit before tax ▲ 4%**
 - Lower sales volumes, cost control, operating efficiencies and recovery of significant cost inflation
 - Not all cost inflation fully recovered until early in 2023
 - Impact of cyber incident

- ▶ **Adjusted operating profit margin ▼ 0.5%**
 - Dilutive impact of inflation
- ▶ **Adjusted earnings per share ▲ 10%**
 - Improved profitability and lower tax rate
- ▶ **Total dividends 10.7p per share, or £12.0m ▲ 11% (2021: 9.6p per share)**
 - Final dividend of 7.2p per share (2021: 6.4p per share)
- ▶ **Pre-IFRS 16 net debt**
 - Good headroom and liquidity
 - £75m unsecured sustainable RCF refinanced in May 2022

Sales Performance

Continued Successful Delivery of Commercial Strategies



► Sales ▲ 12% vs 2021

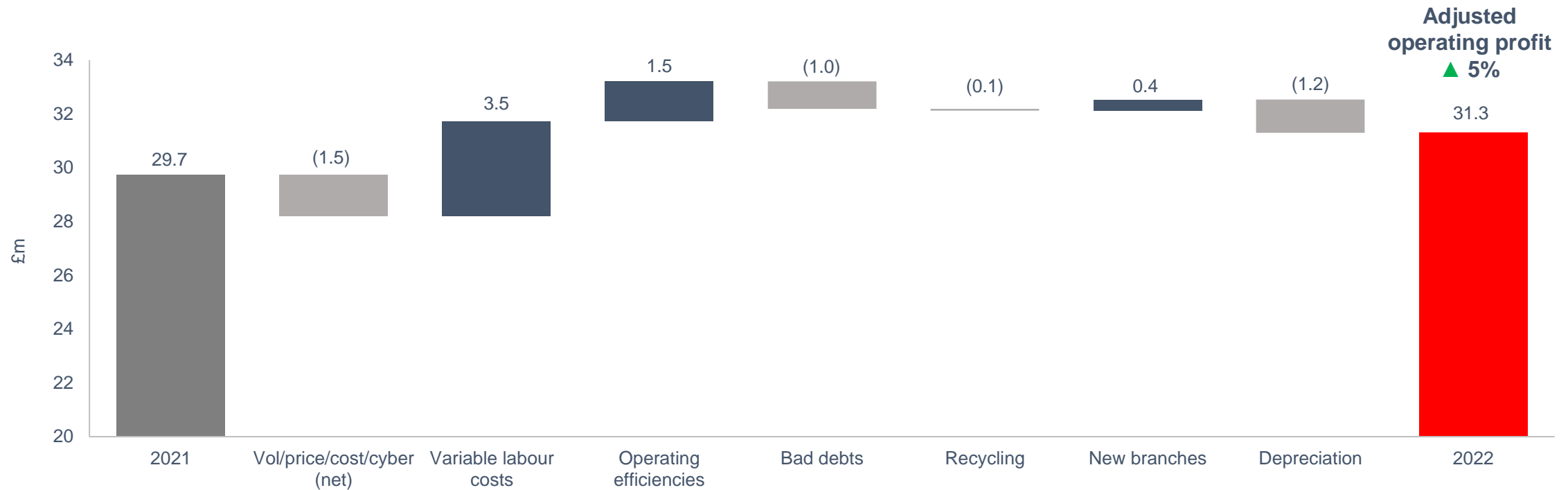
- Includes c.15% from selling price increases and surcharges
 - Recovering unprecedented input cost inflation
 - Albeit not all cost inflation fully recovered until early in 2023
- Volumes below exceptionally strong comparative period
- Profiles ▲ 15%, with volumes level
- Building Plastics ▲ 10%, with volumes ▼ 4% (or ▼ 2% excluding impact of cyber incident)

► Cyber incident in July / August

- Resulted in temporary disruption and some financial impact
- Efficiently resolved with the business operational throughout
- Trading normally from mid-August
- Cyber insurance claim partially resolved, with compensation of £1.1m recognised in 2022
- Ongoing work with insurer to resolve remaining aspects of the claim
- Steps taken to implement further resilience and security measures

Adjusted Operating Profit

Solid Performance vs Strong 2021 Comparatives



▶ **Adjusted operating profit ▲ 5% (£1.6m) vs 2021**

▶ **Volume/price/cost/cyber (net)**

- Lower sales volumes
- Selling price increases and surcharges recovering unprecedented input cost inflation, albeit not all inflation fully recovered until early 2023
- Impact of cyber incident

▶ **Variable labour costs**

- Lower bonus and share-based payments

▶ **Operating efficiencies**

- Benefit from recent investments in operating capacity

▶ **Bad debts – credit of £0.7m in 2021 vs a charge of £0.3m in 2022**

▶ **Recycling – usage up to 29%, volumes flat vs 2021**

- Absolute gross margin benefit from 16.7kt used instead of virgin compound

▶ **New branches – 12 opened in 2021**

▶ **Depreciation – following recent investments in operating capacity**

Capex

Investment in Operating Capacity and Resilience

► 2022 capex £12.3m (2021: £16.7m)

- Substantial completion of manufacturing capacity expansion c.£4m
 - 5 primary extrusion lines, tooling and mixing plant upgrade
- IT infrastructure c.£2m
 - Infrastructure improvements (server replacements)
 - New website and HR information system, to be launched in 2023
- Recycling, warehousing and other c.£6m
 - Recycling and warehouse capacity, and branch refurbishments
 - Solar panels for primary manufacturing facilities
 - Maintenance capex

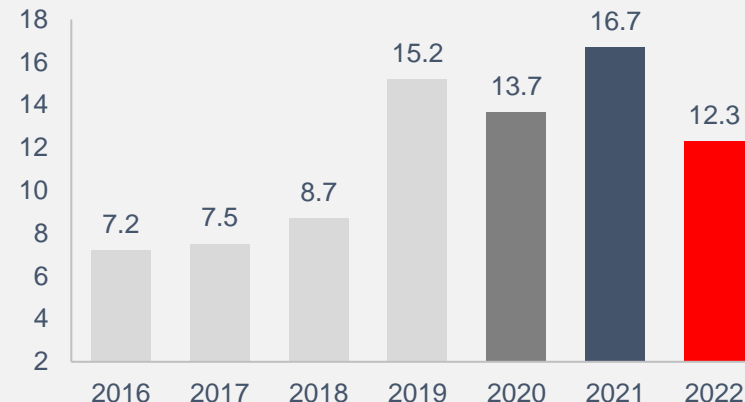
► 2023 capex guidance c.£10m

- Primarily maintenance capex
- Programme to develop IT infrastructure
 - ERP system c.£1m

► 2023 continued focus on delivering improved operating efficiencies

Manufacturing Expansion	2018	2019	2020	2021	2022
Extruders (#)	51	59	59	63	68
Capacity at year end	49kt	60kt	60kt	65kt	70kt
Production	50kt	55kt	46kt	57kt	54kt

Total Capital Expenditure (£m)



Capital Expenditure Development and Allocation (£m)

	2018 ⁽¹⁾	2019	2020	2021	2022	2023 ⁽²⁾
Manufacturing capacity	3	5	-	7	4	1
Recycling capacity ⁽¹⁾	7	6	2	1	1	-
Warehousing capacity	-	-	8	2	1	-
IT Infrastructure	-	-	-	-	2	2
Other (inc. new branches and maintenance)	4	4	4	7	4	7
Total	14	15	14	17	12	10

(1) Includes acquisition consideration of £5m for Eurocell Recycle North in 2018

(2) Capex guidance

Financial Summary

Including Technical Guidance for 2023



► Solid financial performance for 2022

- Sales growth of 12%, driven by price
- Adjusted profit before tax up 4% reflecting:
 - Lower sales volumes, cost control, operating efficiencies and recovery of significant cost inflation
 - Not all cost inflation fully recovered until early in 2023
 - Impact of cyber incident
- Continued investment in business growth and resilience
 - Manufacturing capacity expansion substantially complete
 - Start of a programme to develop our IT infrastructure

► Robust balance sheet and liquidity

- Pre-IFRS 16 net debt of £14.4m (31 December 2021: £11.0m)
- £75m unsecured RCF refinanced in May 2022

► Action taken on costs to prepare for 2023 and beyond

- Restructuring programme
- Disposal of Security Hardware

Guidance stated post-IFRS 16	2022 Reported	2023 Guidance
Underlying income statement		
Depreciation and amortisation	£23.9m	c.£25m
Finance costs	£2.6m	c.£3m
Effective tax rate	16.4%	c.21%
Balance sheet		
Working capital	£13.1m outflow	c.£5m outflow
Capex	£12.3m	£10m

Outlook

Proven Ability to Outperform in our Sectors

Eurocell revenue

Private RMI
c.80%

New build
c.15%

Commercial
c.5%

Eurocell drivers of out-performance

Expect market share gains to continue in 2023

Increasing share in Profiles

- Leveraging increased operating capacity to deliver excellent customer service
- Leading fenestration industry response to Future Homes Standard
- Benefit of specifications salesforce to pull-through demand
- Extending strong relationships with large and medium-sized house builders now into regionals
- Large and professional Eurocell fabricators consolidating supply
- Vista increasing market share in doors

Increasing share in Building Plastics

- Maturing branches
- Redesigned conservatory and roofs proposition
- Range extension, including outdoor living
- Improving standard and larger format stores
- New website and enhanced digital experience
- Value-added services, including installer scheme

Uniquely differentiated on sustainability

- Cost and carbon savings

Other 2023 initiatives

Continued recovery of input cost inflation

- Selling prices and surcharges

Further improve operating efficiencies

- Leveraging major investments in operating capacity to deliver efficiencies

Action taken on costs

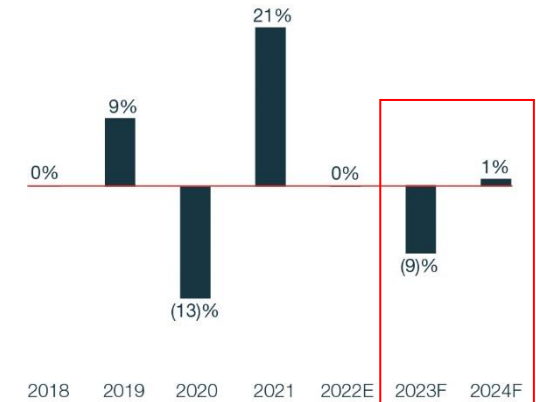
- Restructuring programme
- Sale of Security Hardware

▶ Increased run rate for new account wins – 29 in 2022 (vs 2017-21: 15 p.a.)

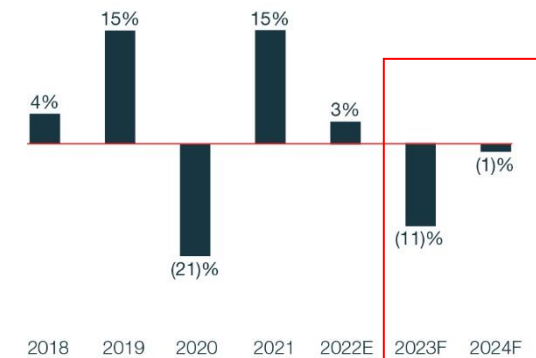
▶ Healthy new account pipeline

Construction Products Industry Forecasts 2022-24 ⁽¹⁾

Private housing RMI growth



Total housing growth



(1) Published January 2023

Summary

Solid financial results against strong 2021 comparatives

Recovering unprecedented input cost inflation

Delivering operational efficiencies

Increasingly challenging backdrop

Market share gains

Increased run rate on new fabricator account acquisitions

Maturing branches and widening product range

Powerful sustainability credentials

Market-leading recycling operation

Outlook

Action taken on costs to prepare for 2023 and beyond

Expect market share gains to continue in 2023

EUROCELL PLC
2022 Full Year Results



Appendices



Financial Performance

Group Income Statement

£m	2021 ⁽¹⁾	2022 ⁽¹⁾	Change
Revenue	339.8	381.2	▲ 12%
Gross profit	172.1	184.5	
<i>Gross margin %</i>	<i>50.6%</i>	<i>48.4%</i>	
Overheads	(119.7)	(130.4)	▲ 9%
Other income ⁽²⁾	-	1.1	
Adjusted EBITDA⁽³⁾	52.4	55.2	▲ 5%
Depreciation and amortisation	(22.7)	(23.9)	
Adjusted operating profit⁽³⁾	29.7	31.3	▲ 5%
Finance costs	(2.0)	(2.6)	
Adjusted profit before tax⁽³⁾	27.7	28.7	▲ 4%
Taxation	(6.1)	(4.7)	
Adjusted profit after tax⁽³⁾	21.6	24.0	▲ 11%
Adjusted basic EPS (pence)⁽³⁾	19.4	21.4	▲ 10%
Dividends per share (pence)	9.6	10.7	▲ 11%
Non-underlying items	-	(2.5)	
Reported profit before tax	27.7	26.2	▼ 5%
Discontinued operations	(0.5)	(2.3)	

Action taken on costs to prepare for 2023:

▶ Restructuring

- Program to reduce operating costs by c.£5m per annum from beginning of 2023
- Non-underlying items £2.5m
- Redundancy and asset impairment charges

▶ Sale of Security Hardware

- Discontinued operations £2.3m
- Loss on sale and trading loss

(1) Both years are presented on a continuing basis i.e. excluding Security Hardware, which was sold on 2 December 2022

(2) Other income is proceeds received under the Group's cyber insurance policy following a cyber incident in July and August 2022

(3) Adjusted measures are stated before non-underlying items of £2.5m and the related tax effect (no non-underlying items in 2021)

Divisional Review

Profiles – 2022 Performance

▶ Sales up 15% on 2021

- Comprised of sales up 17% in H1 and up 13% in H2
- New build, large contract and RMI project work robust throughout the year
- Slow down in smaller discretionary RMI work experienced by trade fabricators in H2

▶ Sales volumes kept pace with very strong 2021

▶ Price the significant driver of 2022 sales growth

▶ Action taken in response to input cost inflation

- Continuing to recover via selling prices and surcharges
- Progressive forward energy hedging policy
- Benefit of recycling operation

▶ Improving operating efficiencies

- Improving conformance to production plans
 - Supported reduction in manufacturing stocks of c.£5m in H2
- Benefit of recent investments in operating capacity
 - OEE⁽¹⁾ increased to 71% (2021: 68%)

▶ Adjusted operating profit down 2% on 2021

- Not all cost inflation fully recovered until early in 2023

(1) OEE is a measure which takes into account machine availability, performance and yield

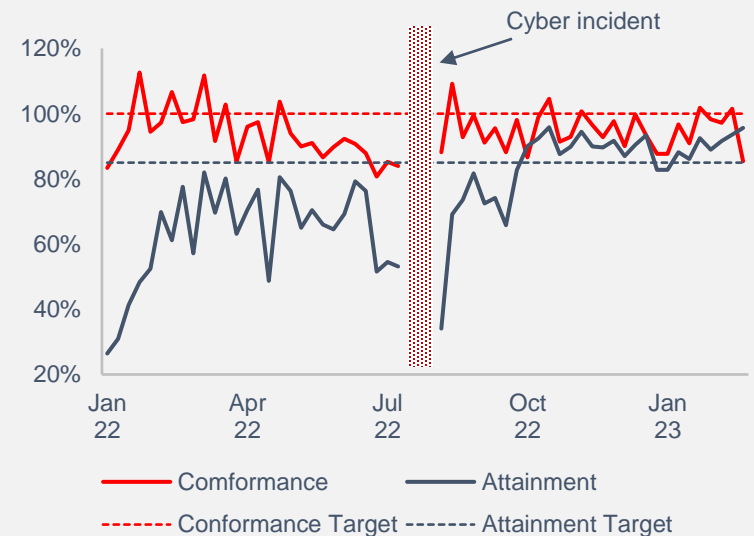
Profiles Division P&L

£m	2021	2022	Change
3 rd party revenue	140.7	161.7	▲ 15%
Inter-segmental revenue ⁽²⁾	63.9	72.3	▲ 13%
Total revenue	204.6	234.0	▲ 14%
Adjusted⁽³⁾ operating profit	20.7	20.2	▼ 2%

(2) Sales of foam profile to Building Plastics at transfer price

(3) Adjusted performance measures are stated before non-underlying items

Conformance to Production Plan (%)



Divisional Review

Building Plastics – 2022 Performance

► Sales up 10% on 2021

- Comprised of sales up 11% in H1 and 9% in H2
- Large contract and RMI project work robust throughout the year
 - Outdoor living range sales up 57% vs 2021
- Slow down in smaller discretionary RMI work experienced by branch network in H2

► Price the significant driver of 2022 sales growth

- Sales volumes below very strong 2021

► 219 branches at December 2022

- 60 new sites added in 2017-22
- Temporary pause in branch opening programme until economic outlook clearer

► Adjusted operating profit down 3% on 2021

- Lower sales volume, including impact of cyber incident
- Not all cost inflation fully recovered until early in 2023

Indicative Branch Economics (Rounded)

	Branches Opened		
	< 2 years	2-4 years	>4 years
No. of branches	12	12	195
Average sales per branch (£000)	650	680	970
Return on sales ⁽¹⁾ per branch (%)	Small loss %	Small profit %	Mid-teen %

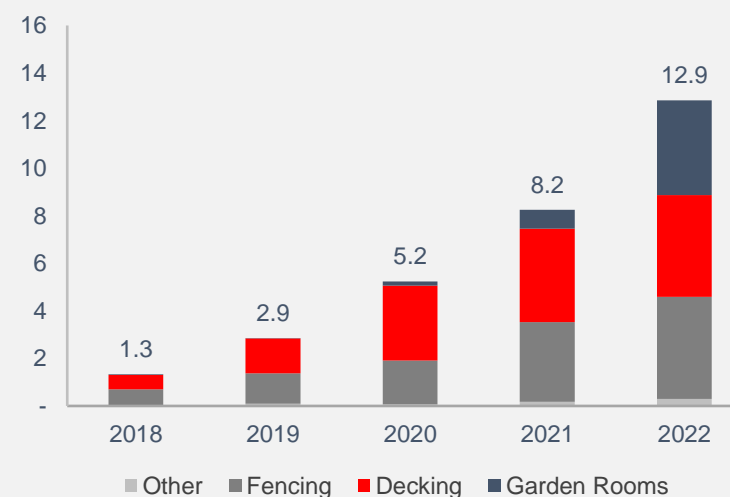
(1) Operating profit as % of sales, before regional and central costs

Building Plastics Division P&L

£m	2021	2022	Change
3 rd party revenue	199.1	219.5	▲ 10%
Inter-segmental revenue	0.5	0.3	▼ 40%
Total revenue	199.6	219.8	▲ 10%
Adjusted⁽²⁾ operating profit	12.6	12.2	▼ 3%

(2) Adjusted performance measures are stated before non-underlying items

Outdoor Living Range Sales (£m)



Working Capital

Impact of Inflation

▶ Outflow from working capital £13.1m

- Significant impact of cost inflation, selling price increases and surcharges (net c.£8m)
- Improving trends in H2 2022

▶ Stock days at 93 vs 95 at December 2021

- Stocks ▲ £5.7m since December 2021
 - Includes significant impact of resin and other raw material cost inflation on stock valuation (c.£7m)
 - Volume of traded goods up c.£3m (outdoor living range)
 - Volume of manufactured products down c.£5m in H2 (reversal of Q4 21 stock build)

▶ Debtor days at 30 vs 30 at December 2021

- Receivables ▲ £5.6m since December 2021
 - Impact of price increases and surcharges
 - Good cash collection

▶ Creditors ▲ £1.8m since December 2021

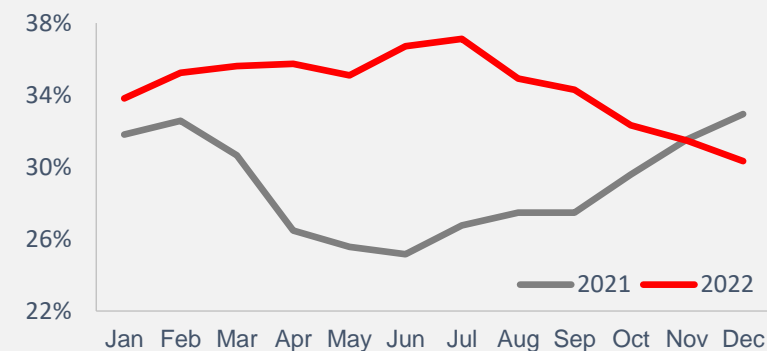
- Impact of inflation

(1) Stock days / debtor days metrics exclude post-IPO acquisitions

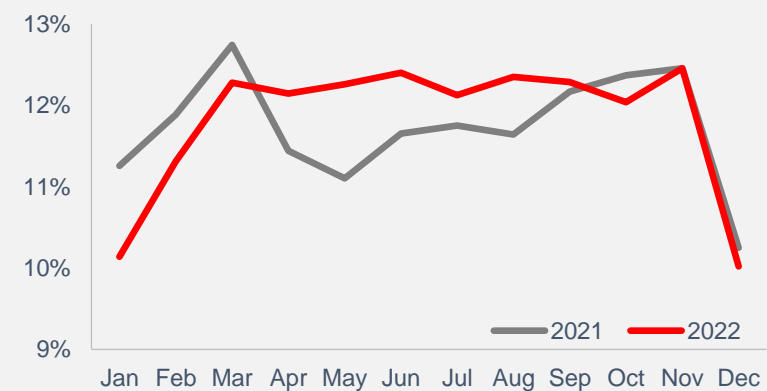
Key Working Capital Metrics⁽¹⁾

	Stock Days ⁽¹⁾	Debtor Days ⁽¹⁾
December 2021	95	30
December 2022	93	30

Inventory as a % of LTM Cost of Sales⁽¹⁾

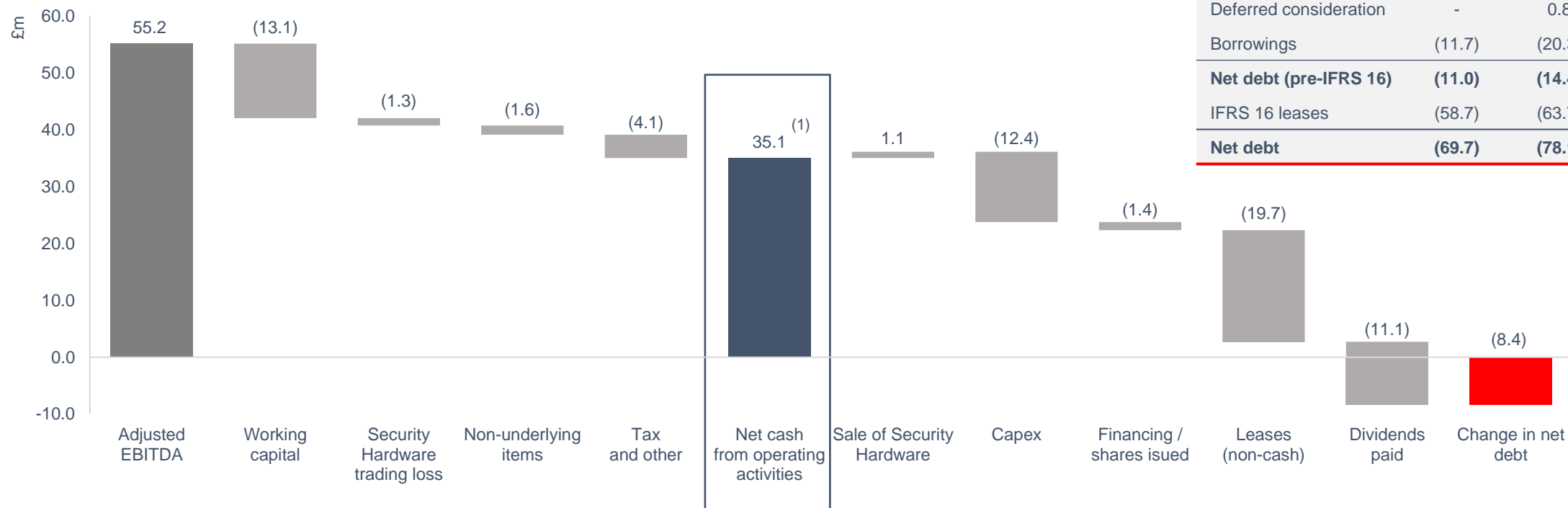


Trade Receivables as a % of LTM Sales⁽¹⁾



Cash Flow

Significant Headroom and Good Liquidity



Net Debt Reconciliation

£m	Dec 2021	Dec 2022	Change
Cash & overdraft	0.7	5.1	4.4
Deferred consideration	-	0.8	0.8
Borrowings	(11.7)	(20.3)	(8.6)
Net debt (pre-IFRS 16)	(11.0)	(14.4)	(3.4)
IFRS 16 leases	(58.7)	(63.7)	(5.0)
Net debt	(69.7)	(78.1)	(8.4)

▶ Outflow from working capital £13.1m

- Stocks ▲ £5.7m
- Receivables ▲ £5.6m
- Payables ▲ £1.8m

▶ Tax paid and other

- Tax payments £3.6m
- Share-based payments and provisions £0.5m

▶ IFRS 16 increases debt by £5.0m

- Secondary operations site lease extension, branch renewals and mobile plant

















▶ Strong balance sheet and liquidity position

- £75m unsecured sustainable RCF refinanced in May 2022

(1) Cash generated from operations of £38.7m less tax paid

Environmental and Social

Targets and KPIs

	KPI	2020 Base	2021 Result	2022 Result	Target	Link to UN SDGs
Environmental – circular economy						
Recycled material used in production	% used	25%	27%	29%	1% increase per year	
CO ₂ saved by recycling operation	Tonnes saved	36kt	48kt	47kt	Year-on-year increase	
Waste recycled	% recycled	79%	82%	82%	Year-on-year increase	
Environmental – emissions and energy management						
Greenhouse gas (GHG) emissions	GHG intensity ratio	70t CO ₂ / £m sales	53t CO ₂ / £m sales	49t CO ₂ / £m sales	5% reduction by 2025	
Energy consumption	Energy use intensity ratio	267 MWh / £m sales	231 MWh / £m sales	226 MWh / £m sales	5% reduction by 2025	 
Renewable energy	Renewable energy used	19% total energy	78% total energy	100% total energy	More than 90% by 2025	
Social						
Health & safety	Lost time injury rate	0.7 per 100,000 hours	0.8 per 100,000 hours	1.0 per 100,000 hours	50% reduction by 2025	
Employee engagement & recruitment	Labour turnover	21%	34%	32%	Year-on-year reduction	   
Employee satisfaction	Annual survey response rate and overall satisfaction level	n/a	60% and 68%	69% and 77%	Year-on-year increase	
Diversity	Female employees	12.8%	13.5%	15.3%	Year-on-year increase	
Remuneration	National Living Wage (NLW)	All employees at or above NLW	All employees at or above NLW	All employees at or above NLW	All employees above NLW by 2023	
Education	Apprenticeships / Kickstarters	32	79	69	20% increase by 2025	



No poverty



Quality education



Affordable clean energy



Responsible production and consumption



Good health and well-being



Gender equality



Decent work and economic growth



Climate action

Investment Case

- ✓ **Clear strategy and priorities**
- ✓ **Leading market positions**
- ✓ **Proven ability to deliver revenue growth and good potential to outperform**
- ✓ **Operational capacity constraints resolved through major investments**
- ✓ **Now delivering operational efficiencies**
- ✓ **Uniquely differentiated on sustainability through recycling operation**
- ✓ **Continued investment in people, products and processes**



Medium-term Ambitions

Delivering Sustainable Growth in Shareholder Value



Growth



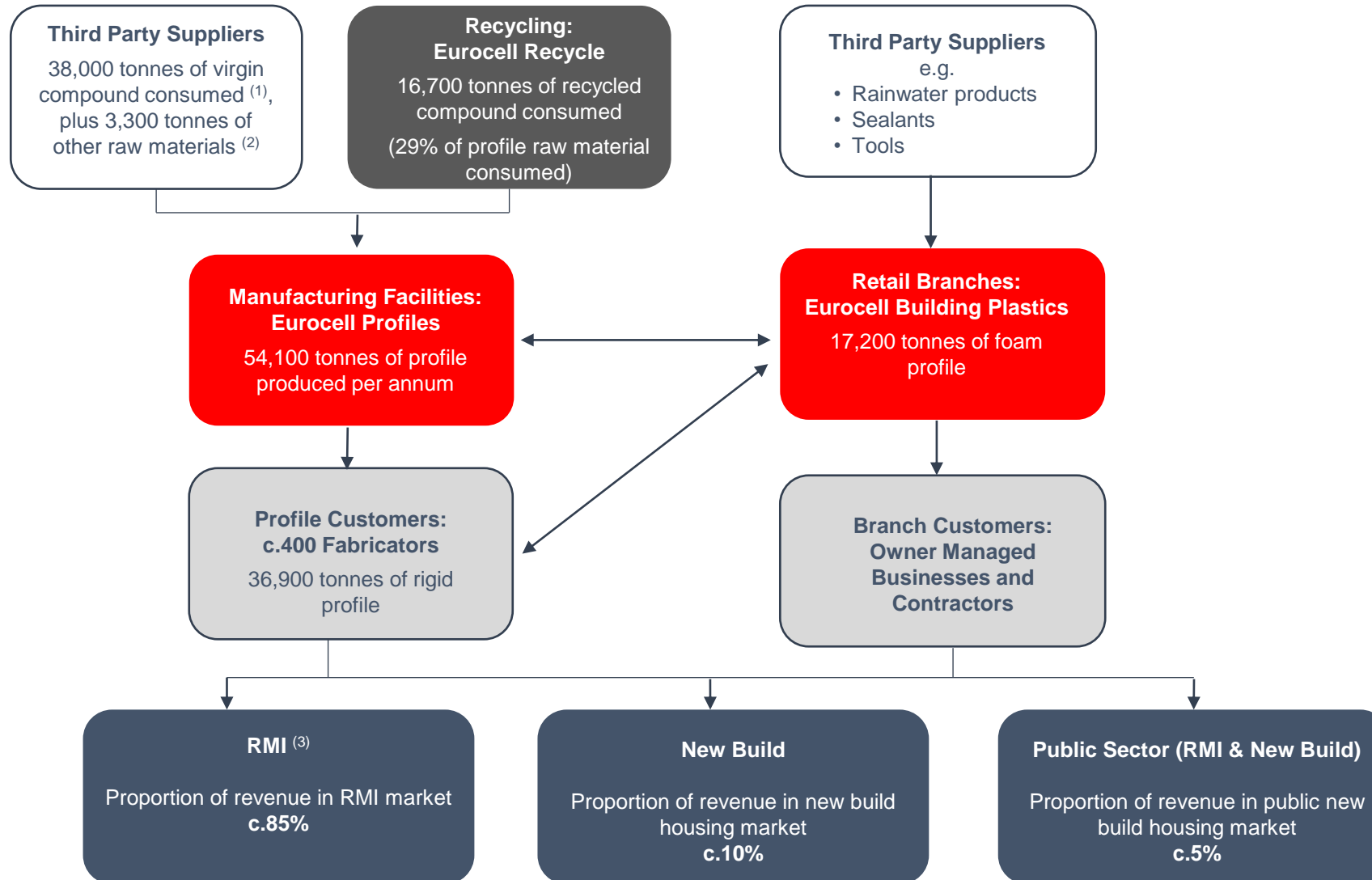
Sustainability



Profitability

	Revenue	Recycling	Operating profit margin
Track record	<ul style="list-style-type: none"> Consistent and proven delivery of organic sales growth well above market levels 	<ul style="list-style-type: none"> Leading UK-based recycler of PVC windows % recycled material consumed up from 9% (4kt) to 29% (17kt) 	<ul style="list-style-type: none"> Margins impacted by exceptional sales growth running ahead of operating capacity Some dilution from raw material cost increases – resin price increased c.£800/t between 2016 and 2022
3-5 year objectives	<ul style="list-style-type: none"> Increase Profiles market share up from c.20% EBP branches up from 214 to 270-300 Maturing branches and widening product range 	<ul style="list-style-type: none"> Keep pace with sales growth Continue to increase % recycled material consumed 	<ul style="list-style-type: none"> Leverage recent capital investments and market share growth to deliver improved operating efficiencies
Ambitions	<ul style="list-style-type: none"> Outperform our markets 	<ul style="list-style-type: none"> 33% raw material consumption from recycled material 	<ul style="list-style-type: none"> Operating profit margin improvement of 150bps

Route to Market



(1) Rigid Virgin Resin: stabiliser, titanium dioxide, impact modifier, filler
 (2) Other raw materials: e.g. skin and rubber flex

(3) Repair, Maintenance and Improvement
 (4) Tonnages shown are approximate based on 2022 volumes

Recycling Inputs and Outputs

Major Cost and Carbon Savings

K tonnes	2021	2022
Inputs – waste recycled		
Post-consumer	40.5	37.9
Post-industrial	7.7	8.5
Total	48.2	46.4
Outputs – recycled material produced		
Total	28.5	27.4
Usage		
Primary extrusion	16.8	16.7
Products made from 100% recycled material	7.3	6.1
Sales to trade extruders	4.3	4.1
Total	28.4	26.9
Recycled material % of total consumption		
Primary extrusion total consumption	61.4	57.9
Recycled material % of total consumption (%)	27%	29%

▶ Leading UK-based recycler of PVC windows

- Substantial investments since 2018
- Keeping pace with sales growth and increasing % recycled material used in primary extrusion

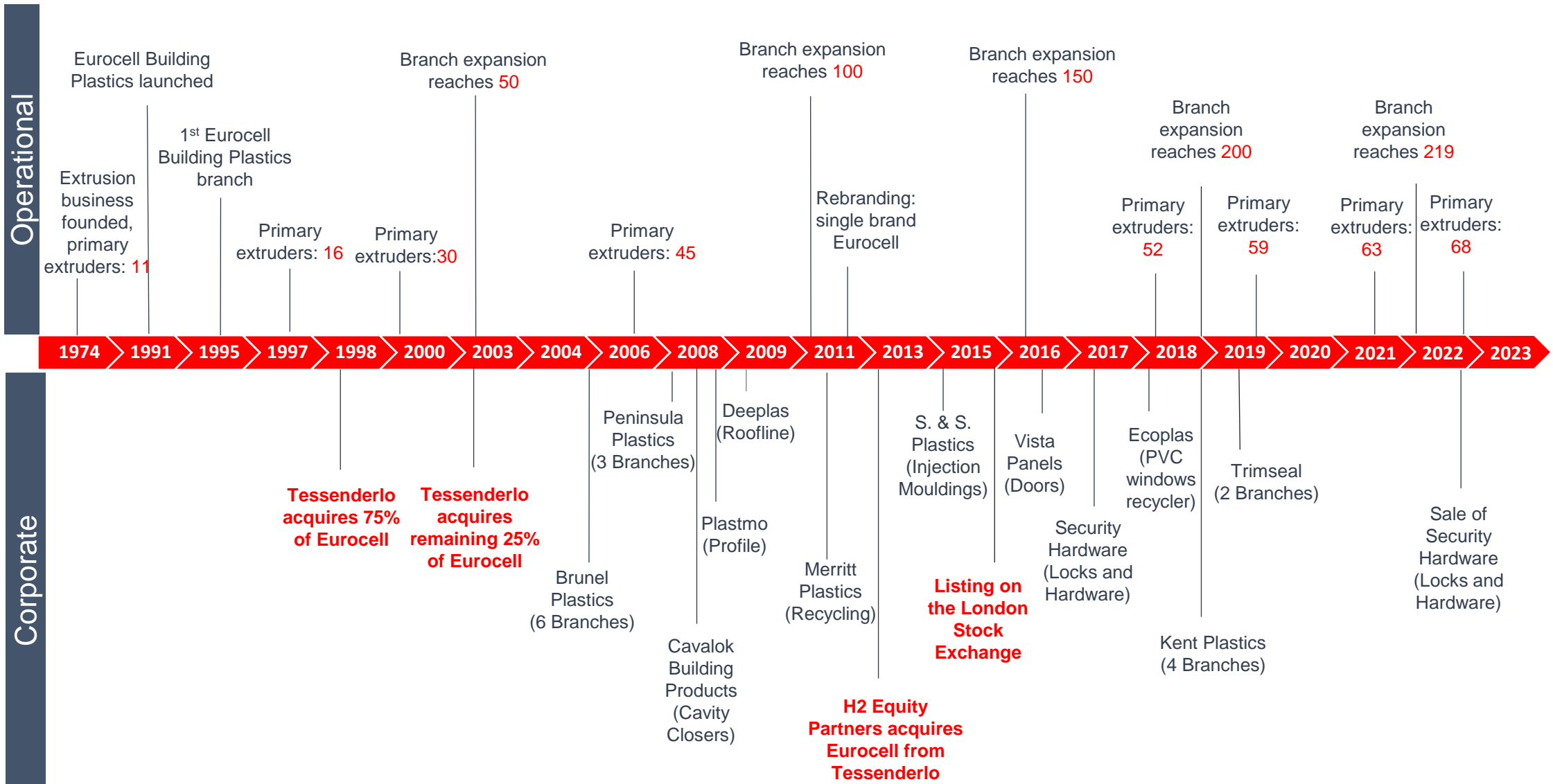
▶ Significant economic benefit from recycling

- Through the cycle, cost of making recycled compound < price of buying virgin compound
- Increasing benefit as resin price rises

▶ Other benefits from recycling

- **Environmental** – carbon savings: recycling saved c.47kt of carbon in 2022 vs use of virgin PVC
- **Commercial** – leverage sustainability with customer base, consumers and other stakeholders

Group History



DISCLAIMER

This Presentation may contain forward-looking statements that involve substantial risks and uncertainties, and actual results and developments may differ materially from those expressed or implied by these statements.

These forward-looking statements are statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, the Company's results of operations, financial condition, prospects, growth, strategies and the industry in which the Company operates. By their nature, forward-looking statements involve risks and

uncertainties because they relate to events and depend on circumstances that may or may not occur in the future.

These forward-looking statements speak only as of the date of this Presentation and the Company does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this Presentation. Neither the issue of this Presentation nor any part of its contents is to be taken as any form of commitment on the part of the Company to proceed with any transaction.

In no circumstances will the Company be responsible for any costs, losses or expenses incurred in connection with any appraisal or investigation of the Company.

In furnishing this Presentation, the Company does not undertake or agree to any obligation to provide the recipient with access to any additional information or to update this Presentation or to correct any inaccuracies in, or omissions from, this Presentation which may become apparent.

