



Coral Products Plc

Investor Presentation 2023

MANAGEMENT TEAM

Joe Grimmond
Executive Chairman

Appointed as Executive Chairman in 2021
Previously Chief Executive of James Dickie plc and Chairman of Widney plc.

Sharon Tinsley
Finance Director

Appointed Finance Director in 2017 and joined Coral Products Mouldings Ltd as Group Financial Controller in 2016.
Previously Financial Controller of James Dewhurst Ltd

Philip Allen
Group Operations Director

Joined Coral Products in 2014 and the board in April 2022
Previously Managing Director of Tatra-Rotalac Ltd.
Worked in the plastics industry for more than 35 years.

Paul Freud
Development Director

Joined Coral Products in 2015
Previously Chairman of Tatra Plastics Ltd.
Over 20 years' management and leadership experience in the manufacturing industry



Investing in Growth – Organically and via Acquisition

- Of the £17.6m in sales, £10.3 came from the four businesses acquired during the period
- Underlying businesses Tatra-Rotalac and Customised Packaging, delivered solid organic growth of a combined 11.1% and an improvement in gross margin
- Strong balance sheet, cash and cash equivalents of £3.8m
- Committed £2.5m to support future demand for new opportunities
- Significant benefits from acquisitions still to come through
- Variable costs well managed across the Group with energy costs fixed
- Committed to sustainability objectives
- Potential for further M&A subject to meeting “value add” criteria

Revenue
£17.6m
HY 2022: £7.1m



EBITDA*
£1.88m
HY 2022: £1.01m



PBT
£894K
HY 2022: £510K



Gross Margin
27.1%
HY 2022: 35.7%



EPS
1.17p
HY 2022: 0.81p



DPS
£0.50
HY 2022: £0.50



“Our objective is to build a specialist UK plastics business of scale, targeting profitable, high demand sectors.”



Re-energised Platform Over Last Two Years

Disposal and Restructuring

Feb 2021
Disposal of Coral
Products Mouldings



Feb 2021
Disposal of Interpack



Oct 2021
Disposal of former
manufacturing site in
Haydock



Buy And Build

Mar 2021
Purchase of
Customised Packaging
Ltd



May 2022
Purchase of Film and
Foil Solutions Ltd



May 2022
Purchase of Alma
Products Ltd



Sep 2022
Purchase of Manplas
Holdings Ltd



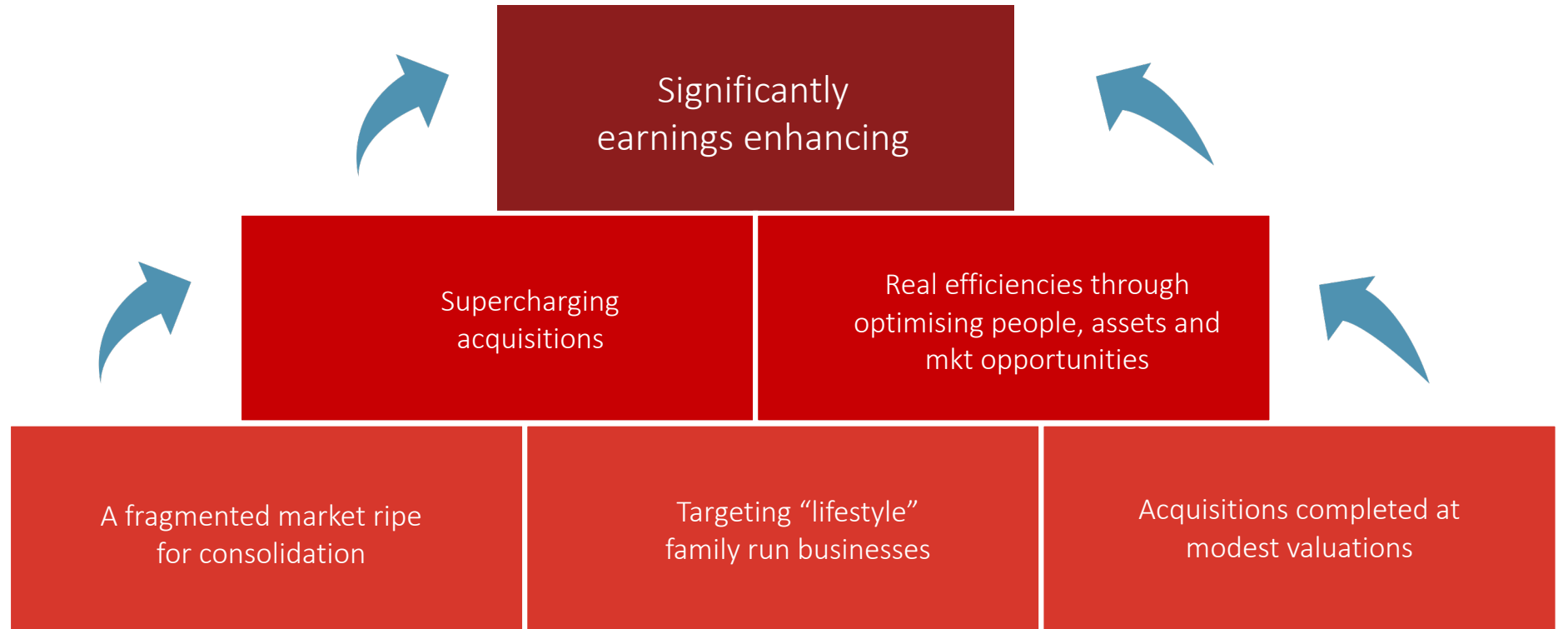
Oct 2022
Purchase of Ecodeck
Grids Ltd



CORAL'S APPROACH

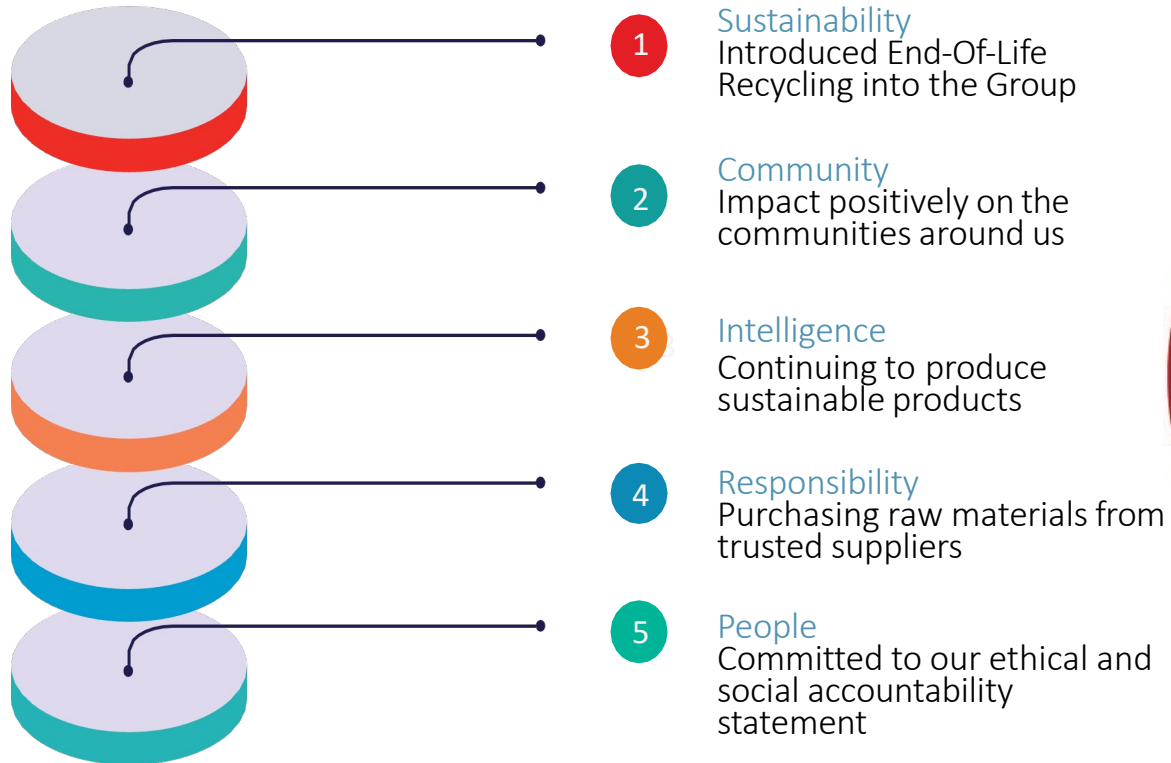
Our "Value Add" Model

"Buy And Build Strategy"



Working in harmony with our environment

Our ESG principles



A 360° approach

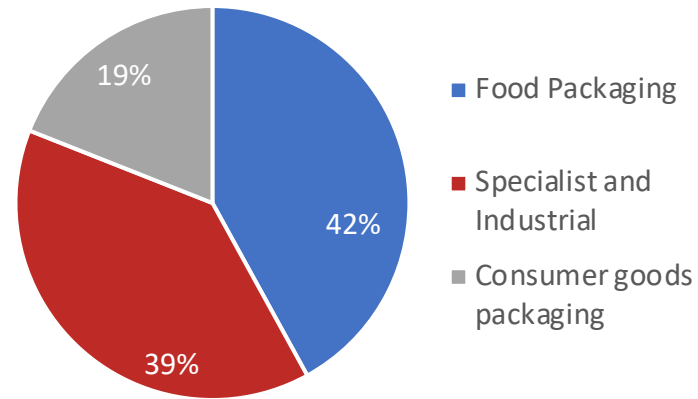




“An Optimised Platform For Growth”

Specialist Plastic Focus

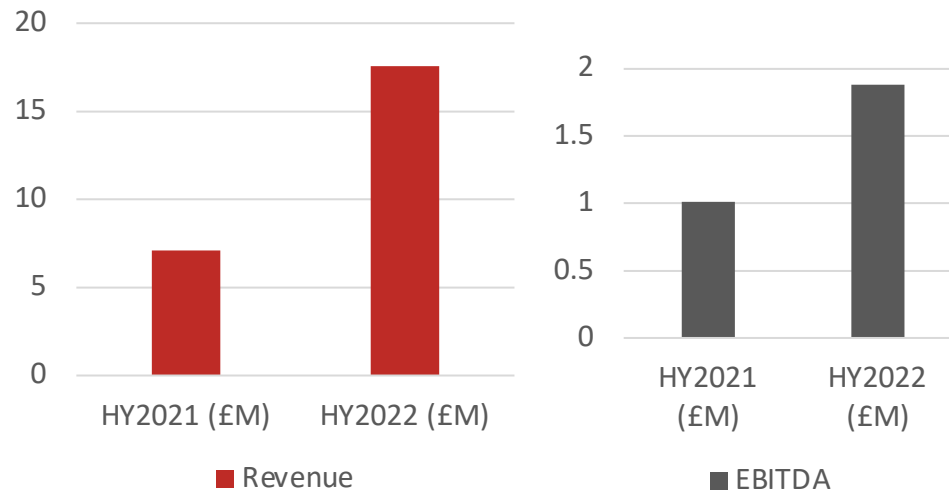
Sales by Sector



Customer base

- Consumer staples sector underpins steady revenue stream
- Customers from across diversified subsectors
- Largest customer less than 8%

Financial Track Record



Global growth market

Sector	CAGR (2022)	Sales Forecast 2027
Vacuum	5.8%	\$60 bn
Thermoforming		
Extruded Plastic Products	3.8%	\$260 bn
Injection Moulding	4.2%	\$476 bn
Blow Moulding	3.0%	\$100 bn



Tatra Rotalac



Tatra Rotalac was formed by two Coral subsidiaries acquired in 2014 and 2016 respectively. This subsidiary is a leading provider of plastic extrusion and injection moulded products serving the building, retail, telecom, aerospace and rail segment.

Interim trading performance in 2022

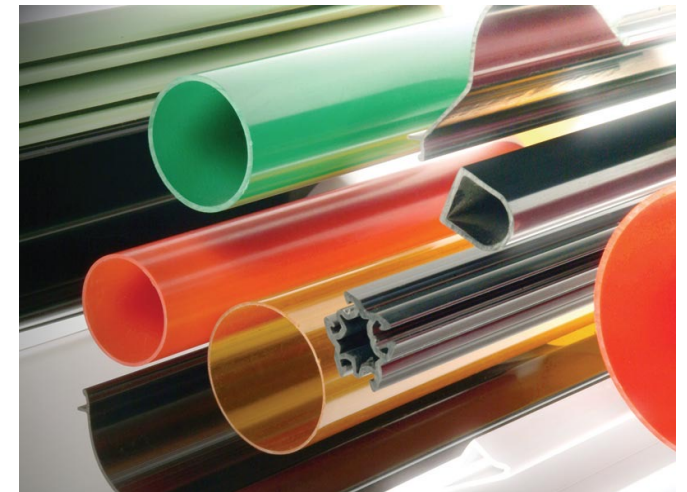
- Tatra-Rotalac exceeded expectations with both sales and profits significantly ahead of budget.
- Committed £2.5m to support future demand for new opportunities
 - New injection moulding machines to create new lines
 - Tooling for specific products and anticipated orders
 - Re-configured warehouse space to create 5000 sq. ft of additional manufacturing capacity upgraded to BRC standard

Growth opportunities

- New business pipeline
- Reorganisation of production facilities following the acquisition of Manplas Ltd, the neighbouring facility to Tatra Rotalac



*Accounts for 25% of
pro forma sales*



DIVISIONAL REVIEW

Global One-Pak Ltd

A leading supplier of lotion pumps, triggers and mist sprayers acquired in 2016. Reputation for quality of product and service and global supply chain ensuring supply of goods throughout Europe and to multiple global locations .



GOP™

Interim trading performance in 2022

- Performed in line with expectations
- Margins improved in spite of supply chain challenges and is expected to improve in Q3 as production moves to the UK.

Growth Opportunities

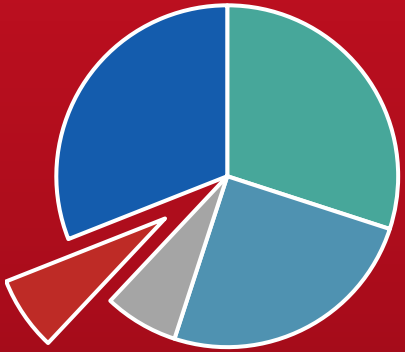
- Product innovation – 100% recyclable lotion pumps
- New markets



Accounts for 7% of pro forma sales



DIVISIONAL REVIEW



*Accounts for 7% of
pro forma sales*

Customised Packaging Ltd

Produces specialised packaging including crates and cases for product transportation and became part of Coral Products in March 2021. major customer groups include automotive, aerospace, retail and medical.



Interim trading performance in 2022

- Maintained sales and improved margin and profit.
- Continues to perform well with focus on driving efficiencies.
- Successful management changes.

Growth Opportunities

- Market leading sheet extrusion and vacuum forming capabilities



DIVISIONAL REVIEW



*Accounts for 31% of
pro forma sales*

Film and Foil Ltd

A market-leading converter and stockist of flexible packaging film, print lamination film and speciality plastics, paper and aluminium foils.



Interim trading performance in 2022

- Acquired in May 2022 for a total consideration of £3 million
- Acquisition delivers a new platform for F&F management team
- Freehold property worth £2.2 million

Growth Opportunities

- Unique market position
- Major player in speciality plastics
- Increasing exposure to premium sales



DIVISIONAL REVIEW

Alma Products Ltd

A niche specialist and expert in extrusion, thermoforming and container printing serving the food industry - providing either formable plastic sheet for Form-Fill-Seal applications, or thermoformed and printed plastic food packaging.



Trading performance in 2022

- Acquired in May 2022 for £1.5 million plus an earn out of up to £1.5 million dependant upon performance
- Freehold, well invested property in Runcorn valued at £1 million
- State-of-the-art sheet extrusion, volume vacuum forming and market leading computer-controlled printing facilities

Growth Opportunities

- Focus on steady staples sector
- Profitability below group average provides opportunity



*Accounts for 30% of
pro forma sales*



Manplas Ltd

About

- Acquired in September 2022 for £300,000
- Neighbouring facility and business to Tatra-Rotalac Ltd in Wythenshawe, Manchester
- Many synergies with Customised Packaging Ltd

Growth opportunities

- Will enable further development of the Tatra Rotalac business by expanding manufacturing space available without the substantial costs involved in increasing the required power supply
- The combined acknowledged expertise of Customised Packaging and Manplas forms what will be a leading provider of customised product protection solutions solving logistic problems across multiple sectors



Ecodeck Grids Ltd



About

- Acquired in October 2022 for up to £5.6 million
- Currently owned by Matthew and Kelly Staples. Based in Sutton-in-Ashfield, Nottinghamshire
- All products are produced from 100% recycled plastic:
 - Including driveway grids, gravel pathway grids, plastic shed bases and grass grid reinforcement

Trading performance for YE 30 January 2022:

- Sales were £6.8 million
- Profit after tax was £0.9 million
- Net asset value was £1.9 million

Growth opportunities

- Natural strategic fit
- Plastic grids offer natural synergy with some of Coral's existing products, including manufacturing synergies
- Potential to leverage Ecodeck's ecommerce platform



Robust Financial Performance

Financial Summary

	Six months to 31 Oct 2022 £m	Six months to 31 Oct 2021 £m	Progression	Year to 30 Apr 2022 £m
Sales Income	17.6	7.1	+147.9%	14.4
EBITDA	1.9	1.0	+85.5%	1.9
Operating Profit	1.2	0.6	+81.3%	1.4
Profit before tax	0.9	0.5	+75.3%	1.3
DPS*	0.50	0.50		1.1
EPS	1.17	0.81	+44.4%	1.39

- Increase in sales reflects acquisitions and improved underlying performance
- Strategic focus on value added and innovative products has delivered



Balance Sheet Strength

Balance Sheet Summary	Six months to 31 Oct 2022 £m	Six months to 31 Oct 2021 £m	Year to 30 April 2022 £m
Tangible Fixed Assets	9.1	2.3	2.1
Goodwill and Intangibles	8.3	3.0	2.9
Current Assets	18.1	9.9	12.6
Current Liabilities	(16.9)	(4.1)	(4.6)
Net Current Assets	1.1	5.8	8.0
Long Term Liabilities	(3.6)	(1.2)	(1.3)
Total Net Assets	14.9	12.4	11.7
Borrowings	9.9	3.1	2.7
Gearing	41.1%	n/a	n/a
Liquidity Ratio	1.07:1	2.41:1	2.74:1
Cash and Equivalents	3.8	4.8	7.6
Net (Debt)/Cash	(6.12)	1.67	4.87



Integration and Innovation

Delivering on Integration

- Significant opportunity to build a profitable business of scale
- Proven track record of acquisitions
- Integration of Alma Products, Film and Foil Solutions and Manplas into the business on track to deliver improved profitability for these subsidiaries

Current trading

- Strong first half, well positioned for good outcome for the year
- Fixed energy costs until 2025
- Continued opportunities to strengthen and develop business
- Robust balance sheet

