



OTRA INFORMACIÓN RELEVANTE

PLÁSTICOS COMPUESTOS, S.A.

13 de mayo de 2020

En virtud de lo previsto en el artículo 17 del Reglamento (UE) nº 596/2014 sobre abuso de mercado y en el artículo 227 del texto refundido de la Ley del Mercado de Valores, aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre, y disposiciones concordantes, así como en la Circular 6/2018 del Mercado Alternativo Bursátil (MAB), Plásticos Compuestos, S.A. ("**Kompuestos**" o la "**Sociedad**") pone en su conocimiento la siguiente información:

Kompuestos participará en el Discovery Meeting del día 27 de mayo de 2020 del Foro MedCap 2020 organizado por BME (www.foromedcap.es) celebrándose una presentación a las 10:00 horas. Se adjunta la presentación corporativa de Kompuestos que se remitirá a los medios de comunicación en relación con la cobertura del Foro MedCap 2020 y la participación de Kompuestos en el mismo.


Quedamos a su disposición para cuantas aclaraciones consideren oportunas.

En Palau-Solità i Plegamans (Barcelona), a 13 de mayo de 2020.

Corporation Chimique International S.P.R.L.
P.p. D. Ignacio Duch Tuesta
Presidente del Consejo de Administración

KOMPUESTOS™

THE CIRCULAR ECONOMY OF PLASTICS



"At Kompuestos we are committed to offer sustainable solutions! We have a long track record in reducing plastic's CO2 footprint and we are leaders in biodegradable plastics"

Kompuestos today

Kompuestos is one of the first compounding producers in Europe.

2

production plants

+70

employees

+40

countries

+750

clients

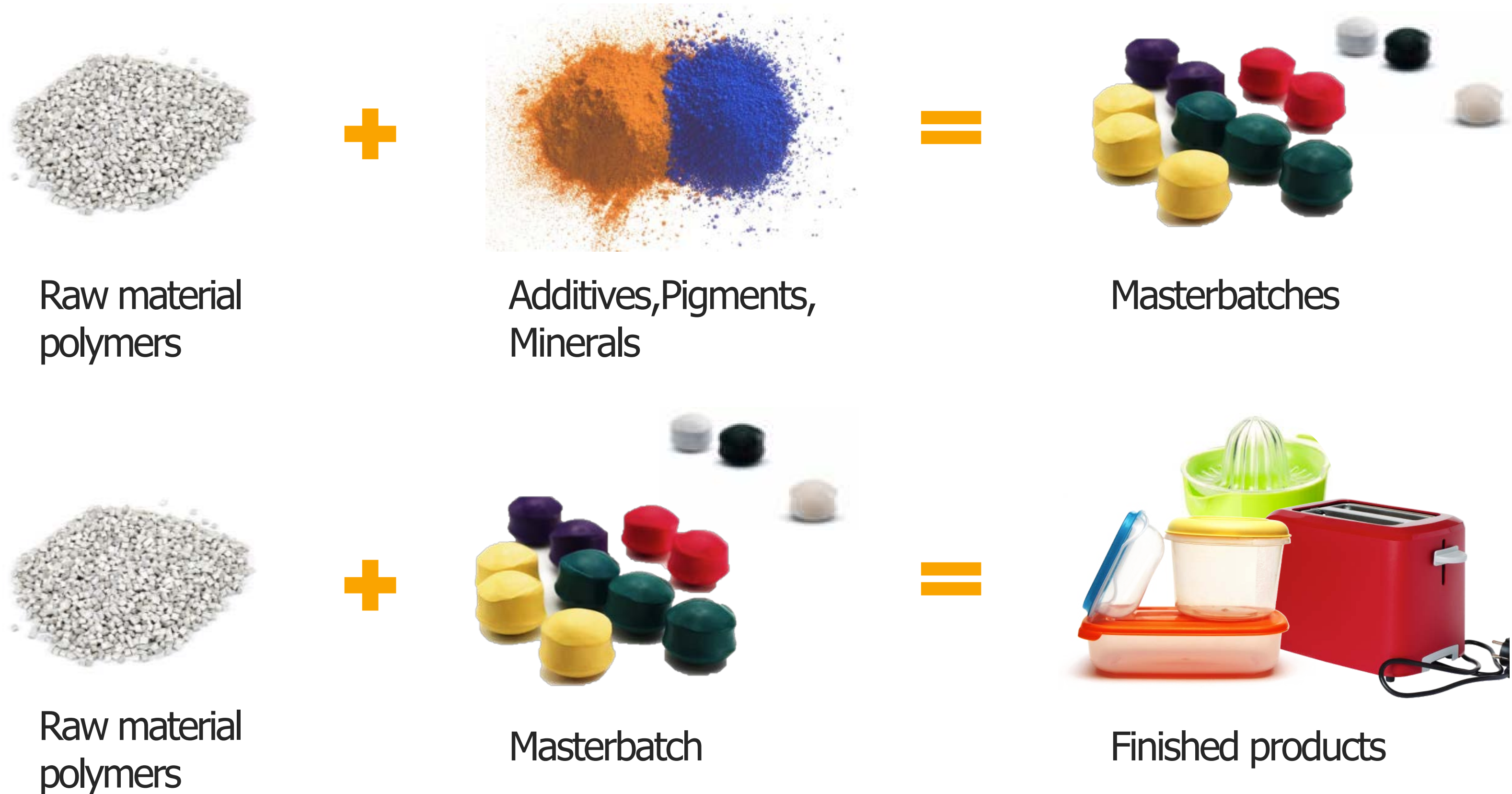
Nominal capacity (mT)

+220,000

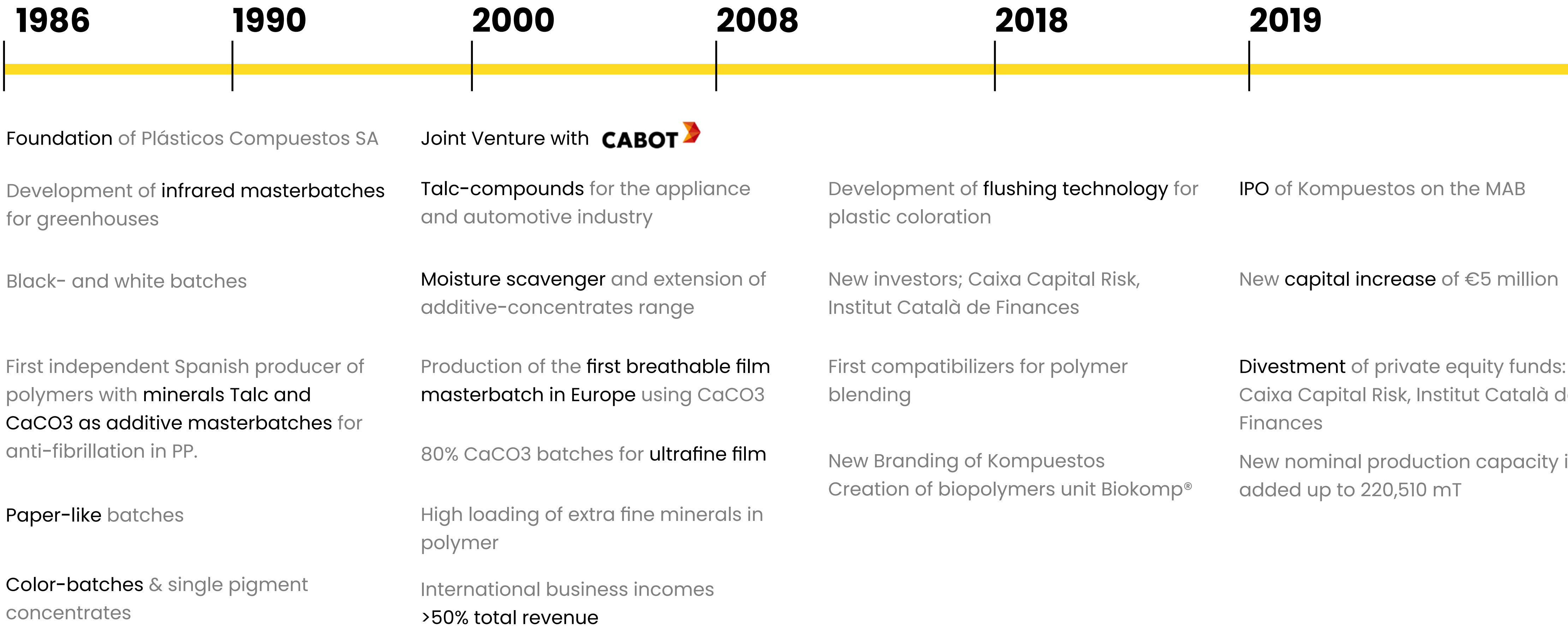
Kompuestos currently operates
2 production sites in Palau Solità i
Plegamans industrial park close to
Barcelona, Spain.

One of the leading international suppliers of high performance sustainable compounds and masterbatches;
used as raw materials in multiple industries all around the globe.

Introducing masterbatch



History



Product portfolio

Today kompuestos's product portfolio is divided into six major groups

Compostable Resins



Green Solutions

Mineral Masterbatches



High-performance mineral concentrates

Color Masterbatches



Life and functionality for plastic

Black Masterbatches



Depth and performance

White Masterbatches



Purity and easy dispersion

Additive Masterbatches



Broad functionality for plastic

Market diversification



Agriculture

Greenhouses, Plastic Reservoirs, Pipes



Automotive

Engine pieces, Bumper, Airbags, Seatbelts



Packaging

Bags, Films, Boxes, Palets



Construction & Urbanism

Nets, Helmets, Pipes, Cones



Housewares & Appliances

Cutlery, Films, Tupperware



Toys, Sports & Goods

Lego, Football, Chessboard, Cards



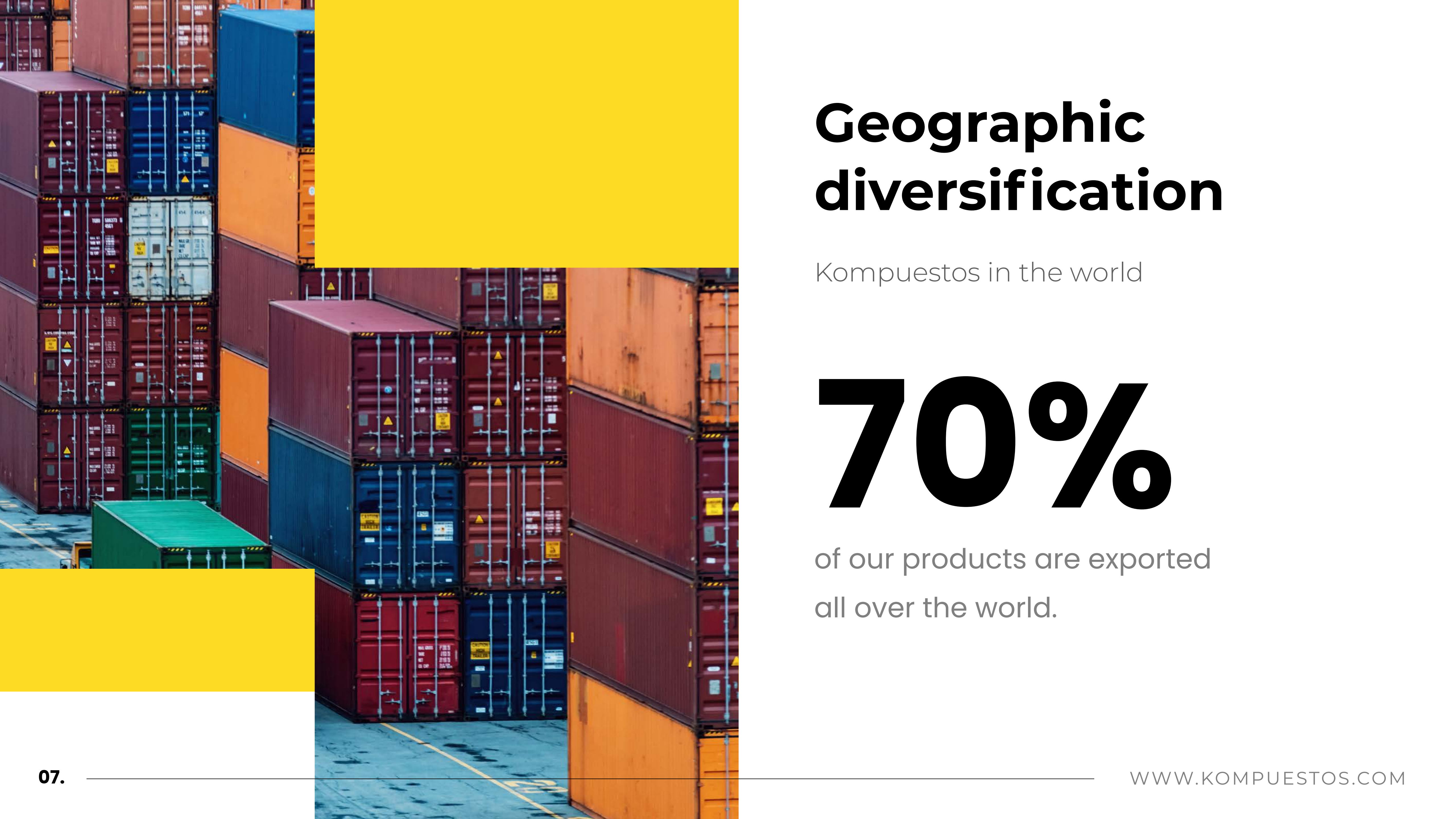
Healthcare & Hygiene

Dyapers, Toothbrush, Bottles



Furniture & Garden

Flower Pots, Hose, Chairs, Sprinkler



Geographic diversification

Kompuestos in the world

70%

of our products are exported
all over the world.

Kompuestos' green solutions

Biokomp®

Compostable resins



Exfill®

High-performance mineral concentrates



Single use plastic

The green plastic revolution

The issue



Raising Awareness



The Solution



Identifying the source
& possible solutions



Compromise

+
R&D
+



Biokomp®

Compostable resins

Okean®

Biodegradable in water

- Biodegradable & compostable solution
- Recycling

EU Directive: UE 2015/70

Spanish Royal Decree 293/2018

Biokomp®

Biokomp® is a family of biodegradable resins made from different starches such as corn, potato, cereals, and other biologically sourced polymers. Our resins are designed to run on existing standard industrial equipment, offering the opportunity to completely replace traditional plastics.

Biokomp® resins can be processed by conventional extrusion, cast film, blown, sheet, extrusion coating, and injection molding lines without the need of further technological investments.

Biokomp® is completely biodegradable and compostable.

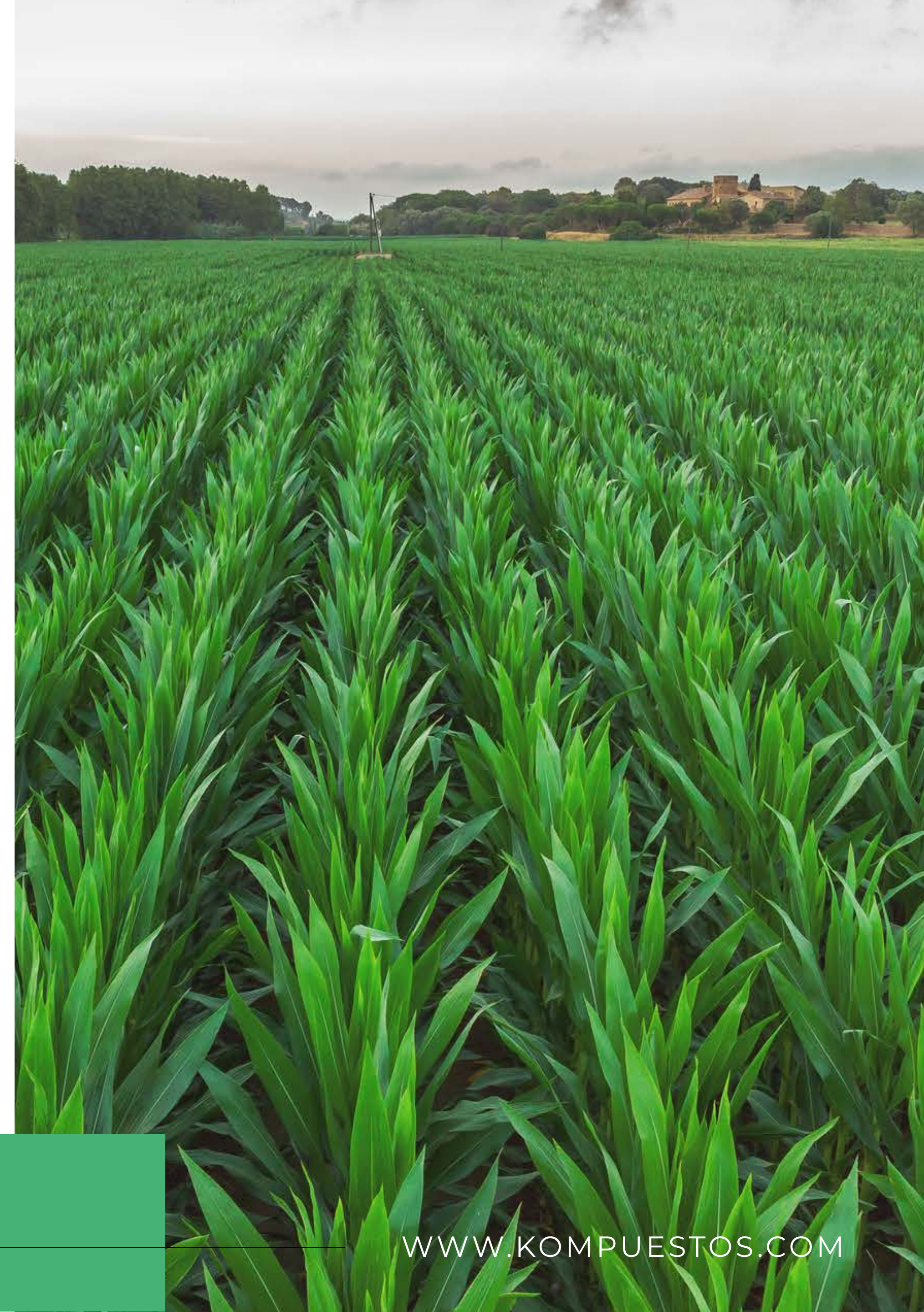
- **Agricultural**
- **Food Service & Catering**
- **Flexible packaging**

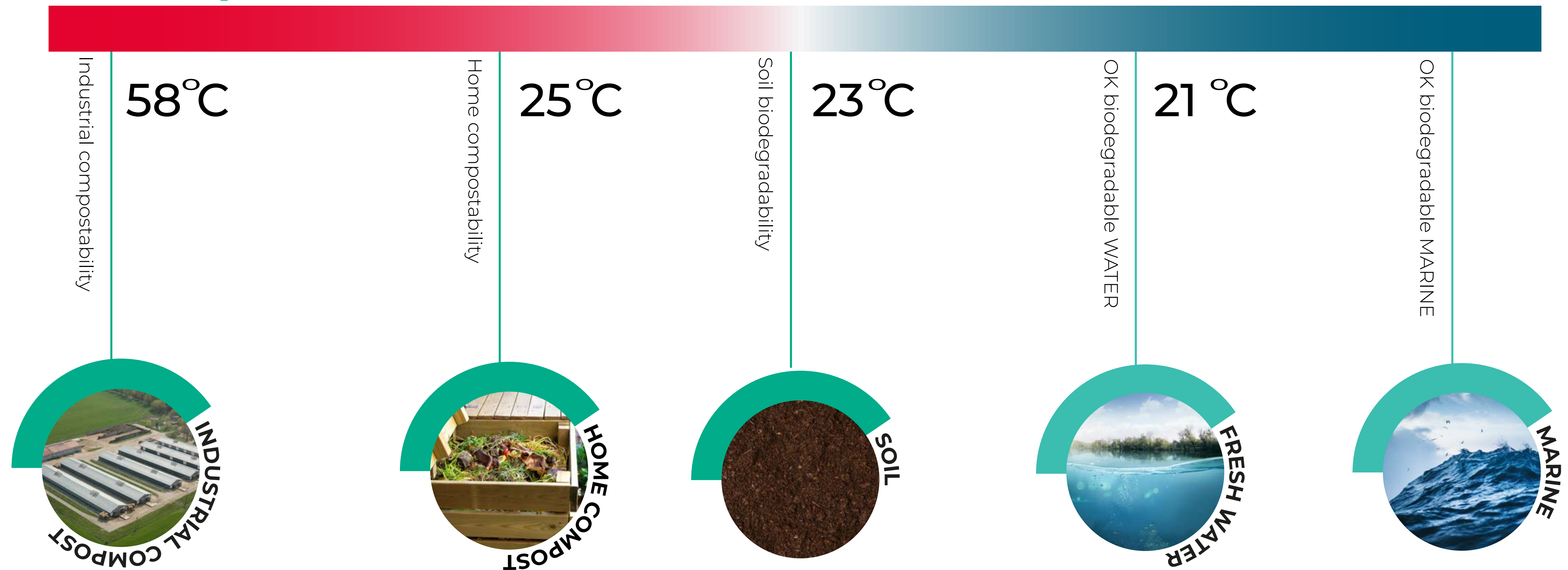
The green plastic revolution at Kompuestos

Standard polymers such as; PE, PP, PS, .., can be used for multiple applications regardless of the final product due to its outstanding and long term mechanical features.

Bioplastics, however, require specific formulation for each individual application. The overengineering of conventional polymers changes to specific tailor made solutions for each application.

At Kompuestos we have been formulating our own products since day one, thus we count with over 30 years of experience in formulating customized products for our clients.





Kompuestos has obtained 7 new certificates in last 6 months.

Kompuestos holds 14 Biokomp certified as OK compost of which 8 are also certified as OK HOME Compost. Kompuestos also holds 3 OK WATER certificates.

Exfill®

Excellence in mineral based concentrates

Exfill® products can go as high as 70% of the final plastic packaging, which significantly helps in reducing the content of petroleum-derived polymers while maintaining and enhancing the mechanical properties of the packaging.

Using calcium carbonate significantly reduces the carbon footprint of the final packaging.

CaCO₃ & Talc
PE, PP & PS

16
STANDARD GRADES

Why Exfill®

High-performance mineral based concentrates

Our mineral concentrates are completely **recyclable** and naturally engineered to reduce the use of petrochemical-based products.

Using mineral fillers helps minimize the carbon footprint of finished products.

As this product is used, you add ecological value to plastic by increasing productivity and lowering energy consumption.

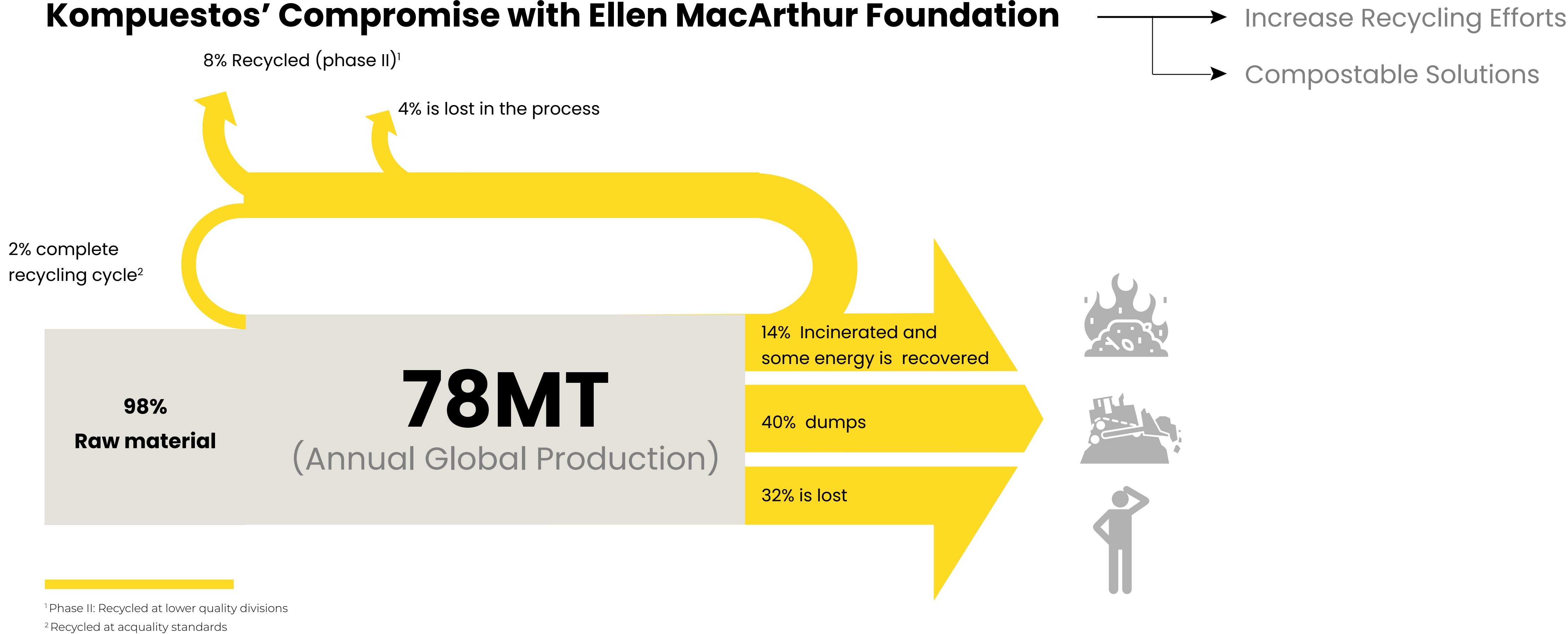
Dosage

5-70%*

***Depending on final application**

Circular economy

Kompuestos' Compromise with Ellen MacArthur Foundation



Kompuestos is part of the Ellen MacArthur Foundation

Kompuestos is part of the Global Commitment to the New Economy of Plastics to reduce waste and pollution generated by plastics at the source, supporting the circular economy of plastics, promoted by the Ellen MacArthur Foundation in collaboration with the United Nations Environmental Programme (UN Environment).

Kompuestos was one of the first Spanish companies to sign up to the commitment. The specific commitments adopted by Kompuestos are as follows:

- To increase the percentage of raw materials from recycling from the current 1.17% to 20%.
- To increase the use of compostable and renewable products from 0% to 20%.
- Increase the production of low carbon footprint mineral fillers (Exfill) from the current 61% to 70%.
- Reduce the percentage of production destined to single-use plastics from 80% to 30%.
- Increase the portfolio of sustainable solutions from 20% to 70% of the total.
- Establish a sustainable product portfolio with 70% low carbon footprint products, 20% reusable products and 20% compostable products.



The plastics market is huge and growing

Plastics global market¹:

- USD 553 billion in 2017.
- Estimated annual growth rate of 4% in 2017–2025 (USD 721 billion in 2025).

Fillers market²:

- Production of 20 million tons in 2016; 25 million tons in 2024 (annual growth rate of 2,5%).
- Volume growth limited by the need to obtain raw materials and the limitations to the opening of new quarries.
- Significant growth in demand due to the replacement of polymer to reduce the use of hydrocarbons in the manufacture of plastics (being also cheaper).
- According to Kompuestos' management estimates, the Company has a market share in Europe of around 10%³ in its activity segment.

Masterbatch market⁴:

- Global market of USD 9 billion in 2016.
- Estimated annual growth rate of 6.6% in 2017–2025 (USD 16 billion in 2025).
- Color masterbatch segment will have a higher growth rate than the rest (7.1% vs 6.6%).

¹ Source: "Plastics Market Size, Share & Trends Analysis Report by Product (PE, PP, PU, PVC, PET, Polystyrene, ABS, PBT, PPO, Epoxy Polymers, LCP, PC, Polyamide), by Application, and Segment Forecasts, 2019 – 2025". Grand View Research, January 2019

² Source: "Fillers market report, 5th edition". Ceresana, February 2018

³ Management estimates based on a market size of European market of around 350.000 tons

⁴ Source: "Masterbatch Market Analysis, By Type, By Carrier Polymer (PP, PE, PVC, PET), By End Use (Packaging, Construction, Consumer Goods, Automotive, Agriculture), By Region, And Segment Forecasts, 2018 – 2025". Grand View Research, October 2017

There is a big opportunity to boost the growth of Kompuestos' green solutions

Plastics are considered, together with climate change, as one of the main problems that affect nature:

- It is estimated that of the 335 million tons of plastic produced a year globally, 8 million tons end at sea.
- The production of traditional plastics accelerates the consumption of scarce non-renewable resources and with a high carbon footprint (oil, coal, gas).
- Greenpeace calculates that at the current rate, plastic production will quadruple in 2050.

Authorities are making progress in enforcing regulations that reduce the ecological impact of plastics:

- Restriction on single-use plastic bags (2015).
- Prohibition by the European Parliament of disposable plastics from 2021.
- Reduction of 25% of the consumption of plastic containers for food in the EU.
- Objective of plastic bottles recycling of 90% for 2025 in the EU.

Kompuestos' management team is led by professionals with valuable experience in the industry

Ignacio Duch

Chairman

- Degree in Industrial Engineering from UPC, MBA from IESE
- Previous positions: ITW
- Founder of Kompuestos

Núria Matellán

CFO

- Degree in Economics from Valladolid University
- Previous positions: Deloitte
- Joined Kompuestos in 2011

David Villaró

General Manager

- Degree in Chemical Engineering from UPC, MBA from IESE
- Previous positions: Caixa Capital Risc, Arthur D. Little, Accenture, Solvay
- Joined Kompuestos in 2016

Carlos Tarragona

Sales Director

- Degree in Communications and Economics from University of Barcelona, Executive MBA from IESE
- Joined Kompuestos in 2012

Ignacio Tauste

Production Director

- Degree in Chemical Engineering from UPC, Executive Master in Operations from ESADE
- Joined Kompuestos in 2010

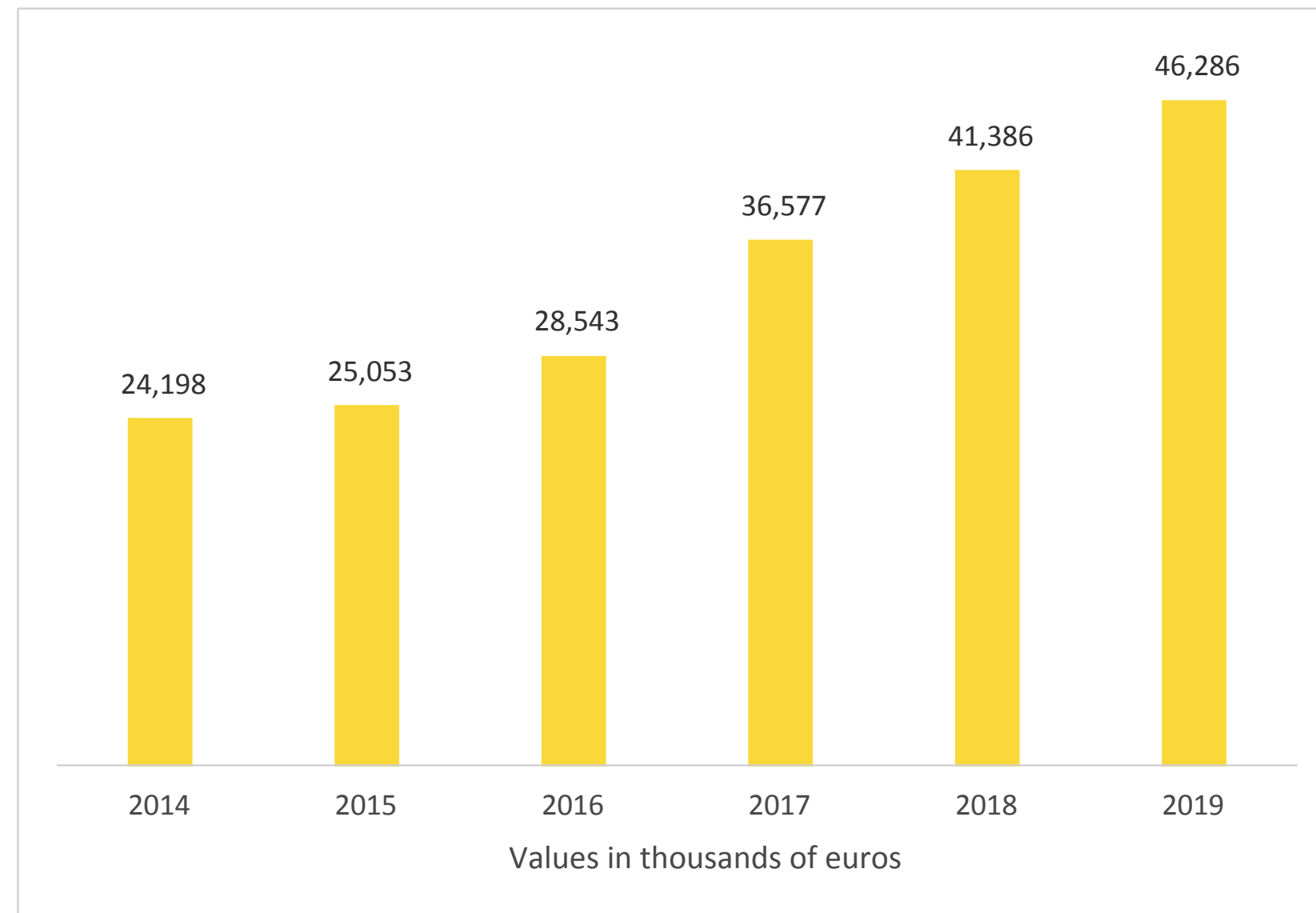
Gregory Coué

R&D Director

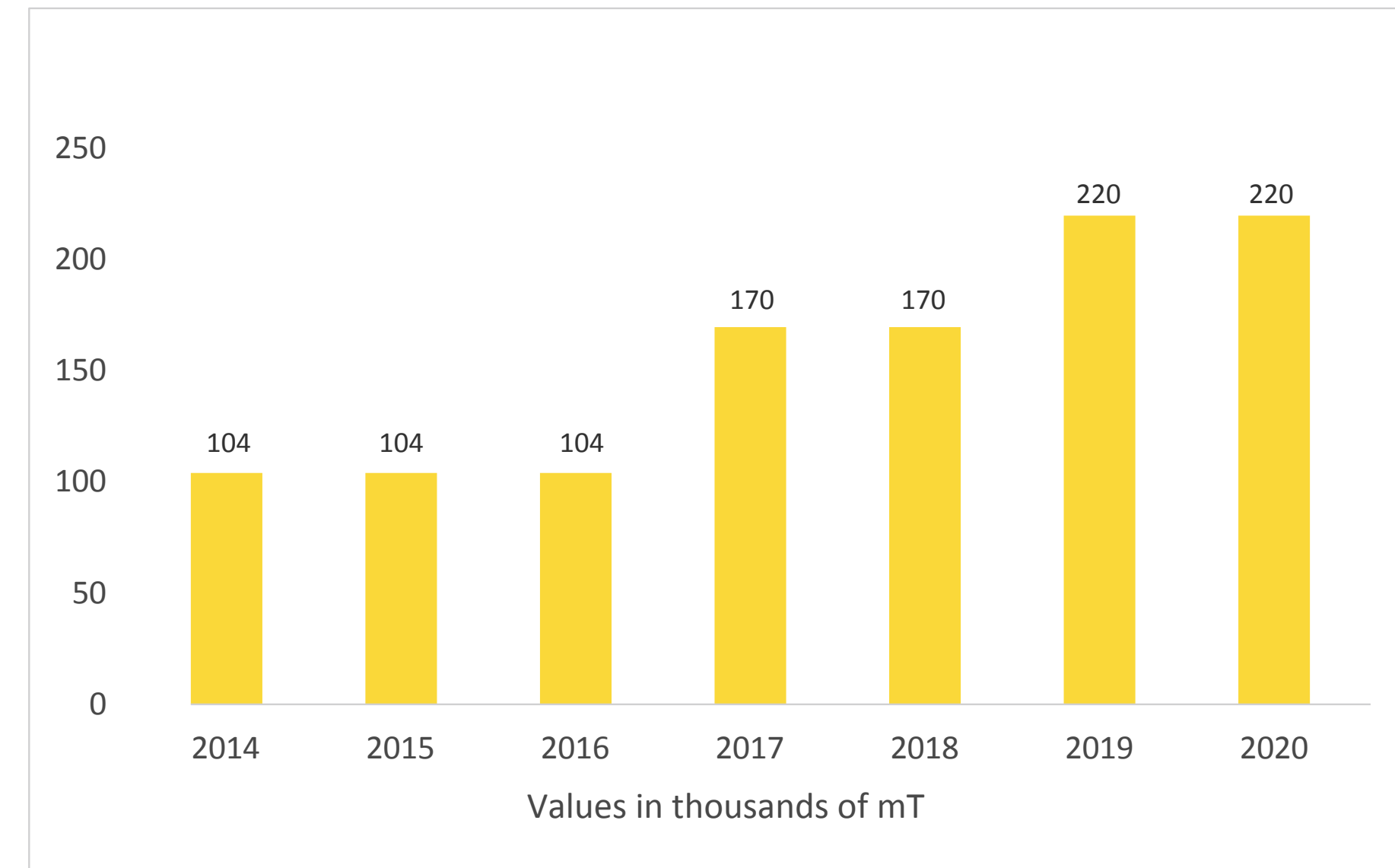
- PhD Biomedical Chemistry Twente University, MSc in Merical Science Univ. Bordeaux
- Previous positions: Henkel
- Joined Kompuestos in 2015

Revenues are growing rapidly as additional capacity is being used

Total Revenues



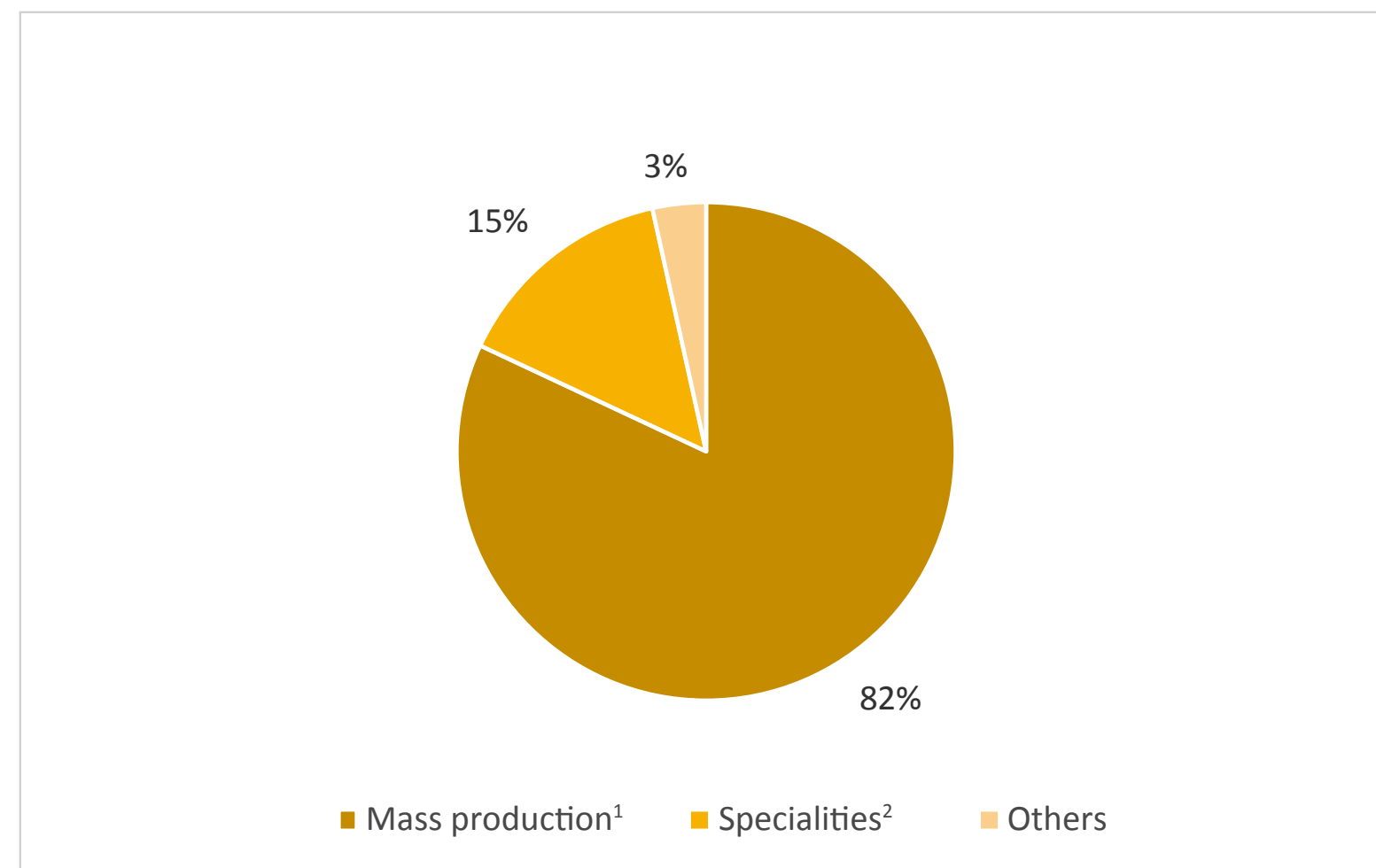
Capacity Increase



Revenues are growing rapidly as additional capacity is being used

Around 80% of Kompuestos' total revenues come from products released in the last 5 years

Revenues breakdown by product category

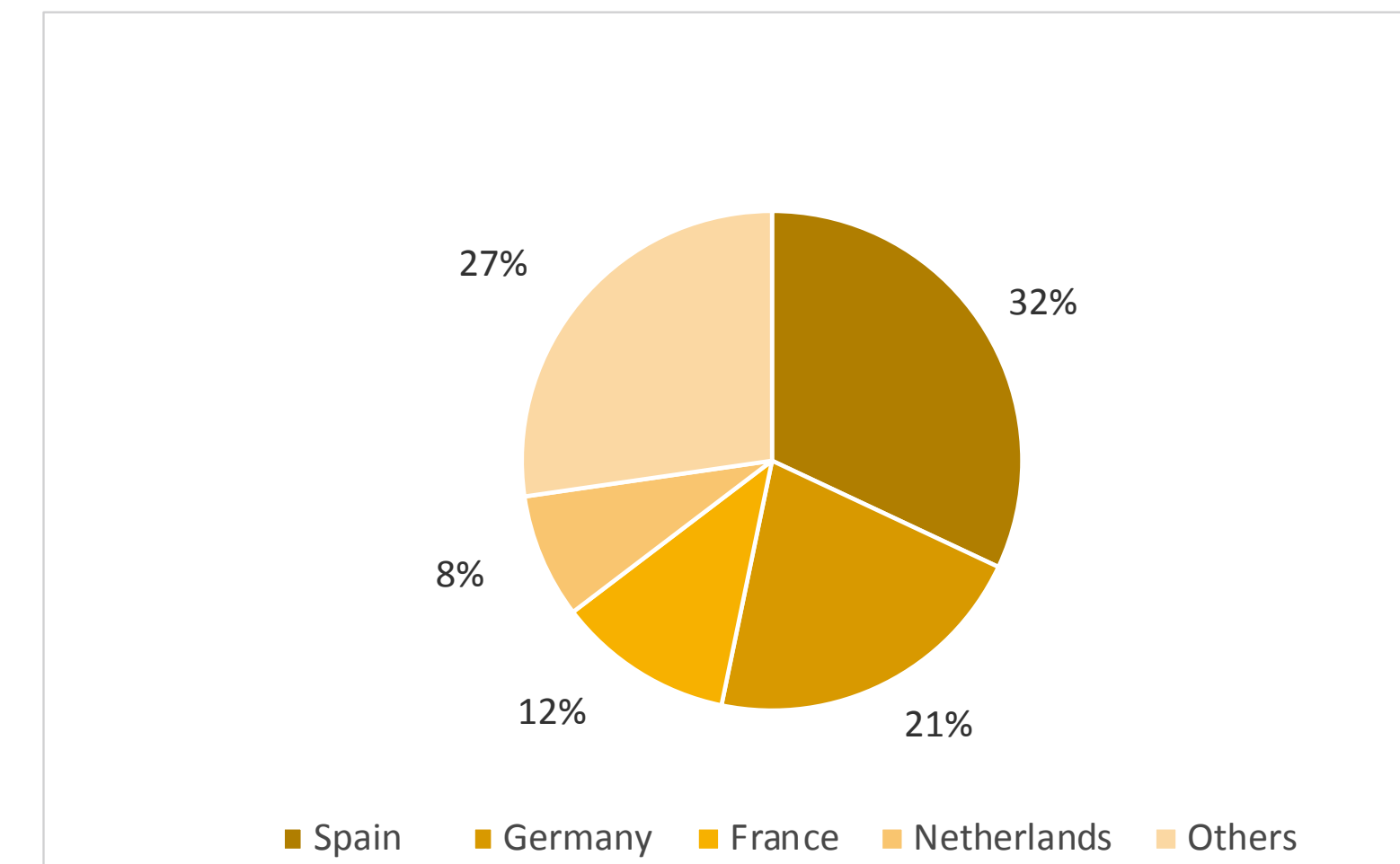


Note: Revenues breakdown based on 2019 data.

¹ Includes mineral, white and black masterbatches.

² Includes additives and color masterbatches and bio.

Revenues breakdown by geography

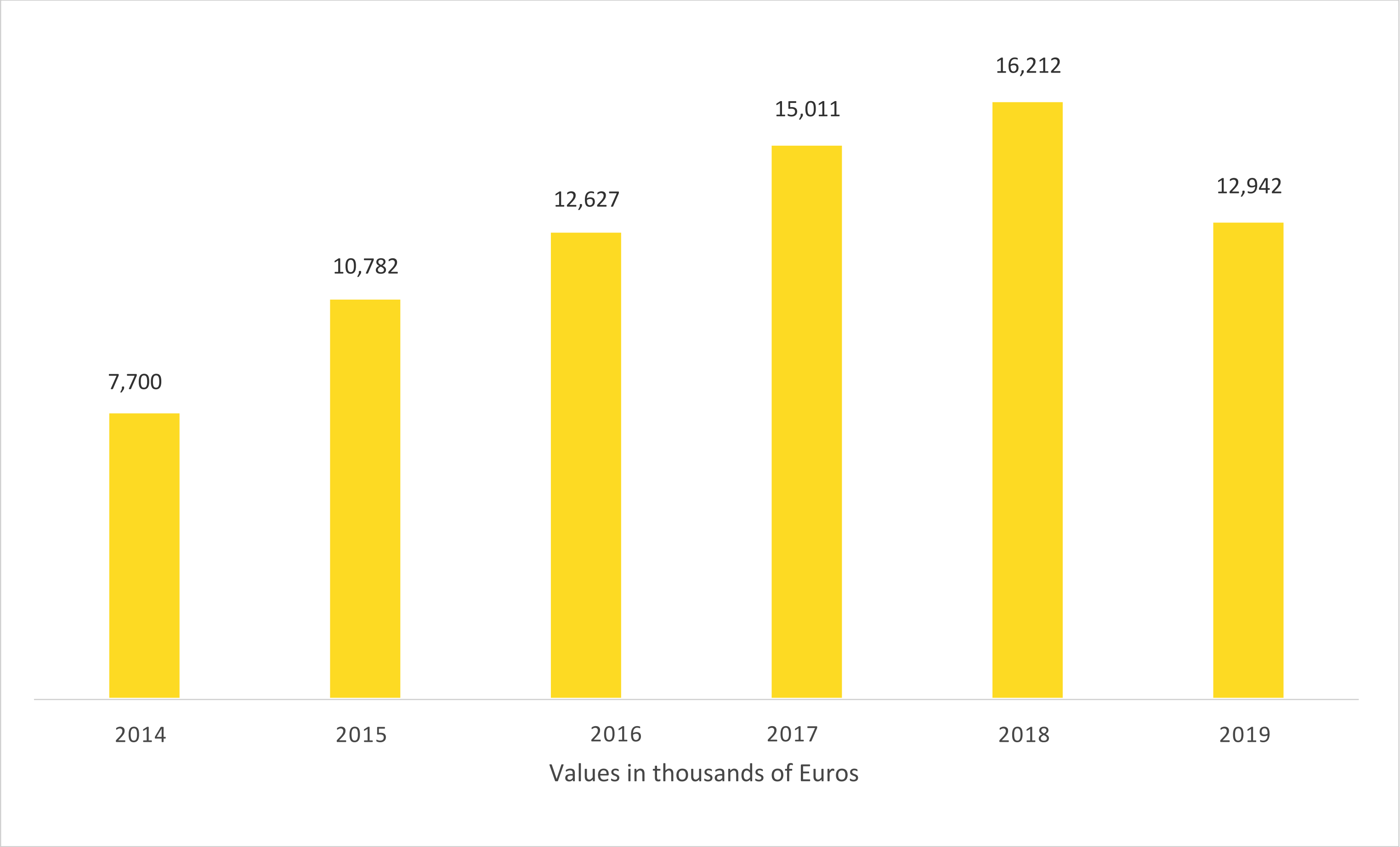


Historical P&L and balance sheet

In '000 €	2016	2017	2018	2019
Total revenues	28,542.7	36,577.2	41,386.1	46,286.2
<i>% growth</i>	<i>13.9%</i>	<i>28.1%</i>	<i>13.1%</i>	<i>11.8%</i>
Cost of goods sold	(19,059.9)	(26,545.3)	(29,447.0)	(32,252.9)
Gross margin	9,482.8	10,031.9	11,939.0	14,033.4
<i>% margin</i>	<i>33.2%</i>	<i>27.4%</i>	<i>28.8%</i>	<i>30.3%</i>
Personnel expenses	(2,906.3)	(3,464.0)	(3,346.3)	(3,702.8)
Other operating expenses	(5,268.2)	(5,837.9)	(6,088.3)	(8,244.4)
Works related to own assets	453.3	1,387.2	1,243.0	1,629.0
Grants	-	279,5	269,5	-
Normalized EBITDA	1,761.6	2,396.6	4,017.0	3,715.1
<i>% margin</i>	<i>6.2%</i>	<i>6.6%</i>	<i>9.7%</i>	<i>8.0%</i>
D&A	(1,135.2)	(1,736.6)	(2,327.7)	(1,835.0)
Non current expenses	51.3	11.9	(264.2)	(480.9)
EBIT	677.8	671.9	1,425.1	1,399.3
<i>% margin</i>	<i>2.4%</i>	<i>1.8%</i>	<i>3.4%</i>	<i>3.0%</i>
Financial result	(508.5)	(537.1)	(832.8)	(1,115.0)
Profit before tax	169.3	134.8	592.3	284.2
<i>% margin</i>	<i>0.6%</i>	<i>0.4%</i>	<i>1.4%</i>	<i>0.6%</i>

In '000 €	2016	2017	2018	2019
Non-current assets	18,115.1	19,573.3	21,063.5	25,158.5
Inventories	7,998.7	5,352.3	6,675.6	7,073.0
Trade receivables	3,887.5	5,468.3	5,791.5	4,330.9
Other current assets	266.5	281.9	205.3	643.7
Operating cash & equivalents	134.8	274.6	2,184.9	1,074.0
Current assets	12,287.5	11,377.0	14,857.2	13,121.6
Total assets	30,402.6	30,950.3	35,920.8	38,280.1
Shareholders' equity	10,332.7	10,086.5	12,156.4	16,907.1
Long-term financial debt	6,399.2	6,164.9	7,666.9	8,827.1
Other long-term liabilities	344.8	212.7	149.8	195.9
Non-current liabilities	6,744.0	6,377.6	7,816.6	9,022.9
Short-term financial debt	6,227.8	8,846.3	8,544.9	4,115.1
Trade payables	6,592.5	5,322.6	7,099.9	7,750.4
Other payables	505.6	317.4	302.9	484.6
Current liabilities	13,325.9	14,486.3	15,947.7	12,350.1
Total liabilities & shareh. equity	30,402.6	30,950.3	35,920.8	38,280.1

Debt Evolution



COVID-19 measures

Kompuestos has implemented a security protocol to maintain production activity while ensuring the safety of its employees.

Kompuestos is a fundamental supplier of raw materials for the plastic packaging industry for the food and hygiene sector. Thus Kompuestos' activity has not been paralyzed by the declaration of the State of Alarm established by RD 463/2020, of March 14, 2020, nor in its subsequent revisions. As a result, Kompuestos' production activity has remained operational and has continued to supply product to manufacturers of essential products.

Likewise, Kompuestos has implemented a safety protocol for all its employees, which includes, when possible, working from home and separating groups assigned to production and limiting access to production plants. Thanks to the digital transformation process which the Company has implemented, Kompuestos has the capacity to guarantee the continuity of its operations.

Kompuestos has reached an agreement with the representatives of the Company's employees in order to have a high degree of flexibility in the face of the current environment of uncertainty. This agreement is a preventive measure that provides different scenarios which will allow Kompuestos to adapt and take action in a progressive manner in the event that the situations worsens.

For the time being, the two production plants are isolated from each other and both are 100% operational.

First Results for 2020 (January - April)

During March and April, Kompuestos has been operating normally, even though COVID-19 outbreak has delayed new marketing initiatives.

The accumulated revenues up to April amount to 16,088 thousand euros, an increase of 1.27% compared to the same period in 2019.

With respect to mT, the accumulated volume up to April amounts to 20,151 mT, an increase of 4.5% with respect to the same period in 2019.

The price of raw materials has decreased during the first four months of the year.

Compostable resins demand has doubled since last year, although starting volumes were quite low.

The first step in the process is product certification. Then follows the homologation process. Once homologation has been obtained, industrial volumes should gradually follow thereafter.

Homologation processes with clients in green solutions have increased

53%

since last year

Kompuestos is quoted on the MAB (Spanish alternative market)

On August 12, 2019, Kompuestos went public on the MAB (Mercado Alternativo Bursátil – Spanish Alternative Market).

Kompuestos raised €5.0 million of new money.

Kompuestos was the first company listed on the MAB whose IPO included a secondary tranche, allowing the total divestment of private equity funds:

- Secondary tranche amounted to €5.1 million.

Investors investing in Kompuestos in the IPO included pension funds, medium and small cap funds, sicavs and family offices.

The Board of Directors includes 9 members:

- 5 representatives of the main shareholders, 3 independent members and 1 management member.

Share price graph



Let's work together.

We are here to help you.
If you need more information about
our company or our products,
please do not hesitate to contact us.

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Moving towards a sustainable future

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Global
Commitment