



# H1 FY25 HALF YEAR RESULTS PRESENTATION

FEBRUARY 2025

# PRESENTATION COVERS:

- Company Identity Re-Brand
- H1 FY25 Highlights & Operational Update
- H1 FY25 Financial Results
- Strategy & Outlook





# COMPANY IDENTITY RE-BRAND

# STRATEGIC RE-BRAND



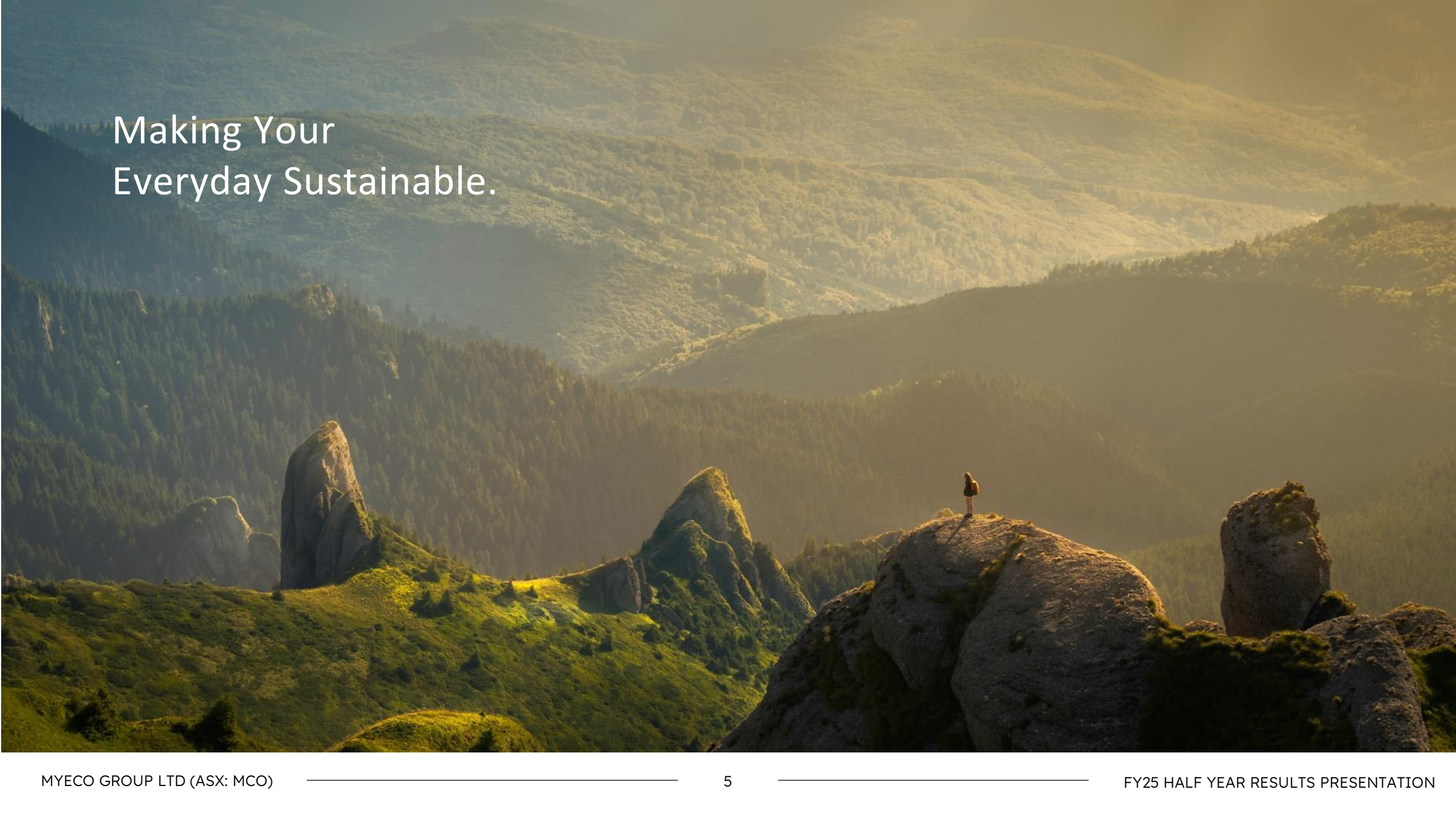
In November 2024, the Company rebranded from SECOS Group to MyEco® Group.

This evolution ties our identity to our mission, enhances brand recognition, and builds on the proven success of the “MyEco®” brand—establishing a more memorable presence with greater appeal and growth potential.

Designed to adapt to the evolving market, support expansion, and position us as a leader in the eco-conscious landscape, this transformation strengthens our foundation for long-term success.





A full-page background image showing a person standing on a rocky mountain peak, looking out over a vast, forested valley. The scene is bathed in warm, golden light, suggesting sunrise or sunset. The text "Making Your Everyday Sustainable." is overlaid in the upper left corner.

Making Your  
Everyday Sustainable.



## Belief

We can profoundly improve the prosperity of our planet with sustainable alternatives to the products that people use every day – alternatives that seamlessly fit into and enhance modern life.

## Mission

We are here to develop and deliver eco-friendly innovations that make it easy for society to transition from harmful conventional packaging and products to high-quality sustainable alternatives that nurture the planet.

## Vision

A world where progress and planet prosper together.

# CORE VALUES



## Sustainability

We deliver positive environmental outcomes at each step of the production and product life cycle.



## Quality

We strive for excellence in every product and process, ensuring uncompromised performance and complete customer satisfaction.



## Innovation

We pioneer and nurture new technologies that constantly set higher standards for sustainable materials and products



## Integrity

We hold ourselves accountable to deliver on our environmental commitments with transparency and ethical practices.



## Accessibility

We make sustainable alternatives practical and affordable, enabling widespread adoption.



## Collaboration

We partner with industries, organisations, and communities to amplify the impact of sustainable solutions.



# HIGHLIGHTS & OPERATIONAL UPDATE



# STRONG GROWTH VS H1 FY24

Strong H1 FY25 sales growth of 24.6% vs Prior Comparative Period (PCP)

- MyEco® branded product sales of \$2.6m in H1 FY25, up 111.9% on PCP
- Council and waste management sales of \$2.1m in H1 FY25, up 28.7% on PCP
- Resin sales of \$1.6m in H1 FY25, down 18.9% on PCP



# H1 FY25 SALES BY PRODUCT SEGMENT



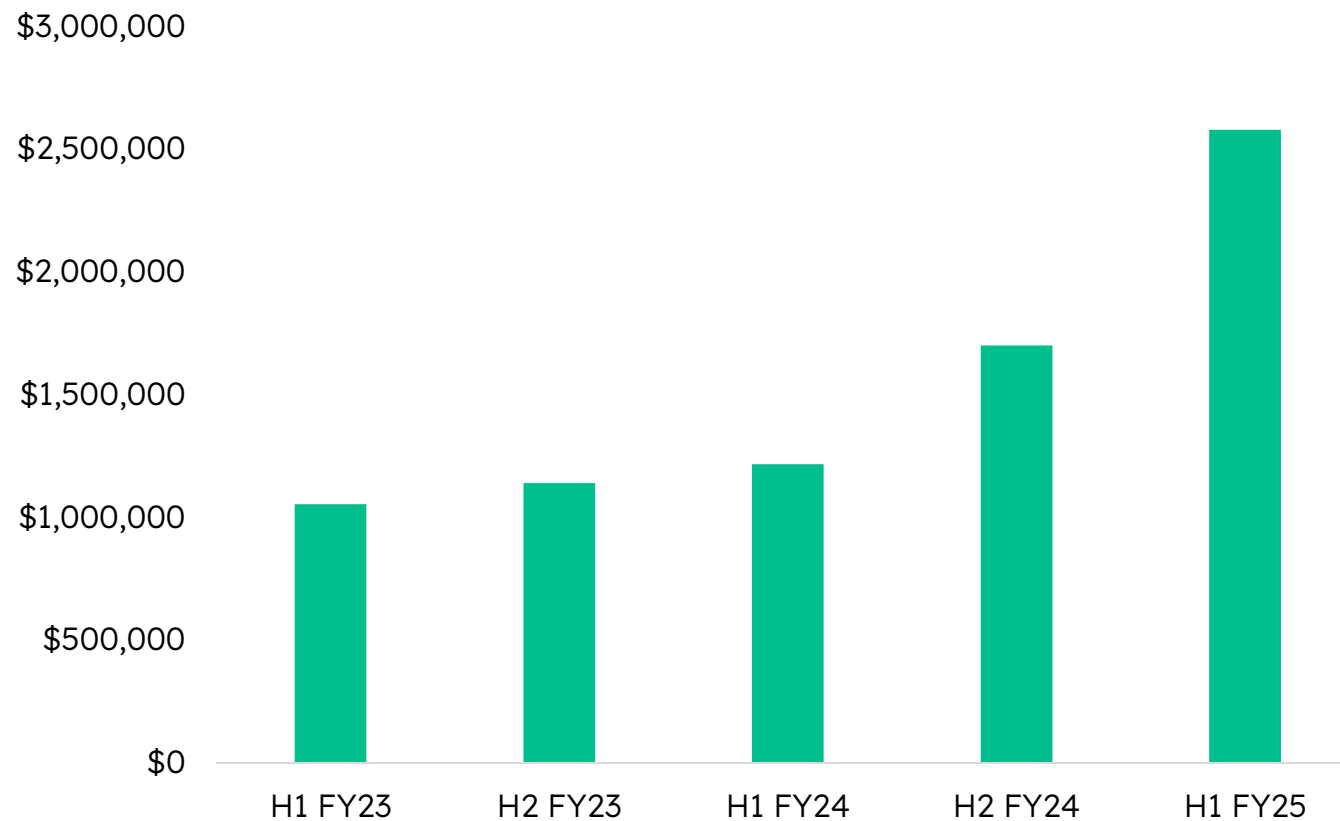
- **MyEco® branded global** sales up 111.9% on PCP driven by
  - Increase in retail sales via Woolworths, Coles throughout Australia & the launch of compostable carry bags into 76 Ritchies stores
  - Increased sales to Costco.com and Costco Mexico, and to KeHe and UNFI (United Natural Foods Inc.), two of the largest wholesale distributors in North America via exclusive distributor Jewett Cameron Company
- **Council and Waste Management** sales up 28.7% on PCP driven by new council contracts, with higher sales expected in H2 FY25 due to the preference by Councils to rollout FOGO programs in the months transitioning from summer to autumn
- **Resin** sales down 18.9% on PCP. Market conditions for the sale of the Company's resins are volatile, especially in LATAM, with longer delivery times and credit terms making this market less attractive to MyEco Group
- **White label and other sales** were down 3.0% % on PCP
- **Film** sales, representing a relatively small component of the business, were up 28.7% on PCP (\$0.4m for H1 FY25),



# H1 FY25 SALES BY PRODUCT SEGMENT



MyEco Branded Product (Global) Sales



- H1 FY25 MyEco® Branded global sales grew by 111.9% on PCP - a record six months of \$2.6m
- MyEco® Branded products sold in over **2400 Australian stores** comprising 1,111 Woolworths stores, 858 Coles Stores and in independent stores
- MyEcoBag® maintains its position as the **number one brand** within **Woolworths<sup>1</sup>** compostable bin liner and kitchen caddy bag sales, representing **50% of sales** in this category
- MyEcoBag® range achieved **39% of all Coles<sup>2</sup>** compostable bin liner and kitchen caddy bag sales

<sup>1</sup> Quantum Scan Data between 31/1/24 to 28/1/25

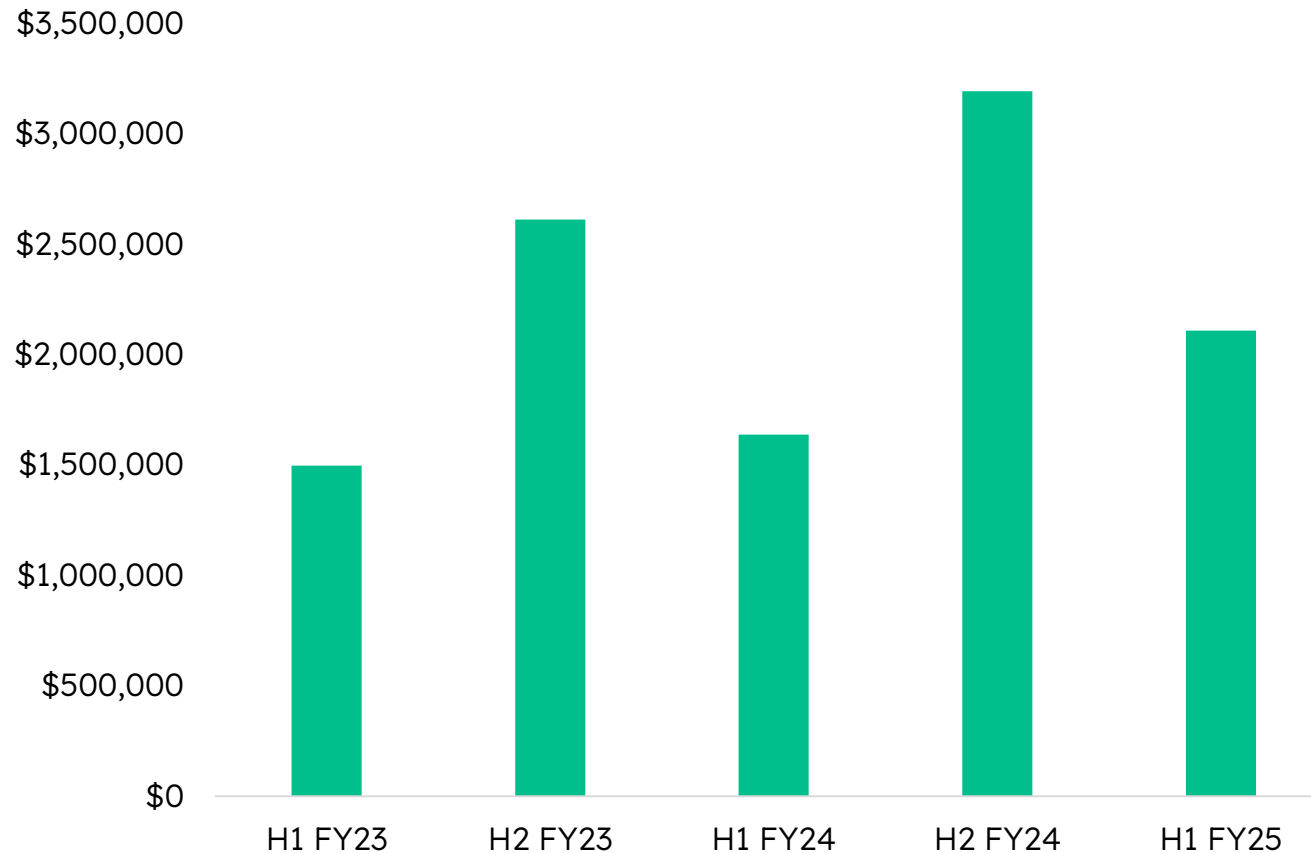
<sup>2</sup> IRI Scan Data between 31/1/24 to 28/1/25



# H1 FY25 SALES BY PRODUCT SEGMENT



Councils/Waste Sales

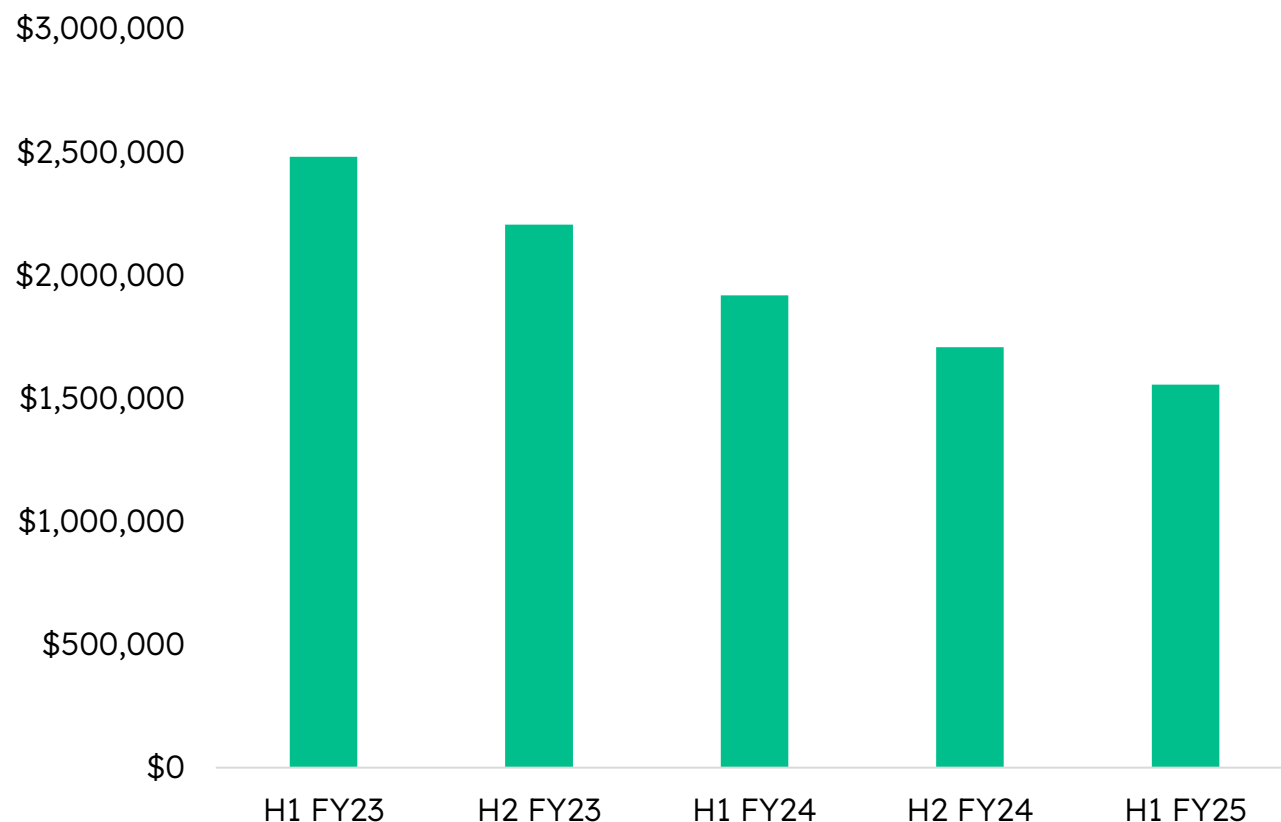


- H1 FY25 sales increased by 28.7% on PCP
- Increased supply to 56 councils (Jun-24: 52 Councils)
- FOGO rollout programs expected to continue as more local governments strive to achieve their 2025 sustainability targets
- Further growth expected in H2 FY25 based on current FOGO orders and contracts in place

# H1 FY25 SALES BY PRODUCT SEGMENT



## Resin Sales



- H1 FY25 Sales decreased by 18.9% on PCP
- Market conditions for the sale of the Company's resins are volatile, especially in LATAM
- MyEco Group maintains resin supply partnerships with key distributors and converters on a more selective basis
- Shift to utilising our resin capacity primarily for the manufacture of MyEco® branded products

# RESEARCH AND DEVELOPMENT CAPABILITIES



## Solving Plastic Waste Cooperative Research Centre

- MyEco Group is working with the Australian Government funded Solving Plastic Waste Cooperative Research Centre, as well as RMIT scientists, to develop new compound formulations and film structures to replace plastic packaging and to generate data to enable more informed decisions regarding the acceptance of flexible compostable alternatives to conventional plastic packaging by stakeholders.

## Certifications

- AS 5810, EN13432, NF T51-800, Ecovadis, BPI Compostable Textile Exchange Recycled Content and Global Recycled Standard





# PRODUCT DEVELOPMENT CAPABILITIES

## NPD PIPELINE INCLUDES:

Pallet Wrap



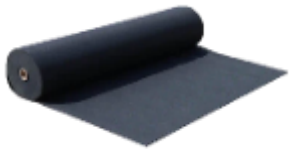
Magazine Wrap



Produce Netting



Erosion Control Matting



Produce Bags



Global Product Development Centre drives sustainable product development including :

- Netting: for produce, agriculture & landscaping. Produce certification approved in Q1 FY25
- Magazine Wrap: Newly developed; pending certification in Q1 FY26
- Produce Bags: Low gauge, low thickness; now available
- Pallet wrap: Product development continuing
- Lower cost resin grades: Pending final certification in Q4 FY25
- Additional product development pipeline to improve quality to address evolving regulatory requirements and existing/prospective customer demands:
  - Higher percentages of renewable content
  - Accelerated composting time frames

# LEADER IN EVOLVING AUSTRALIAN REGULATORY AND MARKET LANDSCAPE



MyEco Group is committed to advocating for policies that support certified compostable solutions and align with circular economy goals.

## Victoria

- In June 2024, Recycling Victoria released a draft Household and Recycling Service Standard, which proposed, among other recommendations, to ban certified compostable caddy bin liners from Victoria's new four-stream household waste and recycling system.
- If implemented, this ban would reduce Food Organics and Garden Organics (FOGO) capture rates by up to 30%<sup>(1)</sup>, undermining Victoria's Circular Economy goals and increasing landfill waste.
- The Minister has responded to MyEco Group and acknowledged our deep concerns regarding the proposed changes to the draft standards and has indicated that they will take careful consideration to the information we have tabled in support of the benefits from using composter bin liners in FOGO

(1) Analysis of [Victorian Government waste data](#) and council websites to identify councils that accept certified compostable bags

# LEADER IN EVOLVING AUSTRALIAN REGULATORY AND MARKET LANDSCAPE (CONTINUED)



## New South Wales & Western Australia

- Beyond Victoria, MyEco® Group is actively engaging with policymakers across Australia.
- In December 2024, a constructive meeting was held with the NSW EPA, where officials reaffirmed their support for certified compostable caddy liners, recognising their vital role in facilitating food waste diversion.
- Discussions are also underway to secure a meeting with the Western Australian Government to discuss MyEco® Group's contributions to its FOGO programs and identify opportunities to further support plastic waste reduction initiatives.
- MyEco® Group will continue to keep stakeholders updated on our ongoing advocacy efforts as we work towards securing good policy outcomes for certified compostable plastics.







# H1 FY25 FINANCIAL RESULTS

# H1 FY25 PROFIT AND LOSS (CONTINUING OPERATIONS)

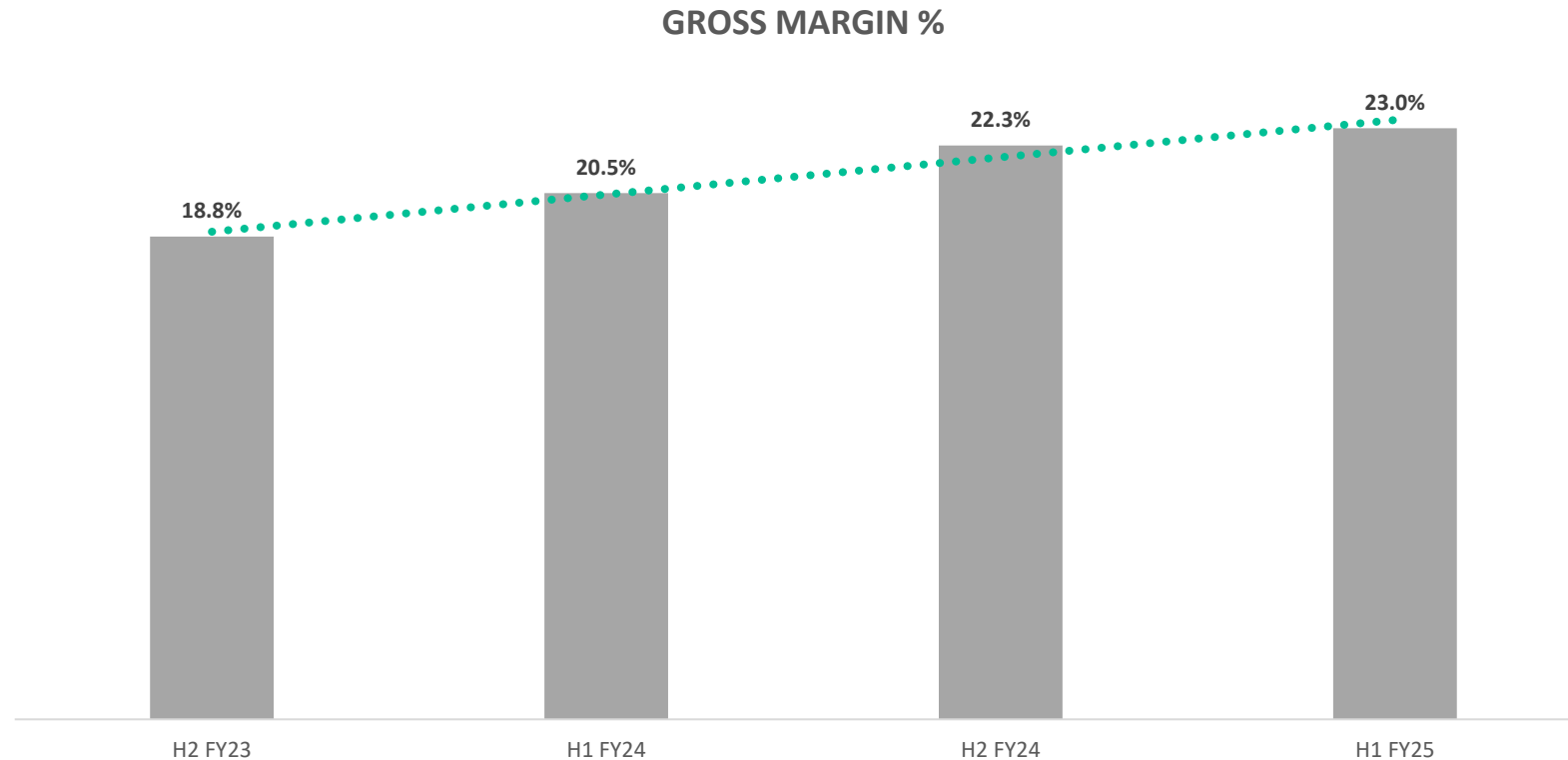


- H1 FY25 Group sales increased by 24.6% as outlined by product segment on earlier slides
- Gross margin growth continues, up 542 bps on PCP due to increased sales volume and customer mix
- Employment related expense increased by 17.2% driven by investment in people and capability
- Marketing & distribution expense increased by 22.1% driven by investment in branding, and research and product development in collaboration with the Solving Plastic Waste Cooperative Research Centre and leading Australian universities

\$'000	H1 FY25	H1 FY24	Var (%)
<b>Sales</b>	<b>7,716</b>	<b>6,193</b>	<b>24.6%</b>
Gross Profit	1,775	1,089	63.0%
<b>Gross Margin %</b>	<b>23.0%</b>	<b>17.6%</b>	<b>542 bps</b>
Employment related expense	(2,013)	(1,718)	(17.2%)
Marketing & distribution expenses	(1,230)	(1,007)	(22.1%)
Administration expense	(392)	(374)	(4.8%)
Legal & Compliance expenses	(392)	(338)	(16.0%)
<b>Operating Expenses</b>	<b>(4,027)</b>	<b>(3,437)</b>	<b>(17.2%)</b>
Other Income	350	15	2233.3%
<b>Normalised EBITDA <sup>(1)</sup></b>	<b>(1,901)</b>	<b>(2,333)</b>	<b>18.5%</b>
Restructuring expense	(100)	-	-
Depreciation and Amortisation	(672)	(648)	(3.7%)
Finance Income/(Costs)	2	(56)	103.6%
<b>PBT</b>	<b>(2,672)</b>	<b>(3,037)</b>	<b>12.0%</b>
Tax Expense	(9)	(9)	-
<b>NPAT</b>	<b>(2,681)</b>	<b>(3,046)</b>	<b>12.0%</b>

(1) EBITDA stands for earnings before interest, taxes, depreciation, and amortisation. EBITDA is a non-IFRS measure and is presented to provide users with additional insight into the Company's business and to facilitate incremental understanding of the Company's underlying financial performance. Non-IFRS information is not audited. Normalised EBITDA excludes the non-recurring restructuring costs of \$0.100 million arising from the estimated make-good cost for the relocation of the product development centre and head office to take place in Q3 FY25

# ONGOING GROSS MARGIN IMPROVEMENT (CONTINUING OPERATIONS)



- Gross margin improvement driven by increases sales volumes and improved customer mix



# BALANCE SHEET



- Cash balance at 31 December 2024 was \$3.5m with no debt
- Current ratio of 2.5x compared to 3.8x at 30 June 2024
- Inventory increased by \$1.4m driven by the strategic increase in inventory build-up to meet anticipated orders to be delivered in the second half of FY25
- Contract liabilities represent deposits from customers received in advance of delivery of the goods and recognition of sale

\$'000	Dec 2024	Jun 2024	Var %
Cash at Bank	3,548	6,108	(41.9%)
Trade and Other Receivables	2,882	3,246	(11.2%)
Inventories	4,604	3,169	45.3%
Prepayments and Other Assets	721	471	53.1%
Plant and Equipment	4,044	3,994	1.3%
Right-of-Use Asset	657	1,065	(38.3%)
Trade and Other Payables	2,163	1,556	39.0%
Employee Benefits	359	289	24.2%
Contract Liabilities	571	103	454.4%
Accrued Expenses	1,120	862	29.9%
Lease Liability	771	1,209	(36.2%)
<b>Net Assets</b>	<b>11,472</b>	<b>14,034</b>	<b>(18.3%)</b>

# CASH FLOW

\$'000	H1 FY25	H1 FY24
Opening Cash	6,108	8,424
Cash Flows from Operating Activities	(2,144)	(386)
Cash Flows from Investing Activities	(54)	(230)
Cash Flows from Financing Activities	(383)	(352)
Net Cash Movement	(2,581)	(968)
Foreign Exchange	21	(11)
Closing Cash	3,548	7,445

- Closing cash of \$3.55m with no debt as at 31 December 2024
- Cash Flows from Operating Activities in H1 FY25 impacted by required increases in production to build up inventory to meet anticipated orders to be delivered in the second half of FY25



# STRATEGY & OUTLOOK

# STRATEGIC REPOSITIONING FOR GROWTH



On 10 February 2025 the Company announced that it had refined its sales strategy and conducted a strategic review of operations to cost-effectively support both existing record MyEco® branded sales and anticipated accelerated growth in overall sales volumes for its identified products and markets.

## Strategy Focus

The Company's strategy is to make MyEco® branded products the focal point of its growth strategy with ongoing innovation in biopolymer technology underpinning the longer-term value of the business

## Production Strategy

Utilising internal assets and key partnership positions MyEco Group to meet increasing demand in a cost-effective manner while maintaining the high-quality standards the brand is known for. Malaysian manufacturing assets will be rationalised and pilot line equipment relocated from Melbourne to China. Both are expected to contribute to realising efficiencies and reducing costs.

## Sales & Distribution Strategy

Focus on securing new global distributors with the potential to drive significant sales growth by leveraging the MyEco® brand in Australia and expanding its product offerings across all sales channels.

To address resin market volatility, focus on mutually beneficial partnerships with key distributors and more selective sale of resins to key converters.

Utilise resin capacity primarily for manufacture of MyEco® branded products.

## Head Office Relocation

Relocate head office and product development centre to lower-cost premises within Melbourne.



# VERTICALLY INTEGRATED MANUFACTURING AND GLOBAL DISTRIBUTION



- Rationalised resin, bag and film manufacturing with access to world markets
- Utilise partnerships with Convertors to grow production capacity without further significant investment in CAPEX
- Partner with convertors on product development using MyEco Group's Cardia resins and in house product development capabilities to drive growth in new sustainable packaging categories
- Established global distribution partners, including in the USA, and to secure new distributors



- **Strategic repositioning and operational restructuring** will reduce costs materially, with increased flexibility to scale production through the use of production partners better aligned to support sales growth expected in the H2 FY25 and beyond
- **MyEco branded® products:**
  - Organic growth expected of existing products in major retailers in over 2,400 stores in Australia
  - **Growth initiatives in USA** to continue in H2 FY25 with Jewett Cameron Company increasing orders of MyEcoWorld® sustainable bags to supply to Costco.com and Costco Mexico. Their work also to continue with KeHe and UNFI (United Natural Foods Inc.), two of the largest wholesale distributors in North America, to secure and service the many other prospective retailers across the USA.
  - **Council and waste business** continued growth expected in H2 FY25 based on the current FOGO orders and contracts in place and as Councils continue to introduce FOGO programs and householders adopt food scrap diversion to organic composting programs

# OUTLOOK (CONTINUED)



- **Product Development:**
  - Continue to develop technologically advanced resins, in collaboration with the **Solving Plastic Waste Cooperative Research Centre** and leading Australian universities, to further enhance sustainability
  - Further progress development of new products prioritizing those being trialed with prospective customers (e.g. pallet wrap).
- MyEco Group's focus on improving margins through its refined sales strategy and more cost-effective manufacturing model enhances ability to achieve positive EBITDA in medium term.

# FORWARD-LOOKING STATEMENTS DISCLAIMER

This presentation contains “forward-looking statements.” Such forward-looking statements may include, without limitation:

- estimates of future earnings;
- estimates of future production and sales;
- estimates of future cash costs;
- estimates of future cash flows;
- statements regarding future debt repayments; and
- estimates of future capital expenditures.

This document may include forward looking statements. Forward looking statements include, but are not necessarily limited to, statements concerning MyEco Group’s planned operational program and other statements that are not historic facts. When used in this document, the words such as “could”, “plan”, “budget”, “estimate”, “expect”, “intend”, “may”, “potential”, “should” and similar expressions are forward looking statements. Although MyEco Group believes its expectations reflected in these are reasonable, such statements involve risks and uncertainties, including but not limited to risks and uncertainties relating to impacts that may arise from Covid-19, and no assurance can be given that actual results will be consistent with these forward-looking statements. MyEco Group confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning this announcement continue to apply and have not materially changed.

All financial amounts are expressed in Australian dollars unless otherwise indicated. The Company trades globally using over four different currencies which may materially impact the consolidation of the group’s accounts and may impact the outcome of future events or results expressed or implied in this presentation.



