

Interim Results Presentation period ended 31 March 2022

May 2022



- Revenues of £5.9m (H1 FY21: £4.8m)
- Continued Covid-19 impacts on electronic componentry supply chains
- EBITDA of £0.8m (H1 FY21: £0.2m)
- PBT of £0.4m (H1 FY21: LBT of £0.3m)
- Corporation tax charge of £0.1m (H1 FY21: credit of £0.1m)
- EPS of 3.0p (H1 FY21: LPS of 1.2p)
- Return of capital through ongoing on-market buyback programme, 0.8m reduction in shares for £1.2m cash by 31 March 2022
- Net cash of £7.5m (30 September 2021: £9.2m)

Note: - All monetary values, except EPS, individually reported across the presentation are rounded to the nearest £0.1m

Consolidated statement of comprehensive income



	Unaudited six months to 31 March 2022	Unaudited six months to 31 March 2021	Audited 12 months to 30 Sept 2021
Group revenue	£5.9m	£4.8m	£11.7m
Gross profit	£1.9m	£1.3m	£3.5m
Gross margin	31.7%	27.0%	30.3%
Group trading profit/(loss)	£0.4m	(£0.3m)	£0.5m
Trading margin	6.8%	(6.6%)	3.9%
Profit/(loss) before tax	£0.4m	(£0.3m)	£0.5m
Tax (expense)/credit	£0.1m	£0.1m	(£0.1m)
Profit/(loss) for the period	£0.3m	(£0.2m)	£0.4m
Earnings/(loss) per share - Basic	3.0p	(1.2p)	3.0p

- Group revenue £5.9m (H1 FY21: £4.8m)
- Gross profit margin of 31.7% (H1 FY21: 27.0%)
 - Margin improvements from improved mix of sensors sold
- Admin expenses of £1.3m (H1 FY21: £1.5m)
 - H2 FY22 will see increases:
 - Higher marketing costs with exhibitions pushed back to H2
 - April pay negotiations
- EBITDA of £0.8m (H1 FY21: £0.2m)
- PBT of £0.4m (H1 FY21: LBT of £0.3m)
- Tax charge of £0.1m (H1 FY21: £0.1m credit)
- EPS of 3.0p (H1 FY21: LPS of 1.2p)

Consolidated statement of financial position



	Unaudited six months to 31 March 2022	Unaudited six months to 31 March 2021	Audited 12 months to 30 Sept 2021
Non-current assets	£5.9m	£6.4m	£6.1m
Current assets (less cash)	£4.2m	£3.5m	£3.6m
Cash	£7.5m	£7.8m	£9.2m
Total assets	£17.6m	£17.7m	£18.9m
Current liabilities	(£1.5m)	(£1.0m)	(£1.8m)
Non-current liabilities	(£0.3m)	(£0.5m)	(£0.3m)
Total liabilities	(£1.8m)	(£1.5m)	(£2.1m)
Net assets	£15.8m	£16.2m	£16.8m

Consolidated cashflow statement



	Unaudited six months to 31 March 2022	Unaudited six months to 31 March 2021	Audited 12 months to 30 Sept 2021
Profit/(loss) before tax	£0.4m	(£0.3m)	£0.5m
Depreciation and amortisation	£0.4m	£0.5m	£1.0m
Movement in working capital	(£0.7m)	£0.2m	£0.5m
Tax (paid)/received	(£0.1m)	£0.1m	nil
Net cash from operating activities	(£0.1m)	£0.4m	£2.1m
Net cashflow used in investing activities	(£0.2m)	nil	(£0.3m)
Net cashflow used in financing activities	(£1.3m)	(£6.7m)	(£6.7m)
Decrease in cash	(£1.6m)	(£6.3m)	(£4.9m)
Net cash	£7.5m	£7.8m	£9.2m

Statement of financial position & cashflow



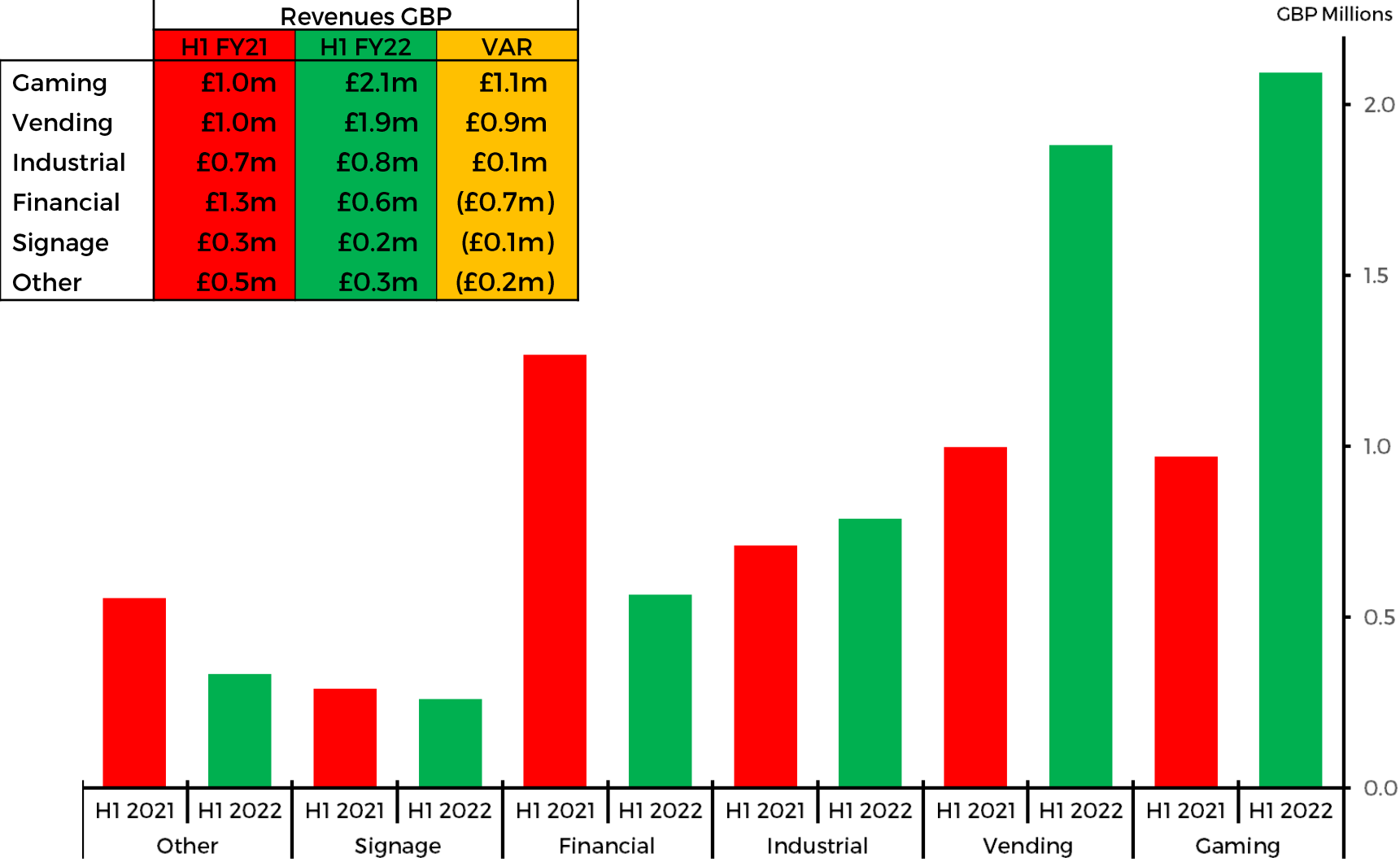
- Financial position remains strong with reported cash of £7.5m after buy back of 750,500 shares through on market purchases from 17 February to 31 March 2022
- Currency
 - Hedging strategy remains beneficial, more natural hedging in EUR
 - Surplus USD & EUR forward FX contract cover of 3-4 months, in line with WC
 - › Liability of < £0.1m (H1 FY21: assets of < £0.1m; 30 September 2021: liability of <£0.1m)
- Cash position and cashflows
 - Cash outflow from operating activities of £0.1m (H1 FY21: £0.4m inflow)
 - Working capital £0.7m increase (30 September 2021: £0.5m decrease)
 - › £0.7m increase in stock being biggest driver
 - Capex spend of £0.2m (H1 FY21: < £0.1m)
 - Tax payments of £0.1m over period (H1 FY21: £0.1m refund)
 - Cash utilised in financing activities: £1.2m for share buy back and £0.2m for dividends
 - Net cash of £7.5m (30 September 2021: £9.2m)

- Covid-19 continues to impact business performance, electronic component supply chains affected (purchasing and customer demand)
- Order intake increased 16% to £7.4m (H1 FY21: £6.4m)
 - Slight benefit from some longer lead-time PO placements, deliverable over H2, mainly due to Covid-19 supply chain concerns
- Revenues of £5.9m (H1 FY21: £4.8m)
 - Export revenues of £5.6m, 94% of total (H1 FY21: £4.5m, 95%)
 - APAC sales up 71% to £2.5m (H1 FY21: £1.4m), Gaming improved
 - AMERICAS sales up 60% to £1.4m (H1 FY21: £0.9m), Vending project driven
 - EMEA sales declined 23% to £1.7m (H1 FY21: £2.2m), Financial impacted
 - Gaming - continued improvement as market recovers, 116% increase
 - Vending - 89% improvement in sales, electric vehicle charging (“EVC”) and fountain drink dispensing
 - Industrial - 11% increase
 - Financial - market changes drive expected sales reduction, 55% decline
 - Signage - 11% decline
 - Other - 40% decline

Sales - revenues by markets



	Revenues GBP		
	H1 FY21	H1 FY22	VAR
Gaming	£1.0m	£2.1m	£1.1m
Vending	£1.0m	£1.9m	£0.9m
Industrial	£0.7m	£0.8m	£0.1m
Financial	£1.3m	£0.6m	(£0.7m)
Signage	£0.3m	£0.2m	(£0.1m)
Other	£0.5m	£0.3m	(£0.2m)



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Touch sales - sensor size range and markets

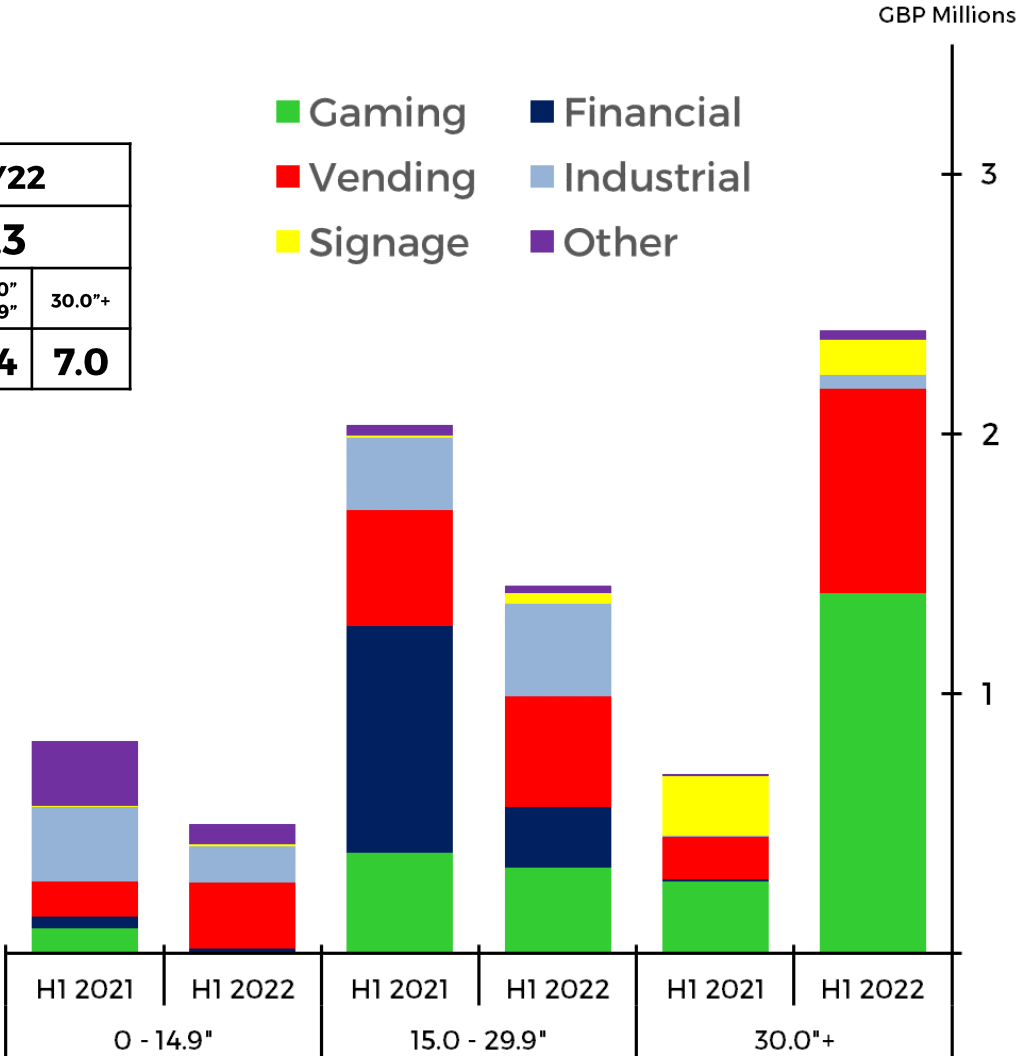


	H1 FY21			H1 FY22		
Total Units ('000)	33.4			29.3		
Size Range	0-14.9"	15.0" -29.9"	30.0"+	0-14.9"	15.0" -29.9"	30.0"+
Units ('000)	12.7	18.6	2.1	8.9	13.4	7.0

MPCT™ units ('000) H1 FY21: 4.2, **H1 FY22: 9.1**

Curved units ('000) H1 FY21: 0.6, **H1 FY22: 3.5**

Increased volumes of Large format, MPCT™ and Curved units, particularly for Gaming and Vending.



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Note: Revenues are touch sensors only and exclude controllers and ancillaries

- ZYBRID^{®Hover} – Oct 2021 Electronics Industry Awards Winner, Display Product of the Year
- G2E gaming tradeshow undertaken in Oct (limited attendance) and planned tradeshow for ZYBRID^{®Edge} and ElectroglaZ[™] in H1 cancelled due to Covid-19, rescheduled into H2 and FY23 respectively
- H2 planned direct tradeshow participation: TouchTaiwan (Apr), ISE (May) & Digital Signage Japan (June); partner: Teknologia (May)
- Release of numerous case studies, whitepapers and ‘thought’ pieces, see www.zytronic.co.uk/news/



PCI 5.X Certification for encrypted PIN entry through touchscreens



ZYBRID^{®Edge} offers seamless, multiscreen touch transitioning



Ultra-rugged touch performance for off-road vehicle fuel dispensing & management



Sydney Outdoor Smart-City, Wayfinder

- Patents
 - GB2114121.3 application 01-Oct-21 - glass dome bash button on a touch sensor and its functionality
 - GB2576674 granted 01-Dec-21 - construction method of a floating mechanical button within a touch sensor
- Opportunities (“Opps”) Pipeline and Forecasted Lifetime Value (“FLV”)

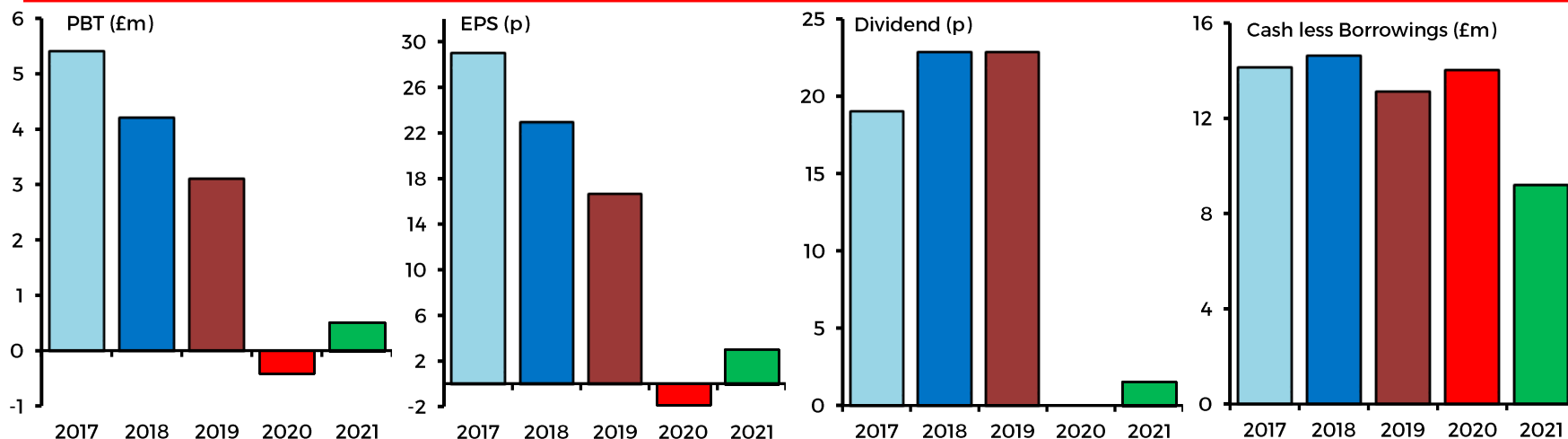
	As of 30 Sept 21	H1 FY22 Movement			As of 31 Mar 22
		New	Won (production)	Closed (no action)	
No. Opps	391	163	(51)	(75)	428
FLV - £'m	29.7	19.0	(3.1)	(3.6)	42.0

- Vending presently strongest market, in both volume and value benefitting from global Opps in EVC stations
- Electroglaz™ and Zybrid®Edge not yet impacting, due to tradeshow postponements
- Ukraine conflict
 - Withdrawal of trading opportunities with Russia (indirectly managed through German based partner), no material revenue impact on business

- H1 trading improved but continued to be Covid-19 impacted
- Innovation in technologies, further patents applied for and granted
- Post-pandemic issues related to electronic componentry supplies, represent a headwind through H2
- Opportunity levels provide future platform for improving performance
 - Recent hinderance from tradeshow postponements
 - UK involvement in international tradeshows and sales visits resume in earnest from May
- Group remains well positioned to benefit from future opportunity generation

Appendices

5yr Financial comparisons

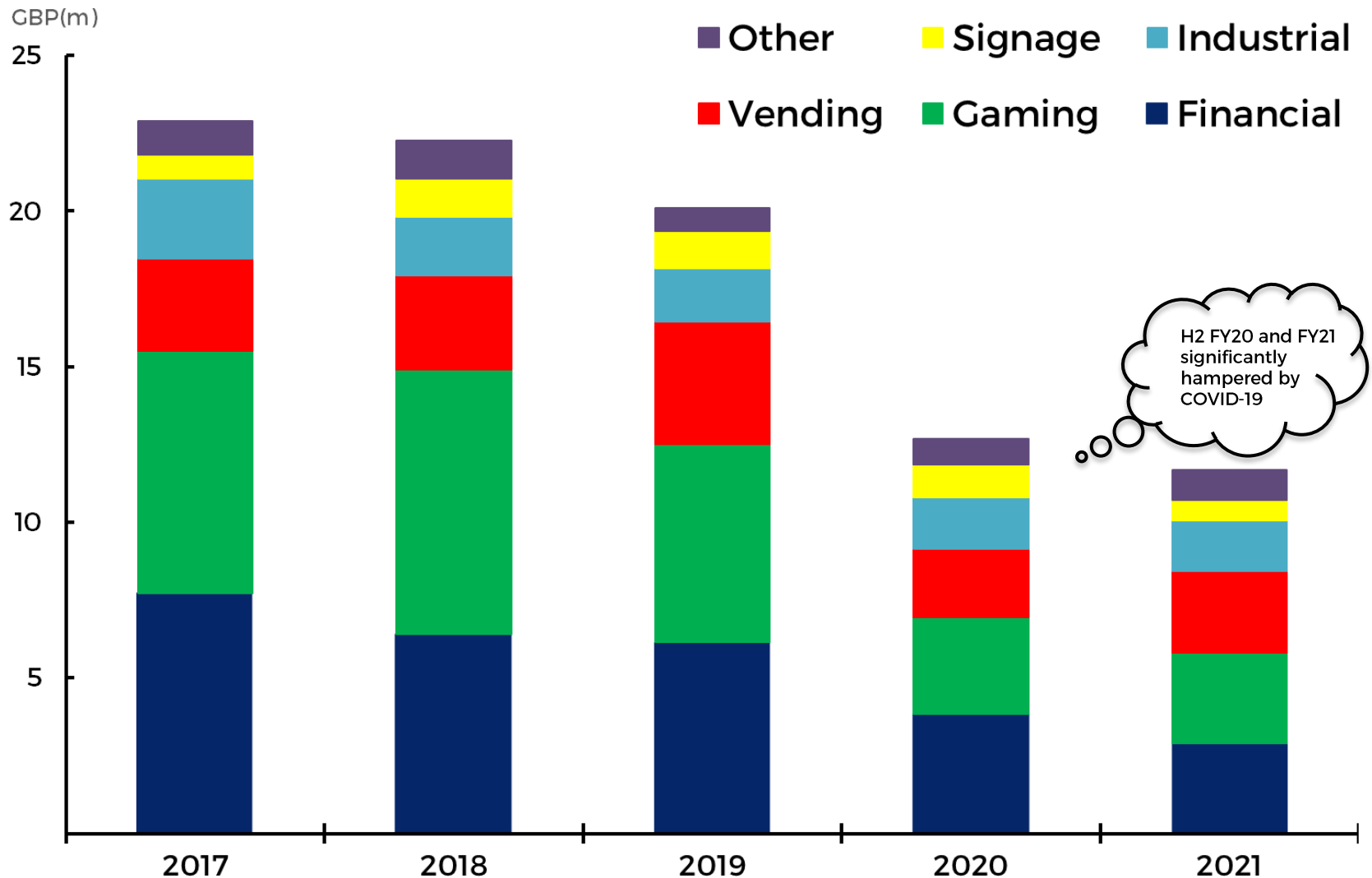


	Year ended	30-Sept-17	30-Sept-18	30-Sept-19	30-Sept-20	30-Sept-21
Revenue (£m)		22.9	22.3	20.1	12.7	11.7
Gross margin (%)		41.1	37.0	33.7	20.1	30.3
EBITDA (£m)		6.6	5.2	4.1	0.7	1.4
PBT/(LBT) (£m)		5.4	4.2	3.1	(0.4)	0.5
EPS/(LPS) (FD)/(AD) (p)		29.0	22.7	16.6	(1.8)	3.0
Dividends for year (p)		19.0	22.8	22.8	nil	1.5
Net cashflow from operating activities (£m)		4.7	4.8	2.8	3.2	2.1
Net cash (£m)		14.1	14.6	13.1	14.0	9.2

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5yrs - revenues by products and markets



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Shareholder profile



Shareholding (>3% by parent company) as of 20 April 2022	(%)
Interactive Investor Trading	17.55
Hargreaves Lansdown PLC	16.39
Private Stakeholders (UK)	6.79
Barclays Bank	6.22
A J Bell Group	5.04
Lloyds Banking Group	3.77
Directors & related parties (Former Chairs holdings removed from 3 March 2022)	1.44
Total shares as of 20 April 2022	10,633,652

Non-Executive Chairman - David John Buffham

David worked at the Bank of England until 2010, and as the Bank's Agent for the North East of England from 2001. David was a Director of William Leech (Investments) Ltd and Newcastle Building Society. David was the Chair of the Audit Committee and the RemCo, before becoming Chair of the Board in March 2022.

Chief Executive Officer - Mark Cambridge

Mark after being appointed to the board of Zytronic Plc in June 2007 became Chief Executive in January 2008. Mark is a graduate in Materials Science with prior industrial experience in the nuclear and metal casting industries and has a Securities Institute Certificate in Corporate Finance. He has held positions within the operating subsidiary Zytronic Displays Limited of Technical and Quality Director, Sales and Marketing Director and has been its Managing Director since 2006 and is also President of its USA subsidiary Zytronic Inc.

Group Finance Director - Claire Louise Smith

Claire is a graduate in Business and Finance, CIMA accredited with a certificate in International Cash Management. She held various positions with Procter & Gamble and the NAAFI, before joining Zytronic Displays Limited in April 2007, as Group Financial Controller. In 2012, Claire was appointed Finance Director of the operating subsidiary Zytronic Displays Limited and Finance Director of Zytronic Plc in January 2014. Claire is also the Group Company Secretary

Independent Non-Executive Director - Mark Alexander Butcher

Mark has over 20 years' experience in the City where he was an Executive Director of GPG (UK) Holdings plc which was the UK investment arm of Guinness Peat Group plc. Mark has wide experience in international accounting, corporate finance and banking transactions. He has sat as a Non-executive Director on the Boards of a number of public and private companies, with current positions at Redde Northgate plc, AssetCo plc and National Milk Records plc. He was appointed in March 2022 and is currently Chair of the Audit Committee and the Remuneration Committee.