



YEAR END RESULTS

December 2017



AGENDA

- *Introduction*
- *Financial highlights*
- *Strategy Progress*
- *Outlook*
- *Appendix*



OUR PRODUCTS

Neptune

Lightweight, ultra-micro fibre acoustic absorber

Fleeces

Nonwoven mono-material polyester fleeces with application specific scrims

Heavy Layer

Thermoplastic mass barriers

Light Foam

Low density PUR foam with application specific scrims and heat shields

Foams

Injection moulded PUR open/semi-open/closed cell foams

Multi Layer

Layered barriers and absorbers tuned to specific applications e.g. Ozone

OUR PROCESSES

Materials Manufacturing

Ultra-micro fibre, low density PUR foams

Conversion and Assembly

Cutting, sealing, moulding, welding

Customer Support

Tooling & component, design & testing

OUR LOCATIONS

Tamworth, UK

Materials manufacturing, assembly & conversion operation

Rugby, UK

Group HQ, NPI centre, assembly & conversion operation

Nuneaton, UK

Group technical centre: laboratory & test site

Gothenburg, Sweden

NPI centre, materials manufacturing, assembly & conversion operation

Hilden, Germany

NPI centre, assembly & conversion operation

Northampton, UK

JV with Indica Industries (India), materials manufacturing and assembly

APPLICATIONS - ICE

Bonnet liners Light foam with protective covers

- Lightweight, acoustic performance, low flame response, high temperature

Bumper Heavy layer and PUR

- Significant mass used to reduce vibrations and act as a barrier to noise transmission

Wheel arches Combination product incl. PET or advanced options

- Cost-effective recycled materials, improved acoustic profile

Door blankets Neptune in multiple thicknesses

- High performance 3D acoustic absorption , thermally efficient

Dash mats Multi-layer, advanced options such as Neptune

- Material combinations balancing barrier and absorption requirements

Battery insulation PET wadding, multi-purpose scrims

- High performance specialised coatings, optional barrier films, thermally efficient

Transmission undertray Light foam, covers, optional heat shielding

- Lightweight, acoustic performance, low flame response, high temperature



FINANCIAL HIGHLIGHTS



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	FY 2017	FY 2016	Change	Comment
Revenue	£26.4m	£20.4m	+29%	Non UK share increased to 12.4% (FY2016: 7.1%)
Gross Profit	£9.0m	£6.5m	+38%	Margin improved to 34.3% / FY2016: 32.02%
Adj. EBITDA	£2.0m	£1.4m	+38%	Excludes IPO costs, press repairs and change of CEO
Profit after Tax	£0.4m	£0.3m	+35%	
Earnings per Share	1.82p	2.03p	(0.21)p	Affected by average no. of shares despite higher PAT
Net Cash/(Debt)	£(2.0)m	£3.3m	£(5.3)m	
Final Dividend	0.8p	N/A	N/A	Total FY2017: 1.2p/share

- Strong growth across Group with margins holding up well
- Germany and Sweden progressing profitably
- Continued investment in key resources / overhead
- Cash invested in growth capacity, Neptune and working capital

29% top line growth

**Building
momentum**

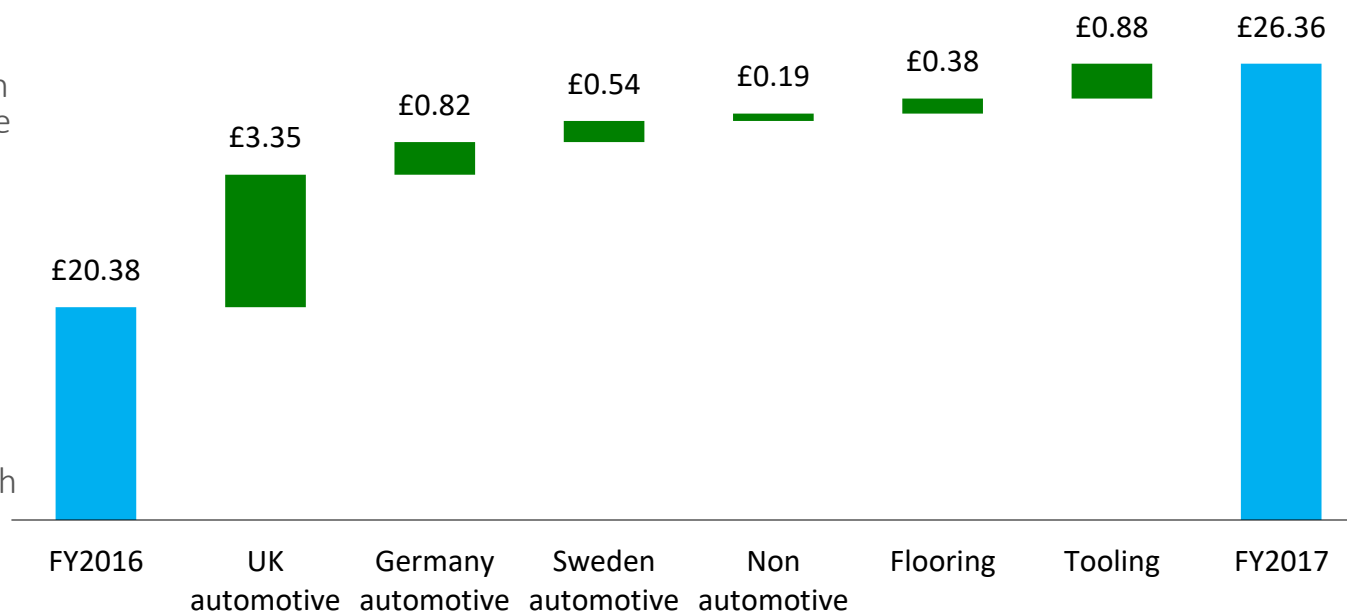
REVENUE BRIDGE

UK Growth

- Greater tier penetration with growth on existing OEM base
- Tooling: OEM platforms due to launch FY2018
- Non automotive: end customer growing, with new sales channel in USA

Overseas growth

- Germany: automotive growth > 100% with new OEM contract being rolled out
- Repatriation of work back to the UK
- Sweden: Volvo tiers Neptune component supply started H2
- Flooring: range extension and new customers secured



Adj. EBITDA BRIDGE

Volume effect

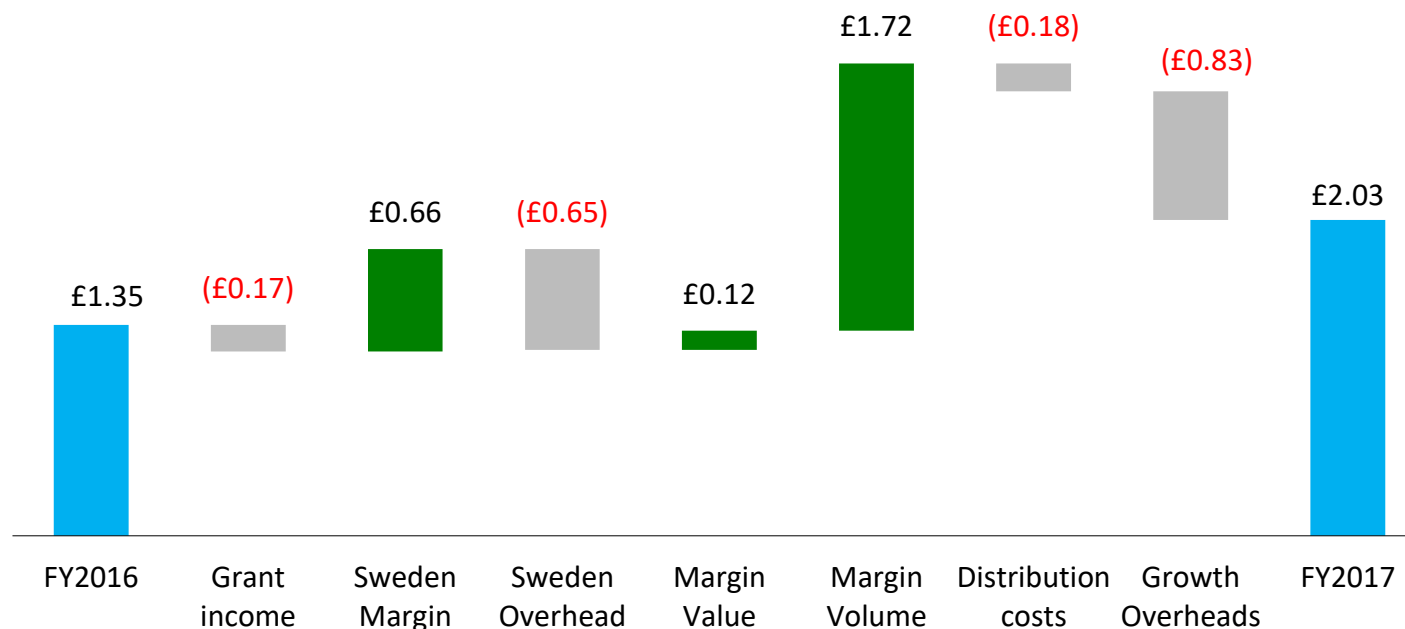
- Top-line growth delivers margin drop through
- Margin enhancement from new products and processes

Growth overhead

- Customer facing personnel
- Operational excellence
- Technical centre

Others

- Grants: lower in FY2017 as large project ended
- Sweden: effect of mid year acquisition



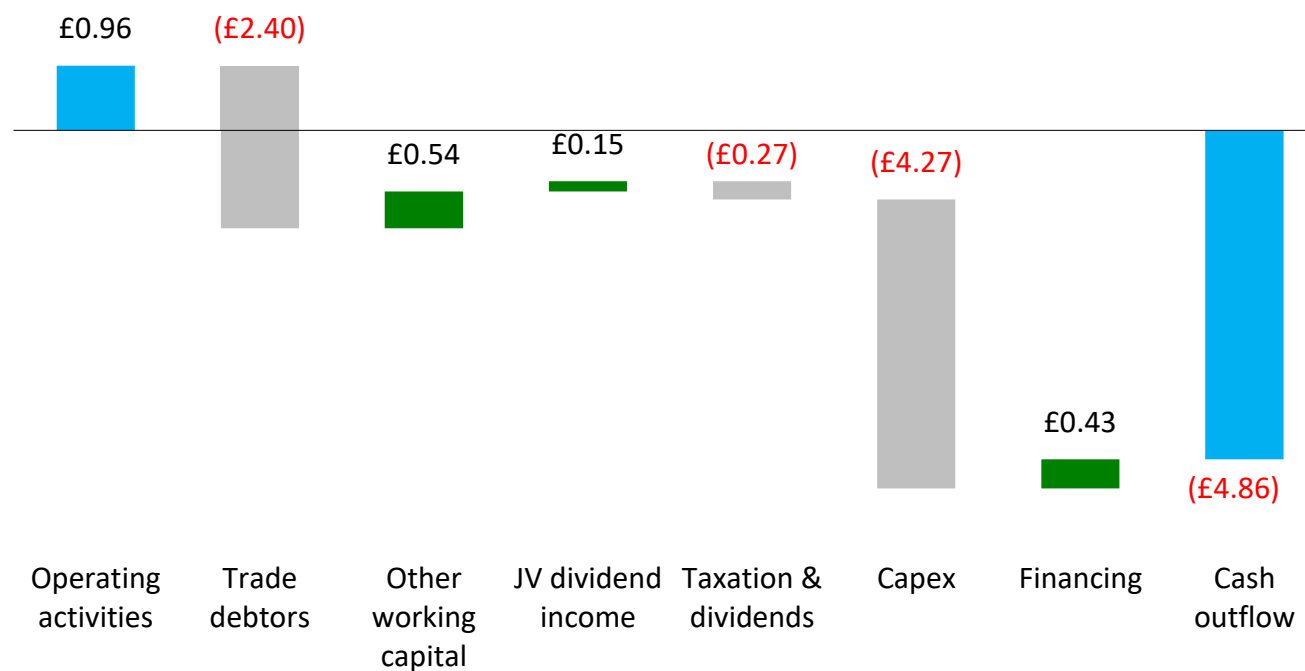
CASHFLOW BRIDGE

Working capital

- Debtors increased in line with top line growth
- Inventory
- Tooling stock £0.3m lower
- Trade creditors (inc. JV) up £0.8m
- Accruals £1.1m lower after settlement of IkSung capex

Other cash items

- Capex includes £0.35m intangibles & £1.4m Neptune accrued FY2016
- JV distributing 50% of profits



STRATEGY PROGRESS



BUSINESS MODEL



STRATEGY

Strategic Market Drivers

- ▶ Large target addressable market
 - common drivers across OEMs
- ▶ Premium vehicle growth especially SUVs
 - changing NVH needs, lighter materials
- ▶ Regulatory: emissions, VOC, engines
 - changing NVH needs, lighter materials
- ▶ Electric vehicle growth
 - changing NVH, thermal, lighter materials
- ▶ New interior demands, technologies, materials
 - multi-layer, thickness, weight, function

Strategic Intent

Market Led

- ▶ Growth agenda built on best-in-class differentiated products
- ▶ Specialist applications and materials, research & product development
- ▶ Broader market and customer coverage

Operational Excellence

- ▶ Competitive advantage built around advanced manufacturing & SCM
- ▶ Vertically integrated, mixed model assembly, product introduction centres
- ▶ Better position and operational footprint

Performance Driven

- ▶ Customer focused capabilities harnessing experience & expertise
- ▶ Group-wide business processes with one face to market
- ▶ One company in everything we do

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Strategic Progress 2017

- ▶ New wins: Volvo, Aston Martin, London Taxi
- ▶ Neptune OEM approvals continue
- ▶ MIRA technical centre, team fully in place
- ▶ 3-Horizon research & product development plan

- ▶ New wins: VW, Porsche, Bentley
- ▶ Multiple tier collaborations: working & winning
- ▶ Launched Autins Operating System
- ▶ Indica Automotive JV performing well

- ▶ Strengthening core leadership and management
- ▶ Recruitment & investment in key staff
- ▶ Group shared services, key account management
- ▶ One company branding introduced

OUTLOOK



OUTLOOK

Our view ahead

- Confident of continued strong growth across the current year
- Near term results will be weighted to second half
- Important year as we re-shape financial performance of the Group

Our view beyond

- Accelerate operational excellence – Autins Operating System
- Establish operation in Eastern Europe
- Research & product development across 3 Horizons
- Penetrate major European OEMs
- Partner with key Tier 1s

Detailed plans in place

**Building
momentum**

APPENDIX

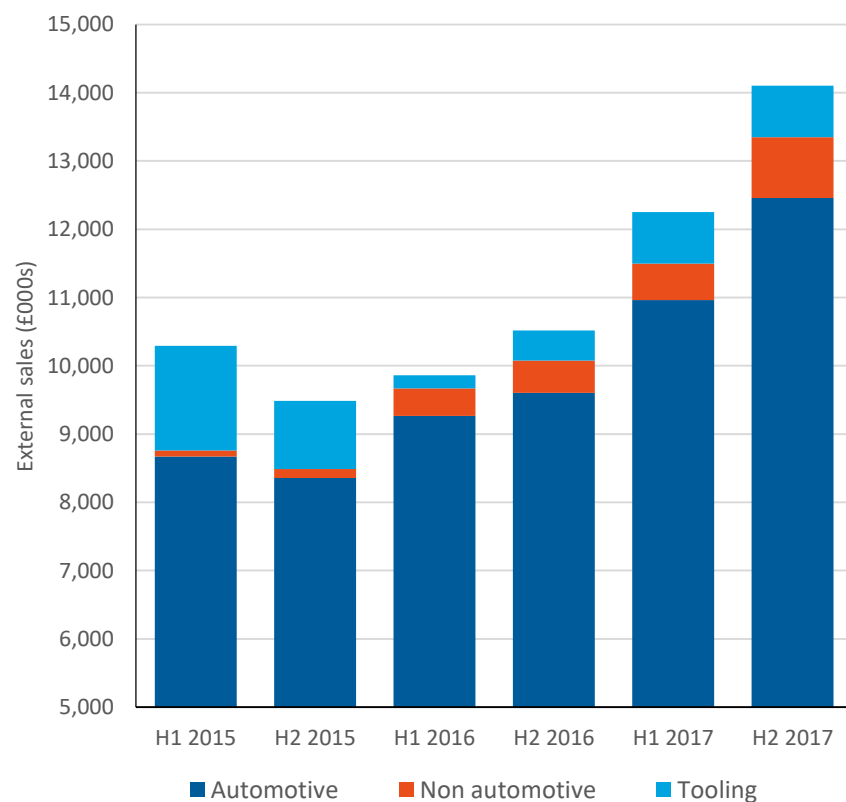
- ***Financials:***

- Consolidated statement of Income, Financial Position, Cash Flows

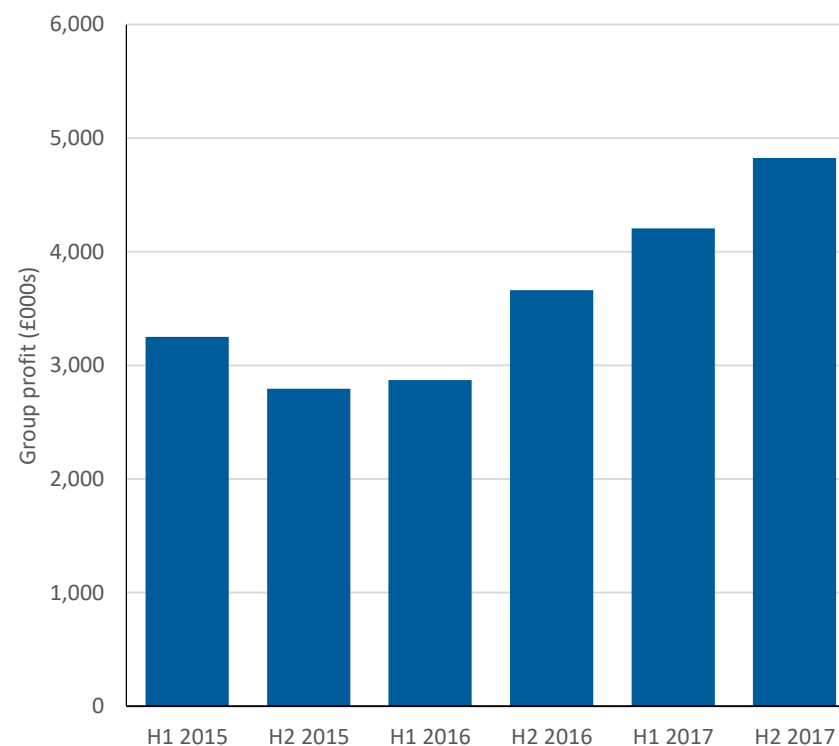


PROGRESSION – LAST 3 YEARS

Group sales



Group gross profit



CONSOLIDATED STATEMENT OF INCOME

	FY 2017	FY 2016	FY2015
	£000s	£000s	£000s
Revenue	26,357	20,378	19,781
Gross Profit	9,030	6,533	6,044
<i>Gross Margin %</i>	<i>34%</i>	<i>32%</i>	<i>31%</i>
<i>Exceptional costs</i>	<i>550</i>	<i>182</i>	<i>-</i>
EBITDA	874	918	1,774
Profit Before Taxation	207	186	899
Taxation	196	112	(182)
Profit After Taxation	403	298	717

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	FY 2017	FY 2016	FY2015
Total non-current assets	15,108	12,720	6,744
Inventories	1,967	1,565	1,392
Trade and other receivables	7,378	4,955	4,105
Cash and cash equivalents	1,625	6,449	505
Total current assets	10,970	12,969	6,002
Total assets	26,078	25,689	12,746
Trade and other payables	5,851	6,300	3,975
Loans and borrowings	2,947	994	2,930
Corporation tax liability	-	-	87
Total current liabilities	8,798	7,294	6,992
Loans and borrowings	718	2,119	3,039
Deferred tax liability	496	559	657
Total non-current liabilities	1,337	2,678	3,696
Total liabilities	10,135	9,972	10,688
Net Assets	15,943	15,717	2,058

CONSOLIDATED STATEMENT OF CASH FLOWS

	FY 2017	FY 2016	FY2015
Profit after tax	403	298	717
Depreciation & amortisation	765	616	576
Income taxes	(261)	(112)	182
Financing	92	558	386
Other operating items	(137)	(528)	6
Change in working capital	(1,893)	(159)	881
Operating Cashflow	(1,031)	673	2,748
Investing activities	(3,984)	(3,451)	(403)
Servicing of finance	(81)	(324)	(250)
Financing	510	9,435	(1,233)
Dividends paid	(177)	(9)	(9)
Taxation recovered/(paid)	(92)	(173)	(79)
Share Repurchase	-	(300)	(369)
Net Cashflow	(4,855)	5,851	405

APPLICATIONS - EV

Bonnet liners Light foam product with protective covers

- Lightweight, superior acoustic performance , ideally suited for EVs

Wheel arches Combination product incl. PET or advanced options

- Improved acoustic profile to block out prominent road noise in EVs

Dash mats Multi-layer, advanced options such as Neptune

- Material combinations balancing barrier and absorption requirements

Door blankets Neptune product in multiple thicknesses

- High performance 3D absorption in key frequency range, thermally efficient

Pillars Neptune product in multiple thicknesses

- High performance 3D absorption of road/wind noise and thermally efficient

Encapsulation Multi-layer, advanced options such as Neptune

- Material combinations, isolate electric motors, gearbox, pumps, HVAC noise

Battery insulation PET wadding, multi-purpose scrims, advanced options

- Optimising range efficiency by reducing thermal effects on the battery

