

Results for the year ended 30 September 2021



December 2021

- COVID-19 continued to impact business throughout the whole of year
- Revenue of £11.7m (2020: £12.7m), H1 revenues of £4.8m, H2 of £6.9m, 44% improvement H2 over H1
- Gross margin improved to 30.3% (2020: 20.1%)
- Reported PBT of £0.5m (2020: LBT of £0.4m)
- EPS of 3.0p (2020: LPS of 1.8p)
- Final dividend proposed of 1.5p (2020: Nil)
- Successful Tender Offer, returning £6.7m cash and cancellation of 4.6m shares
- Net cash of £9.2m (2020: £14.0m)

Consolidated statement of comprehensive income



	Audited 12 months to 30 Sept 2021	Audited 12 months to 30 Sept 2020
Group revenue	£11.7m	£12.7m
Gross profit	£3.5m	£2.6m
Gross margin	30.3%	20.1%
Group trading profit/(loss)	£0.5m	(£1.0m)
Trading margin	3.9%	(7.6%)
Net income	-	£0.5m
Profit/(loss) before tax	£0.5m	(£0.4m)
Tax (expense)/credit	(£0.1m)	£0.1m
Profit/(loss) for the year	£0.4m	(£0.3m)
Earnings/(loss) per share - Basic	3.0p	(1.8p)



- Group revenue £11.7m (2020: £12.7m)
- Gross profit margin of 30.3% (2020: 20.1%)
 - Production efficiencies and the prior year restructure helped benefit margin
 - Lower depreciation and amortisation also benefits
- Admin expenses of £2.9m (2020: £3.3m)
- EBITDA of £1.4m (2020: £0.7m)
- Reported PBT of £0.5m (2020: LBT of £0.4m)
- Tax expense of £0.1m (2020: credit of £0.1m)
- EPS (basic only) of 3.0p (2020: 1.8p LPS)
- Dividend proposed for year of 1.5p (2020: nil)

Consolidated statement of financial position



	Audited 12 months to 30 Sept 2021	Audited 12 months to 30 Sept 2020
Non-current assets	£6.1m	£6.9m
Current assets (less cash)	£3.6m	£4.2m
Cash	£9.2m	£14.0m
Total assets	£18.9m	£25.1m
Current liabilities	(£1.8m)	(£1.6m)
Non-current liabilities	(£0.3m)	(£0.5m)
Total liabilities	(£2.1m)	(£2.0m)
Net assets	£16.8m	£23.1m

Consolidated cashflow statement



	Audited 12 months to 30 Sept 2021	Audited 12 months to 30 Sept 2020
Profit/(loss) before tax	£0.5m	(£0.4m)
Depreciation and amortisation	£1.0m	£1.2m
Movement in working capital	£0.6m	£3.2m
Tax received/(paid)	nil	(£0.2m)
Net cash from operating activities	£2.1m	£3.2m
Net cashflow used in investing activities	(£0.3m)	(£0.3m)
Net cashflow used in financing activities	(£6.7m)	(£2.0m)
(Decrease)/increase in cash	(£4.9m)	£0.9m
Net cash	£9.2m	£14.0m

Statement of financial position & cashflow



- Group statement of financial position remains strong with reported cash of £9.2m (2020: £14.0m)
- Tender offer share buyback undertaken in February 2021 at 145p per ordinary share, capital reduction of £6.7m for repurchase and cancellation of 4.6m shares
- Currency
 - Hedging strategy remains beneficial with more natural hedging in EUR
 - Surplus USD & EUR forward FX contract cover of 3-4 months, in line with working capital
 - Non material liabilities at year end < £0.1m (2020: Nil)
- Cash position and cashflows
 - Cash inflow from operating activities of £2.1m (2020: £3.2m)
 - Working capital £0.6m decrease (30 September 2020: £3.2m decrease)
 - Stocks decreased, creditors and debtors increased
 - Capex spend of £0.3m (2020: £0.4m)
 - R&D £0.1m (2020: £0.2m), Plant & Equipment £0.2m (2020: £0.2m)
 - Tax received < £0.1m (2020: £0.2m paid)
 - Dividend payments during period £nil (2020: £2.4m, FY19 final dividend)

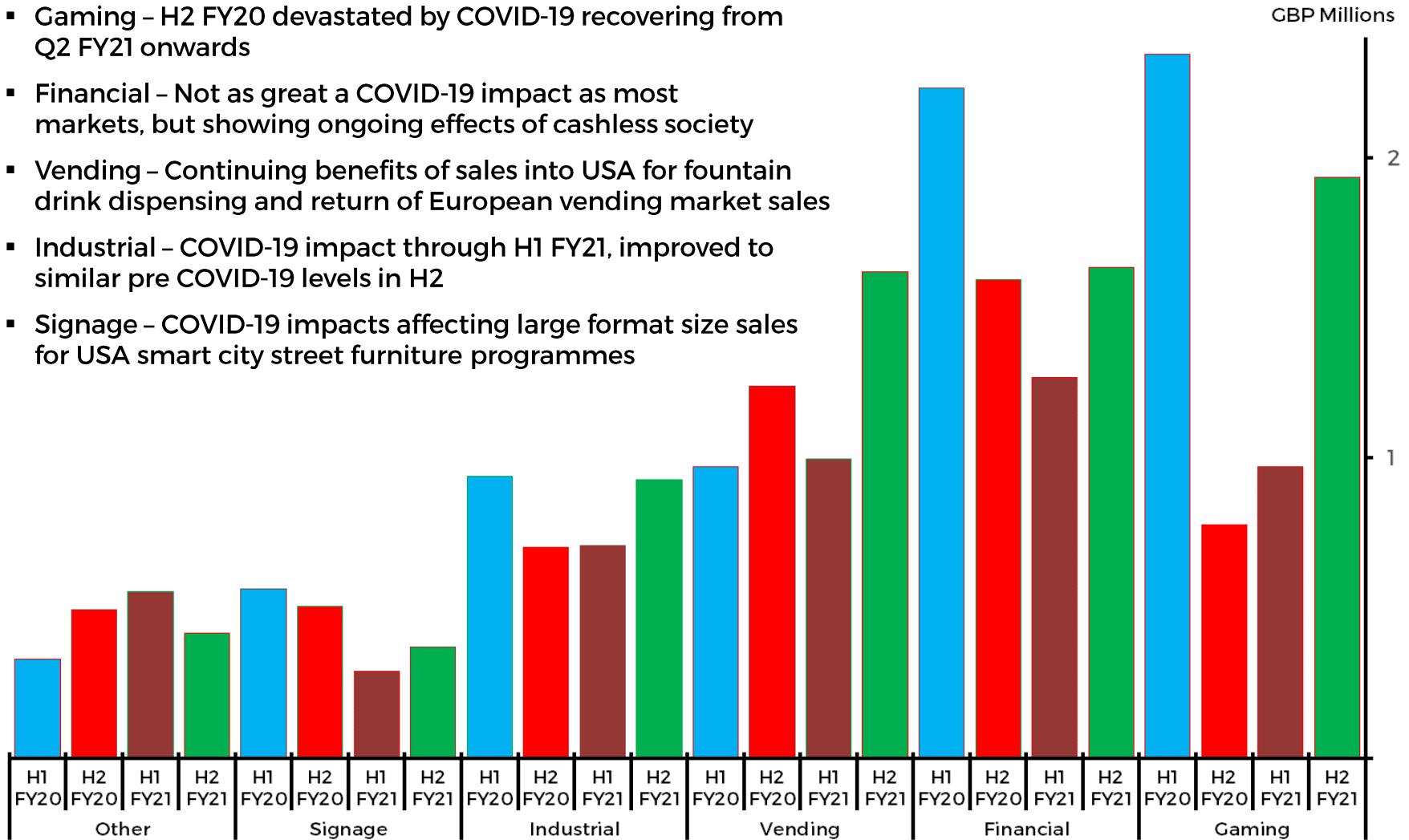
- COVID-19 impact throughout year, evidenced by order intake
 - Order intake ratio of Q3 FY20 against Q4 FY20, Q1 FY21 and Q2 FY21, of 0.9: 1.0: 2.3, illustrates a significant uplift starting from Q2 FY21
 - Q2 benefitting from re-instatement of COVID-19 order delays and cancellations and longer lead time POs due to electronic component shortage news
 - COVID-19 continued to impact H2, order intake of £5.7m, 11% lower than H1 of £6.4m
- Total revenues of £11.7m (2020: £12.7m)
 - H1 FY21 revenue of £4.8m (10% lower than H2 FY20)
 - H2 FY21 revenue of £6.9m (44% increase over H1 FY21)
- All major application markets except vending exhibit declines against FY20 however, all exhibit significant H2 FY21 improvement over H1

Market	2021	2020	% Var (A)	H1 FY21	H2 FY21	% Var (A)
Other	£1.0m	£0.9m	18	£0.5m	£0.4m	(25)
Signage	£0.7m	£1.1m	(38)	£0.3m	£0.4m	27
Industrial	£1.6m	£1.6m	(0)	£0.7m	£0.9m	31
Vending	£2.6m	£2.2m	18	£1.0m	£1.6m	63
Gaming	£2.9m	£3.1m	(7)	£1.0m	£1.9m	99
Financial	£2.9m	£3.8m	(24)	£1.3m	£1.6m	29
Total	£11.7m	£12.7m	(8)	£4.8m	£6.9m	44

Note: all £ values in the above table are rounded to nearest £0.1m whilst % variance is based on actual values

Sales - revenues by markets

- Gaming – H2 FY20 devastated by COVID-19 recovering from Q2 FY21 onwards
- Financial – Not as great a COVID-19 impact as most markets, but showing ongoing effects of cashless society
- Vending – Continuing benefits of sales into USA for fountain drink dispensing and return of European vending market sales
- Industrial – COVID-19 impact through H1 FY21, improved to similar pre COVID-19 levels in H2
- Signage – COVID-19 impacts affecting large format size sales for USA smart city street furniture programmes



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Touch sales - sensor size range and markets

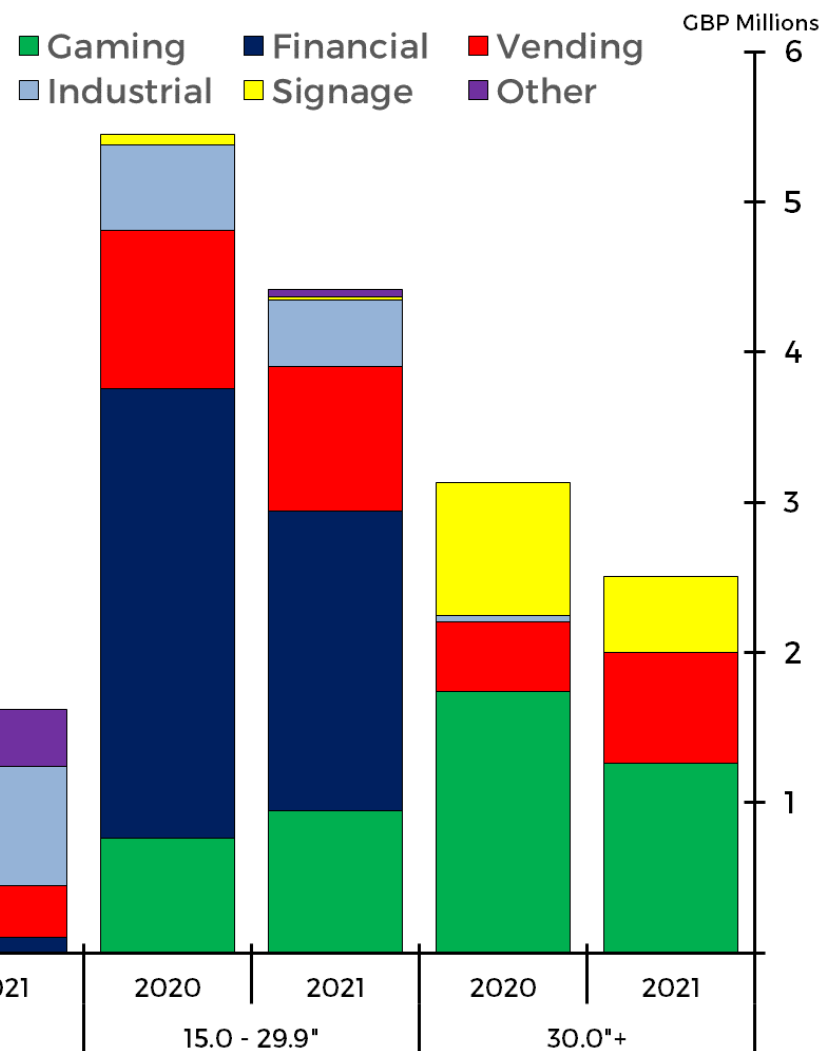


	2021			2020		
Total Units	76.5			78		
Size Range	0 - 14.9"	15.0" - 29.9"	30.0"+	0 - 14.9"	15.0" - 29.9"	30.0"+
Units (k)	30	38.5	8	19	50	8.5

Volume of MPCT™ units **13k** (2020: **13.5k**)

Volume of Curved units **3.5k** (2020: **7.5k**)

Note: Unit volumes are rounded to the nearest 0.5k



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Note: Revenue as illustrated on graph are for touch sensor only sales and exclude sales of controllers and ancillaries

- Exhibited at 2 trade shows in H2 FY21, Digital Signage Japan and Touch Taiwan, both shows rescheduled from original FY20
 - Attendance domestic rather than normal international
- Continued digital marketing focus and social media interaction
- ZYBRID^{®hover} wins prestigious Passive & Electromechanical Product of the Year at the rescheduled ELEKTRA 2020 awards, in April 2021
- Release of numerous case studies, whitepapers and 'thought' pieces, see www.zytronic.co.uk/news/



[Hi-Point kiosks, Balearic Islands](#)



[Circular touch, Litemax Taiwan](#)



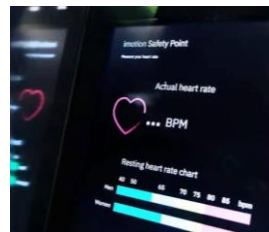
[Pano Duo table, Ideum USA](#)



[Future of medical care article](#)



[Self-Serv Vending, Amtek Italy](#)



[Health Totem, Infinitus Slovenia](#)



[Transparent OLED, INNOVATUS](#)



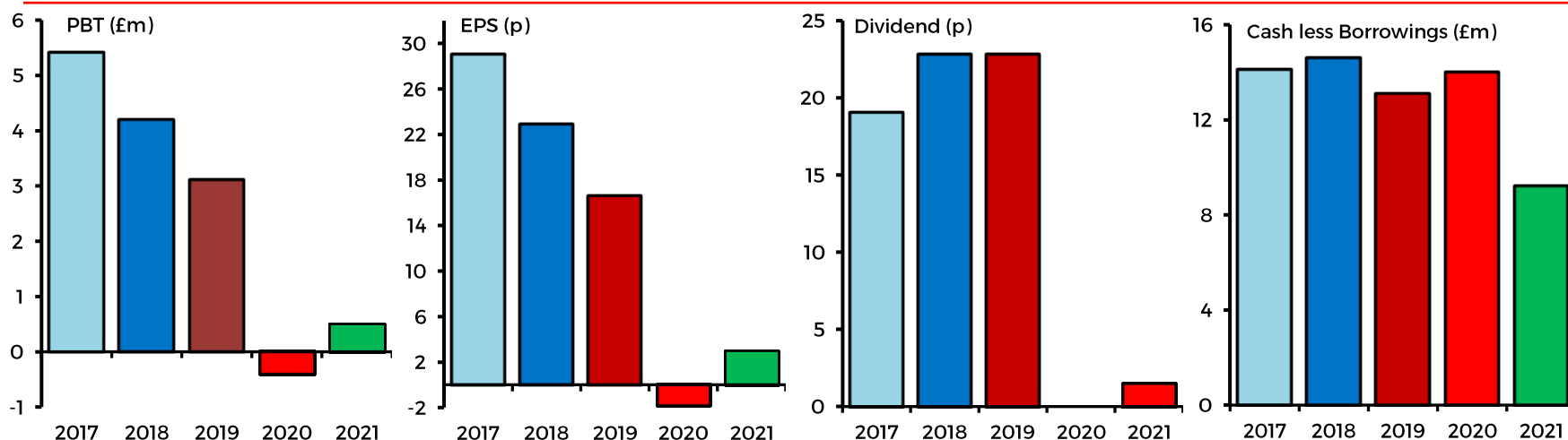
[Low Carbon Transport article](#)

- COVID-19 drives electronic component global shortages, R&D heavily involved in sourcing, approving and re-designing to accommodate
- Business travel presently expected to recommence from January 2022 onwards
- ZYBRID^{®edge}, regulatory approved new controller design completed for market launch at ISE expo, Spain Q2 FY22
- Electroglaz[™], conceptual designs shown at FY21 trade shows and G2E gaming expo, USA Q1 FY22. Product specific Light + Building expo scheduled, Germany Q2 FY22
- Dynamic CRM opportunities log
 - 30 September 2021, 391 opportunities, projected value £28m, 17 classified at 'Project' status, projected value £1.5m
 - 30 November 2021, encouraging improvement, 420 opportunities, projected value £31.4m, 23 classified at 'Project' status, projected value £3.5m

- Successful Share Tender Offer, returning £6.7m cash and cancellation of 4.6m shares, closing net cash of £9.2m (2020: £14.0m)
- Resumption of physical trade shows, is supportive of sales and marketing lead generation
- Pandemic uncertainties persist, global supply issues of electronic components, projected to continue through FY22
- First 2-months of order intake, 77% greater than same period FY21 and provides good base for improvement in performance

Appendices

5yr financial comparisons

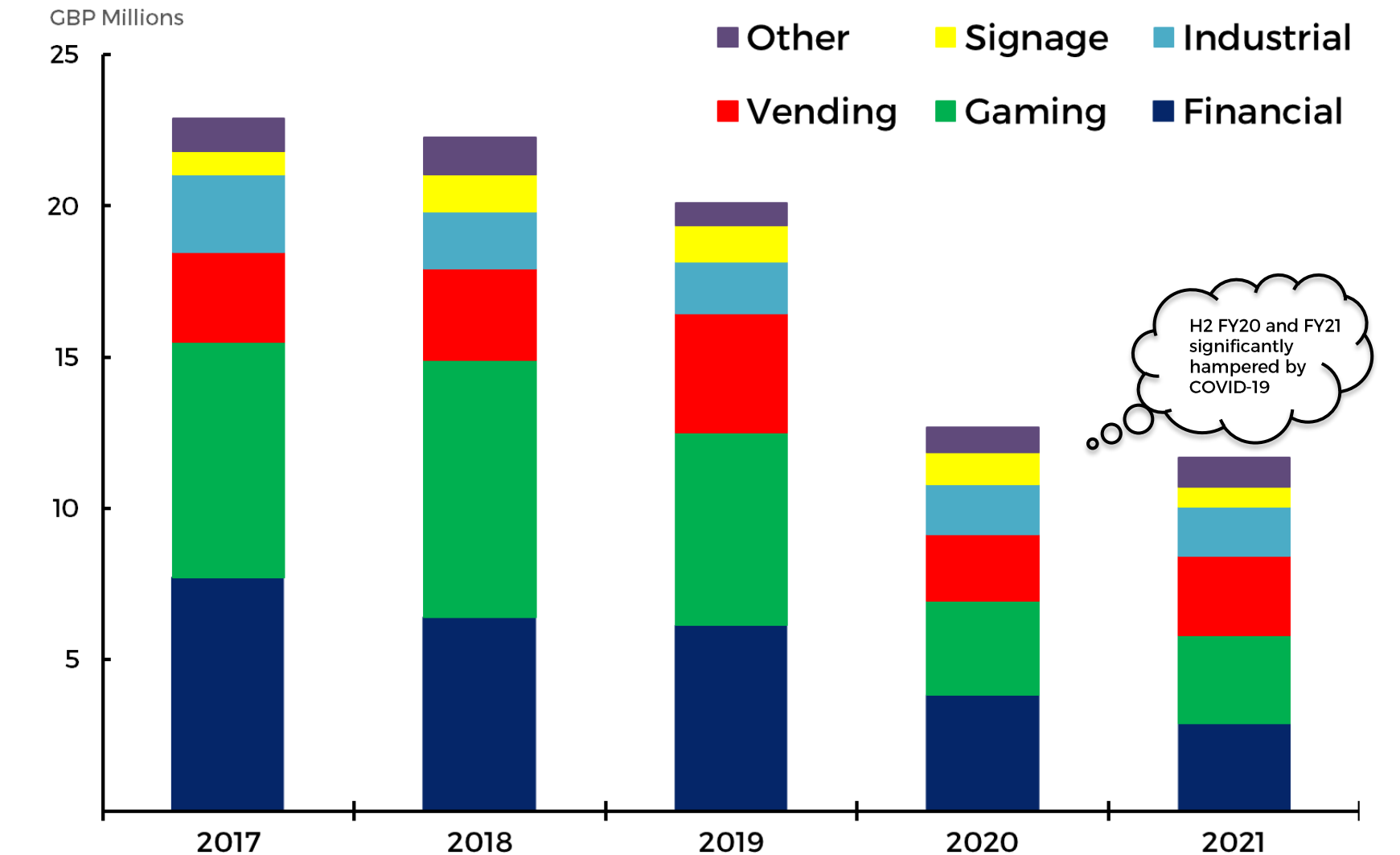


	Year ended	30-Sept-17	30-Sept-18	30-Sept-19	30-Sept-20	30-Sept-21
Revenue (£m)		22.9	22.3	20.1	12.7	11.7
Gross margin (%)		41.1	37.0	33.7	20.1	30.3
EBITDA (£m)		6.6	5.2	4.1	0.7	1.4
PBT/(LBT) (£m)		5.4	4.2	3.1	(0.4)	0.5
EPS/(LPS) (FD)/(AD) (p)		29.0	22.7	16.6	(1.8)	3.0
Dividends for year (p)		19.0	22.8	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 30 November 2021	(%)
Interactive Investor Trading	15.08
Hargreaves Lansdown PLC	13.64
Barclays Bank	5.58
A J Bell Group	4.05
Woodland Investment Management	4.03
Lloyds Banking Group	3.56
Redmayne Bentley	3.05
Directors & related parties	2.14
Total shares as of 30 November 2021	11,419,152

Non-Executive Chairman - Tudor Griffith Davies

Tudor has over twenty years listed company experience, as a Director of Castle Support Services plc, Chairman of Dowding & Mills Plc, Chairman of Stratagem plc, Chief Executive and subsequently Chairman of Hicking Pentecost Plc, and a Non-Executive Director of Scottish Highland Hotels Plc. He is currently a Non-executive Director of Assetco plc

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 Materials Science graduate with prior industrial experience in the nuclear and metal casting industries and 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 subsidiary Zytronic Inc.

Group Finance Director – Claire 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 - 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 is the Chairman of the Audit Committee and the Remuneration Committee