

Environmental Kitchen Solutions

Business Introduction



Presenters





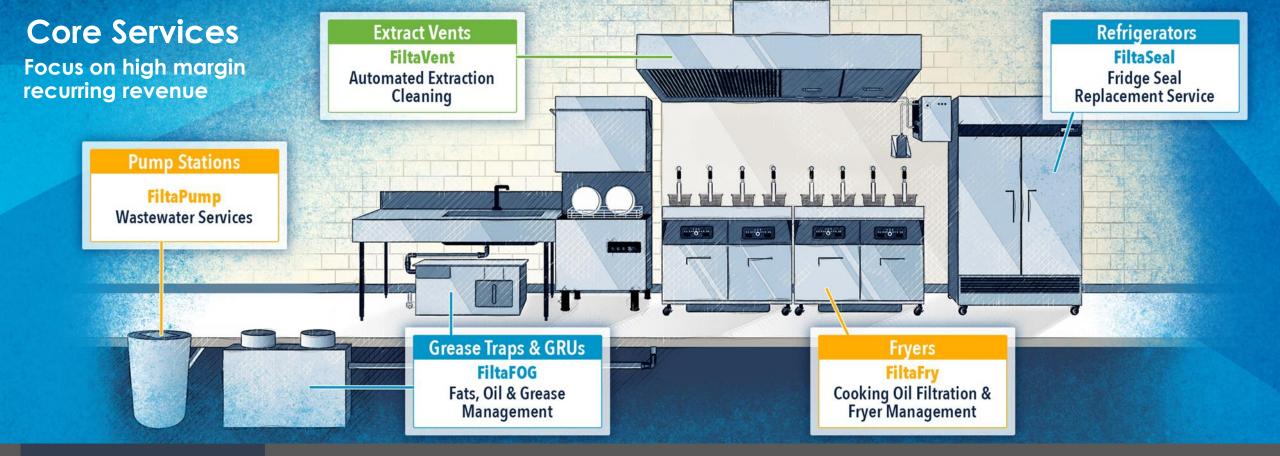


Company Overview

- Filta is a commercial kitchen service company, specializing in Fryer
 Management and Grease Management in the UK, North America and EU
- Established in 1996 in the UK. Listed on AIM in 2016
- Strategy based upon securing repeat revenue through franchised and company owned operations
 - 191 franchise partners servicing over 7,000 commercial kitchens per week
 - **55 company operated vans** servicing UK customers
 - Restaurants, Supermarkets, Stadiums, Healthcare, Education, Hotels and Amusement Parks
- **Environmentally conscious** with all core activities providing benefits to the environment
- High margin revenue. High operational leverage. High percentage of repeat revenue > Forward visibility
- Profitable and cash generative
- Customer base hit hard during Covid-19 but coming back strongly
- Well positioned to take advantage of sector recovery







Filta**Fry**

Cooking oil filtration and fryer management service

Provided through Franchisees

Franchisees operating in North America, UK and Europe

Growth via existing Franchisees adding MFUs and selling new franchises

Services provides recurring revenues to Franchisees and Filta

Filta**FOG**

Grease and drain management

Install GRUs (oil/water separators) in commercial kitchens

Maintenance programmes carried out monthly/quarterly providing recurring revenues

Market size increasing due to tighter legislation and enforcement

Compliance based demand

Filta**Seal**

Replacement service for Fridge and Freezer door seals

Patented equipment enables Filta to complete work on site in one visit and replace every seal on the market

Good repeat cycle due to food standards requirements to replace on regular basis

Compliance based demand

Filta**Pump**

Wastewater Pumping and Treatment

Installation, maintenance and services for pumping systems and oil interceptors

Maintenance programmes carried out regularly providing recurring revenues

Compliance based demand

Filta**Vent**

Automated Vent cleaning system that replaces the traditional method of manually cleaning ductwork

System periodically sprays biological enzymes directly into the ventilation system by specially installed nozzles.

Maintenance programmes carried out monthly/quarterly providing recurring revenues

Compliance based demand

Revenue Model



85%+

recurring income

Recurring Income

2020: c£7.8m (2019 £11.7m)

High Levels of Franchise Support including:

- Inside Sales Team
- Tech Recruitment
- Marketing
- Systems

Franchisees expand by adding MFUs

Fixed Royalties per MFU
Parts & Supplies
Waste Oil Collection &
Sales

2020: c£1.4m (2019 £2.8m)

GRU Sales Vent Sales Pump Station Builds Seal Replacement
Vent Servicing
Pump Servicing
Shield Covid-19 protect

Recurring

Income

2020: c£6.2m (2019 £8.9m)

Installation of

GRU Servicing

equipment leads to

service contracts

Equipment Sales

Site Services

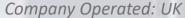
2020: cf1.0m (2019 f1.5)

10 year agreement NA 5 year agreement UK/EU

Franchise Development

Fryer Management

Franchise: Primarily North America









Overview by Market



North America

- Headquartered in Orlando, Florida
- Franchise Network only: Annualised Franchisee Revenue \$37m (2019 \$52m)

2020

- Q1:20% YoY Growth Q2: Lockdown Q3&4: Recovery
- Supported Franchisees through Covid-19 with reduced royalties based on revenues
- Operating costs in our franchise model are highly variable allowing us to flex down in response to lower volumes
- By year end back to 68%+ of prior year. Grew our customer base by around 20% in the last year.
- Invested in sales team

REVENUE	FRANCHISEES
c£7.8m	146
(2019 £11.3m)	
MFUs	EMPLOYEES
422	14



UK

- Headquartered in Rugby
- Direct and Franchise Network

2020

- Q1 Margins improved to expected levels
- Q2 Lockdown. Q3&4 Open and Lockdown
- Ended at 62% of prior year. Major customers still to re-open
- Invested in sales team, worked closely with key customers
- Introduced many efficiencies to improve margins
- · New Managing Director, Brian Riordan

 REVENUE
 FRANCHISEES

 C£8.2m
 29

 (2019 £13.1m)
 EMPLOYEES

 36
 98
 43 office 55 techs



Mainland Europe

- HQ in Debbeshoek, Netherlands
- Currently focused in Germany
- Franchise Network Only
- Approx 3% of group revenue
- Minimal exposure, future growth potential

2020

- Significant lockdowns in Germany
- Introduced GRUs to customers
- Reduced overhead with minimal footprint until expansion possible

REVENUE FRANCHISEES

c£0.5m 16

(2019 £0.5m)

MFUs EMPLOYEES

3

6

North America: Post-Covid Recovery

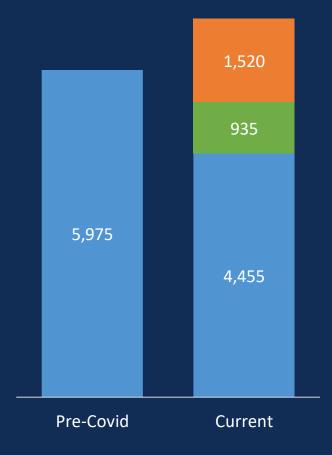
Economy & Sector

- The US economy shrunk 3.5% in 2020
- The US Government authorised to inject over \$4 trillion over \$12,000 per person. Personal savings rate highest it has ever been
- Vaccine programme a success with over 120m vaccinated
- As many states now re-open, sector recovering quickly
- OECD predicts US GDP growth of 6.5% for 2021, 4% for 2022

Impact

- Many sites have re-opened and are now increasing service levels
- 1,520 of Filta's customers (many large venues) still to reopen
- Expect Franchise Sales to accelerate once sector fully recovers
- Take advantage by focusing resources on accelerating sales







Added During Covid

Servicing

UK: Post-Covid Recovery

Economy & Sector

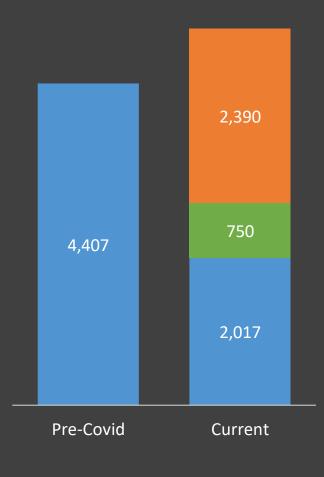
- Harder lockdowns in the UK. Leisure sector has been one of the most affected during Covid-19. Economy shrunk 9.9% in 2020
- Gov't injected over £200 billion into the economy. Housesold savings rate has doubled
- Vaccine programme a success
- Opening up of leisure sector scheduled in Q2 with quick recovery
- OECD predicts UK GDP growth of 5.1% for 2021, 4.7% for 2022

Impact

- Fast Food and supermarket customers have remained open
- Large pub and restaurant customers have given their scheduled opening dates

Expect to be back to full servicing run rate during Q3







Added During Covid

Servicing



Our Market

Sector	North America	UK	Germany
Restaurants / Pubs	630,000	72,000	165,000
Contract Catered	50,000	10,000	13,000
Supermarkets	37,000	8,000	25,000
Hospitals & Nursing Homes	20,000	15,000	15,000
Universities & Colleges	2,000	100	100
Sports Stadiums & Arenas	1,000	100	100
Amusement Parks & Casinos	1,000	100	100

Filta Customer Base **c15,000** sites

Less than 2% of the market

Current Customers

10,000+ Restaurants

2,000+ Supermarkets

1,000+ Hospitals

300+ Sports Stadiums & Arenas

300+ Universities

Growth Strategy

- Maximise existing customer relationships by upselling products and services
- 2. Add complementary products or services
- 3. Gain new chain customers



















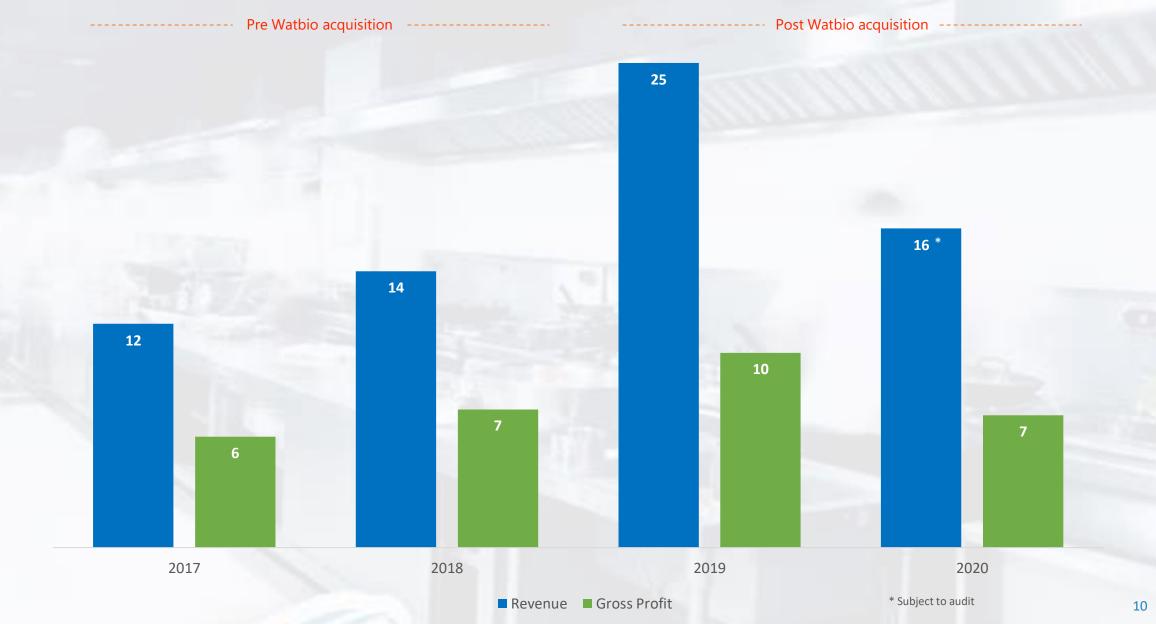








Revenue Trends





Cash and Liquidity

- Cash on hand has grown to c.£4.2m
- Net Debt (excl. lease liabilities) £0.5m
- Global workforce has been reduced by c.20%
- Dividend suspended until visibility of the pace and scale of market recovery has improved
- Returned to normal debt service payments in Q3/Q4
- £0.4m overdraft remains unutilised
- Strong cash position provides protection against delayed recovery from pandemic and sound base for growth as markets re-open

Cash Position

£4.2m

31 Dec 2019: £2.9m

Highlights

- Strong start to year across all offerings pre-COVID
- Severely impacted by COVID-19 lockdowns and social distancing venue restrictions
- EBITDA positive for 11 months, ex. provision at H1
- Gross profit improved in H2 on operational improvements and cost reduction efforts
- Overhead costs reduced c.20% in response to volume declines



ESG Integration







Summary & Outlook

- Sector Recovering Quickly
- Anticipating business to return to pre-Covid run rates by year end
- Margins significantly improved post Watbio integration
- Continue to work with our top customers to support their ramp ups
- Anticipate renewed interest in franchising once market recovers
- Will continue with aggressive cash management
- Focus resources on driving sales maximise cross-selling opportunities
- Continue to focus on high margin, recurring income
- Existing infrastructure well-invested to support top-line growth and margin accretion from incremental revenues
- Continuing to seek synergistic infill acquisitions and to add complementary services





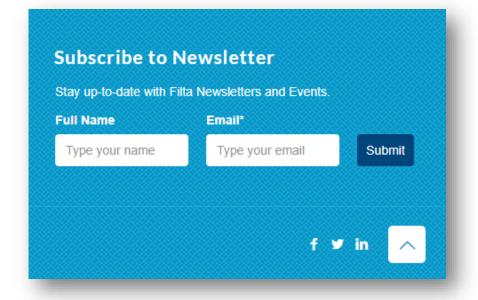


More Information

Sign up for Newsletter at www.FiltaPLC.com

Email ir@filtaplc.com

2020 Full Year Results: 20th April





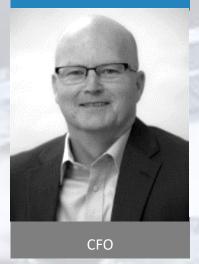
Appendix

Our Board





Brian Hogan



Victor Clewes



Jlubomir Urosevic

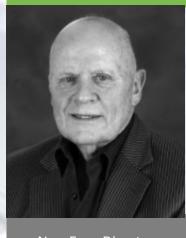


Tim Worlledge



Non-Exec Chairman

Roy Sayers



Non-Exec Director

Graham Woolfman



Non-Exec Director

Lloyd Martin



Non-Exec Director

Senior Management

Harriet Morley



Group Head of Finance

Brian Riordan



Managing Director UK

Tom Dunn



CEO North America

Jos van Aalst



Managing Director EU



Systems & Data Analytics

Operating Systems

Collect key client data

Mobile Apps

Franchise Owner

Accounting

Operations

Management of waste

oil. Protect against the

market

Product Development

Filta University

Invoice and collection for all key accounts

Central purchasing

Tech Recruitment

Place staff ads
Pre-screen applicants

Sales Support

National Accounts Sales & Management

> Inside Tele-Sales Department

Dedicated Salesperson to each franchisee builds relationships

Marketing

Website design and upkeep

Social media management

Online ad campaigns

filta

Franchise Support

