Agenda
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01 Introductions & Executive Summary
    Financial Projections

02 Categories (KJC, SDA, Water)
    HaloPure

03 New Factory & Automation
    ESG / Sustainability

04 Laica S.p.A

05 Questions
Introductions
Introduction to the Non-Execs

**Gary Lamb**
**Non-Executive Chairman of the Board**
Gary joined the Plc Board in 2017 and is a qualified accountant (CIMA) who has gained extensive business experience over the past 25 years in numerous senior roles.

**Mark Kirkland**
**Non-Executive Director**
Mark joined the Plc Board in 2017 qualified as a Chartered Accountant with PricewaterhouseCoopers in London and has extensive corporate experience gained over the last 25 years having held numerous senior roles in public and private companies.

**Richard Sells**
**Non-Executive Director**
Richard joined the Plc Board in 2020 and has over 30 years’ experience working across multinational corporations, public companies, entrepreneur-led SME enterprises and private-equity backed businesses.
Introduction to Officers

Mark Bartlett
Chief Executive Officer
Mark joined Strix in 2006. He leads the organisation, setting the strategic direction and policy and works closely with his leadership team to translate Strix’s strategy into tangible results.

Raudres Wong
Chief Financial Officer
Raudres joined Strix in 2011 she is responsible for financial management and she has over 25 years of international experience in corporate finance, business management and mergers and acquisitions.

Frank Gao
Chief Operating Officer
Frank joined Strix in 2012 he directs and leads the global operations team which spans Strix’s Guangzhou and Ramsey facilities, and oversees the Group’s overall manufacturing, supply chain and technology footprint.

Harry Kyriacou
Chief Commercial Officer
Harry joined Strix in 2019 he directs and leads the Sales, Marketing, Engineering, Commercial Operations and Water Category functions as well as the commercialization of new products and technologies.
Operational Board

Nick Gibbs
Engineering Director
Joined 1992
Directs Global engineering team

Matt Thomas
Director of Group Manufacturing, Engineering and Customer Quality
Joined 2003, Leads Global manufacturing engineering teams

David Trustrum
Commercial Director
Joined 1991
Directs Commercial Operations department

Peter Taylor
Director of Group Finance
Joined 2018
Leads the Global Finance teams

Emma Cox
Human Resource Director
Joined 2020
Leads Group Human Resources

Neil Austin
Director, Water Category and Global Marketing
Joined 2020
Leads Water division & Global Marketing
Investment Proposition

Robust and resilient

**High Quality, resilient and robust business model** which benefits from geographic and product diversification

**Defensive end markets are holding up well** and **strong order book visibility** for rest of year

**Continued focus on efficiency measures and strategic initiatives** to manage our highly variable cost base and **prudently invest in compelling growth opportunities**

**Conservative balance sheet** and low leverage provides **financial flexibility for the medium term** to navigate headwinds

**Progressive dividend policy has been maintained** reflecting Boards confidence in the outlook for the Group

COVID and Brexit Position

Manufacturing locations in Isle of Man, Italy and China, all fully operational

Supply chain secure with majority of suppliers based in China

Buffer stock implemented to minimise any disruption during Brexit

Health and Wellness products showing particular strength during prior lockdown period

Core kettle business remains resilient with strong order book for full year

Capital Markets Day 2020
Executive Summary
Shaping a safer, sustainable future

Our performance in 2020:
- Modest growth projected in PBT versus prior year
- Successful acquisition of Laica securing >20% revenue growth in 2021
- New factory in China remains on schedule to double our capacity, fully operational in Aug 2021
- Continued investment in automation with 67% of product lines automated by year end
- Delivered on new product commitments with c.14 new products ready for launch
- More than 50 Takedowns and recalls since listing in August 2017

Our Aspirations for the future:
- Double Group revenues over the next 5 years primarily through organic growth
- Continue to grow market share in Kettles from 54% to 57%
- Do more with less - Execute on our ESG commitments to provide a safer sustainable future for our customers
- Maintain attractive progressive dividend policy linked to underlying earnings
- Seek further earnings accretive acquisitions within our core competencies and key markets
Financials
Expecting to deliver modest growth in FY 2020 PBT

- **Forecasted Adj. PBT 2020**: £30.2m
- **Adj. PBT 2019**: £30.4m

**H1 Overheads**
- **H1 Gross Profit loss**: (£2.9m)
- **H1 Overhead savings**: £1.5m

**H2 YoY Overheads**
- **H2 YoY Overheads**: (£0.4m)

**H1 Gross Profit variance**
- **Jul – Oct YoY Gross profit variance**: £2.6m
- **Nov – Dec YoY Gross profit variance**: (£0.8m)

**Laica**
- **£0.2m**
Projected Revenue 2020 – 2025

Revenue Growth

1. 2020 Pro Forma to reflect FY impact of Laica

Projected Annual Revenue £ms

- Appliances: projected revenue growth 209% from 2020 Pro Forma to 2025
- Water: projected revenue growth 227% from 2020 Pro Forma to 2025
- Kettle Controls: projected revenue growth 19% from 2020 Pro Forma to 2025
Projected Gross Profit (2020 – 2025)

Gross Profit Growth

- **Appliances**: Projected gross profit growth 267% from 2020 Pro Forma to 2025. Gross profit growth from 2020 Pro Forma to 2025 is £3 m, £3 m, £3 m, £3 m, £11 m, £67 m.
- **Water**: Projected gross profit growth 260% from 2020 Pro Forma to 2025. Gross profit growth from 2020 Pro Forma to 2025 is £3 m, £3 m, £3 m, £3 m, £18 m.
- **Kettle Controls**: Projected gross profit growth 6% from 2020 Pro Forma to 2025. Gross profit growth from 2020 Pro Forma to 2025 is £3 m, £3 m, £3 m, £3 m, £38 m.

1 2020 Pro Forma to reflect FY impact of Laica
Categories:
Kettle Controls
2020 – 2025 Revenue Growth Drivers

Kettle Controls

- KJC Baseline Value
- Market Growth (14%)
- New Products (3% growth)
- Commercial Initiatives (2% growth)
- 2025 Target (4% CAGR)

Market Growth
3% CAGR (2020 – 2025*)

New Products
c 10M
U9 series controls sold in 2020

Market Share
54% → 57%
[Global Value Share]

Commercial Initiatives
2%
Growth 2020-2025

Capital Markets Day 2020
Market Growth

Strix continues to target growth in key categories and regions. Euromonitor predicts a 39% increase in kettle retail sales value from 2020-2024 in USA, which drives the predicted value growth across Regulated markets.

China kettle volumes are expected to increase by 14% or almost 7M pieces from 2020 – 2024 whilst ASP is expected to reduce.

Source: Euromonitor Passport, 2020
NPD – Kettle Controls

Short-Medium Term: Next Generation Control Suite Development

- 15 Amp control expansion; faster speed to boil targeting Japan & USA markets.
- Cost Savings
- OEM Benefits
- Eco-Credentials
  A two second saving in steam switch off time = 1% energy saving or 44GWh or £9M p.a. in UK alone.

Longer Term: Value Driving Features & Benefits

- Connectivity & IoT
- Sustainability: Design with intent across the product lifecycle.

- Wash Proof Control for Turkish Coffee
- StrixVQ control expansion targeting Less Regulated Markets
- Consumer Feature Development (Kettles & New Applications)
- Wider applications e.g. Travel kettles; a growing market segment in China
Commercial Excellence - Our Key Initiatives

Invest in US Market; Drive Consumer Awareness & Increase Household Penetration

Reviewed Global Pricing Strategy & Policy Refresh
- Value & Margin Incentives
- MOQ & Small Order Surcharge
- Urgent Delivery Surcharge
- Service Monetisation

Drive consumer Awareness of Quality & Reliability through Promotion of “Powered by Strix”

Invest in Russian Market to Increase Share from 34% to 50% through Strix VQ Sub-Brand

Develop Tier 2 & 3 OEM Customers globally
Categories:
Appliances
2020 – 2025 Revenue Growth Drivers

Appliances

- **Market Growth**: 9% CAGR 2020 - 2025
- **New Products**: 147% growth
- **Commercial Initiatives**: 9% growth 2020 - 2025
- **Market Expansion**: From UK to Global
- **Baby Care Category Expansion**: > 200MPA pcs Market Size by 2025
- **Garment Care**: 25% CAGR

*Source: Statista*
Market Growth: SDA & Baby Care

GFK report 9% growth in SDA during H1 2020

Euromonitor predicts over 17 million additional Small Cooking Appliances to be sold in China by 2024

Statista predicts a $27.7 Billion increase in the Global baby care product market from 2020-2026

Press Release

Major and Small Domestic Appliances stay stable despite pandemic

Nuremberg, September 4, 2020—Despite the global COVID-19 pandemic, the Small Domestic Appliances (SDA) market grew by a solid +8.6 percent and the Major Domestic Appliances (MDA) market (including Air Conditioners) experienced limited losses of -0.6 percent in value terms. These are GFK’s findings for the global MDA and SDA market excluding North America and South Africa to be released at IFA 2020 in Berlin.

September 4, 2020
Julia Richter
Public Relations
T +49 911 395 4440
public.relations@gfk.com

NPD - Small Domestic Appliances

Mission:
To deliver innovative appliances that take the frustrations out of everyday tasks, sustainably.

Our Roadmap:
is therefore built upon convenient, simple and sustainable solutions.

Short-Medium Term: Expand HWoD product range, bolster & refine technological solutions, and deliver cross-selling opportunities

- Next Generation Kettle: DualFlo Launch & Range Expansion
- Aurora Beverage Station
- Induction Kettle
- Next Gen Element Tech
- Hot Water Dispenser Range

Medium-Long Term: Expand product mix & applications to adjacent markets

- Cordless
- Coffee
- Toasters
- Sparkling Water
- Rice Cookers

Simplify my life – more important due to COVID-19
According to GfK’s Consumer Life survey, more than half (53%) of consumers agree with the statement ‘I am always looking for ways to simplify my life’, hence multi-functional and smart appliances are growing in popularity.

“The Hot Water on Demand market is born out of consumers’ growing need for speed, convenience and energy efficiency”
NPD - Baby Care

Mission:
Make parents’ life easier whilst keeping their babies safe with our reliable technology.

Vision:
To become the go to supplier for innovative baby care appliance ranges.

Nevin Francis, GfK’s expert for the SDA industry explains: “While health and well-being have always been a key driver within SDA, COVID-19 has amplified consumer awareness of these products.”

“We are seeing a significant increase in demand for our novel & reliable sterilisation technology as consumers’ concerns around baby hygiene are heightening.”
## Commercial Excellence: Our Key Initiatives

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Objective &amp; Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve Design Execution</td>
<td>Make Desirable products, consistently. Leverage product range to capture value across multiple price points, whilst looking to develop product mix via Strix Home initiative.</td>
</tr>
<tr>
<td>Global Distribution Approach</td>
<td>Focus on a streamlined product strategy built around specific customer requirements in defined markets. Leverage our unique position in the supply chain and adapt go to market approach to optimise commercial &amp; strategic benefit to Strix.</td>
</tr>
<tr>
<td>Sustainable Innovation</td>
<td>Create products that help people and the planet. Re-enforce sustainability as a key strategic pillar across the organisation.</td>
</tr>
<tr>
<td>Cordless Technology Expansion</td>
<td>Expand our cordless technology across new applications.</td>
</tr>
</tbody>
</table>
Categories: Water
2020 – 2025 Revenue Growth Drivers

Water (Commercial & Domestic)

- **Market Growth:** 15.6% CAGR
- **New Products:** 20+ Product Launches
- **Global Position:** From #5 to #2
- **Market Expansion:** China & North America
Strix continues to target key growth regions such as North America and China. The USA Market has 69% household penetration, and a low brand loyalty metric providing opportunity for new entrants.

Chinese market is expected to generate a revenue of USD 9.0 Billion by 2025. Driven largely by urbanisation and a growing awareness of water contamination.

Turning challenge to opportunity; GFK report 14% growth in Water during H1 2020.

Sources: Grandview Research, 2020   GFK Data, 2020   Baytel Research Report, 2018
NPD – Domestic Water (On-The-Go)

Short Term:
Expand Filtration bottle product range, and emerging contaminant protection

Medium-Long Term:
Sustainable Materials & Innovative Designs

Roadmap

- Lighter Weight
- Ergonomic Designs
- Longer Filter Life
- Multi-Filter Compatibility
- Effortless Instant Filtration
NPD – Domestic Water (At Home)

Short Term:
Expand water device installations with a range of Jugs and Water Stations

Medium-Long Term:
Expand & Innovate a range of filtration technology

Roadmap

Tap Filtration Systems

+70%
## Commercial Excellence: Our Key Initiatives

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Objective &amp; Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Global Distribution Approach</strong></td>
<td>Strategic and aggressive expansion into the largest and fastest growing water markets in China and North America.</td>
</tr>
<tr>
<td><strong>3 Global Brands</strong></td>
<td>Insight driven product and brand stories that resonate and win in local markets. A global product range driven by localised messaging and channel mix.</td>
</tr>
<tr>
<td><strong>Consumer Insights</strong></td>
<td>Creating a culture of product and consumer purchase behaviour expertise in the water category. Expanding opportunities for product success.</td>
</tr>
<tr>
<td><strong>OEM/Trade Focus</strong></td>
<td>Develop a systematic approach, and position ourselves as the Go-To-Market experts for Brands &amp; OEMS in the water space.</td>
</tr>
</tbody>
</table>
HaloPure
HaloPure Overview

**Strategy** has been redefined following the acquisition to focus on Sterilization and Purification of water

Initial **geographical focus** has been applied to China given the size of the opportunity and “specialists” within the Halosource team

**Opportunity** for the livestock application is the most significant short term opportunity with an addressable market size in excess of £500m

Our **initial target** is to secure £10m in the first 5 years within the China domestic market and work towards expanding to additional geographies as the technology becomes more widely accepted

**Further applications** exist within the healthcare and pet markets which are currently being explored
HaloPure; Commercial Water

Benefits & Value to Livestock Farming:

- Providing animals with safer and cleaner quality drinking water
- Cutting off waterborne disease transmission by killing pathogenic microorganisms
- Reduces consumption of antibiotics within farming
- Improves animals’ health & welfare
- Lower animal mortality rates
- Increase animal weight & egg production rate
- Improvement in farmer’s economic return
- Greener and healthier animal meat and eggs, due to less consumption of antibiotics
- Greener and safer animal products for human consumption

Poultry Farms With 1M+ Livestock
Contaminated Water
Strix Purification Technology
Purified Poultry Drinking Water
Significantly Decreased Mortality Rate
Increased Yield & Profitability for Farmers
Route to Market - Halopure

Market Characteristics
• A specialised and price sensitive industry with lots of specialist knowledge required
• Market promotion in the industry is mostly through seminars and exhibitions

4 Routes to market
• Strategic Partner – customised designs for equipment suppliers
• Agents – agents predominantly sell to end farms
• Consultant – engage consultants to handle customer relations for large group companies who request to deal with manufacturer
• Direct sell to farms – Prominently used at the early stage of product launch, building the essential footprint

Market Promotion
• Regularly participate in the seminars and exhibitions
• Self-organised seminars in specific province or high volume farming regions
• Hire experts to promote the knowledge of how viruses can impact an animal’s health

Margin expectation:
• For small farms and non-group farms, the minimum expectation is 30% after all the BOM cost and variable cost
• For large group companies (more than 20 systems potential), the minimum expectation is 20%
• Margin could be slightly lower at the early stage of market launch to build knowledge.
New Factory & Automation
New Factory

Milestones

- The main build construction completed in July
- Electronic installation and inner building work is in progress
- Target to complete all the construction work and decoration and obtain governmental approval in January 2021
- Factory move to be completed by July 2021
- Fully operational in August 2021
- Project continues to run on schedule and below budget

Capex by Year

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>£5.7m</td>
</tr>
<tr>
<td>2020</td>
<td>£10.1m</td>
</tr>
<tr>
<td>2021</td>
<td>£4.0m</td>
</tr>
</tbody>
</table>

- May 2019 Land purchase complete
- June 2019 Design completed
- September 2019 Construction permit application complete
- January 2021 Construction complete. Property ownership certificate granted
- March – May 2021 Press machinery fitted & test lab facilities completed
- March – July 2021 Stock movement, assembly line and moulding machinery fitting
- March – Jun 2021 CC & AO product approval
- May – Jul 2021 ISO approval
- August 2021 Project completion
Automation

32.7m
U90 series controls sold to date

+53%
improvement in customer quality results (ppm) from 2019

67%
of lines expected to automated in 2020

c.85%
machine efficiency achieved on new U90 Automation line
Environmental, Social & Governance (ESG)
Executive Summary

**Keys to our sustainability strategy:**

- Embed functional excellence across ALL disciplines
- High exacting standard of products that exceed quality and safety standards
- Consumer-led product innovation
- Educating our end consumers

**Impact of our strategy:**

- Reduction in single use plastics
- Reduction in raw/virgin materials within our production processes
- Efficient products limiting the lifetime energy wastage
- Increased focus on consumer wellbeing, developing products that reduce ingestion of micro plastics, pesticides and heavy metals
- Providing the safest of products to the end user
- Products aimed at simplifying consumers lives and saving time
Our Products and their Potential Global Impact

Global Kettle penetration from 38% to 50% would save
14bn kg CO2 energy p.a.

Strix sold c.5.6m filters in 2019 equating to
56m single use plastic bottles assuming a 10% conversion

Our Dual Flo appliance as part of our Hot water on Demand portfolio addresses
£190m wasted on boiling excess water p.a. in the UK

2 second saving in steam switch off time would save
1% energy or 44GWh or £9m p.a. in UK alone

USA Kettle penetration from 14% to 50% would save
6.6bn kWh energy p.a.
**Key pillars of Strix’s sustainability strategy**

<table>
<thead>
<tr>
<th>SOLUTIOMS FOR SUSTAINABLE LIVING</th>
<th>To develop products that reduce the impact on the environment, particularly reduction in energy consumption in our key kettle market, and promote benefits to customers.</th>
</tr>
</thead>
<tbody>
<tr>
<td>PROMOTE CUSTOMER WELLBEING</td>
<td>Our efforts are encompassed by Strix company motto of ‘safer by design’ as we look to improve the wellbeing of our end users through our entire product range.</td>
</tr>
<tr>
<td>DOING MORE WITH LESS</td>
<td>This encompasses our internal operations and final product design as we look to reduce the overall manufactured product footprint taking into account the total corporate footprint including materials, production, waste and company infrastructure.</td>
</tr>
<tr>
<td>WELLBEING AND EQUALITY IN THE WORKPLACE</td>
<td>Employee equality, welfare and engagement are critical for developing our key asset. We look to pro-active actions, internal training and certification including relevant ISOs, employee engagement through listening, survey and involvement.</td>
</tr>
<tr>
<td>COMMUNITY ENGAGEMENT</td>
<td>Strengthening our position as a global, socially responsible employer, by reinforcing our corporate culture and employee pride in our positive contribution to all of our local communities across the group.</td>
</tr>
<tr>
<td>SUPPLY CHAIN</td>
<td>Sustainable practice communicated to all of the group’s direct suppliers, in line with the Responsible Business Alliance (RBA). All of our critical suppliers are audited at least every other year by our internal teams assessing; Policy awareness, supplier risk assessments, supplier capacity and performance on environmental protection.</td>
</tr>
<tr>
<td>CERTIFICATIONS</td>
<td>The group facilities comply with a range of international standards. In particular ISO9000 (quality), ISO14001 (environmental management) ISO45001 (health &amp; safety) and in the process of qualifying for ISO5001 (energy management).</td>
</tr>
</tbody>
</table>
## Kettle controls

<table>
<thead>
<tr>
<th>SDC</th>
<th>Issue</th>
<th>Description</th>
<th>Strix solutions</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Kettle overfill</td>
<td>Average UK kettle 30% overfilled</td>
<td>Improved filling visibility, Auto volume kettles, Dual chamber kettles, One cup systems</td>
<td>![Image of kettle overfill]</td>
</tr>
<tr>
<td></td>
<td>Overboil</td>
<td>Delayed switch-off to ensure 100°C</td>
<td>Technologies such as Hot Cup and Instant Flow</td>
<td>![Image of delayed switch-off]</td>
</tr>
<tr>
<td></td>
<td>Overheat</td>
<td>Many teas require water at 80-90°C</td>
<td>Multi temperature switches</td>
<td>![Image of temperature switching]</td>
</tr>
<tr>
<td></td>
<td>Illuminated kettles Standby indicator</td>
<td>Non heating associated energy usage</td>
<td>Developing innovative industrial designs</td>
<td>![Image of illuminated kettle]</td>
</tr>
</tbody>
</table>

- **Ensure access to affordable, reliable, sustainable and modern energy for all**

- **Ensure sustainable consumption and production patterns.**

- **Make cities and human settlements inclusive, safe, resilient and sustainable**

- **Safety concerns particularly given electricity/water interphase**

  - Product safety analysis and defect alerts.
  - Record 4 RAPEX (European rapid exchange of information) alerts in 2019

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Capital Markets Day 2020
Kettle – efficient method of boiling water

Key phase of lifecycle

- In-use accounts for c.95% of whole life emissions for the average kettle

Kettle lifetime emissions (tCO₂e)

- Production: 1.0%
- Use: 4.0%
- End of life: 95.0%

Wastage is still a key issue

- Average overfill 30%
- Total estimated energy wasted in the UK: 1,400GWh
- Total GHG impact in the UK is 400,000 tonnes CO₂e = c200,000 cars emissions

Kettles are the most efficient way of boiling water

- Efficient energy transfer, low energy leakage
- Average UK kettle uses 167kWh of electricity a year (c.5% of domestic electricity consumption)
- Total UK domestic kettle use: 4,500GWh a year

Water heating appliance efficiency

<table>
<thead>
<tr>
<th>Kettle</th>
<th>Electric hob</th>
<th>Microwave</th>
<th>Gas hob</th>
</tr>
</thead>
<tbody>
<tr>
<td>78%</td>
<td>41%</td>
<td>39%</td>
<td>28%</td>
</tr>
</tbody>
</table>

Capital Markets Day 2020
Sustainability

Strix has been driving down the use of Scarce Resources

Many of our product innovations in recent years have been focused on reducing energy in use, which represents about 95% of the Energy footprint for a kettle.

Over the last 5 years, Strix has also been reducing the amount of commodity materials that are consumed in the production of our controls, this helps maintain our costs against inflationary pressures, but also benefits the environment, for example.

### Silver reduction
(U18 as a baseline)

- Original Regulated 13A: 100%
- China 8.2A: 56%
- Low-Cost Regulated 13A: 40%
- New Gen - Regulated: 46%
- New Gen - Less Regulated: 32%
- New Gen - China: 28%
- Low Cost Control: 17%

### Engineering Polymer reduction
(U18 as a baseline)

- Original Regulated 13A: 100%
- China 8.2A: 99%
- Low-Cost Regulated 13A: 95%
- New Gen - Regulated: 85%
- New Gen - Less Regulated: 85%
- New Gen - China: 85%
- Low Cost Control: 78%
## Water and appliance categories

<table>
<thead>
<tr>
<th>SDG</th>
<th>Strix solutions</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ensure healthy lives and promote well-being for all at all ages</strong></td>
<td>Tommee Tippee prep machines deliver safe powder milk for babies. Expanding technology into Asia and North America.</td>
<td></td>
</tr>
<tr>
<td><strong>Ensure availability and sustainable management of water and sanitation for all</strong></td>
<td>HaloSource has brought new technology including lead reduction and patented bromine technology that kills bacteria and viruses.</td>
<td></td>
</tr>
<tr>
<td><strong>Ensure sustainable consumption and production patterns</strong></td>
<td>Aqua Optima recycling agreement in place with TerraCycle in the UK.</td>
<td></td>
</tr>
<tr>
<td><strong>Conserve and sustainably use the oceans, seas and marine resources for sustainable development</strong></td>
<td>The Aurora re-usable water bottles eliminate the need for single use bottles which often end up in land fill or part of the million tons of plastic in the oceans.</td>
<td></td>
</tr>
</tbody>
</table>

LAICA portfolio of products will further enhance Strix offering and capabilities especially in the water category.
Hot Cup Case Study

Strix have sold 3 Million Hot Cups to date

Assuming consumers use five times per day, and have boiled only the water they need through Hot Cup as opposed to boiling double the savings to date are;

The total saving to date is;

£20,000,000

Equivalent to 10m bath tubs of water

Totalling 1.4bn litres of boiling water

Enough to power 34,000 UK households (electricity)
Hot Water on Demand

- Kettle lifetime energy footprint studies show that the energy consumed in ‘use’ (96%) is far greater than the energy consumed in any other stage of the product life-cycle.
- Internal research also shows that consumers boil up to 100% more water than what they require.
- Strix’s Hot Water on Demand Portfolio (Hot Cup, Dual-Flo, IFH, Aurora, etc.) therefore aims to make it simple & convenient for consumers to heat or boil only the water they need.

In the UK alone, that could equate to:

- £190m wasted on energy bills
- 13bn liters of water
- 100m bath tubs

Or enough energy to power 320,000 UK homes for a year
# Internal operations

<table>
<thead>
<tr>
<th></th>
<th>Current position</th>
<th>Current actions</th>
<th>Future Plans</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Energy efficiency</strong></td>
<td>Electricity intensity improved 3% in 2019</td>
<td>Increased automation Extend IoM recovery system ISO5001 implementation in process</td>
<td>New Chinese facility Further automation ISO5001 (energy management)</td>
</tr>
<tr>
<td><strong>Emissions</strong></td>
<td>GHG intensity improved 1% in 2019</td>
<td></td>
<td>Sourcing renewable power Business travel re-evaluation</td>
</tr>
<tr>
<td><strong>Use of resources &amp; recycling</strong></td>
<td>97% recycling Zero landfill ISO14001</td>
<td>Supply chain auditing Correx reusable packaging</td>
<td></td>
</tr>
<tr>
<td><strong>Water use &amp; cleanliness</strong></td>
<td>Usage intensity flat Recycling levels increased</td>
<td>Modify testing and productions process to reduce usage Further improve processes to reduce water usage</td>
<td></td>
</tr>
<tr>
<td><strong>Health &amp; wellness</strong></td>
<td>ISO45001 Health &amp; Safety Accidents per hour worked down 38% in 2019</td>
<td>COVID-19 response Increased H&amp;S reporting Target zero incidents Improved worker accommodation in new Chinese facility</td>
<td></td>
</tr>
<tr>
<td><strong>Diversity &amp; community</strong></td>
<td>Gender diversity (49% female)</td>
<td>Further improvement at management level (18%)</td>
<td>Employee survey 2020/21</td>
</tr>
</tbody>
</table>
## Medium term plans

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EMISSIONS</strong></td>
<td>Scope 1 &amp; 2. Look to adopt ISO5001; assess renewable opportunities in all key locations. Scope 3 reassess business travel policy; improved auditing/collaboration with suppliers.</td>
</tr>
<tr>
<td><strong>RESOURCE INTENSITY</strong></td>
<td>Continued development of recycle/reuse particularly of packaging. Develop circular economy thinking, including developing ‘in use’ education strategies.</td>
</tr>
<tr>
<td><strong>HEALTH &amp; SAFETY</strong></td>
<td>Maintained focus on continued improvement e.g. further focus on our zero incident philosophy. ISO14001 at the new Chinese plant.</td>
</tr>
<tr>
<td><strong>CUSTOMER WELLBEING</strong></td>
<td>Deliver on our new product roadmap. Continued commitment to market testing of all products.</td>
</tr>
<tr>
<td><strong>DIVERSITY, COMMUNITY &amp; GOVERNANCE</strong></td>
<td>Continued commitment to Board diversity.</td>
</tr>
<tr>
<td><strong>MANAGEMENT &amp; REPORTING</strong></td>
<td>Further develop internal structure to enhance engagement. Improved standard reporting and look to establish medium-term targets across the group and integration of recent acquisitions into our policies.</td>
</tr>
</tbody>
</table>
Executive Summary

Laica overview:

Established in Vicenza, Italy in 1974

Product range comprises two main areas;
- Water treatment
- Healthy life with small appliances

Expansion into Europe & Asia and creation of international sales network

Generated sales of €20.4m & EBITDA of €2.5m

All water filters manufactured at the Vicenza headquarters

Strategy:

Drive sales growth to greater than €30m in 5 years

New product development will include: instant filter units, tap filters and baby formula makers

Maintain focus patents and industrial property rights

Build on partnership with Xinbao in China

Execute on substantial sales opportunities in America, Southeast Asia and UK

Support new legislation in the EU and the general worldwide trend to eliminate single use plastic bottles
Laica Overview

Revenue projected growth 60%
From 2021 to 2025

€20.4m
FY 20 revenue

€2.5m
FY 20 EBITDA

>100
Patents

53
Employees

Revenue split by customer (FY19)

Top 1, 21%
Top 2, 19%
Top 3, 6%
Top 4, 6%
Top 5, 4%
All other customers, 43%

Revenue split by geography (FY19)

Italy, 75%
Europe ex Italy, 20%
RoW, 6%

Revenue split by geography (FY19)

Laica Projected Sales

DEFERRED CONSIDERATION CONDITIONS:

€4.9m
2 year continuous employment

€7.1m
Achieve EBITDA €4.8m by FY22

€4.9m
PRO FORMA
2020
2020
2021
2022
2023
2024
2025

€ms sales

2020
2020
PRO FORMA

Water
Appliance

Capital Markets Day 2020
Mission and Vision

**Mission:**
Laica is committed to offering functional products that support your everyday life at home with the people we love.

**Vision:**
Laica designs innovative products which provide satisfaction and gratification of consumers' desires, with respect for the environment and for the future.

**ECO**

**SMART**

**SAFE**

Capital Markets Day 2020
Strategic Fit

1. **Growth markets**: Laica operates in both the Water and Appliance categories - the perfect fit with Strix’s growth aspirations

2. **Market positioning**: Laica, Aqua Optima and Astrea will become the challenger brand with the aspiration and drive to become the no. 2 player globally

3. **Global Trends**: Water filtration is a global mega topic where 1/3rd of the population still have limited access to clean drinking water

4. **ESG and Sustainability**: Growing pressure to reduce single use plastic and focus on health and wellbeing

5. **Health and Legislation**: Increase focus on providing pure and safe drinking water supported by increased regulation and legislation e.g. removal of micro plastics

6. **New Products**: Laica brings a strong culture of innovation with an exciting roadmap of new products accelerating our growth opportunities

7. **Manufacturing Capabilities**: Laica provides a state of the art European manufacturing facility providing significant cost opportunities within our supply chain

8. **Digital Marketing**: Laica has established marketing resources that will allow us to expand our product portfolio across all markets.
Synergies

Revenue synergies

Cross-selling
- Expansion of LAICA’s revenue mix using Strix’s global marketing and sales network
- Cross-selling and up-selling of Aqua Optima and LAICA’s established product range and NPD roadmap

Cost synergies

Marketing
- Consolidation of marketing expertise significantly expanding capability and market reach

Operational efficiencies
- Leverage existing expertise in automation, supply chain management and in-sourcing of specialist processes to maximise efficiency and reduce costs with the expanded production capability

R&D
- Experienced R&D team will focus on cost reductions for existing products as well as combining technologies to increase differentiation of products across all markets

General
- Optimising functions and processes whilst leveraging on know-how and additional resources
A journey of a thousand miles begins with a single step.
Questions