

Investor Presentation



Pittards



What we do

- Make of leather and finished products in the UK / Ethiopia
- Make performance products for brand customers
- Export over 85% to 41 countries
- 200 years of heritage in the UK

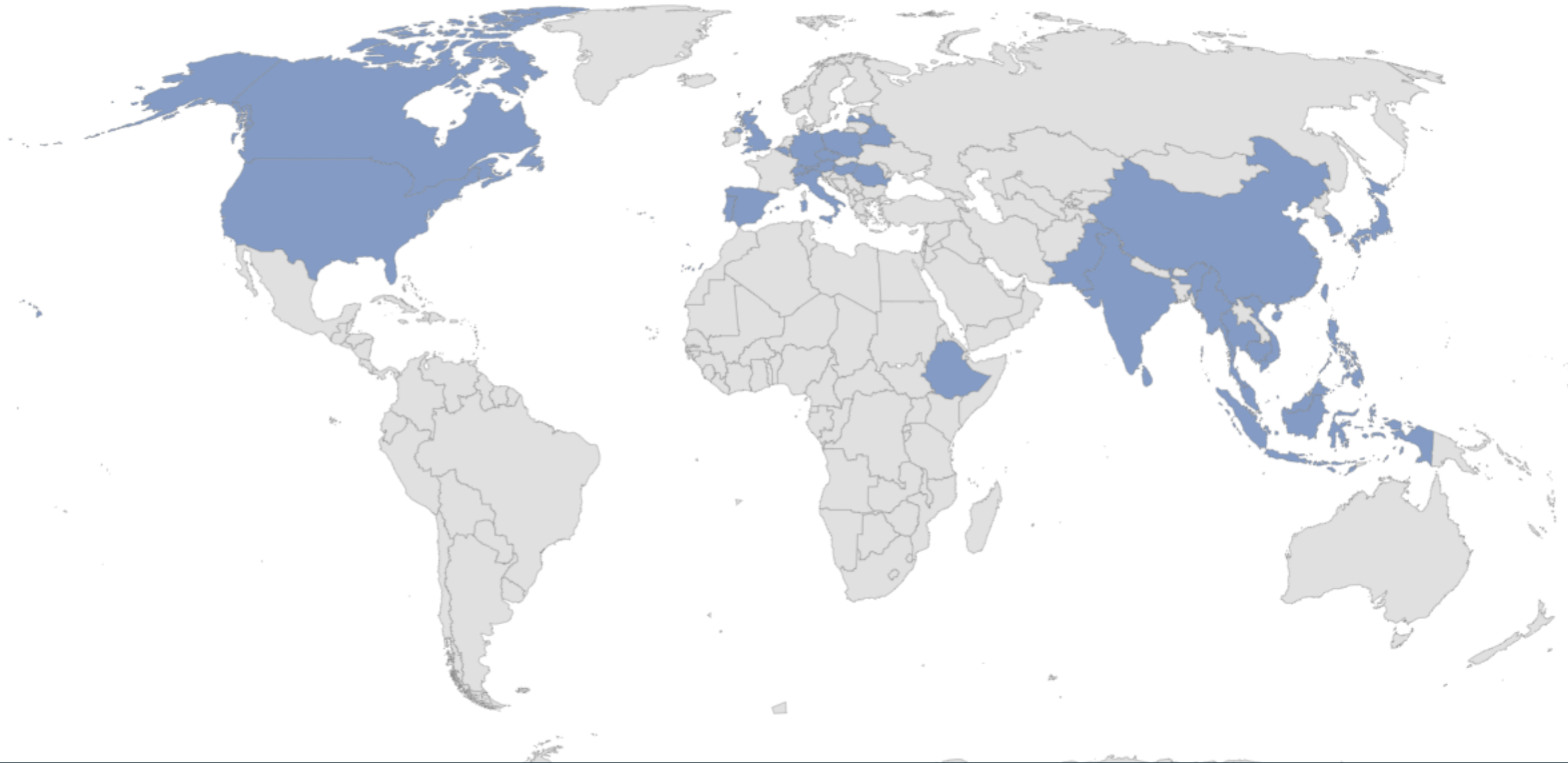


Pittards Export Territories

Territories Pittards products are sold into

Sales into 

85% Export



Pittards



Customer Profile



Pittards



Developments

- Leather for interiors market to OEM spec
- Finished products - shoes and leather goods
- Vertical integration in Ethiopia
- Innovative product development
- Own channel web sales



Financial Results 2021

- Return to profit **£0.5m** - EBITDA £1.4m (2020: £1.1m EBITDA loss)
- ROI 4.0% (Cost of capital 3.8%)
- Dividend for the year **0.5p interim**, plus proposed final **0.5p** (first in 16 years)
- Investment in business **£0.8m** CAPEX (2020: £0.2m)
- Net debt up to £10.7m in 2022 due to supply chain (one time effect)
- Net debt forecast to fall in 2022

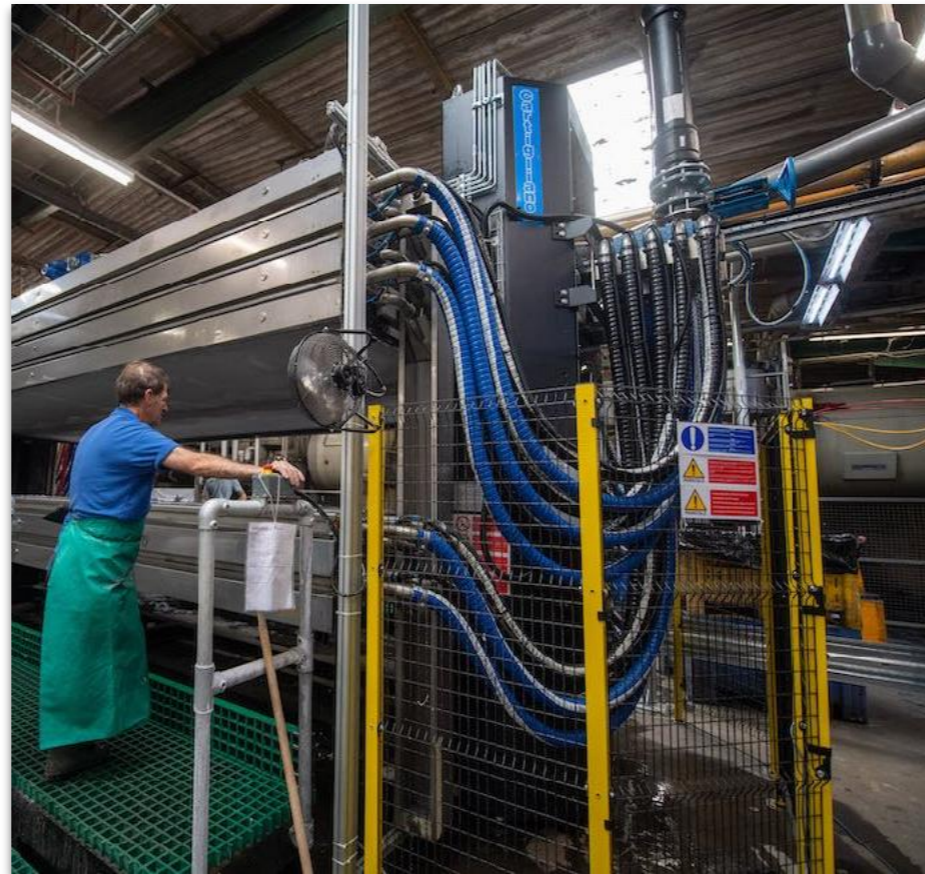
Our Strategy

- Build a broader market offering
- Support our brand customers
- Continue sustainable brand proposition
- Makers of performance leather and finished products
- Drive innovation



Sustainability

“Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.” *Brundtland Commission of the United Nations in 1987*



Sustainability

- Embrace the UN 2030 agenda for sustainable development
- ONLY use hides and skins that are a by-product of the food industry
- Target reduction in resources - energy and water
- Vertical integration
- Local manufacturing - UK & Ethiopia
- Automation
- Balance travel needs with remote technology
- Develop our people
- Community matters

Business Development

Extension of manufacturing skills:

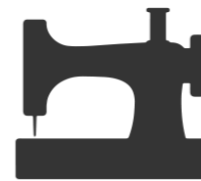
- OEM kits for automotive
- High quality shoes in volume within a competitive production environment
- Integrated supply chain solutions for brands



Design & Development



Sampling



Production



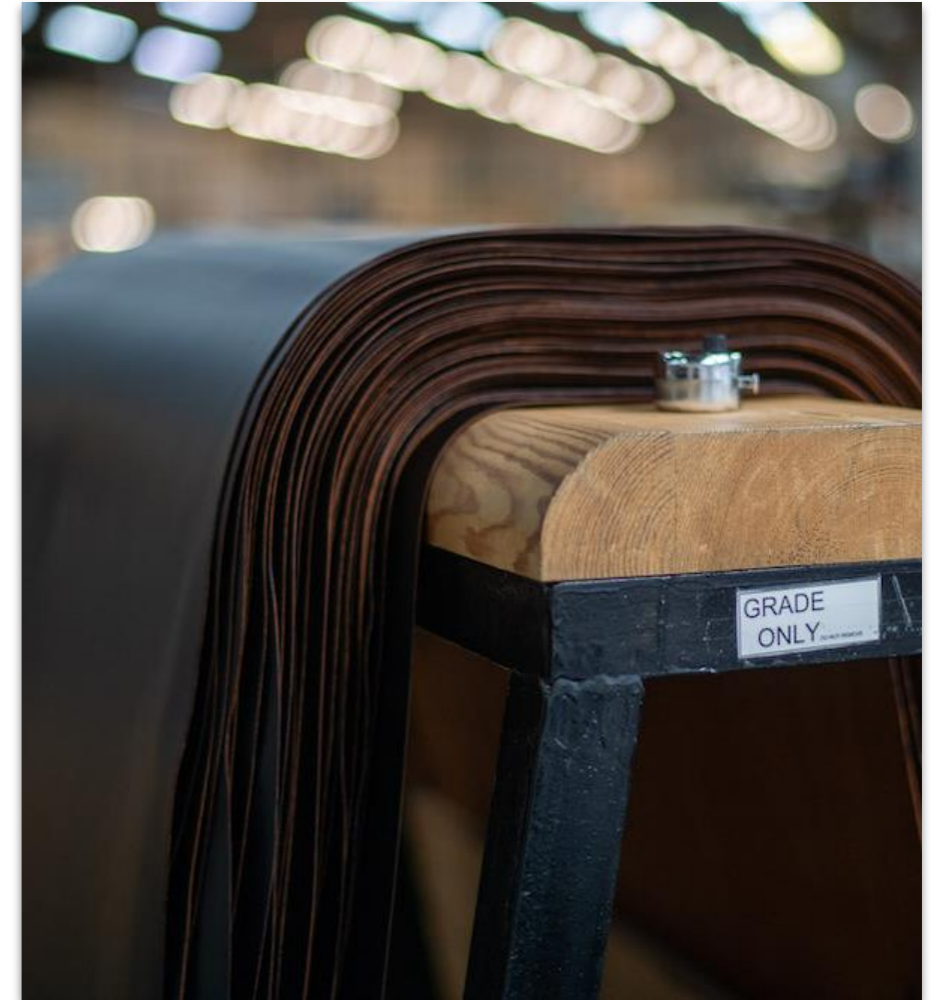
Leather Supply

Pittards



Inventory

- Six year low £15.3m remains an opportunity
- Inventory non-perishable
- New channels offer opportunity
- Strategic stock of £1m+ held at year end



Ethiopia | Why Invest?

- Access to unique supply chain - skins
- Preferential tariff regime
- Alignment with growth customers ESG
- Invest in a global community
- Low-cost labour - intensive processes
- Reduce risk to supply chain, have better balance



2021 Financial Achievements

- Resumption of dividend @ 0.5p, first time in 16 years
- Lowered our breakeven point, and return to profitable model at £20m
- £0.8m CAPEX program in 2021
- We hold £0.7m in treasury shares all purchased within last 18 months
- **Share price + 41% in the last year**

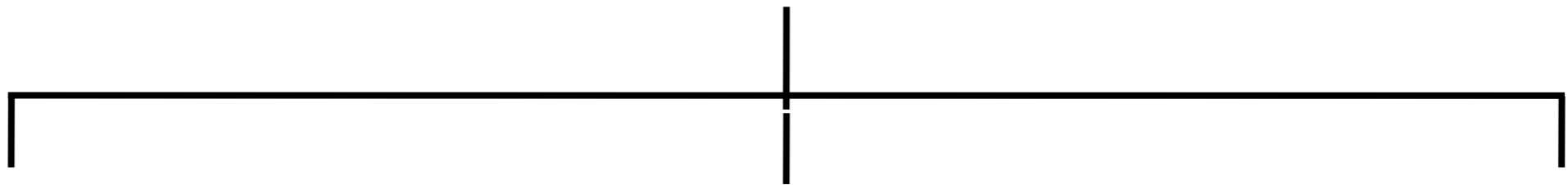
The Opportunity

- Sales above £25m accessible – with improving PBT
- Share price that is 32% discount to NAV
- Solid asset base more than covering the share price above £1.00



Q&A

Pittards Plc



Daines & Hathaway
ENGLAND

Pittards



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Latest investor information
www.corporate.pittards.com

