

ASX RELEASE

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Woolworths Selects SECOS As Supplier of Compostable Bag Range

SECOS Group Limited (SES: ASX) (Company) is pleased to provide the market with an update on commercialisation activities.

Highlights:

- Woolworths selects SECOS to supply two certified compostable bin liners into their stores - 8L Kitchen Caddy Bag and 36L Bin Liner.
- Initial rollout will begin in July with 86 Eco Stores and a view to expand supply through the broader Woolworths retail network
- The availability of SECOS' compostable bags via Woolworths stores will give households participating in approved council food organic waste programs the option to dispose of the bags and food waste in their green waste bin
- The acceptance by Woolworths together with a long list of government Councils requiring the use of SECOS' compostable bag range further validates the Company's reputation as a leader in sustainable and environmental products
- Volumes will be subject to instore sales however current demand for compostable bags via retail chains suggest good sales growth for this market.
- SECOS sees InStore products as a new market for its branded MyEcoBag and MyEcoPet line of products and is working to garner market share in grocery and convenience stores in Australia, Mexico, and the US.

Key Achievements:

- SECOS Group is pleased to announce that it has been selected to supply Woolworths with Compostable Products consisting of two certified compostable bin liners for stocking in 86 Woolworths ECO Stores.
- SECOS is an Australian based company with significant IP around the formulation and production of Compostable resin, film and bags. Our aim is to replace traditional single use plastic packaging and traditional plastic bags with our Certified Compostable products and bags to facilitate the diversion of household food waste to organic treatment stations. This has the benefit of reducing greenhouse emissions and capturing organic food waste for processing into a fertile mulch.

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- Many Australian Councils are in the process of issuing householders with Kitchen Caddies and Compostable Bin Liners that enable householders to divert food waste from the landfill via 'green bin' waste collection. Woolworths selection of SECOS Group products will enable consumers to access these compostable caddy bags directly from Woolworths ECO Supermarket Stores.
- SECOS is launching the Woolworths Certified Compostable Bin Liners under the MyEcoBag brand in Australia and will be expanding this range to include MyEcoWorld for other bag offerings as well as a MyEcoPet portal for compostable Pet Waste Bags.



Ian Stacey, SECOS CEO said, "SECOS is pleased to broaden its product portfolio and customer base in what we feel will be a strong growth area both in Australia and around the world. It is pleasing to see the hard work in launching new brands and products come to fruition".

SECOS Group was one of the first companies in Australia to have its compostable biopolymer resin & film products certified as compostable in 2012. SECOS now has a range of certified Industrial Compostable & Home Compostable biopolymer resins. These resins can go into a wide range of film applications which are often in the form of a bag including Items such as Bin Liners, Kitchen Caddy Bags and Dog Waste Bags.

Through its ownership of Cardia, SECOS has been supplying Councils and film converters for years. We are very pleased to now have an opportunity to supply Woolworths Eco stores. This is a significant opportunity for SECOS to expand its retail presence. We are also pleased to be launching under a new MyEcoBag brand. Investments in branding, marketing plus new packaging design initiatives have broadened our household waste product range and will assist the SECOS range of earth friendly, plastic free, certified compostable products to stand out on any retail shelf.

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SECOS sees its mission to replace single use plastics with compostable alternatives. Of the 80 million¹ tonnes of plastic produced each year for single use flexible packaging, 20 million tonnes of plastic are used to create between 0.5 to 1 trillion² single-use plastic bags each year. On average each bag is utilized for 12 minutes². Compostable alternatives made with Cardia's patented formulas and annually renewable resources make sense as they reduce the environmental pollution caused by the proliferation of plastic bags which can take decades to break down. And Cardia's bioplastic solutions are much more environmentally friendly than paper. It would take 150 million trees each year to produce paper bag alternatives as well as a 6x higher energy use to manufacture paper bags.

1. Ellen Macarther Foundation
2. <https://conservingnow.com/plastic-bag-consumption-facts>

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About SECOS Group Limited

SECOS Group Limited (ASX: SES) is a leading developer and manufacturer of sustainable packaging materials. SECOS supplies its proprietary biodegradable resins, packaging products and high-quality cast films to a blue-chip global customer base. SECOS Group is integrated from resin production, into film (cast and blown) production and can develop bespoke compostable solutions for a wide range of applications.

SECOS holds a strong patent portfolio and the global trend toward sustainable packaging is fueling the Company's growth.

The Company's headquarters and Global Application Development Centre are based in Melbourne, Australia. SECOS has a Product Development Centre and manufacturing plant for resins and finished products in China and resins plant in Malaysia. The Company also has manufacturing plants for high quality cast films in Malaysia.

SECOS has sales offices in Australia, Mexico, Malaysia, China and USA, with a network of leading distributors across the Americas, Europe, Asia, the Middle East, Africa and India.

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