



For Immediate Release

30<sup>th</sup> August 2023

**R&D and Supply agreement signed with Empresas Vilher, Mexico, endorses the global reach of Graft Polymer expertise in unique polymer product development**

Graft Polymer (UK) plc (LSE:GPL) ('Graft' or the 'Company'), the specialty chemicals company offering modified Polymer solutions for refiners, compounders and processors announces the signing of a Research and Development (R&D) and Supply agreement with Empresas Vilher, S.A de C.V. ('Vilher'), a Mexican company that specialises in Wood Plastic Composite, Plastic Recycling, and High-Performance Compounds. The Company has been working with the technical team from Vilher for several months on a variety of modified polymer projects which has led to the execution of a formal 12-month R&D and Supply agreement.

**Wood Plastic Composite ('WPC')**

WPC is made from waste wood (fibres or sawdust) and new or recycled plastic, bonded together with a binding agent. Graft's GRAFTABOND product is leading the field in trials in the PP, PE, HIPS & TR polymer matrices. The global WPC market is projected to grow from US\$6.4bn in 2022 to US\$15.3bn by 2030, a CAGR of 11.5%.<sup>1</sup>

**Plastic Recycling**

The use of recycled plastic in the construction industry (buildings and roads) is a large, growing and lucrative market. Recycled plastic is increasingly being used for roofing tiles, indoor insulation, PVC windows, bricks, fences, floor tiles, carpeting, ceiling tiles, etc. In order to activate the relevant polymer groups to improve the characteristics of the recycled plastic, different modified polymers are used. The Recycled Plastic market is projected to reach US\$55.9bn by 2026, growing at a CAGR of 6.03%.<sup>2</sup>

**High-Performance Compounds**

The global plastic compounding market size was US\$52.74bn in 2018 is projected to reach US\$87.11bn by 2026, exhibiting a CAGR of 6.5%<sup>3</sup> during the forecast period from 2019-2026. The plastic compounding market growth is driven by the rising use of these products in various industries, including automotive, packaging and electrical.

Graft CEO Victor Bolduev, said: "The constructive commercial relationship between Graft and Vilher continues to grow. The technical teams are working on some exciting projects together which will hopefully lead to firm supply orders for our newly commissioned facility in Borovnica, Slovenia."

Cesar Casillas, Managing Director of Vilher, added: "Graft's pioneering polymer technology makes them a natural partner for

CEO of Gea, managing director of Vilher, and our shared pioneering polymer technology makes them a natural partner for our work in the field of plastic recycling. Together, we have a great opportunity to develop groundbreaking products for large industries."

#### **About Vilher**

Empresas Vilher, S.A. de C.V., is a Mexican company, founded in 1990 by two chemical engineers, in Guadalajara, Jalisco. For the plastics industry, Vilher, in alliance with 2 other companies (Gea and Noverek), create Innecsus Group and together they develop and offer ecological and sustainable solutions.

Graft and Vilher will be attending Plastimagen Mexico, the pioneering industry event for the transformation of plastic, from 7 to 10 November, 2023, at Centro Citibanamex in Mexico City, booth 2754.

For further information, visit [www.graftpolymer.com](http://www.graftpolymer.com), follow on Twitter @PolymerLtd or contact:

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#### **About Graft Polymer**

Graft Polymer is a London Stock Exchange listed company (GPL.L) with a cutting-edge, cash-flow positive, research and development (R&D) and manufacturing facility based in Slovenia which has already introduced more than 50 products to the market. The core business of the Group comprises polymer modification and drug delivery system developments. The Group has developed a proprietary set of polymer modification technologies which uses recycled raw materials and a closed loop system to reduce waste. Graft Polymer's technology can improve existing products and processing methodologies by enhancing performance, simplifying manufacturing, reducing material consumption, widening the choice of feedstocks, and reducing costs.

Graft Polymer has three divisions: polymer modification; IP for Bio/Pharma applications including a drug delivery system (Graft Bio); and the Group's food supplement division. A significant milestone was reached in May 2022 when the Slovenian manufacturing facility was granted a Hazard Analysis and Critical Control Point (HACCP) Certificate. The HACCP Certificate allows it to enter the lucrative Business-to-Consumer market and commercialise its IP for bio/pharma applications, developing active pharmaceutical ingredients and drug delivery platforms for use in the food supplement market, thereby introducing a further revenue stream to its business.

Environment, Social and Governance is at the forefront of the Group's strategy and the facility in Slovenia has been granted ISO 14001 accreditation in recognition of the environmental management systems in place to reduce waste. Graft Polymer only uses REACH and ROHS certificated raw materials instead of toxic raw materials, and its extensive R&D programme has also developed specialised recycling polymer additives which increases the strength of recycled blends and plastic products whilst also reducing plastic waste by between 40 and 50 per cent.

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