

# Chair's Statement



**Rob Woodward | Chair**

## Summary

I am pleased to report on another year of encouraging progress across the business. The first half of the financial year saw a period of strong financial growth while the second half of the year brought the global challenges of the COVID-19 pandemic. It is to the credit of the Blancco team that the Company managed the transition of enabling our employees to work from home in a very short period of time with minimal disruption to the business. I would like to take this opportunity to thank our employees on behalf of the Board for their hard work in ensuring that the business continued to prosper through this challenging period. I am particularly pleased that we have managed to get through these difficult months without a single employee being made redundant or furloughed. The resilience of our business model with high levels of repeat business from customers meant that revenue was maintained throughout the period although growth slowed and sales cycles lengthened as we moved to a virtual operating model.

The financial year began with a share placing and equity fundraising of £10 million to fund the acquisition of Inhance Technology and the Consulting Agreement with ZroBlack. These investments strengthened both the offering in the Mobile segment and our Balance Sheet. Over the course of the year, these investments have been fully integrated within the business and have given Blancco a market leading offering in the Mobile segment. Most notably, the acquisition of Inhance Technology has enabled us to enter the mobile insurance market by providing a solution which enables insurers to assess

the condition of mobile handsets prior to an insurance policy being agreed. This opportunity is being supported by a Master Services Agreement secured with leading global professional services company, Aon.

In the Enterprise segment, we have been successful in developing important channel partnerships to accelerate medium-term growth. Further partnerships with large global organisations are expected to be announced as we progress through the new financial year. We remain the clear market leader in the IT Asset Disposition ("ITAD") segment which continues to grow above expectations.

## Outlook

The current management team was appointed two years ago and has been delivering against the growth strategy launched in 2018. Even in a global market impacted by the pandemic the strategy remains robust and provides clear focus for future growth.

While the pandemic certainly slowed the pace of growth as sales became more difficult to close at the height of lockdown, the medium-term trends are very encouraging. We have seen the global workforce swiftly converting to working on a remote basis which has caused a sharp increase in the amounts spent by organisations on IT hardware in recent months. There has also been a focus on data security as the challenges for IT teams have increased with more data being stored outside of the office environment. Both of these factors are likely to drive more companies to use data sanitisation to cleanse assets before they are reused, resold or recycled.

The alternative to data sanitisation is the physical destruction of assets which is becoming an increasingly outdated method of managing data in a world which is developing an environmental conscience. These regulatory and environmental drivers give us added confidence that we will continue to deliver strong growth in the periods ahead and particularly once the current uncertainty of the pandemic has passed.

## Environmental, Social and Governance ("ESG")

We are committed to enhancing our ESG credentials. We have embraced a number of initiatives that support our commitment and we were delighted to be recognised by the London Stock Exchange by being awarded its Green Economy Award recognising listed companies who derive 50% or more of their revenues from environmental solutions.

**Rob Woodward**  
Chair