

3 August 2020

Market Update

Capral Limited (ASX: CAA) provides the following market update and earnings guidance for the half year ended 30 June 2020.

Based on unaudited management accounts, Capral anticipates that reported Trading EBITDA for the half year to 30 June 2020 will be approximately \$10.2 million (H1 2019: \$2.4 million), with EBITDA for the half year around \$17.0 million (H1 2019: \$3.4 million). Net profit after tax for the six months ended 30 June 2020 will be approximately \$4.8 million compared to the comparative prior period loss of \$8.4 million.

Having performed in line with budget for the first quarter of 2020, Capral's order intake began to decline rapidly in April, prompting management to implement cost saving initiatives to meet the challenges of COVID-19. Revenues declined significantly during May, at which time Capral enrolled in the Government's JobKeeper initiative in order to preserve the jobs of our employees. Since June order intake and revenues have improved, on the back of increased market share against imports, to the levels originally budgeted for.

Capral's result for the half year to 30 June 2020 is well above expectation given prevailing conditions and has benefited from cost savings implemented in April, restructuring of Bremer Park completed in the H2 2019 and receipt of \$4.4 million of JobKeeper payments for May and June.

Capral will announce its final auditor reviewed results for the half year ended 30 June 2020 on 21 August 2020.

Yours faithfully
CAPRAL LIMITED



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Managing Director

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