



Close the Loop GROUP
Create - Recover - Reuse



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Close the Loop delivers strong Q1 FY23 operating performance with revenue to increase 20% in FY23

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Highlights:

- Strong first quarter operating performance delivers Q1 FY23 revenues of \$28 million
- FY23 revenue to increase 20% on previous year
- FY23 EBITDA margins to be in line with previous year
- Strong cash position and positive operating cashflow as at 30 September 2022
- Continuing to explore inorganic growth options with a focus on recycle and re-use in the USA

Melbourne, Australia – Close the Loop Limited (**Close the Loop, CLG** or the **Company**) (**ASX: CLG**), an end-to-end solutions provider from design and manufacturing, through to collection and recycling of products provides the following trading update at its Annual General Meeting today.

Close the Loop has had a strong start to the new financial year with Q1 revenue of \$28 million and expects revenue growth for the full year to increase 20% on FY22. This is mainly due to a better-than expected-performance across most Australian and the South African operations. Europe is holding up well in what is traditionally their quietest quarter, due to impacts from northern hemisphere summer trading. Operations in the United States were as expected in the first quarter.

Speaking at the company's Annual General Meeting in Melbourne today, Group Chief Executive Officer Joe Foster said: *"With revenue of \$28 million Close the Loop Group has had a strong start in the first quarter of FY23, even though it is traditionally a quieter period for the company with Europe affected by summer holiday periods, the Packaging divisions and Close the Loop Operations in Australia have performed well and have exceeded expectations.*

"This now has us operating at an FY23 annualised revenue rate of 20% above last financial year with EBITDA margins expected to be in line with FY22, generating strong operating cash flows. While the USA can expect some effect from Thanksgiving later this month, and some operations are still to experience their temporary slowdown due to Chinese New Year in February, we are well placed to have a very strong FY23.

"Our integrations of Crasti and Oceanic are progressing well. While we are undertaking line expansions for TonerPlas production and print consumables sorting, we have closely managed expenses during the period. Combined with our operating performance, this has led to a strong cash position and positive operating cashflow at the end of the first quarter. This allows us to accelerate our growth strategy and momentum in the second half of the financial year using our industry-leading innovation to create new take-back, re-use and recycle programs and circular economy solutions, whilst continuing to explore inorganic growth opportunities in the USA."

The link to join the AGM is:

<https://zoom.us/j/97687725783?pwd=cCtSVjhyd0VNOEF6Z2Y4T3M5YXdGdz09>

This announcement has been authorised for release by the Board of Close the Loop Limited.

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About Close the Loop Group

With locations across Australia, Europe, South Africa and the United States, Close the Loop create innovative products and packaging that includes recyclable and made-from recycled content, as well as collect, sort, reclaim and reuse resources that would otherwise go to landfill. From recovering print consumables, eyewear, cosmetics, and phone cases, through-to the reusing of toner and post-consumer soft plastics for an asphalt additive, the Group is focused on the future, sustainability and the circular economy.

Well positioned within the circular economy, Close the Loop consists of the merging of two secondary business groups - Close the Loop and O F Pack. The combining of these two entities allows for end-to-end solutions across packaging and consumables to a variety of markets, with advanced innovation in product development, as well as end of life take-back and recovery systems for complex waste streams to greatly reduce waste to landfill.

Further information: www.ctlgroup.com.au, www.closeheloop.com.au and www.ofpack.com.au