

## ASX RELEASE

13 January 2025

## Q2 FY25 Sales Update

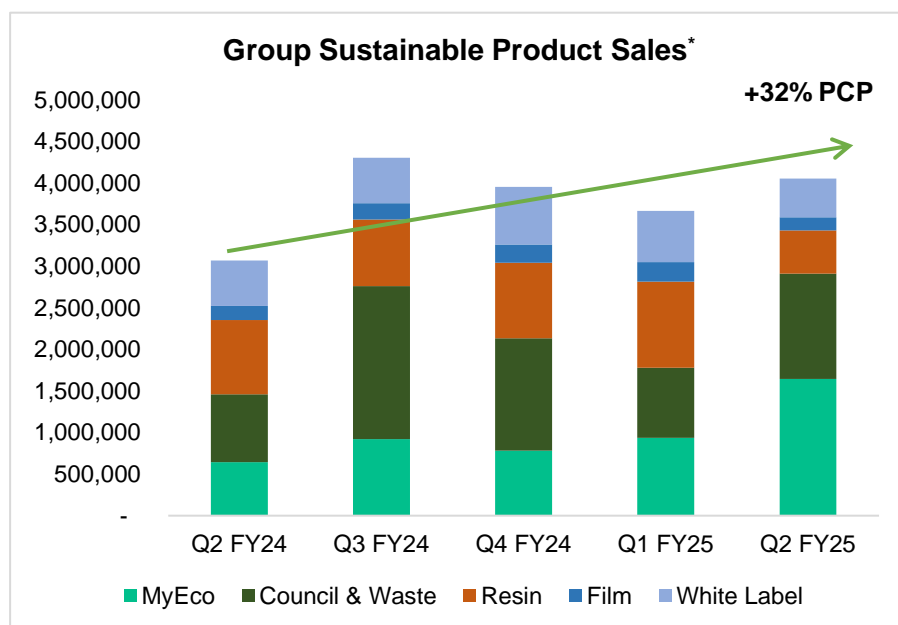
The Board of MyEco Group Ltd (ASX: MCO, “MyEco Group” or “the Company”), a developer and manufacturer of sustainable packaging and materials, presents a sales update for the December 2024 quarter. All figures are in A\$ and are provided on an unaudited basis.

### Summary

Total sales of sustainable products were \$4.1m in Q2 FY25, up 32.0% on prior corresponding period (PCP), and up 10.6% quarter on quarter (QOQ) primarily due to strong growth in MyEco® branded global sales and Council and waste management sales.

Results include:

- Record quarter for MyEco® branded global sales which were up 155.8% on PCP to \$1.6m in Q2 FY25, and up 75.2% QOQ driven by strong sales growth in MyEcoWorld in the USA (295.9% QOQ) and continued success of sales of reuseable compostable carry-bags from 80 Ritchies stores
- Council and waste management sales were \$1.3m in Q2 FY25, up 55.1% on PCP and up 50.3% QOQ
- Sustainable resin sales were \$0.5m in Q2 FY25, down 41.5% on PCP and down 49.5% QOQ
- Sustainable Film sales were \$0.2m in Q2 FY25, down 9.2% on PCP and down 34.0% QOQ



\* MyEco Group ceased trading in traditional plastics in Q2 FY24 and recorded nil sales in Q2 FY25 in this sector compared to \$0.4m in PCP. Traditional plastics sales are not included in this chart.

## Sustainable Bags

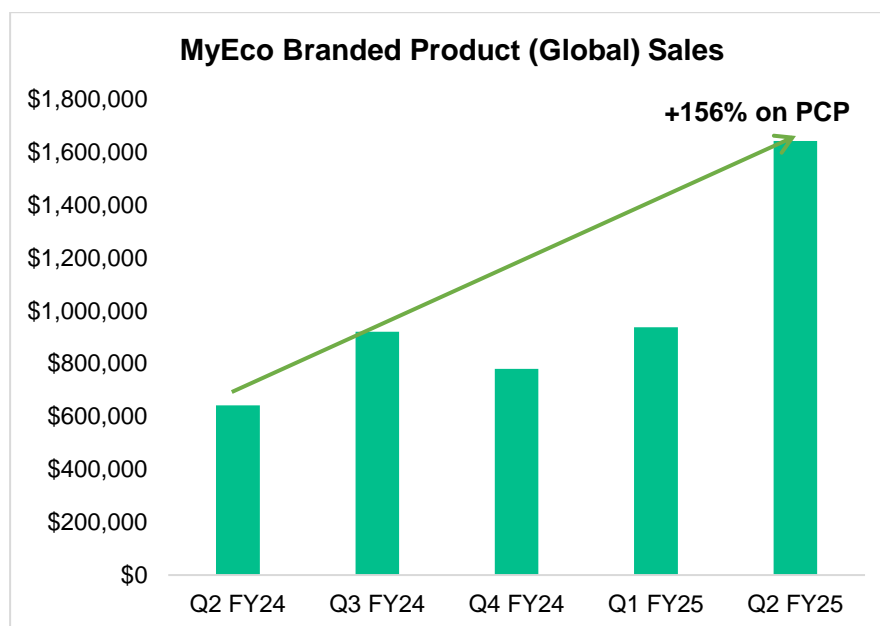
### **MyEco® branded sustainable products**

MyEco Group achieved record sales of \$1.6m of MyEco® sustainable products to retailers in Australia and USA, up 155.8% on PCP.

Growth initiatives have delivered \$0.5m sales in Q2 FY25 in the USA with MyEco Group distributor Jewett Cameron Company (JCC) increasing orders of MyEcoWorld® sustainable bags to supply to Costco.com and Costco Mexico and continue to work with KeHe and UNFI (United Natural Foods Inc.), two of the largest wholesale distributors in North America.

The launch of compostable carry-bags into 80 Ritchies stores in Q1 FY25 has carried momentum with stronger sales into Q2 FY25 and \$0.6m advanced orders have been received for delivery in Q3 FY25. Replacing paper and plastic retail check-out bags with reuseable compostable bags will be an area of focus as MyEco Group looks to leverage its success to increase the numbers of stores and retailers using this sustainable solution to the world's plastic problem.

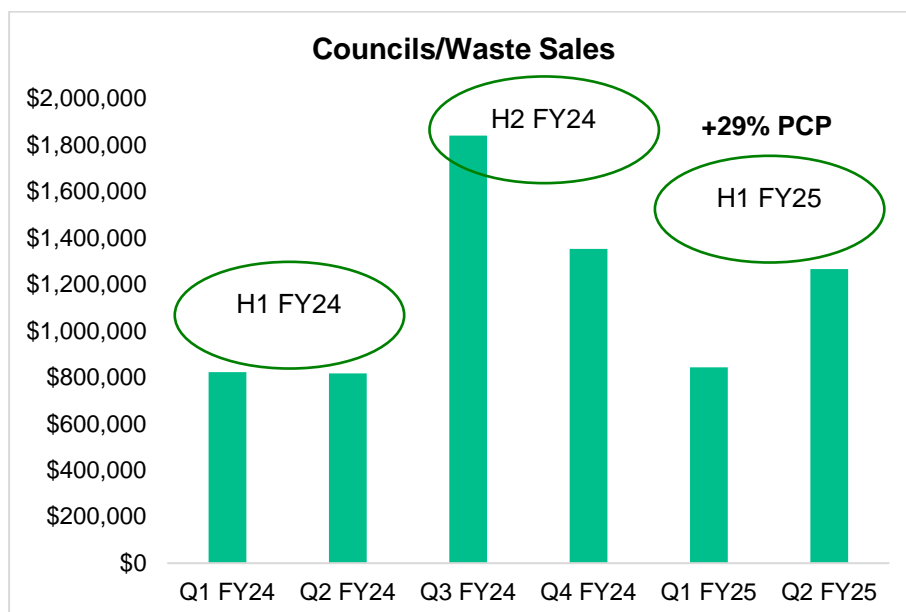
MyEco® sustainable products are a key pillar of the Company's growth strategy. MyEco Group expects sales growth in this category to continue in FY25, driven by organic growth of existing products including sales to new customers.



### **Council and Waste Management, Australia**

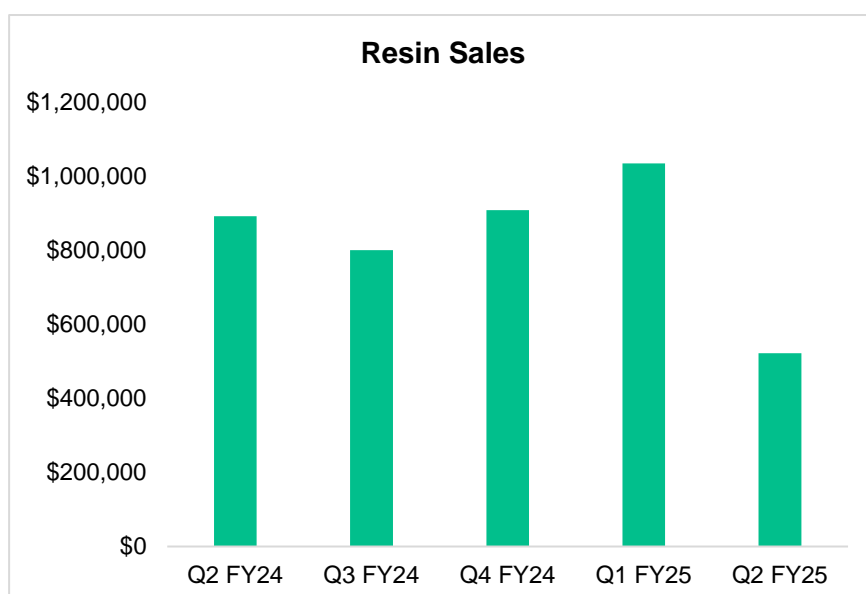
Council and waste management sales in Q2 FY25 were up 55.1% on PCP and 50.3% QOQ. Sales for the first half of FY25 were up 28.7% on PCP. The national reach of the Company's product supply increased from 52 councils to 56 councils within the past 6 months to the end of December 2024.

Sales in the second half of each financial year are typically stronger, and MyEco Group expects this to be the case for FY25 due to the preference for Council FOGO rollouts to occur in the months transitioning from summer to autumn. This is further demonstrated by the recent successful tender in Victoria for Ballarat Council, servicing 51,000 residential households, which is projected to add \$0.9m in revenue in Q4 FY25.



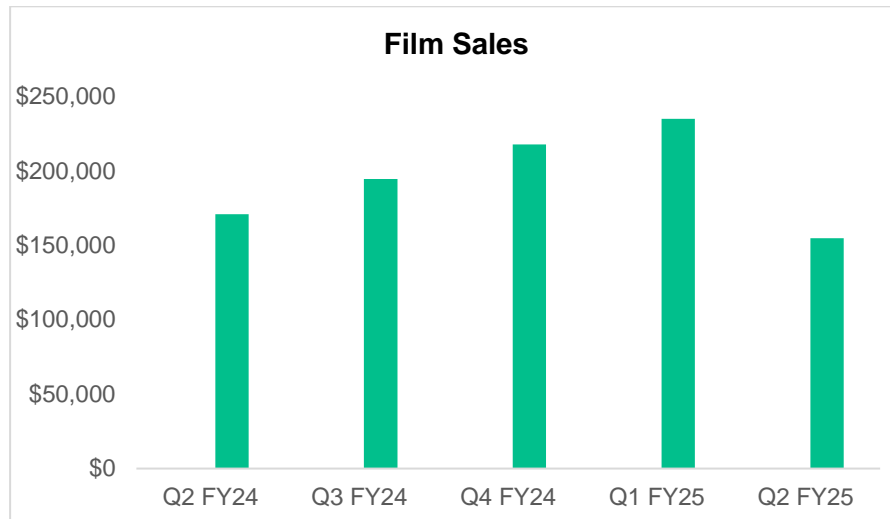
## Sustainable Resin

Sustainable resin sales were down 41.5% on PCP and 49.5% QOQ. Market conditions for the sale of the Company's resins in LATAM remain volatile with longer delivery lead times and unattractive credit terms creating a disincentive for the business to expand resin sales in the region. Although the Company aims to continue to build mutually beneficial partnerships for the sale of its resins it will focus on utilising its resin capacity for the manufacture of the Company's own MyEco® branded products which are performing at record levels and expected to continue to grow. MyEco Group are committed to continue to develop future grades of resins to meet the growing need for sustainable products.



## Sustainable Film

Sustainable film sales representing a relatively small component of the business (\$0.2m for Q2 FY25), were down 9.2% on PCP and 34.0% QOQ. As part of the medium-term strategy, MyEco Group will continue development of high-speed compostable wrapping film products, targeting the growing, high-volume sustainable pallet and magazine wrap markets, which is being trialled with several prospective customers. In parallel, the Company is developing a distribution channel to support the sale of our compostable and sustainable film products in major geographical markets.



## Sales Outlook

MyEco Group is expected to grow overall group sales in the second half of FY25. The record quarter of global MyEco® branded sales to major retailers and independent distributors highlights the category's significance in driving organic growth of existing products and sales to new customers. Growth in sales to local Councils is expected to increase in the second half of FY25 based on the current FOGO orders and contracts in place and as Councils continue to introduce FOGO programs and householders adopt food scrap diversion to organic composting programs. MyEco Group's strategy is to leverage its own brand, that is now number one in Australia's supermarkets, and to manage demand in excess of internal capacity through strategic partnerships with high end converters instead of having to invest further in building manufacturing assets. The combination of being fully integrated from resin, film and bags and having the option to manage growing demand through partnerships will offer a powerful blend of growth, quality and cost efficiency.

This announcement was authorised for release by the Board of MyEco Group Limited.

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### About MyEco Group Ltd (ASX: MCO)

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

MyEco Group holds a strong patent portfolio and the global trend toward sustainable packaging is fuelling the Company's growth.

The Company's headquarters and Global Application Development Centre are based in Melbourne, Australia. MyEco Group has a Product Development Centre and manufacturing plant for resins and finished products in China and a resins plant in Malaysia.

MyEco Group has sales offices in Australia, Malaysia, China Mexico and the USA, with a network of reputable distributors across the Americas, Europe and Asia.

### Disclaimer and Explanatory Notes Forward Looking Statements

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This document may include forward looking statements. Forward looking statements include, but are not necessarily limited to, statements concerning MyEco Group's planned operational program and other statements that are not historic facts. When used in this document, the words such as "could", "plan", "budget", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward looking statements. Although MyEco Group believes its expectations reflected in these are reasonable, such statements involve risks and uncertainties, including but not limited to risks and uncertainties relating to impacts that may arise from Covid-19, and no assurance can be given that actual results will be consistent with these forward-looking statements. MyEco Group confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning this announcement continue to apply and have not materially changed.