

28 February 2025

## ASX ANNOUNCEMENT

### **Subdued consumer sentiment persists as Prestal looks to optimise cost-base.**

Prestal Holdings Limited (“**Prestal**” or the “**Company**”), the owner of Hampers with Bite, is pleased to update the market regarding its result for the Half Year ending 31 December 2024 (“**H125**”). The following results and comparative periods have been prepared on a stand-alone basis (i.e. excluding the Consumer Products business).

#### **H1’25 Financial Recap**

- Sales Revenue from continuing operations of \$12.1m, down 27.6% on prior comparative period (pcp)
- Underlying EBITDA from continuing operations of \$0.8m, down 74.8% on pcp
- Underlying NPAT from continuing operations of \$0.8m, down 63.4% on pcp
- Cash balance of \$11.0m as at 31 December 2024
- \$11.9m returned to shareholders via a fully franked special dividend

#### **H1’25 Operational Recap**

- Top 5 Clients (by revenue) all ‘return’ clients
- Successful introduction of new hamper offerings across car lovers, hospital care and real estate
- Transition to new warehouse, with completion taking place in November 2024

#### **Board Changes**

- Fred Harrison resigned from the Board, effective 01 March 2025, following nearly 6 years of service on the Prestal Board
- Appointment of Sam Johnstone as a Non-Executive Director to the Board, effective 01 March 2025

#### **Hampers with Bite**

As flagged to the market previously (see ASX Announcement dated 20 January 2025), market conditions have remained challenging throughout the first half of FY25, as interest rates remained elevated and cost

of living increases have impacted consumer and business spending. As a result, revenue from sales were down 27.6% on prior corresponding period (**pcp**) and Underlying EBIT from continuing operations was down 78.3% pcp. The business remains profitable on an underlying basis.

Despite the overall decline in sales, the business saw promising uptake from new expanded ranges across car lovers, hospital care and real estate. The initial feedback from customers has been well-received and further validation of the intention to move into greater All Year Round (**AYR**) offerings as the business continues to try and diversify seasonality skewed towards the Christmas sales period.

### **Cost Management**

Whilst the business continues to navigate unfavorable trading conditions, the Board has identified the need to appropriately resize the cost base of the business to a more efficient structure moving forward. As part of this, and as a result of the Strategic Review completed in FY24, the Board has committed to monitoring and reducing costs where possible.

Throughout the first half the business began implementing these cost-initiatives including its transition into new warehouse facilities in Altona North, which was subsequently finalised in November 2024. The new warehouse will bring several key capabilities to the business and will enable the consolidation of management and logistics under one roof. As part of the move, the business will cease its occupancy in Fitzroy which will bring annual cost savings of approximately \$120k.

### **Outlook**

Despite recent positive developments (including an interest rate cut as announced by the RBA in February 2025), the Board remains cautious on the outlook for the HWB business.

For more information, please contact:

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***Authorised for disclosure by the Board of Prestal Holdings Limited***

