



**SKELLERUP HOLDINGS LIMITED**

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30 March 2020

**Impact of Covid-19 and Trading Update**

Following its market update on 16 March 2020, Skellerup has provided a further update on the impact of Covid-19 on its business.

Many of Skellerup's products are critical to the continuity of safe food and water and the function of health and medical devices and we therefore have an important role as a provider of essential services. Our approach during Covid-19 has been to keep the safety and wellbeing of our staff and customers paramount in our decision making. We have processes in place to protect people from, and to reduce the spread of Covid-19 wherever possible.

Recently governments around the world have imposed stronger restrictions. As a result, some of our facilities will operate at reduced levels or close temporarily during the next month as we focus on producing and delivering essential products. In New Zealand, we have completed Ministry for Primary Industries (MPI) registration of safe practice and so continue to make essential products at several of our sites for our dairy, utility, personal hygiene and healthcare customers.

We support the strong approach taken in many countries to lockdown and restrict the movement of people. Our teams have shown great skill and resilience to sustain operations to date and we are grateful for their willingness to play their part to support our essential services. They will continue to do this to ensure we can continue to safely supply key products to customers in all the markets in which we operate.

Demand throughout March has remained strong across our business. As a result, our YTD earnings continue to track ahead of pcp. However, given the restrictions now in place and uncertainty over their duration, earnings for Q4 and therefore FY20 will be lower than previously projected. Due to this uncertain timeframe we withdraw our prior guidance that FY20 NPAT will be consistent with the result achieved in the pcp.

Skellerup has a robust balance sheet, with low debt and significant undrawn, committed facilities which ensures we are well placed to manage through this uncertain period.

We will provide regular updates on our activities and results to keep shareholders informed as we navigate through this uncertain time for our people, customers and partners.

*For further information please contact:*

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