

Investor Day

2 June 2022



Close the Loop
GROUP

Create - Recover - Reuse

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Agenda

Welcome and Introduction

Joe Foster, Group CEO

O F Flexo

Regan Foster, General Manager

O F Pack

Brendan Yee, Co-Founder and Sales Director

BREAK

Close the Loop (US, Europe)

Tom Ogonek, President USA and Europe

Close the Loop (Australia)

Steve Morriss, Founder

Kesh Nair, General Manager

Acquisitions, Growth & Trading Update

Joe Foster, Group CEO

Site tour

WELCOME AND INTRODUCTION

Joe Foster - CEO



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Today's Presenters



Joe Foster
Group CEO



Regan Foster
General
Manager,
O F Flexo



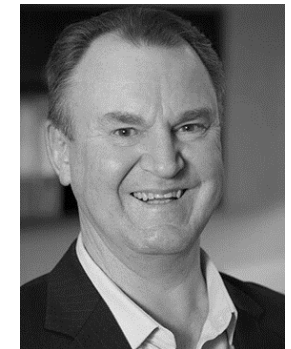
Brendan Yee
Co Founder, Sales
Director, O F Pack



Tom Ogonek
President USA and
Europe



Kesh Nair
General Manager,
Close the Loop
Operations



Steve Morris
Founder Close the
Loop Operations

Close the Loop Overview

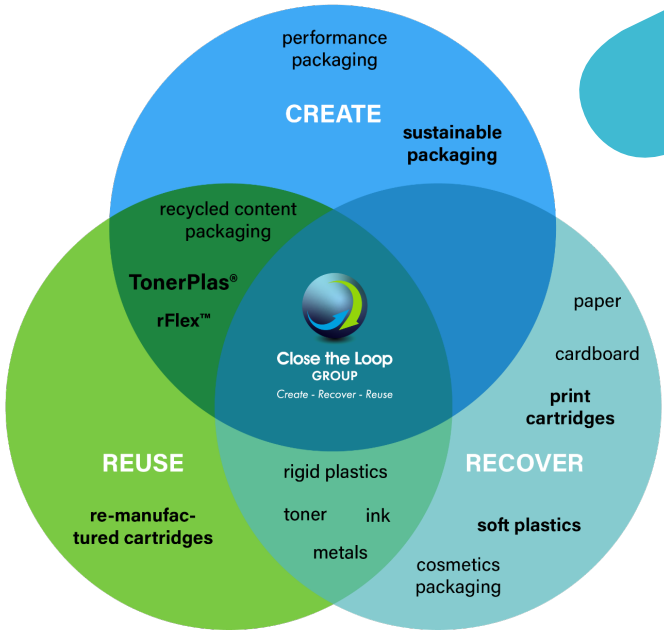


Circular Integration

Close the Loop Group leverages each division to create new cross-selling opportunities that centre on the circular economy and sustainability.

With extensive knowledge on packaging, government initiatives, legislation, global waste targets and the resource recovery industry, we both guide and educate clients, while providing tailored products and take-back systems that suit their particular brand and/or requirements.

We're the only ASX-listed company to provide this type of offering.



CLOSING THE LOOP



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Brands and partners

Canon

LOCAL
LEGENDS

xerox

red
cycle



ZERO^{CO}

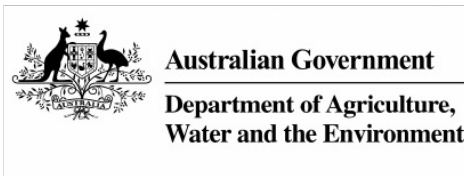


coles

Downer

PETBARN
Life's a treat

PLANET ARK



Working with Industry, Government & Major Brands

We have partnerships with key industry and government organisations, as well as major brand clients across all aspects of the business.



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BRANDS

Retail solutions & Sustainable packaging



Recyclable & Made-From Recycled Content Innovations

O F Packaging is an industry-leader in recyclable and made-from recycled content packaging options, including award-winning kerbside solutions like the Roll 'n' Recycle program.

Local options for both recyclable packaging and made-from recycled content packaging available through O F Flexo and The Pouch Shop.



Paper-based & Compostable Packaging Products

100% certified compostable films for certain applications. We also have paper packaging film- without plastics, metals or PFAS chemicals present, they are recyclable, compostable and renewable.



Seafood Cartons & Polystyrene Alternatives

Oceanic Agencies offer a variety of custom and off-the-shelf carton packaging solutions perfect for the seafood and meat markets. This includes fully recyclable options, and great eco-friendly alternatives to polystyrene.



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In-Store Drop Off & Take-Back Solutions

Close the Loop provide consumer-facing take-back options with in-store drop off and collection, including programs like Cartridges for Planet Ark and the Back to Mac program for cosmetics.



DIVISIONS



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Commercial – Supply chain solutions



Bulk Bags & Transport Packing Solutions

Our Crasti & Co. division provides a variety of bulk and transport packaging options for commercial applications.



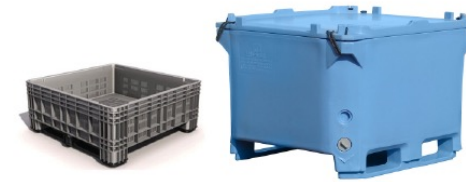
Paperboard & Printer Waste Recovery

O F Resource Recovery accepts commercial quantities of paperboard, cardboard, printer whites and magazine Products for recovery and re-sell to paper recyclers.



Chilled Product Transport Cartons & Bulk Bins

Oceanic Agencies specialise in commercial solutions for the Seafood industry and have storage and transport products to preserve and protect produce.



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Take-Back Programs & Recovery

Close the Loop can tailor take-back programs for hard to recycle products like print consumables, cosmetics and soft plastic waste at a commercial level, in addition to their consumer-facing programs.



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Create...Recover...Reuse...



In-House Solutions

One of our key strengths as Close the Loop Group is our investment in local manufacturing and in-house solutions across all aspects of our business.

In addition to the offshore solutions and external supply partnerships we've built up over the years, Close the Loop Group have the ability to manufacture goods at start of life through our own domestic manufacturing plants, as well as process and recycle goods at end of life in-house at our Close the Loop facilities.

This provides a great level of flexibility, versatility, and transparency to our clients.



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Global operations



ADD A FOOTER



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O F FLEXO
*Regan Foster, General
Manager*



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About Us

- Based in Carrum Downs, Melbourne
- Offering unprinted and flexographic print rewind, pre-formed bags
- Large-format machinery allows us to print & convert up to 1250mm in width, up to 3M in length
- 100% Australian made, owned & operated
- Quick turn-around when you need it



Our Factory



Our Customers Include



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Our Products



Our Difference

- **EXPERIENCE:** O F Flexo has an experienced team across all types of flexible packaging materials and converting, while still being Australian-focused
- **SERVICE:** O F Flexo are relationship-centric and work together with clients to provide not only the packaging, but the service they need
- **PARTNERSHIP:** O F Flexo works with our partners O F Pack, Crasti, Oceanic Agencies and Close The Loop in supplying them and/or their customers with locally made packaging
- **INNOVATION:** We're looking to the future to ensure we're doing our part in providing better packaging alternatives to the market, while reducing waste to landfill. This includes a variety of innovations in materials and printing



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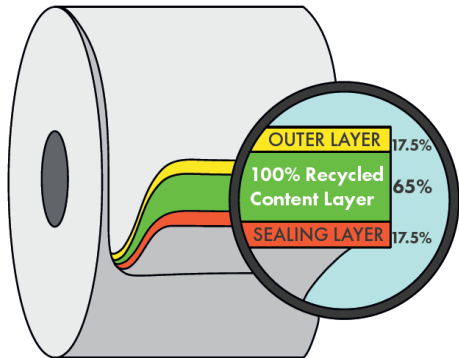
Sustainability at O F Flexo



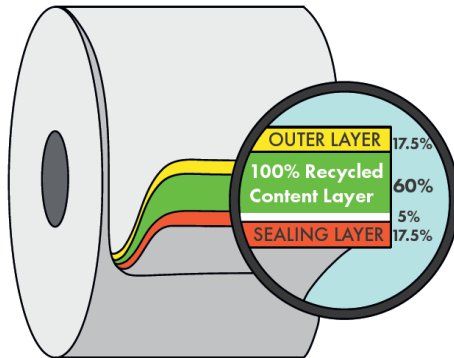
Sustainability at O F Flexo (continued...)

O F Flexo are proud to introduce our Rec-Flex 60/65 sustainable packaging film.

NATURAL- CLEAR FILM



WHITE FILM



Our Vision - Sustainability



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Circular Economy at Work



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Questions



O F PACK

**Brendan Yee, Co-Founder and
Sales Director, O F Packaging**



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My Role and Responsibilities

- Co-Founder and Sales Director of O F Packaging
- Lead the direction and execution of the O F Pack sales team as well as assisting and guiding other related packaging divisions: O F Flexo, The Pouch Shop, Crasti and Co, CtL packaging USA



Clients and Partners Include

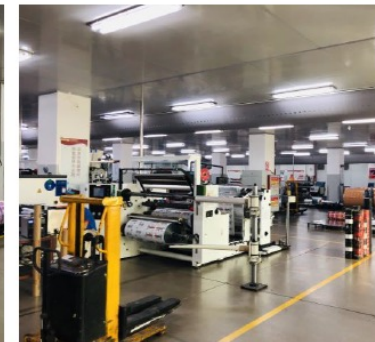


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Product Range



Typical Partner Manufacturing Site



Key Driver – Innovation and Collaboration

Improve the relationship consumers have with plastics, helping inspire new sustainable packaging

*Finding modern solutions to modern problems,
Pushing the boundaries of 'not possible',
Saying 'yes' when everyone else says 'no'.*



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Initiatives to Drive Value



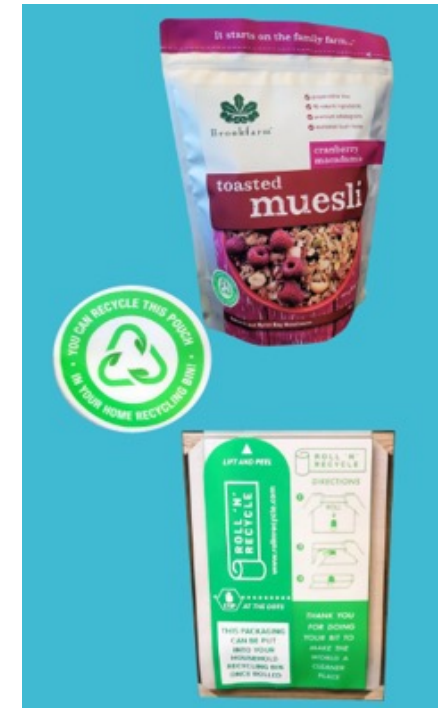
- Recyclable packaging
- Increasing footprint: USA / Europe
- Cross integration
- Legislative tailwinds with new innovations using sustainable materials

Case Study

Diverting packaging from landfill with



- 100% mono-polymer
- Label makes pack 3D shape
- The product is just like a plastic bottle





Questions



CLOSE THE LOOP USA & EUROPE

Tom Ogonek, President USA & Europe



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Services

PRODUCT CHECK-IN

- Check in and data capture
 - Part Number
 - Type of product
 - Origin
- Gives data for program analytics

FULFILLMENT & REVERSE LOGISTICS

- Supply various kit options for customers
- Understand customer supply utilization
- Help in design of program for cost effective return method
- Shipment of finished goods

CUSTOMER SERVICE

- Unique toll-free number and email for customer program and interaction
- Manage warranty returns or product pickup



VALUE ADD & CIRCULAR ECONOMY

- Return product that can be used at another part of the supply chain
- Quality check items for re-use
- Collect parts or pieces of original product that may still hold value
- Program analytics which can lead to an understanding of market share and contractual obligations

RECYCLE

- Flow materials back into the commodities market
- Ensuring the security and destruction of the product
- Emphasis on R&D to uncover new life for all returned materials



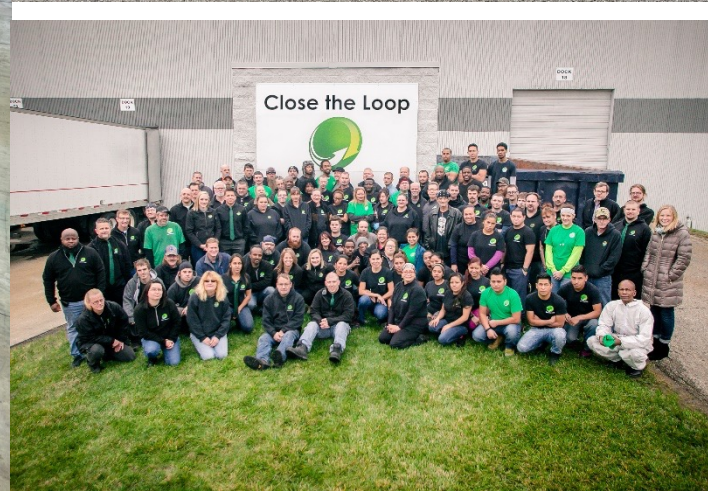
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Why Close the Loop?

- Companies are trying to meet their Environmental, Social and Governance goals and requirements (ESG)
- Consumers are adding increasing pressure and asking questions of companies and manufacturers, demanding sustainable return and recovery solutions
- Close the Loop has become part of the company's supply chain
- Supplying used/returned products back to the original manufacturer for re-use
- Opportunity to receive recovered plastic back from their original product to be re-used in new products at manufacturing level
- Legislative pressure



US Operations



- Processes 1.4 million units monthly
- 1000 ton kept from landfill monthly
- 20,000 sq. meters (200,000 sq. ft.)
- 120 employees

EU Operations



- 700 ton kept from landfill monthly
- 20,000 sq. meters (200,000 sq. ft.)
- 40 employees
- Multi-lingual team

Our Customers



KENMARK EYEWEAR

SHARP



brother



RICOH | **IBM**
InfoPrint Solutions Company



J.P.Morgan

INCIPIO

xerox™

TOSHIBA
Leading Innovation >>>

ARC®

Canon

KEURIG
GREEN MOUNTAIN

EPSON

CASE **MATE**

OKI

conibi
COLLECTE & RECYCLAGE

Staples™

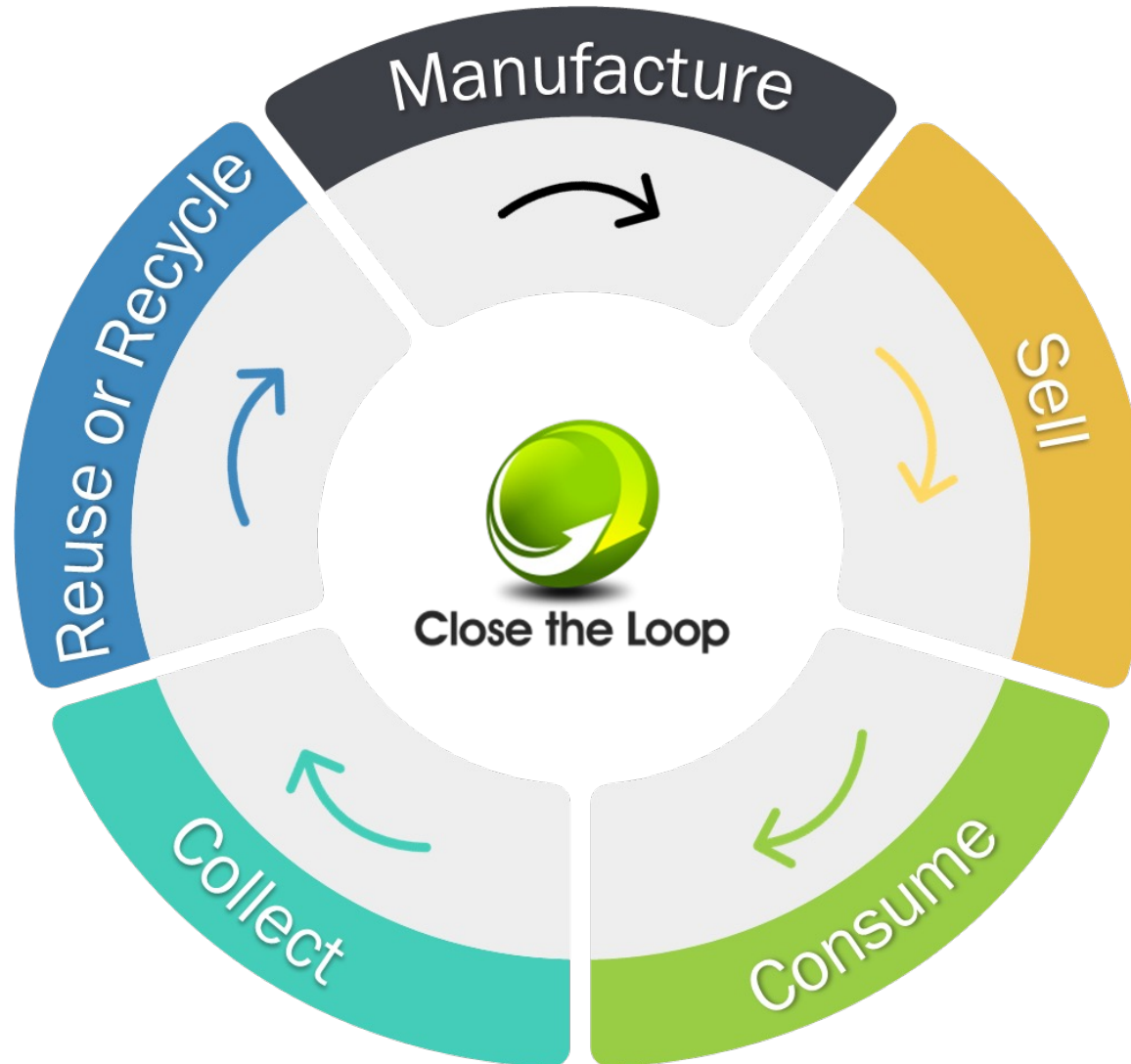


KONICA MINOLTA

Panasonic®

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Circular Economy – Plastic Material



سابك
sabc

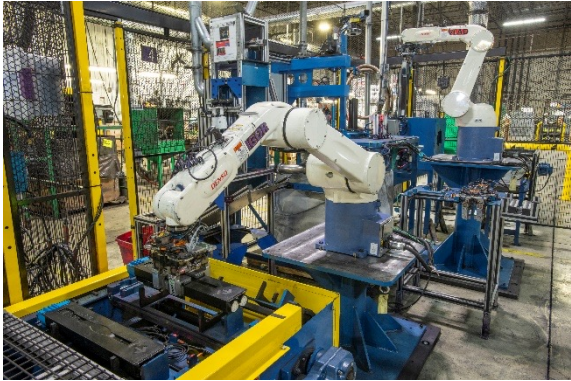
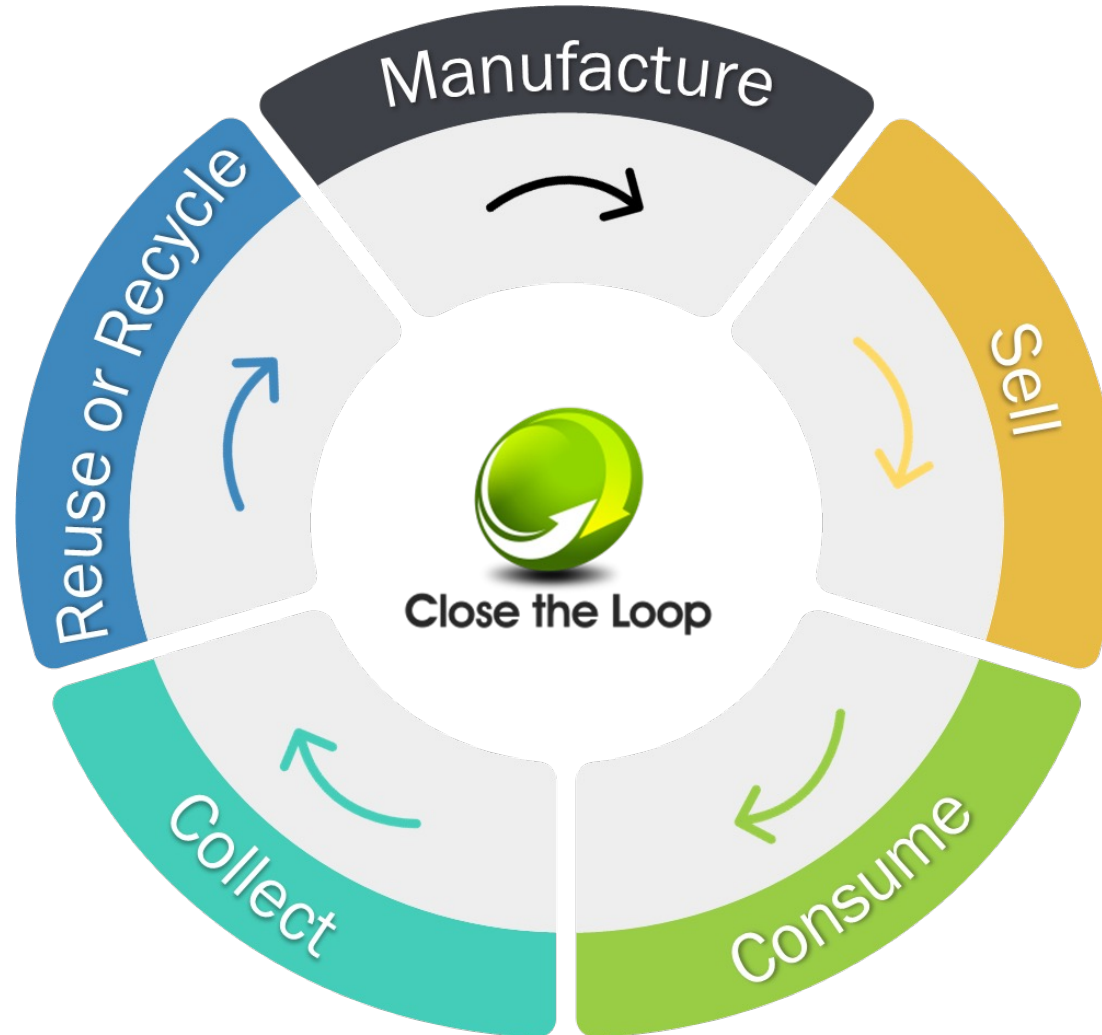


 **Nupro**
Where success takes shape



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Circular Economy – Remanufacture



Growth opportunities





Questions



CLOSE THE LOOP AUSTRALIA

Steve Morriss, Founder
Kesh Nair, General Manager



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Close the Loop Australia

- Steve Morriss – Founder (Head of Circular Economy)
- Kesh Nair – General Manager
- Close the Loop started in 2000 on the brand promise of “Zero waste to landfill”
- Core business : **Collection, Recycling, Remanufacturing and Eco-manufacturing**
- Products: Printer consumables, e-waste, cosmetics, soft plastics and batteries
 - Largest collector and recycler of printer consumables
 - **4.2 million cartridges per annum**
 - Largest collector and recycler of cosmetics
 - **25 tonnes of cosmetics per annum**
 - Largest recycler of post consumer soft plastics from the RedCycle program
 - **~650 tonne (13% of Recycle collections)**



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How do we Close the Loop?



PARTNERSHIP

We partner with Customers to create Circular Economy

Onboarded 15 of 17 customers in the print industry. 88% customer acquisition



COLLECT

We collect millions of cosmetics and cartridges per year and soft plastics from our national logistics infrastructure.

60,000 collection sites in Australia and New Zealand



RECYCLE

All toner cartridges, cosmetics and soft plastics are recycled with zero waste to land fill.



CREATE

From the recycled output streams we create circular products: TonerPlas and rFlex

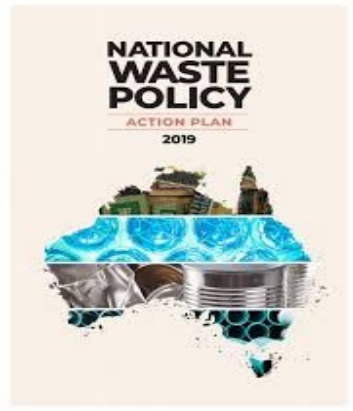
Over 700 KM of roads to date for 40+ councils



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Drivers of Growth

- 3.5 – 4.0 Million tonnes used in Australia each year -13% recycled
- Government is driving Industry
- Major brands now seeking solutions to targets
- Key government policy targets
 - Packaging to be reusable, recyclable or compostable by 2025
 - 70% of all plastic packaging to be recycled or compostable by 2025
 - 50% recycled content on average in plastic packaging by 2025
 - Mixed plastics export ban from 1st July 2022



TonerPlas®

- Improves performance, increases lifespan and reduces carbon footprint
- Major Projects – M80 & Monash freeway projects (VIC)



rFlex® and Resin8®

Injection moulding grade plastic from 100% recycled soft plastics

- Replaces virgin resin



Resin8



Lightweight low carbon Concrete

- Using contaminated waste plastics no-one else can use

Case Studies Related to Circular Integration

- City of Greater Bendigo
- Deakin University
- Amazon
- MARS Petcare
- Real Pet Food
- Nespresso
- Canon
- Downer
- Packaging manufacturers
- Product manufacturers
- HP



Competitive Advantage/Market Differentiator

- Collection Infrastructure : 60,000 collection sites/economies of scale
- Zero waste to landfill – link to government strategy
- Trusted - Awards, longevity, leadership, innovation
- TonerPlas
 - Solving the biggest waste problem in Australia/Only product to deal with contamination
 - Combining customer's post consumer product into TonerPlas
- Resin8
 - Only solution for Brominate flame retardant plastics from eWaste in Australia (first to market)
 - Only viable solution in Australia for cosmetics recycling (first to market)





Questions

**ACQUISITIONS, GROWTH
and TRADING UPDATE**
Joe Foster, Group CEO

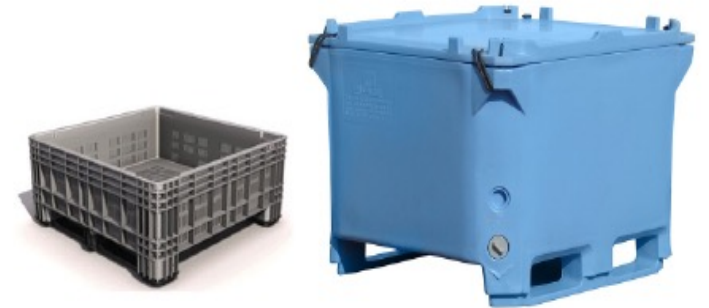


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Oceanic Agencies

- Oceanic Agencies provides both packaging and materials handling for the aquaculture, wild caught and post-harvest sectors of the seafood industry
- Estimated \$6.5m revenue per annum
- Strengthens our bulk and commercial seafood packaging capability, in a growing and highly complementary sector to our existing seafood business offering
- Delivers on strategy to grow within the niche packaging and recycling space.
- The deal is earnings per share accretive, with significant revenue and cost synergies.
- The purchase price includes an earn out payable for the first year after completion of the acquisition



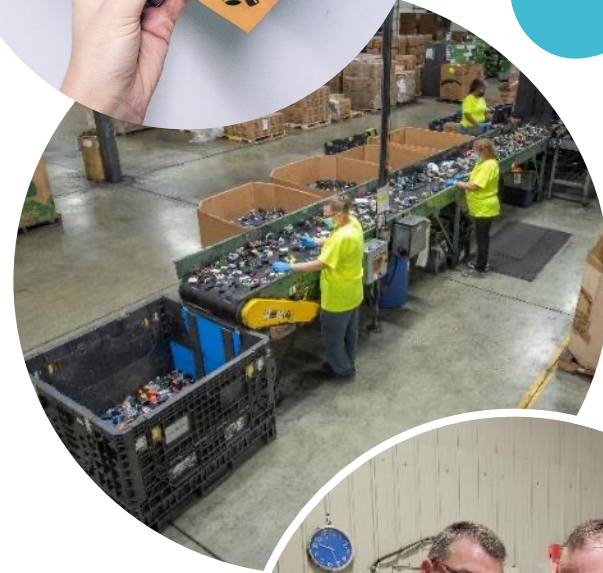
Crasti and Co

- Established for over 25 years, Crasti & Co. is one of Australia's largest Flexible Intermediate Bulk Container (FIBC) and bulk packaging supplier.
- Estimated \$12m revenue per annum
- Acquisition completed one month earlier than planned, and is immediately earnings accretive, adding 16% to our EBITDA on an FY22 annualised basis
- Successful recycling trials with Crasti & Co products completed – we are now in the process of establishing a take-back program for Crasti bulk bag customers
- These bags can be reused or sold, depending on their condition with some product being repurposed into our TonerPlas production



Growth Strategy

- Greater investment in plastic washing and separation capability in Australia and the US
- Further automation in the US to drive higher operational efficiencies; estimated savings of US\$500K p.a.
- International market expansion in FY22
- Additional investment in resource recovery equipment for recycling of soft and rigid plastics
- Cross-selling opportunities identified for the packaging division
- Soft plastics programs being developed for key packaging divisional clients
- Upgrading TonerPlas and Close the Loop recycled product manufacturing capability
- Expansion of South African sustainable packaging operations



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Trading Update

- FY22 revenue prospectus forecast up 11% to \$82 million (from \$73.9 million)
- FY22 EBITDA prospectus forecast up 10.5% to \$13.6 million (from \$12.3 million)
- Current annual revenue run rate, including recent acquisitions, equates to over \$100 million
- Non-binding term sheets signed for three acquisitions



Questions



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