



Close the Loop GROUP
Create - Recover - Reuse



Close the Loop Limited

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TonerPlas production line incident, no change to FY22 guidance

10 June 2022

Key highlights:

- **Fire incident overnight affecting the TonerPlas® production line**
- **No staff were injured, and all equipment is fully insured.**
- **TonerPlas line expected to be offline for 6 months as the planned upgrade of the line will now occur at the same time**
- **Maximum impact of \$1.5 million including insurance excess in FY22**

Melbourne, Australia – Close the Loop Limited (**Close the Loop Group** or the **Group**) (**ASX: CLG**), an end-to-end solutions provider from design and manufacturing, through to collection and recycling of products, reports that there has been an incident overnight at its TonerPlas® production line in Somerton, Victoria.

A fire broke out on the production line and was brought back under control using normal remediation processes. No staff were injured, and all equipment is fully insured.

As a result, the TonerPlas® line is expected to be offline for six months. Plans were under way to upgrade the line in FY23 to meet increased demand, so these upgrades will now occur at the same time and we will take the opportunity to realign and improve of the production flow of the Somerton facility to allow for future growth.

The Company expects the maximum impact would be \$1.5 million including insurance excess and additional warehouse costs of approximately \$350,000 for recovery items and potential double handling. A make good provision will be recorded in FY22 for this amount. The revenue impact of this incident is expected to be approximately \$600,000 in FY23.

Further updates on the impact and recovery process will be shared with the FY22 result, due to be released in the last week of August 2022.

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

- ENDS -

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About Close the Loop Group

With locations across Australia, Europe, South Africa and the United States, Close the Loop Group creates 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,

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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 Group 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.closesthegroup.com.au and www.ofpack.com.au