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ASX Announcement
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AGM Trading Update

Close the Loop Limited ("Close the Loop" or the "Company") (ASX: CLG), a leader in the circular economy, today provides its trading update for the first quarter ended 30 September 2026 ("Q1") of the financial year ending 30 June 2027 ("FY27"). The Group has made a strong start to FY27, with positive momentum across both divisions, a materially strengthened balance sheet and the approval of a significant refinancing with Citi Bank, which is expected to further strengthen the Group's financial position and support the Group's next phase of growth.

Key Highlights:

- **Strong start to FY27** – Q1 revenue of $32.4m and Group EBITDA of $4.3m, supported by solid contributions from both divisions.
- **FY27 outlook strengthened** – EBITDA guidance of $14.0m – $16.0m reaffirmed, with the Group well positioned to deliver towards the upper end of the range, subject to industry conditions.
- **Balance sheet materially strengthened** – $24.4m of convertible notes settled after year end, reducing net debt to $16.3m at 30 September 2026 from $38.1m at 30 June 2026.
- **Citi Bank refinancing approved** – Citi Bank has approved the refinancing of the Group's existing PGIM debt facility. Formal documentation is expected to be finalised and executed, with completion targeted by mid-December 2026. The new facility is expected to materially reduce interest costs and quarterly principal repayments, strengthening cash flow.
- **Leadership transition** - Trifon Dimos will assume the role of Chairman with Grant Carman transitioning to the role of Non-Executive Director.

Commenting on the Company's performance at the Annual General Meeting ("AGM") Grant Carman, Chairman said:

"Close the Loop has reached an important turning point. Over the past 12 months, we have realigned the Group around our core strength, exited underperforming businesses that did not align with our profitability and return objectives, settled our convertible notes and materially reduced net debt.

Q1 reflects the progress made, with both divisions contributing positively and strong momentum across key markets. With FY27 EBITDA guidance reaffirmed and the Citi Bank refinancing approved, the Group is entering its next phase from a stronger financial and operational position.

Our priorities are now to drive profitable growth, strengthen cash generation, reduce debt and ensure each division has the leadership, capability and clear accountability needed to deliver sustainable returns."

Q1 FY27 Financial Performance

Group revenue was $32.4m and Group EBITDA was $4.3m.

Packaging

Revenue $18.6m for Q1

Australia – Strong trading and new customer wins, supporting a healthy order book into Q2 and Q3.

South Africa – Strong September reel-stock orders, with port delays deferring some revenue. The Q2 and Q3 order bank is building.

New Zealand – Now operating as a standalone business.

The packaging division's capital-light, outsourced manufacturing model and established Asian supplier network position it to respond to continued demand for sustainable packaging.

Resource Recovery

Revenue $13.8m

Europe – Very strong start, supported by a new original equipment manufacturer ('OEM") sorting project and increased deliveries in Belgium.

United States – Improved recycled resin demand, increased processing capacity and continued automation.

Australia – Strongest Q1 in three years, supported by higher-margin programs and cost control.

The Resource Recovery division has stabilised following the USA plastics recycling restructure and is benefiting from OEM demand for take-back and zero-waste-to-landfill programs.

Balance Sheet and Refinancing

Net debt was $38.1m at 30 June 2026, down $15.3m (29%) on the prior year.

Following year end, the Company settled its $24.4m convertible notes through the issue of 60.4m shares, reducing net debt to $16.3m at 30 September 2026. A US$2.5m payment is expected on completion of the refinancing.

Citi Bank has approved the refinancing of the Company's existing PGIM debt facility, with formal documentation expected to be finalised and executed with completion targeted for mid-December 2026. The new facility is expected to reduce the Group's interest rate by approximately 450 basis points below the existing facility, delivering annual interest

savings of approximately $1.4m, together with significantly lower quarterly principal repayments. These improvements will strengthen cash flow, enhance financial flexibility and support the Group's ongoing debt reduction.

FY27 Outlook

The Company reaffirms FY27 EBITDA guidance of $14.0m – $16.0m, representing growth of 13% – 29% on FY26. Following a strong first quarter and with positive momentum across both divisions, the Group is well positioned to deliver towards the upper end of the guidance range, subject to industry conditions.

Packaging – Strong sales momentum and new customer wins, supported by a capital-light, outsourced manufacturing model.

Resource Recovery – Stabilised, with growth led by all three regions; Australia, Europe and the USA.

Capital expenditure – Expected to be $1m – $3m (FY26: $2.5m), supporting free cash flow generation.

Cash generation and capital discipline – The Group's focus remains on disciplined capital allocation, strengthening cash flow and further reducing debt.

Board and Chairman Transition

As Close the Loop enters its next chapter, the Board has agreed to a leadership transition, with Trifon Dimos assuming the role of Chairman and Grant Carman transitioning to the role of Non-Executive Director. The change will take effect at the conclusion of the Company's Annual General Meeting.

The Board believes this transition is an important step in positioning Close the Loop for its next phase of development. As the Group moves from a period of restructuring, simplification and balance sheet repair towards renewed growth and improved financial performance, the Board considers it an appropriate time to align its leadership structure and experience with the Company's evolving strategic priorities.

The transition is intended to bring renewed leadership focus and support the execution of the Group's strategy, while retaining valuable Board experience and continuity through Grant's ongoing role as a Non-Executive Director.

The Board would like to sincerely acknowledge Grant's contribution as Chairman. Grant has brought considerable commitment, leadership and experience to the Company, particularly through a period that has required difficult decisions, significant change and considerable resilience. His contribution throughout this period has been highly valued. Grant has remained committed to the Company, helped steer it through challenging circumstances and consistently acted in what he believed to be its best interests.

The Board is pleased that Grant has agreed to remain as a Non-Executive Director, allowing the Company to continue benefiting from his experience, knowledge and ongoing contribution as it moves into its next phase.

The Board looks forward to Trifon's leadership as Chairman and to working together with Grant and the broader Board in positioning Close the Loop for its next chapter.

The Next Chapter

As the Group moves into its next phase, the Board and management are reviewing the organisational structure, leadership capability and operational resources across all divisions to ensure the business has the right people, skills and accountability to deliver its ambitions. This includes strengthening divisional leadership, ensuring each business has a clear strategy and measurable objectives, and reinforcing accountability for operational performance and sustainable returns.

The Group will continue to rigorously assess the strategic contribution and financial performance of each business, directing capital and management resources towards areas with sustainable profitability, attractive growth opportunities and strong cash generation. Where businesses are not meeting expectations, the focus will be on improving performance and returns or, where appropriate, pursue appropriate strategic alternatives. Our ambition is to build a simpler, stronger and more profitable Close the Loop, with high-performing businesses and a clear focus on sustainable earnings and long-term shareholder value.

- ENDS –

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

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About Close the Loop

With locations across Australia, Europe, South Africa and the United States, Close the Loop creates innovative products and sustainable packaging, as well as collecting, sorting, reclaiming and reusing resources that would otherwise go to landfill.

The Group is focused on sustainability, the circular economy and developing innovative solutions that turn waste into valuable resources.

Further information: www.closetheloop.com