



Close the Loop FY23 Results

28 August 2023

Close the Loop Limited (**Close the Loop** or the **Company**) (**ASX: CLG**), an end-to-end solutions provider from design and manufacturing, through to collection and recycling of products, is pleased to announce its results for the year ended 30 June 2023 (FY23).

FY23 Highlights:

- Revenue of \$135.9 million, up 52% on the prior corresponding period (pcp)
- EBITDA of \$24.3 million, up 70% on pcp
- NPBT of \$14.9 million, up 113% on pcp
- Core business continues to achieve strong organic growth
- Cash balance of \$49.5 million
- Strong operational cash flows
- Successfully completed transformational acquisition of ISP / CTC, solidifying company as a global closed loop ESG market leader
- FY24 revenue is forecast to be approximately \$200m, with EBITDA of at least \$43m
- Investor webinar to be held 11:00am AEST today, Monday, 28 August 2023. [Click here to register](#)

Commenting on the Company's financial performance, Group Chief Executive Officer Joe Foster said: "We are delighted to be reporting strong performance across the CTL group. In the financial year, our existing businesses have demonstrated substantial growth, showcasing a 19% increase in revenue. We have also continued to deliver on our inorganic global strategy and achieve the goals we set at the time of our IPO."

Financial Review

Close the Loop reported revenue of \$135.9 million for FY23, up 52% on the prior corresponding period (pcp) on the back of strong organic revenue growth across the Group and inclusion of acquisitions.

Close the Loop's EBITDA for the year totalled \$24.3 million, up 70% on the pcp, and net profit before tax was \$14.9 million, up 113% on the pcp.

	FY23	FY22	Change
Revenue	\$135.9 million	\$89.2 million	52%
Gross Profit	\$47.6 million	\$28.3 million	68%
Operating Profit	\$22.4 million	\$12.4 million	81%
EBITDA*	\$24.3 million	\$14.3 million	70%
EBIT*	\$17.4 million	\$9.9 million	76%

* FY22 EBITDA and EBIT excludes the impact of ASX listing fees of \$2.4 million.

Divisional performance

Division	FY23 Revenue	Revenue Percentage
Resource Recovery	\$74.3 million	55%
Packaging	\$61.6 million	45%
Total Revenue	\$135.9 million	100%

Geography	FY23 Revenue	
	Resource Recovery	Packaging
Australia	\$25.1 million	\$49.5 million
USA	\$43.2 million	-
Europe	\$6.0 million	-
South Africa	-	\$12.1 million
Total Revenue	\$74.3 million	\$61.6 million

Operational Review

Close the Loop's performance was underpinned by strong growth in both the packaging and resource recovery businesses. The Company is seeing strong demand for recyclable ready packaging and recycled content, which are products that are readily available through the various divisions. With foreign exchange movement and raw material increases putting margins under pressure, these increased costs are being passed on when possible.

The significant increase in full-year profit and EBITDA is a result of this being the first full year of earnings for the merged packaging and recycling businesses, along with the acquisitions from the prior financial year providing a full year's contribution to the group.

For further information regarding the performance of the Group, please refer to the Annual Report for the year ended 30 June 2023, which is available on our website www.ctlgroup.com.au and the ASX announcements platform.

FY24 Guidance and Outlook

The Company expects revenue to be at least \$200m in FY24, with EBITDA of at least \$43m. The FY24 forecast does not assume the upside to be gained from additional synergies previously identified, nor does it factor in any expansion of contracts and product lines. The Company is committed to providing updates as it gains confidence in its delivery on additional product lines, synergies and advancements from the recent settlement of ISP Tek Services and Captive Trade Corporation. The Company will make the necessary investments into the infrastructure that is required to ensure a strong platform for future growth.

Investor Webinar

Close the Loop will host an investor webinar with CEO Joe Foster and CFO Marc Lichtenstein at 11.00am AEST today, Monday, 28 August 2023.

Register for the investor webinar via the link below:

https://us02web.zoom.us/webinar/register/WN_-borqZfxQ9y9sPDMXP4B6w

Investors may submit questions to benl@nwrcommunications.com.au or do so via the Q&A function on Zoom.

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

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Close the Loop GROUP
Create - Recover - Reuse



Close the Loop

About Close the Loop

With locations across Australia, Europe, South Africa and the United States, Close the Loop 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 a wide range of electronic products, print consumables, eyewear and cosmetics, through to the reusing of toner and post-consumer soft plastics for an asphalt additive, the Company is focused on the future, sustainability and the circular economy.

Well positioned within the circular economy, Close the Loop 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 commodities to greatly reduce waste to landfill.

Further information: www.ctlgroup.com.au, www.closeheloop.com.au and www.ofpack.com.au