Close the Loop Limited
ABN: 91 095 718 317
43-47 Cleeland Rd
Oakleigh South, Victoria 3167
AUSTRALIA

ASX Announcement
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AGM Trading Update

Close the Loop Limited ("Close the Loop" or the "Company") (ASX: CLG), the circular economy industry leader, has today released its trading update for the first quarter (Q1) of the financial year ending 30 June 2026 (FY26), ending on 30 September 2025. Key highlights from the results:

Key Highlights:

- **Resource Recovery** – Recycling revenue and earnings before interest, tax, depreciation and amortisation (EBITDA), excluding the ITAD contribution, were higher in Q1 FY26 compared to the prior corresponding period. ITAD revenue and EBITDA improved in Q1 FY26 compared to the last quarter of the 2025 financial year. The improvements were driven by the introduction of new product lines, headcount rationalisation, increased volumes and margin improvement through enhanced cost controls.
- **Packaging** – Revenue and EBITDA improved versus the prior corresponding period, underpinned by stronger South African and Australian performance. The company has also exited loss-making operations during FY26.
- **Asset sales** – The divestment of Alliance Paper and O F Flexo were completed during the year to date as part of the Group's ongoing strategic review and restructuring program. These sales support a more focused operating model, allowing management to concentrate resources on core businesses.
- **Strategic Objectives** – Management continues to deliver against the strategic objectives outlined at the FY25 results, with progress made growing ITAD volumes, sustaining strong performance in Packaging, and driving cost efficiencies across the Group.

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

"Overall, the Group's performance improved during Q1 FY26, driven by a resilient Packaging division and a turnaround in profitability in Resource Recovery. Implementation of the five strategic objectives established in August 2025 is well underway and yielding the benefits the board had originally envisioned. Under the supervision of the new management team, we are confident the Group has the structure and personnel to continue improving operating performance.

While the positive momentum in the first quarter marks an encouraging start to FY26, management remains focused on sustaining performance across both divisions. Alongside ongoing operational improvements, the Board is actively evaluating options to reduce debt, which continues to be a key strategic priority.

We remain committed to improving shareholder value and believe we have the building blocks in place to achieve this. With a clear strategic direction, the Group is well positioned *to deliver continued operational and financial improvement over the remainder of the financial year".*

Q1 FY26 Financial Performance

- **Resource Recovery**

  Resource Recovery experienced improving operating performance during the period, attributable to better inventory and channel management, increased product margins and cost rationalisation. The Group achieved improved operating performance in the North American refurbishment and ITAD segment, as new management strategies gained traction.

  Additionally, the Group accelerated volume growth with its key original equipment manufacturer (OEM) partner in Q1 FY26. This was attributable to a combination of increasing existing product volume, supplemented by new supply channels to deliver better revenue and margins as the year progresses.

- **Packaging**

  The Company's core packaging businesses continue to demonstrate solid operational execution. Revenue and EBITDA performance were ahead of the prior corresponding period, due to improving core operations and the elimination of losses recognised from non-core businesses.

  Management has continued its restructuring program throughout FY26, executing the asset sale of Alliance Paper (the thermal paper business) on the 27th of October 2025. The share sale of O F Flexo Pty Ltd, a Melbourne based flexible packaging manufacturing business, via a management buyout has been completed with an effective date of 31 July 2025, and completion in November 2025. The packaging division is well positioned to continue to deliver growing operational performance in FY26.

Director and Leadership Changes

The board would like to thank the contributions of Non-Executive Directors, Joe Foster and John Chambers, as well as Chris Dimitriadis, Chief Financial Officer (CFO). John Chambers elected not to stand for election at the AGM and thus retires as a director on 20 November 2025.

Joe Foster has advised the board that he wishes to pursue other opportunities and accordingly has withdrawn his consent to act as a director of the Company. The resolution for Joe Foster's election to the board will not be voted on at the annual general meeting. The board of Close the Loop would like to thank Joe for his services as one of the founders and inaugural CEO of the Company from its listing on the ASX in December 2021.

Grant Carman, Chairman said *"We want to take a moment to recognise, Joe, a founding member of the Company who has dedicated his entire career to this business and the industry. His passion, vision and unwavering commitment have been one of the cornerstones of everything we have achieved. We can say without hesitation that Joe pours his heart into everything he does, striving for perfection at every turn, and we have no doubt that he will continue to achieve remarkable success in whatever he chooses to pursue."*

The board is currently undertaking a review process for replacement Non-Executive Directors.

Chris Dimitriadis has decided to step down from his position as CFO, with his last day on the 19th of December 2025. The business is strengthening its finance team through active recruitment and evaluating alternative structures for senior financial leadership roles.

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For further information, please contact:
Investors/Media
Daniel Ireland, DataIR
E: investors@ctlgroup.com.au
P: +61: 428 607 884

About Close the Loop

With locations across the United States, Australia, South Africa and Europe, Close the Loop collects and refurbishes products such as laptops, printers, teleconferencing equipment and gaming devices; and provides sustainable packaging, which allows for greater recoverability and recyclability. The Company is a global leader in the fast-growing circular economy with a focus on global expansion and sustainability.

Further information: www.closetheloop.com