



**1,000 PRODUCTS
ENDLESS POSSIBILITIES**

20 February 2025

Redox reports strong revenue and volume growth in 1H25

Redox Ltd (ASX: RDX, 'Redox' or 'the Company'), a leading supplier and distributor of chemicals, ingredients and raw materials hereby announces its financial results for the half-year ended 31 December 2024 (1H25).

Key 1H25 Financial Highlights (versus 1H24):

- Revenue of \$632m, up 8.6%
- Gross profit of \$137m, up 1.7%
- Gross profit margin of 21.6%, down 1.5ppts but now within its historical range
- Cash or Cash equivalents of \$138m (zero net debt)
- Earnings per share of 7.7 cents, growth of 1.7%
- Interim dividend of 6.0 cents per share, representing a 1H25 payout ratio of 78% of NPAT
- Two new channel partnership agreements signed, and two acquisitions completed

Financial Overview

Sales revenue increased 8.6% to \$632 million in 1H25, driven by strong volume growth despite subdued demand. Sales were particularly strong in Crop Production & Protection segment while growth in Water Care sales was also robust. Gross profit increased 1.7% to \$137 million, a good result after accounting for the large upswing in fertiliser segment sales.

Underlying operating expenses increased \$12 million in 1H25, due to a combination of higher volume-driven expenses and an increase in administration costs, which were primarily staff-related.

Underlying NPATFX declined \$7 million to \$41 million in 1H25 as the gross margin returned to within its historical range. At 21.6% gross margins fell 1.5% on pcp, being impacted by higher volume, lower margin commodity sales and lower margin acquired businesses.

Cashflows from operations were \$12 million in 1H25, down from \$80 million in 1H24 as a result of an increase in inventory due to Red Sea disruptions lengthening transit times and the timing of Lunar New Year shipments. Net working capital increased \$50 million in 1H25 from pcp to \$387 million.

Redox ended 1H25 with a healthy net cash position of \$138 million, which ensures that the Company has the financial flexibility to execute on future growth opportunities.

Operational Overview

In 1H25 Redox expanded its sales team to 190 representatives. The team successfully sought out new business opportunities while at the same time expanding the Redox product suite and helping to growing sales in APAC. The Company increased its active product groups to 1,143 as it consolidated exciting new products from acquired businesses alongside new product launches. Redox's unique, in-house developed CRM Redebiz continued to facilitate growth and aided to deftly integrate acquired businesses.

Two acquisitions were completed during the first half, Oleum and Auschem, delivering on our successful acquisition strategy, adding products, customers, suppliers, expertise and capabilities to Redox, which will help generate and drive future growth.

In addition, Redox signed new channel partnership agreements with Dow and Viva Energy during 1H25. These partnerships provide Redox with access to new markets, products and customers and will be positive for future growth.

Dividend

The Board determined to pay an interim 1H25 dividend of 6.0 cents per share. This represents a payout ratio of 78% of statutory net profit. The Company reaffirms its dividend payout policy of distributing 60%-80% of NPAT. The dividend is expected to be paid on or around 25th of March 2025.

Chief Executive Officer, and Managing Director Raimond Coneliano said:

"I'm proud of the progress Redox made in the first half of FY25 despite the challenge of subdued demand and continued geopolitical and macroeconomic headwinds. Redox was able to achieve strong volume growth and our gross profit increased by 1.7% to \$138 million.

"We had strong revenue growth of 8.6% in 1H25, driven by APAC sales growth of 9.7%. We continue to drive business development in the US market, with the number of active customers and invoices growing in the period, however we understand with the challenges of early-stage businesses our growth will be lumpy.

"Notwithstanding the challenging environment in the half, we remain confident in our ability to leverage our capabilities, strengthen our partnerships, and drive sustainable growth.

Outlook

During 2H25 Redox will continue to look for opportunities to expand our geographic footprint, bolster our product portfolio, increase our share of wallet and grow our client base.

We remain focused on driving organic revenue growth and anticipate strong volume growth above historical average for the remainder of FY25. We continue to review strategic M&A opportunities which will contribute to positive momentum.

We largely expect macroeconomic and geopolitical headwinds to continue into 2H25, however we are well positioned as demand recovers.

Gross Profit Margins are expected to remain similar to the first half.

We operate in a large, attractive sector and as the fundamentals of the business are strong, we remain well placed to continue to grow strongly.

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This announcement is authorised for release by the Board of Redox Limited.

For enquiries, please contact:

Investor Relations
Howard Marks
Automic Markets
+61 402 438 019
howard.marks@automicgroup.com.au

About Redox

Established in 1965, Redox markets a range of more than 1,000 different chemicals, ingredients and raw materials, sourced from leading manufacturers supplied to clients throughout Australia, New Zealand, Malaysia and the United States. Our dedicated team of more than 400 employees operate from 16 locations across the globe, with more than 100 convenient storage locations. A growing business with sales revenue of over \$1.13 billion in the financial year 2024. Redox looks for long term partnerships, where shared values and common goals align for mutual benefit. Our relationships are open, innovative and based on teamwork.

<https://redox.com>

Forward Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices, or potential growth of the Company, are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.