



Close the Loop GROUP

Create - Recover - Reuse



Close the Loop Limited

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Early completion of Crasti & Co acquisition, updated prospectus forecast and significant global award.

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Key highlights:

- **Prospectus forecasts updated, including additional month of contribution from Crasti & Co**
- **Crasti & Co acquisition completed one month earlier than planned**
- **The acquisition is immediately earnings accretive**
- **Crasti & Co products to be recycled into Close the Loop's high-performance asphalt, TonerPlas**
- **Close the Loop wins the top Diamond Award at the 2021 Dow Packaging Innovation Awards - the top global sustainability award for packaging**

Melbourne, Australia – 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, has completed its acquisition of leading Australian bulk packaging business, Crasti & Company Pty Ltd (Crasti & Co.) one month earlier than planned, strengthening its earnings in FY 2022.

As a result, Close the Loop's FY 2022 earnings will include one additional month of contribution from Crasti & Co. Further, with the broader Close the Loop financial performance exceeding expectations in this financial year to date and the successful integration of Oceanic Agencies (see ASX announcement 8 December 2021) the Company expects to exceed its FY 2022 EBITDA prospectus forecast. At 28 February FY2022 revenue year-to-date for the Group, excluding the impact of any acquisitions, was up 23% on the previous corresponding period.

Group Chief Executive Officer Joe Foster said: *"We are pleased with the smooth transition of Crasti & Company and welcome its staff and management into Close the Loop Group. There is strong alignment with our current operations that will immediately add value to our group. We operate in a complementary market space, with our existing packaging offering and see integration into our take back programs, recycling and repurposing of product. Close the Loop's financial performance in FY2022 is exceeding our forecasts and we expect to comfortably meet our Prospectus forecasts. We continue to examine other strategic opportunities in line with our growth strategy."*

Crasti & Co product take-back programs and reuse into TonerPlas

Close the Loop has completed successful recycling trials with Crasti & Co products and are in the process of establishing a take-back program for Crasti bulk bag customers that includes multinationals, national corporates, and major government departments. These bags can be reused or sold, depending on their condition with some product being repurposed into our TonerPlas production. TonerPlas is a patented, high performance asphalt additive made from soft plastics and waste printer cartridge toner. More than 100,000 tonnes of TonerPlas asphalt have been laid in roads by more than 40 councils in every state and territory of Australia. TonerPlas was recently used by the Victorian Department of Transport for use in the M80 Freeway and Monash freeway upgrades.

"This acquisition shows the cumulative power Close the Loop has in its ability as the only ASX-listed company operating in all parts in the circular economy - from product design, manufacturing, collection and recycling and then eventually recovering it as new packaging or secondary products, or simply packaging to packaging. The Crasti & Co bulk plastic packaging being incorporated into our TonerPlas production through take-back programs

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with its customers is a good example of us operating on our 'zero waste to landfill' approach to the circular economy."

Close the Loop wins top global sustainability award

In Switzerland Close the Loop's packaging division OF Pack, has just won the Diamond Award for the 2021 Dow Packaging Innovation Awards - the top global sustainability award for packaging. The award recognised the high-barrier, kerbside recyclable muesli pouch for Brookfarm using the Roll 'n' Recycle program. This innovation, a first in Australia for kerbside recycling, was chosen above other sustainability initiatives from the largest flexible packaging companies in the world. The Company also won a Gold Award for utilising recycled content into spout pouch packaging for another client, Zero Co.

"It is an honour to receive the Diamond Award - the top global sustainability award for packaging and we are thankful for this recognition by industry professionals from across the globe. Close the Loop leads the packaging and consumables industries in circular economy innovation and sustainability initiatives to stay ahead of evolving regulation and we see this award and product as further proof of our approach. Recovery of end-of-life flexible packaging can be challenging. Flexible packaging is typically not easily recognised by material recovery machines (MRF) and hand picking such materials is quite difficult. But after 12 months of testing with our partners, we created a solution that enables consumers to transform the empty, 100% polyethylene flat packaging into a 3D shape, suitable for the recycling bin so it's ready for recycling through existing processes."

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

- ENDS -

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About Close the Loop

With locations across Australia, Europe, South Africa and the United States, Close the Loop create 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, 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 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.closeheloop.com.au and www.ofpack.com.au