



ASX ANNOUNCEMENT

Clover delivers a turnaround performance

19 March 2025

1H FY25 Highlights

- Revenue of \$37.6m up 38% on pcp (1H FY24: \$27.3m)
- Gross margin improvement (270bp) driven by customer/product mix and manufacturing performance.
- EBITDA of \$4.3m up on pcp (1H FY24: \$0.3m)
- NPAT \$2.4m (1H FY24: -\$0.6m)
- Strong Balance Sheet with cash of \$15.4m as at 31 January 2025
- New distributors across North America, Asia and Europe expands market access
- Commenced crude oil deliveries from Ecuador
- 1H FY25 Dividend – 0.75 cents per share

Clover Corporation Limited (ASX:CLV) ('Clover' or the 'Company'), a leading provider of innovative nutritional ingredients to the global food and infant formula markets, provides an update on its financial and operational performance for the six months ended 31 January 2025.

Clover Corporation CEO Peter Davey said: "We delivered a strong first half, with revenue rising 38% to \$37.6 million, driven by our product and market diversification strategy and improved market conditions. Net profit after tax reached \$2.4 million, marking a significant turnaround from the prior half year's loss. Strategic initiatives in product mix optimisation and manufacturing efficiencies contributed to an improvement in gross margins and EBITDA, which grew to \$4.3 million. Our commitment to innovation, including non-allergenic and plant-based powders, continues to drive growth by providing new solutions for customers."

"Despite a subdued global infant formula market, we have seen a recovery of business across Europe and ANZ and are benefiting from an uplift in online sales and strengthening demand from our western manufacturing customer's. Additionally, our expansion into DHA applications across pet food, nutraceuticals, sports nutrition, and adult nutrition is creating new revenue streams, while our investment in fish oil sourcing will help secure critical raw materials in a constrained market."

"Operationally, we continue to drive efficiencies, with improvements at Melody Dairies supporting a lower cost of manufacture. The integration of our Ecuador facility will deliver strategic and margin benefits, with crude oil deliveries having commenced in November 2024."



"With a strong balance sheet and new distributor partnerships across North America, Asia, and Europe enhancing our market reach, we are well-placed to capitalise on emerging opportunities and deliver sustainable strategic growth."

Financial performance

Revenue of \$37.6m up 38% on pcp (1H FY24: \$27.3m), a significant recovery across Europe and ANZ following improved market conditions.

Gross margin improvement underpinned by customer/product mix and manufacturing performance.

Operating costs well managed, partly offset by a return to normal market development expenditure.

EBITDA of \$4.3m up significantly on pcp (1H FY24: \$0.3m)

Cash of \$15.4m as at 31 January 2025 includes benefits of improved working capital management.

NPAT \$2.4m (1H FY24: -\$0.6m)

Dividend

Based on the company's strong cash position Directors have decided to declare a fully franked interim dividend for 1H FY25 of 0.75 cents per share. Relevant dates for the dividend are as follows.

Ex-dividend Date:	Wednesday, 9 April 2025
Record Date:	Thursday, 10 April 2025
Payment Date:	Thursday, 24 April 2025

Operational performance

Melody Dairy – New Zealand (Clover 43.9% shareholding)

The new management team is delivering high-quality products with improved plant utilisation and efficiency. Increased demand from Clover, in conjunction with its other major shareholder, is ensuring steady operations. Greater production volumes are resulting in reduced cost per kg, thereby enhancing overall profitability. Clover recognised its share of the initial loss in the first quarter due to scheduled maintenance; however, the business has been trading at its targeted breakeven point since then.

Ecuador

The extraction of crude fish oil from tuna heads continues to gain momentum, with volumes steadily increasing. Shipments commenced in November 2024, delivering excellent yield and quality. The facility is now fully staffed, ensuring smooth operations. Additionally, cost-effective sourcing strategies are in place, positioning the business to realize further benefits in the second half of FY25.



New products

New products released during the 1H FY25 gained traction in the market, including sales of powdered High Omega 3 in nutraceuticals, petfood and food for special medical purposes. A major US brand has incorporated Clover's Gelporm (unique double emulsion DHA product) into its UHT product. Trials continue with other UHT customers in the USA, Asia and Europe.

CholineXcel, a unique flowable powder, will be exhibited in May at Vita Foods Europe. Customers that have signed CDA's are being provided samples for inclusion in their products and shelf-life testing.

Outlook

The Board expects the momentum of 1H FY25 to continue with a stronger 2H assuming current forecast demand and the global conditions prevail.

Investor webinar

Date and time: **Wednesday 19th March – 10:00am**

CEO Peter Davey will provide an update on the Company's progress during 1H FY25. Shareholders will have an opportunity to participate in a Q&A session at the end of the briefing.

To pre-register for this webinar, please use the following link:

Conference call Q&A <https://s1.c-conf.com/diamondpass/10044576-wg6dhe.html>

Webcast <https://webcast.openbriefing.com/clv-hyr-2025/>

The Board of Clover Corporation Limited authorises this announcement.

For further information

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About Clover Corporation Limited

Clover Corporation is an Australian publicly listed company (ASX:CLV). Clover evolved from a R&D, manufacturing and marketing company to once concentrating on forming strategic relationships focused on technology, new product development and commercialisation. Clover's superior microencapsulation technology enables nutritional oils, such as tuna, fish, algal and fungal oils, to be added to infant formula, foods and beverages. Developed through extensive R&D, its propriety technologies protect those sensitive oils from oxidation, allowing them to be incorporated into a range of applications. All Clover products reach the highest standards of purity, stability, and performance, allowing customers to maximise and deliver nutrition.

For more information, visit: www.clovercorp.com.au

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