

ASX Announcement
8 April 2025

Favourable Impact of Tariffs on Close the Loop

Close the Loop Limited ("Close the Loop" or the "Company") (ASX: CLG), the circular economy industry leader, notes the favourable impact on the Company from changed tariffs imposed by the US government on imports to the USA and tariffs imposed by other countries on the goods exported from the USA.

The new tariffs will likely make new laptops, printers, computing and gaming accessories more expensive globally, and is therefore likely to increase demand for certified refurbished products and likely to be broadly positive for the ITAD sector and Close the Loop.

In terms of these new tariffs the Company notes potential impact on:

The Mexicali facility:

1. Laptops, printers, computing and gaming accessories that cross the US / Mexico border in either direction to be refurbished are exempt from tariffs under the T-MEC Trade Agreement.
2. Components and packaging made in the USA and used in the refurbishment process in Mexico, will be exempt from tariffs.
3. Components and packaging from other countries that are used in the refurbishment process in Mexico, will be subject to the new tariff of the country from which the goods originated.
4. Equipment, machinery or tooling imported into the USA will attract a tariff, however equipment, machinery or tooling imported into Mexico, through a US port, is exempt from tariffs if transferred directly to Mexico.
5. Equipment, machinery and tooling imported into Mexico from other countries continue to pay existing tariffs, for example, Mexico imposes a 2 – 15% tariff on these types of goods from China.

The Texas / Kentucky facilities:

1. Goods sold by OEMs in the USA, even if originally manufactured outside of the USA, can be refurbished at our facilities within the USA and are unaffected by tariffs and there is limited expected impact on the cost to provide this service within the USA.
2. Any products, components, packaging or raw materials imported into the USA and used in the refurbishing of products within the USA will now attract a higher tariff and the Company is reviewing the total cost of goods brought into the USA.

Broadly, the Company expects the increased demand for less expensive recycled product will strongly outweigh any negative impact of tariffs paid.

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

- ENDS -



For further information, please contact:

Investors/Media

Warrick Lace

E: investors@ctlgroup.com.au

P: +61: 488 335 815

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 allow for greater recoverability and recyclability. The Company's overall goal is 'Zero Waste to Landfill'. From recovering a wide range of electronic products, through to print consumables, cosmetics, plastics, paper and cartons, and reusing of toner and post-consumer soft plastics for an asphalt additive, the Company is a global leader in the fast-growing circular economy with a focus on global expansion and sustainability.

Further information: www.closeheloop.com