

ASX ANNOUNCEMENT

9 June 2021

Probiotec Limited (ASX: PBP) Trading Update

Probiotec Limited (**Probiotec** or the **Group**) is pleased to announce its earnings guidance for FY21 and provide an update on trading conditions.

Based on trading conditions to date and the accretive Multipack-LJM acquisition undertaken in FY21, Probiotec is pleased to provide the following guidance for FY21:

	FY20 Actual	FY21 ¹ Guidance Range	Pro Forma FY21 ² Guidance Range	Proforma Growth
Revenue	\$107m	\$118 – \$122m	\$159m - \$163m	+50%
Underlying³ EBITDA	\$16.9m	\$21.0 - \$22.0m	\$29.0 - \$30.0m	+75%
Underlying³ EPS (cps)	11.1 cps	10.0 – 11.0 cps	16.0 – 17.0 cps	+49%

Probiotec continues to execute our strategy to deliver value for shareholders:

- We continue to see a strong level of inquiry from existing and new customers including to onshore manufacturing;
- The Pharmaceutical product categories that have been affected by the health measures put in place to respond to Covid-19 are expected to improve progressively through the first half of FY22 and normalise through the second half. Demand has already started to return coupled with the clearing of stock on hand in the channel. The latest unfortunate lockdown in Victoria has had a minor negative impact on the Group's FY21 earnings.
- The Multipack-LJM acquisition was successfully completed in January 2021 and has performed in line with expectations for the first 6 months with its earnings seasonally weighted to the July to December half.
- The Group is now focused on leveraging Multipack-LJM's capabilities and high-quality customer base to drive the next phase of growth;
- The NSW site consolidation strategy is being progressed and we expect this to be materially accretive for shareholders in the medium term; and
- We continue to assess a range of accretive M&A opportunities, with a focus on bolt-ons that bring new customers, synergy potential or strategic acquisitions that expand our capabilities.

¹ FY21 guidance reflects Multipack LJM ownership from 1 January 2021

² Pro Forma FY21 guidance assume Multipack had been owned for the full 12 months ended 30 June 2021

³ Underlying EBITDA and EPS exclude one-off costs associated with the acquisition of Multipack, and amortisation of acquired intangibles

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About Probiotec

Probiotec Limited is a manufacturer, packer and distributor of a range of prescription and over-the-counter (OTC) pharmaceuticals, complementary medicines, FMCG and consumer health products. The company owns five manufacturing facilities in Australia and distributes its products both domestically and internationally. Products are manufactured by Probiotec on behalf of a range of clients, including major international companies.

Further details about Probiotec are available at www.probiotec.com.au

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