



HRL Holdings Limited
Level 12, 145 Eagle Street
Brisbane Queensland 4000, Australia
GPO Box 216
Brisbane Queensland 4001, Australia
Tel +61 7 3105 5960
Email admin@hrholdings.com

ASX Announcement

7 February 2020

Half Year Results / Director Retirement

HRL Holdings Limited (HRL or Company) is pleased to announce an encouraging first half result for the period ended 31 December 2019.

H1FY20 financial highlights (all figures before AASB16):

- Revenue of \$16.3m, up 15.5% on prior corresponding period
- Underlying EBITDA of \$2.6m, up 265% on prior corresponding period and towards the upper end guidance range of \$2.4m to \$2.7m
- Revenue and profitability improvements continued the momentum from H2FY19
- Strong revenue growth from both existing and new services lines across HAZMAT, laboratories and software divisions
- Operating cashflows generated of \$3.5m, up \$3.6m on prior corresponding period (excluding acquisition earnout instalments)
- Well placed to continue momentum into the seasonally stronger 2nd half. Historically revenues have been split approximately 35% 1st half to 65% 2nd half.

HRL (ASX:HRL) today announced underlying EBITDA (before AASB16) of \$2.6m, towards the upper end guidance range of \$2.4m to \$2.7m provided to the market at the AGM in October 2019, an increase of 265% compared to the prior corresponding period.

The strong performance was driven by growth across HAZMAT, laboratories and the software subscriptions divisions.

HRL completed the Analytica acquisition earnout payments during the half (which totalled \$2.58m in the period), with all future operating cashflows now available to pay down debt or to pursue other business opportunities.

HRL CEO, Steven Dabelstein commented “This is a pleasing result, reflective of the ongoing recovery in earnings which commenced during H2FY19. The growth in earnings comes from HRL core divisions and the business is well positioned for the full year. The company is comfortable with current broker consensus of \$6.975m EBITDA for the full year.”

Further details are provided in the results presentation lodged with ASX.

Director Retirement – Mr Darren Anderson

The Company advises that Mr Darren Anderson has decided to retire as a Non-Executive Director of the Company, allowing him to focus on his private business interests.



Under the guidance of Mr Anderson, who served as both an Executive Director and Executive Chair of HRL, the Company has grown from a single HAZMAT business in late 2014 to a multi-disciplined environmental service and laboratory provider spanning both Australia and New Zealand.

Commenting on the retirement, HRL Chairman Mr Greg Kilmister said:

“On behalf of the Board, management and shareholders, I thank Darren for his strong contribution to HRL. He has been instrumental in the Company’s expansion, offering diligent counsel and support to the executive team. We wish Darren every success in his future endeavours.”

On behalf of the Board
Paul Marshall
Company Secretary

For further information contact:

Investor and media:

Mr Steven Dabelstein
CEO
Ph: +61 405 770 166
steven.dabelstein@hrlholdings.com