



Clover Corporation Limited

ABN 85 003 622 866

ASX ANNOUNCEMENT

25 MAY 2023

Clover Corporation guidance update for FY2023

Clover corporation is updating its revenue guidance for FY2023 to a range of \$77 to \$82m. Current trading indicates that results will be at or slightly below the lower end of the initial guidance provided on 15 March 2023.

As indicated in the half year announcement customer demand was brought forward during the first half in anticipation of the requirements for a GB license to trade in the Chinese retail infant formula market. The GB license requires infant formula manufacturers to incorporate a minimum of 15mg DHA per 100K.Cal the average DHA prior to the new GB standard was 5mg. Clover has been working with infant formula manufacturers both Western and Chinese to incorporate its DHA to meet the new standard and be included in their license applications. Whilst many customers are working through the license process and some have achieved their license, the preemptive inventory builds are delaying the resumption of normal demand patterns. The company anticipates a return to normal seasonal patterns when the inventory position is worked through, and more licenses are awarded.

The business continues to invest in expanding its market footprint and launching new products to diversify growth opportunities, whilst remaining focused on its cost base to improve gross margin.

For further information, please contact:

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About Clover Corporation Limited

Clover Corporation is an Australian company listed on the Australian Stock Exchange (ASX:CLV). Clover evolved from being a research and development, manufacturing, and marketing company to one 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 research and development, our proprietary 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 about Clover visit www.clovercorp.com.au