



# Financial Results

Full Year Ended 30 June 2024

14 August 2024

# Important information



## **Forward Looking Statements**

This presentation contains forward looking statements that involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to Orora. Forward looking statements can generally be identified by the use of forward-looking words such as “may”, “will”, “expect”, “intend”, “forecast”, “plan”, “seeks”, “estimate”, “anticipate”, “believe”, “continue”, or similar. Indicators of and guidance on future earnings and financial position are also forward-looking statements.

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## **The following notes apply to the entire document.**

All currency amounts are in Australian dollars unless stated otherwise. All amounts are presented inclusive of AASB 16 Leases unless stated otherwise.

The financial periods presented in this report represent underlying earnings of the Group, excluding the impact of significant items, unless otherwise stated.

FY24 – the net significant item expense after tax of \$38.5m relates to transaction costs incurred in respect of the acquisition of Saverglass.

# FY24 Highlights and Group Strategy

**Brian Lowe**

*Managing Director & Chief Executive Officer*

# FY24 financial highlights



Includes seven months of Saverglass<sup>1</sup>

## Revenue

**\$4,697.6m**

↑ +9.5% / +7.7% CC

Ex-SVG: -7.0% / -8.8% CC

## Underlying Earnings Before Interest and Tax (EBIT)

**\$404.0m**

↑ +26.0% / +24.6% CC

Ex-SVG: +0.9% / -0.5% CC

## Underlying Net Profit After Tax (NPAT)

**\$223.7m**

↑ +10.2%

+8.7% CC

## Total capex spend invested in the business

**\$256m**

91.7% of depreciation<sup>2</sup>

## RoAFE<sup>3</sup> % Excluding Saverglass

**20.7%**

↓ 110bps decrease

## Underlying operating cash flow

**\$397.0m**

↑ 47.1% increase  
Cash conversion of 80.5%<sup>4</sup>

## Underlying Earnings Per Share (EPS)

**17.9 cps**

↓ Down 19.4%

## Leverage

**2.78x**

0.73x increase vs June 2023

## FY24 Final Dividend

**5.0 cps**

60.5% underlying payout ratio

- Underlying EBIT of \$404.0m increased 26.0% due to seven months contribution from Saverglass
- Group results slightly ahead of trading update from April 2024:
  - Group EBIT (ex Saverglass) \$323.4m (vs \$307-317m)
  - OPS EBIT US\$109.5m (vs US\$102-107m)
  - Saverglass EBITDA (French GAAP) €85.4m (vs € 84-88m)
- Underlying NPAT of \$223.7m increased 10.2% with higher earnings partly offset by increased interest expense due to additional acquisition debt
- Underlying EPS, down 4.3 cps to 17.9 cps, driven by higher share count from equity raising
- Strong cash generation with underlying operating cash flow of \$397.0m (\$291.4m excluding Saverglass) and improved working capital delivering cash conversion of 80.5%<sup>4</sup> (excluding Saverglass)
- Total capital expenditure of \$256m supports sustainability and Cans growth
- Leverage increased to 2.78x
- Final dividend of 5.0 cps (unfranked); underlying payout ratio of 60.5%

(1) Orora's results for the year ended 30 June 2024 include seven months of Saverglass earnings following completion of the acquisition on 1 December 2023

(2) Calculated as base capital expenditure of \$102.9m as a percentage of total Group depreciation

(3) Return on Average Fund Employed (RoAFE) excludes Saverglass as only seven months of data is available following completion of the acquisition on 1 December 2023

(4) Excludes Saverglass and G3 furnace rebuild capex (\$33.6m) in FY24

# FY24 operating highlights



Resilient earnings performance across OPS and Australasia, with seven months of Saverglass earnings

## Orora Packaging Solutions

Revenue  
(USD)  
**down  
10.8%**

EBIT  
(USD)  
**down  
2.7%**

- ✓ Benefits of ongoing business transformation visible with impact of revenue decline dampened and margins expanding
- ✓ Revenue reflects softer macroeconomic environment with reduced manufacturing activity across multiple industries
- ✓ EBIT margin **increased 50bps to 5.6%**, with 2H margins of 5.3%
- ✓ Further investment in sales resources with ~60 new hires and further investment planned in 2025

## Global Beverage – Australasia

Revenue  
**down  
2.5%**

EBIT  
**up 2.0%**

- ✓ Revenue reflects record production in Cans (+2.5%), offset by aluminium cost pass-through deflation and volume decline in Glass
- ✓ Utilising spare Glass capacity with new categories now also including jars and olive oil
- ✓ Margins **improved 70bps to 15.5%**
- ✓ Capex investments supporting future volume and earnings growth in Cans
  - Ramp-up of new multi-size cans line at Dandenong progressing well; 24/7 operations since Q2FY24
  - Construction commenced for new multi-size can line at Revesby, due to commence operations in 2HFY25

## Global Beverage - Saverglass

Revenue  
of  
**€427.6m**

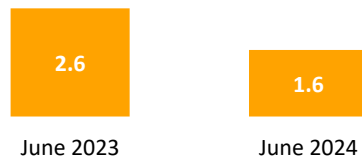
EBIT  
of  
**€48.8m**

- ✓ First seven months of ownership delivered EBIT of €48.8m with EBITDA consistent with trading update
- ✓ Aligned production to match underlying demand due to challenging de-stocking environment
- ✓ Workforce reduced including government support payments
- ✓ Integrated with Gawler to create Global Glass Business with regional management structure now implemented
- ✓ Recommissioned furnace F5 at Feuquieres (France) as a low-carbon hybrid furnace, boosting electricity input up to 30%, delivering a CO<sub>2</sub> reduction of ~12% per tonne of glass produced
- ✓ Expanded North American reach and delivered incremental volumes following commissioning of new glass furnace in Mexico

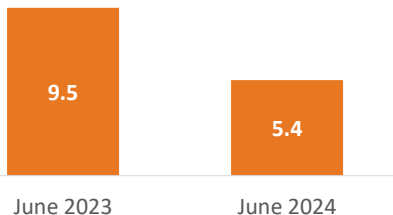
# Orora safety performance update



## Lost time injury frequency rate (LTIFR)\*



## Recordable case frequency rate (RCFR)^



LTIFR\* = (Number of lost time injuries / Total number of hours worked for employees and contractors) x 1,000,000

RCFR^ = (Number of recordable case injuries (lost time, restricted work case and medical treatment) / Total number of hours worked for employees and contractors) x 1,000,000

Note\*^: Data excludes Saverglass

## Update on our approach to improving safety

- No Serious Injuries or Fatalities.
- **Significant reductions** in both Lost Time Injuries (38%) and Recordable Case Injuries (43%), which is a result of our focus on heightened communication, continuous improvement activities and existing programs to identify hazards and manage risks before they lead to injury or illness.
- **Our FY23-FY25 Global Health & Safety strategy** continues its focus on high-risk activities, through improved communication, focus on high-risk activities, incident reporting and governance processes.
- **We conducted** a global Health & Safety Assurance Program, including Australasia and OPS, providing assurance that safety critical risks are managed effectively across all sites.
- **We launched** Critical Control Checklists for Orora's 10 Stay Safe rules, for sites to verify that critical controls for our highest risk activities are in place and effective.
- **We deployed** several Orora H&S procedures to drive best practice through standardisation and consistency.
- **We demonstrated** senior leader commitment to safety through Safety Leadership Tours (SLTs), supporting an improved safety culture and enhancing overall safety outcomes.

# Compelling investment proposition

Orora provides investors with a robust and defensive earnings profile core in Australasia, and attractive growth profile in North America and Europe



Leadership positions  
in attractive  
markets



Robust and  
diversified business  
model



Well invested assets  
and defensive  
growth profile



Long-term customer  
trading relationships



Disciplined  
approach to capital  
allocation



Strong financial  
track record and  
strong growth  
prospects



Experienced and stable  
management team











Favourably  
positioned in  
sustainability

# Saverglass investment thesis



Saverglass enhances Orora's business model and presents compelling growth opportunities in the long term

 <p><b>Leadership positions in attractive markets</b></p>	 <p><b>Robust and diversified business model</b></p>	 <p><b>Well invested assets and defensive growth profile</b></p>	 <p><b>Long-term customer trading relationships</b></p>	 <p><b>Disciplined approach to capital allocation</b></p>	 <p><b>Strong financial track record and strong growth prospects</b></p>	 <p><b>Experienced and stable management team</b></p>	 <p><b>Favourably positioned in sustainability</b></p>
<ul style="list-style-type: none"> <li>• <b>Leading market position</b> in most specialised bottle categories</li> <li>• Exposed to <b>higher growth premium spirits and wine</b> categories</li> <li>• Unique <b>customer value proposition</b> to create <b>tailored and bespoke</b> exclusive designs</li> </ul>	<ul style="list-style-type: none"> <li>• Saverglass sells products in <b>100+ countries</b></li> <li>• <b>Global production network across 3 continents</b></li> <li>• <b>Integrated glass manufacturing and decoration</b> production process supported by <b>technical IP</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Well-invested and owned facilities</b> with €450m of capital invested over the last five years<sup>1</sup></li> <li>• <b>Six Saverglass plants, comprising nine furnaces &amp; four Decoration plants</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>15+ year average relationship</b> with <b>top customers</b></li> <li>• <b>Ongoing collaboration</b> supports idea creation to global category leaders</li> <li>• <b>Network of strategically located</b> manufacturing sites located in <b>close proximity to key customers</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Balance sheet supports ongoing organic growth investments</b></li> <li>• <b>No change</b> to long-term leverage <b>target range of 2.0x – 2.5x</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Well-invested and established business model</b> with a historically <b>consistent long-term growth profile and robust financial performance</b></li> <li>• <b>+6% sales volume CAGR (CY08-CY22)</b><sup>2</sup></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Highly capable management team, (15+ years average tenor)</b> managing a global network of glass manufacturing sites</li> <li>• <b>Employee base average tenor ~11 years</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>CO2 roadmap certified by the SBTi</b> (Science-Based Targets initiative)</li> <li>• <b>73% cullet rate</b> in coloured glass</li> <li>• <b>77% of decorated bottles made with organic inks</b></li> </ul>

(1) Includes all capital expenditure (base and growth) from CY18 to CY22

(2) Sales CAGR excludes Gawler



# Global glass production network



Saverglass acquisition enables the creation of a global glass business with the integration of Gawler

## Global Glass Business

Capacity to be managed across seven manufacturing plants and four decoration sites

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Allows for more effective capacity planning

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Volumes able to be seamlessly shifted depending on demand, utilisation and cost

## New Operating Structure

Regional businesses with P&L accountability reporting to President Saverglass  
Jean Marc Arrambourg:

- Asia Pacific – Greg Savage
  - Europe – Alexandre Tissot-Favre
  - Americas – Matt Wilson
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Supported by central functions in France and Australia

## Reporting

External reporting under a Global Beverage business including Cans

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Separate Saverglass disclosure to give market transparency into underlying performance and trends

**Structurally positioned for volume recovery**

# Near-term growth priorities



Orora's businesses offer investors exposure to multiple attractive growth pathways

## Global Beverage

Value Proposition

Leading manufacturer and decorator of value-added glass containers to the premium wine and spirits markets globally

Industry growth drivers

- Ongoing premiumisation
- "Drinking better, less often"
- Brand proliferation
- Sustainability

Growth Priorities

- Drive increased wallet share in North American premium wine & spirits
- Optimise mix in Europe
- Utilise enhanced network to expand presence in under-represented markets

### Cans

Leading manufacturer and decorator of aluminium beverage cans in Australasia

- Substrate shifts to aluminium
- Category growth (e.g. energy)
- Brand proliferation
- Sustainability

- Expand capacity to meet ongoing customer demand
- Establish digital printing capability



## OPS

Leading provider of custom and value-added packaging solutions in North America

- Manufacturing activity
- SME establishment and growth
- E-commerce
- Sustainability

- Expand size and scope of sales team
- Utilise digital marketing capabilities to drive targeted lead generation
- Regional expansion in higher growth and/or under-represented markets (e.g. Mexico)



# Potential strategic re-shaping of portfolio



Global specialised beverage container strategy materially accelerated with acquisition of Saverglass

## Portfolio has been steadily transformed over time

Sale of fibre business in 2020

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Optimisation and resulting growth of OPS

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Capital investment to support volume growth in Cans

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Acquisition of Saverglass in 2023

## Focused beverage container building blocks in place

Focus on global beverage a long-held strategy; building blocks now in place

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Market leader in Australasian Cans

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Global leader in premium and high-end spirits and wines

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Integrated, global glass production network

## Potential future state

Strategic review undertaken to determine optimal path for unlocking value

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In discussions to potentially divest OPS

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Substantial work remains – transaction will only proceed if value and terms are aligned to Orora’s view of value

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Potential outcome is a focused, specialised value-added beverage packaging business with strengthened balance sheet supporting future growth and shareholder returns

**Shareholder value creation remains the priority.**

**Opportunistic, conditional and non-binding indicative takeover offer rejected.<sup>1</sup>**

(1) Refer to ASX announcement dated 13 August 2024.

# Financial Results

**Shaun Hughes**

*Chief Financial Officer*

# FY24 Group financial performance



Underlying (\$m)	FY24 incl. SVG <sup>1</sup>	FY24 excl. SVG <sup>2</sup>	FY23	Var\$ <sup>3</sup>	Var% <sup>3</sup>	CC% <sup>3</sup>
<b>Revenue</b>	<b>4,697.6</b>	<b>3,992.2</b>	<b>4,291.3</b>	<b>(299.1)</b>	<b>(7.0%)</b>	<b>(8.8%)</b>
EBITDA	616.4	469.7	443.5	26.2	5.9%	4.3%
Depreciation and amortisation	(212.4)	(146.3)	(123.0)	(23.3)	(18.9%)	(16.8%)
<b>EBIT</b>	<b>404.0</b>	<b>323.4</b>	<b>320.5</b>	<b>2.9</b>	<b>0.9%</b>	<b>(0.5%)</b>
Net finance costs	(103.1)	N/A	(47.5)	(55.6)	(117.1%)	
Profit Before Tax	300.9	N/A	273.0	27.9	10.2%	
<b>NPAT</b>	<b>223.7</b>	<b>N/A</b>	<b>203.0</b>	<b>20.7</b>	<b>10.2%</b>	<b>8.7%</b>
<b>EPS (cents per share)<sup>4</sup></b>	<b>17.9</b>	<b>N/A</b>	<b>22.2</b>	<b>(4.3)</b>	<b>(19.4%)</b>	

Statutory (\$m)	FY24	FY23	Var\$	Var%
EBITDA	576.0	417.5	158.5	38.0%
<b>EBIT</b>	<b>363.6</b>	<b>294.5</b>	<b>69.1</b>	<b>23.4%</b>
Profit Before Tax	260.5	247.0	13.5	5.5%
<b>NPAT</b>	<b>185.2</b>	<b>184.8</b>	<b>0.4</b>	<b>0.2%</b>
EPS (cents per share) <sup>1,4</sup>	<b>14.8</b>	<b>20.2</b>	<b>(5.4)</b>	<b>(26.7%)</b>

## Underlying excluding Saverglass

- Revenue down 7.0%, driven by an 8.4% decrease in OPS (10.8% decrease on a constant currency basis) and a 2.5% decrease in Australasia
- Underlying EBIT up 0.9% to \$323.4m with moderate growth in Australasia (+2.0%) and flat EBIT in OPS (-2.7% on a constant currency basis)

## Underlying including Saverglass

- Underlying NPAT of \$223.7m, up 10.2%, or up 8.7% on a constant currency basis, reflecting the higher EBIT, partly offset by higher net finance costs:
- Higher finance costs in FY24, up \$55.6m, reflects:
  - the increase in debt to support growth capex investments in Australia and the Saverglass acquisition; and
  - higher base interest rates
- Decline in underlying EPS to 17.9 cps reflects the dilution impact of the equity raise which more than offset 10.2% increase in underlying NPAT

## Statutory results

- Reflect \$40.4m of transaction costs for the Saverglass acquisition (\$38.5m post tax) in FY24

(1) Includes seven months of Saverglass following completion of the acquisition on 1 December 2023; (2) Excludes seven months of Saverglass (SVG) earnings following completion of the acquisition on 1 December 2023

(3) Variance (Var\$ / Var%) compares FY23 with FY24 excluding Saverglass for Revenue, EBITDA, D&A and EBIT and FY24 including Saverglass for Net finance costs, PBT, NPAT and EPS (4) Calculated as NPAT / weighted average ordinary shares (net of Treasury Shares) of 1,248.9m (FY23: 915.4m). FY23 EPS has been restated to reflect the bonus element of the equity raising that was completed in September 2023

# FY24 Orora Packaging Solutions (OPS) financial highlights



Revenue (USD)

**\$1,954.5m**

↓ 10.8% decrease

EBIT (USD)

**\$109.5m**

↓ 2.7% decrease

Underlying  
Operating cash flow (USD)

**\$110.9m**

91.9% cash conversion

EBIT margin

**5.6%**

↑ 50bps increase

RoAFE %

**22.2%**

↑ 50bps increase

Total capex invested in the  
business (USD)

**\$16.6m**

89.7% of depreciation<sup>1</sup>

## OPS business performance

- 10.8% decrease in revenue to \$1.95bn reflects continued softness in the broader North American manufacturing industry and the flow-through impact of price deflation
- Contraction in broader industry manufacturing volumes remains broad-based and is reflected in challenging Distribution volumes
- Focus on reducing operating costs, benefits from site rationalisation and the ongoing customer profitability review resulted in 50bps of EBIT margin improvement to 5.6%
- 2H EBIT margin was 5.3%
- Lease costs stable in 2H after 1H step up
- EBIT down 2.7% to US\$109.5m, slightly ahead of the guidance range due to strong emphasis on cost control, second highest EBIT performance ever

## Cash flow and investment

- Cash conversion remains very strong at 91.9%, up from 89.2%
- Slight decrease in operating cash flow to \$110.9m with lower earnings partially offset by reduced capex
- Capex spend of \$16.6m has decreased from FY23: \$20.5m
- Business continues to deliver strong RoAFE at 22.2%, an increase of 50bps

(1) Calculated as base capital expenditure of US\$14.3m as a percentage of total depreciation for OPS

# FY24 Global Beverage financial highlights



## Revenue

**\$1,716.3m**

- ↑ 65.5% increase
- ↓ 2.5% decrease ex Saverglass

## Underlying EBIT

**\$237.0m**

- ↑ 54.6% increase
- ↑ 2.0% increase ex Saverglass

## Underlying Operating cash flow

**\$227.8m**

- ↑ 19.0% increase ex Saverglass
- 72.6% cash conversion<sup>1</sup>

## Underlying EBIT Margin

**13.8%**

- ↓ 100bps decrease
- ↑ 70bps increase ex Saverglass

## RoAFE %

**11.4%**

- ↓ 1040bps decrease
- ↓ 250bps decrease ex Saverglass

## Total capex invested in the business

**\$231.1m**

92.2% of depreciation<sup>2</sup>

## Global Beverage business performance

- Significant growth for Global Beverage earnings from acquisition of Saverglass with seven months of earnings included
- Excluding Saverglass:
  - Revenue declined 2.5% with Glass lower from reduced volumes reflecting ongoing soft demand for Australian wine and beer
  - Cans revenue was flat with aluminium price pass-through revenue declining, offset by 2.5% volume growth
  - Excluding the impact of aluminium pass-through, revenue increased 0.5%
  - Underlying EBIT increased 2.0% despite lower revenue due to strong growth in underlying Cans EBIT with lower freight costs from increased capacity in Dandenong. This more than offset lower EBIT for Glass which reflected lower volumes

## Cash flow and Investment

- Strong underlying operating cash flow of \$227.8m with acquisition of Saverglass. Excluding Saverglass, it increased 19.0%
- Cash conversion of 72.6% was similar between Saverglass (75.2%) and Australasia (71.0%)
- Growth capex program to underpin incremental future earnings growth over the medium term
- Capex of \$231.1m includes growth capex of \$150.0m continuing the investment in Cans capacity
- RoAFE 11.4% including Saverglass and 19.3% excluding Saverglass, a reduction of 250bps given the capital invested ahead of earnings

(1) Excludes G3 furnace rebuild cash capex of \$33.6m in FY24

(2) Calculated as base capital expenditure of \$81.1m as a percentage of total depreciation

# FY24 Saverglass financial highlights



## Revenue

**€427.6m**

Seven months ending June 2024

## EBIT incl. AASB 16

**€48.8m**

€43.0m (French GAAP)

## EBITDA incl. AASB 16

**€88.9m**

€85.4m (French GAAP)

## Cash conversion

**75.2%**

## Total capex invested in the business

**€34.4m**

64.1% of depreciation<sup>1</sup>

## Saverglass business performance

- Financial performance for the first seven months of ownership was consistent with the revised trading update in April 2024
- Volume softness continued in 2H with production down 11% vs pcg
- EBITDA (French GAAP) of €85.4m represents a margin of 20.0% and annualised EBITDA of €146.4m
- Margins calculated on gross revenue inclusive of freight charges and EBITDA now includes an allocation of group overhead costs

## Reconciliation of French GAAP to IFRS / AASB

- Table below shows the International Financial Reporting Standard (IFRS) adjustments required to align Saverglass' financial results with Orora's basis of preparation under Australian Accounting Standards (AASB)
- Also shown is the impact of Purchase Price Accounting (PPA) including review of asset useful lives

June 2024 €m	French GAAP	IFRS adjustment	PPA & depn adjustment	IFRS / AASB
<b>EBITDA</b>	<b>85.4</b>	<b>4.8</b>	<b>(1.3)</b>	<b>88.9</b>
Depreciation & amortisation	(42.4)	(3.9)	6.2	(40.1)
<b>EBIT</b>	<b>43.0</b>	<b>0.9</b>	<b>4.9</b>	<b>48.8</b>

(1) Calculated as base capital expenditure of €18.1m as a percentage of total depreciation



# Saverglass purchase price accounting



## Accounting values

- Independent experts used for asset valuations
- Difference between net asset value and purchase price is goodwill
- Review resulted in an increase to Saverglass assets, principally Property, Plant & Equipment (PPE), customer relationship recognition and Brand name recognition
- This resulted in a consequent reduction in goodwill to €402.9m (from €718.1m at 31 December 2023)
- There has also been a review of asset useful lives to ensure consistency with Group accounting depreciation rates

## Impact to depreciation and amortisation

- Depreciation and amortisation net impact is a reduction of €6.2m in FY24

## Updated net assets acquired

€524.1m	Property, plant & equipment
€257.0m	Brand names
€144.4m	Customer relationships
€631.8m	Other assets
€(579.2m)	Total liabilities
€402.9m	Goodwill
€1,381.0m	Purchase price



**Expected FY25 range**  
Depreciation & amortisation  
€77m-82m

# Operating cash flow



\$m	FY24 <sup>1</sup>	FY23	Var\$	Var%
<b>Underlying EBITDA</b>	<b>616.4</b>	<b>443.5</b>	<b>172.9</b>	<b>39.0%</b>
Lease payments	(97.1)	(65.6)	(31.5)	
Non-cash items	24.8	25.0	(0.2)	
<b>Cash EBITDA</b>	<b>544.1</b>	<b>402.9</b>	<b>141.2</b>	<b>35.1%</b>
Movement in working capital	(46.9)	(84.8)	37.9	
Base capex	(102.9)	(48.8)	(54.1)	
Sale proceeds	2.7	0.6	2.1	
<b>Underlying operating cash flow<sup>2</sup></b>	<b>397.0</b>	<b>269.9</b>	<b>127.1</b>	<b>47.1%</b>
Cash significant items	(55.8)	(34.4)	(21.4)	
<b>Operating free cash flow</b>	<b>341.2</b>	<b>235.5</b>	<b>105.7</b>	<b>44.9%</b>
Interest	(76.5)	(36.9)	(39.6)	
Tax	(54.9)	(40.3)	(14.6)	
Growth capex	(153.5)	(145.0)	(8.5)	
<b>Free cash flow available to shareholders</b>	<b>56.3</b>	<b>13.3</b>	<b>43.0</b>	<b>&gt;100%</b>
<b>Cash conversion (excluding SVG)<sup>3</sup></b>	<b>80.5%</b>	<b>70.2%</b>		

(1) Includes seven months of Saverglass following completion of the acquisition on 1 December 2023

(2) Underlying operating cash flow excludes cash flow from discontinuing operations and significant items

(3) Cash conversion measured as underlying operating cash flow / cash EBITDA. Excludes Saverglass and G3 furnace rebuild capex (\$33.6m) in FY24

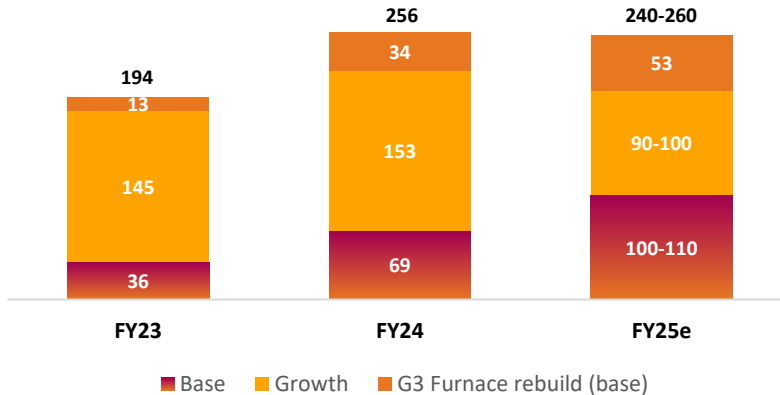
- Underlying operating cash flow of \$397.0m was 47.1% higher than FY23, driven by higher cash EBITDA (inclusion of seven months of Saverglass cash flows) and improved working capital more than offsetting an increase in base capex
- The movement in working capital of \$46.9m, reflects the:
  - Saverglass contribution following the acquisition;
  - Benefit from lower inventory levels in OPS; partly offset by
  - Building of inventory in Australian glass ahead of the G3 furnace rebuild
- Cash conversion of 80.5%<sup>3</sup> improved from 70.2% in FY23.
- Growth capex of \$153.5m is higher than the prior year as major projects ramp up including the new canning line at Revesby and the Oxygen Plant for the G3 furnace rebuild
- Net interest payments of \$76.5m were higher than FY23, reflecting higher net debt from the Saverglass acquisition, and higher base interest rates
- Tax payments of \$54.9m were higher than FY23 consistent with the higher earnings

# Group capex spend



Total spend managed in FY24. Value accretive growth continues in FY25

## Capex (\$m)



- Total FY24 capex of \$256m lower than \$300m target
- Detailed review resulted in deferrals and re-phasing with no impact to business performance or future growth
- FY25 capex estimated to be ~\$240-260m with base capex of ~\$100-\$110m consistent with long run base capex of ~\$90-130m per year inclusive of Saverglass (~€30m – €45m or A\$50m – A\$70m)

## Key Projects

Project	Spend to date (\$m)	FY25 spend (\$m)	Total (\$m)
G3 (rebuild - base)	47	~53	~100
G3 (oxy-fuel conversion - growth)	46	~24	~70
<i>Total G3</i>	<i>93</i>	<i>~77</i>	<i>~170</i>
Revesby expansion - growth	67	~30	~97

- Since 2022, total G3 project spend has increased ~\$40m to ~\$170m due to complexity of oxy-fuel technology and increased construction rates
- Project improves furnace productivity and lowers emissions
- Revesby expansion adds 10% additional capacity through new multi-format line supporting contacted growth

## Saverglass

- ~\$100m spend in FY25 across base (~\$60m) and growth (~\$40m)
- Growth includes Ghlin modernisation (~\$20m) with remaining spend split across various projects including moulds

# Balance sheet and net debt



Balance sheet provides operating and strategic flexibility to support Orora's growth strategy

## Balance sheet

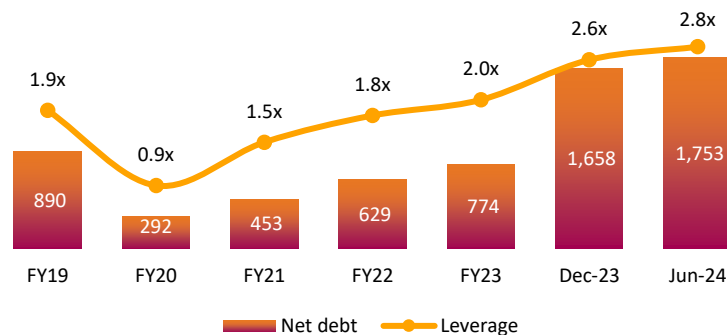
\$m	FY24	FY23
Average funds employed (ex. Saverglass)	1,562.3	1,471.9
Average funds employed (incl. Saverglass)	2,830.4	1,471.9
Net debt	1,753.5	774.0
Net assets	2,091.7	800.2
Leverage <sup>1</sup>	2.78x	2.05x
Interest cover <sup>2</sup>	7.5x	10.1x
Undrawn committed bank debt capacity and cash	865.1	558.4

- Disciplined approach to capital deployment and working capital ensures the balance sheet supports ongoing organic growth investments
- Leverage ratio of 2.78x<sup>1</sup> below bank covenant of <3.7x
- Interest cover ratio above bank covenant of >3.5x
- No change to long-term leverage target range of 2.0x – 2.5x

(1) Calculated as net debt / trailing 12-month EBITDA and includes 12 months of Saverglass EBITDA

(2) Calculated as trailing 12-month EBITDA / net interest expense and includes 12 months of Saverglass EBITDA

## Net debt and leverage ratio



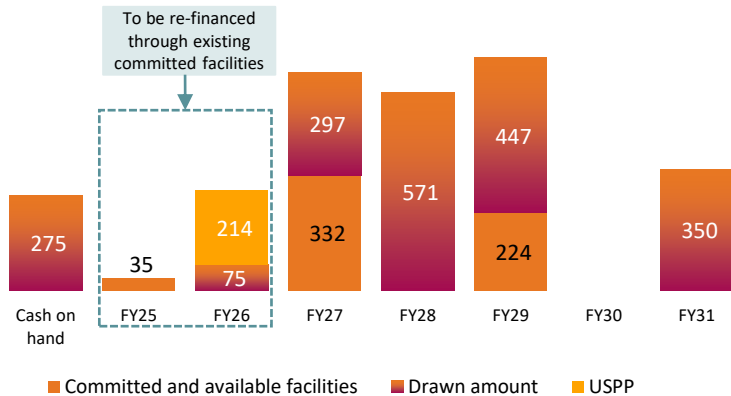
- Increase in net debt reflects the acquisition of Saverglass and higher capex spend for both Saverglass and Australasia in 2H
- Gearing stable and the balance sheet positioned to return to normalised earnings post de-stocking in Saverglass
- 1HFY25 leverage expected to be consistent with June 24 due to G3 rebuild impact before starting to reduce in 2HFY25. Leverage expected to be <2.5x in FY26
- Total liquidity of \$865.1m (Committed undrawn debt facilities of \$590.4m and cash of \$274.7m)

# Liquidity and debt maturity profile

Balance sheet with appropriate liquidity and debt facilities to support growth investments

## Debt Maturity and Liquidity Profile (\$m)

As at 30 June 2024



- Global Syndicated Facility Agreement (Global SFA) was amended and extend in November 2023 to partially fund the Saverglass acquisition
- Total commitments for the Global SFA increased to \$600m and €760m
- The Global SFA comprises multiple tranches with tenors from 3.5 years to 7 years with no refinancing required until FY27
- Average committed debt maturity of 3.7 years
- FY26 USPP maturity to be re-financed through current committed facilities

# Final dividend



Dividend payout ratio remains at low end of range given elevated leverage

Cents per share

**5.0 cps**

Gross final dividend

**\$67.2m**

Payout ratio (full year)

**60.5%**

60-80% target payout ratio

Final dividend of 5.0 cents per share (unfranked), consistent with interim dividend, represents a \$67.2m gross dividend

Total dividend declared for FY24 of 10.0 cents

FY24 underlying dividend payout ratio of 60.5% is at the lower end of the target payout range of 60 – 80% of NPAT

The Dividend Reinvestment Plan will be operative for this dividend, with shares purchased on market to meet DRP obligations

Key dates for final dividend:

- Ex-dividend date: 30 August 2024
- Record date: 2 September 2024
- Payment date: 8 October 2024

# Sustainability Update

**Brian Lowe**

*Managing Director & Chief Executive Officer*

# Our progress on sustainability



We are making good progress with our sustainability goals and commitments



## Circular Economy

- We achieved 50% recycled content in our glass products, up from 38% last year, and on target to meet our 60% goal in 2025<sup>1,2</sup>.
- Expanded our cullet sourcing program, with arrangements now in place with all participating Container Deposit Scheme (CDS) jurisdictions.
- Achieved 56% recycled content in the corrugate products produced by OPS
- Launch of state-of-the-art Sustainable Design Lab by OPS in California, focused on designing and new sustainability-focused packaging products.

60% recycled content for Glass beverage containers by 2025<sup>1,2</sup>



## Climate Change

- Engineering, civil earthmoving and structural concrete works commenced for the oxygen generation plant at Gawler.
- Scope 1 & 2 greenhouse gas emissions decreased by 13.8% (utilising Market-based factors for S2) and 17.8% (utilising Location-based factors for S2) from FY19 baseline<sup>3</sup>
- Execution of a new wind farm Power Purchase Agreement for 100% renewable electricity for our Cans facility in Queensland.
- First electric vehicle introduced to the OPS fleet, other units due for delivery in FY25

Net zero emissions by 2050  
40% reduction in emissions by 2035<sup>1</sup>



## Community

- Significant improvement of safety performance with Recordable Case Injuries decreasing by 43% and Lost Time injuries decreasing by 38%, compared to FY23.
- Expansion of global Culture Shaping Program
- Cultural Intelligence Workshops conducted with Saverglass
- ANZ DEI Council launch is set for early FY25, with preparatory work completed in FY24.

Prioritising action for our people and our community



(1) Excludes Saverglass  
(2) Pre and post-consumer  
(3) Excludes Saverglass



# FY25 Perspectives and Outlook

**Brian Lowe**

*Managing Director & Chief Executive Officer*

# Perspectives for FY25 and beyond



Disciplined execution of our strategy to continue to drive through the cycle sustainable earnings growth

## Orora Packaging Solutions in North America

- Resilient business performance despite challenging operational environment due to benefits from ongoing transformation and investment in growth
- These benefits delivered 2H24 margins of 5.3%, despite lower volumes in Distribution
- Ability to expand margins over time through further footprint optimisation, automation (modernisation activities) and lifting asset utilisation
- Business well positioned for growth as US economy improves
- Continue to invest in new sales resources through Rookie program to drive medium term sales growth

## Orora Beverage in Australasia

- Cans – utilising increased capacity to support continued market growth, with commissioning of second line in Revesby
- Cans – enhance digital capabilities to drive new product launches with *Helio* (digital printing)
- Glass – optimisation of product mix with increase in wine volumes from Chinese exports and addition of new segments such as food jars
- Glass – deliver production and sustainability benefits through oxy-fuelled G3 furnace rebuild

## Saverglass

- Realise synergies from creation of Global Glass Business with integration of Gawler glass operation
- Convert new product development opportunities into incremental volume growth
- Well positioned for recovery in volumes from end of de-stocking cycle expected in early CY25
- Manage costs and available capacity inline with short-term market conditions
- Any impact from potential US or China tariffs not expected to be material

## Market conditions

- US manufacturing conditions remain subdued, but some green shoots are emerging
- Cost of living impacting consumer spending on wine and beer in Australia
- Expect global premium spirits and wine demand to improve 2HFY25
- Soda ash prices have stabilised and provided cost relief after volatility in FY24
- Continued softness in domestic commercial wine market
- Energy costs well managed across the Group
  - Australasia: ~70% of electricity covered by PPA's (wind farm and solar) and fixed retail contracts, with ~100% of gas contracted to end of 2025
  - Europe: ~80% of gas contracted under fixed prices in FY25
- Revenue and margin protection with continuation of applicable price passthroughs and CPI / cost-basket contract mechanisms

# Saverglass market conditions



Inventory continues to reduce, industry commentary indicates 2025 recovery

## Industry commentary

“ 2024-25 will be a year of transition, with highlights including finalization of destocking in the Americas, and 2025-26 will mark a resumption of the trajectory and targets set for 2029-30...”  
**Remy Cointreau (24 July 2024)**

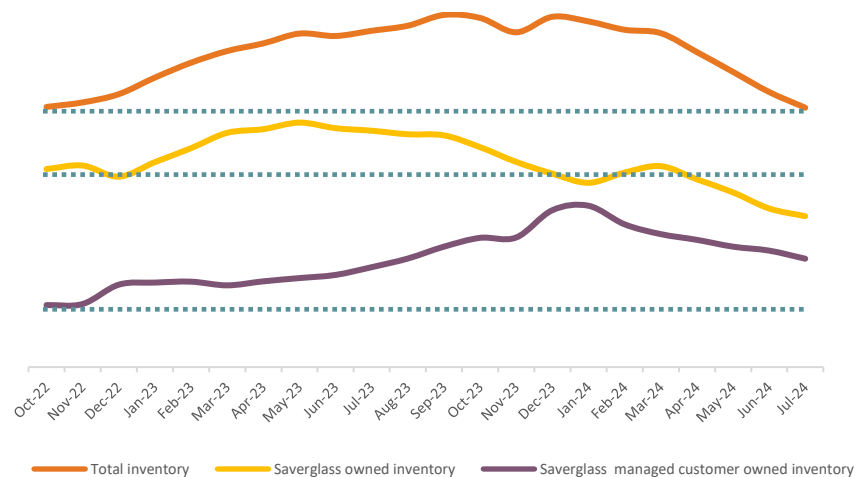
“ We have taken actions to manage the inventory issues in Latin America and Caribbean...we are confident that when the consumer environment improves, organic net sales will return.” **Diageo (30 July 2024)**

“ We recorded a solid performance in the first half of the year with acceleration in the second quarter...in the remainder of the year we expect to continue to outperform the industry leveraging our strong brands playing in growing categories...”  
**Campari Group (30 July 2024)**

“ In cognac and spirits, Hennessy returned to growth in the US in the second quarter as depletions stabilised and retailers had to re-order, despite cautious inventory management.” **LVMH (23 July 2024)**

“ We anticipate a return to growth for organic net sales and organic operating income in fiscal 2025 driven by gains in international markets and the benefits of normalizing inventory trends.” **Brown-Forman (5 June 2024)**

## Saverglass inventory



- De-stocking visible in Saverglass' own inventory levels
- Total inventory has reduced 26% from its peak
- Trend indicates normalisation of customer owned inventory in early CY25

# FY25 outlook



## OPS

- EBIT to be broadly in line with 2HFY24 exit run-rate with benefits from transformation and cost management continuing
- Well positioned for any recovery in US economy

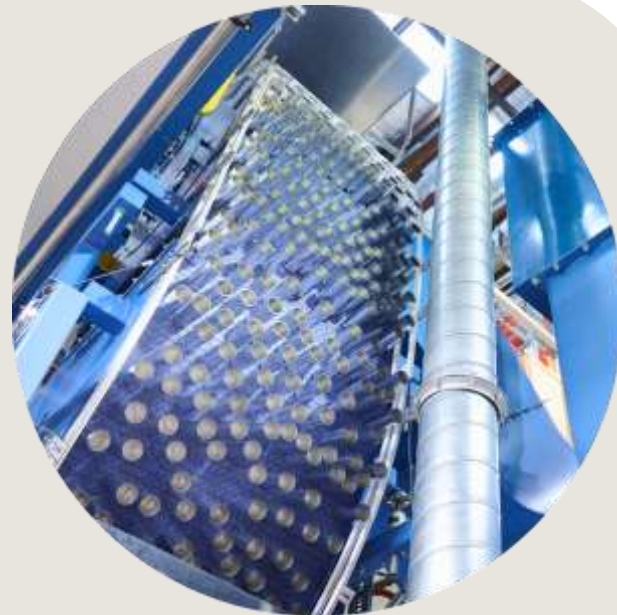
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## Global Beverage (Australasia)

- Slightly lower EBIT with growth in Cans more than offset by impact of G3 furnace rebuild at Gawler
- *Cans* – volume growth from new capacity coming online, more weighted to 2HFY25
- *Glass* – growth from export wine volumes and new products more than offset by soft commercial wine market and impact of G3 furnace rebuild (~\$16m in 1HFY25)

## Global Beverage (Saverglass)

- Higher full-year EBIT with twelve months of earnings compared to seven in FY24
- Continuation of 2HFY24 exit run-rate ahead of volume uplift
- Business positioned for volume recovery from end of de-stocking cycle expected early CY25



**Dividend target payout 60-80% of NPAT**  
**Cash conversion (ex G3 furnace rebuild) >70%**  
**FY25 net finance costs ~\$130m-135m**  
**FY25 capex \$240m-260m**

# Supporting Information

# Our identity



Harnessing One Orora to be a leading sustainable packaging solutions provider



# FY24 Global Beverage (Aus) financial highlights

## Revenue

**\$1,010.9m**

↓ 2.5% decrease

## Underlying EBIT

**\$156.4m**

↑ 2.0% increase

## Underlying Operating cash flow

**\$122.2m**

↑ 19.0% increase

71.0% cash conversion<sup>1</sup>

## Underlying EBIT Margin

**15.5%**

↑ 70bps increase

## RoAFE %

**19.3%**

↓ 250bps decrease

## Total capex invested in the business

**\$174.4m**

123.9% of depreciation<sup>2</sup>

## Global Beverage (Australasia) business performance

- Revenue declined 2.5% with Glass lower from reduced volumes reflecting ongoing soft demand for Australian wine and beer
- Cans revenue was flat with aluminium price pass-through revenue declining, offset by 2.5% volume growth
- Excluding the impact of aluminium pass-through, revenue increased 0.5%
- Underlying EBIT increased 2.0% despite lower revenue due to strong growth in underlying Cans EBIT with lower freight costs from increased capacity in Dandenong. This more than offset lower EBIT for Glass which reflected lower volumes

## Cash flow and Investment

- Strong underlying operating cash flow of \$122.2m, an increase of 19.0%
- Cash conversion of 71.0%, an increase from 53.7%
- Capex of \$174.4m includes growth capex of \$123.1m continuing the investment in Cans capacity
- RoAFE 19.3% decreased 250bps given the capital invested ahead of earnings

(1) Excludes G3 furnace rebuild capex of \$33.6m in FY24

(2) Calculated as base capital expenditure \$51.3m as a percentage of total depreciation for Australasia

# Statutory to underlying reconciliations



## Statutory to underlying results

(\$m)	FY24			FY23		
	EBIT	PBT	NPAT	EBIT	PBT	NPAT
<b>Statutory result</b>	<b>363.6</b>	<b>260.5</b>	<b>185.2</b>	<b>294.5</b>	<b>247.0</b>	<b>184.8</b>
<i>Add significant items:</i>						
- Acquisition transaction costs	40.4	40.4	38.5	26.0	26.0	18.2
<b>Underlying result<sup>1</sup></b>	<b>404.0</b>	<b>300.9</b>	<b>223.7</b>	<b>320.5</b>	<b>273.0</b>	<b>203.0</b>

## Statutory operating cash flow to underlying operating cash flow

(\$m)	FY24	FY23
<b>Statutory net cash flow from operating activities</b>	<b>387.6</b>	<b>250.3</b>
<i>Less net base capex and other growth activities</i>	(99.2)	(36.4)
<i>Less lease repayments</i>	(97.1)	(65.6)
<i>Add net external interest and finance charges on RoU assets</i>	95.0	46.9
<i>Add tax paid / (received)</i>	54.9	40.3
<i>Add cash significant items</i>	55.8	34.4
<b>Underlying operating cash flow<sup>2</sup></b>	<b>397.0</b>	<b>269.9</b>

(1) Underlying result is a non-GAAP measure which adjusts for the effects of one-off significant items

(2) Underlying operating cash flow is a non-GAAP measure which adjusts for the effects of certain items included / excluded in the statutory net cash flow from operating activities





Thank you

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