
ASX - For immediate release

11 April 2022

Pro-Pac positions for growth with strategic divestment of Rigid business for \$56 million

Pro-Pac Packaging Limited (ASX: PPG) (“Pro-Pac”) is pleased to announce that it has entered into a binding agreement for the sale of its Rigid packaging business¹ (“Rigid”) to TricorBraun Inc for A\$56 million.

TricorBraun will acquire Pro-Pac’s Rigid business through its wholly-owned Australian subsidiary, Cormack Holdings Pty Limited.

The proposed transaction is subject to Foreign Investment Review Board (FIRB) approval, and other customary completion conditions. The parties anticipate these will be satisfied in the ordinary course and completion is expected to occur on or about 30 June 2022.

A transitional services agreement has been entered into to support the transition of the Rigid business and its operations from Pro-Pac to TricorBraun for a period of up to 12 months following completion.

Tim Welsh, Pro-Pac’s Chief Executive Officer and Managing Director, said:

“This divestment simplifies Pro-Pac’s operations, allowing us to focus on our core business and use our investment and manufacturing expertise to capitalise on key industry trends including innovation and sustainability. We will use the capital from the sale of the Rigid business to invest in sustainable, profitable growth. This will accelerate the delivery of our strategy and our transformation into a leading player in the circular economy.”

“We are delighted that TricorBraun will acquire the Rigid business and that all Rigid team members will be offered positions with TricorBraun. TricorBraun is a natural home for the Rigid business and there are exciting growth opportunities for the Rigid business and its people. This is an excellent outcome for shareholders, Pro-Pac and the Rigid business.”

Court Carruthers, TricorBraun’s President & CEO said:

“Over the last three decades, Pro-Pac’s Rigid business has built an outstanding reputation of high-touch customer service and quality products. As we expand our business in Australia, we look forward to investing in the continued growth of the Rigid business, as PB Packaging. We are pleased to welcome the team to the TricorBraun family.”

Based on an assumed completion date of 30 June 2022, Pro-Pac confirms that it is on track to meet its guidance for 2H22 and FY22 as set out in its 1H22 results announcement to the ASX on 25 February 2022.

This announcement has been authorised for release by the Pro-Pac Packaging Board of Directors.

¹ Including PB Packaging, Blowcon, Ausbottle, Bevcap and SP&D.

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About Pro-Pac:

Pro-Pac Packaging Limited (ASX: PPG) is an innovative Flexibles, Industrial Specialty Packaging and Rigid packaging company with a diversified distribution and manufacturing network throughout Australia and New Zealand. Headquartered in Melbourne, Pro-Pac delivers bespoke packaging solutions for a broad group of blue-chip and SME clients in the industrial, food and beverage, health, agriculture and manufacturing sectors. For further information, please visit www.ppgaust.com.au

About Tricor Braun:

Founded in 1902, TricorBraun is a global packaging leader and North America's largest distributor of primary packaging. We provide innovative solutions across a wide array of customer end markets in plastic, glass, and aluminum containers, closures, dispensers, tubes, and flexibles. Our award-winning Design & Engineering Center provides forward-thinking design, driven by consumer insight and creative solutions. We leverage our global supply chain expertise, expansive and sustainable footprint, and unmatched purchasing power to identify the best sourcing partners and cost-effective solutions for our customers. TricorBraun is comprised of more than 1,700 packaging professionals operating from more than 75 locations across the Americas, Europe, Asia, and Australia.

Forward-Looking Statements:

Some of the statements in this document constitute "forward-looking statements". These forward-looking statements reflect Pro-Pac's current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside Pro-Pac's control. Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks. Because actual results could differ materially from Pro-Pac's current intentions, plans, expectations, assumptions and beliefs about the future, you are urged to view all forward-looking statements contained in this document with caution.