



2020 Annual General Meeting

21 October 2020





Rob Sindel

Chairman



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 words.

No representation, warranty or assurance (express or implied) is given or made in relation to any forward looking statement by any person (including Orora). In addition, no representation, warranty or assurance (express or implied) is given in relation to any underlying assumption or that any forward looking statements will be achieved. Actual future events may vary materially from the forward looking statement and the assumptions on which the forward looking statements are based. Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements.

In particular, we caution you that these forward looking statements are based on management's current economic predictions and assumptions and business and financial projections. Orora's business is subject to uncertainties, risks and changes that may cause its actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward looking statements. The factors that may affect Orora's future performance include, among others:

- Changes in the legal and regulatory regimes in which Orora operates;
- Changes in behaviour of Orora's major customers;
- Changes in behaviour of Orora's major competitors;
- The impact of foreign currency exchange rates; and
- General changes in the economic conditions of the major markets in which Orora operates.

These forward looking statements speak only as of the date of this presentation. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rule, Orora disclaims any obligation or undertaking to publicly update or revise any of the forward looking statements in this presentation, whether as a result of new information, or any change in events conditions or circumstances on which any statement is based.

Non-IFRS information

Throughout this presentation, Orora has included certain non-IFRS financial information. This information is presented to assist in making appropriate comparisons with prior periods and to assess the operating performance of the business. Orora uses these measures to assess the performance of the business and believes that the information is useful to investors. All non-IFRS information unless otherwise stated has not been extracted from Orora's financial statements.

Minor Reclassification of Prior Year Numbers

Certain prior year amounts have been reclassified for consistency with the current period presentation. This includes the allocation of Corporate Costs to each of the business units, including discontinued operations.

Discontinued Operations

The financial results and position of the Fibre business are presented as a discontinued operation within the consolidated Interim Financial Report and this presentation. Accordingly, this presentation has been presented in the following manner:

- The consolidated income statement presents the Fibre business as a discontinued operation. As a consequence the financial results of the Fibre business have been excluded from this presentation. The comparative period has been restated to reflect the current period presentation.

AASB16 Leases

Orora has initially applied AASB 16 Leases using the modified retrospective approach. Under this method, the comparative information has not been restated. To assist the reader with a consistent year on year analysis, a reconciliation of figures excluding AASB16 Leases is contained in Appendix 2.

The following notes apply to the entire document.

Continuing Businesses:

FY20 – the net significant item expense after tax of \$100.1M relating to restructuring and impairment costs in North America has been excluded from underlying results of the continuing businesses to assist in appropriate comparisons with the operating performance of the business and the pcp.

FY19 – the net significant item expense after tax of \$48.9M comprised of restructuring costs associated with re-sizing the businesses and decommissioning costs associated with the Petrie Mill site have been excluded for the same reason.

Discontinued Operations:

FY20 – the net significant item income after tax is comprised of the net profit recognised on the divestment of the Australasian Fibre business of \$171.7M which includes transaction and restructuring costs has been excluded from the underlying results to assist in appropriate comparisons with the operating performance of the business and the pcp.

FY19 – the net significant item expense after tax of \$6.9M associated with re-sizing the businesses has been excluded from underlying results for the same reason.

Orora's Board of Directors



Rob Sindel
Chairman



Brian Lowe
Managing Director & CEO



Abi Cleland
Independent Non-Executive
Director



Tom Gorman
Independent Non-Executive
Director



Sam Lewis
Independent Non-Executive
Director



Jeremy Sutcliffe
Independent Non-Executive
Director



Rob Sindel

Chairman



Financial performance



- Resilient despite COVID-19
- Full year dividend ~78% of NPAT
- Strong balance sheet

SALES REVENUE



UNDERLYING EARNINGS BEFORE INTEREST AND TAX (EBIT)



UNDERLYING NET PROFIT AFTER TAX (NPAT)



UNDERLYING EARNINGS PER SHARE (EPS)¹



UNDERLYING OPERATING CASH FLOW



FY20 FINAL DIVIDEND (per share)



1. EPS is calculated as NPAT / weighted average ordinary shares (net of Treasury Shares) as though the share consolidation that was completed in June 2020 had occurred at the beginning of the comparative period, in accordance with accounting standards.

Orora's strong balance sheet provides value creation optionality

\$1,720 M
Enterprise
Value

- Completion of the Fibre Australasia sale was a significant milestone for Orora
- Represented compelling value for shareholders
- Enhanced optionality for future growth investment or additional capital management

\$600 M
Cash Return &
Share
Consolidation

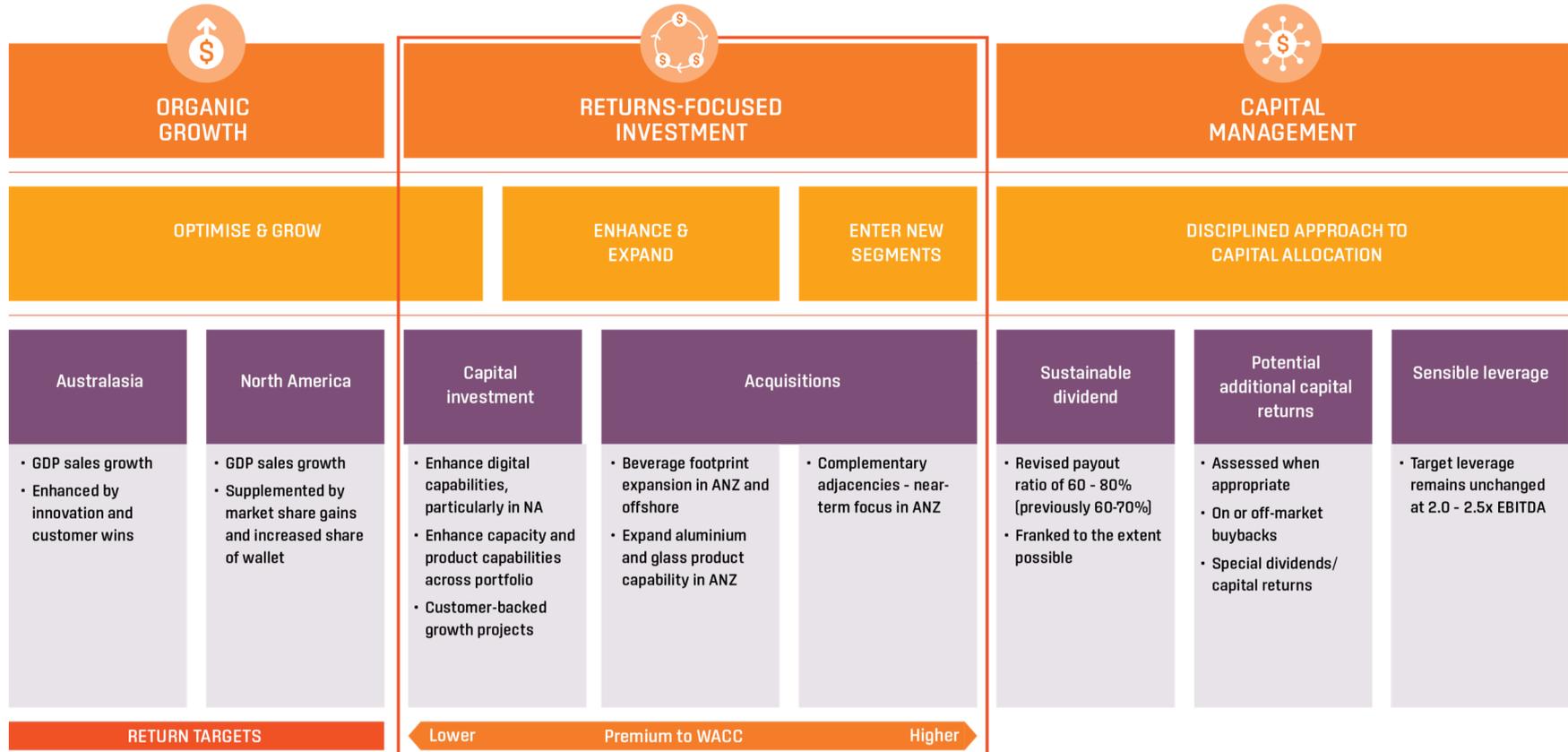
- Capital management completed in June 2020 and comprised a pro rata cash return of ~A\$600.0M or A\$0.497 per share, comprising two components:
 - capital return of A\$150.0M – 12.4 cents per share
 - special dividend of A\$450.0M – 37.3 cents per share (50% franked)
- Equal and proportionate share consolidation of ~0.8 shares for every share held (ie 5 shares became 4)

**On-market
buy back
and DRP**

- Buyback represents ~96.5 million shares, with a current market value of ~\$230 million, based on Orora's closing share price on 19 August 2020
- Since commencement of the buyback in September, Orora has purchased ~15.8 million shares for a total consideration of ~\$38.0 million*
- Dividend Reinvestment Plan has been suspended for the final dividend and is expected to be suspended while the on-market buyback is undertaken

*~6.9 million shares have been cancelled, reducing the total number of shares to ~958.4 million

Shareholder value blueprint



To be a leading sustainable packaging solutions company



PEOPLE

- Code of Conduct and Ethics
- Safety and Health
- Diversity and Inclusion
- Human Rights and Responsible Sourcing



PLANET

- Circular Economy
- Eco Targets
- Energy Efficiency
- Renewable Energy
- Fibre Sourcing



PROSPERITY

- Economic Contribution
- Value Creating Customer Relationship
- Community Engagement

- Orora's governance framework and practices continue to be refined to meet changing regulatory requirements
- Board is committed to ensuring that it is comprised of individuals who collectively have the appropriate skills and experience to develop and support the Board's responsibilities and Group objectives

The logo for the ASX Corporate Governance Council, featuring a stylized chevron symbol to the left of the text 'ASX Corporate Governance Council'.The cover of the ASX Corporate Governance Council report, featuring a dark blue background with a pattern of glowing yellow and white dots, resembling a starry night sky or a network of data points. The title 'Corporate Governance Principles and Recommendations' is written in white text.

4th Edition
February 2019



Rob Sindel

Chairman



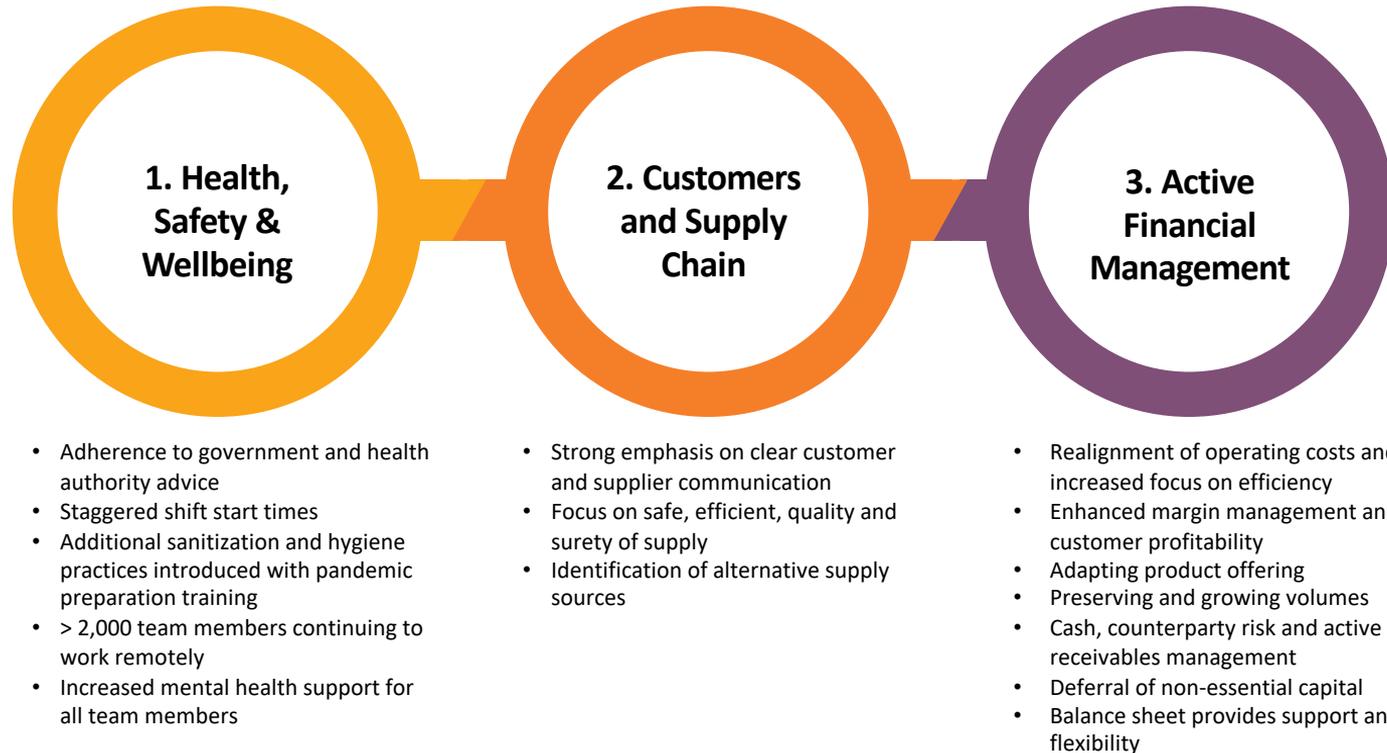


Brian Lowe

Managing Director and CEO



3 core focus areas during COVID-19



The health, safety and wellbeing of our people, customers and suppliers remains paramount

Continued focus on safety

Lost time injury frequency rate (LTIFR)



Recordable case frequency rate (RCFR)



Building momentum



Successfully completed the sale of the Australasian Fibre business for an enterprise value of **\$1.72 billion**



Completed 5 year, **\$200 million** investment in world class Gawler facility



Returned **\$600 million** to shareholders before FY20 end



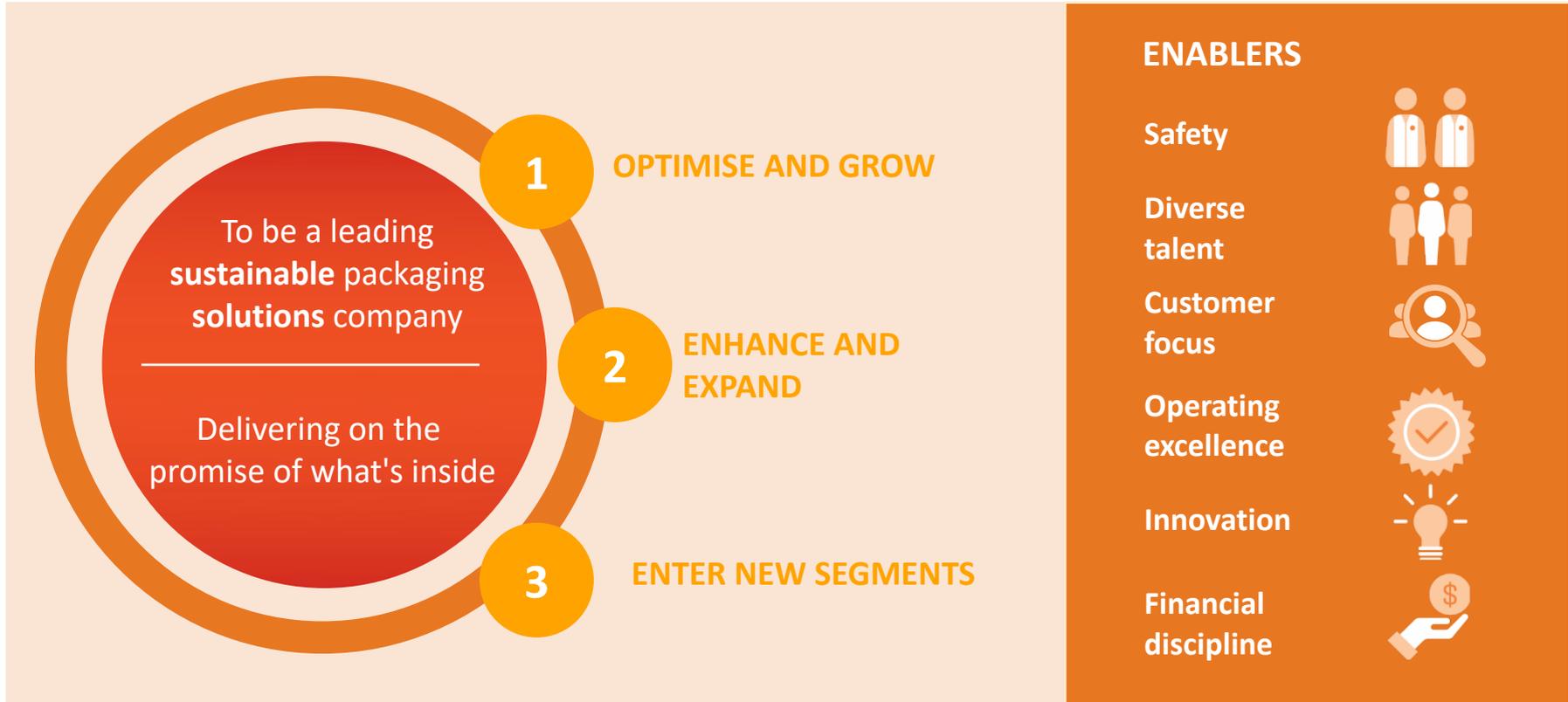
Expedited the **digital transformation journey** of Orora Packaging Solutions



Commenced **on-market buyback** of up to 10 percent of issued share capital, representing ~96.5M shares



Orora Visual business improvement program **site consolidation complete**



Portfolio assessment and approach



Strengths

Strategies

Australasia

- Market leadership
- Sustainable products
- Leading decoration & design capabilities
- Reputation for reliable supply of high quality products
- Significant investments made in capacity, capability and supply chain
- Strong and longstanding customer relationships

- Maintain, renew and win key contracts
- Invest in new capacity
- Continued focus on optimising manufacturing processes
- Enhance product capability through innovation
- Explore opportunities to expand Beverage footprint offshore
- Assess opportunities to leverage core capabilities in adjacent markets in ANZ

North America

- Established market positions in significant markets
- Broad customer reach across a range of end-markets
- Significant network infrastructure
- Strong sales teams with longstanding relationships
- Data-enabled through SAP

- Stabilise businesses and fully integrate acquisitions
- Pursue further business model enhancements
- Accelerate investments in digital capabilities to enhance customer proposition
- Improve customer profitability through newly established business intelligence tools
- No near-term M&A

A leading sustainable packaging solutions company



Gawler furnace rebuild, upgrades to **reduce environmental impacts and increased cullet use**



OPS achieved **70% recycled content in corrugated board manufacture** and aims to reduce overall packaging footprint



Cans minimising packaging and further **increasing recycled aluminium content above 63%**



Company matched Orora team members donation of **A\$178,000** for Australian Red Cross Appeal for bushfire victims



New 5-year **Eco Targets**



Culture & values program commenced

Financial performance

North America

USD SALES REVENUE



0.1%

\$1,866.4M

USD EARNINGS BEFORE INTEREST
AND TAX (EBIT)



29.6%

\$51.8M

Australasia

SALES REVENUE



0.9%

\$785.9M

UNDERLYING EARNINGS BEFORE
INTEREST AND TAX (EBIT)



7.4%

\$147.2M

Trading update

- Challenging and uncertain market conditions persist and are expected to continue, driven primarily by the COVID-19 pandemic and pending US election.
- All of Orora's businesses continue to operate as essential service providers.
- EBIT of the Australasian Beverage business is in line with the first quarter of the prior year despite adverse product mix.
- On the back of the successful implementation of a number of improvement initiatives, the North American businesses have been trading steadily, with EBIT for both tracking ahead of the first quarter of the prior year.



Focus areas for FY21



Orora will:

- **maintain a safe** and seamless approach to operating during COVID-19
- **implement its refreshed strategy**
 - Orora is targeting new opportunities that align with its **best in class Beverage manufacturing businesses** which continues to identify and implement cost reduction opportunities, invest in asset upgrades and new capacity as well as focus on innovation
 - Implementing initiatives and expertise to create a **digital step** change in Orora Packaging Solutions, and deliver sales growth, margin improvement and cost efficiency
 - Reinforce the Orora Visual customer base by **targeting accounts in defensive markets**
- The revised strategic approach is underpinned by a clear commitment to **shareholder value and prudent capital management**



Thank you

