

2 April 2024

Orora FY24 Trading Update

Following the completion of the March 2024 quarter trading period, and Management's recent reviews of business unit forecasts for 2H24, Orora now provides an updated FY24 earnings forecast.

At a Group level, excluding the earnings contribution from Saverglass for the seven months in FY24¹, earnings (EBIT) are expected to now be slightly lower versus FY23. The revised Group EBIT forecast excluding Saverglass for FY24 is between \$307m - \$317m compared to \$320.5m in FY23.

North America (OPS)

In the March 2024 quarter, OPS has continued to experience volume softness, principally within Distribution, and the flow through impacts of price deflation to customers. A decline in average daily sales during the February to March trading period means that Management does not expect to see the normal seasonal uplift in June 2024 quarter daily sales. Accordingly, 2H24 revenue is forecast to be down ~3% versus 1H24; with FY24 EBIT forecast to be in a range of US\$102m to US\$107m (vs FY23: US\$112.6m).

OPS remains well positioned for any sustained improvement in the US economy with investment in sales resources continuing for the Distribution and Manufacturing businesses. Additionally, OPS has the benefit of a broad operating footprint, with diverse product and end-market segment exposure.

Australasia

The continued strong performance from Cans is expected to offset the ongoing softness in customer demand in Glass, with no immediate benefit expected in FY24 from the removal of tariffs on the export of Australian wine to China. Volume growth from exports to China is expected from FY25.

Saverglass

Following on from the reported December 2023 EBITDA of €14.2m (excluding AASB 16 *Leases*), and a similar operating performance in January 2024, a weaker February and March trading result has confirmed that there is no noticeable improvement in forward customer demand as destocking is continuing, leading to a reduction in forecast sales tonnage in 2H24, down ~11% versus 2H23².

Despite some encouraging signs of improved consumer demand in certain markets, including in the important North American market, other markets including Europe, remain subdued. Volume uplift is anticipated once this destocking cycle has completed. As this is now not expected to occur in FY24, forecast EBITDA for FY24 (7

¹ Orora's results for FY24 will include 7 months of earnings from Saverglass following completion of the acquisition on 1 December 2023.

² Year to year volumes are compared to the corresponding 6 month period prior to acquisition.

months) has been reduced from ~€98m to €84m – €88m. References to Saverglass EBITDA are on a pre AASB-16 (Leases) basis under French GAAP reporting standards and exclude the impacts of Purchase Price Accounting which will be performed for 2H FY24.

Balance Sheet

The forecast reduction in earnings for 2H24 will result in an increase in leverage to ~2.8x at 30 June 2024, up ~0.2x from 31 December 2023.

The Group retains very strong liquidity, with over \$600m of committed undrawn liquidity, and with an average debt maturity of ~4.0 years.

This outlook remains subject to global and domestic economic conditions, and currency fluctuations.

This announcement is authorised for release to the ASX by the Board of Directors of Orora.

ENDS

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About Orora

Orora is a leading manufacturer and distributor of sustainable, innovative packaging and visual solutions for customers across the world. Listed on the ASX and headquartered in Melbourne, Australia, the company is focused on designing and delivering products and services that enables its customers' brands to thrive. Every day, millions of consumers buy and use goods in packaging proudly designed, developed, manufactured or distributed by Orora. Learn more at www.ororagroup.com.