

ASX ANNOUNCEMENT

9 April 2026

Orora FY26 trading update & impact of Middle East conflict to Saverglass 2H26 earnings

Following the March 2026 quarter trading period and management's review of Saverglass 2H26 forecasts, including the impacts of the ongoing Middle East conflict, Orora is now able to update its FY26 EBIT (€) forecast for Saverglass.

FY26 underlying EBIT (€) for Saverglass is now expected to be approximately €63m to €68m (excluding direct impacts of the Middle East conflict), this is compared to the previous guidance of broadly in line with FY25 EBIT of €79.2m.

FY26 reported EBIT (€) for Saverglass is now expected to be approximately €52m-€59m.

This reduction in reported FY26 forecast EBIT reflects both direct and indirect impacts of the Middle East conflict:

- **Direct:** operational and financial impacts relating to the Ras al Khaimah facility in the United Arab Emirates: 2H26 EBIT impact of approximately €9m-€11m, this amount will be separately disclosed as a significant item in the FY26 annual financial report; and
- **Indirect:** a combination of lower volumes than initially forecast and greater than anticipated negative mix shift towards premium wine and champagne compared to a decline in premium spirits. There is also a within-category mix impact lowering average selling price and margin. We believe this recent shift includes the impact of weaker customer confidence post the commencement of the Middle East conflict, leading to a forecast 2H26 EBIT impact of approximately €11m-€16m.

There is no change to existing guidance for Cans or Gawler for FY26.

Ras al Khaimah (RAK) facility in United Arab Emirates – shift to closed loop 'hot' operation

Importantly, all team members in the region are accounted for and safe, and the glass production facility at RAK has not sustained any damage. Ensuring the safety and wellbeing of our team members remains Orora's first priority.

Since the commencement of the Middle East conflict on 28 February 2026, shipping routes have been closed, and overland routes are inaccessible. Accordingly, a decision has been made to transition the RAK facility to a closed-loop 'hot' operation, whereby the furnace will be kept warm with no bottle production taking place.

The RAK furnace (4 lines) represents approximately 15% of Saverglass production capacity, with most of the recent production geared toward global premium and ultra-premium wines for the North American market. The production of these bottles will now shift to Mexico, with moulds to be transported to the Acatlán facility to facilitate production from late FY26.

Direct impact - sales & earnings impact from Middle East conflict

As a result of the decision to shift RAK to a closed-loop mode, the one-off impact to 2H26 EBIT is approximately €9-€11m. These costs primarily relate to energy, staffing (including on-site and staff retention costs), and the continuation of fixed costs in the absence of production. With significantly reduced operations at the RAK site, a number of employees have been supported to return to their homes outside the region while the conflict endures.

In relation to energy price and related inflation impacts, the Saverglass business has mitigation strategies in place, these are in the form of existing 12-18 month fixed and hedged energy arrangements. Additionally, for the majority of all large Saverglass customer contracts, those contracts contain built-in inflation / energy price formulas.

Indirect impact to 2H26 earnings

As flagged at the 1H26 results, the seasonal mix shift toward wine and champagne, consistent with the Northern Hemisphere vintage, is expected to occur in 2H26. Post the commencement of the Middle East conflict, we have also seen a combination of a slower offtake in spirits, and a mix shift toward lower price and margin spirits products.

Overall, we still expect total sales volumes in 2H26 and FY26 to be higher than the prior comparative periods but lower than we previously anticipated. 2H26 EBIT will be negatively impacted by this volume reduction and a greater than anticipated negative mix shift towards premium wine and champagne compared to the now lower premium spirits volumes, with category mix impact lowering average selling price and margin.

For 2H26, we are expecting the wine & champagne to spirit sales mix to increase to approximately 60% wine & champagne, an ~8ppt increase on the prior corresponding period. This is expected to result in a 2H26 EBIT impact of approximately €11m–€16m, reflecting the ongoing uncertainty around future demand.

In relation to inventory, since the onset of the Middle East conflict, increased competitive pressure and softer customer offtake (for non-customer owned inventory) have led to higher levels of Saverglass-owned inventory at March 2026, which also reflects a seasonal inventory build ahead of the northern hemisphere wine season.

Saverglass D&A forecast for FY26 is now ~€70m, down ~€2m from low ~€70m driven by delays in the timing of capex projects, including the glass lightweighting program at RAK.

Balance Sheet

Orora's cashflow generation and balance sheet remains strong, with leverage forecast to remain below 1.5x at June 2026. The on-market buyback announced at the 1H26 results will be paused while we continue to monitor the implications of the Middle East conflict.

INVESTOR CALL: Orora is hosting an investor call at **10.30am** (AEST) today.

Register for the conference call (AUDIO ONLY) at this link: <https://s1.c-conf.com/diamondpass/10054229-ki98u7.html>

Participants will be provided with dial-in details and a personal PIN code upon registration.

This announcement is authorised for release to the ASX by Orora's Company Secretary, Ann Stubbings.

Company contacts:

Media enquiries

Carolyn Coon
General Manager, Corporate Affairs & Communications
carolyn.coon@ororagroup.com
+61 405 183 628

Investor enquiries

Peter Kopanidis
General Manager, Investor Relations
Peter.kopanidis@ororagroup.com
+61 456 420 356