INVESTOR RESULTS RELEASE

Orora results for the half year ended 31 December 2023

Set against the backdrop of a challenging macro-economic environment, revenue softness in OPS and Orora Glass was offset by Orora Cans growth, strong cost control measures and margin management to deliver underlying EBIT growth of 11.0%, or 3.0% excluding one month of Saverglass earnings.

Resilient earnings performance achieved across North America and Australasia for the first half of FY24, with Saverglass earnings in-line with the December 2023 trading update.

FINANCIAL SUMMARY

- Underlying net profit after tax (NPAT) of $108.6m, up 0.5%.
- Underlying earnings per share (EPS) of 9.4 cents per share (cps), down 2.4 cps, reflecting additional shares post raising equity.
- Statutory NPAT of $68.2m, down $39.9m, due to significant item expense, with Basic EPS of 5.9cps, down 5.9 cps.
- Significant item (SI) expense after tax of $40.4m, comprises transaction costs relating to the acquisition of Saverglass.
- Revenue was $2,139.1m, down 5.5% on pcp (down 7.3% on a constant currency basis (CC basis)). Excluding Saverglass, revenue was down 10.6% on pcp (down 12.4% on a CC basis), driven by:
  - North American revenue down 13.6% on a reported basis (down 15.9% on a CC basis), reflecting the continued proactive churn of low margin customers and products (-4.9%), the flow through impact of price deflation (-2.7%) and lower volumes from continued softness in the broader North American manufacturing industry (-8.3%).;
  - Australasian revenue down 0.9%, reflecting inflation price recovery and product mix (+4.2%), offset by lower aluminium costs passed through to customers (-3.8%) and net volume decline attributable to Glass and Closures (-1.3%); and
  - Saverglass revenue for December 2023 of €69.5m was in line with the December 2023 trading update.
- Underlying earnings before interest and tax (EBIT) was $184.1m, up 11.0% (up 9.5% on a CC basis). Excluding Saverglass, underlying EBIT was up 3.0% (up 1.5% on a CC basis) due to:
  - another robust earnings performance in North America to offset volume softness, with marginal EBIT growth attributable to network optimisation gains, embedded pricing disciplines and pro-active cost management; North American margins improved by 100bps to 5.9%; and
  - a resilient earnings performance in Australasia with a 2.2% increase in underlying EBIT, underpinned by continued volume growth in Cans, product mix improvements and inflation cost recoveries in both Cans and Glass.
- Continued strong cash generation, with underlying operating cash flow of $240.5m ($193.8m excluding Saverglass), with 9.2% growth in Cash EBITDA and a positive movement in working capital.
- Positive movement in working capital reflects the Saverglass contribution, one-off inventory cost impacts in the pcp and the recovery of net working capital from lower volumes in North America.

Financial Summary[1,2,3] A$m	1H24	1H23	Var%	Var% Constant Currency
Australasia revenue	529.2	534.2	(0.9%)	
North America revenue	1,494.7	1,730.3	(13.6%)	(15.9%)
Saverglass revenue	115.2	-	n/m	
Total revenue	**2,139.1**	**2,264.5**	**(5.5%)**	**(7.3%)**
Total revenue excluding Saverglass	***2,023.9***	***2,264.5***	***(10.6%)***	***(12.4%)***
Underlying EBITDA	268.9	225.9	19.0%	17.3%
Australasia EBIT	82.9	81.1	2.2%	
North America EBIT	87.8	84.7	3.7%	0.9%
Saverglass EBIT	13.4	-	n/m	
Underlying EBIT	**184.1**	**165.8**	**11.0%**	**9.5%**
Underlying EBIT excluding Saverglass	***170.7***	***165.8***	***3.0%***	***1.5%***
Underlying NPAT	**108.6**	**108.1**	**0.5%**	**(1.0%)**
Underlying EPS (cents)[4]	9.4	11.8	(20.3%)	
Return on Sales (EBIT margin)[5]	8.6%	7.3%		
Underlying operating cash flow[6]	240.5	161.1	49.3%	
Cash conversion (excl. Saverglass)[7]	92.7%	75.2%		
RoAFE[8]	21.3%	21.6%		
Dividends per share (cents)	5.0	8.5	(41.2%)	
Net Debt[9]	1,658.2	670.8		
Leverage[10]	2.59x	1.88x		
Gearing	45%	46%		

- Cash conversion at 92.7% excluding Saverglass and G3 furnace rebuild, compared to 75.2% in 1H23.
- Net debt at 31 December 2023 was $1,658.2m, up $884.2m from 30 June 2023, attributable to the acquisition of Saverglass, partially offset by higher earnings and proceeds from the equity raise.
- Leverage of 2.59 times EBITDA, up from 2.05 times at 30 June 2023 due to the impact of the Saverglass acquisition.
- RoAFE of 21.3% (excluding Saverglass) is 30bps below the pcp, reflecting the increase in funds employed for new capital investment in Australasia.
- Foreign exchange translation sensitivity on EBIT and NPAT to a one cent move in the AUD/USD on an annualised basis is ~$2.9m and ~$1.8m, respectively.

SAVERGLASS ACQUISITION

- The acquisition of Saverglass was completed on 1 December 2023 for a cash outflow of €1,309.7m ($2,158.8m), inclusive of the locked box working capital adjustment mechanism and acquired cash on hand.
- Saverglass' results for the first month under Orora ownership, were in line with the December 2023 trading update, contributing revenue of €69.5m, EBITDA of €15.1m and EBIT of €8.1m (Excluding AASB 16 *Leases*, EBITDA was €14.2m and EBIT was €8.0m).

INTERIM DIVIDEND

- The interim dividend is 5.0 cps, representing a dividend payout ratio of 62.0% (1H23:66.4%).
- Lower dividend reflects higher shares on issue.
- The interim dividend is unfranked and sourced from the conduit foreign income account. The ex-dividend date is 5 March 2024, the record date is 6 March 2024 and the payment date is 11 April 2024.
- The Dividend Reinvestment Plan (DRP) will be operative for this dividend, with shares purchased on market to meet DRP obligations.

OUTLOOK

- Whilst global consumer demand remains uncertain, Orora Group EBIT is expected to be higher in FY24, excluding the EBIT contribution from Saverglass.
- In North America, in line with 1H24, ongoing margin accretion through account profitability programs and a continued focus on cost management, is expected to be largely offset by ongoing volume softness.
- In Australasia, continued strength in Cans in FY24 is expected to offset the ongoing softness in Glass from lower commercial wine volumes.
- Saverglass EBITDA in FY24 is expected to be broadly in line with the EBITDA run rate of the proforma LTM to June 2023 (~€168m, excluding AASB 16 *Leases*). This could be affected by either a prolonged customer destocking or softness in consumer demand if these continue beyond the first quarter of calendar 2024.
- This outlook remains subject to global and domestic economic conditions and currency fluctuations.

GROUP BALANCE SHEET

Balance Sheet[1,2,3] A$m	31 Dec 2024	30 June 2023	Var$
Cash	270.7	58.4	212.3
Other Current Assets	1,751.4	1,199.3	552.1
Property, Plant & Equipment	1,578.2	806.5	771.7
ROU Lease Assets	320.3	180.7	139.6
Goodwill & Intangible Assets	1,601.1	440.1	1,161.0
Other Non-Current Assets	145.2	116.8	28.4
Total Assets	**5,666.9**	**2,801.8**	2,865.1
Borrowings	1,892.8	832.4	1,060.4
Lease Liabilities	398.5	227.6	170.9
Payables & Provisions	1,343.0	941.6	401.4
Total Equity	2,032.6	800.2	1,232.4
Total Liabilities & Equity	**5,666.9**	**2,801.8**	2,865.1
Net Debt	1,658.2	774.0	884.2
Leverage	2.59x	2.05x	
Gearing	45%	49%	

- Key balance sheet movements since June 2023 were:
  - Cash and cash equivalents were up $212.3m to $270.7m, reflecting the cash contribution from Saverglass;
  - Other current assets increased $552.1m as a result of the Saverglass acquisition (+$576.9m), partially offset by a decrease in trade and other receivables (-$3.2m) and inventory (-$10.0m). Inventory levels decreased in North America, largely driven by lower volumes in Distribution, partially offset by Glass finished goods. The FX impact to other current assets was $11.5m (decrease);
  - Property, plant and equipment (PP&E) increased $771.7m, reflecting the Saverglass acquisition (+$732.9m), in addition to capex spend of $77.6m, partially offset by depreciation of $33.3m (excluding RoU assets). The FX impact on PP&E was $2.5m (decrease);
  - Goodwill and intangible assets increased by $1,161.0m as a result of the Saverglass acquisition ($1,192.2m) and IT related additions of $3.2m, partially offset by $6.1m of amortisation. The FX impact on Goodwill and intangible assets was $28.3m (decrease);
  - Net debt increased by $884.2m to $1,658.2m, attributable to the acquisition of Saverglass. The FX impact on borrowings was $40.9m (increase). Orora remains well within all debt covenant requirements and at 31 December 2023 had committed undrawn debt facilities of $689.5m to provide the Group's liquidity requirements;
  - Increase in payables and provisions of $401.4m is primarily due to the acquisition of Saverglass (+$366.8m) as well as trade and other payables of $21.5m due to increased aluminium purchases to support the new Dandenong can line. The FX impact was $8.4m (decrease); and
  - Right of Use (RoU) assets and lease liabilities increased $139.6m and $170.9m, respectively, attributable to recognition of Saverglass leases, including finance leases of $36.1m. RoU assets and liabilities relate to the North American and Saverglass businesses, with very few leases in Australasia.

GROUP CASH FLOW

Cash Flow[1,2,3] A$m	1H24	1H23	Var%
Underlying EBITDA	**268.9**	**225.9**	**19.0%**
Lease repayments	(44.4)	(31.2)	
Non-cash Items	17.0	26.5	
Cash EBITDA	**241.5**	**221.2**	**9.2%**
Movement in Total Working Capital	24.9	(38.9)	
Base Capex	(26.1)	(21.3)	
Sale Proceeds	0.2	0.1	
Underlying Operating Cash Flow	**240.5**	**161.1**	**49.3%**
Cash Significant Items	(22.4)	(20.5)	
Operating Free Cash Flow	**218.1**	**140.6**	**55.1%**
Interest	(19.6)	(15.9)	
Tax	(29.4)	(28.3)	
Growth capex	(50.8)	(63.5)	
Free Cash Available to Shareholders	**118.3**	**32.9**	**>100%**
Cash Conversion (excl. SVG)	92.7%	75.2%	

- Underlying operating cash flow remains strong at $240.5m ($193.8m excluding Saverglass), with cash conversion of 92.7% excluding Saverglass, driven by cash EBITDA growth of $20.3m and an improvement in the movement in working capital.
- Main cash flow movements in 1H24 include:
  - Increase in underlying EBITDA, up $43.0m or 19.0%;
  - Improvement in the movement in working capital, down $63.8m for a reduction of $24.9m, attributable to:
    - Australasia, reflecting one-off inventory cost impacts in pcp;
    - the recovery of net working capital from lower volumes in North America; and
    - the benefit from the timing of Saverglass customer receipts in December.
  - Base capex of $26.1m was $4.8m higher and includes $8.2m relating to the G3 Furnace rebuild;

The contents of this report are to be read with reference to the Notes to the Investor Results Release on page 6

- Net interest payments of $19.6m were $3.7m higher than 1H23, reflecting:
    - the increase in committed debt facilities and drawn debt to support growth capex investments and the Saverglass acquisition;
    - higher base interest rates;
    - partially offset by the benefit of $11.5m of interest income earned on proceeds of the equity issuance.
  - Tax payments of $29.4m were in line with 1H23.
  - Growth capex of $50.8m was $12.7m lower than 1H23 due to timing of capex payments. Growth capex comprises the new canning lines at Revesby ($23.1m) and Dandenong ($6.8m), the new *Helio* digital printer ($4.7m) and the OPS sustainability lab ($2.8m).
- FY24 total capex, including Saverglass, is expected to be ~$300m, with growth capex of ~$180m and base capex of ~$120m.
- Continuing base capex, excluding the G3 furnace rebuild, is expected to be ~$90-$130m per annum. This includes Saverglass base capex of ~€30m-€45m (A$50-A$70m).

NORTH AMERICA

Financial Summary[1,2,3] A$m	1H24	1H23	Var%
Sales Revenue	1,494.7	1,730.3	(13.6%)
EBIT	87.8	84.7	3.7%
EBIT Margin %	5.9%	4.9%	
RoAFE	22.3%	20.4%	

Financial Summary US$m	1H24	1H23	Var%
Sales Revenue	975.7	1,159.8	(15.9%)
EBIT	57.3	56.8	0.9%

Segment Cash Flow US$m	1H24	1H23	Var%
EBITDA	**89.3**	**81.8**	9.2%
Lease repayments	(26.4)	(19.5)	
Non-cash Items	0.9	10.5	
Cash EBITDA	**63.8**	**72.8**	**(12.4%)**
Movement in Total Working Capital	2.9	(5.0)	
Base Capex	(5.5)	(5.2)	
Sale Proceeds	0.1	0.1	
Operating Cash Flow	**61.3**	**62.7**	**(2.2%)**
Cash Significant Items	-	-	
Operating Free Cash Flow	**61.3**	**62.7**	**(2.2%)**
Cash Conversion	96.1%	86.2%	

KEY POINTS

- Revenue was down 15.9% to US$975.7m (down 13.6% to $1,494.7m on a reported basis), due to
  - continued proactive churn of low margin customers and products (-4.9%);
  - the flow-through impact of price deflation (-2.7%); and
  - lower volumes from continued softness in the broader North American manufacturing industry (-8.3%).
- Against these challenging volume headwinds, OPS delivered both EBIT and margin growth, reflecting Management's disciplined operating cost alignment and margin management initiatives.
- EBIT increased by 0.9% to US$57.3m (up 3.7% on a reported basis to A$87.8m), driven by Distribution, and offsetting volume softness through:
  - embedded pricing disciplines;
  - pro-active operational cost management;
  - procurement driven initiatives;
  - operating site rationalisation; and
  - equipment load optimisation.
- EBIT margin increased 100bps to 5.9%, up 130 bps over the last 24 months.
- Underlying operating cash flow of US$61.3m is broadly in line with the pcp of US$62.7m.
- Working capital improved modestly as inventory levels continued to normalise.
- Total base capex of US$5.5m was in line with the pcp.
- Continued strong cash conversion of 96.1%, up from 86.2% in 1H23.
- RoAFE of 22.3%, up 190bps, driven by the increase in OPS earnings.
- Reported EBIT includes a positive $2.5m FX translation impact.

OPS BUSINESS GROUP PERFORMANCE

Distribution

- Distribution revenue declined across all regions, reflecting volume softness due to ongoing soft North American economic conditions.
- Earnings growth in Distribution, principally in the Northeast and Southwest regions, driven by ongoing improvements in account profitability and cost to serve, whilst maintaining strong pricing disciplines and operating efficiencies.

Manufacturing

- In line with the broader industry, Manufacturing revenue was below the pcp, as the business continued to be impacted by lower trading volumes and activity.
- Management remains focused on driving improvements in operating efficiencies, active cost management and operational excellence, as a way of partially mitigating the earnings impact from lower volumes.

Orora Visual (OV)

- OV continued to execute its business improvement programs which delivered modest earnings growth, as well as EBIT margin expansion versus 1H23.

PERSPECTIVES FOR FY24 – NORTH AMERICA

- Improved operating leverage through embedded pricing disciplines and pro-active operating cost alignment.
- Distribution and manufacturing volumes continue to be impacted by softer economic trading conditions, with the business well positioned to benefit from any improvement in the US economy.
- Continuing to invest in additional sales resources in Manufacturing and Distribution to drive long-term volume growth.
- Management remains confident of the business' ability to perform through the cycle and provide a strong platform for growth in the medium-to-long term.

AUSTRALASIA

Financial Summary[1,2,3] A$m	1H24	1H23	Var%
Revenue	529.2	534.2	(0.9%)
Underlying EBIT	82.9	81.1	2.2%
EBIT Margin %	15.7%	15.2%	
RoAFE	20.3%	23.0%	

Segment Cash Flow A$m	1H24	1H23	Var%
Underlying EBITDA	**107.2**	**104.0**	**3.0%**
Lease repayments	(2.6)	(2.0)	
Non-cash Items	15.7	10.6	
Cash EBITDA	**120.3**	**112.6**	**6.9%**
Movement in Total Working Capital	(7.1)	(31.6)	
Base Capex	(13.3)	(13.3)	
Sale Proceeds	-	-	
Underlying Operating Cash Flow	**99.9**	**67.7**	**47.5%**
Cash Significant Items	(22.4)	(20.5)	
Operating Free Cash Flow	**77.5**	**47.2**	**64.2%**
Cash Conversion[7]	89.8%	64.8%	

KEY POINTS

- Revenue of $529.2m, slightly down (-0.9%) from pcp, driven by inflation price recovery and product mix (+4.2%), offset by lower aluminium cost passthrough (-3.8%) and net volume decline attributable to Glass and Closures (-1.3%).
- Excluding the impact of aluminium passthrough, revenue increased 2.9%.
- EBIT was up 2.2% to $82.9m, reflecting:
  - continued Cans volume growth (+3.0%), with record cans production in 1H24 enabled through the successful commissioning of the new Dandenong line;
  - an improvement in product mix across Cans and Glass;
  - production efficiencies and active cost management; offset by
  - ongoing soft demand for Australian commercial wine bottles and lower beer bottle sales, resulting in lower Glass and Closures volumes.
- This result again underscores the resilience of the Beverage business with strong consumer demand for Cans driving earnings growth this half, despite ongoing softness in domestic Glass.
- EBIT margin of 15.7%, up 50bps reflects modest earnings contribution from recent Cans growth investments, the benefits of lower aluminium costs and cost recoveries passed through to customers.
- Underlying operating cash flow of $99.9m was $32.2m (47.5%) above 1H23 due to lower investment in net working capital and higher EBITDA.
- Strong cash conversion of 89.8%, up from 64.8% in the pcp, which was negatively impacted by one-off items, partially offset by higher Glass inventory to support the G3 furnace rebuild.
- Base capex of $13.3m was in-line with the pcp, and includes $8.2m relating to the G3 furnace rebuild.
- Growth capex of $44.8m was $18.4m lower than 1H23, due to timing of capex payments, with higher spend expected in 2H24.
- RoAFE was 20.3%, a decline of 270 bps on 1H23, primarily reflecting the recent growth capex investments, partially offset by higher earnings.

ORORA BEVERAGE BUSINESS GROUP PERFORMANCE

Cans:

- Cans revenue and earnings were higher than the pcp, reflecting the impact of continued growth in volumes (up 3.0%), driven by record production, continued strong operating momentum, improved product mix, contract price passthrough mechanisms, cost recoveries and further operating efficiencies.
- Volume growth was again underpinned by ongoing strong demand in carbonated soft drink, craft beer, energy drinks and ready to drink (RTD's) products, which benefited from a continuation of the preference shift to Can formats. Growth in Slim, Sleek and multi-size formats reflect continued evolution of consumer preferences.

Glass:

- Stabilisation of revenue, reflecting the benefit from inflation price recovery, offset by a reduction in Glass bottle volumes due to lower sales of Australian commercial wine and beer.
- Earnings were impacted by the higher cost of soda ash, partially offset by operating efficiencies and procurement initiatives.
- Volumes, revenue, and earnings from new Glass products, including the carbonated water, spirits and olive oil markets, were higher than the pcp.

Closures:

- Closure earnings were below the pcp principally due to lower commercial wine volumes.

PERSPECTIVES FOR FY24 – AUSTRALASIA

- Expected continued earnings growth in Cans driven by volume growth and product mix optimisation.
- Continued softness in consumer demand for Australian commercial wine bottles and closures – impacting export and domestic sales.
- Drive and enhance digital capability and supply chain excellence.
- Continued focus on sustainability with additional cullet sourced from Victoria's CDS and advancement of Oxygen Plant (for oxyfuel technology) for G3 furnace.
- Recent and planned Cans growth related capex expected to generate earnings of ~$30m by FY28.

SAVERGLASS

Financial Summary[1,2,3] A$m	1H24
Sales Revenue	115.2
EBIT	13.4
EBIT Margin %	11.7%

Financial Summary €m	1H24
Sales Revenue	69.5
EBIT	8.1

KEY POINTS

- Financial performance for the first month under Orora ownership was in line with the December 2023 trading update, contributing revenue of €69.5m, EBITDA of €15.1m and EBIT of €8.1m (Excluding AASB 16 *Leases*, EBITDA was €14.2m and EBIT was €8.0m).
- Operating cash flow in December 2023 reflects the benefit associated with the timing of payments and customer receipts.
- Customer destocking continued in December 2023, reflecting subdued end market demand.

PERSPECTIVES FOR FY24 – SAVERGLASS

- Implementation progressing well with multiple value creation activities underway.
- Commence integration of Orora's glass manufacturing plant in South Australia (Gawler) to the Saverglass portfolio to form a global network of high-performance production facilities.
- Near-term synergies of ~$15m to be progressively realised from FY25 from network optimisation, cost rationalisation and operational efficiencies across the combined Glass business.

SUSTAINABILITY

- Orora continues to make good progress on 'Our Promise to the Future' sustainability goals and commitments which are aligned to the pillars of Circular Economy, Climate Change and Community.
- Importantly, Saverglass' sustainability targets are in line with, and in some instances in advance of, Orora's sustainability targets, as reflected by its Science-Based Target initiative certification.

Circular Economy Pillar[11]

- Orora achieved 38% recycled content in glass packaging it manufactures and is on track to achieve its 2025 goal of 60%. Notably, Saverglass has achieved 73.3% of cullet in coloured glass.
- The Cullet Beneficiation Plant at Gawler, South Australia, continues to make a strong and growing contribution to diverting cullet from landfill, supported by Orora's cullet sourcing program.
- Orora uses ~80% of the recycled cullet from South Australia's Container Deposit Scheme (CDS) and most of the cullet from Western Australia's CDS. Cullet sourcing program is now active in all mainland Australian states with additional cullet sourced from the Victorian CDS following go-live in November 2023.
- Orora achieved an average of 57% recycled content in the manufacture of corrugated board in North America and an average of 57% recycled content in aluminium Cans in Australia.

Climate Change Pillar[11]

- Orora is committed to achieving a 40% reduction in greenhouse gas emissions for Scope 1 and 2 by 2035 and Net Zero Scope 1 and 2 emissions by 2050.
- Scope 1 & 2 greenhouse gas emissions decreased by 4.84% (utilising Market-based factors for S2) and 12.98% (utilising Location-based factors for S2) from FY19 baseline.
- Site preparation has commenced for the Oxygen Plant to upgrade the G3 furnace at Gawler to oxyfuel technology in FY25. This will enable a ~20% reduction in G3 furnace CO_2 emissions and move it into the top 10% of energy efficient furnaces worldwide, delivering a step change reduction in greenhouse gas emissions.
- Long term Power Purchase Agreements with renewable providers continue to supply wind and solar generated electricity to Australasian Beverage operations. Orora has signed new solar and wind farm PPA's for electricity consumption at South Australian and Queensland facilities.
- Saverglass' F5 furnace was recommissioned as a low-carbon hybrid furnace in 1H24, with up to 30% electricity boost and delivering a CO_2 reduction of ~12% per tonne of glass produced, with successful hydrogen fuel trials completed in Feuquieres, France.
- 70% of North American warehouse based vehicles are now electric.

Community Pillar

- The Community pillar focuses on the safety, health and human rights of Orora's team members and communities, Orora has led a number of initiatives, including:
  - Orora's FY23-FY25 Global Health & Safety strategy which continues its focus on high-risk activities, through improved communication of the Orora Stay Safe rules targeting 10 high-risk activities, confirming effectiveness of critical controls, incident reporting and governance processes.
  - Intensified the focus to drive a health and safety culture through leaders' communication and Safety Leadership Tours.
  - Continued roll-out of 'Our Orora' culture program to create an innovative, high performing and inclusive working environment.
  - Women in Leadership (WILO) program, now in its eighth year.
  - Published Orora's fourth Modern Slavery Statement.

CORPORATE

- Corporate costs are allocated directly to the business segments.
- Orora upsized the Global Syndicated Facility Agreement in November 2023 to A$1,831.5m at 31 December 2023 (A$600m and €760m) comprising:
  - $250m of revolving multi-currency facilities with maturity dates ranging from May 2027 to November 2028;
  - A $350m term loan facility with a maturity date of November 2030; and
  - A €760m of revolving multi-currency facilities with maturity dates ranging from May 2027 to November 2028.
- Post refinance of the Global Syndicated Facility Agreement and acquisition of Saverglass, Orora has $689.5m of committed headroom to support the Group's liquidity requirements, with an average committed debt maturity of 4.2 years.
- Leverage ratio of 2.59x reflects the impact of the Saverglass acquisition.
- Assuming no further changes to interest rates, net finance costs in 2H24 are expected to be circa $71m (~$60m excluding RoU interest)
- The decommissioning of the Petrie mill site continues to be a significant and complex exercise involving multiple government agencies. A further $8.9m was spent on decommissioning the site during the first half ($20.5m in 1H23). Ongoing high levels of rainfall in Queensland in 2023 and unforeseen complexities related to the remediation of the remaining and most technically complex areas of the site have resulted in delays. A specialist environmental consulting firm continues to be engaged to manage the completion of the remaining remediation works. The Petrie related provision at 31 December 2023 represents management's best estimate in respect of the anticipated costs to complete the remediation, using all currently available information and considering applicable legislative and environmental regulations.
- Dividends in FY24 will be unfranked, due to recent capital investment programs and associated tax benefits from Australia's instant asset write-off legislation for capital expenditure. The Group does not expect to frank future dividends until after FY24.

CONFERENCE CALL

- Orora is hosting a conference call for investors and analysts at 10:30am today. The audio cast will be available on the Orora website, www.ororagroup.com, within 24 hours.

NOTES TO THE INVESTOR RESULTS RELEASE

1. This report includes certain non-IFRS financial information (operating cash flow, average funds employed, EBIT and EBITDA). This information is considered by Management in assessing the operating performance of the business and has been included for the benefit of investors. References to earnings throughout this report are reference to earnings before signification items, interest and tax.
2. Orora's results for the half-year ended 31 December 2023 include one month of Saverglass earnings following completion of the acquisition on 1 December 2023. Prior period comparatives (1H23) do not include Saverglass as the entity was not owned by Orora at that point in time.
3. References to underlying earnings and measures exclude a significant item expense post tax of $40.4m (pre-tax of $40.4m) relating to transaction costs for the acquisition of Saverglass.
4. Earnings Per Share (EPS) is calculated as underlying NPAT / weighted average ordinary shares (net of Treasury Shares). EPS for 31 December 2022 (1H23) has been restated to reflect the bonus element of the equity raising that was completed in September 2023.
5. Return on Sales is calculated as underlying EBIT / Sales.
6. Underlying operating cash flow excludes cash significant items that are considered to be outside of the ordinary course of operations.
7. Cash conversion is calculated as underlying operating cash flow / cash EBITDA and excludes Saverglass and base capex ($8.2m) for the G3 furnace rebuild.
8. Return on Average Fund Employed (RoAFE) excludes Saverglass as only one month of data is available following completion of the acquisition on 1 December 2023.
9. Net Debt excludes the impact of AASB 16 Leases but includes the value of finance leases ($36.1m).
10. Leverage is calculated as Net Debt / trailing 12-month underlying EBITDA (excluding AASB 16 Leases).
11. Circular Economy glass recycled content target and Climate Change scope 1 &2 greenhouse gas emissions performance data excludes Saverglass.

Authorised for release to the ASX by Orora's Company Secretary, Ann Stubbings.