



# Extraordinary General Meeting (EGM)

16 June 2020

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

# 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.

# 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



**John Pizze**  
Retired Non-Executive  
Director and Chair of  
Human Resources  
Committee



**Tom Gorman**  
Non-Executive Director  
Chair of Human Resources  
Committee

# Completion of Fibre Australasia and Strategy Review



## Completion of Fibre Australasia Sale

- Completion of the Fibre Australasia sale is a significant milestone for Orora
- Represents compelling value for shareholders
- Enhances Orora's strong balance sheet to deliver value creation optionality by way of growth investment or capital management

## Capital Management

- Capability for long term capital management from surplus sale proceeds and operating cash flows
- Efficient and timely return of \$600 million to shareholders
- Future capital management initiatives considered in due course

## Strategy Review

- Head of Strategy commenced in February 2020
- Initial focus on existing portfolio, critical success factors, what are the potential, organic and inorganic growth options
- Update to be provided later in calendar year

*Orora's very strong balance sheet provides value creation optionality*

# Orora's Continuing Businesses

---



Orora now has a more streamlined portfolio of businesses comprising:

## ANZ Beverage

- A leading supplier of cans, glass, and wine closures in Australia and New Zealand
- Number one market position in cans and glass wine bottles
- Number two market position in glass beer bottles and wine closures

## North America

- Comprise Orora Packaging Solutions (OPS) and Orora Visual (OV)
- OPS is a top five participant in the highly fragmented US\$50.0 billion North American packaging distribution segment
- OV is a top five participant in the US\$10.0 billion point of purchase and displays segment

# Cash Return and Share Consolidation



**~A\$600M cash return to shareholders, comprising a capital return of \$150M (subject to shareholder approval) and a special dividend of A\$450M (Board determined)**

<b>Cash Return</b>	<ul style="list-style-type: none"><li>• First stage of capital management comprises a pro rata cash return of ~A\$600M or A\$0.497 per share to be paid to shareholders, comprising two components:<ul style="list-style-type: none"><li>– capital return of A\$150.0M – 12.4 cents per share<ul style="list-style-type: none"><li>– shareholder approval sought today</li></ul></li><li>– special dividend of A\$450.0M – 37.3 cents per share (50% franked)<ul style="list-style-type: none"><li>– already approved by Directors</li></ul></li></ul></li><li>• Entitlements to the special dividend and capital return will be determined on a pre-share consolidation basis</li><li>• If approved, Orora expects to make the cash payment to shareholders on 29 June 2020</li></ul>
<b>Rationale</b>	<ul style="list-style-type: none"><li>• Above cash return is considered appropriate and has been determined after having regard to a variety of factors including: COVID-19 related uncertainty, tightening liquidity in debt markets and the terms of Orora's debt facilities, retaining Orora's strong balance sheet, as well as preserving flexibility to pursue potential growth opportunities</li><li>• Little or no debt due to additional proceeds from the Fibre sale, giving the company a very strong position in these unprecedented times</li><li>• Board's preference is to pursue potential growth investment opportunities. In absence of these opportunities, return of excess capital to shareholders will be considered in due course</li></ul>
<b>Share Consolidation</b>	<ul style="list-style-type: none"><li>• Equal and proportionate share consolidation of ~0.8 shares for every one share currently held (ie 5 shares would become 4) to be undertaken, to adjust Orora's number of shares for the quantum of the cash return</li><li>• All things being equal, it is intended to neutralise any impact on EPS from capital return initiatives and applies equally to all shares</li></ul>



Thank you