

## NEWS RELEASE

18 August 2022

### Orora delivers 14.6% EBIT growth and 28.2% earnings per share growth

#### Financial highlights for the year ended 30 June 2022

- Sales revenue of \$4,090.8 million, up 15.6% (up 13.0% on a constant currency basis)
- Statutory net profit after tax (NPAT) of \$184.7 million, up 36.0%
- Net profit after tax before significant items (Underlying NPAT) of \$187.1 million, up 19.4% (up 17.6% on a constant currency basis)
- Underlying earnings per share (EPS)<sup>1</sup> of 21.7 cents per share (cps), up 28.2%
- Underlying earnings before interest and tax (EBIT) of \$285.5 million, up 14.6% (up 12.7% on a constant currency basis)
- Final ordinary dividend declared of 8.5 cps, with total FY22 dividends declared of 16.5 cps, up 17.9%, representing a dividend payout ratio of 76.2%
- Strong revenue and earnings growth in North America, with EBIT up 32.6% on a local currency basis, and solid earnings in Australasia with EBIT in line with forecast and broadly flat
- Return on average funds employed (RoAFE)<sup>2</sup> of 22.4%, up from 19.9% for the prior year
- Underlying operating cash flow of \$272.6 million, up 10.8%, and cash conversion of 73.5%
- Strong balance sheet with net debt<sup>3</sup> of \$629.0 million, up \$176.1 million, and leverage of 1.8 times EBITDA, up 0.3x

**Orora Limited (ASX: ORA)**, leading sustainable packaging solutions provider, has today announced its financial results for the year ended 30 June 2022.

#### Commenting on Orora's full year results, Managing Director and Chief Executive Officer, Brian Lowe said:

"Orora has delivered a strong result for the fiscal year 2022, reflecting the disciplined execution of our strategic priorities in the face of global supply chain and inflationary challenges."

"The Group reported a significant increase in underlying EBIT and net profit after tax, driven by strong revenue and earnings growth in North America, with continued robust earnings in Australia.

"Our North American business again delivered an impressive improvement in both financial and operating performance, with an increase in revenue and earnings largely driven by an ongoing focus on business optimisation, customer account profitability and a relentless focus on managing inflationary inputs and cost to serve.

"Our Australasian business performed solidly – the team has done a commendable job of managing inflationary cost pressures and supply chain disruptions to deliver revenue growth and earnings that demonstrate the resilience of the Beverage business. Following significant volume growth in the prior year, Cans saw a slight improvement in product sales mix and volumes, while the Glass business successfully expanded into new product ranges to mitigate the impacts of lower wine volumes due to the Chinese wine tariffs on Australian wine exports.

"I am incredibly proud of the entire team's performance - we have delivered against our corporate strategy while remaining agile in response to external challenges as they have emerged. With a strong balance sheet and operating cash flow we are making significant investments in initiatives that will continue to sustainably grow our business and deliver for shareholders in FY23."

<sup>1</sup> Calculated as underlying NPAT / weighted average ordinary shares (net of Treasury shares)

<sup>2</sup> Calculated as EBIT / trailing 12-month average funds employed

<sup>3</sup> Net debt excludes the impact of AASB 16 Leases

## Sustainability Update

The company made good progress on its sustainability goals aligned to the pillars of Circular Economy, Climate Change and Community. Under the Circular Economy pillar, Orora is on track to achieve its 2025 goal of 60% recycled content in the glass packaging it produces. In FY22 the company achieved 38% recycled content in its manufactured glass packaging, an increase from 31% in the prior year. Construction of the new ~\$25 million glass beneficiation plant at Gawler, South Australia is complete and will be commissioned this month, significantly increasing the recycled content in the company's glass packaging and reducing greenhouse gas emissions. Orora is on track to achieve a 40% reduction in greenhouse gas emissions for Scope 1 and 2 by 2035 through a number of initiatives, including a significant investment in sustainability with the move to oxyfuel technology as it upgrades its G3 furnace, an Australian-first, to be completed in 2024. The company also delivered initiatives under its Community pillar including the launch of 'Stay Safe' rules for all team members, new diversity, equity and inclusion goals, the 'Our Orora' culture program and unconscious bias training.

## Capital Management Update

During the year the company purchased 30.7 million shares, returning a further \$109.0 million to shareholders.

## Outlook

The Orora Group earnings are expected to be higher in FY23, reflecting the resilience of the business in what is expected to be a challenging year of economic conditions.

In Australasia, EBIT is expected to be broadly in line with FY22, with 1H23 impacted by inflationary cost increases ahead of further 2H23 customer price recovery.

In North America, further EBIT growth is expected reflecting the full year impact of FY22 price increases and continued implementation of profit improvement programs.

This outlook remains subject to global and domestic economic conditions, currency fluctuations and the continuing impacts of the COVID-19 pandemic.

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

**ENDS**

**MEDIA CALL:** Orora is hosting a media call at 1.00PM (AEST) today

**Register for the call at this link:**

<https://register.vevent.com/register/Ble7d373d8c6384f2285fc05931e8c7f08>

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

### *Company contacts:*

#### **Media enquiries**

Carolyn Coon  
Corporate Affairs  
carolyn.coon@ororagroup.com  
+61 405 183 628

#### **Investor enquiries**

Alister Crow  
General Manager, Treasury & Investor Relations  
investors@ororagroup.com  
+61 408 175 405