18 August, 2021

2021 Full Year Results

Sanjay Dayal: Managing Director and Chief Executive Officer
Paul Washer: Chief Financial Officer

PACT GROUP

Pact Group Holdings Ltd
ABN: 55 145 989 644

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All dollar values are in Australian dollars (A$) unless otherwise stated.

Non IFRS Financial Information
This presentation uses Non-IFRS financial information including EBITDA, EBIT, NPAT, operating cashflow, capex, free cashflow, operating cashflow conversion, gearing, interest cover, net interest expense and net debt. These measures are Non-IFRS key financial performance measures used by Pact, the investment community and Pact's Australian peers with similar business portfolios. Pact uses these measures for its internal management reporting as it better reflects what Pact considers to be its underlying performance.

Underlying EBITDA and underlying EBIT is used to measure segment performance and has been extracted from the Segment Information disclosed in the Full Year Consolidated Financial Report.

All Non-IFRS information has not been subject to audit by the Company's external auditor. Refer to Page 30 for the reconciliation of EBITDA and EBIT before significant items. Refer to Page 31 for the reconciliation of operating cashflows. Refer to page 34 for definitions of non-IFRS financial measures.

PACT GROUP

Agenda

1 Group Highlights

2 Segment Results

3 Group Financial Performance

4 Strategy & Priorities

5 Outlook

1

Group Highlights

FY21 Results Headlines

Solid financial and operating performance

- Strict management of COVID-19 risks, with no material disruption to operations
- Organic growth emerging in packaging, with strong volumes in closures
- Improved margins, with disciplined management of raw material input costs
- Strong organic growth in reuse platform, with USA reuse services performing above expectation
- Balance sheet strengthened
- Dividend payout increased

NPAT (Underlying)
$94m
(pcp $73 million)
↑28%

NPAT (Reported)
$88m
(pcp $89 million)
↓1%

EBIT (Underlying)
$183m
(pcp $166 million)
↑10%

Gearing
2.4x
(pcp 2.6x EBITDA)
↓0.2x

EBIT Margin (Underlying)
10.4%
(pcp 9.2%)
↑1.2%pts

Total Dividends
11 cents
65% franked
↑8 cents (pcp 3 cents)

Redefining Pact in the Market

A leader in the Circular Economy

PACT PACKAGING

A leader in sustainable packaging, differentiated through manufacturing, technical and innovation capability and access to recycled materials

A scaled Asian platform, well positioned for growth

PACT RECYCLING

A leader in plastics recycling in Australia and New Zealand, building a network of recycling infrastructure

PACT REUSE

An integral service provider to major supermarkets and retailers, supplying sustainable and efficient supply chain solutions through best-in-class reuse platforms and technology

Safety

Safety

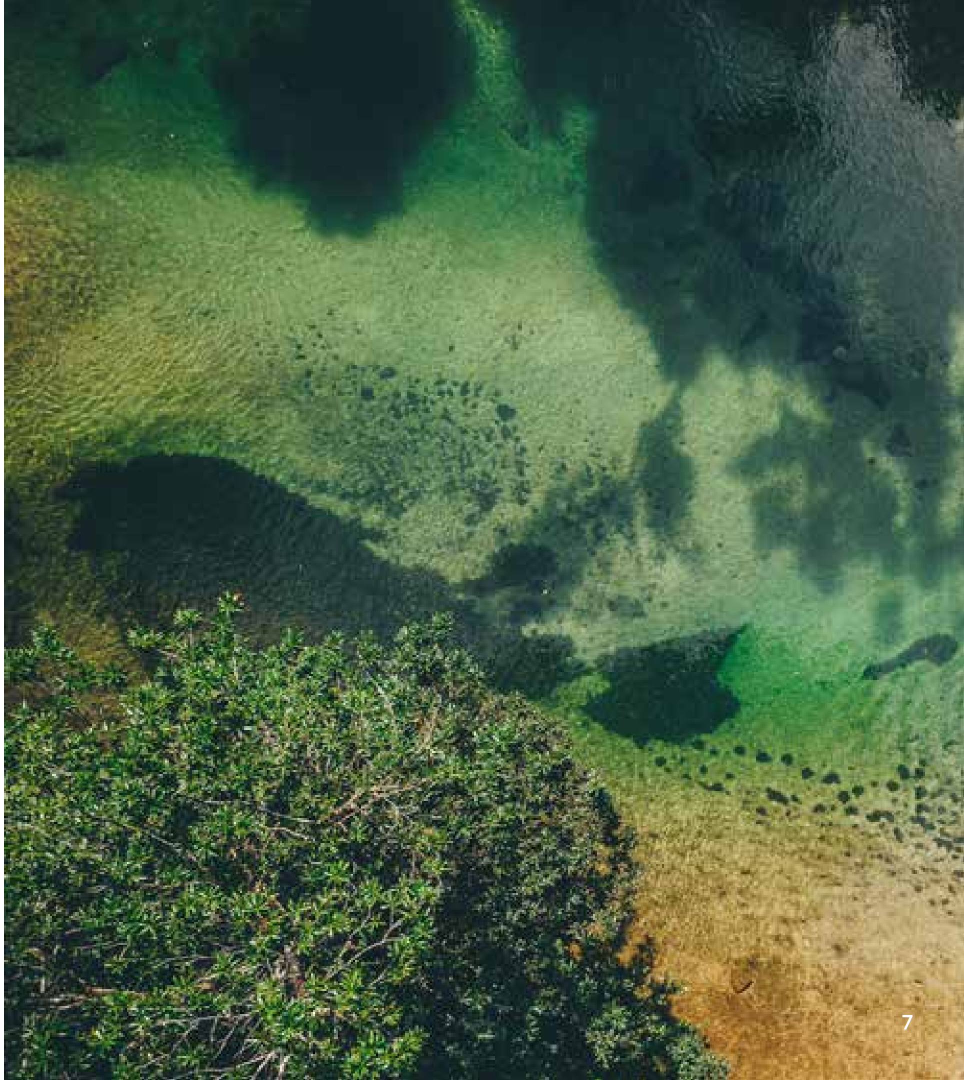
Targeting Zero Harm

- LTIFR at 4.2 (FY20 4.0)
- Reduction in severity of incidents through continued focus on safety culture and processes

COVID-19 Update

Strict management of COVID-19

- Strict health and safety protocols maintained at all facilities to protect employees and the community
- All known and potential cases managed within strict guidelines, with no material impact to operations
- Funding support for vaccine program in Asia
- Strong operating performance maintained



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Segment Results & Strategy Highlights

PACT
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Packaging & Sustainability

Strategy Highlights

Turnaround core ANZ packaging businesses

- Australian packaging operations stabilised and growth initiatives underway
- Recycling capability providing differentiation in the market and enabling contract wins

Lead plastics recycling in ANZ

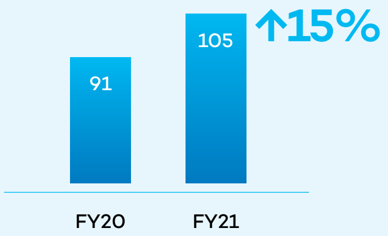
- Commitment to two new recycling projects
- Albury PET recycling facility on track for commissioning by December 2021
- Flight acquisition integrated, increasing capability to provide quality, locally processed recycled content

Grow Asian packaging platform

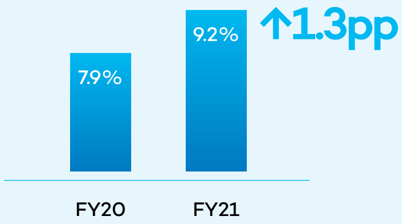
- Consolidation of closures platform driving strong organic growth
- Focus now on further leveraging platform to deliver value

Organic growth emerging I Margins improved

EBIT (A$ millions)



EBIT Margin (%)



- Strong volume growth in closures
- Stronger demand in agricultural and industrial segments in Australia and New Zealand
- Flight acquisition integrated and performing to expectation
- Disciplined management of raw material input costs
- Margins improved

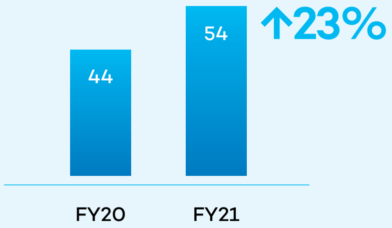
Materials Handling & Pooling

Strategy Highlights

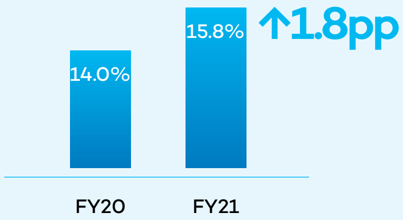
Scale-up reuse solutions	• Increased pooling penetration in the fresh produce sector and diversification into new produce categories • Developing "smart packaging" solutions, improving supply chain efficiency and reducing waste • Strong growth in reuse volumes into USA • New reuse contract win in Europe • Expansion of facilities in Bangladesh enabling future growth
Differentiate in infrastructure markets	• Contract wins in infrastructure sector enabled by recycling capability

Strong growth driven by compelling sustainability and efficiency benefits of reuse

EBIT (A$ millions)



EBIT Margin (%)

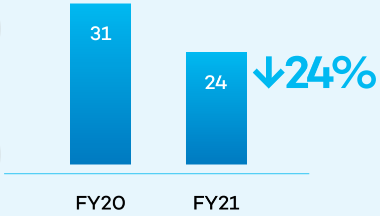


- USA reuse services performing above expectation
- Rebound in demand for hanger reuse services in Australia following COVID-19 related slow down in the prior year
- Robust pooling volumes continue
- Margins improved

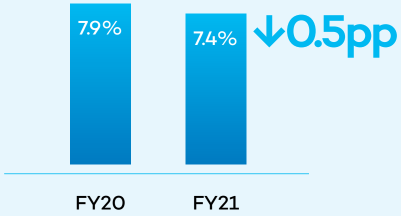
Contract Manufacturing

Normalised demand in hygiene category

EBIT (A$ millions)



EBIT Margin (%)



- Normalised demand in the hygiene category following strong COVID-19 related demand in the prior year
- Improved demand in the health and wellness category
- Volumes into automotive segment impacted by factory fire
- Sale process in respect of the Contract Manufacturing business is ongoing

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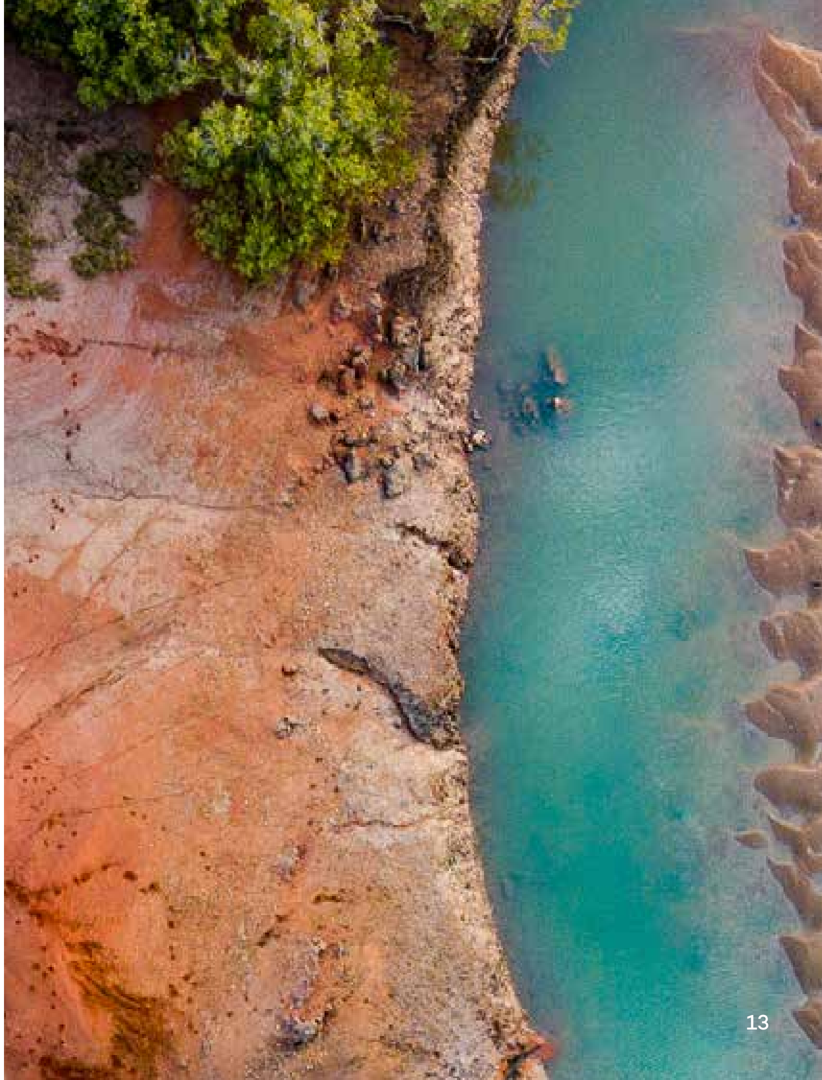
Group Financial Performance

PACT GROUP

Financial Results Summary

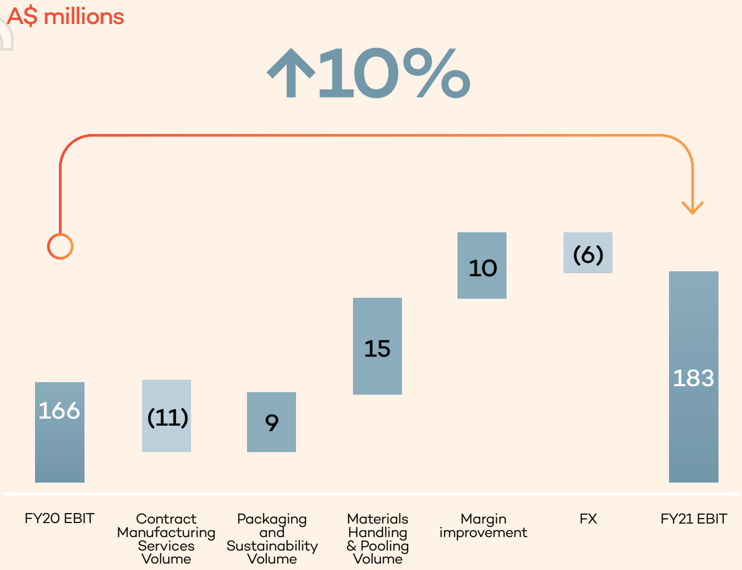
Improvement in key metrics

$A millions	FY2020	FY2021	Variance	
Revenue	1,809	1,762	(3%)	▼
Underlying EBITDA	302	315	4%	▲
Underlying EBIT	166	183	10%	▲
EBIT margin	9.2%	10.4%	1.2pp	▲
Underlying NPAT	73	94	28%	▲
Reported NPAT	89	88	(1%)	▼
ROIC	10.6%	11.8%	1.2pp	▲
Free cash flow	72	104	44%	▲
Gearing	2.6	2.4	(0.2)	▼
Reported EPS (cps)	25.8	25.4	(1%)	▼



Group EBIT

Solid organic earnings growth and disciplined margin management



- Normalised demand in the hygiene category in Contract Manufacturing following COVID-19 related demand in the prior year
- Organic growth in closures and a rebound in demand in agricultural and industrial packaging sectors
- Strong growth in reuse services, supported by a recovery in clothing retail demand and growth in the USA
- Disciplined management of raw material input costs
- Efficiency programs progressing

Balance Sheet Metrics

Gearing and net debt reduced

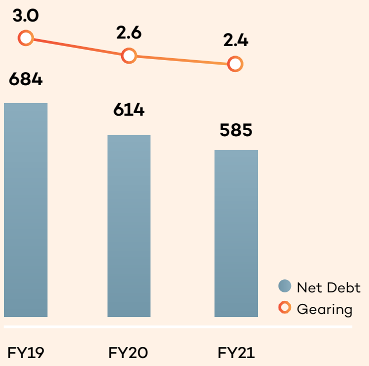
Gearing improved at
2.4x
well within targeted range
of less than 3.0x

Net debt reduced by
$29M
versus pcp

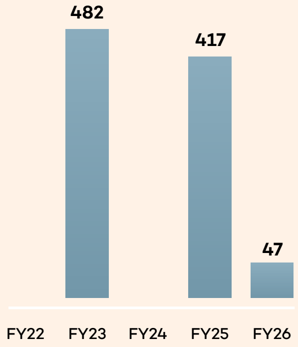
Undrawn debt capacity of
$317M

ROIC improved to
11.8%
up 1.2pp

Net Debt and Gearing



Debt Maturity Profile



- Pact's solid financial performance is providing an opportunity to improve liquidity, with planning underway to extend maturity of commitments and widen the lender base

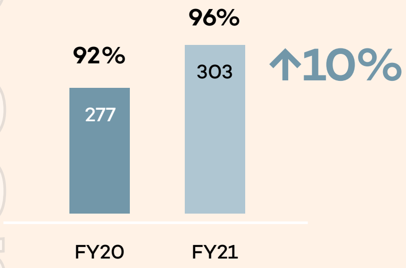
Cash Management

Improved operating cashflow and cash conversion

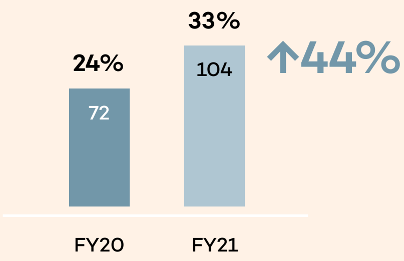
Strong operating cashflow driven by improved earnings and disciplined working capital management

Cashflow conversion (A$m, %)

Operating cashflow



Free cashflow



Capital Returns

Disciplined capital allocation driving improved capital returns

Capital Allocation

Operating cash flow

Sustenance capital
Annual spend 70% of depreciation[1]

Maintain a strong balance sheet
Gearing under 3.0x

Dividends
> 40% of Underlying NPAT

Organic growth and restructuring
Prioritised based on ROIC return (>15%) and in aligned segments

M&A
Strategically aligned and delivers 15% ROIC in the medium term

Maximise Shareholder Value
ROIC above 13.5%[2]

Dividend payout in line with policy

11cps

40% payout

ROIC improved to

11.8%

up 1.2pp

Investment activity focused on platform reinvestment and strategic growth initiatives

$A millions	FY2020	FY2021
Capital expenditure	76	78
Recycling JVs	4	9
M&A	-	47

- M&A spend includes Flight Plastics NZ ($23.8 million) and deferred settlement for TIC acquisition ($23.3 million)
- FY22 capital expenditure expected to be $100 million with a catch up in spend following delays in equipment availability due to market and freight disruptions in FY21

1. Depreciation excluding the depreciation of right of use assets
2. EBIT divided by Average Invested Capital which is defined as Average Total Assets – Average Cash and equivalents – (Average Current Liabilities – Average Current Financial Liabilities)

4

Strategic Priorities

Our Vision to Lead the Circular Economy

Aspiration

Vision Pact will Lead the Circular Economy through reuse, recycling and packaging solutions

Target Top quartile shareholder returns and 30% recycled content across portfolio by 2025

Priorities

Strengthen Our Core		Expand Reuse and Recycling Capability			Leverage Regional Scale
Focus portfolio and strengthen balance sheet	Turnaround and defend core ANZ consumer packaging businesses	Lead plastics recycling in ANZ	Scale-up reuse solutions	Differentiate industrial and infrastructure businesses	Grow Asian packaging platform

Enablers

- Safe, diverse and motivated workforce
- Competitive manufacturing
- Segment skilled sales capability
- Differentiated solutions through technical expertise and innovation
- Circular economy credentials and communication
- Disciplined capital management
- Data-driven decision-making

Values

Safety | Customer | Integrity | Innovation | Respect

The Circular Economy Transition

Pact is uniquely positioned to accelerate change with capability across the value chain

Recycling infrastructure and capabilities
- Recycling Modernisation Fund supporting development of recycling infrastructure
- Funding grants of $12.5 million received from State and Federal governments for projects (committed and under review) in Victoria and Western Australia

Finished goods manufacture

$1.3 billion Modern Manufacturing Initiative supporting upgrade of facilities to enable use of recycled materials

Raw material availability
- Waste and export bans commenced 1 July 2021 rolling through to 2024
- Adoption of Container Deposit Schemes (CDS) in all states by 2023
- Improved recovery of recyclables through introduction of a 4 bin system

Demand creation for recycled products
- Education, media, and labelling are changing consumer preferences
- APCO 2025 targets will require up to 30% recycled content in plastic packaging
- Government commitment to prioritise recycled materials in government procurement contracts

Strategic Growth Initiatives

The execution of our strategy is on track and our near-term priorities are clear

Priorities

- Focus portfolio and strengthen balance sheet
- Turnaround and defend core ANZ consumer packaging businesses
- Lead plastics recycling in ANZ
- Scale-up reuse solutions
- Differentiate industrial and infrastructure businesses
- Grow Asian packaging platform

Our Vision

Pact will lead the circular economy through reuse, recycling and packaging solutions

Near term initiatives

1. Deliver margin growth in Australian packaging
2. Lead plastics recycling in ANZ
3. Deliver value from recycling
4. Grow Asian packaging platform
5. Continue to increase pooling penetration in fresh produce and grow reuse platform

1 Deliver Margin Growth in Australian Packaging

We will return margins in our Australian packaging business to global industry standard

Multiple levers to deliver growth

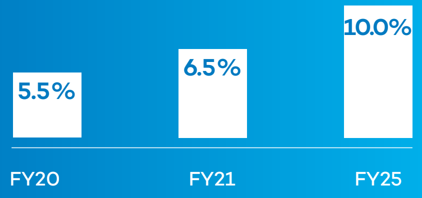
Strategy
- Segment specific market based plans
- Differentiate using circular economy credentials and product innovation
- Investment to support growth strategies

Operations
- Investment to upgrade facilities
- Investment in automation and efficiency
- Improvements in safety, quality and delivery

Procurement and supply chain
- Centralise management of spend targeting step-change improvements in key categories

People
- Employee and leadership development
- Evolve functional support structures
- Sales capability and customer engagement

Margins in Australian packaging will return to global industry standard by FY25



Investing to improve service, support growth and drive cost competitiveness

- Fully automated, market leading clean room to support growth in the health segment
- High cavity, flexible and efficient IML (in-mould labelling) capability to improve service and reduce cost in the processed food segment
- Multi-layer manufacturing capability to support use of recycled content in the processed food segment
- Platform upgrade to support the supply of Smart Cubes, a patented product developed by Pact for the chemicals segment

2 Lead Plastics Recycling

Building scaled industry solutions for high-quality food grade recycled resins

Leading the development of scaled plastics recycling solutions

- Scaled, best in class facilities
- Strong government support for further investment, including $9.5 million grant awarded to develop a mixed plastics recycling facility in Western Australia
- New projects compliment Pact's existing 40,000 tonne plastics recycling capability, including the recently acquired Flight Plastics in New Zealand
- Contracted offtake from the Albury and Laverton facilities is 80% committed

A National Network Of Plastics Recycling Infrastructure

New South Wales (Albury) (Pact share 33%)[1]	• 20,000 tonne food grade recycled PET capacity • Operational late 2021 • Construction cost ~ $45 million • $5 million government funding
Victoria (Laverton) (Pact share 50%)	• 15,000 tonne recycled HDPE and 5,000 tonne PP (food grade and non-food grade) • Operational by 2023 • Construction cost ~ $38 million • $3 million government funding
rPET Plant[2] (Location TBD) (Pact share 33%)	• 20,000 tonne food grade recycled PET • Operational by 2023 • Construction cost ~ $50 million
Western Australia	Under Review • Mixed plastics facility • $9.5 million government funding
Queensland	Under Review • Working closely with government for a waste recycling plant proposal

1. Ownership % subject to finalisation of legal documentation in respect of the Joint Venture between Pact, Cleanaway, Asahi Beverages and Coca-Cola Europacific Partners. Ownership currently 40%.
2. Subject to finalisation of legal documentation in respect of the Joint Venture between Pact, Cleanaway, Asahi Beverages and Coca-Cola Europacific Partners.

3 Deliver value from recycling

End-to-end capability to deliver recycled content solutions.

Building organisational capability to support transition to recycled content solutions

- Resources in place to support conversion to recycled content solutions
- Supporting product trials, testing and qualifications
- Building manufacturing, technical and innovation capability
- Customers increasingly recognising the need to develop strategic partnerships to deliver 2025 sustainability targets

Recycling capability is enabling Pact to differentiate and win

Fresh food segment	• Pact has secured a new contract to supply trays with up to 100% recycled PET through major supermarkets in ANZ
Home and personal care categories	• Pact is supporting a major multinational increase the use of recycled content through the supply of packaging with up to 50% rHDPE for leading brands in the home and personal care categories
Noisewalls	• Pact is supplying noisewalls with up to 70% recycled content to a major Victorian infrastructure project
Dairy & Beverage	• Contract wins in the dairy and beverage categories

4 Grow Asian Packaging Platform

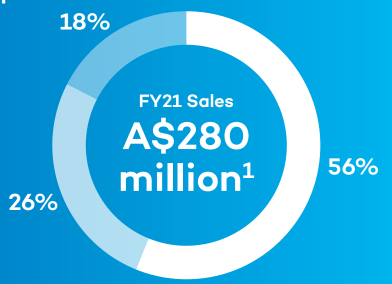
Focus is now turning to the opportunities we have to accelerate growth in our Asian region

Well positioned to grow

- Regional leader in caps and closures with niche positions in specialty packaging
- Broad manufacturing footprint and geographic reach
- Proprietary technical capability
- Strong customer relationships with reputation for product quality and superior customer service – products “designed in region for the region”
- Strong in-region management team
- Servicing high growth segments including CSD, water, dairy, food and beverage, pharmaceutical and health

A regional leader in caps and closures

- Asian closures
- Australian closures
- Asian packaging



4% FY21 revenue growth[2]

1,000 employees

9 countries

20 sites with strong in-region management team

1. Including Pact share of Joint Venture sales revenues
2. 4% increase FY21 v FY20 at constant currency

Summary

Solid financial performance underpinned by the delivery of strategy

- Improvement in key financial metrics
- Strong cash generation
- Balance sheet strength continued
- ROIC improved
- Total dividends of 11 cps, with payout in line with policy
- Delivery of strategy on track
- Committed to top quartile returns by 2025

5

Outlook

Q1 FY22 Outlook

We expect further progress in the delivery of strategy and earnings resilience in FY22. In our first quarter, demand is expected to be generally in line with recent trends, though margins will be impacted by higher raw material and international freight costs.

COVID-19 continues to create market uncertainty. An update on trading will be provided at the AGM on 17 November 2021.

Appendix

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Reconciliation of Statutory Income

$A millions	FY20	FY21
Statutory profit before income tax expense	**110.0**	**123.3**
Net finance costs and loss on de-recognition of financial assets	62.8	51.2
Reported EBIT	**172.8**	**174.5**
Underlying adjustments (benefit) / expense	(6.5)	8.4
Underlying EBIT	**166.3**	**182.9**
Depreciation and amortisation expense	135.5	132.0
Underlying EBITDA	**301.8**	**314.9**

$A millions	FY20	FY21
Statutory net profit	**88.8**	**87.5**
Underlying adjustments before tax	(6.5)	8.4
Tax benefit on underlying adjustments	(9.1)	(2.4)
Underlying NPAT	**73.2**	**93.5**

Cashflow Reconciliation

$A millions	FY20	FY21
Statutory net cash flows provided by operating activities	**192.1**	**221.0**
Payments for property, plant and equipment	(76.5)	(78.3)
Proceeds from sale of property, plant and equipment	0.7	6.9
Repayment of lease liability principal (net of incentives received)	(44.5)	(47.4)
Sundry items	0.6	2.2
Free cash flow	**72.4**	**104.4**
Statutory net cash flows provided by operating activities	**192.1**	**221.0**
Borrowing, trade debtor securitisation and other finance costs paid	60.3	49.6
Income tax paid	4.3	31.1
Business restructuring spend	9.3	4.1
Other items	4.0	0.6
Proceeds from securitisation of trade debtors	6.8	(3.2)
Operating cash flow	**276.8**	**303.2**

Underlying Adjustments

$A millions	FY20	FY21
Transaction costs	(4.0)	(1.7)
Restructuring costs	(4.8)	(6.2)
Costs arising from factory fire	-	(4.0)
Impairment and write off expenses	(11.8)	(2.7)
Insurance settlement for events in prior periods	-	1.8
Profit on sale of properties	-	4.4
Net gain on lease modification	4.5	-
Reversal of contingent consideration obligation	30.0	-
Finalisation of acquisition consideration	(7.2)	-
Asset write downs	(0.2)	-
Underlying adjustments before tax	**6.5**	**(8.4)**
Tax benefit on underlying adjustments	9.1	2.4
Underlying adjustments after tax	**15.6**	**(6.0)**

Segment Results

Packaging & Sustainability

$A millions	FY20	FY21	Variance
Revenue	1,143.9	1,131.1	(1%)
Underlying EBITDA	181.3	190.7	5%
EBITDA Margin	*15.8%*	*16.9%*	*1.1pp*
Underlying EBIT	90.8	104.6	15%
EBIT Margin	*7.9%*	*9.2%*	*1.3pp*

Materials Handling & Pooling

$A millions	FY20	FY21	Variance
Revenue	315.6	344.0	9%
Underlying EBITDA	73.0	85.6	17%
EBITDA Margin	*23.1%*	*24.9%*	*1.8pp*
Underlying EBIT	44.2	54.4	23%
EBIT Margin	*14.0%*	*15.8%*	*1.8pp*

Contract Manufacturing

$A millions	FY20	FY21	Variance
Revenue	394.2	321.9	(18%)
Underlying EBITDA	47.5	38.6	(19%)
EBITDA Margin	*12.1%*	*12.0%*	*(0.1pp)*
Underlying EBIT	31.3	23.8	(24%)
EBIT Margin	*7.9%*	*7.4%*	*(0.5pp)*

Definitions of Non-IFRS Financial Measures

Capex represents capital expenditure payments for property, plant and equipment

Underlying EBITDA refers to EBITDA before underlying adjustments. EBITDA is defined as earnings before net finance costs and losses on de-recognition of financial assets, income tax, depreciation and amortisation – refer to page 30 for a reconciliation to statutory profit for the period

EBITDA margin is calculated as underlying EBITDA as a percentage of revenue

Underlying EBIT refers to EBIT before underlying adjustments. EBIT is defined as earnings before net finance costs and losses on de-recognition of financial assets and income tax – refer to page 30 for a reconciliation to statutory profit for the period

EBIT margin is calculated as underlying EBIT before significant items as a percentage of revenue

Free cashflow is defined as statutory net cash flows provided by operating activities less capex, less repayments of lease liability principals and after proceeds from asset sales and other sundry items

Gearing is calculated as net debt divided by rolling 12 months underlying EBITDA excluding the impact of lease accounting following the adoption of AASB16

Interest cover is calculated as rolling 12 months underlying EBITDA divided by rolling 12 months net finance costs and losses on de-recognition of financial assets (with underlying EBITDA and net finance costs both excluding the impact of lease accounting following the adoption of AASB16)

Net finance costs and losses on de-recognition of financial assets is net of interest income

Net debt is calculated as interest bearing liabilities (excluding lease liabilities recognised under AASB16) less cash and cash equivalents

Underlying NPAT refers to NPAT before underlying adjustments. NPAT is defined as net profit after tax – refer to page 30 for a reconciliation

Operating cashflow is defined as underlying EBITDA, less changes in working capital, less changes in other assets and liabilities and excluding the impact of proceeds from securitisation of trade debtors – refer to page 31 for a reconciliation to statutory net cash flows provided by operating activities

Operating cashflow conversion is defined as operating cashflow divided by underlying EBITDA

ROIC represents return on invested capital and is defined as rolling 12 months underlying EBIT divided by rolling 12 months average total assets (excluding cash, cash equivalents and deferred tax) less current liabilities (excluding interest bearing liabilities and tax liabilities)

Underlying adjustments (referred to as significant items in prior periods), includes items that are individually material or do not relate to the operating business. The measurement of underlying adjustments is consistent with that used for significant items in prior periods.

Our promise is to create a better and more prosperous world all round. That's our future Pact.

Let's Lead the Way Together.

www.pactgroup.com

PACT GROUP

Pact Group Holdings Ltd
ABN: 55 145 989 644