



ASX Announcement

2024 Annual General Meeting Speeches

Date: 14 November 2024

Pact Group Holdings Ltd (ASX: **PGH**, the **Company**) encloses the Chair's address and the Managing Director and Group Chief Executive Officer's speech to be given today at the Company's Annual General Meeting commencing at 12:00pm AEDT.

The business to be conducted at the Annual General Meeting will be determined by poll. The poll results will be released to the market after the conclusion of the Company's Annual General Meeting.

A copy of the presentation which accompanies these speeches will follow.

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This document has been authorised for release by the Board of Directors.



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CHAIR'S ADDRESS

SLIDE 7: FY24 IN REVIEW

I am pleased to advise that in FY24 the Group continued to make solid progress towards achieving our goal of *Leading the Circular Economy*.

We achieved significant milestones in the development of a network of recycling facilities that manufacture high-quality food grade and non-food grade recycled resins at scale in Australia and New Zealand.

In FY24, two new Pact-operated Circular Plastics Australia (**CPA**) joint venture recycling facilities commenced operations in Victoria. The CPA (PET) recycling plant in Altona North and the CPA (PE) mixed plastics recycling plant in Laverton opened for business, joining the existing CPA (PET) recycling plant in Albury, New South Wales, which is now in its third year of operation.

Each of these facilities have the capacity to produce up to 20,000 tonnes of high-quality recycled plastic resin each year.

Our \$75 million program to invest in new packaging platforms to incorporate more recycled content across our packaging portfolio continued to progress. In FY24 we commissioned new manufacturing equipment for our household and industrial segments and mobile garbage bin manufacturing facilities in Melbourne, Sydney and Somersby.

During the year we divested 50% of Pact's Crate Pooling and Crate Manufacturing business (**Crates business**) to form the Viscount Reuse joint venture in partnership with global infrastructure investment manager, Morrison & Co. Viscount Reuse is now well established and is focused on accelerating growth opportunities in Australia and New Zealand.

We have previously advised that Pact is assessing the potential divestment of non-core businesses. Consistent with this strategy, the Group reached an agreement to sell our Viscount roto-moulding business (**VRM**) in Carrum Downs, Victoria. VRM manufactures plastic infrastructure products such as underground pits and lids for telecommunications, electrical, road and rail applications, as well as water tanks, and other custom-made products.

Under the agreement, the VRM business will be acquired by CRH, a global provider of building materials solutions. Completion of the VRM transaction is expected later this year subject to the satisfaction of customary conditions and approvals.



Finally, the unconditional off-market takeover offer for all of the ordinary shares in Pact announced on 13 September 2023 closed on 7 June 2024 with Kin Group and associates increasing their share ownership in Pact to 88.04%. While I believe the future success of Pact is best achieved under private ownership, I would like to reiterate that I continue to have every confidence in Pact Group, its employees, its business and its long-term future.

I will now hand over to Sanjay Dayal, our Managing Director and Group CEO.

CEO'S ADDRESS

SLIDE 8: MD & GROUP CEO

Thank you, Chair.

SLIDE 9: FY24 FULL YEAR CONSOLIDATED RESULTS

I will start by outlining the highlights from the 2024 financial year, before moving to our focus on the safety of our people.

Before I get into the detail of the financial results, a reminder that the full year financial results contain both Continued and Discontinued Operations reflecting the sale of the Crates business part way through the year. The full year results contain five months of trading from the Crates business when it was wholly owned, and seven months of 50% of the Net Profit After Tax from the newly formed joint venture.

Market conditions were challenging across the year as we felt the impact of cost-of-living pressures in Australia and New Zealand, and subdued demand out of China. Despite these challenging conditions, we reported a growth in earnings. This was achieved on the back of a more stable and predictable supply chain, a proactive cost reduction program – you will recall that I outlined the Transformation Program at our AGM last year – and significant efficiency gains across the business.

Revenue of \$1.857 billion was \$91 million below the prior year and primarily reflected the loss of revenue from the Crates business, combined with some volume decline in Australia, New Zealand and China.

Underlying EBIT of \$154.6 million was above the prior year and reflected savings from the Transformation Program combined with margin growth in Materials Handling & Pooling, and in Contract Manufacturing segments on the back of efficiency gains.

Underlying Net Profit After Tax was \$44.9 million, slightly ahead of the prior year. Reported Net Profit After Tax was \$74.9 million as a result of adding \$30 million of after tax underlying adjustments which included the gain on sale of the Crates business.

I am pleased to report that Gearing was 2.5 times, down from 3 times in the prior corresponding period, and reflects the repayment of debt with the proceeds from the Crates business transaction, as well as strong working capital management.

Consistent with the prior corresponding period, the Board resolved not to pay a final dividend.



SLIDE 10: FOCUS ON OUR PEOPLE

The safety of our people remains our number one priority at Pact.

In FY24, we continued to invest in safety: through the use of 'leading' indicators to monitor performance; establishing a new 'One Pact' Safety Council to oversee the Group's workplace, health, safety and environment function; and shifting our focus from managing the result of incidents to managing our exposure to risk.

We look forward to continuing to drive efforts that provide a safe and inclusive workplace where our people can perform at their best every day.