2018 HALF YEAR RESULTS

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Pact Group Holdings Ltd
ABN: 55 145 989 644

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Past performance information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Non IFRS Financial Information
This presentation uses Non-IFRS financial measures 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.

All Non-IFRS financial measures have not been subject to review by the Company's external auditor. Refer to Page 19 for the reconciliation of EBITDA, EBIT and NPAT. Refer to Page 20 for the reconciliation of operating cashflows. Refer to page 22 for definitions of Non-IFRS financial measures.

EBIT is used to measure segment performance and has been extracted from the Segment Information disclosed in the Half-Year Consolidated Financial Report.

HALF YEAR PERFORMANCE

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BUSINESS HIGHLIGHTS

Solid financial performance

Sales revenue of $808 million up 11% (pcp: $727 million)
EBITDA of $121 million in line with AGM guidance and pcp
EBIT of $87 million 4% lower (pcp: $90 million)
NPAT[(1)] of $51 million 4% lower (pcp: $53 million)
Statutory NPAT of $44 million 12% lower (pcp: $50 million)

Commissioning of the new crate pooling business completed on time with earnings in the period ahead of expectation

Robust growth in contract manufacturing, supported by prior year acquisitions and strong underlying demand

Stable rigid packaging volumes supported by improving demand in the health and wellness sector

Operational Excellence Program driving improved efficiency, helping to offset price and cost impacts

Acquisition of Asian growth platform, building scale to existing footprint in the region

Operating cash flow improved and balance sheet strengthened through successful equity raising

Strong dividend
11.5cps
Interim dividend

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1 Before significant items of $6.4 million in 1H18. This includes an expense of $5.1 million for revisions to earn-out provision estimates, mostly due to stronger than expected earnings from Pascoe's in the period. Refer to page 21 for a breakdown of significant items.

FOCUSED ON ZERO HARM

TOWARDS ZERO HARM

	FY 2017	H1 2018
Lost time injury frequency rate	5.8	6.1

Safety performance in underlying business (excluding acquisitions[1]) stable versus prior year

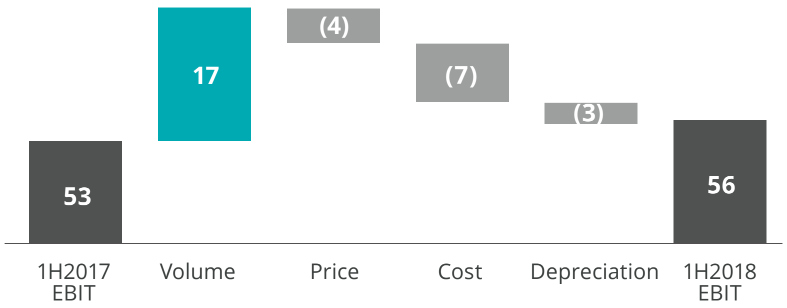
Improved safety outcomes will be driven through the Operational Excellence Program and ongoing cultural change initiatives

1. Excluding incidents in operations acquired within 24 months of reporting date

FINANCIAL RESULTS SUMMARY

$A millions	1H 2018	1H 2017	Change
Sales revenue	808	727	11%
EBITDA	121	121	-
EBITDA margin	14.9%	16.6%	(1.7%)
EBIT	87	90	(4%)
EBIT margin	10.7%	12.4%	(1.7%)
NPAT	51	53	(4%)
Statutory NPAT	44	50	(12%)
Operating cashflow	64	63	2%
Gearing	2.2	2.9	0.7

PACT AUSTRALIA



$A millions	1H 2018	1H 2017	Change
Sales revenue	643	543	18%
EBIT	56	53	5%
EBIT Margin	8.7%	9.8%	(1.1%)

Highlights

Crate pooling business commissioned on time with earnings contribution in the period above expectation

Strong growth in contract manufacturing supported by prior year acquisitions and solid underlying demand

Strong volume into infrastructure, materials handling and sustainability sectors

Improved demand for rigid packaging in the health and wellness sector

Stable contract portfolio, supported by strategic contract extensions in the prior year

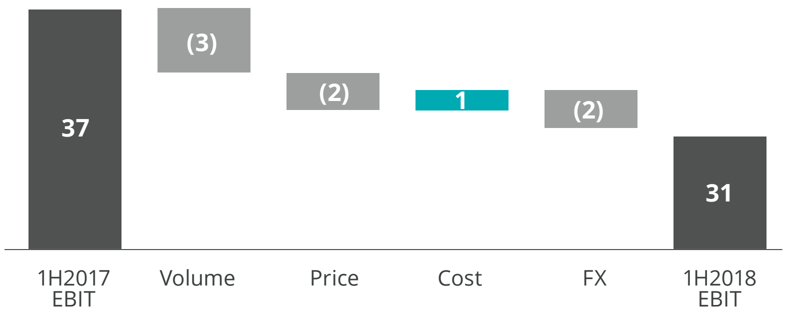
Operational Excellence Program delivering in line with expectation

Challenges

Dairy, food and beverage sector adversely impacted by a major customer plant closure

Higher costs in the rigid packaging businesses to support quality and customer delivery

PACT INTERNATIONAL



$A millions	1H 2018	1H 2017	Change
Sales revenue	165	184	(10%)
EBIT	31	37	(17%)
EBIT Margin	18.6%	20.0%	(1.4%)

Highlights

Demand in consumer sectors and industrial dairy in line with prior year, despite a weak start to the dairy season

Stable contract portfolio, supported by strategic contract extensions in the prior year

Efficiency programs delivering in line with expectation

Challenges

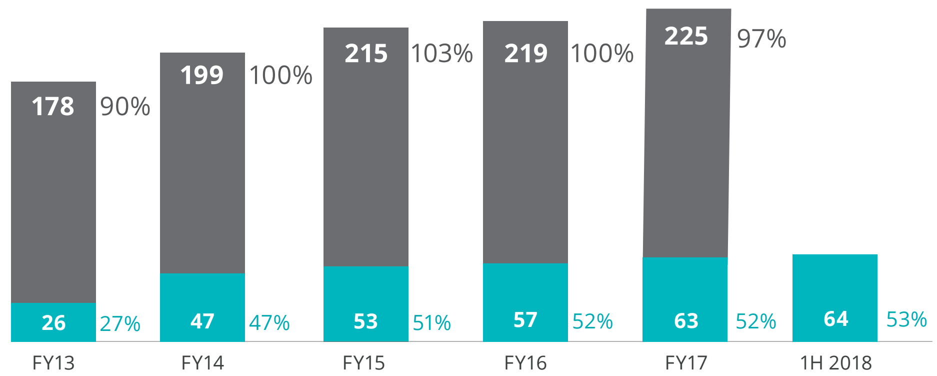
Lower demand in materials handling sector

Unfavourable foreign exchange

DISCIPLINED CASH MANAGEMENT

$A millions	1H 2018	1H 2017
Operating cashflow	64	63
Capex	45	51
Free cashflow	19	12
Operating cashflow conversion	53%	52%

Operating cashflow ($m) / conversion %



Cash conversion in line with prior year

Cash remains key business focus

Capital expenditure down on prior year due to reduced spend on the new crate pooling business following commissioning in the period

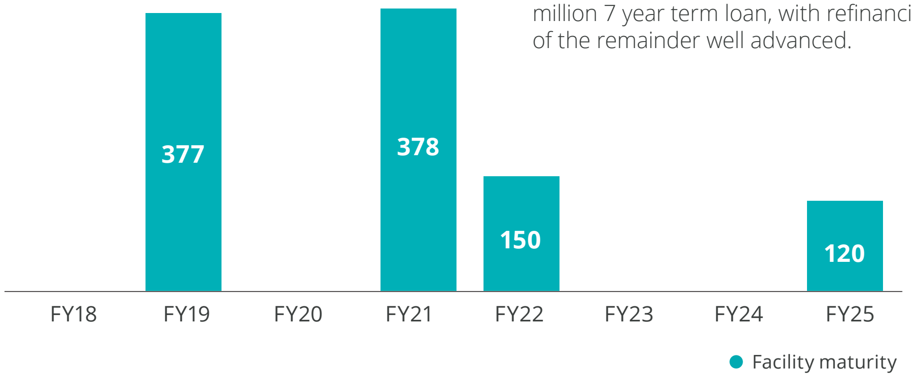
STRONG BALANCE SHEET FUNDING GROWTH

$A millions	1H 2018	1H 2017
Net Debt	519	663
Gearing	2.2	2.9
Interest Cover	7.6	7.6

- Successful $176 million equity raising, improving leverage and supporting acquisition funding, including Asia acquisition in February 2018
- Extension of the debtors securitisation facility to June 2020
- Renewal of facilities due to expire in July 2018 already partially complete with a new $120 million 7 year term loan implemented. Negotiation of further refinancing well advanced
- Average tenor of 2.5 years. Tenor will be improved following refinancing in 2H18
- Key metrics within targeted levels

Debt Maturity Profile

Facilities due to expire in FY19 have been partially refinanced with a $120 million 7 year term loan, with refinancing of the remainder well advanced.



GROWTH & EFFICIENCY

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EXECUTING OUR STRATEGY

2018 SCORECARD

PROTECT OUR CORE AND GROW ORGANICALLY

- Target the delivery of growth in line with GDP over the longer term
  - Leverage market leading platform
  - Differentiate through innovation
  - Expand in higher growth sectors
- Protect our core

2018 Scorecard:

- Commissioning of the new crate pooling business complete, with earnings in the period above expectation
- Strong underlying demand in all key contract manufacturing segments
- Stable contract portfolio and steady volume in rigid packaging, supported by strategic contract extensions in the prior year
- Recognised on the AFR's Most Innovative Companies List for the 5th consecutive year

OPERATIONAL EXCELLENCE & EFFICIENCY

- Embed a culture of Operational Excellence utilising lean manufacturing principles
- Consolidate operations and increase automation
- Protect margins from impacts of rising costs and competition

2018 Scorecard:

- Operational Excellence Program delivering in line with expectation
  - Approximately $3 million EBIT benefits delivered in the period, on track to deliver the expected $8 - $12 million in FY18
  - Benefits will mitigate the impact of higher energy costs in H218, which are expected to adversely impact EBIT by $7 million
- An assessment of redesign opportunities for the Australian rigid packaging network has been initiated

GROWTH THROUGH A DISCIPLINED APPROACH TO M&A

- Accelerate growth in existing sectors and drive growth in new and adjacent sectors through M&A
- Target sectors which can leverage our extensive sector knowledge and core capabilities in manufacturing and innovation

2018 Scorecard:

- Acquisition of the Asian packaging operations (excluding Japan) of Closure Systems International and Graham Packaging Company, building scale in Asia
- Acquisition of ECP Industries providing attractive growth to the Group’s existing materials handling and sustainability businesses
- Prior year acquisitions performing well, with earnings contribution from Pascoe’s in the period ahead of expectation

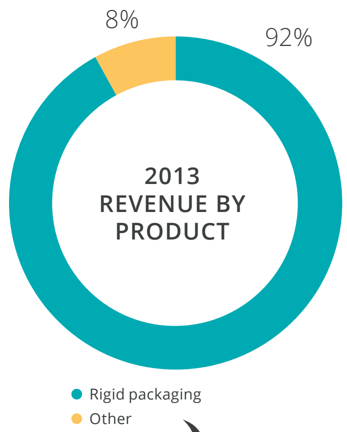
DIVERSIFYING OUR PORTFOLIO

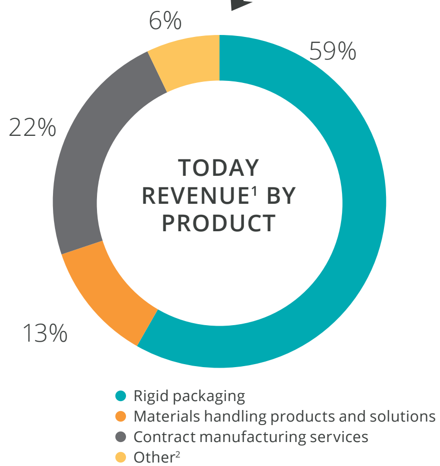
		Growing packaging solutions capability	Attractive growth fundamentals
CONTRACT MANUFACTURING SERVICES		• Leading contract manufacturing platform well established with exposure to the attractive health and wellness, personal care and home care categories	• Increasing need for lowest cost manufacture • Increasing demand for private label products • Growing demand for health and wellness products
MATERIALS HANDLING PRODUCTS AND SOLUTIONS		• Leading position in RPC pooling established, increasing exposure to the attractive closed-loop returnable packaging sector	• Increased use of returnable packaging and materials handling products

GROWING IN ATTRACTIVE SECTORS AND GEOGRAPHIES

RIGID PACKAGING		• Increasing exposure to the attractive health and wellness sector • Increasing geographical footprint in Asia	• Growing demand for health and wellness products • Leverage scale and regional footprint to accelerate growth and deliver operational synergies

DIVERSIFICATION INTO NEW GROWTH SECTORS





1 Assumes full year contribution from Asia Acquisition, ECP and the new Australian crate pooling business
2 Other includes recycling services, infrastructure and other custom moulded products

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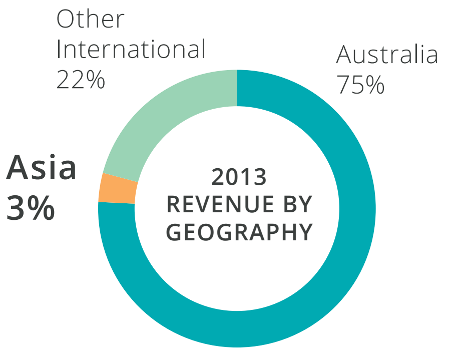
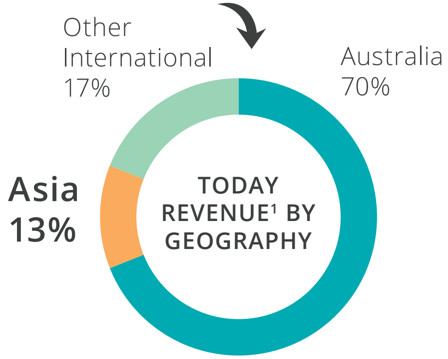
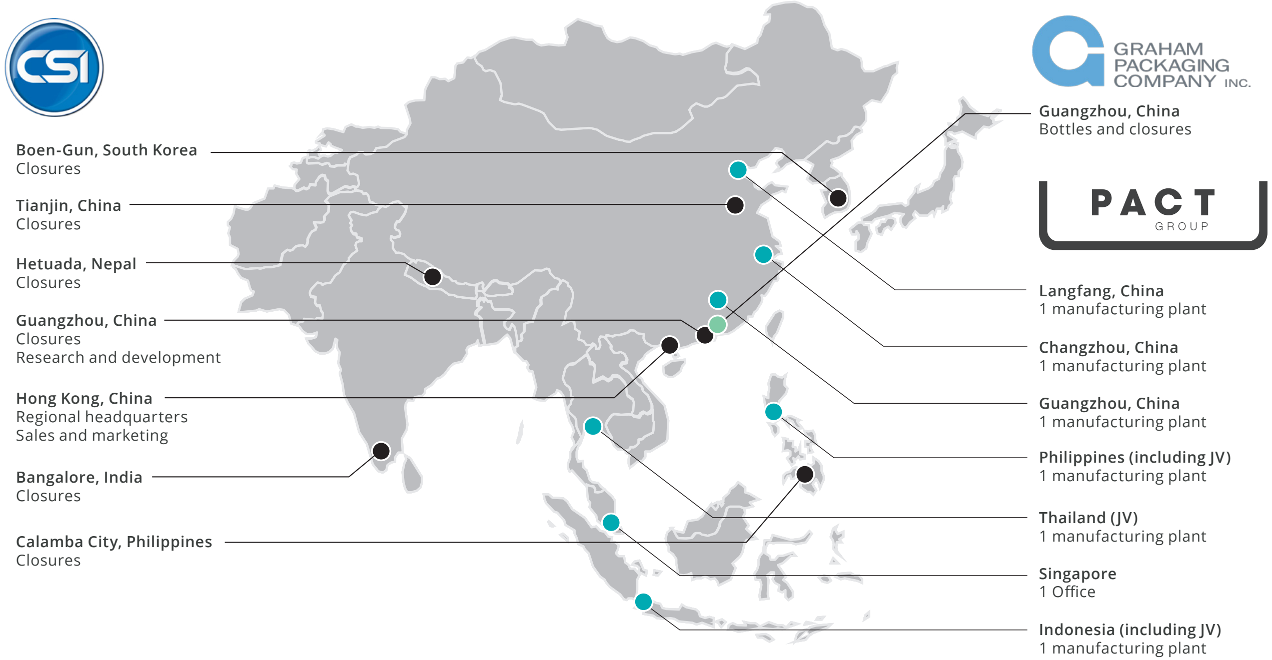
BUILDING SCALE IN ASIA

The Asia acquisition significantly enhances customer diversity, manufacturing, technology and management capability to accelerate growth within the region and provides a low cost manufacturing base





Diverse regional presence - 7 manufacturing sites in 5 countries (China, South Korea, Nepal, India and the Philippines)



1 Assumes full year contribution from Asia Acquisition, ECP and the new Australian crate pooling business

ADDRESSING NETWORK COMPLEXITY AND COST

NETWORK REDESIGN

The Group is assessing opportunities for tranformational change through organisational redesign of the Australian rigid packaging network. This includes:

- Assessing the optimum operational platform required – including number of sites, amount and type of equipment and warehousing needs
- Assessing alternative business processes and organisational structures that support a changed operational platform and which can enhance business effectiveness
- Identifying the resources, cost and business benefits to change

Rapid growth through acquisition has created a complex rigid packaging distribution network in Australia

- 28 rigid packaging plants
- Over 700 machines
- Limited standardisation across plants
- Multiple manufacturing technologies
- Significant off-site warehousing

HIGH COST TO SERVE

- Quality
- Freight
- Warehousing
- Inventory control
- Safety and training
- Operations management

A STRONG PLATFORM FOR THE FUTURE

- Transformational investments deliver earnings growth
- Strong underlying demand in Australia
- Efficiency programs continue to counter cost headwinds
- Disciplined cash management and a robust balance sheet
- Strong returns to shareholders
- Solid platform to deliver future growth

OUTLOOK

FY18

We expect to achieve higher revenue and earnings (before significant items) in FY18, subject to global economic conditions.

APPENDIX

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RECONCILIATION OF STATUTORY INCOME

$A millions	1H 2018	1H 2017
Statutory profit before income tax	63.9	71.6
Add net finance cost expense[1]	16.2	15.6
EBIT after significant items	80.1	87.2
Add significant items	6.7	3.0
EBIT	86.8	90.2
Add depreciation and amortisation	33.9	30.7
EBITDA	120.7	120.9

$A millions	1H 2018	1H 2017
Statutory NPAT	44.1	50.2
Add significant items	6.7	3.0
Tax effect of significant items	(0.3)	(0.3)
NPAT	50.5	52.9

1 Finance costs expense is presented net of interest revenue

CASHFLOW RECONCILIATION

$A millions	1H 2018	1H 2017
Statutory net cash used in operating activities	29.9	25.2
Interest	15.0	15.6
Tax	19.8	16.8
Reorganisation spend (relating to operating activities)	1.6	4.8
Other items	(1.6)	4.4
Operating cash flow - including securitisation	64.7	66.8
Less Securitisation	(1.2)	(4.3)
Operating cash flow	63.5	62.5

SIGNIFICANT ITEMS

$A millions	1H 2018	1H 2017
Acquisition related costs	(0.6)	(1.0)
Deferred settlement costs[1]	(5.1)	-
Business reorganisation program – restructuring costs	(1.0)	(2.0)
Total significant items before tax	**(6.7)**	**(3.0)**
Tax effect of significant items above	0.3	0.3
Total significant items after tax	**(6.4)**	**(2.7)**

1 Deferred settlement costs represent revisions to earn-out estimates for acquisitions made in the prior year, due mostly to stronger than expected earnings from Pascoe's in the period

DEFINITIONS OF NON-IFRS FINANCIAL MEASURES

Capex represents capital expenditure payments for property, plant and equipment

EBITDA refers to EBITDA before significant items. EBITDA is defined as earnings before net finance costs, tax, depreciation and amortisation – refer to page 19 for a reconciliation and page 21 for a breakdown of significant items

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

EBIT refers to EBIT before significant items. EBIT is defined as earnings before interest and tax – refer to page 19 for a reconciliation and page 21 for a breakdown of significant items

EBIT margin is calculated as EBIT as a percentage of sales revenue

Free cashflow is defined as operating cashflow less capex

Gearing is calculated as net debt divided by rolling 12 months EBITDA

Interest cover is calculated as rolling 12 months EBITDA divided by rolling 12 months net interest expense

Net debt is calculated as interest bearing liabilities less cash and cash equivalents

Net interest expense is equivalent to net finance costs and is net of interest revenue

NPAT refers to NPAT before significant items. NPAT is defined as net profit after tax – refer to page 19 for a reconciliation and page 21 for a breakdown of significant items

Operating cashflow is defined as EBITDA less the change in working capital, less changes in other assets and liabilities and excluding securitisation cash impact – refer to page 20 for a reconciliation

Operating cashflow conversion is defined as operating cashflow divided by EBITDA

Significant items are items that are non-recurring, individually material or do not relate to the operations of the existing business – refer to page 21 for a breakdown