Leading the Circular Economy

Annual Report 2026

PACT GROUP

Chair's Letter

Pact Group Holdings Ltd – Year ended 30 June 2026

Dear Shareholders,

On behalf of the Board of Directors of Pact Group Holdings Ltd, I am pleased to present our Annual Report for the year ended 30 June 2026.

FY26 was another challenging year for Pact. Persistent macroeconomic pressures, constrained consumer demand, higher operating costs and supply chain disruption caused by global conflicts affected volumes, margins and working capital across parts of the Group. These conditions were reflected in the Group's full year results, which highlighted softer revenue and earnings performance, as well as the need to remain disciplined on costs, cash generation and capital allocation.

Against this backdrop, Pact continued to focus on the fundamentals of its strategy: strengthening its core packaging platforms, improving operational performance, and advancing its vision to *Lead the Circular Economy* through scaled reuse and recycling solutions.

On behalf of the Board, I acknowledge with sadness the passing of Non-executive Director Carmen Chua in February 2026. Carmen made a valued contribution to Pact and brought deep commercial experience, insight and commitment to her role. We extend our sincere condolences to her family, colleagues and friends.

While the near-term environment is challenging, Pact's purpose and strategic direction remain clear. The Board is focused on supporting management to improve performance, strengthen operational resilience and position the business to benefit from the long-term transition to a more circular economy. I thank our stakeholders for their continued support throughout the year.

Raphael Geminder
Executive Chair
Pact Group Holdings Ltd

INTRODUCTION

This is the *Consolidated Financial Report* of Pact Group Holdings Ltd (**Pact** or the **Company**) and its subsidiaries (together referred to as the **Group**) and including the Group's joint ventures at the end of, or during the year ended 30 June 2026. This *Consolidated Financial Report* (**Report**) was issued in accordance with a resolution of the Directors on 19 August 2026.

Information is only included in the *Report* to the extent the Directors consider it material and relevant to the understanding of the financial statements. A disclosure is considered material and relevant if, for example:

- the dollar amount is significant in size and/or nature;
- the Group's results cannot be understood without the specific disclosure;
- it is critical to allow a user to understand the impact of significant changes in the Group's business during the year; and
- it relates to an aspect of the Group's operations that is important to its future performance.

Preparing this *Report* requires management to make a number of judgements, estimates and assumptions to apply the Group's accounting policies. Actual results may differ from these judgements and estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods. Key judgements and estimates, which are material to this *Report*, are highlighted within the following notes:

- Note 1.3: Taxation
- Note 2.2: Estimation of useful lives of assets
- Note 2.2: Recoverability of property, plant and equipment
- Note 2.2: Impairment of goodwill and other intangibles
- Note 2.4: Business restructuring
- Note 2.5: Incremental borrowing rate
- Note 2.5: Determining the lease term of contracts with renewal and termination options

To assist in identifying key accounting estimates and judgements, they have been highlighted as follows:

CONTENTS

DIRECTORS' REPORT

The Directors present their report on the consolidated entity consisting of Pact and its subsidiaries and including the Group's joint ventures at the end of, or during, the year ended 30 June 2026.

DIRECTORS

The Directors of the Company during the year ended 30 June 2026 and at the date of this report (unless otherwise indicated) were as follows:

Raphael Geminder

Michael Wachtel

Sanjay Dayal

Carmen Chua (ceased 19 February 2026)

Nicholas Perkins

Tristan Smith

INFORMATION ON DIRECTORS

The qualifications, experience, special responsibilities and other details of Directors in office during the period and as at the date of this report, unless otherwise indicated, are:

Non-Executive

Michael Wachtel
Deputy Chair, Independent Non-Executive Director

Member of the Board since 21 April 2020
Chair of the Audit, Business Risk & Compliance Committee (ceased 6 November 2025)
Member of the Nomination & Remuneration Committee (ceased 6 November 2025)

Michael brings a strong professional background and extensive global experience in governance, risk management, finance and complex international transactions to the role. Michael was previously a member of the Board of Guardians of the Future Fund, where he had involvement in global markets and monetary policy trends, and held a number of leadership roles in professional services organisations, including as former Chair (Asia Pacific and Oceania) of Ernst & Young. Michael is currently the chair of Netwealth Group Limited and a director of SEEK Limited.

Michael has a Bachelor of Commerce and Bachelor of Laws from the University of Cape Town and a Master of Laws from the London School of Economics. Michael has completed the Harvard Business School Executive Program, is a Fellow of the Australian Institute of Company Directors and is a Certified Tax Advisor.

Nicholas Perkins
Non-Executive Director

Member of the Board since 25 September 2024
Member of the Nomination & Remuneration Committee (ceased 6 November 2025)

Nicholas Perkins is the Chief Executive Officer of Kin Group Pty Ltd (**Kin Group**), which is a substantial shareholder of the Company. Kin Group is a diversified, global, long-term focused investor with offices in Melbourne and New York. Nicholas has held a variety of roles within Kin Group and its subsidiary businesses for over 20 years, including 10 years as the General Counsel of the Company. Nicholas was previously a director of The Reject Shop Limited.

Nicholas holds a Bachelor of Arts and Bachelor of Laws from the University of Melbourne and is a graduate member of the Australian Institute of Company Directors.

Tristan Smith
Non-Executive Director

Member of the Board since 25 September 2024
Member of the Audit, Business Risk & Compliance Committee (ceased 6 November 2025)

Tristan Smith is a Chartered Accountant and the Chief Financial Officer of Kin Group, which is a substantial shareholder of the Company. Tristan joined Kin Group in 2019 after nearly 20 years working globally with Ernst & Young. He holds a number of advisory and board positions across portfolio investments spanning Kin Group's packaging, food and property portfolios.

Tristan holds a Bachelor of Commerce degree and a Master of Commerce degree from Macquarie University and is a member of Chartered Accountants Australia and New Zealand and is a graduate member of the Australian Institute of Company Directors.

DIRECTORS' REPORT

Non-Executive (Former)

The below information regarding former Non-Executive Director, Carmen Chua, is current as at cessation date of 19 February 2026:

Carmen Chua
Independent Non-Executive Director

Member of the Board 1 September 2018 to 19 February 2026
Chair of the Nomination & Remuneration Committee (ceased 6 November 2025)
Member of the Audit, Business Risk & Compliance Committee (ceased 6 November 2025)

Carmen was based in Hong Kong and had broad management experience in the packaging and material science industry. Carmen held the following positions at Henkel - President of Henkel Asia Pacific, Regional Head of Henkel Adhesive Technology, Corporate Senior Vice President of the global Mobility and Electronics division, and member of the Adhesive Executive Committee. Previously, Carmen led the global powder resins business of Covestro, was the Chief Marketing Officer of the Resins and Functional Material business for Royal DSM, was President for Laird PLC and VP/GM of the Materials Group at Avery Dennison. Carmen has also held leadership positions across sales, marketing and business development with organisations such as Worldmark and Dell Computer.

Carmen held a Bachelor of Arts (Hons) from University Science Malaysia, a Master of Business Administration from the University of Portsmouth, UK and Advanced Management Program from Wharton School of Business.

Executive

Raphael Geminder
Executive Chair

Member of the Board since 19 October 2010

Raphael founded Pact in 2002. Prior to founding Pact, he was the co-founder and Chair of Visy Recycling, growing it into the largest recycling company in Australia. Raphael holds several advisory and board positions and is the Chair of Kin Group, which is a substantial shareholder of the Company.

Raphael holds a Master of Business Administration in Finance from Syracuse University, New York.

Sanjay Dayal
Managing Director and Group Chief Executive Officer

Member of the Board since 3 April 2019

Sanjay joined Pact from BlueScope Steel where he held the position of Chief Executive, Building Products, Corporate Strategy and Innovation. This followed several other senior positions in Asia and Australia over a nine-year period with the company. Prior to BlueScope Steel, Sanjay had a successful career with Orica and ICI, including as Regional General Manager for Manufacturing and Supply Chain and General Manager for the DynoNobel Integration, based out of London.

Sanjay holds a Bachelor of Technology (Chemical Engineering) from the Indian Institute of Technology – Delhi.

COMPANY SECRETARY

Kathryn de Bont
General Counsel & Company Secretary

Kathryn was appointed to the positions of General Counsel and Company Secretary on 1 June 2022. Kathryn has been part of the legal team at Pact since November 2018. Prior to this, Kathryn worked in legal and governance roles in private practice and industry, including with Sodexo, Programmed Maintenance Services Limited, Skilled Group Limited, Visy and Ashurst (formerly Blake Dawson).

Kathryn holds a Bachelor of Arts and Bachelor of Laws (Hons) from Monash University.

DIRECTORS' REPORT

DIRECTORS' MEETINGS

The table below shows the number of Directors' meetings, including meetings of the Audit, Business Risk & Compliance Committee (**ABRCC**) and the Nomination & Remuneration Committee (**NRC**) (together the **Standing Board Committees**), which each Director was eligible to attend, and the number of meetings attended by each Director, in their capacity as a member during the year:

	Board(1)		Audit, Business Risk & Compliance Committee(2)		Nomination & Remuneration Committee(2)	
Director	**Eligible**	**Attended**	**Eligible**	**Attended**	**Eligible**	**Attended**
Raphael Geminder	15	14	-	-	-	-
Michael Wachtel	15	15	3	3	2	2
Carmen Chua(3)	12	6	3	2	2	2
Nicholas Perkins	15	15	-	-	2	2
Tristan Smith	15	15	3	3	-	-
Sanjay Dayal	15	15	-	-	-	-

(1) Includes out of session meetings held from time to time to deal with ad-hoc matters.

(2) The Standing Board Committees were dissolved effective 6 November 2025. Prior to dissolution, the ABRCC and NRC provided a standing invitation for any Director to attend committee meetings. The table excludes the attendance of Directors at committee meetings where they were not a member of the relevant committee.

(3) Carmen Chua ceased as a Director of the Company on 19 February 2026.

PRINCIPAL ACTIVITIES

Pact is a leading provider of specialty packaging solutions, servicing consumer and industrial sectors. Pact specialises in the manufacture and supply of rigid plastic and metal packaging, materials handling solutions, contract manufacturing services and recycling and sustainability services.

There have been no significant changes in the nature of these activities during the year.

OUR VISION

Pact's Vision is to *Lead the Circular Economy* through reuse, recycling and packaging solutions.

REVIEW OF OPERATIONS AND FINANCIAL PERFORMANCE

*Pact and the Group report revenue of $1,729.4 million for the year ended 30 June 2026, down 5.1% compared to the prior corresponding period (**pcp**). The statutory reported net loss after tax for the year was $44.2 million, compared to a statutory reported net profit after tax of $23.6 million in the pcp.*

OVERVIEW

- Total Group Revenue down 5.1% to $1,729.4 million (pcp: $1,821.7 million).
- Statutory reported net loss after tax of $44.2 million (pcp: profit $23.6 million).
- Underlying EBITDA[1] down 8.9% to $226.9 million (pcp: $249.1 million).
- Underlying EBIT[2] down 19.9% to $111.0 million (pcp: $138.5 million).
- Underlying NPAT[3] down 45.5% to $20.5 million (pcp: $37.7 million).
- On 24 October 2025, the Group acquired 100% of the issued capital and voting rights of Linpac Packaging Australia Pty Ltd (**Linpac**). Net cash consideration paid on acquisition was $8.0 million. Refer to Note 3.1 of the *Financial Report* for further information.
- During the period the Group continued to execute a multi-year transformation program, progressing the closure of eight manufacturing sites across Australia and New Zealand. A total of $49.8 million of restructuring and asset write-offs have been included in underlying adjustments.
- The Company announced on 11 December 2025 that the legal proceedings relating to the acquisition of TIC Retail Accessories had settled under a deed of settlement dated 10 December 2025. Under the deed, the Company agreed to pay $9,990,000 to the former owners of the TIC Retail Accessories Group.
- The Group recognised total losses of $22.4 million relating to the Circular Plastics Australia (PE) Pty Ltd (**Laverton**) joint venture. Refer to Note 3.3 of the *Financial Report* for further information.
- Net debt[6] at $510.9 million is up $15.6 million on June 2025. The increase reflects continued investment in upgrading capability. The Group continues to maintain liquidity headroom through committed undrawn banking facilities and remains focused on disciplined capital allocation and debt management.
- Gearing[4] at 3.5x (compared to 3.0x in the pcp).
- The Board has resolved not to pay a final dividend in respect of FY26.

REVIEW OF OPERATIONS AND FINANCIAL PERFORMANCE (CONTINUED)

GROUP RESULTS

$'000	2026	2025	Change %
Revenue	**1,729,410**	1,821,729	*(5.1%)*
Other income (excluding interest revenue)	**17,990**	23,380	
Expenses	**(1,520,534)**	(1,596,048)	
Underlying EBITDA[1]	**226,866**	249,061	*(8.9%)*
EBITDA Margin	**13.1%**	13.7%	
Depreciation and amortisation	**(115,889)**	(110,559)	
Underlying EBIT[2]	**110,977**	138,502	*(19.9%)*
EBIT Margin	**6.4%**	7.6%	
Underlying adjustments (before tax)	**(78,895)**	(13,825)	
Reported EBIT	**32,082**	124,677	*(73.7%)*
Net finance costs expense	**(91,616)**	(91,266)	
Income tax benefit/(expense)	**1,182**	(9,551)	
Tax on underlying adjustments	**14,158**	(262)	
Net (Loss)/Profit After Tax	**(44,193)**	23,598	*(287.3%)*

Reconciliation of Statutory (Loss)/Income – $'000	2026	2025
Statutory (loss)/profit before income tax expense	**(59,534)**	33,411
Net finance costs and loss on de-recognition of financial assets	**91,616**	91,266
Reported EBIT	**32,082**	124,677
Underlying adjustment expense	**78,895**	13,825
Underlying EBIT[2]	**110,977**	138,502
Depreciation and amortisation expense	**115,889**	110,559
Underlying EBITDA[1]	**226,866**	249,061
Statutory net (loss)/profit	**(44,193)**	23,598
Underlying adjustments before tax	**78,895**	13,825
Tax (benefit)/expense on underlying adjustments	**(14,158)**	262
Underlying NPAT[3]	**20,543**	37,685

Underlying Adjustments

Pre-tax underlying adjustments for the year were a cost of $78.9 million. This includes $22.4 million in losses relating to the Laverton joint venture, and the amortisation of intangible assets in the Viscount Reuse joint venture of $2.0 million. The remaining costs include $49.8 million of business restructuring costs and $4.7 million in transaction costs.

Pre-tax underlying adjustments for the prior year were an expense of $13.8 million, which was net of the Viscount Rotational Mouldings Pty Ltd (**VRM**) divestment gain of $13.6 million (divested on 31 December 2024). A net gain of $4.5 million relates to the Marquis joint venture. This included a contingent consideration of $15.0 million offset by $7.5 million loss recognised through equity accounting for Pact's share of this transaction and $3.0 million in fair value adjustments. Losses and expenses of $31.9 million includes $16.1 million of business restructuring costs, $6.5 million in transaction costs and $3.4 million for lease exit costs. NPAT losses relating to the Laverton joint venture of $5.9 million were also included as the site was not certified for food grade material until late June 2025.

Net Finance Expense

Net financing costs for the year were $91.6 million, up $0.3 million compared to the pcp.

Income Tax Expense

The income tax benefit for the year (excluding tax on underlying adjustments) was $1.2 million, representing an average tax rate of (6.1%) of underlying net profit before tax, down on the prior period at 20.2%. In FY26 the mix of taxable profits earned is more weighted to offshore markets than Australia and the Group has recognised prior years' tax benefits from R&D tax credits. Tax on underlying adjustments was a benefit of $14.2 million for the year compared to an expense of $0.3 million in the pcp.

Underlying Net Profit After Tax

The underlying net profit after tax for the year was $20.5 million compared to $37.7 million for the prior year.

DIRECTORS' REPORT

REVIEW OF OPERATIONS AND FINANCIAL PERFORMANCE (CONTINUED)

BALANCE SHEET

$'000	2026	2025	Change %
Cash (net of bank overdraft)	**65,009**	64,944	*0.1%*
Other current assets	**415,749**	438,189	*(5.1%)*
Property, plant and equipment	**1,063,045**	1,048,863	*1.4%*
Intangible assets	**293,075**	311,514	*(5.9%)*
Investment in Joint Ventures	**122,947**	122,640	*0.3%*
Other assets	**77,892**	53,293	*46.2%*
Total Assets	**2,037,717**	2,039,443	*(0.1%)*
Lease liabilities	**555,223**	540,855	*2.7%*
Bank borrowings[7]	**575,890**	560,281	*2.8%*
Other liabilities, payables and provisions	**480,434**	431,507	*11.3%*
Total Liabilities	**1,611,547**	1,532,643	*5.1%*
Net Assets	**426,170**	506,800	*(15.9%)*
Net Debt including lease liabilities[6]	**1,066,104**	1,036,192	*2.9%*
Net Debt[6]	**510,881**	495,337	*3.1%*

Net debt at 30 June 2026 of $510.9 million was up versus 30 June 2025 as the Group continued its capital asset program. Net debt including lease liabilities at 30 June 2026 increased by $29.9 million to $1,066.1 million. The Group has significant undrawn debt capacity, with $197.7 million in committed undrawn facilities.

Movement in other current assets is predominately due to decreases in trade and other receivables and inventory. Receivables reduced due to the proceeds received from the contingent consideration from the Marquis joint venture transaction and inventory reduced in response to lower sales volumes.

Property, plant and equipment is up $14.2 million on the pcp largely driven by capital additions and the impact of the Linpac acquisition which added $22.4 million, including $17.5 million of right-of-use assets and $4.9 million of plant and equipment.

The decrease in intangible assets of $18.5 million is fully attributable to foreign currency movements and the movement in Other assets is due to the increase in deferred tax assets.

The increase in Other liabilities, payables and provisions is due to the increase in trade payables and restructuring provisions.

Financing Metrics	2026	2025	Change
Gearing[4]	**3.5x**	3.0x	*(0.5x)*
Gearing (including leasing)[4]	**4.7x**	4.2x	*(0.5x)*
Interest Cover[5]	**3.2x**	3.5x	*0.3x*
Interest Cover (including leasing)[5]	**2.7x**	3.0x	*0.3x*

At 30 June 2026, gearing was 3.5x, an increase of 0.5x compared to the pcp. Including the impact of lease accounting, gearing was 4.7x (compared to 4.2x in the pcp). Interest cover at 3.2x is down 0.3x on the pcp (excluding lease interest). Including the impact of lease accounting, interest cover was 2.7x (compared to 3.0x in the pcp).

CASHFLOW

Key Items – $'000	2026	2025	Change %
Net cash flows provided by operating activities	**116,367**	66,398	*75.3%*
Payments for property, plant and equipment	**(84,933)**	(119,386)	*(28.9%)*
Payments for investments in and loans to joint ventures	**(6,145)**	(5,790)	*6.1%*
Purchase of businesses	**(8,000)**	-	-
Proceeds from sale of businesses	**7,500**	21,762	*(65.5%)*
Proceeds from borrowings	**815,751**	1,356,797	*(39.9%)*
Repayment of borrowings	**(790,306)**	(1,283,242)	*(38.4%)*
Repayment of lease liability principal	**(49,915)**	(48,901)	*2.1%*

REVIEW OF OPERATIONS AND FINANCIAL PERFORMANCE (CONTINUED)

CASHFLOW (CONTINUED)

Statutory net cash flows provided by operating activities was $116.4 million for the year, up $50.0 million versus the prior year. Operating cashflow improved due to lower working capital levels, reduced tax payments in FY26, as the prior year included tax payments relating to the completion of the Crates Transaction in November 2023, and lower finance costs in FY26, as no refinancing activity occurred during the year.

Payments for property, plant and equipment were $84.9 million for the year, down $34.5 million. In line with Group strategy, investment has focused on upgrading packaging capability to enable the inclusion of increased recycled content, strengthen capacity and optimise the manufacturing network.

Payments for investments in and loans to joint ventures of $6.1 million ($5.8 million in the pcp) primarily relate to further investments in Pact's joint ventures that are building a national network of recycling infrastructure to supply high-quality food grade recycled resins.

The payment of $8.0 million relates to the acquisition of Linpac in October 2025.

Cash proceeds of $7.5 million relate to the receipt for Marquis joint venture contingent consideration. The proceeds in the pcp of $21.8 million relate to the divestment of VRM which was completed on 31 December 2024.

Repayments of lease liability principal (net of incentives received) represents the payment of liabilities in accordance with AASB 16.

NOTES

This Review of Operations and Financial Performance for the year ended 30 June 2026 includes certain non-IFRS financial information which has not been subject to review by the Group's external auditor. This information is used by Pact, the investment community and Pact's Australian peers with similar business portfolios. Pact uses this information for its internal management reporting as it better reflects what Pact considers to be its underlying performance.

(1) Underlying EBITDA is a non-IFRS financial measure which is calculated as earnings before underlying adjustments, finance costs (net of interest revenue), tax, depreciation and amortisation.

(2) Underlying EBIT is a non-IFRS financial measure which is calculated as earnings before underlying adjustments, finance costs (net of interest revenue) and tax.

(3) Underlying NPAT is a non-IFRS financial measure which is calculated as net profit after tax before underlying adjustments.

(4) Gearing is a non-IFRS financial measure which is calculated as net debt divided by rolling 12 months underlying EBITDA. Gearing has been presented both excluding and including the impact of lease accounting since the adoption of AASB 16.

(5) Interest cover is a non-IFRS financial measure which is calculated as rolling 12 months underlying EBITDA divided by rolling 12 months net finance costs and losses on de-recognition of financial assets. Interest cover has been presented excluding and including the impact of lease accounting since the adoption of AASB 16.

(6) Net debt is a non-IFRS financial measure and is calculated as interest bearing liabilities (presented including and excluding lease liabilities) less cash and cash equivalents.

(7) Bank borrowings exclude prepaid borrowing costs.

BUSINESS RISKS

There are various internal and external risks that may have a material impact on the Group's future financial performance and economic sustainability. The Group makes every effort to identify material risks and to manage these effectively. There has been an increased level of macroeconomic uncertainty, such as cost and wage inflation, increases in interest rates, geopolitical tensions, and pressures on retaining and attracting talent over the last two years. Pact has teams in place to actively monitor these risks and has also expanded capability by appointing subject matter experts and risk champions across our business. The Group applies a three lines of defence model approach to managing risk and compliance obligations.

Material risks that could adversely impact the Group's financial prospects are listed below. These risks are not to be interpreted as an exhaustive list of the risks Pact is exposed to, nor are they in order of significance.

Cyber risks

Data security is fundamental to protect privacy of information and to protect critical intellectual property. Advances in technology have resulted in an increased volume of data being stored electronically. There is an increasing risk of and sophistication to cyber-attacks and crime, including as a result of increased use of artificial intelligence (AI), which may lead to systems and data breaches, interruption to operations and an adverse effect on the Group's future financial performance. To manage this risk, Pact has operational safeguards in place to detect and prevent cyber-attacks, such as employee training, monitoring of our networks and systems, ensuring strong data protection standards, and maintaining and upgrading security systems. Pact has adopted cyber security incident response policies, plans and procedures that align with the ISO 27001 framework, mock data breach assessments, cyber security training and penetration testing. To date, the Group has not experienced any significant impacts.

Interest rate risk

Use of variable debt exposes the Group to interest rate risk. Pact seeks to manage risks associated with interest rates and finance costs by assessing and, where appropriate, utilising a mix of fixed and variable rate debt and interest rate swaps or options when variable debt is in place.

DIRECTORS' REPORT

REVIEW OF OPERATIONS AND FINANCIAL PERFORMANCE (CONTINUED)

BUSINESS RISKS (CONTINUED)

People risks

The future financial and operational performance of the Group is significantly dependent on the performance and retention of key personnel, in particular executive and senior leaders. The unplanned or unexpected loss of key personnel, or the inability to attract and retain high performing individuals to the business may adversely impact the Group's future financial performance. Pact has introduced and developed a number of initiatives to attract, develop and retain key people, including talent management and succession planning, recognition programs, implementation of a performance management system and incentive plans. Pact has designed senior leadership programs at executive leadership level for continued development including coaching and mentoring. The talent sourcing strategy also includes proactive networking and curation of talent pools for critical roles.

Health and safety risks

In alignment with the manufacturing and chemical industries, Pact continues to face exposure to health, safety, and environmental (**HSE**) risks, including both physical and psychological injuries. Non-compliance with HSE legislation or failure to adhere to industry best practices can result in harm to individuals, the environment, and the communities in which Pact operates. Such incidents may lead to operational disruptions, reputational damage, and financial loss. Pact has strengthened its Workplace Health, Safety and Environment (**WHSE**) governance and operational frameworks over the past year. The One Pact WHSE Council is transitioning from a reactive, compliance-based model to a proactive risk management model that embeds critical risk management principles. An Executive WHSE Committee has also been established to ensure accountability for governance, priority setting, key performance indicator development, and system oversight. All sites have completed Stage 1 and 2 self-assessments against our 11 significant risk minimum standards, resulting in the development of action plans to address any identified gaps. Learnings from serious or potentially serious incidents are shared across the business, with corrective actions tracked and verified. These initiatives, combined with updated WHSE and Environmental Policies, reflect Pact's commitment to a safer, more sustainable workforce and a robust risk management culture.

Consumer demand

Changes in demand for Pact's products or adverse activities in key industry sectors may be influenced by various factors. These factors include climate change, seasonality of food production, supermarket focus on private brands within Australian and New Zealand supermarket chains, and changes in cost, convenience, health or technology. The sectors affected include consumer goods (e.g. food, beverages, personal care) and industrial sectors (e.g. surface coatings, petrochemical, agriculture). Demand for Pact's products may materially be affected by any of these factors, impacting the Group's financial performance. Strong customer relationships and a commitment to sustainable packaging solutions are important to the Group's ongoing success. Until regulations mandate recycled content in packaging, customers may prefer cheaper virgin resin products. There is a risk that regulations may not incentivise domestic recycled material, making it uncompetitive. Pact monitors supply and demand, especially during pandemics or economic changes, and has introduced a centralised procurement system to manage this risk.

Volatility of foreign exchange, commodity prices and economic environment

Pact's financial reports are prepared in Australian dollars. However, a substantial proportion of Pact's revenue, expenditures, cash flows, assets and liabilities are exposed to translation risk from offshore operations or operations in Australia that have a functional currency that is not the Australian dollar. The largest exposures are the New Zealand dollar from our New Zealand operations. Pact is also exposed to the US dollar; Chinese yuan; the Philippines peso; the Indonesian rupiah; the Thai baht; the South Korean won; the Indian rupee; the Nepalese rupee; the Hong Kong dollar; the UK pound; and the Bangladesh taka.

To manage this exposure Pact utilises borrowing in the functional currency of the overseas entity to naturally hedge offshore entities, where considered appropriate. The foreign currency debt provides a balance sheet hedge of the asset, while the foreign currency interest cost provides a natural hedge of the offshore profit. Pact also has exposure to foreign exchange risk through operating activities, mainly the purchases of raw materials and capital expenditure that are denominated in a different currency from the entity's functional currency. US dollars and Euros are the main exposure. The Group manages these risks through customer pricing, including contractual rise and fall adjustments, and utilises forward foreign currency contracts to eliminate or reduce currency exposures on short-term commitments. The Group is also exposed to commodity price risk from various commodities, including resin. The Group manages these risks through customer pricing, including contractual rise and fall adjustments.

Any appreciation of the Australian dollar against the functional currencies of operations would have an adverse effect on the Group's future financial performance, while any depreciation of the Australian dollar against the transactional exposures would have a positive effect on the Group's future financial performance.

Global supply chain disruptions

Global supply chain disruptions experienced extreme volatility in the second half of FY26 following the effective closure of the Strait of Hormuz following the outbreak of conflict in the Middle East. Pact has taken a series of mitigating steps over the last three years to address potential disruptions to supply including launching a program to accelerate the introduction of alternative resins into the business and reduce dependence on single sourced resins. These steps have supported Pact's response to the supply chain disruptions arising in connection with the conflict in the Middle East and continue to mitigate supply impacts to our customers.

DIRECTORS' REPORT

REVIEW OF OPERATIONS AND FINANCIAL PERFORMANCE (CONTINUED)

BUSINESS RISKS (CONTINUED)

Business continuity and incident management

The Group operates across a diverse geographical footprint and situations may arise in which sites cannot operate. Factors include emergency situations such as natural disasters, failure of information technology systems or security, or industrial disputes. Any of these factors may lead to disruptions in production or increase in costs and may have an adverse effect on the Group's financial performance.

Legal and regulatory compliance risks

The Group is required to comply with extensive global legislative and regulatory requirements, including those relating to health and safety; modern slavery; competition and consumer law; industrial relations; employment; anti-bribery and corruption; environment; customs and international trade; taxation; and corporations law. Failure to comply with these requirements could negatively impact our employees, customers, and operations, and expose the Group to litigation, regulatory investigations or enforcement action which may adversely impact our reputation and the Group's financial performance. Pact has a compliance framework in place based on ISO 37301:2021 which sets out the standards, requirements and accountability for managing regulatory compliance obligations across the Group. The Group's compliance framework creates an integrated, strategic, consistent and risk informed approach to the management of its compliance obligations and is subject to continual review and assurance. Pact has legal and compliance teams who monitor and advise the Group on legal, regulatory issues, and government policy changes.

Environment and sustainability risks

Packaging, in particular plastic packaging, has been identified globally as a significant environmental issue. In response, Pact has focused on embedding environmental, social, and governance (**ESG**) principles throughout our organisation. Recognising the importance of robust governance, we established the ESG Steering Committee, chaired by Pact's CEO and supported by a dedicated cross-functional team of executives. This committee is driving our ambition to integrate ESG into the fabric of Pact's operations while enhancing our capabilities in systems, data, processes and people.

Climate change related risks may impact Pact's physical operations, in addition to food security and drought that can impact customer operations and have downstream impacts on the Group's business operations. In response to the mandatory reporting of climate related financial disclosures introduced by the *Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Act 2024* (Cth), Pact has undertaken a full review of its climate related risks and opportunities along with the development of an appropriate risk management strategy. The Company annually produces the Impact Report (formerly the Sustainability Report) that outlines and reflects on the impact of the Group's operations and supply chain on the environment, focusing on social and environmental impacts, alongside its governance and leadership principles. The Impact Report is prepared in accordance with the Global Reporting Initiative standards. Longer term climate change patterns could significantly alter supplier availability or customer demand; however, these changes are uncertain and we cannot predict the potential magnitude of such events on our business, financial and operational outcomes.

DIVIDENDS

The Directors have determined that no dividend will be paid in relation to the 2026 financial year (2025: Nil).

OTHER EVENTS OF SIGNIFICANCE & SUBSEQUENT EVENTS

On 26 May 2026, Bennamon Industries Pty Ltd (**Bennamon Industries**), a wholly owned subsidiary of Kin Group, lodged a notice of compulsory acquisition (**Notice**) and associated documents, including an Independent Expert Report prepared by BDO Corporate Finance Australia Pty Ltd, with the Australian Securities and Investments Commission in relation to the compulsory acquisition of all the remaining ordinary shares in the Company that Bennamon Industries and its related bodies corporate did not already own for $1.10 per share, in accordance with Part 6A.2 of the *Corporations Act 2001* (Cth) (**Corporations Act**). Kin Group has advised the Company that shareholders of the Company holding at least 10% of the shares covered by the Notice have objected to the compulsory acquisition and that Bennamon Industries has applied for court approval of the proposed compulsory acquisition in accordance with section 664F of the Corporations Act.

There have been no material matters or circumstances which have arisen between 30 June 2026 and the date of this *Report* that have significantly affected or may significantly affect the operations of the Group, the results of those operations and the state of affairs of the Group in subsequent financial periods.

DIRECTORS' REPORT

ENVIRONMENTAL REGULATION

The Group operates under an integrated WHSE Management System, with a vision of a safe and engaged workplace not compromising its environmental values. The system aligns with AS/NZS ISO 45001:2018 and AS/NZS ISO 14001:2016, and operates under the Group's *Environmental Policy* and *Workplace Health and Safety Policy*. The system is fundamental to achieving compliance with environmental regulations in all jurisdictions in which the Group operates and is implemented at all sites.

Where applicable, licences and consents are in place in respect of each site within the Group. An interactive database is used to ensure compliance and completion of all required actions. Where an environmental incident occurs, it is reported and assessed according to its consequence, and regulatory authorities are notified where required.

On occasion, the Group receives notices from relevant authorities pursuant to local environmental regulations and in relation to the Group's environmental licences and consents. The Group takes all notices seriously, conducts a thorough investigation into underlying causes of issues or incidents, and ensures it takes every opportunity to continually improve systems. Pact works with the appropriate authorities to address any requirements and to proactively manage any obligations. In the year ended 30 June 2026, a subsidiary of the Company was convicted of a breach of its Environmental Protection Licence and a pollution of waters offence associated with an unauthorised discharge of liquid from its site in Prestons, New South Wales.

The Group reports under the National Pollutant Inventory for sites triggering the relevant reporting thresholds, as required by the *Protection of the Environment Operations Act 1997* (NSW) and the *Environment Protection Regulations 2021* (Vic).

The Group is also subject to the reporting and compliance requirements of the Australian *National Greenhouse and Energy Reporting Act 2007* (Cth) which requires that Pact report its annual greenhouse gas emissions and energy use. Pact has submitted all annual reports and is due to submit its next report in October 2026. The Group engages a third party to provide limited assurance of its Scope 1 and 2 emissions metrics.

AASB S2: *Climate-related Disclosures* became effective for the Group in the current reporting period. The Group's sustainability-related disclosures will be included in the Sustainability Report prepared and issued by Pact's ultimate parent entity, Kin Group. Accordingly, a separate sustainability report has not been prepared by the Group, as permitted under the Corporations Act. Detailed disclosures relating to climate governance, strategy, risk management, scenario analysis, metrics and targets and climate-related financial impacts are available in Kin Group's reporting.

SHARE OPTIONS AND RIGHTS

The total number of performance rights on issue as at 30 June 2026 was nil as shown in the table below:

		Movements during the year		
Performance rights	**Balance as at 1 July 2025**	**Granted**	**Lapsed**	**Balance as at 30 June 2026**
FY23 LTI	1,213,196	-	(1,213,196)	-
Total	**1,213,196**	-	**(1,213,196)**	**-**

During the period, no performance rights were granted, 1,213,196 lapsed and no performance rights over ordinary shares were exercised. There were no share options over shares in existence.

No person entitled to the FY23 LTI performance rights had any rights by virtue of the performance right to participate in any share issue of the Company.

INDEMNIFICATION AND INSURANCE OF OFFICERS

The Company's *Constitution* requires the Company to indemnify current and former Directors, alternate Directors, executive officers and such other officers of the Company as the Board determines on a full indemnity basis and to the full extent permitted by law against all liabilities incurred as an officer of the Group. Further, the Company's *Constitution* permits the Company to maintain and pay insurance premiums for Director and Officer liability insurance, to the extent permitted by law.

Consistent with (and in addition to) the provisions in the Company's *Constitution* outlined above, the Company has provided deeds of access, indemnity and insurance to all Directors of the Company, the Chief Financial Officer (**CFO**) and the Company Secretary which provide indemnities against losses incurred in their role as Directors, CFO or Company Secretary, subject to certain exclusions, including to the extent that such indemnity is prohibited by the Corporations Act or any other applicable law.

During the financial year the Company paid insurance premiums for a Directors and Officers liability insurance policy that provides cover for the current and former Directors, alternate Directors, secretaries, executive officers and officers of the Group. The Directors have not included details of the nature of the liabilities covered in this contract or the amount of the premium paid, as disclosure is prohibited under the terms of the contract.

DIRECTORS' REPORT

INDEMNIFICATION OF AUDITORS

Pursuant to the terms of the Company's standard engagement letter with Ernst & Young (**EY**), the Company indemnifies EY against all claims by third parties and resulting liabilities, losses, damages, costs and expenses (including reasonable legal costs) arising out of, or relating to, the services provided by EY or a breach of the engagement letter. The indemnity does not apply in respect of any matters finally determined to have resulted from EY's negligent, wrongful or wilful acts or omissions nor to the extent prohibited by applicable law including the Corporations Act.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the court under section 237 of the Corporations Act for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with the leave of the court under section 237 of the Corporations Act.

AUDITOR

EY continues in office as auditor of the Company (**Auditor**) in accordance with section 327 of the Corporations Act.

No current or former audit partners are Directors or Officers of the Company.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's independence declaration, as required under section 307C of the *Act*, is set out on page 11 and forms part of this *Directors' Report*.

ROUNDING

Figures in the *Directors' Report* and financial statements are presented in Australian dollars with all values rounded to the nearest $1,000 (where rounding is applicable), unless otherwise stated, in accordance with the option available to the Company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The Company is an entity to which this legislative instrument applies.

This *Directors' Report* is signed in accordance with a resolution of Directors.

Raphael Geminder	Sanjay Dayal
Executive Chair	**Managing Director and Group Chief Executive Officer**

20 August 2026

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Auditor's independence declaration to the directors of Pact Group Holdings Ltd

As lead auditor for the audit of the financial report of Pact Group Holdings Ltd for the financial year ended 30 June 2026, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Pact Group Holdings Ltd and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

Ashley Butler
Partner
20 August 2026

FINANCIAL REPORT
Consolidated Statement of Comprehensive Income
For the year ended 30 June 2026

$'000	Notes	2026	2025
Revenue	1.2	**1,729,410**	1,821,729
Raw materials and consumables used		**(773,409)**	(825,439)
Employee benefits expense		**(450,187)**	(465,072)
Occupancy, repair and maintenance, administration and selling expenses		**(307,873)**	(306,924)
Interest and other income		**20,024**	25,339
Other (losses)/gains	6.2	**(50,145)**	771
Depreciation and amortisation expense		**(115,889)**	(110,559)
Impairment expense	1.1	**(15,989)**	-
Finance costs and loss on de-recognition of financial assets	4.1	**(93,650)**	(93,221)
Share of losses in joint ventures	3.3	**(1,826)**	(13,213)
(Loss)/Profit before income tax		**(59,534)**	33,411
Income tax benefit/(expense)	1.3	**15,341**	(9,813)
Net (loss)/profit for the year		**(44,193)**	23,598
Net (loss)/profit for the year attributable to equity holders of the parent entity		**(44,193)**	23,598
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liability		**140**	(53)
Items that will be reclassified subsequently to profit or loss			
Cash flow hedge gain/(loss) taken to equity		**1,235**	(1,250)
Foreign currency translation (losses)/gains		**(37,302)**	9,814
Income tax (expense)/benefit on items in other comprehensive income		**(510)**	379
Other comprehensive (loss)/profit for the year, net of tax		**(36,437)**	8,890
Total comprehensive (loss)/income for the year attributable to equity holders of the parent entity		**(80,630)**	32,488
Earnings per share attributable to equity holders of the parent entity (in cents)			
Basic earnings per share	1.1	**(12.8)**	6.9
Diluted earnings per share	1.1	**(12.8)**	6.8

The *Consolidated Statement of Comprehensive Income* should be read in conjunction with the accompanying notes.

FINANCIAL REPORT
Consolidated Statement of Financial Position
For the year ended 30 June 2026

$'000	Notes	2026	2025
CURRENT ASSETS			
Cash and cash equivalents	4.1	**78,591**	65,737
Trade and other receivables	2.1	**141,477**	159,049
Inventories	2.1	**227,494**	247,664
Contract assets		**15,359**	18,083
Other current financial assets	4.4	**2,976**	570
Prepayments		**14,861**	12,030
TOTAL CURRENT ASSETS		**480,758**	503,133
NON-CURRENT ASSETS			
Trade and other receivables	2.1	**848**	888
Prepayments		**761**	1,257
Property, plant and equipment	2.2	**1,063,045**	1,048,863
Investments in joint ventures	3.3	**122,947**	122,640
Intangible assets and goodwill	2.2	**293,075**	311,514
Deferred tax assets	1.3	**76,283**	51,148
TOTAL NON-CURRENT ASSETS		**1,556,959**	1,536,310
TOTAL ASSETS		**2,037,717**	2,039,443
CURRENT LIABILITIES			
Trade and other payables	2.1	**375,528**	339,451
Bank overdraft	4.1	**13,582**	793
Current tax liability	1.3	**11,480**	13,416
Employee benefits provisions	5.1	**42,735**	45,049
Other provisions	2.4	**13,388**	1,127
Lease liabilities	2.5, 4.1	**86,175**	83,052
Other current financial liabilities	4.4	**377**	1,106
TOTAL CURRENT LIABILITIES		**543,265**	483,994
NON-CURRENT LIABILITIES			
Trade and other payables	2.1	**-**	3,043
Employee benefits provisions	5.1	**5,861**	6,278
Other provisions	2.4	**13,112**	12,339
Interest-bearing loans and bank borrowings	4.1	**575,890**	560,281
Lease liabilities	2.5, 4.1	**469,048**	457,803
Deferred tax liabilities	1.3	**4,371**	8,905
TOTAL NON-CURRENT LIABILITIES		**1,068,282**	1,048,649
TOTAL LIABILITIES		**1,611,547**	1,532,643
NET ASSETS		**426,170**	506,800
EQUITY			
Contributed equity	4.2	**1,751,706**	1,751,706
Reserves	4.2	**(931,556)**	(894,979)
Retained earnings		**(393,980)**	(349,927)
TOTAL EQUITY		**426,170**	506,800

The *Consolidated Statement of Financial Position* should be read in conjunction with the accompanying notes.

FINANCIAL REPORT
Consolidated Statement of Changes in Equity
For the year ended 30 June 2026

	Attributable to equity holders of the parent entity						
$'000	**Contributed equity**	**Common control reserve**	**Cash flow hedge reserve**	**Foreign currency translation reserve**	**Share-based payments reserve**	**Retained Earnings**	**Total equity**
Year ended 30 June 2026							
As at 1 July 2025	**1,751,706**	**(928,385)**	**119**	**27,669**	**5,618**	**(349,927)**	**506,800**
Loss for the year	**-**	**-**	**-**	**-**	**-**	**(44,193)**	**(44,193)**
Other comprehensive (loss)/profit	**-**	**-**	**725**	**(37,302)**	**-**	**140**	**(36,437)**
Total comprehensive income	**-**	**-**	**725**	**(37,302)**	**-**	**(44,053)**	**(80,630)**
Share-based payments	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transactions with owners in their capacity as owners	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance as at 30 June 2026	**1,751,706**	**(928,385)**	**844**	**(9,633)**	**5,618**	**(393,980)**	**426,170**
Year ended 30 June 2025							
As at 1 July 2024	1,751,706	(928,385)	990	17,855	5,490	(373,472)	474,184
Profit for the year	-	-	-	-	-	23,598	23,598
Other comprehensive loss	-	-	(871)	9,814	-	(53)	8,890
Total comprehensive income	-	-	(871)	9,814	-	23,545	32,488
Share-based payments	-	-	-	-	128	-	128
Transactions with owners in their capacity as owners	-	-	-	-	128	-	128
Balance as at 30 June 2025	1,751,706	(928,385)	119	27,669	5,618	(349,927)	506,800

The above *Consolidated Statement of Changes in Equity* should be read in conjunction with the accompanying notes.

FINANCIAL REPORT
Consolidated Statement of Cash Flows
For the year ended 30 June 2026

$'000	Notes	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		**743,307**	834,885
Receipts from securitisation programs		**1,201,545**	1,235,099
Payments to suppliers and employees		**(1,722,816)**	(1,870,112)
Income tax paid		**(14,625)**	(35,789)
Interest received		**764**	764
Borrowing, trade debtor securitisation and other finance costs paid		**(91,808)**	(98,449)
Net cash flows provided by operating activities	4.1	**116,367**	66,398
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		**(84,933)**	(119,386)
Payments for investments in joint ventures		**(172)**	(122)
Purchase of businesses, net of cash acquired	3.1	**(8,000)**	-
Proceeds from sale of businesses, net of transaction costs		**7,500**	21,762
Proceeds from sale of property, plant and equipment		**538**	23
Proceeds from Government grants		**-**	5,902
Payments for joint venture loans		**(5,973)**	(5,668)
Dividends received and capital distribution from joint ventures		**1,307**	5,401
Net cash flows used in investing activities		**(89,733)**	(92,088)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		**815,751**	1,356,797
Repayment of borrowings		**(790,306)**	(1,283,242)
Repayment of lease liability principal	4.3	**(49,915)**	(48,901)
Net cash flows (used in)/provided by financing activities		**(24,470)**	24,654
Net increase/(decrease) in cash and cash equivalents		**2,164**	(1,036)
Cash and cash equivalents at the beginning of the year		**64,944**	65,177
Effect of exchange rate changes on cash and cash equivalents		**(2,099)**	803
Cash and cash equivalents at the end of the year	4.1	**65,009**	64,944

The *Consolidated Statement of Cash Flows* should be read in conjunction with the accompanying notes.

SECTION 1 – OUR PERFORMANCE

A key element of Pact's strategy is to maximise long-term shareholder value. This section highlights the results and performance of the Group for the year ended 30 June 2026.

1.1 GROUP RESULTS

Net (loss)/profit after tax

The reconciliation of underlying EBIT shown above to the net profit disclosed in the *Consolidated Statement of Comprehensive Income* is as follows:

$'000	Note	2026	2025
Underlying EBIT		**110,977**	138,502
Underlying adjustments[1]			
Gain on business divestment		-	13,639
Transaction costs[2]		**(4,673)**	(6,460)
Recognition of fair value adjustments in Joint Ventures			
Contingent consideration (Marquis)[3]		-	15,000
Share of loss from contingent consideration (Marquis)[4]		-	(7,500)
Depreciation of tangible assets (Marquis)[5]		-	(822)
Share of intangible asset amortisation in Marquis Holdco Pty Ltd[6]		**(1,998)**	(2,214)
Share of NPAT losses in Circular Plastics Australia Pty Ltd (CPA)[7]		**(6,435)**	(5,924)
Business restructuring programs			
Restructuring costs[8]		**(46,644)**	(16,102)
Asset write-downs		**(3,156)**	-
Net lease exit costs[9]		**-**	(3,442)
Underlying adjustments in other losses	6.2	**(62,906)**	(13,825)
Impairment expenses			
Financial assets[10]		**(15,989)**	-
Total underlying adjustments		**(78,895)**	(13,825)
Reported EBIT		**32,082**	124,677
Net finance costs[11]		**(91,616)**	(91,266)
Net (loss)/profit before tax		**(59,534)**	33,411
Income tax benefit/(expense)[12]		**15,341**	(9,813)
Net (loss)/profit after tax		**(44,193)**	23,598

(1) Underlying adjustments include items that are individually material or do not relate to the operating business.
(2) Transaction and legal costs for acquisitions and disposals.
(3) Relates to contingent consideration due from meeting the requirements of the share sale agreement with Morrison & Co in the prior year.
(4) Marquis recorded an expense of $15.0 million in recognition of the contingent consideration payable and the Group recognised its 50% share.
(5) Relates to the Group's share of depreciation arising from the fair value adjustment of Marquis plant and equipment.
(6) Relates to the Group's share of amortisation arising from the fair value adjustment of certain brands, supplier agreements and licenses in Marquis.
(7) Relates to the Group's share of operational losses in CPA Laverton joint venture before the assets were impaired in December 2025.
(8) Predominately relates to the closure costs of eight manufacturing sites in the year ended 30 June 2026.
(9) Relates to the exit of Kingsway lease in the prior period.
(10) Impairment costs related to credit impaired financial asset in the CPA Laverton joint venture.
(11) Net finance costs include interest income of $2.0 million (2025: $2.0 million).
(12) Includes a tax benefit on underlying adjustments of $14.2 million (2025: tax expense on underlying adjustments of $0.3 million).

1.1 GROUP RESULTS (CONTINUED)

Consolidated – Basic and diluted earnings per share

	2026	2025
Earnings per share (EPS) (cents) – basic	**(12.8)**	6.9
Earnings per share (EPS) (cents) – diluted	**(12.8)**	6.8
Calculated using:		
• Net (loss)/profit attributable to ordinary equity holders ($'000)	**(44,193)**	23,598
• Weighted average of ordinary shares (shares) – basic	**344,290,053**	344,290,053
• Weighted average of ordinary shares (shares) – diluted	**344,290,053**	345,503,249

Earnings per share is calculated by dividing the net profit for the year attributable to ordinary equity holders of Pact by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to include the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive shares. There were no performance rights held or awarded as at 30 June 2026, therefore there were no dilutive shares in the current financial year.

1.2 REVENUE FROM CONTRACTS WITH CUSTOMERS BY GEOGRAPHICAL MARKET

Disaggregation of revenue from contracts with customers

$'000	2026[(1)]	2025[(1)]
Year ended 30 June 2026		
Australia	**1,140,977**	1,185,052
New Zealand	**333,181**	361,813
Asia and others	**255,252**	274,864
Revenue	**1,729,410**	1,821,729

(1) 0.2% (2025: 0.2%) of total revenue for Packaging & Sustainability is recognised over time, and 3.6% (2025: 4.4%) of total revenue for Contract Manufacturing is recognised over time. This is revenue recognised in relation to goods or products manufactured for a specific customer which have no alternate use and at all times throughout the contract, Pact has the enforceable right to payment.

How Pact accounts for revenue

The core principle of AASB 15: *Revenue from Contracts with Customers* is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled to in exchange for those goods and services. An assessment is made by management whether the goods or products manufactured have an alternate use to Pact, including whether these goods or products can be repurposed and sold without significant economic loss to the Group.

Pact recognises revenue on the following basis:

(a) Delivery of goods or products

Where the goods or products are not branded and can be sold to more than one specific customer, the performance obligation is the delivery of finished goods or product to the customer. The performance obligation is satisfied when control of the goods or products has transferred to the customer.

(b) Manufacture of goods or products

Where the goods or products are manufactured for a specific customer which have no alternate use and at all times throughout the contract Pact has the enforceable right to payment for performance completed to date, a performance obligation is the service of manufacturing the specific goods or products. This performance obligation is satisfied as the goods and products are manufactured. An output method has been adopted to recognise revenue for performance obligations satisfied over time. This method reflects Pact's short manufacturing period. In addition, Pact has obligations to store and deliver manufactured goods or products. These obligations are satisfied as the goods or products are stored (on an over time basis) and when and as delivery occurs.

Contract assets are recognised for the manufacture and storage of goods or products as the performance obligations are satisfied. Upon completion of delivery of the goods or products and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables. Management has assessed that it generally takes 60 days between the satisfaction of performance obligations and customer payments.

The Group allocates the transaction price to each performance obligation on a stand-alone selling price basis. The stand-alone selling price of the products is based on list prices or a cost-plus margin approach, which is determined by the Group's expertise in the market and also taking into consideration the length and size of contracts. Some contracts for sale of goods have variable consideration including items such as volume rebates. Variable consideration is estimated at contract inception using the expected value method based on forecast volumes and is subject to the constraint on estimates. This estimate is reassessed at each reporting date.

1.3 TAXATION

Reconciliation of tax expense

$'000	2026	2025
Accounting (loss)/profit before tax	**(59,534)**	33,411
Income tax calculated at 30% (2025: 30%)	**(17,860)**	10,023
Adjustments in respect of income tax of previous years	**(5,511)**	(2,303)
Research and development	**(178)**	(540)
Joint venture income	**646**	4,047
Net tax gain on sale of business and liquidation of foreign subsidiary	**-**	(651)
Tax on unremitted foreign income	**1,345**	3,059
Overseas tax rate differential	**(2,579)**	(4,011)
Laverton joint venture loan impairment	**4,575**	-
Derecognition of DTA on interest denial	**462**	-
Sundry items	**3,759**	189
Income tax (benefit)/expense reported in the Consolidated Statement of Comprehensive Income[1]	**(15,341)**	9,813
Comprising of:		
• Current year income tax expense	**1,885**	19,017
• Deferred income tax (benefit)/expense	**(11,715)**	(6,901)
• Adjustments in respect of income tax of previous years	**(5,511)**	(2,303)

(1) Includes a tax benefit on underlying adjustments of $14.2 million (2025: tax expense on underlying adjustments of $0.3 million).

1.3 TAXATION (CONTINUED)

Recognised current and deferred tax assets and liabilities

$'000	2026 Current income tax asset/ (liability)	2026 Deferred income tax asset/ (liability)	2025 Current income tax asset/ (liability)	2025 Deferred income tax asset/ (liability)
Opening balance	**(13,416)**	**42,243**	(32,795)	35,749
Charged to income	**(1,885)**	**11,715**	(19,017)	6,901
Adjustments in respect of income tax of previous years	**789**	**4,722**	2,303	-
Tax benefit recognised	**(13,630)**	**13,630**	(93)	93
Charged to other comprehensive income	**-**	**(510)**	-	379
Net payments	**14,625**	**-**	35,789	-
Foreign exchange translation movement	**1,328**	**112**	(141)	(140)
Sale of business	**-**	**-**	-	(739)
Other	**709**	**-**	538	-
Closing balance	**(11,480)**	**71,912**	(13,416)	42,243
Comprises of:				
• Deferred tax assets				
▫ Employee entitlements provision		**13,964**		15,106
▫ Provisions		**13,426**		10,229
▫ Unutilised tax losses		**13,966**		336
▫ Lease liability		**157,577**		153,284
▫ Deferred expenses		**18,255**		7,719
▫ Other		**14,278**		11,903
		231,466		198,577
Offset with deferred tax liability		**(155,183)**		(147,429)
Net deferred tax asset		**76,283**		51,148
• Deferred tax liabilities				
▫ Property, plant and equipment		**(158,901)**		(156,119)
▫ Intangibles		**(112)**		(119)
▫ Other		**(541)**		(96)
		(159,554)		(156,334)
Offset with deferred tax asset		**155,183**		147,429
Net deferred tax liability		**(4,371)**		(8,905)

1.3 TAXATION (CONTINUED)

The Group operates in jurisdictions where new legislation to implement the global minimum top-up tax has been enacted. For the year ended 30 June 2026, there has been an immaterial tax liability recognised in respect of OECD Pillar Two obligations. This is on the basis that the transitional safe harbour thresholds are expected to be met for jurisdictions in which the Group operates, except for Hong Kong and Bangladesh which, management has determined, results in a minor top-up tax liability. The Group has applied the mandatory temporary exception in AASB 112: *Income Taxes* not to recognise or disclose information about deferred tax assets and liabilities that could arise from OECD Pillar Two model rules.

Key Estimates and Judgements – Taxation

Pact is subject to income tax in Australia and foreign jurisdictions. The calculation of the Group's tax charge requires management to determine whether it is probable that there will be sufficient future taxable profits to recoup deferred tax assets. AASB Interpretation 23: *Uncertainty over Income Tax Treatment* addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of the recognition and measurement criteria in AASB 112: *Income Taxes*. Judgements and assumptions are subject to risk and uncertainty, hence if final tax determinations or future actual results do not align with current judgements, this may have an impact on the carrying value of deferred tax balances and corresponding credits or charges to the *Consolidated Statement of Comprehensive Income* and *Consolidated Statement of Financial Position*.

How Pact accounts for taxation

Income tax charges:

- Comprise of current and deferred income tax charges and represent the amounts expected to be paid to and recovered from the taxation authorities in the jurisdictions that Pact operates.
- Are recorded in equity when the underlying transaction that the tax is attributable to is recorded within other comprehensive income.

Pact uses the tax laws in place or those that have been substantively enacted at reporting date to calculate income tax. For deferred income tax, Pact also considers whether these tax laws are expected to be in place when the related asset is realised or liability is settled. Management periodically re-evaluates its tax position assessments, in particular where they relate to specific interpretations of applicable tax regulation. Deferred tax assets and liabilities are recognised on all assets and liabilities that have different carrying values for tax and accounting, including those arising from a single transaction, except for:

- initial recognition of goodwill; and
- any undistributed profits of Pact's subsidiaries or joint ventures where either the distribution of those profits would not give rise to a tax liability or the Directors consider they have the ability to control the timing of the reversal of the temporary differences.

Specifically, for deferred tax assets:

- They are recognised only to the extent that it is probable that there are sufficient future taxable amounts to be utilised against. This assessment is reviewed at each reporting date.
- They are offset against deferred tax liabilities in the same tax jurisdiction, when there is a legally enforceable right to do so.
- If acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or in the *Consolidated Statement of Comprehensive Income*.

Unrecognised deferred tax assets and liabilities

Deferred tax liabilities have not been recognised in respect of temporary differences arising as a result of the translation of the financial statements of the Group's investments in subsidiaries. The deferred tax liability will only arise in the event of disposal of the subsidiary, and no such disposal is expected in the foreseeable future. Unremitted earnings of the Group's international operations are considered to be reinvested indefinitely and relate to the ongoing operations. Upon distribution of any earnings in the form of dividends or otherwise, the Group may be subject to withholding taxes payable to various foreign countries; however, such amounts are not considered to be significant. As the Group controls when the deferred tax liability will be incurred and is satisfied that it will not be incurred in the foreseeable future, the deferred tax liability has not been recognised.

Australian tax consolidated group

Pact Group Holdings Ltd (the head entity) and its wholly owned Australian subsidiaries formed a tax consolidated group (Australian tax consolidated group), effective January 2014. The Australian tax consolidated group continues to account for their own current and deferred tax amounts. The Group has applied the Group allocation approach in determining the appropriate amount of current and deferred taxes to allocate to members of the tax consolidated group. The head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group. A tax funding agreement is in place such that Pact Group Holdings Ltd pays/receives any taxes owed by/owed to the Group to/from the Australian Tax Office. Assets or liabilities arising under this tax funding agreement are recognised as amounts receivable from or payable to the head entity. Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly owned tax consolidated entities.

1.4 DIVIDENDS

No dividends were paid during the financial period (2025: Nil).

The Directors have determined not to pay a final dividend in relation to the year ended 30 June 2026 (2025: Nil).

Franking credit balance[(1)]

$'000	2026	2025
Franking account balance as at the end of the financial year at 30% (2025: 30%)	**26,078**	23,916
Franking credits that will arise from the payment of income tax payable	**-**	666
Total franking credit available for the subsequent financial year	**26,078**	24,582

(1) Nil franking credits have been used in the financial year (2025: Nil).

SECTION 2 – OUR OPERATING ASSETS

This section highlights the primary operating assets used and liabilities incurred to support the Group's operating activities.

Liabilities relating to the Group's financing activities are disclosed in Note 4.1 *Net Debt*, deferred tax assets and liabilities are disclosed in Note 1.3 *Taxation* and employee benefits provisions are disclosed in Note 5.1 *Employee Benefits Expenses and Provisions.*

2.1 WORKING CAPITAL

Trade and other receivables

Trade and other receivables at 30 June comprise of:

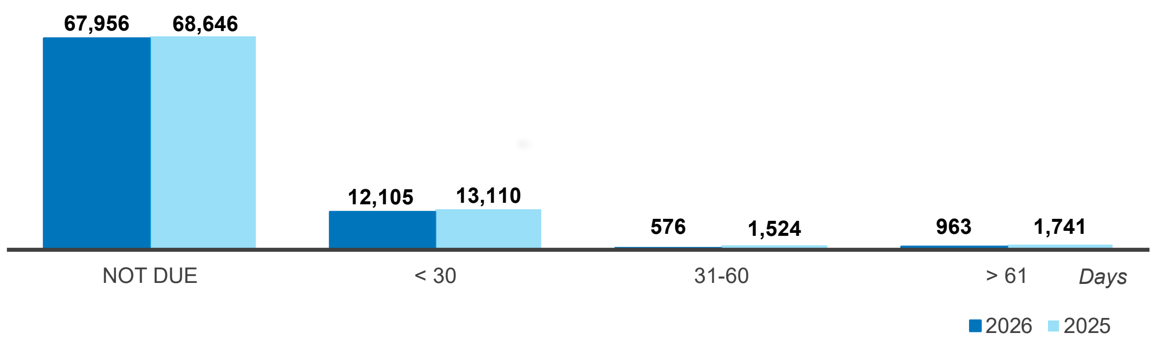
$'000	2026	2025
Trade receivables[1]	**82,017**	85,131
Allowance for expected credit losses[1]	**(417)**	(110)
Other receivables[2][3]	**59,877**	74,028
Total current trade and other receivables	**141,477**	159,049
Other receivables[3]	**848**	888
Total trade and other receivables	**142,325**	159,937

(1) Breakdown of ageing trade receivables is provided below.

(2) At 30 June 2026 $34.4 million (2025: $32.4 million) has been recognised as part of other receivables representing the Group's participation in a securitisation program. The program requires the Group (or an entity other than the bank) to be a participant. Given the short-term nature of this financial asset, the carrying value of the associated receivable approximates its fair value and represents the Group's maximum exposure to the receivables derecognised as part of the program. The remaining balance of other receivables represents amounts receivable from joint ventures, insurance receivable and others.

(3) The Group sub-leased three properties (2025: two properties) during the year. Included within the other receivables was the current portion from the sub-leases of $0.7 million (2025: $0.5 million) and non-current portion of the sub-leases of $0.8 million (2025: $0.9 million).

Ageing of trade receivables as at 30 June ($'000)



At 30 June 2026, the Group had expected credit losses of $0.4 million (2025: $0.1 million). The Group has a number of mechanisms in place which assist in minimising financial losses due to customer non-payment. These include:

- All customers who wish to trade on credit terms are subject to strict credit verification procedures, which may include an assessment of their independent credit rating, financial position, past experience and industry reputation.
- Individual risk limits, which are regularly monitored in line with set parameters.
- Monitoring receivable balances on an ongoing basis.
- Debtor securitisation programs which allow Pact to sell receivables, at a discount to a third party on a non-recourse basis. The securitisation program has a committed facility limit of $130.0 million (2025: $130.0 million) and an uncommitted limit of $50.0 million (2025: $50.0 million).

Expected credit loss model

Information about the credit risk exposure on the Group's trade receivables using a provision matrix has not been disclosed due to the immaterial amount of expected credit losses as at 30 June 2026.

In assessing expected credit losses, the Group has considered current economic conditions. Management considers the credit risks to be sufficiently mitigated due to the diversity and credit standing of the Group's customers. Accordingly, the Group has not experienced a significant increase in expected credit losses.

2.1 WORKING CAPITAL (CONTINUED)

Trade and other receivables (continued)

How Pact accounts for trade and other receivables

Pact's trade receivables are non-interest bearing, are recorded at the amount on the sales invoice and include goods and services tax (**GST**). Trade receivables generally have 30-day terms from the end of the month.

For lease receivables, trade receivables and contract assets, the Group applies a simplified approach in calculating expected credit losses (**ECLs**). Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Under the Group's securitisation programs:

- The Group transfers substantially all the risks and rewards of receivables within the programs to a third party.
- Receivables are sold at a discount and at the date of sale the receivable is derecognised and the discount is included as part of the loss on derecognition of financial assets in the *Consolidated Statement of Comprehensive Income*. The costs associated with establishing the program are also recognised on a pro rata basis within the same account (refer Note 4.1).
- The Group may act as a servicer to the programs to facilitate the collection of receivables. Income received for being a servicer is recorded as an offset to the loss on derecognition of receivables.
- At balance date, a liability is recognised if received collections have not been paid to other participants of the programs.

Inventories

Inventories at 30 June comprise of:

$'000	2026	2025
Raw materials and stores	**113,562**	120,239
Work in progress	**25,829**	27,251
Finished goods	**88,103**	100,174
Total inventories	**227,494**	247,664

How Pact accounts for inventories

Inventories are recorded at cost, which for Pact includes:

- Raw materials: the invoice price of the product, net of any discount, rebates, duties and taxes, as well as the cost of internal freight.
- Work in Progress and Finished Goods: cost of raw materials, direct labour and a proportion of manufacturing overheads based on a normal level of operating capacity, but excluding costs that relate to general administration, finance, marketing, selling and distribution.

In determining the net realisable value of inventories, the Group has assessed in particular what costs are necessary to sell inventories under AASB 102: *Inventories*.

Trade and other payables

Current trade and other payables at 30 June comprise of:

$'000	2026	2025
CURRENT		
Trade payables	**327,723**	299,852
Other payables(1)	**47,805**	39,599
Total current trade and other payables	**375,528**	339,451
NON-CURRENT		
Other payables(1)	**-**	3,043
Total non-current trade and other payables	**-**	3,043

(1) Includes amounts recognised for settlement claim payable to Centralbridge Two Pty Ltd (a related party) in respect of lease termination for the property at Kingsway Moorabbin. Refer to Note 5.3.

FINANCIAL REPORT
NOTES TO THE FINANCIAL STATEMENTS

2.1 WORKING CAPITAL (CONTINUED)

Trade and other payables (continued)

How Pact accounts for trade and other payables

Trade payables are carried at their principal amounts, are not discounted and include GST. They represent amounts owed for goods and services provided to the Group prior to, but were not paid for, at the end of the financial year. The amounts are generally unsecured and are usually paid within 30 to 90 days of recognition.

Other payables are accounted similar to trade payables, except in instances where the payables are due over 12 months in which case the Group uses a discount rate that reflects current market assessments of the time value of money and classifies it accordingly. The interest unwind is recognised in the *Consolidated Statement of Comprehensive Income*.

2.2 NON-CURRENT ASSETS

Property, plant and equipment

The key movements in property, plant and equipment over the year were:

$'000	Buildings[1]	Plant and equipment	Assets for hire	Right of use asset[2]	Capital work in progress	Total
Estimated useful life	Buildings: 40–50 years Leasehold improvements: 10–15 years	3–20 years	10 years	3–20 years	n/a	
Year ended 30 June 2026						
At 1 July 2025 net of accumulated depreciation	**30,153**	**467,556**	**-**	**433,129**	**118,025**	**1,048,863**
Additions and transfers	**7,902**	**79,437**	**-**	**26,691**	**(2,790)**	**111,240**
Acquisition of businesses	**-**	**4,929**	**-**	**-**	**-**	**4,929**
Disposals and write-downs	**(86)**	**(3,342)**	**-**	**-**	**(49)**	**(3,477)**
Reassessment of leases	**-**	**-**	**-**	**52,487**	**-**	**52,487**
Foreign exchange translation movement	**(1,244)**	**(16,760)**	**-**	**(13,275)**	**(3,857)**	**(35,136)**
Depreciation charge for the year	**(3,892)**	**(53,948)**	**-**	**(58,021)**	**-**	**(115,861)**
At 30 June 2026 net of accumulated depreciation	**32,833**	**477,872**	**-**	**441,011**	**111,329**	**1,063,045**
Represented by:						
• At cost	**61,450**	**1,320,763**	**-**	**659,306**	**111,329**	**2,152,848**
• Accumulated depreciation	**(28,617)**	**(842,891)**	**-**	**(218,295)**	**-**	**(1,089,803)**
Year ended 30 June 2025						
At 1 July 2024 net of accumulated depreciation	26,158	403,904	-	405,986	133,357	969,405
Additions and transfers	6,492	117,138	-	51,802	(16,090)	159,342
Disposals	(43)	(4,597)	-	(3,726)	-	(8,366)
Reassessment of leases	-	-	-	32,495	-	32,495
Foreign exchange translation movement	378	2,762	-	2,619	758	6,517
Depreciation charge for the year	(2,832)	(51,651)	-	(56,047)	-	(110,530)
At 30 June 2025 net of accumulated depreciation	30,153	467,556	-	433,129	118,025	1,048,863
Represented by:						
• At cost	57,239	1,312,405	-	693,464	118,025	2,181,133
• Accumulated depreciation	(27,086)	(844,849)	-	(260,335)	-	(1,132,270)

(1) Buildings consist of the following: Buildings of $18.1 million (2025: $18.8 million) and accumulated depreciation of $7.4 million (2025: $7.1 million) and Leasehold improvements of $43.4 million (2025: $38.4 million) and accumulated depreciation of $21.2 million (2025: $20.0 million).

(2) Included within the right of use asset is $10.9 million in relation to the leasehold land held by the Group (2025: $11.1 million). The value of this right of use leasehold land is not included within Note 2.5.

2.2 NON-CURRENT ASSETS (CONTINUED)

Property, plant and equipment (continued)

Key Estimates and Judgements – Estimation of useful lives of assets

The estimation of the useful lives of assets, excluding the right of use (**ROU**) assets, is based on historical experience. In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary. The estimation of the useful lives of ROU assets is based on the non-cancellable period of the lease plus renewal options when the exercise of the option is considered to be reasonably certain.

Key Estimates and Judgements – Recoverability of property, plant and equipment

The Group assesses impairment of all assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. These include product and manufacturing performance, technology, social, economic and political environments and future product expectations. If an impairment trigger exists, the recoverable amount of the asset is determined to assess if any impairment is required.

Fair value less costs of disposal (FVLCD)

In determining FVLCD, a five year discounted cash flow model is used based on a methodology consistent with that applied by the Group in determining the value of business strategies and maximising the use of market observed inputs. These calculations, classified as Level 3 on the fair value hierarchy, are compared to valuation multiples, or other fair value indicators where available, to ensure reasonableness.

How Pact accounts for property plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure directly attributable to the acquisition of the item and subsequent costs incurred to replace parts that are eligible for capitalisation. Depreciation is calculated on a straight-line basis over the estimated useful life of the assets. Where assets are in the course of construction at the reporting date they are classified as capital works in progress. Upon completion, capital works in progress are reclassified to plant and equipment and are depreciated from this date. Where a grant is received for the upgrade of plant and equipment, the amount received is offset against the cost of the plant and equipment. If a grant is received for plant and equipment where the Group has yet to commission, the amount received is recognised as deferred income and included as part of trade and other payables.

At each reporting date the Group assesses whether there is an indication that an asset at a geographic operating unit level may be impaired. If any such indication exists, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset generates cash inflows that are largely dependent on those from other assets or groups of assets and the asset's value in use cannot be estimated to approximate its fair value. In such cases the asset is tested for impairment as part of the geographic operating unit to which it belongs. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses are recognised in the *Consolidated Statement of Comprehensive Income*.

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amounts are estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If this is the case the carrying amount of the asset is increased to its recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

2.2 NON-CURRENT ASSETS (CONTINUED)

Annual Property, plant and equipment impairment testing

Impairment testing is undertaken as at 30 April each year. Impairment testing for property, plant and equipment is performed by operating unit at a country level. Modelling assumptions were consistent with the goodwill impairment testing (using a Value-in-use (**VIU**) model) except in Packaging & Sustainability Australia, Packaging & Sustainability China, and Contract Manufacturing (Australia) where indicators of impairment were identified and the recoverable amount was determined using a FVLCD model. The Packaging & Sustainability Australia and Packaging & Sustainability China cash flows are included in the Packaging & Sustainability Cash-generating unit (**CGU**) for impairment testing of goodwill and intangibles.

The calculation of VIU and FVLCD for the businesses are sensitive to the following assumptions:

- **Gross margins and raw material price movement** – Gross margins reflect current gross margins adjusted for any expected (and likely) efficiency improvements or price changes.
- **Cash flows** – For VIU cash flows are forecast for a period of five years. Cash flows beyond the one-year period are extrapolated using growth rates which are a combination of expected volume growth and price growth. Rates are based on industry research and economic forecasts. For FVLCD cash flows are based on the EBIT growth over the forecast period based on past experience, expectations of general market conditions and a program of business improvement strategies. Long-term rates are based on industry research and economic forecasts. Cost of disposal is calculated based on 2% of the recoverable value.
- **Discount rates** – The discount rates are based on an assessment of the Group's pre-tax weighted average cost of capital in conjunction with risk factors specific to the businesses.

As a result of impairment testing, no impairment was identified and recognised in relation to property, plant and equipment as at 30 June 2026.

2.2 NON-CURRENT ASSETS (CONTINUED)

Goodwill and other intangibles

Intangible assets are comprised of the following:

$'000	Other intangibles[1]	Goodwill	Total
Year ended 30 June 2026			
At 1 July 2025 net of accumulated amortisation and impairment	**462**	**311,052**	**311,514**
Write off expenses	**(2)**	**-**	**(2)**
Foreign exchange translation movements	**(7)**	**(18,402)**	**(18,409)**
Amortisation	**(28)**	**-**	**(28)**
At 30 June 2026 net of accumulated amortisation and impairment	**425**	**292,650**	**293,075**
Represented by:			
• At cost	**1,895**	**543,050**	**544,945**
• Accumulated amortisation and impairment	**(1,470)**	**(250,400)**	**(251,870)**

Year ended 30 June 2025	Other intangibles[1]	Goodwill	Total
At 1 July 2024 net of accumulated amortisation and impairment	496	314,101	314,597
Reallocation of goodwill from the sale of business	-	(5,323)	(5,323)
Write off expenses	(6)	-	(6)
Foreign exchange translation movements	-	2,274	2,274
Amortisation	(28)	-	(28)
At 30 June 2025 net of accumulated amortisation and impairment	462	311,052	311,514
Represented by:			
• At cost	2,098	561,453	563,551
• Accumulated amortisation and impairment	(1,636)	(250,401)	(252,037)

(1) Other intangibles includes trademarks and patents recognised at cost and amortised on a straight-line basis between 20–25 years.

$'000	2026	2025
Goodwill allocated to the following group of CGUs[1]:		
Packaging & Sustainability	**245,625**	264,027
Materials Handling & Pooling	**47,025**	47,025
	292,650	311,052

(1) This is the lowest level where goodwill is monitored.

How Pact accounts for goodwill

Goodwill is:

- initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the acquired identifiable assets, liabilities and contingent liabilities;
- subsequently measured at cost less any accumulated impairment losses; and
- reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Impairment is determined by assessing the recoverable amount of the Cash Generating Unit (CGU) or group of CGUs, to which the goodwill relates. When the recoverable amount of the CGU (or group of CGUs) is less than the carrying amount, an impairment loss is recognised. When goodwill forms part of a CGU (or group of CGUs) and an operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this manner is measured based on the relative values of the operation disposed of and the portion of the CGU (or group of CGUs) retained.

2.2 NON-CURRENT ASSETS (CONTINUED)

Goodwill and other intangibles (continued)

Key Estimate and Judgement – Impairment testing for goodwill and other intangibles

Value in use (VIU) for Packaging & Sustainability and Materials Handling & Pooling

The recoverable amount of each CGU has been determined based on VIU calculations using cash flow projections contained within next year's financial budget approved by management and other forward projections up to a period of five years. Management has used its current expectations and what is considered reasonably achievable when assigning values to key assumptions in VIU calculations.

Annual impairment testing

Impairment testing is undertaken as at 30 April each year. The discount rates and terminal growth rates applied to cash flow projections are detailed below. The recoverable amounts for the Packaging & Sustainability CGU and the Materials Handling & Pooling CGU were performed using a VIU model. The calculation of VIU for the related operating units below are sensitive to the following assumptions:

- **Gross margins and raw material price movement** – Gross margins reflect current gross margins adjusted for any expected (and likely) efficiency improvements or price changes.
- **Cash flows** – For VIU cash flows are forecast for a period of five years. Cash flows beyond the one-year period are extrapolated using growth rates which are a combination of expected volume growth and price growth. Rates are based on industry research and economic forecasts.
- **Discount rates** – The discount rates are based on an assessment of the Group's pre-tax weighted average cost of capital in conjunction with risk factors specific to the CGUs within the operating unit.

For the Packaging & Sustainability CGU, a change in the following assumptions in the Packaging & Sustainability Australia business could impact the headroom as follows:

- Gross margins and raw material - a movement of +/- 4.0% in EBITDA would result in an increase or decrease in headroom of $32.3 million respectively.
- Cash flows – a movement of +/- 2.0 percentage points in the FY28 to FY31 growth rate would result in an increase in headroom of $5.8 million or decrease in headroom of $5.6 million.
- Discount rates – a movement of +/- 0.5% in discount rates would result in a decrease in headroom of $14.5 million or increase in headroom of $16.3 million.

Each of the sensitivities above assumes that the specific assumption moves in isolation, whilst all other assumptions are held constant. Changes in individual assumptions are unlikely to occur in isolation, as changes in one assumption may be accompanied by changes in other assumptions. Action is usually taken to respond to any changes in economic assumptions that may mitigate the impact of any such change.

Based on testing performed, the recoverable amount exceeds the carrying amount for all CGUs, and there was no impairment identified in relation to goodwill and intangibles as at 30 June 2026.

The table below shows the discount rate and terminal growth rate across the operating units:

	Packaging & Sustainability	Materials Handling & Pooling
2026		
Discount rate (pre-tax)(1)	**10.0%–14.1%**	**14.1%**
Terminal growth rate(1)	**2.0%–6.1%**	**2.1%–2.3%**
2025		
Discount rate (pre-tax)(1)	10.1%–16.7%	14.0%
Terminal growth rate(1)	2.0%–6.1%	2.1%–2.3%

(1) The % range of the discount rate and terminal growth rate is representative of the different countries in each CGU.

2.2 NON-CURRENT ASSETS (CONTINUED)

Annual impairment testing (continued)

The table below shows the carrying amount and headroom analysis across the operating units:

	Packaging & Sustainability	Materials Handling & Pooling
2026		
Carrying amount (at 30 April) ($'000)	**1,246,844**	**184,372**
Headroom (times)	**1.03**	**1.25**
Breakeven analysis[(1)(2)]		
Terminal growth rate; and	**↓ 0.1%**	**↓1.4%**
Discount rate	**↑ 0.1%**	**↑2.0%**

	Packaging & Sustainability	Materials Handling & Pooling
2025		
Carrying amount (at 30 April) ($'000)	1,254,684	194,611
Headroom (times)	1.08	1.87
Breakeven analysis[(1)(2)]		
Terminal growth rate; and	↓ 1.3%	↓ 1.8%
Discount rate	↑ 0.2%	↑ 8.1%

(1) This is the level at which the recoverable amount would be equal to the carrying amount.

2.3 CAPITAL EXPENDITURE COMMITMENTS, CONTINGENCIES AND OTHER LIABILITIES

Capital expenditure commitments

Capital expenditure commitments contracted for at reporting date, but not provided for are:

$'000	2026	2025
Payable within one year	**26,873**	25,830
Payable after one year but not more than five years	**1,965**	-
Total	**28,838**	25,830

Commitments are disclosed net of the amount of GST recoverable from or payable to the taxation authority.

Contingent consideration dispute

The Company announced on 11 December 2025 that the legal proceedings relating to the acquisition of TIC Retail Accessories had settled under a deed of settlement dated 10 December 2025. Under the deed, the Company agreed to pay $9,990,000 to the former owners of the TIC Retail Accessories Group. The first instalment payment was made following 31 December 2025, resulting in a remaining provision balance of $4,995,000 as at 30 June 2026. The final payment was made on 1 July 2026.

Management considers the matter fully resolved, and no further contingent liabilities remain in respect of this dispute.

Contingencies

The Group is not party to any other legal proceedings that are expected, individually or in the aggregate, to have a material adverse effect on its business, financial position, or operating results.

Commitments and contingencies are disclosed net of the amount of GST recoverable from or payable to the taxation authority.

Other commitments and guarantees

At 30 June 2026, the Group had bank guarantees and other trade finance arrangements totalling $30.5 million (2025: $28.6 million) in respect of various property leases, material purchases and other contractual obligations.

2.4 OTHER PROVISIONS

Total other provisions as at 30 June comprise:

$'000	2026	2025
CURRENT		
Business restructuring	**13,388**	1,127
Total current provisions	**13,388**	1,127
NON-CURRENT		
Make good on leased premises	**13,112**	12,339
Total non-current provisions	**13,112**	12,339

Movement in provisions

Year ended 30 June 2026	Business restructuring(1)	Make good on leased premises(2)	Total
At 1 July 2025	**1,127**	**12,339**	**13,466**
Provided for during the year	**49,801**	**6,802**	**56,603**
Utilised	**(37,538)**	**(5,671)**	**(43,209)**
Foreign exchange translation movement	**(2)**	**(358)**	**(360)**
At 30 June 2026	**13,388**	**13,112**	**26,500**
Year ended 30 June 2025			
At 1 July 2024	127	12,261	12,388
Provided for during the year	16,102	1,077	17,179
Utilised	(15,103)	(1,068)	(16,171)
Foreign exchange translation movement	1	69	70
At 30 June 2025	1,127	12,339	13,466

(1) Predominately relates to the closure costs of eight manufacturing sites in 2026. Some closure and restructuring activities in relation to these sites are expected to continue into 2027.

(2) In accordance with the form of lease agreements, the Group may be required to restore leased premises to their original condition at the end of the lease term and upon exiting the site. The provision is based on the costs which are expected to be incurred using historical costs as a guide. This liability is expected to be settled as the Group exits leased premises.

Key Estimates and Judgements – Business restructuring

Business restructuring provisions are only recognised when a detailed plan has been approved and the business restructuring has either commenced or been publicly announced including discussions with affected personnel, or contracts relating to the business restructuring have been entered into. Costs related to ongoing activities are not provided for.

How Pact accounts for other provisions

Provisions are recognised when the following three criteria are met:

- the Group has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a financing cost.

2.5 LEASES

Impacts on financial statements

The carrying amounts of the Group's right of use assets and lease liabilities and the movements during the period are as below:

	Right of use asset			Lease liabilities
$'000	**Property**	**Plant and equipment**	**Total**	**Total**
Balance as at 1 July 2025	**411,299**	**10,737**	**422,036**	**540,855**
Additions	**21,674**	**5,017**	**26,691**	**26,250**
Depreciation expense	**(53,301)**	**(4,720)**	**(58,021)**	**-**
Reassessment of leases / modifications	**52,372**	**115**	**52,487**	**52,554**
Interest expense	**-**	**-**	**-**	**40,491**
Payments[1]	**-**	**-**	**-**	**(88,968)**
Foreign exchange translation movement	**(12,768)**	**(286)**	**(13,054)**	**(15,959)**
Balance as at 30 June 2026	**419,276**	**10,863**	**430,139**	**555,223**
Balance as at 1 July 2025	385,967	9,206	395,173	509,297
Additions	47,156	4,646	51,802	51,366
Depreciation expense	(51,327)	(4,720)	(56,047)	-
Disposals	(3,606)	(120)	(3,726)	(5,754)
Reassessment of leases / modifications	30,807	1,688	32,495	32,055
Interest expense	-	-	-	36,765
Payments[1]	-	-	-	(85,666)
Foreign exchange translation movement	2,302	37	2,339	2,792
Balance as at 30 June 2025	411,299	10,737	422,036	540,855

(1) During the year, total lease payments included $8.3 million (2025: $1.5 million) towards properties that had been exited or in the process of being exited.

In addition to the expenses detailed above, the *Consolidated Statement of Comprehensive Income* also includes the following lease related expenses:

$'000	2026	2025
Expenses relating to short-term leases	**3,189**	2,296
Expenses relating to low-value leases	**526**	547
Variable lease payments	**335**	271
Property outgoings[1]	**21,204**	22,461

(1) Includes council rates, taxes, insurance and other lease related payments. Outgoings are 23.8% of the Group's property lease payments in the financial year (2025: 28.0%).

The lease liabilities included in the *Consolidated Statement of Financial Position* are:

$'000	2026	2025
Current	**86,175**	83,052
Non-current	**469,048**	457,803

The maturity analysis of contractual undiscounted cash flows for lease liabilities are:

$'000	2026	2025
Less than one year	**89,025**	85,872
One to five years	**269,809**	278,254
More than five years	**603,880**	583,506
Total undiscounted liabilities	**962,714**	947,632

2.5 LEASES (CONTINUED)

Impacts on financial statements (continued)

The amounts recognised in the statement of cash flows are:

$'000	2026	2025
Repayment of lease liability principal[(1)]	**48,477**	48,901
Interest payments[(1)]	**40,491**	36,765
Expenses relating to short-term leases	**3,189**	2,296
Expenses relating to low-value leases	**526**	547
Variable lease payments	**335**	271
Property outgoings	**21,890**	22,261

(1) Of the total lease payments, 3.1% (2025: 4.1%) relate to property leases that exclude renewal options in the assessment of the lease term. This includes warehouses, offices and shopfronts where the exercise of the option is not reasonably certain.

Key Estimate and Judgement – Incremental borrowing rate

Where the Group cannot readily determine the interest rate implicit in the lease, it uses its incremental borrowing rate (**IBR**) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the ROU asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available.

Key Estimate and Judgement – Determining the lease term of contracts with renewal and termination options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

SECTION 3 – GROUP STRUCTURE

This section provides details of acquisitions and/or divestments which the Group has made in the financial year, as well as details of controlled entities and interests in joint ventures.

3.1 BUSINESS ACQUISITION

Acquisition of Linpac Packaging Australia Pty Ltd

On 24 October 2025, the Group acquired 100% of the issued capital and voting rights of Linpac. Linpac is a Victoria-based manufacturer of rigid and flexible packaging products supplying customers across the retail, catering, food manufacturing and packing sectors. The acquisition aligns with the Group's strategic objective to expand its thermoformed PET packaging capability and further support its leadership in the circular economy.

$'000	Linpac Packaging Australia Pty Ltd
Business Combination	
Consideration paid or payable	**8,140**
Comprising of:	
• Consideration payable	**8,000**
• Contingent consideration[(1)]	**140**
• Assets	
▫ Trade and other receivables	**4,969**
▫ Inventory	**2,716**
▫ Property, plant and equipment	**4,929**
▫ Right of use assets	**101**
• Liabilities	
▫ Trade payables and accruals	**(3,282)**
▫ Lease liabilities	**(591)**
▫ Employee benefits provisions	**(702)**
Fair value of identifiable net assets	**8,140**

(1) Net cash consideration paid on acquisition was $8.0 million. The contingent consideration payable on 24 October 2026 is subject to specified sales volume conditions. Following reassessment during the measurement period, the estimated contingent consideration has been reduced from $2.0 million to $0.1 million and is fully provided for within current liabilities.

At 31 December 2025, the Group recognised a provisional purchase price discount of $1.9 million arising on acquisition. During the measurement period permitted under AASB 3: *Business Combinations*, the Group completed a reassessment of the provisional purchase price allocation using additional information relating to facts and circumstances that existed at the acquisition date. This included completion of an independent valuation of property, plant and equipment, reassessment of contingent consideration assumptions and refinement of working capital and liability balances. The independent valuation of property, plant and equipment incorporated assumptions regarding asset utilisation, market conditions and economic obsolescence. As a result:

- Trade and other receivables decreased by $0.6 million;
- Property, plant and equipment decreased by $2.4 million; and
- Contingent consideration decreased by $1.9 million.

Consequently, the provisional purchase price discount was fully reversed and no goodwill or purchase price discount is recognised on acquisition.

From the acquisition date to 30 June 2026, Linpac contributed revenue and other income of $9.0 million and a net loss before tax of $2.5 million to the Group. Had the acquisition occurred on 1 July 2025, management estimates that the Group's revenue for the year ended 30 June 2026 would have been $5.5 million higher and profit before tax $0.9 million lower.

Acquisition related costs of $0.4 million have been recognised within other losses in the *Consolidated Statement of Comprehensive Income*.

3.2 CONTROLLED ENTITIES

Australian incorporated entities that are party to the Deed of Cross Guarantee and tax consolidated Group at 30 June 2026:(1)

- Pact Group Industries (ANZ) Pty Ltd
- Pact Group Holdings (Australia) Pty Ltd
- Pact Group Finance (Australia) Pty Ltd
- Pact Group Industries (Asia) Pty Ltd
- Alto Manufacturing Pty Ltd
- Alto Packaging Australia Pty Ltd
- Astron Plastics Pty Limited
- Australian Pharmaceutical Manufacturers Pty Ltd
- Baroda Manufacturing Pty Ltd
- Brickwood (Dandenong) Pty Ltd
- Brickwood (NSW) Pty Ltd
- Brickwood (QLD) Pty Ltd
- Brickwood (VIC) Pty Ltd
- Cinqplast Plastop Australia Pty Limited
- Davmar Investments Pty Ltd
- Inpact Innovation Pty. Ltd.
- Jalco Australia Pty. Limited
- Jalco Automotive Pty. Limited
- Jalco Care Products Pty Limited
- Jalco Cosmetics Pty. Limited
- Jalco Group Pty. Limited
- Jalco Plastics Pty. Ltd.
- Jalco Powders Pty Limited
- Jalco Promotional Packaging Pty. Limited
- MTWO Pty Ltd
- Packaging Employees Pty Limited
- Pact Braeside Pty Ltd (formerly Viscount Plastics (Australia) Pty Ltd)
- Pact Packaging Wyndham Pty Ltd (formerly Linpac Australia Pty Ltd)
- Pact Retail Accessories (Australia) Pty Ltd
- Pascoe's Pty Ltd
- Plaspak Closures Pty Limited
- Plaspak Management Pty Limited
- Plaspak Pty Limited
- Power Plastics Pty. Limited
- Ruffgar Holdings Pty Limited
- Salient Asia Pacific Pty Ltd
- Skyson Pty. Ltd.
- Snopak Manufacturing Pty Ltd
- Steri-Plas Pty Ltd
- Sulo MGB Australia Pty Ltd
- Summit Manufacturing Pty Ltd
- Sunrise Plastics Pty. Ltd.
- Synergy Packaging Pty Ltd
- VIP Drum Reconditioners Pty. Ltd.
- VIP Plastic Packaging Pty Ltd
- VIP Steel Packaging Pty Ltd
- Viscount Logistics Services Pty Ltd
- Viscount Plastics (China) Pty Ltd
- Vmax Returnable Packaging Systems Py Ltd

3.2 CONTROLLED ENTITIES (CONTINUED)

Entities that are not party to the Deed of Cross Guarantee, incorporated in the following jurisdictions:[1]

NEW ZEALAND

- Pact Group Holdings (NZ) Limited[13]
- Pact Group Finance (NZ) Limited[3]
- Pact Group (NZ) Limited[3]
- VIP Steel Packaging (NZ) Limited[14]
- VIP Plastic Packaging (NZ) Limited[14]
- Alto Packaging Limited[15]
- Auckland Drum Sustainability Services Limited[14]
- Tecpak Industries Limited[14]
- Astron Plastics Limited[14]
- Pacific BBA Plastics (NZ) Limited[14]
- Viscount Plastics (NZ) Limited[16]
- Stowers Containment Solutions Limited[14]
- Sulo (N.Z.) Limited[2]
- Pact Retail Accessories (New Zealand) Limited[3]

CHINA

- Pact Group Closure Systems (Guangzhou) Co., Ltd[4]
- Pact Group Closure Systems (Tianjin) Co., Ltd[4]
- Pact Group Packaging Systems (Guangzhou) Co., Ltd[6]
- Dongguan Top Rise Trading Co. Ltd[7]
- Dongguan Regent Plastic Products Co., Ltd[5]
- Ningbo Xunxing Trade Co. Ltd[8]

BANGLADESH

- TIC Industries (Bangladesh) Pty Ltd.[8][9]
- TIC Trading (Bangladesh) Limited[8][9][18]
- TIC Manufacturing (Bangladesh) Limited[8][9]

INDIA

- Pact Closure Systems (India) Private Limited[4][9]
- AMRS Business Services Private Limited[10][17]

HONG KONG

- Pact Group Holdings (Hong Kong) Limited[9]
- Roots Investment Holding Private Limited[4]
- Pact Retail Accessories (Hong Kong) Limited[10]
- Pact Retail Accessories (Asia) Limited[10]
- Talent Group Development Limited[10]
- Fast Star International Holdings Limited[10]

INDONESIA

- PT Plastop Asia Indonesia[11][9]
- PT Plastop Indonesia Manufacturing[11][9]

SOUTH KOREA

- Pact Group Closure Systems Korea Ltd[4]

NEPAL

- Pact Group Closure Systems Nepal Private Limited[9]

PHILIPPINES

- Plastop Asia, Inc.[12]
- Pact Packaging Philippines Inc.[9]
- Pact Closure Systems (Philippines) Inc.[9]

SINGAPORE

- Asia Peak Pte. Ltd.[9]

UNITED STATES OF AMERICA

- Pact Retail Accessories (USA) LLC[10]

UNITED KINGDOM

- Pact Retail Accessories (UK) Limited[13]

(1) All entities are wholly owned
(2) Owned by Sulo MGB Australia Pty Ltd
(3) Owned by Pact Group Holdings (NZ) Limited
(4) Owned by Pact Group Holdings (Hong Kong) Limited
(5) Owned by Talent Group Development Limited
(6) Owned by Roots Investment Holding Private Limited
(7) Owned by Pact Retail Accessories (Asia) Limited
(8) Owned by Fast Star International Holdings Limited
(9) Owned by Pact Group Industries (Asia) Pty Ltd
(10) Owned by Davmar Investments Pty Ltd
(11) Owned by Asia Peak Pte. Ltd.
(12) Owned by Ruffgar Holdings Pty Limited
(13) Owned by Pact Group Industries (ANZ) Pty Ltd
(14) Owned by Pact Group (NZ) Limited
(15) Owned by VIP Plastic Packaging (NZ) Limited
(16) Owned by Pacific BBA Plastics (NZ) Limited
(17) Owned by Pact Closure Systems (India) Private Limited
(18) Voluntarily de-registered on 21 July 2024

The Group has 100% ownership interest in the Cell Pact within White Rock Insurance Company PCC Limited (a protected cell captive (**PCC**)).

How Pact accounts for controlled entities

Controlled entities are consolidated when the Group obtains control and cease to be consolidated when control is transferred out of the Group. The Group controls an entity when it:

- has power over the investee;
- is exposed, or has the rights, to variable returns from its involvement with the investee; and
- has the ability to affect those returns through its power over the entity, for example has the ability to direct the relevant activities of the entity, which could affect the level of profit the entity makes.

3.3 JOINT VENTURES

Pact has entered into a number of strategic partnering arrangements with third parties and jointly controlled entities. The following are entities that Pact has joint control with:

Entity	Principal place of operation	About	Pact's ownership interest[1]	Carrying value	
$'000				2026	2025
Spraypac Products (NZ) Limited	New Zealand	Is a joint venture distributing plastic bottles and related spray products.	50%	**626**	690
Weener Plastop Asia, Inc.	Philippines	A joint venture with Weener Plastik Beteiligungs GmbH which has ceased operations.	50%	**759**	112
Gempack Asia Limited (**Gempack**)	Thailand	A joint venture with Weener Plastik Beteiligungs GmbH which manufactures plastic jars and bottles for the Personal Care, Food & Beverage and Home Care markets.	50%	**15,059**	16,390
PT Weener Plastop Indonesia	Indonesia	A joint venture with Weener Plastik Beteiligungs GmbH which manufactures closures and roll-on balls for the Personal Care and Home Care markets.	50%	**5,189**	5,659
Circular Plastics Australia (PET) Holdings Pty Ltd (**CPAP**)[2]	Australia	The holding company of Circular Plastics Australia (PET) Pty Ltd and Circular Plastics Australia (PET) Vic Pty Ltd.	33.33%	**4,609**	6,812
Circular Plastics Australia Pty Ltd (**CPA**)[3]	Australia	The holding company of Circular Plastics Australia (PE) Pty Ltd which processes post-consumer HDPE and PP into various forms of plastic resins and flakes for use as raw materials in the production of finished plastic products.	50%	**-**	6,435
Marquis Holdco Pty Ltd[4] (**Marquis**)	Australia	The holding company of Earl Finco Pty Ltd and the operating entities of the Viscount crate pooling and crate manufacturing businesses.	50%	**96,705**	86,542
				122,947	122,640

(1) Ownership interest at 30 June 2026 and 30 June 2025, unless otherwise stated.

(2) A joint venture with Cleanaway Pty Ltd (33.33%), Asahi Holdings (Australia) Pty Ltd (16.67%) and Coca-Cola Europacific Partners Australia Pty Limited (16.67%).

(3) A joint venture with Cleanaway Pty Ltd.

(4) A joint venture with Morrison & Co.

3.3 JOINT VENTURES (CONTINUED)

In accordance with AASB 12: *Disclosure of Interests in Other Entities*, given the material carrying value of the Group's investment in Gempack, Marquis, CPAP and CPA, the table below shows summarised financial information of the Group's investment:

$'000	Gempack	Marquis	CPAP	CPA	Other	Total
Year ended 30 June 2026						
Summarised Statement of financial position						
Cash and cash equivalents	**4,964**	**13,050**	**2,771**	**1,740**	**5,088**	**27,613**
Other current assets	**11,944**	**35,781**	**15,797**	**4,471**	**5,762**	**73,755**
Non-current assets	**22,076**	**438,024**	**127,726**	**26,034**	**4,843**	**618,703**
Current liabilities	**(5,803)**	**(46,773)**	**(23,957)**	**(8,580)**	**(2,708)**	**(87,821)**
Non-current liabilities	**(3,063)**	**(245,287)**	**(108,508)**	**(66,804)**	**(495)**	**(424,157)**
Net assets	**30,118**	**194,795**	**13,829**	**(43,139)**	**12,490**	**208,093**
Carrying amount of the Group's investment	**15,059**	**96,705**	**4,609**	**-**	**6,574**	**122,947**
Year ended 30 June 2025						
Summarised Statement of financial position						
Cash and Cash equivalents	3,875	9,861	1,576	210	4,946	20,468
Other current assets	10,764	35,649	17,790	3,550	3,865	71,618
Non-current assets	26,884	417,207	132,174	66,684	6,226	649,175
Current liabilities	(4,799)	(67,632)	(26,032)	(9,581)	(2,236)	(110,280)
Non-current liabilities	(3,944)	(219,951)	(105,069)	(47,993)	(621)	(377,578)
Net assets	32,780	175,134	20,439	12,870	12,180	253,403
Carrying amount of the Group's investment	16,390	86,542	6,812	6,435	6,461	122,640

$'000	Gempack	Marquis	CPAP	CPA	Other	Total
Year ended 30 June 2026						
Summarised Statement of financial performance						
Revenue	**30,065**	**161,434**	**76,568**	**7,318**	**10,946**	**286,331**
Interest and other income	**175**	**674**	**757**	**120**	**116**	**1,842**
Finance costs	**455**	**16,785**	**7,694**	**2,067**	**73**	**27,074**
Depreciation and amortisation	**3,287**	**29,179**	**7,874**	**2,308**	**997**	**43,645**
Income tax expense/(benefit)	**1,436**	**1,910**	**(738)**	**(1,898)**	**956**	**1,666**
Net (loss)/profit for the year	**5,393**	**4,986**	**(6,610)**	**(12,870)**	**3,246**	**(5,855)**
Other comprehensive (loss)/gain for the year	**(2,135)**	**(639)**	**-**	**-**	**(1,597)**	**(4,371)**
Total comprehensive (loss)/income for the year	**3,258**	**4,347**	**(6,610)**	**(12,870)**	**1,649**	**(10,226)**
Group's share of (loss)/profit for the year	**2,696**	**2,493**	**(2,203)**	**(6,435)**	**1,623**	**(1,826)**
Year ended 30 June 2025						
Summarised Statement of financial performance						
Revenue	32,204	142,068	66,977	7,986	12,126	261,361
Interest and other income	236	609	144	253	222	1,464
Finance costs	755	16,150	7,839	3,035	87	27,866
Depreciation and amortisation	3,226	28,527	7,846	4,418	847	44,864
Income tax expense/(benefit)	1,373	(412)	(4,360)	(5,078)	918	(7,559)
Net (loss)/profit for the year	5,404	(16,796)	(10,199)	(11,847)	3,582	(29,856)
Other comprehensive gain/(loss) for the year	2,849	(720)	-	-	278	2,407
Total comprehensive (loss)/income for the year	8,253	(17,516)	(10,199)	(11,847)	3,860	(27,449)
Group's share of (loss)/profit for the year	2,716	(8,398)	(3,399)	(5,924)	1,792	(13,213)

3.3 JOINT VENTURES (CONTINUED)

Summary of joint venture financial information at 30 June

Dividends received in cash from joint ventures during the year was $1.3 million (2025: $4.7 million), contributed by Spraypac $0.1 million (2025: $0.1 million), PT Weener Plastop Indonesia $1.2 million (2025: Nil), Weener Plastop Asia, Inc. Nil (2025: $0.3 million), and Marquis Nil (2025: $4.3 million). Total loans and borrowings provided to the joint ventures was $13.0 million (2025: $22.4 million). Guarantees and other securities provided to the joint ventures at 30 June 2026 was Nil (2025: Nil).

The joint ventures had capital commitments at 30 June 2026 of $4.7 million (2025: $2.3 million), out of which the Group's share of capital commitments was $2.3 million (2025: $1.1 million). No contingent liabilities were noted at 30 June 2026 (2025: Nil).

During the year, losses incurred in the CPA joint venture of $12.9 million saw the Group's carrying value at 30 June 2025 ($6.4 million) written down to Nil. An impairment of $16.0 million of a long-term loan issued to CPA was also taken in accordance with AASB 9: *Financial Instruments*. Further losses incurred post impairment in the joint venture during the current year totalled $21.6 million; the Group has not recognised its share of the joint venture's further losses.

Related party transactions with joint ventures

The following table provides the total amount of transactions with related parties – joint ventures for the year ended 30 June 2026:

$'000	Year	Sales	Purchases	Net other (income)	Net amounts receivable[3]	Long-term loans[4]
Related parties – joint ventures	**2026**	**25,331**[1]	**19,547**[1][2]	**(14,158)**[1]	**3,342**[1]	12,999
	2025	27,192[1]	17,412[1][2]	(7,025)[1]	4,127[1]	22,395

(1) Includes sales to Marquis of $20.0 million (2025: $26.0 million), purchases from Marquis of $1.6 million (2025: Nil), net other income of $9.0 million (2025: $2.9 million) and net amounts receivable of $3.4 million (2025: $3.7 million) from Marquis.

(2) Includes purchases from CPAP of $5.9 million (2025: $10.2 million).

(3) Net amounts receivable includes accounts receivable and payables.

(4) During the year ended 30 June 2026, management recognised an impairment of $16.0 million of a long-term loan issued to Circular Plastics Australia (PE) Pty Ltd, in accordance with AASB 9: *Financial Instruments*. The Laverton facility is still establishing scale, continues to generate losses, and is reliant on future regulatory reform to support long term commercial returns. Consequently, the loan meets the definition of a credit-impaired financial asset. The impairment is presented as an Underlying Adjustment.

How Pact accounts for investment in joint ventures and jointly controlled entities

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group uses the equity method to account for its investments in joint ventures.

Under the equity method:

- Investments are carried at cost plus post-acquisition changes in the Group's share of net assets.
- Goodwill relating to a joint venture is included in the carrying amount of the investment and is not tested for impairment separately.
- The Group's share of its joint venture post-acquisition profits or losses is recognised in the *Consolidated Statement of Comprehensive Income*, and its share of post-acquisition movements in reserves is recognised in reserves.
- When the Group's share of losses in its joint venture equals or exceeds its interest in the joint venture, including any unsecured long-term receivables and loans, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise any impairment loss with respect to the Group's net investment in the joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss within share of profit in joint ventures in the *Consolidated Statement of Comprehensive Income*.

SECTION 4 – OUR CAPITAL STRUCTURE

This section details specifics of the Group's capital structure. When managing capital, management's objective is to ensure that the entity continues as a going concern as well as to provide optimal returns to shareholders and other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

Primary responsibility for identification and control of capital and financial risks rests with the Treasury Risk Management Committee.

4.1 NET DEBT

Debt profile

Pact has the following interest-bearing loans and bank borrowings as at 30 June 2026:

CURRENT

$'000	Notes	2026	2025
Bank overdraft		**13,582**	793
Lease liabilities	2.5	**86,175**	83,052
Total current interest-bearing loans and bank borrowings		**99,757**	83,845

NON-CURRENT

$'000	Notes	2026	2025
Syndicated facility agreements		**504,630**	490,262
Subordinated debt facility		**75,000**	75,000
Capitalised borrowing costs		**(3,740)**	(4,981)
Total bank borrowings (including capitalised borrowing costs)		**575,890**	560,281
Lease liabilities	2.5	**469,048**	457,803
Total non-current interest-bearing loans and bank borrowings		**1,044,938**	1,018,084

TOTAL

$'000	Notes	2026	2025
Total bank borrowings (including capitalised borrowing costs)		**575,890**	560,281
Bank overdraft		**13,582**	793
Cash and cash equivalents		**(78,591)**	(65,737)
Net debt before lease liabilities		**510,881**	495,337
Lease liabilities	2.5	**555,223**	540,855
Net debt(1)		**1,066,104**	1,036,192

(1) Net debt is a non-IFRS measure.

In June 2025, the Group refinanced $702.9 million of senior debt with three tranches for a tenure ranging from 3 to 5 years. The subordinated debt facility of $75.0 million has also been refinanced for a period of 5.5 years. Details of the Group syndicated facilities are as follows:

Debt facilities

Facility	Maturity date	Total facilities $'000
Working capital facility	Revolving with an annual review	**23,906**
Loan facility	June 2028	**360,000**
Loan facility	June 2028	**82,053**
Loan facility	June 2030	**250,000**
Subordinated Debt facility	December 2030	**75,000**
Total facilities		**790,959**
Facilities utilised		**593,212**
Facilities unutilised		**197,747**

4.1 NET DEBT (CONTINUED)

Fair values

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. The computation of the fair value of borrowings is derived using significant observable inputs (fair value hierarchy Level 2). The carrying amount and fair value of the Group's non-current borrowings are as follows:

	2026 $'000		2025 $'000	
	Carrying Value	Fair Value(1)	Carrying Value	Fair Value
Syndicated facility agreements	**504,630**	**504,630**	490,262	490,262
Subordinated debt facility	**75,000**	**75,000**	75,000	75,000
Total bank borrowings	**579,630**	**579,630**	565,262	565,262

(1) The fair value measurement of the Group's non-current borrowings represent Level 2 of the fair value hierarchy. Fair value is equivalent to carrying value as the bank borrowings are at market interest rates. Market interest rates have been used as key inputs.

Covenants, Defaults and breaches

The Group's Syndicated facilities and Subordinated debt facility is subject to financial covenants that require the Group to maintain specified leverage and interest cover ratios tested each 12-month period ending 30 June and 31 December.

The senior loan facilities relate to all financial indebtedness and interest expense of the consolidated Group, excluding subordinated debt. The Earnings Gearing and Interest Cover Ratios are calculated on a pre-AASB 16 basis. The following financial covenants apply to the senior loan facilities the Group has in place at 30 June 2026 and all covenants are tested half-yearly at 31 December and 30 June.

- The Earnings Gearing Ratio must not exceed 3.75 times (the Earnings Gearing Ratio is the ratio of Net Debt to EBITDA); and
- The Interest Cover Ratio is at least 3.25 times (the Interest Cover Ratio is the ratio of Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA) to Senior Interest).

The senior loan facilities also specify entities within the Group that are considered Guarantors. The Guarantors must hold 70% or more of the consolidated total tangible assets; and the Guarantors account for not less than 70% of consolidated group EBITDA.

For the Subordinated Debt Facilities, the Earnings Gearing Ratio must not exceed 4.50 times and the Interest Cover Ratio is at least 2.50 times.

All financial covenants were compliant at 30 June 2026. The Group has no indication that it will have difficulty complying with these covenants.

Finance costs and loss on de-recognition of financial assets

Pact has incurred the following finance costs during the year ending 30 June:

$'000	2026	2025
Interest expense on bank loans and borrowings	**42,141**	43,789
Borrowing costs amortisation	**2,015**	2,929
Amortisation of securitisation program costs	**583**	303
Sundry items	**108**	122
Total interest expense on borrowings	**44,847**	47,143
Interest expense on unwinding of provisions	**645**	563
Interest expense on lease liabilities	**40,491**	36,765
Total finance costs	**85,983**	84,471
Loss on de-recognition of financial assets	**7,667**	8,750
Total finance costs and loss on de-recognition of financial assets	**93,650**	93,221

4.1 NET DEBT (CONTINUED)

How Pact accounts for loans and borrowings

All loans and borrowings are:

- Initially recognised at the fair value of the consideration received less directly attributable transaction costs.
- Subsequently measured at amortised cost using the effective interest method, which is calculated based on the principal borrowing amount less directly attributable transaction costs.
- Are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Fair value of the Group's interest-bearing loans and bank borrowings are determined by using a discounted cash flow method, applying a discount rate that reflects the issuer's borrowing rate at the end of the reporting period. As the underlying debt has a floating interest rate (excluding the impact of the separate interest rate swaps), the Group's own performance risk at 30 June 2026 was assessed to be insignificant.

The carrying amount of the Group's current and non-current borrowings materially approximates fair value. The computation of the fair value of borrowings is derived using significant observable inputs (fair value hierarchy Level 2).

Finance costs are recognised as an expense when incurred. Finance costs which are directly attributable to the acquisition of, or production of, a qualifying asset are capitalised as part of the cost of that asset using the weighted average cost of borrowings.

4.1 NET DEBT (CONTINUED)

Reconciliation of net profit after tax to net cash flows from operations

$'000	2026	2025
Net (loss)/profit for the period	**(44,193)**	23,598
Non cash flows in net profit:		
Depreciation and amortisation	**115,889**	110,559
Loss on sale of property, plant and equipment	**548**	385
Share of net loss in joint ventures	**1,826**	13,213
Share-based payments expense	**-**	128
Gain on sale of business	**-**	(13,639)
Contingent consideration	**-**	(15,000)
Other	**(41)**	31
Changes in assets and liabilities:		
Decrease/(increase) in trade and other receivables	**15,733**	(12,558)
Decrease/(increase) in inventory	**17,454**	(4,891)
(Increase)/decrease in net deferred tax assets and liabilities	**(29,669)**	(7,415)
Increase/(decrease) in trade and other payables	**29,752**	(12,629)
(Decrease)/increase in employee entitlement provisions	**(2,030)**	2,603
Increase/(decrease) in other provisions	**13,034**	1,392
(Decrease)/increase in current tax liabilities	**(1,936)**	(19,379)
Net cash flow provided by operating activities	**116,367**	66,398

Reconciliation to cash at the end of the year

The cash and cash equivalents balance in the *Consolidated Statement of Financial Position* is reconciled to cash as shown in the *Consolidated Statement of Cash Flows* at the end of the financial year as follows:

$'000	2026	2025
Cash and cash equivalents	**78,591**	65,737
Bank overdraft	**(13,582)**	(793)
Balance per Consolidated Statement of Cash Flows	**65,009**	64,944

How Pact accounts for cash and cash equivalents

Cash and cash equivalents in the *Consolidated Statement of Financial Position* comprise cash at bank and on hand and short-term deposits with a maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. During the year, the Group did not have any short-term deposits.

For the purposes of the *Consolidated Statement of Cash Flows*, cash and cash equivalents consist of cash and cash equivalents as defined above, net of bank overdraft balances. Bank overdrafts are included in current liabilities on the *Consolidated Statement of Financial Position*. Cash flows are included in the *Consolidated Statement of Cash Flows* on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

4.2 CONTRIBUTED EQUITY AND RESERVES

Terms, conditions and movements of contributed equity

Ordinary shares are classified as equity. Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held.

	2026 Number of shares	2026 $'000	2025 Number of shares	2025 $'000
Movements in contributed equity				
Ordinary shares:				
Beginning of the year	**344,290,053**	**1,751,706**	344,290,053	1,751,706
End of the year	**344,290,053**	**1,751,706**	344,290,053	1,751,706

How Pact accounts for contributed equity

Issued and paid up capital is classified as contributed equity and recognised at the fair value of the consideration received by the entity. Incremental costs directly attributable to the issue of new shares or options are shown in contributed equity as a deduction, net of tax, from the proceeds.

Reserves

$'000	2026	2025
Foreign currency translation reserve(1)	**(9,633)**	27,669
Cash flow hedge reserve(2)	**844**	119
Common control transaction reserve(3)	**(928,385)**	(928,385)
Share-based payments reserve(4)	**5,618**	5,618
Total reserves	**(931,556)**	(894,979)

(1) The foreign currency translation reserve is used to record foreign exchange fluctuations arising from the translation of the financial statements of foreign subsidiaries.

(2) This reserve records the portion of the gain or loss on a hedging instrument and the related transaction in a cash flow hedge that are determined to have an effective relationship.

(3) The common control reserve of $928.4 million includes a balance of $942.0 million that arose through a Group restructure in the financial year ended 30 June 2011, less $13.6 million in relation to the acquisition of Viscount Plastics (China) Pty Ltd and Asia Peak Pte. Ltd. in the year ended 30 June 2014.

(4) The share-based payments reserve records items recognised as expenses representing the fair value of employee share rights.

4.3 MANAGING OUR FINANCIAL RISKS

There are a number of financial risks the Group is exposed to that could adversely affect the achievement of future business performance. The Group's risk management program seeks to mitigate risks and reduce volatility in the Group's financial performance. Financial risk management is managed centrally by the Treasury Risk Management Committee.

The Group's principal financial risks are:

- Interest rate risk;
- Foreign currency risk;
- Liquidity risk;
- Credit risk; and
- Commodity price risk.

4.3 MANAGING OUR FINANCIAL RISKS (CONTINUED)

Managing interest rate risk

Pact seeks to manage its finance costs by assessing and, where appropriate, utilising a mix of fixed and variable rate debt. When variable debt is utilised, it exposes the Group to interest rate risk.

What is the risk?	How does Pact manage this risk?	Impact at 30 June 2026[1]
Pact has variable interest rate debt, and therefore if interest rates increase, the amount of interest Pact is required to pay would also increase.	• Utilises interest rate swaps to lock in the amount of interest that Pact will be required to pay. • Considers alternative financing and a mix of fixed and variable debt, as appropriate.	At 30 June 2026, the Group has one interest rate swap (Nil at 30 June 2025). The Group hedge cover was 12.9% of its variable debt facilities drawn excluding the Group's exposure to the sale of receivables under securitisation facilities. Based on average debt in FY26 a sensitivity analysis performed by the Group showed that a +1% movement in AUD interest rates would reduce net profit after tax in FY26 by $4.0 million and reduce equity by $4.0 million (2025: $4.2 million reduction in net profit after tax and reduce equity by $4.2 million), including the impact on discount on sale of receivables. Based on average debt in FY26, a sensitivity analysis performed by the Group showed that a +1% movement in NZD interest rates would reduce net profit after tax by $0.6 million and reduce equity by $0.6 million (2025: $1.0 million reduction in net profit after tax and reduce equity by $1.0 million), including the impact on the discount on sale of receivables. Sensitivity analysis performed by the Group showed that a +1% movement in USD interest rates would reduce net profit after tax and equity by $0.4 million (2025: $0.4 million). The total impact on net profit after tax from a +1% movement in interest rates is a reduction of $5.0 million in net profit after tax and reduction of $5.0 million in equity (2025: $5.5 million reduction in net profit after tax and reduce equity by $5.5 million).

(1) The impact of a +/- 1% movement in interest rates was determined using historical average debt balances and rates and takes into account the Group's mix of debt and forecast debt.

Managing foreign currency risk

The Group's exposure to the risk of changes in foreign exchange rates relates to the Group's (i) operating activities which are denominated in a different currency from the entity's functional currency, (ii) financing activities, and (iii) net investments in foreign subsidiaries.

The Group currently operates in the following countries outside of Australia, with the following functional currencies:[1]

Country of domicile	Functional currency
New Zealand	NZD
Thailand	THB
Singapore	USD
China	RMB
Philippines	PHP
Indonesia	IDR
Hong Kong	HKD/USD
Nepal	NPR
India	INR
South Korea	KRW
Bangladesh	BDT/USD
United Kingdom	GBP
United States of America	USD

(1) Pact Retail Accessories (Australia) Pty Ltd is incorporated in Australia and has USD as its functional currency.

4.3 MANAGING OUR FINANCIAL RISKS (CONTINUED)

Managing foreign currency risk (continued)

As Pact has an Australian dollar (AUD) presentation currency, which is also the functional currency of its Australian entities, this exposes Pact to foreign exchange rate risk.

What is the risk?	How does Pact manage this risk?	Impact at 30 June 2026
If transactions are denominated in currencies other than the functional currency of the operating entity, there is a risk of an unfavourable financial impact to earnings if there is an adverse currency movement.	Utilises forward foreign currency contracts to eliminate or reduce currency exposures of the net Group exposure once the Group has entered into a firm commitment for a purchase.	The Group has significant exposure to the USD against the AUD and NZD from USD purchase commitments, while the Group's exposure to sales denominated in currencies other than the functional currency of the operating entity is less than 1%. At 30 June 2026, the Group has the majority of its foreign currency committed purchase orders hedged. Sensitivity analysis of the foreign currency net transactional exposures (including hedges) was performed to movements in AUD against the relevant foreign currencies, with all other variables held constant, taking into account all underlying exposures and related hedges. This analysis showed that a 10% movement in its major trading currencies would not materially impact net profit after tax and would have the following impact on equity for the largest hedging position AUD/USD ($3.0) million to $3.7 million.
As Pact has entities that do not have an Australian dollar functional currency, if currency rates move adversely compared to the AUD, then the amount of AUD-equivalent profit would decrease, and the balance sheet net investment value would decline.	Pact utilises borrowing in the functional currency of the overseas entity to naturally hedge offshore entities where considered appropriate. The foreign currency debt provides a balance sheet hedge of the asset, while the foreign currency interest cost provides a natural hedge of the offshore profit.	Sensitivity analysis performed by management showed that a 10% +/- movement in the Group's major translational currencies as at 30 June 2026 would have the following impact on equity: • AUD/NZD ($18.0) million to $22.0 million • AUD/CNY ($11.9) million to $14.5 million • AUD/USD ($3.0) million to $3.7 million • AUD/PHP ($2.3) million to $2.9 million Sensitivity analysis performed by management showed that a 10% +/- movement in the Group's major translational currencies during the year, would have the following impact on net profit after tax: • AUD/NZD ($2.2) million to $2.7 million • AUD/USD ($0.6) million to $0.8 million • AUD/CNY ($0.2) million to $0.2 million

Managing liquidity risk

Liquidity risk arises from the financial liabilities of the Group and the Group's ability to meet its obligations to repay these financial liabilities as and when they fall due. Pact has a range of liabilities at 30 June that will be required to be settled at some future date.

What is the risk?	How does Pact manage this risk?	Impact at 30 June 2026
Pact cannot meet its obligations to repay its financial liabilities as and when they fall due.	• Having access to an adequate amount of committed credit facilities. • Maintains a balance between continuity of funding and flexibility through the use of bank overdrafts, loans and debtor securitisation.	The Directors have assessed that due to the Group's access to undrawn facilities and forecast positive cash flows into the future the Group will be able to pay its debts as and when they fall due, and therefore it is appropriate that the financial statements are prepared on a going concern basis.

4.3 MANAGING OUR FINANCIAL RISKS (CONTINUED)

The maturity profile of the Group's assets and liabilities based on contractual undiscounted receipt/payments terms is as follows:

$'000	≤ 6 months	7–12 months	1–5 years	> 5 years	Total
Year ended 30 June 2026					
Financial assets[(1)]					
Cash and cash equivalents	**78,591**	**-**	**-**	**-**	**78,591**
Trade and other receivables	**141,121**	**356**	**848**	**-**	**142,325**
Interest rate swaps	**407**	**199**	**-**	**-**	**606**
Foreign exchange forward contracts[(3)]	**87,335**	**2,651**	**1,995**	**-**	**91,981**
Total inflows	**307,454**	**3,206**	**2,843**	**-**	**313,503**
Financial liabilities[(1)]					
Trade and other payables[(2)]	**(374,691)**	**(837)**	**-**	**-**	**(375,528)**
Foreign exchange forward contracts[(3)]	**(85,386)**	**(2,658)**	**(1,980)**	**-**	**(90,024)**
Interest-bearing loans and bank borrowings[(4)(5)]	**(13,582)**	**-**	**(575,890)**	**-**	**(589,472)**
Total outflows	**(473,659)**	**(3,495)**	**(577,870)**	**-**	**(1,055,024)**
Net outflow	**(166,205)**	**(289)**	**(575,027)**	**-**	**(741,521)**
Year ended 30 June 2025					
Financial assets[(1)]					
Cash and cash equivalents	65,737	-	-	-	65,737
Trade and other receivables	158,789	260	888	-	159,937
Interest rate swaps	-	-	-	-	-
Foreign exchange forward contracts[(3)]	64,542	5,775	-	-	70,317
Total inflows	289,068	6,035	888	-	295,991
Financial liabilities[(1)]					
Trade and other payables	(337,930)	(1,522)	(3,043)	-	(342,495)
Foreign exchange forward contracts[(3)]	(65,436)	(5,418)	-	-	(70,854)
Interest-bearing loans and bank borrowings[(4)(5)]	(793)	-	(490,262)	(75,000)	(566,055)
Total outflows	(404,159)	(6,940)	(493,305)	(75,000)	(979,404)
Net outflow	(115,091)	(905)	(492,417)	(75,000)	(683,413)

(1) The Group's principal financial instruments comprise cash, receivables, payables, bank loans, bank overdrafts, finance leases and derivative instruments.

(2) When the Group is committed to make amounts available in instalments, each instalment is allocated to the earliest period in which the Group is required to pay. These payables include discounted trade payables under contractually binding agreement over the settlement period.

(3) Foreign exchange forward contracts are recognised at fair value on a net balance in the *Consolidated Statement of Financial Position*, where in this table the contractual maturities are the gross undiscounted cash flows.

(4) When the Group is committed to make amounts available in instalments, each instalment is allocated to the earliest period in which the Group is required to pay.

(5) Refer Note 2.5 for details on lease maturity analysis.

The following table represents the changes in financial liabilities arising from financing activities:

$'000	1 July 2025	Cash (inflow) / outflow	Non-cash changes	Foreign exchange movement	30 June 2026
Lease liabilities	**(540,855)**	**49,915**	**(80,242)**	**15,959**	**(555,223)**
Non-current interest-bearing loans and bank borrowings	**(560,281)**	**(25,445)**	**2,015**	**7,821**	**(575,890)**
Total liabilities from financing activities	**(1,101,136)**	**24,470**	**(78,227)**	**23,780**	**(1,131,113)**

Managing credit risk

Credit risk represents the loss that would be recognised if counterparties failed to meet their obligations under a contract or arrangement. The Group is exposed to credit risk arising from its operating activities (primarily from customer receivables) and financing activities. The Group manages this risk through the following measures:

- Operating activities: The Group has a number of mechanisms in place to manage its exposure to customer credit risk, discussed in Note 2.1, including debtor's securitisation programs where substantially all the risks and rewards of the receivables within the program are transferred to a third party.
- Financial activities: Restricting dealings to counterparties with low credit ratings and limiting concentration of credit risk.

4.3 MANAGING OUR FINANCIAL RISKS (CONTINUED)

Managing credit risk (continued)

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount as presented in the *Consolidated Statement of Financial Position*.

Commodity price risk

The Group is exposed to commodity price risk from a number of commodities, including resin. The Group manages these risks through customer pricing, including contractual rise and fall adjustments. The Group did not enter into any resin forward contracts during the year. The exposure to resin will be partially mitigated through use of recycled content, however pricing for recycled content will still be exposed to market indices.

4.4 FINANCIAL INSTRUMENTS

Utilising hedging contracts to manage risk

As discussed above, the Group utilises interest rate swaps and foreign exchange forward contracts to hedge its risks associated with fluctuations in interest rates and foreign currency. All of Pact's hedging instruments are designated in cash flow hedging relationships, providing increased certainty over future cash flows associated with foreign currency purchases or interest payments on variable interest rate debt facilities.

How Pact accounts for derivative financial instruments in a cash flow hedge relationship

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes:

- identification of the hedging instruments;
- the hedged items or transactions;
- the nature of the risks being hedged; and
- how the entity will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they have actually been highly effective throughout the financial reporting period for which they were designated.

Derivative financial instruments are:

- Recorded at fair value at inception and every subsequent reporting date.
- Classified as assets when their fair value is positive and as liabilities when their fair value is negative.

The fair value of:

- Forward currency contracts are calculated by using valuation techniques such as present value techniques, comparison to similar instruments for which market observable prices exist and other relevant models used by market participants. These valuation techniques use both observable and unobservable market inputs, which are not considered to be significant (fair value hierarchy Level 2).
- Cross currency interest rate swaps and interest rate swap contracts is determined by reference to market values for similar instruments (fair value hierarchy Level 2).

The effective portion of the gain or loss on the hedging instrument is recognised directly in equity, while the ineffective portion is recognised in the *Consolidated Statement of Comprehensive Income*.

Amounts taken to equity are transferred to the *Consolidated Statement of Comprehensive Income* when the hedge transaction affects the *Consolidated Statement of Comprehensive Income*, such as when hedged income or expenses are recognised or when a forecast sale or purchase occurs. When the hedged item is the cost of a non-financial asset or liability, the amounts taken to equity are transferred to the initial carrying amount of the non-financial asset or liability.

If the forecast transaction is no longer expected to occur, amounts previously recognised in equity are transferred to the *Consolidated Statement of Comprehensive Income*. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in equity remain in equity until the forecast transaction occurs. If the related transaction to which the hedging instrument relates is not expected to occur, the amount is taken to the *Consolidated Statement of Comprehensive Income*.

4.4 FINANCIAL INSTRUMENTS (CONTINUED)

Effect on financial position and performance – hedging instruments

The impact of each hedging instrument and hedged item on the *Consolidated Statement of Financial Position* of the Group is as follows:

$'000	Hedged item	Notional amount	Carrying amount asset/ (liability)	Change in fair value[3]	Cash flow hedge reserve	Effective proportion reclassified to profit or loss
Year ended 30 June 2026						
Foreign exchange forward contracts[4]	Committed purchases	**90,024**	**2,335[1]** **(377)[2]**	**2,494**	**429**	**1,240[5]**
Interest rate swaps	Floating component of debt	**75,000**	**641**	**641**	**641**	**-**
Year ended 30 June 2025						
Foreign exchange forward contracts	Committed purchases & FX component of debt	70,854	570 (1,106)	(171)	(226)	(858)
Cross currency swaps	FX component of debt	-	-	2,136	-	149
Interest rate swaps	Floating component of debt	-	-	(752)	878	(878)

(1) The carrying amount represents other current financial assets in the *Consolidated Statement of Financial Position*.

(2) The carrying amounts represents other current financial liabilities in the *Consolidated Statement of Financial Position*.

(3) The change in fair value represents the difference between the current and previous period carrying amount of net hedge assets and hedge liabilities.

(4) The fair value measurement of the hedging instruments represents Level 2 of the fair value hierarchy.

(5) A gain of $1.2 million (2025: $0.9 million loss) is included in other (losses)/gains in the *Consolidated Statement of Comprehensive Income*, as it is taken to profit and loss to match the underlying committed purchases. The ineffective proportion taken to *Consolidated Statement of Comprehensive Income* was immaterial.

The impact of hedging on cash flow hedge reserve contained within other comprehensive income/(loss) is as follows:

$'000	2026	2025
Opening balance of cash flow hedge reserve	**119**	990
Effective portion of changes in fair value arising from:		
- Foreign exchange forward contracts	**429**	376
- FX debt forwards/cross currency swaps	**-**	8
- Interest rate swaps	**641**	(1,634)
Tax effect	**(345)**	379
Closing balance of cash flow hedge reserve	**844**	119

How Pact accounts for foreign currency transactions

Transactions in foreign currencies are initially recorded in the functional currency of the individual entity by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange prevailing at reporting date.

Non-monetary items that are measured at:

- Historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.
- Fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

As at the reporting date the assets and liabilities of the controlled entities with non-Australian dollar functional currencies are translated into the presentation currency of Pact at the rate of exchange at the reporting date and their statements of comprehensive income are translated at the weighted average exchange rate for the year (where appropriate).

The exchange rate differences arising on the translation to presentation currency are taken directly to the foreign currency translation reserve in equity. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the *Consolidated Statement of Comprehensive Income*.

SECTION 5 – REMUNERATING OUR PEOPLE

This section provides financial insight into employee reward and recognition designed to attract, retain, reward and motivate high performing individuals so as to achieve Pact's objectives, in alignment with the interests of the Group and its Shareholders.

5.1 EMPLOYEE BENEFITS EXPENSES AND PROVISIONS

The Group's employee benefits expenses for the year ended 30 June were as follows:

$'000	2026	2025
Wages and salaries	**393,368**	411,872
Defined contribution superannuation expense	**26,508**	25,290
Other employee benefits expense	**30,311**	27,782
Share-based payments expense	**-**	128
Total employee benefits expense	**450,187**	465,072

The current employee benefits provisions as at 30 June comprise of the following:

Annual leave	**21,731**	23,874
Long service leave	**21,004**	21,175
Total current provisions	**42,735**	45,049

In addition to the above, there are non-current employee benefits provisions of $5.9 million which includes long service leave entitlements of $4.0 million (2025: $4.2 million), and a defined benefit net liability of $1.9 million (2025: $2.1 million). The defined benefit net liability resides in six foreign jurisdictions.

How Pact accounts for employee benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave.

Benefits vested within 12 months of the reporting date are classified as current and are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled.

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Under this method consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds (except for Australia where high-quality corporate bond rates are used in accordance with the standards) with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

5.2 SHARE-BASED PAYMENTS

The Executive Key Management Personnel (KMP) remuneration framework comprises of fixed annual remuneration and cash incentives. The Board determined that no long-term incentive grant of performance rights would be awarded to Executive KMP for the year ended 30 June 2026. These revisions to Executive KMP remuneration are due to the Board requiring management to focus on short-term initiatives to accelerate improvement in the financial performance of the Company.

Total share-based payments expense recognised in the current period was Nil (2025: $0.1 million).

5.3 KEY MANAGEMENT PERSONNEL

Compensation of KMP

The amounts disclosed in the table below are the amounts recognised as an expense during the year relating to KMP compensation:

$'000	2026	2025
Short-term employee benefits	**3,857**	3,202
Post-employment benefits	**61**	58
Other long-term benefits	**234**	48
Share-based payments expense	**-**	72
Total compensation	**4,152**	3,380

Related party transactions with KMP

The following table provides the total amount of transactions with related parties for the year ended 30 June 2026:

$'000	Year	Sales[(2)]	Purchases	Other expenses	Net amounts payable
Related parties – Director's interests[(1)]	**2026**	**11,179**	**22,077**	**4,562**	**(603)**
	2025	6,611	24,207	7,053	(11,463)

(1) Related parties – Director's interests of Raphael Geminder include the following entities: Kin Group Pty Ltd; Visy Industries Australia Pty Ltd or its related bodies corporate (**Visy**); Pro-Pac Packaging Limited and its subsidiaries (related party transactions recognised up to 29 March 2026); Centralbridge Two Pty Ltd; Centralbridge (NZ) Limited; Albury Property Holdings Pty Ltd; Green's General Foods Pty Ltd; Remedy Kombucha Pty Ltd; The Reject Shop Limited (until 22 July 2025); Propax Pty Ltd; Gem-Care Products Pty Ltd; The Hive (Australia) Pty Ltd; and BG Wellness Holdings Pty Ltd.

(2) Sales are for Packaging & Sustainability and Contract Manufacturing.

Sales and purchases to related parties

The Group had sales of $11.2 million (2025: $6.6 million) and purchases of $22.1 million (2025: $24.2 million) to related parties.

Property leases with related parties

The Group leased seven properties from Centralbridge Two Pty Ltd, Centralbridge (NZ) Limited and Albury Property Holdings Pty Ltd, which are each controlled by entities associated with Raphael Geminder and are therefore related parties of the Group (**Centralbridge Leases**). The lease portfolio comprises of five properties in Australia and two in New Zealand. The aggregate annual rent payable by Pact under the Centralbridge Leases for the year ended 30 June 2026 was $4.3 million (2025: $6.8 million). As at 30 June 2026, the total lease liabilities owing to Centralbridge Leases recognised by the Group is $26.2 million (2025: $31.8 million). The leases are on commercial terms which the Board has determined are at arm's length in accordance with section 210 of the Corporations Act.

As at 30 June 2026, the Group had a $3.2 million payable to Centralbridge Pty Ltd, recognised in prior period relating to the extinguishment of the Kingsway Moorabbin lease in Victoria. The amount is payable in equal monthly instalments over a period of 24 months (which commenced on 1 July 2025).

Visy

Visy is a supplier to, and customer of, the Group. A close family member of Raphael Geminder holds a key management position at Visy and is therefore regarded as a related party of Pact. The Group purchases products such as industrial packaging, printing and carton packaging from Visy and sells recycled resins to Visy. During the year, the Group had purchases of $20.7 million (2025: $20.4 million) and sales of $4.5 million (2025: $0.4 million) with Visy.

SECTION 6 – OTHER DISCLOSURES

This section includes additional financial information that is required by the accounting standards and the Corporations Act.

6.1 BASIS OF PREPARATION

Basis of preparation and compliance

This *Report*:

- Comprises the financial statements of Pact Group Holdings Ltd, being the parent entity, and its controlled entities as specified in Note 3.2.
- Is a general purpose financial report.
- Has been prepared in accordance and complies with the requirements of the Corporations Act, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (**AASB**). The Group is not required to present segment information in accordance with AASB 8: *Operating Segments* as the Company's equity and debt instruments are not publicly traded and the Company is not in the process of filing statements for the purpose of issuing any class of instruments in a public market. Accordingly, the Company is not within the scope of AASB 8.
- Complies with International Financial Reporting Standards (**IFRS**) and Interpretations as issued by the International Accounting Standards Board.
- Has been prepared on an historical cost basis except for derivative financial instruments, which are measured at fair value.
- Has revenues, expenses and assets recognised net of GST except where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case GST is recognised as part of the acquisition of the asset or as part of the expense item to which it relates. The net amount of GST recoverable from or payable to the taxation authority is included as part of receivables or payables in the *Consolidated Statement of Financial Position*.
- Is presented in Australian dollars with all values rounded to the nearest $1,000, unless otherwise stated, in accordance with the ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191.
- Has all intercompany balances, transactions, income and expenses and profit and losses resulting from intra-group transactions eliminated in full.
- Has been prepared on a going concern basis, which contemplates the continuity of normal trading operations.

The Group is in a net current liability position at balance date. Current liabilities exceed current assets by $62.5 million as at 30 June 2026. The Directors have assessed that due to the Group's access to undrawn facilities of $197.7 million and forecast positive cash flows into the future, the Group will be able to pay its debts as and when they fall due.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The Group will adopt the new and amended standards and interpretations that are issued, but not yet effective, at the date they become effective. The Group's results and disclosures will not be materially impacted by these standards.

Comparatives

Comparative figures can be adjusted to conform to changes in presentation for the current financial period where required by accounting standards or as a result of changes in accounting policy.

Where necessary, comparatives have been reclassified and repositioned for consistency with current period disclosure. No material reclassifications have been made to prior period disclosures.

New accounting standards effective

AASB S2: *Climate-related Disclosures* became effective for the Group in the current reporting period. The Group's sustainability-related disclosures will be included in the Sustainability Report prepared and issued by Pact's ultimate parent entity. Accordingly, a separate sustainability report has not been prepared by the Group, as permitted under the Corporations Act.

A number of new or amended accounting standards became mandatory in the current reporting period. None of these accounting standards and amendments that became effective in the current reporting period had a material impact on our accounting policies.

New accounting standards issued but not yet effective

We have not yet adopted any standard, interpretation, or amendment that has been issued but is not yet effective. We are currently assessing the impact of the amendments.

6.2 OTHER (LOSSES)/GAINS

The below is a reconciliation of other (losses)/gains before tax as disclosed in the *Consolidated Statement of Comprehensive Income*:

$'000	Note	2026	2025
Underlying adjustments in other losses	1.1	**(62,906)**	(13,825)
Unrealised (losses)/gains on revaluation of foreign exchange forward contracts		**5,595**	(7)
Loss on sale of property, plant and equipment		**(548)**	(385)
Realised net foreign exchange losses		**(719)**	(1,472)
Add back: Share of underlying losses in joint ventures[1]		**8,433**	16,460
Total		**12,761**	14,596
Other (losses)/gains		**(50,145)**	771

[1] Underlying adjustments disclosed in the *Consolidated Statement of Comprehensive Income* within share of (losses)/profits in joint ventures.

6.3 PACT GROUP HOLDINGS LTD – PARENT ENTITY FINANCIAL STATEMENTS SUMMARY

$'000	2026	2025
Current assets	**72,083**	72,121
Non-current assets	**1,470,083**	1,486,080
Total assets	**1,542,166**	1,558,201
Current liabilities	**-**	39
Total liabilities	**-**	39
Net assets	**1,542,166**	1,558,162
Issued capital	**1,571,706**	1,571,706
Reserves	**5,614**	5,614
Retained earnings	**(201,808)**	(185,812)
Profit reserve	**166,654**	166,654
Total equity	**1,542,166**	1,558,162
Loss of the parent entity	**(15,996)**	-
Total comprehensive income of the parent entity	**(15,996)**	-

The above is a summary of the individual financial statements for Pact Group Holdings Ltd at 30 June. Pact Group Holdings Ltd:

- is the parent of the Group;
- is a for-profit company limited by shares;
- is incorporated and domiciled in Australia; and
- has its registered office at Level 5, Building 1, 658 Church Street, Cremorne, Victoria, 3121 Australia.

How Pact accounted for information within parent entity financial statements

The financial information for the Company has been prepared on the same basis as the consolidated financial statements, except as set out below:

- Investments in subsidiaries are accounted for at cost in the financial statements of the Company.

Ultimate parent entity

The Group's ultimate parent entity is Kin Group, which is 100% owned by Salvage Pty Ltd (**Salvage**). Salvage and its associates hold 95.88% of issued shares in Pact as at 30 June 2026 (2025: 88.13%).

6.4 DEED OF CROSS GUARANTEE

$'000	2026	2025
Closed group consolidated income statement		
Loss before income tax	**(114,076)**	(36,811)
Income tax benefit	**28,214**	5,836
Net loss for the year	**(85,862)**	(30,975)
Retained earnings at beginning of the year	**(257,116)**	(248,209)
Net loss for the year	**(85,862)**	(30,975)
Dividends received	**14,399**	22,068
Retained earnings at end of the year	**(328,579)**	(257,116)
Closed group consolidated balance sheet		
CURRENT ASSETS		
Cash and cash equivalents	**19,628**	9,871
Trade and other receivables	**80,926**	95,704
Inventories	**121,898**	126,066
Contract assets	**13,952**	17,198
Current tax assets	**124**	-
Loans to related parties	**39,071**	43,545
Other current financial assets	**2,150**	494
Prepayments	**9,264**	8,849
TOTAL CURRENT ASSETS	**287,013**	301,727
NON-CURRENT ASSETS		
Trade and other receivables	**549**	-
Prepayments	**654**	1,229
Property, plant and equipment	**704,100**	664,610
Investments in subsidiaries	**491,562**	494,226
Investments in joint ventures	**117,132**	116,292
Intangible assets and goodwill	**98,957**	98,981
Deferred tax assets	**72,408**	43,835
TOTAL NON-CURRENT ASSETS	**1,485,362**	1,419,173
TOTAL ASSETS	**1,772,375**	1,720,900
CURRENT LIABILITIES		
Trade and other payables	**269,536**	241,916
Loans from related parties	**71,484**	59,946
Current tax liability	**-**	734
Employee benefits provisions	**36,737**	38,428
Other provisions	**13,388**	1,095
Lease liabilities	**59,793**	55,291
Other current financial liabilities	**363**	894
TOTAL CURRENT LIABILITIES	**451,301**	398,304
NON-CURRENT LIABILITIES		
Trade and other payables	**-**	3,042
Employee benefits provisions	**3,543**	3,694
Other provisions	**8,947**	8,213
Interest-bearing loans and bank borrowings	**531,796**	473,369
Lease liabilities	**328,357**	312,935
TOTAL NON-CURRENT LIABILITIES	**872,643**	801,253
TOTAL LIABILITIES	**1,323,944**	1,199,557
NET ASSETS	**448,431**	521,343
EQUITY		
Contributed equity	**1,751,706**	1,751,706
Reserves	**(974,696)**	(973,247)
Retained earnings	**(328,579)**	(257,116)
TOTAL EQUITY	**448,431**	521,343

Pact has a number of Australian entities that are party to a Deed of Cross Guarantee (**Deed**), representing the 'Closed Group', entered into in accordance with ASIC Class Order 98/1418. This Deed grants these entities relief from preparing and lodging audited financial statements under the Corporations Act.

6.4 DEED OF CROSS GUARANTEE (CONTINUED)

The Closed Group is in a net current liability position at balance date. The Directors have assessed that due to the Group's access to undrawn facilities and forecast positive cash flows into the future, the Group will be able to pay its debts as and when they fall due (refer to Managing our liquidity risk at Note 4.3). Accordingly, the financial information for the Closed Group has been prepared on a going concern basis.

6.5 AUDITOR'S REMUNERATION

During the year, the following fees were paid or payable for services provided by the Company's external auditor Ernst & Young:

$	2026	2025
Fees to Ernst & Young (Australia)		
Fees for auditing the statutory financial report of the parent covering the Group and auditing the statutory financial reports of any controlled entities	**1,288,800**	1,454,239
Fees for other assurance and agreed upon procedure services under other legislation or contractual arrangements where there is discretion as to whether the service is provided by the auditor or another firm	**10,000**	10,000
Fees for other services:		
Tax compliance	**290,135**	85,466
Tax advisory – Other	**184,047**	176,650
Remuneration services	**-**	12,000
Total fees to Ernst & Young (Australia)	**1,772,982**	1,738,355
Fees to other overseas member firms of Ernst & Young (Australia)		
Fees for auditing the financial report of any controlled entities	**914,508**	916,329
Fees for other services:		
Tax compliance	**36,277**	54,999
Tax advisory	**301,352**	304,478
Total fees to other overseas member firms of Ernst & Young	**1,252,137**	1,275,806
Total auditor's remuneration	**3,025,119**	3,014,161

6.6 SUBSEQUENT EVENTS

In the opinion of the Directors there have been no other material matters or circumstances which have arisen between 30 June 2026 and the date of this *Report* that have significantly affected or may significantly affect the operations of the Group, the results of those operations and the state of affairs of the Group in subsequent financial periods.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

The Consolidated Entity Disclosure Statement has been prepared in accordance with the *Corporations Act 2001* and incorporates certain information for each entity that was part of the consolidated entity at the end of the financial year:

Entity name	Entity type	Body corporate country of incorporation	Body corporate % of share capital held	Country of tax residence[10]
Pact Group Holdings Ltd	Body corporate	Australia		Australia
Pact Group Industries (ANZ) Pty Ltd	Body corporate	Australia	100	Australia
Pact Group Holdings (Australia) Pty Ltd[1]	Body corporate	Australia	100	Australia
Pact Group Finance (Australia) Pty Ltd	Body corporate	Australia	100	Australia
Pact Group Industries (Asia) Pty Ltd	Body corporate	Australia	100	Australia
Alto Manufacturing Pty Ltd	Body corporate	Australia	100	Australia
Alto Packaging Australia Pty Ltd	Body corporate	Australia	100	Australia
Astron Plastics Pty Limited[2]	Body corporate	Australia	100	Australia
Australian Pharmaceutical Manufacturers Pty Ltd	Body corporate	Australia	100	Australia
Baroda Manufacturing Pty Ltd	Body corporate	Australia	100	Australia
Brickwood (Dandenong) Pty Ltd	Body corporate	Australia	100	Australia
Brickwood (NSW) Pty Ltd[3]	Body corporate	Australia	100	Australia
Brickwood (QLD) Pty Ltd	Body corporate	Australia	100	Australia
Brickwood (VIC) Pty Ltd	Body corporate	Australia	100	Australia
Cinqplast Plastop Australia Pty Limited	Body corporate	Australia	100	Australia
Davmar Investments Pty Ltd	Body corporate	Australia	100	Australia
Inpact Innovation Pty. Ltd.	Body corporate	Australia	100	Australia
Jalco Australia Pty. Limited	Body corporate	Australia	100	Australia
Jalco Automotive Pty. Limited	Body corporate	Australia	100	Australia
Jalco Care Products Pty Limited	Body corporate	Australia	100	Australia
Jalco Cosmetics Pty. Limited	Body corporate	Australia	100	Australia
Jalco Group Pty. Limited	Body corporate	Australia	100	Australia
Jalco Plastics Pty. Ltd.	Body corporate	Australia	100	Australia
Jalco Powders Pty Limited	Body corporate	Australia	100	Australia
Jalco Promotional Packaging Pty. Limited	Body corporate	Australia	100	Australia
MTWO Pty Ltd	Body corporate	Australia	100	Australia
Packaging Employees Pty Limited	Body corporate	Australia	100	Australia
Pact Packaging Wyndham Pty Ltd (formerly Linpac Packaging Australia Pty Ltd)	Body corporate	Australia	100	Australia
Pact Retail Accessories (Australia) Pty Ltd	Body corporate	Australia	100	Australia
Pascoe's Pty Ltd	Body corporate	Australia	100	Australia
Plaspak Closures Pty Limited	Body corporate	Australia	100	Australia
Plaspak Management Pty Limited	Body corporate	Australia	100	Australia
Plaspak Pty Limited	Body corporate	Australia	100	Australia
Power Plastics Pty. Limited	Body corporate	Australia	100	Australia
Ruffgar Holdings Pty Limited[4]	Body corporate	Australia	100	Australia
Salient Asia Pacific Pty Ltd	Body corporate	Australia	100	Australia
Skyson Pty. Ltd.[5]	Body corporate	Australia	100	Australia
Snopak Manufacturing Pty Ltd	Body corporate	Australia	100	Australia
Steri-Plas Pty Ltd	Body corporate	Australia	100	Australia
Sulo MGB Australia Pty Ltd	Body corporate	Australia	100	Australia
Summit Manufacturing Pty Ltd	Body corporate	Australia	100	Australia
Sunrise Plastics Pty. Ltd.	Body corporate	Australia	100	Australia
Synergy Packaging Pty Ltd	Body corporate	Australia	100	Australia
VIP Drum Reconditioners Pty. Ltd.	Body corporate	Australia	100	Australia
VIP Plastic Packaging Pty Ltd	Body corporate	Australia	100	Australia
VIP Steel Packaging Pty Ltd	Body corporate	Australia	100	Australia
Viscount Logistics Services Pty Ltd	Body corporate	Australia	100	Australia
Pact Braeside Pty Ltd (formerly Viscount Plastics (Australia) Pty Ltd)	Body corporate	Australia	100	Australia
Viscount Plastics (China) Pty Ltd	Body corporate	Australia	100	Australia
Vmax Returnable Packaging Systems Pty Ltd	Body corporate	Australia	100	Australia
Pact Group Holdings (NZ) Limited	Body corporate	New Zealand	100	New Zealand
Pact Group Finance (NZ) Limited	Body corporate	New Zealand	100	New Zealand
Pact Group (NZ) Limited[6]	Body corporate	New Zealand	100	New Zealand
VIP Steel Packaging (NZ) Limited	Body corporate	New Zealand	100	New Zealand
VIP Plastic Packaging (NZ) Limited	Body corporate	New Zealand	100	New Zealand

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Entity name	Entity type	Body corporate country of incorporation	Body corporate % of share capital held	Country of tax residence[10]
Alto Packaging Limited	Body corporate	New Zealand	100	New Zealand
Auckland Drum Sustainability Services Limited	Body corporate	New Zealand	100	New Zealand
Tecpak Industries Limited	Body corporate	New Zealand	100	New Zealand
Astron Plastics Limited	Body corporate	New Zealand	100	New Zealand
Pacific BBA Plastics (NZ) Limited	Body corporate	New Zealand	100	New Zealand
Viscount Plastics (NZ) Limited	Body corporate	New Zealand	100	New Zealand
Stowers Containment Solutions Limited	Body corporate	New Zealand	100	New Zealand
Sulo (N.Z.) Limited	Body corporate	New Zealand	100	New Zealand
Pact Retail Accessories (New Zealand) Limited	Body corporate	New Zealand	100	New Zealand
Pact Group Closure Systems (Guangzhou) Co., Ltd	Body corporate	China	100	China
Pact Group Closure Systems (Tianjin) Co., Ltd	Body corporate	China	100	China
Pact Group Packaging Systems (Guangzhou) Co., Ltd	Body corporate	China	100	China
Dongguan Top Rise Trading Co. Ltd	Body corporate	China	100	China
Dongguan Regent Plastic Products Co. Ltd	Body corporate	China	100	China
Ningbo Xunxing Trade Co. Ltd	Body corporate	China	100	China
TIC Manufacturing (Bangladesh) Limited	Body corporate	Bangladesh	100	Bangladesh
TIC Industries (Bangladesh) Pty Ltd.	Body corporate	Bangladesh	100	Bangladesh
TIC Trading (Bangladesh) Limited[7]	Body corporate	Bangladesh	100	Bangladesh
Pact Closure Systems (India) Private Limited	Body corporate	India	100	India
AMRS Business Services Private Limited	Body corporate	India	100	India
Pact Group Holdings (Hong Kong) Limited	Body corporate	Hong Kong	100	Hong Kong
Roots Investment Holding Private Limited	Body corporate	Hong Kong	100	Hong Kong
Pact Retail Accessories (Hong Kong) Limited	Body corporate	Hong Kong	100	Hong Kong
Pact Retail Accessories (Asia) Limited	Body corporate	Hong Kong	100	Hong Kong
Talent Group Development Limited	Body corporate	Hong Kong	100	Hong Kong
Fast Star International Holdings Limited	Body corporate	Hong Kong	100	Hong Kong
PT Plastop Asia Indonesia	Body corporate	Indonesia	100	Indonesia
PT Plastop Indonesia Manufacturing[8]	Body corporate	Indonesia	100	Indonesia
Pact Group Closure Systems Korea Ltd	Body corporate	Korea	100	Korea
Pact Group Closure Systems Nepal Private Limited	Body corporate	Nepal	100	Nepal
Plastop Asia, Inc.	Body corporate	Philippines	100	Philippines
Pact Packaging Philippines Inc.	Body corporate	Philippines	100	Philippines
Pact Closure Systems (Philippines) Inc.	Body corporate	Philippines	100	Philippines
Asia Peak Pte. Ltd.	Body corporate	Singapore	100	Singapore
Pact Retail Accessories (USA) LLC	Body corporate	United States of America	100	United States of America
Pact Retail Accessories (UK) Limited	Body corporate	United Kingdom	100	United Kingdom
Full View Plastics Unit Trust	Trust	N/A	N/A	N/A
White Rock Insurance Company PCC Limited (Cell Pact)	PCC	Guernsey	-[9]	Guernsey
Spraypac Products (NZ) Limited	Body corporate	New Zealand	50	New Zealand
Weener Plastop Asia, Inc.	Body corporate	Philippines	50	Philippines
Gempack Asia Limited	Body corporate	Thailand	50	Thailand
PT Weener Plastop Indonesia	Body corporate	Indonesia	50	Indonesia
Circular Plastics Australia (PET) Holdings Pty Ltd	Body corporate	Australia	33.33	Australia
Circular Plastics Australia Pty Ltd	Body corporate	Australia	50	Australia
Marquis Holdco Pty Ltd	Body corporate	Australia	50	Australia

(1) Participant in the Gempack Asia Limited joint venture and the Marquis Holdco Pty Ltd joint venture.

(2) Participant in the Circular Plastics Australia Pty Ltd joint venture and the Circular Plastics Australia (PET) Holdings Pty Ltd joint venture.

(3) The trustee of the Full View Plastics Unit Trust, a trust in the consolidated entity.

(4) Participant in the Weener Plastop Asia, Inc. joint venture.

(5) Participant in the Gempack Asia Limited joint venture.

(6) Participant in the Spraypac Products (NZ) Limited joint venture.

(7) Voluntarily de-registered on 21 July 2024.

(8) Participant in the PT Weener Plastop Indonesia joint venture.

(9) The Group has an "equity interest" in the Cell Pact within White Rock Insurance Company PCC Limited. This entity is made up of the Cell Pact (in which the Group has 100% "ownership interest") and many other cells in which the Group does not have an ownership interest. The Group does not have any ownership interest in White Rock Insurance Company PCC Limited.

(10) No entity within the Group has a dual residency for tax purposes.

DIRECTORS' DECLARATION

In the Directors' opinion:

1. The consolidated financial statements and notes are in accordance with the *Corporations Act 2001* (Cth) including:

   (a) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the year ended on that date;

   (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

   (c) complying with International Financial Reporting Standards as disclosed in Note 6.1;

2. The consolidated entity disclosure statement required by section 295(3A) of the *Corporations Act 2001* is true and correct;

3. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

4. As at the date of this Declaration, there are reasonable grounds to believe that the members of the Closed Group identified in Note 6.4 will be able to meet any obligations or liabilities to which they are or may become subject by virtue of the Deed of Cross Guarantee described in Note 6.4.

This Declaration is made in accordance with a resolution of the Directors.

Raphael Geminder **Executive Chair**	Sanjay Dayal **Managing Director and Group Chief Executive Officer**

20 August 2026

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Independent auditor's report to the members of Pact Group Holdings Ltd

Opinion

We have audited the financial report of Pact Group Holdings Ltd (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2026 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information is the Director's Report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

- The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001;* and

for such internal control as the directors determine is necessary to enable the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

- The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young

Ernst & Young

Ashley Butler
Partner
Melbourne
20 August 2026

PACT GROUP

pactgroup.com