

# Ardagh Metal Packaging S.A. Second Quarter 2024 Update

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25<sup>th</sup> July 2024

## Forward-Looking Statements

This presentation contains "forward-looking statements" within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended and Section 21E of the U.S. Securities Exchange Act of 1934, as amended. Forward-looking statements are not historical facts and are inherently subject to known and unknown risks and uncertainties, many of which may be beyond our control. We caution you that the forward-looking information presented in this presentation is not a guarantee of future events, and that actual events may differ materially from those made in or suggested by the forward-looking information contained in this presentation. Certain factors that could cause actual events to differ materially from those discussed in any forward-looking statements include the risk factors described in Ardagh Metal Packaging S.A.'s Annual Report on Form 20-F for the year ended December 31, 2023 filed with the U.S. Securities and Exchange Commission (the "SEC") and any other public filings made by Ardagh Metal Packaging S.A. with the SEC. In addition, new risk factors and uncertainties emerge from time to time, and it is not possible for us to predict all risk factors and uncertainties, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual events to differ materially from those contained in any forward-looking statements. Under no circumstances should the inclusion of such forward-looking statements in this presentation be regarded as a representation or warranty by us or any other person with respect to the achievement of results set out in such statements or that the underlying assumptions used will in fact be the case. Therefore, you are cautioned not to place undue reliance on these forward-looking statements. Any forward-looking information presented herein is made only as of the date of this presentation, and we do not undertake any obligation to update or revise any forward-looking information to reflect changes in assumptions, the occurrence of unanticipated events, or otherwise.

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This presentation may contain certain financial measures such as Adjusted EBITDA, Adjusted operating cash flow, Adjusted free cash flow, net debt and ratios relating thereto that are not calculated in accordance with IFRS. Non-IFRS financial measures may be considered in addition to IFRS financial information, but should not be used as substitutes for the corresponding IFRS measures. The non-IFRS financial measures used by Ardagh Metal Packaging S.A. may differ from, and not be comparable to, similarly titled measures used by other companies.

## About Ardagh Metal Packaging

Ardagh Metal Packaging (AMP) is a leading global supplier of sustainable and infinitely recyclable metal beverage cans to brand owners globally. An operating business of sustainable packaging business Ardagh Group, AMP is a leading industry player across Europe, North America and Brazil with innovative production capabilities. AMP operates 23 production facilities in nine countries, employing 6,300 employees and had sales of \$4.8 billion in 2023.

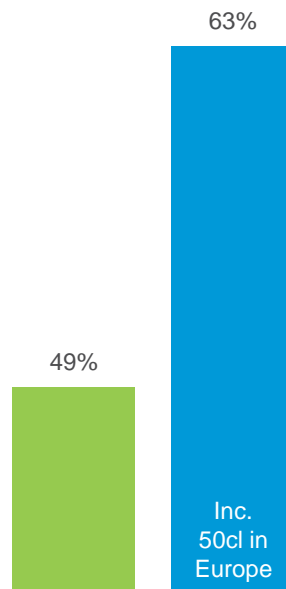
For more information, visit <https://www.ardaghmetalphyspackaging.com/investors>

# Introduction

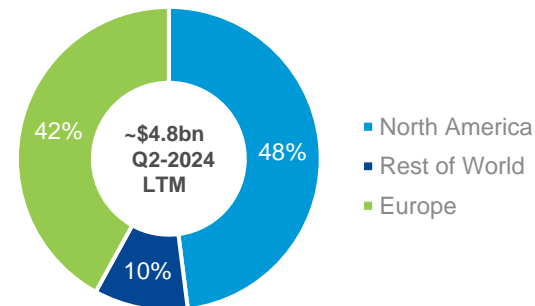
# Ardagh Metal Packaging at a glance

- Ardagh Metal Packaging (AMP) (NYSE: AMBP) is a leading global metal beverage can manufacturer
- Geographically diversified - #2 player in Europe and #3 player in North America (NA) and Brazil
- 23 strategically located production facilities serving a diversified mix of customers and market segments
- Medium term tailwinds from beverage innovation and global sustainability initiatives
- Consistent capital allocation policy - recurring ordinary dividend of 10c per share

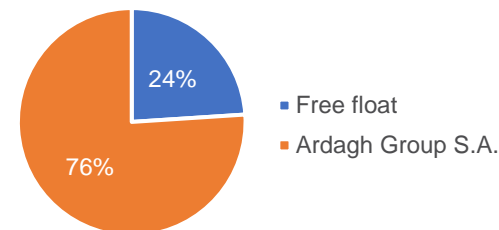
**Specialty mix as % of total shipments**  
H1 2024



**Revenue by destination**



**Ordinary share ownership**



# Key messages

Europe recovery underpins quarterly guidance beat



## Global shipment growth of 3% in Q2

- Europe shipments growth of 5%, demonstrating improved momentum following the rebound in Q1
- Americas shipments growth of 1%:
  - Above-market growth of 3% in NA shipments, despite strong prior year comparable (+18%), reflecting contracted new volumes
  - Strong industry backdrop in Brazil. AMP's performance impacted by temporary customer effects during the seasonal low period



## Adjusted EBITDA ahead of guidance and the prior year quarter

- Stronger than expected input cost recovery in Europe drives outperformance versus Q2 guidance
- Encouraging double-digit Adjusted EBITDA growth in both regions versus the prior year quarter
- Adjusted EBITDA growth in H2 expected to be in excess of volume growth, reflecting improved fixed cost absorption









## Improved full-year outlook

- FY 2024 Adjusted EBITDA guidance range improved to \$640 - 660 million (from \$630 - 660 million)
  - LTM Adjusted EBITDA rises to \$631m in Q2, with further momentum guided for Q3
- Improved cost recovery in Europe offsetting softness in energy drinks category in NA
- Apollo financing commitment to further strengthen liquidity in H2 and supplement expected seasonal cash inflows

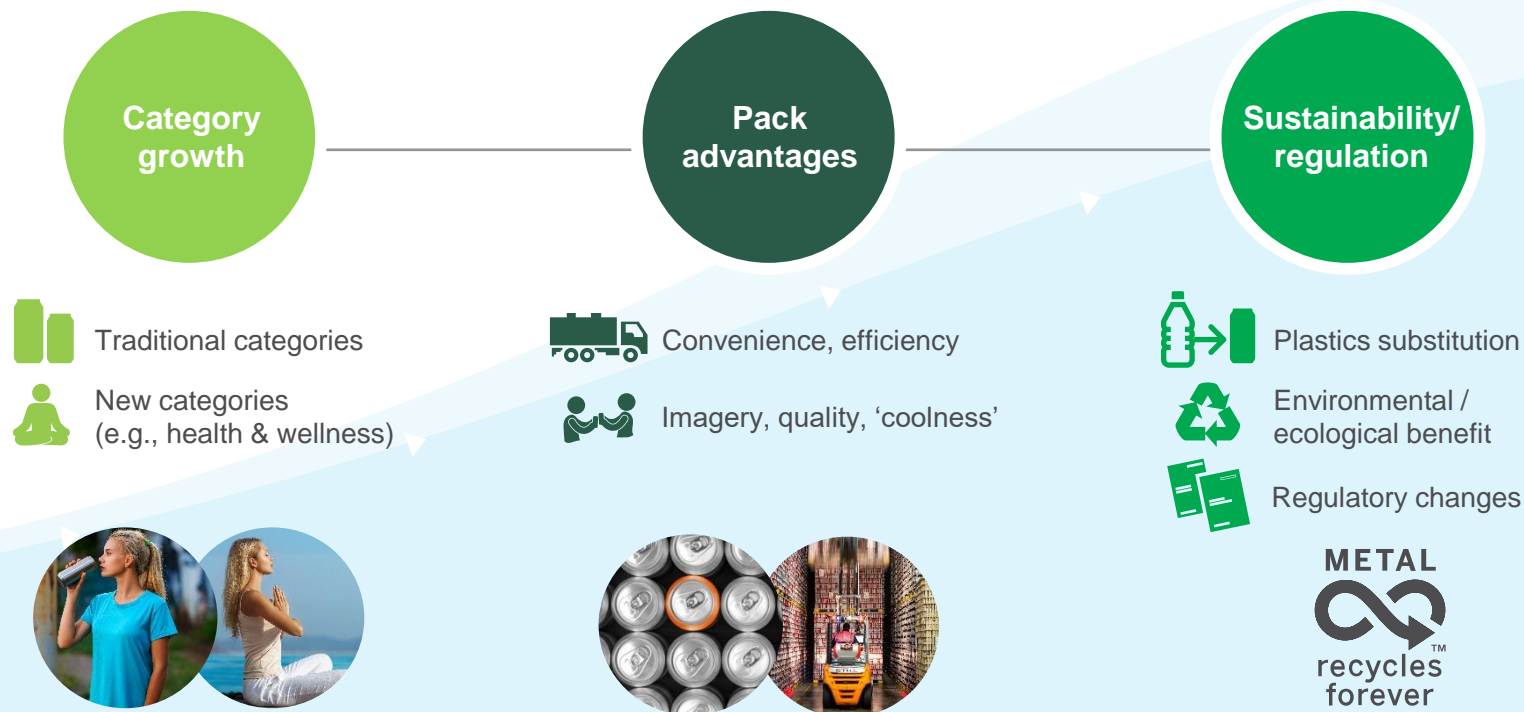
# Volume snapshot

Shipment growth of 3% in Q2



Market	AMP performance	Recent market trends
Europe	 +5% growth in Q2	 <ul style="list-style-type: none"><li>Continued recovery into busy summer period with sporting events</li><li>Broad-based market recovery, but focus now on consumer sell-through</li></ul>
Americas	+1% growth in Q2  • +3% growth in <u>NA</u> in Q2  • 7% decline in <u>Brazil</u> in Q2	<b>North America:</b>  <ul style="list-style-type: none"><li>Strength in sparkling water, seltzers and CSD with softness in energy drink and mass beer categories</li><li>Uptick in promotional activity in non-alcohol</li></ul> <b>Brazil:</b>  <ul style="list-style-type: none"><li>Strong industry recovery due to improving macro and pack-mix share gains</li><li>Low volume season with customer downtime</li></ul>

# Drivers of secular growth remain strong







## Recent highlights



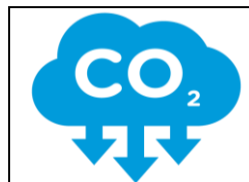
Solar power purchase agreement in Germany signed earlier this year with Sunnic Lighthouse GmbH has been extended (and for higher volume) to 2030, which will cover up to 40% of German demand needs



Huron achieved ISO 14001 Certification. ISO 14001 sets out the criteria for an environmental management system (EMS). Organisations who adopt this standard signal a commitment not only to regulatory compliance but also to ongoing environmental improvement. All global AMP production facilities have now achieved certification



Completion of carbon audit for 2023 highlights a significant reduction in scope 3 emissions, with the absolute emissions reduction more than compensating for the impact from business growth since 2020



AMP recently concluded its global bi-annual employee engagement survey, with a significant improvement in participation rates across all regions



# Strengthening the balance sheet

Conservative action on liquidity

- New \$300 million secured financing commitment with Apollo Capital Management to further strengthen liquidity in H2 and supplement expected seasonal cash inflows
- This Term Loan facility is expected to be drawn down in Q3, will have a neutral impact on the net leverage ratio and has a scheduled maturity in 2029
- Expectation for modest deleveraging in 2024 (versus end 2023 position), with more significant deleveraging in future years
- AMP has a structurally separate capital structure to Ardagh Group, with both its assets and liabilities sitting outside the restricted group of Ardagh Group (“ARGID”)
- Capital allocation policy remains unchanged

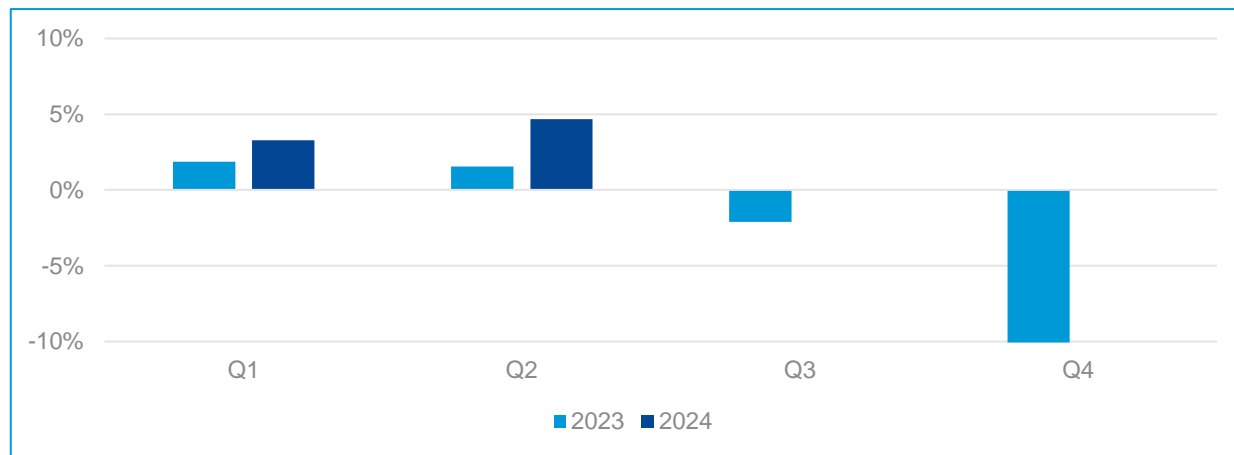


# Europe market

Strong H1 recovery

- European shipments have recovered strongly during H1 supported by sporting events, a change in customers' pricing strategies and sustainability goals. AMP is closely monitoring the sell-through to consumers over the summer period
- Broad-based growth across AMP's geographic and portfolio customer mix

**AMP Europe quarterly shipments growth – annual % change**



Source: AMP



UEFA  
**EURO2024**  
GERMANY



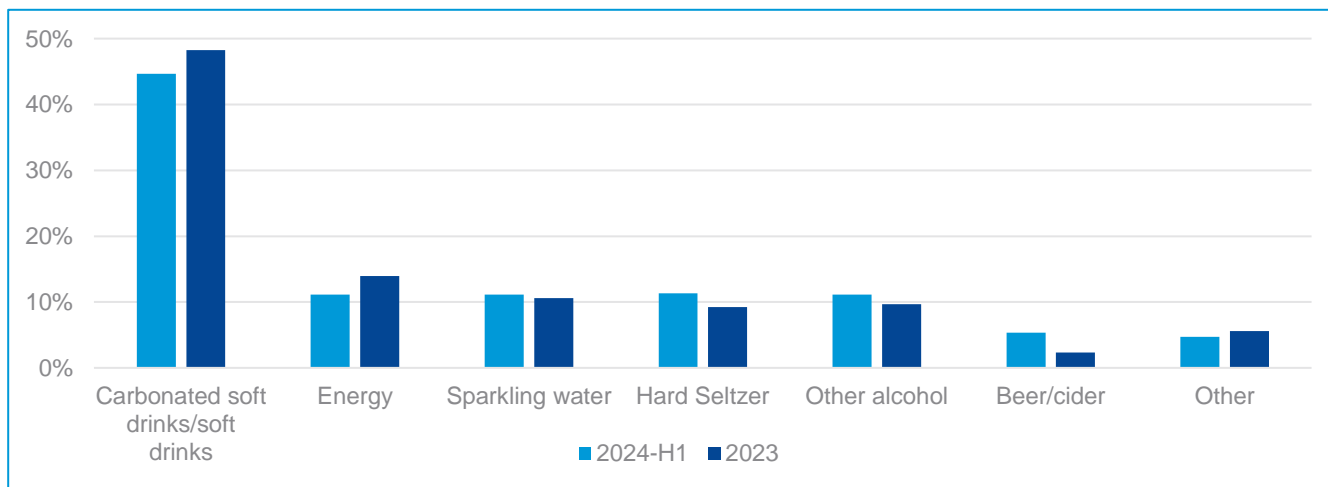
**PARIS 2024**  


# North America market

Contracted new volume maintains above-market growth

- Contracted new volume supports above market growth and greater diversification in customer portfolio mix
- Recent uptick in promotional activity across non-alcoholic categories. Softness in energy drinks category
- Increased flexibility recently built into the NA network to respond to changing customer demand patterns

**AMP North America – changes in segment mix**

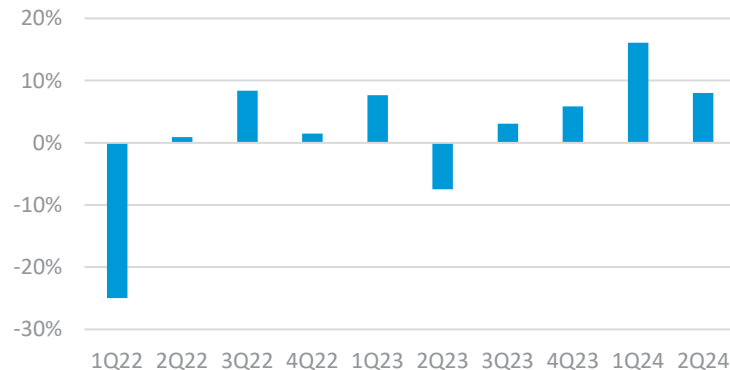


# Brazil market

Strong industry growth against supportive macro backdrop

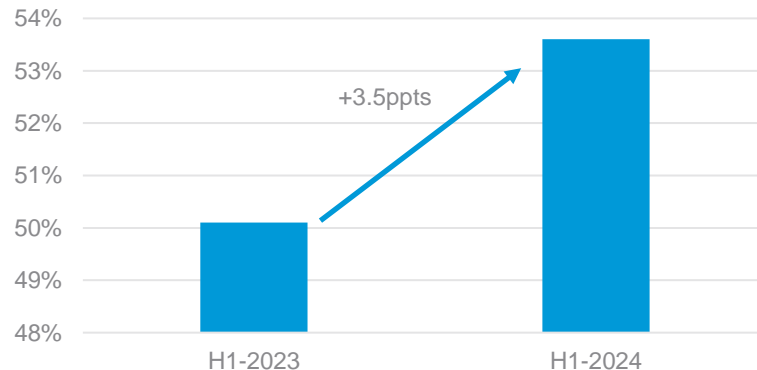
- Continued growth in industry beverage can shipments, supported by pack-mix trends. Favorable macro backdrop underpinned by labour market strength and real income growth
- AMP volume/mix included a modest decline in can volumes (c. 70 million units) due to customer mix effects, including seasonal downtime, but ends volumes grew by a strong double-digit %

**Brazil: beverage can industry quarterly shipments – annual % change**



Source: AMP estimates derived from 3<sup>rd</sup> party sources

**Beverage cans as % of beer packaging industry mix**



Source: AMP estimates derived from 3<sup>rd</sup> party sources

A close-up photograph of three aluminum soda can lids. The lids are covered in numerous small, glistening water droplets, suggesting they are cold and have been exposed to a humid environment. The lids are arranged in a slightly overlapping pattern, with one in the foreground and two behind it. The background is a soft, out-of-focus grey.

## Q2 Financial review



# Key financial metrics

Second quarter 2024

\$m except per share data	Three months ended June 30, 2024	Three months ended June 30, 2023	Change reported	Change constant currency
Revenue	1,259	1,255	-	-
Profit/(loss) for the period	2	(10)		
Adjusted EBITDA	178	151	18%	18%
Loss per share	(0.01)	(0.03)		
Adjusted earnings per share	0.06	0.04		
Dividend per ordinary share	0.10	0.10		



Q2 Adjusted EBITDA of \$178 million represented an increase of 18% versus the prior year, with double-digit Adjusted EBITDA growth in both Europe and the Americas

# Financial bridge

Three months ended June 30, 2024

Revenue \$m	Europe	Americas	Group
Revenue 2023	555	700	1,255
Organic	6	(7)	(1)
FX translation	5	-	5
Revenue 2024	566	693	1,259
Adjusted EBITDA \$m	Europe	Americas	Group
Adjusted EBITDA 2023	64	87	151
Organic	15	12	27
FX translation	-	-	-
Adjusted EBITDA 2024	79	99	178
<b>2024 Adjusted EBITDA margin %</b>	<b>14.0%</b>	<b>14.3%</b>	<b>14.1%</b>
2023 Adjusted EBITDA margin %	11.5%	12.4%	12.0%

- Group revenue was broadly unchanged versus the prior year and Adjusted EBITDA increased by 18% on both a reported and constant currency basis
- Americas revenue decreased by 1% on pass-through of lower input costs. Adjusted EBITDA increased by 14% driven by favorable volume/mix effects and lower operating costs
- Europe revenue increased by 2%. Adjusted EBITDA increased by 23% due to favorable volume/mix and stronger input cost recovery, partly offset by higher operating costs

# Net debt and liquidity

Strong liquidity and maturity profile

	June 30, 2024	
	Drawn amount \$m	Available liquidity \$m
Senior Secured Green and Senior Green Notes	3,267	
Global Asset Based Loan Facility	187	169
Lease obligations	398	
Other borrowings	46	
<b>Total borrowings/undrawn facilities</b>	<b>3,898</b>	<b>169</b>
Deferred debt issue costs	(23)	
<b>Net borrowings/undrawn facilities</b>	<b>3,875</b>	<b>169</b>
Cash, cash equivalents and restricted cash	(236)	236
Derivative financial instruments used to hedge foreign currency and interest rate risk	18	
<b>Net debt/available liquidity</b>	<b>3,657</b>	<b>405</b>

- No bonds maturing before 2027 and a weighted average maturity of 4.4 years, with all green bond finance on fixed rate terms
- Weighted average interest rate on total borrowings of 4.12%
- Term loan commitment for \$300 million to be drawn in Q3
- Currency mix of debt broadly matched with the earnings currency mix
- Leverage of 5.8x represents a sequential reduction due to a reduction in net debt and higher LTM EBITDA

# Fiscal 2024 guidance

Tightening guidance range after encouraging first half



## Global shipments growth approaching a mid-single digit %

- Increased confidence in Europe's growth outlook, while closely monitoring the summer consumer sell-through
- Brazil market backdrop remains strong but some softening in NA energy category demand – new contracts support AMP's NA outperformance
- Well-positioned for additional growth, through well-invested assets and customer mix



## Adjusted EBITDA in the range of \$640-660 million, 7-10% growth

- Supported by shipments growth across both regions
- Improved fixed cost absorption arising from shipments growth, permanent capacity actions and increased production
- Q3 Adjusted EBITDA guidance of c. \$185 million (versus \$171 million in Q3 2023)



## Modest deleveraging in 2024; strengthened liquidity position

- Modest deleveraging in 2024 (versus end 2023) through Adjusted EBITDA growth. More meaningful deleveraging thereafter
- Action to increase liquidity is expected to be neutral to net debt and strengthens the resilience of the business
- Recurring ordinary quarterly dividend of 10c per share. No change to capital allocation priorities



# Investment highlights

# Business strengths

Leading pure play global beverage can company focused on sustainable products

- Scale network player operating in a long-term growth industry with defensive qualities
- Geographically diversified - #2 player in Europe and #3 player in North America and Brazil
- Experienced management team, with a proven track record and entrepreneurial culture
- Outsized customer relevance to key accounts, with Ardagh Group's glass/metal position

- Demand driven by long-term industry megatrends and environmentally-conscious consumers
- Capacity well contracted and earnings stability enhanced by pass-through provisions on input costs

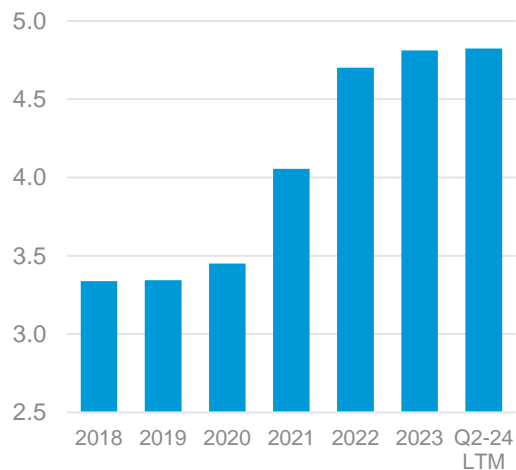
- Multi-year growth projects nearing completion and backed by diverse customers and end market segments
- Disciplined approach to capital deployment, with investment focused on network optimization & flexibility

- High cash returns with recurring 10c quarterly ordinary common dividend
- Near-term capital allocation focus on sustainable dividends and de-leveraging

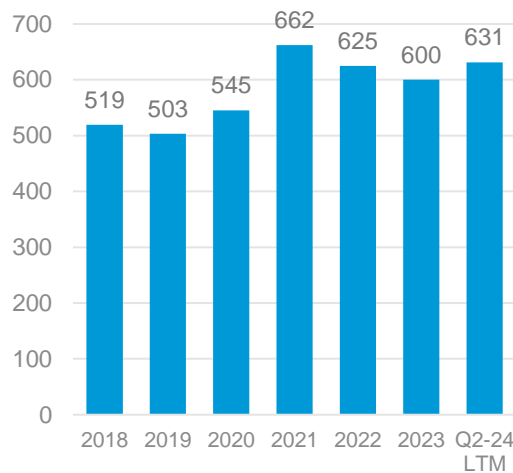


# Summary historic financials

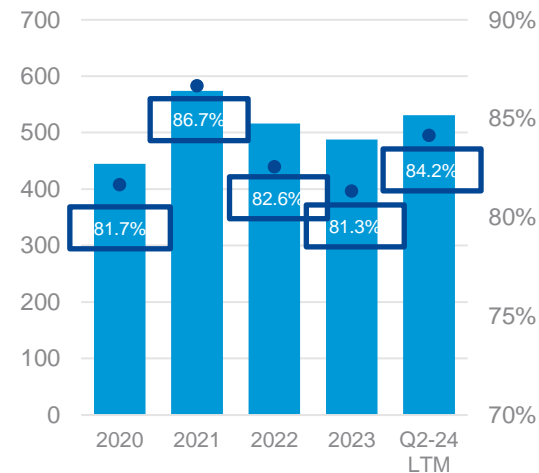
Revenue (\$ billion)



Adjusted EBITDA (\$ million)



Adj. EBITDA less maintenance capex & cash conversion ratio



- (i) Revenue and Adjusted EBITDA represented on a reported basis
- (ii) For information related to and including the period prior to April 1, 2021, AMP's results are prepared on a carve-out basis from the consolidated financial statements of Ardagh Group S.A. to represent the financial position and performance of AMP as if AMP had existed on a stand-alone basis for the three months from January 1, 2021 to April 1, 2021

# Supplemental information

# Reconciliation of profit/(loss) for the period to Adjusted profit

	Three months ended June 30,	
	2024	2023
	\$m	\$m
<b>Profit/(loss) for the period as presented in the income statement</b>	<b>2</b>	<b>(10)</b>
Less: Dividend on preferred shares	(6)	(6)
<b>Loss for the period used in calculating earnings per share</b>	<b>(4)</b>	<b>(16)</b>
Exceptional items, net of tax	8	12
Intangible amortization, net of tax	29	27
<b>Adjusted profit for the period</b>	<b>33</b>	<b>23</b>
Weighted average number of ordinary shares	597.7	597.6
<b>Loss per share (i)</b>	<b>(0.01)</b>	<b>(0.03)</b>
<b>Adjusted earnings per share (i)</b>	<b>0.06</b>	<b>0.04</b>

(i) Earnings per share and Adjusted earnings per share are the same on both a basic and diluted basis

# Reconciliation of profit/(loss) for the period to Adjusted EBITDA

	Three months ended June 30,		Six months ended June 30,	
	2024 \$m	2023 \$m	2024 \$m	2023 \$m
<b>Profit/(loss) for the period</b>	<b>2</b>	<b>(10)</b>	<b>(10)</b>	<b>(11)</b>
Income tax charge/(credit)	2	(2)	(7)	(11)
Net finance expense	51	23	86	46
Depreciation and amortization	113	100	222	198
Exceptional operating items	10	40	21	59
<b>Adjusted EBITDA</b>	<b>178</b>	<b>151</b>	<b>312</b>	<b>281</b>

# Reconciliation of Adjusted EBITDA to Adjusted operating cash flow and Adjusted free cash flow

	Three months ended June 30,		Six months ended June 30,	
	2024 \$m	2023 \$m	2024 \$m	2023 \$m
<b>Adjusted EBITDA</b>	<b>178</b>	<b>151</b>	<b>312</b>	<b>281</b>
Movement in working capital	152	171	(271)	(175)
Maintenance capital expenditure	(26)	(26)	(50)	(62)
Lease payments	(23)	(22)	(44)	(38)
Exceptional restructuring costs	(6)	-	(20)	-
<b>Adjusted operating cash flow</b>	<b>275</b>	<b>274</b>	<b>(73)</b>	<b>6</b>
Interest paid	(78)	(74)	(93)	(82)
Settlement of foreign currency derivative financial instruments	6	1	1	(11)
Income tax paid	(9)	(6)	(11)	(15)
<b>Adjusted free cash flow – pre Growth Investment capital expenditure</b>	<b>194</b>	<b>195</b>	<b>(176)</b>	<b>(102)</b>
Growth investment capital expenditure	(10)	(70)	(48)	(160)
<b>Adjusted free cash flow – post Growth Investment capital expenditure</b>	<b>184</b>	<b>125</b>	<b>(224)</b>	<b>(262)</b>

# Sustainability strategy

Built on three key pillars

## Emissions & Ecology

### Minimise our GHG emissions

- Align with Science-Based Target Initiative
- Achieve 100% renewable electricity
- Implement energy efficiency projects
- Increase recycled content
- Innovative in product design
- Source sustainably
- Partner on low carbon transport
- Minimise VOC emissions



### Minimise our ecological impact

- Achieve excellence in water management
- Support increased recycling and use of recycled content
- Promote zero waste to landfill across all facilities
- Promote circularity narratives on use of infinitely recyclable material

## Social

### Our people & our communities

#### Our people

- Maintain a safe and healthy workplace
- Promote diversity, equity and inclusion (DE&I)
- Recognise our employees

#### Our communities

- Engage proactively with our local communities
- Accelerate our investment in Ardagh for Education



### Sustainability filter

Sustainability only has a sustainable impact if it is economically viable both long and short term



# Sustainability leadership recognition



A-  
Climate Change

B  
Water Management

A  
Supplier Engagement

Leadership ratings of A for Supplier Engagement and A-rating for Climate Change from global not-for-profit CDP and a B rating for Water Management



Awarded the highest platinum rating by EcoVadis for Sustainability\*

\*Ardagh Group rating

# Core Values



## Inclusion

- Valuing contribution
- Development
- Empowerment



## Trust

- Mutual respect
- Integrity
- Transparency



## Teamwork

- Collaboration
- Safety and responsibility
- Communication



## Excellence

- Continuous improvement
- Innovation
- Sustainability



The background of the entire slide is a collage of various images related to manufacturing and packaging, all tinted in a solid blue color. The images include workers in hard hats and safety vests, people operating machinery, and close-ups of packaging equipment.

ArdaghMetalPackaging



# We make packaging for good

We work  
together as  
one team.

We are proud of  
our manufacturing  
heritage and  
expertise.

Our sustainable, infinitely  
recyclable, quality  
packaging protects our  
customers' products.

We are shaping a sustainable future  
as part of the circular economy while  
actively supporting and investing in  
the future of our communities.

