# Ardagh Metal Packaging S.A.
# Fourth Quarter 2022 Update

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23rd February 2023

# Disclaimer

Forward-Looking Statements

This release 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 press release 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 release. 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, 2021 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 release 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 release, 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.

Non-IFRS Financial Measures

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 infinitely recyclable, sustainable, metal beverage cans and ends to brand owners. A subsidiary of sustainable packaging business Ardagh Group, AMP is a leading industry player across Europe and the Americas with innovative production capabilities. AMP operates 24 production facilities in nine countries, employing more than 6,300 employees and had sales of $4.7 billion in 2022.

For more information, visit https://www.ardaghmetalpackaging.com/investors

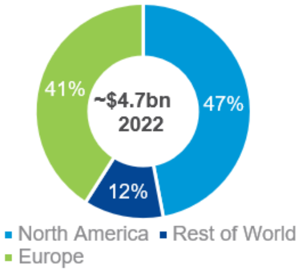
# Introduction

# Ardagh Metal Packaging at a glance

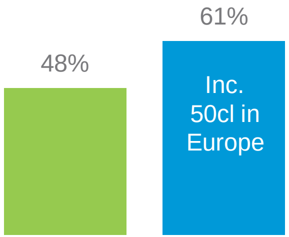
ArdaghMetalPackaging

- Ardagh Metal Packaging (AMP)(NYSE: AMBP) is a leading global beverage can manufacturer
- Geographically diversified - #2 player in Europe and #3 player in North America and Brazil
- 24 strategically located production facilities serving a diversified mix of customers and market segments
- Strong industry tailwinds from new beverage categories and global sustainability initiatives
- Benefits from Ardagh Group's committed long term ownership and glass position with key customers

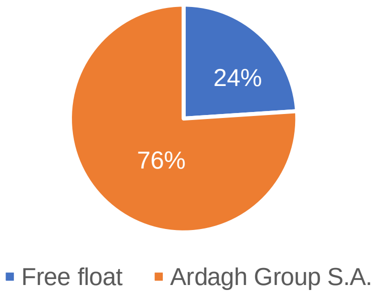
**Revenue by destination**




**Specialty mix**




**Ordinary share ownership**



# Key messages

ArdaghMetalPackaging

**Modest volume growth** in Q4 in the face of challenging market conditions

- Due to higher retail prices in core categories, further weakness in Hard Seltzers and a softer Brazil market
- Secular growth trends remain intact, evident in pack-mix trends and innovation favouring the beverage can

**Actions taken to enhance performance in 2023** and beyond

- Positioned to grow above the market due to well-advanced growth investments
- Disciplined near-term curtailment action and capex reduction

**Improved European outlook**

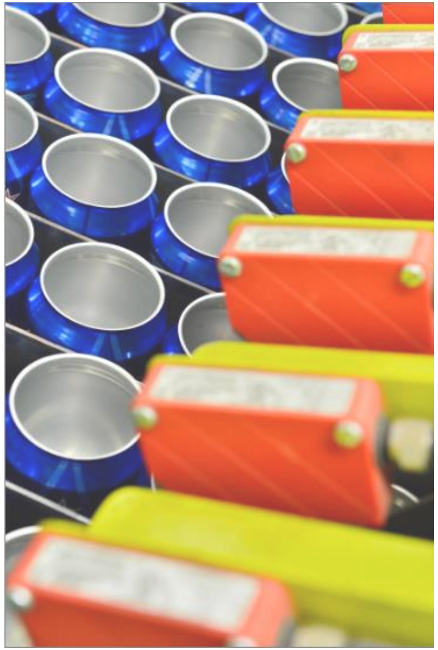
- Ongoing rebalancing of the energy market and upward revisions to macro-economic expectations
- European margin recovery and stability supported by improved energy pass-through and hedging strategy

**Balance sheet strength** with strong liquidity and no near-term debt maturities

- Pivot towards positive Adjusted free cash flow generation
- Anticipated working capital inflow of $100m in 2023

# Volume snapshot

## Shipment growth of 1% in Q4 and 5% in 2022



| Market | AMP performance | Recent market trends |
|---|---|---|
| Europe | **+1% growth in Q4**<br><br>**+4% growth in 2022** | • Resilient non-alcoholic consumption<br>• Some softness in the beer market, reflecting consumer inflationary pressures<br>• Export market to slowly recover |
| Americas | **Modest growth in Q4:**<br>• +3% growth in NA<br>• (8%) decline in Brazil<br><br>**+6% growth in 2022:**<br>• +5% growth in NA<br>• +8% growth in Brazil | North America:<br>• Increased prices at retail impacting sales, particularly in the alcohol segment<br>• Hard Seltzer weakness<br><br>Brazil:<br>• Economic pressures resulting in weaker post-covid recovery in the beer segment<br>• Strong growth in (small) CSD segment |

# Drivers of secular growth remain intact

ArdaghMetalPackaging

| | | North America | Europe | Brazil |
|---|---|---|---|---|
| **Category growth** | Traditional categories | ↑ | ↑↑ | ↑↑↑ |
| | New categories (e.g., health & wellness) | ↑↑↑ | ↑↑ | ↑ |
| **Pack advantages** | TCO[(a)] / convenience | ↑↑ | ↑↑ | ↑↑↑ |
| | Imagery, quality, 'coolness' | ↑↑↑ | ↑↑ | ↑↑ |
| **Sustainability / regulation** | Plastics substitution | ↑↑ | ↑↑↑ | ↑ |
| | Environmental / ecological benefit | ↑↑ | ↑↑↑ | ↑ |
| | Regulatory changes | ↑ | ↑↑↑ | ↑ |

↑↑↑ Exceptional growth ↑↑ Strong growth ↑ Moderate growth

(a) TCO = Total Cost of Ownership
Source: Company Information,

# Recent highlights

# Strong foundation for growth

## In 2023 and beyond

ArdaghMetalPackaging

**Investments** – Rephased investment program to complete in H1 2023 and drive above market growth and benefit from the secular growth outlook

**Capacity management -** Near-term curtailment to maintain supply/demand discipline and fixed cost absorption to improve as demand normalises

**Margin recovery** – successful engagement with European customers on direct energy pass-through and support from PPI-recovery mechanisms in long-term contracts

**Innovation** – Ongoing engagement with brand owners to drive innovation, including our digital printing capabilities

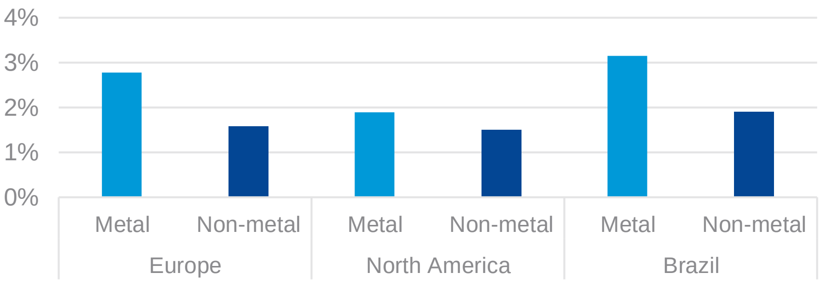
**Cash flow generation** – higher earnings, reduced Capex and actions to normalise inventory to generate positive Adjusted free cash flow

# While remaining disciplined on capacity

## Growth investment plan now well advanced

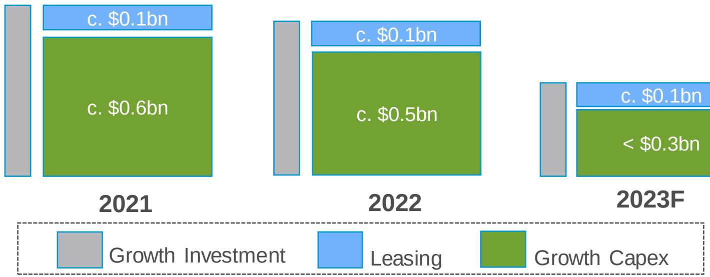
- **The majority of our growth plan has now been spent** with growth investment expected to reduce in 2023 and significantly again in 2024
- **Well positioned to support secular growth trends** with the beverage can expected to outperform other packaging types in each of our markets
- **Future growth investment plans to be phased with demand**
- **Near-term capacity curtailment** ahead of a return to more normalised demand conditions

**Industry growth by beverage packaging type: 2022-2025 CAGR**




Source: GlobalData

**Growth investment spend 2021-2023F**



# Progressing our sustainability agenda

## Successful conclusion to a year of progress

ArdaghMetalPackaging

Partnering with CMI to improve recycling

Global Aluminium Can ESG Summit

Investment in STEM education in Germany *

asi CERTIFIED PERFORMANCE ALUMINIUM-STEWARDSHIP.ORG

CDP DISCLOSER 2022

SCIENCE BASED TARGETS DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

PLATINUM Top 1% 2022 ecovadis Sustainability Rating *

AMP's 2022 Sustainability Update

MISSION POSSIBLE PARTNERSHIP

Corporate Responsibility Prime RATED BY ISS ESG

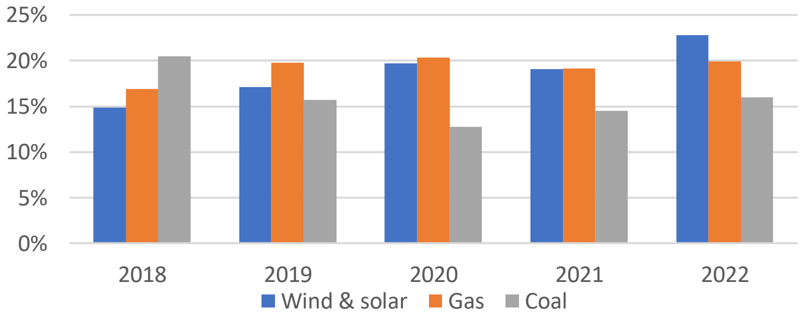
* As part of Ardagh Group

# European progress

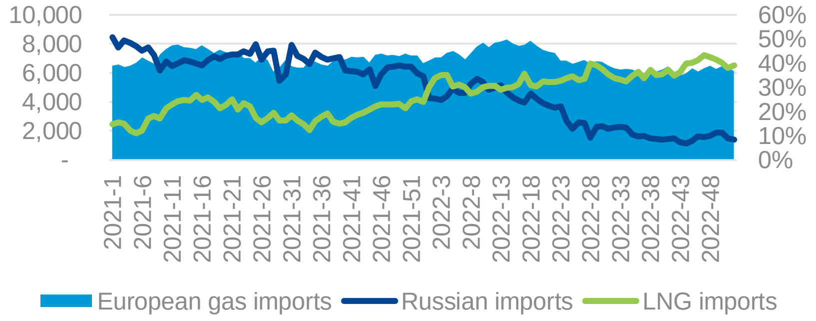
## Accelerated rebalancing of the energy market

- **Gas storage levels remain strong** with winter 2022 successfully navigated, helped by favourable weather policy actions and lower demand
- **Significant reduction in energy pricing** – both for 2023 and beyond
- **Accelerated growth in renewables development.** Wind and solar power surpassed both gas and coal as a % of electricity generation in 2022
- **Displacement of Russian gas** through import diversification, in particular increasing LNG
- **Long-term policy support for ongoing rebalancing,** through European green deal and REPowerEU Plan. Near-term fiscal supports to become more targeted.

**Wind & Solar surpass coal & gas as a % of electricity generation**




**Changing composition of European gas imports (bcm)**



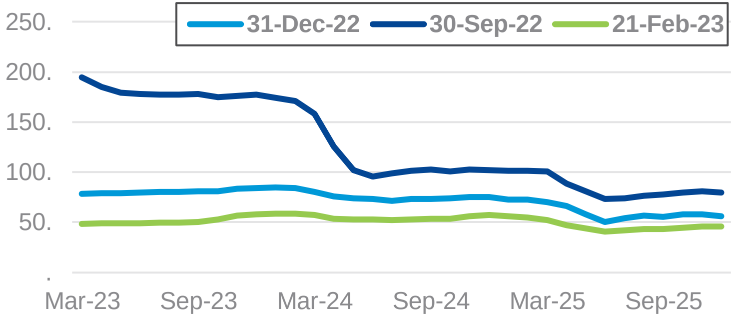

Sources: Ember, European Commission

# European energy

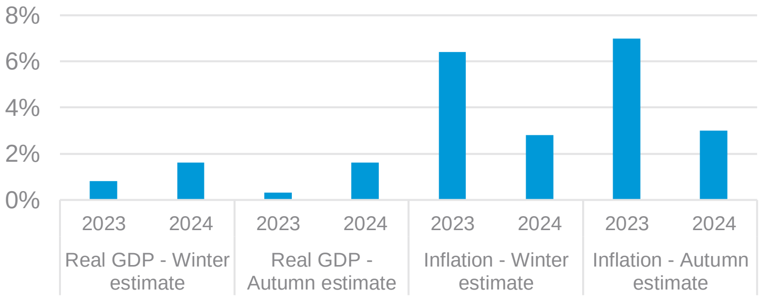
## Improved outlook supports margin recovery

- **Successful conclusion** to negotiations with customers on the **pass-through of direct energy costs**
- **Well hedged for 2023** and continue to build out future hedges as part of a longer-range hedging program
- PPI-reset mechanism under multi-year contracts to support **improved price recovery of indirect energy costs**
- Easing of energy market stress driving **upward revisions to European growth expectations**

**Dutch TTF Gas Monthly Futures €/mwh**




**Upward revisions to European growth outlook**




Sources: Factset, European Commission

# Q4 Financial review

# Key financial metrics

## Fourth quarter

| $m except per share data | Three months ended December 31, 2022 | Three months ended December 31, 2021 | Change reported | Change constant currency |
|---|---|---|---|---|
| Revenue | 1,076 | 1,087 | (1%) | 5% |
| Profit for the period | 12 | 16 | | |
| Adjusted EBITDA | 159 | 165 | (4%) | 1% |
| Earnings per share | 0.02 | 0.03 | | |
| Adjusted earnings per share | 0.05 | 0.11 | | |
| Dividend per ordinary share | 0.10 | | | |

Q4 Adjusted EBITDA at constant currency was largely unchanged on the prior year, as the contribution from volume/mix was offset by higher operating costs and input cost pressures

# Financial bridge

## Three months ended December 31, 2022

ArdaghMetalPackaging

| Revenue $m | Europe | Americas | Group |
|---|---|---|---|
| Revenue 2021 | 455 | 632 | 1,087 |
| Organic | 46 | 6 | 52 |
| FX translation | (63) | — | (63) |
| Revenue 2022 | 438 | 638 | 1,076 |

| Adjusted EBITDA $m | Europe | Americas | Group |
|---|---|---|---|
| Adjusted EBITDA 2021 | 54 | 111 | 165 |
| Organic | (1) | 3 | 2 |
| FX translation | (8) | — | (8) |
| Adjusted EBITDA 2022 | 45 | 114 | 159 |
| **2022 margin %** | **10.3%** | **17.9%** | **14.8%** |
| 2021 margin % | 11.9% | 17.6% | 15.2% |

At constant currency:

- Group revenue growth of 5% and Adjusted EBITDA increased by 1%
- Americas revenue growth of 1% and Adjusted EBITDA growth of 3%, as volume/mix contribution was partly offset by higher operating and input costs
- Europe revenue growth of 12% and Adjusted EBITDA reduced by 2%, as input and operating cost headwinds exceeded the contribution from higher volumes/improved mix

# Net debt and liquidity

## Strong liquidity and maturity profile

| | At December 31, 2022 $m | Trailing leverage |
|---|---|---|
| Senior Secured Green and Senior Green Notes (i) | 3,231 | |
| Lease obligations/other borrowings/credit lines (i) | 361 | |
| Net borrowings | 3,592 | |
| Cash and cash equivalents | 555 | |
| Net debt | 3,037 | 4.9x |
| | | |
| Cash and available liquidity (ii) | 970 | |

- No bonds maturing before 2027 and a weighted average maturity of 5.9 years
- All green bond finance is on fixed rate terms
- Weighted average interest rate on total borrowings of 3.88%
- Currency mix of debt broadly matched with the earnings currency mix
- Leverage of 4.9x reflects Net debt-to-Adjusted EBITDA of $625 million

(i) Figures are net of deferred financing costs of $32 million for Green Notes and $6m for the ABL/other
(ii) AMP has an undrawn Global Asset Based Loan Facility of $415 million as of December 31, 2022

# Fiscal 2023 guidance

Ardagh Metal Packaging

**Global shipments growth of a mid-high single digit %**

- Industry growth expected in each of our core markets
- Positioned to outperform, supported by our investment program

**Adjusted EBITDA growth of the order of 10%,** with growth weighted towards the second half(i)

- Margin improvement in Europe, through the negotiated direct energy-pass through and PPI-recovery mechanism
- Capacity management to address near-term fixed cost under absorption challenge

**Positive Adjusted free cash flow**, with the investment program now well advanced

- Growth investment to reduce to below $400 million, including leasing
- Positive working capital development through inventory management

(i) We estimate the impact of a 1c move in the euro/dollar rate as a proxy to be approximately $2 million of Adjusted EBITDA on an annual basis

# 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

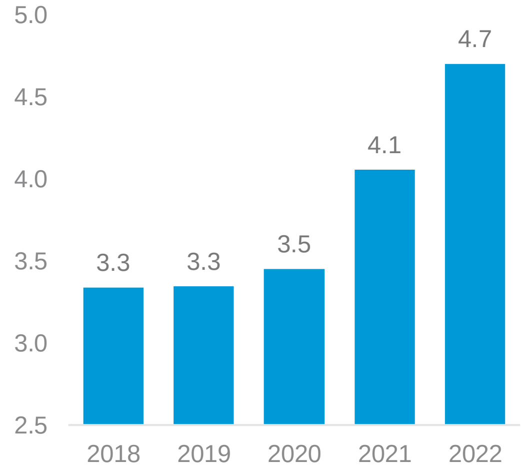
- Multi-year growth projects nearing completion and backed by diverse customers and end market segments
- Highly accretive investments de-risked through an initial focus on expansion within existing facilities
- Disciplined approach to capital deployment, with new capacity built out on a modular/phased basis

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

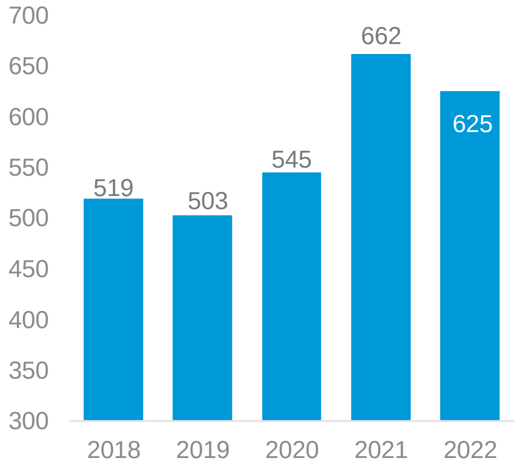
# Proven delivery & cash generation

ArdaghMetalPackaging

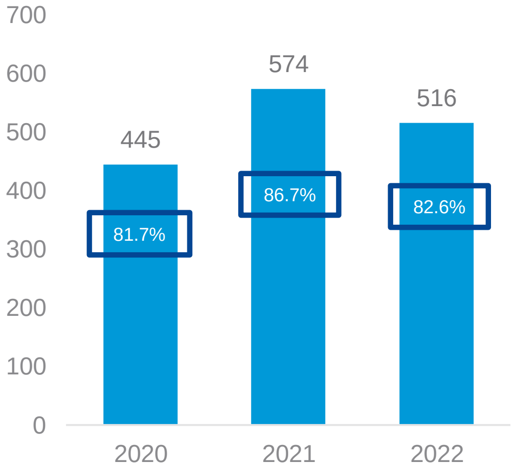
## Revenue ($ billion)




## 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

# Key financial metrics

## Full year

ArdaghMetalPackaging

| $m except per share data | Twelve months ended December 31, 2022 | Twelve months ended December 31, 2021 | Change reported | Change constant currency |
|---|---|---|---|---|
| Revenue | 4,689 | 4,055 | 16% | 22% |
| Profit/(loss) for the year | 237 | (210) | | |
| Adjusted EBITDA | 625 | 662 | (6%) | (1%) |
| Earnings/(loss) per share | 0.38 | (0.39) | | |
| Dividend per ordinary share | 0.40 | | | |

Full year Adjusted EBITDA fell by 1% on the prior year, at constant currency, as the contribution from volume/mix was offset by input cost headwinds and higher operating costs.

# Financial bridge

## Year ended December 31, 2022

ArdaghMetalPackaging

| Revenue $m | Europe | Americas | Group |
|---|---|---|---|
| Revenue 2021 | 1,838 | 2,217 | 4,055 |
| Organic | 335 | 509 | 844 |
| FX translation | (210) | — | (210) |
| Revenue 2022 | 1,963 | 2,726 | 4,689 |

| Adjusted EBITDA $m | Europe | Americas | Group |
|---|---|---|---|
| Adjusted EBITDA 2021 | 281 | 381 | 662 |
| Organic | (49) | 44 | (5) |
| FX translation | (32) | — | (32) |
| Adjusted EBITDA 2022 | 200 | 425 | 625 |
| **2022 margin %** | **10.2%** | **15.6%** | **13.3%** |
| 2021 margin % | 15.3% | 17.2% | 16.3% |

At constant currency:

- Group revenue growth of 22% and Adjusted EBITDA decreased by 1%
- Americas revenue growth of 23% and Adjusted EBITDA growth of 12%, as volume/mix was partly offset by higher operating costs
- Europe revenue growth of 21% and Adjusted EBITDA reduced by 20%, as input cost headwinds and higher operating costs exceeded the contribution from higher volumes/improved mix

# Reconciliation of profit to Adjusted profit

ArdaghMetalPackaging

| | Three months ended December 31, 2022 | Three months ended December 31, 2021 |
|---|---|---|
| | $m | $m |
| **Profit for the period as presented in the income statement** | **12** | **16** |
| Less: Dividend on preferred shares | (5) | - |
| **Profit for the period used in calculating earnings per share** | **7** | **16** |
| Exceptional items, net of tax | (1) | 25 |
| Intangible amortization, net of tax | 25 | 28 |
| **Adjusted profit for the period** | **31** | **69** |
| | | |
| Weighted average number of ordinary shares | 597.6 | 603.3 |
| | | |
| **Earnings per share (i)** | **0.02** | **0.03** |
| **Adjusted earnings per share (i)** | **0.05** | **0.11** |

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

# Reconciliation of profit/(loss) to Adjusted EBITDA

| | Three months ended December 31, | | Year ended December 31, | |
|---|---|---|---|---|
| | **2022 $m** | **2021 $m** | **2022 $m** | **2021 $m** |
| **Profit/(loss) for the period** | **12** | **16** | **237** | **(210)** |
| Income tax (credit)/charge | (1) | (2) | 19 | 22 |
| Net finance expense/(income) | 24 | 46 | (80) | 235 |
| Depreciation and amortization | 98 | 89 | 359 | 343 |
| Exceptional operating items | 26 | 16 | 90 | 272 |
| **Adjusted EBITDA** | **159** | **165** | 625 | 662 |

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

ArdaghMetalPackaging

| | Three months ended December 31, | | Year ended December 31, | |
|---|---|---|---|---|
| | 2022<br>$m | 2021<br>$m | 2022<br>$m | 2021 (i)<br>$m |
| **Adjusted EBITDA** | **159** | **165** | **625** | **662** |
| Movement in working capital | 243 | 209 | (202) | 16 |
| Maintenance capital expenditure | (35) | (25) | (109) | (88) |
| Lease payments | (19) | (14) | (59) | (48) |
| **Adjusted operating cash flow** | **348** | **335** | **255** | **542** |
| Interest paid | (68) | (64) | (123) | (113) |
| Settlement of foreign currency derivative financial instruments | (25) | 1 | 41 | 8 |
| Income tax paid | (6) | (13) | (35) | (48) |
| **Adjusted free cash flow – pre Growth Investment capital expenditure** | **249** | **259** | **138** | **389** |
| Growth investment capital expenditure | (147) | (234) | (486) | (598) |
| **Adjusted free cash flow** | **102** | **25** | **(348)** | **(209)** |

(i) 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

# Sustainability strategy

## Built on three key pillars

Ardagh Metal Packaging

### Emissions & ecology

#### Minimize our GHG emissions

- Achieve 100% renewable electricity
- Implement energy efficiency projects
- Increase recycled content
- Innovate in product design
- Partner on low carbon transport
- Source sustainably
- Reduce VOC emission intensity by 10%
- Aligned with Science-Based Targets

#### Minimize our ecological impact

- Reduce water intensity by 20%
- Zero waste to landfill
- Support increased recycling and use of recycled content
- Promote circularity narratives on use of infinitely recyclable metal

### Social

#### Our people & communities

- Engage proactively with local communities via grassroots initiatives
- STEM education investment in NA Project Lead the Way initiative and in Germany with Wissensfabrik

3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
7 AFFORDABLE AND CLEAN ENERGY
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
17 PARTNERSHIPS FOR THE GOALS

*Committed to Science Based Targets and Signatory to the UN Global Compact committing to the UN's 17 Sustainable Development goals*

# Sustainability leadership recognition



- Leadership A- rating from global not-for-profit CDP for Water Management and a B rating for Climate Change
- Awarded the highest platinum rating(i) by EcoVadis for Sustainability

(i) Ardagh Group rating

Ardagh Metal Packaging