Chairman's Review

IVE Group Limited 2025 Annual General Meeting

Good morning ladies and gentlemen.

Performance

IVE Group delivered another strong outcome for shareholders in the 2025 financial year.

Underlying net profit after tax increased by 21.1% to $52.1 million, underpinned by a further material uplift in operating margins primarily reflecting the emergence of Ovato and JacPak cost synergies coupled with continued cost discipline.

The Board declared a final dividend of 8.5 cents per share, resulting in a full year dividend of 18.0 cents per share, unchanged from the prior year and consistent with guidance. This represented an underlying dividend payout ratio of 53.4%, below the Group's historical 65%-75% dividend payout range, with the incremental funds retained used to fund the on-market share buyback and pay down senior debt.

Operational update

In addition to driving strong financial outcomes, key areas of operational focus during the year included:

- capitalising on the Group's entry into the Australian fibre-based packaging sector by selling JacPak's available revenue capacity and furthering the Group's ambition to develop a complementary NSW packaging plant in Kemps Creek, Sydney;
- expanding IVE's national 3PL capacity via relocation to a new and significantly larger Victorian facility in Dandenong South;
- development of a Sydney supersite in Kemps Creek enabling consolidation of multiple sites to deliver operating efficiencies and capacity for expansion;
- the continued growth and development of Lasoo; and
- implementing the Group's sustainability strategy.

Since listing on the ASX in 2015, the Group has undergone significant change. Revenue and net profit have almost trebled underpinned by IVE's consolidation of existing market segments coupled with expansion into marketing and communication adjacencies which has driven a significant increase in the breadth and depth of the Group's offering.

In June 2025, the Group hosted its first ever strategy session to provide investors with an update on current operations while at the same time providing an insight into the Group's direction including the Group's recently launched 'Now to 2030' strategy targeting $1.2 billion - $1.3 billion of revenue. The session was well attended and well received, with investors gaining a better understanding of how IVE intends to capitalise on the key trends shaping the marketing and communications landscape to accelerate growth in the coming years.

Capital management

With the release of the Group's interim result and reflecting the Board and management's view that IGL's share price offered significant value, in February the Board initiated an on-market share buyback of 'up to $10 million' which to date has resulted in the cancellation of around 1.1% of issued capital at an average share price of $2.52 per share.

The buyback remains in place with a further $5.7 million of available capacity.

While the Group has guided to an unchanged full year dividend of 18.0 cents per share again in FY26, the Board intends returning to a dividend payout ratio based on 55%-65% of underlying earnings.

Board refresh

Noting that four directors (including myself) have been on the Board since IVE's ASX listing in 2015 and with the Group having recently launched its ambitious 'Now to 2030' strategy, it is timely for the Board to undertake an effectiveness review over the year ahead as a precursor to a Board refresh commencing in FY27.

This follows material changes to Board governance over the past year precipitated by the tragic passing of Geoff Selig with chair and executive responsibilities separated resulting in Matt Aitken joining the Board as Group CEO and Managing Director. Paul Selig's recent transition from Executive to Non-executive Director completes the Group's evolution to a customary governance structure.

Looking ahead

To encourage greater equity ownership and drive improved alignment with shareholder interests, during the year the Board introduced new share ownership guidelines including minimum shareholding requirements for directors, KMP and senior executives. An Employee Salary Sacrifice Share Plan (ESSSP) has also been established to encourage greater staff equity ownership.

Given the recent step change in earnings, the 2026 financial year is likely to be a year of consolidation as we transition into the next phase of the Group's growth trajectory consistent with our 2030 strategic ambition. In addition to offering ample funding for organic growth initiatives, the Group's increasingly strong balance sheet offers the potential for further acquisitive growth, either adding scale to existing operations or new sources of revenue in additional product and service adjacencies.

You will hear about the Group's recent acquisition initiatives in Matt Aitken's presentation shortly.

Thank you

In closing, I would like to thank the Group's Managing Director, Matt Aitken, CFO Darren Dunkley, our highly skilled leadership team and our over 2,000 dedicated staff for an outstanding year and for their passion, diligence and commitment.

Thank you also to my fellow Directors for their continued efforts, expertise and support.

Finally, I would like to express my thanks to our shareholders, customers and suppliers for their contribution to IVE Group's continued success and for their ongoing support.

Yours sincerely,

James Todd

Chairman