



Interim Results

for the six months ended
31 March 2023

May 2023

Forward looking statements

Forward-looking statements: This announcement contains statements about Nampak that are or may be forward-looking statements. All statements, other than statements of historical fact, are, or may be deemed to be, forward-looking statements, including without limitation, those concerning: strategy; the economic outlook for the packaging industry; cash costs and other operating results; growth prospects and outlook for operations individually or in the aggregate; liquidity and capital resource and expenditure and the other outcome and consequences of any pending litigation proceedings and specifically including the proposed rights offer. These forward-looking statements are not based on historical facts but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as “believe”, “aim”, “expect”, “anticipate”, “intend”, “foresee”, “forecast”, “likely”, “should”, “planned”, “may”, “estimated”, “potential” or similar words and phrases. Examples of forward-looking statements include statements regarding a future financial position or future profits, cash flows, corporate strategy, estimates of capital expenditure, acquisition strategy, or future capital expenditure levels.

By their nature, forward-looking statements involve risks and uncertainties, because they relate to events and depend on circumstances that may or may not occur in the future. Nampak cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity and the developments including within the industry in which Nampak operates, may differ materially from those made in, or suggested by, the forward-looking statements contained in this notice. All these forward-looking statements are based on estimates and assumptions, which estimates and assumptions, although Nampak may consider them to be reasonable, are inherently uncertain and as such may not eventuate.

Many factors (including factors not yet known to Nampak, or not currently considered material), could cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those estimates, statements or assumptions. These factors include, but are not limited to: changes in economic or political conditions and changes to the associated legal, regulatory and tax environments; lower than expected performance of existing or new products and the impact thereof on the group’s future revenue, cost structure and capital expenditure; the group’s ability to expand its portfolio; skills shortage; changes in foreign exchange rates and related foreign exchange gains or losses; a lack of market liquidity which holds up the repatriation of funds; changes in commodity prices and working capital; increased competition; higher inflation; increased interest rates; slower than expected customer growth and reduced customer retention; acquisitions and divestments of group businesses and assets and the pursuit of new, unexpected strategic opportunities; the extent of any future write-downs or impairment charges on the group’s assets; changes in taxation rates; the impact of legal or other proceedings against the group; uncontrollable increases to legacy defined benefit liabilities and higher than expected costs or capital expenditures.

Nampak shareholders should keep in mind that any forward-looking statement made in this notice or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors may emerge from time to time that could cause the business of Nampak or other matters to which such forward-looking statements related, not to develop as expected and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement are not known. Nampak has no duty, and does not intend to update or revise the forward-looking statements contained in this notice after the date of this notice, except as may be required by law.

Economic



- › Demand constraints
- › South Africa
 - » Inflation, unemployment, load shedding, rand volatility and interest rates
- › Nigeria
 - » US\$ liquidity/forex losses/price elasticity of demand
- › Angola
 - » Green shoots appearing
- › Zimbabwe
 - » Hyperinflation

Operational



- › Bevcan the crown jewel with growth potential
- › DivFood turnaround plan at early stage/management changes
- › Paper and Plastic mixed fortunes
- › Paper and Plastic portfolio assessment and evaluation

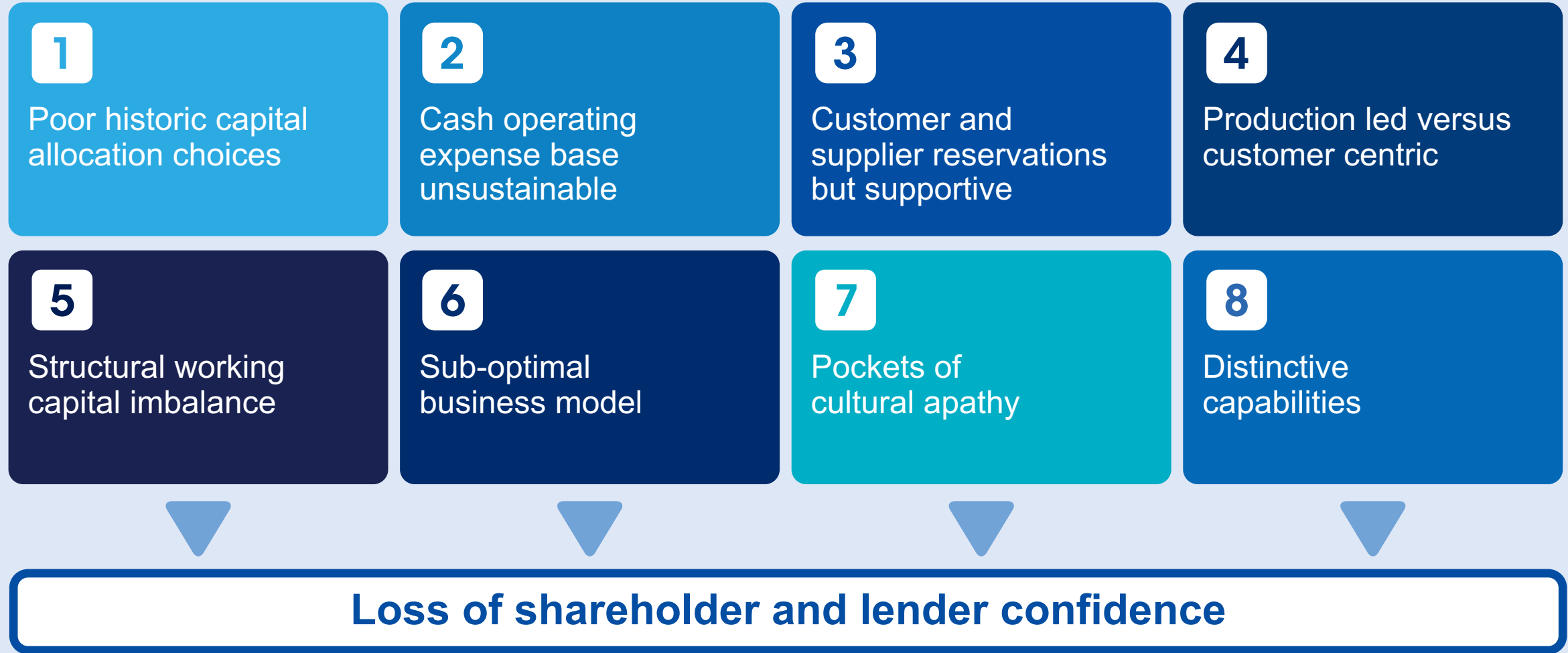
Financial



- › Liquidity challenge
 - » Capital raise
 - » Debt refinancing – 5 years
 - » Asset disposal plan
- › Working capital rigour required
- › Cost reduction a central theme
- › Unearthing performance inhibitors

Early observations

Getting busy, getting smart



Board and CEO response



Appointment of a new interim CEO



Appointment of a CRO



Debt maturity date extension



Unlocking value:

- › Costs/inefficiencies
- › Working capital
- › Trading terms review
- › Revenue growth management
- › Accelerated divestiture agenda
 - » with lender collaboration



Positioning of Rights Offer



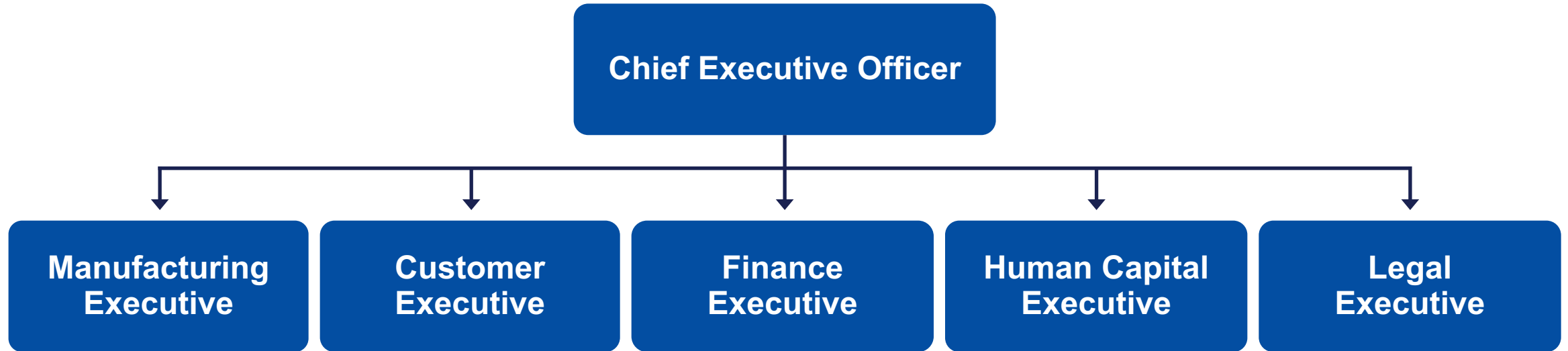
Talent calibration/retention



Business model review

Business model – Simplify inside – Differentiate outside

We need to create ONE Nampak for cultural cohesion with technical, manufacturing and customer facing competencies.



Business remodelling – Simplify inside – Differentiate outside

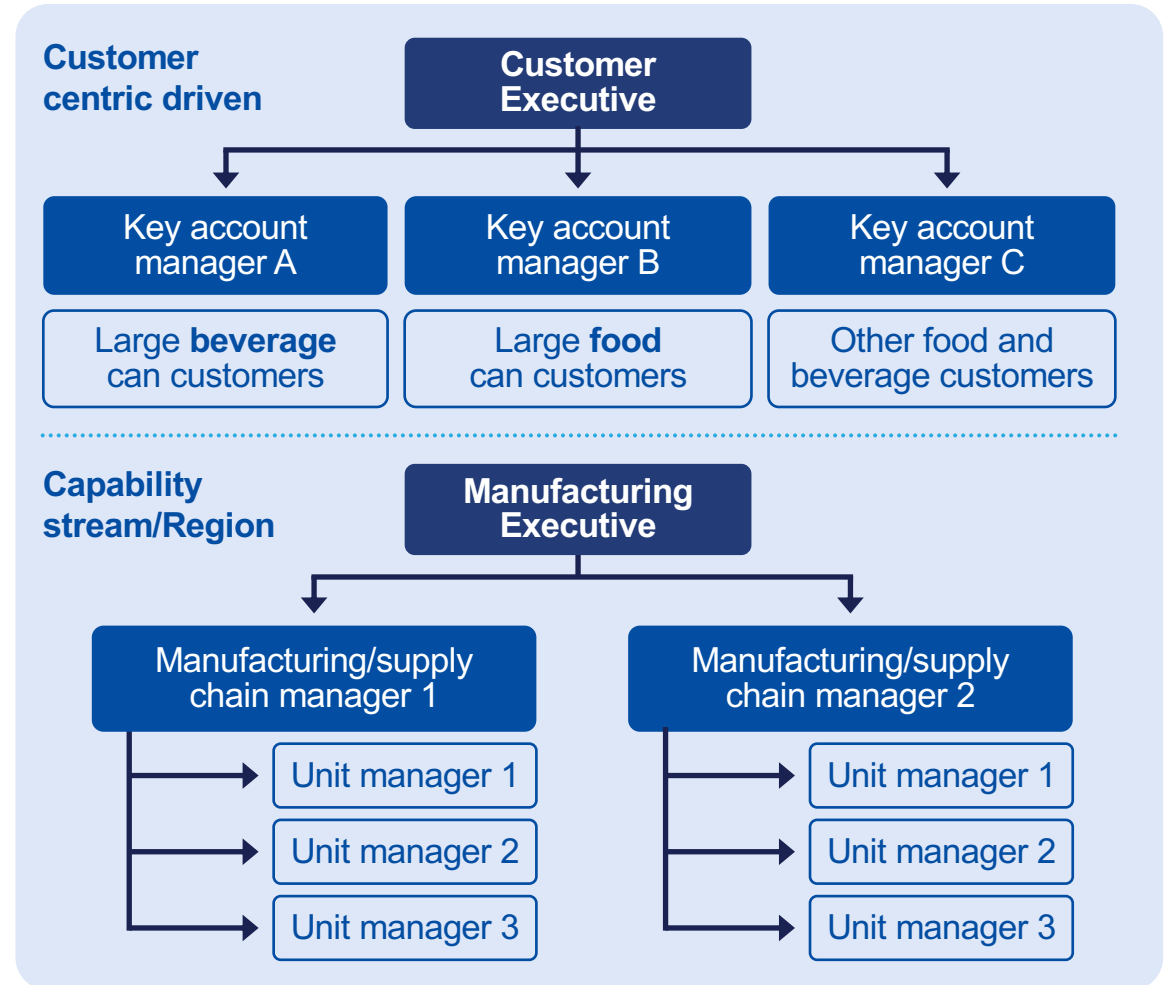
Two-step dance

Merge Bevcan and DivFood

- › Carve out synergies
- › Migrate back office to HQ (SSC)
- › Single leadership

Fully fledged end game model

- › Calibrate internal customer and supply chain candidates
- › Recruit if required
- › Capability streams a central theme
- › Streamlined management office



Strategic themes

- › Reshaping the corporate portfolio
- › Strategic customer management
 - › Top-line opportunity assessment
 - › Terms review
 - › Robust customer plans
 - › Revenue growth management

- › Cost/efficiency reset
- › Building a performance anatomy
- › Restoring the Nampak brand proposition



All roads lead to **ROAM** or **“RUIN”**

Enabling **endurable growth**

Segmental and operational reviews



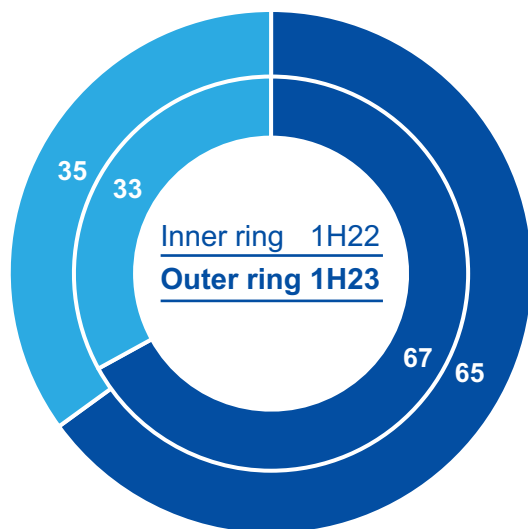
Nampak Interim Results

For the six months ended
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Segmental information

Revenue (%)

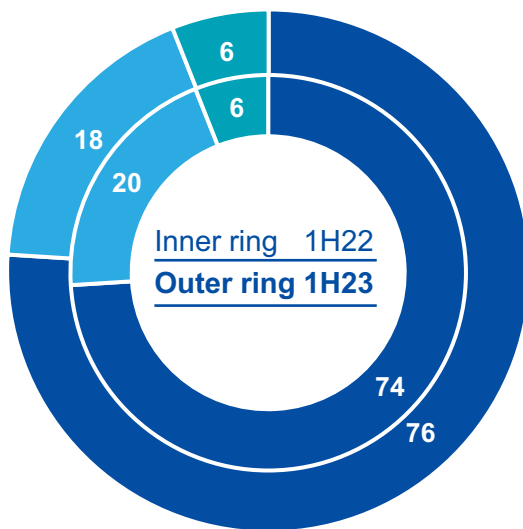
By region



■ South Africa
■ Rest of Africa

Revenue (%)

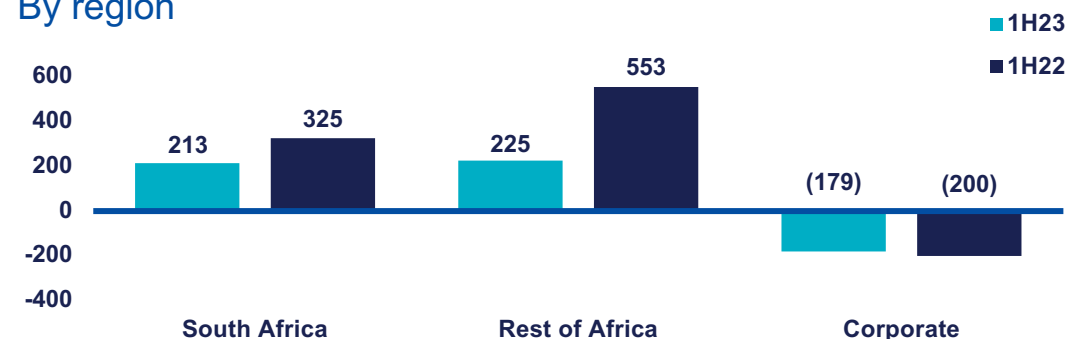
By substrate



■ Metals
■ Plastic
■ Paper

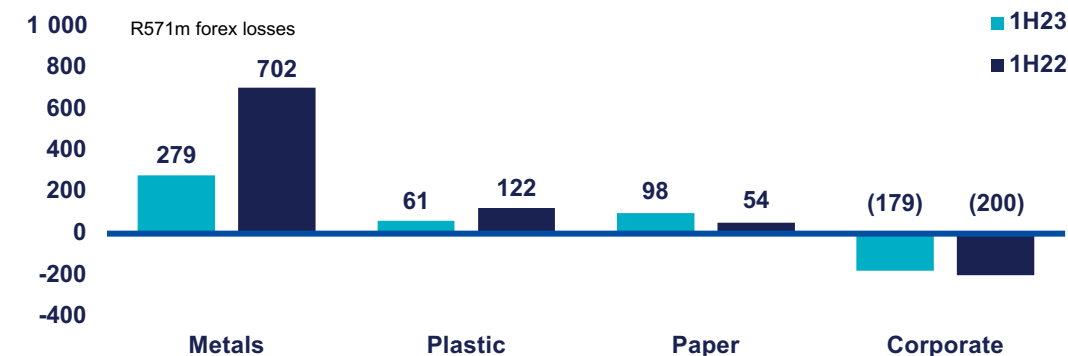
Operating profit before net impairment losses (R'm)

By region



Operating profit before net impairment losses (R'm)

By substrate



Metals

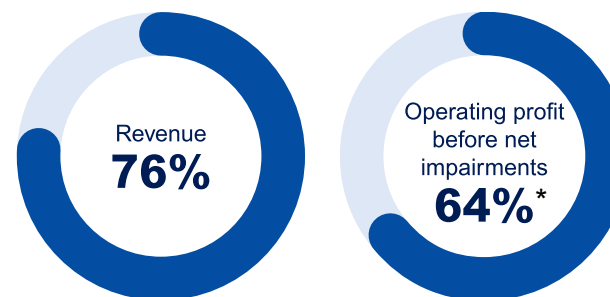


Forex losses impact Bevcan Angola and Nigeria DivFood restructuring at early stages

Metals

R million	1H23	1H22	% Δ
Revenue	6 375	5 973	7
Trading profit	849	752	13
Trading margin (%)	13.3	12.6	
Operating profit before net impairment losses	279	702	(60)
Operating margin (%)	4.4	11.8	

CONTRIBUTION TO GROUP



* contribution excluding corporate segment

SOUTH AFRICA

- › Marginal revenue growth year on year

Bevcan SA

- › Robust demand for bigger cans
- › Improved production efficiencies
- › Stabilised commodity prices
- › Working capital imbalance being addressed
- › Line 2 growth capex triggered

SOUTH AFRICA continued

DivFood

- › Marginal revenue reduction:
 - » fish, fruit and meat cans
- › Operating loss/cost push under-recovery (R69m adverse swing)
- › Stabilised commodity prices
- › Advanced portfolio review
- › Turnaround plan developed

NIGERIA

- › Economic headwinds pronounced
- › Price elasticity dampens demand
- › Accelerated cash transfers
- › R531m forex loss partially offset by amended pricing structure
- › General metals business closure imminent

ANGOLA

- › Economic indicators uptick
- › Good sales volume growth
- › Kwanza devaluation
 - » R40m forex losses
- › Capacity for growth

Plastic

The background features a collage of plastic bottles and containers, including a large white jug and several smaller clear and dark bottles. The image is overlaid with large, semi-transparent circles in shades of light blue, teal, and dark blue, creating a layered, abstract effect.

Marginally lower revenue with margin compression

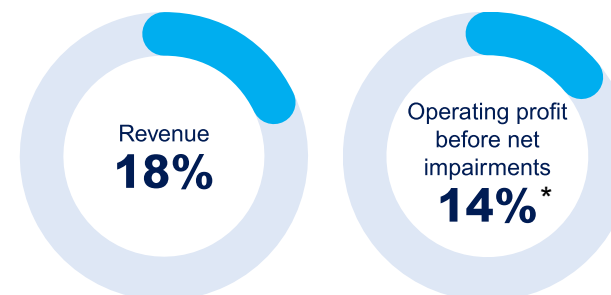
Plastic

R million	1H23	1H22	% Δ
Revenue	1 513	1 576	(4)
Trading profit	86	143	(40)
Trading margin (%)	5.7	9.1	
Operating profit before net impairment losses	61	122	(50)
Operating margin (%)	4.0	7.7	

SOUTH AFRICA

- › Consumer spending under pressure
 - » disposable income at a low point
- › Load shedding negatively affecting production at certain plastic facilities
- › Price restraint amidst competitor activity
- › Cost push under-recovered
- › Overhead cost structure unsustainable
 - » driven primarily by footprint

CONTRIBUTION TO GROUP

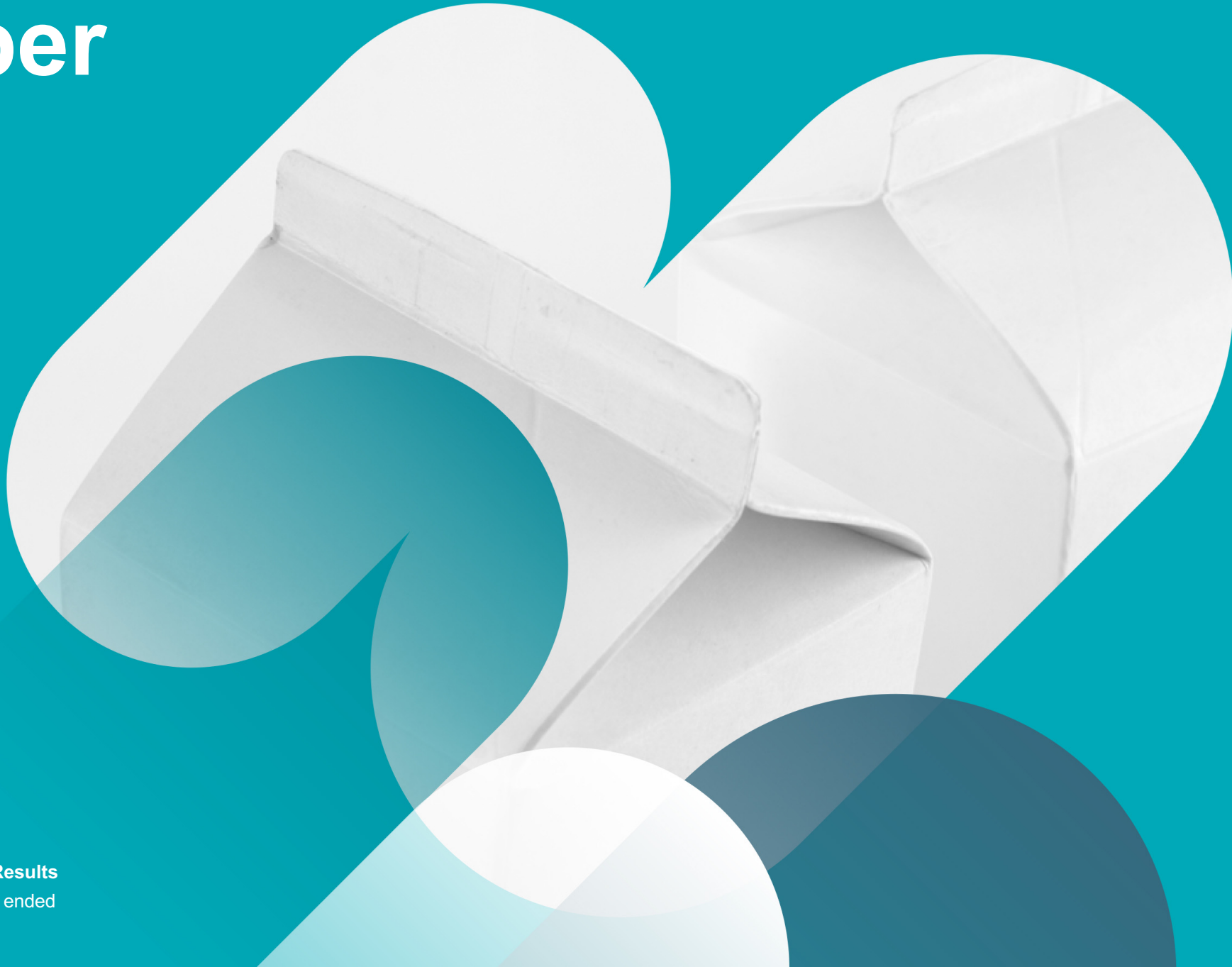


* contribution excluding corporate segment

REST OF AFRICA

- › Zimbabwe
 - » robust demand for plastic products
 - » remains self funding
 - » incessant power cuts and downtime
- › Ethiopia forex shortage

Paper



Demand drives revenue increase with margin expansion

Paper

R million	1H23	1H22	% Δ
Revenue	534	516	4
Trading profit	113	81	40
Trading margin (%)	21.2	15.7	
Operating profit before net impairment losses	98	54	82
Operating margin (%)	18.4	10.5	

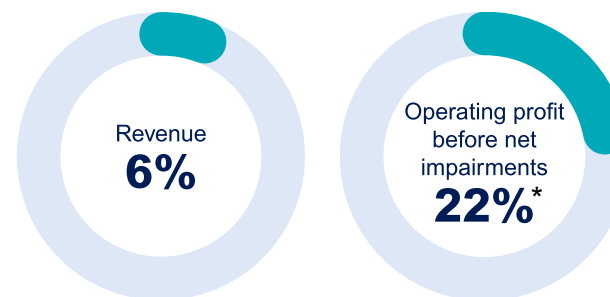
Zimbabwe

- › Record tobacco crop boosting volume
- › Difficulties in securing forex
- › Significant downtime/power cuts

Zambia

- › Zambia bulk beer regulation limits conical growth
- › Growing crate demand in Zambia
 - › bolstering crate capacity
 - › relocating line from SA to Zambia

CONTRIBUTION TO GROUP



* contribution excluding corporate segment

REST OF AFRICA

Malawi

- › Record conical cartons volume in Malawi
- › Forex availability challenges

Kenya

- › Kenya SO bag operations ceased

Financial review

Nampak Interim Results
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Financial overview

Group revenue of

R8.4bn up 4%

Metals up 7%

Plastic down 4%

Paper up 4%

Trading profit of

R899m up 17%

Improvements in Angola and Nigeria
- revised pricing mechanism

Losses in DivFood and Rigid Plastics

Operating profit before net
impairments of

R259m down 62%

Forex losses of R571m

Angola R 40m

Nigeria R531m

Operating loss of R2.1bn

(1H22: operating profit of R668m)

R2.4bn net impairments (1H22: R10m)

Bevcan Nigeria: R1.5bn

Bevcan Angola: R0.5bn

DivFood and other: R0.4bn

Net finance costs of

R494m up 77%

Higher average debt position

Higher interest rates

Debt extension costs expensed

Headline loss of R342m

HLPS of 54.5cps

(1H22: headline earnings of R226m)

(1H22: HEPS of 35.6cps)

Basic loss of R2.5bn

LPS of 396.6cps

(1H22: basic earnings of R222m)

(1H22: EPS 34.9cps)

Financial overview

Cash generated from operations before working capital of

R591m down 45%

R21m after working capital changes (1H22: R267m)

Further investment in working capital with utilisation of

R570m

down 30% compared to R813m in 1H22

Working capital investment

Reduction in inventory	R 16m
Increase in receivables	(R 445m)
Decrease in payables	<u>(R 141m)</u>
Net cash outflow	<u>(R 570m)</u>

Group funding **covenants complied with**

Net debt:EBITDA 2.9x (1H22: 2.8x)
Threshold $\leq 3.0x$ (1H22: $\leq 3.5x$)

EBITDA:int cover 3.4x (1H22: 4.7x)
Threshold $\geq 3.0x$ (1H22: $\geq 3.0x$)

Debt maturity profiles extended

- › USSP from 28/5/'23 to 30/6/'24
- › RCF/Term from 31/12/'23 to 30/6/'24

Short-term debt: R1 440m

Long-term debt: R5 443m

Current ratio 1.6 times

Equity base and gearing adversely impacted by

R571m forex losses (Nigeria and Angola)
R2.4bn impairment
R494m net finance costs

Gearing ratio 252% (1H22:104%)

Profitability impacted by higher forex losses, net impairments and interest

Abridged statement of comprehensive income

R million	*1H23	*1H22	* % Δ
Revenue	8 422	8 064	4
Trading profit	899	770	17
Capital and other items	(623)	(52)	
Operating profit before Zimbabwe devaluation	276	718	(61)
Net impact of devaluation associated with Zimbabwe	(17)	(40)	58
Operating profit before net impairment losses	259	678	(62)
Net impairment losses	(2 359)	(10)	
Operating (loss)/profit	(2 100)	668	
Net finance costs	(494)	(279)	(77)
Share of net (loss)/profit from associates and joint ventures	(3)	3	
(Loss)/profit before tax	(2 597)	392	
Income tax benefit/(expense)	150	(71)	
(Loss)/profit for the period	(2 447)	321	
Other comprehensive (loss) net of tax	(92)	(170)	46
Total comprehensive (loss)/income for the period	(2 539)	151	
(Loss)/profit attributable to owners of Nampak Limited	(2 490)	222	
Headline (loss)/earnings	(342)	226	
(Loss)/earnings per share (cents)	(396.6)	34.9	
Headline (loss)/earnings per share (cents)	(54.5)	35.6	

- › Revenue growth
 - » volume increases in Bevcan SA, Angola and Cartons SA
 - » declining volumes in DivFood, Bevcan Nigeria and Plastic
 - » 15% weaker average Rand/Dollar exchange
- › Trading profit
 - » Bevcan SA and Angola improve
 - » pricing changes in Nigeria
 - » R110m adverse swing in profitability of DivFood and Rigid Plastics combined
- › Operating profit before net impairments:
 - » Forex losses of R571m
 - Angola: R40m (1H22: R61m gain)
 - Cash transfers of R342m up 5%
 - Nigeria: R531m (1H22: R109m loss)
 - Cash transfers of R622m up 43%
 - » R38m non-cash FCTR recycle on liquidation of NHUK
- › Net impairments impacted by higher WACC rates and revised forecasts
 - » non-cash flow items
- › Higher net finance costs
- › Effective tax rate shield: 5.8% (1H22: expense of 18.1%)
 - » goodwill impairment shield
- › Minority interests
 - » represents Zimbabwe
- › Headline loss of 54.5cps
 - » losses in DivFood and Rigid Plastic
 - » forex losses
 - » net finance costs

Weaker rand, naira and kwanza, limited forex in Nigeria and Zimbabwean dollar continues to devalue

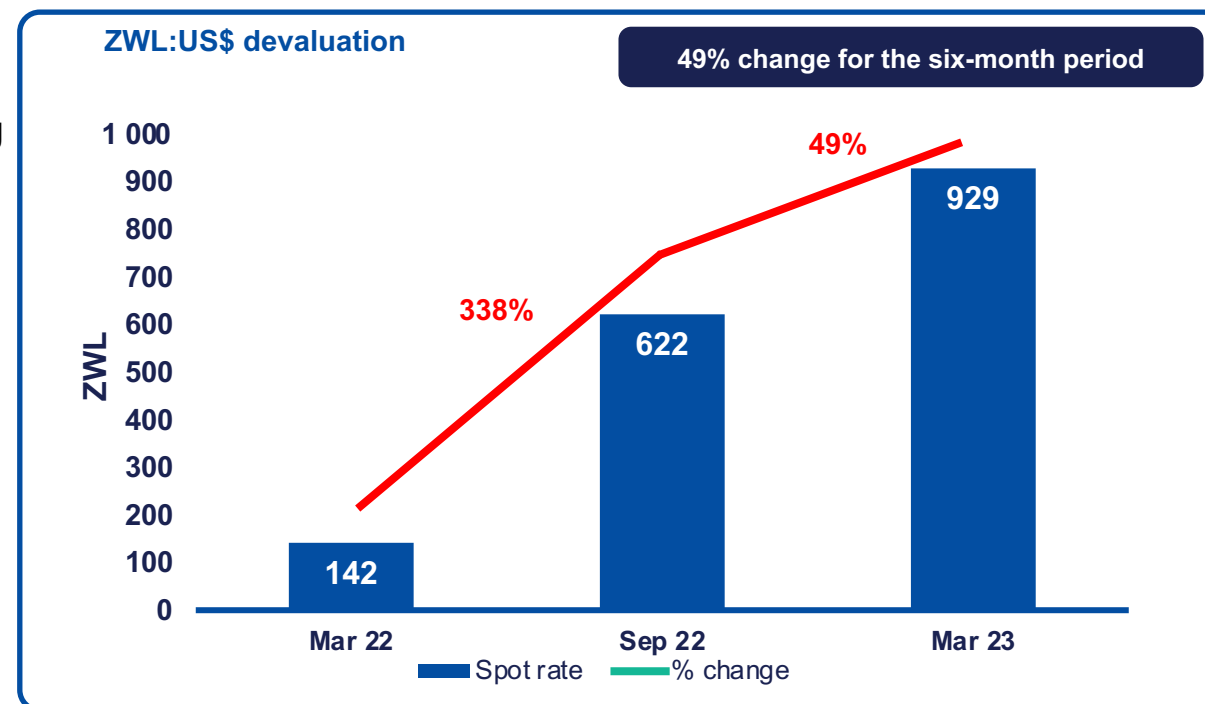
Major foreign exchange rates

Currency	Average rates			Closing rates		
	1H23	1H22	% Δ	1H23	1H22	% Δ
ZAR/US\$	17.69	15.33	(15)	17.80	14.64	(22)
NGN/US\$	452.87	415.17	(9)	461.15	416.09	(11)
AOA/US\$	506.97	546.32	7	516.70	448.92	(15)
ZWL/US\$	—	—	—	928.59	142.42	(552)

← R531m forex losses in Nigeria
← R40m forex losses in Angola

- › Impact of South African rand on results:
 - » Income statement translated at average rates, statement of financial position at closing rate
 - » Average ZAR/US\$ rate weakened by 15%
- › Nigerian naira/US\$ average rate devalued by 9%, closing rate 11% weaker
 - » Forex loss of R531m for the period
 - » US dollar availability at official spot rate limited

- › Angolan kwanza/US\$ average rate strengthened by 7% and the closing rate was 15% weaker
 - » Forex loss of R40m for the period
- › Zimbabwe
 - » Earnings translated at closing rate
 - » hyperinflationary economy
 - » The closing Zimbabwean/US\$ weakened by 552% in the current year



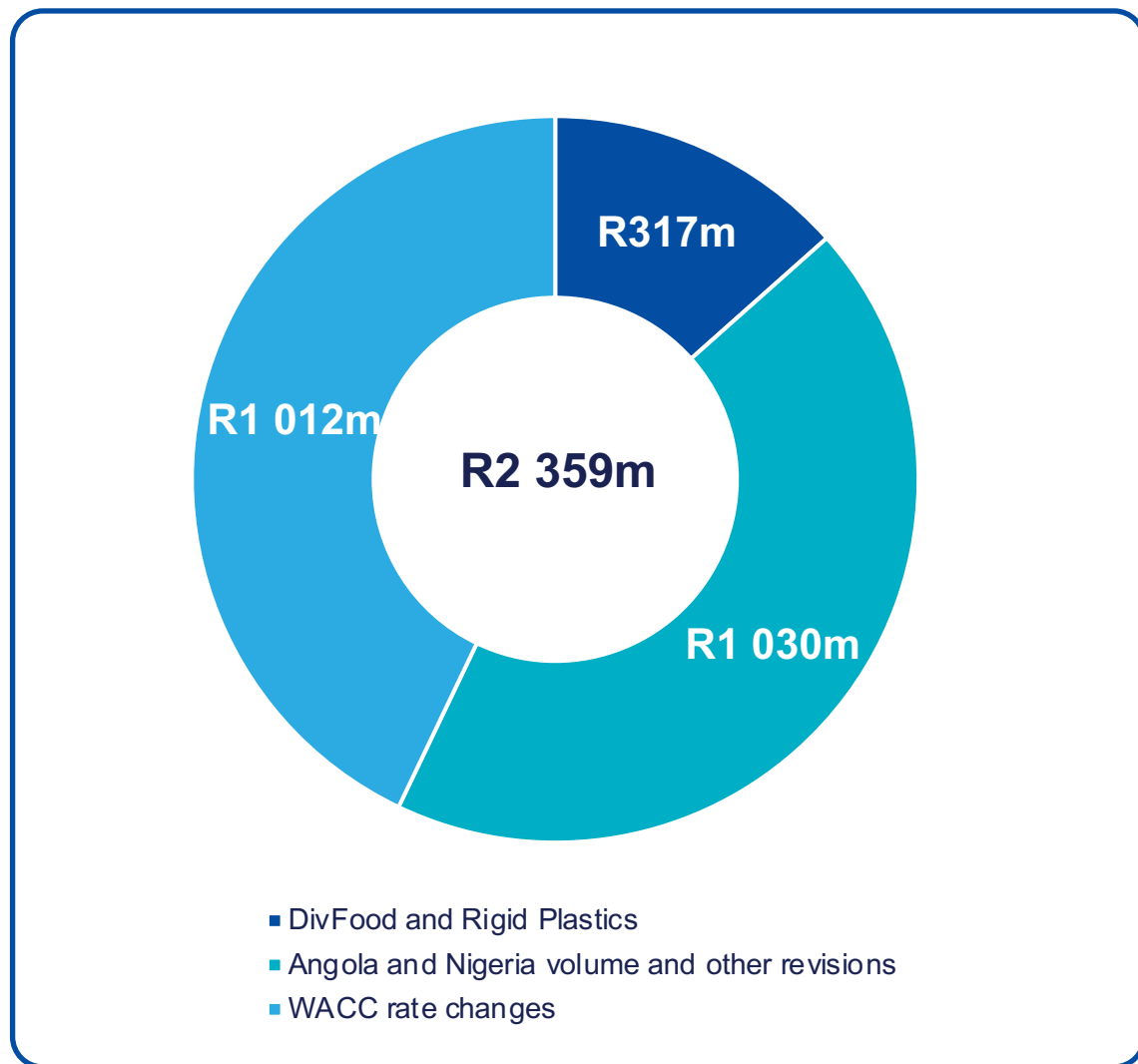
1 Forex loss cause

1. Under-recovery of difference between official and parallel naira rate in pricing mechanisms
2. Timing differences between receipt of naira from customers and settlement of foreign creditors
3. US dollar availability
4. Repatriation of US dollar

2 Forex loss mitigation/remedy

1. Amendment of pricing terms with all customers – 2Q23
2. Debtor terms reduction
3. Multi-party banking interface on daily basis
4. Policy of instant extraction of funds once obtained

Net impairment losses

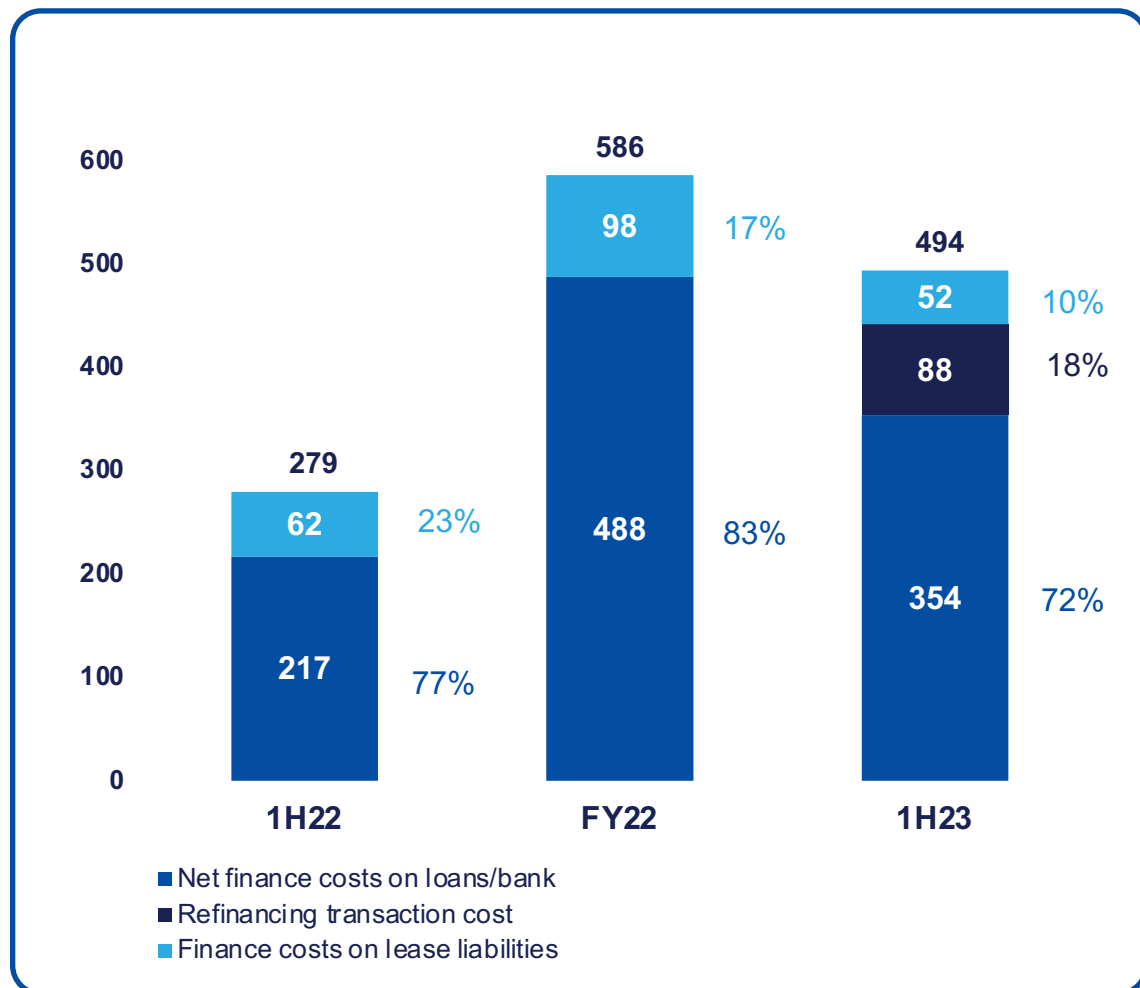


Discount rates (%)	Mar 23	Sep 22	Δ bpts	% Δ	Mar 22
South Africa (R terms)	13.6*	13.6	–	–	11.7
Angola (\$ terms)	17.7	14.9	280	19	11.2
Nigeria (\$ terms)	17.3	12.5	480	38	9.1

*13.9% applied to DivFood and Plastic

- › WACC rate increases impacted by:
 - » higher country risk premiums, risk-free and interest rates
- › Downward revision to forecast volumes
- › Bevcan Angola and Nigeria impairments
 - » WACC rate changes R1 012m
 - » Volume and other revisions R1 030m
 - Total** **R2 042m**
- › Net impairment losses attributed to:
 - » Property, plant and equipment R699m
 - » Right of use asset/other R111m
 - » Goodwill (Nigeria) R1 549m
 - Total** **R2 359m**

Net finance costs increased by 77%



- › Interest on bank loans up R137m:
 - » Increases in repo rate to 7.75% from 4.25% (1H22)
 - » Interest rate range for period
 - local ranges from 10.3% to 10.5% (FY22: 8.1% to 9.3%)
 - foreign ranges from 5.3% to 8.0% (FY22: 5.2% to 6.4%)
- › Debt maturity extension granted on 31 March 2023
- › Revised interest rates effective 1 April 2023
 - » local ranges from 11.38% to 13.25%
 - » foreign ranges from 7.94% to 12.00%
 - » linked to net:debt EBITDA ratios
 - » USSP rate set in 2013 at 5.25% adjusted up to 12.0%
 - revised rates impacted by SA country risk premium
 - » Refinancing transaction costs of R88m expensed
 - prior period capitalised costs now expensed: R45m
 - current cost for debt extensions granted: R43m

Debt maturity extension improves balance sheet structure

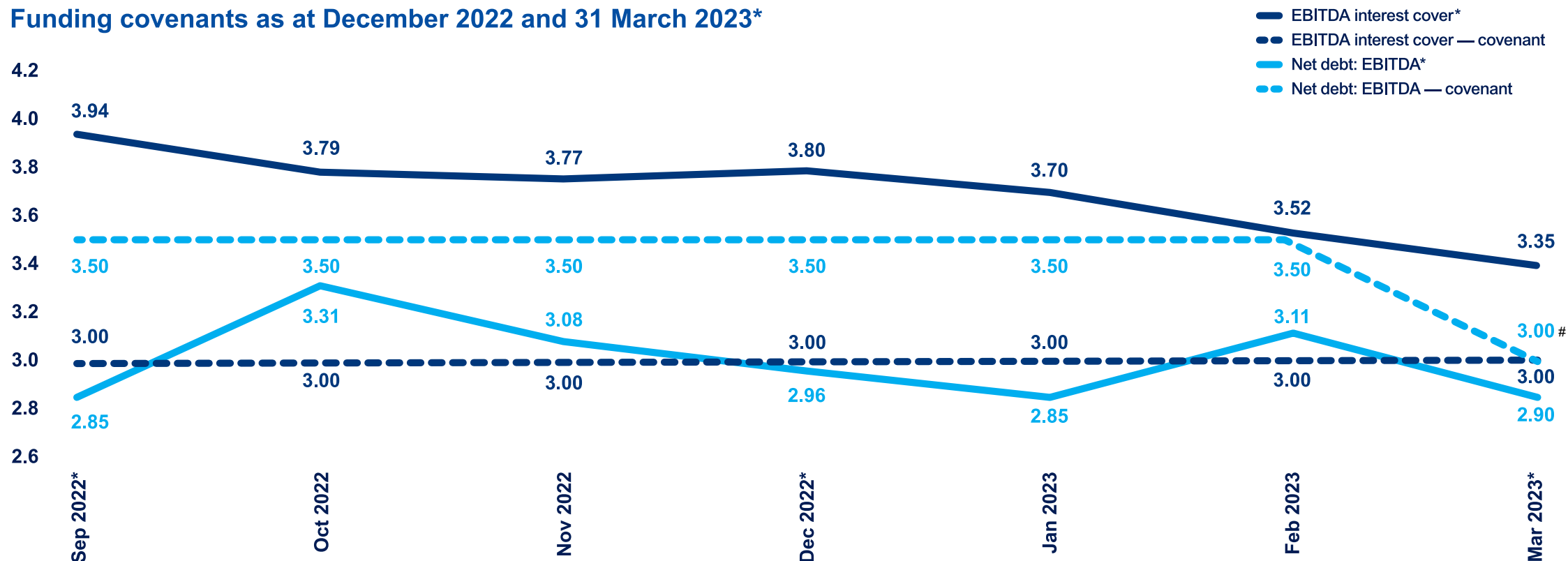
Abridged statement of financial position

R million	1H23*	1H22*	% Δ
Property, plant, equipment and investment property	4 619	5 352	(14)
Right of use assets	510	758	(33)
Goodwill and other intangible assets	569	1 786	(68)
Loan and lease receivables and other non-current assets	902	472	92%
Non-current assets	6 600	8 368	(21)
Inventories	3 807	3 626	5
Trade and other current receivables	3 469	2 904	21
Loan and lease receivables and other current assets	131	55	>100
Bank balances and deposits	877	1 397	37
Current assets	8 284	7 982	4
Non-current assets classified as held for sale	78	49	59
Total assets	14 962	16 399	(9)
Shareholders' equity	2 116	4 343	(51)
Non-controlling interests	217	236	(8)
Total equity	2 333	4 578	(49)
Loans and lease liabilities	6 474	6 602	(2)
Retirement benefit obligation	750	775	(3)
Other non-current liabilities	39	97	(60)
Non-current liabilities	7 263	7 474	(3)
Trade and other current payables	3 547	3 112	15
Loans, lease liabilities and bank overdrafts	1 286	928	39
Other current liabilities	533	308	73
Current liabilities	5 366	4 347	24
Total liabilities	12 629	11 821	7
Total equity and liabilities	14 962	16 399	(9)

- › R699 million impairment of property, plant and equipment
- › R111 million impairment of RoUA and other assets
- › R1 549m goodwill impairment
- › Assets held for sale
 - › specific assets of DivFood, Bullpak Kenya and Nampak Nigeria
- › Inventories up 5%:
 - › 1H22 : Bevcan SA inventories R225m lower due to supplier production issues
- › Trade and other receivables:
 - › 4% increase in revenue
 - › timing of receipts at 1H23 vs 1H22
 - › 22% devaluation in R/\$ on foreign debtors
 - › decrease to 61 days from 63 days (1H22)
- › Reduction in cash balances:
 - › forex losses in Nigeria and Angola, along with operating losses in DivFood and Rigid Plastics
- › Shareholders' equity down 51%
 - › impacted by R2.4bn net impairments and significant forex losses
- › Debt maturity extension to 30 June 2024 improved balance sheet structure and short term liquidity
 - › Current ratio of 1.6 times
 - › Acid test ratio of 0.8 times
- › Trade and other payables impacted by:
 - › weakening in rand dollar exchange rate
 - › higher inventories

Complied with covenants

Funding covenants as at December 2022 and 31 March 2023*



Covenant computations above reflect the adjustment for spot translation of the hyperinflationary economy — Zimbabwe and may therefore differ to the covenant reported in past months.

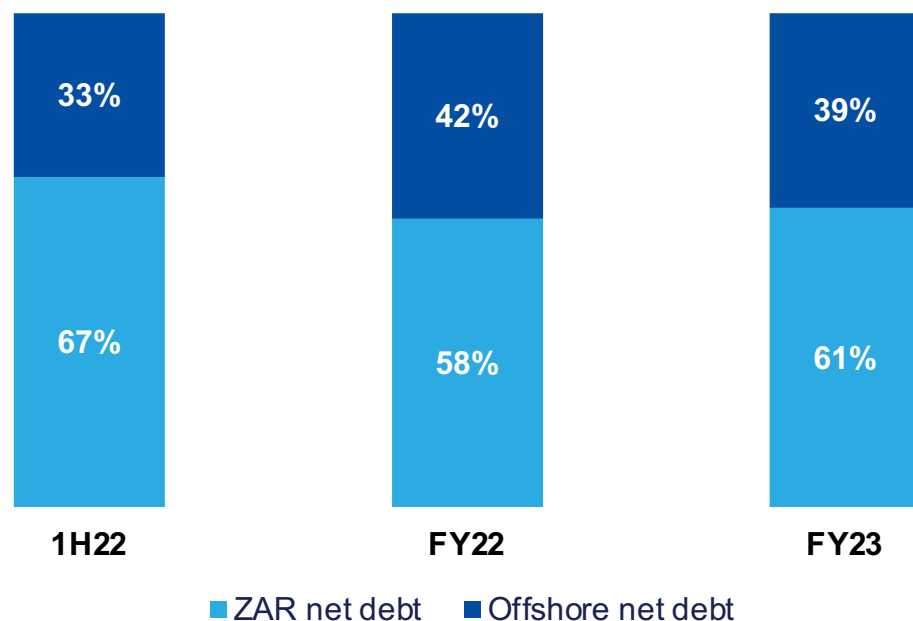
*Covenant measurement dates.

Net debt:EBITDA covenant threshold reduced to 3.0 times on 31 March 2023 in anticipation of originally planned rights offer proceeds at that date.

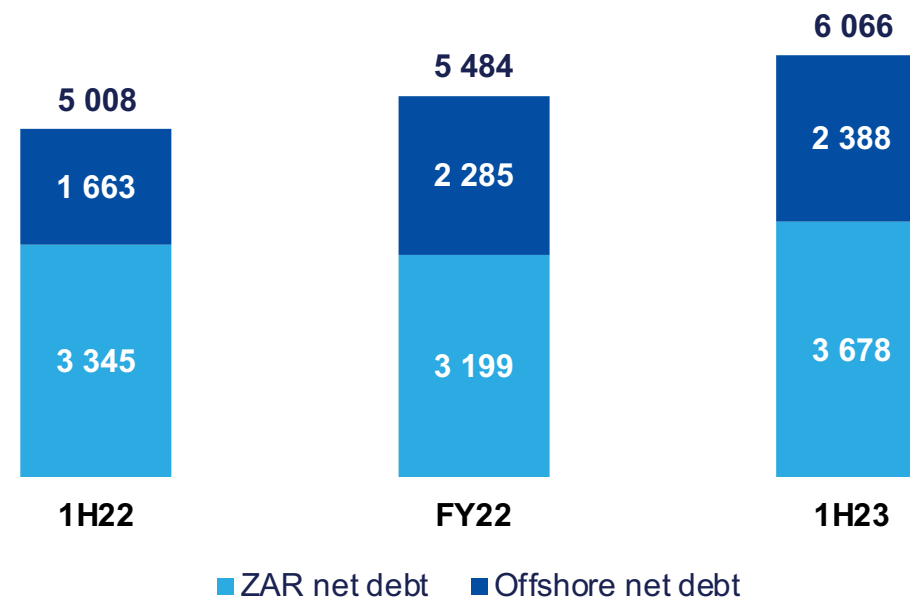
Further R570m invested in working capital, represents 9.4% of group net debt

- › Actions taken to correct working capital in 2nd half
- › Offshore net debt increased in part due to weakening rand

Composition of net debt (%)



Composition of net debt (Rm)



Computation of net debt as per covenants excludes cash in non-permissible banks and certain loan receivables

Overview of key terms of debt extension

Debt extension

- › Revolving credit and term loan facilities extended from 31 Dec to Jun 2024
- › USSP noteholders funding extended from 28 May 2023 to 30 Jun 2024

Funding impact

- › Amendment fee 0.43%
- › Imposition of ratchet interest costs linked to net debt:EBITDA ratio and milestones
- › Increased interest rates wef 1 Apr 2023

Conditions

- › Asset disposal plan
- › Minimum liquidity of R1.0bn
- › Term-sheet security to be delivered
- › R350m repayment on or before 30 Sep 2023

Rights offer milestones

- › Credit approved term sheet by 15 Jun 2023
- › Board approval before 30 Jun 2023
- › EGM before 31 Jul 2023
- › Declaration on or before 21 Aug 2023
- › Receipt of rights offer proceeds by 30 Sep 2023
- › Disposal proceeds of R250m by 31 Dec 2023

Forex losses, working capital and interest impact cash position

Abridged statement of cash flows

R million	1H23*	1H22*	% Δ
Cash generated from operations before working capital changes	591	1 080	(45)
Net working capital outflow	(570)	(813)	30
Cash generated from operations	21	267	(92)
Net interest paid	(422)	(247)	(71)
Retirement benefits, contributions and settlements	(38)	(38)	
Income tax paid	(74)	(74)	
Cash flows from operations	(513)	(91)	
Cash flows from investing activities			
Capital expenditure	(137)	(94)	(46)
Proceeds on disposal of property, plant, equipment and investments	55	14	
Proceeds from RBZ receivable	9	–	
Other investing activities	2	1	
Cash utilised in investing activities	(71)	(79)	10
Net cash utilised before financing activities	(584)	(170)	
Net cash (repaid)/raised in financing activities	(352)	500	
Net (decrease)/increase in cash and cash equivalents	(937)	330	
Net cash and cash equivalents at beginning of the period	1 502	1 112	
Translation of cash in foreign subsidiaries	(48)	(81)	
Net cash and cash equivalents at end of the period	517	1 361	(62)

- › Cash flows impacted by:
 - » forex losses in Angola and Nigeria
 - » operating losses in DivFood and Rigids
 - » increased trade receivables
 - » decline in trade payables
 - » Interest payments
- › Majority of capex spend replacement in nature
- › Reduction of R937m in cash and cash equivalents
 - » R513m net cash outflows from operations
 - » R71m from investing activities
 - » R352m net repayment in financing activities

Active management but impacted by cash flow timing issue

Changes in working capital

R million	1H23	1H22
Decrease/(increase) in inventories	16	(674)
Increase in trade and other receivables	(445)	(418)
Cash outflow before payables	(429)	(1 092)
(Decrease)/increase in trade and other current payables	(141)	279
Net working capital outflow	(570)	(813)
Liquidity ratios:		
Current ratio	1.6	1.8
Acid test ratio	0.8	1.0

- › Movement in inventories due to:
 - » supply issues from key supplier in 1H22 resulted in lower inventories
 - » higher inventories in Bevcan SA: CO₂ shortage
 - » reduced demand in Nigeria: disposable income/ elasticity of demand
 - » DivFood high inventory levels: demand variability and long lead times
- › Increase in trade receivables due to:
 - » increased revenue
 - » 22% weakening in R/\$ impacting foreign receivables
 - » successful negotiations to address certain trade terms: effective 1 Apr 2023

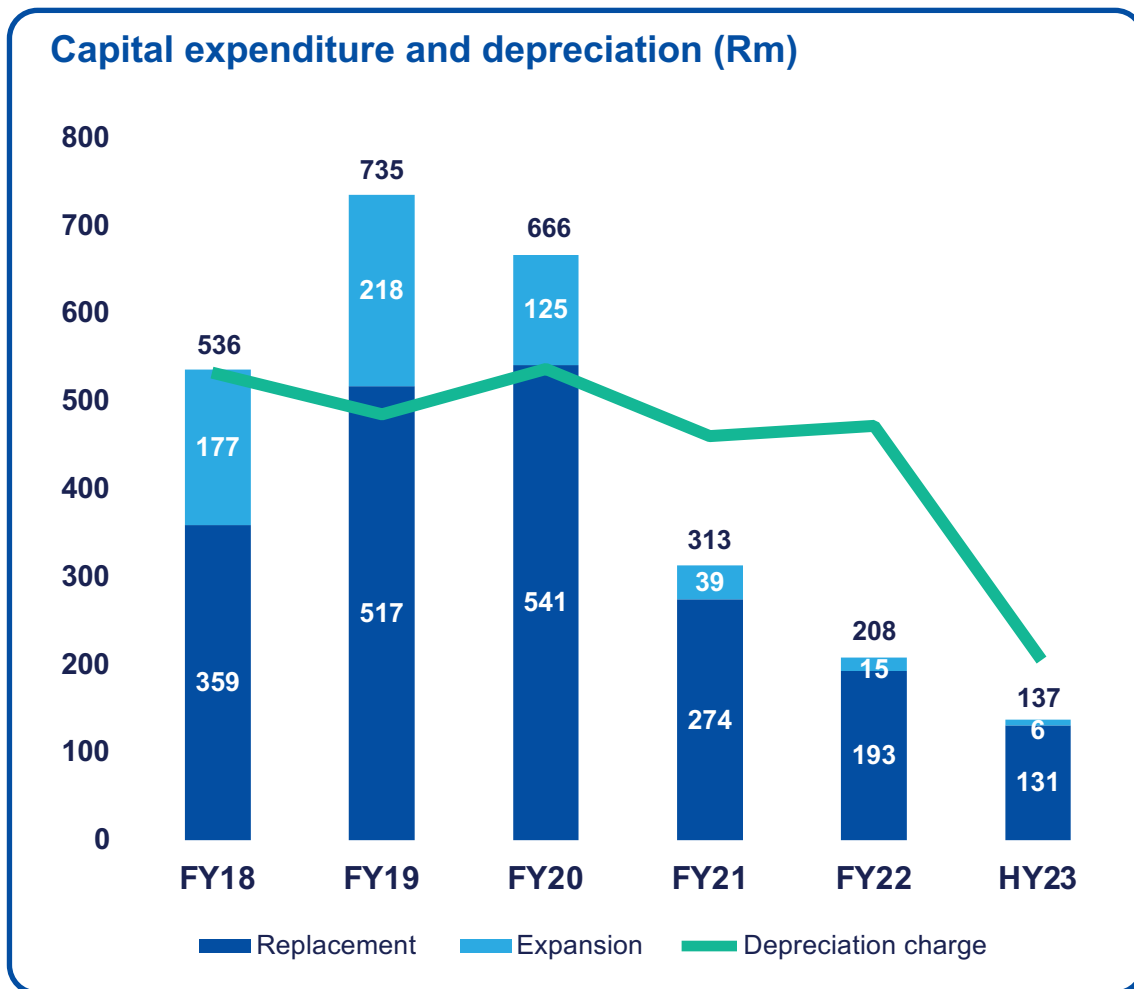
Working capital days

Days	1H23	1H22
Inventory*	109	99
Trade and other receivables	61	63
Sub-total	170	162
Trade and other current payables	(87)	(95)
Net working capital days	83	67

* Inventory days exclude consumable spares

- › Funding from trade payables
 - » impacted by planned reduction in inventory levels versus 30 Sep 22
 - » 22 days mismatch between inventory days and trade payables
- › Net working capital
 - » targeting to fund inventory holdings with trade creditors funding
 - » group to fund high quality trade receivables
 - » velocity: an area of opportunity

Capex managed within funding constraints



- › After long periods of high capex investments:
 - › replacement capex below depreciation charge
 - depreciation reduced due to past and current impairments
- › Bevcan Springs Line 2 upgrade
 - › critical for growth capacity in 500ml can market
 - › expenditure split over two years, majority in FY24
- › No other significant capital expenditures
- › Future annual capex requirement of R350m to R400m
- › Sustained scheduled maintenance programme

Outlook



Organisational rejuvenation

We know who we are



- › Uncompromising integrity
- › Self directed leadership
- › Behave like owners
- › Responsible citizens

We know where we are going



- › Portfolio optimisation
- › Streamlined and laser focus
- › Leverage our technology
- › Attain cost competitiveness
- › Overhauled business model

We know what is important



- › Customer centricity
- › Innovation, technology and growth
- › Cultural evolution and performance focus
- › $EVA > WACC$

Outlook

Measured and Considered Optimism

1

Manage the impact of structural economic inhibitors

2

Combat increased competitor intensity

3

Streamlined and competitive Nampak

4

Fix, sell or close

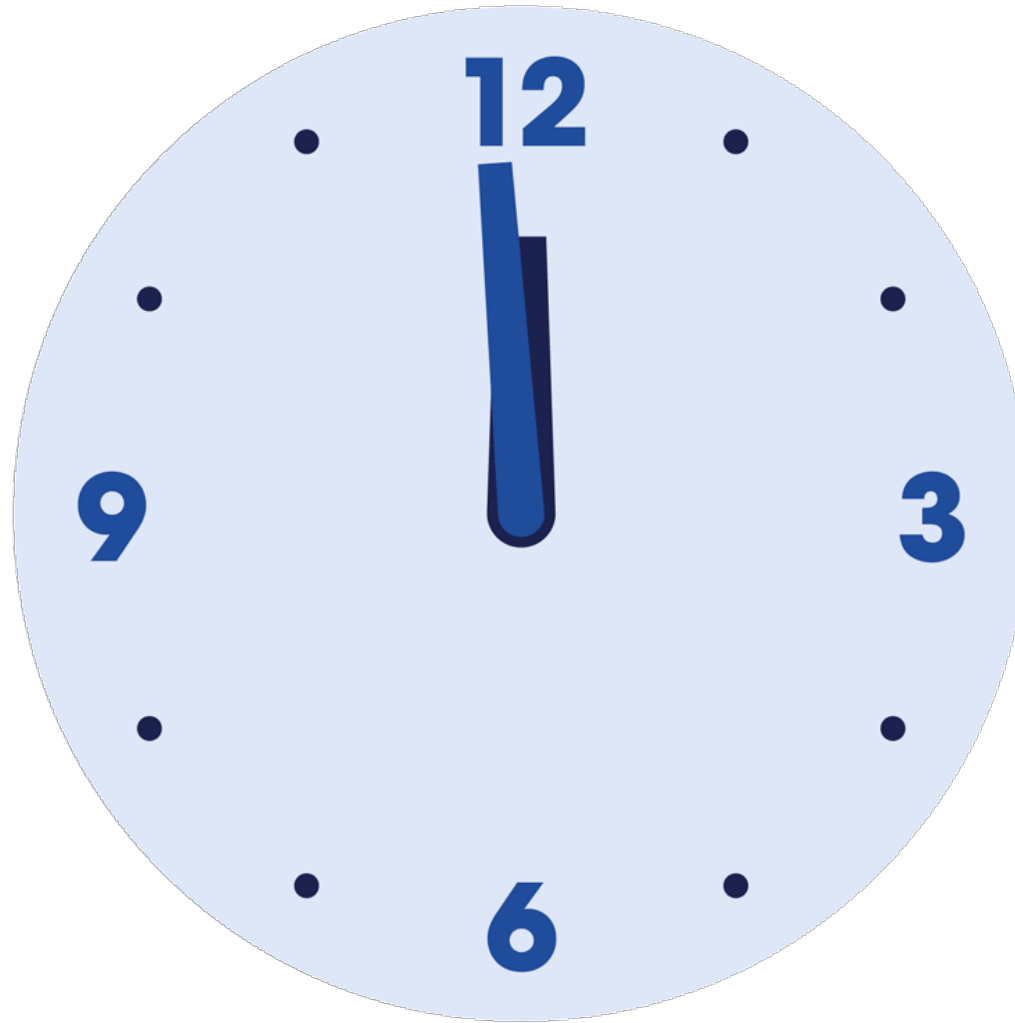
5

Enhanced liquidity outlook

6

Invest for growth

One minute to midnight



Thank you





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Supplementary information



Operational performance

Forex losses impact operating profit before net impairments losses

Metals

Revenue

R6 375m

up 7%

Trading profit

R849m

up 13%

Operating profit before
net impairment losses

R279m

down 60%

Plastic

Revenue

R1 513m

down 4%

Trading profit

R86m

down 40%

Operating profit before
net impairment losses

R61m

down 50%

Paper

Revenue

R534m

up 4%

Trading profit

R113m

up 40%

Operating profit before
net impairment losses

R98m

up 82%

Segmental information

Revenue by substrate

R million	1H23	1H22	% Δ	1H23 % Contr.	1H22 % Contr.
Metals	6 375	5 973	7	76	74
Plastic	1 513	1 576	(4)	18	20
Paper	534	516	4	6	6
Total	8 422	8 065	4	100	100

Revenue by region

R million	1H23	1H22	% Δ	1H23 % Contr.	1H22 % Contr.
South Africa	5 491	5 373	2	65	67
Rest of Africa	2 931	2 692	9	35	33
Total	8 422	8 065	4	100	100

Operating profit before net impairments by substrate

R million	1H23	1H22	% Δ	1H23 % Contr.	1H22 % Contr.
Metals	279	702	(60)	108	104
Plastic	61	122	(50)	24	18
Paper	98	54	82	38	8
Corporate	(179)	(200)	11	(69)	(29)
Total	259	678	(62)	100	100

Operating profit before net impairments by region

R million	1H23	1H22	% Δ	1H23 % Contr.	1H22 % Contr.
South Africa	213	325	(35)	82	47
Rest of Africa	225	553	(59)	87	82
Corporate	(179)	(200)	11	(69)	(29)
Total	259	678	(62)	100	100

Reconciliation of operating profit before net impairment losses to trading profit

R million	Notes	1H23*	1H22	% Δ	FY22
Operating profit before net impairment losses		259	678	(62)	1 152
<i>Adjusted for capital and other items:</i>	2 and 3	640	93	100	459
Capital items		32	–		–
Net loss on liquidation of business	4	38	–		–
Net profit on plant and equipment disposed due to business closure	5	(6)	–		–
Other items		608	93		459
Net impact of devaluation associated with Zimbabwe		17	40		70
Net devaluation loss arising from Angolan and Nigerian exchange rate movements		571	49		546
Retirement benefit plan surplus	6	–	–		(222)
Insurance loss	7	–	–		50
Retrenchment, restructuring costs and other		19	4	100	12
Net measurement of expected credit loss allowance on loan and lease receivables (other than the Reserve Bank of Zimbabwe financial instrument)		–	–		4
Trading profit		899	770	17	1 611

Notes

- Trading profit is the main measure of profitability used for segmental reporting purposes and includes foreign exchange movements on forward exchange contracts.
- Capital items relate to items other than net impairment losses/loss reversals that are adjusted for in the headline earnings per share calculation.
- Other items are defined as losses/(gains) which do not arise from normal trading activities or are of such a size, nature or incidence that their disclosure is relevant to explain the performance for the period.
- Relates to the foreign currency translation reserve balance pertaining to Nampak Holdings (UK) Ltd which was recycled through profit and loss on the liquidation of this business in October 2022.
- Relates to the profit on disposal of plant and equipment of Nampak Nigeria Ltd and Bullpak Ltd disposed of due to the anticipated closure of these businesses.
- Relates to the portion of the actuarial surplus in the Malbak Group Pension Fund accruing to Nampak Products Limited, a direct subsidiary of Nampak Limited.
- Relates to the gap cover provided to members of Group Risk Holdings (Pty) Ltd for insurance claims intimated due to the exceptional losses arising from the flood damage incurred in KwaZulu-Natal during April 2022.

Cash transfers from Angola and Nigeria and forex

43% improvement in transfers from Nigeria but at high cost

31 March 2023

R million	Angola	Nigeria	Total
Opening cash on hand — 30 September 2022	50	369	419
(Overdraft)/cash on hand — 31 March 2023	(7)	331	325
Net cash movement — 1H23	(57)	(38)	(95)
Cash transferred	342	622	964
Foreign exchange loss	(40)	(531)	(571)

31 March 2022

R million	Angola	Nigeria	Sub-total
Opening cash on hand — 30 September 2021	49	414	463
Cash on hand — 31 March 2022	51	747	798
Net cash movement — 1H22	2	333	335
Cash transferred	326	435	760
Forex gain/(loss)	61	(109)	(49)

No hedges are available in Angola and Nigeria

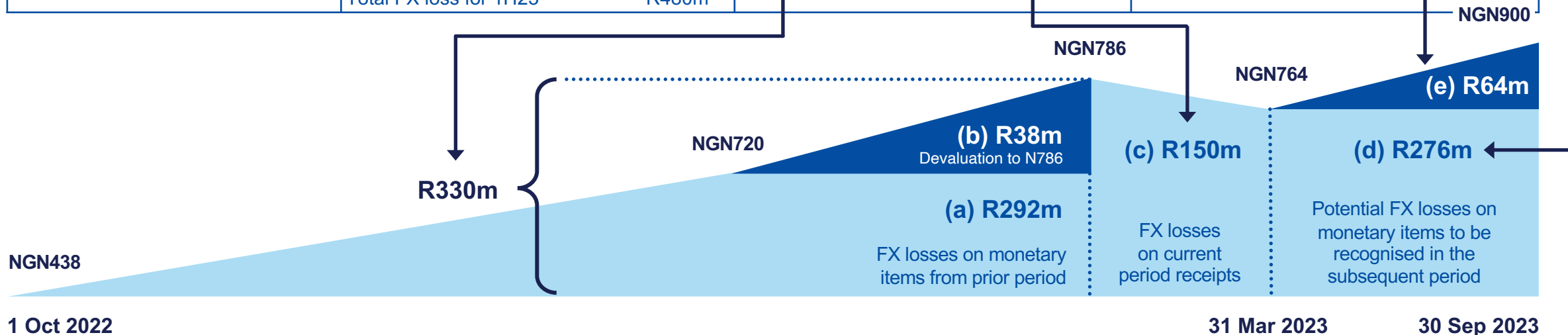
- › Transfers from Angola of R342m up 5%
 - » Tightening US dollar availability and weakening kwanza resulting in R40m foreign exchange loss
 - » Kwanza overdraft utilised at end March 2023 given US\$ liquidity

- › Transfers from Nigeria of R622m up 43%
 - » Forex losses of R531m in 1H23

Bevcan Nigeria forex loss

Foreign exchange losses straddle reporting periods

Year ended 30 September 2022	H1 FY23	H2 FY23	Calculations
Revenue (partial price recovery) Gross profit (partial price recovery)	Revenue (partial price recovery) Gross profit (partial price recovery)	Revenue (full forex recovery) Gross profit (full forex recovery)	(a) $R745 \times 438/720 = R453 - R745 = R292m$ (b) $R745 \times 438/786 = R415 - R745 = R330 - R292$ (a) = R38m
Monetary items: Debtors R626m Cash R119m Total R745m	Monetary items: Debtors R692m Cash R103m Total (d) R795m		(c) $\$21.8m \times R18/\$ = R390 \times 461/749 = R240 - R390 = R150m$ (d) $R795 - (\$5.5m \times R18/\$) = R696 \times 461/764 = R420 - R696 = \mathbf{R276m}$
Official Naira spot rate = 438 Parallel spot rate = 720	Official Naira spot rate = 461 Parallel spot rate = 764 Forex purchases H1FY23 = \$36m FX loss on FY22 monetary items R330m FX loss on 1H23 receipts R150m Total FX loss for 1H23 R480m	FX loss 1H23 monetary items R276m FX loss on devaluation to NGN900 R64m	(e) $R795 - (\$5.5m \times R18/\$) = R696 \times 461/900 = R356 - R696 = R340 - R276$ (d) = R64m

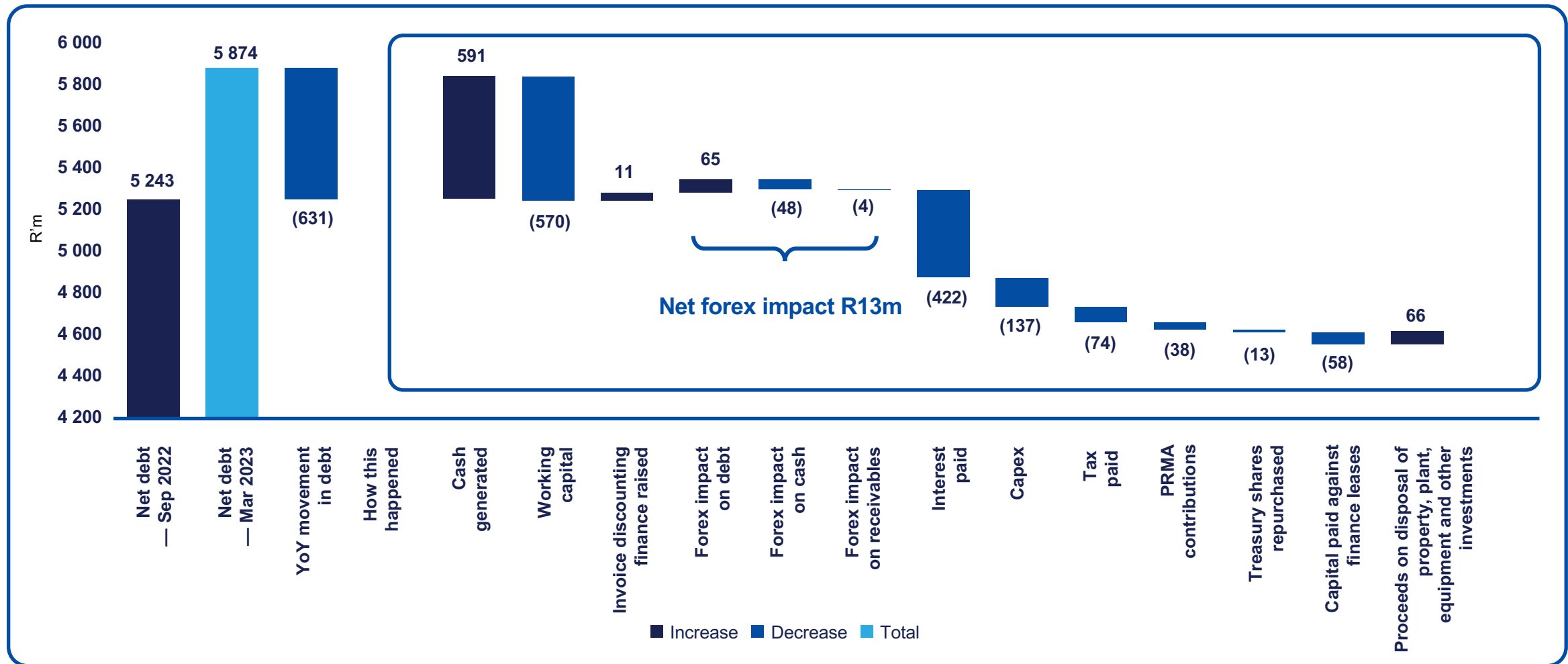


1 Oct 2022

31 Mar 2023

30 Sep 2023

Net debt increase in part to weaker exchange rate



Gross debt to net debt workings

Breakdown of net debt per IFRS

R million	1H23	1H22
Loans — non-current portion	(5 443)	(5 555)
Loans — current portion	(1 080)	(707)
Bank overdrafts	(360)	(37)
Gross debt	(6 883)	(6 299)
RBZ financial instrument	103	86
Equipment sales receivables	12	14
Other loan receivables	17	19
Bank balances	877	1 397
Net debt	(5 874)	(4 783)

Breakdown of net debt as defined for covenant purposes

R million	1H23	1H22
Loans — non-current portion	(5 443)	(5 555)
Loans — current portion	(1 080)	(707)
Bank overdrafts	(360)	(37)
Gross debt	(6 883)	(6 299)
<i>Permissible cash and cash equivalents:</i>	817	1 291
Bank balances	877	1 397
Cash from unrecognised banks	(60)	(106)
Net debt	(6 066)	(5 008)

Tax rate reconciliation

Reconciliation of statutory to effective tax rate

%	1H23	1H22	FY22
Statutory group tax rate	27.0	28.0	28.0
Increase in tax rate due to:	(21.7)	24.1	542.0
Impairment of goodwill	(15.8)	–	–
Foreign exchange rate impacts	(2.3)	–	68.7
Disallowable expenses	(1.5)	6.7	92.3
Withholding and other foreign taxes	(0.9)	3.5	53.9
Deferred taxation not recognised	(0.6)	1.5	135.5
Adjustment for prior year	(0.4)	–	–
Tax effect of Zimbabwe hyperinflation	(0.1)	9.2	166.8
Foreign tax rate differential	(0.1)	–	–
Tax rate decrease	–	3.2	24.8
Reduction in tax rate due to:	0.5	(34.0)	426.3
Adjustment for prior year	–	(4.9)	(36.8)
Foreign currency translation impact when converting local tax computations to functional currency	–	(5.7)	–
Foreign tax rate differential	–	(1.7)	(84.1)
Utilisation of prior year losses	–	(20.3)	(247.4)
Government incentives and exempt income (including capital profits)	0.2	(1.4)	(23.6)
Recognition of losses and temporary differences not previously recognised	0.3	–	(34.4)
Effective group rate of tax	5.8	18.1	143.7

Reconciliation of basic earnings to headline earnings

R million	1H23	1H22	% Δ	FY22
Basic (loss)/earnings	(2 490)	222		(147)
<i>Adjusted for:</i>				
Net impairment losses on freehold land and buildings, PPE, right of use assets, goodwill, other intangible assets and assets held for sale	2 359	10	–	512
Net loss on liquidation of business	38	–	–	–
Net profit on disposal of plant, equipment and assets classified as held for sale	(21)	(4)	–	(9)
Tax effects and outside shareholders' interests	(228)	(2)	–	(127)
Headline (loss)/earnings for the period	(342)	226	–	229
(Loss)/profit attributable to:				
Owners of Nampak Limited	(2 490)	222	–	(147)
Non-controlling interest in subsidiaries	43	99	(57)	121
Total	(2 447)	321	–	(26)
Weighted average number of shares in issue ('000)	627 823	636 325	(1)	636 325
(Loss)/earnings per share (cents)	(396.6)	34.9	–	(23.1)
Headline (loss)/earnings per share (cents)	(54.5)	35.6	–	35.9