



**Nampak**  
packaging excellence

# Interim Results

For the half year ended  
31 March 2024

June 2024



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# Trusted brands belong in our cans



# Forward-looking statement

*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. 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. Nampak cautions that forward-looking statements are not guarantees of future performance.*

*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. 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 are 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 is 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.*

“The Nampak Group  
is on a transformational  
journey to restore its  
stature as a formidable  
packaging organisation.”

Phil Roux  
Chief Executive Officer

# Highlights from our transformation initiatives



# Early observations May 2023

Getting busy, getting smart



Poor historical capital allocation choices



Cash operating expense base unsustainable



Customer and supplier reservations but supportive



Production led versus customer centric



Structural working capital imbalance



Sub-optimal business model



Pockets of cultural apathy



Distinctive capabilities

Loss of shareholder and lender confidence

 Achieved  Work in progress  Not achieved

# Macroeconomic vagaries



## South Africa

- › **Constrained consumer spending**
- › GDP ex-growth
- › **Persistent high unemployment**
- › High interest rates remain to counter inflation
- › **Loadshedding remains an uncertainty**
- › Currency remains skittish



## Nigeria

- › **Currency devalues 40% over the period**
- › **Inflation peaks at 33%**
- › Stagnant GDP growth
- › Large companies exit
- › Wage growth lags as an offset to inflation
- › Confidence in interest rate hikes



## Angola

- › **Oil price strengthens bodes well for economic growth**
- › Forex liquidity constraints
- › Exchange rate remains weak to US\$
- › **Inflation peaks at 25%**

# Nampak value creation

Free cash flow and return  
on invested capital



**1**

Portfolio  
optimisation



**2**

Unearth  
inefficiencies



**3**

Strategic customer  
management



**4**

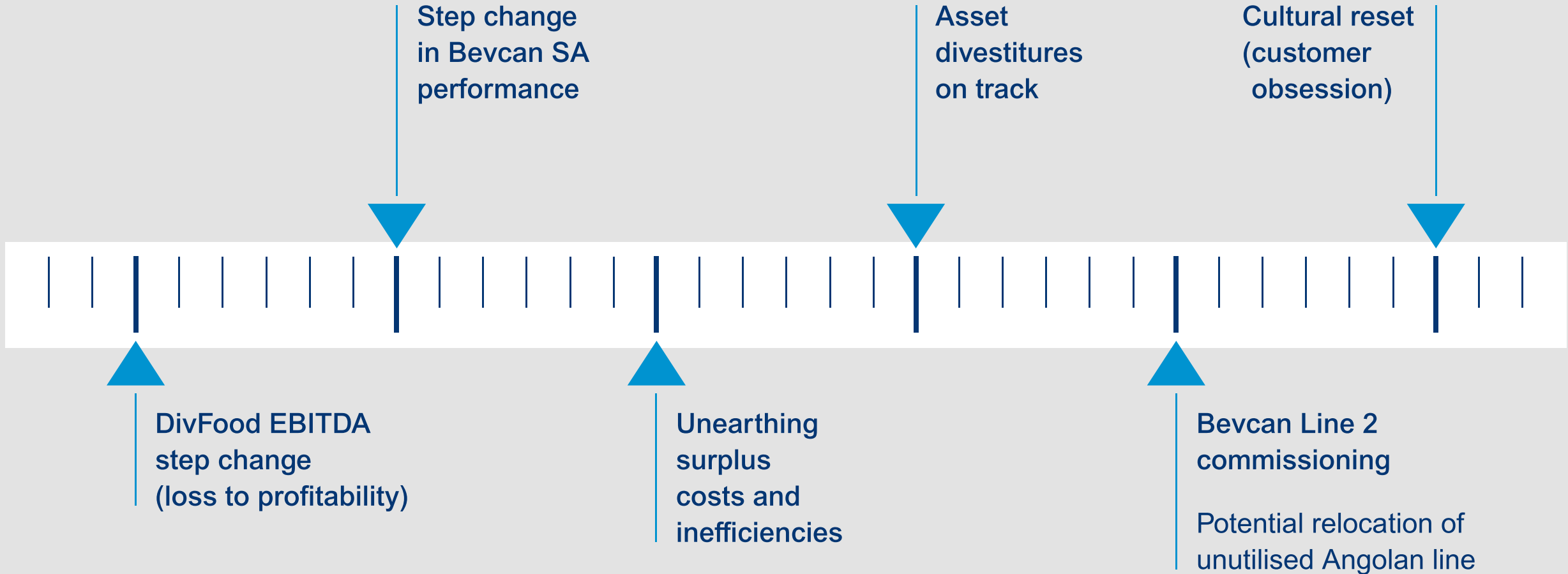
High-performance  
anatomy



**5**

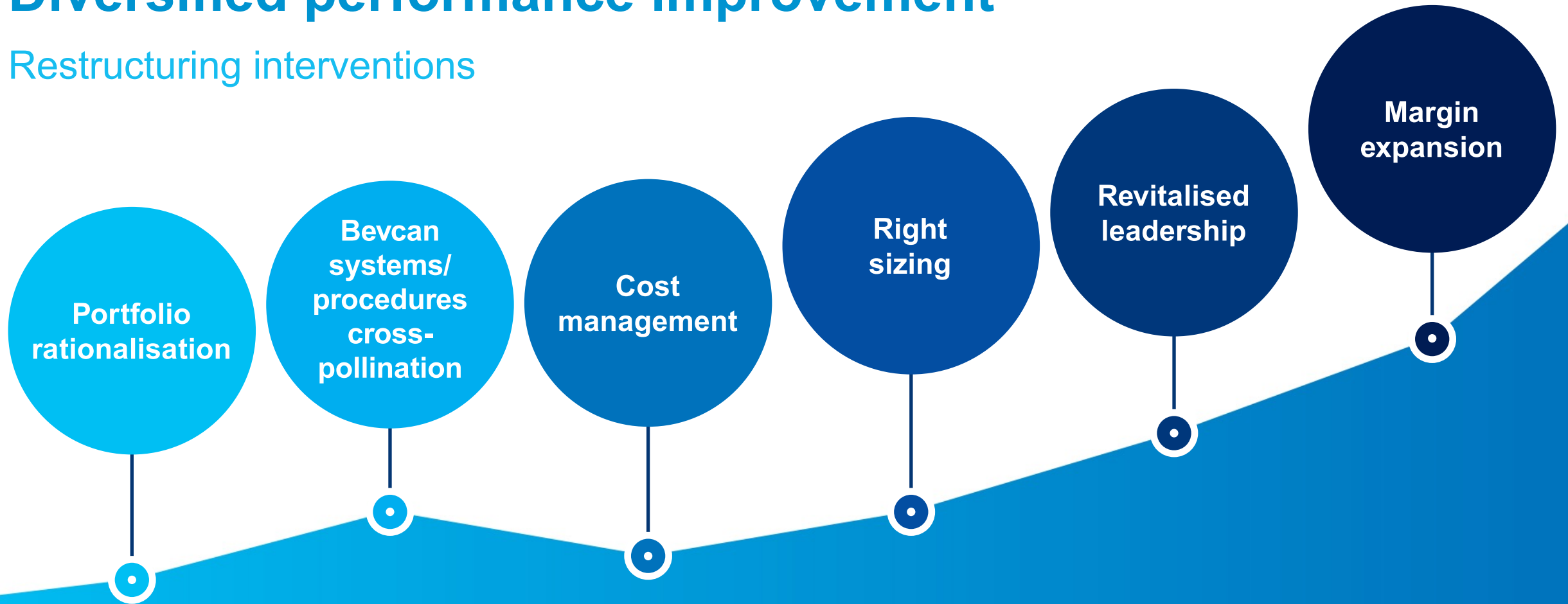
Strengthen Nampak  
brand proposition

# Critical milestones achieved



# Diversified performance improvement

## Restructuring interventions



# Performance inhibitors

## Challenging trading conditions

1

Constrained consumer demand in SA, Angola and Nigeria

2

Partial volume loss was encountered in South Africa

3

Springs impacted by unreliable municipal infrastructure

4

Material volume loss in Nigeria

5

Cyberattack extremely invasive and disruptive

# Asset disposal programme

On course to meet lender obligations

Divestitures	Amounts	Status
Bevcan Nigeria*	R1 297m	Awaiting Competition Commission
Liquid Cartons	R450m	Awaiting Competition Commission
Nampak Nigeria**	R118m	Completed
Plastic Drums	R65m	SPA signed
London property**	R42m	Completed
Plastic Crates	R40m	Completed
Tanzania land	R40m	In negotiation
Tubes	R34m	Final stages of SPA
Plastics Closures	R13m	SPA signed
Diversified Paint assets	R11m	SPA signed
<b>Total</b>	<b>R2 110m</b>	

\* No fault termination.

\*\*Nampak Nigeria R118m, London property R42m and operational cash flows R95m utilised to settle R243m repayment obligation on 31 March '24.

**US\$ exchange rate as at 31 March '24 R18.94 — Disposal price \$68.5m**

# 1H24 Performance overview



# Performance overview

## Nampak Group

(continuing operations)

Revenue

**R6.2bn**



7%

Trading profit

**R770m**



133%

Operating profit  
before net impairments

**R1.1bn**



328%



## Metals Group

(SA and Angola)

Revenue

**R5.2bn**



6%

Trading profit

**R690m**



108%

Operating profit  
before net impairments

**R679m**



134%

# Financial highlights



# Financial overview

## Continuing operations

Group revenue of

**R6.2bn** up 7%

from R5.8bn

- › Metals up 6%
- › Plastic up 9%
- › Paper up 10%

Operating profit before net impairments of

**R1.0bn** up 328%

from R235m

- › Operating margin of 11.6%
- › 16.3% including PRMA gain (1H23: 4.1%)

**Operating profit of R992m**

(1H23: operating loss of R558m)

- › DivFood turnaround: R186m positive swing
- › Bevcan step-change in profitability up 62%
- › R159m lower head office costs
- › Impairment loss of R13m compared to R793m in 1H23

**PRMA plan gain of R290m**

- › PRMA liability reduced by 42%
- › Gain represents 30% of net proceeds from Sep '23 rights issue
- › Uplift in underlying NAV of R25 per share
- › No dilution to shareholders

Net finance costs of

**R459m** down 7%

- › Rights issue net proceeds of R960m
- › Higher interest rates
- › 2H24 to benefit from R243m repayment

Profit for the period of

**R395m**

- › Positive swing R1 273m (1H23: R878m loss)
- › Headline profit R447m (1H23: R327m loss)
- › Return on invested capital 12.1% (ex PRMA)

# Financial overview

Asset disposal plan progressing well

## R2.2bn

- › Assets held for sale
- › Loss of R530m from discontinued operations (Bevcan Nigeria impairments) (1H23: R1.6bn loss)

Net debt (excluding capitalised leases)

## down R1.3bn to R4.6bn

- › Net proceeds from rights issue of R960m
- › R243m settled in Mar '24
- › R477m due 30 Sep '24 to be funded from disposals

Cash generated from operations before working capital changes of

## R905m up 53% from R591m in 1H23

Strong working capital management

## R27m

### working capital utilisation

- (1H23: R570m utilised)
- › FY23 optimised closing position

Free cash flow

## R810m

### (1H23: R109m outflow)

- › Strong operational turnaround

Covenants	Threshold	Achieved
Leverage of 3.04x	≤ 6.50x	✓
Interest cover of 2.16x	≥ 1.00x	✓
Current ratio of 1.53x	≥ 1.00x	✓
TNAV of 2.0x	≥ 2.00x	✓
Available liquidity of R1.7bn	≥ R650m	✓

# Profitability improved due to Bevcan SA, DivFood performance and PRMA gain

## Abridged statement of comprehensive income

### Continuing operations

R million	*1H24	*1H23	* % Δ
<b>Revenue</b>	<b>6 166</b>	<b>5 782</b>	<b>7</b>
<b>Trading profit</b>	<b>770</b>	<b>330</b>	<b>133</b>
Capital and other items	279	(78)	
<b>Operating profit before Zimbabwe devaluation</b>	<b>1 049</b>	<b>252</b>	<b>317</b>
Net impact of devaluation associated with Zimbabwe	(44)	(17)	
<b>Operating profit before net impairment losses</b>	<b>1 005</b>	<b>235</b>	<b>328</b>
Net impairment losses	(13)	(793)	98
<b>Operating profit/(loss)</b>	<b>992</b>	<b>(558)</b>	
Net finance costs	(459)	(491)	7
Share of net (loss)/profit from associates and joint ventures	(3)	(3)	
<b>Profit/(loss) before tax</b>	<b>530</b>	<b>(1 052)</b>	
Income tax (expense)/benefit	(135)	173	
<b>Profit/(loss) for the period for continuing operations</b>	<b>395</b>	<b>** (878)</b>	
<b>Discontinued operations</b>			
Loss for the period from discontinued operations	(530)	(1 569)	66
Loss for the period	(135)	(2 447)	95
Other comprehensive income/(loss), net of tax	16	(92)	
<b>Total comprehensive loss for the period</b>	<b>** (120)</b>	<b>(2 539)</b>	<b>95</b>

\* Re-presented for impacts of discontinued operations \*\* Minor rounding differences may impact additions

### Continuing operations

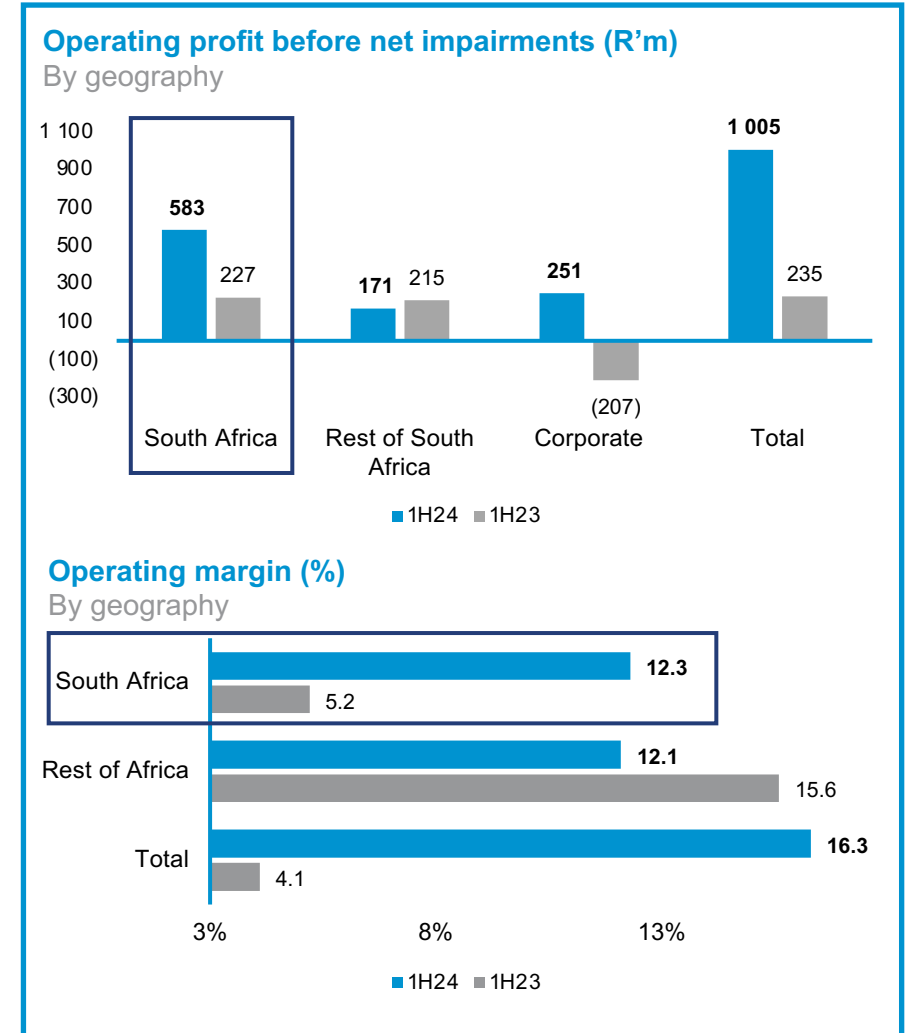
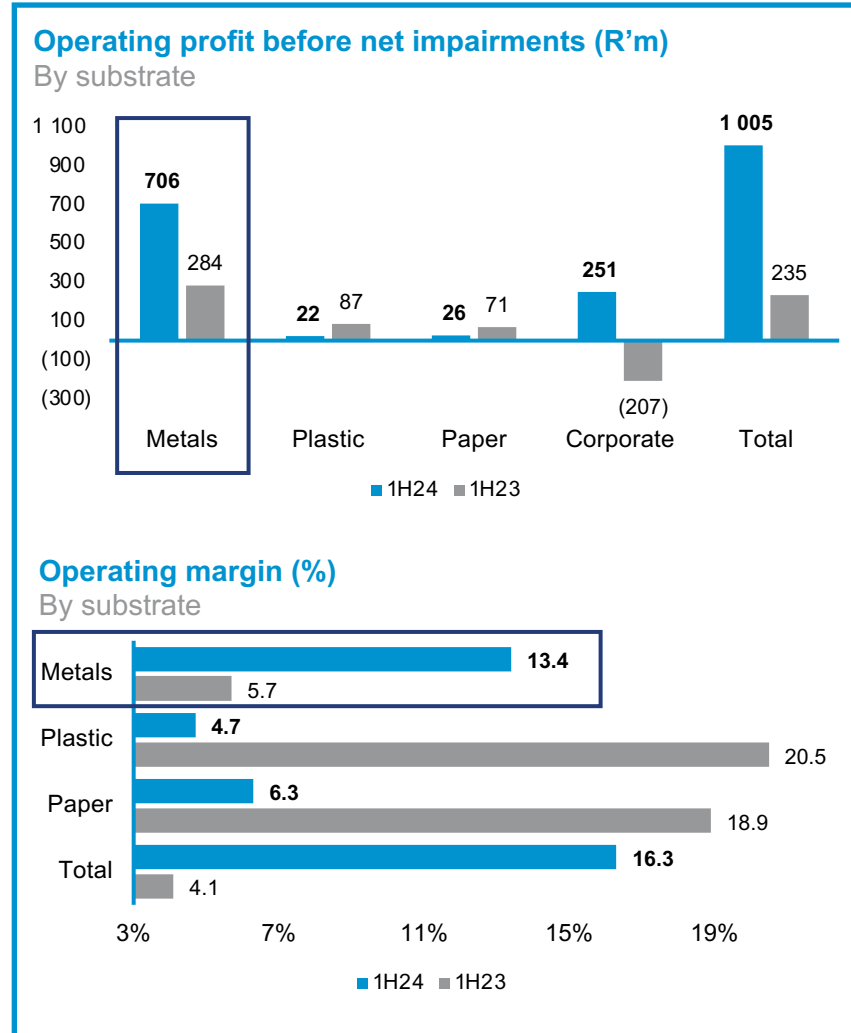
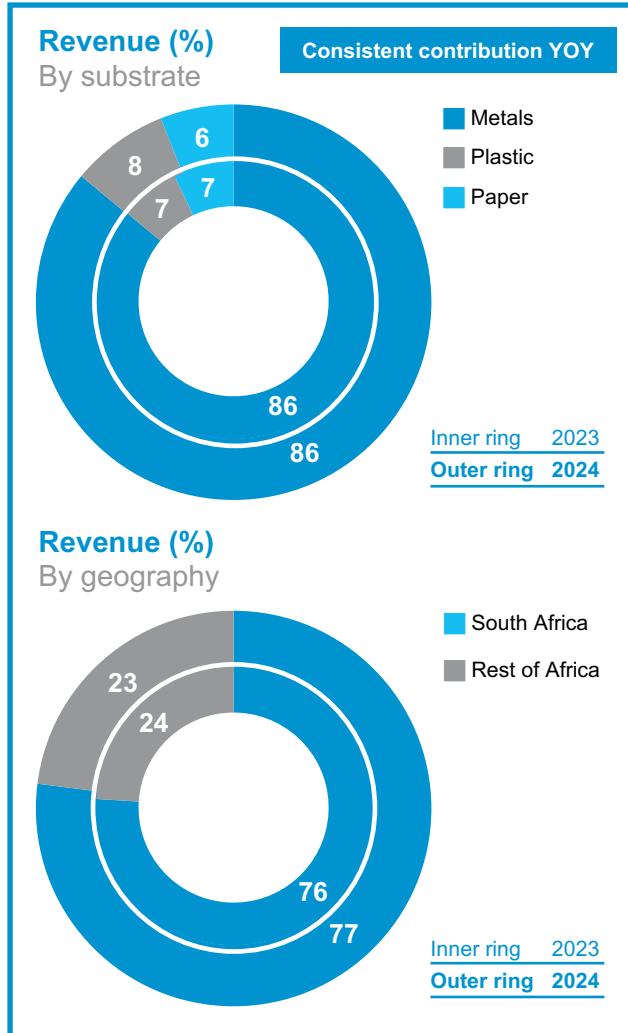
- › Revenue growth
  - » Encouraging growth boosted by growth in Bevcan SA
- › Trading profit up R440m
  - » Cost reduction assisted margin expansion to 12.5% (1H23: 5.7%)
- › Operating profit
  - » PRMA curtailment gain of R290m included in 'Capital and other'
- › Higher net finance costs
  - » Significantly higher interest rates
- › Headline profit of R447m (1H23: headline loss of R327m)
- › Headline earnings of 5 393.9cps compared to a headline loss of 11 027.3cps in 1H23

### Total operations

- › Loss for the period from discontinued operations due to:
  - » Non-cash flow items
    - Bevcan Nigeria goodwill of R335m
    - Asset impairments of R184m
    - 98% of discontinued loss
  - » Other operations R11m

# Segmental information – continuing operations

## Step change in Metals margins



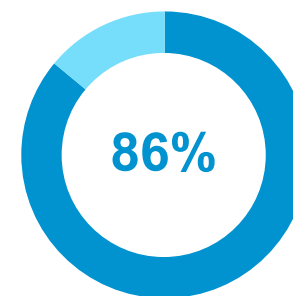
# Pleasing DivFood turnaround, Bevcan SA performance improvement

## Metals — continuing operations

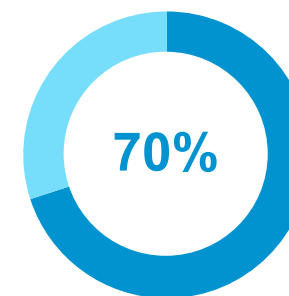
R million	1H24	1H23	% Δ
Revenue	5 288	4 982	6
Trading profit	717	325	121
Trading margin (%)	13.6	6.5	
Operating profit before net impairment losses	706	284	149
Operating margin (%)	13.4	5.7	

## CONTRIBUTION TO GROUP

Revenue



Operating profit before net impairments



## SOUTH AFRICA Bevcan SA

- › Volume down but improved sales mix and pricing improved profitability
- › Volume shift to the competitor due to capacity constraints
- › Margin improvement due to the stabilisation of commodity pricing and robust overhead management

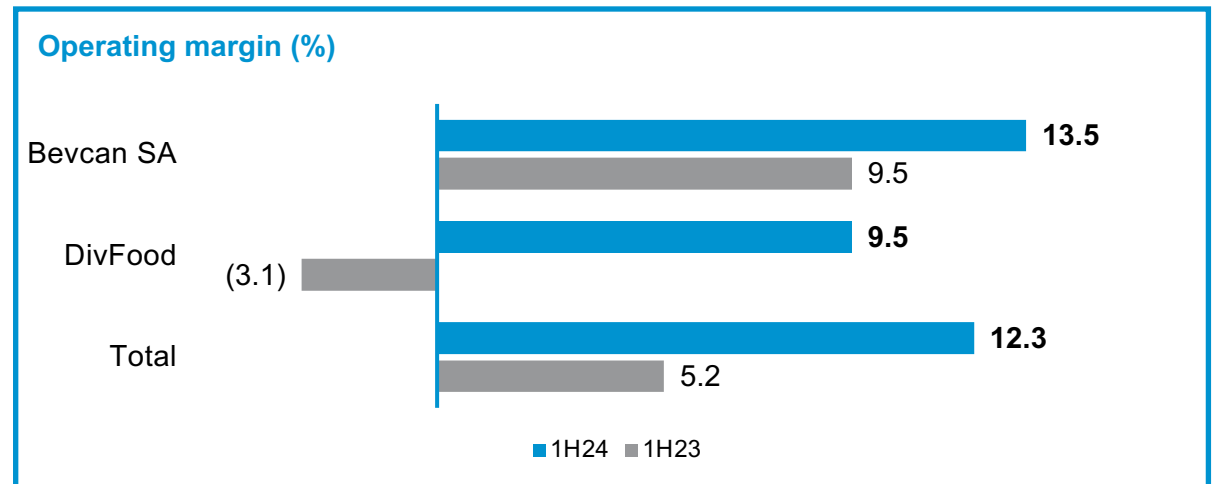
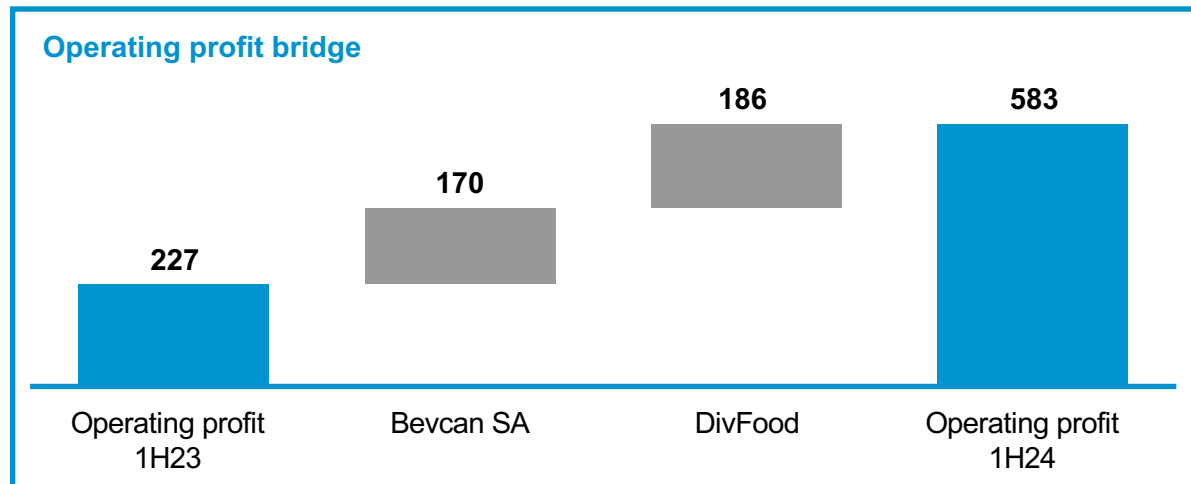
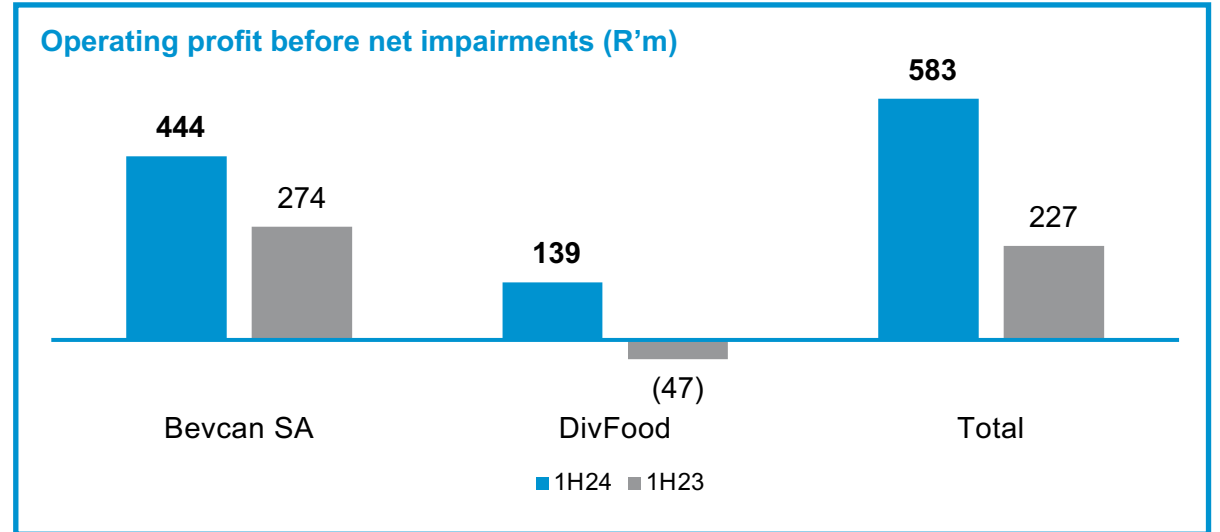
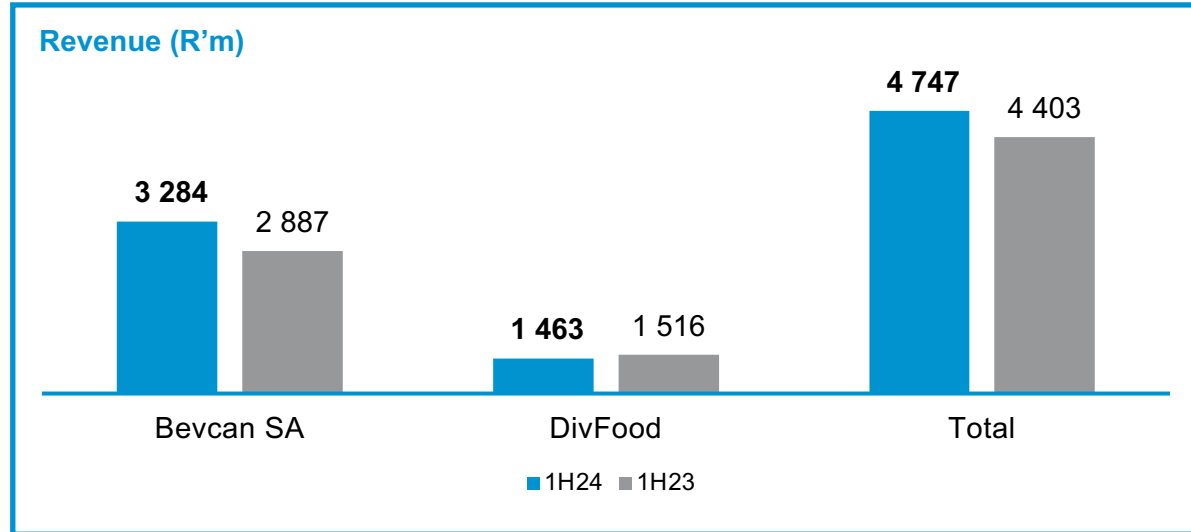
## SOUTH AFRICA continued DivFood

- › Volumes down in Q1, largely stabilised in Q2
- › Closed loss-making paint category
- › Margin correction key building block in profitability improvement
- › Excellent cost reduction and optimisation progress
- › Scope for further growth and efficiency improvements

## ANGOLA

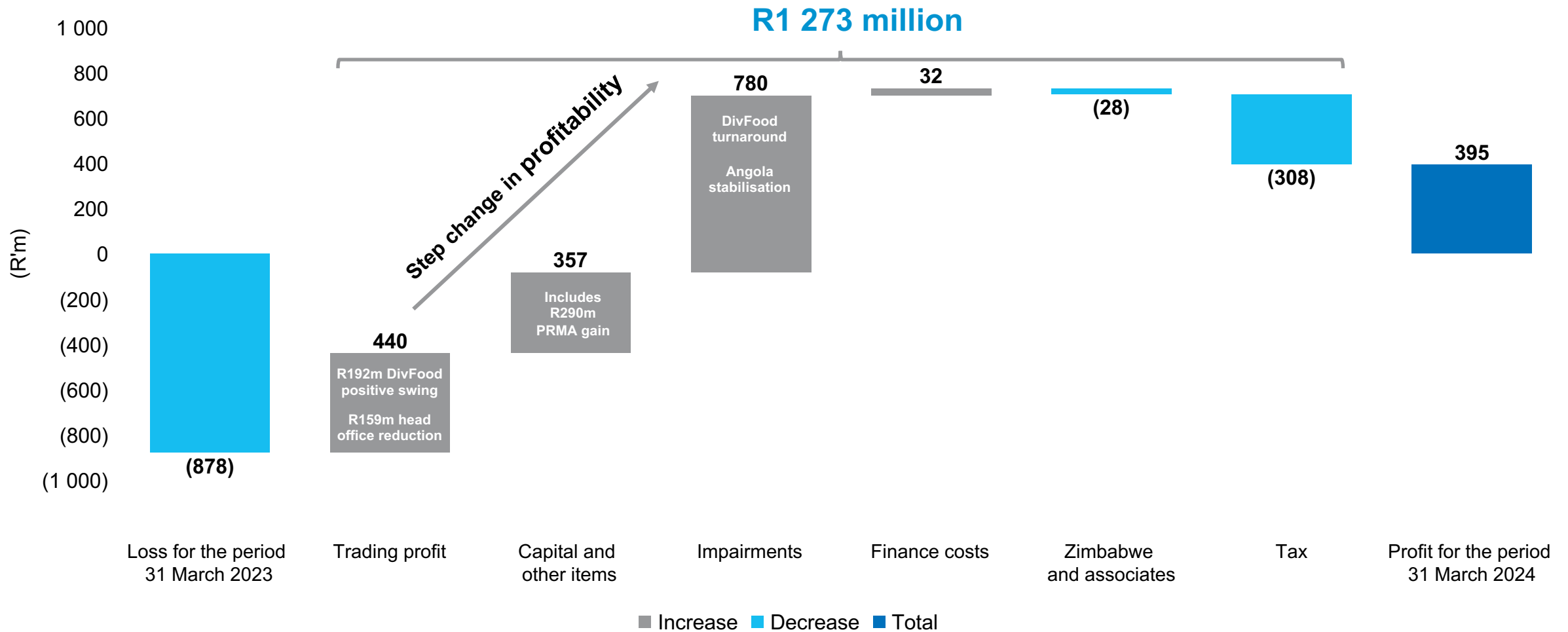
- › Macroeconomic indicators improving
- › Currency stable and lower forex losses despite shortage of forex
- › Intensified working capital management led to intermittent volume loss
- › Potential Angolan spare line relocation under consideration

# Metals SA performance overview

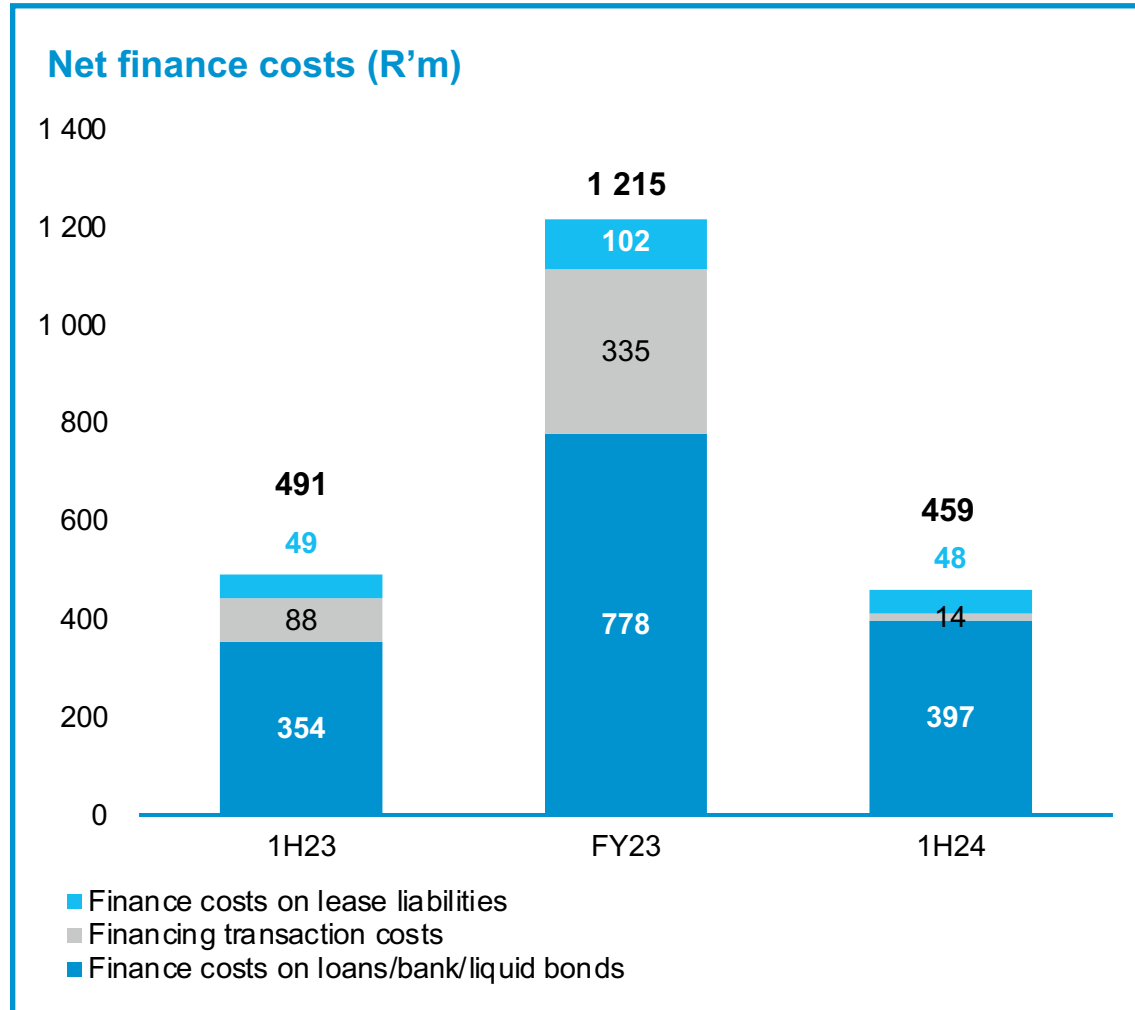


# Profitability improvement of R1 273 million

Strong Bevcan SA performance, DivFood turnaround and PRMA gain from continued operations



# Net interest paid down 7% despite higher interest rates



- › Impacted by:
  - » Higher interest rate environment
    - SARB repo rate increases
  - » Higher interest rates associated with Sep '23 refinancing
- › Partially offset by:
  - » Net rights issue proceeds and cash generated during the period
  - » Significantly reduced refinancing transaction costs
- › Interest rate range for period
  - » Local from 12.6% to 13.9% (1H23: 10.3% to 10.5%) up 27% on average
  - » Foreign from 10.8% to 13.3% (1H23: 5.3% to 8.0%) up 81% on average
    - USPP 10 year fixed rate of 5.3% changed on 31 Mar '23 to 12%
- › Repayment of R243m in borrowings late in the period
  - » Will benefit interest costs in 2H24

# Asset disposal progressing well

## Lower net debt and good short-term liquidity

### Abridged statement of financial position

R million	1H24*	1H23*	% Δ
Property, plant, equipment and investment property	3 732	5 130	(27)
Goodwill and other intangible assets	68	437	(84)
Loan and lease receivables and other non-current assets	688	1 034	(33)
<b>Non-current assets</b>	<b>4 488</b>	<b>6 601</b>	<b>(32)</b>
Inventories	2 193	3 807	(42)
Trade and other current receivables	2 179	3 469	(37)
Loan and lease receivables and other current assets	47	131	(64)
Bank balances and deposits	867	877	(1)
<b>Current assets</b>	<b>5 286</b>	<b>8 284</b>	<b>(36)</b>
Non-current assets classified as held for sale	2 227	77	
<b>Total assets</b>	<b>12 001</b>	<b>14 962**</b>	<b>(20)</b>
<b>Total equity</b>	<b>1 781</b>	<b>2 333</b>	<b>(24)</b>
Loans and lease liabilities and other non-current liabilities	5 542	6 513	(15)
Retirement benefit obligation	436	750	(42)
<b>Non-current liabilities</b>	<b>5 978</b>	<b>7 263</b>	<b>(18)</b>
Trade and other current payables	2 627	3 547	(26)
Loans, lease liabilities, bank overdrafts and other current liabilities	1 173	1 819	(36)
<b>Current liabilities</b>	<b>3 800</b>	<b>5 366</b>	<b>(29)</b>
<b>Liabilities directly associated with assets classified as held for sale</b>	<b>442</b>	<b>–</b>	
<b>Total equity and liabilities</b>	<b>12 001</b>	<b>14 962</b>	<b>(20)</b>

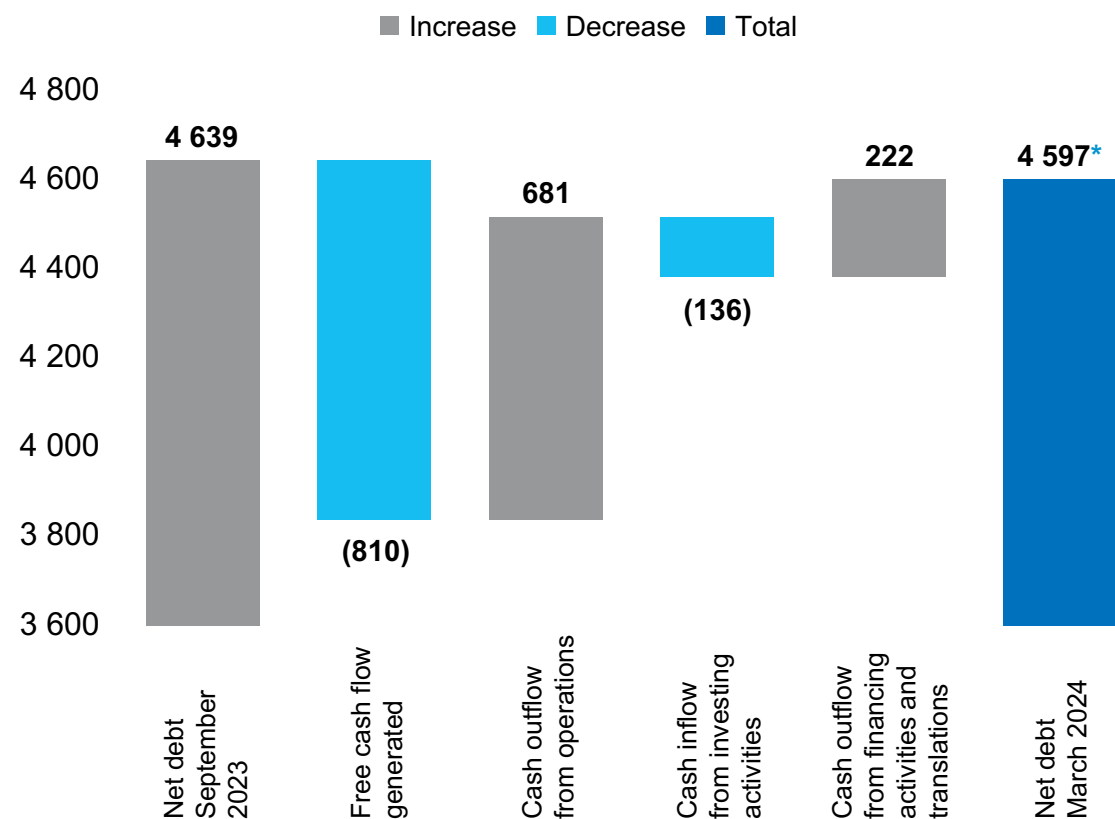
\* Restated for impacts of discontinued operations \*\* Minor rounding differences may impact additions

- › Comparatives impacted by IFRS5 assets held for sale
  - » Bevcan Nigeria, Liquid Cartons, Malawi, Zambia, Plastics SA and Tubes
  - » R2.2bn assets held for sale with R442m associated liabilities
- › PPE and goodwill
  - » Bevcan Nigeria R597m impairments
- › Net working capital well managed
  - » Receivables impacted by cyber-incident in Mar '24
- › Short-term liquidity strong
  - » Current ratio: 1.8 times (1H23: 1.6 times)
  - » Acid test ratio: 1.1 times (1H23: 0.8 times)
- › Net debt reduction of R1.2bn
  - » Net proceeds of R960m rights issue used to settle debt
  - » Utilisation of asset disposal proceeds to reduce debt

# Net debt stabilised since Sep '23 despite capex spend and interest payments

Strong cash generation absorbed by interest and tax payments

## Net debt movement (R'm)



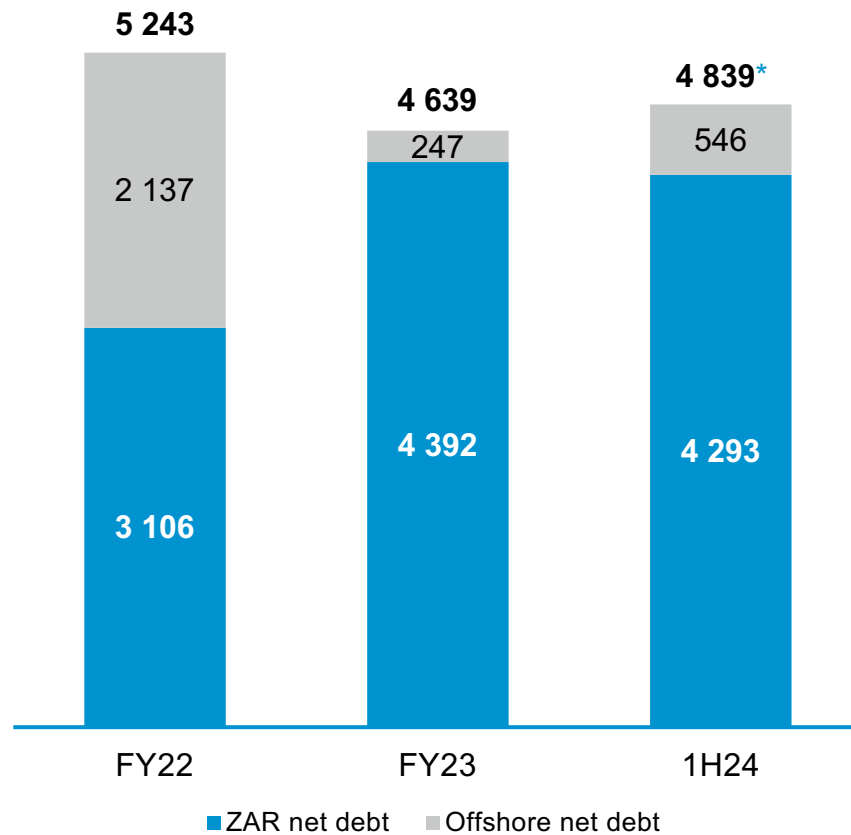
\* Minor rounding differences may impact additions

## Net debt movement

	R'm	%
<b>Cash generated from operations</b>	905	
Net working capital changes	(27)	
Replacement capex	(69)	
<b>Free cash flow generated</b>	<b>810*</b>	<b>100</b>
Finance costs paid	(480)	(59)
Retirement benefits, contributions and settlements	(36)	(4)
Income tax paid	(151)	(19)
Dividends paid	(14)	(2)
<b>Cash outflow from funding the operations</b>	<b>(681)</b>	<b>(84)</b>
Proceeds on disposal of property, plant and equipment	249	31
Expansion capex	(113)	(14)
<b>Cash inflow from investing activities</b>	<b>136</b>	<b>17</b>
Capital paid against finance leases	(65)	(8)
Invoice discounting finance repaid	(111)	(14)
<b>Cash outflow from financing activities</b>	<b>(176)</b>	<b>(22)</b>
Translation of cash in foreign subsidiaries	(46)	(6)
<b>Net debt movement</b>	<b>42*</b>	

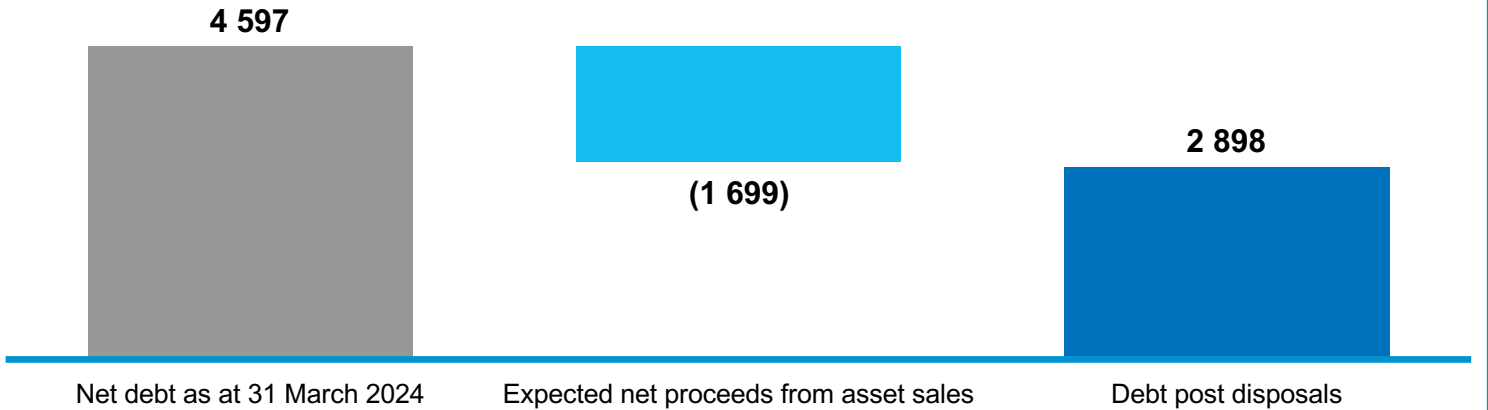
# Potential Debt Reduction Profile

Composition of net debt per covenants (R'm)

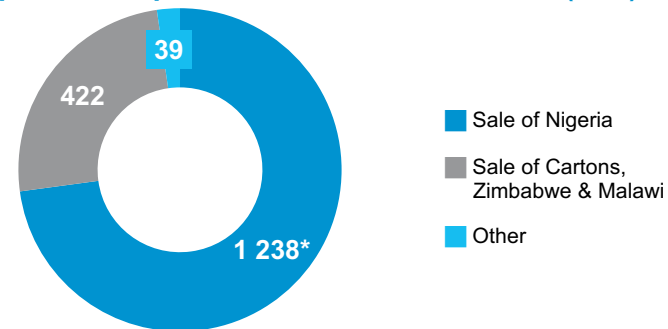


\* Excludes non-permissible cash for covenants

Debt per Balance Sheet - Debt reduction profile (R'm)



Expected net proceeds from sale of assets (R'm)



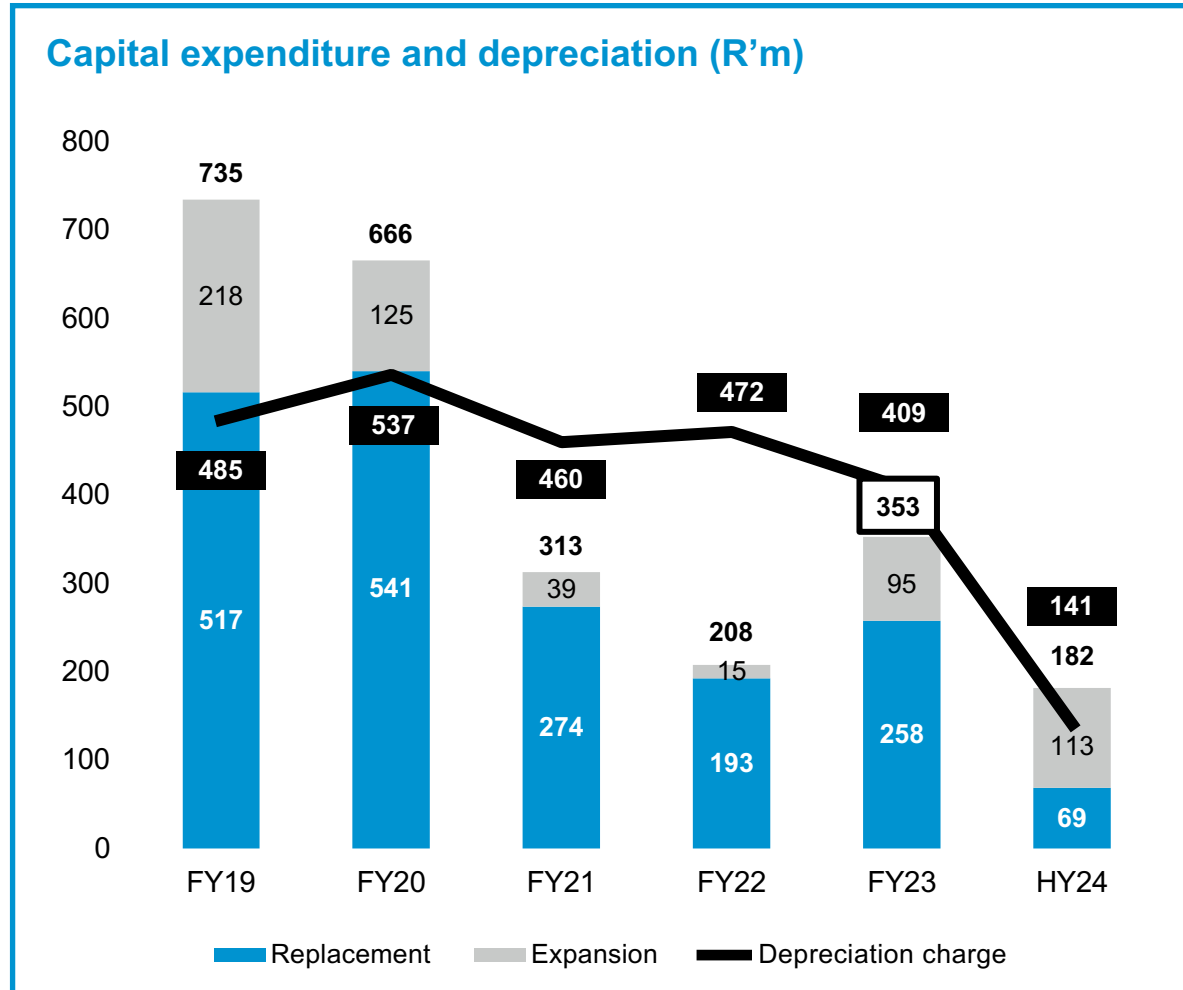
\* Estimated US\$ exchange rate on 31 March 2024 R18.94  
Bevcan Nigeria disposal at \$68.5m

## Key determinants to reducing debt and leverage ratio:

- Proceeds from disposals to be utilised to settle debt
- Objective: leverage ratio  $\leq 2.0$  times

# Capital expenditure remained tightly controlled

## Expansion capital allocated to Springs Line 2



- › Asset base remains well-capitalised and well maintained
- › Bevcan Springs Line 2 upgrade
  - ›› Critical for growth capacity in 500ml can market
  - ›› Expenditure split over two years, majority in FY24
  - ›› Project expected to come under budget
- › No other significant capital expenditure requirements
  - ›› No project concentration risk
- › Future annual capex requirement of R350m to R400m
- › Lower depreciation due to prior year impairments

# Improved profitability and asset disposals improve cash balances

## Abridged statement of cash flows

R million	1H24	1H23	% Δ
<b>Cash generated from operations before working capital changes</b>	<b>905</b>	591	53
Net working capital outflow	(27)	(570)	95
<b>Cash generated from operations</b>	<b>878</b>	21	>100
Net interest paid	(480)	(422)	(14)
Retirement benefits, contributions and settlements	(35)	(38)	8
Income tax paid	(151)	(74)	<100
<b>Cash flows from operations</b>	<b>212</b>	(513)	>100
Dividends paid	(14)	–	
<b>Net cash generated from/(utilised in) operating activities</b>	<b>198</b>	(513)	>100
Capital expenditure	(182)	(137)	(33)
Proceeds on disposal of property, plant, equipment and investments	249	55	>100
Proceeds from RBZ receivable and other investing activities	12	11	9
<b>Cash generated/(utilised) in investing activities</b>	<b>79</b>	(71)	>100
<b>Net cash generated/(utilised) before financing activities</b>	<b>276**</b>	(584)	147
<b>Net cash repaid in financing activities</b>	<b>(1 171)</b>	(352)	>100
<b>Net decrease in cash and cash equivalents</b>	<b>(895)</b>	(937)*	5
Net cash and cash equivalents at beginning of the period	1 844	1 502	23
Translation of cash in foreign subsidiaries	(46)	(48)	4
<b>Net cash and cash equivalents at end of the period</b>	<b>903</b>	517	75

\* Restated for impacts of discontinued operations    \*\* Minor rounding differences may impact additions

- › Cash generated from operations before working capital changes positively impacted by:
  - » Strong performance from SA Beverages
  - » DivFood turnaround and
  - » Lower head office costs
- › Working capital well managed off optimised Sep '23 balances
- › Cash generated from operations – strong at R878m
- › Higher interest rates impact interest cost
- › Capex of R182m (majority Springs Line 2) offset by R249m proceeds from asset disposals
- › Net loans repaid of R1.2bn
- › Adequate cash balances on hand

# Working capital management remains a focus area

## Changes in working capital (pre-discontinued operations reclassification)

R million	1H24	1H23
Decrease in inventories	355	16
Increase in trade and other receivables	(602)	(445)
Cash outflow before payables	(247)	(429)
Increase/(decrease) in trade and other current payables	220	(141)
Net working capital outflow	(27)	(570)
<b>Liquidity ratios:</b>		
Current ratio	1.8	1.6
Acid test ratio	1.1	0.8

- › Decrease in inventory primarily due to:
  - » Reduced holdings in Bevcn SA and Nigeria
- › Trade receivables impacted by:
  - » Cyber issue and outflows in DivFood and Bevcn Nigeria
- › Increase in trade and other payables
  - » Improved trade creditor funding at DivFood

## Working capital days

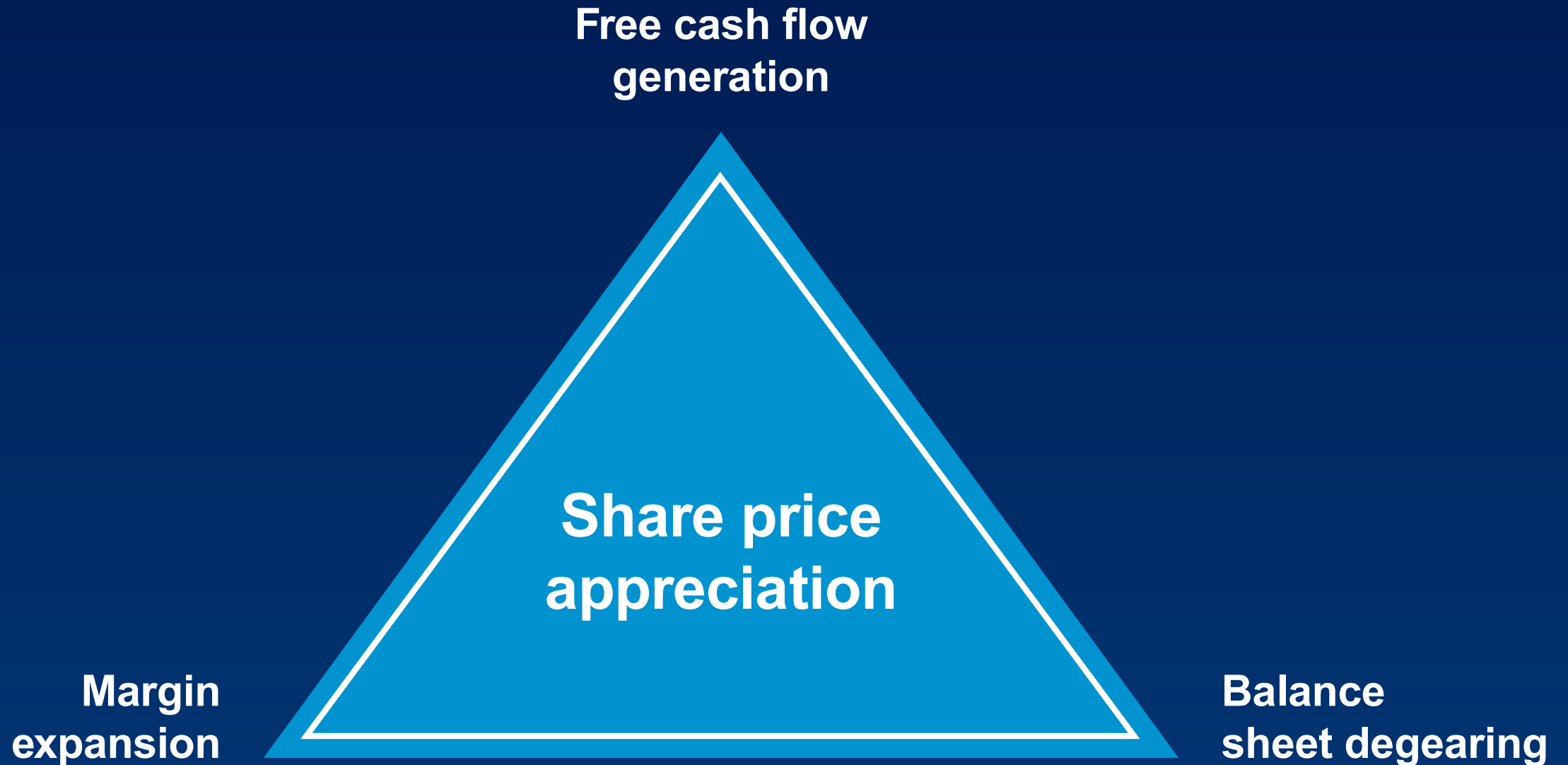
Days	1H24	1H23
Inventory	115	121
Trade and other receivables	54	61
Sub-total	169	182
Trade and other current payables	(83)	(87)
Net working capital days	86	95

- › Value of working capital items from discontinued operations classified as held for sale (inventories R637m, trade and other current receivables R493m and trade and other current payables R218m)

## Working capital reconciliation

R million	Inventory	Trade and other receivables	Trade and other payables	Total
Movement between FY23 and 1H24	1 221	310	(630)	901
Assets classified as held for sale	(637)	(494)	218	(913)
Movement per SFP	584	(184)	(412)	(12)
Items excluded for cash flow (FCTR and disposal of businesses)	(229)	(418)	632	(15)
<b>Movement per cash flow statement</b>	<b>355</b>	<b>(602)</b>	<b>220</b>	<b>(27)</b>

# Positive Triangulation



# Reflections and looking to the future

1

Historic capital allocation choices placed cash flows under pressure

2

Decisive action taken on disposals to reduce debt with lower and sustainable leverage

3

Initiatives in place to continue trajectory to a highly focused sustainable cash generative business

4

Renewed confidence given turnaround in “end state” portfolio in 1H24

**“Appreciation to our dedicated employees and broader stakeholders”**

# Outlook



# Outlook

We “Can Do” however we must do as we say



## Control

- › We can't allow our external environment to define our future



## SA Metals

- › Category growth
- › Substrate participation increase
- › Scope for share gains
- › Diversified step change
- › Sustained cost and efficiency improvements



## Strategic choices

- › Further asset rationalisation I&CS, Zimbabwe and Angola: value dependent



## Free cash flow

- › Margin expansion
- › Fanatical focus on net working capital
- › Capex curtailment
- › Value accretive opportunity assessment



## Growth

- › Runway for growth and investment

# Embedding Leadership Principles

Govern behaviour and cultural outcome



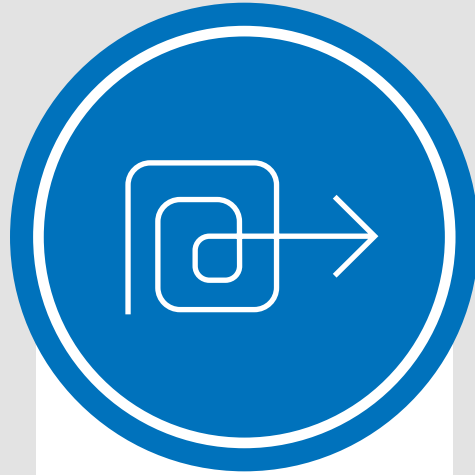
**Customer  
obsession**

**1**



**Act like  
owners**

**2**



**Simplify inside,  
differentiate  
outside**

**3**



**Bias for  
action**

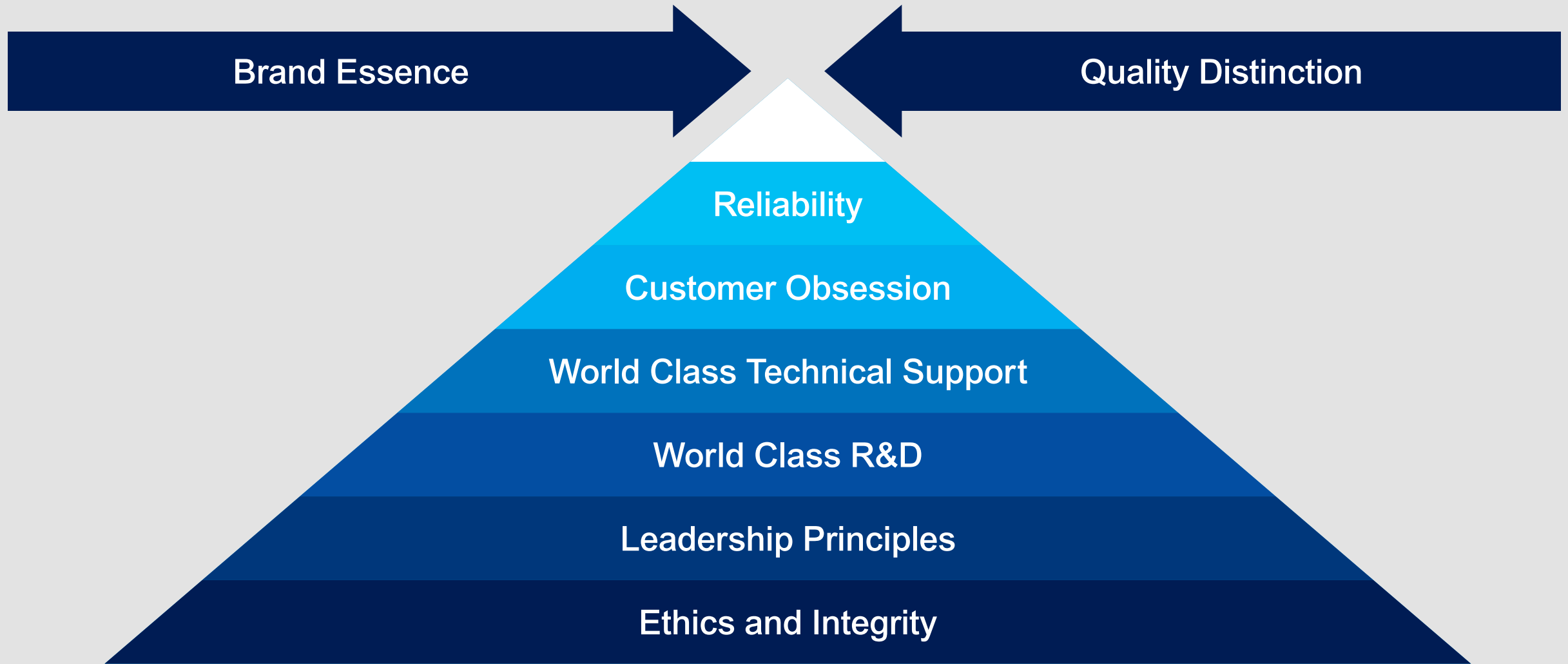
**4**



**Frugality**

**5**

# Brand architecture – Trusted brands belong in our cans



“I have enormous praise for a core of the most talented and committed employees in our company – intellect and grit.”

Phil Roux  
Chief Executive Officer



# Thank You



## Investor Relations

**Teboho Lempe**

**Email: [teboho.lempe@nampak.com](mailto:teboho.lempe@nampak.com)**

**Telephone +27 11 719 6300**

**[www.nampak.com](http://www.nampak.com)**

# Appendices



# Segmental information

## Continuing operations

### Revenue by substrate

R million	1H24	1H23	% Δ	1H24 % Contr.	1H23 % Contr.
Metals	5 288	4 982	6	86	86
Plastic	465	425	9	8	7
Paper	413	375	10	6	7
<b>Total</b>	<b>6 166</b>	<b>5 782</b>	<b>7</b>	<b>100</b>	<b>100</b>

### Revenue by region

R million	1H24	1H23	% Δ	1H24 % Contr.	1H23 % Contr.
South Africa	4 747	4 403	8	77	76
Rest of Africa	1 419	1 379	3	23	24
<b>Total</b>	<b>6 166</b>	<b>5 782</b>	<b>7</b>	<b>100</b>	<b>100</b>

### Operating profit before net impairments by substrate

R million	1H24	1H23	% Δ	1H24 % Contr.	1H23 % Contr.
Metals	706	284	149	70	121
Plastic	22	87	(75)	2	37
Paper	26	71	(63)	3	30
Corporate	251	(207)		25	(88)
<b>Total</b>	<b>1 005</b>	<b>235</b>	<b>328</b>	<b>100</b>	<b>100</b>

### Operating profit before net impairments by region

R million	1H24	1H23	% Δ	1H24 % Contr.	1H23 % Contr.
South Africa	583	227	156	58	97
Rest of Africa	171	215	(21)	17	91
Corporate	251	(207)		25	(88)
<b>Total</b>	<b>1 005</b>	<b>235</b>	<b>328</b>	<b>100</b>	<b>100</b>

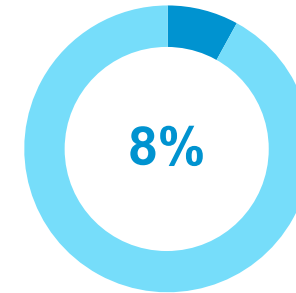
# Tough trading conditions with margin compression

## Plastic

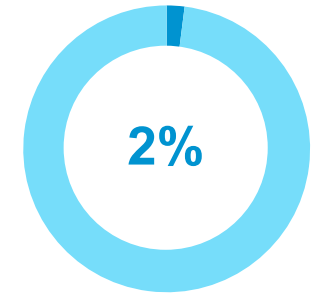
R million	1H24	1H23	% Δ
Revenue	465	425	9
Trading profit	74	81	(9)
<i>Trading margin (%)</i>	<b>15.9</b>	19.1	
Operating profit before net impairment losses	22	87	(75)
<i>Operating margin (%)</i>	<b>4.7</b>	20.5	

## CONTRIBUTION TO GROUP

Revenue



Operating profit before net impairments



## SOUTH AFRICA

- › Consumer spending under pressure
  - » disposable income at a low point
- › Loadshedding negatively affecting production at certain plastic facilities
- › Price restraint amidst competitor activity
- › Cost push under-recovered
- › Overhead structure unsustainable

## REST OF AFRICA

- › Zimbabwe remains self-funding
  - » robust demand across product substrates
  - » incessant power cuts and downtime
  - » results impacted by ZWL devaluation and hyperinflation

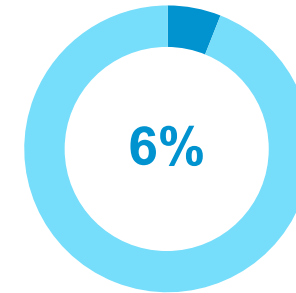
# Profitability impacted by ZWL devaluation in Zimbabwe

## Paper

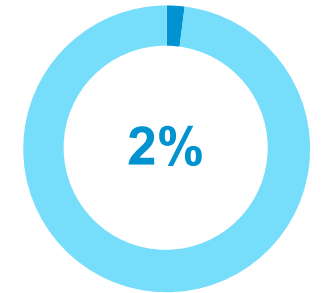
R million	1H24	1H23	% Δ
Revenue	413	375	10
Trading profit	23	84	(73)
<i>Trading margin (%)</i>	5.6	22.4	—
Operating profit before net impairment losses	26	71	(63)
<i>Operating margin (%)</i>	6.3	18.9	—

## CONTRIBUTION TO GROUP

Revenue



Operating profit before net impairments



## ZIMBABWE

- › Robust demand continues
- › Increased competitor activity
- › Significant downtime/power cuts
- › ZWL devaluation and hyperinflation distorting results

# Weaker rand and kwanza, Zimbabwean dollar continues to devalue

## Major foreign exchange rates

Currency	Average rates			Closing rates		
	1H24	1H23	% Δ	1H24	1H23	% Δ
ZAR/EUR	20.33	18.52	(10)	20.44	19.29	(6)
ZAR/US\$	18.81	17.69	(6)	18.94	17.80	(6)
NGN/US\$	1 085.39	452.87	(>100)	1 303.33	461.15	(>100)
KZ/US\$	850.80	506.97	(68)	855.55	516.70	(66)
ZWE/US\$				21 321.28	928.59	(>100)

### › 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 6%

### › Further weakness in the Nigerian naira/US\$ average and closing rates

- › US dollar availability at official spot rate limited
- › Nigeria naira devalues 40% since Sep '23

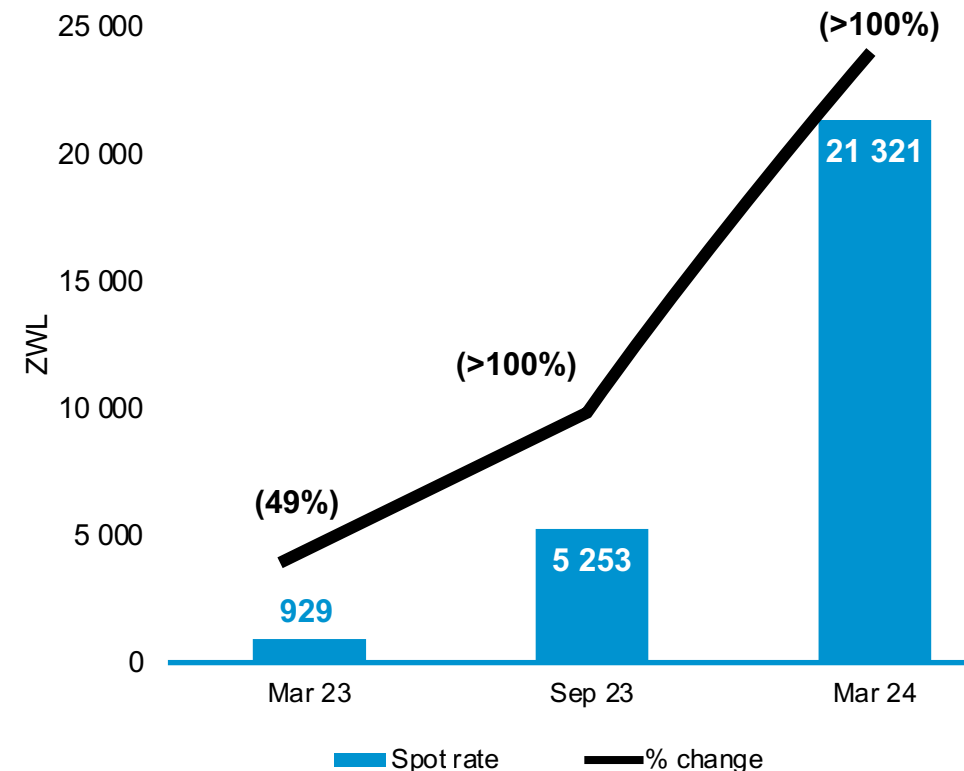
### › Weakness in the Kwanza/US\$ average and closing rates

- › Kwanza devalues 2% since Sep '23

### › Zimbabwe

- › No average rate is disclosed as Zimbabwe is considered to be a hyperinflationary economy
- › The results of Zimbabwe group companies are, therefore, translated at the closing rate

## ZWL:US\$ devaluation



# Cash transfers from Angola and Nigeria

## Reduced exposure to Naira and Kwanza cash balances

### 31 March 2024

R million	Angola	Nigeria	Total
Opening cash on hand – 30 September 2024	46	192	238
Cash on hand – 31 March 2024	67	25	92
Net cash movement – 1H24	21	(167)	(146)
Cash transferred	337	368	705

### 31 March 2023

R million	Angola	Nigeria	Sub-total
Opening cash on hand – 30 September 2023	50	369	419
Cash on hand – 31 March 2023	(7)	331	324
Net cash movement – 1H23	(57)	(38)	(95)
Cash transferred	342	622	964

*No hedges are available in Angola and Nigeria*

- › Transfers from Angola of R342m down 1%
  - » Tightening US dollar availability and weakening kwanza resulting in R3m foreign exchange loss (1H23: R40m)
- › Transfers from Nigeria of R368m down 41%
  - » September 2022 cash balance high due to unavailability of US\$
  - » High cash extractions in 1H23
  - » Active management of cash transfers in 1H24 resulting in lower cash

# Reconciliation of operating profit before net impairment losses to trading profit

R million	1H24	1H23	FY23
<b>Operating profit before net impairment losses</b>	<b>1 005.1</b>	235.1	500.8
<i>Adjusted for capital<sup>2</sup> and other items<sup>3</sup> (excluding net impairment losses separately disclosed)</i>	<b>(235.3)</b>	95.1	363.1
<b>Capital items</b>			
Net loss on liquidation of business <sup>4</sup>	–	37.5	49.2
<b>Other items</b>	<b>(235.3)</b>	57.6	313.9
Net impact of devaluation associated with Zimbabwe	<b>43.6</b>	17.3	66.8
Net devaluation loss arising from Angolan exchange rate movements <sup>5</sup>	<b>3.0</b>	40.3	178.6
Retrenchment and restructuring costs	<b>14.3</b>	–	68.5
Gain on plan amendment of post-retirement medical aid <sup>6</sup>	<b>(290.0)</b>	–	–
Gain on restructuring lease liabilities	<b>(6.2)</b>	–	–
<b>Trading profit<sup>1</sup></b>	<b>769.8</b>	330.2	863.9

## 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 loss on the liquidation of Nampak Holdings (UK) Ltd in October 2022 and of DivFood Botswana (Pty) Ltd in August 2023.
- Relates to the devaluation losses recognised in Nampak Bevcan Angola Lda. The devaluation losses recognised for Nampak Bevcan Nigeria Ltd and Nampak Nigeria Ltd are disclosed in note 9.1 and 9.4 respectively.
- Relates to the gain arising from the reduction of the post-retirement medical aid (PRMA) liability following an agreement reached in February 2024 with the requisite majority of members to amend the PRMA policy.

# Tax rate reconciliation

## Reconciliation of statutory to effective tax rate %

	1H24	1H23	FY23
<b>Statutory group tax rate</b>	<b>27.0</b>	27.0	27.0
<b>Increase in tax rate due to:</b>	<b>39.3</b>	(10.8)	(35.0)
Hyperinflation adjustment	19.6	(0.4)	(6.1)
Disallowed interest charges	9.0	(0.7)	(0.9)
Other disallowable expenses	6.8	(0.6)	(2.8)
Withholding and other foreign taxes	2.4	(1.2)	(1.3)
Foreign Currency Translation impact when converting local tax computations to functional currency	0.8	(2.6)	(5.4)
Deferred taxation not recognised	0.6	(1.1)	(11.1)
Tax rate increase	0.1	–	–
Adjustment for prior years	–	(1.1)	(0.5)
Foreign tax rate differential	–	(3.1)	(6.9)
<b>Reduction in tax rate due to:</b>	<b>(40.8)</b>	0.3	0.5
Capital gains tax	–	0.2	0.1
Government incentives and except income (including capital profit)	(1.3)	0.1	0.4
Adjustment for prior years	(5.8)	–	–
Foreign tax rate differential	(7.8)	–	–
Recognition of losses and temporary differences not previously recognized	(25.9)	–	–
<b>Effective group rate of tax</b>	<b>25.5</b>	16.5	(7.5)

# Reconciliation of basic earnings to headline earnings

## Continuing operations

R million	1H24	1H23	FY23
Loss attributable to equity holders of the company for the period	(93.0)	(2 490.1)	(4 032.8)
Loss for the period from discontinued operations	530.1	1 568.5	1 975.8
Less: Preference dividend	–	–	(0.1)
<b>Basic earnings/(loss)</b>	<b>437.1</b>	<b>(921.6)</b>	<b>(2 057.1)</b>
<i>Adjusted for:</i>			
Net impairment losses	12.7	792.9	1 163.5
Plant, equipment and vehicles	12.7	682.1	984.8
Right of use assets	–	109.8	178.2
Other intangible assets	–	1.0	0.5
Net loss on liquidation of business	–	37.5	49.2
Net profit on disposal of plant, equipment and none current assets classified as held for sale	(0.2)	(10.4)	(12.5)
Tax effects and non-controlling interests	(3.1)	(225.8)	(293.8)
<b>Headline earnings/(loss) for the period</b>	<b>446.5</b>	<b>(327.4)</b>	<b>(1 150.7)</b>
<b>Basic earnings/(loss) per share (cents)</b>	<b>5 280.3</b>	<b>(31 043.7)</b>	<b>(59 829.4)</b>
<b>Diluted basic earnings/(loss) per share (cents)</b>	<b>5 265.5</b>	<b>(31 043.7)</b>	<b>(59 829.4)</b>
<b>Headline earnings/(loss) per share (cents)</b>	<b>5 393.9</b>	<b>(11 027.3)</b>	<b>(33 467.1)</b>
<b>Diluted headlines earnings(loss) per share cents</b>	<b>5 378.8</b>	<b>(11 027.3)</b>	<b>(33 467.1)</b>