



# Annual results

for the year ended 30 September 2024

[nampak.com](https://www.nampak.com)



## 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. 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.

# Contents

- 1 Operational review
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- 3 Segmental performance
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**"Nampak  
transformational  
agenda unlocks value  
for shareholders."**

**Phil Roux**

Chief Executive Officer



**South Africa has been plagued by significant inhibitors which include inter alia:**

**1**

**Political uncertainty**

**2**

**High unemployment**

**3**

**Low growth economies**

- ▶ South Africa
- ▶ Angola

**4**

**Energy and water disruptions**

**5**

**High inflation/interest**

**6**

**Disinvestment**

# Positive developments



## Potential driving forces

**Government of National Unity**

**Uptick in business confidence**

**Expected decrease in interest rates**

**Two pot system boosting consumer spending power**

**Foreign direct investment**

**Sustained electricity supply**

# The Nampak turnaround



Ten tips for leading companies out of crisis

# Performance overview

## Our achievements



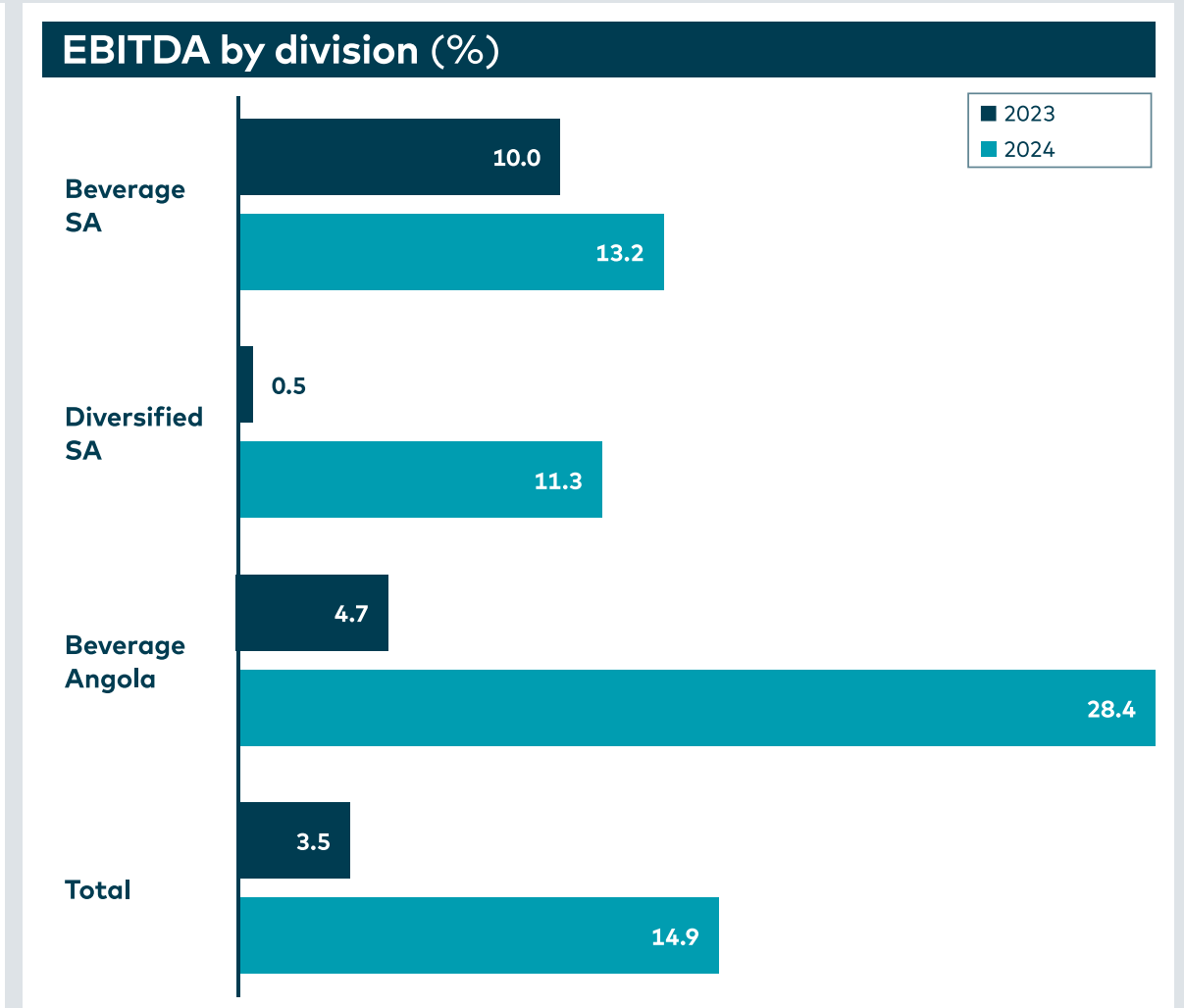
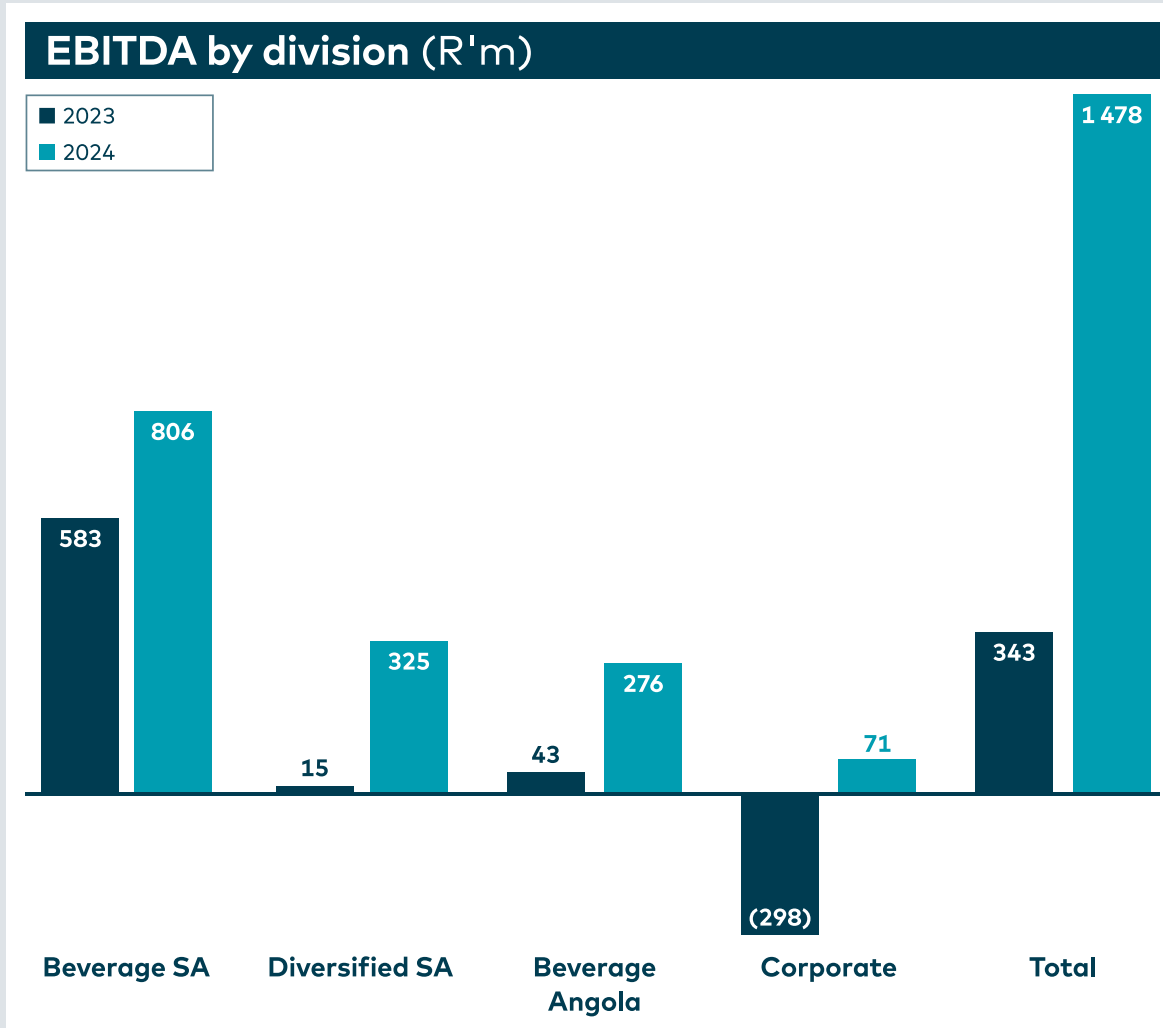
Abridged income statement (continuing operations)	2024 (R'm)	2023 (R'm)	Variance (%)
Revenue	9 956	9 881	1
EBITDA	1 478	343	>100
EBITDA margin (%)	14.9	3.5	
Operating profit	1 715	(1 039)	>100
Operating margin (%)	17.2	(10.5)	
Cash generated from operations before working capital	1 587	741	>100
Cash generated after working capital changes	1 762	1 645	7

## Achievements

- ▶ Rights offer
- ▶ New capital structure
- ▶ Rightsizing
- ▶ Cost extraction
- ▶ Internal merger
- ▶ Asset disposals
- ▶ Diversified performance step-change
- ▶ PRMA reset
- ▶ Organisational redesign
- ▶ Cyber-recovery
- ▶ Metals performance step-change
- ▶ Enhanced forex management

# Step-change in Metals margins

## Continuing operations



# Performance drivers



- 1 Portfolio optimisation
- 2 Relentless focus on transformational initiatives
- 3 Cultural evolution
- 4 A new business operating model
- 5 Cost reduction and frugality
- 6 Significant financial turnaround

# Performance inhibitors



- 1 Slower customer demand
- 2 Closure of key customer's manufacturing facility for three months
- 3 Problematic commissioning of the new beverage line
- 4 Loss of volume amidst competitor pressure
- 5 Muted consumer demand

# Emerging trends



Increased demand for circularity

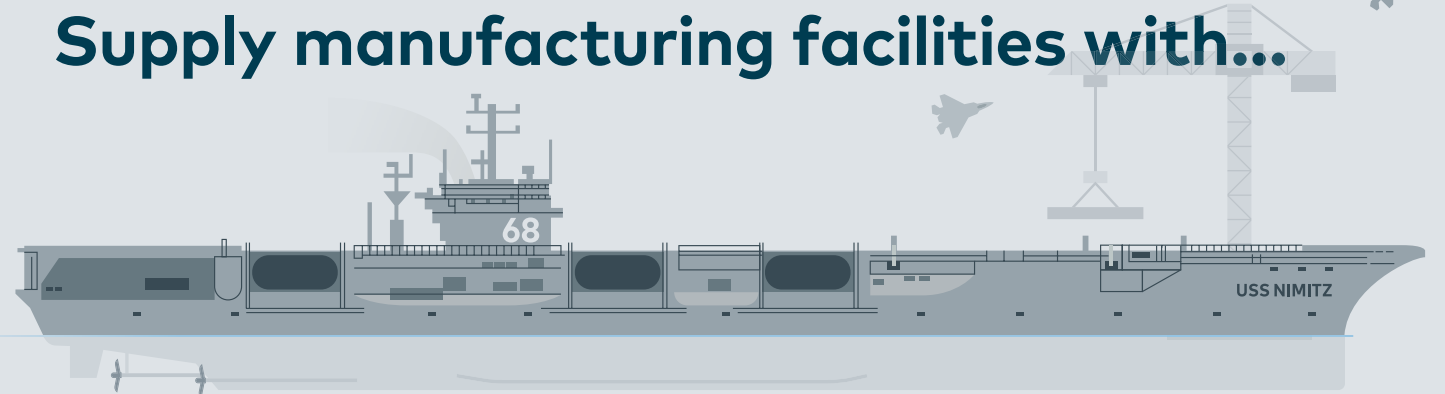
Re-engineering for lightweighting

Personalised packaging/  
design aesthetics

Shift to cans and larger  
format expressions

Convenience and mobility

Supply manufacturing facilities with...



# 115 000 tons

of raw materials annually to deliver

## 9 billion

cans, ends, caps, lids across  
South Africa and Angola.

## 25 million

units each day of the year!

# Electing how to manoeuvre requires strategic coherence



Three elements to generating a coherence premium

**1** Defining where to compete

**2** Capabilities systems

**3** Brand and service fit

Twin objectives

## Chapter 1

Restoration of vitality and transformation imperatives

## Chapter 2

Growth and sustained value accretion

# The renewed vision

## Defining the "North Star"



**"Step change in profitability  
and strong cash flows  
supported by successful  
refinancing."**

**Glenn Fullerton**  
Chief Financial Officer



# Financial highlights

## Continuing operations



Group revenue of

**R10.0bn** up 1%  
from R9.9bn

Beverage SA	up 4%
Diversified SA	down 7%
Beverage Angola	up 6%

EBITDA of

**R1.5bn** up 331%  
from R343m

Beverage SA	R806m up 38%
Diversified SA	R325m up from R15m
Beverage Angola	R276m up from 43m

Operating profit before net  
impairment reversals/(losses) of

**R1.2bn**  
compared to R78m

Operating profit of

**R1.7bn**  
compared to R1.0bn loss

R471m of asset impairment reversals  
Diversified SA R273m  
Beverage Angola R234m  
(2023: R1.2bn impairment losses)

Profit for the year

**R626m**  
from loss of R2.2bn

Improved trading profits, positive  
contribution from capital and other  
items, asset impairment reversals and  
lower finance costs.

Headline earnings

**R278m**  
compared to headline loss of R1.3bn

HEPS of 3 361.1c  
(2023: HLPS of 39 004.6c)  
EPS of 7 554.0c  
(2023: LPS of 64 415.9c)

# Financial highlights



## Strengthened balance sheet

- ▶ Successful refinancing
- ▶ All debt now long-term
- ▶ 98% rand-denominated
- ▶ Strong short-term liquidity

## Asset disposal plan progressing well

- ▶ Net assets held for sale of R1.8bn
  - Bevcan Nigeria R1.2bn
  - Nampak Zimbabwe R432m
  - I&CS R143m

## Net debt (excluding capitalised leases)

**R4.4bn** down 4%  
(2023: R4.6bn)

- ▶ Future deleveraging through disposals
  - Net debt of R2.6bn expected post disposals
  - Targeted net debt/EBITDA debt ratio of 2x
- ▶ R524m lease liabilities disposed

## Cash generated from operations before working capital changes of

**R1.6bn** up 114%  
(2023: R741m)

Working capital release R175m  
(2023: R905m)

## Free cash flow

**R1.6bn**  
(2023: R1.4bn)

## Capex to address demand

**R393m**  
(2023: R353m)

- ▶ R222m Bevcan Springs Line 2 in 2024
  - R301m spent overall on Line 2 installation
- ▶ R111m related to discontinued operations

# Abridged statement of comprehensive income

## Significant improvement in profitability



R million	2024	2023	% Δ*
<b>CONTINUING OPERATIONS</b>			
Revenue	9 956	9 881	1
Trading profit	1 048	438	139
Capital and other items	196	(360)	
Operating profit before net impairment reversal/(losses)	1 244	78	>100
Net impairment reversals/(losses)	471	(1 117)	
Operating profit/(loss)	1 715	(1 039)	>100
Net finance costs	(926)	(1 218)	24
Share of net loss in associates	(5)	(6)	
Profit/(loss) before tax	784	(2 263)	>100
Income tax (expense)/benefit	(158)	48	<100
<b>Profit/(loss) for the year from continuing operations</b>	<b>626</b>	<b>(2 215)</b>	<b>&gt;100</b>
<b>DISCONTINUED OPERATIONS</b>			
Loss for the year from discontinued operations	(1 007)	(1 737)	42
Loss for the year	(381)	(3 952)	90
<b>PER SHARE METRICS FOR CONTINUING OPERATIONS</b>			
Basic earnings/(loss) per share (cents)	7 554.0	(64 415.9)	>100
Headline earnings/(loss)	278	(1 341)	>100
Headline earnings/(loss) per share (cents)	3 361.1	(39 004.6)	>100

\* Minor rounding differences may affect additions.

- ▶ **Revenue growth**
  - Muted consumer growth impacts volumes
  - Exited non-profitable business lines
  - Major customer shutdown for period in 2H24
- ▶ **Trading profit up R610m**
  - Margin improvements and
  - Cost optimisation
- ▶ **Operating profit before net impairments:**
  - Boosted by capital items positive swing of R556m
    - Reduction of R137m in forex losses
    - PRMA curtailment gain of R290m
- ▶ **Asset impairment reversals of R471m – improved outlooks for Diversified and Beverage Angola**
- ▶ **Net finance costs down 24% despite:**
  - Higher interest rates
  - Cyber impact and
  - Funding of Line 2 capex
- ▶ **Effective tax rate of 20.2%** (2023: tax shield of 2.2%)
- ▶ **Profit for the year of R626m** (2023: loss of R2.2bn)
  - Cost management
  - Improved trading profits
  - Contribution from capital and other items
  - Impairment reversals
  - Lower net interest
- ▶ **Loss from discontinued operations:**
  - Net profit for the year R77m
  - Losses on disposal (R423m)
  - Goodwill impairment (R661m)

# Normalised HEPS – continuing operations

## Reconciliation to reported



	Headline earnings (R'm)	HEPS (cps)
<b>Reported</b>		
1H24	446	5 393.9
2H24	(168)	(2 032.8)
<b>Full year</b>	<b>278</b>	<b>3 361.1</b>
1H24 reported	446	5 393.9
PRMA – once off (post-tax)	(212)	(2 557.6)
PSP share-based payment charge	(5)	(57.3)
1H24 once off costs	31	379.1
Retrenchment and restructuring costs	10	123.4
Corporate costs for discontinued operations	21	255.7
<b>1H24 pro-forma</b>	<b>261</b>	<b>3 158.1</b>

# Normalised HEPS – continuing operations

## Reconciliation to reported continued



	Headline earnings (R'm)	HEPS (cps)		Headline earnings (R'm)	HEPS (cps)
FY24 reported	278	3 361.1	Pro-forma split as follows		
PRMA – once off (post-tax)	(212)	(2 557.6)	1H24	261	3 158.1
Headline earnings FY24 excluding PRMA once off	66	803.5	2H24	177	2 136.9
Add back adjustments for 2H24	341	4 112.4	FY24	438	5 295.0
Operating issues	194	2 340.1	Share price (29 November 2024)		
Volume related	48	581.8	– rands		
Share-based payments and restraints	31	370.3	Implied PE multiple (times)		
Disputed utility charges	28	335.0			
Forex losses in Angola	27	321.2			
Cyber recovery and security costs (direct costs)	21	255.7			
Corporate costs for discontinued operations	21	255.7			
Retrenchment and restructuring costs	18	220.4			
Refinancing and associated costs	82	987.4			
Tax – once off	65	785.0			
1H24 once off costs	31	379.1			
Retrenchment and restructuring costs	10	123.4			
Corporate costs for discontinued operations	21	255.7			
<b>Pro-forma FY24</b>	<b>438</b>	<b>5 295.0</b>			

# Strong Diversified turnaround, Beverage SA performance improvement and volume recovery in Angola



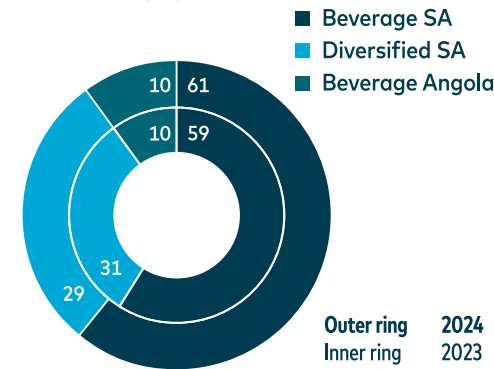
## Metals – Continuing

R million	2024	2023	% Δ
Revenue	9 956	9 881	1
Trading profit	1 048	438	140*
Trading margin	10.5	4.4	
Operating profit before net impairment reversal/(losses)	1 244	78	>100
Operating margin (%)	12.5	0.8	

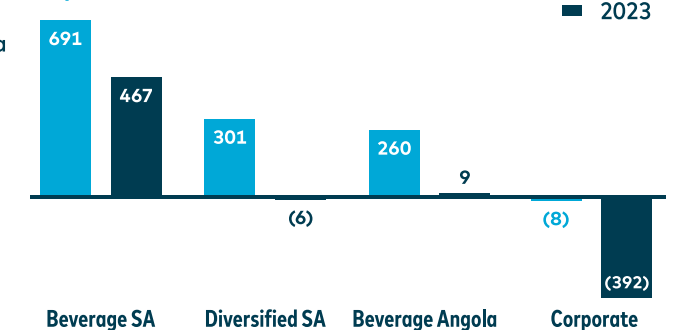
\* Rounding differences may affect percentage changes.

## Contribution to group

Revenue (%)



Operating profit before net impairment reversals/(losses)



## SOUTH AFRICA

### Beverage SA

- ▶ 500ml category growth continues
- ▶ Beer, energy, wine and ready-to-drink category growth
- ▶ Initial 500ml Spring Line 2 installation challenges
- ▶ Cost-saving initiatives yield results
- ▶ Operating profit margin increased to 11.3% from 8.0%
- ▶ Operating profit of R691m up 48% (2023: R467m)

## SOUTH AFRICA (Continued)

### Diversified SA

- ▶ Exceptional trading turnaround despite
  - Volume declines
  - Major customer two-month plant shutdown
- ▶ Effective revenue and margin management with reduced operating costs
- ▶ New contracts acquired
- ▶ Asset impairment reversals of R273m
- ▶ Operating profit of R301m (2023: operating loss of R6m)

## ANGOLA

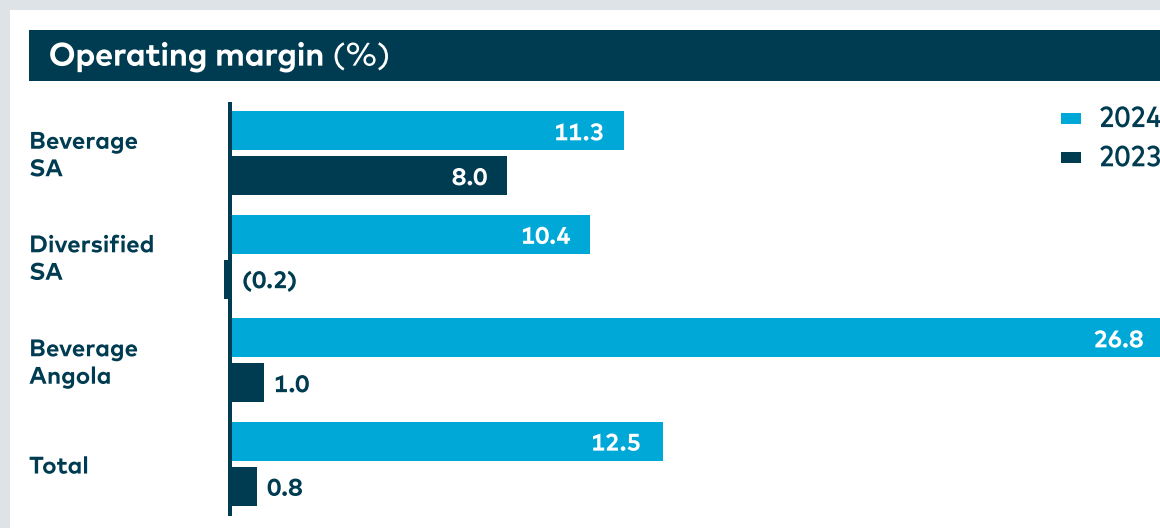
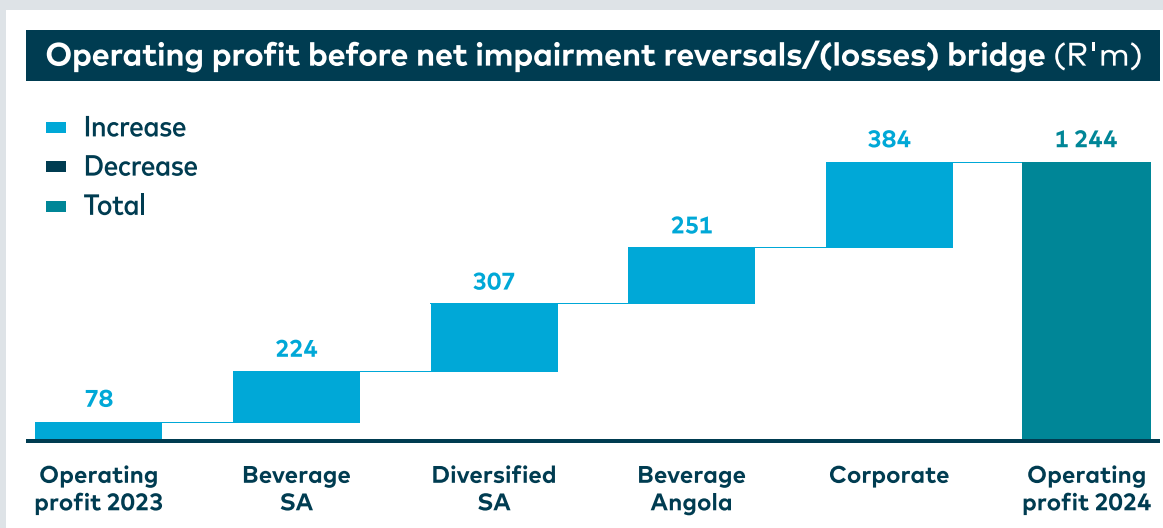
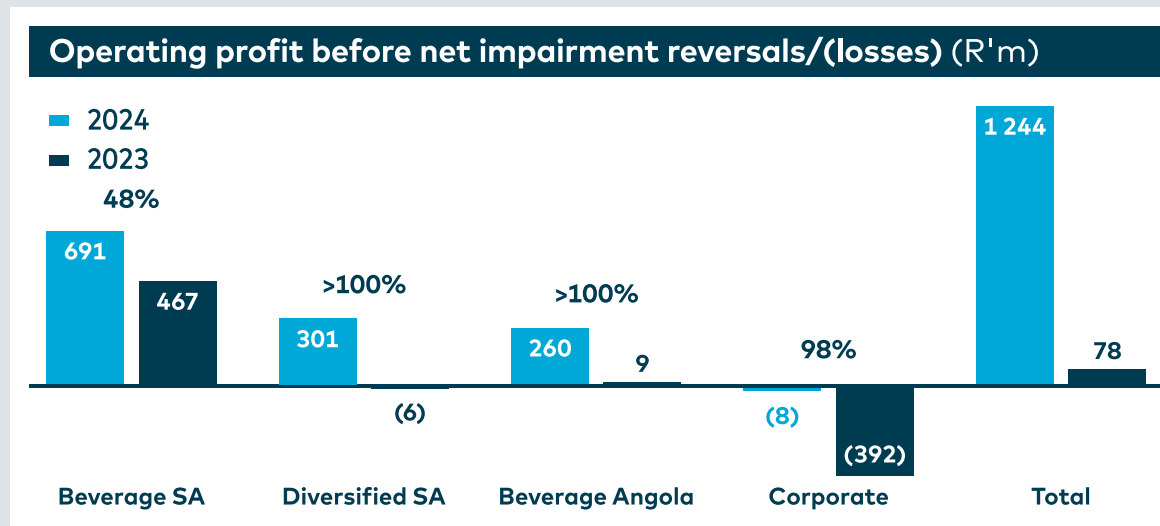
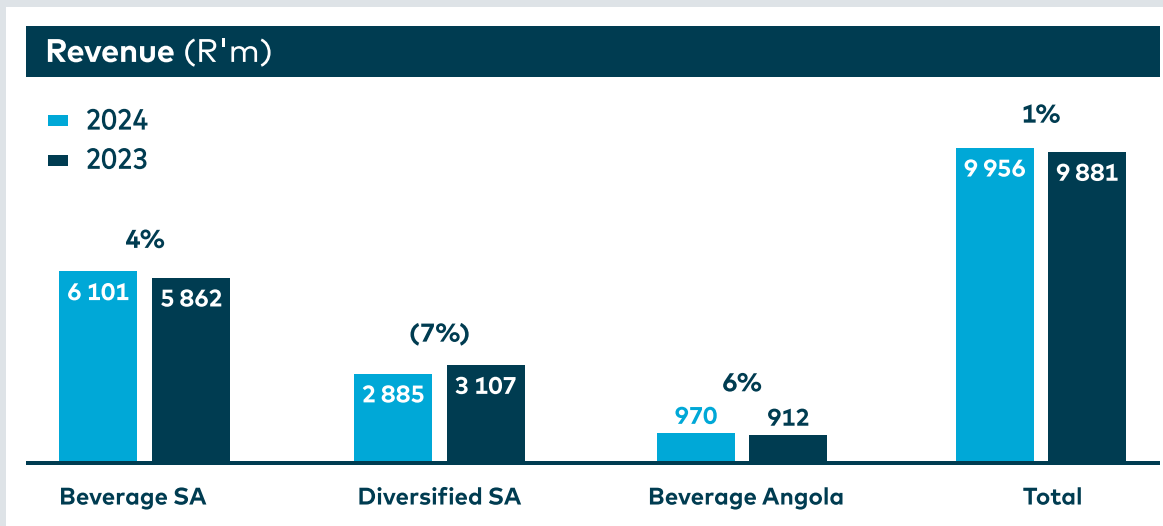
### Beverage Angola

- ▶ Increased oil output to boost economic growth
- ▶ Volume increases through normalised trading
- ▶ Beverage format continues to grow
- ▶ Costs exceptionally managed
  - Augmented by plant efficiencies
- ▶ Lower forex losses R41m (2023: R179m)
- ▶ Operating profit increases to R260m (2023: R9m)

# Metals SA performance overview



## Judicious margin and cost management drive profitability



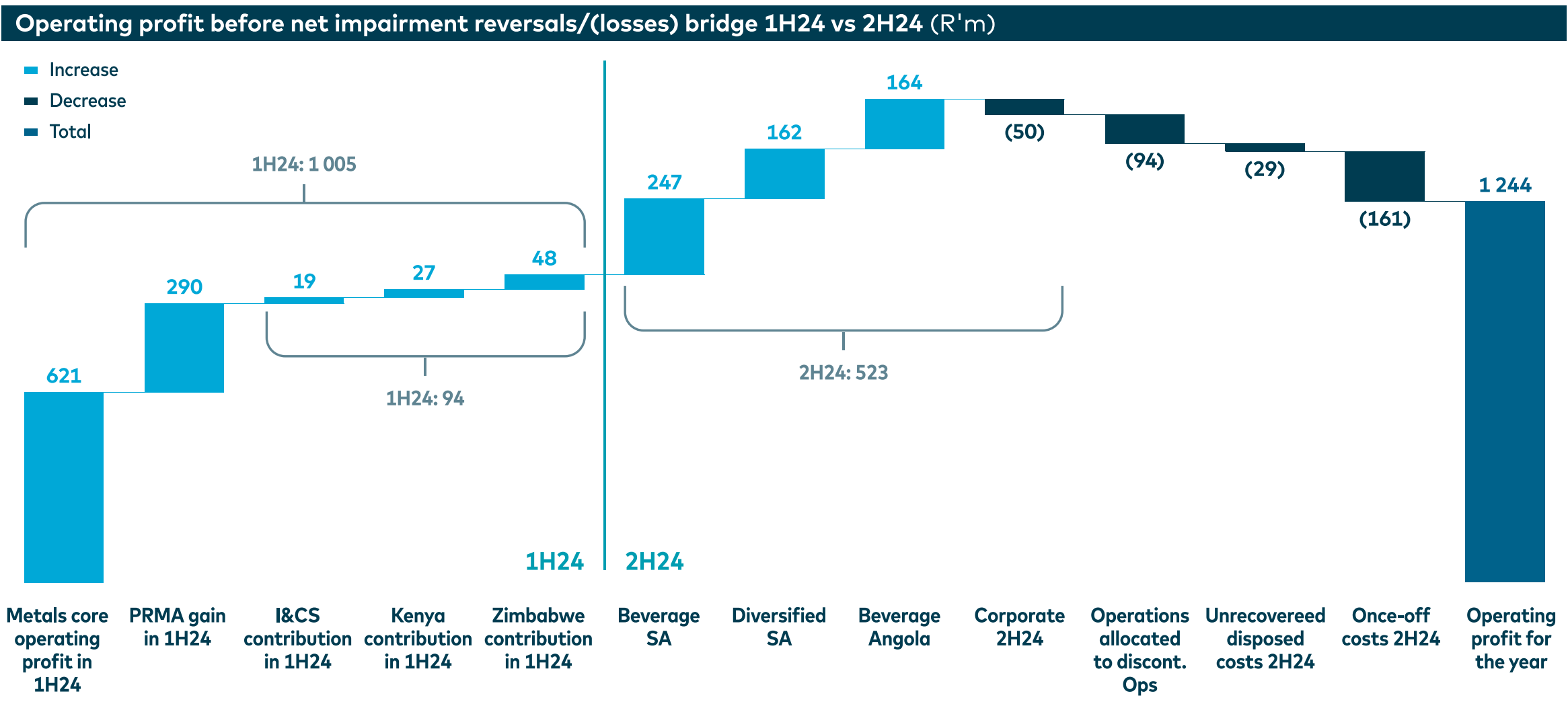
# Operating profit before net impairment reversals/(loss)



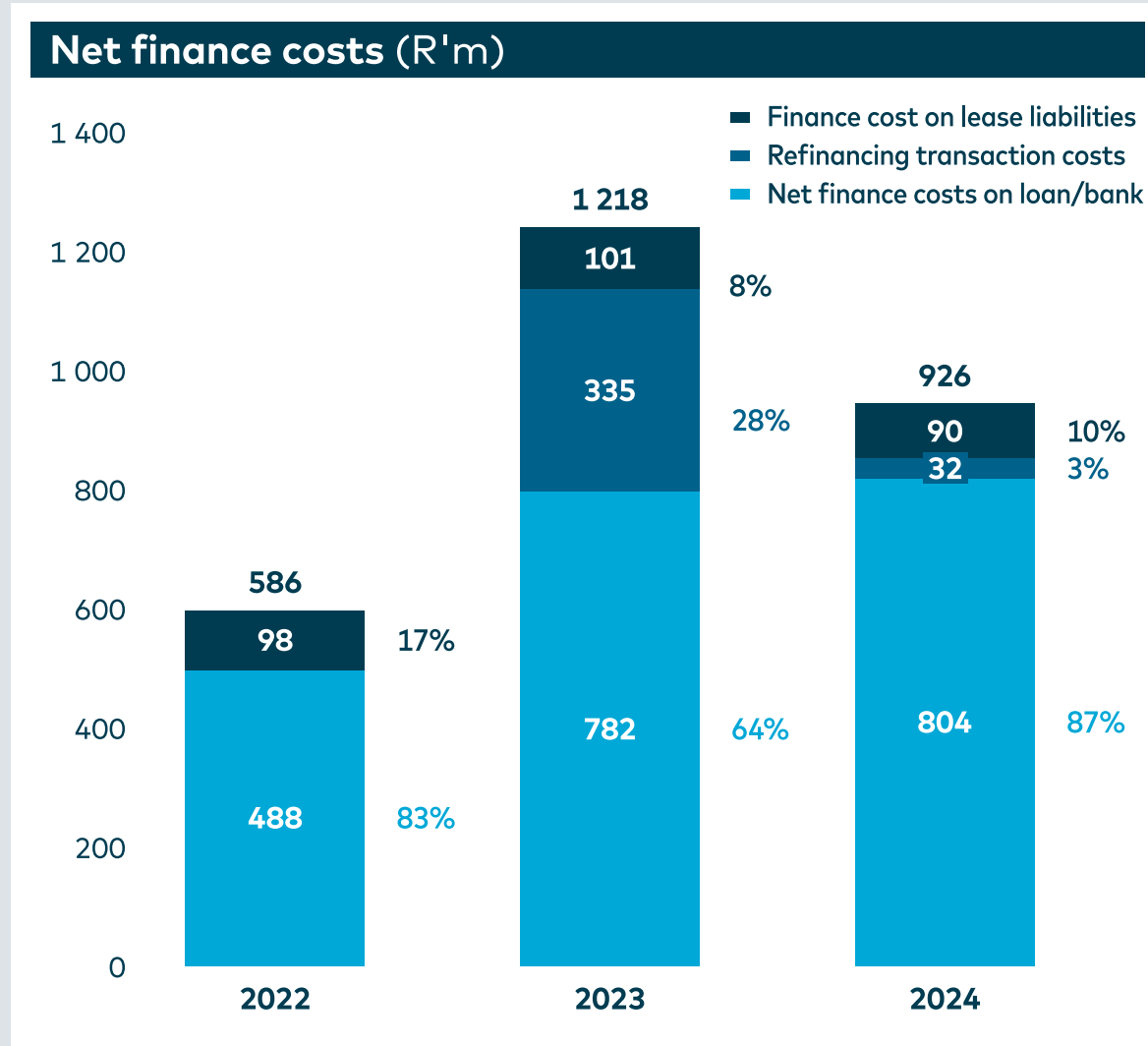
R million	1H24	1H23	%Δ 1H24/ 1H23	2H24	2H23	%Δ 2H24/ 2H23	2024	2023	% YoY
Beverage	425	274	55	266	193	38	691	427 <sup>#</sup>	48 <sup>*</sup>
Diversified	139	(47)	>100	162	41	>100	301	(6)	>100
<b>SA Metals</b>	<b>564</b>	<b>227</b>	<b>148</b>	<b>428</b>	<b>234</b>	<b>83</b>	<b>992</b>	<b>421</b>	<b>&gt;100</b>
Angola	96	63	52	164	(54)	>100	260	9	>100
<b>Metals total</b>	<b>660</b>	<b>290</b>	<b>128</b>	<b>592</b>	<b>180</b>	<b>229</b>	<b>1 252</b>	<b>430</b>	<b>191</b>

<sup>#</sup> Excludes prior year I&CS (R40m). <sup>\*</sup> Includes prior year I&CS (R40m).

# Core continuing operations operating profit before net impairment reversals/(losses) of R1.1bn Earnings split 1H24: 54% and 2H24: 46%



# Net finance costs down 24%



## ▶ Net finance costs decline R249m to R926m from R1.2bn

### • Benefitted from:

- Net rights issue proceeds of R960m in September 2023
- Debt repayments of R720m
- Significantly lower refinancing transaction costs of R32m (2023: R335m)

### • Partially offset by:

- Average higher interest rates for majority of year
- Cyber breach-related working capital funding requirements
- R22m increase in net finance costs on core borrowings
- Weaker average R/USD exchange rates for majority of year
  - ▶ Adversely impacted reported rand interest on US dollar debt
  - ▶ US dollar debt was only settled on 25 September 2024

## ▶ Refinancing in September 2024 yielded lower interest rates

### • Local borrowings

- 2024 ranges from 11.9% to 12.3%
  - ▶ 2023 ranged from 13.3% to 14.1%

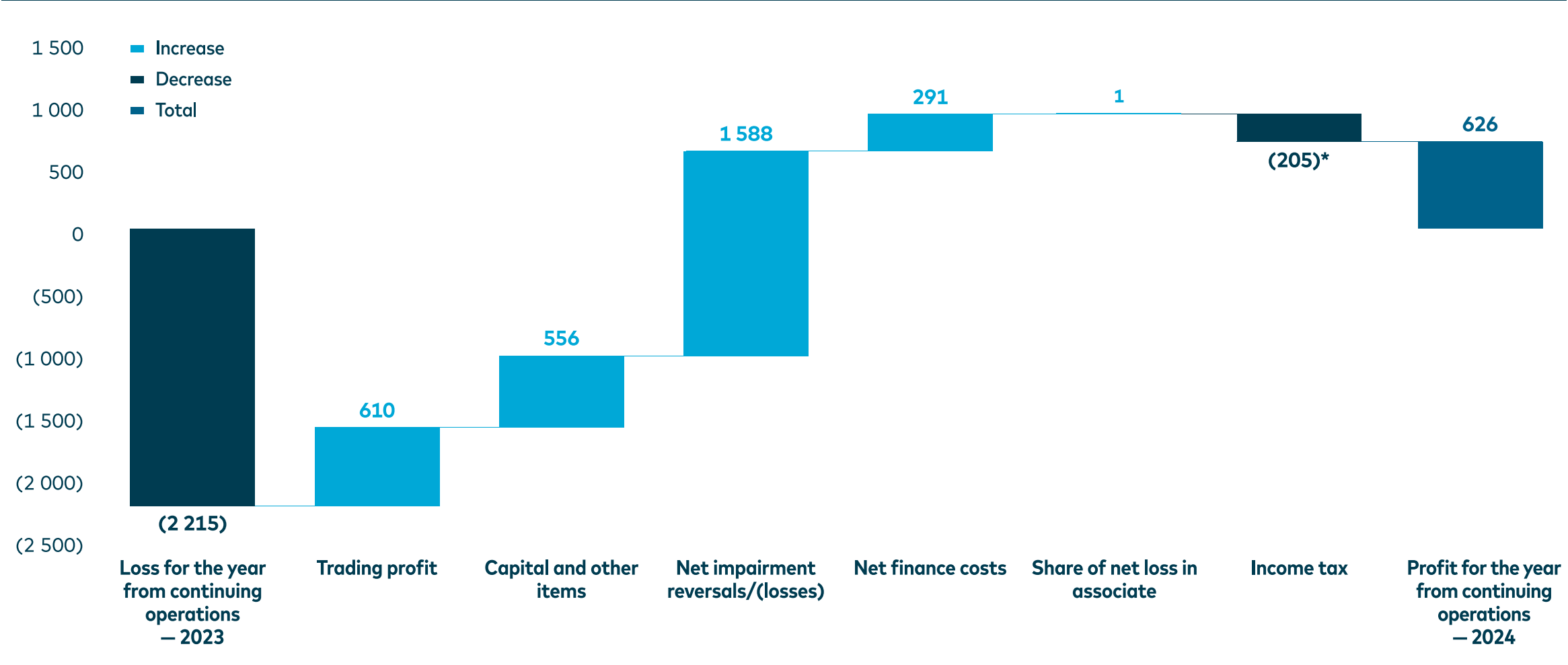
### • Foreign borrowings

- 2024 rate of 9.1%
  - ▶ 2023 ranged from 13.3% to 13.5%

# Improved trading and impairment loss reversals boost profitability

Supported by lower forex losses, PRMA gain and reduced net finance costs

## Profit/(loss) for the year from continuing operations bridge (R'm)



# Abridged statement of financial position

## Refinancing strengthened balance sheet



R million	2024*	2023*	% Δ
Property, plant, equipment and investment property	3 486	4 341	(20)
Right of use assets	563	453	24
Goodwill and other intangible assets	150	590	(75)
Loan and lease receivables and other non-current assets	535	641	(17)
<b>Non-current assets</b>	<b>4 734</b>	<b>6 025</b>	<b>(21)</b>
Inventories	2 145	3 414	(37)
Trade and other current receivables	1 527	2 489	(39)
Loan and lease receivables and other current assets	41	49	(16)
Bank balances and deposits	521	1 844	(72)
<b>Current assets</b>	<b>4 234</b>	<b>7 796</b>	<b>(46)</b>
Assets classified as held for sale	2 321	90	
<b>Total assets</b>	<b>11 289</b>	<b>13 911</b>	<b>(19)</b>
<b>Shareholders' equity</b>	<b>1 178</b>	<b>1 638</b>	<b>(28)</b>
<b>Non-controlling interests</b>	<b>244</b>	<b>276</b>	<b>(12)</b>
<b>Total equity</b>	<b>1 422</b>	<b>1 914</b>	<b>(26)</b>
Loans and lease liabilities	5 795	6 826	(15)
Retirement benefit obligation	501	728	(31)
Other non-current liabilities	107	54	98
<b>Non-current liabilities</b>	<b>6 403</b>	<b>7 608</b>	<b>(16)</b>
Trade and other current payables	2 627	3 258	(19)
Loans, lease liabilities and bank overdrafts	173	930	(81)
Other current liabilities	167	201	(17)
<b>Current liabilities</b>	<b>2 967</b>	<b>4 389</b>	<b>(32)</b>
<b>Liabilities directly associated with assets classified as held for sale</b>	<b>497</b>	<b>—</b>	
<b>Total equity and liabilities</b>	<b>11 289</b>	<b>13 911</b>	<b>(19)</b>

\* Minor rounding differences may affect additions.

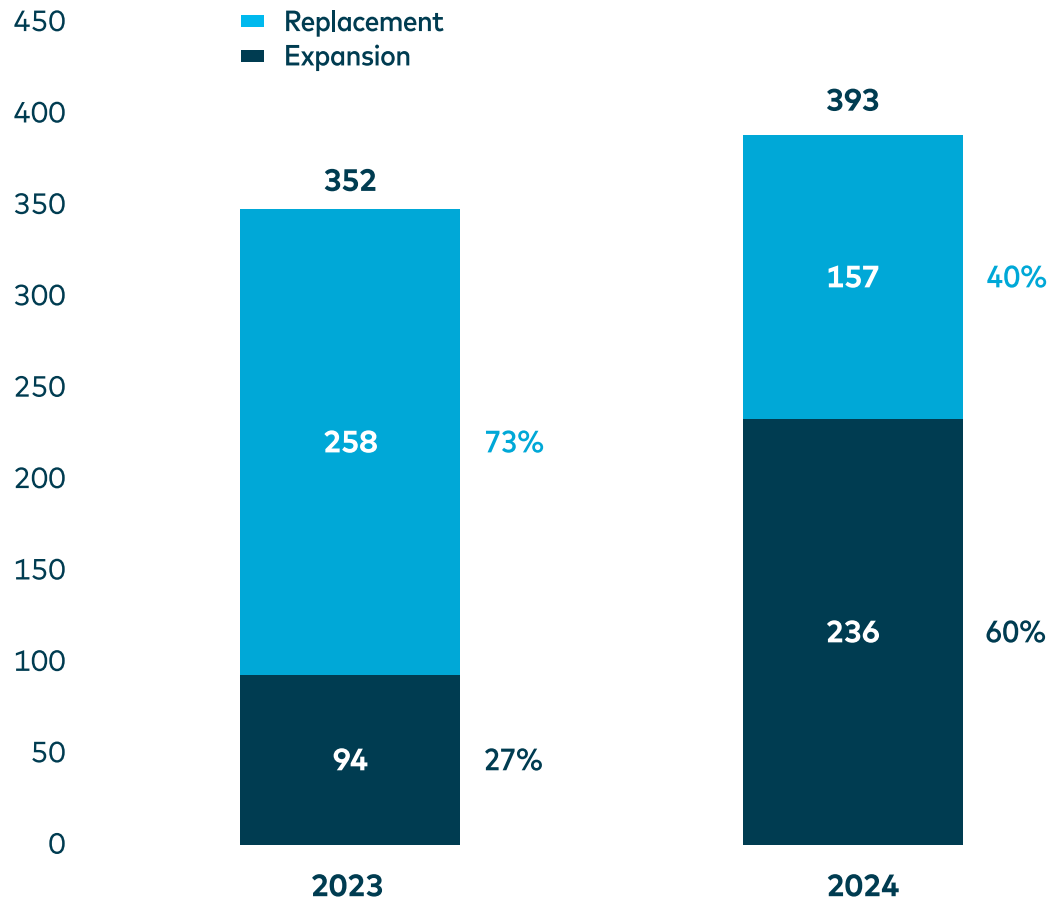
- ▶ **Property, plant and equipment**
  - Net book value of R1.3bn reclassified as held for sale
  - Stronger rand impacted translation of foreign assets by R188m
- ▶ **Bevcan Nigeria goodwill impairment of R335m**
- ▶ **Strong short-term liquidity**
  - Current ratio of 1.9 (2023: 1.8)
- ▶ **Net assets held for sale of R1.8bn**
  - **Material assets**
    - Bevcan Nigeria
    - Nampak Zimbabwe
    - I&CS
    - Proceeds to settle debt
- ▶ **Successful refinancing**
  - Simplified and flexible funding structure
  - All debt long term
  - 98% rand-denominated
- ▶ **Net debt**
  - Inclusive of finance leases reduced to R5.4bn from R5.9bn
    - Assisted by disposed leases of R524m
  - Excluding lease liabilities, decreased 4% to R4.4bn from R4.6bn

# Capital expenditure remained tightly controlled

## Invested for growth in SA



### Capital expenditure (R'm)

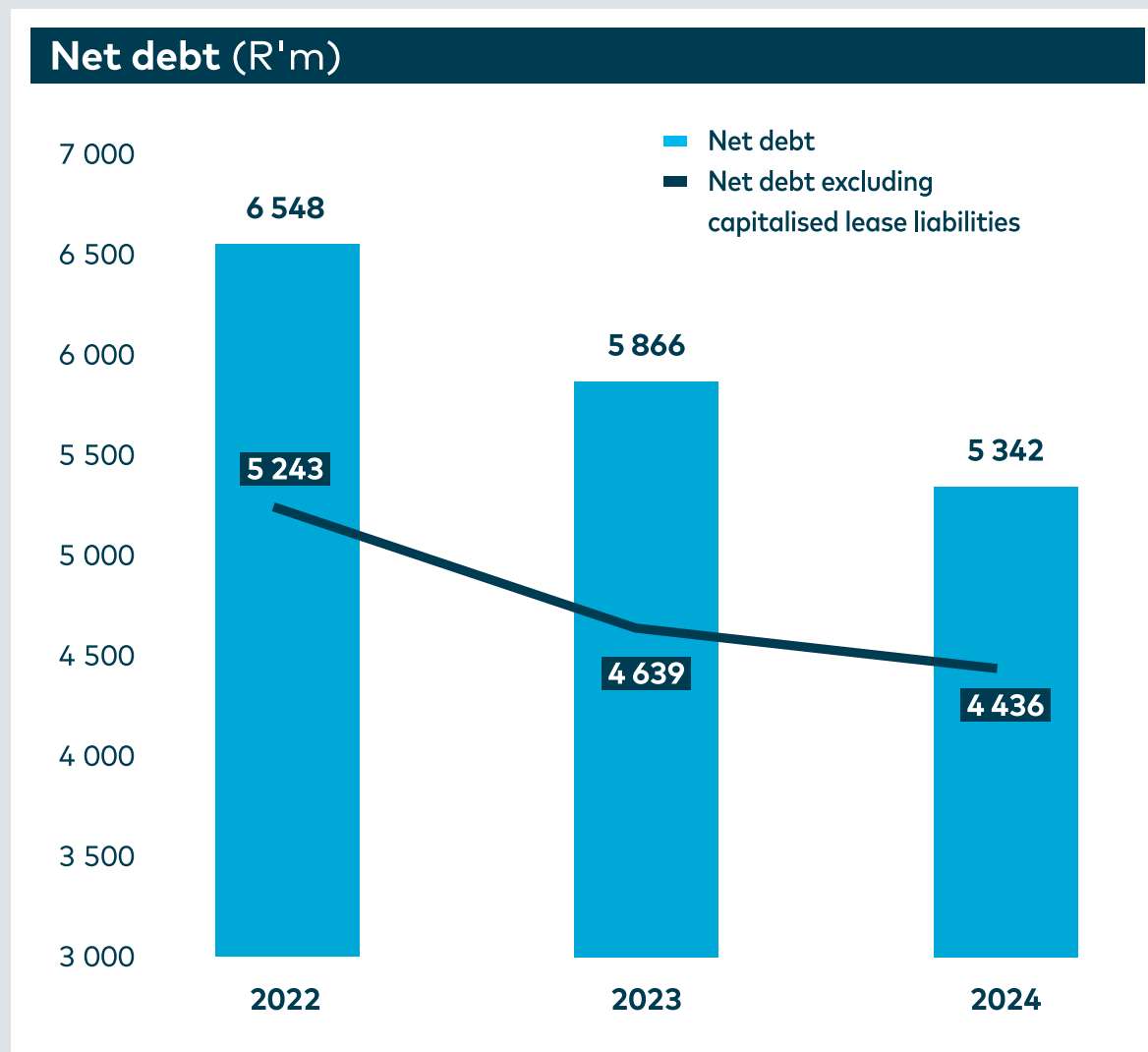


- ▶ Asset base remains well-capitalised and well-maintained
- ▶ Expansionary capital expenditure of R236m
  - Primarily consists of R222m Springs Line 2
    - Total capital expenditure to date of R301m
  - Production ramp-up progressing well despite initial challenges
- ▶ Replacement capex of R111m for discontinued operations
  - 46% for Plastic South Africa per disposal transaction
  - Balance primarily for Zimbabwe operations:
    - Provided hedging against currency devaluation
- ▶ Future annual capex requirements
  - 2025: R450m
  - Thereafter: R350m

# Net debt



## Declining trend to benefit further from disposal proceeds



### ▶ Successfully refinanced with Standard Bank of South Africa

- Option to introduce additional funders by 25 March 2025
- Future deleveraging to yield lower interest rates

### ▶ Net debt reduction

- Inclusive of lease liabilities decreased R524m as part of disposal transaction

### ▶ Successful execution of the asset disposal plan key to debt reduction plan

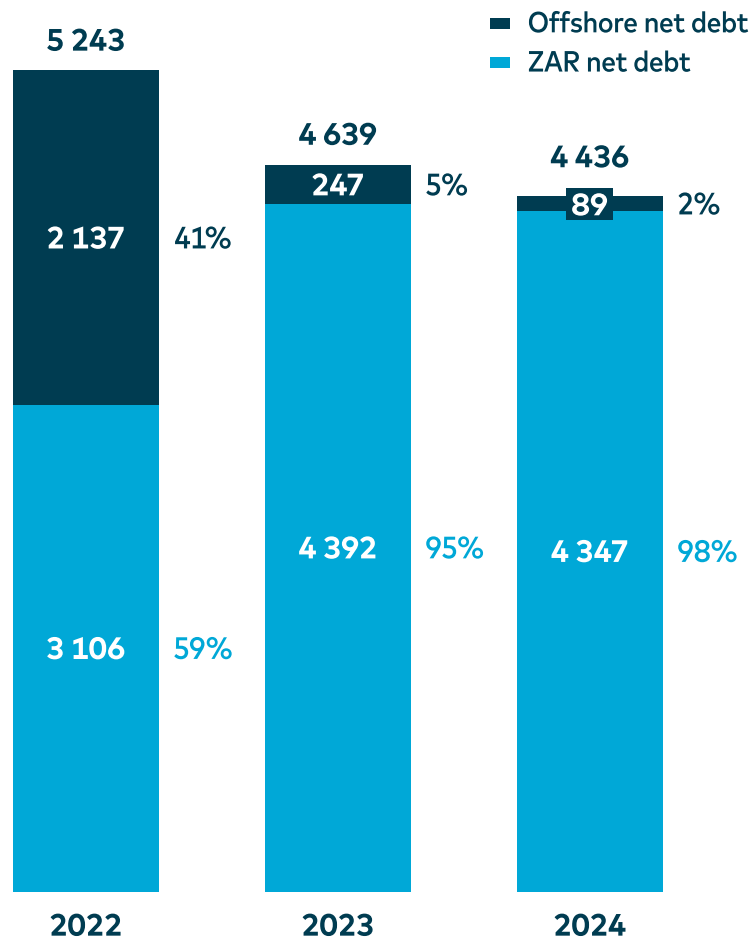
- Disposals transactions for R2.7bn
- R743m received to date and applied R720m to repay debt
  - Liquid Cartons R450m
  - Other R293m
- Transactions in progress amount to R1.8bn:
  - Bevcac Nigeria R1.2bn
  - Nampak Zimbabwe R432m
  - I&CS R143m

# Net debt reduction pathway

## Reduced exposure to dollar funding



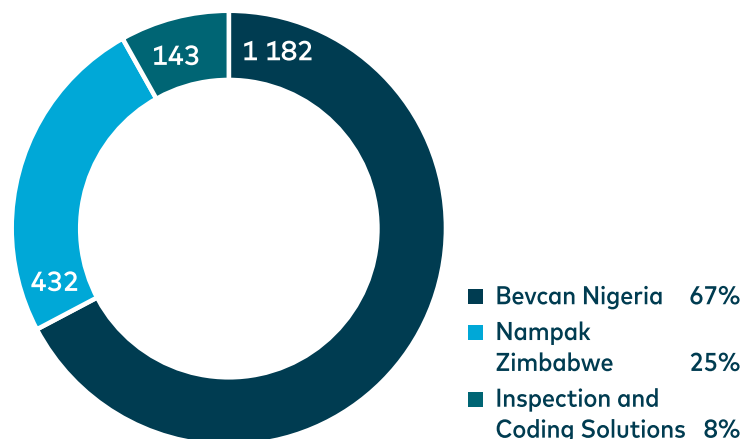
### Composition of net debt (R'm)



### Debt reduction profile (R'm)



### Expected proceeds from disposal (R'm)



### R million

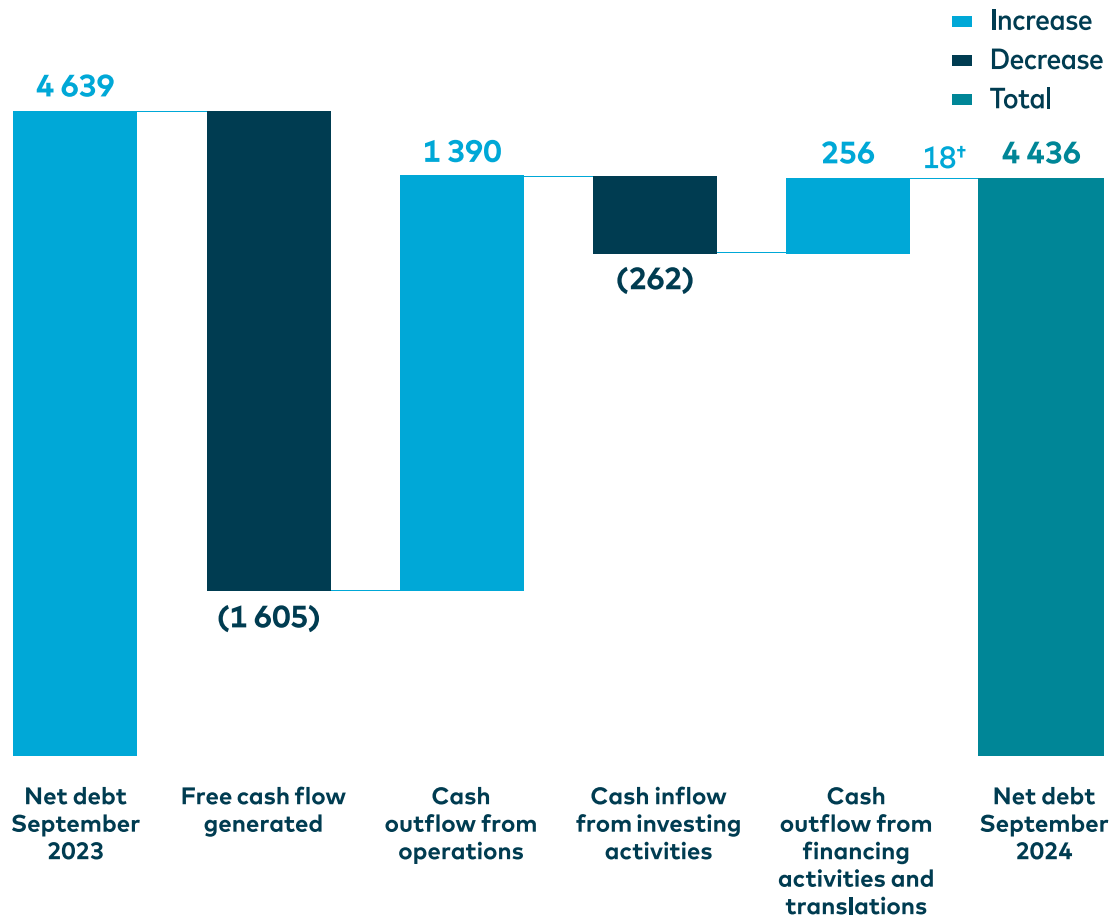
EBITDA	1 478
Less PRMA	(290)
EBITDA ex-PRMA	1 188
Proforma leverage ratio	2.3x
Targeted leverage ratio	2.0x

# Net debt decreases 4%

Strong cash generation services interest and tax payments



## Net debt movement (R'm)



\* Rounding differences may affect additions. † Forex movements on borrowings

## Net debt movement

R million	2024	%
<b>Cash generated from operations</b>	<b>1 587</b>	
Net working capital changes	175	
Replacement capex	(157)	
<b>Free cash flow generated</b>	<b>1 605</b>	100
Finance costs paid	(960)	(60)
Retirement benefits, contributions and settlements	(66)	(4)
Income tax paid	(350)	(22)
Dividends paid	(14)	(1)
<b>Cash outflow from funding the operations</b>	<b>(1 390)</b>	(87)
Proceeds on disposal of property, plant and equipment	507	32
Expansion capex	(236)	(15)
Other	(9)	(1)
<b>Cash inflow from investing activities</b>	<b>262</b>	16
Capital paid against finance leases	(145)	(9)
Invoice discounting finance repaid	(111)	(7)
<b>Cash outflow from financing activities</b>	<b>(256)</b>	(16)
Net cash movement	221	
Translation of cash in foreign subsidiaries	(78)	(5)
<b>Net movement</b>	<b>143</b>	

# Abridged statement of cash flows

## Improved profitability and disposals drive cash generation



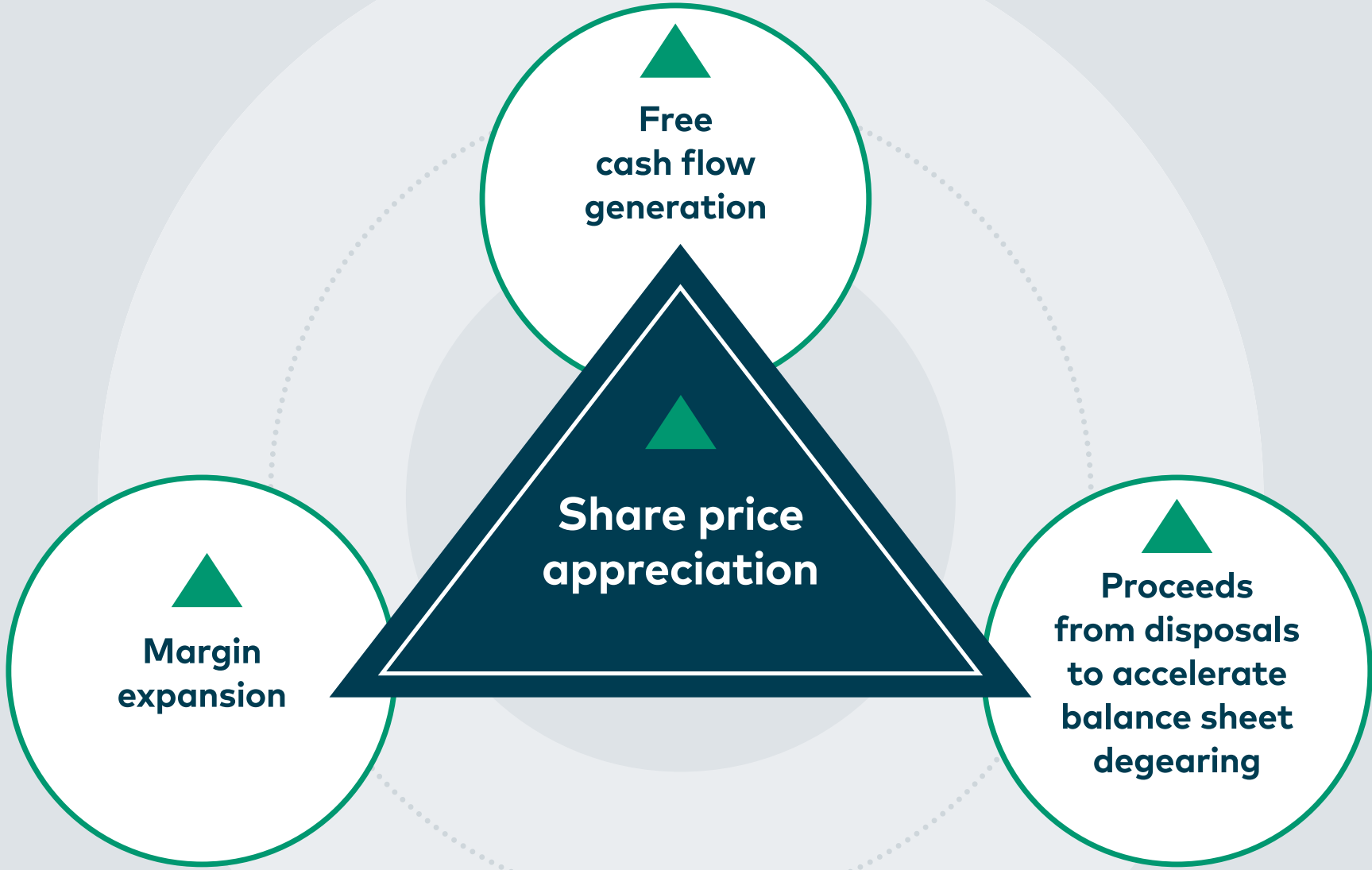
R million	2024	2023	% Δ
<b>Cash generated from operations before working capital</b>	<b>1 587</b>	741	114
<b>Working capital changes</b>	<b>175</b>	905	
<b>Cash generated from operations</b>	<b>1 762</b>	1 645*	7
Net finance costs paid	(960)	(1 155)	17
Retirement benefits, contributions and settlements paid	(66)	(78)	15
Income tax paid	(350)	(226)	(55)
<b>Cash flows from operations</b>	<b>386</b>	186	108
Dividends paid	(14)	(10)	–
Net cash generated from operating activities	<b>372</b>	176	111
Capital expenditure	(393)	(352)	(11)
Proceeds from disposal of assets and businesses	<b>507</b>	235	(1)
Other	(9)	29	
<b>Cash generated from investing activities</b>	<b>105</b>	(88)	>100
<b>Cash flow after operating and investing activities</b>	<b>477</b>	88	442
Net loans repaid	(1 433)	(447)	(221)
Proceeds from issue of shares	–	1 000	
Other movements	(256)	(240)	(7)
<b>Cash (utilised)/raised in financing activities</b>	<b>(1 689)</b>	313	<100
<b>Net (decrease)/increase in cash</b>	<b>(1 212)</b>	401	<100
<b>Cash at beginning of period</b>	<b>1 844</b>	1 502	23
<b>Translation of cash in foreign subsidiaries</b>	<b>(78)</b>	(59)	(32)
<b>Cash at end of period</b>	<b>553*</b>	1 844	(70)

\* Rounding differences may affect additions

- ▶ **Strong cash generation from underlying businesses – up 114%**
  - Margin management and cost reductions drive cash generation
  - Increase of R846m in cash generation before working capital changes
- ▶ **Further active management of working capital releases R175m**
  - From a “right-sized” working capital position at 30 Sep 2023
- ▶ **Cash generated from operating activities of R386m up R200m**
  - Benefits from improved profitability and reduced finance costs
  - Partially offset by higher taxes paid
- ▶ **Capital expenditure of R393m**
  - 95% funded by internal cash generation and
  - Springs Line 2 expansion (R222m)
  - R507m proceeds from asset and business disposals
    - FY24 and FY23 proceeds utilised to settle required R720m to lenders
- ▶ **Cash generated after investing activities of R477m up R389m**
  - 51% from improved cash flows from operations
  - 49% from cash generated from investing activities (assisted by asset disposals)
- ▶ **Portion of opening cash balances applied to reduce debt and finance costs**

# Sustained positive triangulation

## Strong cash flows from continuing operations



# Sustaining the investment thesis



1

Highly focused  
Metals  
portfolio  
strategy

2

Cost base  
reset yielding  
expanding  
margins and  
improved cash  
generation

3

Judicious  
capital  
allocation  
geared for  
growth

4

Decisive action  
to reduce  
debt with  
sustainable  
leverage  
targeted (2x)

5

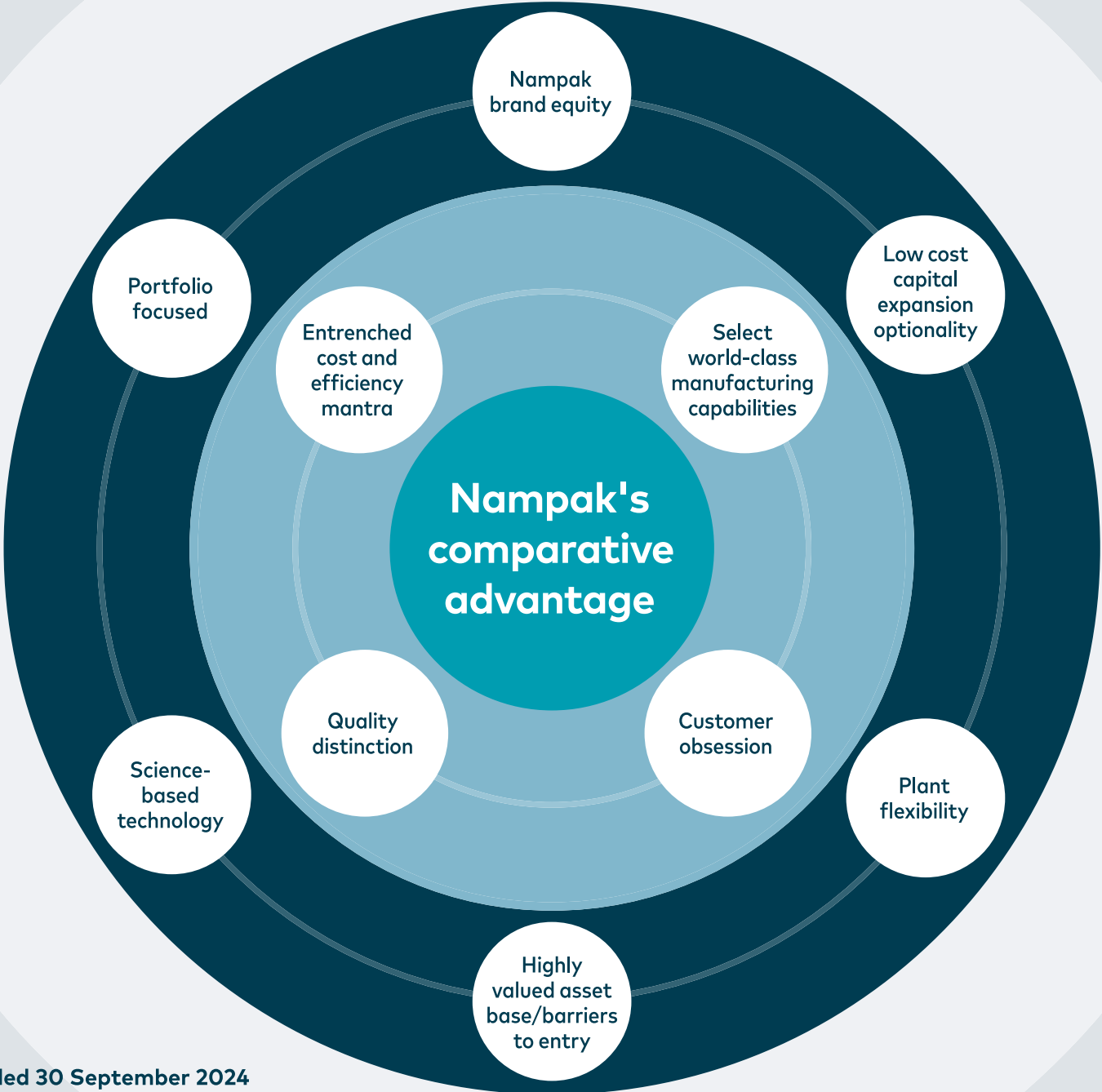
Flexible funding  
structure with  
a ratchet to  
lower future  
interest costs

# Emulating exemplars



## Springs manufacturing facility

# Distinctive capabilities



- Existing capabilities
- Capabilities needing improvement

# Medium-term initiatives



- 1 Growing category share and volume share within the existing customer base
- 2 Correction of the beverage line false start
- 3 Further line modification to meet 500ml demand in SA
- 4 Relocation of the spare line from Angola
- 5 Phased implementation of the revised manufacturing architecture within Diversified
- 6 Closure and sale of Kenya fixed assets and equipment and relocation in part to SA
- 7 Cut the clutter — reduced complexity



# The outlook



- 1 Complete asset disposal plan
- 2 Sustained portfolio optimisation
- 3 Core business value extraction
- 4 Leverage newly-installed capacity
- 5 Diversified growth and manufacture architecture
- 6 Further debt reduction and improved balance sheet
- 7 Assets well capitalised
- 8 New ownership structure improves BEE standing





**“No one has ever  
lived to outwork  
the job. It will  
always be bigger  
than you...”**

**... you're  
not going to  
outwork it.”**

Bill Campbell



**Nampak**

quality distinction



# Investor Relations

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# Annexures

# Operating profit before net impairment reversals/(loss)



R million	1H24	1H23	%Δ 1H24/ 1H23	2H24	2H23	%Δ 2H24/ 2H23	2024	2023	% YoY
Beverage	425	274	55	266	193	38	691	427 <sup>#</sup>	48
Diversified	139	(47)	>100	162	41	>100	301	(6)	>100
<b>SA Metals</b>	<b>564</b>	<b>227</b>	<b>148</b>	<b>428</b>	<b>234</b>	<b>83</b>	<b>992</b>	<b>421</b>	<b>&gt;100</b>
Angola	96	63	52	164	(54)	>100	260	9	>100
<b>Metals total</b>	<b>660</b>	<b>290</b>	<b>128</b>	<b>592</b>	<b>180</b>	<b>229</b>	<b>1 252</b>	<b>430</b>	<b>191</b>
Corporate	251	(207)	>100	(259)	(185)	(40)	(8)	(392)	98
I&CS (previously included in Beverage SA)	19			(19)			—	40 <sup>#†</sup>	
<b>Operating profit before reclassifications to discontinued operations</b>	<b>930</b>	<b>83</b>	<b>1 020</b>	<b>314</b>	<b>(5)</b>	<b>&gt;100</b>	<b>1 244</b>	<b>78</b>	<b>&gt;100</b>
Kenya	27	(6)	>100	(27)	6 <sup>*</sup>	>100	—	—	
Zimbabwe	48	158	(70)	(48)	(158) <sup>*</sup>	(70)	—	—	
<b>Continuing operations</b>	<b>1 005</b>	<b>235</b>	<b>328</b>	<b>239</b>	<b>(157)</b>	<b>&gt;100</b>	<b>1 244</b>	<b>78</b>	<b>&gt;100</b>
Once-off PRMA	(290)						(290)	—	
<b>Normalised operating profit excluding PRMA gain</b>	<b>715</b>	<b>235</b>	<b>204</b>	<b>239</b>	<b>(157)</b>	<b>&gt;100</b>	<b>954</b>	<b>78</b>	<b>&gt;100</b>

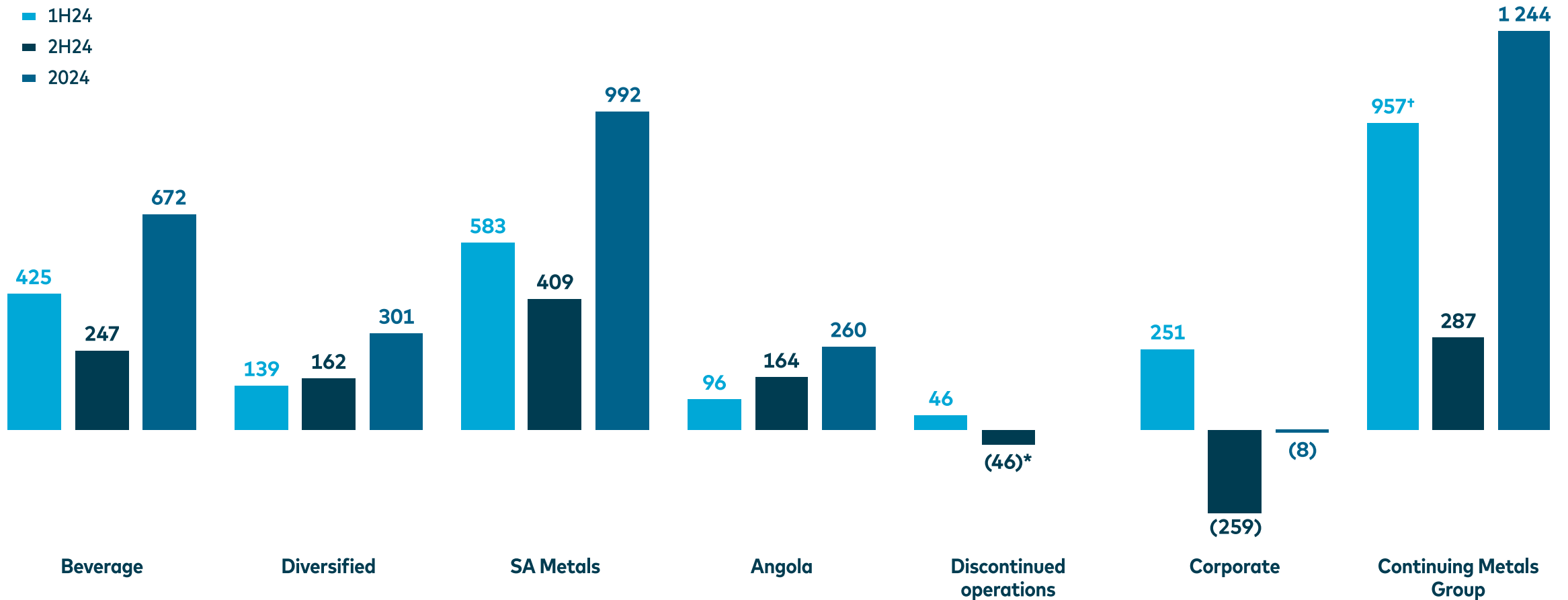
\* Reallocated to discontinued operations. # Combined equals R467m † Not allocated to either half.

# 2H24 operating profit affected by lower Beverage contribution and non-recurring costs



## Operating profit before net impairment reversals/(losses) (R'm)

- 1H24
- 2H24
- 2024



\* Transferred to discontinued operations. † Excludes R46 million from operations allocated to discontinued in 2H24.

# Reconciliation of operating profit before net impairment loss reversals/(losses) to trading profit and adjusted EBITDA



R million	Continuing operations	
	2024	2023
Operating profit before net impairment loss reversals/(losses)	1 244.0	78.3
Adjusted for capital and other items		
Capital items <sup>1</sup>	—	49.2
Net loss on liquidation of businesses	—	49.2
Net loss on disposal of businesses	—	—
Net profit on plant and equipment disposed due to business closure	—	—
Other items <sup>2</sup>	(195.6)	310.3
Net impact of devaluation (gain)/loss associated with Zimbabwe	(18.1)	65.4
Net devaluation loss arising from Angolan and Nigerian exchange rate movements	41.2	178.6
Gain on plan amendment of post-retirement medical aid <sup>3</sup>	(290.0)	—
Retrenchment and restructuring costs	39.4	66.3
Information systems security breach costs	28.9	—
Other	3.0	—
<b>Trading profit</b>	<b>1 048.4</b>	<b>437.8</b>
Operating profit before net impairment loss reversals/(losses)	1 244.0	78.3
Depreciation and amortisation expense	234.1	264.3
<b>Adjusted EBITDA</b>	<b>1 478.1</b>	<b>342.6</b>

1. Capital items relate to items other than impairment losses/(reversals) that are adjusted for in the headline earnings per share calculation.

2. 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 year.

3. Relates to the gain arising from the reduction of 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



%	2024	2023
Statutory tax rate	27.0	27.0
Increase in tax rate due to:	<b>30.3</b>	(18.9)
Disallowable expenses <sup>1</sup>	<b>18.0</b>	(3.1)
Foreign currency translation impacts	<b>6.9</b>	(3.3)
Withholding and other foreign taxes	<b>3.0</b>	(1.0)
Deferred taxation not recognised <sup>2</sup>	<b>2.4</b>	(11.5)
Reduction in tax rate due to:	<b>(37.2)</b>	(5.9)
Capital gains tax	<b>(0.3)</b>	—
Government incentives and exempt income (including capital profits) <sup>4</sup>	<b>(1.7)</b>	0.3
Foreign tax rate differential	<b>(2.2)</b>	(5.8)
Adjustment for prior years	<b>(4.2)</b>	(0.4)
Utilisation of tax losses not previously recognised <sup>3</sup>	<b>(4.6)</b>	—
Deferred taxation asset reinstated	<b>(24.2)</b>	—
<b>Effective group rate of tax</b>	<b>20.1</b>	2.2

1. Disallowed expenses include unproductive interest, impairment losses on goodwill, expenses not in the production of income, expenses not deductible in terms of local tax law and expenses of a capital nature.

2. Deferred tax not recognised relates mainly to deferred tax on Nampak Bevcan Angola LDA assets held for sale, disallowed interest in Nampak Bevcan Nigeria Ltd and net temporary differences in Nampak Nigeria Ltd.

3. Recognition of losses and temporary differences not previously recognised are in relation to Bevcan Angola LDA on tax losses not previously recognised.

4. Government incentives resulted mainly from learnership and research and development allowances claimed. Exempt income mainly includes exempt interest subject to other taxes.

# Headline earnings reconciliation



R million	Continuing operations	
	2024	2023
<b>HEADLINE EARNINGS/(LOSS)</b>		
Basic earnings/(loss)	<b>625.5</b>	(2 214.8)
Adjusted for:		
Net impairment (loss reversals)/losses	<b>(470.5)</b>	1 117.6
Plant, equipment and vehicles	<b>(362.6)</b>	984.8
Right of use assets	<b>(144.1)</b>	132.3
Other intangible assets	<b>0.5</b>	0.5
Investment in associate	<b>3.7</b>	—
Assets held for sale	<b>32.0</b>	—
Net loss on liquidation of businesses	—	49.2
Net profit on disposal of other property, plant, equipment and intangible assets	<b>(0.1)</b>	(10.8)
Tax effects and outside shareholders' interests	<b>123.4</b>	(282.3)
<b>Headline earnings/(loss)</b>	<b>278.3</b>	(1 341.1)
<b>Weighted average number of shares in issue ('000)</b>	<b>8 281</b>	3 438
<b>Headline earnings/(loss) per share (cents)</b>	<b>3 361.1</b>	(39 004.6)

# Asset disposal programme

## Significant progress achieved



	R'm
<b>Transactions in progress</b>	<b>1 757</b>
Bevcan Nigeria*	1 182
Nampak Zimbabwe#	432
Inspection and Coding Systems#	143
<b>Transactions completed</b>	<b>813</b>
Liquid Cartons	450
Nampak Nigeria	118
Others†	245
<b>Total</b>	<b>2 570</b>

\* Bevcan Nigeria disposal subject to certain conditions including the approval for the disposal by the Federal Competition and Consumer Protection Commission of Nigeria. (\$68.5m at closing rate of R17.26 at 30 September 2024).

# Zimbabwe disposal subject to execution of sale and purchase agreement and granting of necessary approvals.

† Others include Plastic Drums, Plastic Closures, Plastic Crates, Tubes, Diversified Paint Assets, Tanzania Land and London Property.

# Discontinued operations



R million	2024	2023
<b>LOSS FOR THE YEAR</b>		
Bevcan Nigeria	(658) <sup>1</sup>	(1 864) <sup>2</sup>
Nampak Zimbabwe	(15)	170
Liquid Cartons group	(318) <sup>3</sup>	107
Rest of SA Plastics	(84)	(184)
Other businesses	68	(34)
<b>Total</b>	<b>(1 007)</b>	<b>(1 737)</b>

1. Includes forex losses of R264 million and goodwill and asset impairments of R661 million.
2. Includes forex losses of R941 million and asset impairments of R1.5 billion.
3. Includes translation reserve loss of R203 million recycled to other comprehensive income.

Summary	2024	2023
Net profit/(loss) from operations	77	(188)
Loss on disposals	(423)	—
Impairments	(661)	(1 549)
<b>Total</b>	<b>(1 007)</b>	<b>(1 737)</b>

- ▶ **Bevcan Nigeria**
  - Reduced volumes resulted in lower EBITDA of R218m (2023: R729m)
  - Despite Naira devaluation, reduced forex losses to R264m from R941m
  - Net impairments of R661m (2023: R1.6bn)
- ▶ **Liquid Cartons group**
  - EBITDA of R51m (2023: R157m)
  - Net loss on disposal of R355m
- ▶ **Rest of SA Plastics**
  - EBITDA loss R1m (2023: EBITDA loss of R17m)
  - Loss on disposal of Liquids and Drums businesses R68m
  - Impairment losses of R22m (2023: R175m)
- ▶ **Nampak Zimbabwe**
  - Currency devaluations and hyperinflation adjustments impact results

# Continued focus on working capital management



## Changes in working capital

R million	2024	2023
(Increase)/decrease in inventories	(79)	370
(Increase)/decrease in trade and other receivables	(568)	423
Cash (outflow)/inflow before payables	(647)	793
Increase in trade and other current payables	822	112
Net working capital inflow	175	905
<b>Liquidity ratios:</b>		
Current ratio	1.9	1.8
Acid test ratio	0.8	1.0

## Working capital days

Days	2024	2023
Inventory	118	119
Trade and other receivables	60	52
Sub-total	178	171
Trade and other current payables	(98)	(97)
Net working capital days	80	74

### ► Net working capital

- Further release of R175m from an optimised position at FY23
- Targeting to fund inventory holdings with trade creditors funding
- Receivables impacted by slower collections in Angola and Nigeria