

UNAUDITED CONDENSED INTERIM GROUP RESULTS
FOR THE SIX MONTHS TO 31 DECEMBER 2024
AND DECLARATION OF DIVIDEND

NET ASSET VALUE PER SHARE 3 341 CENTS ■ HEADLINE EARNINGS PER SHARE DOWN 9,8% TO 270 CENTS ■ DIVIDEND PER SHARE 75 CENTS

INTRODUCTION

Transpaco's results for the six months ended 31 December 2024 ("the period") reflect a 9,8% decrease in headline earnings per share (HEPS) to 269,7 cents (December 2023: 299,1 cents).

The current economic conditions remained challenging, restricting Transpaco's ability to maximise its potential.

Revenue decreased by 3,1% to R1 334,7 million (December 2023: R1 377,2 million) with operating profit down 13,7% to R109,0 million (December 2023: R126,3 million). Headline earnings reduced by 12,2% to R77,8 million (December 2023: R88,6 million). However, Transpaco's share buyback strategy curtailed the negative impact on HEPS.

Revenue decreased by 1,0% in the Plastics Division and 5,4% in the Paper and Board Division.

Traditionally, revenue is higher in the first six months of the financial year due to the seasonal nature of the business.

The reduction in operating margin to 8,2% (December 2023: 9,2%) contributed to the decrease in the group's operating profit by 13,7%.

FINANCIAL RESULTS

	Six months to December 2024	Six months to December 2023	% increase/ (decrease)
Total operations			
Revenue (R'm)	1 334,7	1 377,2	(3,1)
Operating profit (R'm)	109,0	126,3	(13,7)
Profit before taxation (R'm)	106,5	121,4	(12,3)
Total comprehensive income (R'm)	77,7	88,6	(12,3)
Headline earnings (R'm)	77,8	88,6	(12,2)
Earnings per share (cents)	269,4	299,1	(9,9)
Headline earnings per share (cents)	269,7	299,1	(9,8)
Net asset value per share (cents)	3 341,0	3 090,0	8,1

Transpaco's balance sheet remains robust as the group continues its sound investment strategy and strict working capital management.

Notwithstanding the additional borrowings required during the period to finance the purchase of the Transpaco Cores and Tubes (Gauteng) property, Transpaco's net interest-bearing debt-to-equity (gearing) position improved to 4,8% (December 2023: 5,4%).

The weighted average number of ordinary shares in issue in calculating EPS and HEPS is 28 839 388 (December 2023: 29 622 540).

EVENTS AFTER THE REPORTING PERIOD

There were no subsequent events after the reporting period.

GOING CONCERN

The group has assessed its cash flow forecasts and borrowing profiles and is of the view that the group has sufficient liquidity to meet its obligations as currently foreseen for the foreseeable future.

TRANSFORMATION

Transpaco maintained a level 2 BEE contributor level based on the revised B-BBEE scorecard supported by various strategic initiatives, including participation in the YES programme.

PROSPECTS

The group will continue its proven business strategy of targeting organic growth while maintaining strict financial control and, at the same time, identifying and pursuing appropriate acquisitions.

While difficult trading conditions are expected to continue, Transpaco will endeavour to counter this by driving sales, containing costs and maintaining gross profit contributions.



Registration number 1951/000799/06 | ISIN: ZAE000007480 | Share code: TPC
("Transpaco" or "the company")

A leading manufacturer and distributor of
plastic and paper packaging products

Transpaco has concluded a transaction to purchase a property to house its printed folded carton facility (Britepak), allowing for the consolidation of operations from four separate rented properties into one company-owned site. Transfer is expected to take place during the current financial year.

DIVIDEND

The board has declared an interim gross cash dividend out of income reserves of 75,0 cents per share (December 2023: 80,0 cents per share) for the six months ended 31 December 2024. After applying the dividend withholding tax of 20%, a net interim dividend of 60,0 cents per share will be paid to those shareholders who are not exempt from the dividends tax. The issued shares at the date of declaration is 28 839 388 ordinary shares. The Income Tax reference number is 9975/112/71/6.

The salient dates for the dividend are as follows:

Last date to trade shares cum dividend	Tuesday, 11 March 2025
Shares trade ex-dividend	Wednesday, 12 March 2025
Record date	Friday, 14 March 2025
Payment date	Monday, 17 March 2025

Share certificates may not be dematerialised or rematerialised between Wednesday, 12 March 2025 and Friday, 14 March 2025, both days inclusive.

BASIS OF PREPARATION AND ACCOUNTING POLICIES

The group's unaudited condensed interim financial results for the six-months ended 31 December 2024 have been prepared in accordance with IAS 34 – Interim Financial Reporting ("IAS 34"), IFRIC interpretations issued by the IFRS Interpretations Committee, IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and comply with the JSE Listings Requirements and the Companies Act of South Africa. The accounting policies and methods of computation used in the preparation of the unaudited condensed interim financial results are in terms of IFRS Accounting Standards and are consistent in all material aspects with those applied in the most recent annual financial statements.

The unaudited condensed interim group financial results do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the group's annual consolidated financial statements as at 30 June 2024.

APPROVAL AND PREPARATION

These unaudited interim financial results have been prepared under the direction and supervision of the Chief Financial Officer, L Weinberg CA (SA).

On behalf of the board

DJJ Thomas	PN Abelheim	L Weinberg
Non-executive Chairman	Chief Executive Officer	Chief Financial Officer

19 February 2025

DIRECTORS

DJJ Thomas (Chairman)*; PN Abelheim ((Chief Executive Officer); L Weinberg (Chief Financial Officer); HA Botha*; SR Bouzaglou; SY Mahlangu*; SP van der Linde (Lead Independent Director) ^

* Non-executive ^ Independent non-executive

Transpaco Limited Registration number: 1951/000799/06, Share code: TPC, ISIN: ZAE000007480

Auditors BDO South Africa Incorporated Company Secretary HJ van Niekerk Sponsor Investec Bank Limited

Registered office 331 6th Street, Wynberg, Sandton Transfer secretaries Computershare Investor

Services (Pty) Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg Website www.transpaco.co.za

CONDENSED STATEMENTS OF FINANCIAL POSITION			
	Unaudited six months December 2024	Unaudited six months December 2023	Audited 12 months June 2024
R'000			
ASSETS			
Non-current assets	624 523	608 990	598 243
Property, plant and equipment	510 983	482 588	475 097
Right-of-use assets	19 250	33 481	28 307
Intangibles	17 855	17 855	17 855
Goodwill	64 182	64 182	64 182
Financial assets	4 500	4 500	4 500
Deferred taxation	7 753	6 384	8 302
Current assets	851 285	819 690	864 379
Inventories	273 362	243 911	279 494
Trade and other receivables	505 397	501 710	421 231
Taxation receivable	2 162	992	3 085
Cash and cash equivalents	70 364	73 077	160 569
TOTAL ASSETS	1 475 808	1 428 680	1 462 622
EQUITY AND LIABILITIES			
Capital and reserves	963 590	891 201	932 035
Issued share capital	288	288	288
Share premium	9 661	9 661	9 661
Retained income	953 641	881 252	922 086
Non-current liabilities	151 282	153 627	126 639
Interest-bearing borrowings	91 716	83 996	61 524
Lease liability	10 686	19 648	15 516
Deferred income	434	593	464
Deferred taxation	48 446	49 390	49 135
Current liabilities	360 936	383 852	403 948
Trade payables and accruals	317 355	325 599	361 662
Interest-bearing borrowings	25 354	37 647	24 154
Lease liability	12 130	19 311	17 837
Deferred income	94	241	132
Taxation payable	6 003	1 054	163
TOTAL EQUITY AND LIABILITIES	1 475 808	1 428 680	1 462 622
Number of shares in issue ('000)			
Opening balance	28 839	29 939	29 939
Shares repurchased and cancelled	–	(1 100)	(1 100)
Number of shares	28 839	28 839	28 839
Salient features			
Net asset value per share (cents)	3 341	3 090	3 232
Operating margin (%)	8,2	9,2	8,6
Net interest-bearing debt:equity ratio (%)	4,8	5,4	Net cash positive

CAPITAL COMMITMENTS			
	Unaudited six months Dec 2024	Unaudited six months Dec 2023	Audited 12 months June 2024
R'000			
Capital expenditure authorised and contracted			
Property, plant and equipment	81 268	63 613	60 631

CONDENSED STATEMENTS OF CHANGES IN EQUITY				
R'000	Issued share capital	Share premium	Distributable reserve	Total
Balance at 30 June 2023 (audited)	299	10 029	875 267	885 595
Profit for the period	–	–	88 613	88 613
Other comprehensive income	–	–	–	–
Total comprehensive income	–	–	88 613	88 613
Shares repurchased and cancelled	(11)	(368)	(30 234)	(30 613)
Dividend paid	–	–	(52 394)	(52 394)
Balance at 31 December 2023 (unaudited)	288	9 661	881 252	891 201
Profit for the period	–	–	63 905	63 905
Other comprehensive income	–	–	–	–
Total comprehensive income	–	–	63 905	63 905
Dividend paid	–	–	(23 071)	(23 071)
Balance at 30 June 2024 (audited)	288	9 661	922 086	932 035
Profit for the period	–	–	77 698	77 698
Other comprehensive income	–	–	–	–
Total comprehensive income	–	–	77 698	77 698
Dividend paid	–	–	(46 143)	(46 143)
Balance at 31 December 2024 (unaudited)	288	9 661	953 641	963 590

CONDENSED STATEMENTS OF CASH FLOW			
	Unaudited six months December 2024	Unaudited six months December 2023	Audited 12 months June 2024
R'000			
Cash flows from operating activities			
Cash generated from operations	146 475	171 833	283 832
Changes in working capital	(131 269)	(101 651)	(10 706)
Dividends paid	(46 143)	(52 394)	(75 465)
Finance income received	4 668	4 466	10 875
Finance costs paid	(7 190)	(9 328)	(17 078)
Taxation paid	(22 138)	(25 280)	(51 642)
Net cash (outflow)/inflow from operating activities	(55 597)	(12 354)	139 816
Cash flow used in investing activities			
Proceeds on disposal of property, plant and equipment	8	89	558
Expansion and replacement of property, plant and equipment	(12 833)	(23 432)	(42 950)
Net cash outflow from investing activities	(12 825)	(23 343)	(42 392)
Cash flows used in financing activities			
Repurchase of shares	–	(30 613)	(30 613)
Payment of principal portion of lease liability	(9 175)	(11 475)	(21 140)
Repayment of borrowings	(12 608)	(15 815)	(51 779)
Net cash outflow from financing activities	(21 783)	(57 903)	(103 532)
Net movement in cash for the period	(90 205)	(93 600)	(6 108)
Cash and cash equivalents at the beginning of the period	160 569	166 677	166 677
Cash and cash equivalents at the end of the period	70 364	73 077	160 569

SEGMENTAL ANALYSIS				
Unaudited six-months December 2024, six-months December 2023 and audited 12-months June 2024				
R'000	Plastic products	Paper and board products	Properties and group services	Total operations
Revenue from external customers – December 2024 (Recognised at a point in time)	721 073	613 634	–	1 334 707
Revenue from all customers	755 381	648 828	–	1 404 209
Less revenue from internal customers	(34 308)	(35 194)	–	(69 502)
Revenue from external customers – December 2023 (Recognised at a point in time)	728 477	648 729	–	1 377 206
Revenue from all customers	762 592	685 826	–	1 448 418
Less revenue from internal customers	(34 115)	(37 097)	–	(71 212)
Revenue from external customers – June 2024 (Recognised at a point in time)	1 257 831	1 229 227	–	2 487 058
Revenue from all customers	1 322 043	1 293 391	–	2 615 434
Less revenue from internal customers	(64 212)	(64 164)	–	(128 376)
Operating profit – December 2024	60 671	34 652	13 659	108 982
Operating profit – December 2023	73 498	41 062	11 721	126 281
Operating profit – June 2024	99 439	87 285	26 005	212 729
Profit before tax – December 2024	58 641	34 399	13 420	106 460
Profit before tax – December 2023	70 693	38 513	12 213	121 419
Profit before tax – June 2024	93 964	83 289	29 273	206 526
Capital expenditure – December 2024	6 023	4 632	52 832	63 487
Capital expenditure – December 2023	19 698	2 769	965	23 432
Capital expenditure – June 2024	28 687	12 846	1 417	42 950
Total assets – December 2024	703 963	523 961	247 884	1 475 808
Total assets – December 2023	694 283	535 465	198 932	1 428 680
Total assets – June 2024	634 047	533 981	294 594	1 462 622
Total liabilities – December 2024	217 610	181 298	113 310	512 218
Total liabilities – December 2023	252 822	201 502	83 155	537 479
Total liabilities – June 2024	228 810	210 447	91 330	530 587