

## HULAMIN LIMITED

(Incorporated in the Republic of South Africa)

Registration number 1940/013924/06

JSE Code: HLM

ISIN: ZAE000096210

("Hulamin" or "the Company")



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### UPDATE ON THE IMPACT OF COVID-19 ON GROUP OPERATIONS AND GRADUAL PLANT RESTART

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In the best interests of all stakeholders, and following President Ramaphosa's announcement of a 21-day nationwide lockdown on Monday, 23 March 2020, Hulamin closed operations on Thursday, 26 March 2020. At the point of closing, quantities of customer finished goods were retained on- and off-site in order to ensure customer supply continuity of food and beverage related packaging products. Hulamin supplies approximately 45% of its products into packaging applications.

On 1 April 2020, Hulamin received a certificate from the Companies and Intellectual Properties Commission (CIPC), designating its packaging product operations as "essential services". This has required the company to restart operations, starting with dispatch and logistics services and followed by core manufacturing operations. Rolling operations have also commenced.

Hulamin employees returning to work pose risks of on-site infection. As a responsible corporate citizen, Hulamin has taken extraordinary steps to protect employees and other on-site workers from being infected. These measures include prescreening, provision of face masks, individual hand sanitizer and team-based social distancing. Hulamin is also testing and inducting anyone required on site. To date, no positive test results have been recorded.

On Thursday 9 April, President Ramaphosa announced a 14-day extension to the national lockdown in South Africa. As a result of this extension, the period during which Hulamin's customer demand is affected and throughput is retarded will remain in place for longer than originally planned.

Hulamin closed 2019 with a strong balance sheet, borrowings below R300 million and considerable headroom in its debt facilities. The national lockdown is a significant disruption to operations and the drop off in demand for our products, particularly in the general engineering and automotive sectors, will negatively impact EBITDA in the first half of 2020. Concurrently, the London Metals Exchange price of Aluminium and the Rand / US Dollar exchange rate have been particularly volatile. Hulamin is therefore managing cash flows and costs daily to ensure adequate liquidity.

Pietermaritzburg

17 April 2020

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