

HULAMIN LIMITED

(Incorporated in the Republic of South Africa)

Registration number 1940/013924/06

JSE Code: HLM

ISIN: ZAE000096210

("Hulamin" or "the Company")



SUMMARISED PROVISIONAL CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2020

Results Headlines

- Group sales volumes decreased by 24% to 166 000 tons
- Losses per share decreased by 80% to 75 cents per share
- Headline losses down 12% to a loss of R211 million impacted by restructuring costs, a positive metal price lag, R114m excess hedges and a reduction in restructuring costs
- Normalised EBITDA (1) down 128% to a loss of R89 million
- R485 million free cash outflow (from R222 million inflow in 2019) on higher Rand Aluminium price and lower capital expenditure
- Balance sheet remains resilient, although debt/equity declined to 35% (2019: 11%)
- Turnaround actions ongoing

Results Overview

"Hulamin faced strong headwinds during 2020. Local and export sales were impacted by Covid-19 related slowdowns across the local and global economies. Lockdown in South Africa and across the globe impacted sales of all products and resulted in the inability to operate until Hulamin Rolled Products was issued an "essential services" certificate in mid-April. The lockdown-driven ban on alcohol sales in the local market further impaired sales of beverage can material in our largest market, South Africa. Following the partial lifting of lockdown restrictions during the second half of 2020, all operations returned to operating profitability in the final quarter as volumes improved.

Hulamin Extrusions completed its turnaround plans. Following the closure of its Oliefontein site, which has subsequently been sold, the business has consolidated operations successfully in Pietermaritzburg and returned to profitability in the second half.

Order books are more healthy again. Demand for beverage can products is particularly firm. Both Hulamin Rolled Products and Hulamin Extrusions are therefore focused on returning to full manufacturing volumes, although Hulamin Rolled Products will undertake a comprehensive maintenance shutdown during the first half of 2021. Sales volumes, together with the level of the Rand against the US Dollar will play a key role in determining 2021 performance.

Thank you to Laren Farquharson, who tirelessly stood in as CFO, following the resignation and departure of Anton Krull from 1 November 2020. I am also pleased to welcome Mark Gounder, who has taken over as CFO from 1 April 2021."

Richard Jacob, Hulamin Chief Executive Officer

Financial Headlines

The audited results for the year ended 31 December 2020 ("current period" or "2020 Year"), as compared to the audited results for the comparative period, are set out below:

	2020 Year		2019 Year
	R'000	Percentage change	R'000
Revenue (R billion)	8 548 878	-20.2%	10 708 581

Operating (loss) / profit (R million)	(72 490)	-94.9%	(1 421 404)
Basic (loss) / earnings per share (cents)	(75)	-80.3%	(380)
Basic headline (loss) / earnings per share (cents)	(68)	-10.5%	(76)
Normalised headline (loss) / earnings per share (cents) (note 1)	(91)	-1037.5%	(8)

No dividend was declared with respect to either the current period or the comparative period.

Note 1: Normalised EBIT, EBITDA, normalised EBITDA and normalised headline earnings (“HEPS”) The presentation of normalised EBIT, EBITDA, normalised EBITDA and normalised headline earnings is not an IFRS requirement and these measures may not be directly comparable with the same or similar measures disclosed by other companies.

These measures are used by the Hulammin Executive Committee in assessing financial performance and are calculated in a consistent manner as per the latest annual financial statements, by excluding (i) metal price lag and (ii) material non-trading expense or income items which, due to their irregular occurrence, are adjusted for in order to better present profits and earnings attributable to the ongoing activities of the Group.

In the current period, these measures include an adjustment for restructuring costs and a positive metal price lag.

Ernst & Young Inc. have issued an unmodified opinion on the consolidated audited results for the year ended 31 December 2020. That report also includes communication of key audit matters. The audited annual financial statements and the auditor’s report may be viewed on the Company’s website <http://ir.hulammin.com>. The auditor’s report does not necessarily report on all the information contained in this announcement. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor’s engagement they should obtain a copy of the auditor’s report together with the accompanying financial information.

This short form announcement is the responsibility of the Board and does not contain full or complete details. Any investment decisions by investors and/or shareholders should be based as a whole on consideration of the summarised provisional consolidated financial results for the year ended 31 December 2020 which may be downloaded from

<https://senspdf.jse.co.za/documents/2021/jse/isse/HLM/2020Prov.pdf>

or Hulammin’s investor website (<http://ir.hulammin.com>),

or may be requested from the Company by contacting the registered office of the Company during ordinary business hours, for a period of 30 calendar days following the date of this announcement.

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Pietermaritzburg

14 April 2021

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