

SENS ANNOUNCEMENT



NAMPAK LIMITED

Registration number 1968/008070/06

Incorporated in the Republic of South Africa

Share Code: NPK ISIN: ZAE000071676

Share Code: NPP1 ISIN: ZAE000004966

Share Code: NPKP ISIN: ZAE000004958

LEI: 3789003820EC27C76729

("Nampak" or "the group" or "the company")

SUMMARY OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

Highlights

- Revenue up 21% to R16.9bn
- Trading profit up 13% to R1.6bn
- Operating profit before net impairments down 4% to R1.2bn
- Headline earnings of R229m compared to R402m
- Headline earnings per share of 35.9cps compared to 62.3cps
- Loss attributable to owners of Nampak of R147m compared to profit of R207m
- Loss per share of 23.1cps compared to earnings per share of 32.1cps
- Cash generated from operations before working capital changes down 11% to R1.5bn
- Covenants complied with
 - Net debt : EBITDA 2.85x (threshold: less than or equal to 3.5X)
 - EBITDA : Interest 3.94x (threshold: greater than or equal to 3.0X)

COMMENTARY

"In 2022 we faced some operational headwinds while leveraging the available tailwinds. The South African beverage can market experienced unprecedented growth and Angolan volumes during the last quarter grew by almost 30%, exceeding our expectations. Revenue increased by 21%, lifted by higher volumes and unusually high commodity prices. Despite the strong contributions from our beverage cans and liquid paper business to a pleasing trading profit an increase in foreign exchange losses, higher interest rates and increased impairments contributed to a lower net profitability.

Our efforts to dispose of certain assets yielded no tangible results as potential buyers cited hesitance in volatile market conditions preventing us from reducing debt and required the extension of certain maturity dates and relaxation of covenants. As previously announced, in order to refinance the group

debt package and repay R1.35 billion to lenders in March 2023, we are planning to approach shareholders for such approvals as are required to proceed with a rights issue. With a strengthened balance sheet, we can focus on our operations to leverage growth opportunities for the benefit of our stakeholders.” Erik Smuts Nampak Chief Executive Officer

Overview

In the 2022 financial year, Nampak delivered strong revenue growth, assisted by improved volumes in selected markets and pass-through pricing mechanisms linked to elevated commodity prices. Trading conditions were challenging, but green shoots of recovery were evident in some of our markets. Cost of sales was impacted by high metals prices due to challenging supply chains with concomitant increases in logistics and shipping costs.

Group revenue increased by 21% to R16.9 billion, underpinned by stronger volumes in our South African, Angolan and Nigerian beverage can operations. Trading profit grew pleasingly, despite a disappointing performance from DivFood. Although pricing mechanisms in most of our businesses allowed for the recovery of increased input costs, it did not fully compensate for the incremental cost of funding higher working capital.

Group financial performance

R million	FY22	FY21	% change
Revenue	16 937	13 958	21
Trading profit	1 611	1 422	13
Operating profit before net impairments	1 152	1 195	(4)
Operating profit	640	931	(31)
(Loss)/profit for the year	(26)	377	-
Headline earnings	229	402	(43)
Headline earnings per share (cents)	35.9	62.3	(42)
(Loss)/profit attributable to owners of Nampak	(147)	207	-
(Loss)/earnings per share (cents)	(23.1)	32.1	-
Cash generated from operations before working capital changes	1 504	1 680	(11)
Cash generated from operations	845	1 059	(20)
Cash generated from operating activities	53	307	(83)

The board has decided not to declare an ordinary dividend for 2022 (2021: Nil).

Extra-ordinary general meeting and proposed rights offer

As previously announced, a circular will be published on or about 15 December 2022, calling for an extra-ordinary general meeting to seek the relevant authorisations required to enable the company to proceed with a potential rights offer of up to R2.0 billion during the course of 1Q2023.

The group's independent auditor, Deloitte & Touche (Deloitte), conducted an audit of the consolidated annual financial statements for the group for the year ended 30 September 2022. Deloitte have issued an unmodified audit opinion in terms of the International Standards on Auditing, with a paragraph on material uncertainty relating to going concern. R6.88 billion of the group's core funding package is repayable on or before 31 December 2023 with R1.35 billion of this funding repayable by 31 March 2023. This condition, along with the management's plans to reduce and restructure the debt as well as launch the proposed rights issue, indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern. The Deloitte opinion is not modified in respect of this matter.

Going Concern

Notwithstanding the material uncertainty relating to going concern, the directors have, based on the information available to them, considered the financial plans and forecasts, available funding facilities, the actions taken by the group, cost reduction and optimisation plans, the management of working capital and capital expenditure, as well as the plans to refinance the group and raise capital through a proposed rights offer. Based on these assessments, the directors are of the opinion that the going concern assumption is appropriate in the preparation of the consolidated and separate financial statements.

This short form announcement is the responsibility of the directors and is only a summary of the information in the full announcement.

The full announcement including the audit opinion, of the external auditor, Deloitte, on the summarised consolidated financial statements and the basis for its unmodified opinion is available on the JSE website at <https://senspdf.jse.co.za/documents/2022/JSE/isse/NPK/FY2022.pdf> and on Nampak's website www.nampak.com/Investors/Financial-Information under the 2022 financial year. In addition, the audited consolidated annual financial statements including the unmodified audit opinion which details the key audit matter of the external auditor Deloitte & Touche are available on Nampak's website <http://www.nampak.com/Investors/Financial-Information>.

Any investment decisions made by investors and/or shareholders should be based on consideration of the full announcement. The short form announcement has not been audited.

Copies of the full announcement may also be requested from the Group Company Secretary, Ilse van Lochem on Ilse.vanLochem@nampak.com, alternatively collected from the company's registered office, at no charge, during office hours.

Annual results presentation webcast

Nampak management will hold a webcast on Monday, 5 December 2022 at 10h00 Central Africa Time (UTC+2) to present the annual results, provide a business update and address questions from the investment community.

Webcast details are available on Nampak's website <http://www.nampak.com/Investors>. The annual results presentation and announcements will be uploaded on the website on the same morning.

Bryanston

5 December 2022

Sponsor: Nedbank Corporate and Investment Banking, a Division of Nedbank Limited