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

SUMMARY OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 31 MARCH 2025

Business Overview

The first half ("1H25" or "current period") yielded a rewarding financial outcome notwithstanding constrained consumer spending and the high base effect of the first half in the prior period ("1H24" or "prior period").

Revenue growth management disciplines were maintained with a sustained focus on margin management, cost containment and efficiency improvements. The aforementioned translated into top line growth, margin expansion, a trading profit increase of 22% and a 7% increase in operating profit.

The prior period operating profit benefitted from a PRMA (post-retirement medical aid) gain of R290 million. In the current period, a pension fund surplus of R65 million and a R100 million interim settlement of an outstanding Covid-19 insurance claim were recognised. The after-tax effects of the aforementioned benefitted headline earnings but to a lesser degree in 1H25 than 1H24.

The group continues to make good progress in decreasing debt levels. This was assisted in the current period by the sale of Bevcan Nigeria, strong operating cash flow and lower interest costs but partially offset by an increased investment in net working capital.

Continuing Operations

The operating environment continues to be characterised by high interest rates, inflation and resultant pressure on consumers' disposable income. Notwithstanding, revenue from continuing operations of R5.7 billion increased 11% due to volume growth and price management. Beverage South Africa's revenue growth was hampered by a slower than planned commissioning of the Springs Line 2 expansion in the context of demand in South Africa for beverage cans exceeding supply. Diversified South Africa and Beverage Angola reported strong revenue growth in the current period.

Beverage South Africa

Beverage South Africa delivered solid results and achieved significant cash conversion. The product portfolio mix changed as pack sizes migrate from smaller to the larger format. The slower ramp up of additional installed capacity hampered revenue and profitability potential to meet this trend. Significant focus is being placed on remedying this situation to match customer demand.

Diversified South Africa

Diversified South Africa was the model performer realising excellent operating leverage. The revenue growth was encouraging being bolstered by organic growth, a new fruit can contract and the improved supply of fish cans. Excellent margin management and cost control yielded pleasing operating results. A higher investment in net working capital was required to meet turnover growth, service customer needs and address sub-optimal payments to suppliers in the prior year.

Beverage Angola

Angola performed admirably in a very difficult macro-economic environment. The business delivered a strong performance supported by volume growth, cost management and currency stability.

Group

Earnings before interest tax, depreciation and amortisation ("EBITDA") of R1.1 billion increased 7% benefiting from improved trading margins and stringent cost control.

Beverage South Africa delivered EBITDA of R512 million representing an increase of 6% from R484 million in the prior period. This was complemented by the turnaround in Diversified South Africa which reported an EBITDA of R233 million compared to R152 million in 1H24, representing an increase of 53%. Beverage Angola's performance was pleasing with EBITDA increasing 36% to R146 million from R107 million.

Cash generated from operations before changes in working capital of R1.2 billion increased by 38% from R905 million, reflecting the improvement in profitability. R742 million was utilised to fund net working capital with R374 million (50%) and R368 million (50%) being attributable to continuing and discontinued operations respectively.

The outflow of working capital was higher than normal as a consequence of the following:

- increased levels of revenue in continuing operations required additional funding of R190 million, partially offset by improved collections of R78 million;
- the agreed initial tranche of R100 million of the outstanding Covid-19 insurance claim being reflected as a receivable as at 31 March 2025, hence representing a temporary absorption of working capital at 31 March 2025 as the proceeds were received in cash on 28 April 2025;
- disposal activities of R368 million primarily due to lower required creditor funding, the delayed receipt of the Kenyan operation disposal proceeds and higher inventory holdings partially offset by improved receivables collections in other operations.

The net working capital position as at 31 March 2024 was impacted by the cyber breach which limited the group's ability to settle creditors timeously. Hence, there was higher funding received from creditors in 1H24 compared to 1H25.

Net working capital management remains a priority focus area.

Group financial performance

R million	1H25	1H24	% change
Continuing operations			
Revenue	**5 671**	5 093	11
Trading profit	**764**	626	22
Capital and other items	**188**	273	(31)
Net impairment losses		(13)	
Operating profit	**952**	887	7
Net finance cost	**(282)**	(458)	38
Profit before tax	**670**	425	58
Profit for the period	**503**	439	15
Earnings per share (cents)	**6 064.4**	5 296.8	14
Headline earnings	**471**	448	5
Headline earnings per share (cents)	**5 683.5**	5 410.4	5
Discontinued operations			
Profit/(loss) for the period from discontinued operations	**2 503**	(574)	
Total operations			
Profit/(loss) for the period	**3 006**	(135)	
Basic earnings/(loss)	**2 973**	(93)	
Earnings/(loss) per share (cents)	**35 842.2**	(1 123.5)	
Headline earnings	**555**	267	108
Headline earnings per share (cents)	**6 692.2**	3 227.9	107
Cash generated from operations			
- before working capital changes	**1 247**	905	38
- after working capital changes	**505**	878	(42)
Net debt	**3 104**	4 597	33
Net debt:EBITDA ratio	**2.8**	3.0	
Current ratio	**1.9**	1.8	

Financial Overview

Continuing Operations

Group revenue growth of 11% was supported by increases of 7% in Beverage South Africa, 14% in Diversified South Africa and 16% in Beverage Angola.

Trading profit increased by 22% to R764 million assisted by improvements of 6% in Beverage South Africa, 49% in Diversified South Africa and 33% in Beverage Angola.

Capital and other items of R188 million primarily consist of R100 million relating to the recognition of the initial tranche of the outstanding Covid-19 insurance claim and a R65 million pension fund surplus. The prior period was bolstered by the R290 million post-retirement medical aid gain.

Operating profit of R952 million increased 7% from R887 million assisted by improvements of R26 million in Beverage South Africa, R88 million in Diversified South Africa and R31 million in Beverage Angola.

Net finance costs decreased by 38% to R282 million from R458 million due to lower interest rates negotiated on the financing package and the 33% reduction in net debt (excluding lease liabilities) post the disposal proceeds.

Profit before tax of R670 million increased 58% from R425 million. Taxes of R167 million compared to a tax credit of R14 million in the prior period reduced profit after tax growth to 15% with an effective tax rate of 25% compared to a tax shield of 3% in the prior period.

Earnings per share of 6 064.4 cents from continuing operations reflects growth of 14% compared to 5 296.8 cents per share (cps) in 1H24. Headline earnings from continuing operations of R471 million and headline earnings of 5 683.5cps increased 5% compared to R448 million headline earnings and headline earnings of 5 410.4cps in the prior period.

Discontinued Operations

The profit for the year from discontinued operations was R2.5 billion compared to a loss of R574 million in the prior period. This was mainly due to the R2.4 billion recycling of a foreign currency translation reserve following the sale of Bevcan Nigeria.

The table below sets out the profit/(loss) for the period per discontinued operation/asset disposal group for the period:

Description	**2024 Rm**	**2023 Rm**
Bevcan Nigeria	*2 390	(603)
Nampak Zimbabwe	68	(87)
Liquid Cartons Group	-	4
Rest of SA Plastics	(3)	21
Other businesses	48	91
Total	**2 503**	**(574)**

* Includes R2.4 billion recycled foreign currency translation reserve

Total Operations

The group recorded a profit of R3.0 billion compared to a loss of R135 million in the prior period.

This resulted in earnings per share of 35 842.2 cents compared to a loss of 1 123.5cps in 1H24. The headline earnings of R555 million and headline earnings per share of 6 692.2cps increased by 108% and 107% respectively compared to R267 million headline earnings and a headline earnings of 3 227.9cps in the prior period.

Nampak's net asset value per share of 21 588 cents in the current period was 16% higher than 18 652 cents in the prior period. This was primarily due to improved profitability in the current period.

Trading performance and cost control improvements yielded a 38% increase in cash generated from operations before working capital changes of R1.2 billion from R905 million in the prior period. Cash generated from operations decreased to R505 million from R878 million.

Asset Disposal Plan

The disposal of Bevcan Nigeria was successfully concluded with an effective date of 31 January 2025 for R1.3 billion and resulted in a recycling of the foreign currency translation reserve of R2.4 billion into the reported group profit for the period. This disposal represented 50% of the proceeds required from the asset disposal plan and was critical in the group's deleveraging and de-risking strategy, reducing risk associated with exposure to the Nigerian market. The Disposal Facility was fully settled in February 2025.

Proceeds of R77 million for the disposal of certain Kenyan assets were received in cash subsequent to 31 March 2025.

In the prior year, agreements were reached for the disposal of the group's 51.43% interest in Nampak Zimbabwe Limited (NZL) for a maximum amount of US$25 million, as well as for the disposal of the business of I&CS for R145 million. The proceeds from the I&CS disposal were received in the current period.

The NZL disposal will contribute significantly to the reduction of the group's net debt and the elimination of the associated risk and volatility of operating in the Zimbabwe economy. The proceeds will be payable in US dollars. The disposal is subject to the buyer securing the requisite funding, Competition Commission regulatory approval being granted and the deal being approved by the shareholders of TSL Limited in a general meeting.

Net debt reduction

The R1.5 billion reduction of net debt excluding lease liabilities was primarily due to the proceeds from asset disposals, the assignment of various lease obligations as part of the disposals and the payment of lease obligations in the normal course of business, supported by cash generated during the period.

Inclusive of lease liabilities, net debt of R3.9 billion decreased by R1.8 billion from R5.7 billion assisted by the R267 million reduction in the lease liabilities extinguished as part of the disposal transactions. Net debt, excluding lease liabilities, decreased 33% to R3.1 billion from R4.6 billion in the prior period. The above-mentioned settlement of the Disposal Facility has triggered a reduction in interest rates.

Outlook

Beverage South Africa

The market for beverages continues to be characterised by encouraging local demand with growth prospects for the short to medium term remaining encouraging with can demand exceeding supply.

The strategic initiatives include enhancing capacity and improving operating efficiencies to cater for the aforementioned.

Diversified South Africa

Market share gaining opportunities remain prevalent. The momentum of the manufacturing architecture initiatives has yielded positive results with more value accretion opportunities in execution phases to yield further results in the short-to medium-term.

Beverage Angola

The market and the economic situation appear stable, with revenue trending positively. Sustaining high efficiencies, good product quality and customer support have been key to improving revenue growth management.

Group

The outlook for Nampak remains promising. The continuity of strategic and cultural interventions bode well for sustaining performance into the future. The Nampak brand proposition continues to be strengthened by virtue of quality distinction.

Dividend

The board has decided not to declare an ordinary dividend for 1H25 (1H24: Nil).

Short form Announcement

This short form announcement is the responsibility of the director and is only a summary of the information in the full announcement, which is available on the JSE's cloudlink at https://senspdf.jse.co.za/documents/2025/JSE/isse/NPK/FY2025.pdf and on Nampak's website http://www.nampak.com/Investors/Financial-Information under the 2025 financial year.

This short form announcement has not been reviewed or audited by the company's auditors.

Copies of the full announcement may also be requested from the Group Company Secretary, Omeshnee Pillay on omeshnee.pillay@nampak.com.

Interim results presentation webcast

Nampak management will hold a webcast on Friday, 23 May 2025 at 10h00 Central Africa Time (UTC+2) to present the interim 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 interim results presentation and announcements will be uploaded on the website on the same morning.

Cape Town
23 May 2025
Sponsor: PSG Capital