

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 12 of this Circular apply throughout this Circular including this cover page.

Shareholders are referred to page 5 of this Circular, which sets out the action required of them with regard to the Rights Offer, full details of which are set out in this Circular. If you are in any doubt as to the action that you should take, please consult your Broker, CSDP, banker, legal advisor, accountant or other professional advisor immediately. If you have disposed of all of your Ordinary Shares, this Circular and the Form of Instruction should be forwarded to the purchaser to whom, or the Broker, CSDP or agent through whom you disposed of your Ordinary Shares, except that this Circular and Form of Instruction should not be forwarded or transmitted by you to any person in any territory other than South Africa unless the Rights Offer can lawfully be made to such person in such territory. The Rights Offer does not constitute an offer in any jurisdiction in which it is illegal to make such an offer and this Circular and Form of Instruction should not be forwarded or transmitted to any person in any territory other than where it is lawful to make such an offer.

No action has been taken by Nampak to obtain any approval, authorisation or exemption to permit the issue of Rights Offer Shares or the possession or distribution of this Circular (or any other publicity material relating to the Rights Offer Shares) in any jurisdictions other than South Africa. Foreign Shareholders should refer to **Annexure 4** of this Circular for further details in this regard.

Only whole numbers of Ordinary Shares will be issued in terms of the Rights Offer and Shareholders will be entitled to rounded numbers of shares once the Ratio of Entitlement has been applied. Excess applications will be allowed, pursuant to which Qualifying Shareholders (or their renounees) may apply for additional Rights Offer Shares over and above their entitlement to Rights Offer Shares in terms of the Rights Offer, on the basis set out in this Circular.

Letters of Allocation, which are renounceable, can only be traded in Dematerialised form and, accordingly, Nampak has issued all Letters of Allocation in Dematerialised form. The electronic record for holders of Certificated Shares is being maintained by the Transfer Secretaries which has made it possible for holders of Certificated Shares to enjoy the same rights and opportunities as holders of Dematerialised Shares in respect of the Letters of Allocation.



Nampak Limited

(Incorporated in the Republic of South Africa)

(Registration number 1968/008070/06)

Ordinary Share Code: NPK Ordinary share ISIN: ZAE000322095

6.0% Preference Share Code: NPKP ISIN: ZAE000004958

6.5% Preference Share Code: NPP1 ISIN: ZAE000004966

LEI: 3789003820EC27C76729

("Nampak" or the "Company")

CIRCULAR TO SHAREHOLDERS OF NAMPAK

Relating to:

› a partially underwritten renounceable Rights Offer to Qualifying Shareholders in respect of 5 714 286 Ordinary Shares at an issue price of R175.00 per Rights Offer Share, in the ratio of 2.20902 Rights Offer Shares for every 1 Ordinary Share held at the close of trade on Friday, 8 September 2023;

and enclosing:

› a Form of Instruction in respect of a Letter of Allocation (to be completed by holders of Certificated Shares only).









Rights Offer opens at 09:00 on

Monday, 11 September 2023

Rights Offer closes at 12:00 on

Friday, 22 September 2023

The Directors of Nampak whose names appear in the "Corporate Information and Advisors" section of this Circular, collectively and individually accept full responsibility for the accuracy of the information given in this Circular and certify that, to the best of their knowledge and belief, there are no facts the omission of which would make any statement in this Circular false or misleading and that they have made all reasonable enquiries to ascertain such facts and that this Circular contains all information required in law and by the Listings Requirements.

<p>Lead Financial Advisor to the Company and Independent Corporate Advisor to the Board</p>  <p>PSG CAPITAL</p>	<p>Joint-Financial Advisor to the Company and Joint Transaction Sponsor</p>  <p>CIB</p>	<p>Joint-Financial Advisor to the Company and Joint Transaction Sponsor</p>  <p>Standard Bank</p>
<p>Co-Underwriter</p>  <p>CORONATION TRUST IS EARNED™</p>	<p>Co-Underwriter</p>  <p>A² INVESTMENT PARTNERS</p>	<p>Co-Underwriter</p>  <p>NUMUSCAPITAL</p>
<p>Legal Advisor to Nampak as to South African law</p>  <p>ENS africa</p>	<p>Transfer secretaries</p>  <p>Computershare</p>	

Date of issue: Monday, 4 September 2023

This Circular is available in English only. Copies of this Circular may be obtained from the registered office of Nampak and the Joint-Financial Advisors to the Company and Joint Transaction Sponsors whose addresses are set out in the "Corporate Information and Advisors" section of this Circular, as well as in electronic form from the Company's website (<https://www.nampak.com/Investors/Financial-Information>). These documents will be available from Monday, 4 September 2023 up to Tuesday, 26 September 2023, both days inclusive.

The Letters of Allocation and the Rights Offer Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or jurisdiction of the United States. The Securities are being offered only to (A) investors in the United States who are qualified institutional buyers ("QIBs") as defined in Rule 144A ("Rule 144A") under the US Securities Act of 1933 as amended (the "US Securities Act") and (B) investors outside the United States in an offshore transaction in reliance on Regulation S under the US Securities Act. Nothing in this Circular constitutes an offer of securities for sale in any jurisdiction where it is unlawful to do so. Investors who are located in the United States will be required to execute and deliver an Investor Letter set forth in **Annexure 4** to this Circular prior to taking up or transferring rights in the Rights Offer or subscribing for rights offer shares in the Rights Offer.

The Letters of Allocation and the Rights Offer Shares will also not be registered under the securities laws and regulations of any jurisdiction, including the Restricted Territories and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within such jurisdictions except pursuant to an applicable exemption. In particular, subject to certain exceptions, this Circular, the Letters of Allocation and any other such documents should not be distributed in, forwarded to or transmitted in or into the United States or the Restricted Territories.

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FORM OF INSTRUCTION (WHERE APPLICABLE)	ENCLOSED

CORPORATE INFORMATION AND ADVISORS

Directors

PM Surgey (Chairman)*#

PM Roux (Chief Executive Officer)

GR Fullerton (Chief Financial Officer)

N Khan*#

T Kruger*#

KW Mzondeki*#

CD Raphiri*#

SP Ridley*#

A van der Veen*#

* Non-executive # Independent

Interim Company Secretary and Registered Address

O Pillay (Group Executive: Legal and Secretarial)

Nampak House, Hampton Office Park

20 Georgian Crescent East

Bryanston, Sandton, 2191, South Africa

(PO Box 69983, Bryanston, 2021)

Date and place of incorporation

19 July 1968

South Africa

Lead Financial Advisor to the Company and Independent Corporate Advisor to the Board

PSG Capital Proprietary Limited

(Registration Number 2006/015817/07)

1st Floor, Ou Kollege

35 Kerk Street

Stellenbosch, 7600, South Africa

(PO Box 7403, Stellenbosch, 7599)

and

Suite 1105, 11th Floor, Sandton Eye Building

126 West Street, Sandton, 2196, South Africa

Joint-Financial Advisors to the Company and Joint Transaction Sponsors

Nedbank Limited (acting through its Corporate
Finance Business Unit)

(Registration Number 1951/000009/06)

3rd Floor, Corporate Place

135 Rivonia Road Sandton, 2196, South Africa

(PO Box 1144, Johannesburg, 2000)

The Standard Bank of South Africa Limited

(Registration Number 1962/000738/06)

30 Baker Street

Rosebank, 2196, South Africa

(PO Box 61344, Marshalltown, 2107)

JSE Sponsor to Nampak

Nedbank Corporate and Investment Banking

A division of Nedbank Limited

(Registration Number 1951/000009/06)

3rd Floor, Corporate Place

135 Rivonia Road

Sandton, 2196, South Africa

(PO Box 1144, Johannesburg, 2000)

Transfer secretaries

Computershare Investor Services Proprietary Limited

(Registration number 2004/003647/07)

1st Floor Rosebank Towers, 15 Biermann Avenue

Rosebank, Johannesburg, 2196

(Private Bag X9000, Saxonwold, 2132)

Legal Advisors to Nampak as to South African law

Edward Nathan Sonnenbergs Incorporated

(Registration Number 2006/018200/21)

The MARC | Tower 1

129 Rivonia Road

Sandton, Johannesburg, 2196, South Africa

(PO Box 783347, Sandton, 2146)

ACTION REQUIRED BY SHAREHOLDERS

Please take careful note of the following provisions regarding the action required by Qualifying Shareholders.

If you are in any doubt as to what action you should take, you should consult your CSDP, Broker, banker, legal advisor, accountant or other professional advisor immediately.

Action required by Qualifying Certificated Shareholders

If you are a Qualifying Certificated Shareholder, the Form of Instruction enclosed with this Circular is applicable to you. The Rights allocated to you under the Letter of Allocation issued to you as reflected in the Form of Instruction will be created in electronic form with the Transfer Secretaries to afford you the same rights and opportunities as those Qualifying Shareholders who have already dematerialised their Nampak Shares. Please note that the Letters of Allocation commence trading on Wednesday, 6 September 2023 and the last day to trade Letters of Allocation is Tuesday, 19 September 2023.

If you do not wish to subscribe for all or part of the Rights Offer Shares or wish to dispose of all or part of your Rights

If you do not wish to subscribe for all of the Rights Offer Shares to be issued to you in terms of the Rights allocated to you as reflected in the Form of Instruction, you may either dispose of or renounce all or part of your Rights in the following manner:

If you wish to dispose of all or part of your Rights:

If you wish to dispose of all or part of your Rights, you must complete Form A in the enclosed Form of Instruction and return it to the Transfer Secretaries so that it is received by no later than 12:00 on Tuesday, 19 September 2023. The Transfer Secretaries will endeavour to procure the sale of your Rights on the JSE on your behalf and to remit the proceeds less any fees paid to the Transfer Secretaries and any applicable taxes, withholdings or other costs in accordance with your instructions. In this regard, neither the Transfer Secretaries nor Nampak will have any obligation or be responsible for any loss or damage whatsoever in relation to or arising from the timing of such sales, the price obtained or the failure to dispose of such Rights.

If you wish to renounce all or part of your Rights:

If you wish to renounce all or part of your Rights in favour of any named renounee, you must complete Form B in the enclosed Form of Instruction, and the renounee must complete Form C in the enclosed Form of Instruction and return it to the Transfer Secretaries so as to be received by no later than 12:00 on Tuesday, 19 September 2023.

If you wish to take up part of your Rights or you wish to take up all of your Rights and/or you wish to apply for additional Rights Offer Shares:

If you wish to take up part of your Rights, or you wish to take up all of your Rights and/or you wish to apply for additional Rights Offer Shares, you must complete the enclosed Form of Instruction in accordance with the instructions contained therein and remit sufficient funds to cover your total application.

Payment

Payment for the Rights Offer Shares subscribed for: (i) must be made in full by electronic funds transfer ("EFT") into the Designated Bank Account, details of which are available from the Transfer Secretaries on request by contacting the Transfer Secretaries' call centre for corporate actions on +27 (0)11 370 5000 and, in South Africa only, on +27 (0)86 1100 634; (ii) must be paid in Rands; and (iii) proof of EFT payment must be lodged, posted or e-mailed, as the case may be, together with the completed Form of Instruction, as follows:

By hand or courier to:

Nampak Limited – Nampak Limited Transfer Secretaries
c/o Computershare Investor Services Proprietary Limited
First Floor
Rosebank Towers
15 Biermann Avenue
Rosebank, Johannesburg, South Africa, 2196

By post to:

Nampak Limited – Nampak Limited Transfer Secretaries
c/o Computershare Investor Services Proprietary Limited
Private Bag X9000
Saxonwold, Johannesburg, 2132

By email to:

corporate.events@computershare.co.za

Qualifying Certificated Shareholders are encouraged to (i) return completed Forms of Instruction to the Transfer Secretaries preferably by e-mail and (ii) pay for the Rights Offer Shares subscribed for by EFT with the proof of payment returned by e-mail together with the completed Form of Instruction. If Qualifying Certificated Shareholders elect to return completed Forms of Instruction and proof of EFT payment by hand, by courier or by post, Qualifying Certificated Shareholders are encouraged to contact the Transfer Secretaries to confirm receipt thereof.

If you have any queries, please contact the Transfer Secretaries via email on corporate.events@computershare.co.za or telephonically on +27 (0)11 370 5000 and, in South Africa only, on +27 (0)86 1100 634. Calls will be charged at the standard geographic rate and will vary by provider. Calls outside South Africa will be charged at the applicable international rate. The helpline is open between 08:00 – 17:00 South African time, Monday to Friday, excluding public holidays in South Africa.

The Transfer Secretaries will not be responsible for any loss and/or damage whatsoever in relation to or arising from the late or non-receipt of delivered, posted or emailed Forms of Instruction or owing to Forms of Instruction being forwarded or delivered to any physical address, postal address or email address other than that provided above. Qualifying Certificated Shareholders posting their Forms of Instruction to the Transfer Secretaries should take note of the state of postal delivery efficacy so as to ensure that the Forms of Instruction are received by the Transfer Secretaries timeously. Notwithstanding anything to the contrary, it is the Qualifying Certificated Shareholder's responsibility to ensure that their Form of Instruction is received by the Transfer Secretaries timeously.

If the required documentation and payment have not been received in accordance with the instructions contained in the enclosed Form of Instruction, either from the Qualifying Certificated Shareholder or from any person in whose favour the Rights have been renounced, by 12:00 on Friday, 22 September 2023, then the Rights of that Qualifying Certificated Shareholder to those unsubscribed Rights Offer Shares will be deemed to have been declined and the Rights will lapse for such Qualifying Certificated Shareholder.

Action required by Qualifying Dematerialised Shareholders

If you are a Qualifying Dematerialised Shareholder, the printed Form of Instruction is not applicable to you. Your CSDP or Broker will credit your account with the number of Rights to which you are entitled and you should receive notification from your CSDP or Broker in this regard. If your CSDP or Broker does not contact you, you should contact your CSDP or Broker and provide them with your instructions.

If you do not wish to subscribe for all or part of the Rights Offer Shares or wish to dispose of all or part of your Rights

If you do not wish to subscribe for all of the Rights Offer Shares to be issued to you in terms of the Rights allocated to you, you may either dispose of or renounce all or part of your Rights, in the following manner:

If you wish to dispose of all or part of your Rights:

If you wish to dispose of all or part of your Rights, you are required to instruct your CSDP or Broker as to the number of Rights of which you wish to dispose.

If you wish to renounce all or part of your Rights:

If you wish to renounce all or part of your Rights in favour of any named renounee, you are required to instruct your CSDP or Broker as to the number of Rights you wish to renounce and in favour of whom you wish to renounce those Rights.

If you wish to take up part of your Rights, or wish to take up all of your Rights and/or you wish to apply for additional Rights Offer Shares:

If you wish to take up all or part of your Rights, and/or you wish to apply for additional Rights Offer Shares, you are required to instruct your CSDP or Broker as to the number of additional Rights Offer Shares for which you wish to subscribe and the number of additional Rights Offer Shares for which you wish to apply.

Payment

CSDPs effect payment on a delivery versus payment basis.

Instructions to your CSDP or Broker:

Instructions to your CSDP or Broker must be provided in the manner and time stipulated in the custody agreement governing the relationship between yourself and your CSDP or Broker. If your CSDP or Broker does not obtain instructions from you, they are obliged to act in terms of the mandate granted to them by you or, if the mandate is silent in this regard, your Rights may lapse.

Nampak does not take responsibility and will not be held liable for any failure on the part of any CSDP or Broker to notify you of the Rights Offer and/or to obtain instructions from you to subscribe for the Rights Offer Shares and/or to dispose of the Rights allocated.

Qualifying Dematerialised Shareholders are required to inform their CSDP or Brokers of their instructions in terms of the Rights Offer in the manner and time stipulated in the agreement governing the relationship between the Qualifying Dematerialised Shareholder and their CSDP or Broker. Qualifying Dematerialised Shareholders are advised to contact their CSDP or Broker as early as possible to establish what the cut-off dates and times are for acceptance of the Rights Offer, as set out in the custody agreement, as this may be earlier than the proposed closing time of the Rights Offer.

Action required if you have already disposed of your Nampak Shares

If you have disposed of all of your Nampak Shares, this Circular should be forwarded to the purchaser to whom, or the CSDP, Broker, banker or agent through whom, you disposed of such shares, but not if the purchaser or transferee is in the United States (save for QIBs on the basis set out in **Annexure 4**), a Restricted Territory or any other jurisdiction where to do so may constitute a violation of local securities laws or regulations.

NOTICE TO INVESTORS

The Rights Offer is being made in accordance with the Companies Act and the Listings Requirements and is only addressed to persons to whom it may lawfully be made. By subscribing for any Rights Offer Shares or purchasing any Letters of Allocation, you will be deemed to have represented and agreed that: (i) you are not (and any person for whom you are acting is not) a Restricted Shareholder or otherwise (a) a resident in any jurisdiction in which such offer would be unlawful, or (b) a person to whom the Rights Offer may not lawfully be made; and (ii) you have received all necessary information required to make an informed investment decision.

This Circular is not an offer of new Nampak Shares, or an invitation to exercise any of the Rights pursuant to the Letters of Allocation, in any jurisdiction in which such offer would be unlawful. In a number of countries, in particular in the United States (save for QIBs, on the basis set out in **Annexure 4**) and the Restricted Territories, the distribution of this Circular, the exercise of Rights pursuant to the Letters of Allocation, the offer of the Rights Offer Shares, as well as the sale of the Rights Offer Shares, are subject to restrictions imposed by law (such as registration, admission or other regulations). No action has been or will be taken by Nampak or its advisors listed in the "*Corporate Information and Advisors*" section of this Circular to permit the possession or distribution of this Circular (or any Letter of Allocation) in any jurisdiction where such distribution may otherwise lead to a breach of any law or regulatory requirement.

Accordingly, neither this Circular nor any advertisement nor any other offering material may be distributed or published in any jurisdiction except under circumstances that will be in compliance with applicable laws and regulations. Persons into whose possession this Circular may come are required to inform themselves about and comply with such restrictions, in particular not to publish or distribute this Circular in violation of applicable securities regulations. Any failure to comply with such restrictions may result in a violation of applicable securities regulations. This Circular does not constitute an offer to sell the Letters of Allocation or the Rights Offer Shares to any person in any jurisdiction in which it is unlawful to make such offer to such person, or a solicitation of an offer to buy the Letters of Allocation or the Rights Offer Shares from a person in a jurisdiction in which it is unlawful to make such solicitation.

No person is or has been authorised to give information or to make any representation regarding the Rights Offer other than those contained in this Circular and, if given or made, such information or representations shall not be relied upon as having been so authorised. In particular, save as expressly stated elsewhere in this Circular, the contents of Nampak's website are not incorporated by reference in this Circular and do not form a part of this Circular, and investors should not rely on them. No representation or warranty, express or implied, is made by Nampak's advisors listed in the "*Corporate Information and Advisors*" section of this Circular as to or in respect of the contents of this Circular, or in relation to the accuracy, completeness or verification of the information contained in this Circular, and nothing contained in this Circular is, or shall be relied upon as, a promise or representation by Nampak's advisors listed in the "*Corporate Information and Advisors*" section of this Circular in this respect, whether as to the past or the future. Nampak's advisors listed in the "*Corporate Information and Advisors*" section of this Circular assume no responsibility for its accuracy, completeness or verification of the information contained in this Circular and, accordingly, disclaim to the fullest extent permitted by applicable law any and all liability, whether arising in tort (delict), contract or otherwise, which they might otherwise be found to have in respect of this Circular or any such statement. Information given or representations made in connection with the Rights Offer or the subscription or the sale of the Letters of Allocation or the Rights Offer Shares that are inconsistent with those contained in this Circular are invalid.

Investors acknowledge that: (i) they have not relied on Nampak's advisors listed in the "Corporate Information and Advisors" section of this Circular, or any person affiliated with such advisors in connection with any investigation of the accuracy of any information contained in this Circular or their investment decision; and (ii) they have relied only on the information contained in this Circular, and that no person has been authorised to give any information or to make any representation concerning the Group, the Letters of Allocation or the Rights Offer Shares (other than as contained in this Circular) and, if given or made, any such other information or representation should not be relied upon as having been authorised by Nampak or the advisors listed in the "Corporate Information and Advisors" section of this Circular.

The distribution of this Circular does not mean that the data contained herein is current as of any time after the date of this Circular. In particular, neither the delivery of this Circular nor the offer, sale or delivery of the Letters of Allocation or the Rights Offer Shares means that no adverse changes have occurred or no events have happened after the date of this Circular which may or could result in an adverse effect on the Group's business, financial condition or results of operations.

Nothing contained in this Circular is intended to constitute investment, legal, tax, accounting or other professional advice. This Circular is for your information and nothing in this Circular is intended to endorse or recommend a particular course of action. In making an investment decision, each investor must rely on its own examination, analysis and enquiry of the Group and the terms of the Rights Offer, including the merits and risks involved. Neither Nampak, nor any of their respective representatives or affiliates, is making any representation to any offeree, subscriber or purchaser of the Letters of Allocation or the Rights Offer Shares regarding the legality of an investment in Letters of Allocation for the Rights Offer Shares by such offeree, subscriber or purchaser under the laws applicable to such offeree, subscriber or purchaser. Each investor should consult its own advisors before acquiring the Letters of Allocation or subscribing for or purchasing the Rights Offer Shares. Investors are required to make their independent assessment of the legal, tax, business, financial and other consequences of acquiring the Letters of Allocation or subscribing for or purchasing the Rights or the Rights Offer Shares. They are also required to make their independent assessment of the risks involved in acquiring the Letters of Allocation or the Rights or subscribing for the Rights Offer Shares.

Nampak's advisors listed in the "Corporate Information and Advisors" section of this Circular will not regard any other person (whether or not a recipient of this Circular) as their respective client in relation to the Rights Offer and will also not be responsible to anyone other than Nampak for providing the protections afforded to their clients or for giving advice in relation to the Rights Offer or any transaction or arrangement referred to herein.

In connection with the Rights Offer, each of the Joint-Financial Advisors to the Company and Joint Transaction Sponsors and any of their respective affiliates, acting as an investor for its own account, may exercise Rights in terms of the Letters of Allocation in the Rights Offer and in that capacity may subscribe for, retain, purchase or sell for its own account such securities and any Letters of Allocation or Rights Offer Shares or related investments and may offer or sell such securities or other investments otherwise than in connection with the Rights Offer. Accordingly, references in this Circular to shares or securities being offered should be read as including any offering of Letters of Allocation or Rights Offer Shares to any of the Joint-Financial Advisors to the Company and Joint Transaction Sponsors or any of their respective affiliates acting in such capacity. None of the Joint-Financial Advisors to the Company and Joint Transaction Sponsors intend to disclose the extent of such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

The Rights Offer is a rights offer as contemplated in Section 96(1)(d) of the Companies Act and will not constitute an "offer to the public", as envisaged in Chapter 4 of the Companies Act and, accordingly: (i) this Circular does not, nor does it intend to, constitute a "registered prospectus", as contemplated in Chapter 4 of the Companies Act, and (ii) no prospectus has been filed with the Companies and Intellectual Property Commission ("CIPC") in respect of the Rights Offer. As a result, except to the extent prescribed in the Companies Act, this Circular does not comply with the substance and form requirements for a prospectus set out in the Companies Act and the South African Companies Regulations of 2011, and has not been approved by, and/or registered with, the CIPC, or any other South African authority, save for the JSE. The Circular has been submitted to the Financial Surveillance Department of the South African Reserve Bank ("**SARB**") as part of the exchange control approval process, but not separately approved by SARB. Should any person who is not a Qualifying Shareholder (or its renounee) receive this Circular, they should not, and will not be entitled to, subscribe for any Rights Offer Shares or acquire Letters of Allocation or Rights or otherwise act thereon.

The information contained in this Circular constitutes factual information as contemplated in section 1(3)(a) of the (South African) Financial Advisory and Intermediary Services Act, No. 19 of 2012, as amended, ("**FAIS Act**") and should not be construed as an express or implied recommendation, guide or proposal that any particular transaction in respect of the Rights Offer Shares or Letters of Allocation or in relation to the business or future

investments of the Company, is appropriate to the particular investment objectives, financial situations or needs of a prospective investor, and nothing in this Circular should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. The Company is not a financial services provider licensed as such under the FAIS Act and the Company's advisors are acting for the Company only in respect of the Rights Offer and are not giving or purporting to have given any financial advice as contemplated in the FAIS Act to any investor of the Company.

NOTICE TO INVESTORS IN THE UNITED STATES

The Letters of Allocation and the Rights Offer Shares offered hereby have not been and will not be registered under the US Securities Act, or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered, sold, exercised, transferred or delivered, directly or indirectly, in or into the United States at any time except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable state and other securities laws of the United States. The Letters of Allocation are being issued and the Rights Offer Shares are being offered in the United States only to QIBs in reliance on exemptions from registration under the US Securities Act.

THE LETTERS OF ALLOCATION AND THE RIGHTS OFFER SHARES OFFERED HEREBY HAVE NOT BEEN RECOMMENDED BY ANY US FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT PASSED UPON THE MERITS OF THE OFFERING OR CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

In the United States, this Circular is being furnished on a confidential basis solely for the purpose of enabling a prospective purchaser to consider purchasing the particular securities described herein.

The information contained in this Circular has been provided by Nampak or obtained from the other sources identified herein. Distribution of this Circular to any person other than the offeree specified by Nampak and those persons, if any, retained to advise such offeree with respect to this Circular, is unauthorised, and any disclosure of the contents of this Circular, without the prior written consent of Nampak, is prohibited. Any reproduction or distribution of this Circular in the United States, in whole or in part, and any disclosure of its contents to any other person in the United States is prohibited. This Circular is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the Rights Offer Shares described herein. Investors agree to the foregoing by accepting delivery of this Circular.

CERTAIN FORWARD-LOOKING STATEMENTS

This Circular includes certain "forward-looking statements" that reflect the current views or expectations of the Company with respect to future events and future financial and operational performance. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements, including, without limitation, those concerning: the economic outlook for the industry; the scope, scale and duration of the impact of outbreaks of a pandemic disease, such as COVID-19 (coronavirus); use of the proceeds of the Rights Offer; the Group's ability to implement its strategy; the competitive environments in which the Group operates; trends in the industries and markets in which the Group operates; future operating results, growth prospects and outlook for the operations of the Group, including foreign exchange fluctuations, individually or in the aggregate; and the Group's liquidity and available capital resources and expenditure. Such forward-looking statements generally reflect the Group's current plans, estimates, projections and expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as "believe", "aim", "expect", "anticipate", "intend", "foresee", "forecast", "likely", "should", "planned", "may", "estimated", "potential" or similar words and phrases. Similarly, statements that describe the Group's objectives, plans or goals are or may be forward-looking statements.

These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any results, performance or achievements expressed or implied by such forward looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of the Company and the environment in which it will operate in the future. All subsequent oral or written forward-looking statements attributable to the Company or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in its expectations.

These forward-looking statements have not been reviewed nor reported on by the Company's independent auditors.

IMPORTANT DATES AND TIMES

	2023
Declaration announcement released on SENS	Tuesday, 29 August
Finalisation announcement released on SENS by 11:00	Thursday, 31 August
Circular including Form of Instruction published on Nampak website	Monday, 4 September
Last day to trade in Ordinary Shares in order to participate in the Rights Offer (<i>cum entitlement</i>)	Tuesday, 5 September
Ordinary Shares commence trading ex-Rights on the JSE at 09:00 on	Wednesday, 6 September
Nil paid Letters of Allocation listed and traded under share code: NPKN and ISIN ZAE000317319	Wednesday, 6 September
Circular posted/emailed to Certificated Shareholders, together with a Form of Instruction	Thursday, 7 September
Record Date for the Rights Offer	Friday, 8 September
Rights Offer opens at 09:00 on	Monday, 11 September
Certificated Shareholders will have their Letters of Allocation credited to an electronic account held at the Transfer Secretaries	Monday, 11 September
Dematerialised Shareholders will have their accounts at their CSDP or Broker credited with their Letters of Allocation	Monday, 11 September
Circular posted to Dematerialised Shareholders on	Monday, 11 September
Last day to trade in respect of the take-up (no trading permitted in the Form of Instruction in respect of the Letters of Allocation which is issued for processing purposes only)	Tuesday, 19 September
Listing of Rights Offer Shares at the commencement of business	Wednesday, 20 September
Payment made and Form of Instruction lodged by Certificated Shareholders wishing to exercise all or part of their entitlement at the Transfer Secretaries by 12:00	Friday, 22 September
Rights Offer closes at 12:00	Friday, 22 September
Record Date for take-up in terms of the Rights Offer	Friday, 22 September
CSDP or Broker accounts in respect of Qualifying Shareholders holding Dematerialised Shares will be updated with Rights Offer Shares and debited with any payments due on	Tuesday, 26 September
Rights Offer Shares issued and posted to Qualifying Shareholders holding Certificated Shares	Tuesday, 26 September
Results of Rights Offer announced on SENS	Tuesday, 26 September
In respect of successful excess applications for Rights Offer Shares (if applicable), Rights Offer Shares issued to Qualifying Shareholders (or their renounees) holding Dematerialised Shares and/or share certificates posted to Qualifying Shareholders holding Certificated Shares	Thursday, 28 September

Notes:

1. Qualifying Shareholders will be notified of any material amendments to the important dates and times on SENS and in the South African press.
2. Unless otherwise indicated, all times are South African times.
3. Shareholders may not Dematerialise or rematerialise their Ordinary Shares between Wednesday, 6 September 2023, and Friday, 8 September 2023, both dates inclusive.
4. CSDPs effect payment on a delivery versus payment method in respect of Qualifying Shareholders holding Dematerialised Shares.
5. Nampak share certificates will be posted by registered post at the risk of the Qualifying Shareholder.

DEFINITIONS AND INTERPRETATIONS

Throughout this Circular and the annexures hereto, unless the context indicates otherwise, the words in the column on the left below shall have the meanings stated opposite them in the column on the right below, reference to the singular shall include the plural and vice-versa, words denoting one gender include the other and words and expressions denoting natural persons include juristic persons and associations of persons:

"A2"	means A2 Investment Partners (Pty) Limited (Registration number 2021/530443/07), a private company duly incorporated in accordance with the laws of South Africa, the shares of which are beneficially owned by Marble Head Investments (Pty) Ltd (75% interest) and Zariv Investments (Pty) Ltd (25% interest);
"A2 Underwriting Agreement"	means the written underwriting agreement concluded between A2 and the Company on or about 31 August 2023, in terms of which, <i>inter alia</i> , A2 agreed to partially underwrite the Rights Offer up to an aggregate amount of R100 000 000 (one hundred million Rand);
"Adjusted EBITDA"	means operating profit before net impairment losses adjusted for depreciation and amortisation and adjusted for other gains or losses which do not arise from normal trading activities or are of such a size, nature or incidence that their disclosure is relevant to explain the performance for the year, inclusive of foreign exchange losses/(gains), and payments in respect of leases capitalised under IFRS 16: Leases and other non-recurring items;
"Asset Disposal Plan"	means the plan for the sale by the Group of certain assets held by the Group;
"Authorised Dealer"	means an authorised dealer of the SARB, designated as such in accordance with the Exchange Control Regulations;
"B-BBEE"	means Broad-Based Black Economic Empowerment as per the B-BBEE Act;
"B-BBEE Act"	means the South African Broad-Based Black Economic Empowerment Act, 53 of 2003, as amended from time to time;
"Bevcan"	means Bevcan, trading as a division of Nampak Products Limited;
"Bevcan Angola"	means Nampak Bevcan Angola LDA (Registration number 1.742-10/100824), incorporated in accordance with the laws of Angola, held 93% by Nampak International which in turn is held 100% by Nampak;
"Bevcan Nigeria"	means Nampak Bevcan Nigeria Limited (Registration number RC720459), incorporated in accordance with the laws of Nigeria, which is a wholly-owned subsidiary of Nampak International which in turn is held 100% by Nampak;
"Board" or "Directors"	means the board of directors of Nampak at the Last Practicable Date, as reflected in this Circular;
"Broker"	means any person registered as a broking member (equities) in terms of the Listings Requirements and in accordance with the provisions of the Financial Markets Act;
"Bullpak"	means Bullpak Limited (Registration number 80430), a company registered in accordance with Kenyan law, being a wholly-owned subsidiary of Nampak Holdings (Mauritius), which is a wholly-owned subsidiary of Nampak International, which is a wholly-owned subsidiary of Nampak;
"CEO"	means chief executive officer;
"Certificated Shares"	means Existing Nampak Shares that have not been Dematerialised in terms of the requirements of Strate, title to which is represented by the Documents of Title;

"CFO"	means chief financial officer;
"Circular" or "Rights Offer Circular"	means this bound document, dated Monday, 4 September 2023, incorporating a Form of Instruction;
"Common Monetary Area"	means the jurisdictional collective area comprising Lesotho, Namibia, South Africa and eSwatini;
"Companies Act"	means the South African Companies Act, No. 71 of 2008, as amended from time to time;
"Coronation"	means Coronation Asset Management (Pty) Limited (Registration number 1993/002807/07), a private company duly incorporated in accordance with the laws of the South Africa, acting in a representative capacity on behalf of its underlying client portfolios, the beneficial owners of which are Coronation Fund Managers Limited (100%);
"Coronation Underwriting Agreement"	means the written underwriting agreement concluded between Coronation and the Company on or about 31 August 2023, in terms of which, <i>inter alia</i> , Coronation agreed to partially underwrite the Rights Offer up to an aggregate amount of R300 000 000 (three hundred million Rand);
"CSDP"	means a Central Securities Depository Participant, being a "participant" as defined in Section 1 of the Financial Markets Act and appointed by individual Nampak Shareholders for the purposes of, and in regard to, dematerialisation in terms of the Financial Markets Act;
"Deloitte"	means Deloitte & Touche, the independent auditors of the Group;
"Dematerialised"	means the process whereby share certificates and any other Documents of Title to shares in a tangible form are dematerialised into electronic records for the purposes of Strate;
"Dematerialised Shares"	means Existing Nampak Shares which have been Dematerialised and which are therefore no longer evidenced by tangible Documents of Title and that have been incorporated into Strate and are recorded on the Company's sub-register in electronic form, in terms of the Financial Markets Act;
"Designated Bank Account"	means the bank account, the details of which will be provided on request from the corporate actions department of the Transfer Secretaries, contactable during ordinary business hours on +27(0) 861 100 634;
"DivFood" or "DivFood division"	means DivFood, a trading division of Nampak Products Limited;
"Documents of Title"	means share certificates, certified transfer deeds, balance receipts or any other documents of title to Nampak Shares;
"EBITDA"	means operating profit before depreciation and amortisation, finance costs, finance income and share of net profit/(losses) in associates and joint venture, and income tax expense;
"EFT"	means electronic funds transfer;
"Exchange Control Regulations"	means the South African Exchange Control Regulations, 1961, promulgated in terms of Section 9 of the South African Currency and Exchanges Act, 9 of 1933, as amended from time to time;
"Existing Nampak Shares"	means all of the issued Nampak Shares as at the Record Date;

"Financial Markets Act"	means the South African Financial Markets Act, No. 19 of 2012, as amended from time to time;
"Financial Surveillance Department"	means the Financial Surveillance Department of SARB responsible for administering the Exchange Control Regulations;
"Foreign Shareholders"	means Shareholders that are registered in a jurisdiction outside of South Africa, or who are resident, domiciled or located in, or who are citizens of, a jurisdiction other than South Africa;
"Form of Instruction"	means a form of instruction in respect of a Letter of Allocation reflecting the rights of Qualifying Certificated Shareholders and on which Qualifying Certificated Shareholders are entitled to indicate whether they wish to take up, dispose of or renounce all or any portion of their Rights, or apply for additional Rights Offer Shares;
"Group" or the "Nampak Group"	means Nampak and its subsidiaries;
"IAS"	means the International Accounting Standards, as amended by the IASB from time to time;
"IASB"	means the International Accounting Standards Board;
"IFRS"	means the International Financial Reporting Standards and Interpretations as issued by the IASB and the International Financial Reporting Interpretations Committee of the IASB;
"Irrevocable Undertakings"	means the irrevocable undertakings from Shareholders, more fully set out in paragraph 5.7 of this Circular;
"Joint-Financial Advisors to the Company and Joint Transaction Sponsors"	means SBSA and Nedbank being the joint-financial advisors to the Company and joint transaction sponsors to Nampak for purposes of this Rights Offer;
"JSE"	means the JSE Limited (Registration number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act;
"Last Practicable Date"	means Monday, 21 August 2023;
"Letter of Allocation" or "LA"	means a renounceable (nil paid) letter of allocation to be issued to Qualifying Shareholders, in electronic form relating to the Rights Offer;
"Listings Requirements"	means the Listings Requirements of the JSE, as amended from time to time;
"Metals"	means the Metals businesses in South Africa, being divisions of Nampak Products, and in the Rest of Africa, being subsidiaries of Nampak International;
"MOI"	means the memorandum of incorporation of Nampak;
"Naira"	means the Nigerian naira, the lawful currency of Nigeria;
"Nampak" or "Company"	means Nampak Limited (Registration number 1937/009504/06), a public company duly incorporated in accordance with the laws of South Africa and listed on the JSE;
"Nampak Cartons Nigeria"	means Nampak Cartons Nigeria (Registration number RC600174), a company incorporated in accordance with the laws of Nigeria;

"Nampak Glass"	means Nampak Glass, a division of Nampak Products Limited, which was disposed of during 2020;
"Nampak International"	means Nampak International Limited (Registration number 0009380V), a company incorporated in accordance with the laws of the Isle of Man, being a wholly-owned subsidiary of Nampak;
"Nampak Liquid Cartons"	means the paper business in South Africa, being a trading division of Nampak Products;
"Nampak Malawi"	means Nampak Malawi Limited (Registration number 1314), a company registered in accordance with the laws of Malawi, being a wholly-owned subsidiary of Transmar (Isle of Man) Ltd, which is a wholly-owned subsidiary of Nampak Southern Africa Holdings Ltd (Mauritius), which is a wholly-owned subsidiary of Nampak International, a wholly-owned subsidiary of Nampak;
"Nampak Metals Nigeria"	means Nampak Nigeria Limited (Registration number RC2073), a company registered in accordance with the laws of Nigeria, being a wholly-owned subsidiary of Nampak International, being a wholly-owned subsidiary of Nampak;
"Nampak Plastics Europe"	means Nampak Plastics Europe Limited (Registration number 0400002), a wholly-owned subsidiary of Nampak Holdings UK Limited, incorporated in accordance with the laws of the United Kingdom, which was dissolved following a liquidation on 3 November 2022, and which was a wholly-owned subsidiary of Nampak International incorporated in accordance with the laws of the Isle of Man;
"Nampak Products Limited"	means Nampak Products Limited (Registration number 1963/004547/06), a company incorporated in accordance with the laws of South Africa, being a wholly-owned subsidiary of Nampak;
"Nampak Properties Nigeria"	means Nampak Properties Nigeria Limited (Registration number RC600175), a company incorporated in accordance with the laws of Nigeria;
"Nampak Shareholder" or "Shareholder"	means a person recorded in the Register as the holder of Nampak Shares;
"Nampak Shares", "Shares" or "Ordinary Shares"	means ordinary shares in Nampak;
"Nampak Tanzania"	means Nampak Tanzania Limited (Registration number 817), a limited liability company incorporated in accordance with the laws of the United Republic of Tanzania, being a wholly-owned subsidiary of Nampak Southern Africa Holdings Limited (Mauritius), a wholly-owned subsidiary of Nampak International, a wholly-owned subsidiary of Nampak;
"Nampak Zambia"	means Nampak Zambia Limited (Registration number 40245), a company incorporated in accordance with the laws of Zambia, being a wholly-owned subsidiary of Nampak Southern Africa Holdings Limited (Mauritius), a wholly-owned subsidiary of Nampak International, a wholly-owned subsidiary of Nampak;
"Nampak Zimbabwe"	means Nampak Zimbabwe Limited (Registration number 187/51), a company incorporated in accordance with the laws of Zimbabwe, being a subsidiary of Nampak Southern Africa Holdings Limited (Mauritius), a wholly-owned subsidiary of Nampak International, a wholly-owned subsidiary of Nampak;
"Nedbank"	means Nedbank Limited (Registration number 1951/000009/06), a public company incorporated with limited liability in accordance with the laws of South Africa (acting through its Corporate Finance Business Unit);
"New Ordinary Shares"	means the new Nampak Shares proposed to be issued pursuant to the Rights Offer;

"Numus"	means Numus Capital Proprietary Limited (Registration number 2002/021046/07), a private company duly incorporated in accordance with the laws of South Africa, the shares of which are beneficially owned by Numus Investments (Pty) Ltd;
"Numus Underwriting Agreement"	means the written underwriting agreement concluded between Numus and the Company on or about 31 August 2023, in terms of which, inter alia, Numus agreed to partially underwrite the Rights Offer up to an aggregate amount of R50 000 000 (fifty million Rand);
"Paper"	means the Paper business: (i) in South Africa, being a division of Nampak Products; and (ii) in the Rest of Africa, being subsidiaries of Nampak International;
"Plastic"	means the Plastic business in South Africa, being a trading division of Nampak Products;
"PSG Capital"	means PSG Capital Proprietary Limited (Registration number 2006/015817/07), a private company duly incorporated in accordance with the laws of South Africa;
"QIBs"	means qualified institutional buyers as defined in Rule 144A under the US Securities Act;
"Qualifying Certificated Shareholder"	means a Qualifying Shareholder holding Certificated Shares;
"Qualifying Dematerialised Shareholder"	means a Qualifying Shareholder holding Dematerialised Shares;
"Qualifying Shareholder"	means a Nampak Shareholder on the Record Date, excluding holders who are Restricted Shareholders recorded as such in the Register and the holders of Treasury Shares;
"R" or "ZAR" or "Rand"	means South African Rand, the official currency of South Africa;
"Ratio of Entitlement"	means the number of Rights Offer Shares to which Qualifying Shareholders are entitled to subscribe for in terms of the Rights Offer, being 2.20902 Rights Offer Shares for every 1 Existing Nampak Share held on the Record Date by Qualifying Shareholders;
"RBZ"	means the Reserve Bank of Zimbabwe;
"Record Date"	means the time and day at and on which Nampak Shareholders must be recorded in the Register in order to be eligible to participate in the Rights Offer, being the close of business on Friday, 8 September 2023;
"Register"	means the securities register of Nampak;
"Rest of Africa"	means Kenya, Tanzania, Angola, Malawi, Zambia, Botswana, Nigeria, Zimbabwe and Ethiopia;
"Restricted Shareholders"	means a Nampak Shareholder on the Record Date for the Rights Offer with a registered address, or who is resident or located in, any Restricted Territories;
"Restricted Territories"	means Australia, Canada and Japan and any other jurisdiction where the direct or indirect distribution of this Circular or any accompanying document or material would be unlawful;
"Rights"	means tradeable rights the Qualifying Shareholders will receive to subscribe for the Rights Offer Shares;
"Rights Offer"	means the renounceable offer by Nampak to Qualifying Shareholders of Rights Offer Shares at the Rights Offer Share Price in the Ratio of Entitlement;

"Rights Offer Shares"	means the 5 714 286 New Ordinary Shares, which are the subject of the Rights Offer;
"Rights Offer Share Price"	means the price per Rights Offer Share to be offered to Qualifying Shareholders in terms of the Rights Offer being R175.00 per Rights Offer Share, which has been determined on the basis set out in this Circular;
"SARB"	means the South African Reserve Bank;
"SBSA"	means The Standard Bank of South Africa Limited (Registration number 1962/000738/06), a public company incorporated with limited liability in accordance with the laws of South Africa (acting through its Corporate And Investment Banking Division);
"Securities"	means the securities of Nampak referred to in this Circular, being Nampak Shares;
"SENS"	means the Stock Exchange News Service of the JSE;
"South Africa" or "SA"	means the Republic of South Africa;
"Strate"	means Strate Proprietary Limited (Registration number 1998/022242/07), a private company incorporated with limited liability in accordance with the laws of South Africa, which is licensed as a registered central securities depository under the Financial Markets Act responsible for the electronic custody and settlement system for transactions that take place on the JSE and off-market trades;
"STT"	means securities transfer tax;
"Transfer Secretaries"	means Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), a private company duly incorporated in accordance with the laws of South Africa, being Nampak's transfer secretaries;
"Treasury Shares"	means 175 097 Ordinary Shares held by Nampak Products Limited;
"Underwriters"	means Coronation, A2 and Numus;
"Underwriting Agreements"	means the Coronation Underwriting Agreement, A2 Underwriting Agreement and Numus Underwriting Agreement;
"United States" or "US"	means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
"US Securities Act"	means the US Securities Act of 1933, as amended from time to time;
"US\$" or "US Dollar" or "USD"	means the United States dollar, the lawful currency of the United States;
"VAT"	means value-added tax in terms of the South African Value-Added Tax Act, No. 89 of 1991, as amended from time to time; and
"ZWL"	means Zimbabwean dollars.



Nampak Limited

(Incorporated in the Republic of South Africa)

(Registration number 1968/008070/06)

Ordinary Share Code: NPK Ordinary share ISIN: ZAE000322095

6.0% Preference Share Code: NPKP ISIN: ZAE000004958

6.5% Preference Share Code: NPP1 ISIN: ZAE000004966

LEI: 3789003820EC27C76729

("Nampak" or the "Company")

Directors

PM Surgey (Chairman)**

PM Roux (Chief Executive Officer)

GR Fullerton (Chief Financial Officer)

N Khan**

T Kruger**

KW Mzondeki**

CD Raphiri**

SP Ridley**

A van der Veen**

* Non-executive # Independent

CIRCULAR TO NAMPAK SHAREHOLDERS

1. INTRODUCTION

- 1.1 Shareholders are referred to the SENS announcement dated Tuesday, 29 August 2023, in terms of which Nampak advised that it intended to raise ZAR1.0 billion from its Shareholders by way of the Rights Offer.
- 1.2 In terms of their Irrevocable Undertakings, Nampak has received commitments from its major Shareholders, to follow their rights in terms of the Rights Offer and subscribe for Rights Offer Shares to the value of approximately R500 000 000 (five hundred million Rand).
- 1.3 In terms of the Underwriting Agreements, Nampak has received commitments from Coronation, A2 and Numus (or their respective duly authorised nominees, which nominees shall be a wholly-owned subsidiary of the respective Underwriter), to partially underwrite a maximum of R450 000 000 (four hundred and fifty million Rand) in aggregate, apportioned on the basis set out in paragraph 5.8.
- 1.4 In terms of the Rights Offer, Shareholders recorded in the Register at the close of trade on Friday, 8 September 2023, will receive the Rights to subscribe for Rights Offer Shares, on the basis of 2.20902 Rights for every 1 Ordinary Share held on the Record Date for the Rights Offer, at the Rights Offer Share Price of R175.00 per Rights Offer Share. Only whole numbers of Ordinary Shares will be issued and Shareholders will be entitled to rounded numbers of Ordinary Shares once the Ratio of Entitlement has been applied. Excess applications will be allowed in respect of the Rights Offer Shares only, as detailed in paragraph 5.5 below.
- 1.5 The JSE has agreed to the listing of the Rights Offer Shares and the purpose of this Circular is to furnish Shareholders with relevant information relating to the Rights Offer, the action required and the implications thereof, in accordance with the Companies Act and the Listings Requirements.

2. BACKGROUND TO THE RIGHTS OFFER

- 2.1 Nampak announced on Wednesday, 24 May 2023 that it intended to proceed with a capital raise, to raise ZAR1.0 billion by way of a renounceable rights offer to Nampak Shareholders. In this regard, Nampak intends to implement the Rights Offer to Qualifying Shareholders pursuant to the announced capital raise.
- 2.2 At the extraordinary general meeting (“**EGM**”) of Nampak Shareholders held on Friday, 30 June 2023, Nampak Shareholders approved, amongst other things:
 - 2.2.1 that the Company is authorised to allot and issue such number of Nampak Shares in the authorised but unissued share capital of the Company as are required to raise an aggregate amount of ZAR1.0 billion, for the purposes of the Rights Offer on such terms as may be determined by the Board, given that such Nampak Shares will have voting power equal to or in excess 30% of the voting rights of all Nampak Shares immediately prior to such issue. Such authority includes the authority to allot and issue, pursuant to the Rights Offer, any Nampak Shares in the authorised but unissued share capital of the Company to a person falling within the ambit of Section 41(1) of the Companies Act, being a Director, future director, prescribed officer or future-prescribed officer of the Company or a person related or inter-related to the Company or related or interrelated to a Director or prescribed officer of the Company (or a nominee of any of the foregoing persons); and
 - 2.2.2 that the Board is authorised, in terms of clause 9.1 read with clause 9.3 of the MOI, to allot and issue such number of Nampak Shares in the authorised but unissued share capital of the Company as are required to raise an aggregate amount of ZAR1.0 billion, for purposes of the Rights Offer on such terms as may be determined by the Board in its discretion. Such authority will include the authority to allot and issue, pursuant to the Rights Offer, any Nampak Shares in the authorised but unissued share capital of the Company to a person falling within the ambit of Section 41(1) of the Companies Act, being a Director, future director, prescribed officer or future prescribed officer of the Company or a person related or inter-related to the Company or related or inter-related to a Director or prescribed officer of the Company (or a nominee of any of the foregoing persons).

3. RATIONALE FOR THE RIGHTS OFFER

- 3.1 The events that have given rise to the need for the Group to pursue the Rights Offer at this time can be traced back to the Group’s decision to expand its operations into the Rest of Africa, which commenced with the commissioning of a single line greenfield beverage can factory in Angola in 2011 and culminated with the acquisition of Alucan (now Bevcan Nigeria) in Nigeria in 2014, with the majority of the acquisition cost funded in US Dollars. Whilst all of these operations are world-class assets that generate acceptable revenue and profitability in country, the African expansion has led the Group to being highly exposed to various uncertainties which include, *inter alia*, unpredictable underlying economic growth, significant currency volatility, rising interest rates and currency shortages. Consequent repatriation culminated in large foreign exchange losses. The historical underperformance of certain operations, including in particular Nampak’s Glass division and Nampak Plastics Europe, absorbed capital without producing the associated expected returns and they have subsequently been disposed of.
- 3.2 Aside from the macroeconomic headwinds emanating from the countries in which the Group operates, the Group has also been impacted by operational headwinds elsewhere in its portfolio, including but not limited to new entrants in the beverage can market in South Africa. Furthermore, major contract losses at DivFood and the impact of the COVID-19 pandemic, resultant national lockdowns and alcohol bans, placed further significant pressure on the Group’s operations since the 2020 financial year.
- 3.3 A number of impairments, such as the goodwill in Nigeria, impairments of property, plant and equipment in Angola, DivFood and Plastic, together with the net effects of hyperinflation in Zimbabwe, and an expected credit loss raised against the debt from the RBZ, have all resulted in elevated levels of gearing. Impairments have been adversely impacted by higher weighted average costs of capital (“**WACC**”) in various geographies in which the group operates.
- 3.4 The historical decision to fund the Rest of Africa expansion predominantly with US Dollar debt has compounded the aforementioned macro-economic and operational pressures. This resulted in a substantial increase in funding costs due to Nampak being downgraded to below investment grade by its funders.

- 3.5 As pressures on the Group's fiscal position increased, the Group undertook a number of self-help initiatives to de-leverage the balance sheet and improve capital allocation. More specifically, and since the advent of the COVID-19 pandemic, the Group:
- 3.5.1 Sold the Glass division, Nampak Properties Nigeria and Nampak Cartons Nigeria, applying proceeds and other resources to reduce US Dollar debt by US\$123 million.
 - 3.5.2 Early settled US Dollar debt by US\$60 million in October 2021.
 - 3.5.3 Reduced the share of US Dollar-denominated debt relative to total Group debt from 85% in July 2020 to 42% by September 2022.
 - 3.5.4 Disposed of Nampak Plastics Europe including the defined pension fund liability of approximately ZAR500 million, with its associated negative cash impact.
 - 3.5.5 Performed a detailed portfolio assessment and identified a number of potential assets for sale. Disposal initiatives were undertaken during and immediately after the COVID-19 pandemic, but due to global risk aversion and markets remaining under pressure, this exercise was unfortunately not successful. The Group is however committed to the agreed Asset Disposal Plan and has already commenced multiple disposal processes on identified assets.
 - 3.5.6 Reduced operating costs and restructured certain businesses to enhance EBITDA generation.
 - 3.5.7 Despite the global challenges in the supply chain the Group is actively managing its working capital levels with a view to reducing the absorption of cash that occurred due to the significant commodity cycle in FY2022.
 - 3.5.8 Established a Capital Allocation Review Committee, which managed to reduce annual capital expenditure from more than ZAR700 million in FY2019 to below ZAR250 million in FY2022 without impacting the operational performance of the plants. Further reductions in replacement capex will not be possible without compromising the business. Currently, depreciation exceeds replacement capex which is not sustainable in the long term.
- 3.6 Nampak has, as a result, become a smaller and more focused business. There is still however a high level of complexity as the Group operates in 10 countries across the African continent, many of whose economies are highly exposed to commodities and therefore vulnerable to price changes, currency instability (including the pegging of currencies to the US Dollar) and a general unavailability of foreign exchange. The Group is also being disproportionately funded by a complex consortium of lenders with net interest-bearing debt levels exceeding shareholders' equity.
- 3.7 Nampak has a core of high quality, market-leading businesses, with distinctive capabilities, offering exposure to a segment of the economy that will continue to display defensive, sustainable growth characteristics, underpinned by a high-quality customer base. In recent years, Nampak's geographic product portfolio expansion diluted the quality of the portfolio, compromised profitability, and created a capital structure that placed the sustainability of the Company at risk, leading to a loss of shareholder and lender confidence. In response, the Board and management have undertaken to implement various turn-around initiatives, seeking to shift the Company from being a vulnerable conglomerate to a business that is more focused on specific packaging operations delivering a higher quality of earnings, reduced risk and improved cash generative ability, and thus optimally positioned to deliver returns to shareholders.
- 3.8 In addition to the above, in March 2023 the Group appointed three additional independent non-executive directors with complementary skill sets required by the group. A Chief Restructuring Officer was appointed in April 2023. Phildon Roux was appointed as interim CEO on 20 April 2023, and as CEO with effect from 1 September 2023, as announced on 14 August 2023. Phildon Roux was a non-executive director on the Board at the time of his appointment as interim CEO.
- 3.9 In order to optimise the capital structure of the Group, management has committed to a Rights Offer of ZAR1.0 billion and an Asset Disposal Plan.

4. UTILISATION OF THE RIGHTS OFFER PROCEEDS

- 4.1 Having considered its near-term capital requirements, its high level of debt, elevated interest rates and taking into account prevailing market conditions, the Rights Offer of ZAR1.0 billion, in conjunction with working capital improvements and implementation of the Asset Disposal Plan in the near-term, will assist the Group to have sufficient liquidity to:
- 4.1.1 reduce long-term debt levels, which will save on interest costs currently being charged by the Group's funders;
 - 4.1.2 reduce the Group's exposure to US Dollar debt, thereby improving the risk and volatility profile resulting from currency fluctuations;
 - 4.1.3 assist in compliance with funding covenants in the event of further macroeconomic headwinds in the countries in which it operates; and
 - 4.1.4 simplify the Group's borrowing structure, with a more focused consortium of lenders which will reduce time absorbed by the management of the current funding structure.
- 4.2 More specifically, the Rights Offer proceeds will be used to partially settle Group debt, including a portion of the revolving credit facility (the "**RCF**") and a portion of the US private placement (the "**USPP**") on a *pro rata* basis, in terms of the relevant funding agreements concluded between the Group and the lenders.

5. PARTICULARS OF THE RIGHTS OFFER

5.1 Terms of the rights offer

- 5.1.1 Nampak hereby offers to Qualifying Shareholders a total of 5 714 286 Ordinary Shares for subscription, upon the terms and conditions set out in this Circular and in the attached Form of Instruction, by way of renounceable Rights, at a subscription price of R175.00 per Ordinary Share on the basis of 2.20902 Rights Offer Shares for every 1 Ordinary Share held by Qualifying Shareholders at the close of trade on the Record Date for the Rights Offer. If fully subscribed, Nampak will raise ZAR1.0 billion in terms of the Rights Offer.
- 5.1.2 The subscription price represents a discount of approximately 23.49% to the 30-day volume weighted average traded price of Nampak's Ordinary Shares as at close of business on Tuesday, 29 August 2023.
- 5.1.3 The Rights Offer is committed to approximately R950 000 000 (nine hundred and fifty million Rand) by way of the commitments in terms of the Underwriting Agreements and the Irrevocable Undertakings (including applications for an excess allocation of Rights Offer Shares), subject to customary terms and conditions. Additional information on the Underwriters and the Underwriting Agreement are provided in **Annexure 2** to this Circular.
- 5.1.4 Qualifying Shareholders recorded in the Register of Nampak at the close of business on Friday, 8 September 2023, will be entitled to participate in the Rights Offer.
- 5.1.5 The enclosed Form of Instruction contains details of the Rights to which holders of Certificated Shares are entitled, as well as the procedure for acceptance of all or part of those Rights. Holders of Dematerialised Shares will be advised of the Rights to which they are entitled as well as the procedure for acceptance of all or part of those Rights by their CSDP or Broker in terms of the custody agreement entered into between the Shareholder and his CSDP or Broker, as the case may be.
- 5.1.6 The subscription price is payable in full, in Rand, by Qualifying Shareholders holding Certificated Shares on acceptance of the Rights Offer. CSDPs will make payment, on a delivery versus payment basis, in respect of Qualifying Shareholders holding Dematerialised Shares who have accepted the Rights Offer. Qualifying Shareholders holding Dematerialised Shares who have accepted the Rights Offer must ensure that the necessary funds are deposited with the relevant CSDP or Broker, as the case may be.
- 5.1.7 The Rights Offer Shares will, upon allotment and issue, rank *pari passu* with all other existing Ordinary Shares in terms of both voting rights and dividends.

5.2 Opening and closing dates of the rights offer

The Rights Offer will open at 09:00 on Monday, 11 September 2023, and will close at 12:00 on Friday, 22 September 2023.

5.3 Entitlement

The table of entitlement illustrating the number of Rights Offer Shares to which Qualifying Shareholders will be entitled is set out in **Annexure 1** to this Circular. The entitlement of each Qualifying Shareholder holding Certificated Shares is reflected in the appropriate block in the Form of Instruction, which is enclosed with this Circular. If you are a Qualifying Shareholder and hold Dematerialised Shares you will not receive a printed Form of Instruction. Qualifying Shareholders holding Dematerialised Shares will have their accounts automatically credited with their entitlements in accordance with **Annexure 1**.

5.4 Fractional entitlements

The number of Rights to subscribe for Rights Offer Shares to which Qualifying Shareholders will become entitled will be determined by the Ratio of Entitlement. Only whole numbers of Rights Offer Shares will be issued and Shareholders will be entitled to subscribe for rounded numbers of Rights Offer Shares once the Ratio of Entitlement has been applied. Fractional entitlements of 0.5 or greater will be rounded up and less than 0.5 will be rounded down.

5.5 Excess applications

5.5.1 Excess applications will be allowed in respect of 90% (ninety percent) of the Rights Offer Shares ("**Excess Application Portion**"). For the avoidance of doubt Qualifying Shareholders (or their renounees) shall not be entitled to apply for additional excess Rights Offer Shares outside of the Excess Application Portion, which may only be subscribed for by Coronation in terms of the Coronation Underwriting Agreement.

5.5.2 The Excess Application Portion of the Rights Offer Shares not taken up pursuant to the terms of the Rights Offer will be available for allocation to Qualifying Shareholders (or their renounees) who wish to apply for a greater number of Rights Offer Shares than those offered to them in terms of the Rights Offer. Accordingly, Qualifying Shareholders (or their renounees) may apply for excess Rights Offer Shares (from the Excess Application Portion) in excess of the Rights Offer Shares allocated to that Qualifying Shareholder (or their renounees) in terms of the Rights Offer, on the same terms and conditions as those applicable to the Rights Offer.

5.5.3 Qualifying Shareholders holding Certificated Shares wishing to apply for excess Rights Offer Shares should complete the enclosed Form of Instruction in accordance with the instructions contained therein and return it to the Transfer Secretaries at the addresses set out in the section of this Circular dealing with the "*Action Required by Shareholders*" on page 1 above.

5.5.4 Qualifying Shareholders holding Dematerialised Shares wishing to apply for excess Rights Offer Shares should instruct their CSDP or broker, in terms of the custody agreement entered into between themselves and their CSDP or broker, as to the number of excess Rights Offer Shares for which they wish to apply.

5.5.5 An announcement is expected to be released on SENS on Tuesday, 26 September 2023 stating the results of the Rights Offer.

5.5.6 The pool of Rights Offer Shares to meet excess applications will be dealt with as set out below:

5.5.6.1 if the entire Excess Application Portion of the Rights Offer Shares is taken up in the Rights Offer, then no excess Rights Offer Shares will be made available for allocation to applicants;

5.5.6.2 if the Rights Offer Shares taken up in the Rights Offer and the excess applications for the Rights Offer Shares together, are less than or equal to the Excess Application Portion of Rights Offer Shares available, the Board will allocate all excess applications, in full; or

- 5.5.6.3 if the Rights Offer Shares taken up in the Rights Offer and the excess applications for the Rights Offer Shares together, exceed the Excess Application Portion of the number of Rights Offer Shares available, the pool of the excess Rights Offer Shares will be allocated equitably, taking cognisance of the number of Ordinary Shares held by each excess applicant on the Record Date for the Rights Offer, the number of Rights Offer Shares taken up as a result of the Rights Offer and the number of excess Rights Offer Shares applied for by such applicant.
- 5.5.7 Non-equitable allocations of excess Rights Offer Shares, that do not comply with the provisions of paragraph 5.5.6.3, will only be allowed in instances where they are used for rounding purposes.
- 5.5.8 Rights Offer Shares in respect of successful excess applications will be issued on Thursday, 28 September 2023.
- 5.5.9 An announcement will be released on SENS on Tuesday, 26 September 2023, stating the results of the Rights Offer and the basis of allocation of any excess Rights Offer Shares for which application is made.
- 5.5.10 Refunds of monies in respect of unsuccessful applications for excess Rights Offer Shares by Qualifying Shareholders (or their renounees) holding Certificated Shares will be paid to the relevant applicants, at their risk, on or about Thursday, 28 September 2023. No interest will be paid on monies received in respect of unsuccessful applications.
- 5.5.11 Any Rights Offer Shares not taken up after excess applications will be allocated to the Underwriters subject to the terms and conditions of the respective Underwriting Agreements.

5.6 Minimum subscription

The Rights Offer is not conditional on any minimum subscription being obtained.

5.7 Irrevocable undertakings

- 5.7.1 In terms of the Irrevocable Undertakings, Nampak has received commitments from its major Shareholders, to follow their Rights in terms of the Rights Offer and to subscribe for Rights Offer Shares with an aggregate value of approximately R500 000 000 (five hundred million Rand). The following Shareholders have consented to their Irrevocable Undertakings being disclosed in this Circular:

Shareholder	No. of Ordinary Shares held as at the Last Practicable Date	% of Ordinary Shares held as at the Last Practicable Date	No. of Shares committed	Committed excess application	Value of total commitment (approximate)
A2	69 643	2.52	187 175	N/A	R72 357 711
Allan Gray	274 841	9.95	276 202	R150 000 000	R256 773 579
Old Mutual	82 598	2.99	80 621	N/A	R31 166 294
PSG Asset Management	285 600	10.34	285 600	R30 000 000	R140 406 637
Total	712 682	25.80	829 598	R180 000 000	R500 704 221

- 5.7.2 Each of the Shareholders which have provided an Irrevocable Undertaking before the issue of this Circular will be paid a 1% (one percent) commitment fee based on the number of Rights Offer Shares actually subscribed for by the respective Shareholder, including excess Rights Offer Shares allocated in terms of their respective commitments ("**Irrevocable Undertaking Commitment Fee**"), which the Board deems to be market related given the circumstances. The Board (excluding Mr A van der Veen who has a personal financial interest in such matters, as contemplated in section 75 of the Companies Act), has considered the Irrevocable Undertaking Commitment Fee payable to each of the Shareholders listed in the table above and has accordingly adopted a resolution approving such Irrevocable Undertaking Commitment Fee.

- 5.7.3 The Irrevocable Undertaking Commitment Fee payable to Shareholders who are deemed to be related parties being, A2 and PSG Asset Management will not have any implications from a JSE Listings Requirements' perspective as it falls below the categorisation threshold for a related party transaction for those Shareholders who fall within the definition of a related party as contemplated in section 10 of the JSE Listings Requirements. The Irrevocable Undertaking Commitment Fee payable to Allan Gray will not be categorisable as a related party transaction given the various portfolios through which the Nampak Shares are held by Allan Gray on behalf of their clients, the beneficial owners of which are split across multiple portfolios.
- 5.7.4 The Board, after due and careful enquiry, is of the opinion that the providers of the Irrevocable Undertakings have sufficient resources to meet their financial commitments in terms of their respective Irrevocable Undertakings.
- 5.7.5 No securities are offered as a preferential right to any person, other than as contemplated by virtue of the Rights Offer.

5.8 Underwriting

Coronation Underwriting Agreement

- 5.8.1 In terms of the Coronation Underwriting Agreement, Nampak has received a commitment from Coronation (or its duly authorised nominee, which nominee shall be a wholly-owned subsidiary of Coronation), to underwrite Rights Offer Shares that are not taken up by other Shareholders in terms of the Rights Offer to a maximum value of R300 000 000 (three hundred million Rand).
- 5.8.2 In terms of the Coronation Underwriting Agreement, Coronation will receive an underwriting fee from Nampak equal to 2.33% (two point three three percent), being an amount of R7 000 000 (seven million Rand), excluding VAT, of the maximum subscription price that may be payable by the Underwriters in respect of the 1 714 286 Rights Offer Shares which they underwrite in terms of the Rights Offer. The underwriting fee will be payable within 2 (two) Business Days of the Closing Date, provided that Coronation has complied with its obligations in terms of the Coronation Underwriting Agreement.
- 5.8.3 Coronation is desirous of acquiring a significant interest in Nampak, which has informed its decision to conclude the Coronation Underwriting Agreement.
- 5.8.4 Accordingly, the Coronation Underwriting Agreement provides that:
- 5.8.4.1 any excess applications made by Shareholders entitled to participate in the Rights Offer will only be allocated on 90% (ninety percent) of the Rights Offer Shares, being the Excess Allocation Portion. In other words, excess applications by Shareholders will not be permitted in respect of Rights Offer Shares with an aggregate value of R100 000 000 (one hundred million Rand), which portion will be made available to Coronation for subscription in terms of the Coronation Underwriting Agreement to the extent unsubscribed by Shareholders; and
- 5.8.4.2 if any Rights Offer Shares are available to be subscribed for in terms of any Underwriting Agreements, Coronation shall rank first in respect of Rights Offer Shares available for subscription up to its underwriting commitment of R300 000 000 (three hundred million Rand) ("**First Ranking Portion**"), prior to the other Underwriters being called upon to subscribe for any Rights Offer Shares pursuant to their respective Underwriting Agreements. After the allocation of the First Ranking Portion, the remainder of any Rights Offer Shares available for subscription by the Underwriters shall be allocated amongst them proportionately to their respective underwriting commitments.
- 5.8.5 In the unlikely event that Coronation is not called upon to subscribe for Rights Offer Shares with an aggregate value of at least R100 000 000 (one hundred million Rand) ("**Desired Shareholding**") pursuant to the Coronation Underwriting Agreement, Nampak will seek approval to issue further Shares to Coronation at the Rights Offer Share Price by way of a specific issue of shares for cash as contemplated in the JSE Listings Requirements ("**Specific Issue**") in order for Coronation to achieve the Desired Shareholding. It is anticipated that, if required to proceed, the Specific Issue will be implemented by 17 November 2023, subject to compliance by Nampak

with all applicable legal and regulatory requirements (including approval of the requisite majority of Shareholders, if applicable).

A2 Underwriting Agreement

- 5.8.6 In terms of the A2 Underwriting Agreement, Nampak has received a commitment from A2 (or its duly authorised nominee, which nominee shall be a wholly-owned subsidiary of A2), to underwrite Rights Offer Shares that are not taken up by other Shareholders in terms of the Rights Offer to a maximum value of R100 000 000 (one hundred million Rand).
- 5.8.7 In terms of the A2 Underwriting Agreement, A2 will receive an underwriting fee from Nampak equal to 2.33% (two point three three percent), being an amount of R2 330 000 (two million three hundred and thirty thousand Rand), excluding VAT, of the maximum subscription price that may be payable by the Underwriters in respect of the 571 429 Rights Offer Shares which they underwrite in terms of the Rights Offer. The underwriting fee will be payable within 2 (two) Business Days of the Closing Date, provided that A2 has complied with its obligations in terms of the A2 Underwriting Agreement.

Numus Underwriting Agreement

- 5.8.8 In terms of the Numus Underwriting Agreement, Nampak has received commitments from Numus (or its duly authorised nominee, which nominee shall be a wholly-owned subsidiary of Numus), to underwrite Rights Offer Shares that are not taken up by Shareholders in terms of the Rights Offer to a maximum value of R50 000 000 (fifty million Rand).
- 5.8.9 In terms of the Numus Underwriting Agreement, Numus will receive an underwriting fee from Nampak equal to 2.33% (two point three three percent), being an amount of R1 165 000 (one million one hundred and sixty five thousand Rand), excluding VAT, of the maximum subscription price that may be payable by the Underwriters in respect of the 285 714 Rights Offer Shares which they underwrite in terms of the Rights Offer. The underwriting fee will be payable within 2 (two) Business Days of the Closing Date, provided that Numus has complied with its obligations in terms of the Numus Underwriting Agreement.
- 5.8.10 The independent directors of the Board have considered a number of precedent rights offers on the JSE since 2014 and are of the opinion that, taking into account all relevant circumstances, the underwriting fees payable to the Underwriters are market-related and are therefore exempt in terms of paragraph 10.6(c)(vii) of the JSE Listings Requirements.
- 5.8.11 The Board, after due and careful enquiry are of the opinion that the Underwriters have sufficient resources to meet their financial commitments in terms of Underwriting Agreement.
- 5.8.12 No securities are offered as a preferential right to any person, other than as contemplated by virtue of the Rights Offer.
- 5.8.13 Further particulars of the Underwriters are set out in **Annexure 2** to this Circular.

5.9 Procedures for acceptance

Qualifying Certificated Shareholders

- 5.9.1 If you are a Qualifying Shareholder holding Certificated Shares and wish to subscribe for all or part of your entitlement in terms of the enclosed Form of Instruction, you must complete the enclosed Form of Instruction in accordance with the instructions contained therein and lodge it together with payment of the subscription price with the Transfer Secretaries at the addresses set out in paragraph 5.12.1.2 of this Circular, so as to be received by the Transfer Secretaries by no later than 12:00 on Friday, 22 September 2023. Once received by the Transfer Secretaries, the acceptance is irrevocable and may not be withdrawn.
- 5.9.2 If payment is not received on or before 12:00 on Friday, 22 September 2023, the day of the closing of the Rights Offer, the Qualifying Shareholder will be deemed to have declined the Rights Offer and to subscribe for Rights Offer Shares pursuant to the Rights Offer.

- 5.9.3 Qualifying Certificated Shareholders are advised to take into consideration postal efficacy when posting their Forms of Instruction, as no late postal deliveries will be accepted. Qualifying Certificated Shareholders are advised to deliver their completed Forms of Instruction together with their proof of EFT payment and EFT swift reference number by courier or by e-mail, where possible to the Transfer Secretaries as set out in the enclosed Form of Instruction.

Qualifying Dematerialised Shareholders

- 5.9.4 If you are a Qualifying Dematerialised Shareholder, please do not complete the printed Form of Instruction enclosed in this Circular which is not applicable to you. You should receive notification from your CSDP or Broker regarding the Rights to which you are entitled in terms of the Rights Offer. The CSDP or Broker appointed by you is obliged to contact you to ascertain: (i) whether you wish to follow your Rights in terms of the Rights Offer or renounce your Rights and in respect of how many Rights Offer Shares; (ii) whether you wish to apply for excess Rights Offer Shares and if so, how many excess Rights Offer Shares you wish to apply for; and (iii) if you do not wish to follow all or any of your Rights, whether you wish to sell your Rights and how many of your Rights you wish to sell.
- 5.9.5 If you are not contacted by your CSDP or Broker, you should contact your CSDP or Broker and furnish them with your instruction. Should a CSDP or Broker not obtain instructions from a Qualifying Dematerialised Shareholder, they are obliged to act in terms of the mandate granted to them by such Qualifying Dematerialised Shareholder, or if the mandate is silent in this regard, they are obliged not to accept the Rights on behalf of such Shareholder.
- 5.9.6 **Nampak does not take responsibility and will not be held liable for any failure on the part of any CSDP or Broker to notify you of the Rights Offer and/or to obtain instructions from you to subscribe for the Rights Offer Shares and/or to act in accordance with any instructions obtained from you and/or to sell the Rights allocated.**

5.10 Procedures for sale or renunciation of Rights

Qualifying Certificated Shareholders

- 5.10.1 If you are a Qualifying Certificated Shareholder and do not wish to subscribe for all of the Rights allocated to you as reflected in the Form of Instruction, you may either dispose of or renounce all or part of your entitlement as follows:
- 5.10.1.1 if you wish to sell all or part of your entitlement, you must complete Form A in the enclosed Form of Instruction and return it to the Transfer Secretaries to be received by no later than 12:00 on Tuesday, 19 September 2023. The Transfer Secretaries will endeavour to procure the sale of Rights on the JSE on your behalf and to remit the net proceeds thereof in accordance with your instructions. In this regard, neither the Transfer Secretaries nor Nampak will have any obligation or be responsible for any loss or damage whatsoever in relation to or arising from the timing of such sales, the price obtained, or the failure to dispose of such entitlements; and
- 5.10.1.2 if you wish to renounce your entitlement or any part thereof in favour of any named renounee, you must complete Form B in the enclosed Form of Instruction, and the renounee must complete Form C in the enclosed Form of Instruction and return it to the Transfer Secretaries, to be received by no later than 12:00 on Tuesday, 19 September 2023, together with proof of payment that payment was effected by way of EFT accompanied by an EFT swift reference number for the appropriate subscription amount. If you wish to renounce part of your entitlement in favour of different renounees, you may copy Form B and use a copied Form B for each additional renounee.

Qualifying Dematerialised Shareholders

- 5.10.2 If you are a Qualifying Dematerialised Shareholder and wish to renounce or sell some or all of the Rights allocated to you as a holder of Dematerialised Shares, you should make the necessary arrangements with your CSDP or Broker in the manner and time stipulated in the custody agreement governing the relationship between yourself and your CSDP or Broker.

5.11 Lapse of Rights

Qualifying Shareholders

- 5.11.1 If you are a Qualifying Certificated Shareholder and fail to instruct the Transfer Secretaries as to what action you intend to take with regard to your Rights, or fail to comply with the procedures set out in this section, within the timelines stipulated, your Rights will lapse and you will not be entitled to any payment under the terms of the Rights Offer.
- 5.11.2 If you are a Qualifying Dematerialised Shareholder and fail to subscribe for, sell or renounce your Rights, you risk your Rights lapsing if you fail to act in terms of the instructions received from your CSDP or Broker. Should such Rights lapse, you will not be entitled to any payment under the terms of the Rights Offer.
- 5.11.3 None of Nampak, the Transfer Secretaries, Nampak's advisors or any Broker appointed by them will be responsible for any loss or damage whatsoever suffered by such Qualifying Shareholders in relation to the lapsing of their Rights.

Restricted Shareholders

- 5.11.4 To the extent that Restricted Shareholders are not entitled to participate in the Rights Offer as a result of any restrictions, such Restricted Shareholders should not take up their Rights Offer entitlement and should allow their Rights in terms of the Rights Offer to lapse or sell them through their CSDP or Broker.
- 5.11.5 None of Nampak, the Joint-Financial Advisors to the Company and Joint Transaction Sponsors or any Broker appointed by them will have any obligation or be responsible for any loss or damage whatsoever in relation to or arising out of the timing of such sales or the remittance of the net proceeds of such sales.

5.12 Payment

5.12.1 Payment by holders of Certificated Shares

5.12.1.1 The amount due on acceptance of the Rights Offer is payable in Rand.

5.12.1.2 Payment by Qualifying Certificated Shareholders (i) must be made in full by EFT (into the Designated Bank Account, details of which are available from the Transfer Secretaries on request by contacting the Transfer Secretaries' call centre for corporate actions on +27 (0)11 370 5000 and, in South Africa only, on +27 (0)86 1100 634); (ii) must be paid in Rands; and (iii) proof of EFT payment must be lodged, posted or e-mailed, as the case may be, together with the completed Form of Instruction as follows:

By hand or courier to:

**Nampak Limited – Nampak Limited
Transfer Secretaries**

c/o Computershare Investor Services
Proprietary Limited

First Floor

Rosebank Towers

15 Biermann Avenue

Rosebank, Johannesburg, South
Africa, 2196

By post to:

**Nampak Limited – Nampak Limited
Transfer Secretaries**

c/o Computershare Investor Services
Proprietary Limited

Private Bag X3000

Saxonwold, Johannesburg, 2132

By email to:

corporate.events@computershare.co.za

5.12.1.3 Payments by way of cheques or bankers' drafts will not be accepted.

5.12.1.4 Money received in respect of an application that is rejected or otherwise treated as void by Nampak, or which is otherwise not validly received in accordance with the terms stipulated, will be refunded by way of EFT (without interest) in Rand to the applicant concerned on or about Thursday, 28 September 2023.

5.12.2 Payment by holders of Dematerialised Shares

Payment will be effected on the Shareholder's behalf in Rand by the CSDP or Broker. The CSDP or Broker will make payment in respect of Qualifying Shareholders holding Dematerialised Shares on a delivery versus payment basis.

5.12.3 General payment instructions

- 5.12.3.1 Qualifying Certificated Shareholders are encouraged to (i) return completed Forms of Instruction to the Transfer Secretaries preferably by e-mail and (ii) to pay for the Rights Offer Shares subscribed for by EFT with the proof of payment returned by e-mail together with the completed Form of Instruction. If Qualifying Certificated Shareholders elect to return completed Forms of Instruction and payment by hand, by courier or by post, Qualifying Certificated Shareholders are encouraged to contact the Transfer Secretaries to confirm receipt thereof.
- 5.12.3.2 If you have any queries, please contact the Transfer Secretaries via email on corporate.events@computershare.co.za or telephonically on +27 (0)11 370 5000 and, in South Africa only, on +27 (0)86 1100 634. Calls will be charged at the standard geographic rate and will vary by provider. Calls outside South Africa will be charged at the applicable international rate. The helpline is open between 08:00 – 17:00 South African time, Monday to Friday, excluding public holidays in South Africa.
- 5.12.3.3 The Transfer Secretaries will not be responsible for any loss and/or damage whatsoever in relation to or arising from the late or non-receipt of delivered, posted or emailed Forms of Instruction or owing to Forms of Instruction being forwarded to any physical address, postal address or email address other than that provided above. Qualifying Certificated Shareholders posting their Forms of Instruction to the Transfer Secretaries should take note of postal delivery efficacy so as to ensure that the Forms of Instruction are received by the Transfer Secretaries timeously. Notwithstanding anything to the contrary, it is the Qualifying Certificated Shareholder's responsibility to ensure that their Form of Instruction is received by the Transfer Secretaries timeously.
- 5.12.3.4 The payment will constitute an irrevocable acceptance by the Shareholder or renounee of the Rights Offer upon the terms and conditions set out in this Circular and in the enclosed Form of Instruction.
- 5.12.3.5 Money received in respect of an application that is rejected or otherwise treated as void by Nampak, or which is otherwise not validly received in accordance with the terms stipulated, will be refunded by EFT, without interest, in Rand to the applicant concerned, on or about Thursday, 28 September 2023. If the applicant concerned is not a Qualifying Certificated Shareholder and gives no address in the enclosed Form of Instruction, then the relevant refund will be held by the Transfer Secretaries until collected by the applicant and no interest will accrue to the applicant in respect thereof.
- 5.12.3.6 Payment by Qualifying Dematerialised Shareholders will be effected on the Qualifying Shareholders' behalf by the CSDP or Broker. The CSDP or Broker will effect payment on a delivery versus payment basis.

5.13 Exchange Control Regulations

The following summary is intended only as a guide and is, therefore, not comprehensive. If Qualifying Shareholders are in any doubt as to the appropriate course of action, they are advised to consult their professional advisors or Authorised Dealers.

- 5.13.1 Pursuant to the Exchange Control Regulations, non-residents of the Common Monetary Area, that have never been residents of the Common Monetary Area will be allowed to:
- 5.13.1.1 take up Rights in terms of the Rights Offer;
 - 5.13.1.2 purchase Letters of Allocation on the JSE;

- 5.13.1.3 subscribe for the Rights Offer Shares arising in respect of the Letters of Allocation purchased on the JSE; and
 - 5.13.1.4 subscribe for excess Rights Offer Shares that have been applied for in terms of the Rights Offer (if applicable),
- provided that payment is received either through normal banking channels in foreign currency, or in Rand from a non-resident account conducted in the books of an Authorised Dealer.
- 5.13.2 All applications by non-residents of the Common Monetary Area for the above purposes must be made through an Authorised Dealer. Share certificates issued pursuant to such applications will be marked "non-resident".
 - 5.13.3 Where a Right in terms of the Rights Offer falls due to a former resident of the Common Monetary Area, funds in the emigrant's capital account may be used to exercise this Right. Such funds may also be used to:
 - 5.13.3.1 take up the Rights in terms of the Rights Offer;
 - 5.13.3.2 purchase Letters of Allocation on the JSE;
 - 5.13.3.3 subscribe for the Rights Offer Shares arising in respect of the Letters of Allocation purchased on the JSE; and
 - 5.13.3.4 subscribe for excess Rights Offer Shares that have been applied for in terms of the Rights Offer (if applicable).
 - 5.13.4 All applications by emigrants to use funds in their capital account for the above purposes must be made through the Authorised Dealer in South Africa controlling their remaining assets. Any Rights Offer Shares issued pursuant to the use of funds in the emigrant capital account will be credited to their share accounts at the CSDP controlling their remaining portfolios. The proceeds due to emigrants from the sale of the Letters of Allocation or Rights Offer Shares, if applicable, will be returned to the Authorised Dealer controlling their remaining assets for credit to such emigrants' capital accounts. Dematerialised share certificates issued to such emigrants will be marked "non-resident" and placed under the control of the Authorised Dealer controlling their remaining assets. The electronic statement issued in terms of the Strate system will be dispatched by the CSDP or Broker to the address of the emigrant in the records of the CSDP or Broker.
 - 5.13.5 Alternatively, where a Right in terms of the Rights Offer falls due to a former resident of the Common Monetary Area, offshore funds may be used to exercise this Right. Such funds may be used to:
 - 5.13.5.1 purchase Letters of Allocation on the JSE;
 - 5.13.5.2 subscribe for the Rights Offer Shares arising in respect of the Letters of Allocation purchased on the JSE; and
 - 5.13.5.3 subscribe for excess Rights Offer Shares that have been applied for in terms of the Rights Offer (if applicable).
 - 5.13.6 Any Rights Offer Shares issued pursuant to the use of offshore funds will not be credited to the emigrant capital account. Similarly, the sale proceeds of Letters of Allocation or Rights Offer Shares, if applicable, will not be credited to such emigrants' capital accounts and can be freely remitted offshore.
 - 5.13.7 Dematerialised Shares issued to such emigrants will be marked "non-resident". The electronic statement issued in terms of the Strate system will be dispatched by the CSDP or Broker to the address of the emigrant in the records of the CSDP or Broker. Shares subsequently re-materialised and issued in certificated form will similarly be endorsed "non-resident".
 - 5.13.8 Any Qualifying Shareholder resident outside the Common Monetary Area who receives this Circular and Form of Instruction should obtain advice as to whether any governmental and/or other legal consent is required and/or any other formality must be observed to enable a subscription to be made in terms of such Form of Instruction.

5.13.9 No Qualifying Shareholder should construe the contents of this Circular and the documentation accompanying it as legal or other advice. Each Qualifying Shareholder should make its own enquiries and consult its own professional advisors or Authorised Dealers as to the content of this Circular and the documentation accompanying it regarding the acceptance and exercise of its Rights in terms of the Rights Offer.

5.14 South African law

5.14.1 No Nampak Shareholder should construe the contents of this Circular and the documentation accompanying it as legal or other advice. Nampak Shareholders should make their own enquiries and consult their own professional advisors as to the content of this Circular and the documentation accompanying it regarding the acceptance of their Rights in terms of the Rights Offer.

5.14.2 All transactions arising from the provisions of this Circular and the documentation accompanying it will be governed by and be subject to the laws of South Africa. Nampak Shareholders agree that any legal action or proceeding arising out of or in connection with this Circular or otherwise shall be brought in the High Court of South Africa (Gauteng Local Division, Johannesburg) and irrevocably consent and submit to the non-exclusive jurisdiction of such court.

5.15 Approval to exclude restricted shareholders from the rights offer

On 28 July 2023, the CIPC granted approval to the Company to exclude the Restricted Shareholders from participating in the Rights Offer in terms of section 99(7) of the Companies Act.

5.16 JSE Listings

5.16.1 The Issuer Regulation Division of the JSE has approved the listing of 5 714 286 LAs ISIN: ZAE000317319 with effect from the commencement of trade on Wednesday, 6 September 2023.

5.16.2 The Issuer Regulation Division of the JSE has approved the listing of 5 714 286 Rights Offer Shares with effect from the commencement of trade on Wednesday, 20 September 2023.

5.17 Documents of title

5.17.1 New Ordinary Share certificates to be issued to Qualifying Shareholders holding Certificated Shares who have opted to "*rematerialise*" their Dematerialised Rights Offer Shares to which they are entitled as contemplated in the section titled "*Action Required By Shareholders*", will be posted to persons entitled thereto, by registered post, at the risk of the Shareholders concerned, on or about Tuesday, 26 September 2023, provided that the Form of Instruction in respect thereof has been provided to the Transfer Secretaries before 12:00 on Friday, 22 September 2023.

5.17.2 Qualifying Shareholders receiving the Rights Offer Shares must note that such Certificated Shares are not good for delivery in respect of future trades on the JSE until they have been Dematerialised.

5.17.3 Qualifying Shareholders holding Dematerialised Shares who have applied for, and been allotted, Ordinary Shares under the Rights Offer will have their accounts updated with the Rights Offer Shares to which they are entitled and in respect of which they have accepted the Rights Offer, on Tuesday, 26 September 2023.

5.18 Taxation

5.18.1 No Shareholder should construe the contents of this Circular and the documentation accompanying it as tax or other advice. Please see **Annexure 9** for a summary of the applicable taxation provisions.

5.18.2 Shareholders are advised to consult their tax and financial advisors regarding any taxation implications pertaining to them regarding the acceptance of their Rights in terms of the Rights Offer.

6. EXPENSES

- 6.1 It is estimated that Nampak's expenses relating to the Rights Offer will amount to approximately R39 866 000. The expenses (excluding VAT) relating to the Rights Offer have been detailed below:

Nature of expense	Paid/Payable to	R'000
JSE documentation inspection fee	JSE	40
JSE listing fee	JSE	502
Printing, publication and distribution	Sigil and Treehouse	500
Lead Financial Advisor to the Company and Independent Corporate Advisor to the Board	PSG Capital	2 500
Joint-Financial Advisors to the Company and Joint Transaction Sponsors	SBSA	5 000
	Nedbank	5 000
Legal Advisor to Nampak as to South African law	Edward Nathan Sonnenbergs Incorporated	3 500
Transfer Secretaries	Computershare	81
Underwriting fee	The Underwriters	10 485
Contingency		7 000
Commitment fees	Providers of Irrevocable Undertakings	5 258
Total		39 866

- 6.2 Other than set out above, Nampak has incurred no preliminary expenses in relation to the Rights Offer during the 3 (three) years preceding the date of this Circular.
- 6.3 These expenses will be paid from the proceeds of the Rights Offer.

7. INFORMATION ON NAMPAK

7.1 Overview of business

- 7.1.1 Nampak is a publicly owned entity with its shares listed on the JSE since 1969.
- 7.1.2 The Nampak Group is Africa's leading diversified packaging manufacturer offering packaging products across metal, plastic and paper substrates including aluminium beverage cans, tinsplate food and aerosol cans, paper cartons as well as plastic bottles, closures, tubes and drums. Nampak is the largest manufacturer of beverage cans in South Africa and Angola, and the second largest manufacturer in Nigeria.
- 7.1.3 The end use categories of the Group's products include carbonated soft drinks, energy drinks, milk, juices and sparkling waters, beer, food, hard seltzers, wine, spirits, oil and chemicals. Many of its customers are the world's leading fast moving consumer goods ("**FMCG**") companies operating in South Africa, Nigeria, Angola, Zimbabwe, Botswana, other parts of Africa and worldwide that value the quality of Nampak's products and its ability to support their varied packaging requirements. The Group's research and development capability enables it to ensure the safety of its customers' food products, helps it develop more environmentally friendly packaging and assists its factories in achieving operational excellence.
- 7.1.4 The Group has 32 production facilities in 10 countries and had 4,302 full-time employees as of 31 March 2023. It mainly operates in South Africa, where it has 19 production facilities as well as a corporate office and a research and development facility. It has 13 production facilities in the Rest of Africa. In South Africa, Angola and Nigeria, the use of the Group's beverage cans is promoted through the CAN DO! brand. Significant capital has been invested in its production facilities, which, together with its skilled workforce and related manufacturing process know-how, supports its competitive positions.

- 7.1.5 DivFood operations undertook significant restructuring during the 2020 and 2021 financial years and is currently in the process of a turnaround.
- 7.1.6 In the 2022 financial year, ZAR11.5 billion or 67.9% of the Group's total revenue was generated in South Africa and ZAR5.4 billion or 32.1% of total external revenue was generated outside the borders of South Africa, on the African continent.
- 7.1.7 Please see **Annexure 6** for further details of the Business Segments & Key Products.
- 7.1.8 For further details regarding the historic consolidated financial information of the Group, please see the financial information including, the unaudited interim financial statements for the six months ended 31 March 2023 and the audited financial statements for the years ended 30 September 2022, 2021 and 2020. Copies may be obtained at no charge, during business hours from the date of this Circular until Friday, 22 September 2023 from the registered office of Nampak and the Joint-Financial Advisors to the Company and Joint Transaction Sponsors whose addresses are set out in the "Corporate Information and Advisors" section of this Circular, as well as in electronic form from the Company's website at <https://www.nampak.com/Investors>.

7.2 Operating and financial review

Overview

- 7.2.1 The following information is *extracted* from the 30 September 2022 audited annual financial statements of the Group and the 31 March 2023 unaudited interim financial statements of the Group. In the 2022 financial year, the Group 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 its markets. High metal prices impacted the cost of sales due to challenging supply chains with concomitant increases in logistics and shipping costs. For the year ended 30 September 2022, Group revenue was ZAR16.9 billion, an increase of 21.3% from ZAR14.0 billion for the year ended 30 September 2021, underpinned by stronger volumes in the South African, Angolan and Nigerian beverage can operations. Trading profit grew, despite a disappointing performance from DivFood. Although the pricing mechanism in most of the Group's businesses allowed for the recovery of increased input costs, it did not fully compensate for the incremental cost of funding higher working capital.
- 7.2.2 In the six months ended 31 March 2023, Group revenue increased by 4.4% to ZAR8.4 billion from ZAR8.1 billion for the six months ended 31 March 2022, but profitability in the period was adversely impacted by devaluation losses in Angola and Nigeria of ZAR571 million and net finance costs of ZAR494 million, resulting in a net loss of ZAR2.4 billion in the period, and a loss per Share of 396.6 cents and headline loss per Share of 54.5 cents for the six months ended 31 March 2023 compared to earnings per Share and headline earnings per Share of 34.9 and 35.6 cents respectively for the six months ended 31 March 2022. The contracting South African economy, reducing consumer disposable income, heightened competitor activity and difficult trading conditions in Nigeria represent key performance inhibitors that continue to impact demand and affect the Group's volumes. The equity base was adversely impacted by net impairment losses represented by a goodwill impairment of ZAR1.5 billion in Bevcan Nigeria and asset impairments in Angola and South Africa of ZAR0.9 billion. The impairments in Nigeria and Angola were significantly increased due to the higher WACC with a decline in current and future expected volumes in Nigeria also being a contributing factor.
- 7.2.3 The Group complied with loan covenants at the quarterly measurement periods. Net interest-bearing debt excluding lease liabilities was 23% higher at ZAR5.9 billion compared to ZAR4.8 billion in the prior period partially impacted by a 22% weaker Rand/US Dollar exchange rate. Net gearing excluding capitalised leases of 252% has increased from 104% in 1H22 mainly as a result of the effect of the ZAR2.4 billion impairments and higher-than-planned net working capital. The most recent covenants for the quarter ended 30 June 2023 were relaxed by the lenders from a maximum of 3.00 times to 3.30 times for net debt to EBITDA and from a minimum of 3.00 times to 2.75 times for EBITDA interest cover. These covenants were subsequently met at 3.18 times and 2.87 times respectively.

- 7.2.4 The Group's immediate strategic imperative is to implement an optimal portfolio structure to take advantage of market opportunities and minimise the negative impact of these macro-economic indicators.

Key factors affecting results of operations

- 7.2.5 The Group's results of operations are affected by a variety of factors. Set out below is a discussion of the most significant factors that have affected the Group's results in the periods under review and which it expects may affect the financial results in the future. Factors other than those set forth below could also have a significant impact on the Group's results of operations and financial position, including those set out in **Annexure 8** of this Circular.

Competition

- 7.2.6 The industry in which the Group competes is highly competitive. The level of competition is a primary limiting factor in the Group's ability to set prices, and the Group's ability to pass-through cost increases to its customers and optimise its production costs.
- 7.2.7 Intense competition, aggressive pricing and customers diversifying their supplier bases remain features in South Africa following the entrance of new beverage can manufacturers in 2018 and the increased capacity of many food can manufacturers and plastics processors.
- 7.2.8 In South Africa, a carbonated soft drink and energy drink customer is vertically integrating and started operating its own beverage can line in 2022, bringing to four the number of local beverage can manufacturers.

Consumer demand and macroeconomic conditions in South Africa and other regions in which the Group operates

- 7.2.9 The Group's results from operations are affected by global economic and political conditions as well as specific conditions in South Africa and other regions in which the Group operates. Changes in macroeconomic conditions in South Africa, as well as in other regions in which the Group operates, including the gross domestic product ("**GDP**") growth rate, availability of foreign exchange, currency devaluations, unemployment rate, wages (including minimum wages), individual consumption, consumer confidence, interest rates, inflation and access to credit, could impact the overall affluence of the society consumers' purchasing power and disposable income, thus shaping consumer spending habits. These factors also affect the Group's product prices and value of sales, and thereby affect its financial performance.

In particular, the Group's results from operations are directly correlated with the general condition of the packaging market, which is in turn affected by the GDP growth rate of the regions in which the Group operates. South Africa remains the Group's largest geographic market. In the year ended 30 September 2022, South Africa contributed 67.9% to the Group's total revenue. For this reason, South Africa's macroeconomic conditions, driven by the economic environment in the region and the global economy, have significant importance for the Group's operating results.

COVID-19 pandemic

- 7.2.10 The COVID-19 pandemic significantly affected the demand for the Group's products during 2020 and 2021 and required a significant adjustment to historical procurement patterns and a material reduction in the Group's net working capital investment. Stringent lockdown restrictions were imposed in the markets in which the Group operates and there was a sharp contraction in economic activity and a fall in disposable income.

Taxation

- 7.2.11 The Group is exposed to the effects of amendments in tax laws in various jurisdictions. The charge for current taxation is based on the results for the year as adjusted for exempt income and expenses that are not deductible using tax rates that apply to the taxable income and includes adjustments for the prior year under provisions and hyperinflation impacts. Deferred taxation is recognised in profit or loss except when it relates to items credited or charged to other comprehensive income, in which case it is also recognised in other comprehensive income.

Key factors affecting comparability of results of operations

Business disposals

- 7.2.12 As a result of a number of business disposals that have been made since 2020, the financial statements of the Group may not be comparable from one period to another.
- 7.2.13 An agreement to dispose of the plant and equipment relating to the closure of the crates manufacturing unit was concluded on 21 March 2023 for an amount of ZAR40.0 million (excluding VAT). The purchase price has been received in full.
- 7.2.14 Nampak has wound down and closed its Tanzania manufacturing business and has entered into a sale of property agreement with Canda (T) Investment Company Limited. The disposal relates to the property that is no longer required for use in manufacturing activities by Nampak Tanzania. The consideration payable for the property amounts to US\$5.6 million (inclusive of VAT) and is payable in four tranches with the full purchase price required to be settled by 31 August 2023.
- 7.2.15 Disposals of businesses or operations that were previously classified as assets held for sale at 30 September 2021 were no longer classified as assets held for sale at 30 September 2022 as these disposals were unsuccessful despite meeting the requirements of IFRS 5: Non-current Assets Held for Sale and Discontinued Operations in the prior year. Given challenging market conditions, the Group was not able to conclude the DivFood Mobeni and Tubes business disposals and has not been able to dispose of other anticipated businesses at fair value.
- 7.2.16 In the 2021 Audited Financial Statements, the Tubes business and DivFood Mobeni were classified as assets held for sale in accordance with IFRS 5: Non-current Assets Held for Sale and Discontinued Operations. These operations were neither material from a geographic nor a substrate perspective and were therefore not classified as discontinued operations. Despite significant progress having been made with regard to the disposal of these two assets, challenging economic conditions have resulted in protracted final negotiations with the buyers of these respective assets resulting in the transactions not being concluded at 31 March 2022. Accordingly, the sale of these assets was not considered to be highly probable and were reclassified out of assets held for sale at 31 March 2022.

Key financial metrics

Adjusted EBITDA

- 7.2.17 Adjusted EBITDA is a supplemental, Non-IFRS Measure used to evaluate the performance of group companies. Nampak's Adjusted EBITDA calculation is based on operating profit before net impairment losses adjusted for depreciation and amortisation and adjusted for other gains or losses which do not arise from normal trading activities or are of such a size, nature or incidence that their disclosure is relevant to explain the performance for the year, inclusive of foreign exchange losses/(gains) and payments in respect of leases capitalised under IFRS 16: Leases and other non-recurring items. Adjusted EBITDA is used as a supplemental financial performance measure by management and by external users of the Group's financial statements, such as investors and commercial banks. The Group tracks Adjusted EBITDA on a pre-IFRS 16 basis. For further information on IFRS 16, see Note 2.4 to the 2022 Audited Financial Statements. Set forth below is additional detail on how management uses Adjusted EBITDA as a measure of performance.
- 7.2.18 The Group's management uses Adjusted EBITDA in a number of ways to assess its condensed and consolidated financial and operating performance. The Group believes this measure is helpful to management and external users in identifying trends in its performance and is a good proxy for the group's ability to generate cash from operations.
- 7.2.19 Adjusted EBITDA helps management identify controllable expenses and make decisions designed to help the Group meet its current financial goals and optimise its financial performance. Accordingly, the Group believes this metric measures its financial performance based on operational factors that management can impact in the short-term, namely its cost structure and expenses.

7.2.20 The Group believes that the presentation of Adjusted EBITDA in this Circular provides information useful to investors in assessing its financial condition and results of operations. Adjusted EBITDA is not used as measure of the Group's liquidity and should not be considered as an alternative to operating profit or any other measure of financial performance presented in accordance with IFRS. The Group's Adjusted EBITDA may not be comparable to the Adjusted EBITDA of other companies due to the fact that not all companies use the same definitions of Adjusted EBITDA. Accordingly, there can be no assurance that the Group's basis for computing these Non-IFRS Measures is comparable with that of other companies.

7.2.21 The following table sets forth the Group's Adjusted EBITDA for the periods presented.

(ZAR millions)	For the six months ended 31 March		For the year ended 30 September	
	2023 (unaudited)	2022 (unaudited)	2022 (audited)	2021 (audited)
Profitable: lower foreign exchange risk	530.7	606.0	500.3	564.6
Profitable: higher foreign exchange risk	1 156.5	819.5	1 004.7	643.0
DivFood	(84.8)	89.6	30.3	129.0
Plastic SA	16.8	86.5	53.7	125.1
Other	104.8	128.4	106.0	105.9
Corporate	(88.2)	(298.6)	(103.8)	(204.0)
Territories without hyperinflation	1 635.8	1 431.4	1 591.2	1 363.6
Zimbabwe	456.6	356.7	333.3	352.7
Territories with hyperinflation	456.6	356.7	333.3	352.7
Metals	1 636.9	1 571.5	1 570.8	1 392.9
Plastic	278.1	312.8	259.1	326.8
Paper	265.6	202.4	198.4	200.6
Corporate	(88.2)	(298.6)	(103.8)	(204.0)
Total	2 092.4	1 788.1	1 924.5	1 716.3

Critical accounting policies

7.2.22 The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies, reported amounts and related disclosures.

7.2.23 Estimates and underlying assumptions related to critical judgments are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

7.2.24 Significant areas of estimation, uncertainty and critical judgments made in applying the Group's accounting policies that potentially have a significant effect on the amounts recognised in the financial statements are as follows:

Going concern

7.2.25 In determining the appropriate basis of preparation of the annual financial statements, the directors are required by IAS 1: Presentation of Financial Statements to assess the Group's ability to continue as a going concern. In assessing whether the going concern assumption is appropriate, the directors are required to take into account all available information about the future (which is at least but not limited) to twelve months from the end of the reporting period. Such information may include the current and expected profitability of operations, as well as debt covenant levels and repayment schedules. The directors have assessed all matters related to the going concern assumption as set out in Note 3.1 to the 2023 Interim Financial Statements and Note 1.4 to the 2022 Audited Financial Statements and have determined that the Group will continue as a going concern for the foreseeable future.

Impairment of assets

- 7.2.26 In terms of IAS 36: Impairment of Assets, the Group is required to perform tests for impairment of property, plant and equipment, right of use assets and intangible assets based on the expected future cash flows pertaining to these assets whenever there is an indication that these assets may be impaired, while goodwill must be tested on an annual basis.
- 7.2.27 Discounted cash flow valuation principles are applied in assessing the expected future cash flows pertaining to assets. The key assumptions are cash flow projections, growth and discount rates. The cash flow projections including established growth rates are prepared by divisional management and approved by executive management, while the discount rates are established by the corporate treasury team, taking into account geographic and other risk factors. In testing the goodwill pertaining to Bevcan Nigeria in particular, management took into consideration the economic outlook for Nigeria and the market for beverage cans in particular. The Nigerian government's demonetisation plan resulted in a shortage of bank notes and higher exchange rates, that have slowed economic growth and resulted in volume growth being lower than previously anticipated. Furthermore, the Nigerian economy has been adversely impacted by an increase in the risk-free rate, the higher cost of debt due to the downgrade of the Nigerian credit rating and the increased country risk premium. As a result, an impairment loss was recognised of ZAR1,549.2 million (US\$84.8 million) reducing the carrying value of goodwill attributed to Bevcan Nigeria to ZAR316.3 million (US\$17.8 million). The recoverable amount of the Bevcan Nigeria operation is ZAR1.3 billion (US\$71.1 million). In addition, due to challenges experienced by Bullpak over a protracted period, an attempt was made to sell this business without success. Consequently, a decision was taken to close the business in August 2022 and the closure of this business was communicated to all employees and customers. An impairment of the goodwill pertaining to this business amounting to ZAR45.4 million (US\$2.7 million) was consequently recognised.
- 7.2.28 As the Group's net asset value continues to significantly exceed the Group's market capitalisation, potential impairment losses of assets other than goodwill were also considered with individual operations/cash generating units being tested for specific impairment. These valuations were performed at 31 March 2023 taking into account the approved forecast for 2023 and the strategic plans for the years 2024 to 2027.
- 7.2.29 The divisions impacted and the circumstances in which the impairment losses/(impairment loss reversals) occurred are as follows:

Bevcan Angola

- 7.2.30 For the year ended 30 September 2022, management determined that an impairment loss for the year of ZAR79.4 million (US\$4.5 million) should be recognised. The Angolan economy is expected to experience slower growth than it has had recently, which stemmed from the winding down of the COVID-19 pandemic and the benefits of the high oil prices with GDP growth expected to be over 3.0% in 2023, flowing from the increased demand for Angolan oil. Given the recent devaluation of the Kwana, GDP growth is expected to slow down to 2.6% during 2023. The Kwana devaluation may further result in a decrease in consumer spending and demand, resulting in a slowdown of the growth volumes experienced over the last twelve months after existing customers re-commissioned previously mothballed can filling equipment based on an improvement in the Angolan economy. The post-tax WACC increased to 17.7% as of 31 March 2023 from 14.9% as of 30 September 2022, mainly due to weakening global conditions, resulting in the recognition of an impairment loss as of 31 March 2023 of ZAR493.4 million (US\$27.0 million). The increase in the WACC rate contributed ZAR291.1 million (59%) to the asset impairment. The recoverable amount of the Bevcan Angola operation amounted to ZAR1,217.3 million (US\$68.4 million) as of 31 March 2023.

DivFood

- 7.2.31 The DivFood division experienced significant supply challenges including raw material shortages caused by shipment and port delays, as well as certain operational challenges including the flooding in KwaZulu-Natal in April 2022. In addition, the division's net working capital position was adversely impacted by the sharp commodity price increase amongst other factors. In the six months ended 31 March 2023, the DivFood business continued to experience low demand

for certain product categories despite encouraging trends in other categories. In light of these circumstances, management has determined at 31 March 2023 that an impairment loss for the year of ZAR299.5 million should be recognised. An impairment of ZAR291.8 million was recognised for the year ended 30 September 2022. An impairment loss of ZAR9.8 million was recognised on specific assets classified as held for sale in 2021. The recoverable amount of the DivFood business for the six months ended 31 March 2023 amounted to ZAR1,336.8 million, compared to ZAR1,659.5 million for the year ended 30 September 2022. DivFood is implementing a business turnaround strategy focused on improving margins and efficiencies whilst reducing overhead costs to improve overall profitability even though competition is expected to continue.

Plastic South Africa

7.2.32 The Plastic business has continued to experience challenges with competition for volumes and limited ability to pass on imported material price changes in a competitive environment. The internal projects to simplify and optimise operations, with the aim to normalise the levels seen prior to the COVID-19 pandemic, are ongoing and the benefits have not yet been fully realised. In line with the accounting standards, however, each business unit was separately assessed for possible impairment losses to its assets. As a result, an impairment loss of ZAR17.2 million was recognised at 31 March 2023 in respect of one of its business units due to the expected loss of two customers for which replacement volumes have not been fully identified. At 30 September 2022, an impairment loss of ZAR66.1 million and an impairment loss reversal of ZAR30.6 million were recognised in respect of these business units. The recoverable amount of the Plastic business amounted to ZAR398.2 million at 31 March 2023 and ZAR434.7 million for the year ended 30 September 2022.

Nampak Metals Nigeria

7.2.33 The Nampak Metals Nigeria business has experienced significantly reduced volumes as a result of key customers' decisions to self-manufacture and withdraw product lines from the market, as well as increased competition in the market. In addition, this business has experienced increased resistance to the US Dollar-linked pricing implemented, based on the recovery of the parallel market rates, with further reduction in volumes expected. As a result, an impairment loss of ZAR47.3million (1.2 billion Naira) was recognised in respect of this business as of 30 September 2022 and a decision was subsequently made to close this business. The recoverable amount of the Nigeria Metals business was ZAR53.0 million (1.3 billion Naira).

7.2.34 Details of the key assumptions used in the impairment assessments as well as the impairment losses incurred are set out in Note 3.2 to the 2023 Interim Financial Statements and Notes 1.3 and 2.3 to the 2022 Audited Financial Statements.

Classification of businesses held for sale

7.2.35 The classification of businesses as disposal groups held for sale involves determining whether the criteria for such recognition as indicated in IFRS 5: Non-current Assets Held for Sale and Discontinued Operations have been met and remain met at the reporting date. After an assessment of the transactions pertaining to the DivFood Mobeni and Tubes businesses in terms of the above criteria, the directors determined that these disposal groups met the above criteria as at 31 March 2021 and therefore classified these disposal groups as held for sale at that date and remained classified as such at 30 September 2021. Despite significant progress having been made with regard to the disposal of these two assets, challenging economic conditions have resulted in protracted final negotiations with the buyers of these respective assets resulting in the transactions not being concluded at 31 March 2023. During the six months ended 31 March 2023 a decision to close Nampak Metals Nigeria was made. For details of the net assets of these businesses see Note 12 to the 2023 Interim Financial Statements and Note 6.7 to the 2021 Audited Financial Statements.

Expected credit loss determination of the RBZ settlement agreement

7.2.36 See the discussion above under "Net measurement of expected credit loss allowance – Reserve Bank of Zimbabwe financial instrument" and Note 5.3 to the 2022 Audited Financial Statements.

Modification of financial liabilities

7.2.37 The contractual terms for the revolving credit facilities, defined as a floating rate financial liability measured at amortised cost, were amended in March 2023. Under IFRS 9: Financial Instruments, when the contractual terms of a financial liability have been amended, it must be determined whether the amendments result in an extinguishment of the financial liability or in a modification to the financial instrument concerned. Based on a qualitative and quantitative assessment of the revised contractual terms, management determined that these terms were substantially different from the terms of the previous facility. Accordingly, the financial liabilities were extinguished and the unamortised transaction fees relating to these liabilities were recognised in the statement of profit or loss. Based on the amended facilities agreement, termination dates have been extended to 30 June 2024 and acceptable trigger points were negotiated to avoid automatic defaults. Details of the revised contract terms are disclosed in Note 3.1 to the 2023 Interim Financial Statements.

Functional currency of Bevcac Angola and Bevcac Nigeria

7.2.38 In determining the functional currency of an entity, management is required to consider the factors provided under IAS 21: The Effects of Changes in Foreign Exchange Rates.

7.2.39 Where the above indicators are mixed and the functional currency is not obvious, management should use its judgment to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The functional currency can be changed only where there is a change to those underlying transactions, events and conditions. After consideration of the above indicators, in particular selling prices and production costs being the dominant factors, the US Dollar was determined to be the functional currency for Bevcac Angola and Bevcac Nigeria in management's initial and ongoing assessment.

7.2.40 Selling prices for aluminium beverage cans are negotiated in US Dollars as they are linked to the London Metal Exchange, where aluminium is traded in US Dollars. Raw materials, being mainly aluminium, have to largely be imported and are priced internationally in US Dollars. Other production costs such as gas and consumables, although payable in local currency, are also linked to the US Dollar exchange rate. In addition, the nature of the manufacturing process is specialised and requires the employment of international labour which is payable in US Dollars. Furthermore, the majority of the property, plant and equipment was purchased in US Dollars with a significant portion of maintenance costs being US Dollar-linked.

7.2.41 There has been no change to the transactions, events and conditions supporting these factors. Consequently, there has been no change to the Group's initial assessment and the decision remains that the US Dollar is the functional currency of both companies.

Translation of Zimbabwe group companies

7.2.42 The functional currency of the Nampak Zimbabwe group companies is ZWL and its results have been prepared in accordance with IAS 29: Financial reporting in hyperinflationary economies as if the economy had been hyperinflationary from 1 October 2018. Hyperinflationary accounting requires transactions and balances to be stated in terms of the measuring unit current at the end of the reporting period in order to account for the effect of loss of purchasing power during the period. Nampak has adopted the use of the exchange rate movements between the ZWL (the functional currency) and the US Dollar (a relatively stable foreign currency) in determining the general price index from February 2023 onwards. Management has applied these factors in determining the hyperinflation numbers for the six months ended 31 March 2023. The economy in Zimbabwe was hyperinflationary during the 2022 financial year with annual inflation reaching 280.4% and has remained hyperinflationary in the 2023 financial year. Nampak Zimbabwe's hyperinflated results have also been converted to Rand, being the reporting currency of the Group for consolidation purposes, at the closing rate on 30 September 2022 and 31 March 2023, respectively, pursuant to IAS 21: The effects of changes in foreign exchange rates. The exchange rate used in translating these results is derived from the Bloomberg market internet site. These rates are aligned with the official auction mid-rates published by the RBZ.

Recognition of deferred tax assets

- 7.2.43 Deferred taxation assets represent the amount of income tax recoverable in future periods in respect of deductible temporary differences, the carry forward of unused tax losses and the carry forward of unused tax credits. These assets are recognised to the extent that it is probable that taxable income will be available in the future against which they can be utilised. Future taxable profits are estimated based on business plans which include estimates and assumptions regarding economic growth, interest, inflation and taxation rates, and competitive forces.
- 7.2.44 The deferred tax assets raised relate mainly to Nampak Products Limited in respect of provisions, retirement benefit obligations, right of use assets, lease liabilities and assessed losses carried forward from prior years. These assets are expected to be recoverable against future taxable profits in the normal course of business. Further deferred tax assets were recognised in Bevcan Angola in respect of assessed losses carried forward from prior years. Deferred tax assets are only recognised to the extent that the company is expecting to utilise the tax losses with the consideration that these losses prescribe in 2025. Details of the deferred taxation assets are disclosed in Note 3.9 to the 2023 Interim Financial Statements and Note 3 to the 2022 Audited Financial Statements.

Capital restructuring of Bevcan Angola

- 7.2.45 As at 31 March 2022, the capital restructuring of Bevcan Angola was complete. This entailed the conversion into equity of a portion of an intragroup loan to Bevcan Angola, funded by Nampak International, a subsidiary of Nampak. Pursuant to this restructuring initiative, the shares in Bevcan Angola held by Nampak Products Limited, a subsidiary of Nampak, were sold to Nampak International prior to the equity conversion. The sale of shares to Nampak International from Nampak Products Limited was required under the Angolan legislation as only those entities which are shareholders of a company can equitise loans. As part of the agreement to recapitalise Bevcan Angola, which would otherwise have resulted in the minority shareholders losing their shareholdings, Nampak International sold 7% of its shareholding received from the capitalisation to the minority shareholders of Bevcan Angola, who funded their purchase with the proceeds of a loan from Nampak International. The loan is secured by the underlying shares sold and repayment of the loan will be settled by the minority shareholders ceding their right to normal dividends in settlement of the loan during the loan term. The shareholding will have voting rights. Should the loan not be repaid within the period of the loan, such shares as have not been paid for may be acquired by Nampak International at the fair value of the shares at that point in time and offset against any outstanding balance on the loan. The transaction resulted in Nampak International's shareholding legally increasing from 70% to 93%, and consequently the outside shareholder's interest reducing to 7% with effect from 31 March 2022. This transaction did not require any further cash injection and is expected to positively impact earnings attributable to Nampak Shareholders in the future. The recapitalising transaction represents an option over own equity for accounting purposes. Until the equity interest held by the minority becomes unencumbered, they are exposed to the upside on the equity interest, while there is no exposure to downside risk or risk of loss during the loan period. Consequently, Nampak International does not recognise the equity interest issued to the minority and does not recognise the loan as outstanding.

Results of operations

- 7.2.46 The following table sets out selected income statement line items for the six months ended 31 March 2023 and 2022 and for the years ended 30 September 2022 and 2021, as extracted from the Group's consolidated financial statements.
- 7.2.47 The Group discloses its annual results of operations by operating segments, which comprises Metals, Plastic and Paper, as further discussed below:

(ZAR millions)	For the six months ended 31 March		For the year ended 30 September	
	2023	2022	2022	2021
Revenue	8 422.3	8 064.8	16 936.5	13 958.4
Raw materials and consumables used	(4 989.7)	(4 686.3)	(10 305.7)	(7 695.8)
Employee benefit expense	(1 205.3)	(1 177.8)	(2 074.3)	(2 330.0)
Depreciation and amortisation expense	(208.7)	(251.9)	(471.7)	(460.4)
Net expected credit losses – financial instruments other than the RBZ financial instrument	(12.0)	(3.5)	(41.3)	(1.1)
Other operating expenses	(1 795.6)	(1 264.4)	(2 958.8)	(2 458.4)
Other operating income	65.8	37.0	137.2	177.7
Operating profit before items below	276.8	717.9	1 221.9	1 190.4
Net impact of devaluation associated with Zimbabwe	(17.3)	(40.1)	(69.7)	4.5
Operating profit before net impairment losses	259.5	677.8	1 152.2	1 194.9
Net impairment losses	(2 359.3)	(10.2)	(512.1)	(264.3)
Operating (loss)/profit	(2 099.8)	667.6	640.1	930.6
Net finance costs	(494.2)	(279.0)	(586.4)	(484.6)
Share of net (loss)/profit in associates and joint venture	(2.8)	3.5	5.1	(0.9)
(Loss)/profit before tax	(2 596.8)	392.1	58.8	445.1
Income tax benefit/(expense)/benefit	150.0	(71.1)	(84.5)	(67.7)
(Loss)/profit for the period/year	(2 446.8)	321.0	(25.7)	377.4
Other comprehensive (loss)/income for the period/year, net of tax	(92.1)	(169.7)	464.0	(284.6)
Items that will not be reclassified to profit or loss:				
Net actuarial gain/(loss) from retirement benefit obligations	–	7.6	11.1	(32.4)
Items that may be reclassified to profit or loss:				
Exchange differences on translation of foreign operations excluding Zimbabwe operations	(20.1)	(107.3)	609.7	(237.1)
Exchange differences on translation and hyperinflation effects of Zimbabwe operations	(67.8)	(70.0)	(160.1)	(14.6)
(Loss)/gain on cash flow hedges	(4.2)	–	3.3	(0.5)
Total comprehensive (loss)/income for the year	(2 538.9)	151.3	438.3	92.8
Loss/(profit) attributable to:				
Owners of Nampak Limited	(2 490.1)	221.9	(146.9)	207.2
Non-controlling interest in subsidiaries	43.3	99.1	121.2	170.2
Total	(2 446.8)	321.0	(25.7)	377.4
Total comprehensive (loss)/income attributable to:				
Owners of Nampak Limited	(2 548.8)	66.4	375.1	(151.9)
Non-controlling interest in subsidiaries	9.9	84.9	63.2	244.7
Total	(2 538.9)	151.3	438.3	92.8
(Loss)/earnings per share				
Basic (cents per share)	(396.6)	34.9	(23.1)	32.1
Diluted (cents per share)	(396.6)	34.2	(23.1)	32.1

* Restated: Refer to Note 1.5 of the 30 September 2022 annual financial statements and Note 4 of the 31 March 2023 interim financial statements.

7.2.48 Comparison of the six months ended 31 March 2023 with the six months ended 31 March 2022.

Revenue

7.2.49 The Group increased its revenue to ZAR8.4 billion for the six months ended 31 March 2023 from ZAR8.1 billion for the six months ended 31 March 2022, an increase of ZAR357.5 million or 4.4%. Revenue growth was enabled by increased volumes in Bevcan South Africa and improving volumes in Bevcan Angola, partially offset by significant volume reduction in Bevcan Nigeria and DivFood.

Depreciation and amortisation expense

7.2.50 The Group recorded a depreciation and amortisation expense of ZAR208.7 million for the six months ended 31 March 2023 compared to ZAR251.9 million for the year six months ended 31 March 2022, a decrease of ZAR43.2 million or 17.1% as a result of the reduced asset base and the reclassification of non-current assets to held for sale.

Raw materials and consumables used

7.2.51 The Group recorded raw materials and consumables used of ZAR4,989.7 million for the six months ended 31 March 2023 compared to ZAR4,686.3 million for the six months ended 31 March 2022, an increase of ZAR303.4 million or 6.5%. The increase mainly relates to the increase in sales volumes as indicated above, as well as the increase in the imported components of raw materials purchased.

Employee cost expense

7.2.52 The Group recorded an employee benefit expense of ZAR1,205.3 million for the six months ended 31 March 2023 compared to ZAR1,177.8 million for the six months ended 31 March 2022, an increase of ZAR27.5 million or 2.3%. This increase was primarily due to nominal annual increases for employees.

Net impact of devaluation in Zimbabwe

7.2.53 The net impact of currency devaluation in Zimbabwe for the year six months ended 31 March 2023 was a loss of ZAR17.3 million, compared to ZAR40.1 million for the same period in 2022. The net foreign exchange gains in Zimbabwe increased to ZAR43.0 million for the year six months ended 31 March 2023, compared to ZAR11.2 million for the same period in 2022. The monetary adjustment for hyperinflation for the year six months ended 31 March 2023 increased to ZAR68.5 million compared to ZAR51.3 million for the same period in 2022.

Net impairment losses

7.2.54 The Group recorded net impairment losses of ZAR2,359.3 million for the six months ended 31 March 2023, compared to ZAR10.2 million for the six months ended 31 March 2022, an increase of ZAR2,349.1 million, primarily relating to Bevcan Nigeria, Bevcan Angola, DivFood and Plastic. Increases in-country risk premiums, risk-free rates and interest rates have resulted in substantially higher WACC rates in Angola and Nigeria, with 50% or ZAR1.0 billion of the impairments being attributable to the higher WACC rate in Angola and Nigeria.

Operating (loss)/profit

7.2.55 Operating profit before net impairment losses was ZAR259.5 million for the six months ended 31 March 2023, a decrease of 61.7% from ZAR677.8 million in the six months ended 31 March 2022, primarily due to significant foreign exchange losses in Nigeria (ZAR531 million) and Angola (ZAR40 million). The Group remains exposed to the foreign currency devaluation risks in these markets due to very limited availability of foreign currency. Bevcan Nigeria, DivFood and Plastic divisions incurred operating losses compared to an operating profit in the six months ended 31 March 2022, the combined effects of which contributed to a ZAR340 million reduction in operating profit. A decline of 50% in Plastic's operating profit, resulting in an adverse swing of ZAR58 million for the six months, is attributable to these operating losses. The operating loss in the Plastic division results mainly from protecting market share while cost saving opportunities are still being implemented to mitigate the margin impact effect. The slowdown in demand for plastic bottles and drums, due to lacklustre demand in the dairy and export chemical markets respectively, negatively impacted volumes. Overhead cost saving initiatives remain the focus to counter the effects of the declining demand. A strong performance of the paper business

in Zimbabwe positively contributed to Paper's operating profit improving by 82%. The Group recorded an operating loss of ZAR2,099.8 million for the six months ended 31 March 2023, compared to an operating profit of ZAR667.6 million for the six months ended 31 March 2022.

Net finance costs

7.2.56 The Group recorded net finance costs of ZAR494.2 million for the six months ended 31 March 2023, compared to ZAR279.0 million for the same period in 2022, an increase of ZAR215.2 million, or 77.1%. The increase was driven by higher interest rates, comparably higher debt levels primarily due to elevated working capital and the impact of refinancing transaction costs incurred on the restructuring of the debt package being expensed in the period.

Income tax expenses

7.2.57 The Group recorded an income tax benefit of ZAR150.0 million for the six months ended 31 March 2023, compared to an income tax expense of ZAR71.1 million for the six months ended 31 March 2022. The effective group tax shield for the period was 5.8%, compared to 18.1% tax rate for the six months ended 31 March 2022.

Loss/profit for the period

7.2.58 The Group recorded a loss before tax of ZAR2,596.8 million for the six months ended 31 March 2023, compared to a profit before tax of ZAR392.1 million for the six months ended 31 March 2022. The Group recorded losses after tax for the period of ZAR2,446.8 million for the six months ended 31 March 2023, compared to a profit after tax of ZAR321.0 million for the six months ended 31 March 2022.

Comparison of the year ended 30 September 2022 with the year ended 30 September 2021

Revenue

7.2.59 The Group increased its revenue to ZAR16,936.5 million for the year ended 30 September 2022 from ZAR13,958.4 million for the year ended 30 September 2021, an increase of ZAR2 978.1 million or 21.3%. The increase was primarily due to higher volumes in the South African beverage can market, Nigeria, Angola and Zimbabwe.

Raw materials and consumables used

7.2.60 The Group recorded raw materials and consumables used of ZAR10,305.7 million for the year ended 30 September 2022 compared to ZAR7,695.8 million for the year ended 30 September 2021, an increase of ZAR2,609.9 million or 33.9%. The increase mainly relates to the increase in sales volumes as indicated above, as well as the increase in the imported components of raw materials purchased.

Employee cost expense

7.2.61 The Group recorded an employee benefit expense of ZAR2,074.3 million for the year ended 30 September 2022 compared to ZAR2,330.0 million for the year ended 30 September 2021, a decrease of ZAR255.7 million or 11.0%. Employee costs were positively impacted by the recognition of the ZAR221.6 million Malbak Pension Fund surplus. The decrease furthermore relates to further restructuring, cost savings and retrenchment processes and initiatives that were completed during the 2022 financial year, resulting in an employee cost line that corresponds with the relationship to revenue that is acceptable to the Group and thereby conserving cash by reducing these outflows. Increases on salaries and wages were inflation-related. Higher incentives were paid in 2021 following achievement of targets in relation to the results for the year ended September 2021.

Depreciation and amortisation expense/income

7.2.62 The Group recorded a depreciation and amortisation expense of ZAR471.7 million for the year ended 30 September 2022 compared to ZAR460.4 million for the year ended 30 September 2021, an increase of ZAR11.3 million or 2.5%. The increase mainly relates to the catch-up of depreciation (ZAR10.9 million) on the reclassification of certain assets no longer held for sale on 30 September 2022. This depreciation was stopped on the classification of these assets as held for sale on 30 September 2021.

Net other operating expenses

7.2.63 The Group recorded other operating expenses of ZAR2,958.8 million for the year ended 30 September 2022 compared to ZAR2,458.4 million for the year ended 30 September 2021, an increase of ZAR500.4 million or 20.4%. Net operating income amounted to ZAR137.2 million for the year ended 30 September 2022 compared to ZAR177.7 million for the year ended 30 September 2021, a decrease of ZAR40.5 million or 22.8%. Capital and other items increased significantly primarily due to foreign exchange losses of ZAR545.6 million from Nigeria and Angola, as well as a once-off insurance loss of ZAR50.0 million, but benefitted from the ZAR221.6 million Malbak Pension Fund surplus. The year-on-year increase mainly related to inflation-related increases in energy, maintenance, insurance overheads and distribution costs due to increased sales.

Net impact of devaluation in Zimbabwe

7.2.64 The net impact of currency devaluation in Zimbabwe for the year ended 30 September 2022 was a loss of ZAR69.7 million compared to a gain of ZAR4.5 million for the year ended 30 September 2021, a decrease of ZAR74.2 million. Inflation in Zimbabwe increased to 280.4% from 51.5% in the prior year. The net foreign exchange gains in Zimbabwe increased to ZAR64.8 million compared to a net gain of ZAR0.8 million in the prior year with the monetary adjustment for hyperinflation of ZAR125.5 million increasing from ZAR4.5 million in the prior year.

Net impairment losses

7.2.65 The Group recorded net impairment losses of ZAR512.1 million for the year ended 30 September 2022 compared to ZAR264.3 million for the year ended 30 September 2021, an increase of ZAR247.8 million or 93.8%. There was a significant increase in net impairments primarily due to higher WACC rates. Net impairments of ZAR512.1 million primarily relate to DivFood, Plastic, Bevcan Angola, despite a recovery in the Angolan business' performance during the year, and a recovery of Nampak Metals Nigeria. This impairment consisted of the impairment of goodwill in Bullpak of ZAR45.4 million, a net asset impairment of ZAR323.9 million and a right of use asset impairment of ZAR142.8 million.

Operating profit

7.2.66 Operating profit before net impairments of ZAR1,152.2 million for the year ended 30 September 2022 declined by 3.6% as a consequence of capital and other items amounting to ZAR459 million, inclusive of net foreign exchange losses of ZAR546 million from Nigeria and Angola and the net impact of devaluation associated with Zimbabwe amounting to ZAR70 million. Operating profit was positively impacted by the ZAR221.6 million Malbak Pension Fund surplus but negatively impacted by a once-off insurance loss of ZAR50.0 million. Net impairments increased by ZAR247.8 million for the reasons described above. The Group recorded operating profit of ZAR640.1 million for the year ended 30 September 2022 compared to ZAR930.6 million for the year ended 30 September 2021, a decrease of ZAR290.5 million, or 31.2%, primarily due to the reasons described above.

Net finance costs

7.2.67 The Group recorded net finance costs of ZAR586.4 million for the year ended 30 September 2022 compared to ZAR484.6 million for the year ended 30 September 2021, an increase of ZAR101.8 million, or 21.0%. The increase was primarily attributable to higher average net working capital requirements, interest rate increases and ratchet interest costs of ZAR64.0 million for the year ended 30 September 2022 compared to ZAR88.0 million for the year ended 30 September 2021.

Income tax expenses

7.2.68 The Group recorded income tax expense of ZAR84.5 million for the year ended 30 September 2022 compared to ZAR67.7 million for the year ended 30 September 2021, an increase of ZAR16.8 million, or 24.8%. The effective tax rate may primarily be ascribed to the tax effects of hyperinflation in Zimbabwe and the utilisation of tax losses in Angola.

Loss/profit for the period

7.2.69 The Group recorded a loss after tax of ZAR25.7 million for the year ended 30 September 2022 compared to a profit after tax of ZAR377.4 million for the year ended 30 September 2021. Despite revenue growth, the Group's results were adversely impacted by lower trading margins, higher interest costs, a significant increase in impairments and a higher effective tax rate.

Working Capital

7.2.70 Nampak defines working capital as the year-on-year cash flow movements in Nampak's net working capital, which is used to fund its day-to-day trading operations. Net working capital includes inventory, trade receivables and other current assets less trade payables and other current liabilities. The Group aims to operate a working capital funding model that funds inventory holdings through trade payables with the Group therefore only funding its high-quality trade receivables book. A trade finance facility of up to ZAR1.0 billion was secured effective 30 September 2021 and has improved the Group's working capital cycle allowing the Group to convert selected trade receivables into cash earlier than normal credit terms granted to these customers. As of the date of this Circular, ZAR400.0 million of this facility has been utilised and applied to repay net interest-bearing debt with a commensurate reduction in banking facilities. The utilisation of this non-recourse facility counted towards the requirement to repay ZAR1.0 billion that was due.

7.2.71 The Group's working capital remains a critical area of focus across all sectors of the business, with high quality trade receivables continuing to be well managed within terms and a focus on ensuring inventory holdings are funded by matching trade payables.

7.2.72 There was a structural imbalance in the working capital cycle at 31 March 2023. After 31 March 2023, an agreement was reached with certain major customers for tighter credit terms, with the aim of improving the working capital cycle. In the six months ended 31 March 2023, the Group invested ZAR569.7 million, compared to ZAR813.1 million in the six months ended 31 March 2022, a decrease of ZAR243.4 million. The significant reduction in net working capital is part of the Group's efforts in the short term to reduce debt levels. In the year ended 30 September 2022, the Group invested ZAR658.5 million in working capital due to increased commodity pricing and the related pass-through pricing mechanisms to customers, higher revenues, increased funding of receivables and trade creditor limits that did not fund increased inventory holdings. In the year ended 30 September 2021, the Group invested ZAR621.2 million in working capital to fund growth in revenue and right sized working capital to new demand levels following the contraction required during COVID-19.

Cash Flows

7.2.73 The table below sets forth the principal components of the Group's cash flows for the six months ended 31 March 2023 and 2022 and for the years ended 30 September 2022 and 2021.

(ZAR millions)	For the six months ended 31 March		For the year ended 30 September	
	2023 (unaudited)	2022 (unaudited)	2022 (audited)	2021 (audited)
Net cash (utilised in)/generated from operating activities	(513.1)	(90.9)	53.4	306.6
Cash (utilised in)/generated from investing activities	(71.0)	(78.6)	(161.9)	55.5
Net cash (utilised)/generated before financing activities	(584.1)	(169.5)	(108.5)	362.1
Net cash (repaid)/raised from financing activities	(352.4)	499.5	407.5	(570.1)
Net (decrease)/increase in cash and cash equivalents	(936.5)	330.0	299.0	(208.0)
Translation of cash in foreign subsidiaries	(48.1)	(81.1)	91.0	(80.8)
Net cash and cash equivalents at the beginning of the year	1 501.6	1 111.6	1 111.6	1 400.4
Net cash and cash equivalents at end of year	517.0	1 360.5	1 501.6	1 111.6

Net cash generated from operating activities

- 7.2.74 Cash generated from operations before working capital changes for the six months ended 31 March 2023 decreased to ZAR591.1 million from ZAR1,080.2 million for the year ended 30 September 2022, a decrease of ZAR489.1 million or 45.3%, due to adverse impact of foreign exchange losses that increased by ZAR522.7 million, primarily in Nigeria (ZAR531 million) relating to the settlement of creditors for raw materials imported into Nigeria and Angola (ZAR40 million). The Group recorded net cash utilised in operating activities of ZAR513.1 million for the six months ended 31 March 2023, compared to ZAR90.9 million for the six months ended 31 March 2022, an increase of ZAR422.2 million, or 464.5%.
- 7.2.75 Cash generated from operations before working capital changes decreased from ZAR1,680.4 million for the year ended 30 September 2021 to ZAR1,503.7 million for the year ended 30 September 2022, net working capital changes were an increase of ZAR658.5 million compared to an increase of ZAR621.2 million in the 2021 financial year primarily due to higher foreign exchange losses and the higher investment in working capital. The Group recorded net cash generated from operating activities of ZAR53.4 million for the year ended 30 September 2022 compared to ZAR306.6 million for the year ended 30 September 2021, a decrease of ZAR253.2 million, or 82.6%.

Cash (utilised)/generated from investing activities

- 7.2.76 The Group recorded cash utilised in investing activities of ZAR71.0 million for the six months ended 31 March 2023, compared to ZAR78.6 million for the six months ended 31 March 2022. The change was primarily due to an increase in replacement capital expenditures, partially offset by the proceeds on disposal the equipment held for sale in the DivFood division and other equipment in Plastic.
- 7.2.77 The Group recorded cash utilised in investing activities of ZAR161.9 million for the year ended 30 September 2022 compared to net cash generated from investing activities of ZAR55.5 million for the year ended 30 September 2021. The change was primarily due to US Dollar-linked Kwanza bond proceeds received in the prior year and the hedges offered by these instruments that were no longer available in 2022. The Group did not receive any cash from the RBZ during the year.

Net cash raised/(repaid) in financing activities

- 7.2.78 The net cash repaid in financing activities was ZAR352.4 million for the six months ended 31 March 2023 compared to net cash raised in financing activities of ZAR499.5 million for the six months ended 31 March 2022. The change was due to a decrease in the amount of loans and invoice discounting finance raised.
- 7.2.79 The Group recorded net cash raised from financing activities of ZAR407.5 million for the year ended 30 September 2022 compared to net cash repaid in financing activities of ZAR570.1 million for the year ended 30 September 2021. The change was due to a decrease in the amount of non-current loans repaid from ZAR1,998.5 million to ZAR511.6 million, partially offset by a decrease in the amount of non-current loans raised from ZAR1,499.6 million to ZAR912.1 million.

Shareholders' equity

- 7.2.80 The shareholders' equity as of 31 March 2023 decreased to ZAR2,116.3 million from ZAR4,342.6 million as of 31 March 2022, a decrease of ZAR2,226.3 million relating to the adverse impact of net impairment losses in Nigeria, Angola and South Africa.
- 7.2.81 The shareholders' equity as of 30 September 2022 decreased to ZAR4,662.4 million from ZAR4,987.8 million (as restated) as of 30 September 2021, a decrease of ZAR325.4 million relating to the negative non-controlling interest in Angola being transferred to retained earnings on the reduction of the Group's interest in Angola from 30% to 0%.

Interest Bearing Debt and Contractual Obligations

7.2.82 The table below is a breakdown of the Group's interest-bearing debt outstanding as of 31 March 2023.

(ZAR millions)	Current	Non-current	Total
Local loans	316.9	3 128.1	3 445.0
Foreign loans	762.7	2 315.3	3 078.0
Leases	206.0	1 031.0	1 237.0
Post-retirement medical benefit obligations	—	749.9	749.9
Total	1 285.6	7 224.3	8 509.9

7.2.83 The table below sets forth the payments the Group is obligated to make on its financial liabilities and the timing of those payments. This table does not include the lease liabilities as disclosed in the above paragraph. The amounts stated in the table are the contractual, undiscounted cash flows.

(ZAR millions)	As of 31 March 2023		
	Less than one year	Between one and two years	More than two years
Non-derivative financial liabilities			
Interest-bearing debt	1 683.4	5 578.1	—
Trade and other payables	3 276.2	—	—
Derivative financial liabilities			
Forward exchange contracts and aluminium futures	10.1	—	—
Total	4 969.7	5 578.1	—

Capital expenditure

7.2.84 The Group routinely makes capital expenditure to enhance its business. The Group classifies its capital expenditures into: (i) replacement capital expenditure and (ii) expansion capital expenditure.

7.2.85 The following table sets out the Group's capital expenditure for the periods under review. Capital expenditure is defined as cash payments to acquire property, plant and equipment, intangibles and other long-term assets. These payments include those relating to capitalised development costs and self-constructed property, plant and equipment.

(ZAR millions)	For the six months ended 31 March		For the year ended 30 September	
	2023 (unaudited)	2022 (unaudited)	2022 (audited)	2021 (audited)
Replacement capital expenditure	(130.8)	(86.9)	(192.7)	(273.7)
Expansion capital expenditure	(6.2)	(7.3)	(15.6)	(39.2)
Total capital expenditure	(137.0)	(94.2)	(208.3)	(312.9)

7.2.86 The Group's capital expenditures focus on replacement capital expenditures in order to maintain the equipment to generate the volumes required and also on investments in expansion capital to expand volumes for the growing market. A recent expansion project has been approved to expand Bevcan's line 2 in Springs to accommodate growing demand for beverage cans.

Financial risk management

7.2.87 The Group's risk management policies are established to identify and analyse the financial market risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Risk Committee reviews the enterprise risk management framework and the related policies and processes annually.

Interest rate risk

- 7.2.88 Interest rate risk is the possibility that the Group may suffer financial loss due to adverse movements in interest rates. The Group is exposed to interest rate risks mainly in South Africa and the Isle of Man. To minimise the effects of interest rate fluctuations in these countries, the Group manages the interest rate risk for net debt denominated in Rand and US Dollars separately. Interest rate hedging activities are reviewed regularly to ensure compliance with acceptable risk tolerance levels. The Rand and US Dollar interest rate risks are mainly managed on a floating rate basis using derivative instruments, where appropriate, to limit the effects of adverse movements in rates. There were no interest rate derivatives in place during the six months ended 31 March 2023 and the year ended 30 September 2022.
- 7.2.89 The financial liability recognised under the current revolving credit facility loan agreement is defined as a floating rate financial liability measured at amortised cost. This results in the revision of the effective interest rate at the point when the contractual interest rate is revised to reflect the change in the credit risk of the Group. In terms of the agreement, the Group's interest rate is based on compliance with the leverage covenant level i.e. on the base floating rate plus the margin rate, depending on the covenant concerned at the end of each quarter.

Currency risk

- 7.2.90 Currency risk is the possibility that the Group may suffer financial loss as a consequence of the depreciation in the measurement currency relative to the foreign currency prior to payment of a commitment in that foreign currency or the measurement currency strengthening prior to receiving payment in that foreign currency. The Group also has translation risk arising from the consolidation of foreign operations into Rand. Risks from foreign currencies for trading purposes are hedged to the extent that they influence the Group's cash flows.
- 7.2.91 The Group uses forward exchange contracts ("**FECs**") in particular, together with other hedging instruments such as swaps and options, to manage transactional currency risks. Specific translation risks are managed through the selective use of options and hedge positions. In South Africa, all capital commitments were required to be designated as a cash flow hedge. Effective 31 August 2022, the DivFood division resumed cash flow hedging of tinsplate imports for a defined group of customers. Hedges are tested for hedge effectiveness on a regular basis. In the six months ended 31 March 2023, the Group recorded a loss of ZAR4.2 million on cash flow hedges. In the year ended 30 September 2022, a gain on the fair value of FECs amounting to ZAR3.3 million (2021: ZAR0.6 million loss) was taken to equity.
- 7.2.92 When risks and rewards of ownership transfer to the Group, a basis adjustment will be made against the assets and inventory purchased. During the year ended 30 September 2022, the cost of inventory was reduced by ZAR0.4 million (2021: ZAR0.1 million increase).
- 7.2.93 The Rand/US Dollar average and closing exchange rates both weakened by 7% and 20% respectively during the year ended 30 September 2022.
- 7.2.94 The Group has some significant operations outside South Africa and therefore the Group's consolidated results are impacted by the movement in these exchange rates against the US Dollar and the movement of the US Dollar against the Rand. The primary currency risk relates to movements in the exchange rates with the US Dollar. In particular, the Group is exposed to movements in the Kwana, Naira and ZWL against the US Dollar.
- 7.2.95 During the six months ended 31 March 2023, the average Kwana/US Dollar exchange rate weakened by 7% compared to the same period in 2022, while the closing Kwana/US Dollar strengthened by 15%. Over this period, the average and closing Naira/US Dollar exchange rates weakened by 9% and 11% respectively. During the year ended 30 September 2022, the average Kwana/US Dollar exchange rate strengthened by 25%, while the closing Kwana/US Dollar exchange rate strengthened by 28%. Over this period, the average and closing Naira/US Dollar exchange rates weakened by 5% and 6% respectively. Under IAS 29: Financial Reporting in Hyperinflationary Economies, the closing ZWL/ZAR exchange rate is adopted as the average exchange rate with differences between the average and closing ZWL/US Dollar exchange rates being due to these rates being derived from the relationship of the ZWL/ZAR and ZAR/US Dollar exchange rates. During the current financial year, the closing ZWL/US Dollar exchange rates weakened by 609%.

- 7.2.96 The ZAR/US dollar exchange rate had deteriorated to trade at ZAR/USD 19.20 on 23 May 2023 from ZAR/USD 17.80 as at 31 March 2023, after reports that the United States may take economic action against South Africa for having allegedly provided weapons and ammunition to Russia. At these levels the medium to long term impacts of the deterioration may be considered material to the Group.

Commodity price risk

- 7.2.97 Commodity price risk is the risk that the Group may suffer financial loss when a fluctuating price contract is entered into and commodity prices increase or when a fixed price agreement is entered into and commodity prices fall. The Group uses derivative instruments, including forward agreements and futures, to hedge commodity risk.
- 7.2.98 At 30 September 2022, the Group's primary commodity exposure related to the purchase price of aluminium. A 10% movement in the aluminium price would impact operating profit by ZAR14.8 million gain (2021: ZAR23.6 million gain).

Credit risk

- 7.2.99 Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. In order to minimise credit risk, the Group has a policy of only dealing with creditworthy counterparties. Credit risk relates mainly to loan and lease receivables, trade receivables and bank balances. The Group has a high quality trade receivables book, particularly in Bevcan South Africa and DivFood with a history of low bad debt write offs.
- 7.2.100 The RBZ financial instrument arose from the arrangement with the RBZ in order to protect the Group's cash position in that jurisdiction. Consequently, the Group is exposed to the credit risk and probability of default of the Zimbabwean government. Default is defined as the failure to honour the repayment terms of the agreement with the RBZ.
- 7.2.101 In light of the credit risk attached to the RBZ financial instrument at 30 September 2019, an expected credit loss ("ECL") provision of 85% was applied to the agreement after having regard to the prevailing economic challenges and financial uncertainty in Zimbabwe. This was supported by the outlook of the World Bank and International Monetary Fund and related to the ability of the Zimbabwean economy to recover from its economic crisis.
- 7.2.102 Based on past due information and forward-looking macroeconomic data indicated previously, management determined that the risk of default on this asset had increased as at 30 September 2021, and that the ECL provision should be increased from 85% to 90% based on the calculation of the present value of the cash flows expected from the asset over the remaining repayment period. See Note 1.3 to the 2022 Audited Financial Statements.
- 7.2.103 With the exception of a few multinationals, the concentration of credit risk of default relating to trade receivables is limited due to the customer base being large and unrelated. Default is defined as the failure to honour the credit terms agreed with the customer concerned. No credit rating has been obtained from banks for customers. Ongoing credit evaluations on the financial condition of customers are performed, taking into account their financial position and past experience. Trade receivables have similar payment profiles as evidenced by low write-offs at a portfolio level.
- 7.2.104 To the extent possible, the Group only deposits cash with major banks with high-quality credit standings and limits exposure to any one counterparty.
- 7.2.105 The Group does not consider there to be any significant concentration of credit risk which has not been adequately provided for at 30 September 2022.

7.3 Nampak investment case

Summary

- 7.3.1 Shareholders are referred to the presentation titled "ONE Nampak Investor Presentation" for a summary of the Nampak Investment Case, which is accessible on the Company's website at <https://www.nampak.com/Investors/Financial-Information>.

Background to investment case

7.3.2 Nampak houses a robust portfolio of top-tier businesses renowned for exceptional capabilities, providing investors with access to a relatively defensive economic sector that is poised for growth. This is supported by a discerning customer base which requires unwavering quality and service standards.

7.3.3 The historical expansion of Nampak's geographic product portfolio more than a decade ago negatively affected the overall quality of its earnings, leading to compromised profitability, and created a capital structure that has placed the sustainability of the Company at risk. As a result, both shareholders and lenders have expressed deep concern about the strategic future and liquidity of the Company.

7.3.4 Several factors have influenced this situation:

- › *Poor historic capital allocation choices:* In the past, the Group made sub-optimal decisions resulting in a negative financial outcome.
- › *Financing of expansions into Angola and Nigeria in US Dollars:* The decision to finance the expansions into Angola and Nigeria using US Dollars added financial risk and volatility to the operations of the Group.
- › *High cash operating expense base:* Nampak has a significant operating expense base, which has put pressure on its cash flow and profitability.
- › *Customer and supplier reservations, despite their overall support:* Although the Group's customers and suppliers generally support the Group, there are reservations and concerns that need to be addressed to improve Nampak's relationships with them. This has led to a loss of some contracts.
- › *Production-led approach versus customer-centric focus:* The focus on production and operations has overshadowed the importance of being customer-centric, with the resultant sub-optimal management of this key function.
- › *Structural working capital imbalance:* There has been an imbalance in the Group's working capital structure which is in the process of being addressed to improve its financial stability and efficiency.
- › *Sub-optimal business model:* Nampak's current business model is not the most efficient or effective and adjustments are necessary to enhance overall performance.
- › *Cost of manufacturing architecture:* Nampak's extensive and fragmented manufacturing architecture has resulted in increased costs, affecting profitability.
- › *Pockets of cultural apathy:* In some areas of the Company there is a lack of enthusiasm or motivation which hinders productivity and overall performance.

7.3.5 Addressing these factors and implementing appropriate remedies will be crucial in restoring the quality of the Group's portfolio: improving profitability, and rebuilding confidence among customers, employees, shareholders and lenders.

7.3.6 The Board and management have undertaken to initiate various turnaround initiatives, including, *inter alia*, management changes (e.g., appointment of a new CEO and Chief Restructuring Officer); debt maturity extension; execution of a rights offer; talent calibration/retention; business model review; and a holistic operational turnaround programme. These intend to address the short-term issues facing the Group, including costs/inefficiencies; working capital; trading terms; revenue growth management; and the disposal of non-core assets.

7.3.7 The comprehensive turnaround plan seeks to shift the Company from being a vulnerable conglomerate to a business that is focused on specific packaging operations delivering higher quality earnings, reduced risk and improved cash generative ability. In this way, the Company shall be optimally positioned to deliver returns to shareholders.

7.3.8 The success of the plan relies on the support and a cohesive approach from all key stakeholders (shareholders, lenders, suppliers, customers and Nampak's Board, executive team and employees).

Consumer market context

7.3.9 The consumer market is influenced by various factors and trends that are reshaping traditional perspectives on consumer growth.

7.3.10 These include:

- › *Sustained pressure on global economic activity:* The global economy is experiencing low GDP growth and high rates of inflation. This has resulted in a value-focused customer environment in both local and regional markets, impacting consumer behaviour and preferences. In addition, low-cost competition is affecting both volumes and margins.
- › *Market volatility and fluidity:* The market is characterised by rapid changes and uncertainties. Contributing to this volatility are the increasing speed of change; fragmentation of consumer needs and tastes; the rapid rise of digital technologies; the proliferation of marketing channels; a fierce scramble for market share; the need for organisational adaptability and agility; transformational technologies; cost and margin pressures, and a lack of effective self-directed leadership.
- › *Coherence premium:* There is a growing need for companies to generate a coherence premium by defining their areas of competition; developing a strong capability system; and ensuring that their brand and services align with consumer needs and expectations.
- › *Informed customers and smarter shoppers:* Rapid digitisation has empowered consumers with access to vast amounts of information, enabling them to make more informed choices. This has led to a recalibration of consumer value and an increased emphasis on factors such as quality, sustainability and personalisation.
- › *Impact of the COVID-19 pandemic:* The pandemic has significantly influenced consumer behaviour and belief systems. It has led to a higher propensity for consumers to switch brands; an increased reliance on online shopping; and a shift in shopping behaviour. Traditional in-store shopper influences have diminished in importance. Consumers now prioritise health and well-being, convenience, and value. The pandemic has also disrupted the traditional workplace and location, and remote work has brought about changes in how teams collaborate, and the way businesses interact with customers has shifted, becoming less tied to physical locations. As a result, consumer loyalty has become less prevalent and brand switching has become more common.
- › These insights are sourced from Consumer Rock International (Pty) Ltd, highlighting the evolving dynamics of the consumer market and the challenges and opportunities they present for businesses.

Industry analysis

Current corporate positioning

7.3.11 Nampak has been the leading packaging partner in its markets for decades. Nampak currently operates in four segments and serves high-profile customers with its products.

Operating segment	Products	Key customers
Metals: Bevcan	<ul style="list-style-type: none"> › Regular cans › Slimline cans › Slender cans › Can ends 	<ul style="list-style-type: none"> › ABInBev › Castel › Coca-Cola › Diageo › Distell › Heineken › Refriango
Metals: DivFood	<ul style="list-style-type: none"> › Broad range of two- and three-piece food cans › Aerosol cans in both aluminium and tinfoil › ROPP and twist-off metal closures 	<ul style="list-style-type: none"> › Diageo › Distell › Lucky Star › Nestlé › Oceana › Rhodes Food Group › Tiger Brands

Operating segment	Products	Key customers
Plastic	<ul style="list-style-type: none"> › PET (polyethylene terephthalate) preforms and bottles, including HDPE (high-density polyethylene) bottles › Paper gable-top cartons › Drums › Closures, tubes and crates 	<ul style="list-style-type: none"> › ABI › ABInBev › Clover › Diageo › Distell › Douglasdale Dairy › GSK › Ilovo › Parmalat › Pioneer Foods › Premier › RCL Foods › Sasol › Tiger Brands › Woodlands Dairy
Paper	<ul style="list-style-type: none"> › Folding cartons › Self-opening bags › Tobacco cases › Corrugated boxes › Conical cartons › Sacks 	<ul style="list-style-type: none"> › ABInBev › Diageo › Distell › Halewood International › Heineken › KWW › Namibia Breweries › Pioneer Foods › Tiger Brands

Beverage cans

7.3.12 In 2021, the global beverage can market was estimated to be worth US\$23.7 billion and poised to reach US\$31.2 billion by 2026 – growing at a CAGR of 5.6% (source: marketsandmarkets.com). Around the world, beverage cans are witnessing historic levels of growth. Approximately 75% of new beverage launches in North America now appear in cans, more than double the rate of five years ago. This rising adoption of the aluminium can is attributable to several factors, including the format's sustainability credentials and convenience, an increase in off-premises consumption as well as consumer demand for new beverage options (e.g., energy drinks, seltzers and craft beers) where cans are the preferred packaging solution. The South African beverage can market is no exception, with good volume growth reported over the last three years particularly in the beer and energy drink sectors.

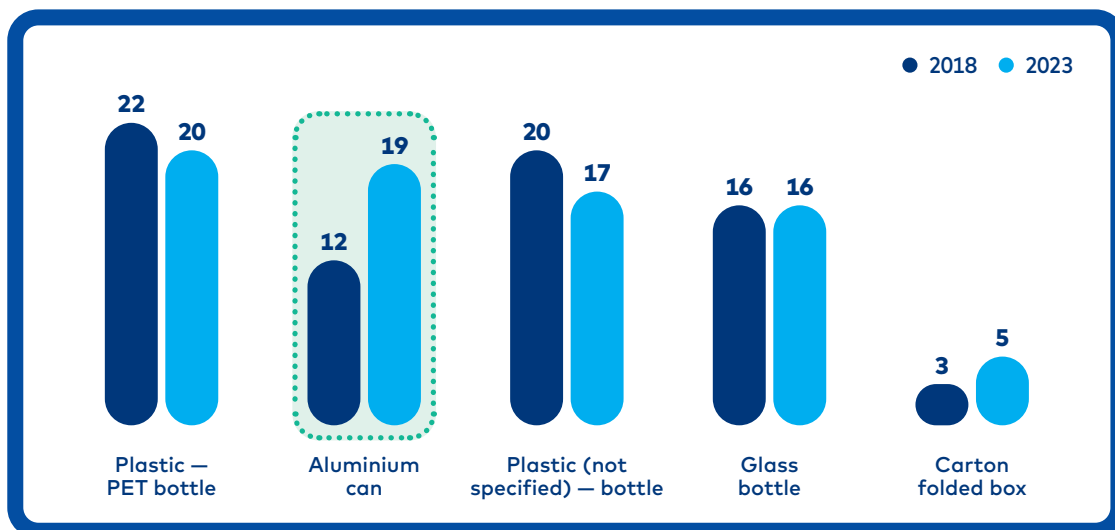
7.3.13 Aluminium cans (and PET bottles) are the leading formats for soft drink packaging globally, with aluminium cans experiencing the highest growth across all formats over the last five years. This is largely due to the fact that aluminium cans are seen as the most sustainable beverage packaging substrate by virtually every measure.

7.3.14 The distinctive format advantages that cans offer are as follows:

- › **Reduced carbon footprint:** Cans typically have a higher recycling rate and more recycling content than competing packaging types, which bodes well for a world with significant focus on sustainability and environmentally friendly initiatives. Infinite recyclability in a true “closed loop” is the can's core sustainability advantage over other packaging types due to it retaining its property throughout the entire recycling process. In parts of America and Europe, for example, there are already near 100% recycling rates. In addition, the fact that cans can easily be stacked on top of each other and are lightweight makes for a more effective transport utilisation per load, further reducing the carbon footprint.

- › **Convenience in packaging:** Cans are easy to stack and store, are lightweight, robust and travel-friendly, making them popular among customers and consumers alike.
- › The canned format gains traction as a **preferred substrate** for energy drinks, wine, water and seltzers.
- › The **intrinsic quality retention** in cans has superiority over other packaging formats.
- › Cans have inherent **safety** properties/attributes.
- › **Other benefits:**
 - » *Brand image:* Cans can contribute to a strong brand image due to their sleek and modern appearance. They have a distinct and eye-catching shape that can help products stand out on store shelves, attracting consumer attention and increasing brand recognition.
 - » *Printing flexibility:* Cans offer extensive printing flexibility, allowing for high-quality and visually appealing graphics. The surface of a can provides ample space for detailed artwork, vibrant colours and eye-catching designs. This flexibility enables brands to effectively communicate their message, showcase their logo, and engage consumers through visually appealing packaging.
 - » *Customisation options:* Cans can easily be customised to suit specific branding needs. Whether it is a unique shape, embossing, debossing, or specialised finishes like matte or gloss, cans offer a range of options to create a packaging design that aligns with the brand's identity and resonates with the target audience.
 - » *360-degree branding:* Cans provide a 360-degree canvas for branding. Unlike other packaging formats, cans offer a continuous surface that wraps around the entire product, providing ample space for branding elements. This 360-degree branding opportunity maximises visibility and ensures that the brand message is conveyed from every angle.
 - » *Shelf impact:* The distinctive shape and vibrant printing of cans enhances shelf presence. This can create a sense of premium quality, professionalism and innovation, making products more appealing to consumers and increasing the likelihood of purchase.
 - » *Product protection:* Cans offer excellent product protection against light, air and moisture, helping to maintain the freshness and quality of the contents. This is particularly advantageous for products — such as beverages — that are sensitive to external elements.
- › Important growth drivers for beverage aluminium cans:
 - » As can be seen in the following graphic, aluminium cans are the only substrate that has grown significantly since 2018.

Growth per substrate — percentage (%) of product launches



Source: Innova Market Insights — Soft Drinks (March 2023).

- » Globally over the last few years, there has been a growing trend to package in aluminium cans those products that historically were only available in glass or PET. This trend is rapidly gaining momentum. Products within this category are water, wine and spritzers. South Africa is no exception and – albeit from a lower volume base – this trend is rapidly gaining momentum.
- » The big driving force behind this trend is the sustainable and environmentally friendly nature of aluminium cans.
- » The popularity of energy drinks globally (including in South Africa) has increased exponentially over the last decade. Consumers, especially millennials, see energy drinks in larger format cans as a trendy alternative to other beverage drinks due to the higher sugar and caffeine content. Over the past three years, there has been double-digit percentage growth in volumes of canned energy drinks in South Africa. This is one of the key reasons why the production capacity for large cans has been fully absorbed by the market. To cater for the trend of demand for 500ml cans, Nampak will be upgrading its Bevcan Line 2 based in Springs, South Africa to provide significant additional capacity at an attractive internal rate of return. This project will be funded from internal cash flows.

7.3.15 According to Nampak's internal market estimates, Nampak's Bevcan operation is Sub-Saharan Africa's largest beverage can and ends manufacturer, manufacturing standard cans (330ml, 355ml, 440ml and 500ml); slimline cans (200ml and 250ml); slender cans (300ml and 330ml); ultra-sleek cans (410ml); and ends (of diameter sizes 200 and 202).

7.3.16 The Group has a high market share in several key markets, including South Africa, Nigeria and Angola. Bevcan is the only producer of beverage cans in Angola. In Nigeria, Bevcan's market share is circa 45%. For the South African market most key raw materials (aluminium) are procured locally with limited imports, while in Angola all raw materials are imported, predominantly from Asia.

7.3.17 *Bevcan South Africa*

Per internal market estimates, Bevcan is the leading manufacturer of beverage cans in South Africa, with circa 70% market share. This leading market position is rooted in:

- › A well-capitalised asset base with scope for further capital expansion, allowing Bevcan to meet the growing demand for its products;
- › Moderate future replacement capital requirements minimising the financial burden and allowing it to allocate resources efficiently;
- › A continuous improvement ethos, which allows the business to constantly seek ways to enhance its manufacturing processes and increase efficiency and benchmarking. This commitment to improvement lends itself to optimisation and cost savings;
- › The export potential for manufactured ends, with the advantage of generating earnings in hard currency providing stability and mitigating the risks associated with currency fluctuations;
- › A local and multinational customer base built on trust and service excellence. This loyal customer base contributes to Bevcan's market position in South Africa and provides a foundation for future growth;
- › The seamless integration of technological know-how with customer filling operations, allowing the business to offer a comprehensive solution and ensuring smooth collaboration throughout the supply chain;
- › A highly competent management team with the skills and experience necessary to drive strategic initiatives, make sound decisions, and navigate the challenges of the industry;
- › Well-integrated supplier relationships, ensuring a reliable and efficient supply chain that supports the business's operations and customer satisfaction;
- › Mature triangulation of systems, processes and people, facilitating harmonious coordination that optimises the business's operations and allows it to deliver consistent results;
- › Parental influence, contribution and business support to Bevcan Angola, which has strengthened Nampak's position in that jurisdiction; and
- › High levels of cash conversion which effectively turn revenue into cash flow.

7.3.18 *Bevcan Angola*

- › Bevcan is the only producer of beverage cans in Angola, supplying the country's key beverage producers. The Group has a state-of-the-art facility in Viana, Luanda capable of manufacturing standard 330ml and slender 330ml beverage cans.
- › Since COVID-19 lockdowns, border closures with the Democratic Republic of the Congo ("**DRC**") have stymied the indirect exports of customers' products, impacting demand for Nampak's beverage cans. The re-opening of the border should significantly increase demand for cans and allow this operation to return to former levels of profitability. It is uncertain, however, when goods will again be allowed to move freely between Angola and the DRC.
- › Selling price mechanisms remain in place to recover from all our customers, on a monthly basis, the impact of currency movements on price. The Angolan government allows the kwanza rate to float according to the market. As a result, there is limited additional currency exposure that needs to be recovered from customers due to differences between official and parallel rates. Historically the Angolan government's Kwanza-linked US Dollar bonds offered protection against currency depreciation. The reintroduction of these instruments into the market on a continuous basis could manage currency volatility through investing in such instruments thereby minimising foreign exchange losses.
- › According to National Institute of Statistics data, Angola's economy grew by 3% year-on-year in 2022 up from 1.2% in 2021, when it exited a five-year recession. This was supported mainly by the country's three primary commodities: oil, gas and diamonds. Inflation slowed to 10.62% in May 2023 from 22.96% in June 2022. The uplift in economic activity resulted in key customers re-commissioning previously mothballed beverage can filling lines in order to take advantage of increased consumer demand.
- › As the only manufacturer of beverage cans (and with current underutilised production capacity), the Group is optimally positioned to take advantage of any volume growth that results from faster economic growth. Similar to other parts of Africa, the industry has high barriers to entry which means that competition for Bevcan in Angola is unlikely in the short to medium term.
- › Nampak has an experienced and stable Angolan management team and enjoys very strong and long-standing relationships with its major customers and, as in South Africa, forms an integral part of its customers' supply chains.

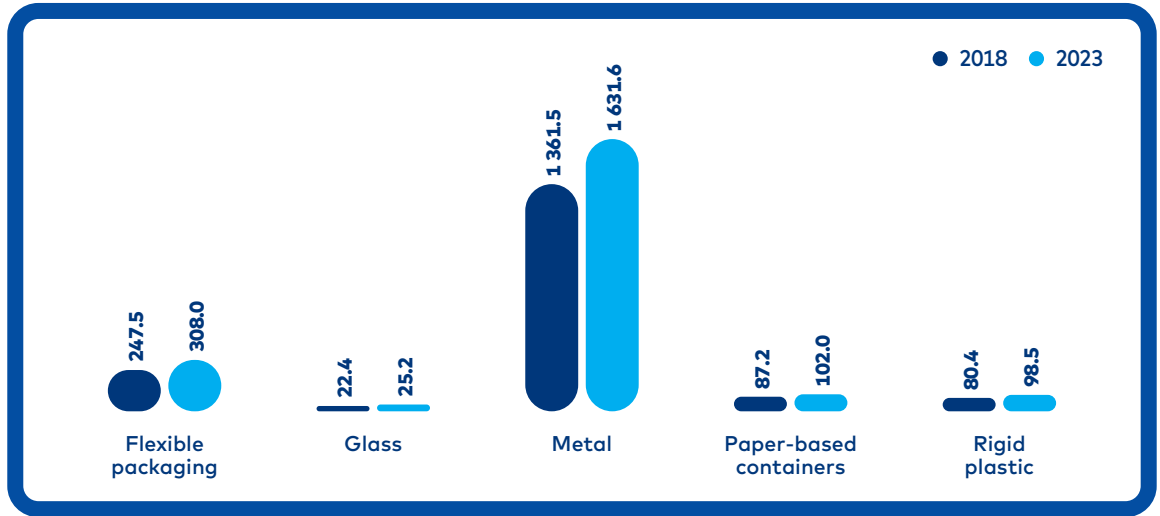
7.3.19 *Bevcan Nigeria*

- › Bevcan is the second-largest manufacturer of beverage cans in Nigeria, with an estimated market share of circa 45%. The Bevcan operation is based in Agbara, approximately 50km west of Lagos, and consists of one production line capable of manufacturing standard 330ml and 500ml beverage cans. The state-of-the-art plant, which has a market-leading production efficiency track record, was designed and constructed to accommodate a second beverage line.
- › The size of the Nigerian economy surpassed that of South Africa about a decade ago. During 2022, Nigeria's economy was valued at US\$487 billion, while South Africa had a GDP of US\$405 billion. Nigeria's large population creates the largest consumer market in Africa. Supported by the rate of growth in the population, Nigeria is expected to be one of the most attractive consumer markets in Sub-Saharan Africa. (Sources: EIU; World Bank; Fitch Nigeria Country risk report Q2 2023; Fitch Nigeria Consumer and Retail Q2 2023).
- › Customer selling price mechanisms include the recently introduced adjustment to recover the difference between official and parallel Naira exchange rates as a result of a pegged official naira rate. This mitigates the impact of any potential forex losses that may be incurred on externalising foreign currency. Foreign exchange exposure does however exist between the date customers are invoiced and the date that the foreign creditors are settled. Foreign exchange exposure does, however, exist between the date customers are invoiced and the date that foreign creditors are settled. Since June 2023, the Nigerian government has allowed the official Naira exchange rate to fluctuate according to market indices, reducing the risk of currency under-recovery in selling prices and limiting foreign exchanges losses. This is seen as a big positive for the consumer goods market, however market elasticity would not be infinite.
- › As in the case of South Africa and Angola, Nampak has an experienced and stable Nigerian management team and enjoys well-established and long-standing relationships with its blue-chip customers.

7.3.20 Food cans

- › Metal cans are the largest global shelf stable food pack type with 60% of new product launches between 2018 and 2023. In South Africa, the metal food can commands 75% of shelf stable packaged food. It grew by 20% over the period 2018 to 2023, as can be seen in the graph that follows.

RSA shelf stable food retail sales — 2018 vs. 2023 (millions)



Source: Euromonitor International

Shelf-stable fruit and vegetables are predominantly packed in metal cans.

- › This can be attributed to numerous factors, including the durability of the pack and the longer shelf life offered. Metal food cans, especially two-piece, are appreciated for being safe and secure and preventing spoilage prior to opening. Food used for canning is canned when fresh with no preservatives, hence sealing in the nutritional value of the food. Once canned, the products can be stored at room temperature for many years and thus save energy.
- › It is expected that demand for shelf-stable beans will continue to grow as consumers are increasingly cash strapped and look for cheaper forms of protein. In addition, the expanding base of South Africans choosing to follow a plant-based diet further boosts demand for shelf-stable beans. Sales of fish can also benefit from canned fish being a reasonably cheap source of protein that is also particularly suited to rural markets where many do not have access to refrigeration. The flexibility of cans is demonstrated in the local corned meat market which is split between rectangular and round cans that cater for both higher- and lower-income consumers. The demand for the lower-priced round cans is forecast to grow and new product launches are expected in the unique rectangular can space.
- › Easy-open ends and peel-off lids offer added convenience allowing for opening on-the-go. They are forecast to continue growing in today's convenience-driven society. Food cans have infinite flexibility as regards size, look and feel. This, together with tinfoil's recyclability and sustainability, will ensure they remain the dominant shelf-stable food pack type. It is difficult for food companies to change from the food retort process (heat treatment) which favours metal cans over plastic. Additionally, the trend to light-weight cans enables brand owners to reduce their environmental footprint, improve their sustainability credentials and reduce costs, including those for transport.
- › DivFood predominantly manufactures two and three-piece metal cans and closures for food, home and personal care packers who sell into both local and international markets. DivFood services over 200 customers such as Tiger Brands, Nestle, Oceana, Rhodes Food Group, Distell, Unilever and SC Johnson.
- › DivFood has four manufacturing sites across South Africa (Vanderbijlpark; Mobeni Durban; Paarl; and Epping, Cape Town). Key raw materials (tinplate/aluminium) are imported mostly from Europe, Japan and China, with a relatively long supply chain. Production consists of multi-stage manufacturing processes i.e., coil shear, coating, printing, componentry and assembly. Two can types (monobloc aerosols and two-piece cans) are produced in a single continuous process.

- › Nampak is merging DivFood with Bevcan to maximise synergies as 'ONE Nampak'. These synergies are discussed in detail in the following commentary.
- › The DivFood turnaround is premised on profitable core volumes, growth in adjacent sectors, margin expansion and cost reduction. As the sensitivity to price in the core food business is significantly higher than that to volume, revenue growth management is an imperative.
- › By leveraging operational initiatives, the business aims to unlock value, improve cost efficiencies, enhance profitability, and position itself for sustainable growth and success.
- › Structural changes play a crucial role in making DivFood fully sustainable. The business is implementing the following initiatives to achieve structural fixed cost reduction and enhance operational efficiency:
 - » *Potential site rationalisation*: DivFood is exploring the possibility of consolidating its operations into one or two highly efficient super-site/s. This structural change aims to lower the cost per unit and simplify operations by manufacturing components and ends at the same site as can bodies. This potential consolidation will optimise resources, reduce overhead costs, and streamline the production process.
 - » *Drive best practice and reap cost synergies through the merger*: By leveraging the combined expertise, resources and capabilities of both entities, Nampak can optimise operations, eliminate duplication and drive cost efficiencies throughout the merged entity.
 - » *Resetting of labour wage standards across the merged entity*: As part of the merger, DivFood will evaluate and negotiate the resetting of labour wage standards across the business. This process will ensure that wage structures are aligned with market realities and optimised to maintain cost competitiveness.
 - » *Structural change to working capital through creditor funding of inventory*: The business is actively working on a structural change to its working capital management by aligning creditor funding of inventory. This adjustment has the potential to generate significant upside by reducing the need for internal funding of inventory and improving overall working capital efficiency. Complementary improvements in sales and operations planning practices will further enhance the effectiveness of this structural change.
- › These structural changes are aimed at enhancing efficiency, reducing costs and optimising the use of resources. By implementing these initiatives, Nampak aims to drive sustainable growth, improve financial performance and create long-term value for our stakeholders.

7.3.21 Plastic

- › Per internal market estimates, Nampak's plastics business produces high-quality products and has substantial market share of over 30% ± on certain product substrates such as plastic bottles and plastic drums. Nampak is the only producer of tubes in South Africa and in a strategic partnership with Bericap on plastic closures. In Zimbabwe, according to Nampak's internal market estimates, its market share for plastic products is over 80%± on most of the product range. Nampak Liquid Cartons holds a unique position as the sole producer of gable-top product lines in South Africa. These product lines include Purepak straight-sided cartons (licensed by Elopak) as well as conical cartons designed for traditional beer. By catering to niche markets within the beverage industry, Nampak Liquid Cartons fulfils a specialised role in South Africa's packaging sector.

7.3.22 Paper

- › The paper business consists of conical cartons for traditional beer in Zambia and Malawi as well as a large variety of corrugated and other paper products in Zimbabwe. Nampak is the only gable-top conical carton producer in Zambia and Malawi and the paper product range of Nampak Zimbabwe has over 70%± market share on most of its products according to internal market estimates. Nampak in Zambia supplies our business in Malawi with semi-finished products for further processing before its supply to the market. Nampak in Malawi holds more than 65% pack share in the traditional beer market, and in Zambia Nampak is the largest producer of crates and the only company with a gable-top conical carton manufacturing capability in the market. Nampak's market share for conical cartons in Zambia has decreased recently due to competition from beer packed in bulk containers.

Vision

- › The Group's vision is to be the leading packaging solutions partner in select geographies. Here we elaborate on the factors making up the Group's vision:

7.3.23 *Industry leader*

- › Innovation: Nampak strives to be at the forefront of innovation, constantly developing new and creative packaging solutions that meet the evolving needs of our customers and the market.
- › Efficiency: Nampak aims to optimise its operations and processes to ensure efficiency in every aspect of its business, from manufacturing to supply chain management.
- › Profitability and return on capital: Nampak is committed to generating sustainable profitability and maximising returns on capital invested, delivering value to shareholders.
- › Market share superiority: Nampak aspires to achieve a leading market position in its chosen geographies, capturing a significant share of the market through its superior products and services.

7.3.24 *Packaging solutions*

- › Beverage and food metals: Nampak specialises in providing high-quality packaging solutions for the beverage and food industries, leveraging its expertise in metal packaging.
- › Home care metals: Nampak offers innovative packaging solutions for the home care sector, catering to the unique requirements of this industry.
- › Small bolt-on acquisitions in the medium term: Nampak seeks opportunities for small, strategic acquisitions that complement its existing portfolio and contribute to its growth strategy.

7.3.25 *Partner with customers*

- › Customer-centric: Nampak prioritises its customers and aims to exceed their expectations by delivering exceptional service, responsiveness and customised solutions.
- › Partner of choice/leading edge: Nampak strives to be the preferred partner for customers, standing out for its leading-edge capabilities, reliability and collaborative approach.
- › Category thought leader: Nampak aims to be a thought leader in its industry, driving innovation, setting trends and shaping the future of packaging solutions.

7.3.26 *Focusing on select geographies*

- › South Africa: Nampak aims to be a dominant player in the packaging solutions market in South Africa, leveraging its local expertise and market knowledge.
- › Angola: Nampak seeks to establish a strong presence and become a trusted partner in the packaging sector in Angola, capitalising on the growth opportunities in this market.

By pursuing this vision, the Group aims to create long-term value for its stakeholders, foster enduring partnerships and achieve sustainable growth in its chosen geographies.

Future corporate positioning

- 7.3.27 The core of 'ONE Nampak' will be the metals operating segment with operations in South Africa (Bevcan and DivFood) and Angola (Bevcan).

- 7.3.28 ONE Nampak will focus on the following key principles:

- › The business model will be simplified and pared back to four core competencies — technical capability; ability to finance the supply chain; manufacturing excellence; and a customer-centric approach. This also means management will reorganise Nampak in such a way that the business is managed along these four competencies rather than managing siloed divisions.
- › With regard to the first two, the business will leverage on the quality of products and the world-class research and development (R&D) to ensure consistency in being able to deliver better to customers.
- › Nampak will become more customer-centric — customers are key to success, but the business is also a critically important part of their supply chains. Nampak will partner with customers to ensure greater balance in the relationship and to ensure mutual benefit.

- › Nampak will improve operating efficiencies, with a particular near-term focus on driving improvements across all elements of the working capital cycle as well as fixed costs across the value chain.
 - › Nampak will simplify its corporate structure by disposing of non-core assets and merging the core South African assets (Bevcan South Africa and DivFood) into one entity, to remove the inefficiencies embedded in the previous divisional structure of the business and thereby maximise synergies.
 - › Nampak will optimise its working capital cycle to ensure that inventory holdings are funded by trade creditors, with the Group only funding its high-quality trade receivables.
 - › Nampak is integral to the broader industry value chain.
- 7.3.29 The net result of these initiatives is that Nampak will become a more focused, better capitalised business with improved profitability metrics and a lower net investment in operating assets generating a return on invested capital that exceeds the group's weighted average cost of capital.
- 7.3.30 The greater cohesion created through the restructuring and focus on its core competencies will ensure that the Group can continue to deliver the best solutions for its customers, driving growth in its core categories and increasing its own market share.

Investment case for 'ONE Nampak'

- 7.3.31 The Group has a core of high-quality, market-leading businesses with distinctive capabilities, offering exposure to a segment of the economy that will continue to display defensive, sustainable growth characteristics, underpinned by a blue-chip customer base.
- 7.3.32 ONE Nampak is being created for cultural cohesion with technical, manufacturing and customer-facing competencies.
- 7.3.33 The information here outlines the key factors that define a strong investment case for Nampak and what is needed for the Company to have a competitive advantage and succeed.
- › *What defines a strong investment case for Nampak/winning game?*
 - » Industry-leading returns: Nampak will strive to achieve returns on investment that surpass those of its competitors within the industry.
 - » Market share leadership: Being a market leader implies capturing a significant portion of the market and maintaining a competitive edge over rivals.
 - » Distinctive capabilities: Nampak will possess unique skills, resources and expertise that differentiates it from competitors and contributes to its success.
 - » Above-average market growth: Nampak will operate in a sector that demonstrates strong and sustained growth prospects.
 - » Operating leverage: This refers to the ability of Nampak to run its plants as efficiently as possible.
 - › *What is needed for a strong investment case in order for Nampak to succeed?*
 - » Focused portfolio: Nampak will have a clear and concentrated product or service offering that aligns with its strategic objectives.
 - » Technological advantage: The Company will leverage advanced technology and innovation to gain a competitive edge in the market.
 - » Scale: Nampak's size and scale can contribute to cost efficiencies, market dominance and stronger negotiation power with suppliers and customers.
 - » Customer spread/global client base: A broad customer base across different regions or industries reduces reliance on a single market and increases stability.
 - » Long-standing and proven relationships with suppliers and customers: Strong and established partnerships with suppliers and customers will provide stability and competitive advantages.
 - » Capital intensity/barriers to entry: The industry requires substantial capital investment and possesses barriers to entry, making it difficult for new competitors to enter the market.
 - » Cash generative: Nampak will have the ability to generate consistent cash flow, indicating financial stability and a strong investment case.

- » Management depth: The Company has a capable and experienced management team to navigate challenges and drive growth.
- › *How will Nampak generate growth?*
 - » Efficiency and cost fanaticism: Nampak will focus on optimising its operations, reducing costs and maximising efficiency throughout the organisation.
 - » Continuous improvement in culture: Nampak will foster a culture of continuous improvement, innovation, and learning within the Company.
 - » Business model reinvention: The Company is open to adapting and evolving its business model to meet changing market dynamics and customer demands.
 - » Lean management structures: Implementing streamlined and efficient management structures will enhance agility and decision-making.
 - » Partnerships with chosen exemplars: Collaborating with industry leaders or exemplary organisations will provide Nampak with access to expertise, resources and new opportunities.
- › *What will success look like for Nampak?*
 - » Customer retention and growth: Nampak's success will be reflected in its ability to retain existing customers while attracting new ones.
 - » Engaged workforce: Having an engaged and motivated workforce contributes to productivity, innovation and overall success.
 - » Superior returns: Nampak aims to achieve returns on investment that outperform industry benchmarks and satisfy investor expectations.
 - » Responsible corporate citizenship: The Company prioritises corporate social responsibility, sustainability and ethical practices.
 - » Share appreciation: Success for Nampak will be measured by an increase in the value of its shares, indicating investor confidence and market recognition.

7.3.34 The strategic initiatives outlined in the plan are aimed at reshaping and strengthening Nampak's position in the market and generating sustainable growth. A summary of each initiative is set out below:

- › *Reshaping the corporate portfolio:*
 - » Focus on the metal substrate, narrowing the geographic span to South Africa and Angola;
 - » Targeted reduction of 15% in the number of stock keeping unit (**SKUs**) across certain operations; and
 - » Investment in new product innovation and growth.
- › *Strategic customer management:*
 - » Revenue growth management through price, volume and margin optimisation;
 - » Development of a world-class sales and operational planning system to improve working capital and production scheduling;
 - » Collaboration with customers for innovation and category thought leadership;
 - » Emphasis on service excellence, relationship management and meeting order fill requirements; and
 - » R&D focus on technological advantage to expand margins and gain a competitive edge.
- › *Resetting the cost base and unearthing inefficiencies*
 - » Implementation of a revised ONE Nampak business model, including the merger of Bevcan South Africa and DivFood and a simplified organisational design;
 - » Limiting discretionary spending;
 - » Focus on efficiency, including manufacturing architecture and world-class manufacturing principles; and
 - » Extracting efficiency gains in manufacturing, working capital, logistics and IT services.
- › *Building a performance culture*
 - » Calibration of competencies and learning agility for employees;
 - » Cultivating a sense of urgency in all activities;
 - » Promoting unconditional integrity;
 - » Encouraging an ownership mindset among employees; and
 - » Prioritising social ethics and responsibility.

- › Strengthening the Nampak brand proposition
 - » Establishing credible and trusted customer partnerships while also continuing strengthening existing customer partnerships;
 - » Positioning Nampak as a provider of the highest quality offerings;
 - » Focusing on sustained earnings growth and return on invested capital (**ROIC**); and
 - » Striving to become an employer of choice.
- 7.3.35 Overall, the aim is to create ONE Nampak with a focused portfolio, strong customer relationships, cost efficiency, a performance-driven culture and a compelling brand proposition. Success will be measured by factors such as customer retention and growth, an engaged workforce, superior returns, responsible corporate citizenship and share price appreciation.

Organisational rejuvenation

We know who we are

- › Uncompromising integrity
- › Self-directed leadership
- › Behave like owners
- › Responsible citizens

We know where we are going

- › Portfolio optimisation
- › Streamlined and laser focus
- › Leverage our technology
- › Attain cost competitiveness
- › Overhauled business model

We know what is important

- › Customer centricity
- › Innovation, technology and growth
- › Cultural evolution and performance focus
- › EVA > WACC

Adapted from Ball Corporation.

- › *The Ball Corporation and Silgan Group as chosen exemplars*

Ball Corporation

- 7.3.36 The Ball Corporation, renowned as the leading producer of beverage cans worldwide, has been chosen as a shining example for Nampak. Nampak aims to replicate the exceptional qualities that have propelled Ball Corporation to global success.
- 7.3.37 Firstly, size plays a crucial role. To thrive in the chosen or selected markets, it is imperative to establish a significant presence. By attaining a substantial market share, Nampak can position itself as a dominant player, enjoying the advantages that come with economies of scale and a robust customer base.
- 7.3.38 Furthermore, the Ball Corporation holds a deep reverence for economic value add (**EVA**). By prioritising the creation of economic value and consistently striving for financial excellence, Nampak can follow in its footsteps. This commitment entails making strategic decisions that generate profitability and maximise returns for shareholders and stakeholders alike.

- 7.3.39 Customer centricity is another core attribute exemplified by the Ball Corporation. By placing customers at the centre of its operations, understanding their needs, and delivering exceptional value, Nampak can foster long-term relationships and secure a loyal customer base. By consistently exceeding expectations, the Company can create a sustainable competitive advantage.
- 7.3.40 Acting like owners is a fundamental principle embraced by the Ball Corporation. By instilling a sense of ownership and accountability within the organisation, Nampak can drive a culture of responsibility, innovation and efficiency. Encouraging employees to think and act like owners can lead to heightened engagement, problem-solving and a relentless pursuit of excellence.
- 7.3.41 Lastly, the Ball Corporation has established itself as a thought leader in technology. Embracing innovation, staying at the forefront of technological advancements, and constantly seeking opportunities to enhance operations through technology are vital for Nampak's success. By remaining proactive and forward-thinking, the Company can leverage technology to streamline processes, improve product quality and gain a competitive edge in the industry.
- 7.3.42 By emulating the distinguishing attributes of the Ball Corporation - striving for size, prioritising EVA and customer centricity, acting like owners, and becoming technology thought leaders, Nampak can pave the way for its own global success in the beverage can industry.

Silgan Group

- 7.3.43 Silgan Group holds the distinction of being the largest provider of metal food packaging in the US, earning the trust of renowned brands. Silgan's esteemed reputation is built upon several key pillars.
- 7.3.44 Firstly, Silgan Group prioritises quality in all aspects of operations. Its commitment to delivering products of the highest standards ensures that customers receive packaging solutions that meet their exacting requirements.
- 7.3.45 Moreover, Silgan Group is renowned for its excellence and unsurpassed technical expertise. Its team of experts possesses deep industry knowledge and continuously pushes the boundaries of innovation, enabling the company to develop cutting-edge packaging solutions that address the evolving needs of customers.
- 7.3.46 As a solutions-based partner, Silgan Group is dedicated to collaborating closely with customers. It works in tandem with them, leveraging its extensive experience and technical know-how to develop customised packaging solutions that align with customers' specific needs and preferences.
- 7.3.47 Notably, Silgan Group boasts industry-leading margins, reflecting its operational efficiency and ability to deliver superior value to customers. By optimising its manufacturing processes and supply chain, Silgan consistently achieves favourable financial performance, reinforcing its position as a trusted partner in the industry.
- 7.3.48 Additionally, Silgan Group nurtures a culture that prioritises performance. Employees are driven by a shared commitment to excellence, innovation and customer satisfaction. This performance-driven mindset permeates throughout the organisation, fostering an environment of continuous improvement and enabling Silgan Group to consistently deliver exceptional results.
- 7.3.49 Overall, Silgan Group's reputation as the largest provider of metal food packaging in the US is firmly grounded in its unwavering dedication to quality, excellence, technical expertise, solutions-based partnership, industry-leading margins and a culture that places a high emphasis on performance. These pillars underpin its ability to consistently meet the needs of its customers and solidify its position as a trusted leader in the packaging industry, which Nampak can emulate.

Business model as a key enabling feature

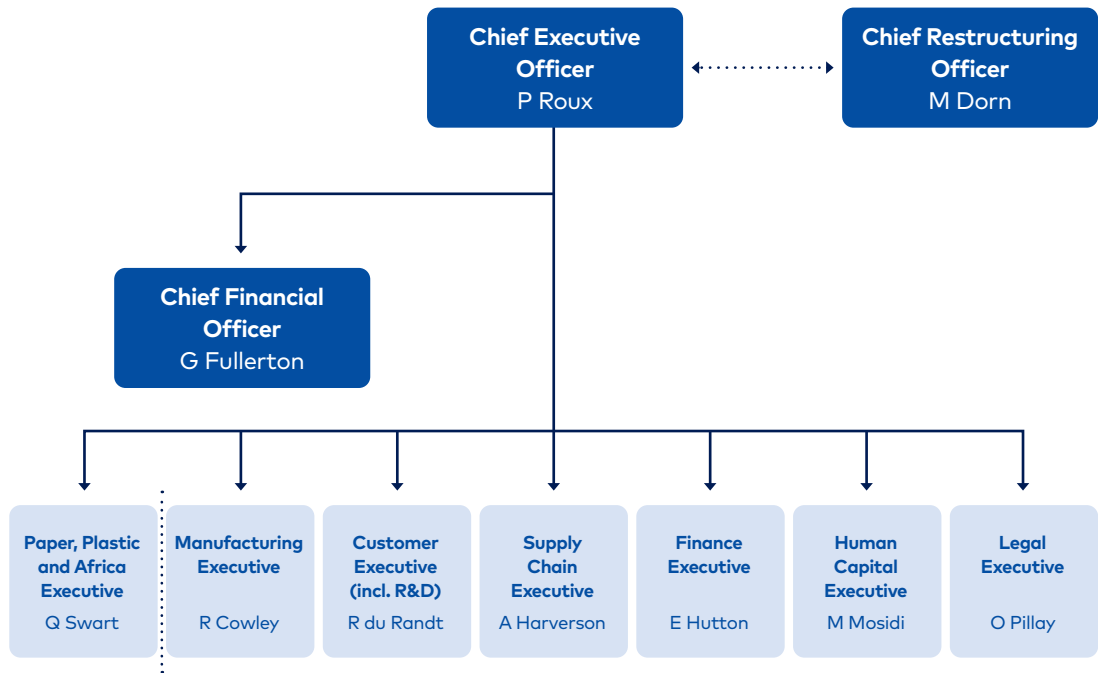
- 7.3.50 The new business model is centred around the strategic portfolio structure. It leverages customer-facing, technical and manufacturing competencies. These leading-edge capabilities must offer distinctive qualities and competencies and will be enabled by efficient value chain support. The business unit organisational design will be supported by a sufficient level of services supplemented with outsourcing in certain circumstances. This model negates the need for divisionalisation, inflated head-office infrastructure and global support, thereby unlocking significant cost benefits. A robust plan to dispose of non-core operations will support the delev-eraging process and provide fuel for growth.

Defining the core of the business and non-core disposals

7.3.51 Given the market dynamics, the core of the future Nampak has been categorised as the metals business in South Africa and Angola. All other operations have been defined as non-core and are part of a structured disposal programme.

Business model (interim)

We need to create ONE Nampak for cultural cohesion with technical, manufacturing and customer facing competencies.



Business remodelling

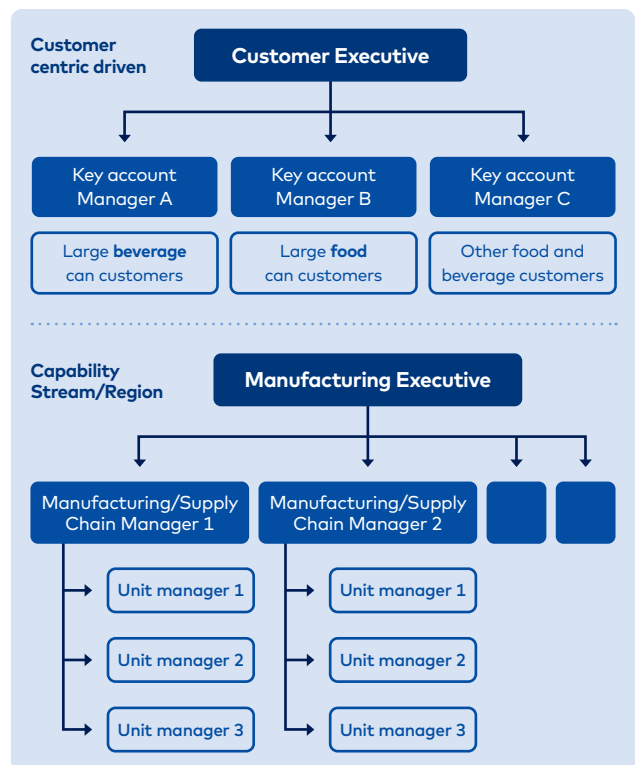
1 Merge Bevcan and DivFood

- › Carve out synergies
- › Migrate back office to HQ (SSC)
- › Single leadership

2 Fully fledged end game model

- › Calibrate internal customer and supply chain candidates
- › Recruit if required
- › Capability streams and central theme
- › Streamlined HQ

African countries end-2-end management



7.3.52 The honed portfolio structure will largely eliminate macro-economic vagaries and the consequent financial impact on earnings volatility and the concomitant effects on the equity base.

In summary, the defining features of the investment case – “Create the future 2026”:

- › Focused portfolio strategy with leading market positions
 - › Improved operational efficiencies
 - › Optimised working capital structures
 - › Category and internal growth prospects
 - › Appropriate gearing: Debt: EBITDA at 2.0 times
 - › Experienced, focused and motivated leadership team
-

Potential disruptors

7.3.53 While pursuing the strategic initiatives, it is important to acknowledge the potential disruptors that could impact the implementation of the strategy.

7.3.54 Several factors may pose challenges and disrupt the intended outcomes:

- › Slower-than-anticipated growth in South Africa could hinder revenue generation and limit market expansion opportunities. The economic and political uncertainties in Angola may also create challenges, affecting the business environment and potentially hampering operations and profitability.
- › Intense competition within the industry can lead to margin compression, making it essential for ONE Nampak to effectively differentiate itself and maintain competitive pricing strategies.
- › Energy availability challenges and power supply uncertainty can disrupt manufacturing operations and impact overall productivity.
- › Uncontrollable cost pushes and global supply chain volatility may pose challenges in terms of raw material sourcing, logistics and production costs.
- › Fluctuations in currency exchange rates and commodity prices can further contribute to cost uncertainties.
- › The loss of key management and staff members can disrupt the implementation of the strategy, as their knowledge and expertise are crucial for executing the planned initiatives effectively. Labour resistance and disputes can also impact operations and create delays or disruptions.
- › The possibility of supplier backward integration could disrupt the supply chain and alter market dynamics, affecting the Company's ability to secure necessary inputs and resources.

7.3.55 To mitigate the impact of these potential disruptors, ONE Nampak will closely monitor and anticipate market conditions; maintain strong relationships with suppliers and customers; and continuously adapt and innovate its strategies. Flexibility, contingency planning, and proactive risk management will be crucial to navigate and overcome these challenges, ensuring the successful execution of the strategic initiatives and the long-term sustainability of the business.

Renegotiated debt package

7.3.56 As at 31 March 2023, the indebtedness of the Nampak group under (a) the secured US Dollar United States private placement notes (the “**USPP Notes**”) issued by Nampak International, (b) the secured US Dollar and South African Rand term and revolving credit facilities (the “**RCF**”) advanced to Nampak International and Nampak Products, and (c) the secured South African Rand general banking facilities (the “**GBF**”) advanced to Nampak Products, totalled ZAR6 882 968 119 , constituted as follows:

- › ZAR RCF = ZAR3 445 002 269;
- › ZAR GBF = ZAR360 000 000;
- › USD RCF = ZAR2 088 235 505 (USD117 341 652); and
- › USD USPP Notes = ZAR989 730 345 (USD55 614 701).¹

1. USD amounts are converted at a USD/ZAR spot exchange rate of USD1.00 = R17.7962.

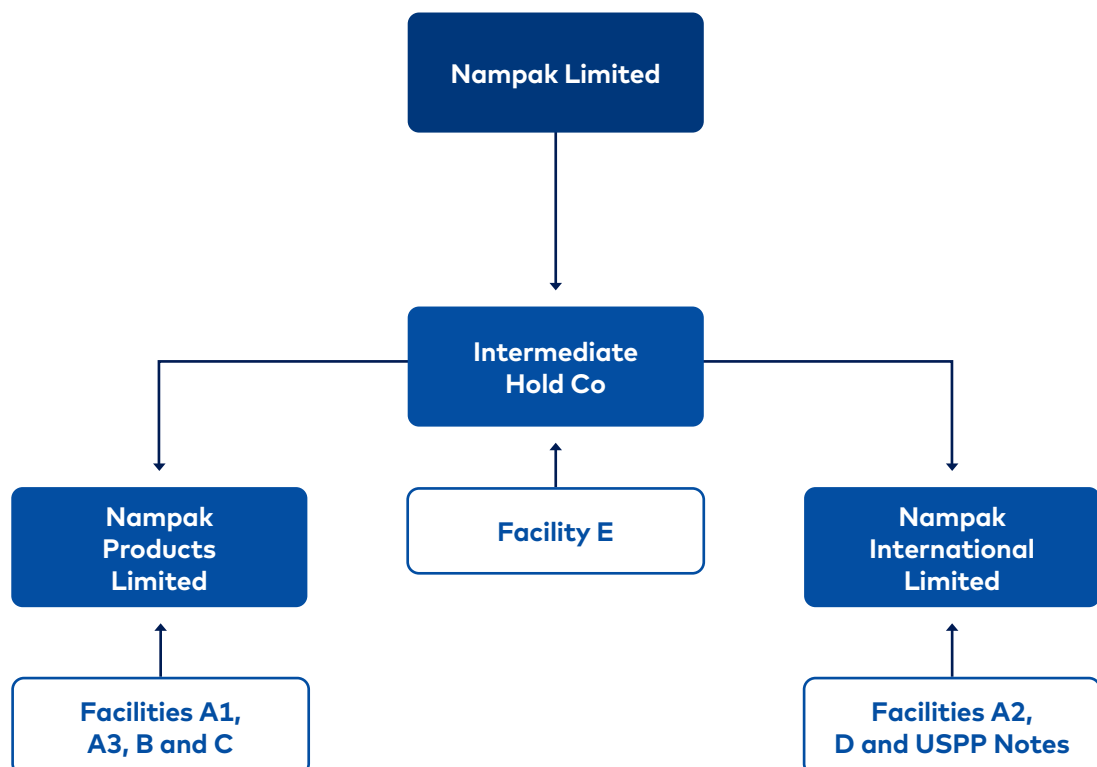
7.3.57 Nampak has negotiated with its lenders (both the holders of the USPP Notes (the “**Noteholders**”) and the lenders under the RCF and the GBF (the “**Lenders**”), collectively the “**Funders**”) to reach a position which ensures that, with the conclusion of a successful Rights Offer, the existing debt is restructured and refinanced by the end of the current financial year.

7.3.58 The principal objectives of the debt restructure are to:

- i. simplify the lender group to primarily South African-based Funders;
- ii. reduce the quantum of US Dollar debt (that has over time had a negative impact on the South African Rand-consolidated balance sheet of Nampak) by way of (a) a conversion of existing US Dollar debt into Rand on the refinancing implementation date, and (b) the reduction/repayment of certain USD-denominated exposures, either on implementation date or within a reasonable time period thereafter, using the proceeds of the Rights Offer and the proceeds of disposals of the group’s non-core businesses and other assets as contemplated in the Asset Disposal Plan;
- iii. ensure that Nampak Products has suitable and appropriate levels of working capital funding to not only deliver under the restructuring plan, but also to ensure sufficient headroom to cater for unexpected working capital expenditure caused by fluctuations in commodity prices, exchange rate volatility and other external shocks;
- iv. correctly size the working capital funding of Nampak Products by leveraging off the company’s inventory and high-quality trade debtors book;
- v. ensure that debt is reduced within a manageable time frame, set according to the objectives and timing of the Asset Disposal Plan;
- vi. set financial covenants that are appropriate for normalised working capital and senior debt levels; and
- vii. set repayment and/or the subsequent refinancing parameters that will allow Nampak to deliver under its restructuring and turnaround plan for the ultimate benefit of all stakeholders.

7.3.59 Nampak and the Funders have agreed credit-approved term sheets which set out that the existing debt (as depicted below) will be restructured into core debt at Nampak Products and Nampak International , with the debt overhang being housed in a new Intermediate Holding Company (“**InterCo**”), which entity will be interposed between Nampak and both Nampak Products and Nampak International.

Revised group structure depicting where debt will be held post refinance on 30 September 2023



- 7.3.60 Under the refinance and post the application of the proposed Rights Offer proceeds, Nampak Products will raise (a) a new senior secured borrowing base working capital facility of ZAR2 577 000 000, (b) a general banking facility of ZAR250 000 000, and (c) term loans of ZAR2 271 000 000 (in two tranches of ZAR339 000 000 and ZAR1 932 000 000), in each case, with interest rates, conditions, and financial covenants commensurate with a company in Nampak's situation.
- 7.3.61 Nampak International will raise a new working capital revolving credit facility of USD10 000 000 (to reduce to USD5 000 000 as and when the group meets certain Asset Disposal Plan targets and de-gears further) to fund its Rest of Africa procurement function. According to the requirements of one Lender, Nampak International will also raise a term loan of ZAR286 000 000 (pursuant to a conversion of that Lender's facility from US Dollar to Rand). Nampak International will exchange the existing Series C Senior Secured USPP Notes for resized USD24 635 991 Series D Senior Secured USPP Notes to be issued to the Noteholders on or about the restructure implementation date.
- 7.3.62 InterCo will raise a term loan facility of ZAR1 938 000 000, which represents the overhang of the existing debt. The debt instrument raised by InterCo, will be akin to mezzanine term funding with minimal covenants and interest rates aligned to this type of funding. The interest on this facility will consist of floating rate-linked interest ('Margin A') and a risk participation component ('Margin B'). 'Margin B' will be structured as additional interest. 'Margin A' will be payable in cash at regular interest payment intervals and 'Margin B' will be payable in cash or equity (in the discretion of Nampak) on an agreed payment date after sufficient reduction of the Group's core debt. The final pricing terms of Margin B, being the minimum and maximum risk participation fees, and the mechanism for determination of any potential increase in the risk participation fee remain subject to final agreement between Nampak and the lenders for Facility E.
- 7.3.63 Covenants governing the overall debt package will be limited to:
- a leverage ratio measured on debt (excluding debt held by the InterCo) to EBITDA generated based on a rolling 12 months by the South African operations;
 - an interest cover ratio calculated on debt (excluding debt held by the InterCo) to EBITDA generated by the South African operations based on a rolling 12 months;
 - a current ratio measured at Nampak Products;
 - the ratio of Nampak group tangible net asset value to debt held by the InterCo; and
 - a minimum available liquidity threshold.
- 7.3.64 Proceeds of the new funding raised will be utilised to redeem and repay existing debt provided by the Funders or for the working capital and general corporate requirements of the group.
- 7.3.65 The table below sets out the salient details, which are subject to the finalisation of long-form documents:

Borrower	Type of facility	Facility amount ¹	Tenor	Margin over JIBAR/SOFR ²	Security ³
Nampak Products Limited	Borrowing Base (Facility B)	ZAR2 577 000 000	36 months (revolver)	4.20	Inventory and receivables
	Term Loan (Facility A1)	ZAR339 000 000	18 months	5.00	Fixed, moveable and other assets
	Term Loan (Facility A3)	ZAR1 932 000 000	30 months with bullet payment	4.99	Fixed, moveable and other assets
	General Banking Facility (Facility C)	ZAR250 000 000	On demand, renewable annually	4.20	Inventory and receivables
Nampak International Limited	Revolving Credit Facility (Facility D)	USD10 000 000	36 months (revolver)	5.51	Inventory and receivables
	Term Loan (Facility A2)	ZAR286 000 000	18 months	TBC	Fixed, moveable and other assets
	New Series D Notes	USD24 635 991	18 months	Fixed rate of 13.5%	Fixed, moveable and other assets
InterCo	Term Loan (Facility E)	ZAR1 938 000 000	30 months with bullet repayment	5.53	Fixed, moveable and other assets

1. Please note that the Facility Amount is the limit of each facility and not necessarily the expected utilisation on the implementation date.
 2. Engagements with the Funders to agree an interest rate ratchet mechanism, which decreases the interest rates as deleveraging milestones are met, are ongoing. The margin under facility A2 is expected to be in line with facility A1, however the Lender under facility A2 is yet to advise the margin.
 3. The ranking of security as between the Funders will be set out in the intercreditor agreement.
- 7.3.66 Accordingly, under the refinance, the existing overleveraged position of Nampak will be restructured into core debt, aligned to appropriate EBITDA multiples of the core business, and non-core debt representing the debt overhang, which will be repaid over time from sale proceeds derived from the Asset Disposal Plan.
- 7.3.67 Overall, Nampak is of the view that the debt restructure and refinance will ultimately enable the group to resume dividend payments to shareholders and create shareholder value over time.

Strategy and prospects

- 7.3.68 The Group's strategy has been developed to create and preserve value for stakeholders in the short, medium and long term. The Group defines value as sustainable profitability: growing its earnings and securing its sustainability across the six capitals: human capital, manufactured capital, intellectual capital, financial capital, social capital and natural capital. When formulating strategy, the Group considers the availability, quality and affordability of these six capitals. It also considers the impact of the Group's activities on them. The Group aims to maximise positive outcomes and avoid instances where value is eroded.
- 7.3.69 In the dynamic environment in which the Group operates, which now includes the impact and after-effects of COVID-19 and load shedding, the Board continuously reviews the Group's defined strategy, while assessing and approving divisional strategy updates and refinements proposed by the Group executives. The Group tests the robustness of the Group's strategy against both the risks and opportunities in its markets, considering the material issues identified. The Group ensures strategic delivery by aligning the Group's strategic objectives to those of its management through, *inter alia*, remuneration incentives being linked to operational and strategic targets. All executives in the Group are responsible to varying degrees for delivery against the targets of the executive incentive plan. The Group considered the impact of the pandemic when the strategy was realigned in 2020.

Strengthen the capital structure

- 7.3.70 The Group aims to strengthen its capital structure by deleveraging, refinancing its maturing debt facilities, reducing currency risk and improving cash generation to create capacity for growth.
- 7.3.71 As per the Group's audited annual financial statements for 30 September 2020, 2021 and 2022, the following transpired. In 2020, the Group reduced its net debt (excluding lease liabilities) by ZAR0.7 billion to ZAR4.9 billion, through debt repayments, operational cash flows and the sale of assets, including the sale of Nampak Glass Division for a net consideration of ZAR1.4 billion and the disposal of Nampak Cartons Nigeria and Nampak Properties Nigeria in 2019 (in the 2020 financial year) for a net consideration of ZAR444 million.
- 7.3.72 In 2021, the Group's reduced ZAR498.9 million of its gross debt of ZAR5.9 billion, through debt repayments, operational cash flows and the sale of assets. This reduction was however offset in the 2022 financial year by the Group increasing its gross debt by ZAR400.5 million largely to fund working capital.
- 7.3.73 The Group aims to further reduce its debt through this Rights Offer, additional asset disposals and cash flows generated from operating activities. In order to reduce commitment fees on unutilised facilities, the Group cancelled ZAR2.6 billion of commitments in the 2021 financial year. The Group reduced its currency risk by reducing its US Dollar-denominated debt from 65% at 30 September 2020 to 42% as at 31 March 2023 by utilising the proceeds from the disposals of its glass business in South Africa and the cartons business in Nigeria. The Group also entered into a non-recourse trade finance facility of up to ZAR1.0 billion, which can be utilised to reduce its debt for covenant purposes. As of the date of this Circular, ZAR400.0 million of this facility has been drawn and utilised to repay net interest-bearing debt.

- 7.3.74 The Group also agreed tighter credit terms with certain major customers tighter credit terms that the Group expects will result in a material improvement in working capital. The Group expects these actions to reduce debt and contribute to lower interest costs, with a positive effect on the Group's cash flows, liquidity.
- 7.3.75 As part of its asset review programme, the Group had identified other assets that could be disposed of, either entirely or partially, and has embarked on various simultaneous initiatives to potentially dispose of these assets, at fair values, and in line with its strategic objectives. However, in the context of, *inter alia*, the macroeconomic environment, the Group has not yet been able to successfully dispose of the identified businesses on appropriate terms and conditions. These disposal opportunities will continue to be progressed and monitored as part of the Group's Asset Disposal Plan.
- 7.3.76 In 2021, the Group increased its cash generated from operations before working capital changes by 133% and invested an additional ZAR621.2 million in working capital to fund growth in revenue and right-sized working capital to new demand levels post-COVID-19. In 2022 the Group's cash generated before working capital changes decreased by 11% to ZAR1 503.7 million and the Group invested a further ZAR658.5 million in net working capital. This investment was predominantly in inventory, given the significant increase in commodity prices arising from disruptions in supply chains and shortages in key commodities. In the six months ended 31 March 2023, the Group's cash generated before working capital decreased by 45% to ZAR591.1 million from ZAR1 080.20 million for the six months ended 31 March 2022 and the Group invested ZAR569.7 million in net working capital. This investment was predominantly in the form of increased trade and other current receivables, due to higher revenue, difference in timing of receipt and the effect of foreign exchange.
- 7.3.77 The Group has instituted the following self-help action plans to further improve its cash generation and cash conservation:
- 7.3.77.1 recover from the impacts of COVID-19, grow revenue and improve profitability by optimising the cost base and improving operational efficiencies;
 - 7.3.77.2 attempt to ensure inventory holdings are funded by matching trade payables with the Group funding its high-quality trade receivables book;
 - 7.3.77.3 carefully manage capital expenditures and budget these at moderate levels in later years but at levels which do not damage the Group's ability to satisfy customer demand, utilising the Group's well-maintained asset base; and
 - 7.3.77.4 expedite cash transfers from businesses in Angola and Nigeria and, where possible, Zimbabwe.
- 7.3.78 The Group centralises the incurrence of costs where it makes economic sense to do so and charges out such costs to its relevant operations based on a utilisation formula linked to direct usage.

Simplify the business

- 7.3.79 The Group aims to (i) rationalise its business, products and operations; (ii) improve its net working capital cycle; (iii) reduce operational complexity; and (iv) reduce reliance on commodity-dependent economies with limited US Dollar liquidity.
- 7.3.80 In 2021, the Group commenced with the disposal of its plastics tubes business in South Africa and closed the plastics packaging plants in Eswatini and Polokwane. A number of other opportunities for rationalisation are being explored as part of a continuous improvement drive in the division.
- 7.3.81 In 2022, the Group continued optimisation activities in South Africa in the Plastic segment, closing a depot in Bloemfontein and closing two outsourced warehouses in Gauteng.
- 7.3.82 Nampak Malawi previously manufactured and sold (conical) beverage cartons, tobacco cases and corrugated cartons. The new business model involves receiving semi-processed beverage cartons from Nampak Zambia for processing to a saleable product as well as delivering marketing services for the direct sale of tobacco cases and corrugated cartons by Nampak Zimbabwe (Hunyani) in Malawi.

7.3.83 The Group is seeking to reduce operational activities in East and West Africa. Much of the value from these operations in Tanzania, Kenya, Ethiopia and the general metals business in Nigeria are invested in movable and immovable assets. Optimisation opportunities, therefore, include the sale of businesses (including owned properties) as going concerns or selling the property and plant or equipment separately. As part of this effort, in the six months ended 31 March 2023, the Group decided to close Nampak Nigeria Plc and reached an agreement to dispose of the plant and equipment relating to the closure of the manufacturing unit of Nampak Crates for ZAR40.0 million excluding VAT. The Group plans to use the proceeds from the asset disposals to reduce its debt levels and expects a positive impact on the Group's earnings.

Optimise manufacturing process, products, operations and sustainability

7.3.84 Ongoing optimisation initiatives are being considered across the Group, including innovating manufacturing process, reviewing product offerings and terms, improving operational efficiency and driving sustainability.

7.3.85 In 2021, the Group leveraged its research and development capabilities, including data science, to improve its manufacturing performance. It converted the tinsplate manufacturing line for beverage cans in Angola to aluminium, whilst adding additional production capacity to the beverage line in Nigeria. It also removed some unprofitable products, reduced operating costs through the consolidation of operations and reduced employee numbers throughout the Group.

7.3.86 In an effort to optimise capital expenditure while endeavouring to realise growth opportunities and protect against cash devaluation, some assets from East Africa are being considered for relocation to Zambia and Zimbabwe. For example, Nampak Zimbabwe is in the process of purchasing an eight-colour printer for self-opening paper bags from Bullpak. Nampak Zambia has purchased a four-colour self-opening bag printer from Bullpak. Thereafter, Bullpak ceased operations. Nampak's Zimbabwean operations are self-sufficient, and the Group has not injected any funds into the country since 1 April 2018.

7.3.87 Although Plastic plants are not all operated at maximum throughput capacity and capacity utilisation on different lines within the same plant differs, overall equipment effectiveness has improved significantly. These improvements resulted from operational focus, which included process optimisation, improved maintenance practices, role clarifications, target setting, product/customer rationalisation, reducing the number of change overs etc.

7.3.88 The Nampak Tanzania property was sold for US\$5.6 million in May 2023. The net sales proceeds, once received in full will be used to repay interest-bearing debt.

Drive innovation and growth

7.3.89 The Group intends to serve a more diverse range of customers, exploit niche market segments and sell innovative products and services.

7.3.90 For example, in 2021, the Group secured once-off contracts to supply beverage cans and ends to export customers in the United States, as well as a contract to supply beverage can ends to a customer in Nigeria. Nampak Zambia has installed a second crate line to cope with demand and intends to grow the sales of liquid cartons in sub-Saharan Africa.

7.3.91 The Group supported the establishment of a new traditional beer manufacturer in South Africa, by supplying filling equipment and financing for brewing operations to enable the supply of conical cartons. The initiative strengthens the Group's ability to actively grow conical cartons in a market where there are few competitors in the traditional beer market. The model was developed to enable further growth in a market desperately in need of more players that deliver packaged, hygienic and quality traditional beer to the sizeable, less-affluent market in South Africa.

7.3.92 The Group is actively involved in supporting customers to grow their sales volumes in an effort to boost their requirement for conical and Purepak® packaging. In Zambia and Malawi, the Group has played a pivotable role in moving traditional beer manufacturers from plastic bottles to conical cartons. The improvements resulted from providing consulting services on business improvement to promotional support.

- 7.3.93 In South Africa, the Group was the first to launch water in Purepak® cartons and the numbers of brands continue to grow. The growth is coming from a low base, but as consumers become more environmentally conscious, demand for more environmentally-friendly packaging grows.
- 7.3.94 Nampak Zimbabwe has purchased plastic packaging manufacturing equipment from within the Group to boost production output, and further equipment transfers are being considered for Zambia and Zimbabwe on paper based self-opening bag product lines from East Africa.

7.4 Information relating to the Directors and executive management of Nampak

7.4.1 Directors and executive management

- 7.4.1.1 The names, details and relevant information in respect of the Directors and executive management is set out in **Annexure 7**.
- 7.4.1.2 There will be no variation in the Directors and/or the executive management of Nampak as a consequence of this Rights Offer.
- 7.4.1.3 None of the Directors have been convicted of an offence involving dishonesty, declared bankrupt, insolvent or entered into voluntary compromise or arrangements, nor has any been publicly criticised by any statutory or regulatory authorities or disqualified by a court from acting as a director, manager or conducting the affairs of a company.
- 7.4.1.4 There were no receiverships, compulsory liquidations, creditors voluntary liquidations, administrations, company voluntary arrangements or any compromise with creditors generally or any class of creditors, where any Director is or was a director with an executive function of such company at the time of, or within 12 months preceding such events.
- 7.4.1.5 All of the Directors have completed directors' declarations in terms of Schedule 13 of the Listings Requirements relating to the appointment of new directors, copies of which are available for inspection in terms of paragraph 13 of the Circular.

7.4.2 Directors' emoluments

- 7.4.2.1 As of the Last Practicable Date, there were no outstanding loans granted by any member of the Group to any Director, nor by any Director to any member of the Group. There were no guarantees which had been provided by any member of the Group for the benefit of any Director, or by any Director for the benefit of any member of the Group, outstanding. The Directors, including any director who has resigned from the Company in the last 18 months, had no material beneficial interest, whether direct or indirect, in any transaction effected by the Company during the current or immediately preceding financial year or in an earlier year and which remains in any respect outstanding or unperformed.
- 7.4.2.2 There will be no variation in the remuneration receivable by any of the Directors as a consequence of this Rights Offer.
- 7.4.2.3 Each of the executive Directors has concluded service contracts on terms and conditions that are standard for such appointments, the detail of which is available for inspection in terms of paragraph 13 of the Circular. Shareholders approved the fees payable to non-executive Directors at the Company's annual general meeting of Shareholders held on 16 February 2022.

7.4.3 Directors' interests in Securities

- 7.4.3.1 The interests (both direct and indirect) in Nampak Shares held by all the Directors (including their associates and any Director who has resigned during the last 18 months) as at the Last Practicable Date are set out below and there have been no subsequent changes to the current Directors' interests as at the date of this Circular.

	Direct shares	Indirect shares	Associates' shares	% of issued share capital	Total shares ¹
Directors				Pre-consolidation	Post-consolidation
PM Roux	0	0	0	0	0
GR Fullerton	0 ²	94 897	0	0.0137	379
EE Smuts	0 ³	0	0	0	0
P Surgey	240 001	0	0	0.0348	960
SP Ridley	176 000	0	0	0.0255	704
A van der Veen	0	46 794 096 ⁴	0	6.7771	187 176
Total	416 001	46 888 993	0	6.8511	189 219

1. Total shares prior to implementation of the Rights Offer.
2. GR Fullerton via E-Knowledge (Pty) Ltd has an indirect beneficial interest in 94 897 Nampak Shares.
3. EE Smuts resigned effective 20 April 2023.
4. A van der Veen via A2 has an indirect beneficial interest in 46 794 096 Nampak Shares.

7.4.3.2 All of the Directors that have an interest in Nampak Shares intend to follow their Rights in respect of their current shareholding to subscribe for Rights Offer Shares pursuant to the Rights Offer. The Directors that have an interest in Nampak Shares may at a future date consider applying for excess Rights Offer Shares. These Directors may, however, sell sufficient Rights to raise funds to subscribe for Rights Offer Shares. The Board granted these Directors clearance to exercise their Rights and to acquire excess Rights Offer Shares in aggregate in terms of Nampak's policy on trading. The Chairman or Board, as the case may be, has provided each of the directors set out below with clearance to deal in securities of Nampak in accordance with paragraph 3.66 of the Listings Requirements for purposes of (i) exercising their rights under the Rights Offer; and/or (ii) acquiring additional Rights in the market.

7.4.3.3 Forfeitable shares awarded in terms of the executive incentive plan are, in terms of the plan rules, afforded the same rights as Nampak shareholders to subscribe for Rights Offer Shares pursuant to the Rights Offer and/or applying for excess Rights Offer Shares. Of the executive directors and prescribed officers who are the recipients of forfeitable shares subject to vesting criteria and the minimum shareholding policy, as the case may be, only one executive director (Mr G Fullerton) intends to follow his Rights and may at a future date consider applying for excess Rights Offer Shares. The requisite clearance has been obtained from the Chairman of Board to deal in respect of the forfeitable shares in accordance with paragraph 3.66 of the Listings Requirements.

7.4.3.4 A2, being an associate of a Director, is partially underwriting the Rights Offer as more fully detailed in paragraph 5.8.6 above.

7.4.3.5 The interests (both direct and indirect) in Nampak Shares held by all the Directors (including their associates and any Director who has resigned during the last 18 months) following the Rights Offer are set out below:

	Direct shares	Indirect shares	Associates' shares	% of issued share capital	Total shares ¹
Directors					Post-consolidation
PM Roux	0	0	0	0	0
GR Fullerton	0	379 ²	0	0.0137	837
EE Smuts	0 ³	0	0	0	0
P Surgey	960	0	0	0.0348	2 120
SP Ridley	704	0	0	0.0255	1 555
A van der Veen	0	187 176 ⁴	0	6.7771	413 475
Total	1 664	187 555	0	6.8511	417 987

1. Total shares prior to implementation of the Rights Offer.
2. GR Fullerton via E-Knowledge (Pty) Ltd has an indirect beneficial interest in 379 Nampak Shares.
3. EE Smuts resigned effective 20 April 2023.
4. A van der Veen via A2 has an indirect beneficial interest in 187 176 Nampak Shares.

7.4.3.6 Each Director's decision to follow his Rights was communicated to the Board outside of a closed period of the Company, as contemplated in the Listings Requirements.

7.4.3.7 In addition, the forfeitable shares awarded in terms of the executive incentive plan for the executive Directors and prescribed officers as at 31 March 2023 are set out below:

Indirect Beneficial – Executive Incentive Plan ("EIP")					
	EIP 2021 – total allocation	EIP 2021 – Vested ¹	% of issued share capital (vested)	EIP 2022 ²	Total shares ³
				Pre-consolidation	Post- consolidation
Executive					
P Roux	0	0	0	0	0
GR Fullerton	1 992 477	996 239	0.1443	1 837 589	3 984
EE Smuts ⁴	2 945 361	1 472 681	0.2133	2 526 589	5 890
Sub-total	4 937 838	2 468 920	0.3576	4 364 178	9 874
Prescribed officers					
LD Kidd ⁵	1 226 796	613 398	0.0888	916 261	2 453
H Nel ⁶	1 295 747	647 874	0.0938	1 042 330	2 591
IH van Lochem ⁷	1 010 293	505 147	0.0732	878 467	2 020
SB McGill ⁸	1 010 100	505 050	0.0731	915 738	2 020
Q Swart ⁹	913 593	456 797	0.0662	767 655	1 827
Sub-total	5 456 529	2 728 266	0.3951	4 520 451	10 911
Total	10 394 367	5 197 186	0.7527	8 884 629	20 785

1. Vesting of the 1st tranche (50%) of the deferred incentives comprising forfeitable shares under the EIP 2021 in December 2022, subject to a holding period in terms of the Minimum Shareholding Policy.
2. Total shares prior to implementation of the Rights Offer (vested).
3. The deferred incentives comprising forfeitable shares under the EIP 2022 were settled in December 2022 and are being held in escrow on behalf of the participants until future vesting dates, subject to meeting the employment condition or the vesting modifier, if applicable.
4. EE Smuts resigned effective 20 April 2023.
5. LD Kidd retired effective 31 July 2023.
6. H Nel resigned effective 31 July 2023.
7. IH van Lochem resigned effective 31 August 2023.
8. SB McGill resigned effective 31 August 2023.
9. Q Swart resigned effective 31 October 2023.

7.5 Share capital

7.5.1 The authorised and issued share capital of Nampak, before and after the Rights Offer is set out below:

As at the Last Practicable Date	Number of shares	No par value per share	Value of stated capital (ZAR million)
Ordinary Shares of no par value			
Authorised	600 000 000	N/A	N/A
Issued ¹ , including:	2 761 898	N/A	N/A
Treasury shares held by Nampak Products Limited	175 097	N/A	N/A
Nampak Black Management Trust	44	N/A	N/A
6.5% cumulative preference shares¹			
Authorised	100 000	ZAR2.00	0.2
Issued	100 000	ZAR2.00	0.2
6% cumulative preference shares¹			
Authorised	400 000	ZAR2.00	0.8
Issued	400 000	ZAR2.00	0.8

1. There will be no change to the preference share capital of Nampak.

After the Rights Offer	Number of shares	No par value per share	Value of stated capital (ZAR million)
Ordinary Shares of no par value			
Authorised	600 000 000	N/A	N/A
Issued ¹	8 476 184	N/A	N/A
6.5% cumulative preference shares²			
Authorised	100 000	ZAR2.00	0.2
Issued	100 000	ZAR2.00	0.2
6% cumulative preference shares²			
Authorised	400 000	ZAR2.00	0.8
Issued	400 000	ZAR2.00	0.8

1. The issued ordinary share capital includes 175 097 treasury Shares and 44 Shares held by the Nampak Black Management Trust.

2. There will be no change to the preference share capital of Nampak.

7.5.2 There are no other classes of Securities and no Securities of the Company are listed on any stock exchanges other than the JSE.

7.5.3 As at the Last Practicable Date, all Nampak Shares rank *pari passu* in every respect. Upon issue, each Rights Offer Share will rank *pari passu* in every respect with each other Nampak Share.

7.5.4 All the preference shares rank *pari passu* in every respect, save in respect of the fixed cumulative preferential dividend rate.

7.5.5 The issued ordinary share capital includes 175 097 treasury Shares held by Nampak Products Limited, some of which are available to be allocated to participants in terms of Nampak's share schemes, other than the executive incentive plan which is an off-market plan and have been set aside for awards in terms of the Share Appreciation Plan, the Performance Share Plan and the Deferred Bonus Plan (the "**Plans**"). The Plans were closed to future awards in March 2022. The Plans will remain open until such time as the performance against targets is assessed, and any subsequent vesting and release to participants takes place.

8. SHARE TRADING HISTORY

The share trading history of Nampak Shares on the JSE up to the Last Practicable Date is set out in **Annexure 5** of this Circular.

9. VOLUNTARY UPDATE ANNOUNCEMENTS

Shareholders are advised that the Company intends providing further updates to the market should there be any further key developments with regard to the Company, the Asset Disposal Plan and trading of the Group during the period leading up to the Rights Offer. Any such voluntary update announcements will be published by the Company on SENS and will be accessible on the Company's website (<https://www.nampak.com/Investors/SENS>).

10. RISK FACTORS

10.1 Shareholders are referred to **Annexure 8** of this Circular, and the 2022 Integrated Annual Report, which can be found on the Company's website (<https://www.nampak.com/Investors/Financial-Information>) and which contains further details regarding risk factors applicable to the Group.

11. CATEGORY 2 ANNOUNCEMENTS

A SENS announcement dated 25 May 2023 was released by the Company advising shareholders that Nampak, through its wholly-owned subsidiary, Nampak Tanzania, has entered into a sale of property agreement with Canda (T) Investment Company Limited, to dispose of property relating to its Tanzanian manufacturing business. The full announcement may be obtained from the registered office of Nampak and the Joint-Financial Advisors to the Company and Joint Transaction Sponsors whose addresses are set out in the "*Corporate Information and Advisors*" section of this Circular, at no cost during normal business hours from the date of this Circular, as well as in electronic form from the Company's website at https://irhosted.profiledata.co.za/nampak/2020_feeds/SensPopUp.aspx?id=451827.

12. RESPONSIBILITY STATEMENT

The Directors of Nampak, whose names appear in the "Corporate Information and Advisors" section of this Circular, collectively and individually accept full responsibility for the accuracy of the information given in this Circular, and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement in this Circular false or misleading, and that they have made all reasonable inquiries to ascertain such facts, and that this Circular contains all information required by law and the Listings Requirements. All the Directors have read, and understand and agree with, the contents of this Circular and have authorised the CEO of the Company, by way of a signed Board resolution, to sign this Circular on their behalf.

13. CONSENTS

Each of the advisors whose names appear on page 4 of this Circular have consented to, and have not, prior to the Last Practicable Date, withdrawn their written consent to, the inclusion of their names and, where applicable, reports in the form and context in which they appear in this Circular.

14. DISCLOSURE OF CONFLICTS

Nampak Shareholders are advised that Nedbank and Standard Bank are acting as Joint-Financial Advisors to the Company and Joint Transaction Sponsors and in relation to the Rights Offer.

Standard Bank

In its capacity as Joint Transaction Sponsor, Standard Bank has confirmed to the JSE and Nampak that there is no matter that would impact on its ability to exercise reasonable care and judgement to achieve and maintain independence and objectivity in professional dealings in relation to Nampak, and that would impact on their ability to act within the Code of Conduct as set out in the Listings Requirements.

Standard Bank has various stringent internal procedures in place to ensure that their ability to act independently as joint transaction sponsor is not compromised. Furthermore, Standard Bank identifies and manages any conflicts of interest in relation to its role as joint transaction sponsor and its approved executives, which could be expected to impair its independence and objectivity in relation to an applicant issuer for a transaction or corporate action.

Pursuant to these internal procedures, Standard Bank has a Compliance Control Room function that identifies and manages conflict risks and ensures that strict information barriers are maintained to ensure that as joint transaction sponsor, they are able to act independently from other divisions within the bank. Standard Bank also enforces and implements physical and logical access restrictions to information, which is limited to deal teams for whom the information is relevant, for the purpose of fulfilling the client mandate.

Nedbank

In its capacity as Joint Transaction Sponsor, Nedbank has confirmed to the JSE and Nampak that there is no matter that would impact on its ability to exercise reasonable care and judgement to achieve and maintain independence and objectivity in its professional dealings in relation to Nampak, and that would impact on its ability to act within the Code of Conduct as set out in the Listings Requirements.

Nedbank, as a strictly regulated entity, has stringent compliance procedures in place to ensure that the activities of relevant divisions are monitored and that effective information barriers are in place between such divisions, ensuring that as joint transaction sponsor, Nedbank is able to act independently and objectively in relation to this mandate, and that its professional dealings with Nampak are maintained. Nedbank's compliance control room identifies and manages conflict risks and ensures that strict information barriers, both physical and virtual, are maintained to ensure the transaction sponsor acts independently from other divisions within the bank.

15. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered offices of Nampak and from the offices of the Joint-Financial Advisors to the Company and Joint Transaction Sponsors during normal business hours (excluding Saturdays, Sundays and gazetted national South African public holidays) at the addresses set out in the "Corporate Information and Advisors" section of this Circular and other than the copies of the service agreements with the Directors which will not be made available online, the remainder of the documents and electronic copies of all documents will be available online at <http://www.nampak.com/Investors> or on request from the interim company secretary (Omeshnee.Pillay@nampak.com) during normal business hours from the date of this Circular to Tuesday, 26 September 2023, both days inclusive:

- 15.1 a copy of the approval letter from the CIPC dated 28 July 2023;
- 15.2 a signed copy of this Circular and the Form of Instruction;
- 15.3 the MOI and the memorandum of incorporation of each of Nampak's major subsidiaries;
- 15.4 the audited consolidated financial statements of Nampak as of and for the years ended 30 September 2022, 30 September 2021, 30 September 2020, including the notes thereto;
- 15.5 the consolidated interim results of Nampak as of and for the 6 months ended 31 March 2023;
- 15.6 copies of the Underwriting Agreements;
- 15.7 copies of the Irrevocable Undertakings;
- 15.8 a copy of the EGM circular dated 31 May 2023;
- 15.9 the signed letters of consent referred to in paragraph 12 of this Circular; and
- 15.10 summaries of service agreements with Directors.

SIGNED ON 31 AUGUST 2023 AT JOHANNESBURG BY P ROUX FOR AND ON BEHALF OF ALL THE DIRECTORS OF NAMPAK, IN TERMS OF POWERS OF ATTORNEY GRANTED TO HIM BY SUCH DIRECTORS



PHILDON ROUX

Chief Executive Officer

Johannesburg

ANNEXURE 1

TABLE OF ENTITLEMENT

The number of Rights Offer Shares to which Qualifying Shareholders will be entitled is set out below. Shareholders will be entitled to 2.20902 Rights Offer Shares for every 1 Ordinary Share held. Shareholders' entitlements will be rounded up or down, as appropriate, with fractions of 0.5 and above being rounded up and fractions of less than 0.5 being rounded down, and only whole numbers of Rights Offer Shares will be issued, in accordance with the Listings Requirements.

No. of ordinary shares held	Nampak Rights Offer Entitlement	No. of ordinary shares held	Nampak Rights Offer Entitlement	No. of ordinary shares held	Nampak Rights Offer Entitlement
1	2	42	93	83	183
2	4	43	95	84	186
3	7	44	97	85	188
4	9	45	99	86	190
5	11	46	102	87	192
6	13	47	104	88	194
7	15	48	106	89	197
8	18	49	108	90	199
9	20	50	110	91	201
10	22	51	113	92	203
11	24	52	115	93	205
12	27	53	117	94	208
13	29	54	119	95	210
14	31	55	121	96	212
15	33	56	124	97	214
16	35	57	126	98	216
17	38	58	128	99	219
18	40	59	130	100	221
19	42	60	133	125	276
20	44	61	135	150	331
21	46	62	137	175	387
22	49	63	139	200	442
23	51	64	141	500	1 105
24	53	65	144	1 000	2 209
25	55	66	146	5 000	11 045
26	57	67	148	10 000	22 090
27	60	68	150	20 000	44 180
28	62	69	152	50 000	110 451
29	64	70	155	100 000	220 902
30	66	71	157	200 000	441 804
31	68	72	159	300 000	662 706
32	71	73	161	400 000	883 608
33	73	74	163	500 000	1 104 510
34	75	75	166	1 000 000	2 209 020
35	77	76	168	2 000 000	4 418 040
36	80	77	170	3 000 000	6 627 060
37	82	78	172	4 000 000	8 836 080
38	84	79	175	5 000 000	11 045 100
39	86	80	177	10 000 000	22 090 200
40	88	81	179	50 000 000	110 451 000
41	91	82	181	100 000 000	220 902 000

ANNEXURE 2

INFORMATION ON THE UNDERWRITERS

The Rights Offer has been partially underwritten by the Underwriters. Details pertaining to the Underwriters as required by the Listings Requirements are set out below:

	Coronation	A2	Numus
Nature of business	Provides asset management services to the Coronation group	Investment company	Asset manager
Directors	Anton Pillay Mary-Anne Musekiwa	André van der Veen Adrian Steven Zetler	Isaac Benatar Claudia Myriam Cone
Company secretary	Nazrana Hawa	Western Cape CoSec Services	Isaac Benatar
Date and place of incorporation	25/05/1993 Cape Town, South Africa	08/04/2021 Stellenbosch, South Africa	2002 Cape Town, South Africa
Registration number	1993/002807/07	2021/530443/07	2002/021046/07
Registered office	7th Floor, Montclare Place, Corner of Campground and Main Roads, Claremont, 7700	3 Meson Street, Techno Park, Stellenbosch, 7600	Suite 704 The Point, 76 Regent Road, Sea Point, 8005
Auditors	KPMG INC	Musiker & Co	Moore Cape Town
Bankers	Nedbank	Investec Private Bank	ABSA
Authorised share capital:			
Ordinary share capital	250 000 ordinary shares of R1 each	1 000	100
Preference share capital	N/A	N/A	N/A
Issued share capital:			
Ordinary share capital	250 000 ordinary shares of R1 each	1 000	100
Preference share capital	N/A	N/A	N/A

ANNEXURE 3

EXCHANGE CONTROL REGULATIONS

The following summary is intended only as a guide and is, therefore, not comprehensive. If Shareholders are in any doubt as to the appropriate course of action they are advised to consult their professional advisor.

Pursuant to the Exchange Control Regulations and upon specific approval of the SARB, non-residents, excluding former residents, of the Common Monetary Area will be allowed to take up Rights allocated to them in terms of the Rights Offer and subscribe for excess Rights Offer Shares that have been applied for in terms of the Rights Offer (if applicable).

All applications by non-residents for the above purposes must be made through an Authorised Dealer. Electronic statements issued in terms of Strate and any share certificates issued pursuant to such applications will be endorsed "non-resident".

Where a Right in terms of the Rights Offer becomes due to a former resident of the Common Monetary Area, which Right is based on Ordinary Shares blocked in terms of the Exchange Control Regulations, then only emigrant blocked funds may be used to take up the Rights allocated to them in terms of the Rights Offer and to subscribe for excess Rights Offer Shares that have been applied for in terms of the Rights Offer (if applicable).

All applications by emigrants using blocked funds for the above purposes must be made through the Authorised Dealer in South Africa controlling their blocked assets. Share certificates issued to such emigrants will be endorsed "non-resident" and placed under the control of the Authorised Dealer through whom the payment was made. Electronic statements issued in terms of Strate and any Rights Offer Share certificates issued pursuant to blocked Rand transactions will be endorsed "non-resident" and placed under the control of the Authorised Dealer through whom the payment was made.

New Ordinary Share certificates issued pursuant to the Rights Offer to an emigrant will be endorsed "non-resident" and forwarded to the address of the relevant Authorised Dealer controlling such emigrant's blocked assets for control in terms of the Exchange Control Regulations. Where the emigrant's Ordinary Shares are in Dematerialised form with a CSDP or Broker, the electronic statement issued in terms of Strate will be despatched by the CSDP or the Broker to the address of the emigrant in the records of the CSDP or the Broker.

ANNEXURE 4

INFORMATION FOR FOREIGN SHAREHOLDERS

Any Shareholder resident outside the Common Monetary Area who receives this Circular and Form of Instruction should obtain advice as to whether any governmental and/or other legal consent is required and/or any other formality must be observed to enable a subscription to be made in terms of such Form of Instruction.

The Rights Offer does not constitute an offer in any jurisdiction in which it is illegal to make such an offer and this Circular and Form of Instruction should not be forwarded or transmitted to any person in any territory other than where it is lawful to make such an offer.

No action has been taken by Nampak to obtain any approval, authorisation or exemption to permit the issue of Rights Offer Shares or the possession or distribution of this Circular (or any other publicity material relating to the Rights Offer Shares) in any jurisdictions other than South Africa.

The Rights Offer Shares and the LAs have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or jurisdiction of the United States. The Rights Offer Shares and the LAs are being offered only to (A) investors in the United States who are qualified institutional buyers ("QIBs") as defined in Rule 144A ("Rule 144A") under the US Securities Act of 1933 as amended (the "US Securities Act") and (B) investors outside the United States in an offshore transaction in reliance on Regulation S under the US Securities Act. No public offer of the Rights Offer Shares will be made in the United States. An offer of Rights Offer Shares and the LAs in the United States will only be made through an exception to, or in a transaction not subject to, the registration requirements under the US Securities Act to a limited number of existing shareholders who are both existing shareholders in Nampak and QIBs. Investors who are located in the United States will be required to execute and deliver an Investor Letter enclosed with this Circular prior to taking up or transferring rights in the Rights Offer or subscribing for rights offer shares in the Rights Offer. Nothing in this disclaimer and the attached Circular constitutes an offer of securities for sale in any jurisdiction where it is unlawful to do so.

The Rights Offer Shares may not be offered, sold, resold, delivered or transferred, directly or indirectly, in or into the United States or to, or for the account or benefit of, United States persons, except pursuant to exemptions in terms of the US Securities Act. This Circular and the accompanying documents are not being, and must not be, mailed or otherwise distributed or sent in, into or from the United States. This Circular does not constitute an offer of any securities for sale in the United States or to United States persons.

The Rights Offer is being conducted under the procedural requirements and disclosure standards of South Africa which may be different from those applicable in other jurisdictions. The legal implications of the Rights Offer on persons resident or located in jurisdictions outside of South Africa may be affected by the laws of the relevant jurisdiction. Such persons should consult their professional advisors and inform themselves about any applicable legal requirements, which they are obligated to observe. It is the responsibility of any such persons wishing to participate in the Rights Offer to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith.

Accordingly, persons (including, without limitation, nominees, agents and trustees) receiving a copy of this Circular should not distribute or send the same to any person in, or citizen or resident of, or otherwise into any jurisdiction where to do so would or might contravene local securities laws or regulations. Any person who does distribute this Circular into any such territory (whether under a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this annexure.

The Rights Offer contained in this Circular does not constitute an offer in the District of Columbia, the United States, the Dominion of Canada, the Commonwealth of Australia, Japan or in any other jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer.

Foreign Shareholders should consult their professional advisors to determine whether any governmental or other consents are required or other formalities need to be observed to allow them to take up the Rights Offer. It is the responsibility of all Foreign Shareholders to ensure that taking up their Rights in terms of the Rights Offer does not infringe the laws of their jurisdiction.

To the extent that Restricted Shareholders are not entitled to participate in the Rights Offer as a result of the aforementioned restrictions, such Restricted Shareholders should not take up their Rights Offer entitlement and should allow their Rights in terms of the Rights Offer to lapse. Dematerialised Restricted Shareholders should not instruct their CSDPs or brokers to follow their Rights and should allow their Rights in terms of the Rights Offer to lapse. Certificated Restricted Shareholders should not instruct the Transfer Secretaries to follow their Rights and should allow their Rights in terms of the Rights Offer to lapse.

NOTICE TO INVESTORS IN THE UNITED STATES

The Letters of Allocation and the Rights Offer Shares offered hereby have not been and will not be registered under the US Securities Act, or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered, sold, exercised, transferred or delivered, directly or indirectly, in or into the United States at any time except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable state and other securities laws of the United States. The Letters of Allocation are being issued and the Rights Offer Shares are being offered in the United States only to QIBs in reliance on exemptions from registration under the US Securities Act.

THE LETTERS OF ALLOCATION AND THE RIGHTS OFFER SHARES OFFERED HEREBY HAVE NOT BEEN RECOMMENDED BY ANY US FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT PASSED UPON THE MERITS OF THE OFFERING OR CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

In the United States, this Circular is being furnished on a confidential basis solely for the purpose of enabling a prospective purchaser to consider purchasing the particular securities described herein.

The information contained in this Circular has been provided by Nampak or obtained from the other sources identified herein. Distribution of this Circular to any person other than the offeree specified by Nampak and those persons, if any, retained to advise such offeree with respect to this Circular, is unauthorised, and any disclosure of the contents of this Circular, without the prior written consent of Nampak, is prohibited. Any reproduction or distribution of this Circular in the United States, in whole or in part, and any disclosure of its contents to any other person in the United States is prohibited. This Circular is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the Rights Offer Shares described herein. Investors agree to the foregoing by accepting delivery of this Circular.

Except for investors in the United States who are QIBs, any person who acquires Letters of Allocation or the Rights Offer Shares will be deemed to have declared, warranted and agreed, by accepting delivery of this Circular, taking up their Rights or accepting delivery of the Letters of Allocation or the Rights Offer Shares, that it is not, and that at the time of acquiring the Letters of Allocation or the Rights Offer Shares it will not be, in the United States or acting on behalf of, or for the account or benefit of, a person on a non-discretionary basis in the United States or any state of the United States.

Except for investors in the United States who are QIBs, Nampak Shareholders with a registered address in the United States will be treated as unexercising holders and Nampak expects that the applicable Rights will be sold by the Transfer Secretaries on behalf of such Nampak Shareholders. The cash proceeds therefrom will be distributed to such Nampak Shareholders (net of applicable fees, expenses, taxes and charges), in proportion to such Nampak Shareholder's Right to the Rights Offer Shares. There can be no assurances as to what price such Nampak Shareholders will receive for such disposal or the timing or exchange rate conversion of such receipt, to the extent applicable.

Although Letters of Allocation may be credited to the CSDP or Broker accounts of Qualifying Dematerialised Shareholders: (i) with a registered address, or resident, in one of the Restricted Territories; (ii) in the United States; or (iii) with a registered address, or who hold on behalf of persons located in the United States, or who hold on behalf of any person on a non-discretionary basis who is in the United States, or any state of the United States, such crediting of Letters of Allocation does not constitute an offer to Restricted Shareholders and such Restricted Shareholders will not be entitled to take up or transfer Rights in the Rights Offer or acquire Rights Offer Shares in the Rights Offer unless such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

Holders of American depositary share representing the rights and interest in the Shares (ADSs) will not be permitted to receive the Letters of Allocation or subscribe for Rights Offer Shares. Any entitlement under the Rights Offer in respect of the Shares represented by ADSs will be managed by the The Bank of New York Mellon (Depository) in accordance with the terms of the deposit agreement entered into between the Company, the Depository (Deposit Agreement). Holders of ADSs should contact the Depository for further information.

In addition, until 40 days after the commencement of the Rights Offer, an offer, sale or transfer of the Rights Offer Shares or the Letters of Allocation within the United States by a dealer (whether or not participating in the Rights Offer) may violate the registration requirements of the US Securities Act.

This Circular does not contain a discussion of the consequences to the United States persons (as defined for United States federal income tax purposes) under United States federal, state or local tax laws of the Rights Offer or of the acquisition, exercise, ownership or disposition of the Letters of Allocation or Rights Offer Shares received in exchange thereof. Investors that are United States persons are urged to consult their own professional advisers with respect to any United States federal as well as state and local tax consequences relating to the Rights Offer and the acquisition, exercise ownership or disposition of the Letters of Allocation or Rights Offer Shares received in exchange thereof.

ANNEXURE 5

SHARE TRADING HISTORY OF NAMPAK SHARES

Set out in the table below are the aggregate volumes and values and the highest and lowest prices traded in Nampak's Ordinary Shares in respect of:

- › each day over the 30 (thirty) trading days preceding the Last Practicable Date; and
- › each month over the twelve months prior to the date of issue of this Circular.

Monthly	High	Low	Value	Volume
	(Rand per Ordinary Share)		(R'000)	(Ordinary Shares traded)*
2023				
August	285	173	31 055	142 700
July	243	168	23 974	119 310
June	195	165	27 297	146 320
May	233	133	25 045	133 790
April	265	225	38 489	162 000
March	265	200	30 415	129 410
February	265	225	36 424	150 860
January	353	240	124 438	420 420
2022				
December	410	203	360 558	1 159 680
November	530	415	53 876	113 030
October	493	380	53 013	122 380
September	628	460	63 267	112 270

* Share consolidation of every 250 Ordinary Shares into 1 Ordinary Share effective from 19 July 2023.

Daily	High	Low	Value	Volume
	(Rand per Ordinary Share)		(R'000)	(Ordinary Shares traded)*
2023				
6 July	225	208	504	10 900
7 July	213	208	251	1 430
10 July	213	205	327	2 400
11 July	210	203	700	1 200
12 July	210	193	230	1 630
13 July	200	193	58	3 540
14 July	200	193	307	1 160
17 July	203	195	790	290
18 July	198	193	674	1 580
19 July	203	190	731	4 040
20 July	203	193	504	3 450
21 July	198	188	251	3 860
24 July	198	175	2 174	11 610
25 July	188	168	1 449	7 940
26 July	189	174	999	5 550
27 July	190	180	831	4 490
28 July	190	186	681	3 630
31 July	185	180	2 443	13 340
1 August	184	181	386	2 130
2 August	184	173	927	5 200
3 August	182	177	129	720
4 August	181	175	4 870	27 340
7 August	195	178	787	4 260
8 August	199	187	899	4 660
10 August	210	190	1 742	8 560
11 August	214	206	1 155	5 450
14 August	212	207	3 671	17 520

Daily	High	Low	Value	Volume
	(Rand per Ordinary Share)		(R'000)	(Ordinary Shares traded)*
15 August	215	209	1 625	7 660
16 August	225	213	2 296	10 560
17 August	268	224	5 864	24 100
18 August	285	258	5 836	21 340
21 August	279	266	868	3 200

ANNEXURE 6

OVERVIEW OF BUSINESS SEGMENTS AND KEY PRODUCTS

The Group has three operating segments: namely, Metals, Plastic and Paper. For the year ended 30 September 2022, the Group's Metals, Plastic and Paper segments accounted for 74.1%, 19.5% and 6.4% of total revenue, respectively.

Metals

The Group operates two divisions in the Metals segment: Bevcan, Bevcan Angola, Bevcan Nigeria and DivFood.

Bevcan

Overview

According to the Group's internal market estimates, Bevcan is Sub-Saharan Africa's largest beverage can and ends manufacturer, manufacturing standard cans (330 ml, 355 ml, 440 ml and 500 ml), ultra-slender cans (410 ml), slimline cans (200 ml and 250 ml), slender cans (300 ml and 330 ml) and ends (200 and 202 diameter). It serves the beverage markets for alcoholic beverages, carbonated soft drinks, fruit juices, energy drinks, wine, vegetable juice and iced teas. Many of Bevcan's customers are multi-national leading global brands in South Africa, Angola and Nigeria. The use of the Group's beverage cans is promoted through the CAN DO! brand.

Bevcan also offers complementary services to its customers. Bevcan's Customer Technical Services ("**CTS**") offer such support as double seam training, evaluation and benchmarking, tooling set-up, seamer mechanical audits, seamer overhauls, seamer repairs, and advice on best practices for filling lines. Bevcan also offers internal technical support to production facilities through its BevTech department. Its Inspection and Coding Solutions ("**I&CS**") department offers a wide range of cost-effective, quality product coding and control systems to the packaging industry.

Customers

According to the Group's internal market estimates, in South Africa, Bevcan is estimated to have a market share of circa 70%. In Angola, Bevcan is the only producer of beverage cans. In Nigeria, Bevcan is estimated to have almost half of the market share. Bevcan has well-established, longstanding relationships with its key customers. Supply agreements with key customers typically are for a period of three years.

Competitors

Bevcan's principal competitors within the beverage can markets in which it operates are Gayatri Cans and GZ Industries.

Manufacturing and Production

Bevcan has production facilities in South Africa, Nigeria and Angola, which are strategically located to service its customers. The production facility in Springs, South Africa has three manufacturing lines for aluminium cans producing five can sizes. Can ends are also manufactured in Springs from eight manufacturing lines.

The production facility in Rosslyn, South Africa has two manufacturing lines for aluminium cans producing two can sizes, with the 500 ml can size comprising the bulk of the production capacity.

The production facility in Viana, Luanda, Angola, has two manufacturing lines for aluminium cans which produce 330ml standard and 330ml slender cans. All ends are imported from Bevcan South Africa.

The production facility in Agbara, Nigeria has one manufacturing line for aluminium cans producing 330 ml standard cans and 500ml cans. All ends are imported from Bevcan South Africa. This production facility has the capacity to install an additional production line without the requirement to extend its physical manufacturing footprint with adequate on-site warehousing facilities.

Energy, Raw Materials and Suppliers

The Group purchases electricity from Eskom, in connection with its operations in South Africa. Eskom is the South African public electricity utility entity. Currently, Eskom is experiencing challenging operating conditions with load shedding being an almost daily occurrence. In Angola, Bevcan generates its own electricity from diesel and gas. In addition, heating/drying ovens used in the production process uses either gas or diesel as energy sources. As Bevcan uses a large quantity of electricity and gas, fluctuations in energy prices impact its cost of operations. Energy costs have been highly volatile in recent years. In Nigeria, Bevcan generates its own electricity using generators fueled by natural gas, with diesel and LPG as back up.

The principal raw materials used by Bevcan are aluminium, ink, lacquer, coatings and lining compounds. Over 90% of Bevcan's direct raw material spend in 2022 related to aluminium. Bevcan procures its aluminium requirements both from a local South African supplier as well as various other international suppliers. Due to unprecedented volatility in aluminium prices, coupled with static or insufficient credit limits from a key local supplier, a significantly higher investment in working capital has been required in order to cater for volume and price increases in the 2022 financial year.

Bevcan continuously seeks to minimise the price of raw materials and reduce exposure to price movements in several ways, including the following:

- › in the ordinary course of business, entering into pass-through price contracts with customers, whereby selling prices are indexed to the price of the underlying major raw materials;
- › maintaining the focus on metal content reduction; and
- › continuing the process of reducing spoilage and waste in manufacturing.

Aluminium is typically purchased under short-term contracts (1-2 years), with aluminium conversion prices that are typically fixed in advance. Although the Group has good relationships with several suppliers of aluminium, the Group sources a significant portion of its supply from a local supplier.

Distribution

Bevcan uses various freight and haulage contractors to make deliveries to customer sites or warehousing facilities. In some cases, customers make their own delivery arrangements and therefore may purchase from Bevcan on an ex-works basis. Warehousing facilities are primarily situated at Bevcan's production facilities; however, external rented warehouses are used from time to time.

DivFood

Overview

DivFood is a manufacturer of two- and three-piece tinplate food cans, metal closures and a variety of other diversified tinplate and aluminium packaging products such as aerosols, polish and paint cans. It serves the end markets for food, personal care, home care and wine and spirits. Around 60% of DivFood's sales are to the food and beverage industry. In South Africa, DivFood is the only producer of rectangular meat and monobloc aerosol cans.

Customers

DivFood has well-established, longstanding relationships with its key customers. In the year ended 30 September 2022, the top 10 customers contributed to approximately 77% of DivFood's revenue.

Its customers are the leading brand owners in the processed food market such as Rhodes Food Group, Oceana, Tiger Brands and Nestlé. In other product categories such as monobloc aerosols the leading customers are Unilever and AMKA Products while in tinplate aerosols Tiger Brand and SC Johnson are major customers. In the wine and spirits aluminium closure business, major customers include Distell and a range of other players.

Competitors

DivFood's principal competitors are Gayatri Cans and CanSmart in the food cans market. In the aluminium closure market DivFood competes with Guala Closures and in the diversified can market SA Steelpack Solutions and Metcan are the major competitors.

Manufacturing and Production

DivFood has four production facilities in South Africa:

- › Vanderbijlpark, producing round and rectangular food cans in addition to tinplate aerosol cans;
- › Mobeeni, produces monobloc aerosols, paint and shoe polish cans;
- › Epping, produces two-piece food cans, metal twist-offs and aluminium roll-on pilfer proof ("**ROPP**") closures and is also the coating and coil shear hub for the division; and
- › Paarl, produces three-piece food cans and round ends.

Energy, Raw Materials and Suppliers

DivFood purchases energy from Eskom through local municipalities and has generators in place to run the Vanderbijlpark, Paarl and Mobeni operations in the event of power disruptions. In addition, gas is utilised for heating/drying purposes in the production process.

The principal raw materials used by DivFood are tinplate for cans and aluminium for monobloc aerosols and ROPP closures.

DivFood's sources its tinplate from approved steel mills out of Europe, China and Japan subject to specifications, pricing and availability.

Distribution

Most of the core raw materials are imported and are shipped into Cape Town or Durban. Local distribution is by road with some customers electing to collect product on return legs of their deliveries.

Restructuring Initiatives

Since 2019, DivFood has implemented several restructuring initiatives which included the following:

- › exiting unprofitable and complex product categories in Vanderbijlpark;
- › rightsizing and rationalisation activities have reduced around 220 positions in the division over the last three years;
- › upgrading capacity and consolidating two-piece food can manufacturing at Epping as well as relocating coating and coils shear operations to Epping;
- › consolidating and reducing the use of outside warehousing at Mobeni;
- › relocating round end manufacturing to Paarl; and
- › renegotiated supply agreements in key customers.

Plastic and Paper

Overview

The Plastic and Paper segments are an amalgamation of five divisions: the product-specific divisions of Plastic and Nampak Liquid Carton and the region-specific divisions of East Africa (Kenya, Tanzania and Ethiopia), Zambia/Malawi and Zimbabwe. Nampak Tanzania has ceased operations, although the company is still registered in-country whilst the property sale transaction is being completed.

The Plastic division sells a wide range of products such as PET bottles, HDPE bottles, closures, drums and tubes and serves the end markets for beverage, dairy, chemicals, bakery, fruit juice, oral care and agriculture.

Nampak Liquid Cartons division sells the paper-based gable top Purepak® and conical cartons and serves the end markets for food, water, dairy, traditional beer and juice. Purepak® cartons with 29mm and 36mm caps can be used to package dry goods such as rice, sugar, cereal, maize meal, birdseed and pet food. The Purepak® range includes: 350ml, 500ml and 1 litre, Purepak® Mini diamond 250ml, 330ml and 500ml and Purepak® Maxi-cross 1.5 litre and 2 litre cartons.

The East Africa, Zambia/Malawi and Zimbabwe divisions sell both paper and plastic packaging products as well as food cans, drums, closures and shoe polish tins.

The below table shows the countries in which the paper, plastic and metal products are sold within the paper and plastic segment:

	South Africa	Botswana	Zimbabwe	Zambia	Malawi	Kenya	Ethiopia
Paper	×		×	×	×	×	
Plastic	×	×	×	×			×
Metal			×			×	

Customers

The contract duration in South Africa for the Plastic and Paper segments generally ranges from two to five years. For the Rest of Africa, the Group trades predominantly without contracts.

In South Africa, the Group supplies liquid cartons and plastic packaging to brand owners and retailers within the beverage industry that include FMCG, dairy, fruit juice and water markets. It also supplies plastic packaging to large petrochemical companies. Its liquid cartons enjoy strong market shares particularly in mageu and opaque beer and has a unique value offering to milk producers and consumers in the form of extended shelf life fresh milk. Its plastic packaging enjoys strong market shares particularly in dairy, drums, closures, crates and tubes.

In Botswana, the Group supplies a wide variety of standard custom-designed HDPE bottles ranging from 250ml to 5 litres to customers in the non-carbonated beverages, dairy and sorghum beer markets.

In Zimbabwe, the Group supplies double-wall corrugated board cases to the local and export tobacco markets. The Group also supplies single wall and single face kraft in A, B or C flutes.

In Zambia, the Group is the only producer of conical cartons and continues to provide total packaging solutions ranging from filling equipment to technical support. The liquid carton packaging offer is supplemented with plastic bottles and closures, as well as plastic crates and steel drums to further strengthen its regional footprint.

In Malawi, the Group supplies conical cartons to the largest traditional beer manufacturer in the local economy.

The Company's Kenyan operations supply food and diversified cans into the canned food and shoe care markets.

In Ethiopia, the Group supplies plastic crates to the carbonated soft drink market.

Competitors

The principal competitors for the Plastic and Paper segments are Polyoak, Tetrapak, SigCombiblok, MPact, Alpla and Mauser.

Manufacturing and Production

The Group has 12 plastics facilities and one liquid cartons facility in South Africa, running lines for customers across various industries. The 12 plastic facilities are located in Epping, Gqeberha, Westmead, Pinetown, Mobeni, Dundee, Olifantsfontein, Isando and Jet Park, and customer in-plants located in Clayville, Doornkloof and Vredendal. There is an additional plastic facility in Gaborone, Botswana. The production facilities in Gqeberha and Olifantsfontein will cease operations in the 2023 financial year.

In addition, the Group has the following facilities:

- › two facilities in Zambia (Lusaka and Ndola), producing conical cartons, self-opening bags, crates, plastic bottles, closures and steel drums;
- › three facilities in Zimbabwe (Harare and Ruwa), producing tobacco cases, tobacco wrap, corrugated cartons, folding boxes, labels, paper sacks and bags, self-opening bags, food-, paint- and polish cans, closures and plastic bottles;
- › one facility in Malawi (Blantyre), producing conical cartons;
- › two facilities in Kenya (Nairobi), producing food cans, shoe polish cans, drums, ends, components, and self-opening bags;
- › one facility in Tanzania (Dar Es Salaam), which has ceased operations; and
- › one rented facility in Ethiopia, producing crates.

Energy, Raw Materials and Suppliers

The Plastic and Paper segments purchase energy from Eskom in South Africa and from other parastatals in the remaining locations within Africa. The Rest of Africa operations are all equipped with electricity generating capabilities to counter load shedding in these territories, but these are only used when it is economically viable to do so.

The main raw material requirements for paper board are located in Scandinavia and the Netherlands, while corrugated carton raw material is supplied from South Africa. Raw material for metal is procured predominantly from East Asia, while plastic raw materials are produced in South Africa and imported, depending on the grade and application.

Distribution

Paper and plastic products are sold ex-works and distributed to customers using predominantly outsourced logistics suppliers. All production facilities have sufficient storage space to optimise stockholding requirements and deliver security of supply services to its customers.

Research and Development

The Group considers innovation and research and development to be a key factor in the success of its product offerings. The Group's scientists, engineers, technologists and technicians at Nampak R&D in Cape Town South Africa have state-of-the-art analytical equipment and design tools at their disposal to apply their knowledge in different fields, including materials science, analytical chemistry, microbiology, food and beverage science and coatings technology.

Rest of Africa Treasury and Procurement

Nampak International buys raw materials, consumables, spares and capital equipment from international suppliers, on behalf of the Group's operations in the Rest of Africa, where the suppliers perceive the risk of doing business to be high. Nampak International has the ability to source less expensive funding than the Rest of Africa operations which it deploys to the benefit of the operations.

Intellectual Property

Nampak Liquid Carton manufactures gable top cartons under a licence from Elopak of Norway, which is due to expire in October 2025, and specialty closures under an evergreen licence of Bericap of Germany, although Bericap may manufacture and market concurrently with Nampak in the relevant territory without limitation. Bevcap produces 202 mm diameter beverage ends under licence of Crown Packaging Technology. DivFood has a technology support agreement with Silgan on twist-off closure technology and sealing compounds.

Employees

As of 31 March 2023, Nampak had 4,302 full-time employees. Employees in Nampak operations in South Africa are represented by 7 trade unions and those based in Nampak's operations in the Rest of Africa are represented by 8 trade unions. The Group's culture is inclusive, and diversity is valued. The Group operates within a clearly defined governance framework and all directors and employees, as well as suppliers and their staff, are required to adhere to the Group's code of conduct and business ethics policy.

Transformation

The Group aims to create an exceptional employee experience that is consistent across race, gender and people living with disability and to accelerate progress through structured skills development programs and the injection of talent.

The Group's transformation committee monitors its performance against its B-BBEE targets in each category on the Generic Scorecard. Nampak achieved level 2 contributor status in 2019, a level it has maintained to date.

Leadership and Employee Development

The Group's mission is to have a flexible and highly-skilled workforce with the right knowledge, skill, attitude and behaviour, in order to fully participate in an ever-changing business environment. The Group invests significantly in the training and development of its employees and has developed in-house training and development opportunities for managers and supervisors in the Group. The programmes are designed with input from leading universities to meet national qualification framework requirements in South Africa and to ensure that the course content is updated and aligned to the Group's strategy and skills requirements. The courses have relevance in all countries and the Group encourages employees from its operations in the Rest of Africa to attend. Some of the initiatives taken by the Group to support employee development include but are not limited to:

- › executive coaching aimed at executive and senior operational managers who have long-term potential for general and executive managerial positions;
- › leadership development of high-potential employees at a middle management level;
- › supervisory development program that ensures Nampak's first-line managers have critical skills and support to fundamentally impact the improvement of general margins and people management practices; and

› graduate development program that runs for two years and focuses on introducing recently qualified graduates to the Group. It is aimed at addressing the skills shortage in engineering, finance and accounting and business science. During the programme, young graduates are placed in jobs at divisions and complete an academic course involving individual and group assignments. Successful candidates are offered permanent employment in the Group. This remains Nampak's strategic intent, however, this may be impacted by restructuring efforts. Consequently, the current retention rate in this programme may be less than 80% but still remains high.

Social and Environmental Responsibility

In line with its vision and core values, the Group remains committed to supporting the community in the countries where it operates as well as managing its impact on the environment by minimising the use of natural resources during the course of its business.

More specifically, the management and staff are committed to ensuring that Nampak is an environmentally responsible company and believe that the integrated actions the Group takes within its operations to conserve natural resources and protect the environment make sound business sense. These commitments are achieved by operating an effective environmental management system in order to:

- › comply with the requirements of ISO 14 001 2015;
- › identify and comply with relevant legislative requirements, internal standards, as well as the requirements of the Group's stakeholders;
- › improve the Group's environmental performance through establishing a framework for measurable and appropriate objectives and targets, regular monitoring and environmental audits;
- › promote environmental awareness, both internally and externally, through training and proactive communication with stakeholders;
- › prevent pollution and continually improve the Group's performance through focusing on the following aspects of its operations:
 - » increasing the Group's energy efficiency and reducing greenhouse gas ("**GHG**") emissions as a commitment to managing the Group's impact on climate change;
 - » minimising and recycling waste generated by the Group's operations as well as post-consumer waste;
 - » reducing resource use through light-weighting, and conserving water resources;
- › provide the necessary financial and human resources at board and divisional level to give effect to this environmental policy; and
- › communicate the policy to staff, contractors and other stakeholders.

The Group also undertakes corporate social responsibility initiatives to support programmes that are aligned with its core purpose and continues to invest in youth development. The Group has a target of allocating 1% of its profit after tax to corporate social investment. During 2022, a total of more than ZAR6.7 million was spent on the YES4Youth initiative (a youth employment initiative) and on supporting hospices in areas where the Group's employees work, as well as ZAR5.6 million in support of disabled learnerships.

The Group's bursary scheme, which has operated successfully for many years, provides assistance to high-potential learners for continuing education at tertiary institutions. Being a manufacturing organisation, the Group allocates bursary funds to those learners who are studying towards science, engineering, supply chain and accounting degrees. Wherever possible, the Group offer bursars vocational work experience at the Group's operations. Recently qualified graduates are eligible to apply to join the Group's graduate development programs. The Group currently supports 13 bursars and has funded 143 bursars to date.

Climate Change

South Africa's parliament formally ratified the Paris Agreement on Climate Change in November 2016 and has since then set as part of its first nationally determined contributions a target of 42% below business as usual carbon output by 2025.

Climate change represents both risks and opportunities for the Group. For a holding company as diverse as Nampak, with interests in metals, plastics and paper, and with 32 production facilities, the Group's facilities are susceptible to risks ranging from shortages of resources, severe weather events to logistics interruptions. As a packaging supplier, the Group is indirectly exposed to the same risks and opportunities as its suppliers and customers. These are assessed and deliberated in various forms of engagement with the Group's stakeholders and form part of risk assessments undertaken by the divisions.

The Group appreciates the worldwide concerns regarding global warming and aims to systematically reduce its energy intensity and carbon emissions. Identifying and implementing energy-reduction opportunities reduces the Group's reliance on energy purchased from Eskom and contributes to its efforts to contain costs. Energy purchased from Eskom remains the largest component (70%) of the Group's Scope 1 and 2 GHG emissions. In the Rest of Africa, the Group places more reliance on other sources of energy including gas, diesel and petrol.

The Group continues to report its carbon footprint using the Greenhouse Gas Protocol – Corporate Accounting and Reporting Standard. This calculation is performed internally, using data provided by its divisions and the report is independently verified according to the ISO 14064-3 International Standard for GHG verifications. The reporting period is aligned with the Group's financial reporting period. In addition, all requirements for South Africa's calendar year based GHG-emissions and associated carbon tax are fulfilled.

The Group includes energy targets in the key performance indicators for responsible senior management. Performance against these targets, forms part of the individual performance measures that determine annual salary increases and incentive bonus payments.

Water

The Group recognises that many industries across the supply chain of packaged products face challenges related to water scarcity and evaluates the associated risks to its sustainability during risk assessments.

In Angola, Bevcam reuses approximately 80% of the water used in its production.

ANNEXURE 7

INFORMATION ON THE DIRECTORS AND SENIOR MANAGEMENT OF NAMPAK

The full names, positions, business addresses, dates of appointment, nationalities, qualifications, experience and other directorships of the Directors are set out below.

Peter Surgey

Position	Chairman
Appointed	(i) to the Board 29 July 2009; and (ii) as Chairman of the Board 10 October 2018
Nationality	South African and British
Qualifications	BA, LLB
Business address	Hampton Office Park, 20 Georgian Crescent East, Bryanston, 2191, South Africa.
Experience	Surgey was Managing Director of Plascon and Chief Executive Officer of Barloworld Coatings from 1992 to 2003. From 1995 to 2008 he was a director of Barloworld Ltd. He has previously been a director of Control Instruments (Pty) Ltd and NCS Resins (Pty) Ltd, where he also served on the remuneration and audit committees. He served as a trustee for 14 years on The President's Award – The Duke of Edinburgh's International Award.
Current directorships	Surgey is currently the Chairman of Nampak, and Autozone Investments (Pty) Ltd and Eazi Access Rentals (Pty) Ltd (both Ethos Fund V1 Companies) and a director of Eazi Access Investments (Pty) Ltd and Featherbed Investments (Pty) Ltd.
Other directorships in the past five years	Earth Probiotic Industrial (Pty) Ltd.

Phildon Roux

Position	Chief Executive Officer
Appointed	20 April 2023
Nationality	South African
Qualifications	BCom (Hons), MBA
Business address	Hampton Office Park, 20 Georgian Crescent East, Bryanston, 2191, South Africa.
Experience	Roux has 32 years' experience in the FMCG sector having held numerous executive positions inclusive of CEO, executive and non-executive director. Mr. Roux previously held board positions as an executive and/or non-executive director at Pioneer Foods (CEO), Tiger Brands, Oceana, Sea Harvest, Dairybelle, Langeberg and Ashton Foods. As the CEO of Adcorp Limited, he was instrumental in the turnaround of the organisation.
Current directorships	Nampak and Nampak Products Limited and Tianto Investments (Pty) Ltd.
Other directorships in the past five years	Adcorp Limited.

Glenn Fullerton

Position	Chief Financial Officer
Appointed	1 September 2015
Nationality	South African
Qualifications	BCompt, BCompt (Hons), CTA, CA(SA)
Business address	Hampton Office Park, 20 Georgian Crescent East, Bryanston, 2191, South Africa.
Experience	Fullerton commenced his career at Deloitte where he completed his articles in 1992. He held numerous senior finance positions in various JSE listed groups, at Hunt Leuchars & Hepburn and Computicket, before joining the JSE listed Malbak group in 1995, where he was a key member of the team responsible for the group's unbundling in 1997. Post the unbundling he held the position of Finance Director of two of the divisions in Malbak's remaining listed packaging group, Kohler Packaging Ltd, until 2000. Fullerton then joined MB Technologies Group as CFO which grew into Africa's largest IT distribution business and in 2009, became CEO until October 2013, when he left on a sabbatical due to a cycling injury.
Current directorships	Nampak, Nampak Products, Nampak International, Nampak Insurance Company Ltd, Nampak Holdings (UK) Ltd, Illustrated Investments (Pty) Ltd, Before The Wind Investments 266 (Pty) Ltd, Before The Wind Investments 322 (Pty) Ltd, Group Risk Holdings (Pty) Ltd and E-Knowledge (Pty) Ltd.
Other directorships in the past five years	Nampak Plastics Europe Ltd and Nampak Consumer Goods Ltd.

Nooraya Khan

Position	Independent Non-Executive Director
Appointed	1 August 2020
Nationality	South African
Qualifications	BCom, BCompt (Hons), CA(SA)
Business address	Hampton Office Park, 20 Georgian Crescent East, Bryanston, 2191, South Africa.
Experience	Khan is an experienced non-executive director with a demonstrated history of working in the investment banking industry. Skilled in private equity, financial structuring, risk management, project finance and venture capital. She is a qualified chartered accountant and participated in the International Directors Programme at Insead in France.
Current directorships	Khan currently serves as a Non-Executive Director and chair of the Risk Committee and member of the Audit Committee of Nampak, Directors affairs Committee, GTC and Remuneration Committee of Liberty Holdings Ltd. She also serves as a Non-Executive Director of and member of the audit committee of and MTN South Africa (Pty) Ltd and MTN Cameroon Ltd, as well as Nooraya Khan (Pty) Ltd, Cornwall Crescent (Pty) Ltd, Gensler (Pty) Ltd, Inascape (Pty) Ltd, Pan African Capital Holdings (Pty) Ltd, Heliakon Investments (Pty) Ltd, PAVI South Africa (Pty) Ltd, Platinum Mile 432 (Pty) Ltd; Electralight (Pty) Ltd, Dusud ORT (Pty) Ltd, Dolphin Womens Investments (Pty) Ltd, DKH Women (Pty) Ltd and Bunker Hill Homeowners Association NPC.
Other directorships in the past five years	Delta Property Fund Ltd.

Kholeka Mzondeki

Position	Independent Non-Executive Director
Appointed	1 September 2019
Nationality	South African
Qualifications	BCom, FCCA (UK), Diploma Investment Management
Business address	Hampton Office Park, 20 Georgian Crescent East, Bryanston, 2191, South Africa.
Experience	Mzondeki currently leads a portfolio career, sitting on several JSE listed company boards as an Independent Non-Executive Director and consults on financial management. She is an internationally (United Kingdom) qualified Chartered Accountant and has extensive experience in senior finance executive roles of Financial Director and CFO. She has fulfilled Finance Director and Chief Financial Officer roles at 3M and previously sat on the Audit Committee of the United Nations World Food Programme.
Current directorships	Nampak, Thungela Resources Ltd, Huzk (Pty) Ltd, Guard Risk (Pty) Ltd, chairman of the Audit Social & Ethics committee of Balwin Properties Ltd, Nampak Ltd.
Other directorships in the past five years	Truden (a subsidiary of Telkom).

Clifford Raphiri

Position	Independent Non-Executive Director
Appointed	1 March 2019
Nationality	South African
Qualifications	PGDip Mechanical Engineering, BSc (Hons) Mechanical Engineering, MBA
Business address	Hampton Office Park, 20 Georgian Crescent East, Bryanston, 2191, South Africa.
Experience	Raphiri is a senior executive with deep proven, operational and strategic experience gained as a director of a listed blue-chip company for many years. He was the Manufacturing and Technical Director of South African Breweries and is currently the Executive Director of Phetogo Investments. He also served as a Non-Executive Director and Chairman of Adcock Ingram Holdings Ltd, Non-Executive Director of the Thesele Group (Pty) Ltd and Energy Partners (Pty) Ltd.
Current directorships	Raphiri serves as a Non-Executive Director of Murray & Roberts Holdings Ltd and Energy Partners Holdings (Pty) Ltd, Growthpoint Properties Ltd, Nampak and University of Johannesburg Advancement Advisory Board.
Other directorships in the past five years	Adcock Ingram Holdings Ltd, ADBEE (RF) Ltd, Kevali Chemicals Group (Pty) Ltd, Thesele Group (Pty) Ltd, Phetogo Industrial Corporation (Pty) Ltd and Talbot and Talbot (Pty) Ltd.

Simon Ridley

Position	Independent Non-Executive Director
Appointed	1 March 2019
Nationality	South African
Qualifications	BCom, Dip Acc (postgraduate), CA(SA)
Business address	Hampton Office Park, 20 Georgian Crescent East, Bryanston, 2191, South Africa.
Experience	Ridley was the Group Financial Director of Standard Bank Group until his retirement in 2016.
Current directorships	Ridley currently serves on a number of boards including as Non-Executive Director and Chairman of Standard Advisory London Ltd, Standard Bank London Holdings Ltd and Non-Executive Director of Nampak, Stanbic IBTC Bank PLC (Nigeria), Liberty Holdings Ltd and Liberty Group Ltd, Non-Executive Director of Centre for Development & Enterprise NPC (CDE), Tutuwa Staff Holdings 1 (Pty) Ltd, Tutuwa Staff Holdings 2 (Pty) Ltd, Tutuwa Staff Holdings 3 (Pty) Ltd, Tutuwa Community Holdings (Pty) Ltd and The Standard Bank Tutuwa Community Foundation NPC.
Other directorships in the past five years	None.

André van der Veen

Position	Independent Non-Executive Director
Appointed	15 March 2023
Nationality	South African
Qualifications	BCom, BCom (Hons), CIMA, CA(SA), CFA Charterholder
Business address	Hampton Office Park, 20 Georgian Crescent East, Bryanston, 2191, South Africa.
Experience	Van der Veen is a CA(SA), CGMA and CFA charter holder. He has served as a director of numerous listed companies and was the CEO of Johnnic Holdings Limited, KWV Holdings Limited, Niveus Investments Limited and eMedia Holdings Limited, the parent company of ETV.
Current directorships	Van der Veen is a director of Novus Holdings Limited, York Timber Holdings, A2 Investment Partners (Pty) Ltd, A2 Equity Partners (Pty) Ltd, Alphawave Holdings (Pty) Ltd, Marble Head Investments (Pty) Ltd, Lumiya Investments (Pty) Ltd, NPort Investment Holdings (Pty) Ltd, MHG Gaming (Pty) Ltd, Marblewave (Pty) Ltd, Newport Services (Pty) Ltd, LCS Holdco (Pty) Ltd, Scout AI (Pty) Ltd, Bytefuse (Pty) Ltd, Fanfire (Pty) Ltd, Newport Invest1 (Pty) Ltd, Newport Invest2 (Pty) Ltd, Lambda AI People (Pty) Ltd, Anru Holdings (Pty) Ltd and Quaestrum Investment Managers (Pty) Ltd.
Other directorships in the past five years	Niveus Investments Limited and eMedia Holdings Limited.

Tjaart Kruger

Position	Independent Non-Executive Director
Appointed	15 March 2023
Nationality	South African
Qualifications	BCom (Hons), CA(SA), PMD (Harvard)
Business address	Hampton Office Park, 20 Georgian Crescent East, Bryanston, 2191, South Africa.
Experience	Kruger has gained extensive executive and leadership experience at leading organisations including Country Bird (Pty) Ltd, Tiger Brands Limited, Afrox Limited and Premier FMCG (Pty) Ltd where he fulfilled the role of Chief Executive Officer.
Current directorships	Non-Executive Director of First Food Brand (Pty) Ltd.
Other directorships in the past five years	Premier FMCG (Pty) Ltd.

All of the Directors have completed Directors' declarations in terms of Schedule 13 of the Listings Requirements. There will be no changes to the Board as a result of the implementation of the Rights Offer.

Interim Company Secretary: Omeshnee Pillay

Appointed	30 June 2023
Nationality	South African
Qualifications	LLB, LLM
Business address	Hampton Office Park, 20 Georgian Crescent East, Bryanston, 2191, South Africa.
Experience	Pillay has extensive legal experience.
Current directorships	None.

Directors of major subsidiaries

Nampak Products Limited which trades as Nampak Liquid Cartons, Bevcan, DivFood, and Plastic

The full names, positions, business addresses, dates of appointment, nationalities, qualifications, experience and other directorships of the directors of Nampak Products Limited (excluding Glenn Fullerton whose full details are set out above) are set out below.

Quinton Swart

Position	Group Executive: Plastic, Paper and East Africa
Business address	Hampton Office Park, 20 Georgian Crescent East, Bryanston, 2191, South Africa.
Appointed	1 October 2016 / 9 June 2020 appointed to Nampak Products Ltd board (Swart has resigned with effect from 31 October 2023).
Nationality	South African
Qualifications	BCom, BCom (Hons) Statistics
Experience	Swart has experience within the financial strategy and marketing and sales environments.
Current directorships	Nampak Products Limited, Nampak Malawi, Nampak Zambia, Nampak Zimbabwe, Nampak Kenya, Chamar Properties CC.

Nampak International Limited

The full names, positions, business addresses, dates of appointment, ages as at the 17 August 2023, nationalities, qualifications, experience and other directorships of the directors of Nampak International (excluding Glenn Fullerton whose details are set out above) are set out below.

David Tocher

Position	General Manager: Nampak International
Appointed	15 December 2004
Nationality	South African and British
Qualifications	CA(SA)
Business address	7th Floor, Victory House, Prospect Hill, Douglas, Isle of Man, British Isles.
Experience	Experienced South African Chartered Accountant who previously worked with Ernst & Young. Tocher worked for a South African mining house in South Africa and in the Isle of Man from February 1993 to June 2001.
Current directorships	Nampak International Ltd, Nampak Insurance Company Ltd, Nampak Technical Services Ltd, Nampak Properties (Isle of Man) Ltd, Transmar (Isle of Man) Ltd, Nampak Holdings Ltd, Nampak Southern Africa Holdings Ltd, Mega Plastics (Zimbabwe) (Private) Ltd and Nampak Holdings (UK) Ltd (in liquidation).
Other directorships in the past five years	None.

Dewald Joubert

Position	Proprietary Investor and Non-Executive Director
Appointed	1 December 2010
Nationality	British
Qualifications	BCom (Law) (Cum Laude), LLB (Cum Laude), Admitted Advocate of the High Court of South Africa
Business address	7th Floor, Victory House, Prospect Hill, Douglas, Isle of Man, British Isles.
Experience	Extensive non-executive and managerial experience relating to investing in real estate development, private equity opportunities and family office structures.
Current directorships	Nampak International, Auburn Tree Ltd, B&M Company Ltd, Beacon Enterprise Investments Ltd, Behrens Ltd, Berlin Property Holdings Ltd, Berlin Property Management Ltd, Bright Light Company Ltd, Catapult Ltd, Croatian Property Holdings Ltd, Entcord Ltd, EOSon MS PTC Ltd, EOSon NFO PTC Ltd, ERA Holdings Ltd, Focus CEE Investments Ltd, GROPIUS Ltd, HITZIG Ltd, Kollhoff Ltd, MIVAS Ltd, Nampak Holdings (UK) Ltd, Nampak Insurance Company Ltd, Olive Skye Ltd, Otto Ltd, PK Development Holdings Ltd, PK Investments Ltd, PKM Holdings s.a.r.l, PKM Mezz BV, Prime Finance Ltd, Prime Kapital Cooperatief, Prime Kapital Holdings Ltd, Prime Kapital Ltd, ROHE Ltd, Schultes Ltd, Scop 2003 Investments Ltd, Tarlatantic Financial Services Ltd and Their Ltd, VJF PTC Ltd.
Other directorships in the past five years	None.

Samantha Leahy (alternate director to Dewald Joubert)

Position	Solicitor and Executive/Non-Executive Director
Appointed	4 March 2015
Nationality	British
Qualifications	LLB (Hons), England Diploma Legal Practice, Solicitor/Barrister (England), Non-practising Solicitor (NSW Australia, Registered Legal Practitioner (Isle of Man)
Business address	7th Floor, Victory House, Prospect Hill, Douglas, Isle of Man, British Isles.
Experience	Extensive non-executive and managerial experience. Leahy has held various positions such as Senior Manager, Appleby CSP, General Counsel and Company Secretary to Neteller Plc and General Counsel to Anglo Irish Trust Company.
Current directorships	Alternative director for Nampak International and Nampak Insurance Company Ltd, King William's College, Equissential Ltd, PSI Ltd and Essjayaelle Ltd Mannvend Ltd.
Other directorships in the past five years	None.

ANNEXURE 8

RISK FACTORS

The following risks should, inter alia, be considered carefully by Qualifying Shareholders and the investors before making any investment decision.

This section addresses the existing and future material risks to the business of the Group. The risks below are not the only ones that the Group will face. Some risks are not yet known and some that are not currently deemed material could later prove to be material. The order in which the categories of risks are presented below is not necessarily an indication of the likelihood of the risks actually materialising, or the potential significance of the risks or of the scope of any potential harm to the Group's business, prospects, results of operations and financial condition.

All of these risks, most of which are relevant to all businesses operating in this sector and across the relevant jurisdictions, could materially adversely affect the Group, its reputation, business, financial condition, results of operations and prospects.

Risks related to the Group's business and industry

The Group is exposed to the risk of exchange rate liquidity and currency movements.

The Group is exposed to foreign currency exchange rate risk with respect to its sales, profits, assets, and liabilities denominated in currencies other than its reporting currency, the Rand. In the year ended 30 September 2022, 81% of the Group's trading profit was denominated in currencies other than the Rand, and more recently, in the six months ending 31 March 2023, 91% of the Group's trading profit was denominated in currencies other than the Rand. Consequently, a lack of market liquidity for US Dollars may make it more difficult to repatriate cash in US Dollars to the Group's central treasuries based in South Africa and the Isle of Man, or to receive payment in US Dollars which may constrain the purchases of raw materials for import, the investment in growth opportunities and the repayment of debt. In particular, the US Dollar is scarce in Nigeria and Zimbabwe. In relation to Nigeria and Angola, in-country US Dollar availability should be highly correlated to the oil price. In Nigeria the official rate has now moved far closer to the parallel rate which could allow US Dollars to flow more freely in future.

Furthermore, fluctuations in currency exchange rates may significantly increase the amount of Rands required for foreign currency expenses and capital injection commitments, or significantly decrease the Rand received from foreign currency income. For example, in 2019, the Group entered into a hedging agreement with the RBZ, under which the RBZ undertook to repay US\$66.8 million over a period of five years in quarterly repayments commencing on 31 March 2021. As of 30 September 2019, the Group applied an expected credit loss ratio of 85% given the prevailing economic challenges and financial uncertainty in Zimbabwe. After several defaults, the Group determined that the risk of default on this asset had increased since March 2021 and increased the expected loss ratio to 90% at 30 September 2021 with this ratio also being applied at 30 September 2022.

In the normal course of business, all profits are translated using the average exchange rate for the period (month), but in the case of hyperinflation, which is prevalent in Zimbabwe, the entire period's profits are translated at the spot rate at year end. Depending on when any devaluation happens, it can have a very material impact on the Group's results. If it happens early in the year, the Group's pricing mechanisms can take it into account for any further sales, but if it happens closer to the year-end, the Group will have no means available to offset the impact.

The Group also has exposure to currency translation risk. The financial statements for the Group's foreign subsidiaries have been prepared on the basis that transactions in foreign currencies are recorded in their functional currency at the market-based foreign currency exchange rate at the date of the transaction, as applicable, and all other items, including monetary items, denominated in foreign currencies are retranslated at the market-based foreign currency exchange rate at the reporting date, with the resultant translation differences being credited or charged to profit or loss as foreign currency translation differences affecting other comprehensive income. Such currency translation risk also impacts intra-group loan balances across entities situated in different jurisdictions.

The Group's business may be negatively affected by increases in raw material prices that the Group is unable to pass on to its customers and disruptions to its supply chain.

In the recent period of higher commodity prices, the Group's trading margins have been adversely affected by the inability to fully pass-through commodity price increases. The Group has also had to fund the interest cost on the additional working capital investment. This has placed pressure on the Group's funding covenants.

The Group's margins are driven by the prices the Group charges for its products and the costs of the raw materials the Group requires to make its products. Raw materials and purchases accounted for approximately 85% of the Group's cost of sales for goods manufactured in the year ended 30 September 2022. The raw materials the Group depends on in its production are primarily metals, plastic, and paper. The prices for these materials tend to be volatile. In particular, there has been a dramatic increase in the prices of aluminium and tinplate. Aluminium ingot is one of the primary raw materials that the Group uses for metal beverage packaging. Aluminium ingot is traded daily as a commodity on the LME, which has historically been subject to significant price volatility. Because aluminium is priced in US Dollars, fluctuations in the US Dollar/Rand exchange rate also affect the Rand cost of aluminium ingot. The Group's business is exposed to both the availability of aluminium and the volatility of aluminium prices, including associated premia. While raw materials are generally available from a range of suppliers, they are subject to fluctuations in price and availability based on several factors, including general economic conditions, commodity price fluctuations (with respect to aluminium on the LME), the demand by other industries, such as automotive, aerospace and construction, for the same raw materials and the availability of complementary and substitute materials. Adverse economic or financial changes, industrial disputes or pandemic-related disruptions could impact the Group's suppliers, thereby causing supply shortages or increasing costs for its business. Although the Group's customers have generally understood that these commodity price fluctuations need to be passed through to them in order to ensure security of supply to them, the Group cannot guarantee that this would remain the case. Credit limits from suppliers may not necessarily be adjusted upwards to accommodate increases in commodity prices or volumes, thereby placing pressure on the Group's investment in net working capital and, consequently, its funding costs and covenants. This may cause a mismatch between inventory holdings and funding provided by suppliers to fund these inventory holdings.

The Group opportunistically enters into fixed price or longer-term arrangements when it believes it can secure favourable prices for its raw materials for specified future periods and reduce its exposure to near-term price fluctuations. As the Group's cost of raw materials increases, its margins may be negatively impacted. Although the Group seeks to hedge its exposure to fluctuations in foreign exchange rates for imports where it is not possible to pass on any associated increases in cost to its customers, it may not always be possible to do so for the entire exposure and such hedges may also be costly.

The raw materials that the Group uses have historically been available in adequate supply from multiple sources, although with respect to aluminium, the Group has sourced a significant portion of its supply from a local supplier. However, recent volatility in global economic conditions, fluctuations in oil prices and plastic resin demand, production constraints and other factors could result in temporary shortages of raw materials. Moreover, imports from select foreign suppliers are dependent on the structure of the Group balance sheet and funding capacity to accommodate letters of credit being issued for imports. Contraction in or static credit limits from suppliers could place funding under pressure. If any of the Group's suppliers is subject to a major production disruption, is unable to meet its obligations under present supply agreements, or reduces or terminates its supplies to the Group, the Group may be forced to pay higher prices to obtain the necessary raw materials and may not be able to increase the prices of its finished products where it does not have pass-through mechanisms in place with its customers. Therefore, interruptions in supply could increase pressure on its margins and reduce its cash flows or could harm its ability to deliver its products to customers on a timely basis, which could adversely affect the Group's business, financial condition, and results of operations. In recent years, there has also been an increase in sea freight rates and supply chain disruptions caused by social unrest. For example, there has been temporary closure of ports in South Africa that have held up imports of raw materials as well as exports of finished goods.

The Group relies on licences from third parties to manufacture some of its products.

The Group relies on licences from third parties to manufacture and sell some of its key products. The Group relies on a licence from Elopak with respect to its Pure-Pak cartons and from Bericap with respect to a licence for the manufacture of certain types of plastic closures. The licence from Elopak expires in October 2025 whilst the Bericap licence is an evergreen licence although Bericap may manufacture and market concurrently with Nampak in the relevant territory without limitation. DivFood manufactures twist-off closures under licence from Silgan and use some of their compound technology. The agreement is evergreen with a termination clause. Bevcap produces all of its 202 mm diameter Super Ends under licence from Crown Cork, US. This licence agreement has no fixed termination date, unless cancelled by either party. A loss of any of these licences through the breach of their terms or inability to renew any of these licences could have a material adverse effect on the Group's business, results of operations, financial condition, and cash flows.

The Group's success depends on the continued service of certain key personnel.

The Group's success depends upon the continued service of its directors and senior management. However, there can be no assurance that directors and senior management will continue working for the Group. The future growth and success also depend on the Group's ability to attract, train, retain and motivate skilled managerial, sales, administration, operating and technical personnel. The number of people with the necessary skills and of preferred demographics to serve in these positions is limited. Therefore, the loss of one or more of its key management or operating personnel, or the failure to attract and retain additional key personnel, could have a material adverse effect on its business, results of operations, financial condition, cash flows and the achievement of certain diversity objectives.

The Group's business structure is subject to change according to opportunity and performance. Business acquisitions, disposals and/or site closures may have an impact on the Group cost structure and cost competitiveness.

The Group's businesses function in competitive environments that represent both commercial opportunity and risk. The Group cannot assure that any business disposal or site closure will not have an adverse effect on the Group's cost structure and ongoing cost competitiveness. The management of property leases, terms and end-of-lease conditions may influence strategic or cost opportunity during their effective period. For example, several of the Group's key sites in South Africa are leased on a sale and leaseback arrangement with a finite lease period with the Group having an option to acquire these properties.

The Group may incur impairment charges on goodwill, other intangible assets or tangible assets.

Under IAS 36: Impairment of Assets, the Group is required to perform tests for the impairment of property, plant and equipment, right of use assets and intangible assets based on the expected future cash flows pertaining to these assets whenever there is an indication that these assets may be impaired while goodwill must be tested in a similar manner on an annual basis.

Discounted cash flow valuation principles are applied in assessing the expected future cash flows pertaining to assets. The key assumptions used are cash flow projections, growth rates and discount rates. The cash flow projections including established growth rates are prepared by divisional management and approved by executive management, while the discount rates are established by the corporate treasury team, taking into account geographic and other risk factors.

Goodwill

In testing the goodwill pertaining to Bevcan Nigeria, the management took into consideration the economic outlook for Nigeria and in particular the adverse impact of the Nigerian government's demonetisation plan, which has resulted in a shortage of banknotes and higher exchange rates. These actions slowed economic growth and resulted in lower volumes than previously anticipated. In addition, the downgrade of the Nigerian credit rating and the increased country risk premium increased the cost of debt, leading to an increase of post-tax WACC to 17.3% from 12.5% from 30 September 2022. In light of these developments, the Group assessed the carrying value of goodwill in Bevcan Nigeria for possible impairment as of 31 March 2023 and recognised ZAR1.5 billion (US\$84.8 million) of impairment loss, which reduced the carrying value of goodwill attributed to Bevcan Nigeria to ZAR316.3 million (US\$17.8 million). The recoverable amount of the Bevcan Nigeria operation is ZAR1.3 billion (US\$71.1 million), compared to an estimate of ZAR3.0 billion (US\$71.1 million).

In addition, due to challenges experienced by Bullpak over a protracted period, an attempt was made to sell this business without success. Consequently, a decision was taken to close this business in August 2022. An impairment of the goodwill pertaining to this business, being ZAR45.4 million (US\$2.7 million) as of 30 September 2022, was recognised as a consequence of the decision to close this business.

Other Assets

As the Group's net asset value continues to significantly exceed the Group's market capitalisation, potential impairment losses of assets other than goodwill were also considered with individual operations/cash generating units being tested for specific impairment. These valuations were performed at 30 September 2022 taking into account the approved budget for 2023 and the strategic plans for the years 2024 to 2027.

The impairment assessments impacted the assets of four divisions in particular. The divisions impacted and the circumstances in which the impairment losses/(impairment loss reversals) occurred are as follows:

Bevcan Angola

The Angolan economy is expected to experience slower growth than it has had recently, which stemmed from the winding down of the COVID-19 pandemic and the benefits of the high oil prices with GDP growth expected to be over 3.0% in 2023, flowing from the increased demand for Angolan oil. Given the recent devaluation of the Kwanza, GDP growth is expected to slow down to 2.6% during 2023. The Kwanza devaluation may further result in a decrease in consumer spending and demand, resulting in a slowdown of the growth volumes experienced over the last twelve months after existing customers re-commissioned previously mothballed can filling equipment based on an improvement in the Angolan economy. The post-tax WACC increased to 17.7% as of 31 March 2023 from 14.9% as of 30 September 2022, mainly due to weakening global conditions, resulting in the recognition of an impairment loss as of 31 March 2023 of ZAR493.4 million (US\$27.0 million). The increase in the WACC rate contributed ZAR291.1 million (59%) to the asset impairment. The recoverable amount of the Bevcan Angola operation amounted to ZAR1,217.3 million (US\$68.4 million) as of 31 March 2023.

DivFood

The DivFood division has experienced significant supply challenges including raw material shortages caused by shipment and port delays, as well as certain operational challenges including the flooding in KwaZulu-Natal in April 2022. In addition, the division's net working capital position was adversely impacted by the sharp commodity price increase amongst other factors. In the first six months of 2023, the DivFood business continued to experience low demand for certain product categories despite encouraging trend in other categories. Although DivFood is implementing a business turnaround strategy to improve its profitability, post-tax WACC increased to 13.9% as of 31 March 2023 and management has determined that an impairment loss as of 31 March 2023 of ZAR299.5 million should be recognised. The recoverable amount of the DivFood business amounted to ZAR1,336.8 million as of 31 March 2023.

Plastic South Africa

The Plastic business continued to experience challenges this year with competition for volumes and imported material impacting margins. The internal projects to simplify and optimise operations, with the aim to normalise the levels seen prior to the COVID-19 pandemic, are ongoing and the benefits have not yet been fully realised. In line with the accounting standards, however, each business unit was separately assessed for possible impairment losses to its assets. As a result, an impairment loss of ZAR17.2 million was recognised as of 31 March 2023 in respect of one of its business units due to the expected loss of two customers for which replacement volumes have not been fully identified. The recoverable amount of the Plastic business amounted to ZAR398.2 million as of 31 March 2023.

Nampak Metals Nigeria

The Nampak Metals Nigeria business has experienced significantly reduced volumes as a result of key customers' decisions to self-manufacture and withdraw product lines from the market, as well as increased competition in the market. In addition, this business has experienced increased resistance to the US\$ linked pricing implemented based on the recovery of the parallel market rates with further reduction in volumes expected. As a result, an impairment loss of ZAR47.3 million (1.2 billion Naira) was recognised in respect of this business as of 30 September 2022 and a decision was subsequently made to close this business.

The Group incurs charges to earnings and has cash funding requirements under post-retirement liabilities.

The Group has legacy obligations with respect to historical post-retirement benefits, specifically with respect to the funding of certain South African retiree medical aid costs. These costs are not asset-linked and the actuarial reserve and annual funding costs impact on earnings and are subject to a number of factors, including the extent to which medical aid contribution increases exceed inflation as well as movements in interest rates. Whilst the number of beneficiaries is subject to natural curtailment as the post-retirement benefits were closed to new entrants in July 1996, there is risk associated with cost growth above inflation for these benefits. The Group's post-retirement medical aid obligations at 31 March 2023 was ZAR749.9 million compared to ZAR775.1 million at 31 March 2022, and at 30 September 2022 it was ZAR746.3 million, compared to ZAR801.2 million at 30 September 2021.

Risks related to South Africa and other regions in which the Group conducts its business operations

Exchange control regulations may restrict the Group's ability to make foreign investments and procure foreign denominated finance.

South Africa

South Africa's existing Exchange Control Regulations restrict the ability of South African group companies to convert or transfer sums in foreign currencies to or from South Africa to countries other than those falling within the Common Monetary Area (being Lesotho, Namibia, South Africa and eSwatini). Transactions between South African residents (including companies) and non-residents (excluding residents of the Common Monetary Area) are subject to exchange controls enforced by the SARB.

As a result, the Group's ability to raise and deploy capital outside the Common Monetary Area is currently subject to consent from either the SARB, or where such authority has been delegated, an "Authorised Dealer" with full capacity at an approved bank operating in South Africa. These restrictions could hinder the Group's financial and strategic flexibility.

The Group can offer no assurance that additional restrictions on currency exchange will not be implemented in the future, which could have a material adverse effect on its business, financial condition, results of operations and prospects.

Nigeria

Nigeria operates a system of multiple exchange rates. These include the official exchange rate from the Central Bank of Nigeria ("**CBN**"), an interbank rate (where banks lend to each other), a rate used by international money transfer companies, an Importers and Exporters ("**I&E**") Window established in April 2017 and a black-market rate. The International Monetary Fund ("**IMF**") has been critical, noting that the absence of a single exchange rate creates confusion and deters foreign investments. In late 2015, the CBN pegged the local currency at roughly 200 Naira against the US Dollar until June 2016 when collapsing oil prices put pressure on the Naira, forcing the CBN to devalue it to approximately 305 Naira to one US Dollar and introduce measures to save it from sliding further. In-country US Dollar availability is highly correlated to the oil price. Moreover, as recently as May 2023, the official spot rate, 438 Naira to one US Dollar, was significantly lower than the parallel rate at 725 Naira to one US Dollar which posed a risk and challenge for the Group to extract cash out of Nigeria. During June 2023 the CBN decided to unpeg the Naira official rate resulting in the official Naira and the parallel rates starting to converge at a rate around approximately 780 Naira to one US Dollar, with a much smaller difference between the official and the parallel rate (approximately 20 Naira spread).

Angola

Any cash outflow from Angola to suppliers or consumers must be facilitated through Angolan banks. Similarly to Nigeria, in-country US Dollar availability is highly correlated to the oil price. During the 2022 financial year and the six months ended 31 March 2023, Angola did not experience in-country US Dollar shortage, although subsequently to March 2023, the Kwanza rate has significantly devalued against the US Dollar, whilst shortages in obtaining US dollar in country has since been experienced.

Zimbabwe

The ZWL is the official currency of Zimbabwe, although it is not formally accepted by the rest of the world for trading purposes. It functions through the use of bond notes, which are physical notes used for ease of transactions, and real time gross settlement, which is an electronic form of the ZWL.

In 2022, President Emmerson Mnangagwa introduced several measures to support the ZWL as corporates and individuals favoured the use of the US Dollar: for example, he introduced a ban on bank lending and introduced an interbank rate at the central bank, hiking rates to approximately 200%.

Transactions that result in an outflow of foreign currency from the country require Reserve Bank approval. Due to the shortages of foreign currency in the local market, a priority list was established in order to rank crucial imports of goods and services. Offshore payments that are not critical (e.g., surplus issuances) are required to "queue" at the commercial banks prior to remittance. The Zimbabwean government administers a weekly auction system where US Dollars are auctioned to market participants in exchange for ZWL. The Zimbabwe operations have been self-funding since April 2018.

The Group faces intense competition, and the competitive landscape may change.

The packaging industries in the countries in which the Group conducts business are subject to intense competition. Prices for the Group's products are primarily driven by raw material costs. Competition in the market is based on price, as well as on food safety, innovation, sustainability, design, quality and service. Customers may also limit their supply risks by appointing more than one supplier of primary packaging. Aggressive pricing by its competitors and diversification of the supplier base by customers could result from increases in productivity and potential surplus capacity from planned new investment in the industry. For example, new beverage can manufacturers have entered the industry over the last four years and there has been an increase in production capacity of many food can manufacturers and plastic processors. In South Africa, a carbonated soft drink and energy drink customer is vertically integrating and started operating its own beverage can line in July 2022. The Group's principal competitors include Golden Era/Gayatri Cans, GZ Industries, Tetrapak, Alpla, Polyoak, and Mpack in South Africa and GZ Industries in Nigeria. Some of the Group's competitors may have greater financial, technical, or marketing resources or may, in the future, have excess capacity. To the extent that any one or more of the Group's competitors become more successful with respect to any key competitive factor, the Group's ability to attract and retain customers could be materially and adversely affected, which could have a material adverse effect on the Group's business. Moreover, changes in the global economic environment could result in reductions in demand for the Group's products in certain instances, which could increase competitive pressures and, in turn, have a material adverse effect on its business.

As the Group's customers are concentrated, its business could be adversely affected if the Group was unable to maintain relationships with its largest customers.

For the year ended 30 September 2022, the Group's ten largest customers accounted for approximately 42% of the Group's revenue. The Group's commercial relations with most of its customers are conducted through short-term supply agreements for terms ranging between one to three years or purchase orders in the case of customers where supply agreements are not prevalent. Although these arrangements have provided the basis for long-term partnerships with the Group's customers, they are not binding and there can be no assurance that the Group would continue to be able to sell its products to its customers or sell on terms as favourable as in the past, or at all. The Group cannot give assurances that it will be able to maintain these relationships. Generally, the Group does not operate on a take-or-pay basis with its customers.

There is also the risk that the Group's customers may shift their production operations to locations in which the Group does not currently have a presence. The loss of one or more of these customers, a significant reduction in sales to these customers or a significant change in the commercial terms of the Group's relationship with these customers could have a material adverse effect on the Group's business, results of operations, and financial condition.

Additionally, the Group's customers may decide to in-source the production of their packaging which the Group currently supplies, or otherwise elect not to do business with the Group.

Risks related to the Group's liquidity and financial condition

The Group implemented certain liquidity and capital measures in response to COVID-19, and the ongoing liquidity and capital measures may not be sufficient to ensure that the Group can meet its liquidity and working capital and expenses requirements.

The COVID-19 pandemic, the resultant national lockdowns and alcohol bans placed significant pressure on Nampak's business during the 2020 financial year. The consequences of this situation have had a lasting impact through to the current financial year. The capital structure of the Group was not sustainable before the impact of COVID-19 and the Group had to initiate several initiatives to strengthen the capital structure and simplify the business, including the following:

- › Sold the Glass division, Nampak Properties Nigeria and Nampak Cartons Nigeria, applying proceeds and other resources to reduce US Dollar debt by US\$123 million.
- › Early settled US Dollar debt by US\$60 million in October 2021.
- › Reduced the share of US Dollar-denominated debt from 85% in July 2020 to 42% by March 2023.
- › Disposed of Nampak Plastics Europe including the defined pension fund liability of approximately ZAR500 million, with its associated negative cash impact.
- › Performed a detailed portfolio assessment and identified a number of potential assets for sale. Disposal initiatives were undertaken during and immediately after the COVID-19 pandemic, but due to global risk aversion and markets remaining under pressure, this exercise was unfortunately not successful.

- › Reduced operating costs and restructured certain businesses to enhance EBITDA generation.
- › Despite the global challenges in the supply chain the Group did all it could to reduce the absorption of cash due to the unprecedented commodity cycle.
- › Made good progress in addressing the structural imbalance in payment terms applicable to some major suppliers and customers.
- › Established a Capital Allocation Review Committee, which managed to reduce annual capital expenditure from more than ZAR700 million to below ZAR350 million without impacting the operational performance of the plants.
- › Made the decision to close Nampak Metals Nigeria due to loss of critical volumes from key customers and subdued demand for metal paint, polish and brake fluid products.
- › Disposed the plant and equipment relating to the closure of the Crates manufacturing unit for ZAR40.0 million excluding VAT.

The Group has assessed and implemented, and expects to continue to assess and implement, various liquidity and capital measures to help ensure that the Group's business can withstand this uncertain time from the perspective of meeting the Group's liquidity, working capital and expenses requirements, including (among others): the completion of this Rights Offer and potentially refinancing of the Group's overall financing package.

There can be no assurance that any of these measures and initiatives will be successful or provide the Group with sufficient working capital to meet the Group's obligations in the longer term, even if the Rights Offer is successfully completed and the net proceeds applied as described in "*Utilisation of the Rights Offer proceeds.*"

Further, the Group could experience an increase in its longer-term capital and/or liquidity requirements in excess of the amount the Group had anticipated for a number of reasons, including due to unexpected capital expenditure commitments, higher than projected finance costs as a result of refinancing, unexpected breakage, or termination costs and/or failure to meet working capital targets. The Group may also incur higher costs than it currently expects in connection with the implementation of the measures described above or fail to meet the cost savings targets envisioned thereunder. The occurrence of any of the foregoing could have a material adverse effect on the Group's business, results of operations, financial condition, and prospects.

The conditions and covenants historically contained in the Group's financing arrangements have limited its financial and operating flexibility and have subject it to significant adverse consequences in the event of a breach and/or event of default.

The Group's historic facilities and debt arrangements contained conditions and covenants, including net debt to EBITDA ratio and an EBITDA interest cover (as defined in the relevant funding agreements) which limited financial and operating flexibility. Whilst the new funding agreements, pertaining to the debt refinance arrangements, will contain amended conditions and covenants. These conditions and covenants limit the Group's ability to raise additional or alternative debt finance for its current and future operations and capital needs and its ability to pursue certain business activities that may be value-enhancing for Shareholders.

If the Group breaches the conditions or covenants of any financing arrangement and is unable to cure the breach or obtain a waiver from the relevant lenders, it could be in default under the terms of such arrangement and such default could result in cross-defaults and/or cross-accelerations under other facilities. Furthermore, the lenders under their existing credit agreements could terminate their commitments to extend credit. Any such circumstances would have a material adverse effect on the Group business, financial condition, results of operations and prospects, and its ability to operate as a going concern.

The new funding agreements, pertaining to the debt refinance arrangements, will contain amended conditions and covenants that are more suitable to the group and that accommodate the planned restructure, capital raise and asset disposal plan. In addition, an asset based funding facility will provide more flexible funding capabilities for the group to take into account amongst other issues seasonality and commodity price increases.

The Group may not be able to raise or drawdown further financing or refinancing on economically favourable terms or at all.

The Group may need additional capital to satisfy its undertakings under the existing facilities to maintain and expand its business. Its ability to raise additional funding to pursue its strategy depends on its access to capital markets. Market conditions and other factors, especially large transactions, acquisitions, or capital expenditures, may also cause the Group to seek additional financing sooner than it expects.

If the Group fails to generate sufficient funds from operating cash flow and debt or equity financing, it may have to delay or abandon its business plans. If the Group cannot obtain adequate financing on acceptable terms, it may be unable to take advantage of opportunities or to meet unexpected financial requirements.

Unforeseen events or circumstances such as a prolonged economic downturn in one or more of the countries in which the Group operates, the downgrading of the credit rating of one of these countries, significant increased costs, further downward pressure in selling prices or devaluation of the Rand or any of the Group's other functional currencies may reduce the Group's ability to generate sufficient funds from operating cash flow and debt or equity financing, and the Group's liquid funds and existing undrawn committed lines of credit may not be sufficient to cover its refinancing and operational need. Furthermore, net goodwill and asset impairments of ZAR4.0 billion in the fiscal year 2020, ZAR264.3 million in the 2021 fiscal year ZAR512.1 million in the 2022 fiscal year, and more recently ZAR2.4 billion for the six months ended 31 March 2023, significantly decreased the Group's equity base with adverse impacts on the Group's gearing ratios. This elevated the perceived risk in the Group's balance sheet from both a lender and a shareholder perspective placing financing structures under pressure. Overall, the Group continues to depend on future financing and refinancing in the credit and capital markets and may not always be successful in securing such financing on economically favourable terms or at all, which could have a material adverse effect on its business, financial condition, results of operations and prospects. Lastly, economic unrest and worsened conditions in the capital markets may have an impact on the Group's ability to successfully complete the Rights Offer, which could have a material adverse effect on its business, financial condition, results of operations and prospects.

Following the Rights Offer, the Group may incur further indebtedness in response to developments affecting its business and its net indebtedness may increase.

Whilst the Group believes that, following the Rights Offer and a successful refinancing of its debt, it will have sufficient funds to meet its obligations, there can be no assurance that the combination of cash flows generated from its operations and its existing and proposed financing arrangements will be sufficient to fund growth opportunities in the longer term, or that the capital expenditure and working capital required to complete its existing projects may not increase beyond expectations. The Group's indebtedness may also increase in response to events affecting its business, such as adverse movements in the Rand/US Dollar exchange rate (or other functional exchange rates) or operational issues.

The Group's future use of debt funding and the resultant servicing and repayment obligations may require it to dedicate a portion of its cash flows to meet these funding obligations. Depending on the level of the borrowings, prevailing interest rates and exchange rate fluctuations may materially reduce funds available for planned capital expenditure, operating expenditure, and other purposes.

Movements in interest rates and the restructuring of credit facilities may have a material impact on the Group's interest expense and could adversely affect the Group's business, financial condition, results of operations and prospects.

All of the interest on the Group's debt are indexed at a spread to benchmark rates. Certain of the Group's variable rate instruments also contain an interest step-up provision. With variable interest rates comes the risk of increasing interest rates while the risk associated with fixed interest rates lies in a possible decline in interest rate levels, giving rise to the Group paying more than it otherwise would. For example, declining EBITDA and rising interest costs could place the EBITDA interest cover ratio under pressure. As a consequence, movements in interest rates can have a material impact on the Group's interest expense and may have a material adverse effect on its business, financial condition, results of operations and prospects.

ANNEXURE 9

TAXATION

The following summary describes certain income tax consequences of receiving, exercising and disposing of the Rights and acquiring, owning and disposing of the Rights Offer Shares. It is not an exhaustive or complete description of all the possible tax consequences of such purchase, ownership or disposal. This summary is based on the laws as in force and as applied in practice on the date of this Circular and is subject to changes to those laws and practices subsequent to the date of this Circular. In the case of persons who are non-residents of South Africa for income tax purposes, it should be read in conjunction with the provisions of any applicable agreement for the avoidance of double taxation concluded between South Africa and their country of tax residence. Investors should consult their own advisers as to the tax consequences of the purchase, ownership and disposal of Rights Offer Shares in light of their particular circumstances, including, in particular, the effect of any state, regional, local or other tax laws.

This Circular does not contain a discussion of the consequences to the United States persons (as defined for United States federal income tax purposes) under United States federal, state or local tax laws of the Rights Offer or of the acquisition, exercise, ownership or disposition of the Letters of Allocation or Rights Offer Shares received in exchange thereof. Investors that are United States persons are urged to consult their own professional advisers with respect to any United States federal as well as state and local tax consequences relating to the Rights Offer and the acquisition, exercise ownership or disposition of the Letters of Allocation or Rights Offer Shares received in exchange thereof.

South Africa

This summary of certain material South African tax consequences only deals with Nampak Shareholders that are SA Holders, as defined below, and that will hold the Rights Offer Shares as capital assets. As used herein, the term "SA Holder" means a "shareholder" who is: (i) a natural person ordinarily resident in South Africa; (ii) a natural person not ordinarily resident in South Africa, but whose physical presence in South Africa exceeds certain minimum thresholds; or (iii) a person, other than a natural person, which is incorporated, established or formed in South Africa or which has its place of effective management in South Africa. The term does not include any person who is deemed to be exclusively the resident of another country for purposes of the application of any agreement for the avoidance of double taxation entered into between South Africa and that other country of residence (the "**Treaty**"). In general, a "shareholder" means the registered shareholder in respect of a share or, where some person other than the registered shareholder is entitled to all or part of the benefit of the rights of participation in the profits, income or capital attaching to that share, that other person to the extent of that entitlement. Nampak Shareholders should consult their tax advisers regarding their tax status.

THE SUMMARY OF SOUTH AFRICAN TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL RECIPIENTS OF RIGHTS AND ALL PROSPECTIVE HOLDERS OF RIGHTS OFFER SHARES AS WELL AS THE UNDERWRITERS SHOULD CONSULT THEIR OWN TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF RECEIVING, EXERCISING AND DISPOSING OF RIGHTS AND ACQUIRING, OWNING AND DISPOSING OF THE RIGHTS OFFER SHARES, INCLUDING THE APPLICABILITY AND EFFECT OF OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAWS.

Receipt of Rights

The tax consequences of the receipt of Rights by a SA Holder are generally neutral. Nampak cannot deduct any amount associated with the granting of the Rights and the expenditure that is actually incurred by the SA Holders in respect of the acquisition of the Rights will be nil (other than for instance where expenditure is incurred to acquire the rights in the market, as dealt with further below). The receipt of Rights by a SA Holder does not constitute a dividend for purposes of South African tax legislation.

Sale or other disposal of Rights

Upon a sale or other disposal of Rights, a SA Holder will generally recognise a capital gain or loss equal to the difference, if any, between the proceeds of the disposal i.e. the SA Rand value of the amount realised and the SA Holder's base cost in respect of the Rights i.e. the expenditure that the SA Holder incurred in order to acquire the Rights. If a SA Holder is already a shareholder of Nampak, the expenditure incurred by such SA Holder will be nil. It will thus be subject to capital gains on the entire proceeds so received or accrued on the sale or other disposal of the Rights. The capital gain will be subject to Capital Gains Tax ("**CGT**").

If a SA Holder has purchased the Rights through the market or otherwise, the amount paid by the SA Holder for the acquisition of the Rights, together with certain legal and other related direct costs that it may have incurred in the process, will form part of the base cost of the Rights.

To the extent that a SA Holder sells or otherwise disposes of the Rights as part of a business in carrying out a profit-making scheme, the proceeds associated with the sale or other disposal of the Rights may be subject to income tax instead of CGT. The question whether the proceeds are on capital or revenue account depends on the specific circumstances of the SA Holder.

Expiration of Rights

If a SA Holder allows the Rights to expire without selling or disposing of them in any other manner or exercising them or does not receive any proceeds with respect to the sale of Rights, the SA Holder will not recognise any gain or loss. If the SA Holder sells its Rights to a connected person for a price below an arm's length price, it will be deemed to have sold the Rights at their market value on the date of sale. As a result, it may realise a capital gain on the sale, which capital gain will be subject to CGT.

If a SA Holder has purchased the Rights through the market or otherwise, and the SA Holder allows the Rights to expire, that SA Holder will incur a capital loss when the Rights expire.

SA Holders that realise losses should seek advice on whether such losses may be utilised.

Exercise of Rights

The issue of Rights Offer Shares will be tax neutral for a SA Holder. A SA Holder will not recognise taxable income, a capital gain or capital loss upon the issue to it of Rights Offer Shares pursuant to the exercise of Rights. A SA Holder's expenditure or base cost in respect of the Rights Offer Shares will be equal to the amount paid for the Rights (if any) and the Rights Offer Share Price together with whatever legal and other related direct costs that may have been incurred in the process.

Taxation in Respect of Rights Offer Shares

Distributions

Currently, any amount transferred or applied by a South African resident company for the benefit of or on behalf of any person in respect of any share in that company constitutes a dividend for tax purposes, unless it inter alia: (i) results in a reduction of Contributed Tax Capital ("**CTC**") (see paragraph "*Distributions of CTC*"); (ii) constitutes a capitalisation award; or (iii) constitutes a general open market purchase by a listed company of its own shares on the exchange operated by the JSE.

CTC essentially comprises a company's stated capital or share capital and share premium immediately before 1 January 2011 (excluding any portion thereof representing capitalised reserves), plus the consideration received by the company for the issue of shares on or after 1 January 2011 reduced by the amount transferred on or after 1 January 2011 to shareholders as a return of CTC which the directors of the company or some person or body of persons with comparable authority have determined to be an amount so transferred.

In most cases, dividends paid by Nampak to SA Holders and Non-SA Holders are exempt from South African income tax in their hands.

Dividends tax

Under current law, Nampak Shareholders will, subject to available exemptions, be subject to a tax known as dividends tax ("**Dividends Tax**"). Dividends Tax is a withholding tax payable in respect of dividends paid by South African resident companies.

Dividends Tax is imposed on the beneficial owner of a dividend in respect of any cash dividend paid by a company. The tax is withheld by the company paying the dividend. Dividends Tax is levied at a rate of 20%.

In relation to a dividend which constitutes a distribution of assets *in specie*, the liability for Dividends Tax falls on the company that declares and pays the dividend.

The Dividends Tax rate of 20% may be reduced in respect of dividends which are paid to non-residents under the provisions of certain Treaties. In addition, the Dividends Tax legislation includes a number of exemptions, including an exemption for dividends paid to South African resident companies and dividends paid to certain exempt entities such as pension funds. In all cases, the reduced rate of dividend tax can only be applied where the prescribed administrative requirements are met.

Dividends paid to natural persons who are Nampak Shareholders will, however, be subject to the Dividends Tax at the rate of 20%. In the case of foreign tax residents, the rate of tax may be reduced by the provisions of a Treaty.

Distributions of CTC

Where a company elects to classify a distribution to its shareholders as a return of contributed tax capital ("**CTC**") for tax purposes, the distribution will not constitute a dividend, rather, it will constitute a return of CTC and will not be subject to Dividends Tax. Rather the return of CTC may have capital gains tax consequences.

The company which makes the distribution of CTC is required to determine the extent to which a distribution reduces its CTC. This determination can be made by the directors of the company or a person or body of persons which has comparable authority to that of the directors. Where the determination is made by the directors of a company, the South African Revenue Service envisages this determination to be evidenced by a directors' resolution. The company which makes the distribution must first adopt a board resolution that the distribution is funded out of CTC and the company is thereafter obliged to notify the person to whom the distribution is made, in writing and by the time the distribution is made, of the extent to which the distribution constitutes a return of capital (i.e. reduces its CTC).

The CTC provisions are complex, have been amended over the years and each recipient of CTC is advised to seek advice on how to account for such an accrual.

Taxation of Capital Gains and Losses

SA Holders – individuals

A disposal or deemed disposal or part disposal or part deemed disposal of Rights Offer Shares where such Rights Offer Shares are held on capital account by an individual SA Holder may give rise to a gain (or loss) for CGT purposes. Generally, gains realised on shares disposed of after being held continuously for at least three years are deemed to be subject to CGT.

The capital gain (or loss) on disposal or part disposal of the individual's Rights Offer Shares is equal to the difference between the disposal proceeds and the base cost of the Rights Offer Shares. The base cost in the Rights Offer Shares will generally be the consideration paid for those Rights Offer Shares. It will also include any amount paid in respect of the acquisition of the Rights and/or legal costs incurred. SA Holders are advised to seek confirmation of what costs may be added to the base cost.

A capital gain or capital loss of an individual on a disposal of the Rights Offer Shares, together with other capital gains or capital losses for the individual's tax year, less the annual exclusion (currently ZAR40 000 for a natural person) and less the allowable assessed capital loss brought forward from the prior year of assessment, is included in the individual shareholder's normal income tax calculation at an inclusion rate of 40%. This results in a maximum effective tax rate on capital gains for individuals of 18%, assuming a maximum marginal tax rate of 45% to the extent that it exceeds the annual exclusion (ZAR40 000 for the years of assessment ended 28 February 2023). On the death of a taxpayer, there will be a deemed disposal of the Rights Offer Shares (for CGT purposes) at their market value, unless the Rights Offer Shares are bequeathed to or in favour of a surviving spouse. Deemed disposals to a surviving spouse who is a South African resident are treated, in practical effect, as taking place at no gain or loss. The annual exclusion where death occurs during the year of assessment ending 28 February 2023 is ZAR300 000. Where a taxpayer emigrates (i.e. gives up South African tax residence), there will also be a deemed disposal of the Rights Offer Shares at market value and this may trigger CGT.

SA Holders – Corporates

A disposal or part disposal of the Rights Offer Shares where such Rights Offer Shares are held on capital account by a SA Holder who is not a natural person, may give rise to a capital gain (or loss) for CGT purposes. Generally, gains realised on shares disposed of after being held continuously for at least three years are deemed to be subject to CGT.

The capital gain (or loss) on disposal of the corporate's Rights Offer Shares is equal to the difference between the disposal proceeds and the base cost. The base cost in the Rights Offer Shares will generally be the consideration paid for the Rights Offer Shares (which will include the cost, if any, incurred in acquiring the Rights). It will also include any amount paid in respect of the acquisition of the Rights and/or legal costs incurred. Corporate sellers of Rights Offer shares are advised to seek confirmation of amounts that may be added to the base cost.

A capital gain or a capital loss on disposal of the corporate's Rights Offer Shares, together with other capital gains or capital losses for the tax year less the allowable assessed capital loss brought forward from the prior year of assessment is included in a company's normal income tax calculation at an inclusion rate of 80%. This results in a maximum effective tax rate on capital gains of 22.4%. However, for years of assessment ending on or after 31 March 2023, the maximum effective tax rate on capital gains for corporates will be 21.6% as the corporate tax rate is to reduce to 27%.

Non-South African Resident Shareholders – Individuals and Corporates

A disposal of the Rights Offer Shares by a non-South African resident may give rise to a gain (or loss) for the purposes of taxation of CGT to the extent that the gains are realised pursuant to the disposal of any interest in or right to immovable property situated in South Africa or the disposal of assets which are attributable to South African permanent establishment.

An interest in immovable property situated in South Africa includes the Rights Offer Shares if:

Part 1: 80% or more of the market value of the Rights Offer Shares, at the time of disposal, is attributable directly or indirectly to immovable property; and

Part 2: the shareholder (alone or together with any connected person in relation to that shareholder), directly or indirectly, holds at least 20% of the shares in the company.

Currently, less than 80% of the market value of the Rights Offer Shares is attributable to immovable property and no foreign shareholder holds 20% of the shares in the Company. Consequently, a disposal of the Rights Offer Shares by a non-South African resident should not fall within the ambit of the South African CGT tax legislation in this context.

However, where the Rights Offer Shares are attributable to a South African permanent establishment of the non-South African resident shareholder, a disposal or part disposal of the Rights Offer Shares by such shareholder may give rise to a capital gain (or loss) for the purposes of CGT. Non-resident natural persons pay CGT at a maximum effective rate of 18% and non-resident companies pay CGT at an effective rate of 22.4%. However, for years of assessment ending on or after 31 March 2023, the maximum effective tax rate on capital gains for corporates will be 21.6%. This is however still subject to the terms of a Treaty.

Estate Duty

Where a person holds the Rights Offer Shares at the date of his or her death, the market value of such Rights Offer Shares will be included in his/her estate. Estate duty is levied at a rate of 20% on the dutiable amount of a deceased estate that does not exceed ZAR30.0 million and 25% on the dutiable amount of a deceased estate exceeding ZAR30.0 million. The dutiable amount is determined after deducting ZAR3.5 million from the net value of the deceased estate. In determining the dutiable amount of an estate, deductions are, inter alia, allowed for the value of bequests and property left to a surviving spouse, and estate liabilities, including CGT paid on the deemed disposal of the Rights Offer Shares on date of death.

Securities Transfer Tax ("STT")

STT of 0.25% of the applicable taxable amount is payable in respect of every "transfer" of securities issued by a company incorporated in South Africa. "Transfer" as a general rule includes any cancellation or redemption of a security, but does not include the issue of a security or any event that does not result in a change in beneficial ownership of a security. Consequently, the issue of the Rights Offer Shares by Nampak will not be subject to STT. Similarly, the issue of the Rights as well as the dealing in them will not be subject to STT.

A purchase of the Rights Offer Shares from or through the agency of a JSE-registered Broker is subject to STT of 0.25% of the purchase consideration. The STT is payable by the Broker which may recover it from the transferee. Where the Rights Offer Shares are not purchased from or through the agency of a Broker, but the change in beneficial ownership is effected by a CSDP, STT of 0.25% of the greater of the declared purchase consideration or the JSE closing price of the Rights Offer Shares on the date of the transaction is payable by the CSDP, which may recover it from the transferee.

In any other case of a change in beneficial ownership of the Rights Offer Shares, as a general rule, STT of 0.25% of the greater of the declared purchase consideration or the JSE closing price of the Rights Offer Shares is payable by the transferee through the Broker or participant, which holds the Rights Offer Shares in custody or through the company.

Value-added Tax ("VAT")

The issue of the Rights and/or the acquisition of the Rights Offer Shares constitute an exempt supply for purposes of the (South African) Value-added Tax Act, No. 89 of 1991, as amended. Consequently, no VAT is payable on the issue of the Rights and/or the acquisition of the Rights Offer Shares. Similarly, no VAT is payable on the disposal of the Rights or the Rights Offer Shares.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The "Definitions and Interpretations" commencing on page 12 of this Circular apply throughout this Form of Instruction, including this cover page.

This Form of Instruction applies in respect of a renounceable (nil paid) Letter of Allocation. If you are in any doubt as to what action to take, please consult your CSDP, Broker, banker, attorney, accountant or other professional advisor immediately.

Nampak has issued all Letters of Allocation in Dematerialised form and the electronic record for Certificated Shareholders is being maintained by its Transfer Secretaries. This enables Certificated Shareholders to enjoy the same rights and opportunities with respect to the Form of Instruction as Dematerialised Shareholders.

Should you wish to exercise all or some of your Rights or sell or renounce all or some of your Rights, you must complete this Form of Instruction and return it to the Transfer Secretaries at either of the addresses set out below. Excess applications will be allowed in respect of Rights Offer Shares only, pursuant to which Qualifying Shareholders may apply for additional Rights Offer Shares over and above their entitlement to Rights Offer Shares in terms of the Rights Offer.

Each alteration to this Form of Instruction must be signed in full and not merely initialled.



Nampak Limited

(Incorporated in the Republic of South Africa)

(Registration number 1968/008070/06)

Ordinary Share Code: NPK Ordinary share ISIN: ZAE000322095

6.0% Preference Share Code: NPKP ISIN: ZAE000004958

6.5% Preference Share Code: NPP1 ISIN: ZAE000004966

LEI: 3789003820EC27C76729

("Nampak" or the "Company")

A partially underwritten renounceable Rights Offer to Qualifying Shareholders in respect of 5 714 286 Ordinary Shares at an issue price of R175.00 per Rights Offer Share, in the ratio of 2.20902 Rights Offer Shares for every 1 Ordinary Share held at the close of trade on Friday, 8 September 2023.

FORM OF INSTRUCTION IN RESPECT OF A LETTER OF ALLOCATION ("FORM OF INSTRUCTION")

Issued only to holders of certificated Ordinary Shares

2023

Declaration announcement released on SENS

Tuesday, 29 August

Finalisation announcement released on SENS by 11:00

Thursday, 31 August

Circular including Form of Instruction published on Nampak website

Monday, 4 September

Last day to trade in Ordinary Shares in order to participate in the Rights Offer
(*cum entitlement*)

Tuesday, 5 September

Ordinary Shares commence trading ex-Rights on the JSE at 09:00 on

Wednesday, 6 September

Nil paid letters of allocation listed and trading under code: NPKN and ISIN
ZAE000317319

Wednesday, 6 September

Circular posted/emailed to Certificated Shareholders, together with a Form of Instruction	Thursday, 7 September
Record Date for the Rights Offer	Friday, 8 September
Rights Offer opens at 09:00 on	Monday, 11 September
Certificated Shareholders will have their Letters of Allocation credited to an electronic account held at the Transfer Secretaries	Monday, 11 September
Dematerialised Shareholders will have their accounts at their CSDP or Broker credited with their Letters of Allocation	Monday, 11 September
Circular posted to Dematerialised Shareholders on	Monday, 11 September
Last day to trade in respect of the take-up (no trading permitted in the Form of Instruction in respect of the Letters of Allocation which is issued for processing purposes only)	Tuesday, 19 September
Listing of Rights Offer Shares at the commencement of business	Wednesday, 20 September
Payment made and Form of Instruction lodged by Certificated Shareholders wishing to exercise all or part of their entitlement at the Transfer Secretaries by 12:00	Friday, 22 September
Rights Offer closes at 12:00	Friday, 22 September
Record Date for take-up in terms of the Rights Offer	Friday, 22 September
CSDP or Broker accounts in respect of Qualifying Shareholders holding Dematerialised Shares will be updated with Rights Offer Shares and debited with any payments due on	Tuesday, 26 September
Rights Offer Shares issued and posted to Qualifying Shareholders holding Certificated Shares	Tuesday, 26 September
Results of Rights Offer announced on SENS	Tuesday, 26 September
In respect of successful excess applications for Rights Offer Shares (if applicable), Rights Offer Shares issued to Qualifying Shareholders holding Dematerialised Shares and/or share certificates posted to Qualifying Shareholders holding Certificated Shares	Thursday, 28 September
In respect of unsuccessful excess applications for Rights Offer Shares (if applicable), refunds made to Qualifying Shareholders holding Certificated Shares	Thursday, 28 September

Notes:

1. Qualifying Shareholders will be notified of any material amendments to the important dates and times on SENS and in the South African press.
2. Unless otherwise indicated, all times are South African times.
3. Shareholders may not Dematerialise or rematerialise their Ordinary Shares between Wednesday, 6 September 2023, and Friday, 8 September 2023, both dates inclusive.
4. CSDPs effect payment on a delivery versus payment method in respect of Qualifying Shareholders holding Dematerialised Shares.
5. Nampak share certificates will be posted by registered post at the risk of the Qualifying Shareholder.

THIS FORM MUST BE COMPLETED IN ITS ENTIRETY AND RETURNED TO THE TRANSFER SECRETARIES

Transfer Secretaries

Computershare Investor Services Proprietary Limited
 1st Floor Rosebank Towers, 15 Biermann Avenue
 Rosebank, Johannesburg, 2196
 (Private Bag X9000, Saxonwold, Johannesburg, 2132)

Name and address of Shareholder <p style="text-align: right;">(1)</p>		Account number <i>Enquiries in connection with this Letter of Allocation should be addressed to the Transfer Secretaries, quoting the account number below:</i>
Number of Shares deemed to be registered in your name at the close of business on the Record Date: <p style="text-align: right;">(2)</p>	Number of Rights Offer Shares to which you are deemed to be entitled in terms of the Rights Offer: <p style="text-align: right;">(3)</p>	Amount payable for the maximum number of Rights Offer Shares at ZAR175.00 per Rights Offer Share: ZAR..... <p style="text-align: right;">(4) = (3) x ZAR175.00</p>
Acceptance of Rights Offer Shares: <i>(the same or lesser number of Rights Offer Shares as the number in Block (3) of this form of instruction may be accepted)</i>	Number of Rights Offer Shares subscribed for: <p style="text-align: right;">(5)</p>	Total amount due at ZAR175.00 per Rights Offer Share: ZAR..... <p style="text-align: right;">(6) = (5) x ZAR175.00</p>
Excess application: <i>(to be completed by applicants wishing to apply for additional Rights Offer Shares)</i>	Number of excess Rights Offer Shares applied for: <p style="text-align: right;">(7)</p>	Amount due at ZAR175.00 per additional Rights Offer Share: ZAR..... <p style="text-align: right;">(8) = (7) x ZAR175.00</p>
Payment: <i>(to be received by no later than 12:00 (South African time) on 22 September 2023)</i>	EFT swift reference number: <i>(only applicable if payment is made by EFT)</i>	Amount of EFT: ZAR..... <p style="text-align: right;">(9) = (6) + (8)</p>

Applicant's telephone number (office hours) _____ Cellphone number _____

Facsimile number _____ Email address _____

Signature _____ Date _____

Dear Shareholder

1. THE RIGHTS OFFER

- 1.1 Shareholders recorded in the Register of the Company at the close of trade on Friday, 8 September 2023, are offered, on the terms and conditions stated in the Circular dated Monday, 4 September 2023 (which shall, if in conflict with the information set out below, take precedence) Rights to subscribe for Rights Offer Shares at a subscription price of ZAR175.00 per Rights Offer Share ration the basis of 2.20902 Rights Offer Shares for every 1 Nampak Share held on the Record Date.

2. ALLOCATION (REFER TO THE FORM ATTACHED)

- 2.1 The Rights Offer Shares stated in **Block (3)** have been provisionally allocated for issue at a subscription price of ZAR175.00 per Rights Offer Share to the Shareholder whose name is stated in **Block (1)**.

3. ACCEPTANCE AND PAYMENT

- 3.1 If you wish to accept the Rights Offer you must complete **Blocks (5) and (6)** above.
- 3.2 If you are the person(s) in whose name(s) this Form of Instruction was issued and wish to subscribe for all the Rights Offer Shares allocated to you, complete the applicable blocks as stated above. **Form B and Form C** of this Form of Instruction need not be completed.
- 3.3 If you are the person(s) in whose favour this Form of Instruction has been renounced and you wish to subscribe for the Rights Offer Shares, complete the applicable blocks as stated above as well as **Form C** of this Form of Instruction.
- 3.4 Payment of the Rand value of the subscription price may be made in full by electronic funds transfer ("**EFT**") into the Designated Bank Account, details of which are available from the Transfer Secretaries on request by contacting the Transfer Secretaries' call centre for corporate actions on +27 (0)11 370 5000 and, in South Africa only, on +27 (0)86 1100 634.
- 3.5 If you wish to subscribe for Rights Offer Shares, a properly completed Form of Instruction, together with a proof of EFT payment (in accordance with 3.4 above) must be lodged, posted or e-mailed, as the case may be, together with the completed Form of Instruction to the Transfer Secretaries, so as to be received by no later than Friday, 22 September 2023.
- 3.6 Such payment, when the EFT cleared into the designated bank account, will constitute acceptance of the Rights Offer upon the terms and conditions set out in the accompanying Circular and in this Form of Instruction.
- 3.7 No acknowledgement of receipt will be given for an EFT received in accordance with the Rights Offer.
- 3.8 **If this Form of Instruction and the EFT proof of payment are not received as set out above, then the Rights Offer will be deemed to have been declined and the right to subscribe for the Rights Offer Shares offered to the addressee or renounced in favour of his/her renounee will lapse, no matter who then holds it.**

4. RENUNCIATION OF RIGHTS

- 4.1 If you are a Qualifying Certificated Shareholder and you do not wish to subscribe for the Rights Offer Shares allocated to you in terms of the Rights Offer, you may renounce your rights by signing **Form B**, and the renounee who wishes to subscribe for the Rights Offer Shares in terms of the Rights Offer must complete **Form C**, lodge this Form of Instruction, and make payment, in terms of paragraph 3.4 above, for the number of Rights Offer Shares in respect of which the Rights Offer is accepted.
- 4.2 The lodging of this Form of Instruction, with **Form B** purporting to be signed by the Shareholder whose name appears thereon, will be taken to be conclusive evidence of the right of the holder:
- › to deal with this Form of Instruction; or
 - › to have the Rights Offer Shares in question allotted and to receive a certificate for those shares.
- 4.3 Therefore, Nampak will not be obliged to investigate whether **Forms B and C** have been properly signed or completed or to investigate any fact surrounding the signing or lodging of either form.

5. SALE

- 5.1 If you wish to sell all or some of your Rights, you must complete **Form A** of this Form of Instruction and return it to the Transfer Secretaries in accordance with the instructions contained therein so as to reach the Transfer Secretaries by no later than Tuesday, 19 September 2023.
- 5.2 The Transfer Secretaries will endeavour to procure the sale of rights on the JSE on your behalf and to remit the net proceeds thereof in accordance with your instructions. In this regard, neither the Transfer Secretaries, nor any Broker appointed by it nor Nampak will have any obligation or be responsible for any loss or damage whatsoever in relation to or arising out of the timing of such sales, the price obtained or any failure to sell such Rights.

6. EXCESS APPLICATIONS

- 6.1 If you wish to accept the Rights Offer you must complete **Blocks (7) and (8)** above.
- 6.2 Excess Rights Offer Shares will be allocated in an equitable manner, on the basis set out in paragraph 5.5 of the Circular.

7. EXCHANGE CONTROL REGULATIONS

- 7.1 Pursuant to the Exchange Control Regulations of South Africa and upon specific approval of SARB, non-residents, excluding former residents, of the Common Monetary Area will be allowed to:
- › take up rights allocated to them in terms of the Rights Offer;
 - › purchase Letters of Allocation on the JSE; and
 - › subscribe for the Rights Offer Shares arising from the Letters of Allocation purchased on the JSE, provided payment is received either through normal banking channels from abroad or from a non-resident account.
- 7.2 All applications by non-residents for the above purposes must be made through an authorised dealer in foreign exchange. Electronic statements issued in terms of Strate and any Ordinary Share certificates issued pursuant to such applications will be endorsed "non-resident".
- 7.3 Where a right in terms of the Rights Offer becomes due to a former resident of the Common Monetary Area, which right is based on Ordinary Shares blocked in terms of the Exchange Control Regulations of South Africa, then only emigrant blocked funds may be used to:
- › take up the rights allocated to them in terms of the Rights Offer;
 - › purchase Letters of Allocation on the JSE; and
 - › subscribe for the Rights Offer Shares arising from the Letters of Allocation purchased on the JSE.
- 7.4 Any Qualifying Shareholder resident outside the Common Monetary Area who receives this Circular and Form of Instruction should obtain advice as to whether any governmental and/or other legal consent is required and/or any other formality must be observed to enable a subscription to be made in terms of such Form of Instruction.
- 7.5 All applications by emigrants using blocked funds for the above purposes must be made through the authorised dealer in South Africa controlling their blocked assets. Share certificates issued to such emigrants will be endorsed "non-resident" and placed under the control of the authorised dealer in foreign exchange through whom the payment was made. The proceeds due to emigrants from the sale of the Letters of Allocation, if applicable, will be returned to the authorised dealer in foreign exchange for credit to such emigrants' blocked accounts. Electronic statements issued in terms of Strate and any Rights Offer Share certificates issued pursuant to blocked Rand transactions will be endorsed "non-resident" and placed under the control of the authorised dealer through whom the payment was made. The proceeds arising from the sale of Letters of Allocation or arising from the sale of blocked Ordinary Shares will be credited to the blocked accounts of the emigrants concerned.
- 7.6 New Ordinary Share certificates issued pursuant to the Rights Offer to an emigrant will be endorsed "non-resident" and forwarded to the address of the relevant authorised dealer controlling such emigrant's blocked assets for control in terms of the Exchange Control Regulations of South Africa. Where the emigrant's Ordinary Shares are in dematerialised form with a CSDP or Broker, the electronic statement issued in terms of Strate will be despatched by the CSDP or Broker to the address of the emigrant in the records of the CSDP or Broker.

8. JSE LISTINGS

The JSE has granted a listing for:

- › the Letters of Allocation in respect of 5 714 286 Rights Offer Shares with effect from the commencement of trading on Wednesday, 6 September 2023 to the close of trade on Tuesday, 19 September 2023, both days inclusive; and
- › 5 714 286 Rights Offer Shares with effect from the commencement of trading on Wednesday, 20 September 2023.

9. DOCUMENTS OF TITLE

- 9.1 Share certificates to be issued to Qualifying Certificated Shareholders (or their renounees) in respect of those Rights Offer Shares to which they have validly subscribed, will be posted to persons entitled thereto, by registered post, at the risk of the recipient, on or about Tuesday, 26 September 2023.
- 9.2 Share certificates in respect of additional Rights Offer Shares allocated to Qualifying Certificated Shareholders (where applicable) will be posted to persons entitled thereto, by registered post, at the risk of the recipient, on or about Thursday, 28 September 2023.

10. REFUNDS

Refunds in respect of unsuccessful applications for additional Rights Offer Shares by Qualifying Certificated Shareholders will be paid by EFT to the relevant applicants, on/about Thursday, 28 September 2023.

By order of the Board

NAMPAK LIMITED

Johannesburg

4 September 2023

GENERAL INSTRUCTIONS AND CONDITIONS

- a) **Married persons:** Married persons wishing to exercise their rights must comply with the provisions of the Matrimonial Property Act (No. 88 of 1984) or the Civil Union Act (Act No. 17 of 2006) or customary law or the applicable matrimonial law, and proof of such person's capacity to exercise such rights may be required by the Transfer Secretary.
- b) **Powers of attorney:** If this form is signed under a power of attorney, then the original, or certified copy thereof, must be sent to the transfer secretaries for noting unless it has already been noted by Nampak or the Transfer Secretary.
- c) **Companies, close corporations or other incorporated entities:** A company or close corporation wishing to exercise its rights must send the original or certified copy of the directors' or members' resolution authorising the exercise of such rights to the Transfer Secretaries for noting.
- d) **Stamp of broking member of the JSE:** If any signature to Form B is confirmed by the stamp of a broking member of the JSE then (a), (b) or (c) above, as the case may be, will not apply.
- e) **Deceased estates and trusts:** Rights Offer Shares will not be allotted in the name of an estate or a trust. Therefore, where the right to the Rights Offer Shares has accrued to the estate of a deceased holder or a trust, the executor or administrator or trustee (as the case may be) must complete Form B in his/her representative capacity and Form C must be completed by the person in whose name the Rights Offer Shares are to be allotted without any reference to the estate or the trust.
- f) **Joint holders:** Where applicable, all joint holders of Letters of Allocation must sign.
- g) **Receipts and documents:** No receipts will be given for completed Letters of Allocation and remittances. Original documents accompanying applications will be returned by the Transfer Secretary in due course, at the risk of the applicant.
- h) **Share certificates:** Nampak uses the "certified transfer deeds and other temporary documents of title" procedure approved by the JSE and, therefore, will issue only one "block" share certificate for the Rights Offer Shares allotted by it to each acceptor of the offer.

All documentation to be forwarded to:

The Transfer Secretaries

NAMPAK LIMITED – Nampak Limited Transfer Secretaries

c/o Computershare Investor Services Proprietary Limited

Rosebank Towers

15 Biermann Avenue

Rosebank, Johannesburg, 2196

(Private Bag X9000

Saxonwold, Johannesburg, 2132)

corporate.events@computershare.co.za

FORM A: INSTRUCTION TO SELL

This form is to be signed by the offeree if the rights to the Rights Offer Shares are to be sold.

Stamp of selling
broker (if any) or
stamp or name
and address of
lodging agent

To the Directors,
NAMPAK LIMITED

I/We hereby instruct Computershare Investor Services Proprietary Limited to pay the proceeds, if any, of the sale of _____ (insert number) Rights allocated to me/us in terms of this Form of Instruction (less fees calculated as follows: a dealing administration fee for trades greater than R0.01 up to R40 000.00 equal to R155.84 inclusive of VAT and a further additional fee of 0.35% for trades greater than R40 000.00 plus VAT (+R155.84). An administration fee of R100.00 will be levied in respect of the selling order.

Payment instruction

By electronic funds transfer to the following bank account: (certified copies of the bank statement and identification document must be attached to the Form of Instruction when payment via electronic funds transfer is requested and the same has not been submitted to the transfer secretaries to date).

Name of bank _____

Account number _____ Branch code _____

PLEASE NOTE THAT IF THE ABOVE INFORMATION IS NOT COMPLETE, A CHEQUE FOR PAYMENT OF THE AMOUNT DUE WILL BE SENT TO THE ADDRESS RECORDED IN NAMPAK'S SHARE REGISTER.

Signed _____ (signature(s) of offeree selling his/her rights)

Date _____ 2023

Assisted by me _____ (where applicable) (all joint holders must sign)

FORM B: FORM OF RENUNCIATION

(To be signed by the shareholder named in Block (1) on the first page of this form if the right to the Rights Offer Shares are renounced.)

Stamp of selling
broker (if any) or
stamp or name
and address of
lodging agent

To the Directors,
NAMPAK LIMITED

I/We hereby renounce my/our right to subscribe for _____ (insert number) of the Rights Offer shares allocated to me/us as stated in **Block (3)** on the second page of this form in favour of the person(s) completing the registration application form (**Form C**) in relation to such shares.

Signed _____ (signature(s) of person(s) renouncing)

Date _____ 2023

Assisted by me _____ (where applicable) (all joint holders must sign)

Note: Renounees must attach a certified true copy of their identification document to the Form of Instruction when Form B: Form of renunciation is completed.)

FORM C: REGISTRATION APPLICATION FORM (to be accompanied by proof of EFT payment)

This form to be completed in respect of the person(s) (i.e. the renouncee(s)) in whose name(s) the Rights Offer shares are to be allotted.

ONCE THIS FORM HAS BEEN COMPLETED THIS FORM OF INSTRUCTION WILL NO LONGER BE NEGOTIABLE.

Stamp of selling
broker (if any) or
stamp or name
and address of
lodging agent

To the Directors,
NAMPAK LIMITED

I/We hereby request you to allot the Rights Offer Shares comprised in this Form of Instruction and as indicated in Blocks (5), (6) and (7) hereof in the following name(s) upon the conditions set out in the accompanying circular, dated 4 September 2023 and subject to the Memorandum of Incorporation of Nampak.

I/We authorise you to place such name(s) on the register of Nampak shareholder in respect thereof.

Surname(s) or name of company _____

Mr/Mrs/Miss/Ms _____

First names in full _____

Postal address (preferably a PO Box address) _____

_____ Postal code _____

Telephone number (office hours) _____ Cellphone number _____

Facsimile number _____ Email address _____

Signed _____ (signature(s) of renouncees)

Date _____ 2023

Assisted by me _____ (where applicable) (all joint holders must sign)

FORM D: POSTAL INSTRUCTIONS (to be completed only if you require a share certificate)

Certificated Shareholders accepting all the rights allocated to them in terms of the Rights Offer will receive their Rights Offer Shares in certificated form, which will not be good for delivery until they have been Dematerialised.

Certificated Shareholders should complete the section below.

Kindly post the relevant share certificate to the following address by registered post:

Name _____

Address _____

_____ Postal code _____

(If no specific instructions are given here, the Certificated Shares will be forwarded to the address as shown on the second page of this Form of Instruction.)

A Shareholder wishing to collect his/her/their new share certificate from the Transfer Secretary must tick this block:

FORM OF INVESTOR LETTER

NOTE TO QIBS: IN ORDER TO BE ENTITLED TO EXERCISE YOUR RIGHTS, QIBS MUST EXECUTE AND RETURN THIS INVESTOR LETTER TO THEIR FINANCIAL INTERMEDIARY, TOGETHER WITH A DULY COMPLETED FORM OF INSTRUCTION, PRIOR TO OR ON 22 SEPTEMBER 2023. COPIES OF SUCH DOCUMENTS MUST ALSO BE SENT TO NAMPAK IN CARE OF COMPANY SECRETARY (EMAIL: omeshnee.pillay@nampak.com) BY SUCH TIME.

[Letterhead of Qualified Institutional Buyer in the United States]

Nampak Limited

[●]

Attention: Company Secretary

Email: omeshnee.pillay@nampak.com

Date:

Ladies and Gentlemen:

This letter relates to the proposed issue of new Ordinary Shares (the "**New Ordinary Shares**") and the renounceable (nil paid) letters of allocation to subscribe for the New Ordinary Shares (the "**LOAs**") by way of rights to Ordinary Shareholders (the "**Rights Offer**") by Nampak Limited (the "**Company**") as described in the rights offer circular, dated 4 September 2023 (the "**Rights Offer Circular**"). Unless otherwise stated, or the context otherwise requires, capitalised terms in this letter shall have the same meaning as is given to them in the Rights Offer Circular.

In connection with our exercise of the LAs and contemplated subscription for the New Ordinary Shares as set forth above, we hereby represent, acknowledge and agree that:

We are a "qualified institutional buyer" ("**QIB**") as defined in Rule 144A under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), and, if we are subscribing for the New Ordinary Shares as a fiduciary or an agent for one or more investor accounts, each owner of such account is a QIB, we have full investment discretion with respect to each such account, and we have the full power and authority to make the acknowledgements, representations and agreements herein on behalf of each owner of each such account.

We are subscribing for the New Ordinary Shares for our own account, or for the account or accounts of QIBs, in each case, for investment purposes, and not with a view to any distribution (within the meaning of the U.S. federal securities laws) of the New Ordinary Shares or the LAs.

We acknowledge that the Company is not a reporting company under the Securities Exchange Act of 1934 (the "**Exchange Act**"). We have received a copy of the Rights Offer Circular. We acknowledge that neither the Company nor any of its affiliates nor any other person (including the advisors listed in the "*Corporate Information and Advisors*" section of the Circular) has made any representations, express or implied, to us with respect to the Company, the Rights Offer, the LAs and New Ordinary Shares or the accuracy, completeness or adequacy of any financial or other information concerning the Company, the Rights Offer or the LAs and New Ordinary Shares, other than (in the case of the Company and its affiliates only) the information contained or incorporated by reference in the Rights Offer Circular. We will carefully read and review a copy of the Rights Offer Circular upon its delivery to us. We have had access to and are relying exclusively on, such financial and other information (including the business, financial condition, prospects, creditworthiness, status and affairs of the Company) concerning the Company and the LAs and New Ordinary Shares including, without limitation, the information noted above, as we have deemed necessary in connection with our own investment decision to exercise our Rights and/or take up the New Ordinary Shares. We acknowledge that our investment decision is based upon our own judgment, due diligence and analysis and not upon any view expressed or information provided by or on behalf of the advisors listed in the "*Corporate Information and Advisors*" section of the Circular or their respective affiliates. We acknowledge that we have not relied on any information contained in any research reports prepared by the advisors listed in the "*Corporate Information and Advisors*" section of the Circular or any of their respective affiliates. We understand that the Rights Offer Circular has been prepared in accordance with South African format, style and content requirements, particularly the listings requirements of the exchange operated by JSE Limited ("**JSE**"), which differ from US format, style and content requirements. In particular, but without limitation, the financial information contained in the Rights Offer Circular has been prepared in accordance with International Financial Reporting Standards and thus may not be comparable to financial statements of US companies

prepared in accordance with US generally accepted accounting principles. We understand that there may be certain consequences under United States and other tax laws resulting from an investment in the LAs and the New Ordinary Shares and we have made such investigation and have consulted our own independent advisers or otherwise have satisfied ourselves concerning, without limitation, the effects of United States federal, state and local income tax laws and foreign tax laws, generally, and the Securities Act, specifically.

We understand, and each beneficial owner has been advised, that the LAs and the New Ordinary Shares have not been and will not be registered under the U.S. Securities Act or any other applicable U.S. state securities laws, and are being offered and issued or sold to us (or such beneficial owner) in a transaction not involving a public offering in the United States within the meaning of the U.S. Securities Act, that is exempt from the registration requirements of the U.S. Securities Act.

We understand that the LAs and the New Ordinary Shares are "**restricted securities**" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and may not be deposited into any unrestricted depositary receipt facility, including the current American depositary share ("**ADS**") facility maintained by The Bank of New York Mellon, unless at the time of deposit such LAs and New Ordinary Shares are no longer "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act.

We are not subscribing for the New Ordinary Shares or purchasing the LAs on the secondary market on the JSE as a result of any general solicitation or general advertising within the meaning of Rule 502 under the U.S. Securities Act, including advertisements, articles, notices, or other communications published in any newspaper, magazine or similar media or broadcast over radio or television; or any seminar or meeting whose attendees have been invited by general solicitation or general advertising within the meaning of Rule 502 under the U.S. Securities Act.

We have received and read a copy of the Rights Offer Circular, including the documents incorporated by reference therein. We have not relied on financial or other information supplied to us by any person other than information contained in, or incorporated by reference in, the Rights Offer Circular. We have made our own assessment concerning the relevant tax, legal and other economic considerations relevant to our investment in the LAs and the New Ordinary Shares.

We have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the New Ordinary Shares, and we have the financial ability to bear the economic risk of investment in the New Ordinary Shares.

We agree that if we wish to reoffer, resell, pledge or otherwise transfer any of the LAs or the New Ordinary Shares, we will not do so except in accordance with any applicable U.S. federal and state securities laws, and we certify that either:

We will transfer the LAs and the New Ordinary Shares in an offshore transaction in accordance with Rule 903 or 904 of Regulation S under the U.S. Securities Act (a "**Regulation S Transaction**"); or

We understand and acknowledge that the Company shall have no obligation to recognise any offer, sale, pledge or other transfer made other than in compliance with the restrictions on transfer set forth above and described herein.

We acknowledge that the Company its financial advisers and their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations, warranties and agreements. We understand that the Company is relying on this letter in order to comply with the U.S. Securities Act and other U.S. state securities laws. We irrevocably authorise any account operator, which includes any nominee, custodian or other financial intermediary through which we hold our LAs and shares in the Company, to provide the Company with a copy of this letter and such information regarding our identity and holding of shares in the Company (including pertinent account information and details of our identity and contact information) as is necessary or appropriate to facilitate our exercise of the LAs. We also irrevocably authorise the Company to produce this letter or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters set forth herein.

If any of the representations or warranties contained in this letter shall at any time become untrue, we agree immediately to notify the addressee hereof in writing. We also agree that we may not cancel, terminate or revoke this letter.

We understand that this letter is not a confirmation of a sale of New Ordinary Shares or the terms thereof, and that any such confirmation will be sent to us separately.

The terms and provisions of this letter shall inure to the benefit of the Company and the advisors listed in the "Corporate Information and Advisors" section of the Circular and their respective successors and permitted assigns, and the terms and provisions hereof shall be binding on our permitted successors in title, permitted assigns and permitted transferees.

We agree to hold the Rights Offer Circular and any form of instruction with respect to the Rights (the "**Form of Instruction**") we have received or will receive in confidence, it being understood that they are solely for our use and we confirm that we have not and will not duplicate, distribute, forward, transfer or otherwise transmit the Rights Offer Circular, the Form of Instruction or any other presentational or other materials concerning the Rights Offer (including electronic copies thereof) to any persons within the United States.

We understand that this letter is required in connection with the laws of the United States and shall be governed by and construed in accordance with the laws of the State of New York without giving effect to its choice of law principles.

The Company and its financial advisers shall be entitled to rely on this letter (and, if this letter is delivered to our custodian or nominee, to delivery of a copy of this letter on its request) and we irrevocably authorise you to produce this letter or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

By: _____ (authorised signature)

Name: _____

Title: _____

Address: _____

Number of Ordinary Shares to be subscribed for: _____

To facilitate identification, please provide the following details, which must all be validated by your CSDP in South Africa:

* All fields must be completed in full.

Number of Nampak Shares held: _____

Name of Custodian: _____

Account Number held at Custodian: _____

CSDP Name: _____

Account Number at CSDP: _____

CSDP Account Number at Strate (CSA): _____

CORPORATE INFORMATION

Business address and registered office

Nampak House
Hampton Office Park
20 Georgian Crescent East
Bryanston, 2191, South Africa
PO Box 69983, Bryanston, 2021
T +27 719 6300
www.nampak.com

Auditors

Deloitte & Touche
5 Magwa Crescent
Waterfall City, 2090 South Africa
Private Bag X6, Woodmead, 2052
South Africa

Interim Company Secretary

Omeshnee Pillay
T +27 719 6300
E Omeshnee.Pillay@nampak.com

Sponsor

Nedbank Corporate and Investment Banking
A division of Nedbank Limited
(Registration number 1951000009/06)
3rd Floor, Corporate Place
135 Rivonia Road
Sandton, 2196, South Africa
PO Box 1144, Johannesburg, 2000

Transfer secretary

Computershare Investor Services (Pty) Ltd
Rosebank Towers
15 Biermann Avenue, Rosebank, 2196
Private Bag X9000, Saxonwold, 2132
T +27 11 370 5000
F +27 11 688 5200

Shareholder hotline

T+27 11 373 0033
Smart number +27 80 000 6497
F +27 11 688 5217
E web.queries@computershare.co.za

Investor relations

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