

AUDITED CONDENSED CONSOLIDATED RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2023



CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2023

	INFLATION	ADJUSTED	HISTORICAL*	
	2023 ZW\$ 000	2022 ZW\$ 000 Restated		2022 ZW\$ 000 Unaudited
Revenue	573 779 208	394 145 197	291 474 335	30 547 901
Raw materials and consumables used Transport outwards expenses Depreciation and amortisation expenses Employee expenses Other operating expenses Other operating income	(311 774 389) (3 367 628) (3 675 126) (65 593 532) (77 322 829) 2 472 102	(2 943 018) (2 252 195) (47 923 742) (50 667 875)	(413 778) (30 679 167) (36 504 576)	(3 711 157)
Trading income Other income Net monetary loss on hyperinflation	114 517 806 71 185 047 (67 312 135)	18 642 314 (42 977 185)	45 371 371 -	2 190 677
Operating profit	118 390 718	59 140 048	135 281 387	11 219 377
Finance income Finance costs	72 647 (146 466)		17 185 (58 478)	24 545 (10 561)
Profit before tax Tax expense	118 316 899 (66 762 659)			
Profit for the period and total comprehensive income	51 554 240	21 295 765	99 822 384	8 319 288
Weighted average number of shares in issue	755 648 101	755 648 101	755 648 101	755 648 101
Basic earnings per ordinary share (cents)	6 822.52	2 818.21	13 210.17	1100.95
Diluted earnings per ordinary share (cents)	6 822.52	2 818.21	13 210.17	1 100.95

^{*} The historic amounts are shown as supplementary information. This information does not comply with the International Financial Reporting Standards in that it has not taken into account the requirements of International Accounting Standard 29 – Financial Reporting for Hyperinflationary Economies. As a result the auditors have not expressed an audit opinion on this historic financial information.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

	IN	FLATION ADJUS	STED	HISTO	RICAL*
	2023 ZW\$ 000	2022 ZW\$ 000 Restated	2021 ZW\$ 000 Restated	2023 ZW\$ 000	2022 ZW\$ 000
ASSETS					
Non-current assets	35 414 101	25 437 944	15 742 036	11 307 210	1 866 245
Property, plant and equipment	32 189 314	22 870 928	13 330 167	6 484 415	1 255 889
Right of use assets	514909	916 899	1 376 297	28 475	33 345
Intangible assets	185 413	2 443	2 548	200 002	2 443
Biological assets	1 771 682	434 377	774 100	1 771 682	57 883
Investments	15 691	12 696	6 9 7 0	2 986	410
Deferred tax asset	737 092	1 200 601	251 954	2 819 650	516 275
Current assets	214 686 686	138 629 145	94 987 295	187 482 542	16 687 103
Inventories	57 451 706	44 277 787	27 193 665	39 821 935	4 750 805
Trade and other receivables	146 266 812	82 933 955	54 648 795	136 692 439	10 414 873
Cash and cash equivalents	10 968 168	11 417 403	13 144 835	10 968 168	1 521 425
TOTAL ASSETS	250 100 787	164 067 089	110729331	198 789 752	18 553 348
EQUITY AND LIABILITIES					
Capital and reserves	145 719 130	99 959 840	78 664 075	108 748 496	10 894 046
Share capital and share premium	24 810	24810	24810	24810	24810
Non distributable reserves	752 343	752 343	752 464		752 343
Retained earnings	144 941 977	99 182 687	77 886 801	107 971 343	10 116 893
Non-current liabilities	11 181 203	5 984 537	2 166 189	607 231	119 737
Non current lease liability	6 907	898 557	956 886	6 9 0 7	119 737
Deferred tax liabilities	11 174 296	5 085 980	1 209 303	600 324	-
Current liabilities	93 200 454	58 122 712	29 899 067	89 434 025	7 539 565
Trade and other payables	81 295 168	47 975 100	27 223 260	77 683 073	6 187 346
Provisions	313 370	38 282	154 235	159 036	5 101
Current lease payable	1 008 864	897 683	439 955	1 008 864	119 621
Shareholders for Dividends	16 227		_	16227	
Current tax payable	10 566 825	9 211 647	2 081 617	10 566 825	1 227 497
TOTAL EQUITY AND LIABILITIES	250 100 787	164 067 089	110729331	198 789 752	18 553 348

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Share Capital and Premium ZW\$ 000	Non Distributable Reserve ZW\$ 000	Retained earnings ZW\$ 000	Total ZW\$ 000
INFLATION ADJUSTED				
Balance as at 30 September 2021 - Re-stated Profit for the period Transfer between Reserves	24 810 - -	752 464 - (121)	77 886 801 21 295 765 121	78 664 075 21 295 765 -
Balance as at 30 September 2022 - Restated	24810	752 343	99 182 687	99 959 840
Profit for the period Dividend declared and paid	-	-	51 554 240 (5 794 950)	51 554 240 (5 794 950)
Balance as at 30 September 2023	24810	752 343	144 941 977	145 719 130
HISTORICAL*				
Balance as at 30 September 2021 Profit for the period Transfer between Reserves	24810 - -	752 464 - (121)	1 797 484 8 319 288 121	2 574 758 8 319 288
Balance as at 30 September 2022	24810	752 343	10 116 893	10 894 046
Profit for the period Dividend declared and paid	-	-	99 822 384 (1 967 934)	99 822 384 (1 967 934)
Balance as at 30 September 2023	24810	752 343	107 971 343	108 748 496

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2023

FUR THE YEAR ENDED 30 SEPTEMBER 2023				
	INFLATION	ADJUSTED	HISTORICAL*	
	2023 ZW\$ 000	2022 ZW\$ 000		2022 ZW\$ 000
		Restated		Unaudited
Cash generated from operating activities	101 968 002	58 964 452	132 030 229	11 419 794
	(84 977 996)	(47 709 681)	(116 616 288)	(9 295 683)
Working capital changes	(42 784 212)	(24 275 667)	'	(7 107 638)
Net finance income	72 647	374 961		24 545
Interest paid on leases	(146 466)	(138 621)	' '	(10 561)
Tax paid	(42 119 965)	(23 670 354)	(27 781 432)	(2 202 029)
Net cash generated from operating activities	16 990 006	11 254 771	15 413 941	2 124 111
Investing activities	(12 572 024)	(12 060 328)	(5 610 835)	(995 232)
Purchase of plant and equipment and intangible assets	(13 143 992)	(12 444 309)	(5 916 766)	(1 021 092)
Proceeds on disposal of property, plant and equipment	571 968	383 981	305 931	25 860
Net cash generated / (utilised) before financing activities	4 417 982	(805 557)	9 803 106	1 128 879
Financing activities	(6 953 484)	(921 888)	(2 442 630)	(67 918)
Principal portion of lease liability paid	(1 158 534)	(921 888)	(474 696)	(67 918)
Dividend declared and paid	(5 794 950)	-	(1 967 934)	-
Net cash (utilised) / generated after financing activities	(2 535 502)	(1 727 445)	7 360 476	1 060 961
Effects of exchange rates on cash and cash equivalents	2 086 267	-	2 086 267	-
Net (decrease) / increase in cash and cash equivalents	(449 235)	(1 727 445)	9 446 743	1 060 961
Cash and cash equivalents at the beginning of the period	11 417 403	13 144 848	1 521 425	460 464
Cash and cash equivalents at the end of the period	10 968 168	11 417 403	10 968 168	1 521 425
REPRESENTED BY:				
Bank balances, cash and short term deposits	10 968 168	11 417 403	10 968 168	1 521 425

NOTES TO THE INFLATION ADJUSTED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

1. CORPORATE INFORMATION

Nampak Zimbabwe Limited is a public limited Company incorporated and domiciled in Zimbabwe. The main activities of the Group are manufacturing of paper, plastic and metal packaging products and leasing of land and property. The abridged consolidated financial statements for Nampak Zimbabwe Limited and its subsidiaries (the Group) for the year ended 30 September 2023 were authorised for issue in accordance with a resolution of the directors on 12 December 2023.

2. BASIS OF PREPARATION

These abridged consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and the disclosure requirements of the Zimbabwe Stock Exchange Listing Rules.

The consolidated financial statements of the Group have been prepared based on the current cost basis and adjusted for the effects of IAS 29 'Financial Reporting in Hyperinflationary Economies'. Comparative financial statements are restated using the general inflation indices in terms of the measuring unit current at the statement of financial position date. The primary financial statements of the Group are the inflation adjusted numbers.

The conversion factors have been adopted from the Consumer Price Index (CPI) data prepared by the Zimbabwe National Statistics Agency (ZIMSTAT) for the period to January 2023. From February 2023, the government of Zimbabwe through Statutory instrument 27 of 2023, legislated the publication of blended CPI rates which took into account general price changes in both the US\$ and the ZW\$.

In terms of the requirements of IAS29 para 17 "A general price index may not be available for the periods for which the restatement of property, plant and equipment is required by this Standard. In these circumstances, it may be necessary to use an estimate based, for example, on the movements in the exchange rate between the functional currency and a relatively stable foreign currency". The group considered the movement in the RBZ auction market foreign exchange rate for the alternative computation of CPI indices for the period from February 2023 to September 2023, in line with the provisions of IAS 29.

The indices and conversion factors used were as follows:

	Indices	Conversion factor
CPI as at 30 September 2023	95 405	1.00
CPI as at 30 September 2022	12 713	7.50
CPI as at 30 September 2021	3 342	28.55

3. FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Zimbabwe dollars (ZW\$), which is the functional and presentation currency of the Group. All values are rounded to the nearest thousand except where otherwise stated.

4. STATEMENT OF ACCOUNTING POLICY

 $The \ principal\ accounting\ policies\ applied\ in\ the\ preparation\ of\ these\ financial\ statements\ are\ consistent\ with\ those\ used\ in\ the\ prior\ year.$

5. DIRECTORS' RESPONSIBILITY

The Company's Directors, under the Companies and Other Business Entities Act (Chapter 24:31), are responsible for the preparation and fair presentation of the Group's consolidated financial statements and related information.

These abridged Group financial statements are presented in accordance with the International Financial Reporting Standards and the disclosure requirements of the Zimbabwe Stock Exchange (ZSE) Listing Rules.

The Directors have reviewed the performance and financial position of the Group and are satisfied that the Group has sufficient financial resources to continue as a going concern.

6. PRIOR PERIOD ERROR

 $Nampak\,Zimbabwe\,Limited\,is\,a\,subsidiary\,of\,Nampak\,International\,Limited\,through\,Nampak\,Southern\,Africa\,Holdings\,Limited.$

Following the introduction of a currency called the RTGS dollar through Statutory Instrument 33 of 2019 (""SI33/19"") with effect from 22 February 2019, Nampak Zimbabwe applied the exchange rate of 1:1 as mandated by the RBZ for the period up to the effective date of SI 33/19. The Nampak group reported the financial information in hyperinflation terms for the first time by uplifting the October 2018 opening balances using the relevant factors.

This treatment resulted in non-compliance with IFRS standards with respect to comparative financial information on property, plant and equipment, depreciation, deferred tax and retained earnings. Modified audit opinions have been issued on the Consolidated and Separate Inflation Adjusted Financial Statements in the prior years due to the non compliance to IFRS standards mentioned above.

Nampak Zimbabwe has now aligned the current and comparative inflation adjusted financial information with the IFRS reporting framework.



AUDITED CONDENSED CONSOLIDATED RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2023



6. PRIOR PERIOD ERROR (continued)

The effect of aligning the accounts on the Nampak Zimbabwe group is detailed below:

The effect of aligning the accounts on the Nampak Zimbabwe group is detailed below:		
	INFLATIO	N ADJUSTED
		As at
		30 September
		2022
		ZW\$ 000
		Re-stated Audited
		Audited
Changes in the Statement of Profit/ (Loss)		
Decrease in depreciation charge		5 805 877
Decrease in other operating expenses		67 417
Increase in Net monetary loss		(12 156 162)
(Decrease) in profit before tax		(6 282 868)
Decrease in tax charge		7 951 242
Increase in Profit after tax		1 668 375
Impact to EPS		
Number of shares in issue		755 648 101
Increase in Earnings Per Share (cents)		220.79
	INFLATION	I ADJUSTED
	As at	As at
		2021
		ZW\$ 000
		Re-stated
	Audited	Audited
Changes in the statement of financial position		
Decrease in owner occupied properties	(24 365 591)	(25 076 493)
Decrease in plant and machinery	(17 949 420)	,
Decrease in vehicles	(242 739)	
Decrease in computers and office equipment	(88 150)	
Decrease in furniture and fittings	(63 116)	
Decrease in goodwill and intangible assets	(3 634 543)	
Increase in deferred tax asset Decrease in investments	1 182 075 (2 240)	
Decrease in deferred tax liability	6 950 731	11 253 695
Total decrease in net assets		
Total decrease in net assets	(38 212 993)	(39 881 368)
Change in equity		
Decrease in share capital and premium	(36 925 210)	(36 241 412)
Decrease in non distributable reserves	(281 491)	(426 695)
Decrease in distributable reserves	(1 006 292)	(3 213 261)
Total change in equity	(38 212 993)	(39 881 368)

7. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit or loss for the period attributable to ordinary equity holders by the number of ordinary shares in issue

 $He ad line \ earnings \ is \ based \ on \ net \ profit \ for \ the \ period \ attributable \ to \ members \ after \ adjusting \ for \ other \ income \ net \ of \ tax$

Basic and headline earnings per share are based on a weighted average of 755 648 101 (2022 : 755 648 101) ordinary shares in issue during the period.

	INFLATION	INFLATION ADJUSTED		RICAL*
	2023 ZW\$ 000	2022 ZW\$ 000	2023 ZW\$ 000	2022 ZW\$ 000
Earnings per share				
Earnings attributable to ordinary members	51 554 240	21 295 765	99 822 384	8 319 288
Ordinary shares in issue at period end	755 648 101	755 648 101	755 648 101	755 648 101
Basic earnings per ordinary share (cents)	6 822.52	2 818.21	13 210.17	1 100.95
Diluted earnings per ordinary share (cents)	6 822.52	2 818.21	13 210.17	1 100.95
Determination of headline earnings or loss				
Profit for the period	51 554 240	21 295 765	99 822 384	8 3 1 9 2 8 8
Adjust for:				
Gain on disposal of property, plant and equipment - net of tax	(416784)	(151 168)	(219784)	(11 479)
Other material income - net of tax	(53 588 104)	(14 030 470)	(34 155 568)	(1 649 142)
Headline (loss) / earnings	(2 450 648)	7 114 127	65 447 032	6 658 667
Headline earnings per share				
Headline (loss) / earnings attributable to ordinary members	(2 450 648)	7 114 127	65 447 032	6 658 667
Ordinary shares in issue at period end	755 648 101	755 648 101	755 648 101	755 648 101
Headline (loss) / earnings per ordinary share (cents)	(324.31)	941.46	8 661.05	881.19

8. CONTINGENCIES

8.1 Uncertain tax positions

There have been significant currency changes in Zimbabwe since 2018. These changes created some uncertainties in the tax treatment of transactions for tax purposes due to the absence of immediate and clear guidelines and transitional measures.

The Zimbabwe Revenue Authority (ZIMRA) has made some income tax assessments and levied penalties and interest relating to the provisions and reversals of the legacy debts related transactions raised at one of the Group's entities for the period 2019 to 2020. The ZW\$ equivalent of the disputed assessments including interest and penalties amount to ZW\$6,66 billion as at 30 September 2023.

These assessments have been challenged and objected to through the relevant ZIMRA levels of authority in line with the legal provisions. Based on legal advice received to date, the board is of the view that there is no liability and that ZIMRA will reverse the assessments once the ongoing engagements and clarifications are concluded.

9. SUBSEQUENT EVENTS

Subsequent to year end, the government of Zimbabwe extended the use of US dollars for transactions in the economy by another five years.

10. AUDIT OPINION

The condensed financial results should be read in conjunction with the complete set of financial statements of Nampak Zimbabwe Limited for the financial year ended 30 September 2023, which have been audited by Deloitte & Touche (Zimbabwe), signed by Tapiwa Chizana, PAAB Practice certificate number 0444, and an unqualified opinion has been issued thereon. The auditor's report on the financial statements and the full set of financial statements is available for inspection at the Company's registered office.

11. GROUP OPERATING SEGMENT REPORT

The basis of segmentation and basis of measurement of segment profit or loss for the current reporting period is consistent with the last reported annual financial statements.

11. GROUP OPERATING SEGMENT REPORT (continued)

	IN	FLATION ADJUS	TED - AUDITED)
	Printing &	Plastics	Services &	
	Converting	& Metals	Eliminations	Total
	ZW\$ 000	ZW\$ 000	ZW\$ 000	ZW\$ 000
Sales to local customers	236 091 717	260 399 085	-	496 490 802
Sales to export customers	54 350 377	22 938 029	-	77 288 406
Intersegmental sales	5 095 062	1 062 106	(6 157 168)	-
Total Sales	295 537 156	284 399 220	(6 157 168)	573 779 208
Results from operations				
Trading income	59 928 392	56 492 534	(1 903 120)	114 517 806
Operating profit	48 366 698	65 263 417	4760603	118 390 718
Net finance (costs) / income	(239 456)	33 761	131 876	(73 819)
Taxation charge	(30 156 447)	(35 390 688)	(1 215 524)	(66 762 659)
Profit for the period	17 970 795	29 906 490	3 676 955	51 554 240

Other information Segment assets 101 739 518 148 394 031 (32 761) 250 100 787 Segment liabilities 42 727 335 63 411 175 (1756853) 104381657 Capital expenditure 2 275 621 10882217 (13846)13 143 992 Depreciation and amortisation 3 675 126 1 228 307 2 244 716 202 103 Biological assets - fair value gain 1713799 1713799 Other material income 19 692 831 45 613 798 4164620 69 471 249 Monetary loss on hyperinflation 2 499 104 (67 312 135) (32 968 324) (36 842 915)

Segment reporting for the year ended 30 September 2022

Segment reporting for the year ended 30 September 2022				
	INFLATION ADJUSTED - AUDITED			
Sales to local customers	143 270 166	213 160 878	-	356 431 044
Sales to export customers	27 773 116	9 574 906	-	37 348 022
Other sales	366 130	-	-	366 130
Intersegmental sales	4315662	402	(4 316 064)	-
Total Sales	175 725 074	222 736 186	(4 316 064)	394 145 196
Results from operations				
Trading income	30 811 486	51 968 645	694 788	83 474 918
Operating profit	24732136	39 360 056	(4 952 144)	59 140 048
Finance income / (expense)	554 679	(562 820)	244 481	236 340
Taxation charge	(18 468 601)	(25 754 208)	6 142 186	(38 080 623)
Profit for the period	6818214	13 043 028	1 434 523	21 295 765
Other information				
Segment assets	73 676 954	87 550 271	2 839 866	164 067 091
Segment liabilities	29 701 605	33 419 976	985 668	64 107 249
Capital expenditure	3 077 170	8 849 439	517 700	12 444 309
Depreciation and amortisation	2 168 768	1 646 924	(1 563 497)	2 252 195
Biological assets - fair value gain	230 882	-	-	230 882
Other material income	7 835 836	4329404	6 477 074	18 642 314
Monetary loss on hyperinflation	(13 915 186)	(16 937 992)	(12 124 006)	(42 977 184)

Segment reporting for the year ended 30 September 2023

		HISTORI	CAL*	
Sales to local customers	124 026 597	123 777 823	-	247 804 420
Sales to export customers	31 474 467	12 195 448	-	43 669 915
Intersegmental sales	2 708 576	503 589	(3 212 165)	-
Total Sales	158 209 640	136 476 860	(3 212 165)	291 474 335
Results from operations				
Trading income	47 608 977	41 876 497	424912	89 910 386
Operating income	62 789 451	69 572 706	2 919 230	135 281 387
Finance income	6 022	15 166	(4 003)	17 185
Finance costs	(56 761)	(4 003)	2 286	(58 478)
Taxation charge	(16 834 783)	(17 858 097)	(724 830)	(35 417 710)
Profit for the period	45 903 929	51 725 772	2 192 683	99 822 384
Other information				
Segment assets	91 782 683	107 388 818	(381 749)	198 789 752
Segment liabilities	40 854 214	50 943 894	(1 756 852)	90 041 256
Capital expenditure	304 197	697 658	19 237	1 021 092
Depreciation and amortisation	166 582	289 600	(42 404)	413 778
Biological assets - fair value gain	1 713 799	-	-	1 713 799
Other material income	13 466 675	27 696 210	2 494 317	43 657 202

Segment reporting for the year ended 30 September 2022

	HISTORICAL*				
Sales to local customers	9 285 015	16 091 823	-	25 376 838	
Sales to export customers	4 320 242	821 255	-	5 141 497	
Other sales	29 566	-	-	29 566	
Intersegmental sales	337 775	41 029	(378 804)	-	
Total Sales	13 972 598	16 954 107	(378 804)	30 547 901	
Results from operations					
Trading income	3 436 542	5 456 848	135 310	9 028 700	
Operating profit	4 529 674	6 030 468	659 235	11 219 377	
Net finance income / (costs)	33 507	(36 589)	17 066	13 984	
Taxation charge	(1 276 565)	(1 580 523)	(56 985)	(2 914 073)	
Profit for the period	3 286 616	4 413 356	619316	8 319 288	
Other information					
Segment assets	8 633 769	9 601 953	317 626	18 553 348	
Segment liabilities	3 685 017	3 829 129	145 156	7 659 302	
Capital expenditure	322 579	653 870	44 643.33	1 021 092	
Depreciation and amortisation	75 109	55 329	(36 268)	94 170	
Biological assets - fair value gain	30 766	-	-	30 766	
Other material income	1 062 365	573 621	523 925	2 159 911	

12. OTHER MATERIAL INCOME

		INFLATION ADJUSTED				
	INFLATION A			RICAL		
	2023 ZW\$ 000	2022 ZW\$ 000	2023 ZW\$ 000	2022 ZW\$ 000		
Retrenchment, termination and restructuring costs Net exchange gain on foreign currency Fair value gain on biological assets	(452 625) 69 923 873 1 713 799	(447 431) 18 858 863 230 882	(303 044) 43 960 615 1 713 799	(20 404) 2 180 315 30 766		
Total	71 185 047	18 642 314	45 371 370	2 190 677		



AUDITED CONDENSED CONSOLIDATED RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2023



COMMENTARY

TRADING ENVIRONMENT

The overall demand for packaging improved during the year, compared to the previous year. The Company benefitted from the volume growth experienced by our customers on the back of increased disposable income of consumers. In the year under review, management continued with its focus on cost containment and operational efficiencies, whilst looking for new opportunities to improve both product offerings and quality. We continue to invest in the business where we see opportunity.

OPERATING PERFORMANCE

The Group achieved sales for the year in inflation adjusted terms of ZW\$ 573,78 billion (2022: ZW\$ 394,15 billion) and a hyperinflated trading income of ZW\$ 114,56 billion (2022: ZW\$ 83,47 billion). A profit before tax of ZW\$ 118,32 billion was achieved (2022: ZW\$ 59,37 billion).

The profit before tax takes into account other material income of ZW\$ 71,19 billion and a net monetary loss on hyperinflation of ZW\$ 67,31 billion. Other income, in the main, comprises of exchange gains on foreign denominated debtors and cash balances.

The Comprehensive Profit Attributable to Shareholders amounted to ZW\$ 51,55 billion (2022: ZW\$ 21,3 billion). Earnings per share at ZW\$ 6 822,52 cents (2022: ZW\$ 2 818,21 cents) improved on prior year.

INDUSTRIAL RELATIONS

At the close of the financial year, Nampak employed 449 permanent employees compared with 467 in the previous year. Overall, industrial relations have remained cordial. At NEC level the wage increases during the year were more frequent, and there continues to be pressure from employees to cushion them against the current hostile economy. We are continuously reviewing our manpower structures to ensure they are in line with business requirements. The Group continues with its training programmes aimed at developing and retaining skills across the board.

CAPITAL EXPENDITURE

Capital expenditure in hyperinflation terms amounted to ZW\$ 13,14 billion (2022: ZW\$ 12,44 billion) and focused mainly on projects to increase capacity and improve plant services. There are some significant capital projects currently being reviewed by management and should funds become available, it is our intention to implement them.

ENTITY REVIEWS

PRINTING AND CONVERTING SEGMENT

Hunyani Paper and Packaging

The sales volumes for the full year improved by 13,4% compared to prior year. The improvement was due to firm demand for tobacco cartons throughout the year, on the back of a record tobacco crop and improved regional demand. Demand at Cartons and Labels Division was 1,4% ahead of prior year, somewhat curtailed by raw material constraints.

PLASTICS AND METALS SEGMENT

Mega Pak

The full year sales volumes decreased by 2,5% versus prior year mainly due to severe power outages throughout the year in Ruwa, which hampered our ability to produce at full potential. Demand was strong across all product categories.

CarnaudMetalBox

The sales volumes for the full year grew by 4,7% compared to the prior year. The improvement was driven by strong growth in the closures and HDPE categories. Metals volumes were down on prior year.

DIVIDEND

Two Interim Dividends were declared during the year. The first was of ZWL 100,43 cents per ordinary share to shareholders registered in the books of the Company on 3 March 2023, and the second was of ZWL 160,00 cents per ordinary share to shareholders registered on 12 July 2023.

DIRECTORATE

The board wishes to record its appreciation to Mr Kumbirayi Katsande who resigned from the Board at the Annual General Meeting on 8 March 2023 after many years' service as the Chairman of the board. Furthermore, the board wishes to extend its thanks to Mrs Hanneri Neser who resigned on 31 August 2023 from the board and audit committee for her contributions to both bodies during her period in office.

OUTLOOK

The 2023 trading year saw a lot of complexities in the operating environment particularly around currency, inflation and power shortages. We however noted some volume growth, and improved demand despite these challenges. The economy will be affected by the anticipated effects of El Nino which could impact the agricultural season ahead. The group will continue to focus on cost control and margin preservation in order to meet these challenges.

APPRECIATION

I wish to recognise the commitment and dedication of the management teams and staff at all three operating companies. I would like to take this opportunity to thank all of them for all their efforts this year and for embracing the challenges they faced.

Our customers and suppliers have continued to support us and I would like to express my gratitude to them. I would also like to thank Nampak Limited for their continued technical support, without which these results would not have been achieved.

 $I would \ like \ to \ express \ my \ thanks \ to \ the \ Chairman \ and \ the \ Board \ of \ Directors \ for \ their \ support \ and \ encouragement \ during \ the \ past \ year.$

By order of the Board

J. P. Van Gend
Group Managing Director

12 December 2023

SIYAKA | building *print* excellence

Directors: A. H. Howie (Chairman), J. P. Van Gend* (Group Managing Director), M. Matafeni* (Group Finance Director), A. Aldridge, S. H. Murray, Q. Swart, M. Valela (A. Makamure, Alt) * Executive Directors

P O Box 4351, Harare, 68 Birmingham Road, Southerton, Harare, Zimbabwe. Telephone 662730/9, 0772192291/3



PO Box 267 Harare Zimbabwe Deloitte & Touche Registered Auditors West Block Borrowdale Office Park Borrowdale Road Borrowdale Harare Zimbabwe

Tel: +263 (0) 8677 000261 www.deloitte.com

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF NAMPAK ZIMBABWE LIMITED

REPORT ON THE AUDIT OF THE CONDENSED CONSOLIDATED INFLATION ADJUSTED FINANCIAL STATEMENTS

Opinion

The condensed consolidated inflation adjusted financial statements of Nampak Zimbabwe Limited and its subsidiaries ("the Group"), set out on pages 1 to 2 which comprises the condensed consolidated inflation adjusted statement of financial position as at 30 September 2023, the condensed consolidated inflation adjusted statement of profit or loss and other comprehensive income, the condensed consolidated inflation adjusted statement of changes in equity, the condensed consolidated inflation adjusted statement of cash flows for the year then ended, and the notes to the condensed consolidated inflation adjusted financial statements, are derived from the audited financial statements of the Group for the year ended 30 September 2023. We expressed an unmodified audit opinion on those financial statements dated 27 December 2023.

In our opinion, the condensed consolidated inflation adjusted financial statements are consistent, in all material respects, with the audited inflation adjusted financial statements of the Group, in accordance with International Financial Reporting Standards (IFRSs) as disclosed in the basis of preparation and the requirements of the Companies and Other Business Entities Act (Chapter 24:31) and the relevant statutory instruments (SI33/99 and SI62/96) as applicable to condensed consolidated inflation adjusted financial statements.

Condensed Consolidated Inflation Adjusted Financial Statements

The condensed consolidated inflation adjusted financial statements do not contain all the disclosures required by the International Financial Reporting Standards and the requirements of Companies and Other Business Entities Act (Chapter 24:31) and the relevant statutory instruments (SI33/99 and SI62/96) as applicable to financial statements. Reading the summary inflation adjusted financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited inflation adjusted financial statements and the auditor's report thereon.

The Audited Inflation Adjusted Financial Statements and our Report Thereon

We expressed an unmodified audit opinion on the audited inflation adjusted financial statements in our report.



A full list of partners and directors is available on request Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF NAMPAK ZIMBABWE LIMITED

REPORT ON AUDIT OF THE CONDENSED CONSOLIDATED INFLATION ADJUSTED FINANCIAL STATEMENTS

Directors' Responsibility for the Condensed Consolidated Inflation Adjusted Financial Statements

The directors are responsible for the preparation of the condensed consolidated inflation adjusted financial statements in accordance with International Financial Reporting Standards (IFRSs), the Companies and Other Business Entities Act (Chapter 24:31) ("the Act"), the relevant statutory instruments (SI 33/99 and SI 62/96 and for such internal control as the directors determine is necessary to enable the preparation of the condensed consolidated inflation adjusted financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the condensed consolidated inflation adjusted financial statements are consistent, in all material respects, with the audited inflation adjusted financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing 810 (Revised), Engagements to Report on Condensed Consolidated Financial Statements.

The engagement partner on the audit resulting in this independent auditor's report is Tapiwa Chizana.

Deloitte & Touche Per: Tapiwa Chizana

Debitte & Touche

Partner

Registered Auditor

PAAB Practice Certificate Number: 0444

27 December 2023