



**BOWLER METCALF LIMITED**

**Final Results  
Presentation:  
June 2020**

# Agenda

- Welcome
- Group Overview, Results, Dividends and Cash Flow
- Overview and Results
  - Bowler Packaging
  - Bowler Properties
- Business Landscape FY'21
- Questions
  - Within Zoom platform
  - Send your name via 'chat' function
  - To participant: 'Bowler Metcalf'
  - Will address in order at the end of the presentation



# **W**elcome



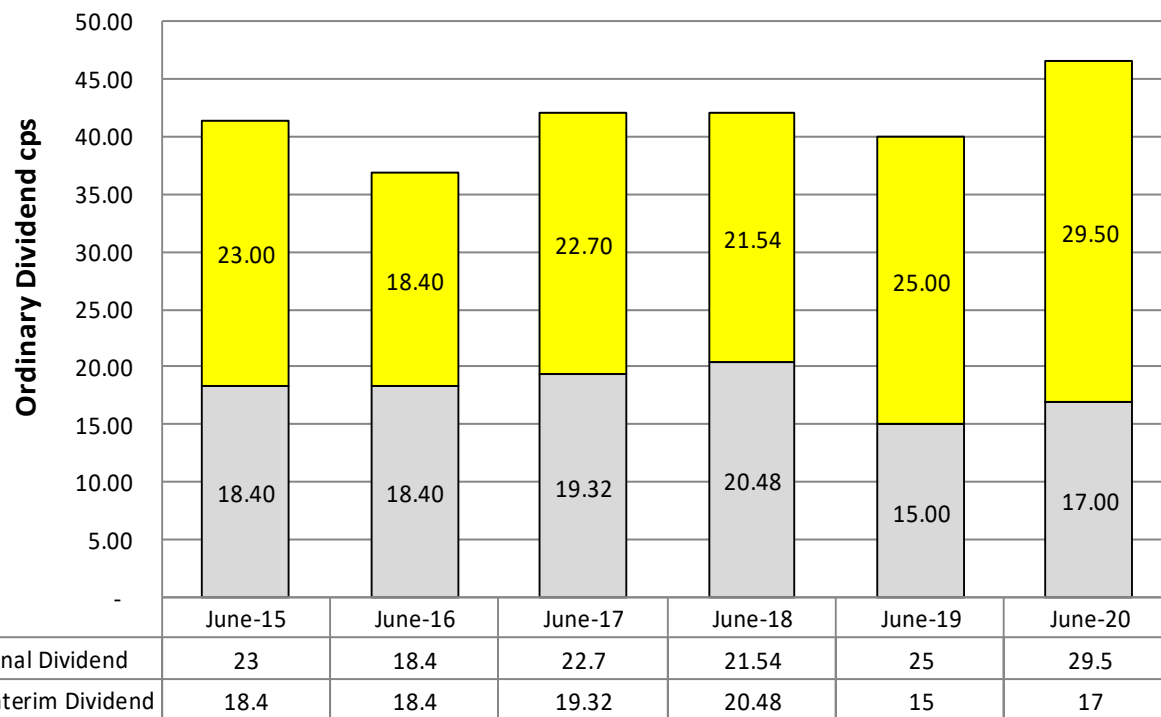
**BOWLER METCALF LIMITED**

# Group Overview and Results

R'm	2020	2019
HEPS (cents)	112,75	88,10
	increase	28%
Headline Earnings	R83,7	R71,9
	increase	16%
Attributable Profit	R82,4	R211,9
	decrease	61%
- Continued Operations Only	R82,4	R71,9
	increase	15%
- Discontinued Operations Only	-	R140,0
<i>Relates to the finalisation of the SoftBev deal in FY'19</i>		



# Dividends and Cash Flow



- 16% increase in ordinary dividend for the year
- Treasury share purchases of R49,5m
  - Of which R46,8m cancelled in FY'20
- Cash flow neutral for the year
  - Positive operating cash flow applied to capex and treasury share purchase
- Finance Income lower due to impact of SoftBev deal in FY'19, treasury share purchases and lower interest rates in FY'20

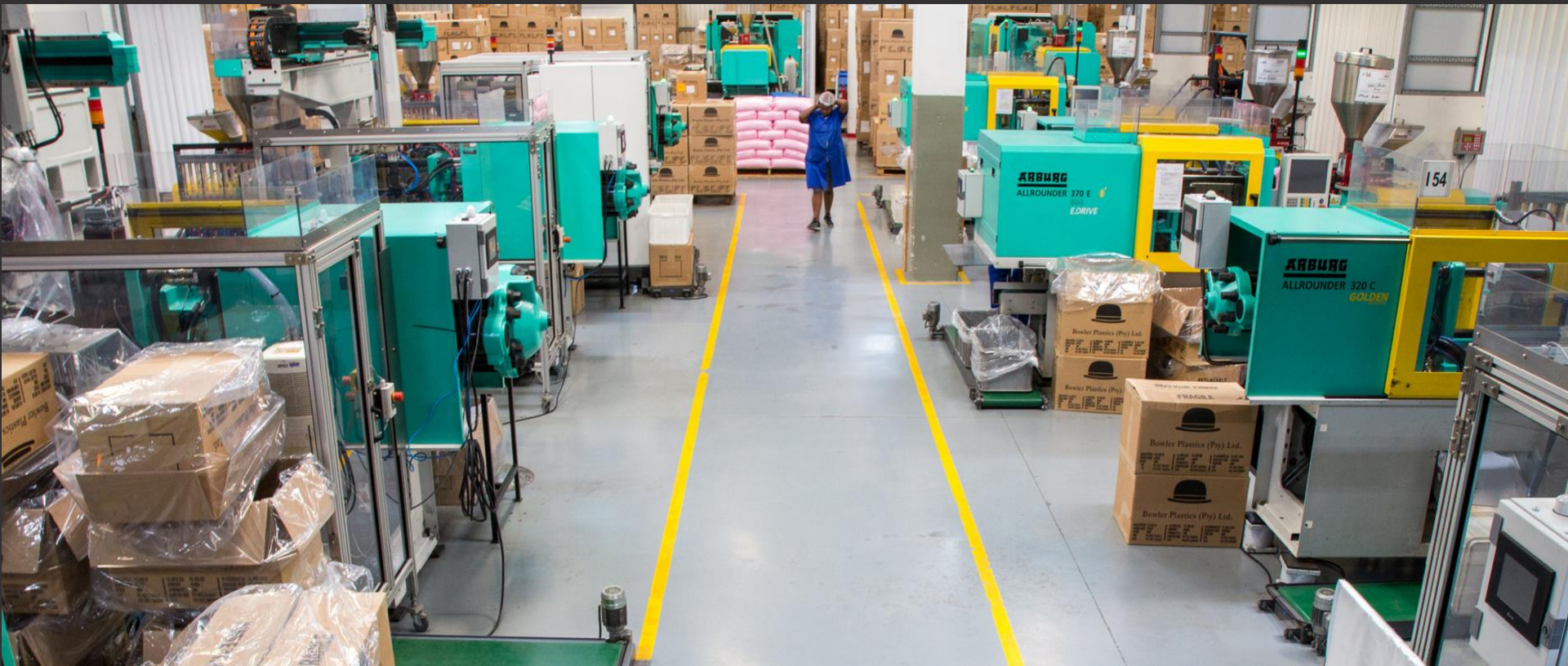




# BOWLER

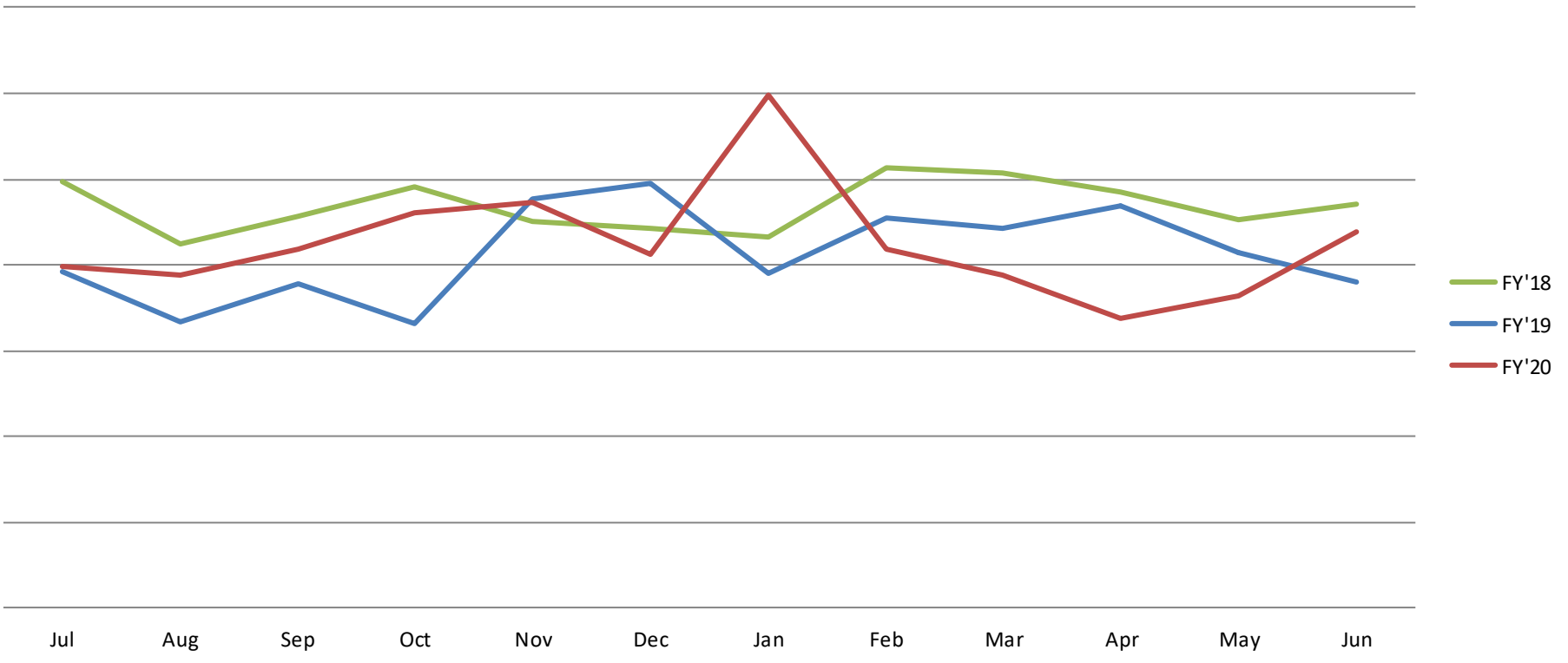
PACKAGING

# Overview and Results



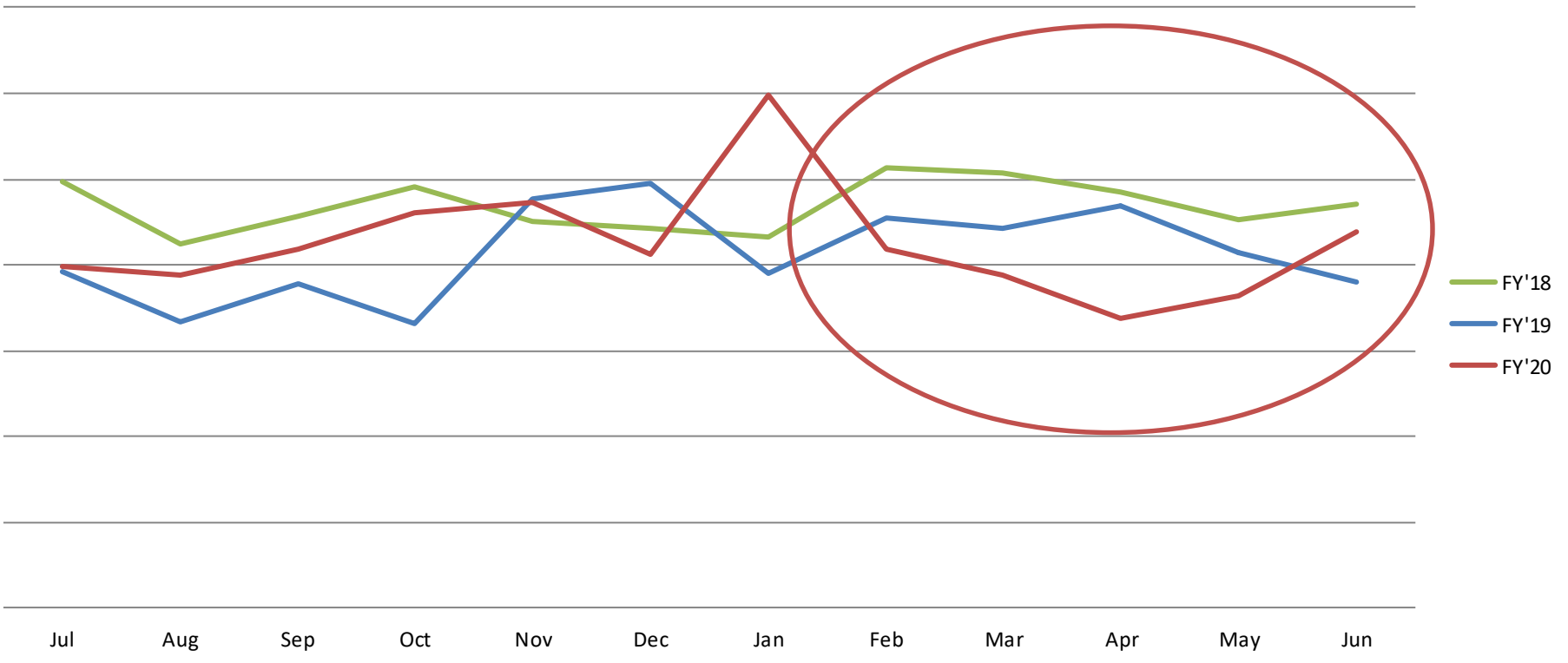
# The Year that was....

## Packaging Daily 'Real Sales Rate' per Month R'm



# The Year that was....

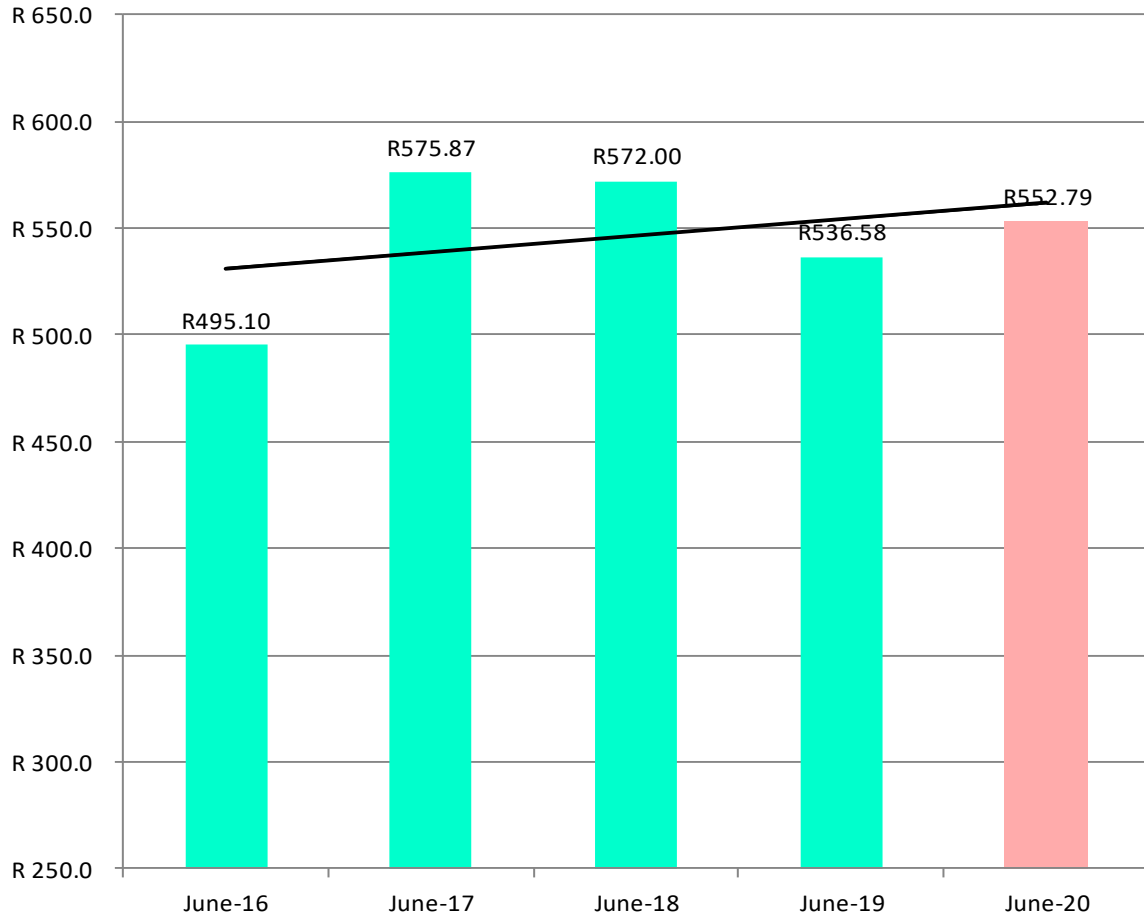
## Packaging Daily 'Real Sales Rate' per Month R'm





# Revenue

Packaging Total Revenue R'm



- ❖ Overall 3% increase
- ❖ Lockdown slowdown
- ❖ Generally Volumes volatile
- ❖ NBD contribution
- ❖ Favourable price increase
- ❖ Product mix
- ❖ Sales landscape



# Results

- ‘Normalised’ operating profits **increase by 34%**
  - FY’19 included special dividend of R17,1m
  - FY’20 includes impairment of goodwill for R1,47m
- Improved margins compared to PY
  - ‘Restored’ in line with FY’18
- Complications of Covid-19 influence....
  - Lost revenue vs. revenue from ‘unusual sources’
  - FY’19 strike costs vs. FY’20 Covid-19 costs
  - ‘Abnormal efficiencies’ inherent to abnormal circumstances....but not sustainable
  - Beneficial raw material prices for a ‘brief moment’.....but current trajectory for price escalations is very concerning
  - Additional provisions for Debtors and Stock
  - ‘Abnormal’ has become ‘normal’
- ❖ Operational insights



# Bowler Properties

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## Overview and Results



# Overview and Results

- ‘Normalised’ operating profits **increase by 13%**
  - FY’19 included R4,7m ‘water tank write-off’
  - FY’20 includes depreciation adjustment of R2,7m relating to extension of ‘useful life’ of properties
- Director’s valuation impacted by reassessment of capitalisation rate used due to economic risks mainly associated with recovery of economy from Covid-19 impact
  - Land and buildings – negative impact
  - Investment properties – negative ‘Covid impact’ offset by more favourable opinion on the overall marketability of the property
  - Overall property portfolio negatively impacted by R3m
- ❖ Operational insights



# Business Landscape FY'21

from it. The group has merely endured stoically through the last few years of turmoil in the local plastics packaging sector.



**Thank you**



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# Question?



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