



**BOWLER METCALF LIMITED**

**Final Results Presentation**

**June 2022**

**Welcome!**

# Agenda

---

- ❖ Board Change
- ❖ Group Results, Cash Flow and Dividends
- ❖ Key Developments
- ❖ Results / Overview / Prospects
  - ❖ Bowler Packaging
  - ❖ Bowler Properties
- ❖ Cash Allocation
- ❖ Questions



# Board Change

---

## ❖ Debbie van Duyn

- Ex CEO, Chairperson and majority shareholder of Isowall Group
- Chairperson PCASA
- Member Plastics SA Board
- HR & SHEQ & Management Specialist

Committee work

Remuneration

Audit and Risk



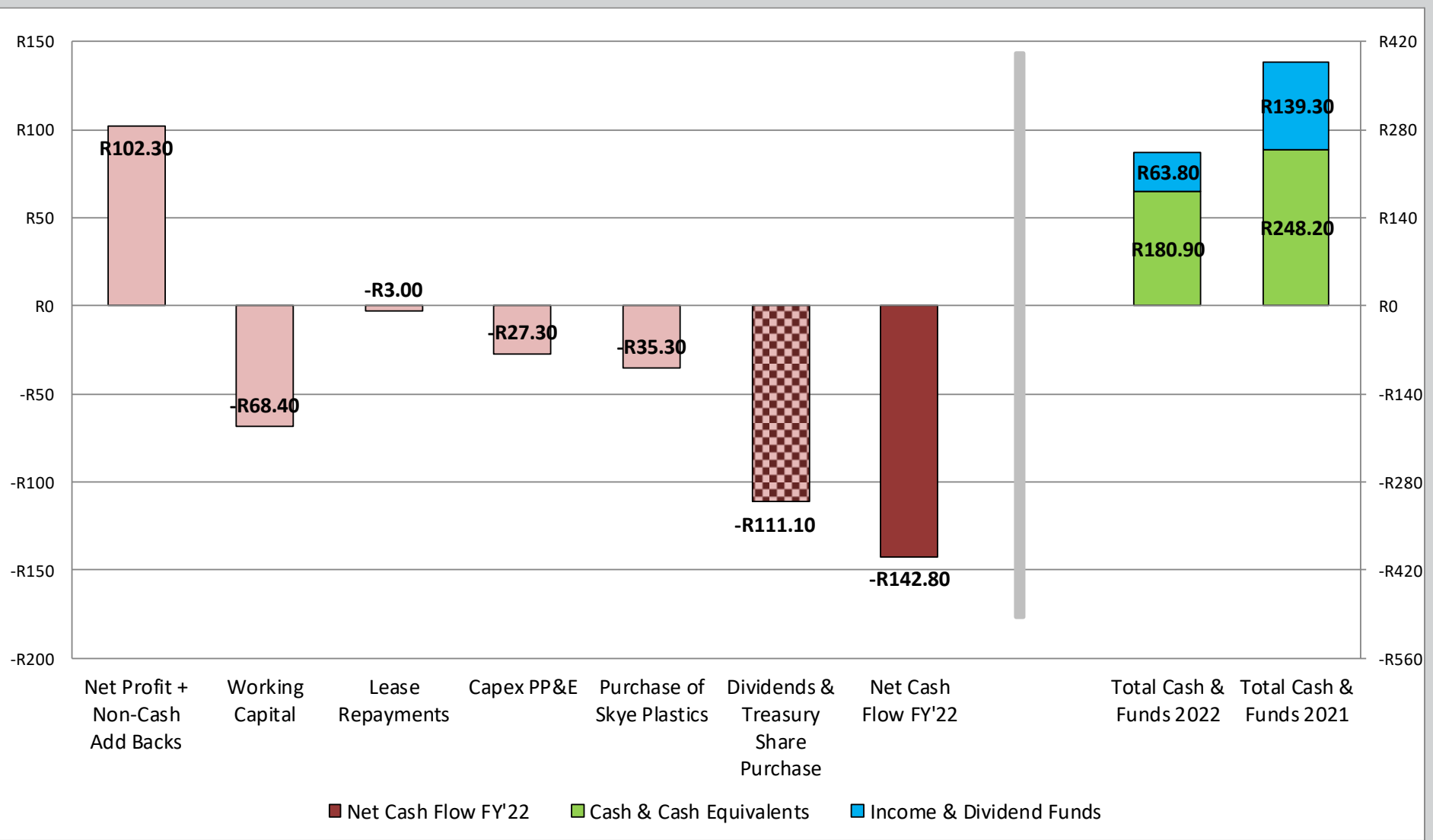
**BOWLER METCALF LIMITED**

# Group Results

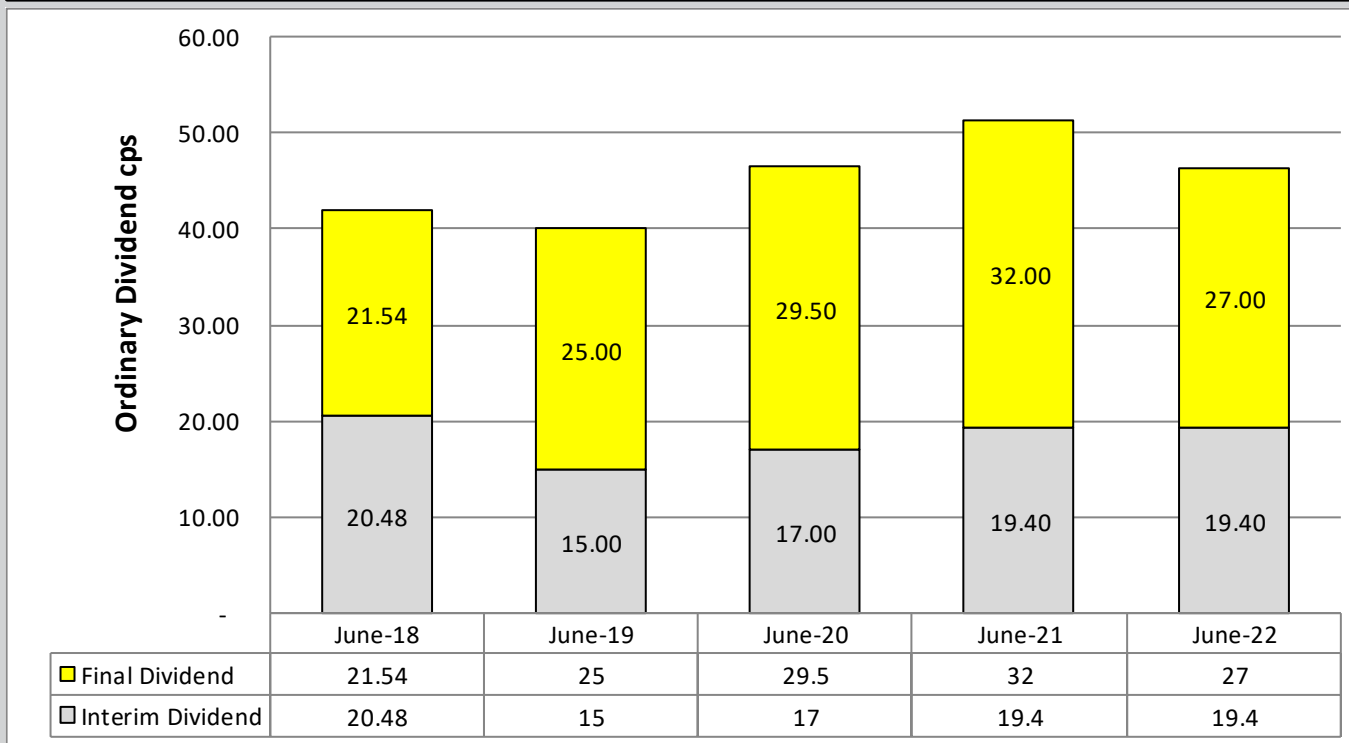
	FY'22	FY'21
HEPS (cents)	116,25	127,31
<i>Decrease of 9%...positive contribution from share buy-backs</i>		
Headline Earnings (R'm)	R82,7	R91,5
<i>Decrease of 10%</i>		
Attributable Profits (R'm)	R82,7	R91,5
<i>Decrease of 10%</i>		
- Packaging	R63,0	R67,1
- Properties	R19,3	R17,0
- Holdings	R9,5	R10,5
- Eliminations	R9,1	R3,1



# Group Cash Flow Summary (R'm)



# Dividend and Treasury Shares



- Special dividend of R60m
- 10% decrease in total ordinary dividend....in line with HEPS decrease
- Treasury share purchase @ R14,5m
  - Lack of liquidity continues to hinder efforts
  - Remains a priority
- **Total return to shareholders of R111,1m**



# Key Developments FY'22

---

- ❖ Philippi Warehouse complete (R17,84mil... R5m below budget)
- ❖ Relocation Blow Moulding operation complete
- ❖ Purchase Skye Packaging
  - Cash purchase of R35,3m (Plant and Inventory)
  - Earnout R5mil max , 1 July 2023 final
- ❖ Skye operational integration and stability
- ❖ Sky Packaging marketing launch
  
- ❖ Solar project – c/f





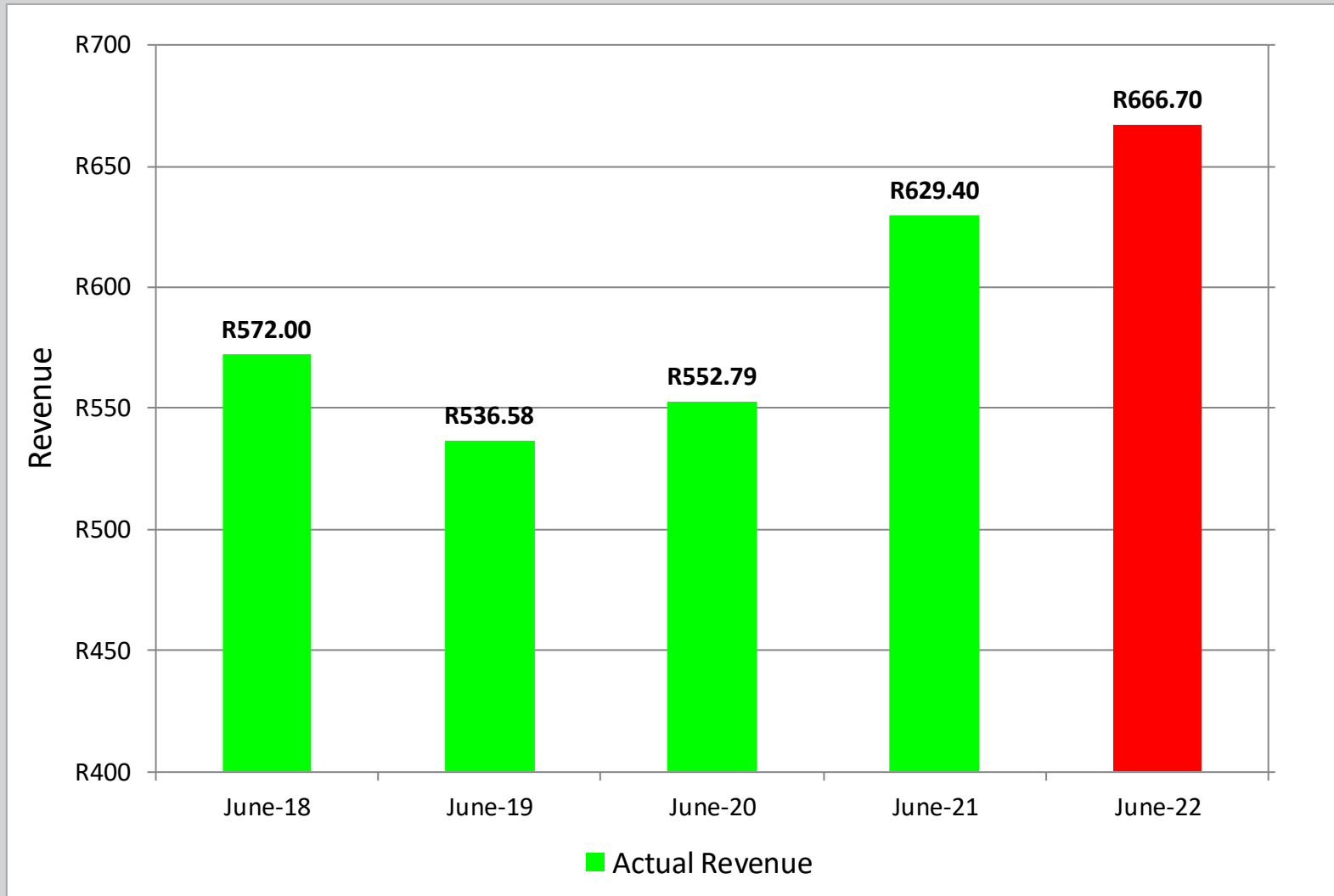
**B O W L E R**

PACKAGING

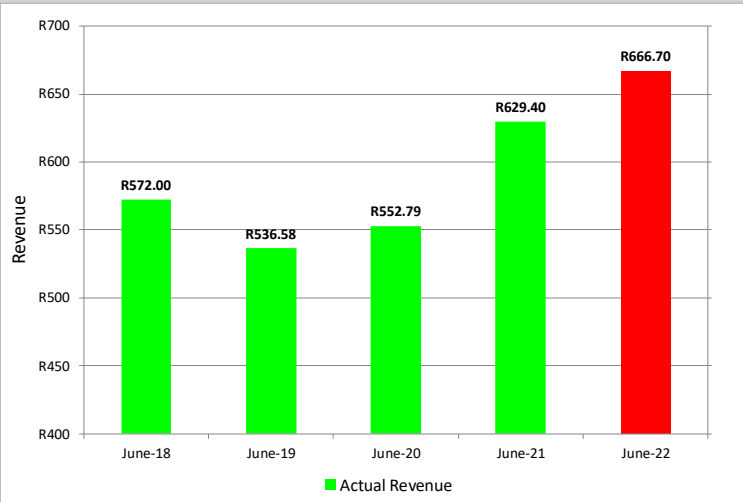
# **R**esults and Overview



# Packaging Revenue (R'm)



# Packaging Revenue Unpack



- ❖ Volumes flat – impact of lost sales
  - Unrest
  - Load shedding
  - Supply chain stock outs up and downstream
- ❖ Margins strained – GVA reducing
  - General Inflationary pressures unrecoverable
  - Business protection
  - Competitive environment / spare capacity abound
  - Raw material pricing and volatility
- ❖ General Market
  - Consumer down buying
  - Product downsizing
  - Cash flows slower – pressure in the value chains
  - Business relationships stable
  - Small businesses straining



# Results

R'm	FY'22	FY'21
Operating Profits	R83,6	R91,9
	<i>Decrease of 9%</i>	
Operating Profit % of Revenue	12,5%	14,6%

- 'Perfect storm'
- Extract from previous presentation:
  - "...but raw material double digit % increase in FY'21 Q4 will be felt in FY'22"
  - "...but capacity 'step change' spend in FY'21 will be felt in FY'22"
- In addition to:
  - R4,8m 'once-off costs' (plant move and relocation for Philippi and Skye)
  - Supply chain bottlenecks
  - Load shedding inefficiencies
  - Contingency measures
- 'Cost of doing business' continues to spiral



# General Industry Developments of Relevance

---

- ❖ BBEE compliance level 7
- ❖ EPR implemented
- ❖ Plastics Treaty

**On March 2, 2022, the United Nations Environment Assembly (UNEA) voted to formulate an international legally-binding instrument by 2024 to end plastic pollution.**

The decision was taken at the fifth session of the UNEA in Nairobi, Kenya, and was agreed upon by representatives from 175 nations.

- ❖ PIMCA signed by labour unions

# Packaging Focus FY'23

---

- ❖ Market Expansion
- ❖ Gauteng Business Growth
  - ❖ Skye Packaging
  - ❖ Various New Business activations
- ❖ R&D Projects
- ❖ Gauteng Operations Growth
  - ❖ Capacity requirements
  - ❖ Warehouse expansion
- ❖ Growth **Pain** management



# Bowler Properties Results and Overview



**BOWLER METCALF LIMITED**

# Results & Overview

---

R'm	FY'22	FY'21
Attributable Profits	R19,3	R17,0
	<i>Increase of 13,5%</i>	

- ❖ Philippi – completed Sept'21
  - ❖ New 5800 m<sup>2</sup> warehouse extension and current facility upgrade completed under budget, ahead of schedule
  - ❖ Resulted in additional revenue from the Packaging segment
- ❖ Roof repairs FY'23 – R8-14mil
- ❖ Solar installations FY'23 – R 40mil



# Cash Allocations

---

- ❖ Spend on Property, Operations, Projects and Opportunities – **feasibilities underway**
- ❖ Capital commitments from FY'22 **(R3m)**
- ❖ Packaging segment capex **(R25m)**
- ❖ Opportunities for H1 FY'23 progress
  - ❖ Solar plant 3MW capabilities **(R35-40m)**
    - ❖ 2 x new installations (Ottery )
    - ❖ 1 x upgrade (Philippi)
  - ❖ Roof and plant upgrades **(R14mil)**
- ❖ Share Buy Backs







**BOWLER METCALF LIMITED**

**Questions?**



**BOWLER METCALF LIMITED**

**Thank You**