Mpact Limited
(Incorporated in the Republic of South Africa)
(Registration number 2004/025229/06)
JSE share code: MPT ISIN: ZAE000156501
("Mpact" or "the Company" or "the Group")

VOLUNTARY TRADING STATEMENT

In terms of the JSE Limited Listings Requirements, companies are required to publish a trading statement as soon as they are satisfied that a reasonable degree of certainty exists that the financial results for the period to be reported on next will differ by 20% or more from the financial results of the previous corresponding reporting period.

Although basic earnings per share ("EPS") and headline earnings per share ("HEPS") are unlikely to differ by 20% or more from the previous corresponding period, shareholders are advised that Mpact expects its underlying earnings per share ("underlying EPS") for the year ended 31 December 2018 to be higher than the previous corresponding period by more than 20%. Underlying earnings excludes special items, which are defined as aspects of financial performance that Mpact believes should be separately disclosed to assist in the understanding of the underlying business performance.

Mpact's financial performance for the year ended 31 December 2018 improved due to better trading in the Paper business which was partially offset by a decline in the Plastics business.

Group revenue is expected to increase by approximately 5% (December 2017 revenue: R10.1 billion), with estimated earnings before interest, tax and special items (underlying EBIT) increasing between 44% and 50% (December 2017 underlying EBIT: R457 million) when compared to the prior year. It is anticipated that the Group's effective tax rate will be between 22% and 25% compared to the prior year tax rate of -10.1%. Special items of R53 million, which are excluded from underlying EBIT relate mainly to an impairment charge and restructuring costs.

Based on the above factors, shareholders are advised that for the year ended 31 December 2018 Mpact expects:

- Underlying EPS to be between 203 cents and 213 cents, an increase of between 22.1% and 28.1% when compared to the prior year underlying EPS of 166.3 cents.

- EPS to be between 180 cents and 190 cents, an increase of between 11.0% and 17.2% when compared to the prior year EPS of 162.1 cents.

- HEPS to be between 190 cents and 200 cents, an increase of between 15.5% and 21.6% when compared to prior year HEPS of 164.5 cents.

Shareholders are advised that the financial information on which this voluntary trading statement is based has not been reviewed nor reported on by the Company's external auditor.

Mpact's audited results for the year ended 31 December 2018 will be released on SENS on or about 13 March 2019.

Melrose Arch

5 February 2019

Sponsor: RAND MERCHANT BANK (A division of FirstRand Bank Limited)