BEING THE CHANGE

UNAUDITED RESULTS

FOR THE
SIX MONTHS ENDED
31 DECEMBER 2023

SALIENT FEATURES

Revenue down
2% to R15.0 billion
(1H23: R15.3 billion)

EBITDA down
13% to R2.0 billion
(1H23: R2.3 billion)*

Operating profit before capital items down
17% to R1.3 billion
(1H23: R1.5 billion)*

HEPS down
36% to 21.8 cents
(1H23: 33.8 cents)*

Net working capital improved by
R914 million to R3.9 billion
(1H23: R4.8 billion)*

Cash generated from operations up
> 100% to R790 million
(1H23: R51 million)

Net interest-bearing debt reduced by
R708 million to R9.2 billion
(1H23: R9.9 billion)

R3 billion
revolving credit facility raised to refinance facilities

**Restated*

OVERVIEW

We continued to experience a challenging macroeconomic and operating environment during the period. While we have become more adept at operating within this environment, we were unable to mitigate the impact of significant weakness in the global chemicals sector and polymers market, which materially affected our performance.

Our operational performance can be summarised as follows:

- In certain areas, we increased domestic market share and entered new markets, which supported revenue growth.
- We made good progress with cost-saving and restructuring initiatives and efficiency improvements, and successfully implemented sales price increases to recover cost escalations, which contributed to higher operating profit margins for some of our divisions.
- Disappointingly, the impact of weaker global polymer margins offset the above-mentioned gains.
- Capital expenditure was focused on the completion of major projects, which remain on track for commissioning during 2H24.
- Working capital was contained at normalised levels compared to the elevated levels reported in the prior period.

Group revenue declined by 2% to R15.0 billion. EBITDA decreased by 13% to R2.0 billion, while operating profit before capital items decreased by 17% to R1.3 billion, mainly attributable to Safripol. HEPS declined by 36% to 21.8 cents, primarily due to the decline in operating profit before capital items and a 20% increase in net finance costs mainly due to higher interest rates. Performance during the prior period was supported by stronger global polymer margins.

Cash flow from operations increased by more than 100% to R790 million primarily as a result of a meaningful improvement in net working capital. This supported a R708 million reduction in net interest-bearing debt to R9.2 billion.

The group raised a R3 billion revolving credit facility in order to refinance facilities and to provide the flexibility to facilitate a planned reduction in debt from FY25. This facility also provides lower interest rates and favourable covenants, which are described in the financial review.

We expect the trading environment to remain challenging over the near term. Our strategy is to maintain our focus on the following initiatives:

- Growing domestic market share and pursuing exports at favourable margins
- Increasing selling prices to recover cost escalations where required
- Delivering cost savings, improving efficiencies, and optimising assets
- Maximising cash flow generation
- Completing a significant restructuring of Unitrans
- Commissioning of major capital projects

Our major capital projects, which will be commissioned in 2H24, total approximately R2.6 billion, the largest of which is PG Bison's medium-density fibreboard ('MDF') expansion. These projects have resulted in elevated levels of debt on the group's balance sheet, without a contribution to cash flow. We anticipate that the completion of these projects, together with the above-mentioned initiatives and lower planned capital expenditure, will support good cash flow generation and a degearing in our balance sheet from FY25.

PG BISON

Revenue up **9%** to
R2 896 million
(1H23: R2 659 million)

Operating profit up **18%** to
R575 million
(1H23: R489 million)

Key metrics for the division are reported as follows:

	1H24	1H23	% change
Sales volumes ('000 m³)*	**387**	376	3
Production volumes ('000 m³)^	**453**	454	–
Value-add ratio (%)	**66**	62	4

* *Sales volumes include non-upgraded and upgraded ('value-add') particle board and MDF board.*
^ *Production volumes include only non-upgraded board.*

PG Bison delivered a strong performance for the period, supported by increased value-add sales and additional exports.

Revenue increased by 9% due to higher volumes, a price increase to offset the impact of higher costs and increased value-add sales, which resulted from improved upgrading plant availability and continued demand creation activities. Domestic demand for particleboard was stable throughout most of the period, but softened towards the end, resulting in lower domestic sales. Exports of primarily particleboard to African and deep-sea markets were pursued to fill production capacity. Exports increased from 11% to 20% of the division's sales volumes. Domestic demand for MDF continued to exceed our available supply.

Operating profit increased by 18%, largely due to the increased value-add sales, technology driven efficiency improvements and a biological asset revaluation of R28 million (1H23: R10 million devaluation). These factors offset the margins achieved on exports to deep-sea markets, which are lower than domestic margins, resulting in an operating profit margin of 19.9%, which is within our long-term guidance of 18% to 20%.

The MDF plant remains on track for commissioning in 2H24 and commercial production in July 2024, and is expected to be completed within the budget of R1.9 billion.

SAFRIPOL
shaping your world, responsibly

Revenue down **8%** to **R4 744 million**
(1H23: R5 156 million)

Operating profit down **67%** to **R178 million**
(1H23: R544 million)*

* *Restated*

Key metrics for the division are reported as follows:

	PET		HDPE		PP		Total	
	1H24	1H23	1H24	1H23	1H24	1H23	1H24	1H23
Revenue (Rm)	2 153	2 337	1 528	1 509	1 039	1 274	4 720	5 120
Sales volumes (tonnes)	99 632	90 895	67 894	63 582	50 464	61 719	217 990	216 196
Production volumes (tonnes)	86 481	96 577	71 271	75 583	51 090	61 413	208 842	233 573
Average USD/R exchange rate	18.68	17.33	18.68	17.33	18.68	17.33	18.68	17.33

PET – Polyethylene terephthalate | HDPE – High-density polyethylene | PP – Polypropylene

The actual raw material margin trend for Safripol is analysed as follows:

	Trend analysis^	
	1H24 vs. 1H23	1H24 vs. 2H23
PET	(45%)	(25%)
HDPE	(1%)	24%
PP*	(20%)	30%

* *Restated*
^ *The actual raw material margin trend analysis includes Safripol's actual selling prices and actual raw material costs in rand.*

Safripol delivered a disappointing result, primarily due to a deterioration in global polymer raw material margins, especially in PET.

Sales volumes were stable, with a 6% increase in domestic sales volumes offsetting the impact of lower exports. Exports were reduced from 14% to 9% of the division's sales volumes, due to global price weakness on PET and capacity constraints related to HDPE and PP. HDPE and PP production was affected by electricity disruptions at Sasolburg, with PP production further affected by a transformer failure, all of which negatively impacted sales volumes of these polymers. An improved operational performance at the PET plant in Durban was curtailed by a five-week commercial shutdown to balance the improved production levels with domestic demand.

Revenue decreased by 8% as Safripol's average sales basket price (average PET, HDPE and PP domestic and export prices) declined by 15% in US dollar terms. PET prices were particularly weak and declined by 22%. An 8% weakening in the rand relative to the US dollar offset some of the price weakness.

Safripol's operating profit margin of 3.8% was below our through-the-cycle guidance of 7% to 9%, and lower than the prior period margin of 10.6%. The deterioration in the operating margin largely resulted from a weakening in raw material margins, especially PET. The polymers market is experiencing an extended cyclical low due to increased global capacity and weaker demand, compared to a stronger market during the prior period. HDPE raw material margins, however, remained healthy, supported by a raw material supply contract that moderates an element of cyclicality in margins.

In October 2023, management established that a raw material supplier had incorrectly applied a contractual pricing formula for the period 1 February 2022 to 30 September 2023. This resulted in Safripol being overcharged by R183 million for raw material purchases, R163 million of which relates to FY23, of which R107 million relates to 1H23. The error was immediately corrected, and the overcharges recovered from the supplier. The prior periods have been restated to correct the impact of the error, effectively increasing prior period earnings.

UNITRANS

Revenue down **7%** to **R5 072 million**
(1H23: R5 428 million)

Operating profit down **21%** to **R264 million**
(1H23: R334 million)

Unitrans made good progress in restructuring the division, which includes:

- the exiting of low-margin activities;
- the disposal of underutilised assets;
- cost reductions;
- a refined business development approach; and
- stringent capital allocation.

While this had a pleasing impact on the division's balance sheet during the period, due to the costs involved in executing these initiatives, we expect the benefits thereof to only be realised in improved profitability from the second half of the financial year and into FY25. A new chief executive officer, Edwin Hewitt, was appointed with effect from 1 January 2024.

Revenue for the period was 7% lower due primarily to the cessation of low margin, low return activities, including rail and general freight, and the loss of a major retail contract in FY22, one month of which is still reflected in the prior period. The operating environment was generally subdued, with lower demand and elevated inventory levels observed across various sectors.

Operating profit declined by 21%, and the margin of 5.2% was below our long-term guidance of 8% to 10%. Non-recurring costs of R30 million related to the closure of the above activities, as well as retrenchment costs, affected the division's performance. Additionally, the division incurred foreign exchange losses of R43 million, resulting mainly from the Malawian government's devaluation of the Malawian kwacha in November 2023. Taking these factors into account, the division delivered a satisfactory performance during the period.

FELTEX

Revenue up **24%** to **R1 370 million**
(1H23: R1 107 million)*

Operating profit up **31%** to **R136 million**
(1H23: R104 million)*

** Re-presented to reflect the transfer of the fibre recycling business, Connacher, from the Restonic to the Feltex division.*

Feltex delivered a good performance supported by an improvement in South African vehicle assembly volumes.

Revenue increased by 24% due to higher sales volumes and price adjustments related to raw material cost escalations and contractual volume shortfalls. New vehicle assembly volumes, which increased by 18% during the period, are the primary driver of the division's interior cockpit component revenue. South African light commercial vehicle sales, which increased by 4%, and sports utility vehicle sales, which decreased by 14%, are the primary drivers of the division's exterior body component revenue.

The operating profit margin improved from 9.4% to 9.9%, just below our long-term guidance of 10% to 12%, due to the higher sales volumes and a focus on costs and process optimisation. Operating profit includes insurance income of R19 million (1H23: R50 million) related to business interruption following the KwaZulu-Natal floods in April 2022.

RESTONIC
BELIEVE IN THE POWER OF SLEEP

Revenue up **8%** to
R975 million
(1H23: R905 million)*

Operating profit up **> 100%** to
R99 million
(1H23: R34 million)*

* *Re-presented to reflect the transfer of the fibre recycling business, Connacher, from the Restonic to the Feltex division.*

Restonic's performance improved considerably compared with the prior period. This was supported by market share gains and the continued realisation of benefits from the restructuring process concluded in FY23.

Revenue increased by 8%, largely due to higher sales volumes and price increases to recover higher raw material costs. Domestic demand was subdued due to pressure on consumer disposable income and the effects of loadshedding on retail store footfall. The introduction of new bedding products, both at entry level and in premium categories, and concentrated sales and marketing efforts resulted in increased sales volumes. Sales volumes of bedding units were 3%, foam 2% and textiles 13% higher respectively. The meaningful increase in textile sales volumes was driven by higher intercompany sales.

Operating profit improved by more than 100% due to a focus on more profitable market segments and products, improved process efficiencies and cost savings. The operating profit margin of 10.2%, while much improved, was below our long-term guidance of 13% to 15%.

optix
SAFELY HOME

Revenue flat at
R285 million
(1H23: R288 million)

Operating profit at
break-even
(1H23: R10 million)

Optix delivered satisfactory growth in hardware sales volumes and subscriber numbers. Performance was, however, lower than in the prior period due primarily to costs associated with product development and scaling of the business in line with our strategic objectives. The division's order book and sales pipeline remain positive.

OUTLOOK

We expect the challenging macroeconomic and operating environment experienced during the period to persist for the remainder of the financial year and into FY25. Polymer raw material margins are expected to remain volatile and depressed due to global supply and demand imbalances. In this environment, we remain focused on the following activities and initiatives across our divisions to support group performance and returns:

- Growing domestic market share and supplementing domestic sales with exports at favourable margins
- Increasing selling prices to recover cost escalations where required
- Delivering cost savings and improving operational efficiencies
- Optimising assets, which includes redeploying and disposing of assets, and exiting activities that are unlikely to meet our return hurdles
- Prudently managing working capital and curtailing non-essential capital expenditure to support cash flow generation

We will also continue to drive a major restructuring of Unitrans, a process which we believe will increase the division's focus as an integrated supply chain solutions company, improve the quality of revenue, and deliver higher margins and returns. We expect this process to largely be completed by 30 June 2024.

Additionally, we will complete major capital projects in 2H24 totalling approximately R2.6 billion. The largest of these is PG Bison's MDF expansion project, which will increase the division's total production capacity by 33% and will be used to pursue domestic market share growth and exports to select markets.

We expect that FY24 will represent a period of elevated debt for the group, as we complete the above-mentioned major capital projects. While in construction phase, these projects are not yet contributing to cash flows. We expect our capital expenditure profile to taper off meaningfully from FY25, as we have no major expansion capital expenditure committed beyond FY24. We anticipate that the lower planned capital expenditure, commissioning of major capital projects in 2H24 and the aforementioned activities and initiatives, will support higher cash flow generation and a degearing in our balance sheet from FY25.

MEDIA SPECULATION REGARDING UNITRANS

There has recently been media speculation regarding the potential sale of Unitrans. While it is not our policy to respond to media speculation, we feel that it is appropriate to clarify our position to the market, customers and employees.

We have previously communicated that we regularly review KAP's portfolio of businesses to ensure alignment with our strategy and investment criteria and to enhance shareholder value. This may from time to time result in the restructuring or disposal of assets and/or businesses in our portfolio. As part of this process and in relation to Unitrans:

- Management is engaged in a major restructuring of Unitrans to significantly improve the performance of the business. The restructuring commenced in 1H23 and good progress is being made, as discussed in the operational review.
- Management has received interest in Unitrans over time and has responded by exploring this through a structured process to ascertain whether it will enhance shareholder value and be beneficial to other key stakeholders. There is, however, nothing firm at this stage that requires any formal announcement or communication with our stakeholders and there is also no certainty that a transaction will materialise.

Unitrans is a major division of KAP and will continue to be managed in the best interests of the business, its customers and employees.

FINANCIAL REVIEW

RESTATEMENT

In October 2023, management established that a raw material supplier had incorrectly applied a contractual pricing formula for the period 1 February 2022 to 30 September 2023. This resulted in Safripol being overcharged by R183 million for raw material purchases, R163 million of which relates to FY23, of which R107 million relates to 1H23. The error was immediately corrected, and the overcharges recovered from the supplier.

The prior periods have been restated to correct the impact of the error, effectively increasing prior period earnings. The impact of the restatement is disclosed in the notes to the condensed consolidated results.

INCOME STATEMENT

Revenue decreased by 2% to R15 028 million (1H23: R15 265 million).

Operating profit before depreciation, amortisation and capital items ('EBITDA') decreased by 13% to R1 982 million (1H23: R2 275 million).

Operating profit before capital items decreased by 17% to R1 252 million (1H23: R1 515 million) and operating margin decreased to 8.3% (1H23: 9.9%).

The lower operating profit and margin were mainly due to a material decline in Safripol's performance, which resulted from an extended cyclical low in the polymers market due to increased global capacity and weaker demand.

Divisional operating profit and margin percentages are reflected as follows:

Operating profit and margin %	Six months ended 31 Dec 2023 Unaudited Rm	31 Dec 2023 Unaudited Margin %	Six months ended 31 Dec 2022 Unaudited Restated Rm	31 Dec 2022 Unaudited Margin Restated %	Operating profit change %	Margin change %
PG Bison	575	19.9	489	18.4	18	1.5
Safripol	178	3.8	544	10.6	(67)	(6.8)
Unitrans	264	5.2	334	6.2	(21)	(1.0)
Feltex	136	9.9	104	9.4	31	0.5
Restonic	99	10.2	34	3.8	> 100	6.4
Optix	–	–	10	3.5	(100)	(3.5)
	1 252	8.3	1 515	9.9	(17)	(1.6)

The operating profit includes R35 million (1H23: R111 million) insurance income, of which R19 million is related to the business interruption caused by the KwaZulu-Natal floods in April 2022, and R15 million to the fires at PG Bison's northeastern Cape plantations in August 2023. In the prior period, Safripol, Feltex and Unitrans recognised insurance income of R35 million, R50 million and R17 million respectively in relation to these events. An insurance claim relating to the major equipment failure at the Safripol Durban plant in September 2022 remains subject to insurance assessment, which is expected to be finalised in FY24.

Unitrans incurred foreign exchange losses of R43 million, resulting mainly from the Malawian government's devaluation of the Malawian kwacha in November 2023.

Net finance costs increased by 20% to R430 million (1H23: R358 million). However, net finance cost including the impact of capitalised interest on the major expansion projects increased by 35% or R133 million. The increase is mainly due to increased interest rates as gross debt levels remained relatively stable throughout the period. Interest capitalised for the period amounts to R82 million compared to R21 million in the prior period.

Headline earnings per share ('HEPS') decreased by 36% to 21.8 cents (1H23: 33.8 cents) and basic earnings per share ('EPS') decreased by 37% to 21.2 cents (1H23: 33.9 cents).

CAPITAL ITEMS

Capital items of R22 million (1H23: R4 million income) include R10 million (1H23: R21 million) insurance income for the replacement of property, plant and equipment.

TAXATION

The effective tax rate of 29.1% (1H23: 26.7%) was impacted by increased withholding taxes paid compared to the prior period.

STATEMENT OF FINANCIAL POSITION

Net interest-bearing debt decreased by R708 million compared to the prior period despite an increase in expansion capital expenditure related to several major capital projects, primarily due to lower net working capital. The group remained within its financial covenants during the period. The group's balance sheet is resilient and should strengthen further following the commissioning of these major capital projects during 2H24 and a reduction in capital expenditure in FY25.

The net asset value per share increased marginally by 1% to 478 cents (1H23: 472 cents).

NET WORKING CAPITAL

Net working capital levels decreased by R914 million compared to the prior period. Inventory and accounts receivable decreased by R206 million and R202 million respectively, while accounts payable increased by R506 million.

Increased focus has been placed on optimising net working capital, specifically aligning production and inventory levels with domestic demand and exports, where commercially viable. At Safripol, production at the PET plant in Durban was curtailed by a five-week commercial shutdown. PET exports were not commercially viable at that stage.

The R258 million insurance claims receivable at year-end were largely collected during the period.

CASH FLOW

Cash generated from operations of R790 million (1H23: R51 million) is R739 million better than the prior period, comprising R343 million less cash generated from trading, offset by R1 082 million less cash invested in net working capital.

The cash conversion ratio of EBITDA to cash flow from operations is expected to normalise towards year-end to achieve our internal target of greater than 90%.

Free cash outflow (before dividends paid) of R1 021 million is R604 million better than the prior period, due mainly to R739 million more cash generated from operations, offset by an increase of R158 million in net finance costs paid and an increased spend of R62 million on investing activities.

The company did not pay dividends during the period (1H23: R717 million).

CAPITAL EXPENDITURE

Depreciation and amortisation (excluding right-of-use asset depreciation) for the period amounted to R666 million (1H23: R695 million), while replacement capital expenditure net of proceeds from disposal, insurance proceeds and government grants received amounted to only R26 million (1H23: R408 million). Management is actively disposing of underutilised vehicles and trailers or redeploying these internally to improve capital efficiency in Unitrans. Proceeds on asset disposal in Unitrans totalled R249 million for the period, with further disposals of approximately R100 million expected before 30 June 2024.

Capital work-in-progress of R2 509 million (1H23: R1 159 million) contributed to elevated debt levels during the period. In FY24, major expansion and replacement projects of R2 431 million and renewable energy projects of R165 million will be completed. While these projects do not yet generate income, they accumulate interest. Management is therefore carefully monitoring the group's capital expenditure to control debt levels, interest costs and financial covenants. As these projects will be commissioned in 2H24, they should contribute to reducing debt levels in the new financial year.

Expansion capital expenditure of R1 090 million (1H23: R524 million), net of government grants received, was invested in the group's asset base to drive growth and efficiency benefits.

REFINANCING ACTIVITIES

During the period, a new revolving credit facility of R3 billion was raised to refinance a combination of the previous revolving credit facility, term debt and bonds. The facility comprises R2 billion in three-year and R1 billion in five-year tenures, both at lower interest rates than existing facilities, and with favourable covenants. This facility provides refinancing certainty during a period of potential earnings volatility related to an uncertain local and global macroeconomic environment and the completion of our major capital projects in FY24. It will also provide the flexibility to facilitate a planned reduction in debt from FY25.

A key risk mitigation of the new facility is a covenant ratchet in respect of the interest cover ratio for the next three financial years. The previous interest cover covenant required greater than 3.5 times. The new facility provides for greater than 3 times in FY24, greater than 3.25 times in FY25 and greater than 3.5 times in FY26. The net debt to EBITDA ratio reduced to less than 3 times (previously less than 3.2 times). This revolving credit facility replaces the previous R750 million revolving credit facility.

In addition, during the period, bonds to the value of R527 million were settled and new funding of R500 million was raised through a bond issuance with a maturity of three years, at more favourable interest rates.

CAPITAL STRUCTURE

Net interest-bearing debt of R9 212 million decreased by R708 million compared to the prior period, resulting in a decrease in the net interest-bearing debt to equity (gearing) ratio to 77% from 85% in the prior period.

Debt serviceability ratios for the period of net debt to EBITDA at 2.5 times and EBITDA to interest cover at 3.8 times remained within our financial covenants of less than 3.2 times and greater than 3.5 times. The net debt to EBITDA ratio is at our internal target of 2.5 times, however, the EBITDA to interest cover is less than our internal target of 4.5 times. As noted above, we plan to reduce debt from FY25 after the completion of the major expansion projects.

Global Credit Rating Co. Proprietary Limited reviewed KAP's credit rating in November 2023, and confirmed its rating as A+(za), but revised the outlook from stable to negative.

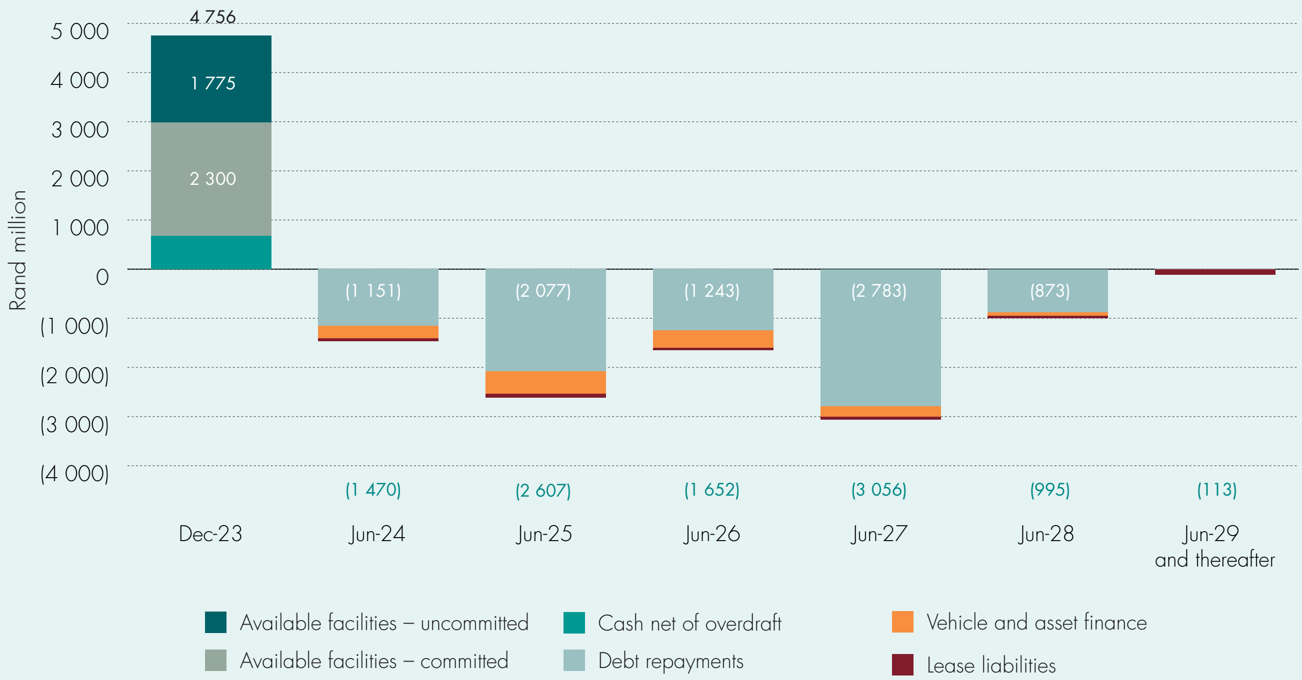
The debt structure, movement in net interest-bearing debt and financial covenant ratios are reflected as follows:

Debt structure and capacity ratios	31 Dec 2023 Unaudited Rm	31 Dec 2022 Unaudited Restated Rm	30 Jun 2023 Restated Rm
Loans and borrowings non-current	**6 373**	7 982	6 849
Loans and borrowings current	**3 162**	1 712	2 247
Lease liabilities non-current	**308**	364	323
Lease liabilities current	**115**	117	126
Non-interest-bearing loans and borrowings	**(65)**	(70)	(65)
Bank overdrafts	**437**	900	–
Cash and cash equivalents	**(1 118)**	(1 085)	(1 453)
Net interest-bearing debt	**9 212**	9 920	8 027
Movement in net interest-bearing debt			
Balance at the beginning of the period excluding lease liabilities	**7 578**	6 981	6 981
Net interest-bearing loans and borrowings received	**443**	925	309
(Decrease)/increase in accrued interest on loans and borrowings	**(4)**	20	43
Net decrease in cash and cash equivalents	**707**	1 511	276
Net acquisition of subsidiaries	**–**	6	6
Effects of exchange rate translations on cash and cash equivalents	**65**	(4)	(37)
Net interest-bearing debt excluding lease liabilities	**8 789**	9 439	7 578
Lease liabilities	**423**	481	449
Net interest-bearing debt	**9 212**	9 920	8 027
EBITDA[1]	**1 982**	2 275	4 020
Net finance costs including capitalised interest	**512**	379	851
EBITDA: interest cover (times) > 3.5[2][3]	**3.8**	6.6	4.7
Net debt: EBITDA (times) < 3.2[2][3]	**2.5**	2.3	2.0
Gearing %	**77**	85	70

[1] *Operating profit before depreciation, amortisation and capital items.*
[2] *Rolling 12 months.*
[3] *Financial covenant triggers.*

As noted above, the group has raised a R3 billion revolving credit facility, which provides sufficient capacity to settle near-term debt maturities.

Maturity of net interest-bearing debt as at 31 December 2023



DIVIDEND

As per historical practice, no interim dividend was declared.

APPRECIATION

We acknowledge that we could not have navigated the complexities in our business landscape over the past few years without the active participation of all our key stakeholders. We extend our deepest gratitude to all who enable us to remain focused on our strategy of delivering value-accretive growth for our stakeholders through building a portfolio of market-leading businesses.

On behalf of the board

Patrick Quarmby
Independent non-executive chairperson

Gary Chaplin
Chief executive officer

Frans Olivier
Chief financial officer

27 February 2024

CONDENSED CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

	Notes	Six months ended 31 Dec 2023 Unaudited Rm	Six months ended 31 Dec 2022 Unaudited Restated* Rm	% change	Year ended 30 Jun 2023 Restated* Rm
Revenue	1	15 028	15 265	(2)	29 628
Cost of revenue		(12 260)	(12 481)		(24 546)
Gross profit		2 768	2 784	(1)	5 082
Operating profit before depreciation, amortisation and capital items		1 982	2 275	(13)	4 020
Depreciation and amortisation		(730)	(760)		(1 497)
Operating profit before capital items		1 252	1 515	(17)	2 523
Capital items	2	(22)	4		(816)
Operating profit		1 230	1 519	(19)	1 707
Finance costs		(470)	(375)		(833)
Finance income		40	17		39
Share of profit of associate and joint venture companies		21	34		39
Profit before taxation		821	1 195	(31)	952
Taxation		(239)	(319)		(352)
Profit for the period		582	876	(34)	600
Profit attributable to:					
Owners of the parent		525	838	(37)	528
Non-controlling interests		57	38		72
Profit for the period		582	876	(34)	600
Other comprehensive income/(loss)					
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations		(165)	34		230
Total other comprehensive (loss)/income for the period, net of taxation		(165)	34		230
Total comprehensive income for the period, net of taxation		417	910	(54)	830
Total comprehensive income attributable to:					
Owners of the parent		362	874		753
Non-controlling interests		55	36		77
Profit for the period		57	38		72
Foreign currency translation reserve transferred to non-controlling interests		(2)	(2)		5
Total comprehensive income for the period		417	910	(54)	830

Earnings per share attributable to owners of the parent	Cents	Cents	% change	Cents
Basic earnings	21.2	33.9	(37)	21.3
Diluted earnings	21.0	32.9	(36)	20.9

* Refer to note 9 for details on the restatement.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 Dec 2023 Unaudited Rm	31 Dec 2022 Unaudited Restated* Rm	30 Jun 2023 Restated* Rm
Assets			
Non-current assets			
Goodwill	661	704	662
Intangible assets	1 722	2 381	1 728
Property, plant and equipment	15 556	14 483	15 094
Right-of-use assets	363	423	390
Consumable biological assets	1 565	1 502	1 536
Investments in associate and joint venture companies	247	231	237
Investments and loans receivable	9	16	16
Deferred taxation assets	87	54	89
Derivative financial instruments	52	140	57
	20 262	19 934	19 809
Current assets			
Inventories	3 632	3 838	3 467
Trade and other receivables	5 191	5 330	4 814
Derivative financial instruments	54	29	111
Loans receivable	19	15	13
Taxation receivable	55	63	50
Cash and cash equivalents	1 118	1 085	1 453
	10 069	10 360	9 908
Assets held for sale	–	–	53
	10 069	10 360	9 961
Total assets	30 331	30 294	29 770
Equity and liabilities			
Capital and reserves			
Total equity attributable to owners of the parent	11 918	11 698	11 542
Non-controlling interests	278	246	277
Total equity	12 196	11 944	11 819
Non-current liabilities			
Loans and borrowings	6 373	7 982	6 849
Lease liabilities	308	364	323
Employee benefits	26	18	20
Provisions	2	3	2
Deferred taxation liabilities	2 607	2 687	2 533
Derivative financial instruments	–	29	8
	9 316	11 083	9 735
Current liabilities			
Loans and borrowings	3 162	1 712	2 247
Lease liabilities	115	117	126
Employee benefits	238	278	430
Provisions	43	60	41
Trade and other payables	4 700	4 134	5 224
Derivative financial instruments	59	40	80
Taxation payable	44	26	68
Bank overdrafts	437	900	–
Other financial liabilities	21	–	–
	8 819	7 267	8 216
Total equity and liabilities	30 331	30 294	29 770

** Refer to note 9 for details on the restatement.*

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Six months ended 31 Dec 2023 Unaudited Rm	Six months ended 31 Dec 2022 Unaudited Restated* Rm	Year ended 30 Jun 2023 Restated* Rm
Balance at beginning of the period	11 819	11 750	11 750
Changes in stated share capital			
Other movements	–	(18)	–
Changes in reserves			
Total comprehensive income for the period attributable to owners of the parent	362	874	753
Ordinary dividends paid	–	(717)	(717)
Share-based payments	14	58	(15)
Other movements	–	(30)	(10)
Changes in non-controlling interests			
Total comprehensive income for the period attributable to non-controlling interests	55	36	77
Ordinary dividends paid	(54)	(24)	(34)
Shares issued to non-controlling interests	–	15	15
Balance at end of the period	12 196	11 944	11 819
Comprising:			
Stated share capital	7 896	7 878	7 896
Distributable reserves	7 180	6 950	6 656
Share-based payment reserve	618	677	604
Reverse acquisition reserve	(3 952)	(3 952)	(3 952)
Other reserves	176	145	338
Non-controlling interests	278	246	277
	12 196	11 944	11 819

* *Refer to note 9 for details on the restatement.*

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 31 Dec 2023 Unaudited Rm	Six months ended 31 Dec 2022 Unaudited Restated* Rm	Year ended 30 Jun 2023 Restated* Rm
Operating profit	1 230	1 519	1 707
Adjusted for:			
Capital items	22	(4)	816
Depreciation and amortisation	730	760	1 497
Net fair value adjustments of consumable biological assets[1]	(28)	10	(24)
Other non-cash adjustments	51	63	37
Cash generated before working capital changes	2 005	2 348	4 033
Increase in inventories	(177)	(420)	(37)
Increase in trade and other receivables	(360)	(566)	(3)
Decrease in trade and other payables	(678)	(1 311)	(104)
Changes in working capital	(1 215)	(2 297)	(144)
Cash generated from operations	790	51	3 889
Dividends received	–	10	10
Finance income received	40	17	39
Finance costs paid	(556)	(375)	(847)
Dividends paid	(32)	(741)	(751)
Taxation paid	(183)	(278)	(467)
Other	–	–	(18)
Net cash inflow/(outflow) from operating activities	59	(1 316)	1 855
Additions to property, plant and equipment[2]	(1 116)	(932)	(2 197)
Additions to intangible assets[3]	(7)	(6)	(19)
Additions to consumable biological assets	(1)	(21)	(21)
Acquisition of subsidiaries and businesses, net of cash acquired	–	(67)	(37)
Other investing activities	12	(24)	(24)
Net cash outflow from investing activities	(1 112)	(1 050)	(2 298)
Net cash outflow from operating and investing activities	(1 053)	(2 366)	(443)
Transactions with non-controlling interests	–	8	(22)
Loans and borrowings received	2 034	2 791	2 612
Loans and borrowings repaid	(1 591)	(1 866)	(2 303)
Lease liabilities capital repayments	(64)	(60)	(120)
Other	(33)	(18)	–
Net cash inflow from financing activities	346	855	167
Net decrease in cash and cash equivalents	(707)	(1 511)	(276)
Net cash and cash equivalents at beginning of the period	1 453	1 692	1 692
Effects of exchange rate translations on net cash and cash equivalents	(65)	4	37
Net cash and cash equivalents at end of the period	681	185	1 453

* *Refer to note 9 for details on the restatement.*

[1] *Includes fair value gain and decrease due to harvesting and sale of livestock.*
[2] *Net of proceeds on disposal of property, plant and equipment, insurance proceeds and government grants received.*
[3] *Net of proceeds on disposal of intangible assets.*

SEGMENTAL ANALYSIS

	Notes	Six months ended 31 Dec 2023 Unaudited Rm	Six months ended 31 Dec 2022* Unaudited Rm	% change	Year ended 30 Jun 2023* Audited Rm
Revenue					
PG Bison		2 896	2 659	9	5 349
Safripol		4 744	5 156	(8)	10 310
Unitrans		5 072	5 428	(7)	10 052
Feltex		1 370	1 107	24	2 338
Restonic		975	905	8	1 590
Optix		285	288	(1)	523
		15 342	15 543	(1)	30 162
Intersegmental eliminations		(314)	(278)		(534)
	1	15 028	15 265	(2)	29 628

	Six months ended 31 Dec 2023 Unaudited Rm	Six months ended 31 Dec 2022* Unaudited Restated Rm	% change	Year ended 30 Jun 2023* Restated Rm
Operating profit before depreciation, amortisation and capital items				
PG Bison	685	588	16	1 139
Safripol	265	642	(59)	1 099
Unitrans	694	799	(13)	1 294
Feltex	191	153	25	325
Restonic	124	61	> 100	121
Optix	19	29	(34)	35
Corporate, consolidation and eliminations	4	3		7
	1 982	2 275	(13)	4 020
Operating profit before capital items				
PG Bison	575	489	18	933
Safripol	178	544	(67)	920
Unitrans	264	334	(21)	385
Feltex	136	104	31	226
Restonic	99	34	> 100	66
Optix	–	10	(100)	(7)
	1 252	1 515	(17)	2 523

* *The comparatives have been re-presented. Refer to the changes to segmental analysis section included in the selected explanatory notes for more detail.*

SEGMENTAL ANALYSIS continued

	Notes	31 Dec 2023 Unaudited Rm	31 Dec 2022* Unaudited Restated Rm	% change	30 Jun 2023* Restated Rm
Operating assets					
PG Bison		9 413	7 714	22	8 261
Safripol		7 398	7 618	(3)	7 278
Unitrans		7 423	9 109	(19)	7 775
Feltex		1 838	1 836	–	2 000
Restonic		1 850	1 764	5	1 749
Optix		871	744	17	813
Corporate, consolidation and eliminations		3	45		(17)
	5	28 796	28 830	–	27 859
Operating liabilities					
PG Bison		1 105	766	44	1 124
Safripol		1 959	1 825	7	2 174
Unitrans		1 263	1 336	(5)	1 372
Feltex		438	385	14	560
Restonic		210	211	–	229
Optix		101	77	31	104
Corporate, consolidation and eliminations		(8)	(38)		242
	6	5 068	4 562	11	5 805
Net operating assets/(liabilities)[1]					
PG Bison		8 308	6 948	20	7 137
Safripol		5 439	5 793	(6)	5 104
Unitrans		6 160	7 773	(21)	6 403
Feltex		1 400	1 451	(4)	1 440
Restonic		1 640	1 553	6	1 520
Optix		770	667	15	709
Corporate, consolidation and eliminations		11	83		(259)
		23 728	24 268	(2)	22 054
Net working capital					
PG Bison		1 208	1 305	(7)	970
Safripol		1 370	1 913	(28)	1 076
Unitrans		752	873	(14)	427
Feltex		147	250	(41)	189
Restonic		258	273	(5)	158
Optix		141	94	50	99
Corporate, consolidation and eliminations		(15)	67		(275)
	7	3 861	4 775	(19)	2 644

** The comparatives have been re-presented. Refer to the changes to segmental analysis section included in the selected explanatory notes for more detail.*

[1]Net operating assets/(liabilities) comprise operating assets less operating liabilities.

SEGMENTAL ANALYSIS continued

	Six months ended 31 Dec 2023 Unaudited Rm	Six months ended 31 Dec 2022* Unaudited Rm	Year ended 30 Jun 2023* Audited Rm
Replacement capital expenditure[2]			
PG Bison	20	43	98
Safripol	81	111	271
Unitrans[3]	(129)	223	386
Feltex	56	25	90
Restonic	(2)	6	16
Optix	–	–	10
	26	408	871
Expansion capital expenditure[4]			
PG Bison	940	236	733
Safripol	33	4	61
Unitrans	50	145	224
Feltex	11	49	85
Restonic	18	66	178
Optix	38	24	44
Corporate, consolidation and eliminations	–	–	1
	1 090	524	1 326
Total capital expenditure[2]			
PG Bison	960	279	831
Safripol	114	115	332
Unitrans[3]	(79)	368	610
Feltex	67	74	175
Restonic	16	72	194
Optix	38	24	54
Corporate, consolidation and eliminations	–	–	1
	1 116	932	2 197

** The comparatives have been re-presented. Refer to the changes to segmental analysis section included in the selected explanatory notes for more detail.*

(2) Net of proceeds on disposal of property, plant and equipment, insurance proceeds and government grants received.
(3) Unitrans proceeds on the disposal of assets for 1H24 totalled R249 million mainly due to the disposal of underutilised vehicles and trailers.
(4) Net of government grants received.

SELECTED EXPLANATORY NOTES

	Goods Rm	Services Rm	Rentals Rm	Total Rm
Note 1: Revenue				
Six months ended 31 December 2023				
Unaudited				
PG Bison	3 246	–	–	3 246
Safripol	4 815	–	–	4 815
Unitrans	35	5 037	–	5 072
Feltex	1 371	–	–	1 371
Restonic	1 099	–	–	1 099
Optix	200	57	–	257
Gross revenue	10 766	5 094	–	15 860
Variable consideration	(546)	–	–	(546)
Intergroup eliminations	(61)	(249)	–	(310)
Revenue from contracts with customers	10 159	4 845	–	15 004
Optix	–	–	28	28
Intergroup eliminations	–	–	(4)	(4)
	10 159	4 845	24	15 028
Six months ended 31 December 2022*				
Unaudited				
PG Bison	3 007	–	–	3 007
Safripol	5 220	–	–	5 220
Unitrans	66	5 362	–	5 428
Feltex	1 108	–	–	1 108
Restonic	1 011	–	–	1 011
Optix	118	139	–	257
Gross revenue	10 530	5 501	–	16 031
Variable consideration	(519)	–	–	(519)
Intergroup eliminations	(32)	(244)	–	(276)
Revenue from contracts with customers	9 979	5 257	–	15 236
Optix	–	–	31	31
Intergroup eliminations	–	–	(2)	(2)
	9 979	5 257	29	15 265
Year ended 30 June 2023*				
Audited				
PG Bison	6 010	–	–	6 010
Safripol	10 431	–	–	10 431
Unitrans	66	9 986	–	10 052
Feltex	2 340	–	–	2 340
Restonic	1 764	–	–	1 764
Optix	132	322	–	454
Gross revenue	20 743	10 308	–	31 051
Variable consideration	(958)	–	–	(958)
Intergroup eliminations	(52)	(476)	–	(528)
Revenue from contracts with customers	19 733	9 832	–	29 565
Optix	–	–	69	69
Intergroup eliminations	–	–	(6)	(6)
	19 733	9 832	63	29 628

* *The comparatives have been re-presented. Refer to the changes to segmental analysis section included in the selected explanatory notes for more detail.*

	Six months ended 31 Dec 2023 Unaudited Rm	Six months ended 31 Dec 2022 Unaudited Rm	Year ended 30 Jun 2023 Audited Rm
Note 1: Revenue (continued)			
Geographical distribution			
South Africa	**12 490**	12 690	24 290
Rest of Africa	**2 075**	2 072	3 886
Americas	**258**	95	599
Australasia	**146**	161	227
Europe	**44**	62	254
Middle East	**13**	185	370
Asia	**2**	–	2
	15 028	15 265	29 628
Note 2: Capital items			
Loss on disposal of property, plant and equipment	**(23)**	(12)	(48)
Impairments[1]	**(9)**	(5)	(813)
Insurance income	**10**	21	45
	(22)	4	(816)

[1] *Impairments of goodwill, intangible assets and property, plant and equipment.*

	Notes	Six months ended 31 Dec 2023 Unaudited Cents	Six months ended 31 Dec 2022 Unaudited Restated Cents	Year ended 30 Jun 2023 Restated Cents
Note 3: Earnings				
Basic earnings per share		**21.2**	33.9	21.3
Diluted earnings per share		**21.0**	32.9	20.9
Headline earnings per share		**21.8**	33.8	47.3
Diluted headline earnings per share		**21.7**	32.8	46.4
Net asset value per share		**478**	472	466
		Rm	Rm	Rm
Headline earnings attributable to owners of the parent				
Basic and diluted earnings attributable to owners of the parent		**525**	838	528
Adjusted for:				
Capital items	2	**22**	(4)	816
Taxation effects of capital items		**(6)**	1	(174)
		541	835	1 170

	Six months ended 31 Dec 2023 Unaudited Million	Six months ended 31 Dec 2022 Unaudited Million	Year ended 30 Jun 2023 Audited Million
Weighted average number of ordinary shares			
Issued ordinary shares at beginning of the period	**2 477**	2 472	2 472
Effect of shares issued	**2**	–	3
Weighted average number of ordinary shares	**2 479**	2 472	2 475
Potential dilutive effect of share rights granted	**17**	71	44
Diluted weighted average number of ordinary shares	**2 496**	2 543	2 519
Number of ordinary shares in issue	**2 494**	2 477	2 477

	Fair value hierarchy	Fair value as at 31 Dec 2023 Unaudited Rm	Fair value as at 31 Dec 2022 Unaudited Rm	Fair value as at 30 Jun 2023 Audited Rm
Note 4: Fair values of financial instruments				
Derivative financial assets	Level 2	106	169	168
Derivative financial liabilities	Level 2	(59)	(69)	(88)

There were no Level 1 or Level 3 financial assets or financial liabilities for 31 December 2023, 31 December 2022 and 30 June 2023.

In November 2022, the company entered into an equity derivative transaction for a total amount of R117 million to hedge the cash impact of a long-term incentive scheme. The vesting dates of the long-term incentive scheme coincide with the vesting dates of the hedge instruments on 2 November 2026, 1 November 2027 and 31 October 2028 respectively.

Level 2 financial instruments consist of derivative financial instruments that are valued using techniques where all the inputs that have a significant effect on the valuation are directly or indirectly based on observable market data. These inputs include foreign exchange rates and quoted share prices.

The carrying amount for all financial instruments approximates the fair value, with the exception of loans and borrowings where the fair value at 31 December 2023 is R9 521 million (31 December 2022: R9 758 million, 30 June 2023: R9 165 million).

	31 Dec 2023 Unaudited Rm	31 Dec 2022 Unaudited Restated Rm	30 Jun 2023 Restated Rm
Note 5: Operating assets			
Goodwill	661	704	662
Intangible assets	1 722	2 381	1 728
Property, plant and equipment	15 556	14 483	15 094
Right-of-use assets	363	423	390
Consumable biological assets	1 565	1 502	1 536
Inventories	3 632	3 838	3 467
Trade and other receivables	5 191	5 330	4 814
Derivative financial instruments	106	169	168
	28 796	28 830	27 859
Note 6: Operating liabilities			
Employee benefits	264	296	450
Provisions	45	63	43
Trade and other payables	4 700	4 134	5 224
Derivative financial instruments	59	69	88
	5 068	4 562	5 805
Note 7: Net working capital			
Inventories	3 632	3 838	3 467
Trade and other receivables	5 191	5 330	4 814
Employee benefits	(264)	(296)	(450)
Provisions	(45)	(63)	(43)
Trade and other payables	(4 700)	(4 134)	(5 224)
Net derivative financial instruments	47	100	80
	3 861	4 775	2 644

	31 Dec 2023 Unaudited Rm	31 Dec 2022 Unaudited Rm	30 Jun 2023 Audited Rm
Note 8: Capital commitments			
Capital expenditure			
Contracts for capital expenditure authorised	620	1 737	1 001

Capital expenditure will be financed from cash flow from operating activities and existing borrowing facilities.

Note 9: Restatement of prior period error

In October 2023, management established that a raw material supplier had incorrectly applied a contractual pricing formula for the period 1 February 2022 to 30 September 2023. This resulted in Safripol being overcharged by R183 million for raw material purchases, R163 million of which relates to FY23, of which R107 million relates to 1H23. The error was immediately corrected, and the overcharges recovered from the supplier. The prior period has been restated to correct the impact of the error as follows:

	As reported for the six months ended 31 Dec 2022 Rm	Restatement Rm	As restated for the six months ended 31 Dec 2022 Rm	As reported for the year ended 30 Jun 2023 Rm	Restatement Rm	As restated for the year ended 30 Jun 2023 Rm
Income statement and statement of comprehensive income						
Cost of sales	(12 575)	94	**(12 481)**	(24 702)	156	**(24 546)**
Gross profit	2 690	94	**2 784**	4 926	156	**5 082**
Operating profit before depreciation, amortisation and capital items	2 181	94	**2 275**	3 864	156	**4 020**
Operating profit before capital items	1 421	94	**1 515**	2 367	156	**2 523**
Operating profit	1 425	94	**1 519**	1 551	156	**1 707**
Profit before taxation	1 101	94	**1 195**	796	156	**952**
Taxation	(294)	(25)	**(319)**	(310)	(42)	**(352)**
Profit for the period	807	69	**876**	486	114	**600**
Total comprehensive income for the period, net of taxation	841	69	**910**	716	114	**830**
Statement of financial position						
Inventories	3 851	(13)	**3 838**	3 474	(7)	**3 467**
Taxation receivable	88	(25)	**63**	50	–	**50**
Total current assets before assets held for sale	10 398	(38)	**10 360**	9 915	(7)	**9 908**
Total current assets	10 398	(38)	**10 360**	9 968	(7)	**9 961**
Total assets	30 332	(38)	**30 294**	29 777	(7)	**29 770**
Total equity attributable to owners of the parent	11 629	69	**11 698**	11 428	114	**11 542**
Total equity	11 875	69	**11 944**	11 705	114	**11 819**
Trade and other payables	4 241	(107)	**4 134**	5 387	(163)	**5 224**
Taxation payable	26	–	**26**	26	42	**68**
Total current liabilities	7 374	(107)	**7 267**	8 337	(121)	**8 216**
Total equity and liabilities	30 332	(38)	**30 294**	29 777	(7)	**29 770**
Statement of cash flows						
Operating profit	1 425	94	**1 519**	1 551	156	**1 707**
Cash generated before working capital changes	2 254	94	**2 348**	3 877	156	**4 033**
Increase in inventories	(433)	13	**(420)**	(44)	7	**(37)**
(Decrease)/increase in trade and other payables	(1 204)	(107)	**(1 311)**	59	(163)	**(104)**
Changes in working capital	(2 203)	(94)	**(2 297)**	12	(156)	**(144)**
Cash generated from operations	51	–	**51**	3 889	–	**3 889**

	Cents	Cents	Cents	Cents	Cents	Cents
Earnings per share attributable to owners of the parent						
Basic earnings	31.1	2.8	**33.9**	16.7	4.6	**21.3**
Diluted earnings	30.2	2.7	**32.9**	16.4	4.5	**20.9**
Headline earnings	31.0	2.8	**33.8**	42.7	4.6	**47.3**
Diluted headline earnings	30.1	2.7	**32.8**	41.9	4.5	**46.4**
Net asset value per share	469	3	**472**	461	5	**466**

STATEMENT OF COMPLIANCE

The condensed consolidated interim financial information has been prepared and presented in accordance with the framework concepts and the measurement and recognition requirements of IFRS® Accounting Standards, the SAICA *Financial Reporting Guides* as issued by the Accounting Practices Committee, the financial pronouncements as issued by the Financial Reporting Standards Council, the JSE Limited ('JSE') Listings Requirements, as a minimum the information as required by IAS 34 – *Interim Financial Reporting* and the requirements of the Companies Act, No. 71 of 2008 of South Africa. The condensed consolidated interim financial information has been prepared using accounting policies that comply with IFRS Accounting Standards, which are consistent with those applied in the consolidated financial statements for the year ended 30 June 2023.

BASIS OF PREPARATION

The condensed consolidated interim financial statements are prepared in millions of South African rand (Rm) on the historical-cost basis, except for certain assets and liabilities, which are carried at amortised cost, and derivative financial instruments and consumable biological assets, which are stated at their fair values. The preparation of the condensed consolidated interim financial statements for the six months ended 31 December 2023 was supervised by Frans Olivier CA(SA), the group's chief financial officer.

CHANGES TO SEGMENTAL ANALYSIS

The segmental analysis has been adjusted to disclose the results of the group's now six operating segments, which give information to investors and stakeholders regarding the financial results and financial position of the operating segments that are used by the group's chief operating decision-makers. This is a result of the consolidation of Unitrans, previously disclosed in three divisions (Unitrans South Africa, Unitrans Africa and Unitrans Passenger), into a single business, with a single strategy and management structure, which commenced during FY23.

During the period, the fibre recycling business, Connacher, was transferred from the Restonic to the Feltex segment as the bulk of its products is utilised in the automotive sector, with Feltex being a major client. The comparative information has been re-presented.

ACCOUNTING POLICIES

The accounting policies and methods of computation of the group have been consistently applied to periods presented in the condensed consolidated interim financial statements and are in accordance with IFRS Accounting Standards.

FINANCIAL STATEMENTS

These results have not been reviewed or reported on by the group's auditors. The results were approved by the board of directors ('the board') on 27 February 2024.

EVENTS AFTER REPORTING DATE

No significant events have occurred in the period between the end of the period under review and the date of this report.

CHANGES TO THE BOARD, BOARD COMMITTEES AND KEY PORTFOLIOS

At conclusion of the company's annual general meeting, which was held on 21 November 2023, KJ Grové retired and stepped down from his position as lead independent non-executive director on the board. JA Holtzhausen was appointed as lead independent non-executive director in his stead on 18 December 2023.

V McMenamin stepped down as member of the social and ethics and human capital and remuneration committees, effective 1 September 2023, but retained her position as an independent non-executive director on the board.

TC Esau-Isaacs stepped down as member of the investment committee, effective 18 December 2023.

AFB Mthembu was appointed as an independent non-executive director to the board on 15 January 2024. He also serves as a member of the human capital and remuneration and investment committees.

CORPORATE INFORMATION

KAP Limited ('KAP' or 'the company')

Independent non-executive directors: PK Quarmby (Chairperson), JA Holtzhausen (Lead), TC Esau-Isaacs, Z Fuphe, KT Hopkins, V McMenamin, AFB Mthembu, SH Müller

Executive directors: GN Chaplin (Chief executive officer), FH Olivier (Chief financial officer), SP Lunga

Registration number: 1978/000181/06

Share code: KAP

ISIN: ZAE000171963

LEI code: 3789001F51BC0045FD42

Registered address: 3rd Floor, Building 2, The Views, Founders Hill Office Park, 18 Centenary Street, Modderfontein, Johannesburg 1645

Postal address: PO Box 2766, Edenvale 1610

Telephone: 010 005 3000

Facsimile: 010 005 3050

E-mail: investors@kap.co.za

Transfer secretary: Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank 2196

Company secretary: KAP Secretarial Services Proprietary Limited

External auditor: KPMG Inc.

Equity sponsor: PSG Capital Proprietary Limited

Debt sponsor: Nedbank Limited

Announcement date: 28 February 2024

BEING THE CHANGE