

KAP LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1978/000181/06)

Share code: KAP

ISIN: ZAE000171963

Company Alpha Code: KAP

LEI code: 3789001F51BC0045FD42

('KAP' or 'the Company' or 'the group')



UPDATED TRADING STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

On 25 June 2024, the Company published an operational update and trading statement in which it advised shareholders that a reasonable degree of certainty existed, that if trading conditions persisted:

- Earnings per share ('EPS') was expected to increase by at least 20% (or 4.3 cents) for the financial year ended 30 June 2024 ('FY24'), compared to the EPS of 21.3 cents reported for the prior financial year ('FY23'); while
- Headline earnings per share ('HEPS') was *not* expected to differ by 20% or more for FY24 compared to the HEPS of 47.3 cents reported for FY23.

As advised in the operational update, KAP remained resilient in a challenging trading environment, with five of our six divisions delivering an improved performance compared to the prior year. This was offset by a weaker performance by Safripol, which continued to be affected by a cyclical low in the global polymers industry.

The Company is in the process of finalising its FY24 financial results and confirms that a reasonable degree of certainty now exists, that for FY24:

- EPS will be between 41.8 cents and 45.8 cents, representing an increase of between 96% and 115% compared to the EPS of 21.3 cents reported for FY23, as the FY23 financial results included a R570 million non-cash impairment of intangibles, net of taxation, related to Unitrans; while
- HEPS will be between 43.3 cents and 47.3 cents, representing a decrease of between 0% and 8% compared to the HEPS of 47.3 cents reported for FY23.

The group successfully commissioned its major capital projects in the second half of FY24, which are expected to meaningfully contribute to the group's future earnings and enable a planned debt reduction. The group remained within its financial covenant ratios.

The Company's results for FY24 are expected to be announced on SENS on or about 30 August 2024.

Shareholders are advised that the Company's auditors have not yet finalised their audit, review and reporting requirements of the financial information on which this trading statement is based.

Stellenbosch
16 August 2024

Equity and Debt Sponsor
PSG Capital



PSG CAPITAL