

FINANCIAL REVIEW

These are the provisional audited results for the year ended 30 June 2018.

REVENUE AND OPERATING PROFIT BEFORE CAPITAL ITEMS

Revenue from continuing operations increased by 16% to R22 985 million (2017: R19 783 million). Operating profit before capital items from continuing operations increased by 15% to R2 867 million (2017: R2 499 million). Operating margin remained stable at 12.5% (2017: 12.6%).

HEADLINE EARNINGS PER SHARE (HEPS)

HEPS from continuing operations increased by 8.8% to 60.5 cents (2017: 55.6 cents).

TAX RATE

The effective tax rate decreased to 23.9% (2017: 25.8%), mainly due to incentives in relation to the group's investments during the year in expanding manufacturing capacity.

WORKING CAPITAL

Net working capital increased by R686 million to R1 367 million. Inventories increased by R397 million, mainly due to increased stockholding associated with the expansion at its PET operation in Durban and accelerated sawlog harvesting following extensive plantation fires in the southern Cape during June 2017. Accounts receivable increased by R361 million mainly as a result of longer-dated payments for exports of PET. Accounts payable increased by R72 million.

CASH FLOW

Cash generated from operations increased by 11.8% to R3 308 million (2017: R2 958 million).

CAPITAL EXPENDITURE

Replacement capital expenditure continues to be managed over time in relation to the annual depreciation charge and amounted to R837 million for the period (net of proceeds on disposal). Expansion capital expenditure of R811 million resulted from continued investment in the group's asset base to drive growth and efficiency benefits. Capital expenditure was mainly directed towards expansion of the PET plant in Durban, replacement vehicle model introductions, logistics long-haul vehicles and passenger transport vehicles.

NET ASSET VALUE (NAV)

The NAV per share increased by 9.4% to 454 cents from 415 cents.

CAPITAL STRUCTURE

In order to facilitate the various expansion activities of the group while maintaining a healthy capital structure, R1 500 million was raised through a fully subscribed rights issue in the prior year (December 2016). This resulted in a 4% increase in the weighted number of shares in issue when comparing to the prior year. Net interest-bearing debt decreased by R50 million to R5 727 million. The net debt/EBITDA ratio and the EBITDA/interest cover ratio both remain well within target levels at 1.5 times and 5.5 times respectively. This positions the company well in terms of funding future growth and expansion activities.

Global Credit Rating Co (Pty) Ltd reviewed KAP's credit rating in October 2017 and upgraded KAP from A(za) to A+(za) with a stable outlook.

The debt structure and capacity ratios are reflected as follows:

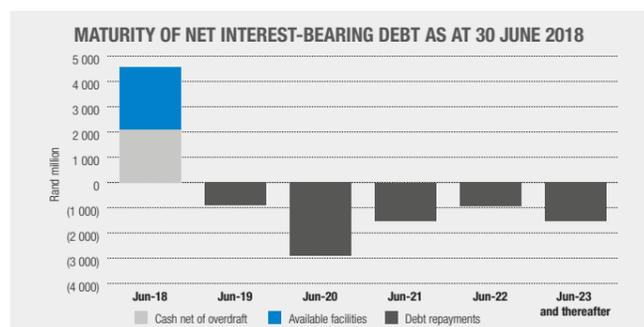
	30 Jun 2018 Rm	30 Jun 2017 Rm
Interest-bearing long-term liabilities	6 922	7 307
Interest-bearing short-term liabilities	956	405
Bank overdrafts and short-term facilities	–	74
Cash and cash equivalents	(2 151)	(2 009)
Net interest-bearing debt	5 727	5 777
EBITDA*	3 912	3 361
Net finance charges*	706	515
EBITDA: interest cover (times)	5.5	6.5
Net debt: EBITDA (times)	1.5	1.7
Gearing %	47%	52%

* From continuing operations. S Afripol operations only included for six months in the prior year.

The following funding activities were concluded during the period to facilitate longer-dated maturities to accommodate future growth:

- R2 004 million raised through bond issuances, with 3 and 5-year tenures;
- R240 million bond settled at maturity;
- R1 750 million of existing term loan facilities settled; and
- the KAP bond programme increased from R5 billion to R10 billion.

The bond issuances and settlements of term facilities have resulted in an extended debt maturity profile, reflected as follows:


CORPORATE ACTIVITY

The group concluded the following transactions during the period, in accordance with its strategy:

- The company concluded a series of transactions and funding arrangements in order to facilitate greater than 51% 'black ownership' and greater than 30% 'black women ownership' of its South African logistics operations, Unitrans Supply Chain Solutions (Pty) Ltd (USCS). This series of transactions resulted in the following:
 - Effective sale of 23.02% of USCS to a wholly owned entity of the FWG Pieters Trust.
 - Effective sale of 21.98% of USCS to a wholly owned entity of the Sakhumzi Foundation Empowerment Trust.
 - Acquisition by USCS of the remaining shares of Xinerstix (Pty) Ltd, resulting in it being a wholly owned subsidiary of USCS.

The details of this series of transactions were published on the Stock Exchange News Service (SENS) on 18 May 2018 and a related circular was published on 8 June 2018. The series of transactions remain subject to approval of the competition authorities.

- Support-a-Paedic (Pty) Ltd and RME Components (Pty) Ltd were acquired effective 1 December 2017 for R48 million, in order to provide the integrated bedding division with access to new markets and brands. The fair value of the assets and liabilities was R16 million, resulting in goodwill of R32 million.
- On 1 December 2017, Southern Star Logistics (Pty) Ltd (a 50% owned subsidiary) was formed in order to facilitate growth in the Swaziland territory. Certain assets from KAP-owned subsidiaries Unitrans Swaziland (Pty) Ltd and Unitrans Agricultural Services (Pty) Ltd were combined with a R92 million contribution of assets from an external party, South Star Investments (Pty) Ltd.
- KAP acquired 45% minority interests in Crystal Cool Holdings (Pty) Ltd on 1 July 2017 for R10 million in order to consolidate and streamline operations in the contractual logistics division.
- The disposal of 23% of Feltex Fehrer (Pty) Ltd to the automotive components division's technology partner, F.S. Fehrer Automotive GmbH, was concluded effective 1 July 2017 for R58 million in terms of a call option.

OUTLOOK

The diverse nature of the group's operations, with exposure to various sectors, business models and currencies, and the recent investments in organic and acquisitive expansion support the continued growth of the company.

During the last 24 months KAP has made significant investments in the expansion of its operations and concluded several acquisitions. In addition, the company recently concluded a B-BBEE transaction in its Contractual Logistics division, which remains subject to competition authority approval. The primary focus of management in the year ahead will therefore be on optimising its expanded operations and growing its market share in all areas of operation in order to extract full value from these recent investments and transactions.

Management remains optimistic that this focus will provide continued operational growth, and will result in a strong balance sheet, sustainable earnings and good cash generation in order to facilitate future expansion activities and acquisition opportunities in terms of its strategy.

DIVIDEND

The board of directors is pleased to announce that a gross dividend of 23 cents per share (2017: 21 cents per share) for the year ended 30 June 2018 has been approved and declared.

APPRECIATION

The board of directors records its appreciation for the continued support and loyalty of the group's employees, shareholders, customers and suppliers.

On behalf of the board

J de V du Toit
Independent non-executive chairman

GN Chaplin
Chief executive officer

FH Olivier
Chief financial officer

14 August 2018

KAP Industrial Holdings Limited ("KAP" or "the company" or "the group")

Non-executive directors: J de V du Toit (Chairman)*, KJ Grové (Deputy chairman), TLR de Klerk, LJ du Preez, IN Mkhari*, SH Müller*, SH Nomvete*, PK Quarmby*, DM van der Merwe, CJH van Niekerk*
Executive directors: GN Chaplin (Chief executive officer), FH Olivier (Chief financial officer)
Registration number: 1978/000181/06 **Share code:** KAP **ISIN:** ZAE000171963
Registered address: 28 6th Street, Wynberg, Sandton 2090 **Postal address:** PO Box 18, Stellenbosch 7599
Telephone: 021 808 0900 **Facsimile:** 021 808 0901 **E-mail:** info@kap.co.za **Transfer secretaries:** Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank 2196
Company secretary: KAP Secretarial Services Proprietary Limited **Auditors:** Deloitte & Touche **Sponsor:** PSG Capital Proprietary Limited

* Independent

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www.kap.co.za

Revenue from continuing operations up by 16% to R23.0bn	Operating profit from continuing operations up by 15% to R2.9bn	Cash generated from operations up by 12% to R3.3bn	Headline earnings per share from continuing operations up by 9%	Net asset value per share up by 9%
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OPERATIONAL OVERVIEW

KAP continued to grow its business during the year under review, showing revenue, profit and cash growth while successfully implementing a number of major expansion projects and concluding the integration of its recent acquisitions. The disciplined execution of the company's strategy produced good results for the year.

THE RESULTS OF THE COMPANY ARE REPORTED IN THREE SEGMENTS AS FOLLOWS:

DIVERSIFIED INDUSTRIAL

Integrated Timber

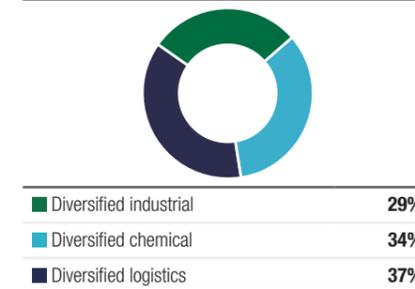
Integrated forestry and timber manufacturing operations with primary and upgrading processes


Automotive Components

Manufacture of vehicle retail accessories and components used in new vehicle assembly

RESTONIC
Integrated Bedding

Manufacture of foam, fabrics, springs, bases and branded mattresses

REVENUE


Revenue for the diversified industrial segment increased by 7% to R6 801 million, while the operating profit of the segment increased by 17% to R1 100 million.

During the year under review:

The Integrated Timber division performed well following recent upgrades to its Piet Retief particleboard plant and continued focus on its value-add product strategy, which provided revenue growth and margin expansion. A further production capacity expansion project was successfully completed at its medium-density fibreboard plant in Johannesburg. The division's forestry, sawmilling and pole operations performed satisfactorily notwithstanding the operational impact of major fires that affected the southern Cape region during June 2017.

The Automotive Components division successfully completed the industrialisation of two replacement vehicle models being assembled in the country. The division continued to show growth, albeit modest, in spite of the lower industry vehicle assembly volumes that are normally associated with replacement model introductions. The increased parts penetration into these replacement models resulted in market share gains for the division. Autovest performed below expectation in a subdued motor retail environment.

The Integrated Bedding division continued to show strong growth as a result of recent capital investments in infrastructure and new technology manufacturing equipment and through further integration into the manufacture of its primary bedding-related component raw materials. The acquisition of Support-a-Paedic provided access to new markets and brands.

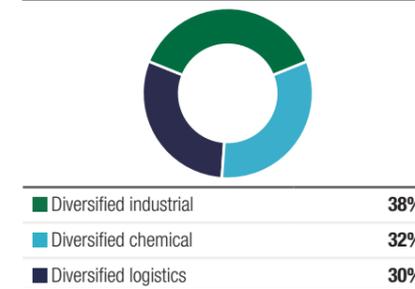
DIVERSIFIED CHEMICAL

Polymers

Manufacture of polyethylene terephthalate (PET), high-density polyethylene (HDPE) and polypropylene (PP)

Resins

Manufacture of formaldehyde and urea formaldehyde (UF) resins

OPERATING PROFIT


Revenue for the diversified chemical segment increased by 47% to R8 018 million, while the operating profit of the segment increased by 38% to R925 million.

During the year under review:

The Chemical division successfully concluded the integration of Hosaf and S Afripol into a single polymers business, which was recently launched under a reformatted S Afripol brand. This resulted in increased operational efficiencies and provided access to broader markets for the division.

Both the PP and HDPE product streams performed ahead of expectation as a result of strong demand for the products and healthy industry margins.

The PET product stream produced a disappointing result due to the delayed start-up of a major expansion project at its plant in Durban. The expansion project was, however, successfully completed and tested to full capacity. Domestic and international demand for PET remains stable with healthy industry margins.

The division's resin operation produced a pleasing result, with strong demand for the product.

DIVERSIFIED LOGISTICS

Contractual Logistics

Provision of specialised contractual supply chain and logistics services

Passenger Transport

Provision of personnel, commuter, intercity and tourism transport services

TOTAL ASSETS


Revenue for the diversified logistics segment increased by 4% to R8 971 million, while the operating profit of the segment decreased by 5% to R842 million.

During the year under review:

The Contractual Logistics division produced a disappointing result. After a good first half of the financial year, the division found economic conditions particularly challenging during the second half with reduced volumes and pricing pressure across its main areas of operations. The recent acquisitions of this division performed ahead of expectation, while efforts toward operational efficiencies and cost control continued in the traditional operations. Certain strategic contracts were successfully renewed. The division successfully concluded a B-BBEE transaction that is detailed below and remains subject to approval by the competition authority.

The Passenger Transport division produced a pleasing result in spite of a subdued economic environment and a major industry strike. The intercity operations continued to perform below expectation due to increased competitor activity and lower passenger numbers. The personnel, commuter and tourism operations performed well, as did the company's personnel operations in Mozambique.

INTEGRATED INTO EVERY DAY

SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

	Year ended 30 Jun 2018 Audited Rm	Year ended 30 Jun 2017 Audited Rm	% change
SUMMARISED CONSOLIDATED INCOME STATEMENT			
Notes			
Revenue	22 985	19 783	16
Operating profit before depreciation, amortisation and capital items	3 912	3 361	16
Depreciation and amortisation	(1 045)	(862)	
Operating profit before capital items	2 867	2 499	15
Capital items	(66)	(34)	
Earnings before interest, dividend income, associate and joint venture earnings and taxation	2 801	2 465	14
Net finance charges	(706)	(515)	
Share of profit of associate and joint venture companies	23	15	
Profit before taxation	2 118	1 965	8
Taxation	(508)	(510)	
Profit for the year from continuing operations	1 610	1 455	11
Loss for the year from discontinued operations	(19)	(62)	
Profit for the year	1 591	1 393	14
Attributable to:			
Owners of the parent	1 540	1 343	15
Non-controlling interests	51	50	
Profit for the year	1 591	1 393	14
<i>From continuing and discontinued operations:</i>			
Basic earnings per ordinary share (cents)	57.7	52.2	11
Fully diluted earnings per ordinary share (cents)	57.2	51.7	11
<i>From continuing operations:</i>			
Basic earnings per ordinary share (cents)	58.4	54.6	7
Fully diluted earnings per ordinary share (cents)	58.0	54.1	7

	Year ended 30 Jun 2018 Audited Rm	Year ended 30 Jun 2017 Audited Rm	% change
ADDITIONAL INFORMATION			
Note 1: Capital items			
<i>From continuing operations:</i>			
Loss on disposal of intangible assets	(1)	–	
Loss on disposal of property, plant and equipment and investment property	(3)	(36)	
Gain on bargain purchase	–	4	
Impairments	(62)	(2)	
	(66)	(34)	
<i>From discontinued operations:</i>			
Loss on disposal of property, plant and equipment and investment property	–	(1)	
Impairments	–	(34)	
	–	(35)	
	(66)	(69)	

Note 2: Loss for the year from discontinued operations			
Revenue	57	227	
Operating loss before depreciation, amortisation and capital items	(25)	(44)	
Depreciation and amortisation	–	(6)	
Operating loss before capital items	(25)	(50)	
Capital items	–	(35)	
Loss before interest, dividend income, associate and joint venture earnings and taxation	(25)	(85)	
Net finance charges	(1)	(3)	
Loss before taxation	(26)	(88)	
Taxation	7	26	
Loss for the year from discontinued operations	(19)	(62)	

Note 3: Headline earnings attributable to ordinary shareholders			
Earnings attributable to owners of the parent	1 540	1 343	15
Adjusted for:			
Capital items (note 1)	66	69	
Taxation effects of capital items	(10)	(19)	
Non-controlling interests' portion of capital items (net of taxation)	–	1	
	1 596	1 394	14

Note 4: Headline earnings per ordinary share			
<i>From continuing and discontinued operations:</i>			
Headline earnings per ordinary share (cents)	59.8	54.2	10
Fully diluted headline earnings per ordinary share (cents)	59.3	53.6	11
<i>From continuing operations:</i>			
Headline earnings per ordinary share (cents)	60.5	55.6	9
Fully diluted headline earnings per ordinary share (cents)	60.0	55.1	9
Number of ordinary shares in issue (m)	2 678	2 662	
Weighted average number of ordinary shares in issue (m)	2 671	2 574	4

	Year ended 30 Jun 2018 Audited Rm	Year ended 30 Jun 2017 Audited Rm	% change
SUMMARISED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME			
Profit for the year	1 591	1 393	14
Other comprehensive income/(loss)			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations	27	(75)	
Deferred taxation	12	–	
Other comprehensive income/(loss) for the year	39	(75)	
Total comprehensive income for the year	1 630	1 318	24
Total comprehensive income attributable to:			
Owners of the parent	1 579	1 269	
Non-controlling interests	51	49	
Total comprehensive income for the year	1 630	1 318	24

	Year ended 30 Jun 2018 Audited Rm	Year ended 30 Jun 2017 Audited Rm
SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY		
Balance at beginning of the year	11 348	8 862
Changes in stated share capital		
Net shares issued	17	1 456
Changes in reserves		
Total comprehensive income for the year attributable to owners of the parent	1 579	1 269
Dividends paid	(559)	(442)
Share-based payments	61	85
Other reserve movements	22	–
Changes in non-controlling interests		
Total comprehensive income for the year attributable to non-controlling interests	51	49
Dividends paid	(71)	(37)
Shares issued to non-controlling interests	31	3
Shares bought from non-controlling interests	(2)	–
Introduced and acquired on acquisition of subsidiaries	–	103
Balance at end of the year	12 477	11 348
Comprising:		
Stated share capital	8 791	8 774
Reverse acquisition reserve	(3 952)	(3 952)
Distributable reserves	6 905	5 915
Share-based payment reserve	292	274
Other reserves	119	24
Non-controlling interests	322	313
	12 477	11 348

	30 Jun 2018 Audited Rm	30 Jun 2017 Audited Rm
SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION		
ASSETS		
Non-current assets		
Goodwill and intangible assets	5 392	5 333
Property, plant and equipment and investment properties	12 513	11 832
Consumable biological assets	1 919	1 978
Investments in associate and joint venture companies	75	67
Investments and loans	13	11
Deferred taxation assets	68	130
Other receivables	–	40
	19 980	19 391

Current assets		
Inventories	2 145	1 727
Accounts receivable and other current assets	4 053	3 652
Short-term loans receivable	6	3
Taxation receivable	87	93
Cash and cash equivalents	2 151	2 009
Assets classified as held for sale	82	103
	8 524	7 587
Total assets	28 504	26 978

EQUITY AND LIABILITIES		
Capital and reserves		
Stated share capital	8 791	8 774
Reserves	3 364	2 261
	12 155	11 035
Non-controlling interests	322	313
Total equity	12 477	11 348

Non-current liabilities		
Interest-bearing long-term liabilities	6 922	7 307
Deferred taxation liabilities	3 141	2 928
Other long-term liabilities and provisions	113	112
	10 176	10 347

Current liabilities		
Accounts payable, provisions and other current liabilities	4 844	4 736
Interest-bearing short-term liabilities	956	405
Taxation payable	51	68
Bank overdrafts and short-term facilities	–	74
	5 851	5 283
Total equity and liabilities	28 504	26 978
Net asset value per ordinary share (cents)	454	415
Net interest-bearing debt to equity (%)	47%	52%

	Fair value as at 30 Jun 2018 Audited Rm	Fair value as at 30 Jun 2017 Audited Rm
FAIR VALUES OF FINANCIAL INSTRUMENTS		
Derivative financial assets	Level 2 58	6
Derivative financial liabilities	Level 2 (2)	(11)

Level 2 financial instruments consist of foreign exchange contracts that are valued using techniques where all of 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.

	Year ended 30 Jun 2018 Audited Rm	Year ended 30 Jun 2017 Audited Rm
SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS		
Operating profit before capital items	2 867	2 499
Depreciation and amortisation	1 045	862
Operating loss before depreciation, amortisation and capital items from discontinued operations	(25)	(44)
Net fair value adjustments of consumable biological assets and decrease due to harvesting and sale of livestock	64	(4)
Other non-cash adjustments	38	28
Cash generated before working capital changes	3 989	3 341
Increase in inventories	(389)	(41)
Increase in receivables	(352)	(334)
Increase/(decrease) in payables	60	(8)
Changes in working capital	(681)	(383)
Cash generated from operations	3 308	2 958
Dividends received	10	10
Dividends paid	(630)	(479)
Net finance charges	(764)	(596)
Taxation paid	(237)	(295)
Net cash inflow from operating activities	1 687	1 598
Additions to property, plant and equipment and investment property	(1 648)	(2 240)
Acquisition of investments	(29)	(3 781)
Other investing activities	(46)	(62)
Net cash outflow from investing activities	(1 723)	(6 083)
Net cash outflow from operating and investing activities	(36)	(4 485)
Net cash inflow from financing activities	178	3 911
Net increase/(decrease) in cash and cash equivalents	142	(574)
Effects of exchange rate translations on cash and cash equivalents	–	(19)
Cash and cash equivalents at beginning of year	2 009	2 602
Cash and cash equivalents at end of year	2 151	2 009

	30 Jun 2018 Audited Rm	30 Jun 2017 Audited Rm
RECONCILIATION OF TOTAL ASSETS PER STATEMENT OF FINANCIAL POSITION TO TOTAL ASSETS PER SEGMENTAL ANALYSIS		
Total assets per statement of financial position	28 504	26 978
Less: Investments in associate and joint venture companies	(75)	(67)
Less: Interest-bearing long-term loans receivable	(6)	(2)
Less: Deferred taxation assets	(68)	(130)
Less: Interest-bearing short-term loans receivable	(5)	(1)
Less: Taxation receivable	(87)	(93)
Less: Cash and cash equivalents	(2 151)	(2 009)
Less: Assets classified as held for sale	(82)	(103)
Total assets per segmental analysis	26 030	24 573

SELECTED EXPLANATORY NOTES

Statement of compliance

The provisional summarised consolidated financial statements have been prepared and presented in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the Listings Requirements of the JSE Limited, the information at a minimum as required by IAS 34: Interim Financial Reporting and the requirements of the South African Companies Act, No. 71 of 2008. The summarised consolidated financial statements have been prepared using accounting policies that comply with IFRS, which are consistent with those applied in the consolidated financial statements for the year ended 30 June 2017.

Basis of preparation

The summarised consolidated 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 summarised consolidated financial statements and the full set of consolidated financial statements for the year ended 30 June 2018 was supervised by Frans Olivier CA(SA), the group's chief financial officer.

Financial statements

The consolidated financial statements for the year, which have been audited by Deloitte & Touche, and their accompanying unmodified audit report as well as their unmodified audit report on this set of summarised financial information, are available for inspection at the company's registered office. Information included under the headings 'Outlook' and 'Operational overview' and any reference to future financial information included in the summarised financial information, has not been audited or reviewed. The full consolidated financial statements are available at the issuer's office upon request. The auditor's report does not necessarily report on all the information contained in this announcement. Shareholders are therefore advised that, in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a copy of the auditor's report together with the accompanying financial information from the issuer's registered office. The results were approved by the board of directors on 14 August 2018.

	Year ended 30 Jun 2018 Audited Rm	Year ended 30 Jun 2017 Audited Rm	% change
SEGMENTAL ANALYSIS			
Total assets			
Diversified industrial	9 458	9 149	3
Diversified chemical	9 292	8 354	11
Diversified logistics	7 280	7 070	3
	26 030	24 573	6
Revenue from continuing operations			
Diversified industrial	6 801	6 385	7
Diversified chemical	8 018	5 467	47
Diversified logistics	8 971	8 656	4
	23 790	20 508	16
Intersegment revenue eliminations	(805)	(725)	
	22 985	19 783	16
Operating profit before depreciation, amortisation and capital items from continuing operations			
Diversified industrial	1 314	1 095	20
Diversified chemical	1 061	732	45
Diversified logistics	1 537	1 534	–
	3 912	3 361	16
Operating profit before capital items from continuing operations			
Diversified industrial	1 100	944	17
Diversified chemical	925	672	38
Diversified logistics	842	883	(5)
	2 867	2 499	15

	Year ended 30 Jun 2018 Audited Rm	%	Year ended 30 Jun 2017 Audited Rm
GEOGRAPHICAL INFORMATION			
Non-current assets			
South Africa	18 685	94	18 179
Rest of Africa	1 295	6	1 212
	19 980	100	19 391
Revenue from continuing operations			
South Africa	20 971	91	17 978
Rest of Africa	2 014	9	1 805
	22 985	100	19 783

Accounting policies

The accounting policies and methods of computation of the group have been applied consistently to the periods presented in the summarised consolidated financial statements.

Post-balance sheet events

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

With effect from 1 October 2017 Mr MJ Jooste and Mr AB la Grange resigned as non-executive directors. On the same date Mr TLR de Klerk and Mr LJ du Preez were appointed as non-executive directors. There were no other changes to the board of directors during the period under review.

Dividend timetable

The timetable in respect of the dividend is as follows:

Day	Event
Tuesday, 18 September 2018	Last day to trade
Wednesday, 19 September 2018	Shares trade ex dividend
Friday, 21 September 2018	Record date
Tuesday, 25 September 2018	Payment date

Share certificates may not be dematerialised or rematerialised between Wednesday, 19 September 2018 and Friday, 21 September 2018.

In terms of the taxation on dividends and the amendments to section 11.17 of the JSE Listings Requirements, the following additional information is disclosed:

- Local dividend tax rate is 20%.
- Dividends are to be paid from income reserves.
- The withholding tax, if applicable at the rate of 20%, will result in a net cash dividend per share of 18.4 cents.
- The issued ordinary share capital of KAP Industrial Holdings Limited is 2 677 874 340 shares at 14 August 2018.
- KAP Industrial Holdings Limited's tax reference number is 9999/509/71/5.