



**Bowler Metcalf Limited**

**BOWLER METCALF LIMITED**

Incorporated in the Republic of South Africa

(Registration number: 1972/005921/06)

Share code: BCF ISIN: ZAE000030797

("the Company" or "Bowler Metcalf")

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**GENERAL REPURCHASE OF SHARES**

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**1. INTRODUCTION**

In compliance with paragraph 11.27 of the Listings Requirements of the JSE Limited ("JSE"), the board of directors of the Company ("the Board") hereby advises shareholders that a wholly owned subsidiary of the Company, in accordance with the general authority granted by shareholders at the Company's annual general meeting held on 7 November 2018 ("General Authority"), has cumulatively repurchased 2 824 943 Bowler Metcalf ordinary shares ("Shares") in the aggregate, representing 3.22% of the Company's issued share capital ("Repurchase").

The Company reached the 3% repurchase threshold, as provided for in the Listings Requirements of the JSE, on 28 May 2019, hence requiring the publication of this announcement.

**2. DETAILS OF THE REPURCHASE**

Details of the Repurchase are as follows:

Dates of Repurchases:	17 May 2019 to 28 May 2019
Total number of Shares repurchased:	2 824 943
Highest price paid per Share repurchased:	R6.62
Lowest price paid per Share repurchased:	R6.50
Total value of Shares repurchased:	R18 596 426
Shares currently in issue and in issue at the date the General Authority was granted (including treasury shares):	87 624 108
Shares in issue (excluding treasury shares):	81 995 105

Before the Repurchase, 5 629 003 shares were held as treasury shares, representing 6.42% of the Company's total issued share capital. After the Repurchase, 8 453 946 shares are held as treasury shares, representing 9.65% of the Company's issued share capital. The Shares will not be cancelled at this stage and remain listed as they will be held in treasury.

Following the Repurchase, the number of shares that can be held as treasury shares is 308 465 ordinary shares.

The extent of the General Authority outstanding is 13 574 078 ordinary shares, representing 15.49% of the Company's total issued share capital, net of treasury shares, at the time the General Authority was granted.

### **3. STATEMENT BY THE BOARD**

The Board has considered the effect of the Repurchase and is of the opinion that, for a period of 12 months following the date of the Repurchase and as at the date of this announcement:

- the Company and its subsidiaries ("**the Group**") will be able in the ordinary course of business to pay its debts;
- the assets of the Company and the Group will be in excess of the liabilities of the Company and the Group. For this purpose, the assets and liabilities were recognised and measured in accordance with the accounting policies used in the latest audited annual group financial statements;
- the share capital and reserves of the Company and the Group will be adequate for ordinary business purposes; and
- the working capital of the Company and the Group will be adequate for ordinary business purposes.

The Company and the Group have passed the solvency and liquidity test and since the test was performed, there have been no material changes to the financial position of the Group.

### **4. SOURCE OF FUNDS**

The Repurchase was funded from the Company's available cash resources.

In the depressed South African business environment, the current Bowler share price, its cash position and availability of stock favours a repurchase of shares. The Company is well positioned to fund its planned strategy of growth and sustainability from its current resources and future cash flow. The strategy will be earnings enhancing.

### **5. IMPACT OF THE REPURCHASE ON FINANCIAL INFORMATION**

The Company's cash balances decreased by R18 596 426 as a result of the Repurchase and, with the classification of the Shares as treasury shares, the issued share capital will reduce by the same amount. The annualised interest foregone on the cash required to effect the Repurchase is estimated to amount to approximately R927 260 after tax, assuming an average interest rate of 7.0% as earned in the previous financial year. The Repurchase will have the effect of reducing the number of shares in issue used for purposes of the net asset value per share, earnings per share and headline earnings per share calculations by 2 824 943 shares.

**6. COMPLIANCE WITH PARAGRAPH 5.72(a) OF THE LISTINGS REQUIREMENTS**

The Repurchase was effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counter parties. Accordingly, the Company has complied with paragraph 5.72(a) of the Listings Requirements of the JSE.

Cape Town  
30 May 2019

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**Sponsor**

Arbor Capital Sponsors Proprietary Limited

