MISSION STATEMENT

In Bowler Metcalf's published mission statement, we affirm our commitment to:

- Seamlessly integrate into the supply chain of our customers, providing the quality of goods and technical innovations which will help them to prosper with ourselves.
- Provide our employees with an environment wherein they can receive suitable training for equal opportunity advancement.
- Reduce any negative environ-mental impact caused by our manufacturing process.
- Conduct our business at the highest level of moral ethics.
- Reward our shareholders with consistent, superior growth in the earnings per share.

Directors

Non-executive:

Horst Werner Sass (74) !
Non Executive Chairman
Appointed June 1986

Brian James Frost (66) BCom !*
Non Executive Independent Director
Appointed June 1998

Edgar George Tindale (86) BCom FCIS *
Non Executive Independent Director
Appointed June 2008

Executive :

Michael Brain (63) BSc (Eng)
Managing and Financial Director
Appointed January 1985

Mohamed Sharief Parker (52)
Executive Director
Appointed May 2002

Paul Friederich Sass (47) BSc (Eng)
Executive Director
Appointed November 2009

Administration

Secretary
Louis Vern Rowles

Registration Number
1972/005921/06

Registered Office
Harris Drive, Ottery
Cape Town, 7800
PO Box 92, Ottery 7808

Transfer Secretaries
Computershare Investor
Services 2004 (Pty) Ltd
70 Marshall Street
Johannesburg, 2000
PO Box 61051, Marshalltown, 2107

Auditors
Mazars
Mazars House, Rialto Road,
Grand Moorings Precinct,
Century City, 7441

Bankers
First National Bank of Southern
Africa Ltd

Sponsors
Arcay Moela
3 Anerley Road
Parktown, 2193

Country of Incorporation
Republic of South Africa

! Remuneration Committee

** Audit Committee*

Contents

Members Diary

Financial Year End	30 June
Annual General Meeting	11 November

Reports	Date Published
Interim for half year	February
Preliminary profit announcement	September
Annual Report	October

Dividends	Date of Declaration	Date of payment
Interim	March	April
Final	September	October

Cover

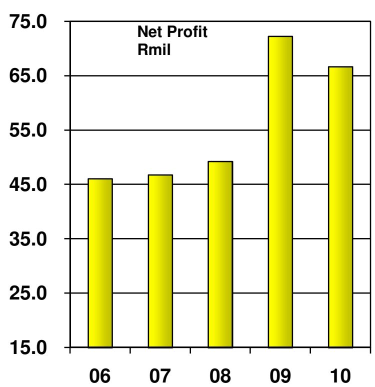
Although far removed from the daily focus of the Bowler operations, the use of alternative energy sources and the development of young engineers, is a life's passion of the Chairman Horst Sass.

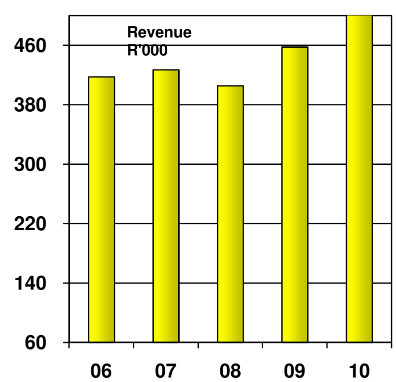
The 1KW, permanent magnet, axial wind generator on the front and back cover pages, was built and tested by one of Bowler's Engineering Scholarship students, Wayne Knutsen and his partner, as part of his final year project in 2010.

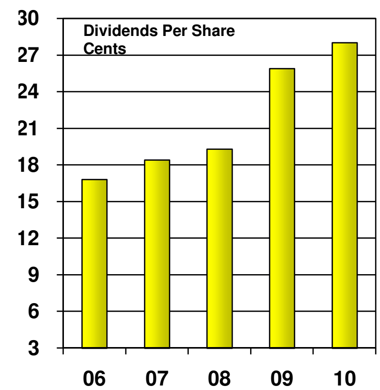
FINANCIAL HIGHLIGHTS

Years ending 30 June

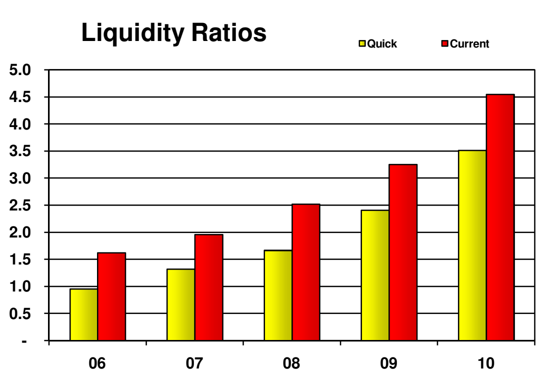
TRADING	2010	2009	2008	2007	2006	2005	2004
Revenue (R'000)	518,201	457,995	405,684	427,150	417,820	352,482	286,029
Net profit (R'000)	66,701	72,278	49,264	46,764	46,074	43,333	38,201
Growth - net profit (%)	(7.7)	46.7	5.3	1.5	6.3	13.4	24.4
Operating profit (R'000)	97,615	103,501	72,618	74,676	72,704	73,338	59,533
Return on capital employed (%)	18.5	22.6	16.4	16.7	20.0	22.6	24.2
Return on shareholders equity (%)	19.7	24.4	17.9	19.2	22.9	25.6	27.8
Compound growth in net profit							
- over 5 years (%)	9.0	13.6	12.6	14.1	20.7	25.3	28.0
- over 10 years (%)	16.9	20.5	18.6	20.0	20.1	26.3	24.8

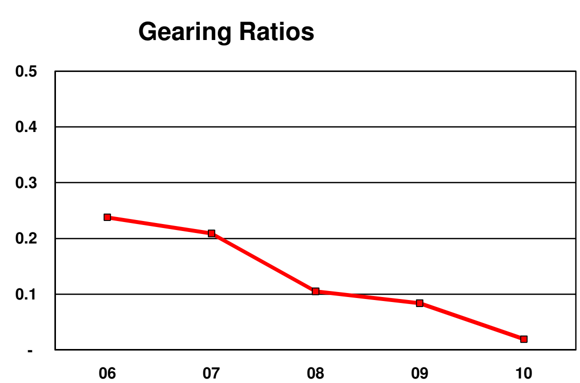






BALANCE SHEET	2010	2009	2008	2007	2006	2005	2004
Shareholders equity (R'000)	339,360	295,976	275,732	243,482	201,315	169,475	137,658
Capital employed (R'000)	361,321	319,332	301,305	280,132	229,828	191,643	158,583
Total assets (R'000)	425,398	387,613	357,703	372,153	318,946	284,827	225,206
Current ratio	4.5	3.3	2.5	2.0	1.6	1.4	1.4
Quick ratio	3.5	2.4	1.7	1.3	1.0	0.8	0.9
Gearing ratio	0.0	0.1	0.1	0.2	0.2	0.3	0.2





FINANCIAL HIGHLIGHTS - continued

Years ending 30 June

SHARE FACTS	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**	**2004**
Earnings per share (cents)	83.0	86.3	56.2	53.42	53.1	51.1	44.0
Headline earnings per share	84.2	72.7	55.2	53.25	52.7	50.6	44.8
Net asset value per share (cents)	433.2	376.3	314.4	285.3	241.8	205.5	160.0
Dividends per share (cents)	28.0	25.9	19.3	18.4	16.8	15.4	13.5
Dividend cover (times)	3.0	3.3	2.9	3.3	3.2	3.3	3.3
Compound growth in eps							
- over 5 years (%)	10.2	14.4	12.1	16.3	21.0	25.7	28.0
- over 10 years (%)	17.8	21.0	18.3	21.1	19.9	22.2	23.0
Share price (cents)	640	490	420	705	690	575	400
Price earnings ratio	7.6	6.7	7.6	13.2	13.1	11.4	6.8
Shares traded (000's)	12,508.7	8,008.0	14,327.5	16,262.8	11,344.0	6,032.0	5,202.0
Weighted number of shares in issue ('000)	80,352.7	83,723.3	87,693.0	87,537	86,794.0	86,794.0	86,763.0

Value

The difference between the net asset value per share and the closing JSE price per share

Price Earnings Ratio

Share price divided by earnings per share

TERM	**DEFINITIONS**
Capital Employed	Capital, reserves and non-current liabilities
Shareholders Equity	Capital and reserves
Operating Profit	Profit before tax and interest
Current Ratio	Current assets to current liabilities
Quick Ratio	Current assets, excluding inventories, to current liabilities
Dividends per Share	Interim paid and final proposed for the year
Gearing Ratio	Interest bearing debt to shareholders equity
Price Earnings Ratio	Share price divided by headline earnings per share
Value	The difference between the net assets value per share and the share price
Net Asset Value	Total assets less current and non-current liabilities

SHAREHOLDER PROFILE

At 30 June 2010

	2010			2009		
Size of Holding	**No of Holders**	**% of Holders**	**% of Capital**	No of Holders	% of Holders	% of Capital
Shareholdings						
1 - 5 000	529	48.5	1.0	512	47.2	1.0
5 001 - 10 000	167	15.3	1.2	164	15.1	1.2
10 001 - 50 000	258	23.6	5.9	264	24.4	6.1
50 001 - 100 000	51	4.7	3.8	57	5.3	4.2
100 001 and above	86	8.0	88.0	87	8.1	87.6
Total	1,091	100.0	100.0	1,084	100.0	100.0
Spread						
Public - South African	1,074	98.4	82.0	1,065	97.6	74.7
Public - Non Residents	11	1.0	0.2	13	1.2	0.2
Treasury	1	0.1	-9.1	1	0.1	-9.1
Directors	5	0.6	26.9	5	1.2	34.2
Total	1,091	100.0	100.0	1,084	100.0	100.0
Status						
Dematerialised	920	84.3	97.7	909	83.9	97.7
Certificated	171	15.7	2.3	175	16.1	2.3
Total	1,091	100.0	100.0	1,084	100.0	100.0
Other Large Investors						
FNT Allan Gray			2.76			2.76
Advantage Emerg.Fund			1.15			1.32
Aylett & Co			0.94			1.13
Eskom Pension Fund			3.62			0.00
Nedbank			0.01			2.58
Old Mutual			2.99			1.16
Standard Bank			18.60			12.52
Past directors			2.51			5.76

There are no nominees with beneficial holdings of greater than 5% of the number of issued shares

CHAIRMAN'S REPORT

Overview

The hard fought 16% increase in HEPS was adequate in a depressed retail environment, as was the 13% rise in revenue to R518m, also bucking fast moving consumer goods trends and vindicating our diversification strategy.

Second half sales, particularly surrounding the World Cup showed a marked slowdown, underscoring our belief that the R2b+ drawn to football related activities adversely effected the FMCG market.

Closing cash balance of R81.6m includes R58.2m generated this year and encouraged a 28% increase in proposed dividends, with a final dividend of 15 cps.

Bowler Plastics

The plastics division was able to produce a 18% increase in after tax earnings on a 5% decrease in revenue, mirroring the strategy of shedding certain of the work that was making no contribution to the bottom-line. Margins were retained in a more stable raw material pricing regime, helped by the stronger rand and by more accommodating polymer suppliers, who were recently censored and fined by the Competitions Commission for price fixing. The strength of the rand also has severe negative effects for our industry, the greatest of all being the fact that export sales of our larger clients have declined sharply and remain under threat.

The R14m expansion in 2008/2009 on a new laminated tube line is showing positive results even in the depressed market, and this augurs well for the future. The company has a budgeted capital expenditure of R44m for the current financial year and we wish to progress this rapidly in order to take advantage of favourable exchange rates and good pricing from beleaguered international machinery manufacturers.

It has been stated before that the plastic packaging industry has polarized in South Africa and we believe this trend will continue. The company is exceedingly well positioned, having spent the last two years reprogramming itself to handle the extra demands on systems, personnel and machinery that a larger packaging producer has to bear, to serve and grow in its existing market.

Quality Beverages

The strong initiatives promised last year for Quality Beverages, after eighteen months of disappointing performance, have borne fruit and the company has shown a 22% growth in revenue to R262m. The R7.1m profit attributable to the Group is an improvement of 790% (off a low base) and is a tribute to the management team of this company. The brands are well established and accepted and are now sold on merit, not on price alone.

Initiatives put in place in the Gauteng/Mpumulanga operation continue to result in a turnaround as reported at half year. A Johannesburg bottling facility will be in sharp focus considering our current share of this market is only 0.9% and we believe that much upside potential exists.

Properties

The rental of the Group properties has been adjusted to market to get a fair reflection of the financial benefits of this investment. Our properties remain essentially ungeared.

Prospects

The Group is well positioned to consolidate and grow its footprint in its chosen markets and I believe that Bowler Metcalf has weathered the financial pressures, which started at the end of 2008, particularly well. We believe we will continue to outperform our industry.

Corporate Governance

Board of Directors:

Full details of the directorate, inclusive of remuneration and shareholdings are as set out. The executive directors meet on a weekly basis to effect management and the full board meets five times per annum. The directors retire in rotation, have no long-term contracts, are not automatically reappointed. Some executive directors participate in a share incentive scheme. A remuneration committee approves remuneration of all directors and senior management. All directors have access to the services of the company secretary and, at the company's expense, legal and financial advisors.

Internal controls and audit:

The directors are responsible for and ensure that the group maintains adequate accounting records and internal controls to reasonably assure the integrity of the financial information including the accountability of assets. The Board is responsible for the total process of risk management. All of the above processes are continuously monitored and directors and employees are required to maintain the highest ethical standards, ensuring that the businesses practices are conducted in a manner which, in all reasonable circumstances, is beyond reproach. Nothing has come to the attention of the directors or the company's advisors, or audit committee, to indicate any material breakdown in the above controls during the period under review.

Audit Committee

The company has an audit committee that operates under formal terms of reference. The terms of reference are confirmed by the board and reviewed every year. The terms of reference are available to the shareholders, on request, at the registered office of the company.

The objectives of the committee are:

To assist the Board in discharging its duties relating to safeguarding of assets, the operation of adequate systems, control and reporting processes and the preparation of accurate reporting and financial statements in compliance with the applicable legal requirements and accounting standards.

To reinforce both the internal control system and the internal audit function.

To ensure the risk areas of the company's operations are covered in the scope of the internal and external audits.

To review the results of the internal and external audits.

To ensure that the board of directors makes informed decisions and is aware of the implications of such decisions regarding accounting policies, practices and disclosures.

To review the company's compliance with legal and regulatory provisions, its articles of association and any rules established by the board.

To consider, on an annual basis, and satisfy itself, of the appropiateness of the expertise and experience of the financial dire

The members are all independent, non-executive directors, as disclosed on the inside front cover, and met thrice during the year:

28 July 2009	BJ Frost (chair), EG Tindale, Y Ferreira (Mazars)
03 September 2009	BJ Frost (chair), EG Tindale, Y Ferreira, M Peens and A de Graaf (Mazars)
25 February 2010	BJ Frost (chair), EG Tindale

King Code:

All the key principles underlying the requirements of the King II Code of Practices and Conduct, have been reviewed throughout the reporting period, and where practical, implemented.

Social responsibility:

Health and safety conditions comply with industry standards and the minimization of industrial pollution is entrenched in the manufacturing process. Since 1987, the group has had a successful policy of work enrichment through share participation. It is the intention to accelerate this process in the future. The group is committed to a work environment free of discrimination of any kind and to maintain a high level of worker education and training, thus facilitating the consequent affirmative action. The group has maintained its progress in meeting its employment equity goals and the latest workforce profile as submitted to the Department of Labour, is summarized hereunder. Any further details required are available at the registered office of the company.

Corporate Governance - continued

Employment Equity

The workforce profiles submitted to the Department of Labour in September are summarised hereunder.

	Management	Skilled & Other	Tempory Employees	Total	% of Total
Employment - 2009					
Male					
African	-	146	32	178	23%
Coloured	9	213	78	300	39%
Asian	4	17	-	21	3%
White	25	30	2	57	7%
Foreign nationals	-	4	-	4	1%
Female					
African	-	17	16	33	4%
Coloured	2	118	35	155	20%
Asian	-	5	-	5	1%
White	4	16	-	20	3%
Foreign nationals	-	-	-	-	-
Total - 2009	44	566	163	773	100%
Employment - 2008					
Male					
African	12	128	41	181	27%
Coloured	38	143	59	240	36%
Asian	11	16	3	30	5%
White	19	18	-	37	6%
Foreign nationals				-	-
Female					
African	7	8	20	35	5%
Coloured	28	80	6	114	17%
Asian	3	1	-	4	1%
White	13	6	1	20	3%
Foreign nationals	-	-	-	-	-
Total - 2008	131	400	130	661	100%
Skills Development - 2009					
Male					
African	-	39	-	39	5%
Coloured	3	14	-	17	2%
Asian	4	10	-	14	2%
White	2	2	-	4	1%
Female					
African	-	4	-	4	1%
Coloured	-	14	-	14	2%
Asian	1	-	-	1	0%
White	-	3	-	3	0%
Total - 2009	10	86	-	96	12%
Skills Development - 2008					
Male					
African	2	37	-	39	6%
Coloured	14	62	-	76	11%
Asian	6	7	-	13	2%
White	4	3	-	7	1%
Female					
African	1	2	-	3	0%
Coloured	22	27	-	49	7%
Asian	4	-	-	4	1%
White	3	1	-	4	1%
Total - 2008	56	139	-	195	30%

Appreciation

I have many to thank this year. Firstly, I wish to thank our customers who continue to support us for the value that we add to their supply chain. I then wish to thank my peers, who in November 2009, voted me as the Packaging Achiever of the Year, crowning my thirty six years in the packaging industry. Finally, I wish to thank Michael Brain for the exceptional executive input that he has given the Group over the last twenty five years, starting from the time in 1984 when it was purchased as an insolvent company to where it is today. We will look to his guidance in the future.

H.W. SASS
Non-Executive Chairman

DIRECTORS STATEMENT

Preparation of Annual Financial Statements

The Directors are required by the Companies Act to prepare annual financial statements, which fairly present the affairs of the group as at the end of the financial year, and of income or loss for that year, in conformity with International Financial Reporting Standards and the Companies Act in South Africa.

policies supported by reasonable and prudent judgements and estimates. All applicable accounting standards have been followed.

Directors' Responsibility in Relation to Financial statements

The directors are required by the Companies Act in South Africa to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach.

across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 30 June 2011 and, in the light of this review and the current financial position, they are satisfied that the company has, or has access to, adequate resources to continue in operational existence for the foreseeable future.

Directors' approval of Annual Financial Statements

The Annual Financial Statements set out on pages 9 to 29 were approved by the Board of Directors on
9 September 2010 and are signed on their behalf by:

H W SASS
Chairman

M BRAIN
Managing Director

Ottery
9 September 2010

Secretarial Certification

In accordance with section 268G(d) of the Companies Act, it is hereby certified that the company has lodged with the Registrar of Companies all such returns that are required of a public company in terms of the Act and that such returns are true, correct and up to date.

L V ROWLES
Company Secretary

INDEPENDENT AUDITORS' REPORT

To the members of Bowler Metcalf Limited

We have audited the annual financial statements and group annual financial statements of Bowler Metcalf Limited, which comprise the directors' report, statements of financial position as at 30 June 2010, statements of comprehensive income, changes in equity and cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 10 to 29.

Directors' Responsibility for Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the company and of the group as of 30 June 2010, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa.

Mazars

MAZARS
Registered Auditors

Partner: Yolandie Ferreira
Registered Auditor

9 September 2010
Cape Town

DIRECTORS REPORT

The Members

Bowler Metcalf Limited

Your directors have the pleasure in submitting their annual report which forms part of the group annual financial statements for the year ended 30 June 2010.

General Review of Business Operations and results

The group carries on the business of manufacturing plastics, plastic mouldings and carbonated soft drinks. There were no major changes in the nature of the business of the company and of its subsidiaries during the year. The results of the business and operations of the company and of its subsidiaries during the year and its state of affairs and financial position are set out in the attached group financial statements and do not, in our opinion, require any further comment or elucidation.

On 1 July 2008 the group acquired 100% of the issued shares and related party claims of Gad-Tek (Pty) Ltd, a KZN based plastic convertor, at an all inclusive price of R1. Details of carrying values, which approximate fair values, are disclosed in note 21.6, giving rise to goodwill of R4 862 103. In determination of the carrying values, no adjustments in terms of IFRS1 were required.

There are no material facts or circumstances which have occurred in the company or its subsidiaries between the balance sheet date and the date of this report.

Stated Capital

There has been no change to the authorised share capital during the year. During the year Bowler Plastics (Pty) Ltd, a subsidiary, continued acquiring the company's shares on the open market to hold in a treasury capacity (refer note 10).

Dividends

Interim dividends of 13.0 cents per share (2009: 11.0c) were paid to shareholders on 19 April 2010. A final dividend of 15.0 cents per share (2009: 10.9c) has been declared in terms of the notice included in this report. A special dividend of 4.0 cents per share was paid simultaneously with the final dividend of the previous year on 19 October 2009. No STC tax is anticipated.

Property, Plant and Equipment

There has been no change in the nature of the property, plant and equipment of the group and the policy relating to the use thereof remains the same.

Unlisted Subsidiary Companies

	Number of shares held		Shares at Carrying Value		Interest	Unsecured Group Loans	
Incorporated in South Africa	%	No	**2010**	2009	**Rate p.a.**	**2010**	2009
			R	R	%	R	R
Subsidiaries - directly held							
Bowler Plastics (Pty) Ltd	100	100	**5,663,476**	5,663,476	nil	**81,837,294**	81,837,294
Plus Plastik (Pty) Ltd	100	300	**300**	300	nil	**-**	-
Hazra Properties Two (Pty) Ltd	100	300	**300**	300	nil	**-**	-
Bowler Properties Two (Pty) Ltd	100	100	**100**	100	nil	**-**	-
Quality Beverages 2000 (Pty) Ltd	74.9	734	**19,462,275**	19,462,275	10	**-**	-
Loans to subsidiaries						**81,837,294**	81,837,294
Subsidiaries - indirectly held							
Bowler PET Jhb (Pty) Ltd	100		**-**	-			
Gad-Tek (Pty) Ltd	100		**-**	-			
Postal Presents (Pty) Ltd	74.9		**-**	-			
Quality Softdrinks (Pty) Ltd	74.9		**-**	-			
Shares at carrying value			**25,126,451**	25,126,451			
Aggregate comprehensive income attributable to Bowler Metcalf Limited's interest in all its subsidiaries is:			**66,701,344**	72,278,063			

Borrowing limitations

The borrowing powers of the group are not limited by its articles of association.

Directors and Secretary

Details of the present board of directors and the secretary appear on the inside front cover of this report. Mr PF Sass was appointed to the board on 12 November 2009. There were no other changes during the year under review.

Directors' Interest in Shares

The directors' beneficial and non-beneficial interests in the company's issued share capital at 30 June 2010 were as follows:

Director's holdings ('000)	**Direct**	**Indirect**	**Total**	**%**
2010				
HW Sass (Non-Executive Chairman)	**2,737**	**15,909**	**18,646**	**21.1**
M Brain (Managing/Financial)	**546**	**5,427**	**5,973**	**6.8**
PF Sass (Executive)	**381**	**727**	**1,108**	**1.3**
MS Parker (Executive)	**-**	**-**	**-**	**0.0**
BJ Frost (Non-Executive)	**-**	**100**	**100**	**0.1**
E Tindale (Non-Executive)	**223**	**850**	**1,073**	**1.2**
	3,887	**23,013**	**26,900**	**30.4**
Shares in issue ('000)			**88,428**	
2009				
HW Sass (Non-Executive Chairman)	2,737	16,262	18,999	**21.5**
M Brain (Managing/Financial)	546	10,427	10,973	**12.4**
PF Sass (Executive)	-	-	-	**0.0**
MS Parker (Executive)	-	200	200	**0.2**
BJ Frost (Non-Executive)	-	100	100	**0.1**
E Tindale (Non-Executive)	252	864	1,116	**1.3**
	3,535	27,853	31,388	**35.5**
Shares in issue ('000)			88,428	

There have been no material changes in these holdings up to the date of this report.

Special Resolutions

general authority to repurchase shares in the company as they may determine until the next annual general meeting.

This same authority will again be sought at the upcoming annual general meeting.

AUDIT COMMITTEE REPORT

Membership

The committee comprises solely of independent, non-executive directors. They are:

Brian Frost (Chairman)
Edgar Tindale

Functions

The committee nominated for approval at the annual general meeting Mazars as the external auditor for the 2011 financial year, and Yolandie Ferreira as the designated auditor.

Independence of the auditor:

The committee has considered the independence requirements of the Independent Regulatory Board for Auditors and carried out procedures as considered necessary to satisfy itself that the auditor of Bowler Metcalf Limited was independent as defined by the Company's Act.

These procedures include:

Meeting with the auditors to consider the safeguards they have put in place to ensure their independence.

Determining the nature and extent of non-audit services which the auditor may perform for the company. There is a formal procedure in place that governs the process whereby the auditor is considered for non-audit services. Each engagement letter for such work is reviewed by the committee.

Pre-approving any contract for non-audit services to be performed by the auditor.

Agreeing, in consultation with the board of directors, the provisional audit fee for the year. The fee is considered appropriate for the work that is required to be performed. The final fee will be agreed on completion of the audit.

Ensuring that the appointment of auditor complies with the Company's Act and any other legislation relating to the appointment of auditors.

A function of the committee is to receive and deal with any complaint relating either to the accounting practices and internal audit of the company or to the content or auditing of its financial statements, or to any related matter. No such complaint was received during the year.

Another function is to consider, on an annual basis, and satisfy itself, of the appropiateness of the expertise and experience of the financial director.

Financial Director
The committee has considered and is satisified that the incumbant financial director has the appropriate experience and expertise.

Annual Financial Statements
The committee has recommended the financial statements for approval by the board. The board has subsequently approved the financial statements, which will be laid before the members at the forthcoming annual general meeting.

Brian Frost
Chairman of the audit committee

9 September 2010

STATEMENT OF FINANCIAL POSITION

At 30 June 2010

	Notes	GROUP 2010 R'000	GROUP 2009 R'000	COMPANY 2010 R'000	COMPANY 2009 R'000
Assets					
Non-current assets		**173,559**	186,267	**25,126**	25,126
Property, plant and equipment	3	**153,116**	164,209	**-**	-
Intangible assets	4	**15,921**	15,921	**-**	-
Investments	5	**1,254**	2,258	**-**	-
Investment in subsidiaries	6	**-**	-	**25,126**	25,126
Deferred taxation	12	**3,268**	3,879	**-**	-
Current assets		**251,839**	201,346	**81,837**	81,837
Inventories	7	**57,167**	52,129	**-**	-
Trade and other receivables	8	**111,605**	110,422	**-**	-
Cash and cash equivalents	9	**81,604**	37,579	**-**	-
Loans to group companies	6	**-**	-	**81,837**	81,837
Taxation		**1,463**	1,216	**-**	-
Total assets		**425,398**	387,613	**106,963**	106,963
Equity and Liabilities					
Equity attributable to:					
Parent company equity holders		**339,360**	295,976	**106,963**	106,963
Stated capital	10	**21,565**	21,565	**21,565**	21,565
Retained earnings		**352,593**	308,494	**85,398**	85,398
Treasury shares	10	**(35,989)**	(34,579)	**-**	-
Share Option Reserve		**1,191**	496	**-**	-
Minority Interest		**8,710**	6,375		
Total equity		**348,070**	302,351		
Non-current liabilities		**21,961**	23,356	**-**	-
Borrowings - interest bearing	11	**4,274**	5,583	**-**	-
Deferred taxation	12	**17,687**	17,773	**-**	-
Current liabilities		**55,367**	61,906	**-**	-
Trade and other payables	13	**52,859**	42,187	**-**	-
Bank overdrafts	9	**-**	14,135	**-**	-
Borrowings - interest bearing	11	**2,434**	5,150	**-**	-
Taxation		**74**	434	**-**	-
Total equity and liabilities		**425,398**	387,613	**106,963**	106,963

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2010

	Notes	GROUP 2010 R'000	GROUP 2009 R'000	COMPANY 2010 R'000	COMPANY 2009 R'000
TRADING INCOME					
Revenue	1	**518,201**	457,995	**-**	-
Other operating income		**3,147**	34,790	**24,671**	17,951
Raw materials and other operating costs		**(276,493)**	(242,701)	**-**	-
Staffing costs	17	**(90,068)**	(81,883)	**-**	-
Rental and property finance		**(3,095)**	(2,721)	**-**	-
Depreciation and impairments		**(33,233)**	(40,541)	**-**	-
Maintenance		**(10,999)**	(10,852)	**-**	-
Transport		**(9,845)**	(10,586)	**-**	-
Profit from operations		**97,615**	103,501	**24,671**	17,951
Net finance income/(costs)	14	**663**	(3,287)	**-**	-
- income		**3,202**	2,412	**-**	-
- costs		**(2,539)**	(5,699)	**-**	-
Profit before tax	15	**98,278**	100,214	**24,671**	17,951
Income tax expense	16	**(28,836)**	(27,666)	**-**	-
Profit for the year		**69,442**	72,548	**24,671**	17,951
OTHER COMPREHENSIVE INCOME (net of tax)					
		-	-	**-**	-
TOTAL COMPREHENSIVE INCOME		**69,442**	72,548	**24,671**	17,951
Attributable to:					
Equity holders of the parent		**66,701**	72,278		
Minority interest		**2,741**	270		
		69,442	72,548		
Earnings per share					
- basic and diluted	18	83.01	86.33		

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2010

R'000	Stated Capital	Retained Earnings	Treasury Shares	Share Based Payments	Total	Minority Interest	Total Equity
	Attributable to equity holders of the parent						
GROUP							
Balance at 1 July 30 June 2008	21,565	254,167	(16,168)	-	259,564	6,105	265,669
Treasury shares			(18,411)		(18,411)		(18,411)
Share based payments				496	496		496
Total comprehensive income for the year to 30 June 2009		72,278			72,278	270	72,548
Dividends paid		(17,951)			(17,951)		(17,951)
Balance at 30 June 2009	21,565	308,494	(34,579)	496	295,976	6,375	302,351
Treasury shares			(1,410)		(1,410)		(1,410)
Share based payments				695	695		695
Total comprehensive income for the year to 30 June 2010		66,701			66,701	2,741	69,442
Dividends paid		(22,602)			(22,602)	(406)	(23,008)
Balance at 30 June 2010	21,565	352,593	(35,989)	1,191	339,360	8,710	348,070
COMPANY							
Balance at 1 July 30 June 2008	21,565	85,398			106,963		
Total comprehensive income for the year to 30 June 2009		17,951			17,951		
Dividends paid		(17,951)			(17,951)		
Balance at 30 June 2009	21,565	85,398	-	-	106,963		
Share issue	-				-		
Total comprehensive income for the year to 30 June 2010		24,671			24,671		
Dividends paid		(24,671)			(24,671)		
Balance at 30 June 2010	21,565	85,398	-	-	106,963		

GROUP	2010 cents	2009 cents
DIVIDENDS PER SHARE		
Dividends paid	**27.9**	20.30
Special previous year	**4.0**	-
Final previous year	**10.9**	9.3
Interim this year	**13.0**	11.0
Dividends proposed	**28.0**	25.90
Interim this year - actual	**13.0**	11.0
Final this year - proposed	**15.0**	10.9
Special dividend - proposed	**-**	4.0

STATEMENT OF CASH FLOWS

For the year ended 30 June 2010

	Notes	GROUP 2010 R'000	GROUP 2009 R'000	COMPANY 2010 R'000	COMPANY 2009 R'000
Cash flows arising from operating activities		**84,684**	54,994	**-**	-
Cash receipts from customers		**547,821**	481,517		
Cash paid to suppliers and employees		**(413,065)**	(376,933)		
Cash generated by operations	**21.1**	**134,756**	104,584	**-**	-
Dividends received	**21.2**	**1,191**	-	**24,671**	17,951
Interest received		**3,202**	2,412	**-**	-
Interest paid		**(2,539)**	(5,699)	**-**	-
Taxation paid	**21.3**	**(28,918)**	(28,352)	**-**	-
		107,692	72,945	**24,671**	17,951
Dividends paid		**(23,008)**	(17,951)	**(24,671)**	(17,951)
Cash flows arising from investing activities		**(21,088)**	5,548	**-**	-
Property, plant and equipment					
- proceeds on disposal	**21.4**	**134**	43,699	**-**	-
- additions	**21.5**	**(21,222)**	(38,239)	**-**	-
Reduction (increase) in investments		**-**	12	**-**	-
Acquisition of subsidiary	**21.6**	**-**	76	**-**	-
Cash flows arising from financing activities		**(5,436)**	(31,676)	**-**	-
Borrowings		**(4,026)**	(13,265)	**-**	-
Re-purchase of shares		**(1,410)**	(18,411)	**-**	-
Net increase/(decrease) for the year		**58,160**	28,866	**-**	-
Balance at beginning of period		**23,444**	(5,422)	**-**	-
Cash and cash equivalents at end of the year		**81,604**	23,444	**-**	-
Cash and cash equivalents comprise:					
Bank accounts and cash on hand		**81,604**	37,579	**-**	-
Bank overdrafts		**-**	(14,135)	**-**	-
Cash and cash equivalents at end of the period	-	**81,604**	23,444	**-**	-

1 Accounting policies

The financial statements are prepared in accordance with International Financial Reporting Standards, using a combination of historical cost and fair value bases and incorporate the following principal accounting policies, applied on a basis consistent with that of the previous reporting period.

Property, plant and equipment

Property, plant and equipment is brought into account at historical cost, including directly attributable expenditure, and subsequently reflected at cost less accumulated depreciation and accumulated impairments. Repairs and maintenance is charged against the income statement as they are incurred.

Depreciation is calculated on the straight line basis at rates which will reduce the cost of the assets to estimated residual values over their expected useful lives at the following rates:

Plant and machinery	10% - 15%
Motor vehicles	20%
Office equipment, furniture and fittings	10%
Moulds	10% - 33.3%
Computers	33.3%
Industrial buildings	5%
Land	0%

Where a part of an item of property, plant and equipment is significant in relation to the cost of the item, that part is depreciated separately and is recognised as an expense in the income statement.

Residual values, useful lives and depreciation methods are reviewed and adjusted, if necessary, on an annual basis. These changes are accounted for as a change of estimate.

Impairment losses and any subsequent reversals are recognised in the statement of comprehensive income.

Property, plant and equipment is derecognised upon disposal. Gains or losses, being the difference between net disposal proceeds, if any, and the carrying amount, are included in profit or loss.

Dividends received

Dividends are recognised, in profit or loss, when the companies right to receive payment has been established.

Borrowing costs

Finance charges incurred on the acquisition of property plant and equipment are not included in the cost of such assets. Finance charges are written off in the statement of comprehensive income as they become due.

Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined either on the first-in-first-out or weighted average basis. All damaged or substandard materials and obsolete, redundant or slow moving inventories are written down to their estimated net realisable values.

The cost of raw materials, consumable stores and spares is the delivered landed cost, while the cost of work in progress and finished goods includes both direct costs and production overheads.

Taxation assets and liabilities

Unpaid taxation for current or prior periods is recognised in the statement of financial position as a current liability, and prepaid or overpaid taxation for current or prior periods as a current asset. Taxation is measured by using rates and laws enancted or substantively enacted at the reporting date.

Deferred taxation

Deferred taxation arises on all taxable or deductable temporary differences between reportable and taxable profit or losses, based on tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Non-taxable/deductable items are excluded. Current and deferred taxes are recognised as income or an expense and included in profit or loss.

Except where arising from the initial recognition of goodwill, or of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither reportable or taxable profit/loss, a dererred tax liability is recognised for all taxable tempory differences and a deferred tax asset for all deductable temporary diferrences, including the carry forward of unused tax losses, to the extent that it is probable that taxable profit will be available against which they can be utilised.

The carrying amount of deferred tax assets are reviewed annually and reduced to the extent of probable future taxable profits

Deferred tax assets and liabilites are only offset in the statement of financial position where there is a legally enforceable right to do so and that the income taxes relate to the same tax authority.

Foreign currencies

Transactions in foreign currencies are initially recorded at the rates of exchange ruling at transaction date. Foreign currency monetary items are translated at the rates of exchange ruling at balance sheet date. Exchange differences arising on the settlement of monetary items at rates different from those initially recorded are dealt with in the statement of comprehensive income in the period in which they arise.

Revenue

Revenue represents the fair value of the consideration of merchandise sold, after returns, trade discounts and value added tax receivable and from sales to third parties, initially recorded upon delivery, the date on which risks and rewards of ownership pass.

1 Accounting policies - continued

Share based payments

The fair value of the participating employee services, received in exchange for the grant of options, is recognised as an expense through the statement of comprehensive income. The fair value of the options granted is expensed over the vesting period with a corresponding adjustment to equity. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the group revises its estimates of the number of options that are expected to become exercisable. The impact of the revision of original estimates, if any, is recognised in the statement of comprehensive income, with a corresponding adjustment to equity.

Retirement Benefits

The group operates a provident and pension fund to which substantially all salaried staff belong. The fund is a defined contribution plan and does not require to be actuarially valued. Current contributions to the pension and provident funds are charged against income as they are incurred. The fund is governed by the Pension Funds Act.

Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiaries. Subsidiaries are all those entities where the group has control over the operating and financial policies of such entities. The financial results of the subsidiaries are included from the effective dates of acquisition up to the effective dates of disposal. All inter-group balances and transactions have been eliminated on consolidation.

Minority interests in the net assets of consolidated subsidiaries are identified seperately from the company's interest therein and are recognised in equity. Minority interest in the losses of subsidiaries are allocated to them, even if this results in a debit balance.

Goodwill

The difference between the fair value of the consideration paid and the group's interest in the net fair value of the identifiable assets and liabilities of subsidiaries at the date of acquisition is charged to goodwill arising on consolidation. Goodwill is periodically reviewed for impairment and where carrying amounts are less than recoverable amounts, the impairment loss is recognised in the statement of comprehensive income and is not reversible. Recoverable amounts are determined by discounting future cash flows of the cash generating unit concerned at suitable discount rates.

On disposal of a subsidiary, any goodwill forming part of that entity is included in the determination of the gain or loss arising there from.

Goodwill from business combinations arising on or after 31 March 2004 are not amortised, whilst that arising before that date was amortised up to 30 June 2004, but not thereafter.

Government Grants

Government grants are recognised when there is reasonable assurance of compliance with the attached conditions thereto and to the receipt thereof and recorded in the statement of comprehensive income, at the proceeds received net of any related costs, not as revenue but as other income.

Financial instruments

Financial Assets and liabilities are initially recognised on the group's balance sheet when it becomes a party to the contractual provisions of the instrument and is subject to annual re-evaluation.

1. Trade receivables and payables are initially recorded at fair value, subsequently at amortised cost.
2. Interest-bearing bank loans and overdrafts are recorded at the proceeds received and finance charges thereon accounted for on an accrual basis.
3. Loans and borrowings are initially recorded at fair value and subsequently at amortised cost. Where there are no terms of repayment or interest charges, the loans are recorded at cost.
4. Equity instruments are recorded at the proceeds received, net of direct issue costs.
5. Investments in subsidiaries are carried at cost.
6. Listed investments are initially and subsequently recorded at fair value, increases to which are recognised directly in the equity statement, impairments through the income statement, until the time of disposal.
7. Cash and cash equivalents are initially and subsequently recorded at amortised cost.

Financial assets are assessed at reporting date for objective evidence of impairment. Impairment losses are recognised in profit or loss. Cumulative impairment losses of available-for-sale financial assets are removed from equity to other comprehensive income and recognised in profit or loss.

Treasury shares

Where subsidiaries hold shares in their parent company, these are recorded at cost, including any external costs of acquisition, and are deducted from equity as treasury shares.

When shares are subsequently sold or re-issued, their cost is released and any gains or losses are included in treasury shares.

Segment report
The format of the segment report is on the basis of the business segments of the group, as regularly used by management. All the entities within the group are registered in and operating from South Africa.

1 Accounting policies - continued

Impairment of assets

At balance sheet date, where the recoverable amounts, being the greater of fair value less costs to sell and value in use, are less than the carrying amounts, the asset is impaired to that lower amount. This impairment loss is, upon recognition, charged to the statement of comprehensive income , or treated as a revaluation reduction of the revaluation reserve.

Cost of sales

The carrying amount of inventories sold is recognised as an expense in the same period in which the related revenue is recognised. Any write-down to net realizable value, or losses of inventories, are recognised as an expense in the period in which they occur. Any reversals of inventory write-downs arising from an increase in net realisable value, is recognised as a reduction in the cost of sales, in the period in which the reversal occurs.

2 International reporting standards

No standards or interpretations relevant to the company's operations have been published which were mandatory for accounting periods beginning on or after 1 July 2010.

3 Property, plant and equipment

	GROUP			COMPANY		
	Cost R'000	Accumulated Depreciation R'000	Balance R'000	Cost R'000	Accumulated Depreciation R'000	Balance R'000
30 June 2010						
Land and buildings	**66,196**	**21,978**	**44,218**	**-**	**-**	**-**
Manufacturing plant and equipment	**289,852**	**188,869**	**100,983**	**-**	**-**	**-**
Other plant and equipment	**37,446**	**29,531**	**7,915**			**-**
	393,494	**240,378**	**153,116**	**-**	**-**	**-**
30 June 2009						
Land and buildings	56,062	19,744	36,318	-	-	-
Manufacturing plant and equipment	279,950	164,273	115,677	-	-	-
Other plant and equipment	36,602	24,388	12,214			-
	372,614	208,405	164,209	-	-	-

Reconciliation of net book value

	GROUP			
	Land & Buildings R'000	Manufacturing Plant & Equipment R'000	Other Plant & Equipment	Total R'000
30 June 2010				
Net balance at beginning of year	**36,318**	**115,677**	**12,214**	**164,209**
Additions	**10,134**	**10,073**	**1,015**	**21,222**
Acquisition of subsidiary	**-**	**-**	**-**	**-**
	46,452	**125,750**	**13,229**	**185,431**
Depreciation	**(2,234)**	**(24,711)**	**(5,284)**	**(32,229)**
Disposals	**-**	**(56)**	**(30)**	**(86)**
Net balance at end of year	**44,218**	**100,983**	**7,915**	**153,116**
30 June 2009				
Net balance at beginning of year	56,501	101,982	13,736	172,219
Additions	280	34,155	3,804	38,239
Acquisition of subsidiary	-	4,344	53	4,397
	56,781	140,481	17,593	214,855
Depreciation	(2,672)	(23,484)	(5,152)	(31,308)
Disposals	(17,791)	(1,320)	(227)	(19,338)
Net balance at end of year	36,318	115,677	12,214	164,209

Certain property, plant and equipment with a carrying value of R11 589 783 (2009: R18 615 447) is encumbered (see note

		GROUP 2010 R'000	GROUP 2009 R'000	COMPANY 2010 R'000	COMPANY 2009 R'000
3	**Property, plant and equipment - continued**				
	Land and Buildings				
	Freehold land and buildings consist of:				
3.1	erven 3308 and 3808 of Ottery, Harris Drive, Ottery, Cape. (mortgaged in terms of note 11),				
	- Land at cost December 1994	**1,580**	1,580		
	- Buildings erected in 1995	**7,340**	7,340		
	- Additions in 1998	**430**	430		
	- Additions in 2006	**1**	1		
3.2	erf 3309 of Ottery, Harris Drive, Ottery, Cape.				
	- Land and buildings acquired in September 2002	**1,262**	1,262		
3.3	erf 4396 of Ottery, Clifford Street, Ottery, Cape				
	- Land at cost October 2003	**1,504**	1,504		
	- Buildings erected in 2004	**6,393**	6,393		
3.4	erf 723 Spartan, Loper Ave, Spartan, Isando (mortgaged in terms of note 11),				
	- Land at cost June 1994	**1,416**	1,416		
	- Buildings erected in 1995	**6,061**	6,061		
	- Additions 2001	**2,616**	2,616		
	- Additions 2002	**36**	36		
3.5	portion 1 of farm 1460, City of Cape Town				
	- Land at cost February 2000	**3,792**	3,792		
	- Buildings erected 2001	**7,955**	7,955		
	- Additions 2004	**78**	78		
	- Additions 2007	**3,960**	3,960		
	- Addition in progress 2010	**10,134**			
3.6	erf 166802 of Epping, Benbow Ave, Epping, Cape Town (mortgaged in terms of note11),				
	- Land and buildings acquired in November 2003	**5,541**	5,541		
	- Improvements 2003	**5,311**	5,311		
	- Improvements 2006	**158**	158		
	- Improvements 2007	**513**	513		
	- Improvements 2008	**77**	77		
	- Improvements 2009	**38**	38		
		66,196	56,062		
	Directors' valuation	**132,887**	123,438		

Valuations have been computed on the expected future rental stream, based on current market related rentals, net of costs and discounted at a fair market related rate of return.

		GROUP 2010 R'000	GROUP 2009 R'000	COMPANY 2010 R'000	COMPANY 2009 R'000
4	**Intangible Assets**				
	Goodwill on acquisition of subsidiaries at carrying values				
	- balance at beginning of year	**15,921**	11,059		
	- acquisition of Gad-Tek (Pty) Ltd	**-**	4,862		
	- balance at the end of the year	**15,921**	15,921		
	Goodwill comprises				
	- Quality Beverages 2000 (Pty) Ltd Group	**11,059**	11,059		
	- Gad-Tek (Pty) Ltd	**4,862**	4,862		
		15,921	15,921		

Annual impairment tests, based on expected future earnings and discounted at a fair rates of return, indicate that the goodwill arising on the acquisition of subsidiaries is not impaired at the year end.

Expected future earnings are based on short to mid term operating budgets approved by management. A pre-tax discount rate of 12% was used.

		GROUP 2010 R'000	GROUP 2009 R'000	COMPANY 2010 R'000	COMPANY 2009 R'000
5	**Investments**				
	Listed investments (level 1)				
	Beige Holdings Limited				
	25 089 792 Ordinary shares (2009: 25 089 792)	**1,254**	2,258		
		1,254	2,258		
	Carrying values approximate fair value, based on quoted market prices.				
6	**Subsidiary investments and loans**				
	Refer to the directors report on page 10 for details of investments and loans				
	Loan to subsidiary - at cost			**81,837**	81,837
	The loan is unsecured, interest free and stated at cost as there are no fixed dates of repayment.				
	Investment in subsidiaries - at cost			**25,126**	25,126
	Fair values, based on the underlying net asset values, approximate carrying values of the loan.				
7	**Inventories**				
	Finished goods	**19,645**	19,487		
	Work in progress	**3,317**	2,223		
	Consumable stores	**8,864**	9,801		
	Raw materials	**25,341**	20,618		
		57,167	52,129		
8	**Trade and other receivables**				
	Trade receivables	**80,802**	79,035		
	Prepayments	**24,052**	-		
	Loans - other	**5,219**	7,219		
	Other receivables	**1,532**	24,168		
		111,605	110,422		
8.1	**Analysis of trade receivables**				
	Neither past due nor impaired	**75,802**	76,900		
	Past due but not impaired >60 days	**48**	206		
	Past due but not impaired >90 days	**5,552**	2,965		
	Past due and impaired	**3,295**	2,203		
		84,697	82,274		
	Allowances	**(3,895)**	(3,239)		
	Unimpaired trade receivables	**80,802**	79,035		
	Allowances				
	Balance at beginning of year	**3,239**	866		
	Allowances	**656**	2,373		
	Reversals	**-**	-		
	Balance at end of year	**3,895**	3,239		
	Provision for allowances is against specific customers based on individual circumstances and where there is no likelihood of recovering against personal sureties, where held. Provision is made for doubtful debts as to the ageing of past due receivables.				
8.2	**Loans**				
	Opening balance	**7,219**	17,331		
	Advances	**-**	-		
	Receipts	**(2,000)**	(6,098)		
	Impairments	**-**	(4,014)		
		5,219	7,219		
	Comprising:				
	Loan	**9,233**	11,233		

Accumulated impairment	**(4,014)**	(4,014)

Carrying values approximate fair value.

		GROUP 2010 R'000	GROUP 2009 R'000	COMPANY 2010 R'000	COMPANY 2009 R'000
9	**Cash resources**				
	Cash and cash equivalents				
	Bank accounts and cash on hand	**81,604**	37,579	**-**	-
	Bank overdrafts				
	Total facilities	**30,000**	55,000		
	Utilised	**-**	14,135	**-**	-
	Unutilised facility	**30,000**	40,865	**-**	-
10	**Stated capital**				
10.1	*Authorised*				
	189 850 000 Ordinary shares of no par value				
	Issued	**21,565**	21,565	**21,565**	21,565
	Until the forthcoming annual general meeting:				
	- the unissued shares are under the control of the directors				
	- the directors have a general authority to repurchase shares				
10.2	*Treasury shares*	**(35,989)**	(34,579)		
10.3	*Number of shares*				
	Balance at beginning of year	**80,349,060**	84,504,788	88,428,066	88,428,066
	Share issue	**-**	-		
	Treasury shares disposed / (acquired)	**2,865**	(4,155,728)	-	-
	Balance at end of year	**80,351,925**	80,349,060	**88,428,066**	88,428,066
	Comprising:				
	Issued shares	**88,428,066**	88,428,066	88,428,066	88,428,066
	Treasury shares	**(8,076,141)**	(8,079,006)	-	-
	Percentage of issued shares	**9.1%**	9.1%		
10.4	*Weighted number of shares*				
	Balance at beginning of year	**80,349,060**	84,504,788		
	Share issue - weighted	**-**	-		
	Treasury shares - weighted	**3,633**	(781,478)		
	Weighted number of shares in issue during the year	**80,352,693**	83,723,310		
11	**Borrowings - interest bearing**				
11.1	Definite period loan repayable at interest rates linked to banker acceptance rates, secured over fixed property (see note 3.1 & 3.4)	**-**	**-**		
11.2	Mortgage bond over land and buildings in favour of ABSA Bank Ltd, repayable in monthly instalments of R103 821(2009: R110 419) inclusive of interest at a rate of 8.6% pa (2009: 11.6%), terminating in December 2013 (see note 3.7).				
		3,857	4,742		
	- current portion	**(1,063)**	(781)		
		2,794	3,961		
11.3	Instalment sale agreements secured over assets in favour of Wesbank, repayable in monthly instalments of R537 751 (2008: R104 600) , inclusive of interest at rates at prime -1% , terminating between January 2010 and March 2012				
		2,851	3,180		
	- current portion	**(1,371)**	(1,558)		
		1,480	1,622		
11.4	Instalment sale agreements secured over assets in favour of Wesbank, repayable in monthly instalments of R721 439, inclusive of interest at a fixed rates of 11.0% and 11.5%, terminating between September 2009 and October 2009	**-**	2,811		
	- current portion	**-**	(2,811)		

	-	-
Total non-current	**4,274**	5,583
Total current	**2,434**	5,150

		Notes	GROUP 2010 R'000	GROUP 2009 R'000	COMPANY 2010 R'000	COMPANY 2009 R'000
12	**Deferred taxation**					
	Balance at beginning of year		**13,894**	17,310	**-**	-
	Movements during year					
	- rate adjustment		**-**	-	**-**	-
	- current year provision		**255**	(14)	**-**	-
	- prior year adjustment		**270**	(115)	**-**	-
	- acquisition of subsidiary		**-**	(3,287)	**-**	-
	- classified as held for sale		**-**	-	**-**	-
	Balance at end of the year		**14,419**	13,894	**-**	-
	Balance at end of the year comprises:					
	- Capital allowances		**19,647**	20,405	**-**	-
	- Accruals		**(2,446)**	(2,174)	**-**	-
	- Assessed losses		**(2,782)**	(4,337)	**-**	-
			14,419	13,894	**-**	-
	Consisting of:					
	- liabilities		**17,687**	17,773	**-**	-
	- assets		**3,268**	3,879	**-**	-
13	**Trade and other payables**					
	Trade payables		**30,022**	18,589	**-**	-
	Other payables		**22,837**	23,598	**-**	-
			52,859	42,187	**-**	-
14	**Finance income and costs**					
	Interest received					
	Financial institutions - banks		**3060**	2,033		
	Other		**142**	379		
			3,202	2,412		
	Interest paid					
	Financial institutions - banks		**1464**	3,319		
	Financial institutions - mortgages		**376**	697		
	Financial institutions - asset finance		**697**	1,603		
	Other		**2**	80		
			2,539	5,699		

		Note	GROUP 2010 R'000	GROUP 2009 R'000	COMPANY 2010 R'000	COMPANY 2009 R'000
15	**Profit before tax**					
	Profit before tax is arrived at after taking into account the following items:					
	Income					
	Dividends received					
	- unlisted subsidiary		**-**	-	**24,671**	17,951
	- other unlisted investments		**1,191**	-	**-**	-
	Surplus on disposal of fixed assets		**48**	24,435	**-**	-
	Foreign exchange gains		**-**	4,044	**-**	-
	Government grants		**-**	3,536	**-**	-
	Expenses					
	Auditors' remuneration		**1,438**	1,185	**-**	-
	Cost of sales		**207,576**	182,047		
	Depreciation	**19**	**32,229**	31,308		
	Directors' emoluments	**20**	**4,537**	2,621	**-**	-
	Foreign exchange losses		**40**	1,016	**-**	-
	Impairment of assets					
	- investments		**1,004**	4,014		
	- loans		**-**	5,219		
	Leasing charges					
	- operating leases on land and buildings		**3,095**	2,721	**-**	-
	- financial leases on plant & equip		**662**	443	**-**	-
	Loss on disposal of fixed assets		**-**	74		
	Retirement funding		**2,894**	2,437	**-**	-
16	**Taxation**					
	Taxation - current		**26,970**	26,385	**-**	-
	Taxation - prior		**-**	(281)	**-**	-
	Deferred taxation - current		**255**	(14)	**-**	-
	Deferred taxation - prior		**270**	(115)		
	Secondary tax on companies		**1,341**	1,691	**-**	-
			28,836	27,666	**-**	-
	Reconciliation of rate of taxation					
	SA normal tax rate		**28.0%**	28.0%	**28.0%**	28.0%
	Adjusted for:					
	Disallowable expenses/exempt income		**(0.3)**	(1.7)	**(28.0)**	(28.0)
	Prior periods		**0.3**	(0.4)	**-**	**-**
	Secondary tax on companies		**1.4**	1.7	**-**	**-**
	Net (decrease)/increase		**1.4**	(0.4)	**(28.0)**	(28.0)
	Effective tax rate		**29.4%**	27.6%	**0.0%**	0.0%

17 Share based payments

Share options granted to eligible executives of the group's operating companies were:

Issue date	Vesting date	Expiry date	Exercise Price (cents)	2009 Outstanding Options	Granted	Exercised	Lapsed	2010 Outstanding Options
01/10/2008	30/09/2010	30/09/2012	420	434,600	-	-	-	**434,600**
01/10/2008	30/09/2011	30/09/2013	420	724,000	-	-	-	**724,000**
01/10/2008	30/09/2012	30/09/2014	420	724,000	-	-	-	**724,000**
01/10/2008	30/09/2013	30/09/2015	420	1,013,500	-	-	-	**1,013,500**
				2,896,100	-	-	-	**2,896,100**

Share options are to be settled in equity, one share per option

	GROUP 2010	2009
The share options have been valued on the Black Scholes method using a dividend yield of 5.0%, a historical volatility of 21.5% and a		

risk free rate of 9.38% p.a. and are expensed through the statement of comprehensive income over the exercise periods	**695**	496

		GROUP 2010 R'000	GROUP 2009 R'000	COMPANY 2010 R'000	COMPANY 2009 R'000
18 Headline earnings					
Earnings per share (cents)		**83.01**	86.33		
- loss (profit) on disposal of assets - net		**(0.04)**	(24.64)		
- profit on disposal of subsidiary - net		**-**	-		
- impairments		**1.25**	11.03		
Headline earnings per share (cents)		**84.22**	72.72		
Weighted number of shares in issue	10	**80,352,693**	83,723,310		

The calculation of earnings per share is based on net profit for the year and the weighted number of shares in issue during the period, net of tax and minority interest.

		GROUP 2010 R'000	GROUP 2009 R'000	COMPANY 2010 R'000	COMPANY 2009 R'000
Reconciliation of headline earnings					
Attributable to holders of the parent					
- earnings		**66,701**	72,278		
Adjustments net of tax and minority interest					
- loss (profit) on disposal of assets - net		**(33)**	(20,629)		
profit on sale of investment property		**-**	(24,309)		
losses/(profit) on disposal of plant & equipment		**(48)**	(51)		
tax and minorities		**15**	3,731		
- impairments		**1,004**	9,233		
listed investments		**1,004**	4,014		
loans		**-**	5,219		
Headline earnings		**67,672**	60,882		
19 Depreciation					
Land and buildings		**2,234**	2,672	**-**	-
Manufacturing plant and equipment		**24,711**	23,484	**-**	-
Other plant and equipment		**5,284**	5,152		
		32,229	31,308	**-**	-

20 Directors' emoluments R'000	**Fees for services**	**Basic salary**	**Allowances**	**Bonuses**	**Share based payments**	**Benefits**	**Total R'000**
30 June 2010							
Executive							
M Brain	-	1,192	144	-	-	-	1,336
PF Sass	-	1,098	144	-	-	-	1,242
MS Parker	-	1,012	120	435	-	-	1,567
Non-Executive							
HW Sass	241	-	-	-	-	-	241
BJ Frost	131	-	-	-	-	-	131
EG Tindale	20	-	-	-	-	-	20
	392	3,302	408	435	-	-	4,537
Paid by subsidiaries	(392)	(3,302)	(408)	(435)	-	-	(4,537)
Paid by company	-	-	-	-	-	-	-
30 June 2009							
Executive							
M Brain	-	1,102	76	-	-	50	1,228
PF Sass							-
MS Parker	-	908	120	-	-	-	1,028
Non-Executive							
HW Sass	225	-	-	-	-	-	225
BJ Frost	120	-	-	-	-	-	120
EG Tindale	20	-	-	-	-	-	20
	365	2,010	196	-	-	50	2,621
Paid by subsidiary	(365)	(2,010)	(196)	-	-	(50)	(2,621)
Paid by company	-	-	-	-	-	-	-

There are no fixed period service contracts

		GROUP 2010 R'000	GROUP 2009 R'000	COMPANY 2010 R'000	COMPANY 2009 R'000
21	**Cash Flow**				
21.1	**Cash generated by operations**				
	Profit before tax	**98,278**	100,214	**24,671**	17,951
	Non cash items	**33,880**	16,676	**-**	-
	- depreciation	**32,229**	31,308	**-**	-
	- impairment of loans	**-**	4,014	**-**	-
	- impairment of investments	**1,004**	5,219	**-**	-
	- share based payments	**695**	496		
	- loss (surplus) on disposal of fixed assets	**(48)**	(24,361)	**-**	-
	Adjustments for items shown separately	**(1,854)**	3,287	**(24,671)**	(17,951)
	Interest paid	**2,539**	5,699	**-**	-
	Dividends received	**(1,191)**	-	**(24,671)**	(17,951)
	Interest received	**(3,202)**	(2,412)	**-**	-
	Working capital changes	**4,452**	(15,593)	**-**	-
	Inventories	**(5,038)**	(2,392)	**-**	-
	Trade and other receivables	**(1,183)**	(4,572)	**-**	-
	Trade and other payables	**10,673**	(8,629)	**-**	-
		134,756	104,584	**-**	-
21.2	**Reconciliation of dividends received**				
	Accrued to the income statement	**1,191**	-	**24,671**	17,951
	Non cash dividend received	**-**	-	**-**	-
	Dividends received	**1,191**	-	**24,671**	17,951
21.3	**Reconciliation of taxation paid**				
	Charged to the income statement	**(28,836)**	(27,666)		
	Adjustment for deferred taxation	**525**	(129)		
	Movement in taxation liability	**(607)**	(557)		
	Payments made	**(28,918)**	(28,352)		
21.4	**Proceeds on disposal of property, plant & equipment**				
	Book value of assets disposed of	**86**	19,338		
	Profit (loss) on disposal	**48**	24,361		
	Proceeds received	**134**	43,699		
21.5	**Additions to property, plant and equipment**				
	To expand operations				
	- Land and buildings	**10,134**	280		
	- Manufacturing plant and equipment	**10,073**	34,155		
	- Other plant and equipment	**1,015**	3,804		
		21,222	38,239		
21.6	**Net inflow on acquisition of subsidiary**				
	Property, plant and equipment	**-**	4,397		
	Goodwill	**-**	4,862		
	Deferred taxation	**-**	3,287		
	Current assets (excl cash)	**-**	1,545		
	Current liabilities	**-**	(14,167)		
	Cash and cash equivalents assumed	**-**	76		

22 Financial Instruments

22.1 Credit Risk

The group has no identifiable or abnormal concentrations of credit risk, either to specific customers, any industry or sector. The carrying amounts of financial assets in the financial statements represent the group's maximum exposure to credit risk.

The group only deposits cash surpluses with major banks of high standing.

Extensive credit evaluations are performed on all prospective customers and on an ongoing basis for existing customers. Personal sureties are sought for smaller or newly established customers.

The group considers all concentration of credit risk to be adequately provided for at the balance sheet date.

22.2 Equity Price Risk

Equity investments are classified and held as available for sale. Market prices are monitored by management on an ongoing basis. Significant movement in these prices are acounted for as and when recognised by management. Equity exposure at year end is considered minimal.

22.3 Fair Value

The carrying amounts of liquid resources , trade receivables and trade payables approximate their fair value at the balance sheet date.

22.4 Amortised cost

Interest accrues in each period by applying the effective interest rate implicit to the loan to the outstanding balance of the loan.

22.5 Foreign Exchange Risk

Foreign exchange risk arises on the acquisition of plant and machinery from abroad. Hedging instruments are used to reduce exposure to currency fluctuations. As capital orders are normally long term in nature and are paid for over the period of manufacture, risk exposure is averaged over the longer period.

	2010			2009		
	Foreign Value '000	**Rate**	**Rand Value R'000**	Foreign Value '000	Rate	Rand Value R'000
Foreign Commitments						
Materials	**$ 80.325**	**7.51**	**603**	€ 2	11.2758	24
Plant and equipment	**€ 63.787**	**9.5400**	**609**	¥5,600	11.8600	472
Plant and equipment				¥2,800	12.2000	230
			1,212			726

	GROUP 2010 R'000	2009 R'000
22.6 Interest Rate Risk		
Borrowings are secured at the best prevailing rates, the movement of which is monitored and managed on an ongoing basis.		
Variable-rate interest bearing assets	**81,604**	37,579
Variable-rate interest bearing liabilities	**(6,708)**	(22,057)
Net assets (liabilities)	**74,896**	15,522
Estimated interest rate change	0.5%	0.5%
Net after tax profit sensitivity	**270**	56
22.7 Liquidity Risk		
The group manages its liquidity risk by monitoring cash flows and ensuring that adequate liquid funds are available.		
Payable within the next 12 months		
Mortgage bonds	**1,246**	1,325
Instalment sale agreements	**1,444**	3,665
Trade and other payables	**52,859**	42,187
Payable thereafter		
Mortgage bonds	**3,115**	4,638
Instalment sale agreements	**1,624**	1,799
No fixed date of repayment		
Bank overdrafts	**-**	14,135
Total financial liabilities	**60,287**	67,749

		GROUP 2010 R'000	GROUP 2009 R'000	COMPANY 2010 R'000	COMPANY 2009 R'000
22	**Financial Instruments - continued**				
22.8	**Financial Asset Categories**				
	Loans and Receivables				
	Trade and other receivables	**111,605**	110,422	**-**	-
	Cash and cash equivalents	**81,604**	37,579	**-**	-
	Loans to group companies	**-**	-	**81,837**	81,837
		193,209	148,001	**81,837**	81,837
	Available for sale				
	Investments	**1,254**	2,258	-	-
		194,463	150,259	81,837	81,837
22.9	**Financial Liability Categories**				
	Financial liabilities at amortised cost				
	Borrowings	**6,708**	10,733	**-**	-
	Trade and other payables	**52,859**	42,187	**-**	-
	Bank overdrafts	**-**	14,135	**-**	-
		59,567	67,055	-	-

23 Segmental Report

Primary Format - Business Segments R'000	**Plastic Operations**	**Filling Operations**	**Property Investment**	**Unallocated**	**Eliminations**	**Total**
30 June 2010						
Revenue	306,741	262,496	13,471	-	(64,507)	518,201
Other income	3,137	9	-	-	-	3,146
Costs (excl. depreciation)	(218,712)	(236,169)	(1,130)	-	64,507	(391,504)
Depreciation	(22,425)	(7,570)	(2,234)	-	-	(32,229)
	68,741	18,766	10,107	-	-	97,614
Finance income	7,182	-	5		(3,985)	3,202
Finance costs	(462)	(5,273)	(788)		3,985	(2,538)
Net income before tax	75,461	13,493	9,324	-	-	98,278
Taxation	(22,241)	(3,980)	(2,615)	-	-	(28,836)
Net income for the year	53,220	9,513	6,709	-	-	69,442
Attributable to:						
Equity holders of the parent	53,220	7,125	6,356	-	-	66,701
Minority interest	-	2,388	353	-	-	2,741
	53,220	9,513	6,709	-	-	69,442
Total Assets	310,737	114,152	85,389	15,921	(100,801)	425,398
Total Liabilities	73,538	80,871	25,917	(2,197)	(100,801)	77,328
Capital Expenditure	5,073	6,015	10,135	-	-	21,223
30 June 2009						
Revenue	322,740	214,468	12,206	-	(91,419)	457,995
Other income	6,148	3,483	24,309	850	-	34,790
Costs (excl. depreciation)	(243,300)	(204,358)	(1,736)	-	91,419	(357,975)
Depreciation	(21,306)	(7,331)	(2,672)	-	-	(31,309)
	64,282	6,262	32,107	850	-	103,501
Finance income	6,355	47	28		(4,018)	2,412
Finance costs	(1,983)	(6,597)	(1,136)		4,018	(5,698)
Net income before tax	68,654	(288)	30,999	850	-	100,215
Taxation	(23,368)	1,356	(5,655)	-	-	(27,667)
Net income after tax	45,286	1,068	25,344	850	-	72,548
Attributable to:						
Equity holders of the parent	45,286	800	25,342	850	-	72,278
Minority interest	-	268	2	-	-	270
	45,286	1,068	25,344	850	-	72,548

Total Assets	280,634	90,812	70,823	15,921	(70,576)	387,614
Total Liabilities	72,349	65,428	18,061	-	(70,576)	85,262
Capital Expenditure	29,929	8,030	280	-	-	38,239

	GROUP 2010 R'000	GROUP 2009 R'000	COMPANY 2010 R'000	COMPANY 2009 R'000
24 Commitments				
Capital				
Plant	**-**	1,818		
Land and buildings	**-**	-		
Plant	**-**	1,818		
The expenditure will be financed from cash generated from normal business operations and loan finance.				
Leases				
Operating leases on property, plant and equipment	**-**	-		
Due within one year	**-**	-		
Due between one and five years	**-**	-		
Financial leases on property, plant and equipment	**3,141**	-		
Due within one year	**1,565**	-		
Due between one and five years	**1,576**	-		
	3,141	-		
25 Contingent Liabilities				
Bank guarantees issued	**449**	449	**257**	257
Secondary Tax on Companies				
Liability arising in the event of the company declaring its outstanding retained income by way of dividends.			**7,763**	7,763

and interest in loans to Postal Presents (Pty) Ltd and stood surety for R4 000 000 (see note 11.2) as cover for mortgage finance.

The company has guaranteed the overdraft facilities of its subsidiaries in the amount of R1 500 000.

The company has stood surety for R800 000 to First National Bank for facilities granted to subsidiaries

The directors do not believe these contingent liabilities are likely to materialise into full liabilities.

26 Change in accounting estimate

There were no significant changes to accounting estimates during the year

DIVIDEND DECLARATION

Notice is hereby given that a final dividend of 15.0 cents per share (2009: final dividend of 10.9 cents and a special dividend of 4.0 cents) has been declared payable to shareholders on Monday, 18 October 2010.

The last day to trade "cum" the dividend will be Friday, 8 October 2010. "Ex" dividend trading begins on Monday, 11 October 2010 and the record date will be Friday, 15 October 2010.

Share certificates may not be dematerialised or re-materialised from Monday, 11 October 2010 to Friday, 15 October 2010, both days inclusive.

By order of the Board

L V ROWLES
Secretary

Ottery
9 September 2010

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the twenty second Annual General Meeting of shareholders of the company will be held at the company's head office, Harris Drive, Ottery, Cape at 09h00 on Thursday 11 November 2010 for the purposes of considering and passing, with or without modification, the resolutions set out below, and to transact any other business as may be transacted at an annual general meeting:

1 **Ordinary Resolution Number One (Approval of Annual Financial Statements)**

"Resolved that the Annual Financial Statements of the company for the year ended 30 June 2010, be and are hereby approved."

2 **Ordinary Resolution Number Two (Approval of directors emoluments)**

"Resolved that the directors emoluments as reflected in the Annual Financial Statements of the company for the year ended 30 June 2010, be and are hereby approved."

3 **Ordinary Resolution Number Three (Re-election of Director)**

"Resolved that Mr BJ Frost, who retires as a director in terms of the company's articles of association, but being eligible, and who offers himself for re-election, be and is hereby re-elected as director of the company."

4 **Ordinary Resolution Number Four (Re-election of Director)**

"Resolved that Mr EG Tindale, who retires as a director in terms of the company's articles of association, but being eligible, and who offers himself for re-election, be and is hereby re-elected as director of the company."

5 **Ordinary Resolution Number Five (Unissued shares under control of Directors)**

"Resolved that the authorised but unissued ordinary shares in the share capital of the company, be and are hereby placed under the control and authority of the Directors, to allot and issue, at such prices and to such persons and on such terms, as they deem fit."

6 **Special Resolution Number One (General authority to repurchase shares)**

"Resolved that the Company hereby approves, as a general approval contemplated in sections 85(2) and 85(3) of the Companies Act, 1973 as amended ("the Act"), the acquisition by the Company from time to time of the issued ordinary shares of the Company, upon such terms and conditions and in such amounts as the directors of the Company from time to time may determine, but subject to the articles of association of the Company, the provisions of the Act and the Listings Requirements from time to time of the JSE Securities Exchange South Africa ("JSE"), and:

6.1 any such acquisition of ordinary shares shall be implemented on the open market of the JSE on terms determined by the board of directors of the Company;

6.2 this general authority shall only be valid until the Company's next annual general meeting, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this Special Resolution Number One;

6.3 a paid press announcement will be published as soon as the Company has acquired ordinary shares constituting, on a cumulative basis, 3% (three percent) of the number of ordinary shares in issue prior to the acquisition pursuant to which the 3% (three percent) threshold is reached, which announcement shall contain full details of such acquisitions;

6.4 acquisitions of ordinary shares in the aggregate in any one financial year may not exceed 20% (twenty percent) of the Company's issued ordinary share capital from the date of the grant of this general authority;

6.5 in determining the price at which the Company's shares are acquired by the Company in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% (ten percent) of the weighted average of the market price at which such ordinary shares are traded on the JSE, as determined over the 5 (five) trading days immediately preceding the date of the repurchase of such ordinary shares by the Company;

6.6 the consolidated assets of the Company, valued in accordance with International Financial Reporting Standards, will be in excess of the consolidated liabilities of the Company;

6.7 the Company shall have adequate capital; and

6.8 the working capital of the Company will be adequate for the Company's next year's operations."

6 **Special Resolution Number One (continued)**

Statement by the board of directors of the Company

Pursuant to and in terms of the Listings Requirements of the JSE, the directors of the Company hereby state that:

a. the intention of the directors of the Company is to utilise the authority if at some future date the cash resources of the Company are in excess of it's requirements. In this regard the directors will take account of, *inter alia*, an appropriate capitalisation structure for the Company, the long-term cash needs of the Company and will ensure that any such utilisation is in the interests of shareholders;

b. the method by which the Company intends to re-purchase it's shares, the maximum number of shares to be re-purchased and the date on which such re-purchase will take place, has not yet been determined; and

c. after considering the effect of a maximum permitted re-purchase of shares, the company is, at the date of this notice convening the twenty second annual general meeting of the Company, unable to fully comply with paragraph 5.133 (c) (referred to below) of the Listings Requirements of the JSE, however, at the time that the contemplated re-purchase is to take place, the directors of the Company will ensure that:

the Company will be able to repay its debts;
the consolidated assets of the Company , valued in accordance with International Financial Reporting Standards, will be in excess of consolidated liabilities of the Company;
the issued capital of the Company will be adequate for the purposes of the business of the Company and its subsidiaries for the next twelve months; and
the working capital available to the Company and its subsidiaries will be sufficient for the Company's requirements for the next twelve months.

7 **Ordinary Resolution Number Six (Director's authority to negotiate and sign)**

"Resolved that any one of the directors of the Company be and are hereby authorised to negotiate on behalf of the Company and sign all such documents and do all such things as may be necessary for or incidental to the registration or implementation of the resolutions set out in this notice convening the annual general meeting at which this Ordinary Resolution Number Five is considered."

8 **Ordinary Resolution Number Seven (Reappointment of auditors)**

On the recommendation of the audit committee, "It is resolved that Mazars be and are hereby reappointed as auditors until the conclusion of the next annual general meeting of the company."

Proxies

A proxy, who need not be a Bowler Metcalf shareholder, may be appointed to attend, speak and vote at the annual general meeting in the place of a shareholder who is entitled to attend and vote at the annual general meeting and who is not in a position to attend the annual general meeting.

A proxy may only be appointed by a Bowler Metcalf shareholder who falls within one of the following categories:

- a certificated shareholder; or
- CSDP nominee companies, stockbrokers' nominee companies and dematerialised shareholders who have elected "own name" registration.

A form of proxy is attached for the convenience of such a shareholder. The form of proxy should be completed and returned so as to reach the transfer secretaries, Computershare Investor Services 2004 (Pty) Limited, 70 Marshall Street, Johannesburg (P O Box 61051, Marshalltown, 2107, 2000) by 09h00 on Wenesday, 10 November 2010. [If a form of proxy is not received by such date, it may be handed to the chairman of the general meeting not later than ten minutes before the commencement of the annual general meeting.]

Dematerialised shareholders other than dematerialised shareholders with "own name" registration who are unable to attend the annual general meeting and wish to be represented thereat must provide their CSDP or stockbroker with their voting instruction in terms of the safe custody agreement entered into between themselves and the CSDP or stockbroker in the manner and time stipulated therein.

Dematerialised shareholders other than dematerialised shareholders with "own name" registration who wish to attend the general meeting must instruct their CSDP or stockbroker to issue them with the necessary authority to attend.

By order of the board

L V ROWLES
Secretary

Ottery
9 September 2010

BOWLER METCALF LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1972/005921/06)
Share Code: BCF ISIN: ZAE000030797)
("Bowler Metcalf" or "the Company")

FORM OF PROXY

FOR USE BY CERTIFICATED AND OWN NAME DEMATERIALISED SHAREHOLDERS AT THE ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD AT 09:00 ON THURSDAY, 11 NOVEMBER 2010 AT THE COMPANY'S HEAD OFFICE, HARRIS DRIVE, OTTERY, CAPE TOWN.

Note: Dematerialised shareholders without own name registration must **not** use this form. Dematerialised shareholders without own name registration who wish to vote by way of proxy at the general meeting, must provide their CSDP or broker with their voting instructions **by the cut-off time and date advised by the CSDP or broker for instructions of this nature** as specified in the custody agreement entered into between such shareholder and their CSDP or broker, in order for such CSDP or broker to vote in accordance with such instructions at the general meeting.

I/We ____

of ____

being the registered holder/s of [ ] ordinary shares in Bowler Metcalf, appoint (see note 1):

1. ____________________ of ____________________ or, failing him/her,

2. ____________________ of ____________________ or, failing him/her,

3. the chairman of the annual general meeting,

as my/our proxy to act for me/us on my/our behalf at the general meeting which will be held at 09:00 on Thursday, 11 November 2010 for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at any adjournment thereof; and to vote for or against the said resolutions or abstain from voting in respect of the ordinary shares registered in my/our name/s, in accordance with the following instructions (see note 2):

	For	Against	Abstain
Ordinary resolution number one (Approval of Annual Financial Statements)			
Ordinary resolution number two (Approval of directors emoluments)			
Ordinary resolution number three (re-election of director)			
Ordinary resolution number four (re-election of director)			
Ordinary resolution number five (Unissued shares under the control of Directors)			
Special resolution number one (General authority to repurchase shares)			
Ordinary resolution number six (Directors authority to negotiate and sign)			
Ordinary resolution number seven (Reappointment of auditors)			

Signed at ____________________ on ____________________

Signature ____

Each shareholder is entitled to appoint one or more proxy(ies) (who need not be shareholders of the Company), to attend, speak and vote in his/her stead at the annual general meeting.

Please read the notes on the reverse side hereof.