BOWLER METCALF LIMITED

INTEGRATED ANNUAL REPORT

30 JUNE 2019

VISION STATEMENT

Together we make a difference

MISSION STATEMENT

We affirm our commitment to:

- Seamlessly integrate into the supply chain of our customers, providing the quality of service and goods at a cost which will help them prosper with ourselves.
- Provide our employees with an inclusive environment to develop to the best of their potential in line with the needs of the business.
- Promote sustainable resource management based on environmentally responsible practices through an integrated system of waste reduction, reuse, recycling, innovative technology including customer and community awareness development.
- Conduct our business at all times in accordance with our value system.
- Appropriately reward stakeholders for their support and commitments to the business.
- Continually embrace innovations in products, technologies, methods and knowledge to provide excellence in solutions.

VALUES

- Trust
- Respect
- Honesty
- Caring

Cover

Front: Prior to the launch of "Project Eco Warrior", a competition was held to create the emblem and poster of the Eco Warriors, to best capture the recycling vision. The winner of the competition used his son's hand as the main feature, "meaning we shall raise our hands, we shall stand up and be counted as Eco Warriors"

Directors

Non-executive:

Brian James Frost (75) *!
Non-executive Independent Chairman
Appointed June 1998

Michael Brain (72) !
Non-executive Independent Director
Appointed June 1984

Finlay Craig MacGillivray (52) !*
Non-executive Independent Director
Appointed March 2011

Sarah Jane Gillett (46) *#
Non-executive Independent Director
Appointed September 2012

Executive :

Paul Friedrich Sass (56) #
Chief Executive Officer (CEO)
Appointed November 2009

Grant Andrew Böhler (48)
Chief Financial Officer (CFO)
Appointed December 2011

Prescribed Officers

Andre Cumaro September, CA (SA)
Company Secretary & Group Financial Manager
Appointed November 2018

Administration

Company Secretary
Andre Cumaro September

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
Cape Town Corporate Branch
Ground Floor, Great Westerford
240 Main Road, Rondebosch, 7700

Sponsors
Arbor Capital Sponsors (Pty) Ltd
20 Stirrup Lane, Woodmead Office Park
c/o Woodmead Drive & Van Reenen Avenue
Woodmead, 2157

Country of Incorporation
Republic of South Africa

! Remuneration Committee ** Audit & Risk Committee* *# Social and Ethics Committee*

Bowler Metcalf Limited

Integrated Annual Report
For the year ended 30 June 2019

This Integrated Annual report, including the Annual Financial Statements, has been prepared in accordance with International Financial Reporting Standards and in the manner required by the Companies Act 2008, Act 71 of 2008. The elements of the Annual Financial Statements, as identified in the auditors report, have been audited in compliance with this act.

Prepared by :	AC September, CA (SA)
Produced on :	12 September 2019

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Members' Diary

Financial Year End	30 June
Annual General Meeting	November 2019

Reports	**Date Published**
Interim for half year	February 2019
Annual Report	September 2019

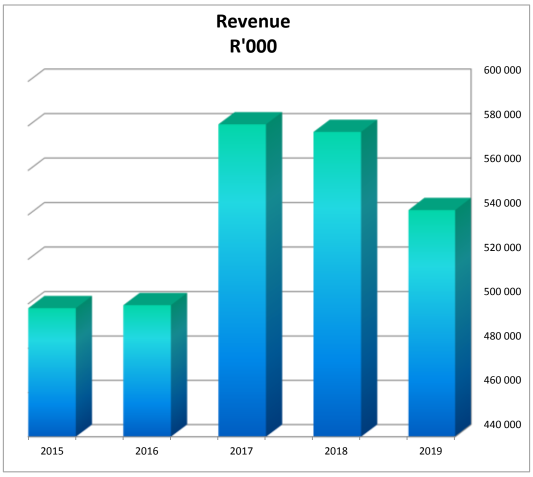
Dividends	**Date of Declaration**	**Date of payment**
Interim	February 2019	March 2019
Final	September 2019	November 2019

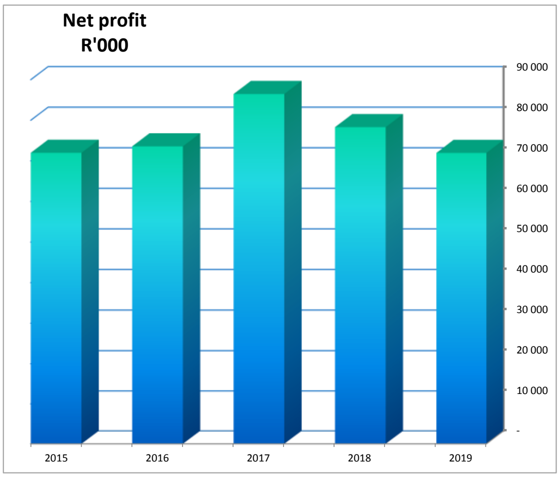
* The Shareholder's Profile includes the shareholders analysis which is unaudited

FINANCIAL HIGHLIGHTS

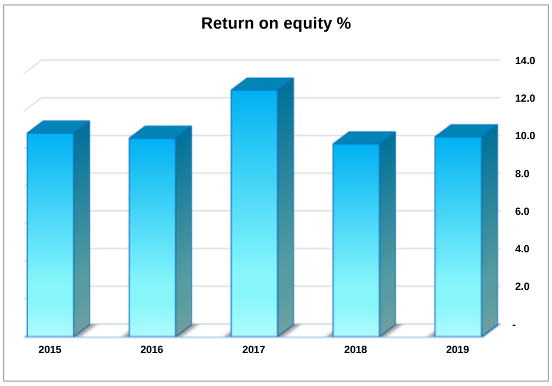
Years ending 30 June

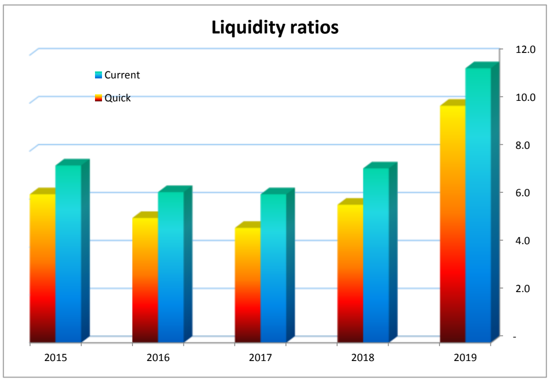
TRADING (Continuing operations only)	2019	2018	2017	2016	2015	2014
Revenue (R'000)	542 117	577 251	580 665	499 376	498 037	423 347
Operating profit (R'000)	63 604	95 750	107 966	79 319	88 011	75 267
Net profit (R'000)	71 959	78 309	86 475	73 575	71 988	60 202
Year-on-year (decline)/growth in net profit (%)	(8.1)	(9.4)	17.5	2.2	19.6	9.7
5 Year compound growth/(decline) in net profit (%)	3.6	7.4	8.6	3.3	1.5	(3.6)





BALANCE SHEET	2019	2018	2017	2016	2015	2014
Shareholders equity (R'000)	678 999	766 120	661 247	699 046	667 752	459 854
Capital employed (R'000)	703 739	827 128	701 009	759 698	721 130	474 853
Total assets (R'000)	754 301	884 338	758 540	823 499	770 593	553 515
Return on shareholders equity (%)	10.6	10.2	13.1	10.5	10.8	13.1
Return on capital employed (%)	10.2	9.5	12.3	9.7	10.0	12.7
Current ratio	11.5	7.3	6.2	6.3	7.4	4.5
Quick ratio	9.9	5.8	4.8	5.2	6.2	3.3

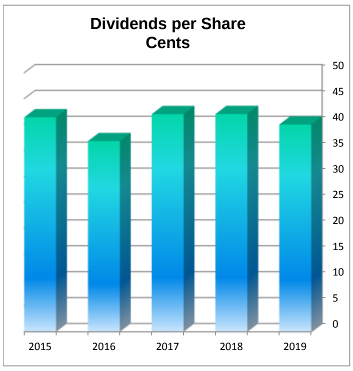


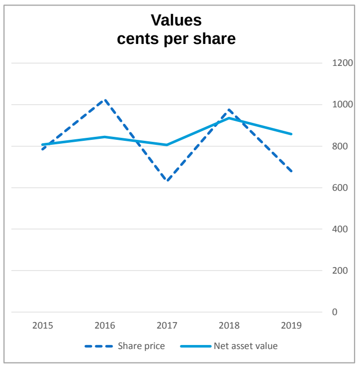


FINANCIAL HIGHLIGHTS - continued

Years ending 30 June

SHARE FACTS	2019	2018	2017	2016	2015	2014
EPS (cents)	88.09 *	95.50 *	104.45	88.86	87.28 *	73.26
HEPS (cents)	88.10 *	95.36 *	104.42	88.75	87.33 *	74.87
5 Year compound growth in HEPS (%)	3.3	7.2	8.2	0.9	6.8	4.5
Net asset value per share (cents)	858.0	934.3	806.4	844.3	806.5	557.7
Proposed ordinary dividends per share (cents)	40.0	42.0	42.0	36.8	41.4	35.0
Special dividend per share paid (cents)	305.0	-	-	-	-	-
Dividend cover (times)	2.2	2.3	2.5	2.4	2.1	2.1
Share price (cents)	680	975	630	1 025	785	741
Price earnings ratio	7.7	10.2	6.0	11.5	9.0	10.1
Shares traded (000's)	22 478	12 905	16 968	19 427	13 588	9 879
Weighted number of shares in issue ('000)	81 689	81 995	82 795	82 799	82 481	82 179





TERM	DEFINITIONS
Net profit	Total comprehensive income attributable to equity holders of the parent.
Operating Profit	Profit before tax and net finance income / (cost)
Shareholders Equity	Capital and reserves
Capital Employed	Capital, reserves and non-current liabilities
Current Ratio	Current assets to current liabilities
Quick Ratio	Current assets, excluding inventories, to current liabilities
EPS	Earnings per share
HEPS	Headline earnings per share
Net Asset Value	Total assets less current and non-current liabilities
Dividends per Share	Interim paid and final proposed for the year
Price Earnings Ratio	Share price divided by headline earnings per share

* Continuing operations only.

DIRECTOR PROFILES

Independent Non-Executive

Brian James Frost (75) Audit and Risk Committee Remuneration Committee Chairman of the Board	Brian Frost B.Com, AMP (Harvard), retired from his position as Executive Joint Managing Director at Woolworths in 2000, continuing service as a non-executive director with them until 2010. Brian joined the Bowler Metcalf Board as an independent non-executive director in 1998 and is now the Chairman of the Board. The Board has assessed that his independence, character and judgement has not been impaired or affected by his length of service, which is in excess of ten years.
Finlay Craig MacGillivray (52) Audit and Risk Committee (Chair) Remuneration Committee (Chair) Social and Ethics Committee	Craig MacGillivray CA(SA), previously a senior partner of a national audit practice, holds a B. Com degree, postgraduate diplomas in accounting and tax law, and currently holds executive and non-executive board positions within various private business sectors including property, healthcare, education and agro-processing. He joined Bowler Metcalf as an independent non-executive director in March 2011 and chairs the Remuneration Committee and the Audit and Risk Committee.
Michael Brain (72) Remuneration Committee Lead Independent Non Executive Director	Michael Brain qualified with a B.Sc.(Eng) from The University of Cape Town and was the founder of engineering company Brain and Howarth in 1975, and founder of marketing company SA Historical Mint in 1977. He is a director of forwarding and clearing company Berry & Donaldson since 2005, chairman of printing company Trident Press since 2011 and non-executive director of travel company Safari 365 since 2012. He joined Bowler Metcalf in 1984 and held the position of financial director until 1999 when he took over as managing director. He moved into the dual role of vice-chairman and chief financial officer in 2011 and retired from executive duties in November of that year. The Board has assessed that his independence, character and judgement has not been impaired or affected by his length of service, which is in excess of ten years.
Sarah Jane Gillett (46) Audit and Risk Committee Social and Ethics Committee (Chair)	Sarah Jane Gillett qualified with a B.Com from Stellenbosch University (Accounting and Economics) in 1994 and has further specialised into marketing and negotiations. She has worked nationally and internationally in marketing and sales and has run, as Managing Director, the family business of the importation and distribution of products into the printing and architectural industries since 2010. Sarah joined the Board in November 2012 and chairs the Social and Ethics Committee.

Executive

Paul Friedrich Sass (56) Chief Executive Officer Social and Ethics Committee	Friedel Sass has a B.Sc. Mechanical Engineering from The University of Cape Town and worked as a design and industrial engineer before completing an internship in Europe in the plastics industry. He joined Bowler Metcalf in 1991, was appointed to the Bowler Metcalf Board as an executive director in 1998 for 7 years and then again in 2009. He was appointed Chief Executive Officer in March 2011.
Grant Andrew Böhler (48) Chief Financial Officer	Grant Böhler obtained his B.Acc (Hons) from Stellenbosch University and qualified as a Chartered Accountant after completing articles at Ernst & Young. He has experience in the manufacturing and service sectors and joined Bowler Plastics as CFO in November 2011 before being appointed to the Bowler Metcalf Board as Chief Financial Officer.

CHAIRMAN'S REPORT

In my last Chairman's report I mentioned it would be my last as I would be retiring during the course of the year.

The extent and serious nature of the strike, particularly in Johannesburg is not generally known and understood. The personal safety of our staff was constantly under threat. Our trucks were attacked and our factory petrol bombed. Customer deliveries were made under armed escort.

In the face of this adversity our customers continued to receive their orders and large volumes of production were moved to Cape Town. This was all achieved by the deep understanding and around the clock commitment of our top team and their colleagues.

I have dwelt on this as it had the effect of delaying the work that had begun on the strategic review of every aspect of the plastics business and positioning for the future. This together with the general uncertainty in the country and the market forces mentioned in the Chief Executive's report has motivated my fellow directors to request that I postpone my resignation until our strategic review is completed.

I am conscious that our shareholders are anxious to be informed of how the company intends to utilize the large cash balance or will it be returned to them. You have my and my board colleagues assurance that it is receiving urgent and detailed attention.

MANAGEMENT TEAM

The strength and depth of the Company management team is the key to our future success. The Remuneration Committee, working with the Chief Executive Officer have been focusing on ensuring that we have the talent and organizational structure to execute our future strategy.

PROSPECTS

The Chief Executive Oficer has dealt in some detail with the current trading environment and the challenges which the business faces.

The year ahead will be very challenging but the capacity, mood and spirit in the company to do what is required to keep the Company where it belongs gives me great optimism for the future.

THANKS

Once again I must thank my board colleagues for their support and guidance and always being available at short notice. I must mention the sterling work put in by the Board Committee Chairpersons. They and their committee colleagues do much of the work that assists the board to make informed and governance compliant decisions.

My thanks also to the Chief Executive and Finance Director for once again steering your company through very demanding times.

B.J. FROST
Non-Executive Independent Chairman

CHIEF EXECUTIVE OFFICER'S REPORT

"The harder you work, the luckier you get '' – this popular phrase cited by the SA golfing maestro Gary Player served me as a regular reminder on how to manage a good manufacturing business in the past. When you land in the rough, that practice is the saviour, although the score still suffers you soldier on, and so it has been with the Company this past financial year – as with so many other South African businesses too. The highly successful completion of the SoftBev project was followed by a particularly challenging time in the plastics business burdened by a crippling strike, costly load shedding periods, a R4,7 million tank write off, unrecoverable material price surges and a deflated order book. These events have impacted earnings negatively. In short, the SoftBev earnings bolstering performance of 171.32 cents per share, was a welcome bright star in a year of slumped turnover (6.1%), extraordinary high operating costs, tightly squeezed margins resulting in a 12.0% decrease in operating profit in the continuing plastics business.

The volatility of the South African manufacturing space is likely to remain a regular occurring part of our life for a few years to come. This is where a new level of smartness must be the order of the day. During the past quarter, the business has stabilised at a lower base to prior year. Significant reframing of the cost base of the business has received intense focus after the SoftBev deal finalisation. The key objective is growth, mainly organic and with partners valuing the integrated supply chain. Strategically we are well entrenched in the personal care, chemical and food packaging sectors.

Following our initial strategic work of critically assessing our current property portfolio with future operational needs, the property valuations have been revised after carefully considering higher capitalisation rates that better reflect marketability of the properties in the current economic climate and escalating business costs that impacted the expense ratios applied in the valuation calculation. Accordingly, our valuation of properties has been negatively impacted by 15%.

Worldwide, plastic raw material usage has continued to grow at approximately 4% annually since 2008. Globally this trend is not forecasted to change materially in the foreseeable future. For the environment this poses significant challenges and it is with relief that I have evidenced an increased awareness by consumers and brand holders in our country to become purposeful in influencing consumer behaviour. I consider behaviour to lie at the heart of the ecological consequences. This has led to noticeably increased product discussions embracing the principles of "Reduce, Recycle, Reuse". Within this development lies opportunity to invest in Research and Development (R&D) to be part of and influential in this consciousness move. I admire the tenacious work by PETCO and POLYCO, amongst others, in bringing solutions and awareness to the population in a pragmatic way .

Notwithstanding the significant challenges facing the South African business and social environment, I remain cautiously optimistic for the medium term prospects of this country. Our business has been presented with numerous opportunities in recent months and there have been some encouraging developments. Each has been scrutinised carefully, despite the diversions and delays in the VUCA environment. We have made progress in firming up on investment requirements. The aforementioned platform of risks clearly influences returns on investment significantly more than in the past. Nonetheless investments will be channelled into recapitalisation of equipment and moulds, to build specialised capacity in a changing market, for R&D in value add propositions and to extend infrastructure in buildings. The undervalued share price has offered a good investment opportunity by continuing the buyback of the Company shares. This spend is likely to be around R40 million.

I am grateful for the unwavering support by customers. I am proud of the courage and resilience of our teams to have managed an uninterrupted supply of products during very difficult and violent strikes. The board's trust made it possible to remain focused and tactically expedient. I thank Brian Frost for considering to delay his retirement from the board at our request while we settle this stabilising phase in our business cycle.

P.F. SASS
Chief Executive Officer

King IV™

The Board endorses and accepts full responsibility for the application in the Group of sound corporate governance in accordance with the principals contained in King IV™, the JSE Listing Requirements and the Companies Act. In discharging this responsibility, the Board and its committees are guided by its charters and polices to ensure that the Group is managed ethically and within acceptable risk parameters.

In order to achieve the desired governance outcomes of Ethical Culture, Good Performance, Effective Control and Legitimacy, the Board performed a qualitative assessment of the level of application of the principles contained in King IV™ . Following a review of the governance practices in support of these 16 principles, the Board is satisfied with the efforts made to apply material aspects of King IV™. Accordingly, a summary King IV™ Register has been published on the Group’s website to provide an overview of the application of the principles contained in King IV™. This register should be read in conjunction with the Group Integrated Report.

Board of Directors

Full details of the directorate, inclusive of remuneration and shareholdings are as set out elsewhere in this report. The directors endeavour to act in the best interest of the Company at all times.

There is a clear division of responsibilities at Board level to ensure a balance of power and authority, such that no one individual has unfettered powers of decision making. The majority of directors are non-executive, all of whom are also classified as independent. The responsibilities of the Chairman and Chief Executive Officer have been clearly defined by the Board.

The Chairman of the Board, Mr B Frost, is an independent non-executive director.

The full Board endeavours to meet four times per annum. The non-executive directors retire in rotation, have no long-term contracts, and are not automatically reappointed. 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. Directors financial interests are tabled at every meeting.

The Board has assessed that the independence, character and judgement of Brian Frost and Michael Brain has not been impaired or affected by their length of service, which is in excess of ten years.

The induction of directors is conducted through a formal process.

Following the last Board and committee evaluation process which was concluded in the first quarter of 2018, the next evaluation will take place in the last quarter of the new financial year.

Director Nominations

Due to the size of the Company and limited number of directors there is no separate nomination committee. This function has been delegated to the Remuneration Committee by the Board. The procedure for the appointment of directors includes the review of cv's, interviews by a majority of directors and decision by the whole Board.

Corporate Governance

The Board is the focal point and custodian of corporate governance.

Going Concern

Based on solvency and liquidity tests, budgets and cash flows, the Board of Directors believes that the Group has adequate resources and facilities available to continue to operate in the foreseeable future. The Board, therefore, continues to apply the going-concern basis in preparing the annual financial statements.

Internal Controls and Audit

The directors have responsibility for the Group’s systems of internal controls. These are designed to provide reasonable assurance of effective and efficient operations, internal financial control and compliance with laws and regulations. Operational and financial responsibilities are delegated to CEOs, CFOs and executives of the principal operating divisions.

The Group’s system of internal controls is designed to provide reasonable, but not absolute, assurance against the risk of material errors, fraud or losses occurring. Furthermore, because of changing internal and external factors, the effectiveness of an internal control system may vary over time and must be continually reviewed and adapted.

The system of internal controls is monitored throughout the Group by the Audit and Risk Committee, management and employees as an integrated approach. The Board reports that:

- to the best of its knowledge and belief, no material malfunction of the Group’s internal control system occurred during the period under review;
- it is satisfied with the effectiveness of the Group’s internal controls and risk management;
- it has no reason to believe that the Group’s code of ethics has been transgressed in any material respect; and
- to the best of its knowledge and belief, no material breaches have occurred during the period under review of compliance with any laws and regulations applicable to the Group.

The Board has to date not established an internal audit function due to the small size of the administration and intimate involvement of senior management but is reviewing the need therefore on an on-going basis.

Stakeholder Relationships

It is Group policy to pursue dialogue with institutional shareholders. To achieve this dialogue, the executive directors have conducted a number of presentations to, and meetings with, investors and analysts to communicate the strategy and performance of the Group.

The quality of this information is based on the standards of promptness, relevance and transparency.

The Group encourages all shareholders to attend its annual general meeting, which provides shareholders with the opportunity to pose questions to the Board of Directors.

No requests for information were lodged with the Group in terms of the Promotion of Access to Information Act.

Ethical Leadership

The Group's value system expects all its employees to maintain high standards of integrity and ethics in dealings with suppliers, customers, business partners, stakeholders, government and society at large. The Board does not tolerate any form of corruption, violation of law or unethical business practices. It also advocates confidentiality in respect of information regarding employees and information regarding the Group itself.

Additional assurance on matters ethical is provided from audits of some large customers on the Group. The need for additional assurance will be reviewed by the Social and Ethics Committee on an ongoing basis.

There were no recurring regulatory penalties imposed on the Group or any of it's directors during the year under review.

Audit and Risk Committee

Members	Category
Finlay Craig MacGillivray - Chairman	Non-executive Independent
Brian James Frost	Non-executive Independent
Sarah Jane Gillett	Non-executive Independent

This Committee 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 main purpose of the committee is to assist the Board in monitoring the integrity of the financial statements, overseeing the process of the integrated report, being responsible for the financial internal controls and overseeing the external audit function.

In addition, the committee has been appointed to perform the duties of an audit committee on behalf of all the company's subsidiaries.

The Board has also delegated to the committee the responsibility of overseeing the risk management process.

The duties performed in respect of risk are as follows:
- approval of the risk process,
- consideration of the risk profile,
- consideration of the risk mitigation actions,
- report to the Board on the risk process and the major risks.

The members are all independent Non-executive directors, who are suitably qualified. The Chief Executive Officer, Chief Financial Officer and external auditors of the company attend the meetings by invitation. The Board deems it appropriate that Mr Frost, the Chairman of the Company, continues to serve on this committee given his extensive experience.

The committee met four times during the year.

The duties performed in respect of audit are contained in the Audit and Risk Committee report on page 15.

Remuneration Committee

Members	Category
Finlay Craig MacGillivray - Chairman	Non-executive Independent
Brian James Frost	Non-executive Independent
Michael Brain	Non-executive Independent

The main purpose of the Remuneration Committee is to assist the Board in fulfilling their responsibilities in establishing formal and transparent remuneration policies which are aligned with the company strategies and linked to its performance in the short and long term.

The Committee's terms of reference have been approved by the Board and the Committee is satisfied that it has carried out its responsibilities for the year in compliance with its terms of reference.

Membership consists of three Non-executive directors, all of whom are independent.

The Committee met four times during the year and the Chairman reported back to the Board on the activities of the Committee.

During the year, the Remuneration committee performed the following activities:

- Reviewed and addressed the guaranteed pay of executive directors and senior management and related short-term incentive structures,
- Reviewed performance targets applicable to the short-term incentives,
- Reviewed the succession plan presented by the executive directors,
- Continued the process of review of Board composition and succession (refer Implementation report for more detail).

Remuneration Policy

The Company aims to recruit and retain a diverse workforce who have the necessary skills, knowledge and commitment to meet the Company's goals. Underpinning this is a policy which supports the organizational culture and values within the greater South African context of scarce skills and the importance of fair pay for fair work. Fundamentally we aim to provide a 'total reward' package that balances pay, benefits and personal development with affordability while managing internal and external equity. A system where good performance is rewarded and poor performance is managed, career progression is enabled and achievement is recognized.

The purpose of this policy therefore is to ensure that the Company's business needs are balanced with fair and consistent treatment of our employees within a cost aware framework.

Remuneration Philosophy

Our remuneration policy reflects our intention to attract and retain critical talent while motivating current employees to continually perform to their best ability in a team, in the best interest of the company and our stakeholders. It provides a basis for an appropriate and fair rate of pay for each function and to apply it consistently across the group. We aim to maintain a balance between fixed and variable pay and between short-and long-term incentives, where applicable. The remuneration committee ensures an appropriate level of transparency and monitors a level of equity and consistency across the group.

Transparency and Accountability

The remuneration committee is an independent and objective body responsible for assessing remuneration structures of all employees. It reviews pay structures for group executives and balances these against the financial health of the group. Specific responsibilities include:

- Evaluating the board, subsidiary boards and individual director's performances annually;
- Ensuring that directors are fairly rewarded for their respective contributions to the group performance.

Remuneration Components

Base Pay

All employees have a basic pay component that is market related. Annual increases for employees who do not form part of a collective bargaining unit (in our instance the Plastics Negotiating Forum (PNF)) are determined with reference to the nature of the employee's role, personal performance, contribution and consumer price index (CPI) movements.

Annual increases for employees who fall within the scope of the PNF are determined in accordance with agreements reached within the collective bargaining unit and are awarded across-the-board to the members. The executive management proposes the recommendations to the remunerations committee for approval.

Executive Director's annual increases are determined by the remunerations committee with reference to the above and are benchmarked in line with the size and performance of the entity.

Short Term Incentive Scheme

The board may, on the recommendation of the remuneration committee, elect to pay an incentive to employees based upon criteria relevant at the time of consideration. Employees who fall within this consideration may be eligible to earn a bonus. Bonus payments are usually paid after availability of audited results.

Criteria defining the value to be paid are determined by the remuneration committee, upon due consideration of the following:

- Performance of the company to target;
- Individual performance and level of influence and responsibility in terms of attaining company targets;
- Continuous employment within the financial period and status of employment at the time of pay-out; and,
- Any proposed bonus payment is debated and either confirmed, adjusted or declined by the committee.

Annual bonuses for employees included in collective bargaining units are determined in accordance with agreements reached with the collective bargaining units and are mostly awarded across-the-board to the members.

Long Term Incentive Scheme

A long term incentive scheme linked to the achievement of the company's strategic objectives and regular performance reviews is under consideration as part of the current process of review of the remuneration policy referred to in the Implementation Report. Such scheme will be overseen by the remuneration committee.

Retirement Benefits

All employees are required to be members of the Company pension fund or any other approved industry or union fund. Both employer and employee make contributions in respect of the employee's membership of the fund for the duration of his/her employment in the group. All funds are defined contribution funds. Non-executive directors do not participate in the Company pension fund.

Term of Employment

Terms of employment are governed by the employee's contract of employment with the company.
The Executive Director's service contract do not contain notice periods exceeding twelve months.
Severance arrangements for all employees and directors are governed by either the PNF agreements or the applicable legislation.

Key members of management and executives are required on appointment to enter into restraint of trade (non-compete) agreements for varying periods, depending on the individual circumstances.

Implementation Report

The process of engagement with independent consultants and employees, aimed at defining a more detailed remuneration policy embracing the culture within the business, continues. The focus demanded from senior executives on addressing strike action during the year under review and a strategic review of the business has pushed out the expected date of completion of such exercise to the latter half of the 2020 financial year. Feedback from shareholders will be taken into account, together with that of external service providers, in formulating a more comprehensive remuneration policy to be shared in the Company's following annual report.

The executive remuneration scheme will include a malus and clawback clause. Feedback from shareholders will be taken into account, together with that of external service providers, in formulating a more comprehensive remuneration policy to be shared in the Company's following annual report.

The Remuneration Committee also served as the Nominations Committee. The Chairman of the Board agreed to remain on the Board following various requests by the Board that he do so until the current process of strategic review is complete, and its impact on the composition of the Board assessed.

Policy Review

This policy and implementation report is owned by the remuneration committee of the Company and is reviewed on an annual basis to ensure relevance within the business and market context.

Remuneration Policy for Non-executive Directors

Non-executive Directors receive fees for services on Board and Board Committees. These fees recognise the responsibilities of non-executive Directors throughout the year and the total fee is inclusive of a base fee and a committee attendance fee. Fees are based on benchmarking with similar sized companies within our industry.

Non-executive Directors do not receive short term incentives, nor do they participate in any long term share incentive scheme, in order to preserve their independence.

The SoftBev deal bonus payments made to Non-executive Directors during the year under review were made after successful conclusion of the transaction in recognition of the significant extra hours involved.

The fees for Non-executive Directors have been recommended by the Remuneration Committee to the Board for their approval.

The proposed fees for 2020 have been based on benchmarking with similar sized listed companies. Consideration has also been given to the substantial increase in legal and regulatory oversight requirements.

Non-executive Directors Remuneration

Name	Date first appointed	Directors fees	Softbev Deal Bonus	Committee fees	Total 2019	Total 2018
		R'000	R'000	R'000	R'000	R'000
Non-executive Independent						
B J Frost	Jun 1998	360	40	148	548	444
FC MacGillivray	Mar 2011	198	40	222	460	446
SJ Gillett	Sep 2012	198	40	175	413	335
M Brain	Jun 1984	310	704	74	1 088	390
Total		1 066	824	619	2 509	1 615
Paid by subsidiary		(1 066)	(824)	(619)	(2 509)	(1 615)
Paid by company		-	-	-	-	-

Executive Remuneration

The remuneration of all the directors and prescribed officers of the company is detailed in the notes to the annual financial statements.

Shareholder Engagement and Voting

The remuneration policy and implementation report will be tabled for two separate non-binding advisory votes by shareholders. In the event that 25% or more of the shareholders vote against either or both the remuneration policy and implementation report, the Company will extend an invitation to dissenting shareholders to engage with the Company around the reasons for voting against the relevant resolution, which invitation will share the proposed manner and timing of such engagement, and take other steps to engage with shareholders including, inter alia, the following:

- pro-active engagement with shareholders to ascertain their concerns;
- provide constructive feedback to shareholders' questions;
- consider amending aspects of the remuneration policy where appropriate to align it more closely to market practice and shareholder value creation;
- disclose, in the following year's remuneration report, details of its engagement with shareholders and the result thereof.

Social and Ethics Committee

A company's Social and Ethics Committee must comprise not less than three directors or prescribed officers of the company, at least one of whom must be a director who is not involved in the day-to-day management of the company's business, and must not have been so involved within the previous three financial years.

Members	Category
Sarah Jane Gillett - Chairperson	Non-executive Independent
Paul Friedrich Sass	Executive
Finlay Craig MacGillivray	Non-executive Independent

This committee was established in April 2012 in terms of Section 72 (4) of the Companies Act, 2008 and regulation 43 (2) with the main function of monitoring the company's activities, having regard to any relevant legislation, other legal requirements or prevailing codes of best practice, with regard to matters relating to:

- Social and economic development
- Good corporate citizenship
- The environment, health and public safety
- Consumer relationships
- Labour and employment

The committee met twice during the year. The terms of reference have been adopted by the committee together with an annual work plan (see Social and Ethics Committee report on page 16)

Although King IV™ has been considered in the composition of the committee, the committee currently complies with the Companies Act.

Meeting Attendances

Name	Category	Date first appointed	Date last appointed	Date of Termination	No of meetings	Attendance
Main Board						
BJ Frost	Non-Exec Indep Chairman	Jun 1998	Nov 2018		5	5
FC MacGillivray	Non-Exec Independent	Mar 2011	Nov 2017		5	5
SJ Gillett	Non-Exec Independent	Nov 2012	Nov 2018		5	5
M Brain	Non-Exec Lead Indep	Jun 1984	Nov 2018		5	5
PF Sass	Chief Executive Officer	Nov 2009			5	5
GA Böhler	Chief Financial Officer	Dec 2011			5	5
Guests:						
CA Bothma	Company Secretary			Sep 2018	5	2
AC September	Company Secretary				5	3
Audit & Risk Com						
Members:						
FC MacGillivray	Chairman	Mar 2011	Nov 2018		4	4
BJ Frost	Member	Jun 1998	Nov 2018		4	4
SJ Gillett	Member	Nov 2012	Nov 2018		4	4
Guests:						
PF Sass	Chief Executive Officer				4	4
GA Böhler	Chief Financial Officer				4	4
CA Bothma	Company Secretary				4	1
AC September	Company Secretary				4	2
Mazars	External auditor				4	2
Remuneration Com						
FC MacGillivray	Chairman	Mar 2011			4	4
M Brain	Member	Oct 2013			4	4
BJ Frost	Member	Jun 1998			4	4
Guests:						
PF Sass	Chief Executive Officer				4	4
Social and Ethics						
SJ Gillett	Chairman	Nov 2012			2	2
PF Sass	Member	Apr 2012			2	2
FC MacGillivray	Member	Feb 2019			2	1

Integrated Annual Report

This Integrated Annual Report, combines financial and non-financial information. Our aim is that the integrated report will be incrementally improved over time, in line with developing global standards.

Information Technology (IT)

The Group's reliance on IT is principally in the area of administration, with some application to mould design and manufacture. The Board, through the Audit and Risk Committee, is responsible for IT governance. IT management forms part of the Group's risk management system. The Group has appointed a suitably qualified and experienced IT manager responsible for the management of IT and reporting directly to senior management. The IT manager provides regular reports for consideration by the Audit and Risk Committee along with other matters of risk.

Social Responsibility

Health and safety conditions comply with industry standards and the minimization of industrial pollution is entrenched in the manufacturing process. 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 summarised hereunder. Any further details required are available at the registered office of the Company.

Employment Equity

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

	Management	Skilled & Other	Temporary Employees	Total	% of Total
Employment - January 2019					
Male					
African	-	120	69	189	25%
Coloured	16	183	59	258	32%
Indian	1	1	-	2	0%
White	28	6	3	37	5%
Foreign nationals	3	1	3	7	1%
Female					
African	2	68	61	131	16%
Coloured	3	122	39	164	20%
Indian	1	-	-	1	0%
White	10	3	-	13	2%
Foreign nationals	-	-	2	2	0%
Total - January 2019	64	504	236	804	100%
Employment - October 2017					
Male					
African	1	132	91	224	27%
Coloured	14	195	71	280	33%
Asian	1	-	-	1	0%
White	28	9	5	42	5%
Foreign nationals	2	1	-	3	0%
Female					
African	1	67	44	112	13%
Coloured	4	135	28	167	20%
Asian	-	1	-	1	0%
White	12	3	1	16	2%
Foreign nationals			1	1	0%
Total - October 2017	63	543	241	847	100%

Gender and race diversity

In terms of paragraph 3.84(i) and 3.84(j) of the JSE Listings Requirements, the Board adopted a policy on the promotion of gender and race diversity to ensure that the Company’s business needs are balanced against a framework that stimulates and embraces diversity.

Currently there are no diversity targets set but should a vacancy on the Board either arise or be created, due consideration will be given to all aspects of diversity, including, but not limited to gender and race diversity in order to enable the Board to discharge its duties and responsibilities effectively.

BBBEE

The Company's compliance with broad-based black economic empowerment has been assessed. The result of such assessment is available on the company website.

The Companies Act sets out the duties of directors as good faith, care, skill and diligence. With this mind-set a strong culture and work ethic is lived in the Company, and rewarded by many years of proven steady good performance and growth. A recent organisational culture review emphasized the vision “together we make a difference”. The core values of trust, respect, honesty and care were highlighted as our pillars to a strong binding culture.

The information disclosed herewith covers the activity scope of the Company and all its subsidiaries. This in the main is Bowler Plastics (Pty) Ltd, a manufacturing specialist focussing on plastic packaging. Its engineering disciplines extend beyond the manufacture and decorating of plastic containers, into the manufacture of masterbatch, moulds, machine componentry and machine retrofits. This all integrates to serve the purpose of efficient and cost effective product design and processing for the South African Personal Care market in particular.

The report provides an insight by way of a table. It illustrates the integration of Areas of Impact with the vital capitals to balance the social, economic and environmental bottom lines. This remains within the context of Company-specific norms and standards for sustained performance. At the core is the well-being of all stakeholders.

2019 MulitCapital Scorecard for Bowler Plastics

VITAL CAPITALS

- Natural (biophysical resoources)
- Constructed (human created systems)
- Human
- Social & Relationship (human interaction)
- Internal Economic -Financial
- Internal Economic -Nonfinancial
- External Economic -Financial
- External Economic -Nonfinancial

Level Changes

- Negative change
- Positive change
- unchanged

BOTTOM LINES	AREAS OF IMPACT	CAPITAL IMPACTS	Focus Level FY2020	Achievement of Target 2019	Commentary and Key Developments
Social	Living wage		Low	100%	4 Month violent Numsa strike action - 3 Year agreement on higher minimum wages and 6% annual increase .
	Workplace safety		Medium	90%	SHE structures are functioning well . Warehouse facilities and practices have been upgraded in Isando - focus still needed in Western Cape. Training is focused towards proactive interventions.
	Employment Equity		High	20%	Annual review with Dept of Labour. BBBEE new codes are an industry wide challenge and progress slow, particularly in economically depressed environment and VUCA diversions. Plan to achieve a compliance level for FY 2020 in place .
	Succession		Medium	80%	Good depth in the business at most levels with regular and systemic training interventions. Senior level succession receiving focus and development.
	Culture		High	40%	Trust levels and belief in value system require a revised inclusivity assessment in the light of the recent industrial actions .
	Innovative capacity		High	50%	Strategic Focus on New Business Development has been achieved. Specialist ability is refocussed to provide innovative solutions together with financial resources. The changing market conditions necessitate higher level of resource.
Economic	Equity		High	100%	Cash position is reduced by the special dividend payout but remains very strong. Investment for growth, recapitalisation, and infrastructure is a focus area not yet completed. Bowler's low share price presents a good investment opportunity as evidenced by share buybacks.
	Debt		Low	100%	Business ungeared, agile - a strategic benefit in these turmoil times.
	Competitive Practices		High	60%	Excess capacity in certain processes , price war and low overall business volumes result in a competitive landscape favouring the customer . Business losses are higher than in past years . Flexibility and customer partnerships require engagement.
	Market		High	60%	Market is variable while low cost products are faring well, higher end products are stagnant or declining. Customer's strained on cash flow. Attention levels and engagement to customer performances are higher.
Environmental	Water supplies		Low	100%	Cape Town Operations have contingency facilities installed to manage future shortages .
	Circular Waste Economy		Medium	25%	Awareness for the need for recycling is improving. Eco Warrior project gaining momentum in Bowler .
	Recyclable Material use		High	95%	Recycled, good quality material is sought after and demand is slowly nearing capacity of supply .
	Post Consumer Waste Market acceptance		High	25%	Collaborative developments for products with customers is increasing. There is a concern about the availability of material .
	Zero Waste		High	80%	Very good progress has been made in driving the integration of internal waste material in the production in PET. There is a good proposition to find solutions for all processes.

Definition of Vital Capitals in the context of the Company

Natural Capital Consists of air, water and overall ecosystems that humans and non-humans alike rely on for their well-being.

Human Capital Consists of knowledge, skills, experience, health, values, attitudes, motivation and ethical entitlements of individuals , specifically intellectual capital held at the level of the individual.

Social & Relationship Capital Consists of teams, networks and hierarchies of individuals working together, specifically their shared knowledge, skills, experience, health, values, attitudes, motivation and ethical entitlements.

Constructed Capital Consists of material objects, systems or ecosystems created and/or cultivated and developed by the Company, including the functions they perform.

Internal Economic Capital
Financial
Consists of the pool of funds available to the Company, including debt and equity finance. This description of financial capital focuses on the sources of funding, including cash and liabilities on the balance sheet.
Non-Financial
Consists of net intangible assets not recognized in internal financial capital.

External Economic Capital
Financial / non-financial
The Company does not materially affect financial or non-financial capitals of other companies or stakeholders.

DIRECTORS' STATEMENT

Preparation of Integrated Annual Financial Statements
The Directors are required by King IV™ to prepare the Integrated Annual Financial Statements, which include the Annual Financial Statements as required by the Companies Act. These statements have been reviewed by the Audit and Risk Committee and the Board who are of the opinion that they fairly present the financial position of the Group as at the end of the financial year, and the financial performance and cash flows for that year, in conformity with International Financial Reporting Standards, the JSE Listings Requirements, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the Companies Act in South Africa.

The Directors consider that in preparing the financial statements, the Group has consistently used appropriate accounting policies supported by reasonable 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 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 and Group 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 judgments and estimates.

The Directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group 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 Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Group 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 Group's cash flow forecast for the year to 30 June 2020 and, in the light of this review and the current financial position, they are satisfied that the Group 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 14 to 43 were approved by the Board of Directors on:
12 September 2019

Signed on their behalf by:

B J FROST
Chairman

P F SASS
Chief Executive Officer

Ottery
12 September 2019

SECRETARIAL CERTIFICATION

In accordance with section 88(2)(e)(d) of the Companies Act 2008 as amended, it is hereby certified that the company has lodged with the Companies and Intellectual Properties Commission 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.

AC September
Company Secretary
12 September 2019

AUDIT AND RISK COMMITTEE REPORT

Membership

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

Craig MacGillivray (Chairman)
Brian Frost
Sarah Gillett

Functions performed

The committee nominated for approval at the annual general meeting Mazars as the external auditor for the 2020 financial year, and Ms Yolandie Ferreira as the designated auditor.

Recommendation of 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 the Company was independent as defined by the Companies 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 required to be reviewed and approved by the committee. Non-audit services to a value of less than 25% of audit fees invoiced were rendered during the year under review and comprised submission of income tax returns, annual duty returns, notifications to the Companies and Intellectual Property Commission and advice on income tax and IFRS disclosure.

Agreeing 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 Companies Act and any other legislation relating to the appointment of auditors.

Assessing the suitability of the appointment of the audit firm and designated individual partner. Mazars has served as external auditors for 31 years, with Ms Y Ferreira serving her second year of five as audit partner of the Group. Both Mazars, as a firm, and Ms Y Ferreira, as designated individual partner, have recently received satisfactory inspection reports from IRBA, both of which have been made available to us, and neither of which warranted further investigation. We have also considered the internal monitoring findings as done by Mazars Risk Department and found it satisfactory.

The committee is satisfied that Mazars is independent of the company.

Other functions

The committee:

is to receive and deal with any complaint relating either to the accounting practices 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.

is to consider, on an annual basis, and satisfy itself, of the appropriateness of the expertise and experience and adequacy of the finance function, the chief financial officer and his senior financial team. The committee is satisfied that the incumbent CFO has the appropriate experience and expertise and that the financial function of the Group is adequate.

is to review with management, internal and/or external counsel, legal matters that could have a material impact on the Group and to review the effectiveness of the Group's legal compliance procedures and regulatory responsibilities. The Group's legal and regulatory compliance procedures were found to be adequate.

is to review the Group's systems of internal financial control, and fraud detection and prevention, and to assess the effectiveness of the design and implementation thereof. The Group's systems of internal control were found to be adequate and effective and to have been complied with. No significant weaknesses were identified that resulted in material financial loss, fraud, corruption or error.

is to consider the quality of the external audit. The committee is of the view that the external audit for the year under review has been carried out to a high standard and that the designated individual partner has discharged her responsibilities effectively.

is to consider the need for an internal audit function. The committee has not recommended establishing an internal audit department to date due to the small size of the administration function and intimate involvement of senior management, but reviews the need for same on an ongoing basis.

is to ensure that management's processes and procedures are adequate to identify, assess and monitor enterprise-wide risks. The Group's risk identification processes and procedures were found to be adequate and effective.

is to review the accounting policies and practices on an annual basis.

is to consider any significant matters in relation to the financial statements. The committee devoted much time and attention during the reporting period to ensuring that all risks associated with the SoftBev transaction were monitored and addressed through regular reports from, and engagement with, the executive directors and professional advisers. Significant matters identified as areas for focus by the external auditors included fraud and error, compliance with IFRS and statutory requirements, revenue recognition, valuation of inventory, related party disclosures and accounting for the disposal of the investment in SoftBev. The external auditors issue a report to the committee which is discussed and any matter requiring attention addressed so as to provide comfort with the audit opinion expressed. The committee is satisfied that all significant matters have been appropriately considered and disclosed in the financial statements.

is to review the JSE pro-active monitoring report and apply recommendations where necessary.

The committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.

Integrated Annual Report

The committee has recommended the integrated annual report, including the Annual 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.

FC MACGILLIVRAY
Chairman of the Audit and Risk Committee
12 September 2019

SOCIAL AND ETHICS COMMITTEE REPORT

This committee is constituted as a statutory committee of the Company in respect of its statutory duties in terms of sections 72(4) of the Companies Act, 2008, read with regulation 43 (2) of the Companies Regulations, 2011, which states that all listed public companies must establish a Social and Ethics Committee.

Composition

The committee comprises, Sarah Jane Gillett as chairperson, one executive director, Paul Friedrich Sass (CEO) and one other non-executive director, Finlay Craig MacGillivray, as detailed on page 11.

Role of the Social and Ethics Committee and execution of its mandate

The Committee performs an oversight, monitoring and reporting role to ensure that the Group's business is conducted in an ethical and properly governed manner and to develop and review policies, governance structures and existing practices which guide the Company's approach to new and emerging challenges.

In particular the committee focuses on matters relating to:

- Social and economic development
- Good corporate citizenship
- The environment, health and public safety
- Consumer relationships
- Labour and employment

Meetings and procedures

The committee met twice during the year and attendances are tabled on page 11.

The committee has reviewed and reported to the Board during the course of the year on the following matters:

- The Group's code of Conduct to ensure it is aligned with the statutory requirements as well as the culture of the organisation and that all ethical issues are comprehensively addressed. The Company continues to uphold its culture and value systems and actively ensures that all stake holders within the organisation uphold the code of conduct set out.

- A comprehensive risk report covering the committees key focus areas has been developed together with an action plan to ensure areas of focus remain current and are actioned timeously.

- Monitored the social and economic development plan considering the Employment Equity Act and the Broad Based Black Economic Employment Act. This was the second audit the Company has undergone under the current codes. While progress has been made, the Company was rated as non-compliant. The legislation introduced has had a profound effect on the Company's procurement base who too are struggling to comply. The Company continue to recognise the importance of B-BBEE and have a focused internal team addressing all levels of the score card and are positioning themselves to become complaint. The strategy will continue to look to embrace the company's transformation, skills development, employment equity and sustainability strategies. Upliftment of its staff and the communities in which they live, remains a key focus. To this effect, the Company successfully launched their community upliftment project, FAMSA. The project involves Bowler Staff who have volunteered their time and efforts to be trained and work with individuals within the local communities. The presentation to the committee by one of the volunteers left us with a real sense of the pride and sense of self-fulfilment at being able to effect change in troubled communities surrounding Bowler and where these staff members often reside.

- Matters relating to its statutory obligation and good corporate governance and corporate citizenship.

- The group continues to look at utilising resources such as energy, fuel and water as effectively as possible with particular emphasis having been placed on minimising the use of potable water in the Western Cape. The projects that have been put in place have resulted in significant savings and are sustainable.

Conclusion

The committee is of the view that the Group takes its mandate seriously. The committee takes note of the King IV requirements with regards to its composition and currently adheres to the Companies Act. No further substantive non-compliance with legislation and regulation or non-adherence of best practice, relevant to the areas within the committee's mandate has been brought to its attention. The committee has no reason to believe that any material non-compliance or non-adherence has occurred.

The committee recognises the importance and responsibility that management have towards ensuring corporate governance, social and economic development, B-BBEE and maintaining an ethical corporate culture are met and worked on continuously to allow a culture in which staff can excel and continue to deliver successfully on market changes and demands.

S GILLETT
Chairperson of the Social and Ethics Committee
12 September 2019

To the shareholders of Bowler Metcalf Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Bowler Metcalf Limited and its subsidiaries (the Group) set out on pages 21 to 43, which comprise the consolidated and separate statement of financial position as at 30 June 2019, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Group as at 30 June 2019, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the group and company in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors’ Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors’ Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA Codes) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. All key audit matters relate to the consolidated financial statements.

Matter	**Audit response**
Disposal of investment in SoftBev Proprietary Limited (note 5) The group’s accounting policy in section 5 of the accounting policies in the annual financial statements states that the investment in associate is measured at cost less accumulated impairment losses in the company figures and is accounted for in terms of the equity method in the group annual financial statements and accordingly the investment in associate is adjusted for post-acquisition changes in the company's share of net assets of the associate less any dividends received and less any impairment losses. During the year the group concluded an agreement to dispose of its investment in SoftBev Proprietary Limited, which was subject to various suspensive conditions, which were met as at 30 June 2019. Bowler Metcalf Limited classified its investment in SoftBev Proprietary Limited as a discontinued operation until disposal, as a result of management’s intention to dispose of the investment. The value of the investment in associate is material in the group reflecting as R 0 (2017: R233,371,000) in the statement of financial position. Given the significance of the value of the investment in the associate to Bowler’s operations and the complexity of the accounting treatment relating to the disposal in terms of IFRS 5, this matter required specific audit focus.	We performed substantive tests of detail on the disposal of the investment in associate. Our procedures included the following among others: - We challenged management and evaluated whether the IFRS 5 requirements were met at the interim and year end reporting date; - We inspected minutes of meetings confirming management’s intention to dispose of its investment in associate; - We inspected the sale agreement and agreed the selling price to the contract; - We assessed whether all suspensive conditions relating to the sale were met; - We recalculated the profit on sale both at company and group level; and - We assessed the adequacy of disclosures with regard to the investment in associate held in the annual financial statements, with the assistance of our IFRS advisor. Having performed our audit procedures and evaluated the outcomes we concluded that the investment in associate has been appropriately accounted for in terms of IFRS 5, and our audit procedures did not indicate any material misstatements in the accounting or disclosure in the annual financial statements.

INDEPENDENT AUDITOR'S REPORT - continued

Other Information

The directors are responsible for the other information. The other information comprises the Director's Report, the Audit Committee's Report, the Company Secretary's Certificate and the Social and Ethics Committee Report as required by the Companies Act of South Africa, the Shareholder Profile and the Integrated Annual Report, which we obtained prior to the date of this report. Other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and / or the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Mazars has been the auditor of Bowler Metcalf Limited for 31 years.

Mazars
Registered Auditors
Partner: Yolandie Ferreira
Registered Auditor
12 September 2019
Cape Town

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 2019.

General Review of Business Operations and Results

The Group carries on the business of manufacturing plastics and plastic mouldings. 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.

Investment in associate

During the year, the company disposed of its interest in the associate company, SoftBev Proprietary Limited ("SoftBev"), which operated mainly in the carbonated soft drinks industry. The loan receivable amounting to R64.8m was fully repaid during the year. Details of the transaction can be found in note 5.

Events after the Reporting Date

Subsequent to year end, the Group, through its subsidiary, Bowler Plastics (Pty) Ltd, continued its repurchase of treasury shares. A total of 2.6million shares representing 3.1% of the issued share capital of the Group was acquired since year end. The shares were then issued as a dividend in specie to Bowler Metcalf Ltd, and the securities cancelled. No other significant events occurred subsequent to year end.

Stated Capital

In May 2019, Bowler Plastics (Pty) Ltd, a subsidiary, increased its shares held in the Company on the open market in a treasury capacity. These shares, with a market value of R19.1m were declared as a dividend in specie to Bowler Metcalf Ltd and subsequently cancelled during the financial period being reported on (refer note 12).

Dividends

Interim dividends of 15.00 cents per share (2018: 20.48c) were paid to shareholders on 25 March 2019. A special dividend of 305 cents per share (2018: Nil) was paid on 18 December 2018. A final cash dividend of 25.00 cents per share (2018: 21.54c) has been proposed in terms of the notice included in this report.

Property, Plant and Equipment

There has been no change in the nature of the property, plant and equipment of the Group.

Borrowing Limitations

The borrowing powers of the Group are not limited by its memorandum of incorporation.

Directors and Company Secretary

Details of the present Board of Directors and the Company Secretary appear on the inside front cover of this report. Ms CA Bothma resigned as company secretary with effect from 18 September 2018. Mr AC September was appointed as Company Secretary with effect from 1 November 2018. No changes were made to the Board during the reporting period.

The Company Secretary performs the company secretarial function which ensures that Board procedures and relevant legislation and regulation is observed and complied with, and is responsible for preparing meeting agendas and recording the minutes of meetings. The company secretary also provides guidance to directors on governance, compliance and fiduciary responsibilities and reports directly to the Chairman of the Board with whom he has ongoing communication. The Company Secretary is not a director but stands on an equal footing with other executives and performs his duties without undue influence or pressure. The board is satisfied that the company secretary is appropriately qualified, competent and experienced to fulfil this function.

Special Resolutions
The following special resolutions were passed at the annual general meeting, held on 8 November 2018:

1. The directors were given, until the next annual general meeting, a general authority to repurchase shares in the company subject to specific terms.
2. The directors of the company were authorised and empowered, as a general approval, to cause the company to provide any direct or indirect financial assistance to any related company or inter-related company.
3. The annual fees payable by the company to its non-executive directors were approved for the financial years 2018, 2019 and 2020.

These same authorities will again be sought at the upcoming annual general meeting.

Directors' Interest in Shares
The directors' interests in the company's issued share capital at 30 June 2019 were as follows:

Directors' holdings ('000)		**Beneficial Direct**	**Beneficial Indirect**	**Total**	**%**
2019					
BJ Frost (Non-Executive Chairman)	**	**-**	**101**	**101**	**0.1**
M Brain (Non-Executive)	**	**66**	**3 046**	**3 112**	**3.7**
PF Sass (Executive)	**	**896**	**15 767**	**16 663**	**19.7**
		962	**18 914**	**19 876**	**23.5**
Estate late HW Sass		**2 413**	**-**	**2 413**	**2.8**
		3 375	**18 914**	**22 289**	**26.3**
Shares in issue ('000)				**84 773**	
2018					
BJ Frost (Non-Executive Chairman)	**	-	101	101	**0.1**
M Brain (Non-Executive)	**	66	3 046	3 112	**3.6**
PF Sass (Executive)	**	896	15 767	16 663	**19.0**
		962	18 914	19 876	**22.7**
Estate late HW Sass		2 413	-	2 413	**2.8**
		3 375	18 914	22 289	**25.5**
Shares in issue ('000)				87 624	

There has been no change in these holdings up to the date of this report.

** Some indirect holdings are as a beneficiary of a discretionary family trust.

STATEMENT OF FINANCIAL POSITION

At 30 June 2019

	Notes	Group 2019 R'000	Group 2018 R'000	Company 2019 R'000	Company 2018 R'000
Assets					
Non-current assets		**175 228**	169 711	**7 551**	5 664
Property, plant and equipment	**1**	**161 837**	158 027	**-**	-
Investment properties	**2**	**5 125**	5 611	**-**	-
Intangible assets	**3**	**4 862**	4 862	**-**	-
Investment in subsidiaries	**4**	**-**	-	**5 664**	5 664
Deferred taxation	**13**	**3 404**	1 211	**1 887**	-
Current assets		**579 073**	416 414	**377 279**	197 378
Inventories	**7**	**79 078**	86 646	**-**	-
Trade and other receivables	**8**	**101 665**	119 498	**-**	-
Prepayments	**9**	**3 103**	5 664	**-**	1 356
Cash and cash equivalents	**10**	**382 912**	202 917	**366 990**	196 022
Other Investments	**11**	**10 289**	-	**10 289**	-
Taxation		**2 026**	1 689	**-**	-
Assets held for sale		**-**	298 213	**-**	339 596
Investment in associate	**5**	**-**	233 371	**-**	274 754
Related party loans	**6**	**-**	64 842	**-**	64 842
Total assets		**754 301**	884 338	**384 830**	542 638
Equity and Liabilities					
Equity attributable to:					
Parent company equity holders		**678 999**	766 120	**81 558**	179 313
Stated capital	**12**	**-**	16 069	**-**	16 069
Retained earnings		**709 044**	780 214	**81 558**	163 244
Treasury shares	**12**	**(30 045)**	(30 163)	**-**	-
Total equity		**678 999**	766 120	**81 558**	179 313
Non-current liabilities		**24 740**	61 008	**-**	47 781
Deferred taxation	**13**	**24 740**	61 008	**-**	47 781
Current liabilities		**50 562**	57 210	**303 272**	315 544
Related party loans	**6**	**-**	-	**303 098**	314 975
Trade and other payables	**14**	**50 177**	56 060	**3**	3
Taxation		**385**	1 150	**171**	566
Total equity and liabilities		**754 301**	884 338	**384 830**	542 638

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2019

	Notes	Group 2019 R'000	Group 2018 R'000	Company 2019 R'000	Company 2018 R'000
COMPREHENSIVE INCOME					
Continuing operations					
Revenue	**15**	**542 117**	577 251	**121 141**	24 600
Cost of sales		**(387 811)**	(392 341)	**-**	-
Profit before operating costs		**154 306**	184 910	**121 141**	24 600
Other operating income		**311**	538	**-**	-
Operating costs		**(91 013)**	(89 698)	**(1 256)**	(453)
Profit on disposal of associate		**-**	-	**142 374**	-
Reversal of impairment of investment in associate	**5**	**-**	-	**-**	112 405
Profit from operations	**16.1**	**63 604**	95 750	**262 259**	136 552
Net finance income	**18**	**36 457**	13 239	**(3)**	-
- income		**36 487**	13 285	**-**	-
- costs		**(30)**	(46)	**(3)**	-
Profit before tax - continuing operations		**100 061**	108 989	**262 256**	136 552
Taxation	**19**	**(28 102)**	(30 680)	**(41 640)**	(30 401)
Profit for the year - continuing operations		**71 959**	78 309	**220 616**	106 151
Discontinued operations					
Share of profit in discontinued operations		**-**	22 767		
- share of post-tax profit before impairments	**5**	**-**	13 333		
- net finance income from associate	**18**	**-**	9 434		
Profit on disposal of associate	**5**	**180 083**	-		
Reversal of impairment of investment in associate	**5**	**-**	57 689		
Profit before tax - discontinued operations		**180 083**	80 456	**-**	-
Taxation	**5**	**(40 133)**	(18 487)	**-**	-
Profit for the year - discontinued operations		**139 950**	61 969	**-**	-
Profit for the year		**211 909**	140 278	**220 616**	106 151
OTHER COMPREHENSIVE INCOME		**-**	-	**-**	-
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		**211 909**	140 278	**220 616**	106 151
Earning per share - basic and diluted	**20**				
Continuing operations		**88.09**	95.50		
Discontinued operations		**171.32**	75.58		
		259.41	171.08		

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2019

Attributable to equity holders of the parent R'000	Notes	Stated Capital 12.1	Retained Earnings	Treasury Shares 12.2	Total Equity
Group					
Balance at 1 July 2017		21 565	675 341	(35 659)	661 247
Shares cancelled		(5 496)	-	5 496	-
Comprehensive income for the year to 30 June 2018		-	140 278	-	140 278
Dividends paid		-	(35 405)	-	(35 405)
Balance at 30 June 2018		**16 069**	**780 214**	**(30 163)**	**766 120**
Purchase of treasury shares		-	-	(18 982)	(18 982)
Shares cancelled		(16 069)	(3 031)	19 100	-
Comprehensive profit for the year to 30 June 2019		-	211 909	-	211 909
Dividends paid		-	(280 047)	-	(280 047)
Balance at 30 June 2019		**-**	**709 044**	**(30 045)**	**678 999**
Company					
Balance at 1 July 2017		21 565	94 929	-	116 494
Shares cancelled		(5 496)	-		(5 496)
Comprehensive profit for the year to 30 June 2018		-	106 151	-	106 151
Dividends paid		-	(37 836)	-	(37 836)
Balance at 30 June 2018		**16 069**	**163 244**	**-**	**179 313**
Shares cancelled		(16 069)	(3 031)	-	(19 100)
Comprehensive profit for the year to 30 June 2019		-	220 616	-	220 616
Dividends paid		-	(299 271)	-	(299 271)
Balance at 30 June 2019		**-**	**81 558**	**-**	**81 558**

Group	**2019 cents**	2018 cents
DIVIDENDS PER SHARE		
Dividends paid	**341.54**	43.18
Final previous year	**21.54**	22.70
Special dividend	**305.00**	-
Interim this year	**15.00**	20.48
Dividends	**345.00**	42.02
Interim this year - actual	**15.00**	20.48
Special dividend - actual	**305.00**	-
Final this year - proposed	**25.00**	21.54

STATEMENT OF CASH FLOWS

For the year ended 30 June 2019

	Notes	Group 2019 R'000	Group 2018 R'000	Company 2019 R'000	Company 2018 R'000
Cash flows arising from operating activities		**(248 697)**	61 455	**(354 595)**	(22 959)
Cash receipts from customers		**555 260**	568 402	**-**	-
Cash paid to suppliers and employees		**(452 570)**	(462 286)	**-**	-
Cash generated by operations	**22.1**	**102 691**	106 116	**342**	412
Interest received		**36 487**	22 719	**36 041**	19 104
Interest paid		**(30)**	(46)	**(3)**	-
Taxation paid	**22.2**	**(107 798)**	(31 929)	**(91 703)**	(4 639)
		31 350	96 861	**(55 324)**	14 877
Dividends paid		**(280 047)**	(35 405)	**(299 271)**	(37 836)
Cash flows arising from investing activities		**447 675**	(10 511)	**471 970**	12 000
Property, plant and equipment					
- Proceeds on disposal	**22.3**	**69**	1 463	**-**	-
- Additions	**22.4**	**(20 690)**	(23 974)	**-**	-
		(20 621)	(22 511)	**-**	-
Investments					
- Proceeds on disposal of Associate	**5**	**413 454**	-	**417 128**	-
- Acquisition of cash unit trust		**(10 000)**	-	**(10 000)**	-
Receipts of related party loan	**6**	**64 842**	12 000	**64 842**	12 000
Cash flows arising from financing activities		**(18 982)**	-	**53 593**	206 936
Treasury shares					
- acquisitions	**12.2**	**(18 982)**	-	**-**	-
Related party loan					
- cash receipts		**-**	-	**2 002 583**	500 914
- cash payments		**-**	-	**(1 948 990)**	(293 978)
Net increase for the year		**179 996**	50 944	**170 968**	195 977
Balance at beginning of period		**202 917**	151 973	**196 022**	45
Cash and cash equivalents at end of the year		**382 912**	202 917	**366 990**	196 022
		382 912	202 917	**366 990**	196 022
Cash and cash equivalents comprise:					
Bank accounts and cash on hand		**382 912**	202 917	**366 990**	196 022
Cash and cash equivalents at end of the period		**382 912**	202 917	**366 990**	196 022

Group

1 Property, plant and equipment

	Cost R'000	Accumulated Depreciation R'000	Balance R'000
30 June 2019			
Land and buildings	**62 389**	**(42 636)**	**19 753**
Manufacturing plant and equipment	**394 785**	**(275 031)**	**119 754**
Non-manufacturing plant and equipment	**18 263**	**(11 720)**	**6 543**
Capital work in progress	**15 787**	**-**	**15 787**
	491 224	**(329 387)**	**161 837**
30 June 2018			
Land and buildings	62 389	(39 327)	23 062
Manufacturing plant and equipment	390 945	(268 591)	122 354
Non-manufacturing plant and equipment	20 384	(10 562)	9 822
Capital work in progress	2 789	-	2 789
	476 507	(318 480)	158 027

Reconciliation of net book value

Group	Land & Buildings R'000	Manufacturing Plant & Equipment R'000	Non-manufacturing Plant & Equipment R'000	Capital work in progress R'000	Total R'000
30 June 2019					
Net balance at beginning of year	**23 062**	**122 354**	**9 822**	**2 789**	**158 027**
Additions	**-**	**5 161**	**47**	**15 482**	**20 690**
	23 062	**127 515**	**9 869**	**18 271**	**178 717**
Depreciation	**(3 309)**	**(12 624)**	**(869)**	**-**	**(16 802)**
Disposals	**-**	**-**	**(78)**	**-**	**(78)**
Transfers from work in progress	**-**	**2 484**	**-**	**(2 484)**	**-**
Reclassification	**-**	**2 379**	**(2 379)**	**-**	**-**
Net balance at end of year	**19 753**	**119 754**	**6 543**	**15 787**	**161 837**
30 June 2018					
Net balance at beginning of year	25 422	117 612	4 713	-	147 747
Additions	1 204	14 648	5 292	2 789	23 933
	26 626	132 260	10 005	2 789	171 680
Depreciation	(2 269)	(9 293)	(595)	-	(12 157)
Disposals	(1 295)	(51)	(150)	-	(1 496)
Reclassification	-	(562)	562	-	-
Net balance at end of year	23 062	122 354	9 822	2 789	158 027

	Group **2019 R'000**	2018 R'000
1.1 Fair value of land and buildings		
Directors' valuation	**169 576**	196 674

Fair Value Hierarchy - Level 3
Applies inputs which are not based on observable market data.

The valuation technique used in valuing the land and buildings is the capitalisation model, which capitalise a market-related rental income stream, net of operating costs.

The property valuations have been revised after carefully considering higher capitalisation rates that better reflect the marketability of the properties the current economic climate and escalating business costs that impacted on the expense ratios applied in the valuation calculation. Accordingly, our valuation of properties has been negatively impacted.

	2019	2018
The key input used in measuring the fair values is: - capitalisation rate.	9.0% - 11.2%	9.6% - 10,9%

		Group 2019 R'000	Group 2018 R'000	Company 2019 R'000	Company 2018 R'000
2	**Investment properties**				
	Net balance at beginning of year	**5 611**	5 728		
	Capital work in progress	**-**	41		
		5 611	5 769		
	Depreciation	**(486)**	(158)		
	Net balance at end of year	**5 125**	5 611		
2.1	**Fair value of land and buildings**				
	Directors' valuation	**32 837**	41 472		
	Fair Value Hierarchy - Level 3 Applies inputs which are not based on observable market data.				
	The valuation technique used in valuing the land and buildings is the capitalisation model, which capitalises a market-related rental income stream, net of operating costs.				
	The property valuations have been revised after carefully considering higher capitalisation rates that better reflect the marketability of the properties the current economic climate and escalating business costs that impacted on the expense ratios applied in the valuation calculation.				
	The key input used in measuring the fair values is: - The capitalisation rate applied:	12.50%	10.60%		
2.2	**Income and expenses of investment properties**				
	Rental income	**5 539**	5 232		
	Direct operating expenses	**881**	1 548		
3	**Intangible assets**				
	Goodwill on acquisition of cash generating unit at carrying values				
	- balance at beginning of year	**4 862**	4 862		
	- balance at the end of the year	**4 862**	4 862		
	Goodwill comprises of				
	- cash generating unit trading in KZN	**4 862**	4 862		
		4 862	4 862		

Annual impairment tests, based on expected future earnings, discounted at fair rates of return, indicate that the goodwill arising on the acquisition of business in the KZN region is not impaired at the year end.

Valuation assumptions, derived from management's past experience within the industry are:
* The discounted cash flow valuation method was used.
* Pre-tax earnings based on short to mid-term budgets (1 to 5) years).
* Growth rates of between 1% and 3%
* Discount rate of 18.7% (2018:18.0%)
* Expected future earnings are based on short to mid term operating budgets approved by management.
* The valuation of the recoverable amount was determined through value in use calculations.
* The goodwill has an indefinite useful life.

4 Investment in subsidiaries

Unlisted subsidiary companies

Incorporated and operating solely in South Africa	Number of Shares Held 2019	Number of Shares Held 2018	% of Issued Capital 2019 %	% of Issued Capital 2018 %		Shares at Carrying Value R'000 R	Shares at Carrying Value R'000 R
Subsidiaries - directly held							
Bowler Plastics (Pty) Ltd	105	105	100	100		**5 664**	5 664
Hazra Properties Two (Pty) Ltd	300	300	100	100	*	**-**	-
Bowler Properties Two (Pty) Ltd	100	100	100	100	*	**-**	-
Postal Presents (Pty) Ltd	1	1	100	100	*	**-**	-
Subsidiaries - indirectly held							
Gad-Tek (Pty) Ltd	100	100	100	100	*	**-**	-
Investment in subsidiaries - at cost						**5 664**	5 664

* Shares are held at a nominal value of R1 each

	Group 2019 R'000	Group 2018 R'000	Company 2019 R'000	Company 2018 R'000
5 Investment in associates				
5.1 Unlisted associated companies				
SoftBev Proprietary Limited (Incorporated and operating solely in South Africa)				
Number of shares ('000)	**-**	274 754	**-**	274 754
- % of Issued Capital	**-**	41.4%	**-**	41.4%
Carrying value				
- opening balance	**233 371**	162 349	**274 754**	162 349
- share of profit	**-**	13 333	**-**	-
- reversal of impairment	**-**	57 689	**-**	112 405
- disposal of investment	**(233 371)**	-	**(274 754)**	-
- Carrying value	**-**	233 371	**-**	274 754
The company disposed of its 41.4% associate investment in SoftBev (Pty) Ltd. Final proceeds on the disposal were received on 15 November 2018. The associate made up the Beverages Segment.				
Gross proceeds on disposal	**418 562**	-	**418 562**	-
Transaction cost	**(1 434)**	-	**(1 434)**	-
Operating cost associated with the disposal of the investment in associate	**(3 674)**	-	**-**	-
Net proceeds	**413 454**	-	**417 128**	-
Carrying value of investment classified as held for sale	**233 371**		**274 754**	-
Profit before tax realised on disposal of associate	**180 083**		**142 374**	-
Taxation	**(40 133)**		**(31 892)**	
Net profit on disposal of investment in associate	**139 950**		**110 482**	
5.2 Nature of activities				
SoftBev operated in the manufacturing, sales and distribution of non-alcoholic beverages, nationally. This investment was not considered strategic to the company's activities.				
6 Related parties				
6.1 Loans (payable)/receivable				
Subsidiary:				
Bowler Plastics (Pty) Ltd	**-**	-	**(303 098)**	(314 975)
The loan is unsecured, interest free with no fixed term of repayment				
Associate:				
SoftBev (Pty) Ltd				
- at cost	**-**	64 842	**-**	64 842
The loan was unsecured, bore interest at rates linked to the prime rate with no fixed term of repayment.				
The loan was fully repaid on 15 August 2018 on the disposal of SoftBev and the adoption of IFRS9 did not have a material impact on this balance.				
6.2 Related party transactions				
Subsidiaries				
Dividends received:				
Bowler Plastics (Pty) Ltd	**-**	-	**19 100**	5 496
Hazra Properties Two (Pty) Ltd	**-**	-	**45 000**	-
Bowler Properties Two (Pty) Ltd	**-**	-	**8 000**	-
Postal Presents (Pty) Ltd	**-**	-	**13 000**	-
			85 100	5 496
Associate				
SoftBev (Pty) Ltd				
Finance income	**-**	9 434	**-**	9 434
Subsidiary of associate				
Quality Beverages 2000 (Pty) Ltd				
Revenue	**6 362**	51 486	**-**	-
Rental income	**828**	4 777	**-**	-

The related party relationship with SoftBev (Pty) Ltd and Quality Beverages 2000 (Pty) Ltd ceased on the disposal of the Associate. See note 5.

	Notes	Group 2019 R'000	Group 2018 R'000	Company 2019 R'000	Company 2018 R'000
7 Inventories					
Raw materials		**32 507**	41 738		
Consumable stores		**13 430**	13 455		
Work in progress		**2 988**	2 859		
Finished goods		**30 153**	28 594		
		79 078	86 646		

Categories of inventories for 2018 has been restated in line with the current classifications.

	Notes	Group 2019 R'000	Group 2018 R'000	Company 2019 R'000	Company 2018 R'000
8 Trade and other receivables					
Trade receivables		**101 097**	113 725		
Other receivables		**568**	5 773		
		101 665	119 498		

8.1 Analysis of trade receivables

30 June 2019

	Gross Trade Receivables R'000	Expected credit Losses R'000	Provision for Credit Notes R'000	Net Trade Receivables R'000
Not Past Due				
Current	44 215	(41)	(599)	**43 575**
30 Days	46 793	(43)	-	**46 750**
60 Days	10 163	(41)	-	**10 122**
Total	**101 171**	**(125)**	**(599)**	**100 447**
Past Due				
90 Days	3 910	(3 260)	-	**650**
120 Days	-	-	-	**-**
Total	**3 910**	**(3 260)**	**-**	**650**
Total	**105 081**	**(3 385)**	**(599)**	**101 097**

	Group 2019 R'000	Group 2018 R'000	Company 2019 R'000	Company 2018 R'000
8.2 Expected Credit Loss Allowances (and provision for credit notes)				
Balance at beginning of year	**10 617**	7 743		
Increase in allowances	**674**	4 513		
Bad debts written off during the year	**(7 307)**	-		
Reversals of allowances	**-**	(1 639)		
Balance at end of year	**3 984**	10 617		

Customers are all manufacturing entities supplying into the wholesale and retail sectors.

The average payment terms are 30 to 60 days from statement date, with average repayment days of 62 at year end.

Provision for expected credit loss is against specific customers based on individual circumstances and where there is no likelihood of recovering against personal sureties, where held. Allowance is made for doubtful debts as to the ageing of past due receivables. Management considers the credit risk relating to trade and other receivables past due but not impaired to be acceptable based on credit evaluations performed. The expected loss allowance was determined with reference to the actual bad debts written off over the last three years, factoring in the historical default rate, adjusted for risk factors pertaining to industries and customer size.

The bad debts written off during the current year relates primarily to a large debtor that went into business rescue, and had no amounts recoverable. This resulted in the decrease in the provision for doubtful debts.

Prior year allowance for credit losses (IAS 39)

Provision for expected credit loss is against specific customers based on individual circumstances and where there is no likelihood of recovering against personal sureties, where held. Allowance is made for doubtful debts as to the ageing of past due receivables. Management considers the credit risk relating to trade and other receivables past due but not impaired to be acceptable based on credit evaluations performed.

Current year allowance for credit losses (IFRS 9)

The expected loss allowance was determined with reference to the actual bad debts written off over the last three years, factoring in the historical default rate, adjusted for risk factors pertaining to industries and customer size. The adoption of IFRS 9 did not have a material impact on the opening balance of the allowance for credit losses due to the group's low overall default rate (refer note 23.1)

R4.7 million of other receivables was written off during the year in respect of a claim on a collapsed water tank despite the executive management taking a view on the recoverability of the claim. Management will continue to evaluate and take guidance from evolving legal opinion as the matter progresses.

	Group 2019 R'000	Group 2018 R'000	Company 2019 R'000	Company 2018 R'000
8.3 Related party trade receivables				
Subsidiary of associate				
Quality Beverages 2000 (Pty) Ltd (refer note 6.2)	**-**	9 422		

		Group 2019 R'000	Group 2018 R'000	Company 2019 R'000	Company 2018 R'000
9	**Prepayments**				
	Advance payments - expenses	**3 103**	5 664	**-**	1 356
		3 103	5 664	**-**	1 356
10	**Cash and cash equivalents**				
	Bank accounts and cash on hand	**382 912**	202 917	**366 990**	196 022
	Bank facilities				
	The Company has stood surety, limited to R20 million, for facilities granted to Bowler Plastics (Pty) Ltd.				
	No liability for this amount has been raised at year end. Management considers the likelihood of Bowler Plastics (Pty) Ltd utilising the overdraft facility unlikely as it is the main trading operation of the Group and positive cash generative, with no long or short term Interest bearing liabilities. The surety is only payable on default, and there are no signs of default at year end.				
11	**Other Investments**				
	Cash unit trust	**10 289**	-	**10 289**	-
	The investment is in the Ashburton Stable Income Fund portfolio, under the management of Ashburton Investments which is part of the FirstRand Group. The fund is an actively managed cash fund with the underlying investments being mainly floating rate notes and cash, which can be liquidated within 48 hours and has annualised returns of 8.1% for the year. The fair value of the investment is derived from the market value of the underlying shares in the unit trust portfolio (as traded on the stock exchange), but not traded itself. The investment has been classified as a level 2 fair value in terms of the hierarchy.				
12	**Stated capital**				
12.1	*Authorised*				
	189 850 000 Ordinary shares of no par value				
	Issued	**-**	16 069	**-**	16 069
12.2	*Treasury shares*				
	Balance at beginning of year	**(30 163)**	(35 657)		
	Acquisitions	**(18 982)**	-		
	Disposals	**19 100**	5 494		
	Balance at end of year	**(30 045)**	(30 163)		
	Number of shares				
	Balance at beginning of year	**81 995 105**	81 995 105	**87 624 108**	88 428 066
	Treasury shares acquired / shares cancelled	**(2 859 073)**	-	**(2 850 781)**	(803 958)
	- market trades	**(2 859 073)**	-	**-**	-
	- share cancellation	**-**	-	**(2 850 781)**	(803 958)
	Balance at end of year	**79 136 032**	81 995 105	**84 773 327**	87 624 108
	Comprising:				
	Issued shares	**84 773 327**	87 624 108	**84 773 327**	87 624 108
	Treasury shares	**(5 637 295)**	(5 629 003)	**-**	-
	Percentage of issued shares	**6.6%**	6.4%		
	2 859 073 (2018:Nil) shares were acquired during the year at an average purchase price of R6.58 (2018:Nil) per share. 2 850 781 of these acquired shares were cancelled during the year. The shares acquired in 2017 were cancelled during the 2018 reporting period.				
12.3	*Weighted number of shares*				
	Balance at beginning of year	**81 995 105**	81 995 105		
	Treasury shares - weighted	**(305 724)**	-		
	Weighted number of shares in issue during the year	**81 689 381**	81 995 105		

		Notes	Group 2019 R'000	Group 2018 R'000	Company 2019 R'000	Company 2018 R'000
13	**Deferred taxation**					
	Balance at end of the year		**21 336**	59 797	**(1 887)**	47 781
	Balance at end of the year comprises:					
	- capital allowances		**26 221**	25 363	**-**	-
	- accruals		**(3 791)**	(4 912)	**-**	-
	- CGT (profit)/loss on investments of subsidiary and associate		**(1 094)**	39 346	**(1 887)**	47 781
			21 336	59 797	**(1 887)**	47 781
	Consisting of:					
	- liabilities		**24 740**	61 008	**-**	47 781
	- assets		**3 404**	1 211	**1 887**	-
14	**Trade and other payables**					
	Trade payables		**27 808**	33 051	**-**	-
	Accruals and other payables		**22 369**	23 009	**3**	3
			50 177	56 060	**3**	3
14.1	**Related party trade payables**					
	Subsidiary of associate					
	- Quality Beverages 2000 (Pty) Ltd		**-**	218	**-**	-
15	**Revenue**					
	Sale of plastic packaging		**536 578**	572 019	**-**	-
	Rental income		**5 539**	5 232	**-**	-
	Dividends received		**-**	-	**85 100**	5 496
	Interest received		**-**	-	**36 041**	19 104
			542 117	577 251	**121 141**	24 600
	Management assessed whether the group has a separate performance obligation for the delivery of plastic packaging to the customer. Management concluded that the performance obligation is the delivery of plastic packaging to the customer and that there is no separate performance obligation to provide a delivery service, because control over the goods passes to the customer on delivery.					
	Disaggregate revenue sources					
	Plastic Packaging and Related Products		**536 578**	572 019	-	-
	Property Leases		**5 539**	5 232	-	-
			542 117	577 251	**-**	-
	Revenue has been presented and disclosed consistently with the manner in which it is internally reported to and reviewed by the chief operating decision makers (refer note 24).					
16.1	**Profit from continuing operations**					
	Profit before tax is arrived at after taking into account the following items:					
	Expenses					
	Loss on disposal of fixed assets		**9**	33	**-**	-
	Directors' emoluments	**21**	**13 181**	8 636	**-**	-
	Employee costs		**126 970**	128 473	**-**	-
	Foreign exchange losses		**88**	607	**-**	-
	Impairment of investments		**-**	-	**-**	(112 405)
	Maintenance		**23 701**	22 752	**-**	-
	Operating leases on land and buildings		**7 492**	6 967	**-**	-
	Retirement funding		**3 940**	3 668	**-**	-
	Transport		**19 342**	16 237	**-**	-
16.2	**Profit from discontinued operations**					
	Profit before tax is arrived at after taking into account the following items:					
	Profit on disposal of associate		**180 083**	-	**142 375**	-
17	**Depreciation**					
	Property, plant and equipment	**1**				
	Land and buildings		**3 309**	2 269		
	Manufacturing plant and equipment		**12 624**	9 293		
	Non-manufacturing plant and equipment		**869**	595		
	Investment properties	**2**	**486**	158		
			17 288	12 315		
	Manufacturing		**12 624**	9 293		
	Non-manufacturing		**4 664**	3 022		

During the year, there was a change in the estimated useful lives of plant and equipment. On average the useful lives were extended by nine years. These estimates are still within the useful life ranges per the accounting policy. The change in estimate impacted the net profit before tax of the Plastics Packaging segment positively to the value of R4,553,362 (2018:R7,354,424) and the Property Investment segment Rnil, 2018 (negative R760,312)

		Group 2019 R'000	Group 2018 R'000	Company 2019 R'000	Company 2018 R'000
18	**Finance income and costs**				
	Income				
	Financial assets at amortised cost				
	Financial institutions - banks	**36 198**		**35 752**	
	Other	**-**		**-**	
		36 198		**35 752**	
	Income				
	Financial institutions - banks		13 285		9 670
	Other		9 434		9 434
			22 719		19 104
	Financial assets at fair value				
	Other investments - cash unit trust	**289**	-	**289**	-
		289	-	**289**	-
		36 487	22 719	**36 041**	19 104
	Financial liabilities measured at amortised cost				
	Interest paid - banks	**30**	46	**3**	-
		30	46	**3**	-
19	**Taxation**				
	Income tax - current	**25 203**	28 433	**91 308**	5 222
	Income tax - prior	**313**	-	**-**	-
	Deferred taxation - current	**2 586**	2 247	**(49 668)**	25 179
		28 102	30 680	**41 640**	30 401
	Reconciliation of rate of taxation				
	SA normal tax rate	**28.0%**	28.0%	**28.0%**	28.0%
	Adjusted for:				
	Disallowable expenses/exempt income	**(0.2)**	(0.7)	**(9.1)**	(1.1)
	Prior periods	**0.3**	-	**-**	-
	Capital Gains Tax	**-**	0.9	**(3.0)**	(4.6)
	Net increase/(decrease)	**0.1**	0.2	**(12.1)**	(5.7)
	Effective tax rate	**28.1%**	28.2%	**15.9%**	22.3%

		Notes	Group 2019 R'000	Group 2018 R'000	Company 2019 R'000	Company 2018 R'000
20	**Headline earnings**					
20.1	**Reconciliation of headline earnings**					
	Continuing operations					
	Attributable to holders of the parent - earnings		**71 959**	78 309		
	Adjustments net of tax - loss/(profit) on disposal of assets - Plastic Packaging		**6**	(114)		
	- loss/(profit) on disposal of plant & equipment		**9**	(147)		
	tax		**(3)**	33		
	Headline earnings - continuing operations		**71 965**	78 195		
	Discontinued operations					
	Attributable to holders of the parent - earnings		**139 950**	61 969		
	Reversal of impairment investment in associate net of tax		**-**	(44 767)		
	gross		**-**	(57 689)		
	tax		**-**	12 922		
	Reversal of profit on disposal of associate net of tax		**(139 950)**	-		
	gross		**(180 083)**			
	tax		**40 133**			
	Headline earnings - discontinued operations		**-**	17 202		
	Headline earnings - total		**71 965**	95 397		
20.2	**Weighted number of shares in issue**	**12**	**81 689 381**	81 995 105		
20.3	**Earnings per share (cents)**					
	Earnings per share (cents) - total		**259.41**	171.08		
	Continuing operations		**88.09**	95.50		
	Loss/(profit) on disposal of assets net of tax - Plastic Packaging		**0.01**	(0.14)		
	Headline earnings per share (cents) - continuing operations		**88.10**	95.36		
	Discontinued operations		**171.32**	75.58		
	Reversal of impairment of investment in associate net of tax		**-**	(54.60)		
	Reversal of profit on disposal of associate net of tax		**(171.32)**	-		
	Headline earnings per share (cents) - discontinued operations		**-**	20.98		
	Headline earnings per share (cents) - total		**88.10**	116.34		

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.

21 Emoluments of directors, prescribed officers and other employees

R'000	Director Fees	Fees for services	Basic salary	Allowances & Benefits	SoftBev Deal Bonus	Retirement Benefits	Total R'000
	Short-term Employee Benefits						
30 June 2019							
Executive directors							
PF Sass	-	-	3 328	276	750	257	4 611
GA Böhler	-	-	2 579	97	2 100	200	4 976
Non-Executive directors							
M Brain	384	-	-	-	704	-	1 088
BJ Frost	508	-	-	-	40	-	548
FC MacGillivray	420	-	-	-	40	-	460
SJ Gillett	373	-	-	-	40	-	413
Prescribed officers							
CA Bothma	-	-	300	-	-	18	318
AC September	-	-	693	15	-	59	767
	1 685	-	6 900	388	3 674	534	13 181
Paid by subsidiaries	(1 685)	-	(6 900)	(388)	(3 674)	(534)	(13 181)
Paid by company	-	-	-	-	-	-	-
30 June 2018							
Executive directors							
PF Sass	-	-	3 011	243	-	252	3 506
GA Böhler	-	-	2 322	82	-	195	2 599
MA Olds	-	-	116	-	-	-	116
Non-Executive directors							
M Brain	265	125	-	-	-	-	390
BJ Frost	444	-	-	-	-	-	444
FC MacGillivray	396	50	-	-	-	-	446
SJ Gillett	335	-	-	-	-	-	335
Prescribed officers							
CA Bothma	-	-	739	-	-	62	801
	1 440	175	6 188	325	-	509	8 636
Paid by subsidiary	(1 440)	(175)	(6 188)	(325)	-	(509)	(8 636)
Paid by company	-	-	-	-	-	-	-

There are no fixed period service contracts.

22 Cash Flow

22.1 Cash generated by operations

	Group 2019 R'000	Group 2018 R'000	Company 2019 R'000	Company 2018 R'000
Profit before tax	**280 144**	189 445	**262 256**	136 552
Non cash items	**(158 096)**	(55 633)	**(227 233)**	(115 679)
- depreciation	**17 288**	12 315	**-**	-
- dividend in specie movement in loan *	**-**	-	**(66 000)**	-
- treasury shares dividend in specie	**-**	-	**(19 100)**	(5 496)
- other non cash movements **	**4 690**	-	**530**	-
- reversal of impairment	**-**	(57 689)	**-**	(112 405)
- profit on disposal of investment in associate	**(180 083)**	-	**(142 375)**	-
- share of profit of associate	**-**	(13 333)	**-**	-
- loss on disposal of fixed assets	**9**	33	**-**	-
- transactional related party recharges	**-**	3 041	**(287)**	2 222
Adjustments for items shown separately	**(36 457)**	(22 673)	**(36 038)**	(19 104)
Interest paid	**30**	46	**3**	-
Interest received	**(36 487)**	(22 719)	**(36 041)**	(19 104)
Working capital changes	**17 100**	(5 023)	**1 356**	(1 357)
Inventories	**7 568**	(4 265)	**-**	-
Trade and other receivables	**13 143**	(8 850)	**-**	-
Advance payments - capital	**-**	7 695	**-**	-
Advance payments - expenses	**2 561**	(1 104)	**1 356**	(1 356)
Trade and other payables	**(6 172)**	1 501	**-**	(1)
	102 691	106 116	**342**	412

* Relates to loan reductions within the group. The subsidiaries declared dividend in specie by way of loan cessions to Bowler Metcalf .

** Group - Relates to write off of an other receivable during the year.

		Group 2019 R'000	Group 2018 R'000	Company 2019 R'000	Company 2018 R'000
22.2	**Reconciliation of taxation paid**				
	Charged to the statement of comprehensive income	**(68 235)**	(49 167)	**(41 640)**	(30 401)
	Adjustment for deferred taxation	**(38 461)**	20 734	**(49 668)**	25 179
	Movement in taxation receivable	**(1 102)**	(3 496)	**(395)**	583
	Payments made	**(107 798)**	(31 929)	**(91 703)**	(4 639)
	Made up of:				
	Payments for disposal of associate	**(80 531)**	-	**(80 531)**	-
	Continuing operations	**(27 267)**	(31 929)	**(11 172)**	(4 639)
		(107 798)	(31 929)	**(91 703)**	(4 639)
22.3	**Proceeds on disposal of property, plant & equipment**				
	Book value of assets disposed of	**78**	1 496		
	Loss on disposal	**(9)**	(33)		
	Proceeds received	**69**	1 463		
22.4	**Additions to property, plant and equipment**				
	To maintain and expand operations				
	- land and buildings	**-**	1 204		
	- manufacturing plant and equipment	**5 161**	11 859		
	- capital work in progress	**15 482**	2 789		
	- other plant and equipment	**47**	5 292		
		20 690	21 144		
22.5	**Discontinued operations included in cash flow**				
	Operating activities	**139 950**	80 456		
	Investment activities	**478 296**	12 000		
22.6	**Other financial liabilities reconciliation**				
	Opening balance			**314 975**	108 039
	Cash receipts (related party loan)			**2 002 583**	506 410
	Cash payments (related party loan)			**(1 948 990)**	(293 978)
	Non-cash movements:				
	- non cash loan movements			**530**	-
	- Dividend in specie			**(66 000)**	(5 496)
	Closing balance			**303 098**	314 975
23	**Financial Instruments**				
23.1	**Credit Risk**				
	Financial assets exposed to credit risk are:				
	Trade and other receivables	**101 097**	113 725	**-**	-
	Related party loans	**-**	64 842	**-**	64 842
	Cash unit trust	**10 289**	-	**10 289**	-
	Cash and cash equivalents	**382 912**	202 917	**366 990**	196 022
		494 298	381 484	**377 279**	260 864
	Guarantees				
	Limited sureties given to:				
	FNB for bank facilities granted to the Group	**-**	-	**20 000**	20 000
		-	-	**20 000**	20 000

23.1 Credit Risk - continued

The group recognises a loss allowance to the value of the lifetime expected credit losses for contract revenue and receivables under the simplified approach as envisaged by IFRS 9. Management calculates the expected credit losses on revenue and receivables based on a a provision matrix. Where applicable, specific provisions are also considered. The provision matrix is formulated by applying a loss ratio to the aged balance of trade receivables at the reporting date. The loss ratio is calculated according to the ageing/payment profile of sales by applying historic write offs to the payment profile of the sales population. This historic loss ratio is adjusted with forecast information of potential conditions affecting the plastics packaging industry in the foreseeable future.

Specific provisions are applied when outlier trade receivables are identified. These would include trade receivables with significant exposures and/or clearly different risk characteristics. The estimated expected credit loss percentage is applied with adjustments using management's assessments and professional judgement, taking into account past default experience of the specific customer, risk relating to the customer's current financial position, general conditions in the plastic industry that are relevant to the group's customer base at the reporting date, and forecast information of potential conditions affecting the plastic packaging industry in the foreseeable future. This assessment is done on a per customer basis as the environment and industry that the customer operates in is not generic, and the above assumptions vary on a per customer basis.

Any amounts provided for will be accounted for as a loss allowance against the receivable amount at year-end. The expense will be included in the operating expenses line item in the statement of profit or loss and other comprehensive income.

The credit quality of trade receivables neither past due nor impaired has been assessed as high. Sales are mostly made to local counterparties. Historical information about counterparty default rates indicate that, as a percentage of bad debts written-off and provided for over total credit sales, the group's default rate is 0.17% (2018:0.16%). The expected credit loss under IAS 39 did not change materially when calculated under IFRS9.

The Group has identified the macro economic and political environment to be the most relevant and accordingly takes these factors into consideration when calculating the expected loss rate.

Trade receivables are not insured.

Debtors amounting to R122 772 were handed over to attorneys for collection during the year. These amounts have been fully provided for at year end.

23.2 Foreign Exchange Risk

Foreign exchange risk arises on the acquisition of plant and machinery from abroad. Foreign Exchange Contracts (FEC's) 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.

		Group		Company	
		2019	2018	**2019**	2018
		R'000	R'000	**R'000**	R'000
23.3	**Interest Rate Risk**				
	Borrowings are secured at the best prevailing rates, the movement of which is monitored and managed on an on-going basis.				
	Variable-rate interest bearing assets	**382 912**	267 759	**366 990**	260 864
	Cash unit trust	**10 289**	-	**10 289**	-
	Net assets	**393 201**	267 759	**377 279**	260 864
	Estimated interest rate change	**0.5%**	0.5%	**0.5%**	0.5%
	Net after tax profit sensitivity	**1 416**	964	**1 358**	939
23.4	**Liquidity Risk**				
	The Group manages its liquidity risk by monitoring cash flows and ensuring that adequate liquid funds are available.				
	The amounts disclosed in this table are the contractual undiscounted cash flows:				
	Payable within the next 12 months				
	Trade and other payables	**27 808**	40 545	**-**	-
	Guarantees	**-**	-	**20 000**	20 000
	The risk of the guarantees being called upon is considered by the directors to be low.				
	Total financial liabilities	**27 808**	40 545	**20 000**	20 000
23.5	**Financial Asset Categories**				
	30 June 2019				
	Financial assets at amortised cost				
	Trade and other receivables	**101 097**		**-**	
	Cash and cash equivalents	**382 912**		**366 990**	
		484 009		**366 990**	
	Financial assets at fair value through profit or loss				
	Cash unit trust	**10 289**		**10 289**	
	30 June 2018				
	Loans and receivables				
	Trade and other receivables		113 725		-
	Related party loans		64 842		64 842
	Cash and cash equivalents		202 917		196 022
			381 484		260 864
23.6	**Financial Liability Categories**				
	Financial liabilities at amortised cost				
	Trade and other payables	**27 808**	40 545	**3**	3
		27 808	40 545	**3**	3

24 Segmental Report

Primary Format - Business Segments R'000	**Plastic Packaging**	**Discontinued Beverages**	**Property Investment**	**Holdings**	**Eliminations**	**Total**
30 June 2019						
Continuing operations						
Revenue	536 578	-	5 539	-	-	542 117
Intersegment revenue	-	-	20 132		(20 132)	-
Profit on disposal of investment in associate	-	180 083	-	-	-	180 083
Other income	19 536	-	-	-	(19 225)	311
Operating costs (excluding depreciation)	(471 080)	-	(9 333)	(1 256)	20 132	(461 537)
Depreciation	(13 709)	-	(3 579)	-	-	(17 288)
	71 325	180 083	12 759	(1 256)	(19 225)	243 687
Finance income	446	-	-	36 041	-	36 487
Finance costs	(27)	-	-	(3)	-	(30)
Profit before tax	71 745	180 083	12 759	34 782	(19 225)	280 144
Taxation	(14 596)	(40 133)	(3 758)	(9 748)	-	(68 235)
Profit for the year	57 149	139 950	9 001	25 034	(19 225)	211 909
Attributable to:						
Equity holders of the parent	57 149	139 950	9 001	25 034	(19 225)	211 909
Total Assets	646 907	-	42 607	384 830	(320 043)	754 301
Total Liabilities	95 387	-	753	303 272	(324 110)	75 302
Capital Expenditure	16 259	-	4 431	-	-	20 690
Customers with greater than 10% of Group revenue:						
- Customer 1	50 881	-	-	-	-	50 881
30 June 2018						
Continuing operations						
Revenue	572 019	-	5 232	-	-	577 251
Intersegment revenue	-	-	18 993		(18 993)	-
Reversal of impairment on investment	-	57 689	-	-	-	57 689
Other income	2 969	-	-	-	(2 431)	538
Operating costs (excluding depreciation)	(484 050)	-	(4 213)	(454)	18 993	(469 724)
Depreciation	(9 875)	-	(2 440)	-	-	(12 315)
Share of profit of associate	-	13 333	-	-	-	13 333
	81 063	71 022	17 572	(454)	(2 431)	166 772
Finance income	3 614	9 434	1	9 670	-	22 719
Finance costs	(46)	-	-	-	-	(46)
Profit before tax	84 631	80 456	17 573	9 216	(2 431)	189 445
Taxation	(23 171)	(18 487)	(4 928)	(2 581)	-	(49 167)
Profit for the year	61 460	61 969	12 645	6 635	(2 431)	140 278
Attributable to:						
Equity holders of the parent	61 460	61 969	12 645	6 635	(2 431)	140 278
		Held for Sale				
Total Assets	663 594	298 213	100 157	197 378	(375 004)	884 338
Total Liabilities	150 247	38 511	1 470	315 482	(387 492)	118 218
Capital Expenditure	22 260	-	41	-	-	22 301
Customers with greater than 10% of Group revenue:						
- Customer 1	63 185	-	-	-	-	63 185

		Group 2019 R'000	Group 2018 R'000	Company 2019 R'000	Company 2018 R'000
25	**Commitments**				
	Capital				
	Plant	**2 210**	6 037		
		2 210	6 037		
	The expenditure will be financed from cash generated from normal business operations.				
	Leases				
	Operating leases on property	**8 249**	2 876		
	Due within one year	**5 793**	2 058		
	Due between one and five years	**2 456**	818		
		8 249	2 876		
	The main terms of lease agreements are:				
	Rental escalations (%)	**7 - 8**	8.00		
	Number of months outstanding (months)	**2 - 31**	7 - 14		
	Renewal option (months)	**6 - 24**	0 - 12		
26	**Contingent Liabilities**				
	Bank guarantees issued	**3 056**	831	**257**	257

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

27 Capital risk management

The Group's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

	Group 2019 R'000	Group 2018 R'000
The capital structure of the company consists of:		
Equity	**678 999**	766 120
Borrowings	**-**	-
Total equity and borrowings	**678 999**	766 120
Cash and cash equivalents	**382 912**	202 917

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets.

The Group monitors capital on the basis of the gearing ratio:

This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents.

At the reporting date the group had no borrowings.

There are no externally imposed capital requirements.

There have been no changes to what the entity manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

28 Subsequent events

Subsequent to year end, the Group, through is subsidiary, Bowler Plastics (Pty) Ltd, continued its repurchase of treasury shares. A total of 2.6million shares representing 3.1% of the issued share capital of the Group was acquired since year end. The shares were subsequently cancelled. No other significant events occurred subsequent to year end.

Presentation of Annual Financial Statements

The Annual Financial Statements have been in accordance with International Financial Reporting Standards (IFRS), the Financial Reporting Pronouncements (FRPs) as issued by the Financial Reporting Standards Council. They are presented in South African Rands.

These accounting policies are consistent with the previous year.

Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Significant estimates include:

Impairment

The group assesses at the end of each reporting period whether there is objective evidence that the investment in its associate, SoftBev (Pty) Ltd, is impaired and whether any prior impairment losses should be reversed. The assessment in the prior year led to the reversal of prior impairments. Refer note 5 for further details.

1 Property, plant and equipment

Property, plant and equipment is initially measured at cost and subsequently at cost less accumulated depreciation and any impairment losses.

Depreciation is provided on the straight line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	**Years**
Land and buildings:	
Land	n/a
Industrial buildings	20 to 25
Manufacturing plant and equipment:	
Plant and machinery	7 to 40
Moulds	7 to 25
Non-manufacturing plant and equipment:	
Motor vehicles	5 to 15
Office equipment, furniture and fittings	10
Computers	6

2 Investment Properties

Investment properties are held to earn rental income and appreciate in capital value and are recorded at cost less subsequent depreciation of buildings.

Investment property is initially recognised at cost and subsequently at cost less accumulated depreciation and any impairment losses.

Depreciation is calculated on the straight-line method to write off the cost of buildings to their residual values over their estimated useful lives. Land is not depreciated.

Industrial buildings are depreciated at a rate of 5% per annum.

3 Goodwill

All business combinations are accounted for by applying the acquisition method. The acquisition method entails the following:

(a) - identify which entity is the acquiring entity in the transaction;
(b) - determining the date of the acquisition;
(c) - recognising and measuring the assets acquired and the liabilities assumed;
(d) - recognising and measuring any non-controlling interest; and
(e) - recognising:
  1. goodwill, representing the excess of the consideration paid and the non-controlling interest over the Group's interest in (c) above; and
  2. a gain on bargain purchase, in the event that the consideration paid and the non-controlling interest amounts to less than the Group's interest in (c) above.

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

Goodwill is allocated to cash-generating units (CGUs) and is tested annually for impairment or more frequently when there is an indication that the unit may be impaired.

On disposal of a subsidiary the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

4 Investment in subsidiaries

Investments in subsidiaries are carried at cost less any accumulated impairment.

5 Investment in associates

Company Financial Statements

Investments in associates are carried at cost less any accumulated impairment.

Group Financial Statements

An investment in an associate is accounted for using the equity method. Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost adjusted for post-acquisition changes in the company's share of net assets of the associate less any dividends received, less any impairment losses.

Goodwill on acquisition is included in the carrying amount of the associate. This goodwill is not amortised but is assessed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired.

Profits or losses on transactions between the company and an associate are eliminated to the extent of the company's interest therein.

The investment in the associate and related loan were classified as held for sale during the prior year. The investment was equity-accounted up to that date. The investment was sold during the year.

6 Inventories

Inventories are measured at the lower of cost and net realisable value on the weighted average cost basis.

When inventories are sold, the carrying amount of those inventories are recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

7 Trade and other receivables (This policy relates to the prior year trade receivables under IAS39)

Trade and other receivables are classified as loans and receivables.

8 Prepayments

Prepayments occur when an amount has been paid in advance but the goods or services have not yet been received by the Group. Prepayments are recognised as assets in the statement of financial position.

9 Assets held for sale

Assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets held for sale are measured at the lower of their carrying amounts and fair value less costs to sell. An impairment loss is recognised, where necessary, for any write-down to fair value less costs to sell on the date of classification as held for sale. A gain is recognised for any subsequent increase in fair value less costs to sell, but not in excess of the cumulative impairment losses previously recognised. Investments in associates are not equity-accounted while classified as held for sale.

10 Discontinued operations

A discontinued operation is a component of the Group’s business, the operations and cash flows of which can be clearly distinguished from the rest of the Group (such as a segment) and which is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations. Classification as a discontinued operation occurs when the operation meets the criteria to be classified as held for sale. When the operation is classified as a discontinued operation, the comparative statement of comprehensive income is re-presented as if the operation has been discontinued from the start of the comparative year.

11 Treasury shares

Shares held by subsidiaries in Bowler Metcalf Limited 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, the related proceeds is added to equity under "treasury shares".

Treasury shares acquired by Bowler Metcalf Limited in itself are deducted from stated capital on their cancellation to the extent that stated capital is available. Any excess of the treasury share purchase price over the balance on the stated capital account is deducted from retained earnings

12 Revenue (this policy relate to the prior year revenue recognition under IAS 18)

Revenue from the sale of plastic packaging is recognised upon delivery to the customer.
Product returns are inspected, validated and then refunded to the customer by way of a credit note to their account, or refunded in cash when the customer does not trade on terms.

Interest is recognised, in profit or loss, using the effective interest rate method.

13 Dividends received

Dividends received are recognised, in profit or loss, when the dividends are declared.

Dividends received on treasury shares are eliminated on consolidation.

The receipt of dividends consisting of distributions of assets in specie are measured at the fair value of the asset received.

14 Dividends paid

Dividends are recognised as a liability in the period in which they are declared.

15 Finance costs

Finance costs are recognised as an expense in the period in which they are incurred.

16 Employee benefits

16.1 Short-term employee benefits

Short-term employee benefits include basic salaries, bonuses and allowances. The cost of short term employee benefits is recognised in the period in which the service is rendered and is not discounted.

16.2 Defined contribution plans

The Group operates a provident and pension fund to which substantially all salaried staff belong. The fund is a defined contribution plan and is not required to be actuarially valued.

Current contributions to the pension and provided funds are included within employee cost

The fund is governed by the Pension Funds Act.

17 Leases

17.1 Operating leases - lessee

Operating lease payments are recognised as an expense on the straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments is recognised as an operating lease liability. This liability is not discounted.

17.2 Operating leases - lessor

Operating lease income earned on the rental of property is recognised as an income on a straight-line basis over the lease term. The difference between the amounts recognised as income and the contractual receipts is recognised as an operating lease asset that it not discounted.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the property and recognised as an expense over the lease term on the same basis as the lease income. Income for leases is disclosed under revenue in profit or loss.

18 Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiaries. 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.

19 Segment report

The segment report is based on the business segments of the Group according to products and services sold, as regularly reviewed by management.

20 Financial instruments (These policies relates to the prior financial instruments under IAS39)

20.1 Initial recognition and measurement
Financial instruments are measured initially at fair value.

Transaction costs are included in the initial measurement of the instrument as follows:

- Added to the initial fair value of financial assets
- Deducted from the initial fair value of financial liabilities

Financial assets are recognised at trade date, when the group commits to purchase or sell the asset.

20.2 Subsequent measurement

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

20.3 Impairment of financial assets
For amounts due to the group, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment.

Impairment losses are recognised in profit or loss.

Trade receivables are impaired through use of an allowance account. The amount of the loss is recognised in profit or loss within operating expenses. Subsequent recoveries of amounts previously written off are credited to other operating income.

20.4 Loans to subsidiaries and associates
These loans are recognised initially at fair value plus direct transaction costs.

Loans to Group companies are classified as loans and receivables.

20.5 Trade and other payables
Trade payables are classified as financial liabilities at amortised cost.

20.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are classified as loans and receivables.

20.7 Loans from subsidiaries

Loans from subsidiaries are classified as liabilities at amortised cost.

21.1 Financial Assets

Trade and other receivables

• Classification – The group earns revenue from the sale of plastic packaging. Trade and other receivables comprise trade receivables, prepayments and deposits and value added tax. The financial instruments included in this balance have been classified and measured at amortised cost. Trade and other receivables are held by the group in order to collect contractual cash flows in terms of the underlying agreement, and they give rise to cash flows on specified dates that are solely payments of principal and interest amounts that are outstanding.

• Recognition and measurement – Trade and other receivables are initially measured at fair value. The group makes use of the practical expedient in IFRS 15 in terms of which, for contracts where at inception of the period between the performance of the obligations and the associated payment is expected to be less than a year, the group does not account for the time value of money.

• Impairment – The group recognises a loss allowance to the value of the lifetime expected credit losses for trade receivables under the simplified approach as envisaged by IFRS 9, excluding prepayments, deposits and value-added tax. Management calculates the expected credit losses on revenue and receivables based on a provision matrix. The provision matrix is formulated by applying a loss ratio to the aged balance of trade receivables at the reporting date. The loss ratio is calculated to the ageing/payment profile of sales by applying historic write offs to the payment profile of the sales population. This historic loss ratio is adjusted with forecasted information of potential conditions affecting the plastics industry in the foreseeable future.

The provision for credit losses are done on a per customer basis based on:

• Debtors are grouped into two types of debtors, where the debtors are more than 90 days outstanding and / or is in business rescue or liquidation. These debtors are provided at a 100% rate in terms of the provision matrix, as the risk for default on these debtors are higher given their financial position; and

• For all the remaining debtors a general provision is calculated as a % of historic bad debts written off over the last 3 years over total credit sales excluding the aforementioned debtors. The expected loss rate is then adjusted for forward looking information such as the macro economic and political environment.

• Write-off policy – The group will write off the underlying financial assets under the following circumstances:
When business rescue or liquidation proceedings have been finalised and management has assessed that the customer is not in a financial position to pay the outstanding debt. Trade receivables written off for accounting purposes may still be subject to the group's internal recovery procedures, with the assistance of legal counsel. Any recoveries made once the debt has been written off will be recognised as other income in the statement of profit or loss and other comprehensive income.

• Default – The group considers that a default has occurred when a debtor is more than 90 days past due unless it has reasonable and supportable information that demonstrates otherwise. This is the industry norm.

Loans to subsidiaries and associates

• Classification – these loans have been classified and measured at amortised cost. The group holds them to collect contractual cash flows, and they give rise to cash flows on specified dates that are solely payments of principal and interest amounts that are outstanding.

• Recognition and measurement – loans to subsidiaries and associates are initially measured at fair value and, after initial recognition, at amortised cost using the effective interest method. Loans to subsidiaries and associates are repayable on demand.

Impairment – Subsequent to initial recognition the loans are tested for impairment using the general approach. The Group measures the loss allowance at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk since initial recognition. If the credit risk on a loan has not increased significantly since initial recognition, then the loss allowance for that loan is measured at 12 month expected credit losses (12 month ECL).

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a loan. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a loan that are possible within 12 months after the reporting date.

In order to assess whether to apply lifetime ECL or 12 month ECL, in other words, whether or not there has been a significant increase in credit risk since initial recognition, the company considers whether there has been a significant increase in the risk of a default occurring since initial recognition rather than at evidence of a loan being credit impaired at the reporting date or of an actual default occurring.

Impairment of loans with no fixed terms of repayment:

For loans receivable with no fixed terms of repayment, expected credit losses are based on the assumption that repayment of the loan is demanded at the reporting date. If the borrower has sufficient accessible highly liquid assets in order to repay the loan if demanded at the reporting date, the probability of default is usually small and the expected credit loss is immaterial as a result. If the borrower could not repay the loan if demanded at the reporting date, the group considers the expected manner of recovery to measure expected credit losses. This includes a 'repay over time' strategy.

If the recovery strategies indicate that the lender would fully recover the outstanding balance of the loan, the expected credit loss is limited to the effect of discounting the amount due on the loan (at the loan's effective interest rate, which is regarded as 0% if the loan is interest free) over the period until cash is realised. If the effective interest rate is 0%, and all strategies indicate that the lender would fully recover the outstanding balance of the loan, no impairment loss is recognised.

If the full balance of the loan cannot be recovered over time, a loss allowance is recognised in profit or loss.

Significant increase in credit risk:

In assessing whether the credit risk on a loan has increased significantly since initial recognition, the Group compares the risk of a default occurring on the loan as at the reporting date with the risk of a default occurring as at the date of initial recognition.

The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. This information includes budgets and forecasts and the financial health of the entity, as well as the future prospects of the industry in which the borrower operates.

Irrespective of the outcome of the above assessment, the credit risk on a loan is always presumed to have increased significantly since initial recognition if the contractual payments are more than 30 days past due, unless the company has reasonable and supportable information that demonstrates otherwise.

Definition of default on loans to associates, joint ventures and subsidiaries

The Group considers that a default event has occurred if there is either a breach of financial covenants by the counterparty, or if internal or external information indicates that the counterparty is unlikely to pay its creditors in full (without taking collateral into account).

Irrespective of the above analysis, the Group considers that default has occurred when a loan instalment is more than 90 days past due unless the Group has reasonable and supportable information that demonstrates otherwise.

For loans repayable on demand the group considers that an event of default has occurred if the borrower does not repay the loan when demanded. The Group writes off a loan when there is information indicating that the borrower is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the borrower has been placed under liquidation or has entered into bankruptcy proceedings.

Write off policy:

The Group will write off the outstanding loan balance once management has made an assessment that the counterparty is not in a financial position to repay the loan.

Cash and cash equivalents

• Classification – Cash and cash equivalents comprise cash on hand, bank balances and short-term deposits and are classified as financial assets measured at amortised cost.

• Recognition and measurement – Cash and cash equivalents are measured initially at fair value and subsequently at amortised cost.

Unit trust type investments

• Classification – Unit trust type investments are classified as financial assets measured at fair value through profit and loss. These investments introduce exposure to risks in the contractual cash flows that is unrelated to a basic lending rate (such as political, economic and general market risk), therefore do not give rise to contractual cash flows that are solely payments of principal and interest on the principal amount outstanding and as result cannot be classified and measured at amortised cost.

• Recognition and measurement – these investments are initially and subsequently measured at fair value, with any changes in fair value recognised in profit or loss in the statement of profit or loss and other comprehensive income.

• Any gains or losses on re-measurement of the unit trust type investments to fair value are recognised entirely in profit or loss in the statement of profit or loss and other comprehensive income.

21.2 Financial Liabilities

Trade and other payables

• Classification and measurement – Trade and other payables comprise normal trade payables, general accruals, value-added tax and other payables owing at year-end. The financial liabilities included in this line item are classified as financial liabilities at amortised cost. They are measured initially at fair value and subsequently at amortised cost.

Loans from subsidiaries

• Classification and measurement – Loans from subsidiaries are classified as financial liabilities at amortised cost. They are measured initially at fair value and subsequently at amortised cost.

21.3 Revenue

Sales of plastic packaging -Current year disclosure in terms of IFRS 15. Prior year disclosure in terms of IAS 18.

The sales of goods includes the sales of plastic packaging. Based on the terms of the underlying contracts, revenue is recognised upon delivery to the customer, as this is when control passes to the customer.

Rental income

Rental income comprises rental income net of value-added tax. Rental income falls within the scope of IFRS 16 *Leases* , effective for years beginning on or after 1 January 2019. IFRS 16 was not early adopted by the group. Bowler continued to recognize rental income received in terms of the IAS 17 principles in the current year. Rental income from properties is recognised in the statement of profit or loss and other comprehensive income on a straight-line basis over the terms of the lease. No contingent rent was received during the current financial year.

Variable consideration

The group is not exposed to any material amounts of variable consideration.

21.4 Cost of sales

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs.

The Group does not incur any material costs to fulfil contracts.

Additional costs incurred by the group as a result of business interruptions, have been adjusted and presented net of any amounts reimbursed from the insurance company.

21.5 Other income

Other income earned by the group which is not included in revenue, is recognised on the following basis:

• Investment revenue – Interest revenue is recognised in the statement of profit or loss and other comprehensive income, using the effective interest method.

• Dividends – Dividends are recognised, in the statement of profit or loss and other comprehensive income, when an entity's right to receive payment has been established through the dividend declarations by a subsidiary or an associate.

• Disposal of associate investment – Revenue from the sale of the company's interest in an associate is recognised in the statement of profit or loss and other comprehensive income, once all suspensive conditions pursuant to the underlying sales agreement have been fulfilled.

22 International reporting standards

22.1 Standards adopted during the year

Standards and interpretations effective and adopted in the current year

The group adopted IFRS 9 and IFRS 15 in the current financial period for the first time at the mandatory adoption date. No standard, amendment or interpretation has been early adopted by the group. The comparative information has not been restated, and complies with the requirements of IAS 39 and IAS 18. Other than the changes set out below, the accounting policies are consistent with those applied in the prior financial period and did not result in any prior year restatements.

IFRS 9 Financial Instruments

All financial assets within the scope of IFRS 9 are required to be subsequently measured in terms of the following:

- debt instruments that are held with its main objective to collect contractual cash flows in terms of the underlying agreement, which give rise to cash flows on specified dates, and which are solely payments of principal and interest amounts, are subsequently measured at amortised cost;

- debt instruments that are held within a business model to receive contractual cash flows and the selling of these financial assets, and which have contractual terms that result in contractual cash flows being received on specified dates that are solely payments of principal and interest on the principal amount outstanding, are measured at fair value through other comprehensive income ("FVTOCI"); and

- all other debt and equity investments are subsequently measured at their fair value.

The classification of financial liabilities has been left largely unchanged from the previous standard, IAS 39.

IFRS 9 also incorporates a forward-looking "expected loss" impairment model, which is a change from the "incurred loss" model applied under IAS 39. An impairment trigger no longer has to occur before credit losses are recognised, generally resulting in the earlier recognition of credit losses.

The adoption of IFRS 9 in the current year, and on the opening balances as at 1 July 2018, has not had a significant impact on the group's results. It has not resulted in the recognition of significant allowances for credit losses. Furthermore, all of the group's financial assets were measured at amortised cost, bar a newly acquired current financial asset which will be measured at fair value (classified as financial asset measured at fair value through profit and loss). These loans and receivables were measured at amortised cost under IAS 39, and will continue to be measured at amortised cost under IFRS 9, with exception to the aforementioned financial asset measured at fair value through profit and loss. The adoption of this standard has resulted in additional disclosures throughout the notes to the financial statements.

Instrument	**IAS 39 Classification**	**IAS 39 Measurement**	**IFRS 9 Classification**	**IFRS 9 Measurement**
Trade receivables	Loans and receivable	Amortised Cost	Financial asset at Amortised cost	Amortised Cost
Related party loans	Loans and receivable	Amortised Cost	Financial asset at Amortised cost	Amortised Cost
Cash and cash equivalents	Loans and receivable	Amortised Cost	Financial asset at Amortised cost	Amortised Cost
Trade payables	Other financial liability	Amortised Cost	Financial liability at Amortised Cost	Amortised Cost

IFRS 15 Revenue from contracts with customers

IFRS 15 is a new standard that establishes a single, comprehensive and robust framework for the recognition, measurement and disclosure of revenue.

Sale of plastic packaging

IFRS 15 Revenue from contracts with customers has not had a material impact on the financial statements of the group where revenue consists of the sale of goods. General payment terms are 30 to 60 days from statement date. Payment terms are agreed with customers based on the underlying sale agreements. Actual payment terms are 62 days on average. General payment terms are less than 12 months, and therefore there is no significant financing component as interest is charged on all late payments. The group is not exposed to any amounts of variable consideration.

The group recognises revenue on the sale of plastic packaging and transport at the same time, upon delivery, as management considers delivery as the point that control of the goods is transferred to the customers and that the delivery obligation is fulfilled. Under the criteria of IAS 18, revenue had been recognised when risks and rewards transfer (upon delivery), which is similar to the new principles adopted in IFRS 15.

The Group recognises revenue at a point in time, when the goods are delivered to the customer.

The adoption of IFRS 15 has not had a material impact on the group's financial performance or results, and has resulted in additional disclosures in the financial statements (specifically the revenue note and segment report).

22.2 New standards and interpretations not yet adopted

IFRS 16 Leases

IFRS 16 provides the principles for the recognition, measurement, presentation and disclosure of leases. The standard introduces a single accounting model for lessees building on the principle that all leases result in the lessee being entitled to use an asset and, if lease payments are made over time, obtaining financing. The standard eliminates the distinction of operating and financing leases for lessees resulting in a more faithful representation of the lessee's assets and liabilities and improved transparency regarding the lessee's financial leverage and capital employed. Lessor accounting is left largely unchanged from its predecessor (IAS 17 Leases).

The current estimate of the impact of the above on the 2019 financial statements has been summarised below:

Statement of Financial position

Assets	
• increase in right of use asset	7 734 096
Total Assets	**7 734 096**
Equity	
• impact of IFRS 16 in first year	**(169 697)**
Liabilities	
• increase in long-term lease obligation	2 387 987
• increase in short-term lease obligation	5 515 806
Total Liabilities	**7 903 793**
Total Equity and Liabilities	**7 734 096**

Statement of Comprehensive Income

• decrease in operating lease expense of R4 412 068;

• increase in finance costs: R409 683;

• increase in depreciation expense: R4 172 081; and

• decrease in net profit: R169 697

The group expects to adopt IFRS 16 on its effective date, in the 2020 financial year. IFRS 16 will be applied using the modified retrospective approach and prior year balances will not be adjusted.

SHAREHOLDER PROFILE

At 30 June 2019

	2019			2018		
Size of Holding	**No of Holders**	**% of Holders**	**% of Capital**	No of Holders	% of Holders	% of Capital
Shareholdings						
1 - 5 000	825	59.2	1.4	863	58.7	0.2
5 001 - 10 000	187	13.4	1.5	210	14.3	2.2
10 001 - 50 000	249	17.8	6.0	263	17.9	7.9
50 001 - 100 000	50	3.6	3.9	48	3.3	4.1
100 001 and above	83	6.0	87.2	83	5.8	85.6
Total	1 394	100.0	100.0	1 467	100.0	100.0
Spread						
Public - South African	1366	98.0	69.6	1 439	98.2	71.0
Public - Non Residents	24	1.7	0.4	24	1.6	0.1
Treasury	1	0.1	6.6	1	0.1	6.4
Directors	3	0.2	23.4	3	0.2	22.5
Total	1 394	100.0	100.0	1 467	100.0	100.0
Status						
Dematerialised	1255	90.0	97.7	1 326	90.4	97.8
Certificated	139	10.0	2.3	141	9.6	2.2
Total	1 394	100.0	100.0	1 467	100.0	100.0
Other Large Investors						
Aylett & Co			12.06			11.43
Investec			0.96			6.05
Kagiso			8.18			9.19
Sanlam			3.18			9.79
Standard Bank			8.11			11.70

There are no undisclosed members with beneficial holdings of greater than 5% of the number of issued shares.

	Direct / Indirect	2019 Shares Held	2019 Shares Issued	2019 % of Shares Issued	2018 Shares Held	2018 Shares Issued	2018 % of Shares Issued
A Subsidiaries							
Plastic Packaging Segment *manufacture of plastic packaging*							
Bowler Plastics Proprietary Ltd Reg. No. 1997/012522/07	Direct	105	105	100.0%	105	105	100.0%
Gad-Tek Proprietary Ltd T/A Bowler Plastics KZN Reg. No. 2005/017408/07	Indirect	100	100	100.0%	100	100	100.0%
Property Segment *property owning*							
Hazra Properties Two Proprietary Ltd Reg. No. 1986/004497/07	Direct	300	300	100.0%	300	300	100.0%
Bowler Properties Two Proprietary Ltd Reg. No. 2000/000793/07	Direct	100	100	100.0%	100	100	100.0%
Postal Presents Proprietary Ltd Reg. No. 1983/011982/07	Direct	1	1	100.0%	1	1	100.0%
Number of entities by principal activity							
- plastic packaging				2			2
- property				3			3

All subsidiaries in the group are:
- wholly owned
- incorporated in South Africa

B Associated companies

There are no associate investments in the group.

C Structured entities

There are no structured entities in the group.

DIVIDEND DECLARATION

Notice is hereby given that a cash dividend of 25.00 cents per share ("cps") (2018: 21.54 cps) has been declared payable to shareholders on Monday, 28 October 2019.

The directors have confirmed that the company will satisfy the solvency and liquidity test immediately after the distribution. The dividend will be reflected in the interim results for the six months ended 31 December 2019.

Additional information pertaining to the cash dividend:

			cps
	Dividend declared		
○	Gross local cash dividend		25.00
○	STC credits set off (see below)		-
	Taxable dividend		25.00
○	Dividend Withholding Tax (DWT) at	20.0%	(5.00)
○	Net local cash dividend to shareholders liable for DWT		20.00
○	Shareholders exempt from DWT will receive a gross dividend of		25.00
	Other information		
○	The local cash dividend, as defined by the Income Tax Act, will be made from income reserves		
○	Income Tax reference number		9775130710
○	Number of ordinary shares in issue		84 773 327
○	Company registration number		1972/005921/06

Salient dates for the cash dividend are:

Last day to trade "cum" dividend	Tuesday	29 October 2019
List date	Wednesday	30 October 2019
Record date	Friday	01 November 2019
Payment date	Monday	04 November 2019

Share certificates may not be dematerialised or re-materialised from Wednesday, 30 October 2019 to Friday, 01 November 2019, both days inclusive.

Unless otherwise requested in writing, individual dividend cheques of less than R50 will not be paid but retained in the company's unclaimed dividend account. Accumulated unpaid dividends in excess of R200 may be claimed in writing from the Transfer Secretaries. Shareholders are urged to supply their banking details to the Transfer Secretaries and receive future payments by electronic transfer.

By order of the Board

AC September
Company Secretary

Ottery
12 September 2019

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given in terms of the Companies Act No 71 of 2008, as amended ("the Act") that the twenty ninth Annual General Meeting (AGM) of shareholders of the company will be held at the company's head office, Harris Drive, Ottery, Cape at 09h00 on Thursday 7 November 2019 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.

Salient dates for the AGM

Last day to trade to be eligible to participate and vote	Friday	01 November 2019
Record date to determine shareholder's eligibility to vote	Monday	04 November 2019
Notification of intention of electronic participation	Tuesday	05 November 2019
Proxies to be submitted to the transfer secretaries by 09h00	Wednesday	06 November 2019
Date of AGM	Thursday	07 November 2019

Ordinary Resolutions

Ordinary resolutions require the support of at least 50% of votes exercised by shareholders present or represented by proxy.

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 2019, be and are hereby approved."

2 Ordinary Resolution Number Two (Endorsement of remuneration policy)

"Resolved that the company's remuneration policy as set out on pages 9 to 10 of this report for the year ended 30 June 2019, be and is hereby approved by way of a non-binding advisory vote."

3 Ordinary Resolution Number Three (Endorsement of the implementation report of remuneration policy)

"Resolved that the implementation report of the company's remuneration policy as set out on pages 9 to 10 of this report for the year ended 30 June 2019, be and is hereby approved by way of a non-binding advisory vote."

4 Ordinary Resolution Number Four (Re-election of Director Mr Finlay Craig MacGillivray)
(refer page 4 for his abridged curricula vitae)

"Resolved that Mr Finlay Craig MacGillivray, who retires as a director in terms of the company's memorandum of incorporation, 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 (Re-election of Director Mr Brian James Frost)
(refer page 4 for his abridged curricula vitae)

"Resolved that Mr Brian James Frost, who retires as a director in terms of King IV, but being eligible, and who offers himself for re-election, be and is hereby re-elected as director of the company."

6 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 Six is considered."

7 Ordinary Resolution Number Seven (Reappointment of auditors)

On the recommendation of the Audit and Risk 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."

8 Ordinary Resolution Number Eight (Reappointment of Audit and Risk Committee)

The Audit and Risk Committee consists of at least three non-executive directors as set out on the inside front cover whose appointment needs to be approved annually.

8.1 "Resolved that Mr Finlay Craig MacGillivray, an incumbent member and chairman of the Audit and Risk Committee, be and is hereby reappointed to the committee until the conclusion of the next annual general meeting of the company."

8.2 "Resolved that Mr Brian Frost, an incumbent member of the Audit and Risk Committee and chairman of the Board, be and is hereby reappointed to the committee until the conclusion of the next annual general meeting of the company."

8.3 "Resolved that Ms Sarah Gillett, an incumbent member of the Audit and Risk Committee, be and is hereby reappointed to the committee until the conclusion of the next annual general meeting of the company."

Special Resolutions

Special resolutions require the support of at least 75% of votes exercised by shareholders present or represented by proxy.

9 Special Resolution Number One (General authority to repurchase shares)

"Resolved that the company or any of its subsidiaries be and are hereby authorised to acquire, from time to time, as a general repurchase, up to 20% of the issued ordinary shares of the company from any person whatsoever (including any director or prescribed officer of the company or any person related to any director or prescribed officer of the company), upon such terms and conditions and in such amounts as the directors of the Company from time to time may determine, in terms of and subject to the Act and the Listings Requirements from time to time of the JSE Stock Exchange South Africa ("JSE"), and:

9.1 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;

9.2 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;

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

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

9.5 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 per cent) 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;

9.6 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;

9.7 the Company shall have adequate capital; and

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

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 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 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.

10 Special Resolution Number Two (Provision of financial assistance)

"Resolved as a special resolution pursuant to Section 45(3) of the Companies Act, as amended ("the 2008 Act"), that the directors of the company be and are hereby authorised and empowered, as a general approval contemplated in Section 45(3) of the 2008 Act, to cause the company to provide any direct or indirect financial assistance to any related company or inter-related company, subject and in accordance with the provisions of Section 45(3)(b) of the 2008 Act."

11 Special Resolution Number Three (Non-executive directors fees)

"Resolved as a special resolution that, unless otherwise determined by the company in a general meeting, the annual fees payable by the company to its non-executive directors be approved as follows:

Years ending	**30-Jun-20 R'000**	**30-Jun-21 R'000**
Board		
Chair	374	389
Vice Chair / Independent Lead Director	322	335
Member	206	214
Audit and Risk Committee		
Chair	115	120
Member	77	80
Remuneration Committee		
Chair	115	120
Member	77	80
Social and Ethics Committee		
Chair	104	108
Member	77	80

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
- nominee

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 (Pty) Limited, Rosebank Towers, 15 Bermann Avenue, Rosebank, 2196 (P O Box 61051, Marshalltown, 2107) by 09h00 on Tuesday, 5 November 2019. [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 prior to the shareholder exercising any rights of a shareholder at the AGM.]

Dematerialised shareholders other than dematerialised shareholders with “own name” registration who are unable to attend the annual general meeting and wish to be represented there at 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

AC September
Company Secretary
Ottery
12 September 2019

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, 7 NOVEMBER 2019 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, 7 November 2019 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 (Endorsement of remuneration policy)			
Ordinary Resolution Number Three (Endorsement of the implementation report of remuneration policy)			
Ordinary Resolution Number Four (Re-election of Director Mr Finlay Craig MacGillivray)			
Ordinary Resolution Number Five (Re-election of Director Mr Brian James Frost)			
Ordinary Resolution Number Six (Director's authority to negotiate and sign)			
Ordinary Resolution Number Seven (Reappointment of auditors)			
Ordinary Resolution Number Eight (Reappointment of Audit and Risk Committee)			
8.1 Mr Craig MacGillivray			
8.2 Mr Brian Frost			
8.3 Ms Sarah Gillett			
Special Resolution Number One (General authority to repurchase shares)			
Special Resolution Number Two (Provision of financial assistance)			
Special Resolution Number Three (Non-executive directors fees)			

Signed at ______________ on ______________

Signature ______________________________

Each shareholder is entitled to appoint one or more proxy(is) (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.

Notes:

1 A shareholder may insert the name or names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting "the Chairman of the annual general meeting". The person whose name appears first on the form of proxy and whose name has not been deleted will be entitled to act as proxy to the exclusion of those whose names follow.

2 A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate space provided and the manner in which that shareholder wishes to vote. Failure to comply herewith will be deemed to authorise the proxy to vote at the annual general meeting as he/she deems fit in respect of the shareholder's votes exercisable thereat, but where the proxy is the Chairman, failure to so comply will be deemed to authorise the Chairman to vote in favour of the special resolutions and ordinary resolution. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or by the proxy.

3 Forms of proxy must be lodged at or posted to the transfer secretaries, Computershare Investor Services (Proprietary) Limited, Rosebank Towers, 15 Bermann Avenue, Rosebank, 2196 (P O Box 61051, Marshalltown, 2107), to be received by no later than 09:00 on Tuesday, 5 November 2019.

4 The completion and lodging of this form of proxy will not preclude the shareholder from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.

5 This form of proxy shall be valid for any adjournment of the general meeting as well as for the general meeting to which it relates, unless the contrary is stated therein.

6 A vote cast or act done in accordance with the terms of a form of proxy shall be deemed to be valid, notwithstanding:
– the previous death, insanity, or any other legal disability of the person appointing the proxy; or
– the revocation of the proxy; or
– the transfer of a share in respect of which the proxy was given,

unless notice as to any of the abovementioned matter shall have been received by the Company at its registered office or by the Chairman of the general meeting at the place of the general meeting if not held at the registered office, before the commencement or resumption (if adjourned) of the general meeting at which the vote was cast or the act was done or before the poll on which the vote was cast.

7 The authority of a person signing this form of proxy:

7.1 under a power of attorney; or

7.2 on behalf of a company, must be attached to the form of proxy unless the full power of attorney has already been received by the transfer secretaries.

8 Where shares are held jointly, all joint holders must sign.

9 The Chairman of the annual general meeting may accept or reject any form of proxy which is completed and/or received, other than in accordance with these notes and instructions, provided that the Chairman is satisfied as to the manner in which the shareholder wishes to vote.

During the year, the business launched *Project Eco Warriors* as its flagship campaign for highlighting the importance of waste recycling.

The concepts of Reduce, Reuse and Recycle have become buzzwords in the business and staff have enthusiastically embraced the principles and practices of responsible waste recycling. *Project Eco Warriors* was the inspiration behind the front cover of this year's integrated report.