

Bidvest



HOMEGROWN
ENTREPRENEURSHIP

Notice of annual
general meeting

2018

The Bidvest Group Limited
(Incorporated in the Republic of South Africa)
Registration number: 1946/021180/06 (the Company)
Share code: BVT
ISIN: ZAE 000117321



Bidvest annual reports 2018

Available on the Bidvest website,
www.bidvest.com.

Hard copies of the reports available
on request from info@bidvest.co.za.

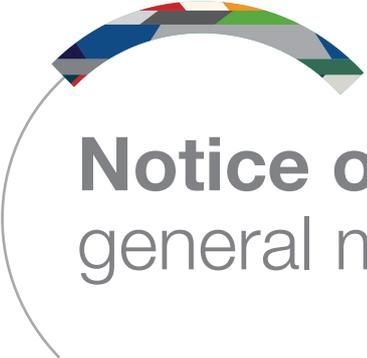
Copies of the report are also
available at Bidvest House,
18 Crescent Drive, Melrose Arch,
during office hours.

This document is important and requires your immediate attention

Please read this document immediately. If you have any doubts about what action you should take, contact your independent financial adviser.

If you have sold or transferred all of your shares in The Bidvest Group Limited you should pass on this document, and the associated proxy form, to the person through whom you made the sale or transfer, for transmission to the purchaser or transferee.

The Bidvest Group Limited



Notice of annual general meeting 2018

Notice is hereby given that the 72nd (seventy second) Annual General Meeting ("AGM") of the shareholders of The Bidvest Group Limited ("The Bidvest Group" or "the Company") will be held in the boardroom, Bidvest House, 18 Crescent Drive, Melrose Arch, at 10:00 on Wednesday, 28 November 2018.

This document is important and requires your immediate attention. Your attention is drawn to the notes at the end of this notice, which contain important information regarding participation in the AGM.

The board of Directors ("the board") has determined, in accordance with section 59 of the Companies Act, No 71 of 2008 ("the Act"), that the record date by when persons must be recorded as shareholders in the securities register of the Company, in order to be entitled to receive the Notice of AGM, is 12 October 2018. The record date, in order to be recorded in the securities register as a shareholder to be able to attend, participate in and vote at the AGM, is 16 November 2018. The last date to trade, in order to be able to be recorded in the securities register as a shareholder on the aforementioned record date, is 13 November 2018.

In terms of section 61(10) of the Act, shareholders or their proxies may participate in the AGM by way of telephone conference call, and if they wish to do so they:

- must contact the Group company secretary by email at xoliswa.makasi@bidvest.co.za or by telephone at +27 (11) 772 8732 by no later than 14:00 on Tuesday, 20 November 2018, to obtain a pin number and dial-in details for the conference call;
- will be required to provide reasonably satisfactory identification;
- will be billed separately by their own telephone service providers for the telephone call to participate in the meeting; and
- must submit their voting proxies to the transfer secretaries in accordance with the instructions per the paragraph below.

Shareholders who choose this form of attendance may not vote telephonically at the AGM.

Who may attend

1. If you hold dematerialised shares which are registered in your name or if you are the registered holder of certified shares:
 - (a) you may attend the AGM in person; or
 - (b) you may appoint a proxy to represent you at the AGM by completing the attached form of proxy in accordance with the instructions contained therein.

Forms of proxy must be forwarded to reach the Company's transfer secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Ave, Rosebank, Johannesburg, 2196, South Africa or posted to the transfer secretaries at PO Box 61051, Marshalltown, 2107, South Africa, to be received by them by no later than 08:30 on Friday, 23 November 2018. Forms of proxy must only be completed by shareholders who have not dematerialised their shares or who have dematerialised their shares and registered them in their own name.

2. If you hold dematerialised shares which are not registered in your name:
 - (a) and you wish to attend the AGM in person, you must obtain the necessary letter of representation from your Central Securities Depository Participant (CSDP) or broker or nominee (as the case may be); or
 - (b) if you do not wish to attend the AGM but would like your vote to be recorded at the meeting, you should contact your CSDP or broker or nominee (as the case may be) and furnish them with your voting instructions; and
 - (c) you must not complete the attached form of proxy.

The purpose of the AGM is for the following business to be transacted and to consider and, if approved, to pass with or without modification, the following ordinary and special resolutions, in the manner required by the Company's memorandum of incorporation ("MOI"), the Act, as read together with the Listings Requirements of the stock exchange operated by JSE Limited ("the JSE") ("the Listings Requirements"):

Notice of annual general meeting 2018 (continued)

PART A

Present the annual financial statements, audit committee report and social and ethics report

1. Present the audited Annual Financial Statements of the Company and of the Bidvest Group (being the Company and its subsidiaries), for the financial year ended 30 June 2018, together with the reports of the directors of the Company, the audit committee of the Company and the external auditors of the Company. The Annual Financial Statements of the Company for the financial year ended 30 June 2018 can be obtained from the Bidvest Group website at www.bidvest.com; and
2. Present the report of the social and ethics committee for the financial year ended 30 June 2018, as required in terms of Regulation 43 of the Companies Regulations, 2011 ("the Regulations"), as set out on page 8 of the Annual Governance Report.

PART B

Ordinary resolutions

To consider and, if deemed fit, to approve, with or without modification, the ordinary resolutions set out below, in the manner required by the MOI and the Act, as read with the Listings Requirements:

3. Ordinary Resolution Number 1

To vote on the election, each by way of a separate vote, of the following directors who are required to retire in terms of clause 39.3 of the Company's MOI, and who are eligible and have offered themselves for re-election:

- 3.1 Ms CWL Phalatse
- 3.2 Mr NG Payne
- 3.3 Ms T Slabbert
- 3.4 Mr AK Maditsi
- 3.5 Mr EK Diack

The nominations committee of the board has reviewed the composition of the board taking into account the nature of the work of the board, the strategy of the Company, the skills requirements of the board, diversity considerations, the balance between executive and non-executive directors, statutory requirements in respect of board committee work, and King IV recommendations on director independence and long tenure and has recommended the re-election of the directors listed above. Mr Band will retire at the AGM. The board conducted an assessment of the independence of Mr Payne and Ms Slabbert, both of whom have been independent non-executive directors on the board for longer than nine years, and concluded that, in respect of:

- Mr Payne he should be categorised as independent; and
- Ms Slabbert, she should be categorised as independent.

The board is of the view that the re-election of the directors referred to above will:

- provide for continuity on the board;
- enable the Company to responsibly maintain a mixture of business skills and experience relevant to the strategy of the Company;
- balance the requirements of transformation, continuity and succession planning; and
- enable the Company to comply with corporate governance requirements in respect of matters such as the balance of executive, non-executive and independent directors on the board.

4. Ordinary Resolution Number 2

Directors appointed during the year/Election of directors

- 4.1 To vote on the election of Mr MJ Steyn who was appointed by the board in terms of clause 36.1 of the MOI after the previous AGM and who will cease to hold office at the end of the AGM, unless he is elected at the AGM:

Mr Steyn was appointed as a director with effect from 1 March 2018 in terms of clause 36.1 of the MOI.

- 4.2 To vote by way of a separate vote, on the election of Mr NW Thomson and Ms RD Mokate who were appointed by the board as non-executive directors with effect from 1 May 2018 in terms of clause 39.2 of the MOI after the previous AGM and who will cease to hold office at the end of the AGM, unless they are elected at the AGM.

5. Ordinary Resolution Number 3

Appointment of independent auditor

Ordinary Resolution 3 is to vote on the appointment of PWC as the independent auditor of the Company, to hold office from the end of this AGM to the end of the next AGM. The audit committee has concluded that the appointment of PWC will comply with the requirement of section 90 of the Act and the Regulations. The auditor will be reappointed automatically, without any resolution being passed, if none of the circumstances set out in section 90(6) of the Act apply as at the date of the AGM.

It is noted that Mr Craig West is the individual registered auditor who will undertake the audit for the financial year ended 30 June 2019, being the designated auditor.

6. Ordinary Resolution Number 4

Election of members of the audit committee

To vote on the election, each by way of a separate vote, of the members of the audit committee of the Company, to hold office until the end of the next AGM, namely:

- 6.1 Mr NG Payne (subject to him being re-elected as a director in terms of ordinary resolution number 1.2);
- 6.2 Mr NW Thomson;
- 6.3 Ms RD Mokate;
- 6.4 Ms CWN Molohe; and
- 6.5 Mr EK Diack.

The board has reviewed the proposed composition of the audit committee against the requirements of the Act and the Regulations and has confirmed that the proposed audit committee will comply with the relevant requirements, and has the necessary knowledge, skills and experience to enable the audit committee to perform its duties in terms of the Act. The board recommends the election, by holders, of the directors listed above as members of the audit committee to hold office until the end of the next AGM.

Brief CVs of these members nominated in terms of ordinary resolutions 4.1 to 4.5 above appear on pages 13 and 15 of the Annual Governance Report.

7. Ordinary Resolution Number 5

General authority to directors to allot and issue authorised but unissued ordinary shares

To resolve to place not more than 5% (five percent is approximately 16 750 000 ordinary shares) of the unissued ordinary shares of the Company under the control of the directors, who shall be authorised, subject to the MOI, the requirements of the Companies Act and the Listings Requirements, to allot and issue up to 5% (five percent) shares in the authorised, but unissued share capital of the Company at such times, at such prices and for such purposes as they may determine, at their discretion, after setting aside so many shares as may be required to be allotted and issued pursuant to the Company's share incentive schemes or acquisitions utilising such shares as currency to discharge the purchase consideration.

Notice of annual general meeting 2018 (continued)

8. Ordinary Resolution Number 6

General authority to issue shares for cash

To resolve that subject to the passing of ordinary resolution number 5 and in terms of the Listings Requirements, the directors are hereby authorised to issue up to 5% (five percent is approximately 16 750 000 ordinary shares) ordinary shares for cash, representing a class of share already in issue or, where this is not the case, must be limited to such shares or rights that are convertible into a class already in issue as and when suitable opportunities arise, subject to the following conditions, *inter alia*:

- that this authority shall not extend beyond the next AGM or 15 (fifteen) months from the date of this AGM, whichever date is the earliest;
- that a press announcement giving full details will be published on SENS at the time of any issue representing, on a cumulative basis 5% or more of the number of shares in issue prior to the issue/s from the date of this AGM until the date of the next AGM or 15 (fifteen) months from the date of this AGM, whichever date is the earliest;
- that the shares must be issued to public shareholders and not to related parties;
- that any issue in the aggregate in any one year shall not exceed 5% (five percent is approximately 16 750 000 ordinary shares) shares of the Company's issued ordinary share capital; and
- that in determining the price at which an issue of shares will be made in terms of this authority, the maximum discount permitted will be 10% of the weighted average traded price of the shares over the 30 (thirty) days prior to the date that the price of the issue is determined or agreed to by the directors. In the event that shares have not traded in the said 30 (thirty) day period a ruling will be obtained from the committee of the JSE.

Subject to the approval of the general authority proposed in terms of this ordinary resolution number 6, and in terms of the Listings Requirements, shareholders, by their approval of this resolution, grant a waiver of any pre-emptive rights to which ordinary shareholders may be entitled in favour of the directors for the allotment and issue of ordinary shares in the share capital of the Company for cash other than in the normal course by way of a rights offer or a claw-back offer or pursuant to the Company's share incentive schemes or acquisitions utilising such shares as currency to discharge the purchase consideration.

The proposed resolution to issue up to 16 750 000 ordinary shares represents approximately 5% (five percent) of the issued share capital of the Company at the date of this notice.

9. Ordinary Resolution Number 7

Payment of dividend by way of *pro rata* reduction of share capital or share premium

To resolve that the directors of the Company shall be entitled to pay, by way of a *pro rata* reduction of share capital or share premium, *in lieu* of a dividend, an amount equal to the amount which the directors of the Company would have declared and paid out of profits in respect of the Company's interim and final dividends for the financial year ending 30 June 2019.

This general authority shall be valid until the Company's next AGM, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this ordinary resolution number 7.

10. Ordinary Resolution Number 8

Creation and issue of convertible debentures

To resolve that the directors of the Company be and are hereby authorised to create and issue convertible debentures or other convertible instruments in respect of 5% (five percent is approximately 16 750 000 ordinary shares) of ordinary shares of 5 cents (five cents) each in the capital of the Company, subject to a conversion premium of not less than 20% (twenty percent) above the volume-weighted traded price of the shares in the Company for the three trading days prior to pricing and to such conversion and other terms as they may determine in their sole and absolute discretion, but subject at all times to the Listings Requirements.

For the sake of clarity, the aggregate number of shares issued in ordinary resolutions numbered 5, 6 and 8 will not exceed 5% (five percent is approximately 16 750 000 ordinary shares) of ordinary shares in the issued share capital of the Company.

11. Ordinary Resolution Number 9

Directors' authority to implement special and ordinary resolutions

To resolve that each and every director of the Company be and is hereby authorised to do all such things and sign all such documents as may be necessary for or incidental to the ordinary and special resolutions passed at the AGM.

Additional notes on ordinary resolutions

A 75% (seventy-five percent) majority of the votes cast by shareholders present or represented and voting at the general meeting will be required in order for ordinary resolutions numbered 6 and 8 to become effective.

PART C

Non-binding advisory vote

To consider and vote on the resolutions set out below, in the manner required by the King IV Report on Corporate Governance for South Africa, 2016 (King IV), as read with the Listings Requirements:

12. To endorse, on an advisory basis, the Company's remuneration policy

(excluding the remuneration of the non-executive directors for their services as directors and members of board committees and the audit committee) as set out on pages 16 to 20 of the Annual Governance Report for the year ended 30 June 2018.

Motivation for advisory endorsement

In terms of King IV and the Listings Requirements, an advisory vote should be obtained from shareholders on the Company's remuneration policy. The vote allows shareholders to express their views on the remuneration policy adopted but will not be binding on the Company.

13. To endorse, on an advisory basis, the implementation report of the Company's remuneration policy

(excluding the remuneration of the non-executive directors for their services as directors and members of board committees and the audit committee) as set out on pages 21 to 25 of the Annual Governance Report for the year ended 30 June 2018.

Motivation for advisory endorsement

In terms of King IV and the Listings Requirements, an advisory vote should be obtained from shareholders on the implementation of the Company's remuneration policy. The vote allows shareholders to express their views on the extent of implementation of the Company's remuneration policy but will not be binding on the Company.

Notice of annual general meeting 2018 (continued)

PART D

Special resolutions

To consider and, if deemed fit, to approve with or without modification, the special resolutions set out below, in the manner required by the MOI and the Act, as read with the Listings Requirements.

14. Special Resolution Number 1

Resolved that in terms of clause 45.1 of the MOI, for the period commencing 1 July 2018 until this resolution is replaced, the remuneration payable to non-executive directors of the Company for their services as directors be as set out in the table below:

R'000	Basic per annum	Per meeting attended
Chairman	1 550 000	
Lead independent director	200 000	
Non-executive directors	103 456	41 552
Audit committee chairman	294 892	46 640
Audit committee member	77 910	33 920
Remuneration committee chairman	132 500	32 012
Remuneration committee member		36 570
Nominations committee member		33 708
Acquisitions committee chairman	88 722	37 736
Acquisitions committee member		39 644
Risk committee chairman	157 304	27 772
Risk committee member		29 468
Social and ethics committee chairman	94 340	27 772
Social and ethics committee member		27 772
Ad hoc meetings		20 140

Non-executive director's fees were adjusted by 6% last year, and for 2019 an inflation-linked adjustment of 6% is recommended in respect of board and committee fees, and an adjustment of 8.4% in respect of the Chairman's fees.

The above fees are proposed net of VAT which may become payable thereon depending on the status of the individual director's tax position.

Reason for and effect of special resolution number 1

In terms of section 65(11)(h) of the Act, read with sections 66(8) and 66(9) of the Act, remuneration may only be paid to directors for their services as directors in accordance with a special resolution approved by the holders within the previous 2 (two) years.

15. Special Resolution Number 2

General authority to acquire/(repurchase) shares

To resolve that the Company or any of its subsidiaries be hereby authorised, by way of a general authority, to approve the purchase from time to time of its own issued ordinary shares by the Company, or approve the purchase of ordinary shares in the Company by any of its subsidiaries upon such terms and conditions and in such amounts as the directors of the Company may from time to time determine, but always subject to the provisions of the MOI and the requirements of the JSE, being that:

- any such acquisition of ordinary shares shall be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement;
- this general authority shall be valid until the Company's next AGM, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this special resolution number 2;
- an announcement will be published on SENS as soon as the Company or any of its subsidiaries has acquired ordinary shares constituting, on a cumulative basis 3% (three percent) of the number of ordinary shares in issue prior to the acquisition pursuant to which the aforesaid 3% (three percent) threshold is reached, and for each 3% (three percent) in aggregate acquired thereafter, containing full details of such acquisitions;
- acquisitions of shares in aggregate in any one financial year may not exceed 10% (ten percent) of the Company's ordinary issued share capital as at the date of passing of this special resolution number 2;

- in determining the price at which ordinary shares issued by the Company are acquired by it or any of its subsidiaries in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% (ten percent) of the weighted average of the market value at which such ordinary shares are traded on the JSE over the five business days immediately preceding the date of repurchase of such ordinary shares by the Company or any of its subsidiaries;
- the Company has been given authority by its MOI;
- at any one point in time, the Company may only appoint one agent to effect any repurchase on the Company's behalf; and
- the Company and/or its subsidiaries may not repurchase any shares during a prohibited period as defined by the Listings Requirements, unless a repurchase programme is in place where dates and quantities of shares to be traded during the prohibited period are fixed, and full details of the programme have been submitted to, in writing, the JSE prior to the commencement of the prohibited period.

The reason for and effect of special resolution number 2 is to grant the Company a general authority in terms of the Listings Requirements for the repurchase by the Company, or a subsidiary of the Company, of the Company's shares.

Notes on share purchases

The directors have no specific intention, at present, for the Company to repurchase any of its shares, but consider that such a general authority should be put in place should an opportunity present itself to do so during the financial year, which is in the best interests of the Company and its shareholders.

At that time an announcement will be made detailing the salient features of the capital reduction and the Company's sponsor shall, prior to the implementation of the reduction, provide the JSE with the written working capital statement required in terms of the Listings Requirements.

Before entering the market to effect the general repurchase (special resolution number 2) and the general payment (ordinary resolution number 7) the directors, having considered the effects of the repurchase of the maximum number of ordinary shares in terms of the foregoing general authority, special authority and the general payment, will ensure that for a period of 12 (twelve) months after the date of the notice of AGM:

- the Company and the Group will be able, in the ordinary course of business, to pay their debts;
- the assets of the Company and the Group, fairly valued in accordance with International Financial Reporting Standards, will exceed the liabilities of the Company and the Group;
- the share capital and the reserves of the Company and the Group will be adequate for ordinary business purposes; and
- the working capital of the Company and the Group will be adequate for ordinary business purposes.

16. Special Resolution Number 3

General authority to provide financial assistance to related or inter-related companies and corporations

To resolve that the board of directors of the Company may, to the extent required by and subject to sections 44 and 45 of the Companies Act and the requirements (if applicable) of MOI and Listing Requirements.

Authorise the Company to provide direct or indirect financial assistance to a related or inter-related company, provided that no such financial assistance may be provided at any time in terms of the authority after the expiry of two years from the date of the adoption of this special resolution number 3. This special resolution does not authorise the provision of financial assistance to a director or prescribed officer of the Company.

The reason and the effect of the special resolution number 3 is to grant the board the authority to provide inter-group loans and other financial assistance for the purposes of funding the activities of the Group.

The board undertakes that:

- (i) it will not adopt a resolution to authorise such financial assistance, unless the directors are satisfied that: immediately after providing the financial assistance:
 - the Group would satisfy the solvency and liquidity test as contemplated in the Act; and
 - the terms under which the financial assistance is proposed to be given are fair and reasonable to the Group; and

Notice of annual general meeting 2018 (continued)

- (ii) written notice of any such resolution by the board shall be given to all shareholders of the Company and any trade union representing its employees:
- within 10 (ten) business days after the board having adopted the resolution, if the total value of the financial assistance contemplated in that resolution, together with any previous such resolution during the financial year, exceeds 0,1% (zero comma one percent) of the Company's net worth at the time of the resolution; or
 - within 30 (thirty) business days after the end of the financial year, in any other case.

17. Additional disclosure of information

The following information is provided in terms of the Listings Requirements for purposes of the general authority:

- *Major shareholders of the Company – Annual Financial Statements, page 113;*
- *Share capital and premium of the Company – Annual Financial Statements, pages 53 and 54.*

Material changes

Other than the facts and developments reported on in the financial report, there have been no material changes in the affairs or financial position of the Company and its subsidiaries since the date of signature of the audit report and up to the date of this notice.

Directors' responsibility statement

The directors, whose names appear on page 9 of the Annual Financial Statements, collectively and individually accept full responsibility for the accuracy of the information pertaining to these resolutions. They certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the resolutions contain all information required by law and the Listings Requirements.

By order of the board of directors



XB Makasi
Company Secretary

22 October 2018



form of proxy

Bidvest

The Bidvest Group Limited
 (Registration number 1946/021180/06) (the Company)
 Share code: BVT
 ISIN: ZAE 000117321

For the 72nd Annual General Meeting – for use by certificated shareholders and dematerialised shareholders with own-name registration

Holders of dematerialised ordinary shares, other than those with own-name registration, must inform their CSDP or broker of their intention to attend the AGM and request their CSDP to issue them with the necessary letter of representation to attend the AGM in person or provide their CSDP with their voting instructions should they not wish to attend the AGM in person.

I/We (full name in block capitals please)

of (address)

being a member/members of The Bidvest Group Limited and entitled to

votes¹

hereby appoint

of

or failing him/her

of

or failing him/her, the chairman of the meeting as my/our proxy to vote on my/our behalf at the AGM of the Company to be held at Bidvest House, 18 Crescent Drive, Melrose Arch at 10:00 on 28 November 2018 or at any adjournment thereof, as follows:

¹ Insert number of securities in respect of which you are entitled to exercise voting rights.

PART B

Ordinary resolutions

Ordinary resolutions		FOR	AGAINST	ABSTAIN
Ordinary Resolution 1	Re-election of directors who retire by rotation:			
	1.1 Ms CWL Phalatse			
	1.2 Mr NG Payne			
	1.3 Ms T Slabbert			
	1.4 Mr AK Maditsi			
	1.5 Mr EK Diack			
Ordinary Resolution 2	2.1 Election of Mr MJ Steyn as a director			
	2.2 Election of Mr NW Thomson as non-executive director			
	2.3 Election of Ms RD Mokate as non-executive director			

Notice of annual general meeting 2018 (continued)

Ordinary resolutions		FOR	AGAINST	ABSTAIN
Ordinary Resolution 3	Appointment of independent external auditor			
Ordinary Resolution 4	Election of members of the audit committee:			
	4.1 Mr NG Payne			
	4.2 Mr NW Thomson			
	4.3 Ms RD Mokate			
	4.4 Ms CWN Molope			
	4.5 Mr EK Diack			
Ordinary Resolution 5	General authority to directors to allot and issue authorised but unissued ordinary shares			
Ordinary Resolution 6	General authority to issue shares for cash			
Ordinary Resolution 7	Payment of dividend by way of <i>pro rata</i> reduction of share capital or share premium			
Ordinary Resolution 8	Creation and issue of convertible debentures			
Ordinary Resolution 9	Directors' authority to implement special and ordinary resolutions			

PART C

Non-binding advisory vote		FOR	AGAINST	ABSTAIN
Advisory Endorsement	Remuneration policy			
Advisory Endorsement	Implementation of remuneration policy			

PART D

Special resolutions		FOR	AGAINST	ABSTAIN
Special Resolution 1	Non-executive directors' remuneration			
Special Resolution 2	General authority to acquire/(repurchase) shares			
Special Resolution 3	General authority to provide financial assistance to related or inter-related companies and corporations			



Independent auditor's report on the summarised financial statements

To the shareholders of The Bidvest Group Limited

Opinion

The summarised consolidated financial statements of The Bidvest Group Limited, which comprise the summarised consolidated statement of financial position as at 30 June 2018, the summarised consolidated income statement, the summarised consolidated statements of other comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of The Bidvest Group Limited for the year ended 30 June 2018.

In our opinion, the accompanying summarised consolidated financial statements as set out on pages 59 to 69, are consistent, in all material respects, with the audited consolidated financial statements of The Bidvest Group Limited, with the requirements of International Accounting Standard 34: Interim Financial Reporting and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Summarised consolidated financial statements

The summarised consolidated financial statements do not contain all the disclosures required by the International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to financial statements. Reading the summarised consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon. The summarised financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on those consolidated financial statements.

The audited consolidated financial statements and our report thereon

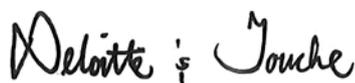
We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 31 August 2018. That report also includes our communication of key audit matters.

Directors' responsibility for the summarised consolidated financial statements

The directors are responsible for the preparation of the summarised consolidated financial statements in accordance with International Accounting Standard 34: Interim Financial Reporting 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 the summarised consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summarised consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing 810 (Revised), Engagements to Report on Summary Financial Statements.



Deloitte & Touche
Registered Auditors

Per: MH Holme
Partner

22 October 2018

20 Woodlands Drive, Woodmead



Summarised consolidated income statement

R'000	2018 Audited	2017 Audited	% change
Revenue	76 963 472	70 998 001	8.4
Cost of revenue	(54 716 818)	(50 342 325)	8.7
Gross profit	22 246 654	20 655 676	7.7
Operating expenses	(16 199 932)	(15 131 637)	7.1
Other income	319 558	282 122	
Trading result	6 366 280	5 806 161	9.6
Income from investments	142 795	210 776	
Trading profit	6 509 075	6 016 937	8.2
Share-based payment expense	(154 986)	(143 145)	
Acquisition costs and customer contracts amortisation	(82 901)	(24 230)	
Net capital items [#]	(351 977)	1 027 588	
Operating profit	5 919 211	6 877 150	(13.9)
Net finance charges	(1 020 730)	(1 059 560)	(3.7)
Finance income	158 709	232 069	
Finance charges	(1 179 439)	(1 291 629)	
Share of profit of associates	423 729	379 231	11.7
Current year earnings	431 857	354 966	21.7
Net capital items [#]	(8 128)	24 265	
Profit before taxation	5 322 210	6 196 821	(14.1)
Taxation	(1 436 597)	(1 328 232)	8.2
Profit for the year	3 885 613	4 868 589	
Attributable to:			
Shareholders of the Company	3 817 996	4 769 940	(20.0)
Non-controlling interest	67 617	98 649	(31.5)
	3 885 613	4 868 589	(20.2)
Basic earnings per share	(cents) 1 137.3	1 430.3	(20.5)
Diluted basic earnings per share	(cents) 1 132.4	1 423.4	(20.4)
Supplementary information			
Normalised headline earnings per share*	(cents) 1 254.9	1 115.4	12.5
Headline earnings per share	(cents) 1 231.6	1 108.2	11.1
Diluted headline earnings per share	(cents) 1 226.3	1 102.9	11.2
Shares in issue			
Total	('000) 336 766	335 094	
Weighted	('000) 335 718	333 497	
Diluted weighted	('000) 337 161	335 098	
Dividends per share	(cents) 556.0	491.0	13.2
Interim	(cents) 255.0	227.0	12.3
Final	(cents) 301.0	264.0	14.0

* Normalised headline earnings per share excludes acquisition cost and amortisation of acquired customer contracts.

Refer to the headline earnings calculation for additional detail.

R'000	2018 Audited	2017 Audited	% change
Supplementary information continued			
Headline earnings			
The following adjustments to profit attributable to shareholders were taken into account in the calculation of headline earnings:			
Profit attributable to shareholders of the Company	3 817 996	4 769 940	(20.0)
Impairment/(reversal) of property, plant and equipment; goodwill and intangible assets	12 840	(1 403)	
Property, plant and equipment [†]	3 311	(1 147)	
Goodwill [†]	15 258	–	
Intangible assets [†]	1 115	–	
Taxation effect	–	158	
Non-controlling interest	(6 844)	(414)	
Net loss on disposal of interests in subsidiaries and disposal and closure of businesses	155 828	50 874	
Loss on disposal and closure [†]	188 635	65 311	
Impairment of disposal groups held for sale [†]	39 323	–	
Taxation effect	(37 407)	(14 437)	
Non-controlling interest	(34 723)	–	
Net loss/(gain) on disposal and remeasurement to recoverable fair value of associates	234 338	(1 080 926)	
Remeasurement to recoverable fair value of associate [†]	248 709	(1 144 633)	
Net (gain)/loss on change in shareholding in associates [†]	(2 981)	82 072	
Taxation effect	–	(18 365)	
Non-controlling interest	(11 390)	–	
Net gain on disposal of property, plant and equipment and intangible assets	(24 185)	(7 114)	
Property, plant and equipment [†]	(39 796)	(8 446)	
Intangible assets [†]	(15 895)	(9 371)	
Taxation effect	1 400	2 909	
Non-controlling interest	30 106	7 794	
Compensation received on loss or impairment of property plant and equipment	(70 263)	–	
Compensation received [†]	(85 702)	–	
Taxation effect	15 439	–	
Gain on bargain purchase [†]	–	(11 374)	
Non-headline items included in equity accounted earnings of associated companies	8 128	(24 265)	
Headline earnings	4 134 682	3 695 732	11.9

[†] Items above included as capital items on summarised consolidated income statement.

Supplementary information continued

Normalised headline earnings per share

Normalised headline earnings per share is a measurement used by the chief operating decision maker. The calculation of normalised headline earnings per share excludes acquisition costs and amortisation of acquired customer contracts and is based on the normalised headline profit attributable to ordinary shareholders, divided by the weighted average number of ordinary shares in issue during the year. The presentation of normalised headline earnings is not an IFRS requirement.

R'000	2018 Audited	2017 Audited
Headline earnings	4 134 682	3 695 732
Acquisition costs	50 190	24 230
Amortisation of customer contracts	32 711	–
Taxation effect	(4 522)	–
Normalised headline earnings	4 213 061	3 719 962



Summarised consolidated statement of **other comprehensive income**

R'000	2018 Audited	2017 Audited
Profit for the year	3 885 613	4 868 589
Other comprehensive expense net of taxation		
<i>Items that may be reclassified subsequently to profit or loss</i>	(41 894)	(134 297)
Decrease in foreign currency translation reserve	(31 331)	(117 787)
Exchange differences arising during the year	(3 111)	2 527
(Decrease)/increase in fair value of available-for-sale financial assets	(7 452)	(19 037)
Decrease in fair value of cash flow hedges		
Fair value loss arising during the year	(10 350)	(26 440)
Taxation effect for the year	2 898	7 403
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Defined benefit obligations	2 031	7 394
Net remeasurment of defined benefit obligations during the year	2 920	10 278
Taxation effect for the year	(889)	(2 884)
Total comprehensive income for the year	3 845 750	4 741 686
Attributable to:		
Shareholders of the Company	3 785 885	4 654 904
Non-controlling interest	59 865	86 782
	3 845 750	4 741 686



Summarised consolidated statement of **cash flows**

R'000	2018 Audited	2017 Audited
Cash flows from operating activities	4 968 427	2 816 458
Operating profit	5 919 211	6 877 150
Dividends from associates	206 725	114 494
Acquisition costs	50 190	24 230
Depreciation and amortisation	1 680 638	1 641 568
Remeasurement to recoverable fair value of associates	248 709	(1 144 633)
Other cash and non-cash items	(261 045)	(265 154)
Cash generated by operations before changes in working capital	7 844 428	7 247 655
Changes in working capital	1 523 258	(367 886)
Cash generated by operations	9 367 686	6 879 769
Net finance charges paid	(1 038 799)	(1 030 415)
Taxation paid	(1 297 155)	(1 373 927)
Dividends paid by the Company	(1 740 197)	(1 529 585)
Dividends paid by subsidiaries	(323 108)	(129 384)
– Non-controlling shareholders	(319 984)	(129 384)
– Put-call option holders	(3 124)	–
Cash effects of investment activities	(5 872 506)	(1 621 011)
Net disposals of vehicle rental fleet	73 245	107 399
Net additions to property, plant and equipment	(2 204 353)	(1 895 257)
Net additions to intangible assets	(102 044)	(141 066)
Acquisition of subsidiaries, businesses, associates and investments	(3 704 932)	(669 803)
Disposal of subsidiaries, businesses, associates and investments	65 578	977 716
Cash effects of financing activities	671 239	(21 223)
Proceeds from shares issued (net of costs)	418 028	–
Disposal of treasury shares	–	274 229
Borrowings raised	3 669 023	2 902 588
Borrowings repaid	(3 415 812)	(3 198 040)
Net (decrease)/increase in cash and cash equivalents	(232 840)	1 174 224
Net cash and cash equivalents at the beginning of the year	3 886 417	2 706 226
Net cash and cash equivalents arising on consolidation of the Bidvest Education Trust	23 094	–
Net cash and cash equivalents of disposal groups held for sale	(122 651)	–
Exchange rate adjustment	(39 622)	5 967
Net cash and cash equivalents at end of the year	3 514 398	3 886 417
Net cash and cash equivalents comprise:		
Cash and cash equivalents	6 168 293	5 132 550
Bank overdrafts included in short-term portion of interest-bearing borrowings	(2 653 895)	(1 246 133)
	3 514 398	3 886 417



Summarised consolidated statement of financial position

R'000	2018 Audited	2017 Audited
ASSETS		
Non-current assets	28 950 541	25 323 700
Property, plant and equipment	11 173 458	10 474 205
Intangible assets	3 367 806	1 667 710
Goodwill	4 447 769	3 167 700
Deferred taxation assets	761 368	728 913
Defined benefit pension surplus	224 577	202 886
Interest in associates	5 342 027	5 375 328
Life assurance fund	21 324	–
Investments	2 802 905	2 843 132
Banking and other advances	809 307	863 826
Current assets	29 131 418	26 067 498
Vehicle rental fleet	1 205 591	992 942
Inventories	8 515 551	8 595 692
Short-term portion of banking and other advances	1 082 937	1 026 974
Trade and other receivables	12 033 937	10 136 307
Taxation	125 109	183 033
Cash and cash equivalents	6 168 293	5 132 550
Disposal group assets held for sale	253 919	–
Total assets	58 335 878	51 391 198
EQUITY AND LIABILITIES		
Capital and reserves	24 980 709	23 044 323
Attributable to shareholders of the Company	23 957 082	21 697 305
Non-controlling interest	1 023 627	1 347 018
Non-current liabilities	8 899 765	7 165 102
Deferred taxation liabilities	1 209 549	1 014 705
Life assurance fund	10 545	311 355
Long-term portion of borrowings	7 122 485	5 408 072
Post-retirement obligations	76 943	77 197
Puttable non-controlling interest liabilities	90 530	60 990
Long-term portion of provisions	248 633	149 907
Long-term portion of operating lease liabilities	141 080	142 876
Current liabilities	24 423 619	21 181 773
Trade and other payables	12 983 511	11 033 424
Short-term portion of provisions	281 532	278 582
Vendors for acquisition	22 708	39 523
Taxation	168 844	109 771
Amounts owed to bank depositors	5 621 142	4 412 104
Short-term portion of borrowings	5 345 882	5 308 369
Disposal group liabilities held for sale	31 785	–
Total equity and liabilities	58 335 878	51 391 198
Supplementary information		
Net tangible asset value per share (cents)	4 793	5 032
Net asset value per share (cents)	7 114	6 475



Summarised consolidated statement of **changes in equity**

R'000	2018 Audited	2017 Audited
Equity attributable to shareholders of the Company	23 957 082	21 697 305
Share capital	16 873	16 770
Balance at beginning of the year	16 770	16 770
Shares issued during the year	103	-
Share premium	797 717	379 792
Balance at beginning of the year	379 792	379 792
Shares issued during the year	418 505	-
Share issue costs	(580)	-
Foreign currency translation reserve	262 787	286 628
Balance at beginning of the year	286 628	393 429
Movement during the year	(23 168)	(105 885)
Realisation of reserve on disposal of subsidiaries and or associates	(673)	(916)
Hedging reserve	(963)	6 489
Balance at beginning of the year	6 489	25 526
Fair value losses arising during the year	(10 350)	(26 440)
Deferred tax recognised directly in reserve	2 898	7 403
Equity-settled share-based payment reserve	(243 388)	(14 787)
Balance at beginning of the year	(14 787)	67 002
Arising during the year	155 637	143 712
Deferred tax recognised directly in reserve	36 540	81 779
Utilisation during the year	(419 756)	(307 280)
Realisation of reserve on disposal of subsidiaries and or associates	(1 022)	-
Movement in retained earnings	22 486 993	20 279 261
Balance at the beginning of the year	20 279 261	17 108 032
Attributable profit	3 817 996	4 769 940
Change in fair value of available-for-sale financial assets	(3 111)	2 527
Net remeasurment of defined benefit obligations during the year	1 620	7 359
Retained earnings arising on consolidation of the Bidvest Education Trust	222 155	-
Transfer of reserves as a result of changes in shareholding of subsidiaries and other transactions with subsidiaries	(85 706)	(118 000)
Taxation direct in equity arising from transactions with subsidiaries	-	47 664
Remeasurment of put option liability	(5 025)	(8 676)
Net dividends paid	(1 740 197)	(1 529 585)
Treasury shares	637 063	743 152
Balance at the beginning of the year	743 152	468 923
Treasury shares arising on consolidation of the Bidvest Education Trust	(106 089)	-
Shares disposed of in terms of share incentive scheme	-	274 229
Equity attributable to non-controlling interests of the Company	1 023 627	1 347 018
Balance at beginning of the year	1 347 018	1 286 606
Other comprehensive income	59 865	86 782
Attributable profit	67 617	98 649
Movement in foreign currency translation reserve	(8 163)	(11 902)
Net remeasurment of defined benefit obligations during the year	411	35
Dividends paid	(319 984)	(129 384)
Movement in equity-settled share-based payment reserve	(651)	(567)
Changes in shareholding	(125 405)	(14 419)
Grant of put options to non-controlling interests	(22 922)	-
Transfer of reserves as a result of changes in shareholding of subsidiaries	85 706	118 000
Total equity	24 980 709	23 044 323

These summarised financial statements have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by Financial Reporting Standards Council, and includes, disclosure as required by IAS 34 Interim Financial Reporting, the Companies Act of South Africa. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding to the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 30 June 2017.

In preparing the consolidated financial statements from which these summarised consolidated financial statements are prepared, directors make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by directors in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2018.

These summarised financial statements are derived from the AFS. The full set of AFS, as well as the suite of additional reports, are available online (at www.bidvest.co.za) or can be requested from our company secretary.

Significant accounting policies

The accounting policies applied in these summarised consolidated financial statements in terms of IFRS and are the same as those applied in the Group's consolidated financial statements as at and for the year ended 30 June 2017.

Commitments

At the reporting date the Group's total capital expenditure commitments amounted to R1 664 million (2017: R1 995 million). Bidvest Freight has commenced the development of an LPG tank farm in the port of Richards Bay, to 30 June 2018, R201 million has been spent with an additional R736 million committed to the project, the estimated completion date is July 2020. Bidvest Properties and Bidvest Bank are parties to the development of a property in the Sandton CBD and have a combined commitment of R250 million. Bidvest Properties has committed R138 million to build a fit-for-purpose warehouse for Bidvest Panalpina Logistics in Mobeni, KwaZulu-Natal.

Fair value of financial instruments

The Group's investments of R2 803 million (2017: R2 843 million) include R32 million (2017: R62 million) recorded at cost, R1 714 million (2017: R1 785 million) recorded and measured at fair values using quoted prices (level 1) and R1 057 million (2017: R996 million) recorded and measured at fair value using factors not based on observable data (level 3). Fair value gains on level 3 investments recognised in the income statement total R57 million (2017: R95 million).

Basis of presentation of summarised consolidated financial statements (continued)

Analysis of investments at a fair value not determined by observable market data

R'000	Year ended 30 June 2018 Audited	Year ended 30 June 2017 Audited
Balance at the beginning of year	995 961	935 017
On acquisition of business	–	39 087
On disposal of business	–	(6 087)
Purchases, loan advances or transfers from other categories	5 434	5 700
Fair value adjustment arising during the year recognised in the income statement	56 559	95 326
Proceeds on disposal, repayment of loans or transfers to other categories	–	(72 679)
Exchange rate adjustments	(966)	(403)
	1 056 988	995 961

The Group's effective beneficial interest in the Indian-based Mumbai International Airport Private Limited (MIAL) is included in unlisted investments held for trade, where the fair value is not based on observable market data (level 3). The carrying value of this investment at 30 June 2018, based on the directors' valuation of 30 June 2018, is R988 million (US\$72 million) (2017: R940 million (US\$72 million)). The valuation of MIAL is fair value less cost to sell. The calculation used the pleasing underlying performance of MIAL (EBITDA +13% for the year to March 2018), takes consideration of the illiquid nature of the asset and applies a discount to the median peer group multiple, which is in a range of 12.5 and 14.1x EBITDA. A 1% change in the multiple or EBITDA will result in US\$1.4 million change in the value.

During August 2018, the Group launched a public process to dispose of the stake.

MIAL is a foreign based asset and the ruling year end exchange rate, US\$1 = R13.72 (2017: US\$1 = R13.06), is a further factor that affects the carrying value.

The carrying values of all financial assets and liabilities approximate their fair values, with the exception of borrowings of R12 477 million whose carrying value is R12 468 million.

Acquisition and disposal of businesses, subsidiaries, associates and investments

Acquisitions

The Group acquired 100% of the share capital and voting rights of Noonan Topco Limited (UK), holding company of the Noonan Services Group (Noonan) with effect from 1 September 2017. Noonan, which is based and operates throughout the Republic of Ireland and in the United Kingdom, has a clear leadership position and a 40-year track record of delivering high-quality integrated facility management services and solutions. Its services include soft, technical and ancillary services and range from cleaning and security to building services and facilities management. The board believes that Noonan's business model and geographic presence will be complementary to Bidvest's Service division. The purchase price was funded by way of a three-year euro denominated offshore credit facility at an attractive variable interest rate.

Effective 1 October 2017, the Group acquired 100% of the share capital and voting rights of Ultimate Security Services Limited (USS). USS, a building security company operating primarily in London (United Kingdom), provides building security risk management solutions, "front of house" security management, reception services and mail-room handling services to more than 240 of London's most prestigious and iconic locations. USS was founded in 1999 and currently has a staff complement of 2 100 experienced security officers. The acquisition enhances the service offerings provided by Noonan. The purchase price was funded by way of existing euro denominated offshore credit facility.

The Group also made a number of less significant acquisitions during the year. These acquisitions were funded from existing cash resources.

The following table summarises the assets acquired and liabilities assumed at fair value which have been included in these results from the respective acquisition dates. These values represent the final at acquisition fair values consolidated by the Group.

R'000	Noonan Services	Ultimate Security Services	Other acquisitions	Total acquisitions
Property, plant and equipment	110 555	8 911	18 565	138 031
Deferred taxation	(185 673)	–	(38 576)	(224 249)
Interest in associates	–	–	35 221	35 221
Investments and advances	–	–	431 933	431 933
Inventories	2 134	–	54 184	56 318
Trade and other receivables	845 610	233 777	86 236	1 165 623
Cash and cash equivalents	84 583	4 523	37 963	127 069
Borrowings	(33 537)	–	(1 429)	(34 966)
Trade and other payables and provisions	(649 430)	(233 320)	(64 542)	(947 292)
Taxation	13 032	(6 372)	(911)	5 749
Intangible assets	1 573 116	–	93 663	1 666 779
	1 760 390	7 519	652 307	2 420 216
Non-controlling interest	–	–	27 487	27 487
Goodwill	890 478	369 050	80 687	1 340 215
Net assets acquired	2 650 868	376 569	760 481	3 787 918
<i>Settled as follows:</i>				
Cash and cash equivalents acquired				(127 069)
Acquisition costs				50 190
Transfer to non-controlling interest put option				(22 922)
Net change in vendors for acquisition				16 815
Net acquisition of businesses, subsidiaries, associates and investments				3 704 932

Goodwill arose on the acquisitions as the anticipated value of future cash flows that were taken into account in determining the purchase consideration exceeded the net assets acquired at fair value. The acquisitions have enabled the Group to expand its range of complementary products and services and, as a consequence, has broadened the Group's base and geographic reach in the marketplace.

With effect from 1 February 2018 the USS acquisition was integrated into Noonan Services. The combined acquisitions of Noonan and USS contributed R5 241 million to revenue and R284 million to operating profit.

Had the Noonan and USS acquisitions taken place 1 July 2017, the contribution to revenue would have been R5 771 million and R293 million to operating profit. Other smaller acquisitions contributed R613 million to revenue and R22 million to operating profit, had these other smaller acquisitions taken place 1 July 2017, the revenue contribution would have been R707 million and operating profit R27 million.

Basis of presentation of summarised consolidated financial statements (continued)

Disposals

Effective 30 June 2018, the Group disposed of its entire interest in Bidvest Namibia Fisheries Holdings Proprietary Limited (Bidfish) to Tunacor Fisheries Limited. Bidfish was a 100% held subsidiary of Bidvest Namibia Limited (Bidvest Namibia). Bidvest Namibia disposed of the Bidfish shares to Tunacor for a cash consideration equal to the net asset value of Bidfish as at 30 June 2018.

R'000	Bidfish	Other disposals	Total disposals
Property, plant and equipment	(193 288)	(19 761)	(213 049)
Deferred taxation	62 116	35 673	97 789
Interest in associates	(16 965)	(680)	(17 645)
Investments and advances	(2 561)	(390 193)	(392 754)
Inventories	(66 510)	(9 447)	(75 957)
Trade and other receivables	(125 081)	(156 368)	(281 449)
Cash and cash equivalents	(317 700)	(13 712)	(331 412)
Borrowings	-	18 421	18 421
Trade and other payables and provisions	378 778	568	379 346
Taxation	3 096	55	3 151
Intangible assets	-	(86)	(86)
	(278 115)	(535 530)	(813 645)
Non-controlling interest	87 375	33 465	120 840
Realisation of foreign currency translation reserve	-	673	673
Realisation of share-based payment reserve	1 022	-	1 022
Goodwill	(4 628)	(40 240)	(44 868)
Net assets disposed of	(194 346)	(541 632)	(735 978)
<i>Settled as follows:</i>			
Cash and cash equivalents disposed of			331 412
Net loss on disposal of operations			148 247
Receivable arising on disposal of subsidiaries and associates			190 741
Net proceeds on disposal of businesses, subsidiaries, associates and investments			(65 578)

Disposal group held for sale

Bidvest Namibia has identified a purchaser and agreed terms for the disposal group, Comet Investments Capital Inc. (Comet), a company incorporated in the Peoples Republic of Angola. Bidvest Namibia has a 69.55% interest in Comet, which in turn owns 49.0% of Pesca Fresca Limitada, an Angolan fishing company with a strong focus on sardinella fishing.

Subsequent events

Subsequent to year-end R1 billion of the cumulative redeemable preference share funding included in Long-term portion of borrowings, with a maturity date of 11 September 2019, was settled using existing facilities.

During August 2018 the Group initiated a formal process to dispose of its 6.75% equity investment in MIAL.

Preparer of the summarised consolidated financial statements

The consolidated financial statements and summarised consolidated financial statements have been prepared under the supervision of the chief financial officer, MJ Steyn BCom CA(SA).



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