KAL GROUP

NOTICE OF ANNUAL GENERAL MEETING

for the year ended 30 September

2024

Contents

Salient features

-3,0%
21 734 924
REVENUE (R'000)
(2023: 22 397 058)

-9.2%
561,58
HEADLINE EARNINGS PER SHARE (CENTS)
(2023: 618,31)

-9.4%
561,58
RECURRING HEADLINE EARNINGS PER SHARE (CENTS)
(2023: 619,69)

126,00
FINAL DIVIDEND PER SHARE (CENTS)
(2023: 130,00)

180,00
TOTAL DIVIDEND PER SHARE (CENTS)
(2023: 180,00)

Letter to shareholders

17 December 2024

Dear Shareholder

NOTICE OF ANNUAL GENERAL MEETING AND FORM OF PROXY

We are pleased to enclose the notice of KAL Group Limited's ("KAL Group") annual general meeting to be held at the Grande Roche Hotel, 1 Plantasie Street, Paarl, 7646 at 12:30 p.m. on Thursday, 6 February 2025.

The enclosed notice of AGM is accompanied by various annexures, including:

> Summarised consolidated financial statements with explanatory notes and commentary

> A form of proxy (inserted)

In an effort to support environmental initiatives, KAL Group's integrated report will not be printed but will be made available on KAL Group's website, www.kalgroup.co.za, on or before Thursday, 16 January 2025. Should you require a printed copy, please contact the Company Secretary at cosec@kalcorporateservices.co.za.

A copy of KAL Group's complete audited consolidated annual financial statements for the financial year ended 30 September 2024 is available on KAL Group's website at www.kalgroup.co.za or may be requested and obtained in person, at no charge, at the registered office of the company during office hours.

Yours faithfully

"electronically signed"

KAL CORPORATE SERVICES (PTY) LTD
Company Secretary

Notice of annual general meeting

KAL GROUP LIMITED
Incorporated in the Republic of South Africa
(Registration number: 2011/113185/06)
JSE Share code: KAL
ISIN: ZAE000244711
("KAL Group" or "the company")

To the shareholders of the KAL Group

Notice is hereby given that the annual general meeting of shareholders of KAL Group will be held at the Grande Roche Hotel, 1 Plantasie Street, Paarl, 7646 on Thursday, 6 February 2025, at 12:30 p.m. ("the AGM").

PURPOSE

The purpose of the AGM is to transact the business as set out in the agenda below.

AGENDA

Presentation of the audited annual financial statements of the company, including the reports of the directors and the Audit and Risk committee of the company, for the year ended 30 September 2024.

This notice of AGM is accompanied by the summarised consolidated financial statements of the company for its 2024 financial year (Annexure A), while the audited consolidated annual financial statements, including the unmodified audit opinion, are available on KAL Group's website at www.kalgroup.co.za, or may be requested and obtained in person, at no charge, at the registered office of the company during office hours.

The company's integrated report will, on or before Thursday, 16 January 2025, be made available on KAL Group's website at www.kalgroup.co.za and may thereafter be requested and obtained in person, at no charge, at the registered office of the company during office hours. An electronic copy of the company's integrated report may also be requested from the Company Secretary at cosec@kalcorporateservices.co.za.

To consider and, if deemed fit, approve, with or without modification, the following ordinary resolutions:

Note: *For any of the ordinary resolutions numbers 1 to 10 (inclusive) to be adopted, more than 50% of the voting rights exercised on each such ordinary resolution must be exercised in favour thereof. For ordinary resolution number 13 to be adopted, at least 75% of the voting rights exercised on such ordinary resolution must be exercised in favour thereof.*

1. RE-APPOINTMENT OF AUDITOR

Ordinary resolution number 1

"Resolved that Deloitte Touche Tohmatsu Limited ("Deloitte") be and is hereby re-appointed as independent registered auditor of the company for the ensuing financial year or until the next annual general meeting of the company, whichever is the later, with the designated registered auditor and audit partner being Mr JHW de Kock, on the recommendation of the Audit and Risk committee."

The reason for ordinary resolution number 1 is that the company, being a public listed company, is required to have its financial statements audited annually and the auditor has to be appointed or re-appointed, as the case may be, at each annual general meeting of the company as required by the Companies Act, No. 71 of 2008, as amended ("Companies Act").

2. CONFIRMATION OF APPOINTMENT OF DIRECTORS

2.1 Ordinary resolution number 2

"Resolved that the appointment of Mr AJ Mouton by the board of directors of KAL Group Ltd ("Board") as an independent non-executive director of the company with effect from 2 April 2024, be and is hereby confirmed."

Summary curriculum vitae of Mr AJ (Boet) Mouton

Mr Mouton holds B.Comm (Law) and B.Comm Hons (Economics) degrees from Stellenbosch University, as well as a MBA which he obtained cum laude. He currently serves as a director at Mouton Citrus. Mr Mouton is an experienced farmer/producer who has held various positions with different farming associations and has been a member of the Produce Marketing Association (now IFPA) (SA Country Council and Global Development Committee).

2.2 Ordinary resolution number 3

"Resolved that the appointment of Ms T Kabalin by the Board as an independent non-executive director of the company with effect from 15 July 2024, be and is hereby confirmed."

Summary curriculum vitae of Ms T (Tanya) Kabalin

Ms Kabalin, who holds a BCom (Honours) degree from the University of the Witwatersrand, currently serves as the founder and director of Olakira, a niche strategic consultancy. She is an accomplished and inspiring leader with nearly 30 years' international experience in sales, marketing, strategy, portfolio and supply chain gained from the operational front line to executive board level. Ms Kabalin is recognised for her ability to lead in challenging environments together with her expertise in the broader fuel sector.

Note: *The reason for ordinary resolutions numbers 2 and 3 is that the Memorandum of Incorporation of the company ("MOI") and the JSE Limited Listings Requirements ("JSE Listings Requirements") require that any director appointed by the Board of the company be confirmed by the shareholders at the next annual general meeting of the company.*

3. RETIREMENT AND RE-ELECTION OF DIRECTORS

3.1 Ordinary resolution number 4

"Resolved that Mr CA Otto, who retires by rotation in terms of the MOI and, being eligible, offers himself for re-election, be and is hereby re-elected as director."

Summary curriculum vitae of Mr CA (Chris) Otto

Mr Otto holds BCom and LLB degrees from Stellenbosch University. He is a founding member of PSG Group Ltd, Capitec Bank Holdings Ltd and Zeder Investments Ltd. He served at PSG Group for 14 years and is now retired but continues to serve as a non-executive director on the Capitec Bank Holdings Ltd and Zeder Investments Ltd boards. He is currently chairman of both the Audit and Risk committee and the Remuneration committee of the company.

3.2 Ordinary resolution number 5

"Resolved that Mr JH le Roux, who retires by rotation in terms of the MOI and, being eligible, offers himself for re-election, be and is hereby re-elected as director."

Summary curriculum vitae of Mr JH (Johann) le Roux

Mr Le Roux is a chartered accountant and holds a postgraduate certificate in advanced taxation. He has held various positions at different financial institutions, locally and abroad. He serves on several boards as a non-executive director. Mr le Roux was appointed to the Board in May 2014 and serves as the chairman of the Finance committee.

3.3 Ordinary resolution number 6

"Resolved that Mrs D du Toit, who retires by rotation in terms of the MOI and, being eligible, offers herself for re-election, be and is hereby re-elected as director."

Summary curriculum vitae of Mrs D (Danell) du Toit

Mrs Du Toit holds a BCom (Hons) degree from Stellenbosch University. After 12 years working in corporates overseas, she returned to South Africa and is currently the managing director of the De Keur Group. She serves on several other boards in the agricultural sector and is also involved in several non-profit organisations.

Note: *The reason for ordinary resolutions numbers 4 to 6 (inclusive) is that the MOI, the JSE Listings Requirements and, to the extent applicable, the Companies Act require that a component of the non-executive directors rotate at every annual general meeting of the company and being eligible, may offer themselves for re-election as directors.*

4. RE-APPOINTMENT OF MEMBERS OF THE AUDIT AND RISK COMMITTEE

Note: *For the avoidance of doubt, all references to the Audit and Risk committee refer to the audit committee as contemplated in the Companies Act.*

4.1 Ordinary resolution number 7

"Resolved that Mr CA Otto, being eligible, and subject to approval of ordinary resolution number 4, be and is hereby re-appointed as a member of the Audit and Risk committee, as recommended by the Board, until the next annual general meeting of the company."

A summary of Mr Otto's curriculum vitae has been included in paragraph 3.1 above

4.2 Ordinary resolution number 8

"Resolved that Mrs D du Toit, being eligible, and subject to approval of ordinary resolution number 6, be and is hereby re-appointed as a member of the Audit and Risk committee, as recommended by the Board, until the next annual general meeting of the company."

A summary of Mrs du Toit's curriculum vitae has been included in paragraph 3.3 above

4.3 Ordinary resolution number 9

"Resolved that Ms B Mathews, being eligible, be and is hereby re-appointed as a member of the Audit and Risk committee, as recommended by the Board, until the next annual general meeting of the company."

Summary curriculum vitae of Ms B (Bridgitte) Mathews

Ms Mathews is a chartered accountant and holds a postgraduate certificate in advanced taxation from the University of South Africa. She currently serves on the board of trustees of the WAT Trust, and serves on several other boards, including the board of directors of CA Sales Holdings Ltd, We Buy Cars Holdings Ltd, PSG Financial Services Ltd and Ca Vie Investments (Pty) Ltd.

4.4 Ordinary resolution number 10

"Resolved that Mr JH le Roux, being eligible, and subject to approval of ordinary resolution number 5, be and is hereby re-appointed as a member of the Audit and Risk committee, as recommended by the Board, until the next annual general meeting of the company."

A summary of Mr le Roux's curriculum vitae has been included in paragraph 3.2 above

Note: *The reason for ordinary resolutions numbers 7 to 10 (inclusive) is that the company, being a public listed company, must appoint an audit committee, and the Companies Act requires that the members of such committee be appointed, or re-appointed, as the case may be, at each annual general meeting of the company.*

5. NON-BINDING ADVISORY VOTE ON THE REMUNERATION POLICY OF THE COMPANY

Ordinary resolution number 11

"Resolved that the company's remuneration policy, as set out in the remuneration report in Annexure C to this notice of AGM, be and is hereby endorsed by way of a non-binding advisory vote."

The reason for ordinary resolution number 11 is that the King IV Report on Corporate Governance™ for South Africa, 2016 ("King IV")[1] recommends, and the JSE Listings Requirements require, that the remuneration policy of a company be tabled for a non-binding advisory vote by shareholders at each annual general meeting of the company. This enables shareholders to express their views on the remuneration policy adopted. Ordinary resolution number 11 is of an advisory nature only and failure to pass this resolution will, therefore, not have any legal consequences relating to existing remuneration agreements. However, the Board will consider the outcome of the vote when considering amendments to the company's remuneration policy.

6. NON-BINDING ADVISORY VOTE ON THE IMPLEMENTATION REPORT ON THE REMUNERATION POLICY OF THE COMPANY

Ordinary resolution number 12

"Resolved that the company's implementation report in respect of its remuneration policy, as set out in the remuneration report in Annexure C to this notice of AGM, be and is hereby endorsed by way of a non-binding advisory vote."

The reason for ordinary resolution number 12 is that King IV recommends, and the JSE Listings Requirements require, that the implementation report on the company's remuneration policy be tabled for a non-binding advisory vote by shareholders at each annual general meeting of the company. This enables shareholders to express their views on the implementation of the company's remuneration policy. Ordinary resolution number 12 is of an advisory nature only and failure to pass this resolution will, therefore, not have any legal consequences relating to existing remuneration agreements. However, the Board will consider the outcome of the vote when considering amendments to the implementation of the company's remuneration policy.

Should 25% or more of the votes exercised in respect of ordinary resolution number 11 and/or ordinary resolution number 12 be against either resolution, the company will issue an invitation to those shareholders who voted against the applicable resolution to engage with the company.

[1] *Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.*

7. GENERAL AUTHORITY TO ISSUE ORDINARY SHARES FOR CASH

Ordinary resolution number 13

"Resolved that the Board be and is hereby authorised, by way of a general authority, to allot and issue any of the company's unissued shares for cash as they, in their discretion, may deem fit, without restriction, subject to the provisions of the MOI, the Companies Act and the JSE Listings Requirements, provided that:

> the approval shall be valid until the date of the next annual general meeting of the company, provided it shall not extend beyond 15 (fifteen) months from the date of this resolution;

> the general issues of shares for cash under this authority may not exceed, in the aggregate, 5% of the company's issued share capital (number of securities) of that class as at the date of this notice of AGM, it being recorded that ordinary shares issued pursuant to a rights offer to shareholders and in terms of an acquisition issue or vendor consideration placement shall not diminish the number of ordinary shares that comprise the 5% of the ordinary shares that can be issued in terms of this ordinary resolution. As at the date of this notice of AGM, 5% of the issued ordinary shares of the company, excluding treasury shares, amounts to 3 530 566 ordinary shares;

> 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 such shares, as measured over the 30 business days prior to the date that the price of the issue is agreed between the company and the party subscribing for the securities. The JSE will be consulted for a ruling if the securities have not traded in such a 30-business-day period;

> any such issue will only be made to public shareholders as defined in paragraphs 4.25 to 4.27 of the JSE Listings Requirements and not to related parties, save, therefore, that related parties may participate in a general issue for cash through a bookbuild process provided that (i) related parties may only participate with a maximum bid price at which they are prepared to take up shares or at book close price. In the event of a maximum bid price and the book closes at a higher price, the relevant related party will be "out of the book" and will not be allocated shares; and (ii) equity securities must be allocated equitably "in the book" through the bookbuild process and the measures to be applied must be disclosed in the SENS announcement launching the bookbuild;

> any such issue will only comprise securities of a class already in issue or, if this is not the case, will be limited to such securities or rights that are convertible into a class already in issue; and

> if the shares issued under this authority represent, on a cumulative basis, 5% of the number of shares in issue prior to that issue, an announcement containing the full details of such issue shall be published on SENS."

For listed entities wishing to issue shares for cash (other than issues by way of rights offers, in consideration for acquisitions (including via vendor consideration placements) and/or in respect of duly approved share incentive schemes), the Board must obtain the prior authority of the shareholders in accordance with the JSE Listings Requirements and the MOI. Accordingly, the reason for ordinary resolution number 13 is to obtain general authority from shareholders to issue shares for cash in compliance with the JSE Listings Requirements and the MOI.

For this resolution to be adopted, at least 75% of the votes exercised on this resolution, whether in person or by proxy, must be exercised in favour thereof.

To consider and, if deemed fit, pass, with or without modification, the following special resolutions:

Note: *For any of the following special resolutions to be adopted, at least 75% of the voting rights exercised on each such special resolution, whether in person or by proxy, must be exercised in favour thereof.*

8. APPROVAL OF NON-EXECUTIVE DIRECTORS' REMUNERATION

Special resolution number 1

Resolved, in terms of section 66(9) of the Companies Act, that the company be and is hereby authorised to remunerate its non-executive directors for their services as directors, which includes serving on various subcommittees, and to make payment of the amounts set out below (plus any value added tax, to the extent applicable) provided that the authority will be valid until the next annual general meeting of the company:

Directors' fees	Proposed annual remuneration
Director – basic fee	**232 000**
Board Chairman	**+555 000**

Committee	Member	Chairman
Audit and Risk committee	**+173 800**	**+350 000**
Finance committee	**+72 500**	**+173 250**
Remuneration committee	**+144 400**	**+288 750**
Social and Ethics committee	**+37 300**	**+111 300**

The reason for special resolution number 1 is for the company to obtain shareholders' approval for the payment of remuneration to the company's non-executive directors in terms of section 66 of the Companies Act.

The effect, if passed, of the special resolution is that the company will be able to remunerate its non-executive directors for their services as directors until the next annual general meeting of the company.

Shareholders are requested to approve these fees with effect from 1 October 2024, in order to align the remuneration with the company's financial year. For more particulars on the remuneration of non-executive directors, please see the remuneration report.

9. SHARE REPURCHASES BY THE COMPANY AND ITS SUBSIDIARIES

Special resolution number 2

"Resolved, as a special resolution, that the company and the subsidiaries of the company be and are hereby authorised, as a general approval, to repurchase (or purchase, as the case may be) any of the shares issued by the company, upon such terms and conditions and in such amounts as the Board may from time to time determine, but subject to the provisions of sections 46 and 48 of the Companies Act, the MOI and the JSE Listings Requirements, including, *inter alia*, that:

> the general repurchase of the shares may only be implemented through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counterparty;

> this general authority shall only be valid until the next annual general meeting of the company, provided that it shall not extend beyond 15 (fifteen) months from the date of this resolution;

> an announcement must be published as soon as the company has acquired shares constituting, on a cumulative basis, 3% of the number of shares in issue at the time of the granting of this authority, containing full details thereof, as well as for each 3% in aggregate of the initial number of shares acquired thereafter;

- the general authority is limited to a maximum of 20%, in the aggregate, in any one financial year of the company's issued share capital at the time the authority is granted;
- a resolution has been passed by the Board approving the repurchase, that the company and its subsidiaries ("Group") have satisfied the solvency and liquidity test as defined in the Companies Act, and that since the solvency and liquidity test has been performed, there have been no material changes to the financial position of the Group;
- the general repurchase is authorised by the MOI;
- repurchases may not be made at a price more than 10% above the weighted average of the market value of the shares for the five business days immediately preceding the date that the transaction is effected. The JSE will be consulted for a ruling if the company's securities have not traded in such five-business-day period;
- the company and its subsidiaries may at any point in time only appoint one agent to effect any repurchase(s) on the company's behalf; and
- the company and its subsidiaries may not effect any repurchase during any prohibited period as defined in terms of the JSE Listings Requirements unless there is a repurchase programme in place, which programme has been submitted to the JSE in writing prior to the commencement of the prohibited period and executed by an independent third party (reported trades are prohibited), as contemplated in terms of paragraph 5.72(h) of the JSE Listings Requirements."

The reason for and effect, if passed, of special resolution number 2 is to grant the directors a general authority in terms of the MOI and the JSE Listings Requirements for the acquisition by the company or by a subsidiary of the company of shares issued by the company on the basis reflected in special resolution number 2. This authority will provide the Board with the necessary flexibility to repurchase shares in the market, should a favourable opportunity arise, and it be in the best interest of the company to do so.

In terms of section 48(2)(b)(i) of the Companies Act, subsidiaries may not hold more than 10%, in aggregate, of the number of the issued shares of a company. For the avoidance of doubt, a pro rata repurchase by the company from all its shareholders will not require shareholder approval, save to the extent as may be required by the Companies Act.

10. INTER-COMPANY FINANCIAL ASSISTANCE

10.1 Special resolution number 3: Inter-company financial assistance

"Resolved in terms of section 45(3)(a)(ii) of the Companies Act, as a general approval, that the Board be and is hereby authorised to approve that the company provides any direct or indirect financial assistance (financial assistance will have the meaning attributed to it in section 45(1) of the Companies Act) that the Board may deem fit to any company or corporation that is related or inter-related to the company ("related" and "inter-related" will herein have the meanings attributed to such terms in section 2 of the Companies Act) on terms and conditions and for amounts that the Board may determine, provided that the aforementioned approval shall be valid until the next annual general meeting of the company."

The reason for and effect, if passed, of special resolution number 3 is to grant the Board the authority, until the next annual general meeting of the company, to provide direct or indirect financial assistance to any one or more related or inter-related companies or corporations of the company. This means that the company is, inter alia, authorised to grant loans to its subsidiaries and to guarantee the debt of its subsidiaries.

Notice to shareholders of the company, in terms of section 45(5) of the Companies Act, of a resolution adopted by the Board that authorises the company to provide direct or indirect financial assistance.

By the time this notice of AGM is delivered to shareholders, the Board will have adopted a resolution ("section 45 Board resolution") to authorise the company at any time and from time to time during the period starting on the date of adopting this special resolution number 3 up to and including the date of the next annual general meeting of the company, to provide any direct or indirect financial assistance as contemplated in section 45 of the Companies Act, to any one or more related or inter-related companies or corporations of the company.

The section 45 Board resolution will only take effect when and to the extent that special resolution number 3 has been adopted by shareholders, and the provision of any such direct or indirect financial assistance by the company, following such resolution, will always be subject to the Board being satisfied that: (i) immediately after providing such financial assistance the company would satisfy the solvency and liquidity test in terms of section 45(3)(b)(i) of the Companies Act; and (ii) the terms under which such financial assistance is provided will be fair and reasonable to the company as contemplated in section 45(3)(b)(ii) of the Companies Act.

Inasmuch as the section 45 Board resolution contemplates that in total such financial assistance will exceed one-tenth of 1% (one percent) of the company's net value as at the date of adopting the resolution, the Board hereby notifies the shareholders of the section 45 Board resolution. Such notice will also be given to any trade union representing the employees of the company.

10.2 Special resolution number 4: Financial assistance for the subscription and/or purchase of shares in the company or a related or inter-related company

"Resolved, in terms of section 44(3)(a)(ii) of the Companies Act, as a general approval, that the Board be and is hereby authorised to approve that the company provides any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in sections 44(1) and 44(2) of the Companies Act) that the Board may deem fit to any company or corporation that is related or inter-related to the company ("related" and "inter-related" will herein have the meanings attributed to such terms in section 2 of the Companies Act) and/or to any financier who provides funding by subscribing for preference shares or other securities in the company or any company or corporation that is related or inter-related to the company, on the terms and conditions and for amounts that the Board may determine for the purpose of, or in connection with, the subscription for any option, or any shares or other securities, issued or to be issued by the company or a related or inter-related company or corporation, or for the purchase of any shares or securities of the company or inter-related company or corporation, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the company."

The reason for and effect, if passed, of special resolution number 4 is to grant the directors the authority, until the next annual general meeting of the company, to provide financial assistance to any company or corporation which is related or inter-related to the company and/or any financier for the purpose of or in connection with the subscription or purchase of options, shares or other securities in the company or any related or inter-related company or corporation. This means that the company is authorised, inter alia, to grant loans to its subsidiaries and to guarantee and furnish security for the debt of its subsidiaries where any such financial assistance is directly or indirectly given to a party subscribing for options, shares or securities in the company or its subsidiaries. A typical example of where the company may rely on this authority is where a wholly-owned subsidiary raises funds by way of issuing preference shares, and the third-party funder requires the company to furnish security, by way of a guarantee or otherwise, for the obligations of its wholly-owned subsidiary to the third-party funder arising from the issue of the preference shares. The company has no immediate plan to use this authority and is simply obtaining *same in the interests of prudence and good corporate governance should the unforeseen need arise to use the authority.*

In terms of and pursuant to sections 44 and 45 of the Companies Act, the directors of the company confirm that the Board will satisfy itself, after considering all reasonably foreseeable financial circumstances of the company, that immediately after providing financial assistance as contemplated in special resolutions numbers 3 and 4 above:

> the assets of the company, fairly valued, will equal or exceed the liabilities of the company, fairly valued (taking into consideration the reasonably foreseeable contingent assets and liabilities of the company); and

> the company will be able to pay its debts as they become due in the ordinary course of business for 12 months.

In addition, the Board will only approve the provision of any financial assistance contemplated in special resolution numbers 3 and 4 above, where:

> the Board is satisfied that the terms under which any financial assistance is proposed to be provided will be fair and reasonable to the company; and

> all relevant conditions and restrictions (if any) relating to the granting of financial assistance by the company as contained in the MOI have been met.

11. REPORT OF THE SOCIAL AND ETHICS COMMITTEE

The report of the company's Social and Ethics committee is included in the integrated report and will serve as the Social and Ethics committee report to the company's shareholders at the AGM.

12. TO TRANSACT ANY OTHER BUSINESS AS MAY BE TRANSACTED AT AN ANNUAL GENERAL MEETING OR RAISED BY SHAREHOLDERS WITH OR WITHOUT ADVANCE NOTICE TO THE COMPANY

Information relating to the special resolutions

1. The directors of the company or its subsidiaries will only utilise the general authority to repurchase shares of the company as set out in special resolution number 2 to the extent that the directors, after considering the maximum number of shares to be purchased, are of the opinion that the position of the Group would not be compromised as to the following:

   > the company and the Group's ability in the ordinary course of business to pay its debts for a period of 12 months after the date of the AGM and for the period of 12 months after the date of the share repurchase;

   > the consolidated assets of the company and the Group (fairly valued) will, at the time of the AGM and at the time of making such determination, and for a period of 12 months thereafter, be in excess of the consolidated liabilities of the company and the Group (fairly valued). The assets and liabilities should be recognised and measured in accordance with the accounting policies used in the latest audited annual financial statements of the Group;

   > the ordinary share capital and reserves of the company and the Group will remain adequate for ordinary business purposes for a period of 12 months after the date of the AGM and for a period of 12 months after the date of the share repurchase; and

   > the working capital available to the company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the AGM and for a period of 12 months after the date of the share repurchase.

2. General information in respect of major shareholders, material changes after the financial year-end and the share capital of the company is contained in Annexure B to this notice of AGM.
3. The directors of the company collectively and individually accept full responsibility for the accuracy of the information given and 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 this notice of AGM contains all information required by law and the JSE Listings Requirements.

RECORD DATE

The record date in terms of section 59 of the Companies Act for shareholders to be registered in the securities register of the company to receive notice of the AGM is Friday, 6 December 2024.

The record date for shareholders to be recorded in the securities register of the company to be able to attend, participate and vote at the AGM is Friday, 31 January 2025, and the last day to trade in the company's shares to be recorded in the company's securities register to be able to attend, participate in and vote at the AGM is Tuesday, 28 January 2025.

ATTENDANCE AND VOTING BY SHAREHOLDERS AND PROXIES

1. Certificated and own-name dematerialised shareholders entitled to attend and vote at the AGM may appoint one or more proxies to attend, speak and vote thereat in their stead. A proxy need not be a shareholder of the company. A form of proxy, which sets out the relevant instructions for its completion, is enclosed for use by a certificated shareholder or own-name registered dematerialised shareholder who wishes to be represented at the AGM. Completion of a form of proxy will not preclude such shareholder from attending and voting (in preference to that shareholder's proxy) at the AGM.
2. The instrument appointing a proxy and the authority (if any) under which it is signed must be completed and returned to the company's transfer secretary, Computershare Investors Services (Pty) Ltd, at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or posted to the transfer secretary at Private Bag, X9000, Saxonwold, 2132, South Africa, or emailed to proxy@computershare.co.za, so as to be received by them no later than 12:30 p.m. on Tuesday, 4 February 2025, provided that any form of proxy not delivered to the transfer secretary by this time may be handed to the Chairman of the AGM at any time before the appointed proxy exercises any shareholder rights at the AGM.
3. Dematerialised shareholders, other than own-name registered dematerialised shareholders, who wish to attend the AGM in person, will need to request their central securities depository participant ("CSDP") or broker to provide them with the necessary authority (i.e. letter of representation) in terms of the custody agreement entered into between such shareholders and the CSDP or broker.
4. Dematerialised shareholders, other than own-name registered dematerialised shareholders, who are unable to attend the AGM and who wish to be represented thereat, must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between themselves and the CSDP or broker in the manner and time stipulated therein. Such shareholders should contact their CSDP or broker with regard to the cut-off time for their voting instructions.
5. Shareholders present in person, by proxy or by authorised representative shall, on a show of hands, have one vote each and, on a poll, will have one vote in respect of each share held.

ELECTRONIC PARTICIPATION

1. Shareholders or their proxies may participate in the AGM electronically ("electronic facility").

2. Please note that the electronic facility will only allow shareholders to listen in and raise questions during the allocated time. Shareholders will not be able to vote using the electronic facility. Should such shareholders wish to vote, they must either:

   > complete the form of proxy and return it to the transfer secretary in accordance with the relevant provisions of the above paragraph (Attendance and voting by shareholders and proxies); or

   > contact their CSDP or broker in accordance with the relevant provisions of the above paragraph (Attendance and voting by shareholders and proxies).

3. Shareholders (or CSDPs or brokers acting on behalf of shareholders) who wish to vote in accordance with the above, will be able to submit such voting instructions to the Company via proxy@computershare.co.za up until votes are cast in respect of the relevant resolutions. Shareholders or their proxies who wish to participate in the AGM via the electronic facility must notify Computershare by emailing them at proxy@computershare.co.za by no later than 12:30 on Tuesday, 4 February 2025. Computershare will first validate such request and confirm the identity of the shareholder in terms of section 63(1) of the Companies Act and thereafter, if validated, provide further details on using the electronic facility.

4 The cost of the participant's connection to the electronic facility will be for his/her own expense and will be billed separately by his/her own service provider.

5 The company cannot guarantee that there will not be a break in communication, which is beyond the control of the company.

6 The participant acknowledges that the electronic facility is provided by Computershare and indemnifies the company and its directors, employees, Company Secretary, transfer secretary, service providers and advisors against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the electronic facility, whether or not the problem is caused by any act or omission on the part of the participants or anyone else. In particular, but not exclusively, the participant acknowledges that he/she will have no claim against the company and its directors, employees, Company Secretary, transfer secretary, service providers and advisors, whether for consequential damages or otherwise, arising from the use of the electronic facility or any defect in it or from total or partial failure of the electronic facility and connections linking the electronic facility to the AGM.

PROOF OF IDENTIFICATION REQUIRED

In terms of the Companies Act, any person who intends to attend a shareholders' meeting and participate in it (whether in person or electronically) is required to present reasonably satisfactory identification at the meeting. Persons attending the meeting have to furnish proof of identification to the reasonable satisfaction of the Chairman of the meeting and should, therefore, present an identity document, passport or driver's licence at the meeting.

By order of the Board

"electronically signed"

KAL CORPORATE SERVICES (PTY) LTD
Company Secretary

17 December 2024

Annexure A

KAL Group Limited

Summarised consolidated financial statements
for the year ended 30 September 2024

FINANCIAL REVIEW

The KAL Group Ltd ("**KAL**" or the "**Group**") summary report provides an overview of the activities, results and financial position of the Group for the year ended 30 September 2024 ("**the year**" or "**the period**").

Over the past ten years, KAL has diversified from a primarily agricultural focused business to a unique, growth-focussed lifestyle retailer committed to providing best-in-value solutions with agricultural inputs, fuel (farm and retail) and general- and convenience-retail to an expanded customer base across Southern Africa.

The Group's strategic footprint and facilities, including an extensive network of retail stores, service stations, convenience shops, and branded food service outlets mainly in rural, peri urban and highway locations support our diverse client network through 269 business units spread across all nine South African provinces and Namibia. The Group is based in the Western Cape, with the administrative head office and corporate functions in Malmesbury and Paarl, respectively.

FINANCIAL RESULTS

Revenue was under pressure during the year, reducing by 3,0% to R21,73 billion, down from R22,40 billion in the previous financial year ("**LY**" or "**prior year**"), with like-for-like ("**LFL**") comparable revenue decreasing by 3,5%. Transactions decreased by 2,1% to 63,1 million. Given the diverse nature of the Group, and specifically the significant impact of volatile fuel prices, it is more appropriate to consider income channel inflation separately rather than overall group inflation. Year-on-year ("**YOY**") September inflation by income channel is estimated at 4,2% (retail), 4,5% (quick service restaurant ("**QSR**")), 2,0% (agri) and deflation of 15,8% (fuel).

Despite margin pressure in the general retail and agri income channels, overall gross profit increased by 1,9%, in contrast to the decrease in revenue. This increase in gross profit was largely due to the increased contribution of high margin convenience retail revenue, assortment optimisation in the general retail categories as well as a higher contribution from the higher margin irrigation manufacturing business. Increased central distribution centre throughput as well as the implementation of several strategic supply chain imperatives, continued to support retail trading margins. Fuel prices returned to levels below LY courtesy of consistent price decreases during the last four months of the period, ending 9,6% (petrol) and 15,5% (diesel) lower compared to LY. The fuel price decreases impacted gross profit growth negatively by R18,3 million.

The Group intentionally limited capital expenditure during the period, choosing to focus on bedding down the PEG acquisition, reducing the related acquisition debt and optimising the existing wider trading footprint. During the year we opened two new Agrimark offerings, one new retail fuel site in Namibia, and closed two Agrimark sites that were no longer core to the Group. The Agrimark Online platform offering is exceeding expectations although off a low base.

Gearing levels reduced during the period as fixed PEG acquisition debt repayments led to lower debt, whilst investment returns remained above the weighted average cost of capital. The business continues to investigate further value enhancing growth opportunities across The Fuel Company ("**TFC**") and Agrimark segments.

Given the pressures on revenue, prudent cost management and increased cost efficiency remained a key focus area and resulted in expenditure increasing by only 4,5% during the year, with no group management incentives having been provided. As a result of reduced loadshedding during the second half of the year, the direct cost associated with loadshedding improved by R36,0 million YOY. The Group continued to evaluate various solar projects, where feasible, to address the risk of the possible return of loadshedding and above inflation electricity price increases.

Total interest received decreased by 9,6% compared to LY, on the back of lower average debtors balances due to lower credit sales. Interest paid, excluding interest on lease liabilities in terms of IFRS 16, decreased by 17,4% due to the YOY reduction in average interest-bearing debt, assisted by scheduled term debt repayments. Net interest earned (excl. IFRS 16) increased by R16,8 million for the period. Interest paid will continue to decrease as the PEG acquisition related debt is serviced in line with expectations.

EBITDA decreased by 4,4% to R859,3 million, down from R898,6 million in the prior corresponding period. Profit before tax decreased by 7,3% to R641,3 million, from R691,8 million in the prior corresponding period.

The Group's effective tax rate of 29,7% (2023: 30,6%) is lower than LY mainly due to reduced non-deductible interest and expenditure of a capital nature.

Headline earnings decreased by 8,6%, while recurring headline earnings ("**RHE**") decreased by 8,8%. Once-off items, predominantly costs associated with new business developments are excluded from headline earnings to calculate RHE.

Headline earnings per share of 561,58 cents decreased by 9,2% while recurring headline earnings per share ("**RHEPS**") of 561,58 cents decreased by 9,4% on LY. RHEPS growth is lower than RHE growth, due to RHEPS being calculated on RHE attributable to shareholders of the holding company only.

OPERATING RESULTS

Within the segmental reporting, trade debtors and borrowings, as well as the associated interest received and interest paid, are allocated to the segments to which they relate. This provides an accurate representation of invested capital within the various segments. Debtors are mostly attributed to the Agrimark segment.

Revenue from the Agrimark segment, which includes the Agrimark retail branches, Agrimark fuel filling stations, Agrimark Packaging distribution centres, New Holland agency services as well as fuel redistribution units decreased by 5,0% YOY with profit before tax ending 10,4% lower than the prior year. Key focus areas in this environment are market share growth initiatives, margin enhancement, cost efficiencies, stock management and footprint expansion.

Although the TFC segment revenue was 1,5% down YOY off the back of fuel volume decreases, profit before tax increased by 1,8%. Fuel price gains were lower than the prior year putting pressure on fuel margins which still improved, and together with increased convenience retail and QSR performance and lower interest paid, contributed to the growth in profit before tax.

Agrimark Grain, which includes grain handling and storage of grain and related products, seed processing and potato seed marketing, ended the year with a 6,5% reduction in revenue, however, profit before tax increased by 1,0%. Revenue was impacted by slightly higher volumes sold, but at lower prices. Lower interest paid contributed to the increased profit before tax. During the year, an additional 30 000 tons of storage capacity was added in the Western Cape area.

Manufacturing produces mainly dripline, sprinkler irrigation products and plastic bulk bins for the agricultural market as well as offering agency services for imported irrigation products. Irrigation-related revenue improved due to increased infrastructural spend as mentioned above, contributing to this business segment revenue growth of 8,4%. Tego's improvement in the year was slower than expected but is gathering positive momentum with encouraging engagement from large customers. Segment operating profit before tax reduced by R2,1 million.

The Corporate division, which includes the cost of support services as well as other costs not allocated to specific segments, remained at 0,3% of Group revenue.

FINANCIAL POSITION

Capital investment of R154,0 million (R173,1 million in the prior year) was incurred which included R20,1 million for various alternative energy production and storage initiatives, R47,6 million relating to replacement capital expenditure and R86,3 million spent on numerous upgrades, expansions and SHEQ projects.

The Group continues to manage working capital effectively, with net working capital reducing by R48,6 million. Whilst credit sales decreased by 2,9%, trade debtors' balances reduced by 4,7% YOY with "not within terms" as a percentage of debtors improving to 13,0% (2023: 13,3%). Debtors turn of 4,2 times per year (2023: 4,1 times) has improved marginally. Our investment in centralised procurement and distribution and ongoing stock management initiatives has generated positive results, with inventory reducing by 11,6%. Creditors' days are marginally down on LY.

Return on net assets reduced from 10,3% LY to 9,2% this year. Although ROIC, calculated excluding the impact of IFRS 16, reduced from 14,3% LY to 12,6% this year, it remained comfortably above the weighted average cost of capital in the business.

Net interest-bearing debt reduced by R206,0 million, with R251,9 million in term debt being settled during the past 12 months. The Group's debt-to-equity ratio improved to 51,3% (2023: 61,9%), the lowest level in over 10 years, with net interest- bearing debt to EBITDA improving to 1,8 times (2023: 2,0 times) and interest cover of 4,1 times (2023: 4,0 times). Gearing levels are expected to decrease further in the coming year as the repayment of the PEG acquisition debt continues. Of the original R725 million external debt raised for the PEG acquisition in July 2022, R226,6 million capital has been repaid to date, with a further R143,2 million to be settled during the next year. It is anticipated that the final R279,1 million capital payment due in June 2026 will be refinanced to ensure an optimal funding structure. Funding headroom exists with sufficient facilities in place to meet the Group's requirements and growth objectives. Return on equity reduced to 13,9% (2023: 16,7%).

The Group's cashflow improved during the year and cash generation remains strong. The coming year will see an increase in capital spend as we actively pursue footprint growth and other high return strategic initiatives in line with our 2030 strategic objectives.

DIVIDEND

Despite the subdued trading performance, the Board has approved a total dividend for the year in line with the prior year, on the back of strong cash management and significantly lower debt levels. A gross final dividend of 126,00 cents per share (2023: 130,00 cents per share) has been approved and declared by the Board from income reserves, for the period ended 30 September 2024. The final dividend amount, net of South African dividends tax of 20%, is 100,80 cents (2023: 104,00 cents) per share for those shareholders not exempt from dividend tax or who are not entitled to a reduced rate in terms of an applicable double tax agreement. Including the interim dividend, the total dividend for the year ended 30 September 2024 of 180,00 cents per share is unchanged from the prior year. The total dividend per share represents a dividend cover of 3,0 times (2023: 3,3 times).

The salient dates for this dividend distribution are:

Declaration date	*Tuesday, 26 November 2024*
Last day to trade cum dividend	*Tuesday, 11 February 2025*
Trading ex dividend commences	*Wednesday, 12 February 2025*
Record date to qualify for dividend	*Friday, 14 February 2025*
Date of payment	*Monday, 17 February 2025*

Share certificates may not be dematerialised or rematerialised between Wednesday, 12 February 2025 and Friday, 14 February 2025, both days inclusive.

The number of ordinary shares in issue at declaration date is 74 319 837, the income tax number of KAL is 9312717177 and the KAL registration number is 2011/113185/06.

OPERATING ENVIRONMENT

General economic conditions remained suppressed over the period, with continued volatile inflation, high interest rates, high fuel prices and dwindling consumer and business confidence weighing heavily on discretionary spend. The ongoing Russia / Ukraine conflict, as well as increased tensions in the Middle East have impacted global economics significantly. In South Africa, the Government of National Unity has garnered support from markets, reinforcing a more optimistic outlook for improved economic activity, however this confidence is yet to translate into tangible benefits. Notwithstanding these challenges, the Group has delivered a credible trading performance and has strengthened its balance sheet significantly over the last two years.

The fruit and vegetable farming sectors have been affected by unfavourable weather events. High interest rates resulted in cautious and curtailed farm spending on capex and replacement activity. Rail logistics and ports remain problematic despite some improvements, with port constraints having led to higher outbound logistics costs for agri-exporters. Agri category performance was mixed with reduced fertiliser and animal feed spend driving agri-input channel turnover down by 1,0%. Although we have seen a decrease in overall agri input costs from the peaks experienced in 2021 / 22, these costs remain around 50% higher compared to 2019. Retail category performance was more resilient than the agri channel with strong performances across a number of categories. The building material category performance was encouraging and grew by 5,9%, outperforming indications from other large building material retailers. Retail trading turnover grew by 3,2%.

Despite recent fuel price reductions, the retail fuel industry continued to experience fuel litre volume decreases due to changed consumer behaviour, driven by high fuel prices during the year. This volume trend only started reversing in the last month of the year. TFC litres reduced by 4,8% (6,4% reduction when including non like-for-like sites disposed of to Agrimark Operations (Pty) Ltd.). TFC fuel volumes were negatively impacted by route specific challenges (especially on the N2 and N3 highways), reduced mining activity off the back of lower commodity prices as well as the effects of road closures and site revamps, which led to an estimated 13 million litres (2,9%) of lost fuel and related convenience sales. These will recover when normalised. Convenience retail and QSR offerings remained resilient, and outperformed general retail sales growth. Agrimark fuel litre volumes, mainly focused on the agricultural channel, reduced by 5,5%. Lower loadshedding related fuel demand and the reduced mining activity referred to above contributed to this decrease. Group fuel litre volumes were down 6,2% YOY.

Manufacturing turnover was positively impacted by increased farm expansion and infrastructural spend in the Northern provinces, whilst the Western Cape was slower to recover. The manufacturing outlook in terms of the irrigation channel remains positive going forward, given the healthy state of dam levels in most areas. High interest rates limited capex spend by fruit farmers which impacted fruit bin sales.

Agrimark Grain performed in line with the prior year. Mechanisation sales were down YOY, impacted by the high interest rates and the clear shift in sales towards smaller units at lower prices.

OUTLOOK

Agriculture in many of the areas in which we operate has been impacted by extreme weather events over the past 12 months, but despite this, farming conditions are favourable and dam levels are above the long term average. Producer cashflow pressure has been evident during the period, but steady cost decreases in key inputs, combined with the expected further reduction in interest rates, bode well for the year ahead. Although high levels of rainfall were recorded during the wheat season, this led to challenges around fertilising and pest control in certain areas. Across the total Swartland region, a good average wheat yield, but a lower canola harvest, is expected. Although always weather dependent, the outlook for fruit and vegetable production in the upcoming agricultural season looks encouraging. Port challenges are expected to improve, albeit at a slow rate. Even though the loadshedding outlook is cautiously positive, concerns remain around the reliability of supply and unsustainable electricity price increases. Municipal infrastructure and service delivery concerns are not anticipated to improve significantly in the short term. Agrimark's will continue driving market share growth in their respective areas.

General retail performance is likely to improve given the expectations of continued lower inflation and further interest rate reductions. This, together with the two-pot retirement cash outs boosting spending, may benefit the building material sector. Lower fuel prices are also injecting circa R8,5 billion per month into the economy at current levels. The improved SA GDP outlook, bolstered by energy stability and political certainty, will impact business and consumer confidence positively.

It is expected that retail fuel volumes will improve in the year ahead courtesy of lower prices as evidenced in the last two months, and convenience retail and QSR performance will remain robust. TFC will ramp up its investment into new sites and currently has five sites in various stages of acquisition. Twelve new QSR's are planned for the next financial year. The cash generative nature of this segment bodes well for increased dividend payments in the near future.

In the manufacturing segment, we expect continued recovery, growth, and market share gains from Agriplas. Tego is anticipated to deliver increased sales volume from bins, crates, and toll manufacturing.

The 2030 strategic plan has been approved by the Board and includes significant growth across our key Agrimark and TFC segments with clearly defined outcomes. Our drive remains to deliver a sustainable and superior return on invested capital to shareholders, by leveraging our capabilities to drive growth and by optimising our existing footprint and infrastructure. Our digital transformation journey includes a number of deliverables aimed at enhancing customer experience, through improved data analytics and utilising various AI tools. Leveraging our business culture and employee diversity is paramount, and we will continue to invest in skills and talent development to attract, develop and retain our people.

Whilst earnings growth is important, maintaining and improving balance sheet strength will ensure continued sustainable returns for all stakeholders. Our balance sheet has strengthened, our gearing position has improved, and cash generation has increased during the period.

Taking all the above into consideration, it is clear that the year has been a challenging one underpinned by weak macro-economic conditions. Recent positive economic indicators bode well for the year ahead and we remain positive that we will see an improved performance in the business over the next twelve months. The Group is well positioned to take advantage of the expected improvement in trading conditions, and footprint expansion plans are expected to further enhance this upward trend.

EVENTS AFTER THE REPORTING DATE

There have been no events that may have a material effect on the Group that occurred after the end of the reporting period and up to the date of approval of the summarised consolidated financial statements by the Board.

APPRECIATION

The Board records its appreciation for the continued support and loyalty of the Group's employees, shareholders, customers, suppliers and other stakeholders.

On behalf of the Board

"electronically signed"

GM Steyn	S Walsh
Chairman	Chief Executive Officer

26 November 2024

Consolidated statement of financial position

at 30 September

	Notes	2024 R'000	2023 R'000
ASSETS			
Non-current assets			
Property, plant and equipment	5	**1 435 774**	1 412 006
Right-of-use assets	6	**747 903**	552 220
Intangible assets	7	**1 632 980**	1 560 646
Investment in Joint Venture	8	**61 026**	50 648
Loans		**22 756**	20 249
Financial assets at fair value through other comprehensive income		**5 580**	5 580
Deferred tax		**51 314**	33 039
Trade and other receivables	9	**25 725**	35 865
		3 983 058	3 670 253
Current assets			
Inventory		**1 452 056**	1 641 992
Trade and other receivables	9	**2 461 010**	2 580 828
Income Tax		**5 278**	1 513
Cash and cash equivalents		**313 560**	285 926
		4 231 904	4 510 259
Assets classified as held for sale	10	**–**	109 206
		4 231 904	4 619 465
Total assets		**8 214 962**	8 289 718
EQUITY AND LIABILITIES			
Capital and reserves			
Stated Capital		**466 051**	440 963
Other reserves		**37 980**	21 279
Retained profit		**2 693 000**	2 467 580
Equity attributable to shareholders of the holding company		**3 197 031**	2 929 822
Non-controlling interest		**184 783**	156 405
Total equity		**3 381 814**	3 086 227
Non-current liabilities			
Instalment sale agreements		**15 925**	28 821
Lease liabilities	6	**803 600**	583 103
Employee benefit obligations		**14 779**	14 033
Financial liability at fair value through profit or loss	12	**37 509**	137 674
Deferred taxation		**70 611**	76 573
Borrowings		**355 250**	–
		1 297 674	840 204
Current liabilities			
Trade and other payables	11	**2 023 480**	2 315 131
Short-term portion of Instalment sale agreements		**22 377**	31 036
Short-term portion of lease liabilities	6	**51 364**	54 451
Short-term portion of Employee benefit obligations		**2 288**	2 153
Short-term borrowings		**1 434 064**	1 892 806
Income tax		**1 901**	11 292
		3 535 474	4 306 869
Liabilities directly associated with assets classified as held for sale	10	**–**	56 418
		3 535 474	4 363 287
Total liabilities		**4 833 148**	5 203 491
Total equity and liabilities		**8 214 962**	8 289 718
Total shareholders' equity to Total assets employed* (%)		**39,2%**	35,5%
Net interest bearing debt to Total assets employed* (%)		**20,1%**	22,0%
Net asset value per share (rand)		**45,28**	41,78
Shares issued (number – '000)		**70 611**	70 119
Total number of ordinary shares in issue**		**74 320**	74 320
Treasury shares		**(3 709)**	(4 200)

* *Ratios calculated on average balances.*

** *There was no change in the issued share capital between 30 September 2024 and the dividend declaration date, being 74 319 837 shares.*

Consolidated income statement

for the year ended 30 September

	2024 R'000	2023 R'000
Revenue	**21 734 924**	22 397 058
Cost of sales	**(18 761 387)**	(19 478 711)
Gross profit	**2 973 537**	2 918 347
Operating expenses	**(2 302 168)**	(2 198 575)
Operating profit before interest received	**671 369**	719 772
Interest received	**195 468**	200 345
Operating profit	**866 837**	920 116
Finance costs	**(259 660)**	(279 654)
Finance income	**23 787**	42 088
Share in profit of joint venture	**10 378**	9 271
Profit before tax	**641 342**	691 821
Income tax	**(190 245)**	(211 819)
Profit for the period	**451 097**	480 002
Profit attributable to shareholders of the holding company	**395 316**	426 945
Non-controlling interest	**55 781**	53 057
Earnings per share – basic (cents)	**562,26**	607,45
Earnings per share – diluted (cents)	**562,26**	603,23
Dividend per share (cents)	**180,00**	180,00

Headline earnings reconciliation

for the year ended 30 September

	2024 R'000	2023 R'000
Profit for the period	**451 097**	480 002
Profit attributable to shareholders of the holding company	**395 316**	426 945
Non-controlling interest	**55 781**	53 058
Net profit on disposal of assets	**(500)**	(2 280)
Gross	**(685)**	(3 067)
Tax effect	**185**	787
Goodwill written off	**–**	15 266
Headline earnings	**450 597**	492 989
Profit attributable to shareholders of the holding company	**394 836**	434 580
Non-controlling interest	**55 761**	58 409
Headline earnings per share – basic (cents)	**561,58**	618,31
Headline earnings per share – diluted (cents)	**561,58**	614,02
Weighted average number of shares (number – '000)	**70 308**	70 285
Weighted average number of diluted shares (number – '000)	**70 308**	70 777

Consolidated statement of comprehensive income

for the year ended 30 September

	2024 R'000	2023 R'000
Profit for the year	**451 097**	480 002
Other comprehensive income:		
Cash flow hedges (can be classified to profit or loss)	**(546)**	(1 477)
Gross	**(748)**	(2 023)
Tax	**202**	546
	450 551	478 525
Total comprehensive income attributable to shareholders of the holding company	**394 770**	425 468
Non-controlling interest	**55 781**	53 057

Consolidated statement of changes in equity

for the year ended 30 September

	2024 R'000	2023 R'000
Stated capital	**466 051**	440 963
Gross shares issued	**489 755**	486 191
Treasury shares	**(23 704)**	(45 228)
Other reserves	**37 980**	21 279
Opening balance	**21 278**	15 129
Share-based payments	**17 248**	7 627
Total comprehensive income	**(546)**	(1 477)
Retained profit	**2 693 000**	2 467 580
Opening balance	**2 467 580**	2 224 588
Profit for the period	**395 316**	426 945
Change in ownership	**(3 998)**	(3 157)
Share incentive scheme – shares repurchased	**(36 612)**	(59 888)
Dividends paid	**(129 286)**	(120 908)
Equity attributable to shareholders of the holding company	**3 197 031**	2 929 822
Non-controlling interest	**184 783**	156 405
Opening balance	**156 405**	131 444
Profit for the period	**55 781**	53 057
Change in ownership	**(2 300)**	(2 303)
Dividends paid	**(25 104)**	(25 793)
Capital and reserves	**3 381 814**	3 086 227

Consolidated statement of cash flows

for the year ended 30 September

	2024 R'000	2023 R'000
Cash flow from operating activities	**889 648**	809 850
Net cash profit from operating activities	**848 405**	864 613
Interest received	**217 714**	242 621
Working capital changes	**48 561**	(85 590)
Income tax paid	**(225 032)**	(211 794)
Cash flow from investment activities	**(136 558)**	(164 675)
Purchase of property, plant and equipment	**(153 969)**	(173 135)
Proceeds on disposal of property, plant and equipment	**16 864**	7 734
Repayment received on loans	**547**	726
Cash flow from financing activities	**(725 456)**	(718 733)
Increase in short-term borrowings	**148 959**	3 615
Repayment of long-term borrowings	**(251 875)**	(206 079)
Lease payments	**(61 221)**	(45 805)
Repayment of Instalment sale agreements	**(30 904)**	(26 997)
Repayment of low risk retention	**(57 789)**	–
Treasury shares acquired	**–**	(2 410)
Proceeds on disposal of treasury shares	**21 458**	–
Odd lot offer – shares repurchased	**–**	(10 092)
Share incentive scheme – shares purchased	**(83 833)**	(13 139)
Interest paid	**(255 863)**	(271 125)
Dividends paid	**(154 389)**	(146 701)
Net increase/(decrease) in cash and cash equivalents	**27 634**	(73 558)
Cash and cash equivalents at the beginning of the period	**285 926**	359 484
Cash and cash equivalents at the end of the period	**313 560**	285 926
Comprising of:		
– Bank and cash on hand	**313 560**	285 926

Notes to the summary consolidated financial statements

for the year ended 30 September

1 BASIS OF PRESENTATION AND ACCOUNTING POLICIES

The summary consolidated financial statements for the year ended 30 September 2024 have been prepared in accordance with the requirements of the JSE Limited Listings Requirements and the requirements of the Companies Act of South Africa, Act 71 of 2008, as amended, applicable to summary financial statements. The Listings Requirements require preliminary reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS"), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Pronouncements as issued by the Financial Reporting Standards Council and also, as a minimum, to contain the information required by IAS 34 "Interim Financial Reporting".

This summarised report is extracted from the audited information, but is not itself audited. The annual financial statements for the year were audited by Deloitte & Touche, who expressed an unmodified opinion thereon. The audited annual financial statements and the auditor's report thereon are available for inspection at the company's registered office and on the website, www.kalgroup.co.za. The Group's auditors have not reviewed nor reported on any comments relating to prospects.

The directors take full responsibility for the preparation of the preliminary report and that the financial information has been correctly extracted from the underlying annual financial statements.

The summary consolidated financial statements for the year ended 30 September 2024 were prepared by GC Victor CA(SA), the Group's financial manager under supervision of GW Sim CA(SA) the Group's financial director.

2 ACCOUNTING POLICIES

The accounting policies applied in the preparation of the consolidated financial statements from which the summary consolidated financial statements were derived, are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous annual financial statements.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these summary consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies of estimation uncertainty were the same as those that applied to the Group annual financial statements for the year ended 30 September 2024. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimates

Properties

Properties are depreciated over their useful lives, taking into account their residual values at the end of their useful lives. The residual values and useful lives are estimated and assessed based on industry knowledge and past experience with similar assets, taking into account the location and current condition of the properties. Properties are continuously maintained and kept up to standard. All Property, Plant and Equipment assets, together with Right-of-Use assets, are tested per site annually for impairment indicators. Where impairments indicators are identified, value-in-use calculations are performed.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Estimates (continued)

Expected credit loss allowance on trade receivables

In estimating the expected credit loss allowance on trade receivables, management makes certain estimates and judgements relating to the estimated recovery rate of debtors. This includes an assessment of current and expected future payment profiles and customer specific risk factors such as economic circumstances, geographical location and the value of security held.

Judgements

Inventory provisions for slow-moving and obsolete stock

The Group makes certain judgements relating to the provision of inventory, based on the frequency of movement in different inventory types. This determines the rates applied per age bucket in calculating the inventory provision to be recognised.

Goodwill and indefinite useful life assets

The Group makes certain judgements relating to the impairment testing of goodwill, based on projections and assumed growth rates in income, expenses and terminal growth rates while using a pre-tax discount rate determined by management. These judgements are used to determine if an impairment of goodwill or indefinite useful life assets are applicable.

Given that the retail licences remain valid for as long as the licence holder operates as a going concern, the estimated useful life of the individual retail licences is considered to be indefinite. Refer to note 7.

Extension periods with regards to lease contracts

The Group makes certain judgements relating to the extension periods of leases during the IFRS 16 right-of-use asset and lease liabilities calculations. Where the lessee has the unconditional right to the renewal and it is considered more likely than not that the lease will be extended based on all the available factors, the extension option is taken into account in determining the lease term. Most of the rent paid is for Agrimark stores and based on the history of the relationship with lessors and the group's strategies with the stores, the contracts will be extended. Most of the store leases are renewed based on the fact that the stores are at strategic locations, and most have been there for some time and it will disrupt business if moved to different locations. Where the lease is not beneficial to the group, the extension option will not be applied. The lease term is reassessed if an option is actually exercised (or not exercised) or the group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. As at 30 September 2024 , future cash outflows of R917,1 million (2023: R737,8 million) is not included in the lease liability because it is not reasonably certain that it will be extended.

Margin on direct transactions

The Group makes certain judgements relating to direct sales, were goods purchased by clients are directly delivered to the client by the suppliers of the Group. Only the margin earned on direct sales is recognised as revenue. The Group assess the treatment of these sales and concluded that the Group is acting as an agent, rather than a principal.

4 FAIR VALUE ESTIMATION

Financial instruments measured at fair value, are disclosed by level of the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The only financial instruments that are carried at fair value are derivative financial instruments held for hedging. The fair value is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price (Level 2). The investment in Signafi Capital (Pty) Ltd is a level 3 financial instrument based on the observable market data as these are unlisted shares.

Level 2 hedging derivatives comprise forward purchase and sale contracts and options. The effects of discounting are generally insignificant for Level 2 derivatives.

The fair value of the following financial instruments approximate their carrying amount at the reporting date:

- Trade and other receivables
- Loans
- Trade and other payables
- Short-term borrowings
- Long-term borrowings
- Instalment sale agreements

	2024 R'000	2023 R'000
5 PROPERTY, PLANT AND EQUIPMENT		
Reconciliation of movements in carrying value:		
Carrying value beginning of period	**1 412 006**	1 317 415
Additions	**120 363**	186 556
Land and buildings	**36 075**	44 511
Grain silos	**4 710**	356
Machinery and equipment	**37 813**	59 618
Vehicles	**10 931**	18 722
Office furniture and equipment	**9 363**	18 045
Assets under construction	**21 471**	45 303
Assets held for sale	**5 456**	(5 456)
Disposals	**(16 180)**	(4 667)
Depreciation	**(85 871)**	(81 843)
Carrying value end of period	**1 435 774**	1 412 006
Land and buildings	**936 610**	868 950
Grain silos	**39 089**	38 079
Machinery and equipment	**257 298**	263 818
Vehicles	**56 161**	54 771
Office furniture and equipment	**111 524**	130 021
Assets under construction	**35 092**	56 367
Vehicles include the following amounts where the group has instalment sale agreements:		
Cost	**45 693**	45 948
Accumulated depreciation	**(15 578)**	(14 843)
Carrying value	**30 115**	31 105
Equipment include the following amounts where the group has instalment sale agreements:		
Cost	**107 548**	107 548
Accumulated depreciation	**(23 061)**	(17 684)
Carrying value	**84 487**	89 864

	2024 R'000	2023 R'000
6 RIGHT-OF-USE ASSETS AND LEASE LIABILITY		
Right-of-use assets		
Buildings	**707 605**	514 647
Cost price	**930 373**	799 511
Accumulated depreciation	**(222 768)**	(284 864)
Leasehold Improvements*	**36 026**	33 906
Cost price	**64 428**	56 984
Accumulated depreciation	**(28 403)**	(23 078)
Vehicles	**4 272**	3 667
Cost price	**7 909**	6 701
Accumulated depreciation	**(3 637)**	(3 034)
	747 903	552 220
Reconciliation of movements in carrying value:		
Carrying value at beginning of year	**552 220**	617 701
Additions	**164 503**	7 948
Assets held for sale	**56 453**	(56 453)
Modification of lease contracts	**61 438**	53 692
Depreciation charge of Right-of-use assets	**(86 711)**	(70 668)
Buildings	**(79 549)**	(63 791)
Vehicles	**(1 437)**	(1 395)
Leasehold Improvements*	**(5 725)**	(5 482)
Carrying value at end of year	**747 903**	552 220
Lease liabilities		
Current	**(51 364)**	(54 451)
Non-current	**(803 600)**	(583 103)
	(854 964)	(637 554)

* *Leasehold improvements were split out in the current and prior year to enhance disclosure.*

	2024 R'000	2023 R'000
Amounts recognised in the statement of profit and loss		
Interest expense (included in finance costs)	**70 287**	50 347
Expense relating to short-term leases and low value assets (included in administrative expenses)	**25 324**	21 256
Buildings – variable lease payments (included in other operating expenses)	**152 737**	146 701
Cashflow expense for leases and low value and short term leases	**309 570**	264 108

The Group's leasing activities and how these are accounted for

The Group leases various retail stores, storage sites and forklifts. Rental contracts are typically made for fixed periods of 3 to 12 years but may have extension options as described below.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

During the year the bulk of the modifications were at Agrimark Operations Ltd which lead to a decrease in right-of-use asset of R13,5 million as a result of change in assessment of lease term. Modifications at TFC Operations (Pty) Ltd ("TFC") lead to an increase in right-of-use asset of R74,7 million as a result of the change in index effective 1 August 2024.

	2024 R'000	2023 R'000
7 INTANGIBLE ASSETS		
Goodwill	**1 380 400**	1 344 746
Fuel retail licences	**193 738**	193 738
Tradename	**13 625**	14 015
Cost	**15 596**	15 596
Accumulated amortisation	**(1 971)**	(1 581)
Customer relations	**1 129**	1 744
Cost	**3 077**	8 077
Accumulated amortisation	**(1 948)**	(6 333)
Internally generated computer software	**44 088**	6 403
Cost	**50 704**	8 560
Accumulated amortisation	**(6 616)**	(2 157)
	1 632 980	1 560 646
Reconciliation of movements in carrying value:		
Goodwill	**1 380 400**	1 344 746
Carrying value at beginning of year	**1 344 746**	1 399 631
Additions through business combinations	**810**	(4 775)
Assets classified as held for sale	**34 844**	(34 844)
Impairment	**–**	(15 266)
Fuel retail licence	**193 738**	193 738
Carrying value at beginning of year	**193 738**	193 738
Internally generated computer software	**44 088**	6 403
Carrying value at beginning of year	**6 403**	7 074
Additions	**40 995**	1 303
Assets under construction	**1 150**	–
Amortisation recognised in profit and loss	**(4 460)**	(1 974)
Tradename	**13 625**	14 015
Carrying value at beginning of year	**14 015**	14 405
Amortisation recognised in profit and loss	**(390)**	(390)
Customer relations	**1 129**	1 744
Carrying value at beginning of year	**1 744**	3 359
Amortisation recognised in profit and loss	**(615)**	(1 615)
	1 632 980	1 560 646

7 INTANGIBLE ASSETS (CONTINUED)

In order to assess the goodwill and retail fuel licences that originated from business acquisitions in the Agrimark and Retail Fuel & Convenience segments, a value in use calculation was done per Cash Generating Unit ("CGU"). More information with regards to each segment is disclosed below.

The Fuel Company strategy is cluster based, focusing on increasing scale in identified geographic locations and grouped as such based on geographic location, the nature and how the clusters are managed and monitored. The goodwill is monitored for impairment based on these clusters. The fuel clusters are included in The Fuel Company segment. The retail fuel licences is included in the Highway cluster which amounts to R193,7 million (2023: R193,7 million). The most significant clusters to which goodwill has been allocated include the clusters listed below:

	2024 R'000	2023 R'000
Carrying value:		
Eastern Cape cluster	**45 469**	45 469
Northern Cape cluster	**127 108**	127 108
Northern Province cluster	**193 177**	158 333
Western Province cluster	**38 145**	38 145
Highway cluster	**950 839**	950 029

The following table sets out the key assumptions applied in determining the recoverable amount of each CGU used per cluster:

	2024 %	2023 %
Pre-tax discount rate	**12,0 – 13,0**	13,0 – 14,0
Revenue growth rate*	**9,0 – 17,0**	9,0 – 12,0
Expenses growth rate	**4,8 – 8,0**	5,0 – 8,0
Terminal growth rate	**5,0**	6,0

* *The revenue growth rate range of 9% to 17% is mostly applicable to the Northern Cape cluster. For the other clusters the revenue growth rate range is 9% – 11%.*

The approved budget for the next financial year was used as base data after which the relevant inputs were extrapolated for the next 4 years with the long-term growth rate being applied in the terminal year. The growth rate in revenue is more or less the same as the prior year based on sustainable strategic plans in place to focus on the growth of the sites in the clusters. The expenses were mostly grown with more or less the same range as the prior year. The pre-tax discount rate is higher as a result of a lower cost of capital based on a lower cost of interest-bearing debt.

7 INTANGIBLE ASSETS (CONTINUED)

Management has performed sensitivity analyses on the key assumptions in the impairment model using possible changes in these key assumptions including pre-tax discount rates, gross profit percentage, expenses growth rate and terminal growth rate used. Listed below is the increase/decrease in assumptions applied per year in the forecast, required to deplete the headroom after which a portion of goodwill will start to be impaired:

	PRE-TAX DISCOUNT RATE	
	2024	2023
Eastern Cape cluster	**+6,7%**	+6,4%
Northern Cape cluster	**+11,1%**	+10,0%
Northern Province cluster	**+7,3%**	+4,8%
Western Province cluster	**+50,8%**	+22,2%
Highway sites cluster	**+9%**	+21,9%

	GROSS PROFIT PERCENTAGE	
	2024	2023
Eastern Cape cluster	**-4,2%**	-5,0%
Northern Cape cluster	**-7,8%**	-9,3%
Northern Province cluster	**-6,0%**	-5,1%
Western Province cluster	**-9,2%**	-7,8%
Highway sites cluster	**-1,0%**	-2,3%

	EXPENSES GROWTH RATE	
	2024	2023
Eastern Cape cluster	**+4,2%**	+5,0%
Northern Cape cluster	**+7,8%**	+9,5%
Northern Province cluster	**+6,0%**	+5,3%
Western Province cluster	**+10,2%**	+8,8%
Highway sites cluster	**+3,2%**	+7,8%

Even if the terminal growth rate is zero, no impairment is identified. There is sufficient headroom and no risk of impairment noted.

The Agrimark acquisition strategy focuses on increasing scale in identified geographic locations and diversifying the business. The Forge and Farmsave branded branches is included in the Agrimark segment for the group. The goodwill raised through the business combination with Partridge Building Supplies (Pty) Ltd ("PBS") in previous years was tested for impairment using a value in use calculation.

	2024 R'000	2023 R'000
Carrying value:		
Goodwill – business combination relating to PBS	**22 033**	22 033
Goodwill – business combination relating to Farmsave	**1 186**	1 186

7 INTANGIBLE ASSETS (CONTINUED)

The following table sets out the key assumptions applied in determining the recoverable amount of goodwill raised:

	2024 %	2023 %
Goodwill – business combination relating to PBS and Farmsave		
Pre-tax discount rate	**12,0 – 13,0**	13,0 – 14,0
Revenue growth rate	**10,0 – 12,0**	10,0 – 12,0
Expenses growth rate	**8,0**	7,0
Terminal growth rate	**5,0**	6,0

The approved budget for the next financial year was used as base data after which the relevant inputs were extrapolated for the next 4 years with the long-term growth rate being applied in the terminal year. The pre-tax discount rate is in line with the rest of the group's pre-tax discount rate. Growth in revenue is more or less in line with prior years. Expenses increased in line with inflation. No impairment was noted.

In relation to PBS, management performed a sensitivity analysis on goodwill in relation to the key assumptions in the impairment model, considering possible changes in these key assumptions (including pre-tax discount rate, growth in gross profit, expenses and terminal value).

	PRE-TAX DISCOUNT RATE	
	2024	2023
Goodwill – business combination relating to PBS	**+7,4%**	+2,5%

	GROSS PROFIT PERCENTAGE	
	2024	2023
Goodwill – business combination relating to PBS	**-5,2%**	-5,5%

	EXPENSES GROWTH RATE	
	2024	2023
Goodwill – business combination relating to PBS	**+7,1%**	+4,6%

Even if the terminal growth rate is zero, no impairment is identified. Thus, there is sufficient headroom and no risk of impairment.

The remaining CGU in the Agrimark segment was also assessed for goodwill impairment and sufficient headroom noted. Carrying amount of R2,4 million (2023: R2,4 million).

	2024 R'000	2023 R'000
8 INVESTMENT IN JOINT VENTURE		
Agrimark Operations (Namibia) (Pty) Ltd – unlisted		
Beginning of the year	**50 648**	41 377
Share in total comprehensive income/(loss)	**10 378**	9 271
	61 026	50 648

	2024 R'000	2023 R'000
9 TRADE AND OTHER RECEIVABLES		
Trade receivables	**2 441 784**	2 563 130
Expected credit loss allowance	**(56 653)**	(53 261)
	2 385 131	2 509 868
VAT	**32 866**	41 212
Other debtors	**68 738**	65 612
	2 486 735	2 616 693
Trade and other receivables – current	**2 461 010**	2 580 828
Trade and other receivables – non-current	**25 725**	35 865
	2 486 735	2 616 693

	2024 R'000	2023 R'000

10 ASSETS HELD FOR SALE

Assets and liabilities of disposal groups as held for sale		
Intangible assets	–	34 844
Property, plant and equipment	–	5 456
Right-of-use assets	–	56 453
Lease liabilities	–	(56 418)
Inventory	–	11 628
Deferred tax	–	825
Asset held for sale	–	52 788
Assets classified as held for sale	–	109 206
Liabilities directly associated with assets classified as held for sale	–	(56 418)
Total	–	52 788

The Board took a decision to dispose of four TFC Operations sites during the previous financial year after consideration of offers received for said sites from various third parties. At the time of the decision, the group met the criteria of IFRS 5: Non-current Assets Held for Sale and Discontinued Operations and therefore classified these sites as held for sale at that date. These sites were not recognised as discontinued operations in accordance with this standard as they neither represented a separate major line of business or geographical area of operations. Despite significant progress having been made with regard to the disposal of these sites, challenging market related circumstances beyond the control of TFC Operations have resulted in protracted negotiations with the buyers of these respective sites resulting the transactions not being concluded at 30 September 2024. Processes are continuing to dispose of these sites. Accordingly, the sale of these sites is now not considered to be highly probable and have been reclassified out of assets held for sale at 30 September 2024. The effect of the decision to reclassify these sites is an increase of depreciation of R0.8 million in the current year.

11 TRADE AND OTHER PAYABLES

	2024 R'000	2023 R'000
Trade creditors	**1 767 191**	2 075 530
Employee accruals	**90 804**	96 367
Other creditors	**165 485**	143 234
	2 023 480	2 315 131

		2024 R'000	2023 R'000
12	**FINANCIAL LIABILITY AT FAIR VALUE THROUGH PROFIT AND LOSS**		
	Low risk retention payment – contingent consideration		
	Balance beginning of year	**90 925**	82 396
	Repayment	**(57 789)**	–
	Interest	**4 373**	8 529
		37 509	90 925
	Share Incentive Scheme – Future Forwards		
	Balance beginning of year	**46 749**	–
	Purchase	**37 083**	59 888
	Repayment	**(83 833)**	(13 139)
		–	46 749
		37 509	137 674

The low risk retention payment resulted with the purchase of the subsidiary PEG Retail Holdings (Pty) Ltd in prior years. A contingent consideration amount has been allocated in respect of each site where a required 5 year renewal of the lease agreement should be obtained. Within five business days of receipt by TFC of the signed renewal agreement, TFC will make the relevant payments. The low risk retention payment will be increased by a factor equal to prime less 1% calculated from effective date to the date of actual payment. Management is of the opinion that based on history and the current relationships with the Oil companies, the probability of the lease agreements to be renewed and the low risk retention payment to be made in full is highly probable. This liability is expected to be settled before 31 December 2025. On 3 November 2023 a partial payment of R57,8 million was made.

During the prior year the Group entered into an arrangement with a counter party to buy KAL shares in the market and give them directly to the participants of the share incentive scheme ("SIS") when a vesting happens. This financial liability at fair value through profit and loss in the prior year related to all the future forwards required for the SIS.

13 INFORMATION ABOUT OPERATING SEGMENTS

Management has determined the operating segments based on the reports reviewed by the Executive Committee (whom are considered to be the Chief Operating Decision Maker (CODM)) that are used to make strategic decisions as well as the fact that they share similar economic characteristics. The Executive Committee considers the business from a divisional perspective. The performance of the following divisions are separately considered: Agrimark, The Fuel Company, Agrimark Grain as well as Manufacturing. The performance of the operating segments are assessed based on a measure of revenue and net profit before taxation.

Agrimark provides a complete range of production inputs, mechanisation equipment and services, and other goods to agricultural producers as well as the general public.

The Fuel Company provides a full retail fuel offering to a diverse range of customers and includes convenience store and quick service restaurant outlets of TFC Operations (Pty) Ltd ("TFC") and PEG Retail Holdings (Pty) Ltd ("PEG"). The nature of products, services, type of customers and regulatory environment of both TFC and PEG have similar economic characteristics and are thus aggregated into one reporting segment.

Agrimark Grain includes the sale of grain products and provides a complete range of services including storage and handling of grain products.

Manufacturing, manufactures and sells dripper pipe, other irrigation equipment, food grade plastic bulk bins for the agricultural market and distributes other irrigation parts.

Corporate includes all assets and liabilities not specifically used by the other identified segments to generate income or expenses.

	SEGMENT REVENUE		SEGMENT PROFIT BEFORE TAX	
	2024 R'000	2023 R'000	**2024 R'000**	2023 R'000
Segment revenue and results				
Agrimark	**7 773 720**	8 183 134	**430 026**	481 277
The Fuel Company	**12 694 576**	12 892 808	**204 887**	201 348
Agrimark Grain	**1 050 248**	1 123 014	**62 916**	62 300
Manufacturing	**214 688**	198 102	**(10 748)**	3 074
Total for reportable segments	**21 733 231**	22 397 058	**687 080**	747 999
Corporate	**–**	–	**(46 427)**	(56 178)
Total external revenue	**21 733 231**	22 397 058		
Profit before tax			**640 653**	691 821
Income tax			**(190 245)**	(211 819)
Profit after tax			**450 408**	480 002

Included in the Agrimark segment's results is a share in profit of joint venture of R10,4 million (2023: profit of R9,3 million). Refer note 8.

13 INFORMATION ABOUT OPERATING SEGMENTS (CONTINUED)

	SEGMENT ASSETS		SEGMENT LIABILITIES	
	2024 R'000	2023 R'000	**2024 R'000**	2023 R'000
Segment assets and liabilities				
Agrimark	**4 505 968**	4 899 293	**2 131 217**	2 581 573
The Fuel Company	**3 048 771**	2 794 079	**2 465 764**	2 216 057
Agrimark Grain	**89 094**	89 549	**26 315**	26 791
Manufacturing	**338 591**	320 563	**393 791**	257 462
Total for reportable segments	**7 982 424**	8 103 484	**5 017 086**	5 081 883
Corporate	**181 223**	153 195	**(201 043)**	98 924
Deferred taxation	**51 314**	33 039	**17 104**	22 684
	8 214 961	8 289 718	**4 833 147**	5 203 491

Included in the Agrimark segment's assets is an Investment in Joint Venture of R61,0 million (2023: R50,6 million). Refer note 8.

	2024 R'000	2023 R'000
14 CAPITAL COMMITMENTS		
Contracted	**85 230**	102 836

These commitments have been approved by the Board of directors. The commitments will be financed by own and borrowed funds. The Group remains focused on disciplined cash management, specifically in the areas of working capital, capital expenditure and cost control.

	2024 R'000	2023 R'000
15 RECURRING HEADLINE EARNINGS		
Headline earnings	**450 597**	492 989
Attributable to equity holders of the holding company	**394 836**	434 579
Non-controlling interest	**55 761**	58 409
Non-recurring items	**–**	970
Non-recurring expenses	**–**	970
Recurring headline earnings	**450 597**	493 958
Attributable to equity holders of the holding company	**394 836**	435 549
Non-controlling interest	**55 761**	58 409
Recurring headline earnings per share (cents)	**561,58**	619,69

KAL Group considers recurring headline earnings to be a key benchmark to measure performance and to allow for meaningful year-on-year comparison.

These adjustments relate to non-recurring expenses, which consists predominantly of costs associated with corporate transactions (legal and external consultation costs).

16 EVENTS AFTER REPORTING DATE

A gross final dividend of 126,00 cents per share (2023: 130,00 cents) has been approved and declared by the Board from income reserves, for the year ended 30 September 2024.

The directors are not aware of any further matters or circumstances that occurred since the end of the financial year up to the date of this report that have not been dealt with in the report or financial statements and which may have a significant influence on the activities of the group or the results of those activities.

Annexure B

Shareholder information

Spread	Number of shareholders	Number of shares	Percentage held
1 SHAREHOLDERS' PROFILE			
1 to 1 000 shares	**7 581**	**1 736 054**	**2,3%**
1 001 to 10 000 shares	**2 651**	**8 534 651**	**11,5%**
10 001 to 100 000 shares	**520**	**14 180 747**	**19,1%**
100 001 to 1 000 000 shares	**77**	**21 701 805**	**29,2%**
More than 1 000 000 shares	**14**	**28 166 580**	**37,9%**
Total	**10 843**	**74 319 837**	**100,0%**
Type of shareholder			
Public	**10 828**	**69 152 631**	**93,0%**
Non Public	**15**	**5 167 206**	**7,0%**
Directors and associates of the company	**13**	**1 340 088**	**1,8%**
Empowerment and Transformation Investments (Pty) Ltd	**1**	**3 708 514**	**5,0%**
The Fruit Workers Development Trust	**1**	**118 604**	**0,2%**
	10 843	**74 319 837**	**100,0%**

Spread	Number of shares	Percentage held
Major beneficial shareholders The following shareholders have a holding equal to or greater than 5% of the issued shares of the company.		
JF Mouton Familietrust	**5 321 577**	**7,2%**
Investec	**4 840 654**	**6,5%**
PSG Financial Services	**4 757 643**	**6,4%**
Empowerment & Transformation Investments (Pty) Ltd	**3 708 514**	**5,0%**
	18 628 388	**25,1%**

	Number	
	2024	2023
2 SHAREHOLDING OF DIRECTORS (DIRECT AND INDIRECT)		
BS Du Toit#	–	29 729
JH le Roux	**24 284**	24 284
EA Messina	**30 000**	30 000
CA Otto	**761 456**	756 056
GW Sim	**116 642**	82 745
AJ Mouton*	**40 033**	–
GM Steyn	**41 905**	41 905
S Walsh	**325 768**	245 505
Total	**1 340 088**	1 210 224
Percentage of issued shares	**1,8%**	1,6%

Resigned during the year.

* *Appointed during the year.*

There has been no change in the directors' interest from the financial year-end of the Company on 30 September 2024 up until the approval of the financial statements.

	Number	
	2024	2023
3 STATED CAPITAL OF THE COMPANY AT 30 SEPTEMBER 2024		
Authorised:		
Ordinary shares with no par value	**1 000 000 000**	1 000 000 000
Issued:		
Ordinary shares with no par value	**74 319 837**	74 319 837
Treasury shares	**(3 708 514)**	(4 200 379)
	70 611 323	70 119 458
Stated capital:		
Total value of ordinary shares	**489 754 982**	486 191 905
Treasury share value	**(23 703 523)**	(45 228 029)
Total stated capital	**466 051 459**	440 963 876

4 MATERIAL CHANGES

There has been no material changes in the financial or trading position of the company and its subsidiaries subsequent to the company's financial year-end, being 30 September 2024, and the date of this notice of AGM.

Annexure C

Remuneration report

PART 1: CHAIRMAN'S REPORT

Our remuneration philosophy complies with the principles and recommended practices of King IV and other legislative requirements.

The remuneration report provides stakeholders with an overview of our Group's remuneration philosophy and key remuneration policies. It also outlines how we implemented these policies during the 2024 financial year ("FY24"). The report focuses on the payments made to non-executive directors and Executive committee members during FY24.

The Group has delivered a credible trading performance, notwithstanding the challenging operating environment, which was characterised by suppressed economic conditions over the period, with volatile inflation, high interest rates, high fuel prices, and dwindling consumer and business confidence.

The board approved the Group's FY30 strategy during FY24, which was supported by the alignment of the Organisational structure and the executive top management structure on the Group and subsidiary Company levels. The labour market is characterised by continuous regulatory changes, different employee expectations, and challenges regarding technical skills, which makes attracting, engaging, and retaining key talent essential but also challenging.

Leveraging our business culture and employee diversity is paramount. Therefore, we will continue to invest in our employee value proposition ("EVP") to our people and in skills and talent development to attract, develop and retain our people.

The Remuneration committee ("Remcom") remains confident that the policy is business-informed, aligns with the Group's strategic objectives, and supports the Group's long-term business strategy.

We engage our stakeholders by presenting the remuneration policy and implementation report at the AGM for non-binding advisory votes. The results of the non-binding advisory votes at the AGM for the past three years are illustrated below:

2024
The policy and the implementation report received the support of **88%** and **91%** of the votes cast on such advisory votes

2023
The policy and the implementation report received the support of 83% and 88,2% of the votes cast on such advisory votes

2022
The policy and the implementation report received the support of 97,3% and 99,9% of the votes cast on such advisory votes

We continuously monitor any legislation change that might impact our Human Capital, policy, and practices. The Remcom will continue to review the policy and pay practices to ensure they remain relevant, fair, and equitable.

I want to thank the shareholders for their vote of confidence in our remuneration report, strategy, and policy. I also want to thank my fellow committee members for their contributions.

PART 2: REMUNERATION COMMITTEE

Remuneration governance

The Remcom is a Board committee with the primary responsibility of overseeing the remuneration and incentives of Executive committee members and key management. The Board annually appoints committee members and an independent non-executive director as Chairman. Members consist of at least three non-executive directors, the majority of whom are independent. The composition of the Remcom is illustrated below.

Attendee	Role	Capacity	Meeting attendance
CA Otto	Chairman	Independent non-executive director	2
GM Steyn	Member	Independent non-executive director	2
D du Toit	Member	Independent non-executive director	2

The Remcom has two official meetings annually in February and May. A special meeting can be scheduled virtually or in person at any time when required. Furthermore, any decision the Remcom requires can be a round-robin decision by the committee members with proper written motivation.

The following Executive committee members are invitees to the Remcom.

> S Walsh – Chief Executive Officer ("CEO")
> GW Sim – Director Finance
> DC Gempies – Director Human Resources

The level of accountability for governing the policy and implementation thereof is illustrated below:

Governance framework	
Board	The Board is ultimately responsible for ensuring compliance with remuneration principles and limiting risk.
Remcom	In line with its role and responsibilities, the Remcom monitors performance and determines appropriate remuneration policies and guidelines for different groups (subject to Board approval).
Executive team	The executive team is responsible for compliance within areas of responsibility and evaluating recommendations to change policies and practices.
Director: Human Resources (subsidiary – Agrimark Operations Limited)	The Director: Human Resources manages the policy's day-to-day application. He also recommends changes to policies and practices to the Executive committee.

Remcom functions and responsibilities

- Determines the CEO's remuneration
- Determines Executive committee members' remuneration as recommended by the CEO
- Monitors the Group, executive, regional and senior managers within P3 to P5 remuneration, as recommended by the CEO
- Recommend the non-executive directors' fees to the Board for final approval at the AGM
- Ensures the remuneration philosophy and principles aligns with the Group's business strategy
- Ensures the remuneration policy and pay practices are fair and equitable
- Ensures performance-based incentive schemes and performance criteria are developed and implemented
- Approves the annual average increase for employees remuneration, as recommended by Exco
- Reviewing and monitoring talent management at executive and senior management level

Activities of the Remcom

During the year, the Remcom activities included the following:

- Approving annual increases for FY24
- Approving budgeted annual increases mandate for FY25
- Approving non-executive directors' fees for final approval at AGM
- Approving the payment of STIs for FY24 based on the Group performance targets being achieved
- Approving the request for the application of the Retention Bonus Framework
- Approving the new allocation and vesting in terms of the LTIP scheme
- Approving the amendment of the STI Framework to align with the Group Organisational Structure
- Monitoring the performance bonus payment in line with the Recognition and Reward Schemes guidelines
- Monitoring the LTIP scheme application with respect to the minimum shareholding requirement
- Continue to monitor the Group's Human Capital strategies, which include the effectiveness of talent value management
- Noted the Salary TGP benchmark for positions between P3 to P10
- Noted Fair and Equitable remuneration practices through the salary TGP gaps between CEO and minimum remuneration paid and TGP gaps based on gender, race within P3 to P10 level positions
- Noted occupational level alignment to the organisational structure
- Noted the KAL retirement fund and medical aid update report
- Noted the employment equity report FY23 and plan for FY24 period
- Noted the annual training report FY24 and workskills plan for FY25
- Noted the Human Capital ("HC") dashboard

Future focus Areas FY25

Ensure that the remuneration policy and philosophy remain aligned with the KAL Group business strategy while supporting the subsidiary companies.

Ensure that the remuneration policy and practices are fair and equitable, supporting key human capital imperatives, including talent value management ("TVM") and employee value proposition ("EVP").

PART 3: OVERVIEW OF THE REMUNERATION POLICY

Remuneration philosophy

Our remuneration philosophy entrenches an accelerated performance culture where excellence is rewarded and mediocrity is unacceptable. This is shown at every level of the Group through our performance management approach, recognition and reward systems, and total guaranteed pay ("TGP") management.

We ensure remuneration is appropriately set against multiple factors. These include the complexity of functions, the scope of accountability, market practice and competitiveness, aligning risks and rewards, and the Group's and its shareholders' long-term objectives. We are committed to the principle of equitable remuneration. However, we acknowledge that some jobs with similar grades will earn different TGPs determined by market factors and justified by, for example, a shortage of skills and performance-based increases.

Our remuneration framework, underpinned by our philosophy, meets the following requirements:

> Enables KAL Group's long-term sustainable success by linking rewards to achieving Group strategy and creating shareholder value
> Attracts and retains the required skills base
> Links remuneration to performance measures
> Achieves a balance between individual, team, and business performance
> Offers employees a competitive and market-aligned remuneration package with fixed salaries representing a significant remuneration component

Group-wide remuneration approach and the wage gap

KAL Group is committed to ensuring fair, equitable and reasonable remuneration to the Group and its employees. We strive to be consistent, offering remuneration packages that will enable us to attract and retain the best-fit talent in our market.

To ensure a fair and responsible remuneration strategy, the Remcom will focus on:

> Ensuring the policy is competitive, best suited to KAL Group's business model, guided by best practice and compliant with regulatory requirements.
> Ensuring good governance principles are applied to remuneration and there are no income disparities based on gender, race, or other unacceptable discrimination.
> Annually ensuring remuneration meets employees' prescribed minimum pay rate, including non-permanent employees within various bargaining councils and/or sectoral determinations. Overall, our conditions of service, including remuneration, are better than the respective bargaining council and/or applicable sectoral determination.
> Ensuring there is no unfair discrimination, the fairness of total reward practices is continually monitored, and appropriate corrective action is taken, where necessary.
> Ensuring remuneration practices respect the equal work for equal pay principle.

The Group continuously monitors and benchmarks the TGP for all management-level positions below the executive team

The Remcom utilised the services of an independent external remuneration specialist for benchmarking in respect of:

- Conducting a market research benchmark for a comparative peer group of companies with respect to the Chief Executive Officer ("CEO") and Executive Director Finance benchmarking of the TGP, STI and LTIP scheme to determine whether or not the total reward is market related.
- Conducting a market benchmark on the fees paid to non-executive directors to determine whether it is market-related.
- In addition to the above, the Group utilised external salary market research based on TGP and total reward for job-specific benchmarks for other Executive committee members and other positions within the Group in determining whether the remuneration is market-related and fair. The total reward benchmark is conducted every second year and/or as requested by the Remcom.

The TGP Pay Scale Framework, based on occupational levels which align with the new organisational structure per job family cluster, refers to:

- Job family clusters

Finance	Retail	Corporate Affairs	Petroleum
Human Resources	Manufacturing	Supply Chain	

- Employment Equity Occupational Levels

Top management level P1+ to P2	**Skilled level** P8 to P10
Senior management level P3 to P5	**Semi-skilled level** P11 to P14
Professionally qualified level P6 to P7	**Unskilled level** P15 to P18

The Group applies performance-based pay principles for all management-level positions, including the executive team

> Performance-based remuneration

Performance-based remuneration motivates, rewards, and drives the right behaviour and performance according to set expectations for the employee, reflecting specific requirements for performance at the Group, business unit and individual level.

The performance-based pay principle, based on the individual employee's performance rating using a three-scale performance rating, is used to determine the annual increase % of employees.

Group and business segment growth and returns targets are used to determine:

- the qualifying level payable on STI
- the qualifying level on LTIP, as per the pre-determined guidelines.

The digital performance management system assesses the performance levels for each employee within the Peromnes band P1 to P10 range. For P11 to P18, performance management is applied using the criteria set in G4G and job-specific goals.

> Annual salary review

The annual review is effective every year from 1 February for employees within P1 to P10 who are referred to as non-bargaining council employees. The exception to the increment date of 1 February depends on the applicable Bargaining Council ("BC") or Sectoral Determination ("SD") agreements as Gazetted by the Minister of Labour, for employees P11 to P18 who fall under the auspices of the respective BC/SD.

Remuneration is reviewed annually and is based on the following conditions:

- Remuneration increases only occur if the Group is in a financial position to afford it
- Individual remuneration increases occur strictly in accordance with individual work performance
- Employees who have not worked a full year may receive a pro rata remuneration increase
- No remuneration increase is guaranteed

The Remcom will approve and ratify the annual increase for bargaining councils and sectoral determinations.

Components of remuneration and pay mix

The remuneration framework for employees is as follows:

Total Guaranteed pay		Variable pay	
Basic pay	**Benefits**	**Incentives**	**Allowances**
Cash salary	Travel allowance, medical aid, cellphone allowance, annual bonus, and retirement scheme	Recognition and praise, performance bonus, marketer's commission, STI and LTIP schemes based on individual and company performance.	Monthly allowances are not limited to those prescribed by the bargaining council and sectoral determination agreements.

Recognition and reward schemes

The revised recognition and reward schemes to recognise employee's performance and living our values are illustrated below:

Framework of recognition and reward schemes

Element	Participants	Performance period and measures	Operation and delivery
Go for Gold	Employees between P10 and P18 and employees within specialised supporting roles in P8 to P9 that are not responsible for a profit centre.	Based on monthly and/or quarterly performance by employees.	Paid monthly and quarterly to winning employees per category based on performance criteria set by the business.
Sales Commission	Marketers and technical sales representatives.	Based on monthly or yearly pre-determined performance targets.	Paid monthly or yearly based on pre-determined performance criteria.

Framework of recognition and reward schemes

Element	Participants	Performance period and measures	Operation and delivery
Performance Bonus	Shared service managers within P6 to P9, branch managers within P6 to P9, management accountants' operation controllers, and junior branch managers.	The performance targets are reviewed annually with quarterly and/or annual performance measures.	Paid quarterly and/or annually based on specific performance targets.
STI Bonus	CEOs, Executive committee members, Managing Directors ("MDs") of subsidiaries, Group, executive, regional and senior managers within P1 to P5.	Performance is evaluated annually against growth in recurring headline earnings per share ("RHEPS").	Paid in December based on specific performance targets. All bonuses are self-funded based on financial targets.
LTIP share scheme	CEO, Financial Director, and other Executive committee members.	Performance is evaluated annually against the vesting conditions.	Vesting in tranches of 25% each on the later of: > the 2nd, 3rd, 4th, and 5th anniversary of the date of award; and > to the extent applicable the date on which the Remcom determines the performance condition(s) has been met; and > to the extent applicable, any other conditions imposed have been satisfied.

> Go for Gold programme ("G4G")

The Group is committed to recognition and praise at all levels of the business. The G4G recognition and praise programme is a platform to acknowledge star performers, motivate discretionary effort and deliver ongoing business results. It is about bringing out the best in each employee and making them feel appreciated for a job well done. It celebrates the successes in our workplace and motivates employees to continue to go the extra mile.

The participation on goal rate is above 70%. According to our META framework, this is regarded as acceleration.

Employees are nominated by management according to four categories. The successes are celebrated with each individual and team winner, including G4G prizes.

- **Employee Champion – META (employee):** This category recognises employees who excel and go beyond the call of duty
- **CARE Ambassador (employee):** This category embodies the CARE values evident in employees who positively influence others
- **Community Ambassador (employee):** This category recognises an employee who is making a noteworthy contribution other then financial assistance to their local community
- **Operations Excellence (team):** This category recognises employees for adding value and affecting or contributing to the business's overall bottom line
- **Accelerating Performance (team):** This category recognises employees for adding value to the business (most improved)

Individual category winners for Employee Champion and CARE Ambassador are recognised monthly, quarterly and annually within the different business divisions.

Team category winners for Team Excellence and Accelerating Performance are recognised quarterly and annually per division.

The overall Group winner per category is recognised annually.

> Sales commissions

The sales commission incentivises marketers and technical sales representatives to drive market share growth in the various categories. The sales commission framework is reviewed annually and communicated to the qualifying employees. Eligibility for a sales commission is based on achieving predetermined performance targets on a scaling principle.

Commission earners do not qualify for STIs, performance bonuses, or the recognition and praise programme, and it does not form part of the standardised conditions of service.

The sales commission framework is not regarded as a condition of service.

> Performance bonus

Performance bonuses motivate and recognise the business unit's performance against pre-determined targets. The respective business unit and junior managers' valuable contribution to the business unit achieving the performance targets is recognised. They will be rewarded appropriately according to the scheme's rules.

Performance bonuses reward short-term performance (based on pre-determined targets per operating unit, region and/or division). The different divisions within the Group have different key performance indicators and targets, and their specific environments are impacted to a larger or lesser extent by specific events.

An operating unit's performance bonus pay-out will be based on a fixed cash amount paid quarterly and/or annually (based on achieving pre-determined sales performance targets) and a percentage of monthly TGP paid annually (based on achieving pre-determined performance bonus targets ("PBTs")).

Shared service managers qualify for a performance bonus if the Group achieves pre-determined PBT growth.

> Pay mix

The total remuneration consists of three elements: Total Guaranteed Pay ("TGP"), short-term incentive ("STI") and long-term incentive plan ("LTIP"), where applicable, for management-level positions.

The approach adopted is for TGP to be at a moderate on-target level, STI at a moderate to aggressive on-target level, and LTIP at an aggressive on-target level.

> Total Guaranteed Pay ("TGP")

The Group uses a guaranteed remuneration approach comprising a cash salary plus cash and non-cash benefits. The TGP is based on job-specific positions and is positioned at the 100th percentile of the market, ranging between 75% and 125% of the market's 100th percentile. The TGP is fair, equitable and market-competitive for job-specific positions.

The range of TGP payable varies for job-specific positions within the different occupational levels, depending on whether it is key critical roles, pre-determined talent, and other factors.

The non-cash benefits include:

- KAL Pension Fund or a fund from a bargaining council for which the Group does not have an exemption
- Spouse cover
- Funeral cover
- Medical aid, where membership is compulsory for job grades P1 to P9 in managerial positions
- Health insurance
- Gap cover
- Cell phone allowance
- Travel allowance within the structure of TGP depends on the requirement of the position and is in line with SARS guidelines.

> Short-term incentives ("STI")

STI earning potential is moderate to high compared to the market. The STI is designed to motivate senior employees to deliver Group performance improvements.

Participants of the STI are restricted to the Executive committee members of the company, the managing director of subsidiaries and the Group, and executive and regional managers between the Peromnes broadband (P1 to P5).

The KAL Group target is based on the average 12-month September consumer price index ("CPI") percentage plus a growth percentage target with an increment interval of 1,25%. The maximum STI is capped at CPI + 12,5% for the financial year.

An example of the growth target for YOY performance is illustrated below:

YOY performance growth target – calculation

CPI (example)	**5,00%**	**(Estimated average 12-month annual inflation in September)**						**CAP**
CPI + % growth	0,00%	5,00%	6,25%	7,50%	8,75%	10,00%	11,25%	12,50%
Target	5,00%	10,00%	11,25%	12,50%	13,75%	15,00%	16,25%	17,50%

STIs are paid in cash after concluding the audited annual financial statements. STIs are self-funding.

> Long-term incentive plan ("LTIP")

The LTIP is a Nil Cost Option ("NCO") scheme which mitigates the risk participants previously had with share price changes due to market volatility.

The purpose of the LTIP is to:

- Recognise the contributions made by the participants to the company's growth by ensuring a close link between pay and performance
- Attract and retain suitably skilled and competent talent in the Group
- Align the interests of the participants and the interests of shareholders
- Motivate participants to remain in the company's employment and execute and enhance the Group's future performance and growth strategies
- Give participants a minimum shareholding exposure

The LTIP operates as follows:

- Participation is limited to the executive directors and other Executive committee members, including a subsidiary's managing director at the discretion of Remcom
- Participants will be awarded NCOs, which are conditional rights to receive company shares on a future date after fulfilling the performance and other conditions to the extent applicable
- Vesting is not dependent on the share price growth
- Each year, participants are awarded NCOs based on a multiple of the participant's annual TGP
- The NCOs vest in tranches of 25% each on the latter of:
  - the 2nd, 3rd, 4th, and 5th anniversary of the date of award; and
  - to the extent applicable, the date on which the remuneration committee determines that performance condition(s) has been met; and
  - to the extent applicable, any other conditions imposed have been satisfied

On the vesting date, shares will be awarded to a participant.

Vesting Condition(s)

The vesting of awards will be subject to the employment and performance conditions.

The pre-determined performance conditions are measured for the final year of the performance period.

The employment condition refers to being employed for two years after the reward of the awards as part of the retention strategy.

Performance condition	RHEPS growth	ROIC
Weighting	60%	40%
Minimum hurdle before any vesting	CPI + GDP	Average WACC
Performance required for full vesting	Proportionate linear vesting up to full vesting at 5% above minimum hurdle	Proportionate linear vesting up to full vesting at 2% above minimum hurdle
Performance required for outperformance vesting (125% of full vesting)	Proportionate linear vesting up to outperformance vesting at 2% above the full vesting hurdle rate	Proportionate linear vesting up to outperformance vesting at 1% above the full vesting hurdle rate
Calculation	RHEPS per integrated report	ROIC = PBIT less tax/average invested capital

The application of the performance condition is illustrated in the diagram below based on NCOs awarded according to KAL's LTIP.

	Performance conditions	Tranche 1	Tranche 2	Tranche 3	Tranche 4
Award of NCOs on 24 May 2024		1st 25% Award Value	2nd 25% Award Value	3rd 25% Award Value	4th 25% Award Value
	Performance period	1 Oct 2024 to 30 Sept 2025	1 Oct 2025 to 30 Sept 2026	1 Oct 2026 to 30 Sept 2027	1 Oct 2027 to 30 Sept 2028
	Employment period	24 May 2024 to 24 May 2026	24 May 2024 to 24 May 2027	24 May 2024 to 24 May 2028	24 May 2024 to 24 May 2029

Minimum Shareholding Requirement ("MSR")

KAL Group wishes to encourage identified employees to hold company shares and reinforce the alignment with shareholder interests. It also aligns with ethical and responsible leadership and effective governance practices, which require employees to act in the best interests of their employers. It will be regarded as a tangible demonstration of the employees' commitment to KAL Group and alignment with shareholders' interests.

Accordingly, and in line with international and South African best market practice, the Remcom approved adopting an MSR policy, which they will manage and implement.

The following Target Minimum Shareholding must be built up and satisfied by the employee before the target date through the acquisition of shares:

> CEO: 225% of TGP

> Financial Director: 175% of TGP

> All other Executive committee members: 125% of TGP

Malus and clawback

The Group adopted a malus and clawback policy in line with international best practice corporate governance. These mechanisms intend to allow the Group control for unanticipated outcomes or misjudgements that we may have made in determining the making or vesting of any award. "Trigger Event" includes, but is not limited to:

> Material misstatement of financial statements – a material misstatement of the financial results resulting in an adjustment in the audited consolidated accounts of the company

> Actions, omissions and conduct of participants – actions, events, or conduct (including omissions) which, in the Board's reasonable opinion, amount to grounds for termination of employment for (gross) misconduct or negligence, dishonesty or fraud

> Assessment of performance and calculation of incentive remuneration – instances where any performance metric or criteria for determining incentive remuneration or vesting thereof was based on error or inaccurate or misleading information

> In instances where any information used in the decision to grant incentive remuneration or determine the quantum thereof was erroneous, inaccurate, or misleading or any information emerges that was not considered at the time any incentive remuneration was made which, in the discretion of the Board (acting reasonably), would have resulted in an inappropriate benefit or would have materially affected the decision to allocate, make or grant the incentive remuneration, whether at all or at the level at which such incentive remuneration was made

Termination of employment

The termination of employment is categorised into two distinct groupings, namely, fault termination and no-fault termination.

Fault termination refers to resignations and dismissals. In the event hereof, all unvested NCO awards will lapse immediately on the date of termination of employment.

No-fault termination refers to retirement, redundancy, disability, death, or a participant's employment with an employer company transfers to any third party according to section 197 of the Labour Relations Act, 1995. In the event hereof, a pro rata portion of NCO awards will vest and be automatically exercised on the employment termination date or as soon as reasonably possible. The portion of NCO awards that does not vest will lapse.

Mutual separation or early retirement will, by default, be classified as a "fault termination." However, the Remcom may, at their discretion, determine that the termination should be treated as if it was a "no-fault termination."

Components of remuneration for Executive committee members

The table below sets out an overview of remuneration components applicable to Executive committee members:

Element	TGP	STI	LTIP

> STI

STIs are payable when the Group achieves pre-determined RHEPS growth targets. These are based on average 12-month September CPI figures and incremental percentage growth.

The maximum amounts earned under STIs are as follows:

- CEO – maximum cap is 120% of annual TGP
- Finance Director – maximum cap is 100% of annual TGP
- Other Executive committee members and subsidiary MDs – maximum cap is 100% of annual TGP

> LTIP

Participants are awarded several options in the scheme annually. The options awarded are based on the following factors:

- CEO at 1,6 times the annual TGP
- Financial Director at 1,3 times the annual TGP
- Other Executive committee members at 1,2 times the respective annual TGP of each director

The options vest in equal tranches on the first day of the 2nd, 3rd, 4th and 5th fiscal year following the grant date.

Executive director and key management contracts

Executive directors, other Executive committee members, and key management do not have fixed-term or bespoke key management contracts. They are employed in terms of the Group's standard contract of employment. The notice period for termination of service is three calendar months.

No additional payments are made to key management on termination of employment (apart from those required in terms of labour legislation).

On cessation of employment, STIs are forfeited in terms of the scheme rules. Unvested LTIPs are treated under the LTIP policy above.

Non-executive directors' remuneration

Non-executive directors' remuneration consists of a fixed annual fee for services as a director and a fixed fee for committee duties. Non-executive directors are reimbursed for travelling and other costs relating to their duties. The Group also carries these costs directly.

Non-executive directors do not qualify for any STIs or LTIPs.

The Group reviews market best practice and leadership publications by reputable remuneration consulting firms to assess the reasonability and level of non-executive directors' fees. Comparison analyses are done regarding similar companies and committees with similar responsibilities.

Proposed 2025 non-executive directors' remuneration

Remuneration for FY25 will be submitted for approval by shareholders at the upcoming AGM on Thursday, 6 February 2025. Refer to special resolution number 1 of the notice of AGM.

The proposed remuneration* is as follows:

Directors' fees	2025
Director – base fee	232 000
Board Chairman	+555 000

Committee	Member	Chairman
Audit and Risk committee	+173 800	+350 000
Finance committee	+72 500	+173 250
Remuneration committee	+144 400	+288 750
Social and Ethics committee	+37 300	+111 300

* *The proposed remuneration is VAT-exclusive.*

Shareholders are requested to approve these fees with effect from 1 October 2024 to align the remuneration with the company's financial year.

PART 4: IMPLEMENTATION REPORT

The implementation report is a backwards-looking section that discloses the remuneration and performance outcomes of the executive directors based on the FY24 remuneration policy. The Remcom is satisfied KAL Group complied with the policy during the year.

Total remuneration

The following table sets out the remuneration paid to executive directors in 2024:

30 September 2024 Executive directors	Basic salary R'000	Travel allowances R'000	Retirement fund contributions R'000	Bonuses and incentives R'000	LTI≠ R'000	Total R'000
S Walsh	6 265	72	477	–	6 107	12 921
GW Sim	4 027	60	308	–	2 775	7 170

≠ *These values are based on the cash value of the LTI awards vested during 2024.*

The total combined shares issued to the CEO and Financial Director on 30 September 2024 was 442 410 shares.

The annual TGP increase during 2024

The annual salary increase mandate is based on several factors, including, but not limited to, the company's profit, average CPI and market salary increase indicators.

The following table sets out TGP increases for executive directors:

Executive directors	**2024 R'000**	2023 R'000	Increase %
S Walsh	**6 814**	6 425	6,05%
GW Sim	**4 395**	4 135	6,29%

Performance based pay is central to our remuneration practices. The annual increase for employees within the broadband P1-P10 is a performance based increase, based on the performance score achieved by the employee.

In addition, the respective bargaining councils and/or sectoral determination annual increase agreements must be adhered to for employees within broadbands P11 to P18. There is a clear differentiation between performers and non-performers.

Peromnes broadband	Employee group	Average percentage increase 2024
P1 to P2	Top management	**6,1%**
P3 to P5	Senior management	**6,2%**
P6 to P7	Professionally qualified and middle and- management	**6,3%**
P8 to P10	Skilled and junior management	**6,1%**
P11 to P14	Admin and senior store staff	**6,2%**
P15 to P18	General workers	**7,1%**
Overall		**6,3%**

STI performance outcomes

The STI is calculated based on a fixed percentage of a participant's TGP. This includes achieving specific performance conditions as defined below:

Performance condition	Weighting	Threshold performance level	Stretch performance level	Actual performance level	Achievement (% maximum)
Growth in RHEPS	**100%**	**CPI**	**CPI + 12,5%**	**CPI + 0,8%**	**0%**

Given that PEG was non-like-for-like in FY24, a once-off caveat was applied to the performance target, which increased the performance target and resulted in a lower STI payable.

LTIPs awarded in 2024

The Group operates a LTIP scheme based on equity-settled management share incentive schemes.

The following section sets out the options granted to executive directors under the equity-settled management share incentive scheme during 2024:

Executive director	Date awarded	Number of options awarded	Fair value of options at grant*	Final vesting date
S Walsh	*Nil Cost Option 4 (“NCO4”)*			
	24 May 2024	64 092	2 820 048	24 May 2026
	24 May 2024	64 093	2 674 601	24 May 2027
	24 May 2024	64 093	2 518 214	24 May 2028
	24 May 2024	64 093	2 352 854	24 May 2029
GW Sim	*Nil Cost Option 4 (“NCO4”)*			
	24 May 2024	33 612	1 478 928	24 May 2026
	24 May 2024	33 613	1 402 670	24 May 2027
	24 May 2024	33 612	1 320 615	24 May 2028
	24 May 2024	33 613	1 233 933	24 May 2029

* *Number of options multiplied by the fair value on the date of grant.*

Voting at 2024 AGM

At the AGM held on 8 February 2024, the KAL Group’s shareholders endorsed the remuneration policy and implementation report through separate non-binding advisory votes of 88% and 91% in favour, respectively. As the requisite majorities passed the non-binding advisory votes, no further engagement with shareholders was required.

Voting at the upcoming AGM

KAL Group’s policy and implementation report will again be presented to shareholders for separate non-binding advisory votes at the company’s upcoming AGM on Thursday, 6 February 2025.

Should 25% or more of the votes exercised regarding either resolution be against such resolution, the company will invite those shareholders who voted against the applicable resolution to engage with the company.

Termination/hiring

Although eligible, Mr BS du Toit served on the KAL Board since November 2011, was not available for re-election, and therefore retired by rotation at the 2024 AGM. As the Chairman and on behalf of the management, I want to thank Mr Du Toit for his loyalty, dedicated service, and contribution to the Board. I wish him well in all his future endeavours.

On behalf of the Board, I wish to confirm the appointment of the following two independent non-executive directors. We are looking forward to their valuable contribution.

Ms Tanya Kabalin holds a B.Com (Honours) degree and is an accomplished and inspiring leader with nearly 30 years internal experience in sales, marketing, strategy, etc., and knowledge and experience in the fuel industry.

Mr Abraham J Mouton holds a B.Com (Law), B.Com Hons (Economy), and an MBA, and is an experienced farmer/producer who has held various senior positions with different farming associations.

Non-executive directors

The table below sets out fees paid to each non-executive director during the year. Non-executive directors receive no other remuneration or benefits aside from directors' fees. The table also indicates directors who resigned or were appointed during the year.

Name of NED	Appointed to the Board	Resigned/retired from the Board	Directors' fees
GM Steyn	**May 2013**		**887 000**
CA Otto	**November 2011**		**829 000**
EA Messina	**March 2017**		**780 200**
D du Toit	**March 2017**		**524 000**
JH le Roux	**April 2014**		**551 500**
BS du Toit	**November 2011**	**February 2024**	**193 250**
I Chalumbira	**September 2018**		**221 000**
B Mathews	**September 2022**		**420 000**
AJ Mouton	**April 2024**		**145 000**
T Kabalin	**July 2024**		**110 500**

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Corporate information

KAL GROUP LIMITED ("KAL GROUP")

Incorporated in the Republic of South Africa
Registration number: 2011/113185/06
Income tax number: 9312717177
JSE share code: KAL
ISIN code: ZAE000244711

Directors

GM Steyn (Chairman)#*
S Walsh (Chief Executive Officer)
GW Sim (Financial Director)
D du Toit#*
T Kabalin#*
JH le Roux#*
B Mathews#*
EA Messina#*
AJ Mouton#*
CA Otto#*
*I Chalumbira**

* *Non-executive*
\# *Independent*

Company Secretary

KAL Corporate Services (Pty) Ltd

Registered address

1 Westhoven Street, Paarl, 7646
Suite 110, Private Bag X3041, Paarl, 7620
Telephone number: 021 860 3750

Website: www.kalgroup.co.za

Auditors

For the financial year ended 30 September 2024 – Deloitte & Touche

Transfer Secretary

Computershare Investor Services (Pty) Ltd
Registration number: 2004/003647/07
Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196
Private Bag X9000, Saxonwold, 2132
Fax number: 086 636 7200

Sponsor

PSG Capital (Pty) Ltd
Registration number: 2006/015817/07
1st Floor, Ou Kollege Building, 35 Kerk Street, Stellenbosch, 7600
PO Box 7403, Stellenbosch, 7599

and

No. 1, Sandton Drive, 1st Floor, The Place, Sandton, 2196
PO Box 650957, Benmore, 2010

KAL GROUP

AGRIMARK

PEG

the fuel company

agriplas

TEGO PLASTICS