UPDATE ON THE DELAYED PUBLICATION OF THE FINAL RESULTS FOR THE REPORTING PERIOD ENDED 31 DECEMBER 2016

As per in the Cautionary Announcement dated 20 October 2016, and ensuing cautionary renewals, the company’s associate, Kgalagadi Breweries (Pty) Ltd (“KBL”), has received notice from The Coca-Cola Company (“TCCC”) that the Bottlers’ Agreement in accordance with which KBL produces products licensed to TCCC, will be terminated. This notice triggered specific accounting treatment consideration in the financial statements of KBL for the reporting period ended 31 December 2016.

The manner, timing and impact of the aforesaid termination remains the subject-matter of ongoing negotiations and consultation with various stakeholders. These negotiations had not been completed by 31 March 2017 (the initial date for the publication of results), and are still on-going and pending conclusion.

Having considered:

- The impact that accounting for the termination of the Bottlers’ Agreement may have on the financial statements;

- The requisite judgements required in determining the appropriate accounting treatment, and

- The risk associated with basing such treatment on preliminary information;

The Directors of the Company elected to delay the publication of financial statements to 30 April 2017, so as to base the annual financial statements on the most credible and recent information available, thus providing the market with the most reliable financial information.

Whilst the delay in publication of the company’s financial results for the reporting period ended 31 December 2016 is thus highly regretted, this decision has been taken in the best interest of shareholders.

ON BEHALF OF THE BOARD

Johan de Kok
Managing Director
19 April 2017