



# ELB GROUP LIMITED

(‘ELB’, ‘the Company’ or ‘the Group’)

## GROUP SUMMARISED PROVISIONAL REPORT AND FINAL CASH DIVIDEND DECLARATION

for the year ended 30 June 2018

- Improved sales and profitability across all Group segments
- Significant progress made on major engineering projects
- Order book remains resilient in a tough trading environment
- Sales increased by 50% to R3 714 million from R2 480 million
- Profit for the year increased by 35% to R111 million from R82 million
- Headline earnings per share increased by 40% to 341 cents from 243 cents
- Net cash outflow from operating activities of R70 million
- Final cash dividend declared of 50 cents per share

## COMMENTARY

### INTRODUCTION

ELB is an internationally recognised know-how solutions provider and capital equipment supplier in the fields of materials handling, mineral separation, industrial projects, power solutions and Industry 4.0. This is achieved through ELB generated innovation, in-house capability and the supply of world-class equipment and technology. The Group operates predominantly in Africa and Australasia.

The board of directors of ELB (“the Board”) is pleased to be able to report improved sales and profitability across all Group segments, in what continues to be a tough trading environment. Significant progress made on major engineering projects has had a positive impact on these results, and continuing improvements in market penetration within the Equipment and Australasia segments, have contributed to the Group’s improvement in profitability.

The Group has experienced delays with the commencement of some new major engineering projects, but has a resilient order book, despite the tough trading conditions. The Group continues with a number of growth initiatives to position itself to maintain sustainable long-term growth.

Furthermore, the Group has embarked on a strategy to further increase its know-how and technology-focused solutions by pursuing exponential technology-focused opportunities and partnerships. These include the development and incorporation of new technologies into the Group such as the Internet of Things, Artificial Intelligence and other disruptive technologies. Good progress has been made in this regard, including entering into a technology partnership with software developer IoT.nxt, initially to implement technology solutions for mining clients and in the area of facilities management.

The Group has also signed an agreement with Kymeta for the supply of satellite antennas. The Kymeta flat-panel antenna technology overcomes limitations of data connectivity on remote sites and promises to revolutionise communication in various industries, including the control and monitoring of process plants, mines and other remote infrastructure throughout Africa.

In addition, the Group has signed agreements with Novatec and Elwatini to set up joint ventures in the fields of electrical control panel supply and rail solutions respectively. These opportunities and partnerships will further allow the Group to provide a broader service offering to its existing and future clients.

## FINANCIAL RESULTS

Due to the project nature of the Engineering Services segment of the Group there is no consistent correlation between sales and profits in reporting years.

Sales for the year improved by 50% to R3 714 million in 2018 from R2 480 million in 2017. The increase has mainly been in the Engineering Services segment due to the advanced stage of completion of major engineering projects, but there were also significant increases in sales in the Equipment and Australasia segments.

Profit before tax for the year increased by 43% to R171 million in 2018 from a profit of R120 million in 2017.

Profit for the year attributable to ELB shareholders increased by 37% to R97 million in 2018 from R71 million in 2017.

Total comprehensive income for the year attributable to ELB shareholders increased by 79% to R95 million in 2018 from R53 million in 2017, after the translation of the Group's foreign operations and other comprehensive income remeasurements.

Headline earnings per share for the year increased by 40% to 341 cents from 243 cents in 2017.

The net asset value per share increased by 9% to 2 754 cents from 2 530 cents at 30 June 2017.

## OPERATIONS

### *Equipment*

Sales increased to R971 million in 2018 from R875 million in 2017, whilst profit before tax increased marginally to R87 million in 2018 from R86 million in 2017. The increase in sales is due to improving market demand and increased market penetration, particularly in the heavier mining, earthmoving and crushing and screening equipment. The demand for and price of some commodities has continued to improve as a result of the international economic recovery, fuelling equipment demand. Notwithstanding the improving trading conditions, profit before tax for the year has improved marginally owing to the negative impact of the fluctuating value of the rand on these results.

### *Engineering Services*

Sales increased to R2 230 million in 2018 from R1 151 million in 2017. The increase is primarily due to the advanced progress made on major engineering projects. Profit before tax increased to R51 million in 2018 from R15 million in 2017. The profit for the year was positively impacted by the stage of completion made on major engineering projects, the close out of successful projects and foreign exchange gains as a result of the strengthening of the rand and negatively impacted by the costs associated with the ongoing delays in the award or commencement of certain new projects and higher finance costs as a result of increased working capital requirements.

### *Australasia*

Sales increased to R513 million in 2018 from R454 million in 2017, while profit before tax increased to R37 million in

2018, from a profit before tax of R30 million in 2017. Notwithstanding the impact of a stronger rand on the translation of the Australasia results, this segment has had an exceptionally good year compared to the prior year owing to the continued recovery of volumes and margins and the growth in the green waste management sector in that region. The successful management of costs has also contributed to the profitability of the business in the current year.

## CASH FLOW

The Group had a net cash outflow from operating activities of R70 million compared to a net cash inflow from operating activities of R198 million in the prior year, with a decrease in net cash and cash equivalents to R318 million from R437 million at the prior year end. The net cash outflow and decrease in cash for the year is primarily as a result of the increased working capital commitments on major engineering projects in progress, which commitments are expected to reverse as project milestones are achieved in due course.

Cash flow management remains a high priority for the Group and ELB works closely with its bankers, suppliers and customers to ensure the Group continues to maintain a strong balance sheet at all times.

## PROSPECTS

The Group continues to target a number of opportunities that, if successful, should further position the Group favourably for the next twenty-four to thirty-six months. The Group is confident that it can exploit the opportunities as they present themselves and continue to deliver on its strategy.

## CHANGES TO THE BOARD OF DIRECTORS

With effect from 23 November 2017, Ms Buyisiwe Makhunga and Ms Refilwe Nkabinde were appointed to the Board, as independent non-executive directors.

## DIVIDEND

The Board has declared a final dividend of 50 cents (2017: 50 cents) per ordinary share, which together with the interim dividend of 32 cents (2017: 32 cents) per ordinary share, amounts to a total dividend for the year of 82 cents (2017: 82 cents) per ordinary share.

*On behalf of the Board*

### **Dr Stephen Meijers**

*Chief Executive Officer*

*ELB Group and ELB Engineering Services*

### **Peter Blunden**

*Chief Executive Officer*

*ELB Equipment*

### **Michael Easter**

*Group Financial Director*

*ELB Group*

Boksburg

18 September 2018

## GROUP BALANCE SHEET

|  | Audited<br>30 June 2018<br>R'000 | Audited<br>30 June 2017<br>R'000 |
|--|----------------------------------|----------------------------------|
| <b>ASSETS</b>  |                                  |                                  |
| <b>Non-current assets</b>  | <b>346 761</b>                   | 351 422                          |
| Property, plant and equipment                                      | 181 555                          | 164 589                          |
| Goodwill and intangible assets                                     | 16 644                           | 19 217                           |
| Pension fund employer surplus account                              | 39 650                           | 39 938                           |
| Deferred tax assets  | 108 912                          | 127 678                          |
| <b>Current assets</b>  | <b>2 079 691</b>                 | 1 498 868                        |
| Contract work not yet billed                                       | 667 806                          | 93 158                           |
| Inventories  | 727 830                          | 670 213                          |
| Receivables and other current assets                               | 349 514                          | 298 379                          |
| Cash and cash equivalents  | 334 541                          | 437 118                          |
| <b>Total assets</b>  | <b>2 426 452</b>                 | 1 850 290                        |
| <b>EQUITY AND LIABILITIES</b>                                      |                                  |                                  |
| <b>Equity attributable to ordinary shareholders of the Company</b> | <b>780 165</b>                   | 717 821                          |
| Issued capital   | 109 178                          | 109 479                          |
| Treasury shares  | (74 587)                         | (46 737)                         |
| Reserves   | 64 152                           | 67 685                           |
| Retained earnings  | 681 422                          | 587 394                          |
| <b>Non-controlling interests</b>                                   | <b>98 301</b>                    | 84 408                           |
| <b>Total equity</b>  | <b>878 466</b>                   | 802 229                          |
| <b>Non-current liabilities</b>                                     | <b>37 807</b>                    | 36 176                           |
| Interest-bearing borrowings  | 22 554                           | 20 428                           |
| Deferred tax liabilities   | 15 253                           | 15 748                           |
| <b>Current liabilities</b>   | <b>1 510 179</b>                 | 1 011 885                        |
| Contract liabilities   | 176 404                          | 129 589                          |
| Interest-bearing payables  | 108 407                          | 59 523                           |
| Payables and other current liabilities                             | 1 208 956                        | 822 773                          |
| Bank overdraft   | 16 412                           | –                                |
| <b>Total liabilities</b>   | <b>1 547 986</b>                 | 1 048 061                        |
| <b>Total equity and liabilities</b>                                | <b>2 426 452</b>                 | 1 850 290                        |
| Net asset value per ordinary share (cents)                         | 2 754                            | 2 530                            |

## GROUP STATEMENT OF COMPREHENSIVE INCOME

|   | Audited<br>30 June 2018<br>R'000 | Audited<br>30 June 2017<br>R'000 |
|---|----------------------------------|----------------------------------|
| <b>Sales</b>  | <b>3 714 238</b>                 | 2 480 497                        |
| Operating costs excluding depreciation and amortisation of non-financial assets                       | <b>(3 530 690)</b>               | (2 342 364)                      |
| <b>Operating profit before depreciation and amortisation of non-financial assets</b>                  | <b>183 548</b>                   | 138 133                          |
| Depreciation and amortisation of non-financial assets   | <b>(20 076)</b>                  | (23 368)                         |
| <b>Profit from operations</b>   | <b>163 472</b>                   | 114 765                          |
| Finance income  | <b>19 765</b>                    | 17 528                           |
| Finance expenses  | <b>(12 310)</b>                  | (12 091)                         |
| <b>Profit before income tax</b>   | <b>170 927</b>                   | 120 202                          |
| Income tax expense  | <b>(59 662)</b>                  | (38 554)                         |
| <b>Profit for the year</b>  | <b>111 265</b>                   | 81 648                           |
| <b>Other comprehensive income</b>   | <b>(1 673)</b>                   | (20 450)                         |
| <b>Items that will not be reclassified to profit or loss</b>  |                                  |                                  |
| Non-controlling interests in foreign currency translation adjustments                                 | <b>113</b>                       | (2 875)                          |
| Pension fund employer surplus account remeasurements  | <b>(3 733)</b>                   | (3 474)                          |
| Aeroplane revaluation surplus increase/(decrease)   | <b>173</b>                       | (1 424)                          |
| Income tax effect of items that will not be reclassified to profit or loss                            | <b>941</b>                       | 1 778                            |
| <b>Items that may be reclassified subsequently to profit or loss</b>                                  |                                  |                                  |
| Foreign currency translation reserve adjustments attributable to ordinary shareholders of the Company | <b>1 149</b>                     | (16 753)                         |
| Income tax effect of adjustments  | <b>(316)</b>                     | 2 298                            |
| <b>Total comprehensive income for the year</b>  | <b>109 592</b>                   | 61 198                           |
| <b>Profit for the year attributable to:</b>   |                                  |                                  |
| Ordinary shareholders of the Company  | <b>96 821</b>                    | 70 696                           |
| Non-controlling interests   | <b>14 444</b>                    | 10 952                           |
|   | <b>111 265</b>                   | 81 648                           |
| <b>Total comprehensive income attributable to:</b>  |                                  |                                  |
| Ordinary shareholders of the Company  | <b>95 073</b>                    | 52 869                           |
| Non-controlling interests   | <b>14 519</b>                    | 8 329                            |
|   | <b>109 592</b>                   | 61 198                           |
| <b>Earnings per ordinary share (cents)</b>  |                                  |                                  |
| Basic earnings per share  | <b>343,9</b>                     | 247,3                            |
| Diluted basic earnings per share  | <b>343,8</b>                     | 247,2                            |
| Headline earnings per share   | <b>341,0</b>                     | 243,2                            |
| Diluted headline earnings per share   | <b>340,9</b>                     | 243,1                            |

## GROUP STATEMENT OF CHANGES IN EQUITY

|  | Audited<br>30 June 2018<br>R'000 | Audited<br>30 June 2017<br>R'000 |
|--|----------------------------------|----------------------------------|
| <b>Opening balance</b>   | <b>802 229</b>                   | 762 536                          |
| <b>Total comprehensive income for the year</b>                     | <b>109 592</b>                   | 61 198                           |
| Profit for the year  | <b>111 265</b>                   | 81 648                           |
| Other comprehensive income   | <b>(1 673)</b>                   | (20 450)                         |
| <b>Total (distributions to)/contributions by owners</b>            | <b>(33 355)</b>                  | (13 882)                         |
| Ordinary dividends paid  | <b>(23 493)</b>                  | (9 176)                          |
| Distributions to non-controlling interests                         | <b>(820)</b>                     | (1 207)                          |
| Ordinary shares repurchased and cancelled                          | <b>(301)</b>                     | –                                |
| Equity-settled share options expense                               | <b>1 171</b>                     | 1 808                            |
| Ordinary shares acquired and held as treasury shares               | <b>(28 371)</b>                  | (7 569)                          |
| Treasury shares paid up and released to participants               | <b>18 459</b>                    | 2 262                            |
| <b>Changes in ownership interests in subsidiaries</b>              |                                  |                                  |
| Acquisition of non-controlling interests                           | –                                | (7 623)                          |
| <b>Closing balance</b>   | <b>878 466</b>                   | 802 229                          |
| <b>Comprising:</b>   |                                  |                                  |
| Issued capital   | <b>109 178</b>                   | 109 479                          |
| Treasury shares  | <b>(74 587)</b>                  | (46 737)                         |
| Reserves   | <b>64 152</b>                    | 67 685                           |
| Retained earnings  | <b>681 422</b>                   | 587 394                          |
| <b>Equity attributable to ordinary shareholders of the Company</b> | <b>780 165</b>                   | 717 821                          |
| <b>Non-controlling interests</b>                                   | <b>98 301</b>                    | 84 408                           |
| <b>Total equity</b>  | <b>878 466</b>                   | 802 229                          |

## GROUP STATEMENT OF CASH FLOWS

|  | Audited<br>30 June 2018<br>R'000 | Audited<br>30 June 2017<br>R'000 |
|--|----------------------------------|----------------------------------|
| <b>Net cash flows from operating activities</b>            | <b>(69 922)</b>                  | 198 028                          |
| Cash generated from operations                             | 184 350                          | 133 069                          |
| Net working capital movements                              | (206 583)                        | 97 440                           |
| Net finance income   | 7 455                            | 5 735                            |
| Taxation paid  | (30 831)                         | (27 851)                         |
| Dividends and distributions paid                           | (24 313)                         | (10 383)                         |
| <b>Net cash flows from investing activities</b>            | <b>(32 224)</b>                  | (12 899)                         |
| Purchase of property, plant and equipment                  | (32 505)                         | (18 385)                         |
| Purchase of additional interest in joint operation         | (3 393)                          | -                                |
| Proceeds from the sale of plant and equipment              | 3 674                            | 5 486                            |
| <b>Net cash flows from financing activities</b>            | <b>(15 264)</b>                  | (13 921)                         |
| Net repayment of interest-bearing borrowings               | (5 051)                          | (1 718)                          |
| Acquisition of non-controlling interests                   | -                                | (6 896)                          |
| Ordinary shares repurchased and cancelled                  | (301)                            | -                                |
| Ordinary shares acquired and held as treasury shares       | (28 371)                         | (7 569)                          |
| Treasury shares paid up and released to participants       | 18 459                           | 2 262                            |
| <b>(Decrease)/increase in cash and cash equivalents</b>    | <b>(117 410)</b>                 | 171 208                          |
| Cash and cash equivalents at the beginning of the year     | 437 118                          | 273 756                          |
| Effect of foreign exchange rate movements on cash balances | (1 579)                          | (7 846)                          |
| <b>Cash and cash equivalents at the end of the year</b>    | <b>318 129</b>                   | 437 118                          |

## SEGMENT INFORMATION

|  | Total<br>R'000   | Equipment<br>R'000 | Engineering<br>Services<br>R'000 | Australasia<br>R'000 | Central<br>R'000 | Consolidation<br>and<br>elimination<br>R'000 |
|--|------------------|--------------------|----------------------------------|----------------------|------------------|--|
| <b>Year ended 30 June 2018</b>         |                  |                    |                                  |                      |                  |  |
| <b>Audited</b>                         |                  |                    |                                  |                      |                  |  |
| <b>Sales</b>                           |                  |                    |                                  |                      |                  |  |
| External sales                         | 3 714 238        | 970 918            | 2 230 270                        | 512 970              | 80               | –  |
| Inter-segment sales                    | –                | 5 864              | 59                               | –                    | 20 692           | (26 615)                                     |
| <b>As reported in profit or loss</b>   | <b>3 714 238</b> | <b>976 782</b>     | <b>2 230 329</b>                 | <b>512 970</b>       | <b>20 772</b>    | <b>(26 615)</b>                              |
| <b>Profit/(loss) before income tax</b> | <b>170 927</b>   | <b>87 220</b>      | <b>51 219</b>                    | <b>37 041</b>        | <b>(4 912)</b>   | <b>359</b>                                   |
| <b>Assets</b>                          | <b>2 426 452</b> | <b>929 977</b>     | <b>1 054 336</b>                 | <b>523 189</b>       | <b>96 241</b>    | <b>(177 291)</b>                             |
| <b>Liabilities</b>                     | <b>1 547 986</b> | <b>445 549</b>     | <b>936 580</b>                   | <b>291 311</b>       | <b>23 439</b>    | <b>(148 893)</b>                             |
| <b>Year ended 30 June 2017</b>         |                  |                    |                                  |                      |                  |  |
| <b>Audited</b>                         |                  |                    |                                  |                      |                  |  |
| <b>Sales</b>                           |                  |                    |                                  |                      |                  |  |
| External sales                         | 2 480 497        | 875 228            | 1 151 224                        | 454 022              | 23               | –  |
| Inter-segment sales                    | –                | 1 633              | 531                              | –                    | 22 421           | (24 585)                                     |
| <b>As reported in profit or loss</b>   | <b>2 480 497</b> | <b>876 861</b>     | <b>1 151 755</b>                 | <b>454 022</b>       | <b>22 444</b>    | <b>(24 585)</b>                              |
| <b>Profit/(loss) before income tax</b> | <b>120 202</b>   | <b>86 343</b>      | <b>15 341</b>                    | <b>29 599</b>        | <b>(3 631)</b>   | <b>(7 450)</b>                               |
| <b>Assets</b>                          | <b>1 850 290</b> | <b>892 212</b>     | <b>568 855</b>                   | <b>377 910</b>       | <b>99 514</b>    | <b>(88 201)</b>                              |
| <b>Liabilities</b>                     | <b>1 048 061</b> | <b>470 339</b>     | <b>472 185</b>                   | <b>171 367</b>       | <b>19 377</b>    | <b>(85 207)</b>                              |

## HEADLINE EARNINGS, SHARES IN ISSUE AND PER SHARE MEASUREMENTS

|   | Audited<br>30 June 2018 | Audited<br>30 June 2017 |
|---|-------------------------|-------------------------|
| <b>CALCULATION OF HEADLINE EARNINGS (R'000)</b>   |                         |                         |
| <b>Profit attributable to ordinary shareholders of the Company</b>                        | <b>96 821</b>           | 70 696                  |
| Less: Items excluded from headline earnings   |                         |                         |
|   | <b>811</b>              | 1 166                   |
| Profit on disposal of plant and equipment   | <b>1 338</b>            | 1 942                   |
| Income tax effect on profit on disposal of plant and equipment                            | <b>(385)</b>            | (571)                   |
| Non-controlling interests in profit on disposal of plant and equipment                    | <b>(142)</b>            | (205)                   |
| <b>Headline earnings</b>  | <b>96 010</b>           | 69 530                  |
| <b>WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES IN ISSUE ('000)</b>                         |                         |                         |
| Number of shares at the beginning of the year   | <b>32 519</b>           | 35 824                  |
| Less: Effect of treasury shares in Group entities at the beginning of the year            | <b>(4 151)</b>          | (7 270)                 |
| <b>Basic number of shares in issue at the beginning of the year</b>                       | <b>28 368</b>           | 28 554                  |
| Weighted average effect of changes during the year  |                         |                         |
| ELB ordinary shares acquired and held as treasury shares                                  | <b>(570)</b>            | (61)                    |
| Treasury shares released to incentive scheme participants                                 | <b>357</b>              | 94                      |
| <b>Weighted average number of shares in issue</b>   | <b>28 155</b>           | 28 587                  |
| Effect of outstanding share options   | <b>7</b>                | 13                      |
| <b>Diluted weighted average number of shares in issue</b>                                 | <b>28 162</b>           | 28 600                  |
| <b>BASIC NUMBER OF SHARES IN ISSUE AT THE END OF THE YEAR ('000)</b>                      |                         |                         |
| Ordinary shares in issue  | <b>32 503</b>           | 32 519                  |
| Less: Treasury shares in issue  | <b>(4 171)</b>          | (4 151)                 |
| <b>Ordinary shares in issue on which net asset value per ordinary share is calculated</b> | <b>28 332</b>           | 28 368                  |
| <b>PER SHARE MEASURES (CENTS)</b>   |                         |                         |
| Earnings per ordinary share   |                         |                         |
| - basic   | <b>343,9</b>            | 247,3                   |
| - diluted   | <b>343,8</b>            | 247,2                   |
| Headline earnings per ordinary share  |                         |                         |
| - basic   | <b>341,0</b>            | 243,2                   |
| - diluted   | <b>340,9</b>            | 243,1                   |
| Net asset value per ordinary share  | <b>2 754</b>            | 2 530                   |
| Dividends declared for the year per ordinary share  | <b>82</b>               | 82                      |

## NOTES

### **BASIS OF PREPARATION AND ACCOUNTING POLICIES**

The summarised Group financial statements are prepared in accordance with the requirements of the JSE Listings Requirements for provisional reports, and the requirements of the Companies Act applicable to summary financial statements. The JSE Listings Requirements require provisional reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34: Interim Financial Reporting.

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

No new, revised or amended accounting standards or interpretations were adopted in the current year that had a material impact on the financial statements.

### **RELATED PARTY TRANSACTIONS**

Group entities entered into various sale and purchase transactions with related parties in the Group in the ordinary course of business, the nature of which was consistent with those previously reported. All transactions and balances with these related parties have been eliminated in the consolidated results.

### **FAIR VALUE CLASSIFICATION AND MEASUREMENT**

The Group measures foreign currency forward exchange contracts at fair value using inputs as described in Level 2 of the fair value hierarchy. The fair values for foreign currency forward exchange contracts are based on quotes from brokers. Similar contracts are traded in an active market and the quotes reflect the actual transactions on similar instruments. All other financial assets or liabilities carrying values approximate their fair values based on the nature or maturity period of the financial instrument. There were no transfers between Levels 1, 2 or 3 of the fair value hierarchy.

### **CAPITAL EXPENDITURE INCURRED AND FUTURE CAPITAL EXPENDITURE COMMITMENTS**

Capital expenditure of R32.5 million (2017: R18.4 million) was incurred during the year on property, plant and equipment. There were no material capital expenditure commitments at each reporting date.

### **CONTINGENCIES**

The Group operates in the engineering contracting business and is exposed to the risks associated with engineering contracts which does from time to time include the need to resolve disputes by way of mediation, arbitration and if need be, litigation. These risks are managed on the basis of limited liability and appropriate insurances.

### **CHANGES TO THE BOARD OF DIRECTORS**

With effect from 23 November 2017, Ms Buyisiwe Makhunga and Ms Refilwe Nkabinde were appointed to the board of directors of ELB as independent non-executive directors.

### **FINANCIAL PREPARATION AND INDEPENDENT AUDIT**

The summarised Group financial statements are extracted from audited information, but are not themselves audited. The Group financial statements were audited by KPMG Inc., who expressed an unmodified opinion thereon. The audited Group financial statements and the auditor's report thereon are available for inspection at the Company's registered office. The directors take full responsibility for the preparation of the provisional report and the financial information has been correctly extracted from the underlying financial statements. The preparation of the Group financial statements from which the summarised Group financial statements were derived was supervised by the group financial director, Michael Easter CA(SA).

### **POST BALANCE SHEET EVENTS**

There were no significant events arising between the end of the financial year and the date of these financial statements which materially affect the financial position or results of the Group or Company.

# FINAL CASH DIVIDEND DECLARATION

## ORDINARY DIVIDEND NUMBER 140

The directors have declared a final cash dividend of 50 cents per share on the Company's ordinary shares for the year ended 30 June 2018. The following additional information is given in respect of the dividend.

- The dividend has been declared out of income reserves
- The South African dividend withholding tax rate is 20%
- ELB Group Limited's registration number is: 1930/002553/06
- ELB Group Limited's income tax reference number is: 9275151711
- The gross dividend is 50 cents per ordinary share for ordinary shareholders exempt from the dividend withholding tax
- The net dividend is 40 cents for ordinary share for ordinary shareholders not exempt from the dividend withholding tax
- Shareholders are advised to contact their regulated intermediary, as they may qualify for a reduced dividend withholding tax rate or exemption
- ELB Group Limited has 32 502 894 ordinary shares in issue, of which 4 170 765 were treasury shares at 30 June 2018.

|  |                            |
|--|----------------------------|
| Last day to trade <i>cum</i> dividend on the JSE | Tuesday, 16 October 2018   |
| First trading day <i>ex</i> dividend on the JSE  | Wednesday, 17 October 2018 |
| Record date                                      | Friday, 19 October 2018    |
| Payment date                                     | Monday, 22 October 2018    |

In accordance with the requirements of Strate Proprietary Limited, shares may not be dematerialised or rematerialised between Wednesday, 17 October 2018, and Friday, 19 October 2018, both days inclusive.

*By order of the Board*

**Elbex Proprietary Limited**  
*Company secretary*

Boksburg  
18 September 2018



# ELB GROUP LIMITED

Incorporated in the Republic of South Africa

Registration number: 1930/002553/06

Share code: ELR ISIN: ZAE000035101

## Registered office

14 Atlas Road, Anderbolt, Boksburg 1459

## Postal address

PO Box 565, Boksburg, 1460

## Telephone

+27 11 306 0700

## Website

[www.elb.co.za](http://www.elb.co.za)

## Email

[admin@elb.co.za](mailto:admin@elb.co.za)

## Share transfer secretaries

Computershare Investor Services Proprietary Limited  
2nd Floor, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196  
(PO Box 61051, Marshalltown, 2107)

## Sponsor

Questco Corporate Advisory Proprietary Limited  
1st Floor, Yellowwood House, Ballywoods Office Park  
33 Ballyclare Drive, Bryanston, 2191

## Directors

AG Fletcher (*chairman*),

Dr SJ Meijers (*group chief executive and chief executive - ELB Engineering Services*),  
PJ Blunden (*chief executive - ELB Equipment*), MC Easter (*financial director*), T de Bruyn\*,

Dr JP Herselman\*, B Makhunga\*, R Nkabinde\*, MV Ramollo, CJ Smith (*alternate*),

IAR Thomson\*, JC van Zyl\*.  
*\*Independent non-executive*

## Company secretary

Elbex Proprietary Limited

## Release date

The Group summarised provisional report was released on 19 September 2018.