



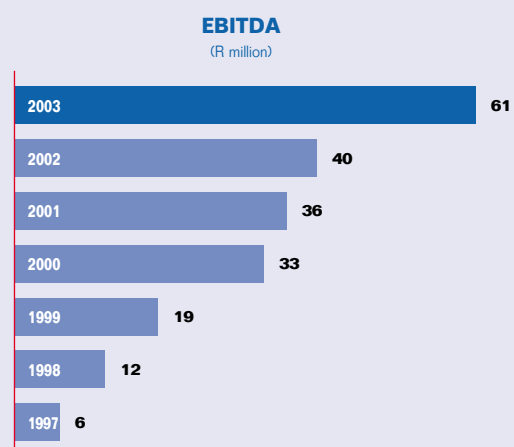
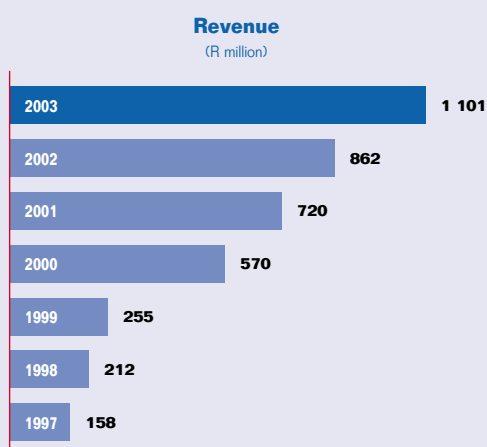
Financial highlights

Revenue  **28%** to R1 101 million

Profit after tax  **76%** to R31,8 million

Headline earnings per share  **71%**

Dividend per share  **50%**



	% change	February 2003	February 2002
Revenue	28	1 100 777	862 338
Operating profit	56	51 675	33 025
Net income after tax	76	31 812	18 116
EBITDA	52	60 818	39 885
Headline earnings	76	32 241	18 349
Earnings per share (cents)	71	15,4	9,0
Headline earnings per share (cents)	71	15,6	9,1
Diluted earnings per share (cents) – weighted	75	15,4	8,8
Dividend per share (cents) – proposed	50	3,75	2,5



Chairman's review

Focused innovation ensures that our portfolio of brands is deliberately structured to cover all segments of the **retail market**, our growing sales volumes give us **great buying power**



Overview

The robust growth achieved in the first half of the year extended into the second six month period, with the pattern of the improved market penetration even more pronounced during the period. A number of highlights were recorded for the year:

- Revenue increased by 28% from R862 million to R1 101 million.
- Profit before tax rose by 70% from R27 million to R46 million.
- Profit attributable to ordinary shareholders was up by 76% from R18 million to R32 million.
- Headline earnings per share rose by 71% from 9,1 cents to 15,6 cents.
- The group was substantially in a net ungeared position at year end, with cash on hand of R108 million.
- The dividend for the year increased by 50% from 2,5 to 3,75 cents per share.

Economic environment

Economic activity in 2002 suffered in the shadow of high inflation, four interest rate hikes, a continued lack of job opportunities and a volatile and unpredictable rand. In spite of these challenges and aggressive tightening of monetary policy, retail sales of durable consumer goods remained relatively resilient for most of the year.

Operations, financial and strategy

Both the appliance and electronics divisions performed extremely well. Little growth was attained in the export division for the full year because of the sudden and remarkable turnaround in the fortunes of the rand during the last quarter. Although the current level of the rand/dollar exchange rate is not favourable for exports, the group has succeeded in maintaining its connections and an important international contract was recently concluded in the face of stiff worldwide competition.

The group's multi-brand strategy, targeting all market segments, has cemented its competitive advantage and the close interactions established with its customers and suppliers alike, continue to yield positive results.

The balance sheet has strengthened further and although stocks have risen to cater for increasing demand, cash was generated during the year and AMAP was in a substantially net ungeared position at the financial year end with cash on hand of R108 million. Interest cover increased from 5,6 to 9,2 times. This improved result was attained through tight working capital management.



Chairman
Jack Cohen



The board

The non-executive directors continue to play an important role in the strategic direction of the group, as well as provide valuable operational guidance and advice, which is always appreciated. The drive, energy and passion of the key executive directors has created a solid platform for consistent and sustainable earnings growth.

Thanks

It is also opportune to thank management and staff whose selfless efforts and boundless enthusiasm have largely contributed to the year's successful results. Thanks also to loyal customers as well as suppliers of both goods and services, whose ongoing support plays an important role in the success of the group.

Salton offer

Salton announced on Wednesday, 12 February 2003, its firm intention to make an offer to the Amap minority shareholders, to acquire up to a further 21,2% of Amap's issued share capital which, if all the Amap minority shareholders accept the offer, is equivalent to 30,6% of the shares held by each Amap minority shareholder.

Salton's continued interest in Amap and their long term vision of developing markets on the African continent through Amap will further enhance growth, profits and shareholder value.

Social responsibility and manpower

The group is committed to good labour relations, having created an environment where all employees have the opportunity to develop to their full potential. Our association with, and sponsorship of, the CIDA City Campus is ongoing with gratifying results.

Outlook

The Bureau of Economic Research has forecast that real household consumption expenditure will slow slightly during the first half of calendar 2003 (year on year). Furthermore should the rand stabilise at current levels, product price deflation would mitigate against substantial revenue growth. However, reducing inflation and a significant drop in interest rates in the second half of the year could see spending pick up to above the expected 3% economic growth level and the group is well positioned to respond to this opportunity with aggressive marketing plans and the introduction of competitively priced new product ranges. Management is optimistic that better days lie ahead and that further growth will be achieved in the coming year.

Jack Cohen
Chairman



Board of directors

...leading through the power of our
dynamic people





Board of directors

Profile

Dedication

Amap's ongoing success is attributable to the dedication and experience of its directorate, management and staff.

Executive directors

Jack Cohen (69) *#

Chairman

BComm

Appointed to the board in 1997

George Bernhardt (66)

Manufacturing director

Appointed to the board in 1999

Allan Nossel (43)

Managing director – Electronics

BComm BAcc CA(SA)

Appointed to the board in 1999

Spyros Scafidas (37)

Managing director – Appliances

Appointed to the board in 1997

Non-executive directors

Myron Berzack (52) *†

Appointed to the board in 1998

Stanley Green (44)

(Alternate to Myron Berzack)

Appointed to the board in 1998

Sheldon Cohen (42) *°

Appointed to the board in 1997

Leonhard Dreimann (53)

Appointed to the board in 1999

USA

Meyer Kahn (62)

Appointed to the board in 2002

Steven A Levitt (48) *†

Appointed to the board in 2001

Johan P Kieser (48)

Appointed to the board in 2002

William B Rue (54)

Appointed to the board in 2001

USA

Engelbert Jansen

van den Doornmalen (57)

(Alternate to William B Rue)

Appointed to the board in 2001

Hong Kong

Operational management

Joe Baros Araujo

Sales – Santronics

Greg Barter

Manager – Pioneer

Brian Coode

Engineering – Electronics

Johan Deetlefs #°

Group Human Resources

Bruce Drummond #°

Finance – Group

Robbie Dunbar

Manufacturing Appliances

Herman Ellis °

Logistics – Group

Francois Fourie

Finance – Manufacturing

Arnie Gilchrist

Sales – Empisal

Clive Kaplan #°

Treasury – Group

Steve Karele

Manufacturing – Electronics

Avis Naidoo

Sales – Pioneer

Neville Oborn

Sales – Sansui

Peter Shorten

Engineering – Appliances

Theo Theodorou

Marketing – Appliances

* Remuneration committee

† Audit committee

Executive committee

° Risk Management committee

AMALGAMATED APPLIANCE HOLDINGS LIMITED (AMAP)

is a focused group specialising in importing, manufacturing and distributing household electric durables locally and internationally. The four areas of focus within the Amap group are:

Small domestic appliance division

A wide range of branded small domestic appliances including garment care, beverage preparation, food preparation, table top cooking, floor care, personal care, air handling and comfort, sewing and knitting, electrical accessories and contemporary lighting.

Consumer electronics division

A range of branded equipment such as television sets, video recorders, DVD players, mini audio and car audio systems, integrated sound systems, speakers and related accessories.

Manufacturing division

Focused manufacturing facilities for both the appliance and electronic group meeting all their requirements, including product development and Original Equipment Manufacture (OEM).

International division

International trading, exports and OEM for major international brands.

With strong brands the group has achieved optimal positioning in the local market, using its own trade marks Empisal, Tedelex, Pineware and Salton. Its international brands in the local market demonstrate the group's ability to secure powerful global agencies including Brother, Behringer, Hoover, Luxman, Nakamichi, Pioneer, Remington, Sansui, Tannoy and Toshiba.

...leading through the power of our
appliances



summer and winter seasons were
exceptionally strong
resulting in sound growth



Pineware

 **Nakamichi®**

TEDELEX

Pioneer

 **SANSUI**

TANNOY

TOSHIBA

WESTPOINT



...leading through the power of our
electronics

       Russell Hobbs LUXMAN



The key to the success of the electronics
division is the investment in our
brands' reputations
and consumer awareness



Pineware

Nakamichi®

TEDELEX

Pioneer

SANSUI



TOSHIBA

WESTPOINT



...leading through the power of our
manufacturing





ENDORSEMENT OF KING II

The directors and staff of the Amap group subscribe to the values of good corporate governance as set out in the King Report on Corporate Governance 2002 (King II) and JSE Securities Exchange requirements.

By supporting the key principles contained in the code, directors and management accept the need to manage the enterprise with integrity, accountability, transparency and equal opportunity in the conduct of the group's various business divisions. Specifically, the directors report the following:

BOARD OF DIRECTORS

The board of directors comprises four executive directors and seven non-executive directors chosen for their achievements, business acumen and skills. The board considers Johan Kieser, Meyer Kahn, Myron Berzack and Steven Levitt as independent non-executive directors as defined in King II. All directors bring an independent judgement to the issues of performance, strategy and resources including key appointments of directors and staff and standards of conduct within the company.

The board monitors compliance with policies and achievement against objectives by holding management accountable for its activity through the measurement and control of operations by regular reports to the board including quarterly performance reporting and budget updates.

Details of the executive and non-executive directors of the board are listed on page 5.

All directors have access to the advice and services of the company secretary, who is responsible for ensuring that board procedures are followed and that the applicable rules and regulations are complied with, and are entitled to seek independent professional advice about the group's affairs.

A minimum of four meetings a year are held by the board. In addition, the articles of association of the company provide for material decisions taken between meetings to be confirmed by way of directors' resolutions.

FINANCIAL STATEMENTS

The financial statements as set out in this report have been prepared by management in accordance with South African Statements of Generally Accepted Accounting Practice. They are based on appropriate accounting policies which are supported by reasonable and prudent judgements and estimates.

The directors are responsible for ensuring that group companies maintain adequate records, and for reporting on the financial position of the group and the results of the activities with accuracy and reliability. Financial reporting procedures are applied in the group at all levels to meet this responsibility. The external auditors are responsible for independently auditing and reporting on these financial statements in conformity with South African Statements of Generally Accepted Accounting Practice. The group's auditors have confirmed that the financial information is in accordance with the underlying audited financial statements of the company and its subsidiaries.

REMUNERATION COMMITTEE

The remuneration committee is chaired by Steven Levitt, a non-executive director, two other non-executive directors and Jack Cohen, chairman. It is responsible for the review and approval of the remuneration and terms of employment of all directors and senior executives. In order to promote director interests with shareholders, share incentives are considered critical elements of executive incentive pay. Two meetings are scheduled annually, with ad hoc meetings convened as and when required.

AUDIT COMMITTEE

The audit committee comprises Myron Berzack (chairman) and Steven Levitt.

The committee monitors proposed changes in accounting policy, reviews the internal audit function and discusses the accounting implications of major transactions prior to board approval.

The audit committee meets quarterly with the group's external and internal auditors and the divisional financial managers to review accounting controls, disclosure requirements, corporate governance practices, auditing and financial matters and report to the board of directors on their findings. The external auditors are appointed each year, based on the recommendations of the audit committee. The internal and external auditors have unrestricted access to the audit committee.



EXECUTIVE COMMITTEE

The executive committee comprises the executive directors and senior group managers and is chaired by the chairman. The committee monitors the operations of the group's divisions and controls policy and decision making in accordance with the approvals framework approved by the board. The committee meets approximately monthly.

INTERNAL AUDIT

The internal audit function is outsourced to Grant Thornton Kessel Feinstein who report directly to the chairman and audit committee. Annually, Grant Thornton Kessel Feinstein will evaluate a proposed audit plan jointly with management that ensures sufficient evidence will be obtained to evaluate the effectiveness of the control process. The internal audit plan is determined annually, based on the relevant degree of inherent risk, which is reviewed and approved by the audit committee.

INTERNAL CONTROL

The directors and management maintain effective systems of internal control. These systems are designed to provide reasonable but not absolute assurance as to the integrity and reliability of the financial statements and to safeguard, verify and maintain accountability of its assets and to detect and minimise significant fraud, potential liability, loss and material misstatement while complying with applicable laws and regulations.

Close day-to-day control of operations and procedures are maintained by senior management, producing monthly performance reports and management accounts for review by the board of directors and the executive committee. No significant internal control problems have come to the attention of the directors to indicate that a material breakdown in the controls within the group has occurred during the year.

CODE OF ETHICS

All employees are required to maintain high ethical standards in ensuring that the group conducts its business in a proper and professional manner. The code controls the group's commitment to its shareholders, customers, suppliers and the broader community, as well as policies and guidelines regarding the personal conduct of management, officials and other employees. A policy is in place to restrict employees from dealing directly or indirectly in Amap shares during sensitive periods and prior to the announcement of the financial results.

The board and its sub committees deal with business ethics, stakeholder accountability, including specialist areas such as health, safety, social, environmental and sustainability issues.

EMPLOYMENT EQUITY

The group continues to subscribe to the philosophy of employee upliftment and has dedicated resources to both training and development programmes to achieve demographic representation in its workforce. This philosophy has enabled Amap to embrace the principles of the Skills Levy Act (with its training initiatives) and the Employment Equity Act. All employees may develop their full potential for themselves and the group.

A formal process is in place to share and discuss business issues with the unions and staff on a regular basis.

The group employs a variety of participating divisional structures which benefit employees and are designed to achieve sound employer/employee relations. The employment equity programme forms part of the group's training programme and business plan.

COMPANY SECRETARIAL FUNCTION

The company secretary is required to ensure that the minutes of all shareholders' meetings, directors' meetings and meetings of any committee of the directors are properly recorded.

RISK MANAGEMENT COMMITTEE

The focus of risk management in the group is on identifying, assessing, managing and monitoring material forms of risk encompassing all business aspects. A committee was formed in February 2003, chaired by Sheldon Cohen, one executive director and four senior managers. The committee will meet quarterly and is responsible for monitoring key risk areas for which a group risk management matrix has been compiled, addressing the general business risks, credit risk, exchange rate exposure, insurable losses and interest rate and liquidity risks. The board is ultimately responsible.

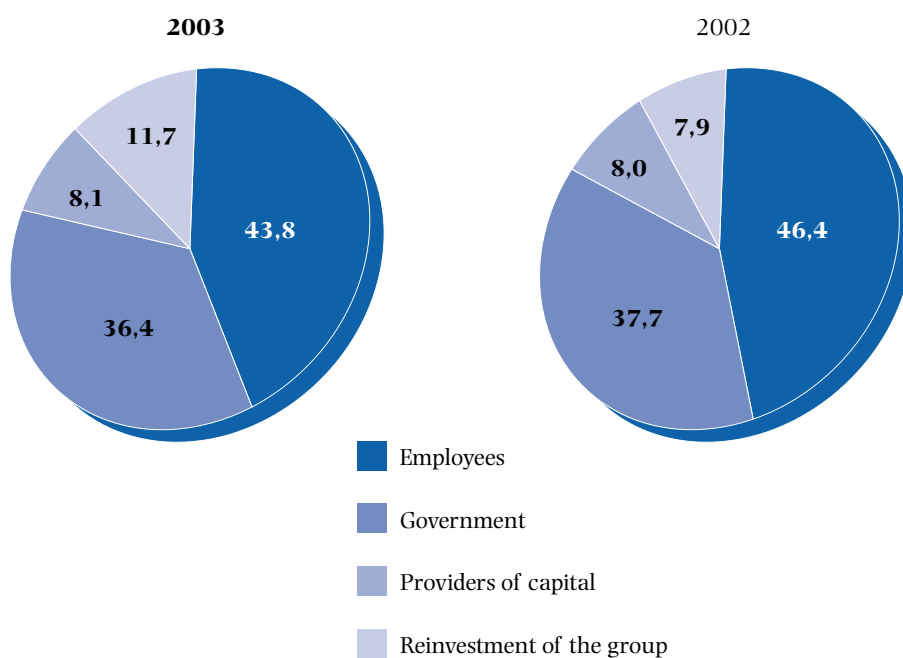
GOING CONCERN

The directors confirm, giving due cognisance to the group's current financial position and cash flows, that the group is a going concern.



Value added statement

	February 2003 R'000	Percentage	February 2002 R'000	Percentage
REVENUE	1 100 777		862 338	
Interest received	4 664		3 722	
Cost of materials, services and expenses	880 726		681 911	
VALUE ADDED	224 715	100	184 149	100
Distributed as follows:				
Employees				
– salaries and wages, commission and other benefits	98 493	43,8	85 513	46,4
Government				
– taxation	13 944	6,2	9 060	4,9
– STC	306	0,0	(58)	0,0
– PAYE	15 979	7,1	11 164	6,1
– Customs duty, excise duty, VAT and import surcharge	51 930	23,1	49 114	26,7
Providers of capital				
– dividends	7 775	3,5	5 105	2,8
– interest paid	10 277	4,6	9 629	5,2
Reinvestment in the group				
– depreciation and amortisation	9 143	4,1	6 720	3,6
– reinvestment for expansion	16 868	7,6	7 902	4,3
EMPLOYEES HEAD COUNT	1 094		1 092	



Directors' responsibility statement and approval

The directors of the company are responsible for the preparation of the annual financial statements and related financial information presented in this report.

The directors and management are responsible for the systems of internal control. These systems are designed to provide reasonable but not absolute assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain effective accountability of all assets, prevent and detect material misstatement of error, fraud or loss. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The company and group annual financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice and incorporate full and reasonable disclosure in line with the accounting policies of the group.

It is the responsibility of the independent auditors to report on the annual financial statements. This report to the members of the company is set out on page 16.

The annual financial statements set out on pages 17 to 38 were approved by the board of directors on 28 May 2003 and are signed on its behalf by:



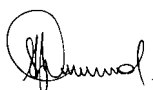
J COHEN

Chairman

Johannesburg

Certification by company secretary

In my capacity as company secretary, I hereby confirm in terms of section 268G(d) of the Companies Act, 1973, as amended, that for the year ended 28 February 2003, to the best of my knowledge and belief, the company has lodged with the Registrar all such returns as are required by a public company in terms of the Companies Act, and that all such returns are true, correct and up to date.



B DRUMMOND

Company secretary

Johannesburg

28 May 2003



Report of the independent auditors

TO THE MEMBERS OF AMALGAMATED APPLIANCE HOLDINGS LIMITED

We have audited the annual financial statements and group annual financial statements of Amalgamated Appliance Holdings Limited set out on pages 17 to 38 for the year ended 28 February 2003. These annual financial statements are the responsibility of the company's directors. Our responsibility is to express an opinion on these annual financial statements based on our audit.

SCOPE

We conducted our audit in accordance with Statements of South African Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual financial statements are free of material misstatement. An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the annual financial statements;
- assessing the accounting principles used and significant estimates made by management; and
- evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

AUDIT OPINION

In our opinion, the annual financial statements and the group annual financial statements fairly present, in all material respects, the financial position of the company and the group at 28 February 2003, and the results of their operations and cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice, and in the manner required by the Companies Act in South Africa.



DELOITTE & TOUCHE

Chartered Accountants (SA)

Registered Accountants and Auditors

Johannesburg

28 May 2003



Your directors have pleasure in submitting their report on the affairs of the company and group for the year ended 28 February 2003.

1. NATURE OF BUSINESS

The main business of the group is in manufacturing, importing, exporting and distributing domestic appliances, television sets, audio and video products and electrical accessories.

2. GROUP RESULTS

The company and group financial statements for the period under review are set out on pages 20 to 38.

Excellent results were achieved in all divisions for the year, reporting solid growth in revenue and operating income.

3. FINANCIAL OBJECTIVES

The group's objectives are to maintain consistent long-term real growth in profit and earnings.

4. SHARE CAPITAL

	2003 R'000	2002 R'000
Authorised		
300 000 000 ordinary shares of 1 cent each	3 000	3 000
Issued		
207 339 859 ordinary shares of 1 cent each	2 074	2 042

Issued share capital was increased during the year. For details refer note 14 on page 34 of the financial statements.

5. REVIEW OF OPERATIONS

The group reported excellent results for the year as a whole, although the current strength of the rand is not favourable for the export division. For additional information refer to the chairman's review on page 2 and the operational reports on pages 6 to 11.

The association with Salton over the last year has enabled the group to maximise its buying powers within the East and broaden its product range within the appliance division.

6. DIRECTORATE AND SECRETARY

Details of the non-executive and executive directors are stated on page 5 and details of the secretary are stated on page 42.

Frank Thompson resigned on 31 July 2002 and Johan Kieser was appointed on 1 August 2002.

Directors' report continued

for the year ended 28 February 2003

7. INTEREST OF DIRECTORS

The directors' interests, directly or indirectly, in the issued share capital of the company were as follows:

	Direct beneficial	Indirect beneficial
S G Bernhardt	247 298	—
M Berzack	53 744	—
J Cohen	—	6 352 546
S Cohen	—	403 360
S Green	32 786	—
J Kieser	—	56 203
S Levitt	103 497	—
A Nossel	1 035 069	4 285 411
S Scafidas	547 474	—
Total 2003	2 019 868	11 097 520
Total 2002	2 822 620	10 381 378

There have been no material changes in the interests recorded above since 28 February 2003. (The pending partial offer by Salton Hong Kong Limited will change these amounts by an estimated 30,6% which is in line with the circular to shareholders.)

8. DIVIDEND AND CAPITALISATION AWARD

The directors have proposed to issue capitalisation shares provided that such shareholders may elect instead to receive a cash dividend of three and three quarter cents per share (2002: two and a half cents). The award of capitalisation shares is to ordinary shareholders registered at the close of business on 13 June 2003, the record date. Refer note 5 on page 30.

9. CORPORATE GOVERNANCE

The directors endorse The Code of Corporate Practices and conduct as set out in The King Report on Corporate Governance. The group's position is set out on pages 12 and 13.

10. DATE OF INCORPORATION

The company was incorporated on 20 March 1997.

11. SUBSIDIARIES

The interest of the company in the aggregate net income and losses after taxation of the subsidiaries is R31 812 000 (2002 : R18 116 000). Details of subsidiaries are set out in note 9 on page 32 to the annual financial statements and the listing of subsidiaries on page 38.

	2003 R'000	2002 R'000
Net income after tax	31 839	20 351
Net losses after tax	(27)	(2 235)
Profit attributable to ordinary shareholders	31 812	18 116

During the year under review Tedelex Trading (Pty) Ltd acquired 100% of the issued share capital of both SMC Kidz (Pty) Ltd and Tedelex Properties (Pty) Ltd from Tedelex Limited with effect from 1 December 2002 for the consideration of R2 250 000. Refer to cash flow note D on page 24.



12. EMPLOYEES' SHARE SCHEME

An employee share scheme, which has been in existence from the listing date, allows for broad participation in the equity of the company at all levels.

Share options granted

	Allocation price Cents	Number
Allocation January 2000	75.0	3 457 600
Allocation October 2001	45.0	2 240 000
Allocation July 2002	75.0	2 684 400
End of period		8 382 000
Number of participants		102

Shares available

Opening balance	2 122 945
Shares acquired from the Tedelex Ltd Pension Fund	4 258 564
	6 381 509
Shares transferred from the loan trust account/purchased during the year	2 298 989
Closing balance	8 680 498

13. SHAREHOLDING

The analysis of shareholders is detailed on page 39.

Salton Inc. (Salton Hong Kong Limited) is the major shareholder who currently holds 31% of the issued share capital.

14. NUMBER OF EMPLOYEES

	2003	2002
Employee head count	1 094	1 092

15. DIRECTORS' REMUNERATION

The details of the directors' remuneration and share options are tabled in note 2 on page 28 of the annual financial statements.

16. SEGMENT REPORTING

As the group markets and distributes only Household Electrical Durables (HED), the directors have not disclosed segmental information as it would be meaningless (AC 115).



Income statements

for the year ended 28 February 2003

	Notes	GROUP		COMPANY	
		2003 R'000	2002 R'000	2003 R'000	2002 R'000
Revenue		1 100 777	862 338	—	—
Operating income	2	51 675	33 025	—	—
Dividends received		—	—	7 775	5 105
Interest received	3.1	4 664	3 722	—	—
Interest paid	3.2	(10 277)	(9 629)	—	—
Profit before taxation		46 062	27 118	7 775	5 105
Taxation	4	14 250	9 002	—	—
Profit attributable to ordinary shareholders		31 812	18 116	7 775	5 105
Dividends proposed	5	7 775	5 105	7 775	5 105
Earnings per share		2003 Cents	2002 Cents	2003 Cents	2002 Cents
Earnings per share – weighted	6.1	15,4	9,0	—	—
Headline earnings per share – weighted	6.2	15,6	9,1	—	—
Diluted headline earnings per share – weighted	6.3	15,6	8,9	—	—
Diluted earnings per share – weighted	6.3	15,4	8,8	—	—
Dividend per share		3,75	2,50	—	—



Balance sheets

as at 28 February 2003

		GROUP		COMPANY	
	Notes	2003 R'000	2002 R'000	2003 R'000	2002 R'000
ASSETS					
Non-current assets		79 059	77 036	159 603	156 947
Property, plant and equipment	7	29 812	21 207	—	—
Trademarks	8.1	10 482	11 168	—	—
Goodwill	8.2	1 796	2 264	—	—
Interest in subsidiaries	9	—	—	159 603	156 947
Loans	10	30 837	29 230	—	—
Deferred tax	11	6 132	13 167	—	—
Current assets		491 884	403 697	7 775	5 105
Inventories	12	208 788	155 249	—	—
Trade and other receivables	13	167 245	155 764	—	—
Bank and cash on hand		115 851	92 684	—	—
Dividend receivable		—	—	7 775	5 105
Total assets		570 943	480 733	167 378	162 052
EQUITY AND LIABILITIES					
Capital and reserves		244 524	215 161	167 378	162 052
Share capital	14	2 074	2 042	2 074	2 042
Share premium	15	157 529	154 905	157 529	154 905
Accumulated profits		77 146	53 109	—	—
Shareholders for dividends		7 775	5 105	7 775	5 105
Non-current liabilities		4 560	816	—	—
Long term borrowings	16	4 560	816	—	—
Current liabilities		321 859	264 756	—	—
Trade and other payables	17	303 851	233 085	—	—
Taxation		4 541	120	—	—
Short term portion of long term borrowings	16	583	295	—	—
Bank overdrafts	18	7 459	24 725	—	—
Provisions	19	5 425	6 531	—	—
Total equity and liabilities		570 943	480 733	167 378	162 052



Statements of changes in equity

for the year ended 28 February 2003

	Share capital R'000	Share premium R'000	Accumulated profits R'000	Shareholders for dividend R'000	Total R'000
GROUP					
Balance at 1 March 2001 as previously stated	1 987	151 823	42 225	3 974	200 009
Adjustment to prior year	—	—	(2 127)	—	(2 127)
Restated balance at beginning of year	1 987	151 823	40 098	3 974	197 882
Net profit for the year – restated	—	—	18 116	—	18 116
Dividends	—	—	(5 105)	5 105	—
Dividend settled					
– Cash election	—	—	—	(837)	(837)
– Capitalisation of shares	—	—	—	(3 137)	(3 137)
Issue of share capital	55	3 082	—	—	3 137
Restated balance at 1 March 2002	2 042	154 905	53 109	5 105	215 161
Net profit for the year	—	—	31 812	—	31 812
Dividends proposed	—	—	(7 775)	7 775	—
Dividend settled					
– Cash election	—	—	—	(2 449)	(2 449)
– Capitalisation of shares	—	—	—	(2 656)	(2 656)
Issue of share capital	32	2 624	—	—	2 656
Balance at 28 February 2003	2 074	157 529	77 146	7 775	244 524
COMPANY					
Balance at 1 March 2001	1 987	151 823	—	3 974	157 784
Net profit for the year	—	—	5 105	—	5 105
Dividends	—	—	(5 105)	5 105	—
Dividends settled					
– Cash election	—	—	—	(837)	(837)
– capitalisation shares	—	—	—	(3 137)	(3 137)
Issue of share capital	55	3 082	—	—	3 137
Balance at 1 March 2002	2 042	154 905	—	5 105	162 052
Net profit for the year	—	—	7 775	—	7 775
Dividends	—	—	(7 775)	7 775	—
Dividends settled					
– Cash election	—	—	—	(2 449)	(2 449)
– capitalisation shares	—	—	—	(2 656)	(2 656)
Issue of share capital	32	2 624	—	—	2 656
Balance at 28 February 2003	2 074	157 529	—	7 775	167 378



Cash flow statements

for the year ended 28 February 2003

		GROUP		COMPANY	
	Notes	2003 R'000	2002 R'000	2003 R'000	2002 R'000
CASH FLOW FROM OPERATING ACTIVITIES					
Cash receipts from customers		1 073 455	841 639	—	—
Cash paid to suppliers and employees		(1 007 389)	(732 784)	—	—
Cash generated from operations		A	66 066	108 855	—
Interest received			4 664	3 722	—
Interest paid			(10 277)	(9 629)	—
Dividends paid		B	(2 449)	(837)	(2 449)
Taxation paid		C	(393)	(105)	—
Net cash inflow/(outflow) from operating activities			57 611	102 006	(2 449)
CASH FLOWS FROM INVESTING ACTIVITIES					
Additions of property, plant and equipment			(16 868)	(7 902)	—
Proceeds from the sale of property, plant and equipment			313	1 069	—
Acquisition of subsidiaries		D	(81)	—	—
Advance to Australian operation			(151)	(342)	—
Increase in loans			(4 423)	(2 966)	—
Net cash outflow from investing activities			(21 210)	(10 141)	—
CASH FLOWS FROM FINANCING ACTIVITIES					
Decrease in amounts due from subsidiary company			—	—	2 449
Increase in long term borrowings			4 032	578	—
Net cash inflow from financing activities			4 032	578	2 449
NET INCREASE IN CASH AND CASH EQUIVALENTS					
Cash and cash equivalents at beginning of the year			40 433	92 443	—
Cash and cash equivalents at end of the year		E	67 959	(24 484)	—
Cash and cash equivalents at end of the year		E	108 392	67 959	—



Notes to the cash flow statements

for the year ended 28 February 2003

	GROUP		COMPANY	
	2003 R'000	2002 R'000	2003 R'000	2002 R'000
A. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS				
Profit before taxation	46 062	27 258	7 775	5 105
Adjusted for:				
Net profit on disposal of property, plant and equipment	(39)	(337)	—	—
Depreciation and amortisation	9 143	6 720	—	—
Interest received	(4 664)	(3 722)	(7 775)	(5 105)
Provision for write down of Share Trust loan	—	1 701	—	—
Unrealised translation loss/(gains)	717	(1 207)	—	—
Interest paid	10 277	9 629	—	—
Operating profit before working capital changes	61 496	40 042	—	—
Working capital change				
Increase in inventories	(53 539)	(4 421)	—	—
Increase in accounts receivable	(11 481)	(37 382)	—	—
Decrease in accounts payable	69 590	110 616	—	—
Cash generated from operations	66 066	108 855	—	—
B. DIVIDENDS PAID				
Opening balance	5 105	3 974	5 105	3 974
Dividend proposed for the year	7 775	5 105	7 775	5 105
Capitalisation share issue	(2 656)	(3 137)	(2 656)	(3 137)
Closing balance	(7 775)	(5 105)	(7 775)	(5 105)
Dividend paid	2 449	837	2 449	837
C. TAXATION PAID				
Opening balance	120	162	—	—
Taxation per the income statement	4 814	63	—	—
Closing balance	(4 541)	(120)	—	—
Taxation paid	393	105	—	—
D. ACQUISITION OF SUBSIDIARIES				
Goodwill/deferred tax	(2 401)	—	—	—
Creditors	70	—	—	—
Cash	80	—	—	—
Investment in subsidiaries	(2 251)	—	—	—
Cash position	(80)	—	—	—
Movement in loans	2 250	—	—	—
	(81)	—	—	—
E. CASH AND CASH EQUIVALENTS				
Cash on hand and deposits	115 851	92 684	—	—
Short term borrowings	(7 459)	(24 725)	—	—
Net cash and cash equivalents	108 392	67 959	—	—



Notes to the annual financial statements

for the year ended 28 February 2003

1. ACCOUNTING POLICIES

The annual financial statements are prepared on the historical cost basis and principle accounting policies which are consistent with those of the previous year, other than the change in the accounting policy for depreciation for property. The financial statements have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice.

1.1 Basis of consolidation

The group annual financial statements incorporate the annual financial statements of the company and its subsidiaries. The results of the subsidiaries are included from the effective dates of acquisition and up to the effective dates of disposal. Intragroup balances, all significant intragroup and resulting unrealised profits are eliminated in full. Differences between the consideration paid for subsidiaries acquired and the net tangible asset values at the dates of acquisition are treated as goodwill as explained in note 1.4.

1.2 Revenue

Revenue comprises the invoiced value of goods supplied to customers excluding customer rebates, trade discount and value added tax, on date of delivery.

1.3 Property, plant and equipment

Property, plant and equipment are stated at cost to the group less accumulated depreciation. Depreciation is calculated on the straight-line basis at rates which will reduce the book value of the assets to estimated residual values at the end of their useful lives. Major improvements to buildings, plant and equipment are capitalised when economic value is added. Maintenance and repairs are expensed when incurred. Property is depreciated in line with AC135 Investment Property. Refer note 7.4 on page 31.

1.4 Trademarks, goodwill and intangibles

Purchased trademarks are recognised as assets at their historical cost and are amortised over the shorter of their useful lives or twenty years. Goodwill represents the excess of the purchase consideration over the net tangible asset values of subsidiaries or businesses acquired, and is amortised over its useful life on the straight-line basis. Restraint of trade payments are amortised on a straight-line basis over the restraint period. All trademarks and intangibles are assessed for impairment.

1.5 Inventories

Inventories are valued at the lower of cost or net realisable value. The value is determined using the first-in, first-out method. The values of work in progress and finished goods include direct material, labour and appropriate overhead costs, these costs are based on rates applicable to normal production capacity. Adequate provision is made for obsolete and slow moving stock.

1.6 Foreign currency transactions and balances

It is the group policy to take cover in respect of all foreign liabilities.

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Profits and losses arising on exchange are included in the net profit for the year. If a foreign currency denominated transaction is appropriately hedged with a forward exchange contract, the costs of hedging are included in the measurement of the underlying transaction and the transaction is therefore recorded at the forward rate. On consolidation, the assets and liabilities of the group's overseas operations are translated at exchange rates ruling on the balance sheet date. Income and expense items are translated at the average exchange rates for the year.



Notes to the annual financial statements continued

for the year ended 28 February 2003

1.7 Deferred taxation

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the calculation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

1.8 Retirement benefits

The policy of the group is to provide retirement benefits for its employees. The group expense in respect of contributions to pension and provident funds is based on the current service cost and is charged against income in the year that they become payable.

1.9 Financial instruments

Financial instruments carried on the balance sheet include cash and bank balances, investments, receivables, trade creditors, leases and borrowings.

Foreign currency forward contracts protect the group from movements in exchange rates by establishing the rate at which a foreign currency asset or liability will be settled. Any increase or decrease in the amount required to settle the asset or liability is off-set by a corresponding movement in the value of the forward exchange rate.

1.10 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the group at their fair value at the date of acquisition. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to the income statement over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Rentals payable under operating leases are charged to income on a straight line basis over the term of the relevant lease.

1.11 Provisions

Provisions are recognised when the group has a present constructive, business or legal obligation as a result of past events. A reliable estimate of the amount of the obligation has been made by the group.

1.12 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalent comprise cash in hand, deposits held at call with banks and investment banks net of bank overdrafts. In the balance sheet and cash flow statement, bank overdrafts are included in borrowings.

1.13 Research and development

Research and development costs are charged as an expense in the period in which they are incurred.



Notes to the annual financial statements continued

for the year ended 28 February 2003

	GROUP		COMPANY	
	2003	2002	2003	2002
	R'000	R'000	R'000	R'000
2. OPERATING INCOME				
Reconciliation of revenue to operating income				
Revenue	1 100 777	862 338	—	—
Cost of sales	870 257	657 773	—	—
Other direct operating expenses – administration	37 479	40 215	—	—
– distribution	39 628	35 165	—	—
Depreciation and amortisation expense	9 143	6 860	—	—
Research and development	1 070	534	—	—
Occupancy	3 095	3 253	—	—
Staff	88 430	85 513	—	—
Operating income	51 675	33 025	—	—
Operating income is stated after the following:				
Auditors' remuneration				
– Audit fees	1 000	888	—	—
– Under provision in prior year	331	281	—	—
– Fees for other services	249	243	—	—
	1 580	1 412	—	—
Depreciation and amortisation				
– Property	148	140	—	—
– Office furniture and equipment	1 066	684	—	—
– Motor vehicles	203	435	—	—
– Plant	5 878	3 867	—	—
– Leasehold improvements	694	313	—	—
– Restraint of trade	—	268	—	—
– Goodwill	468	469	—	—
– Trademarks	686	684	—	—
	9 143	6 860	—	—
Profit/(loss) on disposal of property, plant and equipment				
– Plant and machinery	(35)	18	—	—
– Motor vehicles	62	342	—	—
– Furniture and office equipment	12	(23)	—	—
	39	337	—	—
Operating lease payments				
– Land and buildings	3 095	2 212	—	—
– Plant, machinery and vehicles	202	272	—	—
	3 297	2 484	—	—
Consultants' fees				
– Technical	1 994	863	—	—
– Managerial	128	303	—	—
	2 122	1 166	—	—
Pension and provident fund contributions				
– Contributions	3 613	2 493	—	—
Unrealised foreign exchange transactions				
– Loss/(gains)	717	(1 207)	—	—



Notes to the annual financial statements continued

for the year ended 28 February 2003

2. OPERATING INCOME (continued)

DIRECTORS' EMOLUMENTS

Individual director's emoluments (R'000)

	Fees for services	Basic salary	Bonuses	Expense allowance	Other benefits	Pension contributions	TOTAL 2003	TOTAL 2002
Executive								
J Cohen	—	912	160	48	44	70	1 234	189
F Thompson*	—	250	50	3	59	23	385	831
G Bernhardt	—	513	86	4	99	0	702	631
A Nossel	—	518	140	0	85	39	782	657
S Scafidas	—	512	83	4	101	47	747	560
Total	—	2 705	519	59	388	179	3 850	2 868
Non-Executive								
M Berzack	32,5	—	—	—	—	—	32,5	15,0
S Cohen	22,5	—	—	—	—	—	22,5	15,0
L Dreimann	—	—	—	—	—	—	—	—
J Kieser	—	—	—	—	—	—	—	—
S Levitt	32,5	—	—	—	—	—	32,5	—
B Rue	—	—	—	—	—	—	—	—
M Kahn	7,5	—	—	—	—	—	7,5	—
Total	95,0	—	—	—	—	—	95,0	30,0

*Resigned 31/07/02

Share options

	Total options granted	Strike price	Period	Exercised to date	Price at which exercised	Date exercised	Gain on exercise R'000
Executive							
G Bernhardt	400 000	R0,75	Jan 2000	—	—	—	—
	200 000	R0,45	Oct 2001	—	—	—	—
	200 000	R0,75	July 2002	—	—	—	—
S Scafidas	240 000	R0,75	Jan 2000	—	—	—	—
	450 000	R0,45	Oct 2001	—	—	—	—
	810 000	R0,75	July 2002	—	—	—	—
Total	2 300 000						



Notes to the annual financial statements continued

for the year ended 28 February 2003

		GROUP		COMPANY	
		2003 R'000	2002 R'000	2003 R'000	2002 R'000
3. NET INTEREST PAID					
3.1	Interest received				
	Bond deposit and other loans	2 327	3 722	—	—
	Other	2 337	—	—	—
		4 664	3 722	—	—
3.2	Interest paid				
	Interest paid on borrowings	(5 074)	(8 265)	—	—
	Other	(5 203)	(1 364)	—	—
		(10 277)	(9 629)	—	—
	Net interest paid	(5 613)	(5 907)		
4. TAXATION					
	Normal – current	4 541	120	—	—
	Normal – prior	(33)	—	—	—
	Deferred – current	9 407	8 852	—	—
	Deferred – prior year	29	87	—	—
	Secondary taxation on company				
	– current	306	—	—	—
	– prior	—	(57)	—	—
		14 250	9 002	—	—
4.1 Taxation reconciliation					
	Standard normal rate of taxation (%)	30,0	30,0	30,0	30,0
	Taxation at standard rate	13 810	8 177	1 192	1 532
	Adjusted for				
	– movements in unrecorded assessed losses	(43)	42		
	– permanent differences	181	753	(1 192)	(1 532)
	– prior year adjustment	(4)	87	—	—
	– secondary taxation on company	306	(57)	—	—
	– Taxation charged to profit	14 250	9 002	—	—
	– Effective rate of taxation (%)	31	33	—	—
	Estimated taxation losses available to offset against future taxable income:				
	Opening balance	40 468	58 537	—	—
	On acquisition of subsidiaries	18 667	—	—	—
	Utilised	(37 304)	18 111	—	—
	Not raised	(10 664)	42	—	—
	Closing balance	11 167	40 468	—	—
	Tax effect at standard normal rate of taxation	3 350	12 140	—	—



Notes to the annual financial statements continued

for the year ended 28 February 2003

	GROUP		COMPANY	
	2003 R'000	2002 R'000	2003 R'000	2002 R'000
5. FINAL DIVIDEND AND CAPITALISATION SHARES				
Current period	7 775	5 105	7 775	5 105
The directors have proposed to issue capitalisation shares provided that such shareholders may elect instead to receive cash dividend of three and three quarter cents per share (2002: two and a half cents per share). The award of capitalisation shares is to ordinary shareholders registered at the close of business on 13 June 2003, the record date.				
	7 775	5 105	7 775	5 105

6. EARNINGS PER SHARE

6.1 Earnings per share

The calculation of the earnings per share is based on the net income attributable to ordinary shareholders of R31 812 000 (2002: R18 255 000) and the weighted average number of 206 292 477 (2002: 202 364 000) ordinary shares in issue during the respective periods.

6.2 Headline earnings per share

The calculation of headline earnings per share is based on the net income attributable to ordinary shareholders of R32 241 000 (2002: R18 349 000) adjusted by R39 000 (2002: R236 000) in respect of net profit on disposal of property, plant and equipment, amortisation of goodwill of R468 000 (2002 : R469 000) and divided by the weighted average number of ordinary shares in issue during the respective periods.

6.3 Diluted earnings per share – weighted

The calculation of weighted diluted earnings per share and diluted headline earnings per share are based on the net income attributable to ordinary shareholders and headline earnings as defined below, divided by the diluted number of 206 292 477 (2002: 204 197 714) ordinary shares.

Reconciliation between earnings and headline earnings

	Profit before tax R'000	Taxation R'000	Net profit 2003 R'000	Net profit 2002 R'000
Per the financial statements	46 062	(14 250)	31 812	18 116
Adjustments:				
Profit on disposal of fixed assets	(56)	17	(39)	(236)
Goodwill amortised	468		468	469
Headline earnings	46 474	(14 233)	32 241	18 349



Notes to the annual financial statements continued

for the year ended 28 February 2003

7. PROPERTY, PLANT AND EQUIPMENT

7.1 28 February 2003

	Office furniture R'000	Motor vehicles R'000	Plant R'000	improve- ments R'000	Property R'000	Total R'000
Cost						
Opening balance	10 072	2 787	37 428	1 830	7 267	59 384
Additions	1 355	284	9 472	5 291	466	16 868
Disposals	(36)	(533)	(806)	—	—	(1 375)
Closing balance	11 391	2 538	46 094	7 121	7 733	74 877
Accumulated depreciation						
Opening balance	7 896	1 696	24 612	1 706	2 267	38 177
Disposals	(17)	(370)	(714)	—	—	(1 101)
Depreciation for the period	1 066	203	5 878	694	148	7 989
Closing balance	8 945	1 529	29 776	2 400	2 415	45 065
Net book value – 2003	2 446	1 009	16 318	4 721	5 318	29 812
Net book value – 2002	2 176	1 091	12 816	124	5 000	21 207
Depreciation rates (%)	20	20	10	10 – 50	2	

7.2 28 February 2002

Cost						
Opening balance	8 728	4 036	33 044	2 198	7 205	55 211
Additions	1 400	705	5 621	114	62	7 902
Disposals	(56)	(1 954)	(1 237)	(482)	—	(3 729)
Closing balance	10 072	2 787	37 428	1 830	7 267	59 384
Accumulated depreciation						
Opening balance	7 235	2 675	21 831	1 867	2 127	35 735
Disposals	(23)	(1 414)	(1 086)	(474)	—	(2 997)
Depreciation for the period	684	435	3 867	313	140	5 439
Closing balance	7 896	1 696	24 612	1 706	2 267	38 177
Net book value – 2002	2 176	1 091	12 816	124	5 000	21 207
Net book value – 2001	1 493	1 361	11 213	331	5 078	19 476
Depreciation rates (%)	20	20	10	10 – 50	2	—

– Property, plant and equipment are encumbered as reflected in note 22.

7.3 Property

Property consists of:

- Buildings and land on portion 64 (a portion of portion 42) of the farm Melkpost No 4, Atlantis, Industrial Local Area, Cape Division. The property was acquired in December 1977 for R212 744.
- Flat 501 Haven Court, 2 Fenton Road, Durban. The property was acquired in June 2000 for R50 000.

7.4 Changes in accounting policy

During the year the group changed its accounting policy relating to the depreciation of property in line with AC135. The effect on the opening retained income and current year net income are summarised as follows: (the change in accounting policy has no impact on taxation)

	2003 R'000	2002 R'000	Prior periods R'000
Decrease in retained earnings	(148)	(140)	(2 127)



Notes to the annual financial statements continued

for the year ended 28 February 2003

		GROUP		COMPANY	
		2003 R'000	2002 R'000	2003 R'000	2002 R'000
8. TRADEMARKS AND INTANGIBLES					
8.1 Trademarks					
Opening balance		11 168	11 852	—	—
Amortised during the period		(686)	(684)	—	—
Closing balance		10 482	11 168	—	—
8.2 Goodwill					
Opening balance		2 264	2 733	—	—
Purchased during the period		—	—	—	—
Amortised during the period		(468)	(469)	—	—
Closing balance		1 796	2 264	—	—
8.3 Restraint of trade					
Opening balance		—	268	—	—
Amortised during the period		—	(268)	—	—
Closing balance		—	—	—	—
Trademarks and intangibles		12 278	13 432	—	—
9. INTEREST IN SUBSIDIARIES					
Cost – unlisted		—	—	91 321	91 321
Amalgamated Appliances (Proprietary) Limited		—	—	33 421	33 421
Haz Products (Proprietary) Limited		—	—	—	—
Tedelex Trading (Proprietary) Limited		—	—	57 900	57 900
Loans to subsidiaries		—	—	68 282	65 626
Amalgamated Appliances (Proprietary) Limited		—	—	61 907	61 907
Haz Products (Proprietary) Limited		—	—	3 719	3 719
Tedelex Trading (Pty) Ltd		—	—	2 656	—
Loans to subsidiaries are interest free and have no fixed terms of repayment. The directors value the interest in subsidiaries at R159 603 000. Refer to page 38 for details of subsidiaries.					
Interest in subsidiaries		—	—	159 603	156 947



Notes to the annual financial statements continued

for the year ended 28 February 2003

		GROUP		COMPANY	
		2003	2002	2003	2002
		R'000	R'000	R'000	R'000
10. LOANS					
10.1	Loan to share incentive trust				
	Opening balance	2 062	3 551	—	—
	Provision for write down of loan	—	(1 701)	—	—
	Loans advanced during period	2 214	212	—	—
	Amalgamated Appliance (Pty) Limited has granted an interest free loan to the Amalgamated Appliances Share Incentive Trust under the terms and conditions of the employee share purchase scheme approved by the directors. The scheme's shares, which are held by the Trust as security for the loan, has a market value of R9 461 743 at February 2003.				
	Closing balance	4 276	2 062	—	—
10.2	Loans				
	Loans to Tedelex Limited				
	Opening balance	22 722	19 968	—	—
	(Repaid)/advanced during the period	(129)	2 754	—	—
	Interest charged	1 771	—	—	—
	Acquisition purchase	(2 250)	—	—	—
	The acquisition purchase relates to the purchase of SMC Kidz (Pty) Ltd and Tedelex Properties (Pty) Ltd. Refer cash flow note D.				
	The interest on outstanding balance is charged at the bank rate monthly in arrears. Security is held which the directors have reviewed and they are satisfied that the loan is fully recoverable.				
	Closing balance	22 114	22 722	—	—
10.3	Trade finance				
	Opening balance	4 446	2 897	—	—
	Interest charged during the period	401	—	—	—
	(Repayment)/advance	(250)	342	—	—
	Exchange rate adjustment	(717)	1 207	—	—
	The trade finance advance bears interest at 4,75% per annum with no fixed terms of repayment. The directors deem the fair value to approximate the carrying value. The loan is AUD denominated. Refer note 23.				
	Closing balance	3 880	4 446	—	—
10.4	Furas Manufacturing SA (Pty) Ltd				
	Opening balance	—	—	—	—
	Advances	567	—	—	—
	Amalgamated Appliances (Pty) Ltd has granted an interest free loan to Furas Manufacturing South Africa (Pty) Ltd. The loan is unsecured and is repayable within the next twelve months. The directors are satisfied that the loan is recoverable. The loan is convertible to equity.				
	Closing balance	567	—	—	—
	Total loans	30 837	29 230	—	—



Notes to the annual financial statements continued

for the year ended 28 February 2003

	GROUP		COMPANY	
	2003	2002	2003	2002
	R'000	R'000	R'000	R'000
11. DEFERRED TAX				
Opening balance	13 167	22 106	—	—
Acquisition of subsidiaries	2 401	—	—	—
Utilisation of deferred tax asset	(9 436)	(8 939)	—	—
Closing balance	6 132	13 167	—	—
Represented by:				
– provisions disallowed	5 163	3 391	—	—
– unutilised tax loss	3 350	12 140	—	—
– property, plant and equipment, trademarks and intangibles	(1 831)	(1 238)	—	—
– prepayments	(550)	(1 126)	—	—
	6 132	13 167		
12. INVENTORIES				
Raw materials	55 428	37 083	—	—
Consumable stores	236	322	—	—
Finished goods	153 124	117 844	—	—
Inventories	208 788	155 249	—	—
– Inventories				
– at net realisable value	12 582	4 711	—	—
– at cost	196 206	150 538	—	—
Inventories at net realisable value	208 788	155 249	—	—
Inventories are encumbered as reflected in note 22.				
13. TRADE AND OTHER RECEIVABLES				
Trade receivables	148 775	121 453	—	—
Other receivables	18 470	34 311	—	—
Trade and other receivables	167 245	155 764	—	—
– Trade receivables have been ceded as reflected in note 22.				
14. SHARE CAPITAL				
Authorised				
300 000 000 ordinary shares of 1 cent each				
Authorised shares during that year.	3 000	3 000	3 000	3 000
Issued				
204 197 714 ordinary shares of 1 cent each				
Issued shares at the beginning of the year	2 042	1 987	2 042	1 987
Shares issued during the year	32	55	32	55
In terms of ordinary resolution number 6 dated 20 June 2002 for the capitalisation shares issued for dividends, an amount of 3 142 145 par value shares were issued at a premium of 83,5 cents per share on 18 June 2002				
Issued shares at end of year	2 074	2 042	2 074	2 042
The directors have the authority to issue the unissued share capital. Refer page 40 resolution number 5.				



Notes to the annual financial statements continued

for the year ended 28 February 2003

	GROUP		COMPANY	
	2003	2002	2003	2002
	R'000	R'000	R'000	R'000
15. SHARE PREMIUM				
Opening balance	154 905	151 823	154 905	151 823
Premium on shares issued during the year	2 6254	3 082	2 624	3 082
Closing balance	157 529	154 905	157 529	154 905
16. LONG TERM BORROWINGS				
Amounts payable under finance leases	5 143	1 111	—	—
Amounts payable within one year	583	295	—	—
Long term borrowings	4 560	816	—	—
It is the group's policy to lease certain of its motor vehicles under finance leases. The average lease term is 5 years with the average monthly instalment of approximately R24 000. For the year ended February 2003 the average effective borrowing rate was 14,5 per cent per annum. Interest rates are linked to the prime overdraft rate.				
17. TRADE AND OTHER PAYABLES				
Trade payables	243 552	172 783	—	—
Accruals	60 299	60 302	—	—
Accounts payable	303 851	233 085	—	—
18. BANK OVERDRAFTS				
Bank overdrafts	7 459	24 725	—	—
The facilities with the various banks which include bank overdrafts, call loans, short term loans, foreign finance and letters of credit are as follows:				
ABSA Bank Limited	61 600	52 080	—	—
First National Bank Limited	35 600	30 000	—	—
Nedcor Bank Limited	40 800	34 480	—	—
Standard Bank of South Africa Limited	87 000	73 440	—	—
Banking facilities	225 000	190 000	—	—
The outstanding balances incur interest at the prime overdraft rate. The bank facilities are secured as reflected in note 22				
19. PROVISIONS				
	Warranty provisions	Other	Total	
Opening balance	4 290	2 241	6 531	
Additional provision for the year	9	651	660	
Utilisation of provision	—	(1 766)	(1 766)	
Closing balance	4 299	1 126	5 425	
The warranty provision represents management's best estimate of the group's liability under 12 month warranties granted on electrical products and is based on prior experience and industry averages for defective products.				



Notes to the annual financial statements continued

for the year ended 28 February 2003

	GROUP		COMPANY	
	2003	2002	2003	2002
	R'000	R'000	R'000	R'000
20. COMMITMENTS				
20.1 Capital expenditure				
Authorised but not contracted	358	5 435	—	—
This capital expenditure is to be financed from internal resources.				
	358	5 435	—	—
20.2 Lease commitments – operating				
The future operating lease commitments for the group are R35 479 000 (2002: R32 017 000) for property and R2 948 000 (2002 R2 965 000) for plant, equipment and vehicles.				
Due as follows:				
– Within one year	5 845	7 162	—	—
– Two to five years	32 582	27 820	—	—
	38 427	34 982	—	—

21. RETIREMENT BENEFITS

The group has made provision for pension and provident schemes covering substantially all employees. All eligible employees are members of defined contribution schemes administered by the company. (Pension fund members 333 and provident fund members 651).

The assets of these schemes are held in administered trust funds separate from the group's assets. Scheme assets primarily consist of listed shares and fixed income securities. The funds are governed by the Pension Funds Act of 1956.

22. SECURITY

In order to secure necessary funding for operations, the banks, as reflected in note 18, have in their favour a first mortgage bond registered over the group's property, cession of trade receivables and a general notarial bond passed over the group's inventories, plant and equipment. Refer to notes 7, 12, 13 and 18.

23. FINANCIAL RISK MANAGEMENT

The group's financial instruments consist mainly of deposits with banks, local money market instruments, accounts receivable and payable, loans to and from subsidiaries, leases and hire-purchase agreements.

In respect of all other financial instruments mentioned above, book value approximates fair value.

Derivative instruments are used by the group for hedging purposes. Such instruments used by the group are forward exchange contracts and fixed interest rate agreements. The group does not speculate in the trading of derivative instruments.

Foreign currency management

Trade exposure

The group's policy is to cover forward all trade commitments. Each division manages its own trade exposure. In this regard the group has entered into certain forward exchange contracts to cover foreign commitments not yet due and proceeds not yet received. The risk of having to close out these contracts is considered to be low.

The amounts represent the net rand equivalents of commitments to purchase and sell foreign currencies. The contracts will be utilised during the next twelve months. Accordingly, the average rates shown include the cost of forward cover for periods up to twelve months. Details of these contracts are as follows:



Notes to the annual financial statements continued

for the year ended 28 February 2003

	Rand		Foreign currency		Fair value – Rand	
	2003	2002	2003	2002	2003	2002
	'000	'000	'000	'000	'000	'000

Currency

British Sterling	5 246	8 880	332	543	4 236	8 942
Euro	1 768	3 259	184	333	1 180	3 374
Hong Kong Dollar	374	578	301	263	314	263
US Dollar	87 051	75 909	9 290	6 686	77 987	78 282
Japanese Yen	168	377	2 304	4 412	160	380

Trade Finance

The amount reflected under trade finance is valued at spot rate at year end. The loan is AUD 708 961 (2002: AUD 755 802) and the rand equivalent is R3 880 000 (2002: R4 446 000).

Credit risk management

Potential areas of credit risk consist of trade accounts receivable and short term cash investments.

Trade accounts receivable consists mainly of large corporate customers. Group companies monitor the financial position of their customers on an ongoing basis. Where considered appropriate, use is made of credit guarantee insurance. The granting of credit is controlled by application of account limits. Provision is made for both specific and general bad debts and at the period end, management did not consider there to be any material credit risk exposure that was not already covered by credit guarantee insurance or a bad debt provision.

It is group policy to deposit short term cash investments with major banks.

Liquidity risk management

The group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

24. RELATED PARTY TRANSACTIONS AND DIRECTORS' INTERESTS

Related party transactions

During the period the company and its subsidiaries, in the ordinary course of business, entered into various sale and purchase transactions. These transactions are no less favourable than those arranged with third parties.

R'000 Related party	Loans to (from)		Sales		Purchases		Interest /(Other)		Rent		Advances	
	Feb 03	Feb 02	Feb 03	Feb 02	Feb 03	Feb 02	Feb 03	Feb 02	Feb 03	Feb 02	Feb 03	Feb 02
Yale	3 880	4 446	468	1 300	—	—	401	—	—	—	—	342
Santronics Finance	—	7 602	—	—	—	47 696	—	591	—	—	—	—
EDI	—	(992)	1 869	8 032	—	—	—	—	—	—	—	—
Tedelex	22 114	22 722	—	—	—	—	1 771	2 754	—	—	—	—
Ted Prop	—	—	—	—	—	—	—	—	—	420	—	—
Salton Inc	(11 306)	(4 489)	10 000	4 726	36 092	24 527	—	—	—	—	—	—
	14 688	29 289	12 337	14 058	36 092	72 223	2 172	3 345	—	420	—	342

25. COMPARATIVE FIGURES

Comparative figures have been restated where necessary in order to facilitate more meaningful comparisons.

26. SUBSEQUENT EVENTS

No event material to the understanding of this report has occurred in the period between the financial year end and the date of this report.



Notes to interest in subsidiaries

Name of subsidiary company	Date and place of incorporation	Issued ordinary share capital	Holding (%)	Effective date of becoming a subsidiary	Principal business
1. DIRECT					
Amalgamated Appliances (Proprietary) Limited (Reg no 1991/004931/07)	6 September 1991 Pretoria	3	100	March 1997	Small appliance manufacturer and distributor
Haz Products (Proprietary) Limited (Reg no 1980/006458/07)	24 July 1980 Pretoria	300	100	March 1997	Investment company
Tedex Trading (Proprietary) Limited (Reg no 1996/014667/07)	25 October 1996 Pretoria	1	100	July 1999	TV Manufacturer and electronic and audio equipment distributor
2. INDIRECT					
Africatek (Proprietary) Limited (Reg no 1998/025128/07)	15 December 1998 Pretoria	100	100	July 1999	Distributor
Appliances on Line (Proprietary) Limited (Reg no 1998/016078/07)	17 August 1998 Pretoria	1	100	August 1998	Dormant
Amalgamated Appliance Ltd U.K. (Reg No. 4195991)	6 April 2001 United Kingdom	2	100	April 2001	Distributor
Amalgamated Appliances Swaziland (Proprietary) Limited (Reg no 1/1992)	6 January 1992 Swaziland	2	100	March 1997	Dormant
Cape Cabinets (Proprietary) Limited (Reg no 1975/000672/07)	5 March 1975 Pretoria	"A" shares 3 040 "B" shares 960	100	July 1999	Dormant
Empisal (Proprietary) Limited (Reg no 1950/036126/07)	20 February 1950 Pretoria	20 000	100	July 1999	Distributor
Enzo De Villiers and Company (Proprietary) Limited (Reg no 1956/002029/07)	13 August 1956 Pretoria	Ord. 2 000 Prefs. 33 000	100	July 1999	Furniture Manufacturer
Tedex (Proprietary) Limited (Reg no 89/237)	15 August 1989 Lesotho	1 000	100	July 1999	Dormant
Tedex (Botswana) (Proprietary) Limited (Reg no 94/642)	22 April 1994 Botswana	2	100	July 1999	Dormant
Tedex Manufacturing (Proprietary) Limited (Reg no 1969/000612/07)	14 January 1969 Pretoria	100	100	July 1999	Dormant
Tedex Properties (Atlantis) (Proprietary) Limited (Reg no 1971/002455/07)	1 March 1971 Pretoria	2	100	July 1999	Property owning
SMC Kidz (Proprietary) Limited (Reg no 1996/002096/06)	21 February 1996 Pretoria	1	100	December 2002	Distributor
Tedex Properties (Proprietary) Limited (Reg no 1968/007860/07)	15 July 1968 Pretoria	200	100	December 2002	Investment Company



Analysis of shareholders

	Number of shareholders	Percentage	Number of shares	Percentage
SOUTH AFRICA	742		143 180 513	69,05
UNITED STATES OF AMERICA	1		63 940 557	30,84
UNITED KINGDOM	1		218 573	0,11
OTHER	1		216	0,00
	745		207 339 859	100,00
HOLDINGS				
1 to 1 000	480	64,43	109 381	0,05
1 001 to 5 000	157	21,07	335 941	0,15
5 001 to 10 000	44	5,90	279 942	0,14
10 001 to 50 000	45	6,05	819 184	0,40
50 001 to 100 000	3	0,40	176 094	0,09
over 100 000 shares	16	2,15	205 619 317	99,17
	745	100,00	207 339 859	100,00
CATEGORY OF SHAREHOLDERS				
Individuals	681	91,43	5 241 572	2,53
Limited companies	5	0,67	67 981 587	32,79
Banks	3	0,40	52 438 872	25,29
Nominee companies or trusts	17	2,28	15 966 419	7,70
Pty Companies	15	2,01	7 539 831	3,64
Close Corporations	11	1,48	18 766	0,01
Trustee of a trust	6	0,80	19 199	0,01
Other corporate bodies	1	0,13	6 000 000	2,89
Investment companies	5	0,67	3 716	0,00
Central Securities Depository	1	0,13	52 129 897	25,14
	745	100,00	207 339 859	100,00
NON-PUBLIC SHAREHOLDERS				
Directors	9		13 117 388	
Share incentive trust	1		8 680 498	
Associates	2		5 929 785	
Shareholders holding a beneficial 10% or more interest	2		84 208 914	
	14		111 936 585	
SHAREHOLDERS SPREAD				
To the best of the company's knowledge the major shareholders beneficially interested in more than 5% of the company's listed securities Salton Inc. (Salton Hong Kong Limited)			63 940 557	31
SCMB			20 268 357	10
NEDCOR			16 319 620	8
ABSA			15 850 895	8
			2003	2002
STOCK EXCHANGE PERFORMANCE				
Market price per share (cents)				
– at year-end			109	60
– highest			125	70
– lowest			50	39
Number of shares traded (000)			7 382	8 781
Value of shares traded (R'000)			6 562	4 524
Number of shares in issue (000)			207 340	204 198
Volume traded as a percentage of total shares in issue (%)			3,6	4,3



Notice of annual general meeting

Notice is hereby given that the sixth annual general meeting of the company will be held in the boardroom, Amalgamated Appliance Holdings Limited, Tedelex House, 29 Heronmere Road, Reuven, Johannesburg on 23 June 2003 for the following reasons:

1. To receive and consider the financial statements for the year ended 28 February 2003.
2. To elect directors in the place of those retiring in terms of the company's articles of association.
3. To re-elect Deloitte & Touche as auditors of the company for the ensuing year and approve the auditors' remuneration.
4. To confirm the remuneration of the directors.
5. To place the unissued shares of the company under the control of the directors, who shall be authorised to allot and issue these shares on such terms and conditions and at such times as they deem fit, subject to the Companies Act, 61 of 1973, as amended and the JSE Securities Exchange South Africa regulations, until the next annual general meeting of the company.
6. To renew the general authority granted by the shareholders to the directors to issue the unissued ordinary shares for cash from time to time and on such terms and conditions as are suitable.

"RESOLVED THAT the directors of Amap be and are hereby authorised by way of a general authority to issue all or any of the authorised but unissued ordinary shares in the capital of Amap for cash, as and when the directors consider it appropriate, to persons qualifying as public shareholders excluding related parties subject to the limitations imposed by the JSE's Listings Requirements.

- that this authority shall only be valid until the company's next annual general meeting, provided that it shall not extend beyond 15 months from the date that this authority is given;
- that a paid press announcement providing full details including the effect on net asset value and earnings per ordinary share respectively, will be published at the time of any issue representing, on a cumulative basis within one financial year, 5% or more of the number of shares of that class of Amap's issued share capital in issue, prior to the issue;
- that the number of ordinary shares issued for cash shall not in the aggregate in any one financial year exceed 15% of the number of Amap's issued ordinary share capital, adjusted, if applicable, to take into account the existence or issue of shares that are compulsorily convertible into shares, or a rights issue (announced and irrevocable and underwritten) or shares issued in terms of a concluded transaction;
- the securities must be of a class already in issue; and
- that in determining the price at which an issue of shares may be made in terms of this authority, the maximum discount permitted will be 10% of the weighted average traded price of the class of shares in question, as determined over the 30 days prior to the date that the price of this issue is determined or agreed by the directors.
- In terms of the JSE's Listings Requirements, the approval of 75% of the votes cast by the shareholders present or represented by proxy at the annual general meeting is required for the authority in this ordinary resolution to become effective."

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

7.1. SPECIAL RESOLUTION

RESOLVED THAT the company hereby approves, as a general approval as contemplated in s85(2) and s85(3) of the Companies Act, 61 of 1973, as amended ("the Companies Act"), the acquisition from time to time, by the company and/or any of its subsidiary companies, of issued shares of the company upon such terms and conditions and in such amounts as the directors of the company may from time to time decide ("the approval"), provided that the acquisition



may not be made at a price greater than 10% (ten percent) above the weighted average of the market value for the issued shares for the 5 (five) business days immediately preceding the date on which any acquisition by the company and/or any of its subsidiary companies is effected and provided further that the approval shall not extend beyond 15 (fifteen) months after the date of registration of this Special Resolution (save to the extent that the approval is renewed as contemplated herein). The approval is subject always to the provisions of the Companies Act and the Listings Requirements from time to time of the JSE Securities Exchange South Africa ("JSE"), and shall endure until the next annual general meeting of the company (whereupon the approval shall lapse unless it is renewed by special resolution at the aforementioned annual general meeting).

7.2. REASONS FOR AND EFFECTS OF THE PASSING OF THE AFORESAID SPECIAL RESOLUTION

The reasons for and effects of the passing of the aforesaid Special Resolution is so as to enable the company and/or any of its subsidiary companies to acquire the issued shares of the company from time to time upon the terms and conditions and in the amounts as the directors of the company may from time to time decide, subject to certain statutory provisions.

7.3. GENERAL UNDERTAKING AND DETAILS IN RESPECT OF THE AFORESAID SPECIAL RESOLUTION

- 7.3.1. The board of directors currently has no specific intention of embarking on a share buy-back as contemplated in the special resolution, however the board considers it prudent to obtain a general authority therefore to facilitate appropriate action during the currency of the period contemplated in the special resolution. No repurchase of shares under this authority will be implemented until such time as the company's sponsor has confirmed in writing to the JSE that the company's working capital statement is valid.
- 7.3.2. In terms of the Listing Requirements of the JSE, on the date of this notice the directors consider that were the company to effect the maximum repurchase contemplated in paragraph 7.3.3. hereof on the date of the notice:
- The company and the group will be able in the ordinary course of business to pay its debts for a period of twelve months after the date of the notice of the annual general meeting;
 - The assets of the company and the group will be in excess of the liabilities of the company and the group for a period of twelve months after the date of the notice of the annual general meeting. For this purpose, the assets and liabilities should be recognised and measured in accordance with the accounting policies used in the latest annual group financial statements;
 - The ordinary capital and reserves of the company and the group for a period of twelve months after the date of the notice for the annual general meeting will be adequate; and
 - The working capital of the company and the group for a period of twelve months after the date of the notice of the annual general meeting will be adequate.
- 7.3.3. A maximum (in the aggregate) of 20% of the company's issued share capital may be repurchased by way of the general authority granted in terms of the special resolution in any one financial year of the company. An announcement will be made to shareholders on each and every occasion on which the company repurchases 3% or more of the issued share capital of the company from time to time. The securities will be repurchased by the company through the open market on the JSE. Subsidiaries of the company shall not acquire, in aggregate, more than 10% of the company's issued share capital.



8. To transact such business as may be transacted at an ordinary general meeting.

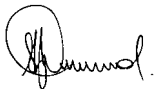
A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and speak and, on a poll, to vote in his stead. The proxy need not be a member of the company.

Certificated shareholders and own-name dematerialised shareholders who are unable to attend the general meeting but wish to be represented thereat should complete and return the attached form of proxy in accordance with the instructions contained therein so as to be received at the registered office of the company at least 48 hours, excluding Saturdays, Sundays and public holidays, before the annual general meeting.

Dematerialised shareholders who wish to attend the general meeting must request their CSDP or broker to provide them with a Letter of Representation or must instruct their CSDP or broker to vote by proxy on their behalf in terms of the agreement entered into between the shareholder and the CSDP or broker.

Proxy forms are available on request from: The Company Secretary, PO Box 39186, Booyens 2016.

By order of the board



B DRUMMOND

Company secretary

Johannesburg

28 May 2003



Financial period end	28 February 2003
Annual general meeting	23 June 2003
Preliminary profit announcement	Published April 2003
Financial statements	Published May 2003
Interim profit announcement	October 2003

AMALGAMATED APPLIANCE HOLDINGS LIMITED

Registration number 1997/004130/06
("AMAP" or "the Group")
ISIN number: ZAE000012647
Share code number AMA

SECRETARY

Bruce Drummond
BComm

REGISTERED OFFICE AND POSTAL ADDRESSES

Physical

29 Heronmere Road
Reuven 2091

Postal

PO Box 39186
Booyens 2016

WEBSITE

www.amap.co.za
www.tedelex.com

EXTERNAL AUDITORS

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Building 1
Deloitte & Touche Place
20 Woodlands Drive
Woodmead 2148

INTERNAL AUDITORS

Grant Thornton Kessel Feinstein
137 Daisy Street
cnr. Grayston Drive
Sandown 2196

TRANSFER SECRETARIES

Computershare Investor Services Ltd
70 Marshall Street
Johannesburg 2001

ATTORNEYS

Edward Nathan & Friedland Inc
4th Floor
The Forum
2 Maude Street
Sandown 2196

BANKERS

ABSA Bank Limited

21st Floor
Sanlam Centre
Cnr Jeppe and Von Wielligh Streets
Johannesburg 2001

First National Bank of Southern Africa Limited

6th Floor
4 First Place Bank City
Cnr Pritchard and Simmonds Streets
Johannesburg 2001

Nedcor Bank Limited

100 Main Street
Johannesburg 2001

The Standard Bank of South Africa Limited

Standard Bank Centre
9th Floor
5 Simmonds Street
Johannesburg 2001

SPONSORS

Bridge Capital Services (Pty) Ltd
Building 22A
The Woodlands
Woodlands Drive
Woodmead

EXECUTIVE COMMITTEE

Jack Cohen (*Chairman*)
George Bernhardt
Allan Nossel
Spyros Scafidas
Bruce Drummond
Clive Kaplan
Johan Deetlefs
Steve Karele
Herman Ellis

BOARD

Jack Cohen (*Chairman*)
Leonhard Dreimann (*Deputy Chairman*)
George Bernhardt
Allan Nossel
Spyros Scafidas
Myron Berzack
Sheldon Cohen
Meyer Kahn
Johan Kieser
Steven Levitt
William Rue
Engelbert Jansen van den Doornmalen*
Stanley Green*
Frank Thompson (resigned 31 July 2002)

*alternate

AUDIT COMMITTEE

Myron Berzack (*Chairman*)
Steven Levitt

REMUNERATION COMMITTEE

Myron Berzack (*Chairman*)
Jack Cohen
Sheldon Cohen
Steven Levitt

RISK MANAGEMENT COMMITTEE

Sheldon Cohen (*Chairman*)
Allan Nossel
Bruce Drummond
Clive Kaplan
Johan Deetlefs
Herman Ellis





AMALGAMATED APPLIANCE HOLDINGS LIMITED

(Registration number 1997/004130/06)
("Amap" or "the company")

FOR USE BY CERTIFICATED AND OWN-NAME DEMATERIALISED SHAREHOLDERS

I/We

(Name/s in block letters)

of

(Address)

being a member of Amap and entitled to votes, hereby appoint:

1. or failing him

2. or failing him

the chairman of the annual general meeting, as my/our proxy to attend and speak and vote for me/us on my/our behalf at the annual general meeting of Amap to be held at the company's boardroom at 29 Heronmere Road, Reuven, Johannesburg on Monday, 23 June 2003 at 09:00 and at any adjournment/s thereof.

	In favour of	Against	Abstain
Resolution 1			
Resolution 2			
Resolution 3			
Resolution 4			
Resolution 5			
Resolution 6			
Resolution 7			
Special Resolution 1			

(Indicate instructions to proxy by way of a cross in the spaces provided above)

Unless otherwise instructed, my/our proxy may vote as he/she thinks fit.

Signed this day of 2003

Signature

Instructions on signing and lodging the form of proxy

1. A member entitled to attend and vote at the above-mentioned meeting is entitled to appoint a proxy to attend, speak and vote (on a poll) is his/her stead. The proxy need not be a member of the company.
2. A shareholder may insert the name(s) of two alternative proxies (neither of whom need be a shareholder of the company) in the space provided, with or without deleting the words "chairman of the annual general meeting". The person whose name stands first on the form of proxy and has not been deleted and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow. In the event that no names are indicated, the proxy shall be exercised by the chairman of the annual general meeting.
3. A shareholder's instructions to the proxy must be indicated by the insertion of an "X" or the relevant number of votes exercisable by that shareholder in the appropriate box/boxes provided. If a proxy form, fully signed, is lodged without specific directions as to which way the proxy is to vote, the chairman of the annual general meeting will be deemed to have been authorised as he/she thinks fit. A shareholder or the proxy is not obliged to use all the votes exercisable by the shareholder or by the proxy.
4. A deletion of any printed matter and the completion of any blank spaces need not be signed or initialled. Any alteration or correction must be initialled by the authorised signatory/ies.
5. When there are joint holders of shares, all joint shareholders must sign the form of proxy.
6. The completion and lodging of this form of proxy will not preclude the shareholder, who grants this proxy, from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
7. Documentary evidence establishing the authority of the person signing this form of proxy in a representative capacity must be attached to this form unless previously recorded by the transfer secretaries.
8. Where this form is signed under power of attorney, such power of attorney must accompany this form unless it has been previously registered with the company or the transfer secretaries.
9. A minor must be assisted by his/her parent or guardian unless the relevant document establishing his/her legal capacity has been produced or registered by the transfer secretaries.
10. Completed forms of proxy must be forwarded to the registered office of the company so as to be received at least 48 hours, excluding Saturdays, Sundays and public holidays, before the annual general meeting.