

A large, stylized, light gray letter 'A' is positioned on the left side of the cover, extending from the top to the bottom. The background is split horizontally: the top half is black and the bottom half is light gray.

2003

ANNUAL REPORT

Your future packaging today

ASTRA[®]PAK

Mission

The primary objective of the Group is to produce technologically advanced packaging and services to customers in order to achieve superior growth in earnings and value for linked unitholders.

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Foreword



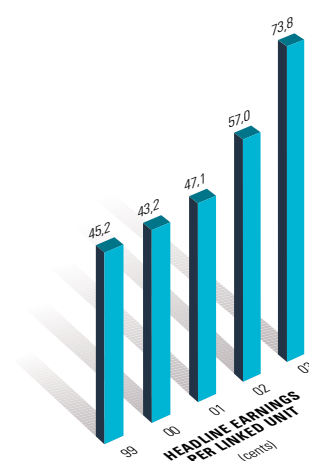
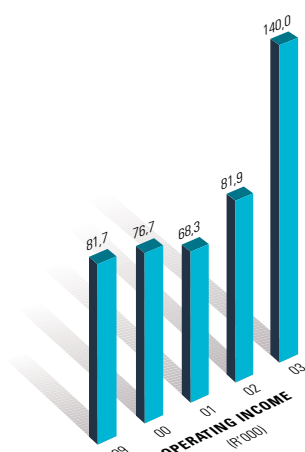
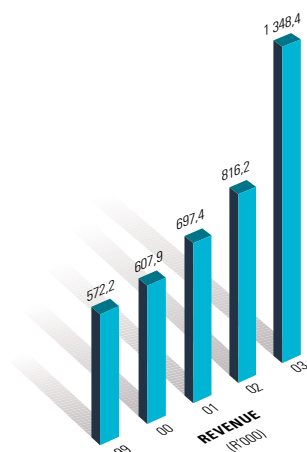
Astrapak Limited ("Astrapak" or "the Group" or "the Company") is South Africa's largest plastic packaging group quoted on the JSE Securities Exchange South Africa ("JSE"). The Group specialises in the manufacture and supply of specialised plastic packaging products and services. Astrapak also exports packaging to at least 20 countries in Africa and the Indian Ocean Islands.

The Group currently employs in excess of 3 000 people and operates nationally in three divisions, namely Films, Rigid and Flexible. These operations supply specialised plastic packaging to the food, beverage, confectionery, fruit, petrochemical, industrial and general merchandise markets. The operations are focused on specific areas of the plastic packaging market, from high-tech specialised companies, to high-volume, low-cost producers.

Financial Highlights

AS AT 28 FEBRUARY 2003

- Revenue **up 65%**
- Operating profit **up 71%**
- Headline earnings per linked unit **up 29%**
- Return on equity of **36%**



02 Group History

- 1996 - Astrapak Ltd incorporated as First Round Investments (Pty) Ltd
 - Astrapak acquires the businesses of Emcape (Pty) Ltd and Thermopak (Pty) Ltd and forms Emcape-Thermopak (Pty) Ltd ("Emcape-Thermopak")
 - Astrapak acquires the business of Ysebrand Natal (Pty) Ltd ("Transpoly")
- 1997 March - Astrapak acquires the businesses of the East Rand Plastics Group, viz: East Rand Plastics (Pty) Ltd ("East Rand Plastics"), Packaging Consultants (Pty) Ltd ("Packaging Consultants") and Peninsula Packaging (Pty) Ltd ("Peninsula Packaging")
 - PAK 2000 (Pty) Ltd ("PAK 2000") acquired
- April - City Packaging (Pty) Ltd ("City Packaging") acquired
- July - Packaging Converters (Pty) Ltd ("Packaging Converters") acquired



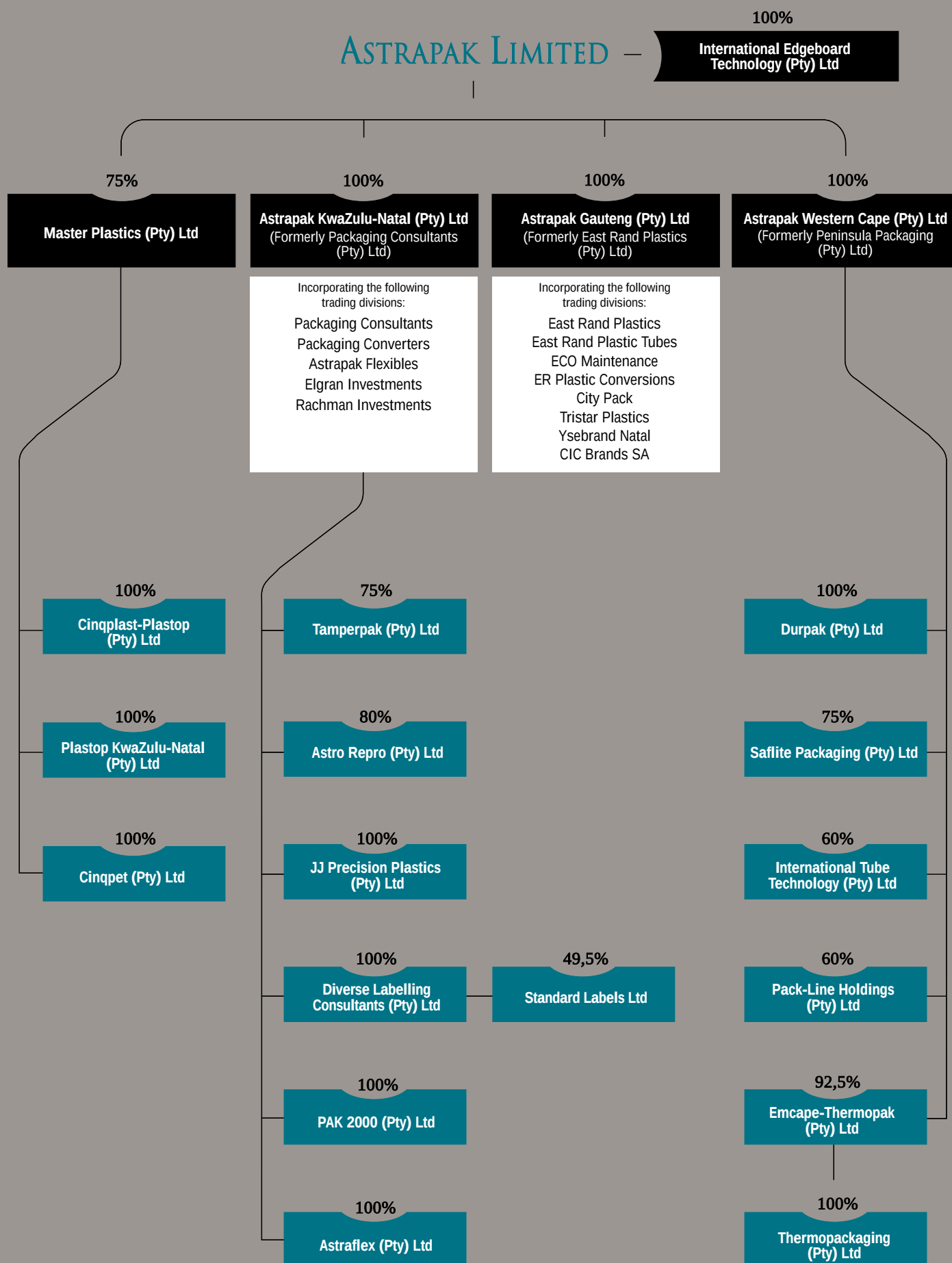
- Nov - Astrapak listed on the JSE Securities Exchange South Africa ("JSE")
- 1998 Jan - Diverse Labelling Consultants (Pty) Ltd ("Diverse Labelling Consultants" or "DLC") acquired
- May - Tristar Plastics (Pty) Ltd ("Tristar"), Durpak (Pty) Ltd ("Durpak") and CIC Brands SA (Pty) Ltd ("CIC Brands") acquired
- Dec - The businesses of Emcape-Thermopak and Blista Pac (Pty) Ltd are merged and commence trading as Thermopak
- 1999 March - Astrapak Exports (Pty) Ltd ("Astrapak Exports") established to promote exports
- April - Acquired 70% of the equity in JJ Precision Plastics (Pty) Ltd ("JJ Precision")
- May - Acquired 75% of the equity in Safelite (Pty) Ltd ("Safelite")
 - Transpoly assets sold to Nampak Ltd
- July - Astra Repro (Pty) Ltd ("Astra Repro") commences operation as a joint venture between DLC and Packaging Converters
- Sep - Tamperpak (Pty) Ltd ("Tamperpak") established as a grass roots project
- 2000 March - Converted funding in International Tube Technology (Pty) Ltd ("International Tube Technology" or "ITT") into 60% equity
- July - Acquired 60% of the equity in Pack-Line Holdings (Pty) Ltd ("Pack-Line")
- 2001 March - Group reorganised in terms of section 39 of the Income Tax Act
- July - Astrapak Flexibles (Pty) Ltd ("Astrapak Flexibles") established to operate as a selling arm of the Flexibles division
- Oct - International Edgeboard Technology (Pty) Ltd ("International Edgeboard Technology" or "IET") established as a grass roots project
- 2002 May - Acquired 75% of the equity in Master Plastics (Pty) Ltd ("Master Plastics") with effect from 1 March 2002

Group Structure

AS AT 28 FEBRUARY 2003

(OPERATING COMPANIES ONLY)

03



Films

East Rand Plastics | Brakpan

Priding itself on outstanding production quality, East Rand Plastics produces high and low-density polyethylene films, converting them into a range of sophisticated products - from multilayer film structures to superbly decorated and wicketed bags for a range of applications.

Applications include refuse bags, carrier bags, shrink films, heavy-duty fertilizer bags, multilayer lamination sheeting, tamper-evident form-fill-seal film and packaging for the bakery and agricultural industries.



Peninsula Packaging | Bellville

Widely acknowledged as a market leader in the manufacture of plain and printed polyethylene films, sheeting, tubing and bags (both printed and unprinted). The extensive product range is supported by advanced flexographic printing facilities and the company also boasts comprehensive bagmaking facilities, catering for all manner and type of bags - from wicketed bags through to side-sealed bags.

These products are primarily used for packaging fresh fruit (for local



and export market), fresh fish, general food, beverages, refuse bags and industrial packaging.

Packaging Consultants | Durban

Initially committed to the plain and construction film market, Packaging Consultants now also serves the six-to eight-colour high-quality print market and sophisticated bag market.

Major markets include boutique bags, form-fill-seal packaging material (for confectionery, maize and rice), bags for poultry, maize, pet food and frozen vegetables, as well as heavy-duty sacks for agricultural and chemical products.



City Pack | Randburg

Due to the installation of co-extrusion technology, City Pack has been able to move shrink films into a new era of sophistication and added-value, and today is amongst South Africa's market leaders in the supply of co-extruded, printed film for the shrink wrapping of food products, beverages and industrial products. City Pack also entered the form-fill-seal market and is a major supplier of high-quality films flexographically-printed in up to eight colours for frozen vegetable packaging.



Tristar Plastics | Aeroton

Tristar Plastics specialises in pallet stabilisation and related products for the industrial packaging sector. It is widely acknowledged as the market leader in the manufacture of high-quality shrink and stretch film products,



specifically for blue-chip companies in the cement, brewing, milling, retail and mining industries.

Tristar's market success is maintained through developing integrated partnerships with customers in order to provide effective packaging solutions.



Pack-Line Packaging | East London

With a well-deserved reputation as a 'one-stop packaging shop', Pack-Line Packaging specialises in the manufacture of extruded film products - in both reel form and bags - for the industrial, agricultural and funeral sectors.

As well as its involvement in the extrusion of virgin polymers, they also use recycled material for certain packaging applications.

Key product lines include shrink film and tubing for a diverse assortment of applications - from prepacked fruit and vegetables to clothing, linen and confectionery products.

Rigids

Thermopac | Cape Town

Thermopac specialises in the production of rigid thermoformed PP, HIPS and PET plastic packaging - mainly for the fresh food, prepared



food, bakery and confectionery industry, but also for pharmaceuticals and cosmetics, and some industrial packaging. In addition, Thermopac extrudes plastic sheeting for the general thermoforming market.

Serving many of South Africa's blue-chip companies, Thermopac offers a JIT service on a range of custom-moulded packs, as well as off-the-shelf packs. To ensure world-class products for its customers, Thermopac continually benchmarks itself against international standards of production efficiency and has aligned itself with overseas companies with which it enjoys technology-sharing arrangements.



PAK 2000 | Pinetown

The product range is focused on the motor vehicle lubricants sector, with the mainstay being blow-moulded polyethylene containers ranging from

200 ml to 5 litres. PAK 2000's current focus is on providing innovative and cost-effective packaging to the oil industry.

At PAK 2000 the aim is to add value and whilst many companies are capable of blow-moulding plastic bottles, and injection-moulding auxiliary components, not many are as adept at high-tech decorating.



JJ Precision Plastics | Pinetown

JJ Precision supplies all the closures for PAK 2000's products and also serves in the food and industrial injection-moulding markets.

JJ Precision also offers a fully-fledged toolroom that's vital for both the business and PAK 2000. When it comes to tool and die-making there is an abundance of expertise as the directors are qualified toolmakers with extensive experience in component and mould designs.

International Tube Technology | Cape Town

ITT manufactures world-class industrial cores and tubes, focusing primarily on the textile/synthetic fibre industry. ITT has gained an enviable reputation for innovation and quality in both products and service; and its entrepreneurial approach and flexibility means that -

when it comes to cores and tubes - virtually any design specification can be achieved.

In addition to textile tubes, ITT also supplies a comprehensive range of cores, tubes and composite containers, which are produced for a wide range of packaging applications.



International Edgeboard Technology | Cape Town

IET manufactures edgeboard for the use in stabilising pallet loads and for edge protection. Although mainly used to stabilise cartons of deciduous and citrus fruit for the export market, local packers and distributors also use edgeboard to preserve fruit quality.

The use of edgeboard combined with stretch or pallet wrap provides improved pallet stability, as well as moisture and dust protection, representing cost savings and providing aesthetic appeal.



Master Plastics | Denver, Bronkhorstspuit & Durban

In addition to its flagship plant in Denver - which incorporates Cinqplast-Plastop (Pty) Ltd and its associate company Cinqpet (Pty) Ltd - there are two further plants in Bronkhorstspuit and Durban, as well as a distribution centre in Pinetown.

When customers have invested in quality products, they need top-class packaging that blends aesthetic appeal with functionality. And that's what Master Plastics offers - world-class packaging technology to match top-quality products.

Master Plastics rates as one of the leading manufacturers and decorators of rigid plastic bottles, jars, closures and other components for pharmaceuticals, cosmetics, personal care products and toiletries.

Although traditional emphasis was on blow-moulded PVC containers, this dedicated plastic packaging producer is now able to produce a wide range of PET containers - from high-volume water, oil and carbonated soft drink bottles through to wide-mouth jars and specialised cosmetic bottles.

In-house design is a strong marketing tool, and the design office at Denver helps to eliminate customers' on-line problems by taking filling and capping operations into consideration when designing containers.



Flexibles

Diverse Labelling Consultants | Durban

Initially established to supply PVC shrink labels to the beverage industry, DLC soon expanded into related technologies, such as tamper-evident neck bands, stretch labels, wraparound labels and flexible packaging for the confectionery industry.

DLC enjoys a major share of South Africa's labelling market, and an ever-growing share of the flexible packaging market for the country's major confectionery manufacturers. It has particular competence in the market for high-quality, flexo-printed narrow-web flexible packaging materials.



Astraflex | Durban

Situated in brand-new custom designed premises, Astraflex works in conjunction with DLC, through a common marketing arm, to provide customers with the mix-and-match convenience of a 'one-stop shop'.

Customers for the top-class printed flexible packaging produced by

Astraflex includes producers of confectionery, baked products, frozen products, spices and cereals. Apart from the food industry, there are numerous customers in the pharmaceutical, medical and personal care sectors.



Saflite | Cape Town

Saflite was established to take advantage of the burgeoning and fast-expanding market in stand-up pouches. In its short history, this innovative operation has taken a sizeable share of the stand-up pouch market for both food and non-food products.

Saflite also offers stand-up pouches with resealable zippers, providing the added consumer convenience of easily resealable packs - a strong marketing plus for brand owners.



Applications include confectionery, baking powder, dry yeast, DIY products, pet foods, pool chemicals and fabric softeners, to name but a few.

Tamperpak | Johannesburg

Tamperpak was established to complement the products offered by DLC - specifically to supply the Gauteng and Cape markets for short-run, undecorated tamper-evident sleeves.

Tamperpak enjoys a major share of the market for undecorated tamper-evident sleeves for cosmetic, personal care, pharmaceutical, food and industrial products.



Astra Repro | Durban

Astra Repro provides an invaluable service to the division and the Group as a whole by providing a dedicated in-house reproduction facility. Apart from ensuring that prepress adjustments and hard-earned know-how remain strictly confidential, the in-house reproduction capabilities offered bring numerous advantages for the Group operations and their customers, including improved turnaround times, reduced costs and improved control over the production of photopolymer printing plates.

Astrapak Flexibles | Durban

Astrapak Flexibles, which also incorporates Astrapak Exports, is the sales and marketing company within the Flexibles division. Astrapak Flexibles strives to provide customers with the mix-and-match convenience of a 'one-stop shop' for their flexible packaging and labelling solutions.

The sole function of Astrapak Exports is to develop untapped international markets for Group products and services. While the initial focus is to develop the untapped potential of Africa, the Group also conducts business in the Americas, Europe and Australasia. A joint venture operation in Mauritius offers some flexible packaging and labelling products to SADC and COMESA countries, at reduced import tariffs.

08 Directorate and Administration



{from left to right}

CHAIRMAN

Russell Upton (68) - CA (SA)

Non-executive Director

Russell Upton qualified as a Chartered Accountant. He has been in the plastics and packaging industries for more than 30 years. He is currently a management consultant and apart from being a director of Astrapak Limited, is also a director of Investec Bank Limited and the Frame Textile Group.

EXECUTIVE DIRECTORS

Ray Crewe-Brown (58) - BSc Mech Eng

Chief Executive Officer

Ray Crewe-Brown has been in the plastics and packaging industries for more than 30 years. He was appointed Managing Director of Ampaglas (Pty) Limited, a specialised plastic sheeting manufacturer. Following the acquisition of Ampaglas (Pty) Limited by Murray & Roberts Holdings Limited in 1983, was appointed Executive Chairman of Murray & Roberts Plastics and Abrasives Corporation Limited. Following Kohler Limited's acquisition of Murray & Roberts Plastics Limited in 1992, was appointed Chief

Executive Officer of Kohler Plastics

Limited and appointed to the board of Kohler Limited in 1994. A member of the Plastics Federation since 1982, President of the Plastics Federation for three years and a member of the steering committee for the Department of Trade and Industry's sponsored cluster study for the plastics industry. He is currently a director of the board of the Packaging Council of South Africa (PACSA) and a member of the executive committee.

Harry Todd (40) - CA(SA)

Financial Director

Harry Todd qualified as a Chartered Accountant after completing articles with Deloitte & Touche. He began his career as Financial Manager at HL & L Timber Processors, then Rowa International. He then became Group Financial Manager of Swaziland Brewers. Upon his return to South Africa he took up the position of Financial Manager - Other beverage interests, at South African Breweries Plc. He joined Astrapak as Financial Director with effect May 2001.

Marco Baglione (41) - Divisional Chief

Executive - Rigids Division

Marco Baglione started in the packaging industry in March 1983. He progressed through the ranks within Nampak Limited before leaving to establish PAK 2000 in Durban in 1994. He joined Astrapak in 1997 when the Company acquired an equity share in PAK 2000. He was appointed as Divisional Chief Executive - Rigids Division in July 2002.

Greg Petzer (45) - Divisional Chief

Executive - Flexibles Division

Greg Petzer joined Kohler Flexibles (Pty) Limited in 1979 as cashbook clerk and by 1990 held the position of Commercial Director.

In 1990 he established Diverse Labelling Consultants in Durban. During 1992 he was awarded with the SBDC/Sanlam Entrepreneur of the Year Award.

He joined Astrapak in 1998 when the Company acquired an equity share in Diverse Labelling Consultants.

He was appointed as Divisional Chief Executive - Flexibles Division in April 2000.

Johan Venter (60) - *BCom BCompt Hons*
Divisional Chief Executive - Films Division

Johan Venter joined East Rand Plastics in 1979. He established Peninsula Packaging in 1979 and was appointed Managing Director of Peninsula Packaging in 1994. He was appointed as Divisional Chief Executive - Films Division in February 2002.

NON-EXECUTIVE DIRECTORS

Thierry Dalais (44) - *CA(SA)*

Thierry Dalais qualified as a Chartered Accountant in 1984. He was then

employed with Merchant Shippers, a subsidiary of Merhold Investment Corporation Limited, and was engaged in trade financing activities. In 1987 he was appointed Director of Merhold Corporate Limited and in the Group's Investments and Corporate advisory services arm. In 1991 he founded Brait Private Equity Group with Antony Ball. He has extensive experience in corporate finance, private equity investing and general counsel to entrepreneurs in South Africa and abroad. He currently serves as Non-executive Deputy Chairman of Brait Société Anonyme (Brait).

COMPANY SECRETARY

Yolande Cowley (33)

Yolande Cowley qualified as a Chartered Accountant after completing articles at BDO Spencer Steward and joining PricewaterhouseCoopers. She joined Astrapak as Group Financial Manager and Company Secretary with effect November 2002.

member of the remuneration committee

* *member of the audit committee*

Business address and registered office

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Postal address

PO Box 652740, Benmore 2010

Transfer secretaries

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PO Box 61051, Marshalltown 2107

Auditors

Deloitte & Touche, Deloitte & Touche Place, The Woodlands Office Park,
Woodmead Drive, Woodmead

Principal bankers

Citi Bank N.A. South Africa, 145 West Street Sandown
ABSA Bank Ltd, Eastgate Office Park, South Boulevard, Bruma

Sponsor

Rand Merchant Bank (a division of First Rand Bank Ltd), 1 Merchant Place,
Cnr Fredman Drive & Rivonia Road, Sandton

Legal advisors

Brait Advisory Services Ltd, 9 Fricker Road, Ilovo Boulevard, Ilovo

Company registration number

1995/009169/06

Website address

www.astrapak.co.za



R Crewe-Brown | Chief Executive Officer

The Master Plastics acquisition was of great strategic importance because it moves Astrapak into the major league of Rigid suppliers in South Africa.

Year under review

The year ended 28 February 2003 proved to be a successful year confirming a stronger local economy and return to even stronger demand for consumer goods across the board. The weak Rand in the early part of the year started a mini export boom to countries in Africa, the Indian Ocean Islands and the Middle East from which we benefited. More importantly, major customers also benefited from substantial growth in exports to Africa and Europe. In addition, opportunistic exports resulted from traders purchasing in the SA market for global exports.

Packaging demand was further strengthened by the enormous influx of tourists that visited South Africa last year spending freely in the local economy.

On the supply side we experienced a steep increase in raw material input prices as a result of the weakening Rand and an oil price that moved up towards the end of the year because of the impending conflict in the Gulf region.

The summation of this was a strong local economy with Astrapak achieving a real volume growth of 10,1% excluding the effect of acquisitions. The country

experienced unusually good growth which was out of line with the rest of the world, partly as a result of our currency and partly as a result of our safe status and good geographic position with regard to Europe.

Acquisitions

Astrapak acquired 75% of the issued share capital of Master Plastics for a purchase consideration of R123,75 million effective from 1 March 2002. The Master Plastics group consists of four major operating entities trading under the names Cinqplast-Plastop and Plastop which are situated in Gauteng and KwaZulu-Natal.

The acquisition was of great strategic importance because it moves Astrapak into the major league of Rigid suppliers in South Africa. It has given us access to the fast growing PET market and, at the same time, has resulted in substantial exposure to the rapidly expanding pharmaceutical and personal care markets. The spread of products across the Rigid division is now considerable and there is a good balance between summer and winter products giving a balanced utilisation of plant throughout the year. The acquisition was totally debt

financed which was considered to be a more attractive proposition than a share issue during the early part of last year, due to the higher cost of equity. It is pleasing to note that Master Plastics has made a positive contribution of 7 cents per linked unit to headline income.

Financial results

The Group's results for the year ended 28 February 2003 were particularly good and consolidated the trend that had been in place since the previous year. Revenue increased by 65,2% to R1,348 billion. Astrapak is now the second largest packaging company listed on the JSE.

Operating profit amounted to R140 million, an increase of 70,9% on the previous year. It was pleasing to note that the growth in profit was well ahead of that of revenue, confirming the improvement in efficiencies that we have been working very hard to achieve. Margins continued to improve from 10% to 10,4% which was encouraging in the light of the increase in the cost of raw materials in the early part of the year. Profit after tax increased by 34% which was lower than the operating profit increase as a result of the substantially higher interest attributable to the acquisition of Master Plastics.

Headline earnings per linked unit were up 29,5% at 73,8 cents. Gearing on the other hand increased to 102,7% as a result of the Master Plastics acquisition and investment in capex and new projects amounting to approximately R100 million. Given the Group's high capacity to generate cash, the gearing level is not uncomfortable.

Divisional results

Films

Astrapak has a very strong Films division with six operations situated in all the major centres of the country. Turnover increased 16% to R580 million confirming the division's position as the largest division in the Group. More importantly, operating margin was up 16% to 8,8% while profit before interest and tax increased by 33% to R50,8 million. The division benefited from improved efficiency and re-engineering of its product range, improved non-carbonated beverage demand and direct exports to Africa and Europe.

Rigids

The Rigids division experienced excellent growth of 284% to R515 million making it the second largest division in the Group. PBIT grew 212% to R58,5 million as a result of the Master Plastics contribution, significant growth in the cores and tubes operation and general improvement in demand. Operating margins declined from 13,9% to 11,4% as a result of Master Plastics achieving a lower contribution than the former Astrapak Rigids division.

Flexibles

Flexibles is the smallest division in the Group but had the highest rate of internal growth with sales up 39% to R253 million and operating profit up 21,4% at

R30,6 million. Margins declined by 1,7% as a result of the transformation of the old Packaging Converters company into a state-of-the-art new facility under the brandname Astraflex. This resulted in some one-off restructuring costs and the cost of keeping two facilities running side by side for a period of six months. Flexibles experienced very strong demand from confectionery and non-carbonated beverage sectors and experienced strong growth in direct and indirect exports to Africa and the Indian Ocean Islands.

Change in linked unit holders' structure

On 9 July 2003 54 322 303 linked units changed hands on the JSE. These linked units were sold by South African Private Equity Fund 1, Tarkus Holding BV (both funds administered by Brait) and Zofis Investment Corporation, to numerous institutional investors in South Africa. This has now eliminated the perceived overhang associated with the Brait Shareholding.

Future prospects

It is clear that demand in the consumer market has contracted to some extent as a result of high interest rates in the early part of 2003. In addition, the high level of opportunistic exports that the market benefited from during 2002 have dried up as a result of the strength of the Rand.

On the positive side, interest rates are expected to decline which could stimulate local demand. In addition, lower interest rates will benefit our profitability, given our high level of borrowings.

Astrapak has implemented an EVA scheme from 1 March 2003 in order to incentivise management and align their interests more closely with those of shareholders.

This should increase the rate of cash generation and reduce debt which will have a positive impact on the profitability for the Group. Furthermore, Astrapak will be focusing on the one entity in the Master Plastics Group which has been a loss maker for the past few years.

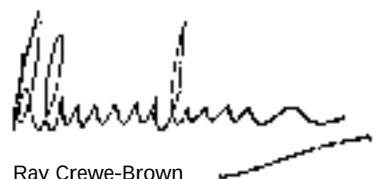
The Group is also expected to benefit from reduced raw material prices as a result of the falling oil price and the strength of the Rand. We, therefore, anticipate a lower demand in the first six months but are hopeful of an improved second six months as a result of the benefit of lower interest rates in South Africa.

Appreciation

I wish to express my thanks to the executive and non-executive directors and to all the management and employees for an outstanding performance and, in particular, for the exceptional effort, dedication and support which was evident throughout the period.

Distribution

Despite the high levels of borrowings, the directors of Astrapak decided to distribute 11,7 cents per linked unit on 2 June 2003, comprising interest of 8,10 cents and dividends of 3,60 cents.



Ray Crewe-Brown
Chief Executive Officer

1 August 2003

The **Films** division acknowledges its responsibility towards the environment and has now entered into an agreement with an overseas supplier of additives to enable it to manufacture biodegradable products.



In order to achieve these objectives, technical and sales staff visit machine suppliers, overseas companies with similar manufacturing facilities and international trade shows to ensure that the companies remain competitive and at the cutting edge of new technology and product developments.

Markets served

The companies within the division pride themselves on outstanding production quality. They produce high-density, low-

density and linear low-density polyethylene films, as well as metallocene and polypropylene films, converting them into a wide range of sophisticated products - from multilayer film structures to superbly decorated and wicketed bags for a range of applications, including:

- refuse bags supplied to retailers and municipalities;
- packaging for the baking industry, including wicketed bags, shrink wrap and flimsy bags;

Divisional overview

The division currently consists of six manufacturing operations of which three are located in the Gauteng region and one located in each of the Western Cape, KwaZulu-Natal and Eastern Cape regions.

Collectively these companies have the equipment, technical know-how and distribution network to fully service the needs of the South African plastic film industry. During the past few years the division has also been successful in exporting products into Africa, the Indian Ocean Islands, the United Kingdom and some other European Union Countries.

The management of this division has committed itself to the ongoing development and training of its staff to ensure that the companies within the division remain leaders in the manufacture of value-added products which will meet the needs of an ever evolving customer base.



- multi-layer films for the industrial and construction markets;
- high-quality packaging for the export of fruit;
- wide sheeting for the textile industry;
- packaging for the boutique retailers;
- flexographically-printed packaging for the frozen food markets;
- pallet stabilisation and related products;
- heavy-duty packaging for the agricultural and chemical markets;
- co-extruded, printed film for shrink wrapping of food products, beverages and industrial products; and
- carrier bags for the retail trade.

Environmental

The division acknowledges its responsibility towards the environment and has now entered into an agreement with an overseas supplier of additives to enable it to manufacture degradable products.

Year under review

Capital expenditure and expansion during the immediate past placed the division in a strong position to respond to market demands as and when presented. Additional capital expenditure during the year under review further allowed the division to expand its technical capabilities and output in the supply of co-extruded products for the pallet stabilisation markets.

With the printing capability, which ranges from two-colour to eight-colour printers, now fully utilised, we were able to make substantial inroads into the value-added markets and also grow our export business substantially.

Turnover increased by 16% to R580 million, representing 43% of the total turnover of the Group.

Operating margins improved 16% to 8,8% of turnover, compared to 7,6% of turnover in the previous year.

This was achieved mainly through improved efficiencies, re-engineering of product ranges, improved beverage demand and direct exports into Africa and Europe.



Future prospects

The strategy for the division is to:

- continue the move away from low-margin lines to more sophisticated and value-adding films;
- further expand exports;
- increase value-adding through printing and laminating;
- enhance skills of workforce through various training and life skills programmes;
- further increase margins by improving efficiencies and reducing costs;
- address social, environmental and empowerment issues; and
- further cement relationships with national and international raw material suppliers, equipment suppliers and leading overseas companies operating in similar industries.



Johan Venter
Divisional Chief Executive – Films Division

1 August 2003

The **Flexibles** division enjoys an ever-growing share of the country's flexible packaging market and is able to provide customers the mix-and-match convenience of a 'one-stop shop'.



A commitment to state-of-the-art technology, innovation, quality, training, customer service and value-adding solutions will see this division enjoying a growing market share in the coming financial years.

Markets served

The companies within the division are very actively involved in the flexible packaging segment of the market and provide

packaging products and solutions to a broad spectrum of market sectors.

Markets served by this division include:

- PVC shrink labels, stretch labels, wraparound labels to the beverage and other industries;
- flexible packaging for the food industry (confectionery, baked products, frozen products, spices and cereals);

Divisional overview

The division currently consists of six manufacturing and two service operations. With the exception of two of the operations, which are located in Gauteng and the Western Cape, five of the other operations are located in the KwaZulu-Natal region. The division also includes a joint venture operation in Mauritius.

The division enjoys an ever-growing share of the country's flexible packaging market. Companies within this division enjoy numerous common customers and are able to provide customers the mix-and-match convenience of a 'one-stop shop' for their best flexible packaging and labelling solutions - whether it's basic two-colour twistwrap, or long-run, wide-web multicolour flexible packaging, or short-run, narrow-web material.



- flexible packaging for the pharmaceutical, medical and personal care industries;
- undecorated tamper-evident sleeves for the cosmetic, personal care, pharmaceutical, food and industrial industries; and
- stand-up pouch market for both food and non-food products.

Year under review

The year under review saw the rationalisation of Packaging Converters into Astraflex, a move which resulted in a hi-tech flexographic printing facility that is on par with any other flexographic printing facility anywhere in the world. This rationalisation was essential to progress the division to a point where it could provide alternative solutions to customers who required hi-tech flexible packaging. In view of the merger between Nampak and Kohler, it was felt that

this rationalisation was a necessity, as it gave rise to a worthy alternative supplier.

The Mauritian JV grew to such an extent, that expansion was necessary and the plant had to be moved to new premises with double the original capacity. Additional equipment was also installed at Saffite Packaging due to the rapid growth in stand-up pouches.

Turnover increased by 39,1% to R253,3 million (2002: R182,1 million). Operating profits increased from R25,2 million to R30,6 million with margins being lower at 12,1% when compared with the 13,8% achieved in 2002.

On the whole the companies in this division performed well during the year under review.

Future prospects

The strategy for the division is to:

- improve customer service and communications;

- find new applications for stand-up pouches;
- investigate possible joint ventures with international players;
- enhance skills of workforce through various training and life skills programmes;
- increase margins by improving efficiencies and reducing costs;
- focus on innovation and providing value-adding packaging solutions to customers;
- further exploit synergies between Group companies;
- address social, environmental and empowerment issues; and
- further cement relationships with national and international raw material suppliers, equipment suppliers and leading overseas companies operating in similar industries.



Greg Petzer

Divisional Chief Executive – Flexibles Division

1 August 2003

The **Rigids** division provides customers who have invested in quality products with top-class packaging that blends aesthetic appeal with functionality.



development, value-adding expansion projects and training on all levels will ensure the delivery of the best quality products and services.

Markets served

When customers have invested in quality products, they need top-class packaging that blends aesthetic appeal with functionality - and that is what this

division offers - world-class packaging technology to match top-quality products. Markets served by this division include:

- plastic containers and closures for the beverage, personal care and pharmaceutical markets/industries;
- clear packaging containers for a variety of fresh and prepared foods;

Divisional overview

The division currently consists of nine manufacturing operations of which three are located in the Gauteng region, three in the Western Cape region and three in the KwaZulu-Natal region.

Due to the acquisition of 75% of Master Plastics, this division is now a major player in the blow-moulding and injection-moulding markets of South Africa. This strategically important acquisition has also allowed for the maximisation of synergies within the division and the Group as a whole.

Companies within this division have earned a reputation for innovation and highest quality in products and services. A commitment to pro-active product





- decorated jars and containers for the motor lubricant market (motor oil, brake fluid, anti-freeze etc);
- innovative plastic closures for rigid containers and industrial markets;
- industrial cores, tubes and composite cans for industrial, textile and general packaging applications;
- edgeboard for use in stabilising pallet loads and for edge protection; and
- manufacturer of specialised tools and dies for injection and blow-moulding processes.

Year under review

As stated earlier, the acquisition of Master Plastics has given this division a strong market position in South Africa. Internally the division continues to re-focus business units from a market and operational perspective in order to maximise results. It is believed that the benefits of this re-focus process will become even more evident in future financial years.

Turnover more than doubled to R515 million (2002: R134 million) mainly due to the acquisition of Master Plastics which accounted for R341 million of turnover in 2003. The turnover of R515 million represents 38% of the total turnover of the Group. Operating profits increased from R18,7 million to R58,5 million with margins being lower at 11,4% when compared with the 13,9% achieved in 2002.

On the whole the companies in this division performed well during the year under review.

Future prospects

The strategy for the division is to:

- identify and enter niche and high-growth areas of the market;
- investigate possible joint ventures with international players;
- enhance skills of workforce through various training and life skills programmes;

- further increase margins by improving efficiencies and reducing costs;
- further exploit synergies between Group companies;
- address social, environmental and empowerment issues;
- further cement relationships with national and international raw material suppliers, equipment suppliers and leading overseas companies operating in similar industries; and
- continue internal re-focusing process.

Marco Baglione

Divisional Chief Executive – Rigids Division

1 August 2003

18 Group Value Added Statement

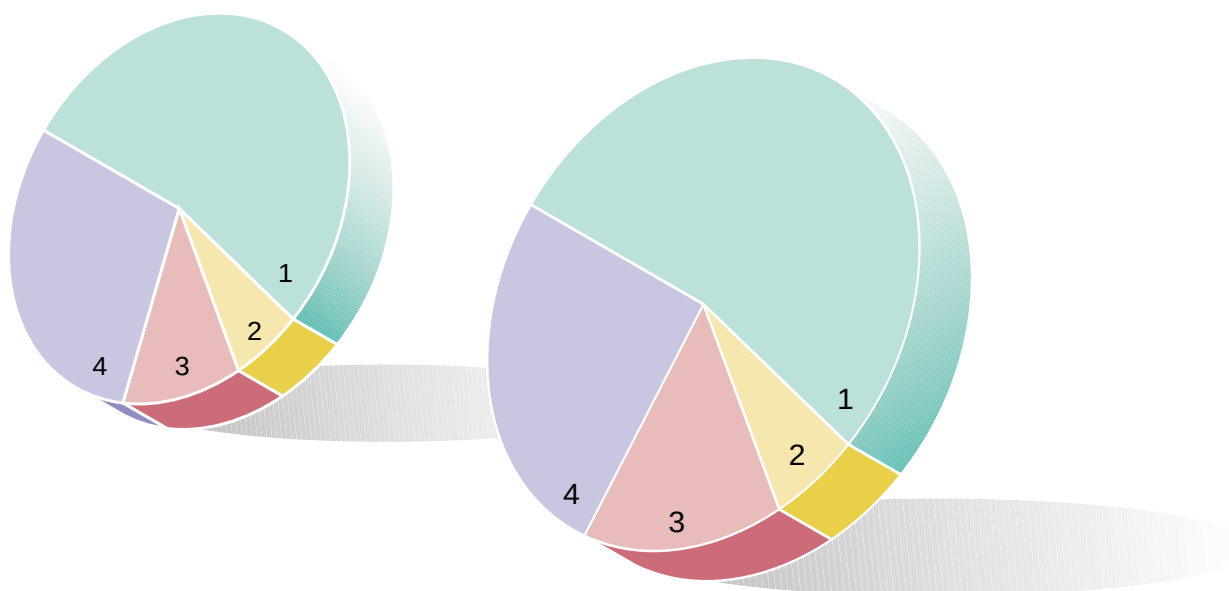
for the year ended 28 February 2003

R'000	Notes	2003	%	2002	%
Wealth created					
Revenue		1 348 440		816 247	
Paid to suppliers for materials and services		905 998		572 672	
Value added		442 442		243 575	
Interest received		7 178		5 020	
Total wealth created		449 620	100	248 595	100
Wealth distributed					
Employees	1	238 350	53	132 212	53
Providers of capital:		65 311	15	26 782	11
Interest paid on borrowings		54 161	12	18 962	8
Interest paid to debenture holders		7 708	2	7 607	3
Dividends paid to outside shareholders		3 442	1	213	-
Central and local government	2	27 528	6	13 983	6
Reinvested in the Group to maintain and develop operations		118 431	26	75 618	30
Depreciation		62 180	14	31 458	12
Retained profit		56 865	12	42 803	17
Deferred taxation		(614)	-	1 357	1
Total wealth distributed		449 620	100	248 595	100
Value added ratios					
Number of employees (28 February)		3 087		1 917	
Revenue per employee (Rand)		437		426	
Value added per employee (Rand)		143		127	
Wealth added per employee (Rand)		146		130	
Average benefit per employee (Rand)		77		69	

for the year ended 28 February 2003

R'000	2003	2002
1. Employees		
Salaries, wages, overtime payments, commission, bonuses and allowances, employer contributions and fringe benefits	238 350	132 212
2. Central and local government		
Current taxation	21 570	11 152
Secondary tax on companies	568	122
Regional Service Council levies	2 210	1 614
Rates and taxes paid to local authorities	1 828	1 152
Custom duties, import surcharges and excise taxes	3 292	1 412
Gross contribution to central and local government	29 468	15 452
Less: Government cash grants and subsidies	1 940	1 469
	27 528	13 983

Wealth Distribution



2002 Wealth Distribution

1. Employees	53%
2. Government	6%
3. Lenders	11%
4. Reinvested	30%

2003 Wealth Distribution

1. Employees	53%
2. Government	6%
3. Lenders	15%
4. Reinvested	26%

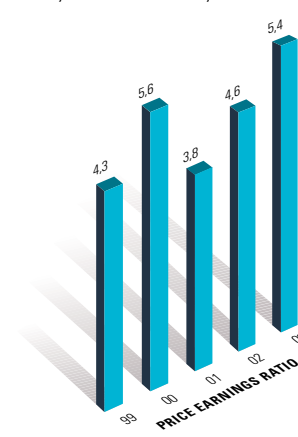
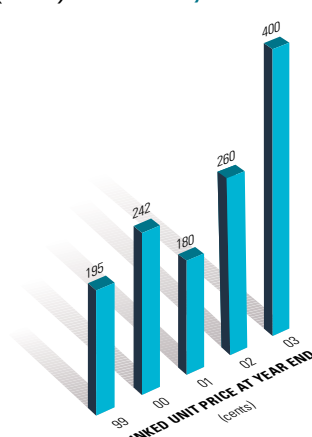
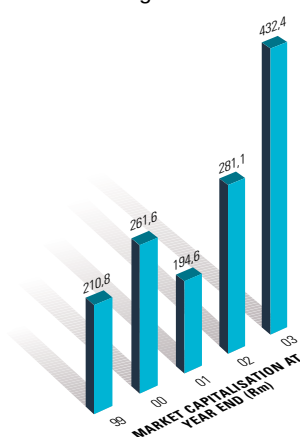
20 Five-Year Financial Review

for the year ended 28 February 2003

R millions	2003	2002	2001	2000	1999
Operating results					
Revenue	1 348,4	816,2	697,4	607,9	572,2
Profit before interest and taxation	140,0	81,9	68,3	76,7	81,7
Net closure costs on discontinued operation	–	–	–	(1,6)	–
Net interest paid	(47,0)	(13,9)	(13,8)	(18,1)	(20,6)
Interest paid to debenture holders	(7,7)	(7,6)	(11,3)	(13,9)	–
Profit before taxation	85,3	60,4	43,2	43,1	61,1
Taxation	(21,5)	(12,6)	(7,6)	(8,4)	(13,0)
Profit after taxation	63,8	47,8	35,6	34,7	48,1
Aborted bid costs	–	–	(0,7)	–	–
Equity accounted profit/(loss) from Mauritian Joint Venture	3,1	2,3	1,2	0,7	(0,1)
Attributable to outside shareholders	(6,6)	(3,6)	(1,4)	(3,8)	(0,3)
Retained profit for the year	60,3	46,5	34,7	31,6	47,7
Headline income	70,5	55,3	47,1	43,9	47,0
Funding					
Equity	248,7	193,8	185,2	157,0	121,0
Minority interest	46,0	18,7	15,2	18,2	11,6
Deferred taxation	32,0	20,9	18,3	13,3	12,7
Debt					
• interest-bearing	365,0	99,7	98,5	118,2	153,6
• non-interest bearing	217,1	170,1	140,6	111,1	98,1
Total funds	908,8	503,2	457,8	417,8	397,0
Assets managed					
Property, plant and equipment	387,3	185,4	179,8	176,7	183,2
Deferred taxation	18,1	14,1	15,6	10,7	–
Investments and loans	6,1	4,8	2,6	1,4	1,0
Goodwill	30,1	9,1	10,2	3,2	–
Current assets	467,2	289,8	249,6	225,8	212,8
Total assets managed	908,8	503,2	457,8	417,8	397,0
Number of linked units in issue at the end of the financial year	(000) 95 608	95 608	97 510	101 260	103 140
Weighted average number of linked units in issue during the year	(000) 95 608	96 953	100 322	101 724	103 856
Weighted average number of linked units in issue during the year - fully diluted	(000) 105 776	107 121	97 510	101 260	103 140

for the year ended 28 February 2003

		2003	2002	2001	2000	1999
Ratios and statistics						
Earnings						
Earnings per linked unit	(cents)	71,1	55,8	45,9	44,8	45,9
Headline earnings per linked unit	(cents)	73,8	57,0	47,1	43,2	45,2
Profitability						
Return on net tangible assets	(%)	37,4	45,3	44,2	46,1	43,2
Operating profit margin	(%)	10,4	10,0	9,8	12,6	14,3
Funding and liquidity						
Interest-bearing debt to equity - net of cash	(:100)	102,7	27,1	18,1	37,3	26,8
Total liabilities to equity (excluding deferred tax) - net of cash	(:100)	234,0	138,8	129,1	146,1	208,0
Current ratio	(:100)	127,0	140,0	122,0	128,0	136,0
Interest cover	(times)	3,0	5,9	5,0	4,2	4,0
Linked unit statistics						
Net asset value per linked unit	(cents)	260,1	199,9	189,9	155,1	117,3
Net tangible asset value per linked unit	(cents)	228,6	193,2	179,5	151,9	117,3
JSE market prices	(cents)					
• year end		400	260	180	242	195
• high		425	330	242	320	555
• low		210	175	140	135	150
• average price traded at during the year		300	251	169	231	329
Linked units traded during the year	(000)	14 690	7 231	20 968	19 302	29 947
Market capitalisation 28/29 February	(Rm)	432,4	281,1	194,6	261,6	210,8
Earnings yield	(%)	18,5	21,9	26,2	17,9	23,2
Price earnings ratio 28/29 February	(times)	5,4	4,6	3,8	5,6	4,3



Definitions

Return on net tangible assets

Profit before interest, taxation and depreciation as a percentage of net tangible assets excluding interest-bearing debt, cash and taxation payable.

Operating income margin

Profit before interest and taxation as a percentage of revenue.

Interest-bearing debt to equity

Short and long-term interest-bearing debt, net of cash, as a percentage of equity.

Total liabilities to equity

Short and long-term interest-bearing debt, which includes current liabilities, less cash on hand as a percentage of equity.

Current ratio

Total current assets divided by total current liabilities.

Interest cover

Profit before interest and taxation divided by net financing costs (excluding debenture interest).

Astrapak is committed to an open governance process, which protects the value and reputation of the Group by managing the business effectively and in compliance with legal requirements and best practice in governance.

It is of utmost importance to all stakeholders that the systems by which the Group is managed and controlled are supported and promote good corporate governance as laid down by the King Reports and its Code of Corporate Practices and Conduct. The Group is already compliant with most of the recommendations contained in these reports and the Board of Directors will continue to focus on those areas where governance could be further enhanced.

Astrapak realises the importance of striking a balance between "performance" (ie decisions and actions designed to ensure the creation and protection of value) and "conformance" (ie the demonstrable adherence to due process in coming to such decisions and taking such actions).

Astrapak is, on a continual basis, reviewing the Group's environment, risk assessment management and financial and operational control procedures to ensure that all major risks to the business are properly managed.

Ethics

The Group's value system commits all its employees to maintain high ethical and moral codes of conduct in the Group's dealings with its stakeholders and society at large.

Astrapak is committed to:

- embracing the principles of transparency, honesty and integrity in all its dealings;
- carrying on of business through fair commercial competitive practices;
- removing discrimination and promoting employees through training and development; and
- being proactive toward dealing with environmental and social issues.

Board of directors

The Board comprises five executive and three non-executive directors and is chaired by a non-executive director whose roles are separate from that of the Chief Executive Officer's. The profiles of the directors are contained on page 8 of this Annual Report.

During the financial year one non-executive director resigned and one executive director was appointed. Refer to the Directors' Report on page 28 for further details.

The appointment of new directors is approved directly by the appropriate board, subject to

linked unitholder confirmation at the following Annual General Meeting. An orientation programme for new directors is in place to ensure they are adequately briefed and have the required knowledge of the Company's structure, operations and policies to enable them to fulfill their company duties and responsibilities.

The Board is responsible for Group strategy, policy and performance as well as the management, control, compliance and ethical behaviour of the Group companies under its direction. The non-executive directors support the skills and experience of the executive directors, contributing to the formulation of policy and decision making through the knowledge and experience of other businesses and sectors. The executive directors, being actively involved in the day-to-day business activities of the Group, are responsible for ensuring that the decisions, strategies and views of the Board are implemented. All directors bring independent judgment to the issues of strategy, performance, resources, key appointments and standards of conduct.

The Board meets approximately six times per year and has a formal schedule of matters reserved to it. The Board retains full and effective control over the Group and monitors executive management through a structured approach to reporting and accountability under the auspices of an Executive Committee.

Board committees

Specific responsibilities have been delegated to Board committees with defined terms of reference.

The principal Board Committees are as follows:

Executive Committee

The Executive Committee is chaired by the Chief Executive Officer of the Group and all three divisions within the Group have a representative on the Committee. The Committee meetings are also attended by the Financial Director and Financial Manager of the Group. The Committee meets monthly as well as on an ad-hoc basis for urgent matters of business.

It is the responsibility of the Executive Committee to develop the Group's operating strategy, its business plan and corporate policies for Board approval, and to implement and monitor these in accordance with the Board's directives.

Audit Committee

The Group's Audit Committee comprises a majority of non-executive directors, one of

whom is responsible for chairing the Committee. The external auditors have unrestricted access to the Audit Committee and attend meetings to report on their findings and to discuss accounting, auditing, internal control and financial reporting matters. The Committee meets at least three times a year and these meetings are also attended, by invitation, by the Chief Executive Officer and appropriate members of financial management. The Committee operates in accordance with a written charter authorised by the Board.

The Committee considers whether adequate and appropriate internal financial controls are in place to meet the future needs; that significant business, statutory and financial risks have been identified and are being monitored and managed; that appropriate standards of governance, reporting and compliance are in operation.

By playing a proactive role, the Audit Committee enhances the credibility of financial reports and strengthens communication amongst directors, auditors and management which, in turn, reduces the risk of inadequate financial reporting.

Remuneration Committee

The Remuneration Committee consists of the Chief Executive Officer and two non-executive directors. The Committee is chaired by a non-executive director. The Chief Executive Officer is excluded from review of his own remuneration.

The Remuneration Committee's overall strategy is to ensure that executives are rewarded for their contribution to the Group's operating and financial performance at levels which take account of industry, market and country benchmarks. In order to promote an identity of interests with linked unitholders, linked unit incentives are considered to be important elements of executive incentive pay.

The Committee meets at least twice a year and is responsible for forming a remuneration strategy for senior executives in the Group and makes recommendations to the Board concerning the remuneration policies and principles of the Group.

Employment practices

Astrapak is conscious of the need to empower staff and is committed to providing equal opportunities for its employees, regardless of their ethnic origin or gender. The Group has plans in place to ensure that equity is achieved within the framework and regulations laid down in the Employment Equity Act.

Structures have been set up with trade unions and other employee representatives to achieve good employer/employee relations through consultation and identification and resolution of conflict.

The Group is committed to providing education and training opportunities, both internally and externally, for all employees; and sees the acquisition of skills and the provision of career paths as a fundamental pre-requisite for success.

The Group also believes in the importance of a clean and healthy work environment for the wellbeing of its employees. All Group companies strive to achieve the highest safety and environmental standards.

Going concern

The Board believes that the Group has adequate resources and facilities available to continue to operate in the foreseeable future. The Board therefore continues to apply the going concern basis in preparing the annual financial statements.

Internal financial control

The directors acknowledge their responsibility for the Group's system of internal control. The directors consider that the systems are appropriately designed to provide reasonable, but not absolute, assurance that assets are safeguarded against material loss or unauthorised use,

transactions are authorised and recorded properly and that material errors and irregularities are either prevented or detected within a timely period.

Since the issue of last year's Annual Report, nothing has come to the attention of the directors to indicate any material breakdown in the functioning of these controls, procedures and systems.

Internal audit

The internal audit is an appraisal function whose primary mandate is to examine and evaluate the effectiveness of the applicable operational activities, the attendant business risks, including those which arise subsequent to the year end, and the systems of internal financial control, so as to bring material deficiencies, instances of non-compliance and development needs to the attention of the audit committee, external auditors and operational management for resolution.

The internal audit function co-ordinates with external auditors to ensure proper coverage and to minimise duplication of effort.

Risk management

The Board is responsible for the total process of risk management, which is based on the need to identify, assess, manage and monitor all known forms of risk across the Group, in liaison with the executive directors and senior management. Management is accountable to

the Board for designing, implementing and monitoring the processes of risk management and integrating it into the day-to-day activities of the Group. The risk aversion philosophy is communicated to all managers in an endeavour to incorporate this philosophy into the culture of the Group.

The Group's risk management is achieved through the identification and control of all significant business risks that could adversely affect the achievement of the Company's business objectives.

At operational level, senior management identifies critical, major business risks, promotes awareness, introduces applicable control environments and procedures and applies risk-monitoring techniques. The process is monitored by Astrapak management and Audit Committee, identifying the manner in which, and the extent to which, risk is controlled and/or reduced.

Relationship with investors

It is the policy of the Group to pursue dialogue with institutional investors. To achieve this dialogue, there have been a number of presentations to and meetings with investors and analysts to communicate the strategy and performance of the Group. The quality of this information is based on the standards of promptness, relevance and transparency.

Attendance at Board and Committee meetings

during the year ended 28 February 2003

	Board		Audit Committee		Remuneration Committee	
	A	B	A	B	A	B
RAP Upton	8	8	3	3	3	3
R Crewe-Brown	8	8	3	2	3	3
HA Todd	8	8	3	3	-	-
M Baglione	6	6	-	-	-	-
G Petzer	8	5	-	-	-	-
WJ Venter	2	2	-	-	-	-
RT Dalais	8	5	-	-	-	-
WF Hirzebruch (resigned 11 July 2003)	8	7	3	3	3	3
CA Jadwat (resigned 27 February 2003)	8	3	3	1	-	-
DT du Toit (resigned 25 June 2002)	2	2	-	-	-	-

Column A: Indicates the number of meetings held during the period the director was a member of the Board and/or Committee

Column B: Indicates the number of meetings attended during the period the director was a member of the Board and/or Committee

This report on remuneration and other related matters covers the issues dealt with by the Remuneration Committee. Further details regarding the Committee and its duties appear on page 22 of this Annual Report.

Remuneration policies

The remuneration policies are formulated to attract and retain the correct quality of executive and to give recognition to superior individual and team performance. The attraction and retention of these executives require remuneration structures that are seen as fair, transparent and competitive when benchmarked.

Incentive and linked unit option schemes are used as mechanisms to align the goals of management with that of linked unitholders. These schemes are designed to ensure sustainable growth in earnings through the setting of demanding performance targets.

Remuneration: Executive directors

Executive directors' remuneration packages consist of three elements, namely:

- Fixed remuneration;
- Flexible remuneration; and
- Linked unit options.

Fixed remuneration: Guaranteed remuneration

Fixed remuneration includes guaranteed cash and the value of all benefit contributions, such as provident fund and medical aid. These are benchmarked annually against similar industries and positions of similar responsibility. The benchmarking process therefore takes into account the size and complexity of the executive's position as well as giving due consideration to the relative size and performance of the businesses for which the executive assumes responsibility.

The Committee is satisfied that fair and transparent remuneration procedures and practices are applied and that all executives are appropriately remunerated.

The fixed remuneration earned by the executives are reflected in table 1 on page 25 of this Annual Report.

Flexible remuneration: Incentive bonus scheme

A portion of the executive's earnings is provided in the form of an annual incentive bonus, which is introduced to motivate the executives to deliver sustainable growth.

For the year under review the incentive bonus target was primarily based on the achievement of specified financial performance targets. A portion of the incentive bonus was linked to individual performance targets or key performance areas.

With effect 1 March 2003 the Company has introduced an Economic Value Added based incentive scheme, the aim being:

- to further align the expectations of management and linked unitholders;
- to make employees think and act like linked unitholders and by doing so create a value-based culture within the Company;
- to create a sense of ownership and pride; and
- further assist in driving the methodology of capital rationing.

The Remuneration Committee reviews and approves the design of the incentive bonus scheme, which includes the approval of appropriate targets at the commencement of the period covered by the scheme. The Committee ensures that these targets are fair to both the executives and the linked unitholders. The Committee is also responsible for the approval or authorisation of any payments under the incentive bonus scheme.

The flexible remuneration earned by the executives is reflected in table 1 on page 25 of this Annual Report.

Linked unit incentive scheme

The aggregate number of linked units reserved for the Astrapak Limited Linked

Unit Incentive Scheme may not at any time exceed 16 215 750 linked units, representing 15% of the Company's issued share capital.

The maximum number of linked units available to any one beneficiary is 1 621 575 linked units, representing 10% of the capital of the Company available for the purpose of the linked unit incentive scheme.

As at 28 February 2003, 10 167 500 options had been issued in respect of the linked units held in the linked unit incentive scheme. The issue of options was approved by the Remuneration Committee. All of the remaining linked units held in the linked unit trust scheme have already been allocated for issue to employees who have been identified as participants in the scheme.

As is the case with all the various elements of remuneration, the linked unit incentive scheme is designed to attract and retain the correct quality of executive and to further align management's expectations with that of linked unitholders.

The actual options issued to executive and non-executive members of the Board are reflected in table 2 on page 25 of this Annual Report.

Remuneration: Non-executive directors

Non-executive directors are remunerated for their services based on the number of meetings attended, their level of contribution and responsibility. The Chief Executive Officer recommends the proposed fees to the Board after due consideration has been given to comparable fee structures.

Non-executive directors' remuneration is approved by linked unitholders in a general meeting.

The remuneration earned by the non-executives is reflected in table 3 on page 25 of this Annual Report.

Table 1: Executive directors' remuneration 2003 (Rands)

Name	Basic salary	Car allowance	Benefit fund contributions	Total fixed remuneration	Total flexible remuneration	Total remuneration
M Baglione*	402 887	42 000	17 012	461 899	94 770	556 669
R Crewe-Brown	1 242 000	129 280	-	1 371 280	417 329	1 788 609
DT du Toit	416 130	93 000	70 057	579 187	282 813	862 000
G Petzer	675 266	113 000	10 822	799 088	344 705	1 143 793
HA Todd	496 402	125 000	-	621 402	109 642	731 044
WJ Venter*	-	-	-	-	-	-
Total	3 232 685	502 280	97 891	3 832 856	1 249 259	5 082 115

* Where directors were appointed during the year their remuneration for the full year is apportioned.

Table 2: Executive and non-executive directors' share options

Name	Balance as at 1 March 2002	Number granted	Price (cents)	Date granted	Expiry Date	Options exercised	Balance as at 28 February 2003
M Baglione	-	342 000	240	14 April 2002	14 April 2010	-	342 000
	-	758 000	240	18 October 2002	18 October 2010	-	758 000
	-	1 100 000	240			-	1 100 000
R Crewe-Brown	-	693 000	240	14 April 2002	14 April 2010	-	693 000
	-	907 000	240	18 October 2002	18 October 2010	-	907 000
	-	1 600 000	240			-	1 600 000
G Petzer	-	378 000	240	14 April 2002	14 April 2010	-	378 000
	-	722 000	240	18 October 2002	18 October 2010	-	722 000
	-	1 100 000	240			-	1 100 000
HA Todd	-	180 000	240	14 April 2002	14 April 2010	-	180 000
	-	520 000	240	18 October 2002	18 October 2010	-	520 000
	-	700 000	240			-	700 000
RAP Upton	-	400 000	240	18 October 2002	18 October 2010	-	400 000
WJ Venter	-	750 000	240	18 October 2002	18 October 2010	-	750 000

Table 3: Non-executive directors' remuneration 2003 (Rands)

Name	Directors' fees	Committee fees	Consulting services	Total remuneration
CA Jadwat	27 250	3 000	-	30 250
RAP Upton	65 000	17 000	107 500	189 500
Total	92 250	20 000	107 500	219 750

For the current year an amount of R181 250 (2002: R181 250) was paid to Tarkus Holding BV and Sapef 1 as fees for consulting services provided by Messrs Dalais and Hirzebruch.

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To the linked unitholders of Astrapak Limited

We have audited the annual financial statements of the Company and the Group as set out on pages 28 to 54 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:

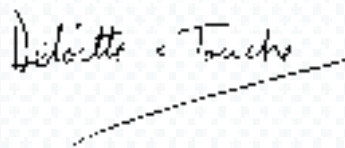
- examining on a test basis, evidence supporting the amounts and disclosures in the annual financial statements;
- assessing the accounting principles used and significant estimates made by management; and
- evaluating the overall annual financial statement presentation.

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

Audit opinion

In our opinion the 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.



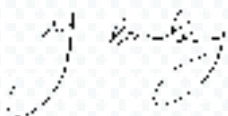
Deloitte & Touche

Registered Accountants and Auditors
Chartered Accountants (SA)
Sandton

1 August 2003

Secretarial Certification

In accordance with section 268G(d) of the Companies Act, it is hereby certified that the Company has lodged with the Registrar of Companies all such returns as are required of a public company in terms of the Act and that such returns are true and correct.



Y Cowley

Company Secretary
Sandton

1 August 2003

Directors' Responsibility Statement

The directors of the Company are responsible for the maintenance of adequate accounting records and the preparation and integrity of the annual financial statements and related information. The annual financial statements have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice. The Group's independent auditors, Deloitte & Touche, have audited the annual financial statements and their unqualified report appears above.

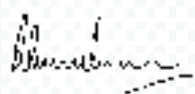
The directors are also responsible for the systems of internal control. These are designed to provide reasonable, but not

absolute, assurance as to the reliability of the annual financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect material misstatement and 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 annual financial statements are prepared on a going concern basis. Nothing

has come to the attention of the directors to indicate that the Group will not remain a going concern for the foreseeable future.

The annual financial statements set out on pages 28 to 54 were approved by the Board of directors and are signed on their behalf by:



R Crewe-Brown
Chief Executive Officer
Sandton



HA Todd
Financial Director

1 August 2003

The directors' report on the Company and the Group for the year ended 28 February 2003 is as follows:

Nature of business

The Group is engaged in the plastic packaging industry providing products and packaging solutions to manufacturers and retailers of consumer products.

Trading results

A summary of the Group's trading results is set out below:

R millions	2003	2002
Revenue	1 348,4	816,2
Profit before interest and taxation	140,0	81,9
Profit after taxation	63,8	47,7
Net profit attributable to linked unitholders	60,3	46,5
Earnings per linked unit (cents)	71,1	55,8
Headline earnings per linked unit (cents)	73,8	57,0

Share capital

Details of the authorised and issued share capital are given in note 8 to the annual financial statements.

Ten percent of the unissued share capital was placed under the control of the directors in terms of section 221 of the Companies Act 61 of 1973 at the Annual General Meeting held on 20 September 2002.

There were no new issues of share capital during the year under review.

Linked units

The ordinary shares are linked to the debentures to form a linked unit in Astrapak Limited. As at 28 February 2003 each linked unit comprised one ordinary share of 0,1 cent each and one debenture of 50 cents each.

The holder of a linked unit will be entitled to receive dividends on the equity portion of the linked unit and will receive interest on the debenture portion of the linked unit.

Subsidiaries and non-subsidiaries

Details of operating entities are set out in note 27 to the financial statements.

The Group has been reorganised in terms of Section 39A of the Income Tax Act with effect from 1 March 2001. Numerous operating companies have been divisionalised into three companies (based on region: Gauteng, KwaZulu-Natal and Western Cape).

A number of special resolutions were passed by subsidiary companies. None of these resolutions is of significance to the linked unitholders in the assessment of the state of affairs of the Group.

Directors

The names of the directors of the company are listed on pages 8 to 9 of this report.

The following appointments have been made and resignations accepted during the financial year under review:

Mr M Baglione was appointed on 25 July 2002.

Mr WJ Venter was appointed on 27 February 2003.

Mr DT du Toit resigned with effect 25 July 2002.

Mr CA Jadwat resigned with effect 27 February 2003.

On 11 July 2003 Mr WF Hirzebruch, resigned as non-executive director.

In accordance with the Company's articles of association one-third of the directors shall retire at the forthcoming Annual General Meeting but, being eligible, offer themselves for re-election and shall be deemed not to have vacated their respective offices. (Refer Notice of Meeting for further details.)

Directors' remuneration

The aggregate remuneration and benefits paid to the executive and non-executive directors of the Group for the year ended 28 February 2003 are set out in the Remuneration Report on pages 24 to 25 of this Annual Report.

Astrapak Limited Linked Unit Incentive Scheme

Further details on the Astrapak Limited Linked Unit Trust Scheme and the number of options issued to executive and non-executive directors in terms of such scheme

are set out in the Remuneration Report on pages 24 to 25 of this Annual Report.

Profit and losses of subsidiary companies

The total after tax profit earned by subsidiaries attributable to the Group was R82 932 266 (2002: R63 004 716).

Subsidiaries incurred losses of R19 154 115 (2002: R13 849 578).

Distribution to linked unitholders

Notice is hereby given that a distribution of debenture interest of 8,10 cents per linked unit (totalling R7,7 million) had been declared. The distribution approximates the average prime rate of interest for the financial year ended 28 February 2003. In addition, Astrapak paid an ordinary dividend of 3,60 cents per linked unit (totalling R3,4 million) to linked unitholders for the year ended 28 February 2003. The total combined dividend and debenture interest was 11,7 cents per linked unit (totalling R11,1 million).

Both distributions were paid on Monday, 2 June 2003 to linked unitholders recorded in the register on Friday, 23 May 2003. The last date to trade cum-distribution was Friday, 23 May 2003 and the linked units commenced trading ex-distribution on Monday, 26 May 2003. Linked unit certificates could not be dematerialised or rematerialised between Monday, 26 May 2003 and Friday, 30 May 2003, both days inclusive.

Post balance sheet events

Astrapak Western Cape (Pty) Limited acquired the shares belonging to the minority shareholders of Pack-Line Holdings with effect from 1 March 2003, representing 40% of the issued share capital of Pack-Line Holdings. The purchase consideration of R3 200 000 was settled from existing cash resources.

Astrapak Western Cape (Pty) Limited also acquired a further 2,5% of the shares belonging to the minority shareholders of Emcape-Thermopak with effect from 1 April 2003. Astrapak Western Cape (Pty) Limited now holds 95% of the shares in Emcape-Thermopak. The purchase consideration of R722 000 was settled from existing cash resources.

Directors' interest

Director	Beneficial Direct	Non-beneficial Indirect	Unitholding (%)
Interest in linked units as at 28 February 2002	671 200	30 327 582	28,7
R Crewe-Brown	107 300	584 570	0,6
DT du Toit	34 400	18 728 254	17,4
P Botha*	-	10 728 330	9,9
CA Jadwat	-	286 428	0,3
G Petzer	522 000	-	0,5
HA Todd	7 500	-	0,0
Appointments/(resignations) 1 March 2002 to 28 February 2003	(3 400)	(18 964 682)	(17,6)
M Baglione	31 000	50 000	0,1
DT du Toit	(34 400)	(18 728 254)	(17,4)
CA Jadwat	-	(286 428)	(0,3)
Net purchases from 1 March 2002 to 28 February 2003	25 220	-	-
R Crewe-Brown	25 220	-	-
Interest in linked units as at 28 February 2003	693 020	11 362 900	11,1
R Crewe-Brown	132 520	584 570	0,7
M Baglione	31 000	50 000	0,0
P Botha*	-	10 728 330	9,9
G Petzer	522 000	-	0,5
HA Todd	7 500	-	-

* Mr P Botha is a trustee of the Astrapak Limited Linked Unit Trust Scheme, the holder of 10 728 330 linked units.

There has been no material change to the above interests between 28 February 2003 and the date of this report.

30 Balance Sheets

at 28 February 2003

R'000	Notes	Group 2003	2002	Company 2003	2002
Assets					
Non-current assets		441 588	213 427	73 631	61 166
Property, plant and equipment	1	387 255	185 403	228	189
Goodwill	2	30 145	9 080	–	–
Deferred taxation	3	18 112	14 111	2 018	4 018
Investments and loans	4	6 076	4 833	21 602	21 613
Investment in subsidiaries	5	–	–	49 783	35 346
Current assets		467 171	289 719	19 869	3 736
Inventories	6	138 634	103 651	–	–
Accounts receivable	7	219 074	138 977	1 797	1 249
Cash and short-term investments	12	109 463	47 091	18 072	2 487
Total assets		908 759	503 146	93 500	64 902
Equity and liabilities					
Equity		248 681	193 823	67 441	53 361
Share capital	8	108	108	108	108
Retained profit/(accumulated loss)		214 991	158 126	9 838	(4 242)
Non-distributable reserve	9	5 347	6 684	–	–
Dividend reserve		3 442	3 442	3 442	3 442
Debentures	10	47 804	47 804	54 053	54 053
Treasury shares	11	(23 011)	(22 341)	–	–
Minority shareholders' interest		46 014	18 659	–	–
Non-current liabilities		247 466	89 225	–	–
Long-term interest-bearing debt	12	215 436	68 367	–	–
Deferred taxation	3	32 030	20 858	–	–
Current liabilities		366 598	201 439	26 059	11 541
Accounts payable	13	175 546	138 111	3 949	907
Provisions	14	27 108	18 821	–	–
Linked unitholders for debenture interest		7 708	7 607	8 715	8 607
Short-term interest-bearing debt	12	149 482	31 324	13 395	2 027
Taxation payable		6 754	5 576	–	–
Total equity and liabilities		908 759	503 146	93 500	64 902

for the year ended 28 February 2003

R'000	Notes	Group		Company	
		2003	2002	2003	2002
Revenue		1 348 440	816 247	–	-
Existing operations		989 871	816 247	–	-
Acquired operations		358 569	-	–	-
Cost of sales		(945 517)	(568 652)	–	-
Gross profit		402 923	247 595	–	-
Dividends received		–	-	31 902	6 785
Other operating income		10 797	5 463	15 410	3 427
Distribution and selling expenses		(99 874)	(56 542)	–	-
Administrative and other expenses		(173 853)	(114 595)	(6 956)	(2 166)
Profit before interest and taxation	15	139 993	81 921	40 356	8 046
Existing operations		105 653	81 921	40 356	8 046
Acquired operations		34 340	-	–	-
Net interest (paid)/received	16	(46 983)	(13 942)	(11 633)	4 115
Profit before debenture interest		93 010	67 979	28 723	12 161
Distribution to linked unitholders - debenture interest		(7 708)	(7 607)	(8 715)	(8 601)
Profit before taxation		85 302	60 372	20 008	3 560
Existing operations		78 833	60 372	20 008	3 560
Acquired operations (net of acquisition interest)		6 469	-	–	-
Taxation	17	(21 524)	(12 631)	(2 486)	-
Profit after taxation		63 778	47 741	17 522	3 560
Equity accounted profit from Mauritian Joint Venture		3 173	2 286	–	-
Attributable to outside shareholders		(6 644)	(3 569)	–	-
Retained profit for the year		60 307	46 458	17 522	3 560
Earnings per linked unit (cents)	18	71,1	55,8		
Headline earnings per linked unit (cents)	18	73,8	57,0		

32 Statements of Changes in Equity

R'000	Share capital	Retained profit	Non-distributable reserve	Dividend reserve	Treasury shares	Debentures	Total equity
Group							
Balance as at 1 March 2001	108	115 323	8 020	-	(17 888)	78 008	183 571
Opening balance as previously reported	108	120 138	8 020	-	(17 888)	78 008	188 386
Depreciation adjustment (AC 135)	-	(4 815)	-	-	-	-	(4 815)
Net profit for the year	-	46 458	-	-	-	-	46 458
Net ordinary dividends paid	-	(213)	-	-	-	-	(213)
Transfer to dividend reserve	-	(3 442)	-	3 442	-	-	-
Transfer to deferred tax asset	-	-	(1 336)	-	-	-	(1 336)
Redemption of debentures	-	-	-	-	-	(30 204)	(30 204)
Acquisition of treasury shares	-	-	-	-	(4 453)	-	(4 453)
Balance as at 28 February 2002	108	158 126	6 684	3 442	(22 341)	47 804	193 823
Net profit for the year	-	60 307	-	-	-	-	60 307
Net ordinary dividends paid	-	-	-	(3 442)	-	-	(3 442)
Transfer to deferred tax asset	-	-	(1 337)	-	-	-	(1 337)
Transfer to dividend reserve	-	(3 442)	-	3 442	-	-	-
Acquisition of treasury shares	-	-	-	-	(670)	-	(670)
Balance as at 28 February 2003	108	214 991	5 347	3 442	(23 011)	47 804	248 681
Company							
Balance as at 1 March 2001	108	(4 360)	-	-	-	86 484	82 232
Net profit for the year	-	3 560	-	-	-	-	3 560
Transfer to dividend reserve	-	(3 442)	-	3 442	-	-	-
Redemption of debentures	-	-	-	-	-	(32 431)	(32 431)
Balance as at 28 February 2002	108	(4 242)	-	3 442	-	54 053	53 361
Net profit for the year	-	17 522	-	-	-	-	17 522
Payment of dividends	-	-	-	(3 442)	-	-	(3 442)
Transfer to dividend reserve	-	(3 442)	-	3 442	-	-	-
Balance as at 28 February 2003	108	9 838	-	3 442	-	54 053	67 441

Reconciliation of Retained Profit/(Accumulated Loss)

R'000	Group		Company	
	2003	2002	2003	2002
Retained profit/(accumulated loss) restated as at 1 March	158 126	115 323	(4 242)	(4 360)
Opening retained profit/(accumulated loss) as previously reported	164 355	120 138	(4 242)	(4 360)
Depreciation adjustment (AC 135) (Refer note 19)	(6 229)	(4 815)	-	-
Net profit for the year	60 307	46 458	17 522	3 560
Transfer to dividend reserve	(3 442)	(3 442)	(3 442)	(3 442)
Ordinary dividends paid	-	(213)	-	-
Retained profit/(accumulated loss) at 28 February	214 991	158 126	9 838	(4 242)

for the year ended 28 February 2003

R'000	Notes	Group	Company		
		2003	2002	2003	2002
Cash flows from operating activities					
Cash generated by operations	A	195 436	93 749	11 035	319
Interest received		7 178	5 020	7 809	10 955
Interest paid (excluding interest distribution to linked unitholders)		(54 161)	(18 962)	(19 442)	(6 840)
Net dividends (paid)/received		(3 442)	(278)	28 460	-
Taxation paid	B	(23 780)	(10 275)	(486)	-
Interest distribution to linked unitholders		(7 607)	(11 311)	(8 607)	(12 540)
Net cash inflow/(outflow) from operating activities		113 624	57 943	18 769	(8 106)
Cash flows from investing activities					
Increase in investment in subsidiary companies		-	-	(190 221)	-
Acquisition of subsidiary companies	C	(150 400)	-	-	-
Decrease in investment in joint ventures		2 260	-	-	-
Additions to property, plant and equipment	D	(108 992)	(52 537)	(126)	(98)
Goodwill on acquisition of minority shareholders' interests		(1 243)	(36)	-	-
Decrease in loan to Astrapak Linked Unit Incentive Scheme		-	-	11	4 001
Proceeds on disposal of plant and equipment	E	3 775	10 780	-	-
Net cash (outflow)/inflow from investing activities		(254 600)	(41 793)	(190 336)	3 903
Cash flows from financing activities					
Acquisition of treasury linked units		(670)	(5 404)	-	-
Redemption of debentures		-	(29 254)	-	(32 431)
Decrease in minority shareholders' interest		(14 785)	-	-	-
Decrease in loans to Group companies		-	-	175 784	50 193
Increase in long-term liabilities		115 172	33 113	-	-
Increase/(decrease) in short-term interest-bearing debt		29 181	(12 769)	-	-
Net cash inflow/(outflow) from financing activities		128 898	(14 314)	175 784	17 762
Net (decrease)/increase in cash and cash equivalents		(12 078)	1 836	4 217	13 559
Cash and cash equivalents at beginning of the year		41 985	40 149	460	(13 099)
Cash and cash equivalents at the end of the year	F	29 907	41 985	4 677	460

34 Notes to the Cash Flow Statements

for the year ended 28 February 2003

R'000	Group		Company	
	2003	2002	2003	2002
A. Cash generated by operations				
Profit before taxation	85 302	60 372	20 008	3 560
<i>Adjustments for:</i>				
Dividends received	–	–	(31 902)	(6 785)
Depreciation	62 180	31 458	87	104
Amortisation of goodwill	3 607	1 140	–	–
Profit on disposal of property, plant and equipment	(1 570)	(114)	–	–
Translation differences on investments and loans	(330)	–	–	–
Interest received	(7 178)	(5 020)	(7 809)	(10 955)
Interest paid (including debenture interest distribution)	61 869	26 569	28 157	15 441
Operating income before working capital changes	203 880	114 405	8 541	1 365
<i>Adjustments for working capital changes:</i>				
Increase in inventories	(133)	(25 939)	–	–
(Increase)/decrease in accounts receivable	(13 321)	(26 857)	(548)	72
Increase/(decrease) in accounts payable	5 010	32 140	3 042	(1 118)
	(8 444)	(20 656)	2 494	(1 046)
	195 436	93 749	11 035	319
B. Taxation paid				
Amounts unpaid at the beginning of the year	12 323	4 577	–	–
Taxation balances acquired	9 303	–	–	–
Movement in non-distributable reserves	1 337	–	–	–
Amounts charged to income statement	21 524	11 274	486	–
Amounts unpaid at end of year	(20 707)	(5 576)	–	–
	23 780	10 275	486	–

for the year ended 28 February 2003

R'000	Group		Company	
	2003	2002	2003	2002
C. Acquisition of subsidiary companies				
<i>Fair value of assets acquired</i>				
Property, plant and equipment	157 245	-	-	-
Deferred taxation	(6 448)	-	-	-
Minority shareholders	(35 496)	-	-	-
Long-term liabilities	(31 897)	-	-	-
Accounts receivable	66 776	-	-	-
Cash resources	(25 482)	-	-	-
Inventory	34 851	-	-	-
Accounts payable	(40 678)	-	-	-
Taxation	(2 855)	-	-	-
Current portion of long-term liabilities	(14 527)	-	-	-
	101 489	-	-	-
<i>Add:</i>				
Bank overdraft acquired	25 482	-	-	-
Goodwill on acquisition	23 429	-	-	-
Purchase price	150 400	-	-	-
D. Additions to property, plant and equipment				
Plant, equipment and furniture	104 607	50 426	126	98
Motor vehicles	2 897	1 233	-	-
Leasehold improvements	878	707	-	-
Land and buildings	610	171	-	-
	108 992	52 537	126	98
E. Proceeds on disposal of plant and equipment				
Net book value of disposals	2 205	10 666	-	-
Profit on disposal	1 570	114	-	-
	3 775	10 780	-	-
F. Cash and cash equivalents at the end of the year				
Cash and short-term investments	109 463	47 091	18 072	2 487
Bank overdrafts	(79 556)	(5 106)	(13 395)	(2 027)
	29 907	41 985	4 677	460

1. Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain trading assets and liabilities to fair value.

These financial statements have been prepared in conformity with South African Statements of Generally Accepted Accounting Practice. The principal accounting policies adopted are set out below. The principal accounting policies of the Group have been applied consistently with the previous year except for the change set out in note 19.

2. Basis of consolidation

The consolidated financial statements include the assets, liabilities, results and cash flow information of the Company and its subsidiaries. The results of the subsidiaries and joint venture are included in the consolidated financial statements from the effective dates of acquisition until the effective dates of disposal.

All intercompany transactions, balances and unrealised surpluses and deficits on transactions between Group companies have been eliminated.

3. Subsidiary companies

Subsidiary companies are those companies in which the Group has the power to govern the financial and operating policies.

4. Joint ventures

A joint venture is a contractual arrangement whereby the Group and outside parties undertake an economic activity, which is subject to joint control.

Joint venture arrangements undertaken in a separate entity are referred to as jointly controlled entities. The Group reports its interests in jointly controlled entities using the equity method, in terms of which the post-acquisition results of the joint venture are included in the income statement.

5. Foreign currencies

Assets and liabilities denominated in foreign currencies, other than those covered by forward exchange contracts are translated at rates ruling

at the balance sheet date. Transactions in foreign currencies are accounted for at the rate ruling at the date of the transaction. Profit or losses on translation are charged to the income statement in the period in which they are incurred except for differences on exchange arising on the purchase of qualifying plant and equipment prior to commissioning, which are recognised as part of the cost of that asset.

6. Goodwill

Goodwill arising on consolidation represents the excess of the cost of an acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition. Goodwill is recognised as an asset and amortised on a systematic basis over its economic life, subject to a maximum of ten years. The assessment of useful economic life of goodwill is based on the nature of the specific underlying business acquired.

Goodwill arising on acquisitions prior to the 15th of June 1999 was written off against the share premium and retained income accounts, in terms of Section 84 of the Companies Act, 1973 (Act 61 of 1973), as amended.

7. Property, plant and equipment

Property, plant and equipment are accounted for at cost less accumulated depreciation. All direct costs, including finance costs relating to major capital projects, are capitalised up to the date of commissioning.

Depreciation is charged so as to write off the cost of assets, other than freehold land, over their estimated economic useful lives, using the straight-line method. Depreciation is not provided for on freehold land.

The treatment of depreciation in so far as it relates to property represents a change in accounting policy during the current year. Properties classified as investment properties were previously carried at cost, and not depreciated.

The rates of depreciation used are:

Plant and equipment	8 years
Furniture and computer equipment	3 to 5 years

Motor vehicles	5 years
Leasehold improvements	5 years
Buildings	20 years

8. Leases

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 interest on the remaining balance of the obligations for each accounting period.

Rentals payable under operating lease are charged to income on a straight-line basis over the terms of the relevant lease.

9. Inventories

Inventories are stated at the lower of cost and net realisable value, after making allowance for slow moving and redundant items. Cost comprises direct material and, where applicable, direct labour and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the first-in first-out method for all categories of inventory except for consumable stores that is valued at average cost.

10. Taxation

The charge for the year is based on the results for the year adjusted for items which are non-deductible or non-taxable. It is calculated using tax rates that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is provided for on the comprehensive basis using the balance sheet liability method. A deferred tax liability is recognised

for all taxable temporary differences. A deferred tax asset is recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arise from goodwill or from the initial recognition of other assets and liabilities, which affects neither the tax profit nor the accounting profit at the time of the transaction.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability settled.

11. Retirement benefits

The Group operates a number of defined contribution funds in compliance with respective local legislation.

Payments to defined contribution funds are expensed as incurred.

12. Provisions

Provisions are raised when a present obligation exists as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

13. Impairment

On an annual basis the Group reviews all assets, both tangible and intangible, carried on the balance sheet for impairment. Where the recoverable amount of an asset or cash-generating unit is estimated to be lower than its carrying amount, its carrying amount is reduced to its recoverable amount. Impairment losses are charged against income in the period in which they are identified.

Where an impairment loss subsequently reverses; the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount. Such increase in the carrying amount is limited to the original cost. A reversal of an impairment loss is recognised in income in the period in which such reversal is identified.

14. Financial instruments

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group has become a party to contractual provisions of the instrument.

Trade receivables and trade payables are stated at their nominal value. Trade receivables are reduced by appropriate allowances for estimated irrecoverable amounts.

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption, are accounted for on an accrual basis and are added to the carrying amount of the instrument to the extent they are not settled in the period in which they arise.

Equity instruments are recorded at the proceeds received, net of direct issue costs.

Derivative financial instruments are recorded at market price.

15. Revenue recognition

Revenue

- Sales of goods are recognised when goods are delivered and services rendered during the year and exclude value added tax.

Other income

- Interest income is accrued on a time basis, by reference to the principal outstanding and at the interest rate applicable.
- Government grants are recognised as income over the periods necessary to match them with the related costs.

16. Segmental reporting

For management purposes the Group is organised into business clusters on the basis of operational types. These clusters are the basis on which the Group reports its primary segment information. The principal activities of the clusters are as follows:

- *Films*
Manufacturers of high-density polyethylene films, low-density single and multi-layered films, plain and printed films, co-extruded

film, blown film, film for pallet stretch wrap and industrial pallet shrink shroud.

- *Rigids*
Manufacturers of plastic closures for rigid containers and jars, clear packaging containers, industrial cores, tubes and composite cans, paper edgeboard used for pallet stabilisation and blow-moulding and decoration of rigid plastic containers and jars.
- *Flexibles*
Manufacturers of high-tech polyethylene stretch labels, PVC shrink labels, wrap around polypropylene labels, tamper-evident seals, decorated stand-up pouches and converters and distributors of specialist printed mono and composite films.

In addition, the businesses are grouped by geographical location. The main geographic regions identified are:

- Gauteng;
- Cape; and
- KwaZulu-Natal.

Geographic split is determined by location of the operating assets.

17. Headline earnings per linked unit

The Group has followed the recommendation contained in the Accounting Task Force Opinion AC 306 and has published headline earnings per linked unit in addition to attributable earnings per linked unit. Headline earnings per linked unit have been calculated in accordance with the requirements of SAICA's circular 07/02. Attributable profit per linked unit has been based on earnings attributable to linked unitholders.

18. Borrowing costs

Borrowing costs are dealt with in the period in which they are incurred.

19. Comparative figures

Comparative figures have been restated to show the effect of the change in accounting policy for investment property.

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for the year ended 28 February 2003

R'000	Land and buildings	Plant, equipment and furniture	Motor vehicles	Leasehold improvements	Total
1. Property, plant and equipment					
Group 2003					
Cost					
Balance at the beginning of the year	35 371	255 404	8 274	6 999	306 048
Additions	610	104 607	2 897	878	108 992
Acquisition of business	37 574	235 112	2 031	-	274 717
Disposals	-	(5 548)	(1 896)	-	(7 444)
Balance at end of year	73 555	589 575	11 306	7 877	682 313
Accumulated depreciation					
Balance at beginning of year	6 260	107 345	5 317	1 722	120 644
Acquisition of business	7 554	108 360	1 559	-	117 473
Charge for the year	3 008	54 384	1 504	3 284	62 180
Depreciation on disposals	-	(3 659)	(1 580)	-	(5 239)
Balance at end of year	16 822	266 430	6 800	5 006	295 058
Net book value at 28 February 2003	56 733	323 145	4 506	2 871	387 255
Net book value at 28 February 2002	29 111	148 059	2 957	5 276	185 403

Reconciliation of net book value at 28 February 2003

R'000	Cost	Accumulated depreciation	Net book value
Land and buildings	73 555	16 822	56 733
Plant, equipment and furniture	589 575	266 430	323 145
Motor vehicles	11 306	6 800	4 506
Leasehold improvements	7 877	5 006	2 871
	682 313	295 058	387 255

for the year ended 28 February 2003

R'000	Plant, equipment and furniture	Leasehold improvements	Total
1. Property, plant and equipment (continued)			
Company 2003			
Cost			
Balance at the beginning of the year	449	84	533
Additions	126	-	126
Balance at end of year	575	84	659
Accumulated depreciation			
Balance at beginning of year	291	53	344
Charge for the year	75	12	87
Balance at end of year	366	65	431
Net book value at 28 February 2003	209	19	228
Net book value at 28 February 2002	158	31	189

Reconciliation of net book value at 28 February 2003

R'000	Cost	Accumulated depreciation	Net book value
Plant, equipment and furniture	575	366	209
Leasehold improvements	84	65	19
	659	431	228

Assets are encumbered as detailed in note 12.

Details of land and buildings are included in annexure 1.

R'000	Group 2003	2002	Company 2003	2002
2. Goodwill				
Balance at the beginning of the year	9 080	10 184	-	-
Purchases during the year:				
• Minority interests' purchased	1 243	36	-	-
• Acquisition of 75% of Master Plastics	23 429	-	-	-
Amortisation for the year	(3 607)	(1 140)	-	-
Total	30 145	9 080	-	-
Reconciliation of net goodwill as at 28 February				
Cost	36 074	11 402	-	-
Accumulated amortisation	(5 929)	(2 322)	-	-
Net carrying value	30 145	9 080	-	-

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for the year ended 28 February 2003

R'000	Group		Company	
	2003	2002	2003	2002
3. Deferred tax				
Accelerated wear and tear for tax purposes on plant and equipment	18 921	12 024	-	-
Other temporary differences	13 109	8 834	-	-
Estimated tax losses	(18 112)	(14 111)	(2 018)	(4 018)
Net deferred tax liability/(asset)	13 918	6 747	(2 018)	(4 018)
Reconciliation between deferred tax opening and closing balances:				
Net deferred tax liability/(asset) at beginning of year	6 747	4 055	(4 018)	(4 018)
Utilisation of tax losses	5 123	3 408	2 000	-
Originating temporary differences on acquisition of businesses	6 448	-	-	-
Net reversing temporary differences on plant and equipment	(4 400)	(716)	-	-
Net deferred tax liability/(asset) at the end of the year	13 918	6 747	(2 018)	(4 018)
Analysed between:				
Deferred tax assets	(18 112)	(14 111)	(2 018)	(4 018)
Deferred tax liabilities	32 030	20 858	-	-
Net deferred tax liability/(asset) at the end of the year	13 918	6 747	(2 018)	(4 018)
4. Investments and loans				
<i>Investments</i>				
Investment in Mauritian Joint Venture (49,5% interest held)				
Investment to date	776	776	-	-
Equity accounted profit to date	7 230	4 057	-	-
Dividends received to date	(2 260)	-	-	-
Foreign exchange translation differences to date	330	-	-	-
	6 076	4 833	-	-
Directors' valuation	6 076	4 833	-	-
Included in the financial results of the Mauritian Joint Venture, Standard Labels Limited, at 28 February 2003 is:				
Current assets	65 828	-	-	-
Non-current assets	10 375	-	-	-
Current liabilities	32 820	-	-	-
Non-current liabilities	3 342	-	-	-
Retained profit for the year	6 411	-	-	-
<i>Loan</i>				
Loan to Astrapak Linked Unit Incentive Scheme	-	-	21 602	21 613
The loan is non-interest-bearing, unsecured and has no fixed term of repayment.				
Total	6 076	4 833	21 602	21 613

for the year ended 28 February 2003

R'000	Group		Company	
	2003	2002	2003	2002
5. Investment in subsidiaries				
Shares at cost	–	–	218 960	28 739
Indebtedness	–	–	(169 177)	6 607
Total	–	–	49 783	35 346
Directors' valuation	–	–	49 783	35 346
Refer note 27 for further details.				
6. Inventories				
Raw materials	59 179	54 710	–	–
Work in progress	10 650	9 515	–	–
Finished goods	69 211	40 017	–	–
Less: Provision for obsolete and slow moving inventory	(406)	(591)	–	–
Total	138 634	103 651	–	–
7. Accounts receivable				
Trade debtors	211 132	133 374	–	–
Less: Provision for bad debts	9 288	6 277	–	–
	201 844	127 097	–	–
Prepayments	7 978	3 408	58	21
Other (including VAT receivable, deposits, etc)	9 252	8 472	1 739	1 228
Total	219 074	138 977	1 797	1 249
Included in the above is a loan to a director amounting to R164 312.				
8. Share capital				
<i>Authorised ordinary share capital</i>				
200 000 000 shares of 0,1 cent each	200	200	200	200
<i>Issued ordinary share capital</i>				
108 105 000 shares of 0,1 cent each	108	108	108	108
Ten percent of the unissued shares have been placed under the control of the directors until the next Annual General Meeting.				
9. Non-distributable reserves				
Balance at the beginning of the year	6 684	8 020	–	–
Movements in non-distributable reserves	(1 337)	(1 336)	–	–
Balance at the end of the year	5 347	6 684	–	–
<i>Comprising:</i>				
Non-distributable reserve created in previous years as a result of a change in accounting policy relating to the amortisation of intangible assets.				

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for the year ended 28 February 2003

R'000	Group 2003	2002	Company 2003	2002
10. Debentures				
<i>Authorised</i>				
200 000 000 unsecured variable rate redeemable debentures of 50 cents each	100 000	100 000	100 000	100 000
<i>Issued</i>				
108 105 000 unsecured variable rate redeemable debentures of 50 cents each	54 053	54 053	54 053	54 053
12 496 854 unsecured variable rate redeemable debentures of 50 cents each held in treasury	(6 249)	(6 249)	-	-
	47 804	47 804	54 053	54 053
11. Treasury shares				
10 728 330 shares registered in the name of the Astrapak Limited Linked Unit Trust Scheme	18 754	18 084	-	-
1 768 524 shares purchased by Tristar Plastics, (a division of Astrapak Gauteng (Pty) Ltd), on behalf of the Astrapak Limited Linked Unit Trust Scheme	4 257	4 257	-	-
	23 011	22 341	-	-
12. Interest-bearing debt and cash				
12.1 Long-term				
<i>Secured debt</i>				
Capitalised finance leases and instalment sale agreements	116 725	48 934	-	-
Other variable rate loans:				
• monthly instalments	9 101	10 824	-	-
Other fixed rate loans:				
• quarterly instalments	38 329	34 827	-	-
• bi-annual instalments	121 207	-	-	-
Total secured debt	285 362	94 585	-	-
Current portion transferred to short-term interest-bearing debt	(69 926)	(26 218)	-	-
Net long-term interest-bearing debt	215 436	68 367	-	-
The capitalised finance leases and instalment sale agreements are secured by the related property, plant and equipment with net book values of R135 366 543 (2002: R74 797 864). Refer note 1.				
<i>Variable rate loans</i>				
These loans bear interest at variable money market rates ruling at the roll-over dates. Redemption is reviewed and rolled forward. Security is provided by the underlying property and cession of key main insurance policies.				

for the year ended 28 February 2003

R'000	Group		Company	
	2003	2002	2003	2002
12. Interest-bearing debt and cash (continued)				
12.1 Long-term (continued)				
<i>Fixed rate loans</i>				
The loan repayable in quarterly instalments bears interest at 11,85% per annum, is repayable at R2 292 322 per quarter.				
The loan repayable in bi-annual instalments bears interest at 16,00%, is repayable in bi-annual instalments of R18 855 416.				
The fixed rate loans are secured by a group security pooling arrangement over the assets of the business.				
Analysis of repayments				
Repayable during the twelve months to:				
28 February 2003	–	26 218	–	–
29 February 2004	69 926	24 044	–	–
28 February 2005	45 068	20 734	–	–
28 February 2006	43 705	16 141	–	–
28 February 2007	24 071	2 341	–	–
29 February 2008	12 986	5 107	–	–
Repayable thereafter	89 606	–	–	–
Total repayments	285 362	94 585	–	–
12.2 Short-term interest-bearing debt				
Bank overdrafts	79 556	5 106	13 395	2 027
Current portion of interest-bearing long-term debt	69 926	26 218	–	–
	149 482	31 324	13 395	2 027
12.3 Cash and short-term investments				
	(109 463)	(47 091)	(18 072)	(2 487)
12.4 Net interest-bearing debt/(cash)				
Long-term interest-bearing debt	215 436	68 367	–	–
Short-term interest-bearing debt	149 482	31 324	13 395	2 027
Cash and short-term investments	(109 463)	(47 091)	(18 072)	(2 487)
	255 455	52 600	(4 677)	(460)

The Group evaluated numerous capital allocation opportunities during the year under review and invested to achieve an optimal result for linked unitholders. The opportunities that were pursued were funded partly by debt and partly by the cash generated from within the Group. This resulted in an increase in net interest-bearing debt to R255,5 million (2002: R52,6 million). The major capital allocations were as follows:

- R77,2 million for plant replacement as well as expansionary capital expenditure;
- R31,8 million for the establishment of Astraflex, a new business initiative aimed at capitalising on opportunities in the printing and conversion of specialised flexible packaging materials;
- R123,8 million for the acquisition of 75% interest in Master Plastics; and
- R15,0 million for the purchase of certain minority interests.

Where possible the effect of these capital allocations on headline earnings have been disclosed in note 18 of the report.

In accordance with the provisions of the Articles of Association adopted by the Company on the 17th of September 1997, the borrowing powers of the directors are unlimited.

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for the year ended 28 February 2003

R'000	Group 2003	2002	Company 2003	2002
13. Accounts payable				
Trade payables	145 589	119 455	–	-
Accruals	29 957	18 656	3 949	907
Total	175 546	138 111	3 949	907

R'000	Royalties	Leave pay	Bonuses	Distributor commissions	Credit notes	Other	Total
14. Provisions – Group 2003							
Opening balance	960	2 871	8 492	105	2 383	4 010	18 821
Acquisition of businesses	-	1 394	-	-	2 596	-	3 990
Additions	1 650	5 022	7 109	1 949	86	7 302	23 118
Usage	(960)	(2 871)	(8 492)	(105)	(2 383)	(4 010)	(18 821)
Closing balance	1 650	6 416	7 109	1 949	2 682	7 302	27 108

Other provisions consist of provisions for repairs and maintenance, volume discounts and settlement discounts.
All the provisions are expected to be utilised in full during the next financial year.

R'000	Group 2003	2002	Company 2003	2002
15. Profit before interest and taxation				
Profit before interest and taxation has been determined after taking into account the items detailed below:				
<i>Income:</i>				
Decentralisation benefits	1 940	1 469	–	-
Foreign exchange gains	152	321	–	-
Net gain on disposal of property, plant and equipment	1 570	114	–	-
<i>Expenses:</i>				
Auditors' remuneration				
• audit fees	1 189	1 036	137	120
• prior year under provision	14	42	–	-
• other services	117	41	–	-
	1 320	1 119	137	120
Directors' emoluments				
Non-executive directors				
• Number of non-executive directors	4	4	–	-
• Fees for services as a director	92	121	–	-
• Fees for services as Committee members	20	-	–	-
• Fees for consulting services	108	-	–	-
	220	121	–	-

for the year ended 28 February 2003

R'000	Group		Company	
	2003	2002	2003	2002
15. Profit before interest and taxation (continued)				
Executive directors				
• Number of executive directors	5	4	–	–
• Basic remuneration	3 735	3 663	–	–
• Bonus and performance related payments	1 249	511	–	–
• Contributions to retirement and medical aid funds	98	63	–	–
• Other incentives and benefits	–	3	–	–
	5 082	4 240	–	–
Less: Paid by subsidiary and non-subsidiary companies	(5 082)	(4 240)	–	–
	–	–	–	–
(Refer to the Remuneration Report on page 24 for a further analysis of aggregate remuneration and benefits paid to executive and non-executive directors)				
Depreciation				
• land and buildings	3 008	1 414	–	–
• plant, equipment and furniture	54 384	27 867	75	88
• motor vehicles	1 504	1 394	–	–
• leasehold improvements	3 284	783	12	17
	62 180	31 458	87	105
Foreign exchange losses	3 100	2	8	–
Operating lease charges				
• land and buildings	13 853	10 861	462	298
• plant, equipment and motor vehicles	758	610	103	79
• other	97	32	–	–
16. Net interest paid/(received)				
Interest paid (excluding debenture interest distribution)	54 161	18 962	19 442	6 840
Interest received	(7 178)	(5 020)	(7 809)	(10 955)
	46 983	13 942	11 633	(4 115)
17. Taxation				
South African normal taxation	21 570	11 152	–	–
Deferred taxation	(614)	1 357	2 000	–
Secondary tax on companies	568	122	486	–
Total	21 524	12 631	2 486	–

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for the year ended 28 February 2003

%	Group		Company	
	2003	2002	2003	2002
17. Taxation (continued)				
Reconciliation of rate of taxation				
South African normal tax rate on companies	30,0	30,0	30,0	30,0
• Tax rate difference in respect of trusts	0,1	-	-	-
• Incentive allowances	(0,7)	(2,7)	-	-
• Disallowable expenses	5,9	3,0	-	-
• Non-taxable income	(4,8)	(3,8)	(20,9)	(30,0)
• Prior year losses utilised	(6,0)	(5,8)	-	-
Secondary tax on companies	0,7	0,2	(2,4)	-
Effective rate of taxation	25,2	20,9	6,7	-

R'000

Tax losses				
Estimated tax losses	85 173	52 916	44 704	23 712
Tax losses against which no deferred taxation asset was raised	56 494	19 048	37 977	5 284

18. Earnings and headline earnings per linked unit (cents)

Headline earnings per linked unit has been calculated in accordance with the requirements of Circular 7/2002 issued by the South African Institute of Chartered Accountants on 17 December 2002. Circular 7/2002 replaced AC 306 with immediate effect. As is required by Circular 7/2002 a reconciliation between headline earnings per linked unit previously published and the headline earnings per linked unit now published is given below in 18.2:

18.1 Earnings per linked unit (cents)	71,1	55,8
Net profit attributable to linked unitholders	63,0	48,0
Debenture interest	8,1	7,8
Headline earnings per linked unit (cents)	73,8	57,0
Net headline earnings attributable to linked unitholders	65,7	49,2
Debenture interest	8,1	7,8
Weighted average number of linked units in issue (000's)	95 608	96 953
Reconciliation between attributable profit and headline earnings		
Net profit attributable to linked unitholders	60 307	46 458
Distribution to linked unitholders - debenture interest	7 708	7 607
Amortisation of intangible assets relating to acquisitions after 15 June 2000	3 607	1 140
Net profit after tax on disposal of property, plant and equipment	(1 099)	88
Net profit on disposal of property, plant and equipment	(1 570)	(114)
Taxation	471	202
Headline earnings attributable to linked unitholders	70 523	55 293

for the year ended 28 February 2003

R'000	Group		Company	
	2003	2002	2003	2002
18. Earnings and headline earnings per linked unit (cents) (continued)				
18.2 Reconciliation of headline earnings per linked unit (cents) as previously published				
Headline earnings per linked unit (cents) as previously published	74,9	57,5		
Net adjustment for profit on disposal of plant and equipment not previously adjusted for in headline earnings	(1,1)	(0,5)		
Headline earnings per linked unit (cents) as now published	73,8	57,0		
Headline earnings per linked unit increased by 29,5% to 73,8 cents. Master Plastics accounted for 6,6 cents or 11,6% of this increase, whilst the remainder of the increase was attributable to increased volumes, improved margins and greater efficiencies.				
19. Change in accounting policies				
The Group has changed its accounting policies in respect of property depreciation to comply with the requirements of AC 135 - Investment property.				
The aggregate effect of the change in accounting policies on the annual financial statements for the year ended 28 February is as follows:				
Net profit for the year before restatement	61 721	47 872	17 522	3 560
Property depreciation	(1 414)	(1 414)	-	-
Net profit per income statement	60 307	46 458	17 522	3 560
The aggregate effect of the change in accounting policies on opening accumulated profit is as follows:				
Opening retained profit/(accumulated loss) as previously stated	164 355	120 138	(4 242)	(4 360)
Property depreciation	(6 229)	(4 815)	-	-
Opening retained profit/(accumulated loss) after change in accounting policies	158 126	115 323	(4 242)	(4 360)

20. Distribution policy

The profits available for distribution by way of debenture interest and dividends ("distributable profits") will be covered approximately three times by after tax earnings before debenture interest.

Debenture interest

Debenture interest will be calculated at the lower of:

- the prime rate of interest of the face value of the debentures; and
- the distributable profits.

Dividend policy

The dividend policy will be to declare and pay the excess of the distributable profits, if any, over the debenture interest.

The distribution policy will be reviewed by the Board of directors of Astrapak from time to time in light of prevailing circumstances and future cash requirements.

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for the year ended 28 February 2003

R'000	Group		Company	
	2003	2002	2003	2002
21. Capital commitments				
Authorised, contracted not spent	7 192	13 105	–	–
22. Lease commitments				
Operational leases				
• due within one year	12 289	8 828	437	420
• due thereafter	41 870	43 651	1 209	1 014
Total	54 159	52 479	1 646	1 434

23. Retirement benefits

With effect 1 March 1999, the Astrapak Provident and Astrapak Pension Funds were established for the purpose of consolidating the Group's funds, by transferring all employees in the Group onto the Astrapak Provident and Pension Funds. All the Funds are governed by the Pension Funds Act 1956 (Act no 26 of 1956).

All eligible employees are members of either the Astrapak Provident and Pension Funds, or are members of funds within the various industries in which they are employed.

The assets of the funds, at 28 February 2003, are held in administered trust funds, separate from the Group's assets, and are administered by various pension fund administrators.

The cost of retirement benefits charged to the income statement during the financial period under review amounts to R14 049 565 (2002: R6 814 792).

24. Contingent liabilities

The Group has no material contingent liabilities. The Company has contingent liabilities in respect of guarantees issued to bankers and other creditors for normal business commitments of subsidiaries.

25. Financial risk management

The Group purchases financial instruments in order to finance its operations and to manage the interest rate and currency risks that arise from normal business operations. In addition, financial balances, for example, trade debtors; trade creditors, bank balances, accruals and prepayments arise from normal business operations within the Group.

The Group finances its operations mainly through retained profits, bank credit borrowings and long-term bank loans. The Group also enters into derivative transactions, principally, forward currency contracts, forward rate agreements and interest rate swaps in order to manage the currency and interest rate risks arising.

The main risk areas the Group is exposed to are treasury risk, interest rate risk, liquidity risk and foreign currency risk. Compliance with the Group's policies is reviewed at the Executive Committee meetings. These policies have remained unchanged throughout the year ended 28 February 2003.

Treasury risk management

The Group's treasury risk is managed through the Executive Committee reporting to the Board of directors. One of the roles of this Committee is to decide the appropriate philosophy to be adopted within the Group regarding the management of treasury risks and for considering and managing the Group's existing financial market risks by adopting strategies within the guidelines set by the Board.

Interest rate risk management

Interest rate risk is the possibility that the Group may suffer financial loss if either a fluctuating interest rate or fixed interest rate position is entered into and interest rates move adversely. The Group uses swaps, options, forward rate arrangements and other standard market instruments to manage this risk. The risk profile of financial liabilities and assets at balance sheet date is detailed below, which excludes short-term debtors and non-interest-bearing short-term creditors:

for the year ended 28 February 2003

R'000	Floating rate assets	Fixed rate liabilities	Floating rate liabilities	Net liability
25. Financial risk management (continued)				
South African Rand	(109 463)	159 536	205 382	255 455
Total at 28 February 2003	(109 463)	159 536	205 382	255 455
South African Rand	(47 091)	13 589	86 102	52 600
Total at 28 February 2002	(47 091)	13 589	86 102	52 600

Liquidity risk management

Liquidity risk is the possibility that the Group may suffer financial loss through liquid funds not being available or that excessive finance costs must be paid to obtain funds to meet payment requirements. The Group manages this risk through forecasting and monitoring cash flow requirements on a regular basis, and by maintaining sufficient undrawn facilities. Significant liquid resources were held at year end. The Group had the following undrawn facilities available at the balance sheet date:

R'000	2003	2002
Expiry period at 28 February		
Within one year	96 965	79 887
Within two to five years	184 564	191 147
	281 529	271 034

The facilities expiring within one year are of a general banking nature and thus subject to review at various dates (usually on an annual basis), and it is expected that this profile will continue.

The facilities expiring beyond two years are of a project and structured finance nature, and are utilised primarily to finance capital expenditure.

Foreign currency risk management

Foreign currency risk is the risk that the Group may suffer financial loss as a consequence of depreciation in a reporting currency relative to a foreign currency prior to payment of a commitment in that foreign currency or of the reporting currency strengthening prior to receiving payment in that foreign currency.

The Group has transactional exposures in currencies other than South African rands. These exposures arise from sales, or purchases, of inventory and capital expenditure.

The Group uses swaps, options and other financial instruments, in particular forward contracts, to manage transactional currency risks. Specific translation risks are managed through the Group's individual operating units. Speculative positions are not permitted.

for the year ended 28 February 2003

25. Financial risk management *(continued)*

All imports and exports are fully covered at balance sheet date. The values of forward contracts entered into at the 28th of February are:

R'000	Average contract rate	2003	2002
US Dollars	9,0559	21 006	16 271
Euro	10,0560	17 183	51 001
UK Pounds	15,0245	100	-
		38 289	67 272
		2003	2002
Currency conversion guide at 28 February			
US Dollars		8,1400	11,4225
Euro		8,7227	9,8629
UK Pounds		12,8675	16,1984

Credit risk management

Potential concentrations of credit risk consist principally of cash investments and trade receivables. The Group only deposits cash surpluses with major banks of high standing.

Trade receivables comprise a large, widespread customer base. Ongoing credit evaluations on the financial condition of customers are performed and, where appropriate, credit guarantee insurance cover is purchased or provisions made.

The Group does not consider there to be any significant concentration of credit risk that had not been insured or adequately provided for at balance sheet date.

Fair value of financial instruments

The carrying amounts reported in the balance sheet for liquid resources, trade receivables and trade payables approximates fair value.

for the year ended 28 February 2003

R'000	Films	Rigids	Flexibles	Group
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26. Segmental analysis

26.1 Business segment report (Primary report)

Revenue – 2003	579 877	515 237	253 326	1 348 440
Revenue - 2002	499 993	134 141	182 113	816 247
Operating income before interest and taxation – 2003	50 835	58 529	30 629	139 993
Operating income before interest and taxation - 2002	37 543	18 830	25 548	81 921
Depreciation – 2003	21 019	33 398	7 763	62 180
Depreciation - 2002	19 461	6 742	5 255	31 458
Capital expenditure – 2003	27 381	45 887	35 724	108 992
Capital expenditure - 2002	26 461	22 019	4 056	52 536
Total assets – 2003	358 140	376 029	174 590	908 759
Total assets - 2002	296 315	93 196	113 635	503 146
Total liabilities – 2003	222 348	276 557	115 159	614 064
Total liabilities - 2002	182 894	48 913	58 857	290 664

R'000	Gauteng	KwaZulu-Natal	Cape	Group
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26.2 Geographical report (Secondary report)

Revenue – 2003	784 551	375 251	188 638	1 348 440
Revenue - 2002	372 695	281 783	161 769	816 247
Operating income before interest and taxation – 2003	67 895	50 049	22 049	139 993
Operating income before interest and taxation - 2002	32 808	32 197	16 916	81 921
Depreciation – 2003	38 796	13 486	9 898	62 180
Depreciation - 2002	12 960	11 059	7 439	31 458
Capital expenditure – 2003	57 245	43 294	8 453	108 992
Capital expenditure - 2002	22 738	19 920	9 878	52 536
Total assets – 2003	553 619	239 696	115 444	908 759
Total assets - 2002	233 915	164 807	104 424	503 146
Total liabilities – 2003	412 859	148 617	52 588	614 064
Total liabilities - 2002	151 793	89 255	49 616	290 664

52 Notes to the Annual Financial Statements

for the year ended 28 February 2003

	Issued share capital R	Effective percentage holding 2003 %	2002 %	Amount owing (to)/by subsidiary 2003 R'000	2002 R'000	Cost of investment 2003 R'000	2002 R'000
27. Analysis of interest in subsidiary companies							
Subsidiaries							
27.1 Directly held							
Astrapak Corporate Services (Pty) Ltd	100	100	100	–	(720)	–	–
Astrapak Finance Company	100	100	–	(20 664)	–	53 000	–
Astrapak Gauteng (Pty) Ltd (Formerly: East Rand Plastics (Pty) Ltd)	100	100	100	(30 417)	2 965	–	–
Astrapak KwaZulu-Natal (Pty) Ltd (Formerly: Packaging Consultants (Pty) Ltd)	100	100	100	(83 028)	16 511	–	–
Astrapak Properties (Pty) Ltd	100	100	100	2 466	–	–	–
Astrapak Western Cape (Pty) Ltd (Formerly: Peninsula Packaging (Pty) Ltd)	100	100	100	(53 716)	(2 169)	–	–
International Edgeboard Technology (Pty) Ltd	100	100	100	1 652	1 636	–	–
Master Plastics (Pty) Ltd	563	75	–	330	–	124 997	–
Indirectly held							
Astra Repro (Pty) Ltd	100	80	80	(52)	(975)	–	–
Astraflex (Pty) Ltd	100	100	100	260	–	–	–
Diverse Labelling Consultants (Pty) Ltd	1 110	100	100	(6 886)	(16 808)	14 282	14 282
Durpak (Pty) Ltd	1 000	100	100	3 770	3 770	1 003	1 003
Emcape-Thermopak (Pty) Ltd	6 000	92,5	45	493	(1 799)	12 185	–
International Tube Technology (Pty) Ltd	1 000 000	60	60	6 259	4 578	600	600
JJ Precision Plastics (Pty) Ltd	200	100	70	148	(1 006)	4 241	4 202
Pack-Line Holdings (Pty) Ltd	750	60	60	613	72	–	–
PAK 2000 (Pty) Ltd	4 000	100	100	4 012	(5 527)	6 756	6 756
Saflite Packaging (Pty) Ltd	200	75	75	2 118	2 930	432	432
Tamperpak (Pty) Ltd	1 000	75	75	(482)	(798)	–	–
Thermopackaging Natal (Pty) Ltd	100	100	100	–	–	–	–
27.2 Subsidiaries in process of being deregistered or liquidated							
Directly held							
City Packaging (Pty) Ltd	100	100	100	–	–	–	–
Elgran Investments (Pty) Ltd	100	100	100	–	–	–	–
Portion 727 Randjiesfontein (Pty) Ltd	2	100	100	3 947	3 947	362	362
Packaging Converters (Pty) Ltd	120	100	100	–	–	–	–
Ysebrand (Natal) (Pty) Ltd	177	100	100	–	–	–	–
CIC Brands SA (Pty) Ltd	100	100	100	–	–	99	99
Tristar (Pty) Ltd	1 000	100	100	–	–	1 003	1 003
Astrapak Flexibles (Pty) Ltd	100	100	100	–	–	–	–
Indirectly held							
East Rand Plastic Tubes (Pty) Ltd	100	100	100	–	–	–	–
ECO Maintenance (Pty) Ltd	100	100	100	–	–	–	–
East Rand Plastic Conversions (Pty) Ltd	100	100	100	–	–	–	–
Rachmann Investments (Pty) Ltd	11 100	100	100	–	–	–	–
				(169 177)	6 607	218 960	28 739

for the year ended 28 February 2003

28. Related party transactions

The ultimate holding company of the Group is Astrapak Limited.

During the year, Group companies entered into the following transactions with the ultimate holding company, which performed certain administrative services for the companies.

R'000	2003	2002
Interest paid to Group companies	5 970	3 423
Interest paid by Group companies	2 825	1 777
Management fees paid by Group companies	8 756	-
Treasury assets of the ultimate holding company	8 318	-
Treasury liabilities of the ultimate holding company	31 902	31 905
Amounts owing to Group companies	40 530	5 645
Amount owing by Group companies	55 552	51 872

The management fees charged by the ultimate holding company, to Group companies, represents an appropriate allocation of costs incurred by the ultimate holding company.

54 Annexure 1 – Details of Land and Buildings

for the year ended 28 February 2003

Owner	Description of premises	Erf	2003 Cost R'000	2002 Cost R'000
Astrapak Properties (Pty) Ltd	Factory and offices utilised by Emcape-Thermopak	Erf 22380, Goodwood Cape Province	3 734	3 734
Astrapak Gauteng (Pty) Ltd	Factory and offices utilised by East Rand Plastics	Stand 95 Vulcana, Brakpan	139	139
Astrapak Gauteng (Pty) Ltd	Factory and offices utilised by East Rand Plastics	Portion 40 of the farm Koobult 121 IR	6 572	6 572
Astrapak Gauteng (Pty) Ltd	Factory and offices utilised by Peninsula Packaging	Stand 29158 Bellville	5 538	5 538
Astrapak Gauteng (Pty) Ltd	Factory and offices utilised by East Rand Plastics	Stand 87 Vulcana, Brakpan	3 779	3 779
Astrapak Gauteng (Pty) Ltd	Vacant stand	Erf 45, Aeroton Gauteng Province	506	506
Astrapak KwaZulu-Natal (Pty) Ltd	Factory and offices utilised by Packaging Consultants	Sub 44 of lot 391 Springfield, Durban	5 800	5 800
Astrapak KwaZulu-Natal (Pty) Ltd	Factory and offices utilised by Diverse Labelling Consultants, Astrapak Exports & Astra Repro	Sub 1 of lot 2823 Pinetown	9 833	9 303
Cinqprop (Pty) Ltd	Factory and offices utilised by Cinqplast Plastop	Erf 594, Denver Gauteng Province	19 508	-
Plastop (Pty) Ltd	Factory and offices utilised by Cinqplast Plastop	Stands 84 and 960, Bronkhorstspuit, Gauteng Province	111	-
Plastop Properties (Pty) Ltd	Factory and offices utilised by Plas-Top	Lot 2354, Amanzimtoti Port Natal, KwaZulu-Natal	6 062	-
Cinqcorp (Pty) Ltd	Factory and offices utilised by Cinqplast Plastop	Erf 756, 757 and 758 Denver, Extension 12, Gauteng Province	11 973	-
			73 555	35 371

Linked Unitholder Information

Notice of Meeting

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the linked unitholders of the Company will be held at the Inanda Club, 1 Forest Road, Inanda, Sandton on 23 September 2003 at 10:00 for the following purposes:

Ordinary business

1. Ordinary resolution number 1

To receive, consider and approve the annual financial statements of the Company and the Group together with the reports of the directors and auditors for the year ended 28 February 2003.

2. Ordinary resolution number 2

To elect a director in the place of Mr M Baglione who retires in terms of the Company's Articles of Association and who, being eligible, offers himself for re-election. A brief CV appears on page 8 of this report.

3. Ordinary resolution number 3

To elect a director in the place of Mr WJ Venter who retires in terms of the Company's Articles of Association and who, being eligible, offers himself for re-election. A brief CV appears on page 9 of this report.

4. Ordinary resolution number 4

To elect a director in the place of Mr RAP Upton who retires in terms of the Company's Articles of Association and who, being eligible, offers himself for re-election. A brief CV appears on page 8 of this report.

5. Ordinary resolution number 5

To confirm the re-appointment of Deloitte & Touche as auditors for the ensuing year and to authorise the directors to approve their remuneration.

6. Ordinary resolution number 6

To approve the directors' remuneration for the year ended 28 February 2003.

7. Ordinary resolution number 7

To place 10% of the unissued share capital of the Company under the control of the directors as a general authority in terms of section 221 of the Companies Act (Act 61 of 1973) as amended ("the Act"), and to grant the directors the authority to allot and issue

these shares on such terms and conditions as the directors may determine and subject to the provisions of the Act and the Listings Requirements of the JSE Securities Exchange South Africa ("JSE").

8. Ordinary resolution number 8

To authorise the directors by way of a general approval to issue new linked units for cash as they may deem fit, subject to the Act, the Articles of Association of the Company and the Listings Requirements of the JSE subjects the following limitations:

- that at least 75% of the shareholders present in person or by proxy at the Annual General Meeting cast their vote in favour of this resolution;
- that this general authority shall not extend beyond 15 months from the date of this Annual General Meeting or the date of the next Annual General Meeting, whichever is the earlier;
- the securities will be issued only to the public shareholders as defined in the Listings Requirements of the JSE and not to related parties;
- any such issue will only be securities of a class already in issue;
- that issues in the aggregate in any financial year will not exceed 15% of the Company's issued linked unit capital as at the date of the first such issue. The securities of a particular class will be aggregated with the securities that are compulsorily convertible into securities of that class; and, in the case of the issue of compulsorily convertible securities, aggregated with the securities of that class into which they are compulsorily convertible. The number of securities of a class which may be issued shall be based on the number of securities of that class in issue at the date of such application less any securities of the class issued during the current financial year, provided that any securities of that class to be issued pursuant to a rights issue (announced and

irrevocable and underwritten) or acquisition (concluded up to the date of application) may be included as though they were securities in issue at the date of application; and

- that in determining the price at which the issue of linked units will be made in terms of this authority, the maximum discount permitted will be 10% of the weighted average traded price as determined over 30 business days prior to the date that the price of the issue is determined or agreed by the Company's directors. The Committee of the JSE should be consulted for a ruling if the Company's securities have not traded in such 30 business day period;

the Company will publish a press announcement, at the time of any issue representing on a cumulative basis within one year, 10% or more of the number of linked units which it had in issue prior to such issue containing full details of such issue, including the impact of the issue on net asset value and earnings per share.

9. Ordinary resolution number 9

To consider and, if deemed fit, passing, with or without modification, the following amendments to the Trust Deed of the Astrapak Limited Linked Unit Scheme ("the Trust Deed") in terms of clause 32.3.2 of the Trust Deed:

By deleting the existing clause 12.1 and substituting it with a new clause 12.1 to read:

- "12.1 The directors may from time to time instruct the Trustees to offer to Offerees such number of Scheme Linked Units as the directors in their sole and absolute discretion shall decide; provided that the aggregate number of Scheme Linked Units in the Company that may be utilised in terms of the Linked Unit Scheme, the Combined Option/Deferred Sale Scheme and the Astrapak Limited Second

56 Linked Unitholder Information

Notice of Meeting

Linked Unit Trust Scheme, together with the Linked Units reserved in terms of the Option Scheme shall not, without the prior authority of the Company in general meeting and the approval of the JSE, exceed 21 621 000 (twenty one million six hundred and twenty one thousand), currently representing 20% (twenty percent) of the Company's issued capital. The directors shall forward to the Trustees a certified copy of a resolution authorising an offer and the Trustees shall forthwith offer the number of Scheme Linked Units referred to in such resolution to the Offerree named in such resolution."

By deleting the existing clause 21.2 and substituting it with a new clause 21.2 to read:

"21.2 The aggregate number of Linked Units in the Company that may be reserved in terms of the Option Scheme and/or the Astrapak Limited Second Linked Unit Scheme, together with those that may be utilised in terms of the Linked Unit Scheme and/or the Combined Option/Deferred Sale Scheme shall not, without the prior authority of the Company in general meeting and the approval of the JSE, exceed 21 621 000 (twenty one million six hundred and twenty one thousand) Linked Units currently representing 20% (twenty percent) of the Company's issued capital."

By deleting the existing clause 29.9 and substituting it with a new clause 29.9 to read:

"29.9 The aggregate number of Allocation Linked Units in Company that may be reserved in terms of the Combined Option/Deferred Sale Scheme together with those that may be utilised in terms of the Option Scheme and/or the Linked Unit Scheme and/or the Astrapak

Limited Second Linked Unit Scheme shall not, without the prior authority of the Company in general meeting and the approval of the JSE, exceed 21 621 000 (twenty one million six hundred and twenty one thousand) Allocation Linked Units currently representing 20% (twenty percent) of the Company issued capital."

10. Ordinary resolution number 10

To consider and, if deemed fit, passing, with or without modification, the following amendments to the Trust Deed of the Astrapak Limited Linked Unit Scheme ("the Trust Deed") in terms of clause 32.3.3. of the Trust Deed:

By deleting the existing clause 12.2 and substituting it with a new clause 12.2 to read:

"12.2 More than 1 (one) offer may be made from time to time to any Offerree provided that the aggregate number of Scheme Linked Units registered in the name of a Participant and constituting part of the Linked Unit Scheme, the Combined Option/Deferred Sale Scheme and the Astrapak Limited Second Linked Unit Trust Scheme, together with the number of Linked Units in respect of which options have been granted to but not yet exercised by such Participant in terms of the Option Scheme shall not, without the prior authority of the Company in general meeting and the approval of the JSE, exceed 5 405 250 (five million four hundred and five thousand two hundred and fifty), currently representing 25% (twenty five percent) of the issued capital of the Company available for the purposes of the Scheme."

By deleting the existing clause 21.3 and substituting it with a new clause 21.3 to read:

"21.3 The aggregate number of Linked Units in respect of which

options have been granted to but not yet exercised by a Participant in terms of the Option Scheme, together with the number of Scheme Linked Units registered in the name of that Participant and constituting part of the Linked Unit Scheme and/or the Combined Option/-Deferred Sale Scheme and/or Astrapak Limited Second Linked Unit Trust Scheme shall not, without the prior authority of the Company in general meeting and the approval of the JSE, exceed 5 405 250 (five million four hundred and five thousand two hundred and fifty) Linked Units currently representing 25% (twenty five percent) of the issued capital of the Company available for the purposes of the Scheme."

By deleting the existing clause 29.10 and substituting it with a new clause 29.10 to read:

"29.10 The aggregate number of Allocation Linked Units registered in the name of a Participant constituting part of the Combined Option/Deferred Sale Scheme and the aggregate number of Linked Units constituting part of the Option Scheme and/or the Linked Unit Scheme and/or the Astrapak Limited Second Linked Unit Trust Scheme shall not, without the prior authority of the Company in general meeting and the approval of the JSE, exceed 5 405 250 (five million four hundred and five thousand two hundred and fifty) Allocation Linked Units currently representing 25% (twenty five percent) of the issued capital of the Company available for the purposes of the Scheme."

General authority to acquire linked units

The Board of directors ("Board") believes it to be in the best interests of the Company, that linked unitholders pass a special resolution granting the Company a general authority to acquire its own linked units

should such acquisition be in the interests of the Company. Such general authority will provide the directors with the flexibility, subject to the requirements of the Act and the JSE, to repurchase linked units should it be in the interests of the Company at any time while the general authority subsists. Accordingly, the linked unitholders are requested to consider and, if deemed fit, pass with or without modification, the following special resolution:

Special resolution number 1

"Resolved that the Company's directors be hereby authorised, by way of a general authority, to repurchase linked units in the Company and permit any subsidiary of the Company to purchase linked units in the Company, as and when deemed appropriate; subject to the Act, the Articles of Association of the Company and the Listings Requirements of the JSE and the following limitations that:

- any such acquisition of linked units shall be implemented on the open market of the JSE;
- that this general authority shall not extend beyond 15 months from the date of this Annual General Meeting or the date of the next Annual General Meeting, whichever is the earlier;
- a press announcement will be published as soon as the Company has acquired linked units constituting, on a cumulative basis, 3% of the number of the linked units in issue as at the time the authority was granted;
- acquisitions of linked units in the aggregate in any one financial year may not exceed 20% of the Company's issued ordinary share capital and debentures ("linked units") as at the date of this Annual General Meeting;
- in determining the price at which linked units issued by the Company will be acquired, the maximum premium at which such linked units may be acquired will be 10% of the weighted average of the market value at which such linked units are traded on the JSE, as determined over the five business days immediately preceding the date on which the transaction as agreed;

- the sponsor to the Company provides a letter on the adequacy of working capital in terms of section 2.14 of the JSE Listings Requirements prior to any repurchases being implemented on the open market of the JSE; and
- to the extent it is needed, the consent of the debt providers to the Company and the Group has been obtained prior to any repurchases being implemented on the open market of the JSE.

The directors undertake that the Company shall not make any payment to acquire any linked units issued by the Company if there are reasonable grounds for believing that for a period of 12 months after the date of approval of special resolution number 1:

- the Company and the Group will after payment be unable to pay its debts as they become due in the ordinary course of business;
- the assets of the Company and the Group, fairly valued in terms of Generally Accepted Accounting Practice and on a basis consistent with the last financial year of the Company, will after the payment be less than the liabilities of the Company and the Group;
- the ordinary capital and reserves of the Company and the Group will be inadequate for the purposes of the business of the Company and the Group; and
- the working capital available to the Company and the Group will be inadequate for the purposes of the business of the Company and the Group.
- The Board of directors have no immediate intention to use this authority to repurchase linked units. However, the Board is of the opinion that this authority should be in place should it become appropriate to undertake a linked unit repurchase in the future.

Reason and effect for special resolution number 1

The Board believes it to be in the best interests of the Company that linked unitholders pass a special resolution granting the Company a general authority

for the acquisition by the Company of its own linked units or to permit any subsidiary of the Company to purchase linked units in the Company should such acquisition be in the interests of the Company. Such general authority will provide the directors with the flexibility, subject to the requirements of the Act and the Listings Requirements of the JSE, to repurchase linked units should it be in the best interests of the Company at any time while the general authority subsists.

Voting and proxies

Linked unitholders who have not dematerialised their linked units or who have dematerialised their linked units with "own name" registration are entitled to attend and vote at the meeting and are entitled to appoint a proxy or proxies to attend, speak and vote in their stead. The person so appointed need not be a member.

A form of proxy setting out the relevant instructions for its completion, is enclosed for use by a linked unitholder who wishes to be represented at the general meeting. Completion of a form of proxy will not preclude such linked unitholder from attending and voting (in preference to that linked unitholder's proxy) at the Annual General Meeting. Proxy forms should be forwarded to reach the registered office of the Company/Company's transfer secretaries by not later than 10:00 on Tuesday, 26 August 2003.

Members who have dematerialised their linked units, other than those members who have dematerialised their linked units with "own name" registration should contact their CSDP or broker in the manner and time stipulated in their agreement:

- to furnish them with their voting instructions; and
- in the event that they wish to attend the meeting, to obtain the necessary authority to do so.

A voting instruction form for use by linked unitholders who have dematerialised their Astrapak linked units through STRATE, is enclosed together with instructions for its completion.

Y Cowley
Secretary

Sandton

1 August 2003

58 Linked Unitholders' Diary

February	Financial year end	September	Annual General Meeting
May	Preliminary results announcements for the year ended 28 February 2003	October	Interim results announcement for the period ending 31 August 2003
July	Annual Report published		

Analysis of Linked Unitholders

Linked unitholders' spread

as at 28 February 2003

	Linked unitholders in SA			Linked unitholders outside SA			Total linked unitholders		
	Number of holders	Linked units held	% issued	Number of holders	Linked units held	% issued	Number of holders	Linked units held	% issued
Public	436	31 804 603	29,5	10	2 273 730	2,1	446	34 078 333	31,6
Non-public	24	24 155 664	22,3	2	49 871 003	46,1	26	74 026 667	68,4
• Directors of the Company and its subsidiaries	21	3 011 281	2,8	-	-	-	21	3 011 281	2,8
• Zofis Investment Corporation	-	-	-	1	15 696 229	14,5	1	15 696 229	14,5
• Trustee of the Astrapak Limited Linked Unit Trust Scheme	1	10 728 330	9,9	-	-	-	1	10 728 330	9,9
• Tristar Plastics (subsidiary of Astrapak)	1	1 768 524	1,6	-	-	-	1	1 768 524	1,6
• South African Private Equity Fund I	1	8 647 529	8,0	-	-	-	1	8 647 529	8,0
• Tarkus Holding BV	-	-	-	1	34 174 774	31,6	1	34 174 774	31,6
	460	55 960 267	51,8	12	52 144 733	48,2	472	108 105 000	100,0

Major linked unitholders

as at 28 February 2003

	Linked units held	% issued
Tarkus Holding BV	39 174 774	31,6
Zofis Investment Corporation	15 696 229	14,5
Astrapak Limited Linked Unit Trust Scheme	10 728 330	9,9
South African Private Equity Fund 1	8 647 529	8,0

Directors' interest

as at 28 February 2003

Director	Beneficial Direct	Non-beneficial Indirect	Unitholding (%)
M Baglione	31 000	50 000	0,1
R Crewe-Brown	132 520	584 570	0,7
P Botha*	-	10 728 330	9,9
G Petzer	522 000	-	0,5
HA Todd	7 500	-	0,0
	693 020	11 362 900	11,2

* Mr P Botha is a trustee of the Astrapak Limited Linked Unit Trust Scheme, the holder of 10 728 330 linked units.

Form of Proxy – Linked Unitholders

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This form is only to be completed by **certificated and own name registered dematerialised** linked unitholders.



Astrapak Limited

Registration number 1995/009169/06
Incorporated in the Republic of South Africa
Share code: APK ISIN: ZAE000030938
("the Company")

A linked unitholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy, or proxies, to attend, speak and vote thereat in his/her stead. A proxy need not also be a linked unitholder of the Company. All forms of proxy must be lodged with the transfer secretaries, Computershare Investor Services Limited, by not later than 10:00 on Monday, 22 September 2003.

Linked unitholders, other than own name registered dematerialised linked unitholders, that have dematerialised their linked units with a Central Securities Depository Participant ("CSDP") or broker must arrange with the CSDP or broker concerned to provide them with the necessary authorisations to attend the Annual General Meeting or the linked unitholders concerned must instruct them as to how they wish to vote in this regard. This must be done in terms of the agreement entered into between the linked unitholders concerned and the CSDP or broker concerned.

I/We

of

being a member(s) of the abovenamed company, hereby appoint:

or failing him/her,

the Chairman of the Annual General Meeting,

as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 10:00 on Tuesday, 23 September 2003.

Signed at this day of 2003

Signature

Please indicate in the space below how you wish your votes to be cast by inserting the number of linked units in the appropriate space. If you return this form duly signed, without any specific directions, the proxy shall be entitled to vote as he/she thinks.

	In favour of	Against	Abstain from voting
1. Ordinary resolution number 1			
2. Ordinary resolution number 2			
3. Ordinary resolution number 3			
4. Ordinary resolution number 4			
5. Ordinary resolution number 5			
6. Ordinary resolution number 6			
7. Ordinary resolution number 7			
8. Ordinary resolution number 8			
9. Ordinary resolution number 9			
10. Ordinary resolution number 10			
11. Special resolution number 1			

Please read the notes on the reverse side hereof.

1. A linked unitholder may insert the names of one or more proxies (who need not be linked unitholders of the Company) in the space provided, with or without deleting the words "the Chairman of the Annual General Meeting". The person whose name appears first on the form of proxy and has not been deleted will be entitled to act in priority to those whose names follow. In the event that no names are filled in, the proxy shall be exercised by the Chairman of the Annual General Meeting.
2. A linked unitholders' instructions to the proxy must be indicated by the insertion of the relevant number of votes in the space provided. Failure to comply with the above will be deemed to authorise the proxy to vote as he/she thinks fit. However, where the proxy is the Chairman, such failure shall be deemed to authorise the Chairman to vote in favour of the resolutions. A linked unitholder or his/her proxy is not obliged to use all the votes exercisable by the linked unitholder or his/her proxy.
3. The completion and lodging of this form of proxy shall in no way preclude the linked unitholder from attending, speaking and voting in person at the Annual General Meeting to the exclusion of any proxy appointed in terms hereof.
4. Should this form of proxy not be completed and/or received in accordance with these notes, the Chairman may accept or reject it, provided that in respect of its acceptance the Chairman is satisfied as to the manner in which the linked unitholder wishes to vote.
5. This form of proxy shall be valid for any adjournment of the Annual General Meeting as well as the Annual General Meeting to which it relates, unless the contrary is stated hereon.
6. Where this form of proxy is signed under power of attorney, such power of attorney must accompany this form of proxy unless it has previously been registered with the Company.
7. Where linked units are held jointly, all joint holders are required to sign.
8. This form of proxy must be returned to the transfer secretaries of the Company, Computershare Investor Services Limited, 2nd Floor, Edura House, 41 Fox Street, Johannesburg, 2001 (PO Box 62391, Marshalltown, 2107), to be received by not later than 10:00 on Monday, 22 September 2003.
9. Linked unitholders that have dematerialised their linked units with a CSDP or broker must arrange with the CSDP or broker concerned to provide them with the necessary authorisations to attend the Annual General Meeting or the linked unitholders concerned must instruct them as to how they wish to vote in this regard. This must be done in terms of the agreement entered into between the linked unitholders concerned and the CSDP or broker concerned.

