

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

Group statement of comprehensive income

	Audited Year ended 30 September 2014 R'm	Audited Year ended 30 September 2013 Restated R'm
Continuing operations		
Revenue	17 698.6	16 240.9
Cost of goods sold	(12 321.2)	(11 527.5)
Gross profit	5 377.4	4 713.4
Other income and gains/(losses) – net	115.9	135.8
Other expenses	(4 000.5)	(3 842.5)
Excluding the following:		
Phase I B-BBEE transaction share-based payment charge	(3 813.2)	(3 696.6)
Items of a capital nature	(187.3)	(145.9)
	(47.0)	10.7
Operating profit	1 445.8	1 017.4
Investment income	22.3	22.6
Finance costs	(138.0)	(125.5)
Share of profit of investments accounted for using the equity method	69.8	24.7
Profit before income tax	1 399.9	939.2
Income tax expense	(451.8)	(238.7)
Profit for the year from continuing operations	948.1	700.5
Profit/(loss) for the year from discontinued operations (attributable to owners of the parent)	18.2	(200.4)
Profit for the year	966.3	500.1
Other comprehensive income/(loss) for the year		
Items that will not subsequently be reclassified to profit or loss:		
Remeasurement of post-employment benefit obligations	0.6	(1.5)
Items that may subsequently be reclassified to profit or loss:	10.8	80.3
Fair value adjustments to cash flow hedging reserve	(9.3)	17.3
For the year	62.8	(13.7)
Current income tax effect	(18.4)	4.4
Deferred income tax effect	1.7	(0.5)
Reclassified to profit or loss	(75.8)	37.7
Current income tax effect	20.7	(10.7)
Deferred income tax effect	(0.3)	0.1
Fair value adjustments on available-for-sale financial assets	4.9	0.8
For the year	9.9	18.8
Deferred income tax effect	(1.2)	(1.7)
Reclassified to profit or loss	(3.8)	(16.3)
Share of other comprehensive income of investments accounted for using the equity method	3.1	6.5
Movement on foreign currency translation reserve	12.1	55.7
Total comprehensive income for the year	977.7	578.9
Profit/(loss) for the year attributable to:		
Owners of the parent		
For continuing operations	947.0	699.0
For discontinued operations	18.2	(200.4)
Non-controlling interest		
For continuing operations	1.1	1.5
	966.3	500.1
Total comprehensive income/(loss) for the year attributable to:		
Owners of the parent		
For continuing operations	973.7	752.5
For discontinued operations	2.9	(175.1)
Non-controlling interest		
For continuing operations	1.1	1.5
	977.7	578.9

Headline earnings reconciliation

	Audited Year ended 30 September 2014 R'm	Audited Year ended 30 September 2013 Restated R'm
Reconciliation between profit/(loss) attributable to owners of the parent and headline earnings		
Profit/(loss) attributable to owners of the parent		
For continuing operations	947.0	699.0
For discontinued operations	18.2	(200.4)
	965.2	498.6
Remeasurement of items of a capital nature – continuing operations	47.0	(10.7)
Net loss on disposal of property, plant and equipment and intangible assets	1.3	4.9
Net profit on disposal of available-for-sale financial assets	(3.7)	(16.4)
Impairment of property, plant and equipment and intangible assets	49.4	0.8
Tax effect on remeasurement of items of a capital nature	(12.9)	1.7
	34.1	(9.0)
Remeasurement of items of a capital nature – discontinued operations	76.0	230.9
Net profit on disposal of property, plant and equipment and intangible assets	(1.7)	(1.1)
Impairment of property, plant and equipment and intangible assets	77.7	232.0
Tax effect on remeasurement of items of a capital nature	(20.3)	(23.7)
	55.7	207.2
Remeasurement of items of a capital nature included in equity-accounted results		
Effect on remeasurement of items of a capital nature	0.1	13.0
Tax effect on remeasurement of items of a capital nature	–	(3.1)
	0.1	9.9
Headline earnings	1 055.1	706.7
For continuing operations	981.2	699.9
For discontinued operations	73.9	6.8
Phase I B-BBEE transaction share-based payment charge	187.3	145.9
Adjusted headline earnings (Note 1)	1 242.4	852.6
For continuing operations	1 168.5	845.8
For discontinued operations	73.9	6.8
Number of issued ordinary shares (million)	231.7	231.0
Number of issued treasury shares:		
– held by subsidiary (million)	18.0	18.0
– held by share incentive trust (million)	1.1	1.4
– held by B-BBEE equity transaction participants (million)	18.1	18.1
– held by BEE trust (million)	10.6	10.6
Number of issued class A ordinary shares (million)	6.0	7.4
Weighted average number of ordinary shares (million)	183.3	181.3
Weighted average number of ordinary shares – diluted (million)	192.1	185.8
Earnings per ordinary share (cents):		
– basic	526.5	275.0
– diluted	502.4	268.4
– headline	575.6	389.8
– diluted headline	549.2	380.4
– adjusted headline (Note 1)	677.8	470.3
– diluted adjusted headline (Note 1)	646.7	458.9
– adjusted headline for continuing operations (Note 1)	637.4	466.5
– diluted adjusted headline for continuing operations (Note 1)	608.2	455.2
Gross dividend per ordinary share (cents)	221.0	132.0
Gross dividend per class A ordinary share (cents)	66.3	39.6
Net asset value per ordinary share (cents)	3 318.2	3 598.1
Debt to equity ratio (%)	10.9	22.2

Note 1:

Headline earnings ("HE") is calculated based on Circular 2/2013 issued by the South African Institute of Chartered Accountants.

Adjusted HE is defined as HE adjusted for the impact of the share-based payment charge on the B-BBEE Phase I transaction on profit or loss due to the volatility of this share-based payment charge.

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Group statement of financial position

	Audited 30 September 2014 R'm	Audited 30 September 2013 Restated R'm
Assets		
Property, plant and equipment	4 229.1	4 162.6
Goodwill	220.8	217.7
Other intangible assets	457.2	470.7
Biological assets	16.0	16.0
Investments in and loans to associates and joint ventures	402.3	344.1
Available-for-sale financial assets	70.0	59.0
Trade and other receivables	23.4	20.7
Deferred income tax	3.7	74.1
Non-current assets	5 422.5	5 364.9
Current assets	5 420.9	4 416.1
Inventories	2 423.3	2 401.2
Derivative financial instruments	14.9	10.6
Trade and other receivables	1 873.8	1 624.6
Current income tax	1.3	0.7
Cash and cash equivalents	1 107.6	379.0
Assets of disposal group classified as held for sale	2 066.8	1 953.4
Total assets	12 910.2	11 734.4
Equity and liabilities		
Capital and reserves attributable to owners of the parent	6 102.4	6 581.3
Share capital	23.2	23.1
Share premium	2 255.2	2 188.6
Treasury shares	(1 186.5)	(1 190.9)
Other reserves	428.5	426.2
Retained earnings	4 582.0	5 134.3
Non-controlling interest	10.4	9.3
Total equity	6 112.8	6 590.6
Non-current liabilities	2 308.6	2 304.6
Borrowings		
B-BBEE equity transaction third-party finance	449.7	449.7
Other	1 063.8	1 007.6
Provisions for other liabilities and charges	101.5	120.3
Share-based payment liability	245.2	251.4
Deferred income tax	448.4	475.6
Current liabilities	3 920.7	2 357.2
Trade and other payables	2 258.2	1 926.1
Current income tax	18.1	28.1
Derivative financial instruments	9.7	6.2
Borrowings	260.7	381.8
Loan from joint venture	15.7	14.7
Share-based payment liability	115.8	-
Dividends payable	1 242.5	0.3
Liabilities of disposal group classified as held for sale	568.1	482.0
Total equity and liabilities	12 910.2	11 734.4

Group statement of changes in equity

	Audited Year ended 30 September 2014 R'm	Audited Year ended 30 September 2013 Restated R'm
Share capital, share premium and treasury shares	1 091.9	1 020.8
Opening balance	1 020.8	987.3
Movement in treasury shares	4.4	16.7
Ordinary shares issued – share appreciation rights	66.8	49.6
Employee share scheme – repurchase of shares	(0.1)	(32.8)
Other reserves	428.5	426.2
Opening balance	426.2	350.3
Equity compensation reserve transactions	26.5	15.2
Ordinary shares issued – share appreciation rights	(66.8)	(49.6)
Deferred income tax on share-based payments	31.8	30.0
Share of other comprehensive income of investments accounted for using the equity method	3.1	6.5
Other comprehensive income for the year	7.7	73.8
Retained earnings	4 582.0	5 134.3
Opening balance	5 133.2	4 847.3
Effect of changes in accounting policies	1.1	0.7
Restated opening balance	5 134.3	4 848.0
Profit for the year	965.2	498.6
Other comprehensive income/(loss) for the year	0.6	(1.5)
Dividends paid	(1 519.2)	(211.3)
Management share incentive scheme – disposal of shares	1.7	0.8
Employee share scheme – transfer tax on share transactions	(0.6)	(0.3)
Non-controlling interest	10.4	9.3
Opening balance	9.3	8.2
Dividend paid	-	(0.4)
Profit for the year	1.1	1.5
Total equity	6 112.8	6 590.6

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Group statement of cash flows

	Audited Year ended 30 September 2014	Audited Year ended 30 September 2013 Restated
	R'm	R'm
Net cash profit from operating activities	2 133.9	1 556.3
Cash effect from hedging activities	(7.8)	22.7
Working capital changes	27.5	66.8
Accrual for Competition Commission penalties paid	–	(216.7)
Net cash generated from operations	2 153.6	1 429.1
Income tax paid	(386.4)	(233.1)
Net cash flow from operating activities	1 767.2	1 196.0
Net cash flow from investment activities	(392.7)	(1 287.2)
Property, plant and equipment and intangible assets		
– additions	(269.7)	(828.1)
– replacements	(216.3)	(235.0)
– proceeds on disposal	55.7	26.7
Business combinations	–	(315.0)
Proceeds on disposal of and changes in available-for-sale financial assets and loans	(1.1)	26.4
Interest received	24.3	22.5
Dividends received	1.6	1.7
Dividends received from joint ventures	12.8	13.3
Dividends received from associates	–	0.3
Net cash flow from financing activities	(422.0)	(200.2)
Proceeds from syndicated borrowings	–	1 870.0
Proceeds/(repayments) of other borrowings	78.1	(1 698.8)
Share schemes transactions	(72.3)	(17.1)
Interest paid	(150.8)	(142.8)
Dividends paid	(277.0)	(211.5)
Net increase/(decrease) in cash, cash equivalents and bank overdrafts	952.5	(291.4)
Net cash, cash equivalents and bank overdrafts at beginning of year	65.6	357.0
Net cash, cash equivalents and bank overdrafts at end of year	1 018.1	65.6
For continuing operations	912.5	41.0
For discontinued operations	105.6	24.6

Group segment report

	Audited Year ended 30 September 2014	Audited Year ended 30 September 2013 Restated
	R'm	R'm
Segment revenue (Note 1)		
Essential Foods (formerly Sasko)	10 927.5	10 314.4
Quantum Foods	3 591.4	3 575.6
Bokomo Foods	3 728.3	3 148.4
Ceres Beverages	3 340.8	3 021.2
	21 588.0	20 059.6
Less : Internal revenue	(298.0)	(248.5)
Total	21 290.0	19 811.1
Segment results (Note 1)		
Essential Foods (formerly Sasko)	1 074.9	784.3
Quantum Foods	21.6	(18.9)
Bokomo Foods	406.7	279.0
Ceres Beverages	328.7	263.8
Other	(115.7)	(154.3)
	1 716.2	1 153.9
Reversal of depreciation charge in Quantum Foods legal entities (asset held for sale)	54.7	–
Phase I B-BBEE transaction share-based payment charge	(187.3)	(145.9)
Operating profit before items of a capital nature	1 583.6	1 008.0
Reconciliation of operating profit (before items of a capital nature) to profit before income tax		
Operating profit before items of a capital nature	1 583.6	1 008.0
Adjusted for:		
– Remeasurement of items of a capital nature	(123.0)	(220.2)
– Interest income	24.3	22.5
– Dividends received	1.6	1.7
– Finance costs	(138.7)	(126.3)
– Share of profit of investments accounted for using the equity method	70.4	24.8
Profit before income tax (including discontinued operations)	1 418.2	710.5

Note 1:
Includes discontinued operations.

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Notes to the summary consolidated financial statements for the year ended 30 September 2014

1. Basis of preparation

The summary consolidated financial statements of the Group for the year ended 30 September 2014 have been prepared in accordance with the requirements of the JSE for summary financial statements, and the requirements of the Companies Act of South Africa, Act 71 of 2008, as amended, applicable to summary financial statements. The Listings Requirements of the JSE require summary financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Pronouncements as issued by the Financial Reporting Standards Council and also, as a minimum, to contain the information required by IAS 34 – *Interim Financial Reporting*. This summary report is an extract from audited information, but this summary report has not been audited.

The directors take full responsibility for the preparation of the summary consolidated financial statements and that the financial information has been correctly extracted from the underlying financial records.

2. Accounting policies

The accounting policies applied in the preparation of the consolidated financial statements from which the summary consolidated financial statements were derived, are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements, except for the adoption of the following new standards, amendments to published standards and interpretations that became effective for the current reporting period beginning on 1 October 2013:

IAS 19 – (revised) Employee Benefits

IAS 19 (revised) amends the accounting for employment benefits. The Group has applied the standard retrospectively in accordance with the transitional provisions of the standard. The amended standard impacted the Group's treatment of the provision for post-retirement medical benefits. The financial effect thereof has been disclosed in Note 11.

IFRS 10 – Consolidated Financial Statements

Under IFRS 10, subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group has power over an entity, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect these returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The Group has applied IFRS 10 retrospectively in accordance with the transitional provisions of IFRS 10. The adoption of this new standard did not have an effect on the financial position or results of the Group.

IFRS 11 – Joint Arrangements

Under IFRS 11, investments in joint arrangements are classified either as joint operations or joint ventures depending on the contractual rights and obligations each investor has rather than the legal structure of the joint arrangement. Before 1 October 2013, the Group's interest in its jointly controlled entities was accounted for using proportionate consolidation. Under IFRS 11, these jointly controlled entities have been classified as joint ventures and have been accounted for using the equity method. The Group has applied the new policy for its interest in the joint ventures in accordance with the transitional provisions of IFRS 11. The financial effects of this change have been disclosed in Note 11.

IFRS 13 – Fair Value Measurement

IFRS 13 measurement and disclosure requirements are applicable for the 30 September 2014 financial year-end. The Group has included the disclosures required by IAS 34 paragraph 16A(j) in the summary consolidated financial statements (refer to Note 10). The adoption of this new standard did not have any material impact on the Group's results and cash flows for the year ended 30 September 2014 and the financial position at 30 September 2014.

In preparing these summary consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 30 September 2013.

	Audited Year ended 30 September 2014 R'm	Audited Year ended 30 September 2013 R'm
3. Share capital		
During the period under review the following share transactions occurred:		
Number of listed issued and fully paid ordinary shares		
At beginning of year	231 006 847	230 314 486
Shares issued in terms of employee share appreciation rights scheme	685 034	692 361
At end of year	231 691 881	231 006 847
685,034 (30 September 2013: 692,361) listed ordinary shares of 10 cents each were issued at an average of R97.47 (30 September 2013: R71.64) per share in terms of the share appreciation rights scheme.		
Number of treasury shares held by the share incentive trust		
At beginning of year	1 422 116	2 545 933
Movement in shares	(311 903)	(1 123 817)
At end of year	1 110 213	1 422 116
Proceeds on the sale of treasury shares by the share incentive trust (R'000)	6 262	18 662
Number of treasury shares held by B-BBEE transaction participants		
At beginning and end of year	18 091 661	18 091 661
Number of treasury shares held by Pioneer Foods Broad-Based BEE Trust		
At beginning and end of year	10 599 988	10 599 988
Number of treasury shares held by a subsidiary		
At beginning and end of year	17 982 056	17 982 056
Number of unlisted class A ordinary shares		
At beginning of year	7 367 360	8 198 120
Shares bought back and cancelled	(1 323 420)	(830 760)
At end of year	6 043 940	7 367 360
Purchase consideration paid for unlisted class A ordinary shares bought back (R'000)	74 988	32 736

4. Impairment of property, plant and equipment and goodwill

4.1 Impairment losses due to the treatment of Quantum Foods as an asset held for sale

Shareholders were advised on SENS on 5 September 2013 of the Board's intent to restructure the Company's interest in the Quantum Foods segment, which includes the South African subsidiaries and two foreign African subsidiaries (Bokomo Uganda (Pty) Ltd and Quantum Foods Zambia Ltd) that produce and sell eggs, chicken products, animal feeds and commercial laying hens. Further announcements on SENS in this regard were issued on 5 September 2014 and 18 September 2014.

Pioneer Foods unbundled its interests in Quantum Foods to its shareholders and subsequently listed Quantum Foods as a separate legal entity on the JSE on 6 October 2014. Accordingly, Quantum Foods has been presented as an "asset held for sale" and as "discontinued operations" in terms of IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations* for the year ended 30 September 2014 and the year ended 30 September 2013.

In terms of IFRS 5, an entity shall measure a non-current disposal group classified as held for sale at the lower of its carrying amount and fair value less costs to sell. The fair value less costs to sell was determined using the average results of an income valuation approach and different scenarios for a market valuation approach. These valuations were performed at 30 September 2013 and updated at 31 March 2014 and 30 September 2014.

In addition to the impairment charge of R232.0 million recognised in the results for the year ended 30 September 2013, a further impairment charge of R77.7 million is recognised in the line item

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Impairment of property, plant and equipment and goodwill (continued)

4.1 Impairment losses due to the treatment of Quantum Foods as an asset held for sale (continued)

"Items of a capital nature" for discontinued operations in the statement of comprehensive income for the year ended 30 September 2014. This impairment charge attributable to property, plant and equipment is as follows:

Nature	Audited Year ended 30 September 2014 R'm	Audited Year ended 30 September 2013 R'm
	Property, plant and equipment and other intangible assets	77.7
Goodwill	-	76.9
	77.7	232.0
Income tax effect	(20.6)	(23.9)
After income tax effect	57.1	208.1

4.2 Carbonated soft drinks business

During the current reporting period, the results of the carbonated soft drinks business of the Ceres Beverages segment were lower than expected with continued losses being incurred. Consequently, the carrying amounts of the related assets were impaired. The impairment loss for these assets was calculated by comparing the carrying amount of the assets to the fair value less costs to sell of the assets. The fair value less costs to sell was determined by an independent valuator with reference to the market value of similar used equipment.

The impairment charge of R47.8 million is recognised in the line item "Items of a capital nature" in the statement of comprehensive income. This impairment charge attributable to property, plant and equipment is as follows:

Nature	Audited Year ended 30 September 2014 R'm	Audited Year ended 30 September 2013 R'm
	Property, plant and equipment	47.8
Income tax effect	(13.4)	-
After income tax effect	34.4	-

5. Borrowings

Pioneer Foods obtained a R300 million vehicle and asset finance facility during the year. This facility will be used to finance the replacement of the Group's bakery delivery vehicle fleet. The vehicles are acquired in terms of instalment sale agreements. These borrowings are secured by the vehicles acquired in terms of these agreements. At 30 September 2014, new borrowings obtained in terms of these facilities amounted to R40.7 million.

No other material new borrowings were concluded during the period under review. Changes in borrowings mainly reflect repayments made in terms of agreements. Short-term borrowings fluctuate in accordance with changing working capital needs.

6. Events after the reporting date

6.1 Dividend

The Board approved and declared a gross final dividend of 156.0 cents (2014: gross interim dividend of 65.0 cents and 2013: gross final dividend of 86.0 cents) per ordinary share. This will amount to approximately R344,903,353 (2014: interim of R143,601,201 and 2013: final of R189,727,441), depending on the exact number of ordinary shares issued at the record date. In addition, the 10,599,988 Pioneer

6. Events after the reporting date (continued)

6.1 Dividend (continued)

Foods shares issued to the Pioneer Foods Broad-based BEE Trust will receive 20% of the dividend payable, i.e. 31.2 cents (2014: gross interim of 13.0 cents and 2013: gross final dividend of 17.2 cents) per share, amounting to R3,307,196 (2014: interim of R1,377,998 and 2013: final of R1,823,198).

The Board approved a gross final dividend of 46.8 cents (2014: gross interim dividend of 19.5 cents and 2013: gross final dividend of 25.8 cents) per class A ordinary share, being 30% of the dividend payable to the other class ordinary shareholders in terms of the rules of the relevant employee scheme. This will amount to approximately R2,828,564 (2014: interim of R1,204,213 and 2013: final of R1,729,642), depending on the exact number of class A ordinary shares issued at the record date.

Additional information disclosed:

These dividends are declared from income reserves and qualify as a dividend as defined in the Income Tax Act, Act 58 of 1962.

Dividends will be paid net of dividends tax of 15%, to be withheld and paid to the South African Revenue Service by the Company. Such tax must be withheld unless beneficial owners of the dividend have provided the necessary documentary proof to the relevant regulated intermediary that they are exempt therefrom, or entitled to a reduced rate as a result of the double taxation agreement between South Africa and the country of domicile of such owner.

The total credits for secondary tax on companies utilised as part of this declaration amount to Rnil. The net dividend amounts to 132.60 cents per ordinary share and 39.78 cents per class A ordinary share for shareholders liable to pay dividends tax. The dividend amounts to 156.0 cents per ordinary share and 46.8 cents per class A ordinary share for shareholders exempt from paying dividends tax.

The number of issued ordinary shares and issued class A ordinary shares is 231,691,881 and 5,702,620 respectively as at the date of this declaration.

6.2 Unbundling of interest in Quantum Foods

Shareholders were advised on SENS on 5 September 2014 and 18 September 2014 that the Board resolved to proceed with the unbundling of its interest in Quantum Foods and to list Quantum Foods as a separate entity on the JSE. Quantum Foods was subsequently listed on the JSE on 6 October 2014.

6.3 Other material events

There have been no other material events requiring disclosure after the reporting date and up to the date of approval of the summary consolidated financial statements by the Board.

7. Contingent liabilities

7.1 Dispute with egg contract producers – discontinued operations

Pioneer Foods is defending contractual claims from its privatised egg contract producers. The matters were set down for arbitration during 2012. Since the hearings commenced in 2012, settlements were negotiated with the two egg contract producers that had the largest claims. These settlements had no adverse financial impact on Pioneer Foods.

The claims of the remaining three contract egg producers (being Flinkwink Properties (Pty) Ltd, KwaZulu Egg Producers (Pty) Ltd and Moerasrivier Boerdery (Pty) Ltd) are still unresolved. Pioneer Foods filed pleas to all these claims and, in respect of two of these claims, counterclaims have been filed to recover damages suffered by Pioneer Foods as a result of breach of contract by the contract producers.

No further legal action has been taken during the year under review. Based on legal opinion obtained, management is satisfied that these unresolved matters are low risk and pose no material financial risk to the Group.

Pioneer Foods unbundled its interests in Quantum Foods to its shareholders and, subsequently, Quantum Foods was listed on the JSE on 6 October 2014. Quantum Foods indemnified Pioneer Foods from any potential financial exposure to the claims from the egg contract producers.

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Contingent liabilities (continued)

7.2 Dispute with breeder farms and broiler farms – discontinued operations

Several breeder farms (being Bergsig Breeders (Pty) Ltd and Mountainview Breeders CC) and broiler farms (being Claudewil Broilers (Pty) Ltd and Dassenberg Broilers (Pty) Ltd) (four in total) also filed claims against Pioneer Foods for the alleged breach of the terms of their supply agreements with Pioneer Foods. Claudewil Broilers (Pty) Ltd withdrew its claim in 2014.

No further action has transpired in the year under review. Based on legal opinion obtained, management is satisfied that these unresolved matters are low risk and pose no material financial risk to the Group.

Pioneer Foods unbundled its interests in Quantum Foods to its shareholders and, subsequently, Quantum Foods was listed on the JSE on 6 October 2014. Quantum Foods indemnified Pioneer Foods from any potential financial exposure to the claims from the breeder and broiler farms.

7.3 Guarantees

The Group had guarantees in issue of R50.2 million (30 September 2013: R48.5 million) as at 30 September 2014, primarily for loans by third parties to contracted suppliers.

As part of the financial assistance provided by Rand Merchant Bank, a division of FirstRand Bank Ltd ("RMB"), to BEE investors in terms of the B-BBEE equity transaction concluded during 2012, Pioneer Foods (Pty) Ltd provided RMB with a guarantee amounting to R100 million.

8. Future capital commitments

Capital expenditure approved by the Board and contracted for amounts to R299.8 million (30 September 2013: R265.0 million). Capital expenditure approved by the Board, but not contracted for yet, amounts to R351.6 million (30 September 2013: R242.4 million).

9. Non-current assets held for sale and discontinued operations

The assets and liabilities related to the Quantum Foods segment, which include the equity interests held in the wholly-owned subsidiaries Quantum Foods Holdings Ltd, Quantum Foods (Pty) Ltd, Philadelphia Chick Breeders (Pty) Ltd, Lohmann Breeders SA (Pty) Ltd, Bokomo Uganda (Pty) Ltd, Quantum Foods Zambia Ltd and Bokomo Zambia Ltd (included with Quantum Foods until 31 July 2014), have been presented as an "asset held for sale" and as "discontinued operations" in terms of *IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations* for the year ended 30 September 2014 and the year ended 30 September 2013, following the approval of the Board in September 2013 to restructure the Company's interest in the Quantum Foods segment.

Shareholders were advised on SENS on 5 September 2014 and 18 September 2014 that the Board resolved to proceed with the unbundling of its interest in Quantum Foods and to list Quantum Foods as a separate entity on the JSE. Quantum Foods was subsequently listed on the JSE on 6 October 2014.

The unbundling has been accounted for as a *dividend in specie* at fair value in accordance with *IFRIC 17 – Distributions of Non-cash Assets to Owners*. IFRIC 17 requires distributions within its scope to be measured at the fair value of the assets to be distributed at the date when the dividend is appropriately authorised and is no longer at the entity's discretion. Consequently, an amount of R1,242,220,000, representing the fair value of the interest in Quantum Foods attributable to external shareholders, has been accounted for as a dividend payable to shareholders at 30 September 2014. Refer to Note 10 for the methods and assumptions used to determine the fair value.

9. Non-current assets held for sale and discontinued operations (continued)

	Audited 30 September 2014	Audited 30 September 2013 Restated
	R'm	R'm
Assets of the disposal group classified as held for sale:		
Property, plant and equipment	1 075.5	1 129.6
Intangible assets	7.2	–
Investment in associates	6.1	6.8
Inventories	232.5	235.9
Biological assets	292.4	276.7
Trade and other receivables	343.5	275.3
Deferred income tax	3.1	3.1
Derivative financial instruments	0.9	0.9
Current income tax	–	0.5
Cash and cash equivalents	105.6	24.6
	2 066.8	1 953.4
Liabilities of the disposal group classified as held for sale:		
Deferred income tax	195.7	196.3
Provision for other liabilities and charges	15.6	9.3
Trade and other payables	355.3	274.8
Current income tax	1.5	1.6
	568.1	482.0
Hedging reserve	0.2	–
Currency translation reserve	7.3	22.9
The results of discontinued operations and the results recognised on the remeasurement of the Quantum Foods disposal group are as follows:		
	Audited year ended 30 September 2014	Audited year ended 30 September 2013 Restated
	R'm	R'm
Revenue	3 591.3	3 570.1
Operating profit before items of a capital nature	90.8	1.3
Items of a capital nature	1.7	1.1
Investment income	3.6	1.6
Finance costs	(0.7)	(0.8)
Share of profit of associated companies	0.6	0.3
Profit before income tax	96.0	3.5
Income tax	(20.7)	4.2
Profit after income tax	75.3	7.7
Loss after income tax recognised on the remeasurement of assets of the disposal group	(57.1)	(208.1)
Before income tax	(77.7)	(232.0)
Income tax	20.6	23.9
Profit/(loss) for the year from discontinued operations	18.2	(200.4)
Other comprehensive income/(loss) for the year from discontinued operations		
Fair value adjustments to cash flow hedging reserve		
For the year	0.3	–
Deferred income tax effect	(0.1)	–
Currency translation differences	(15.5)	25.3
Total comprehensive profit/(loss) for the year from discontinued operations	2.9	(175.1)

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Non-current assets held for sale and discontinued operations (continued)

	Audited year ended 30 September 2014 R'm	Audited year ended 30 September 2013 Restated R'm
Cash flows of the disposal group classified as held for sale:		
Net cash flow from operating activities	93.0	90.8
Net cash flow from investment activities	(37.8)	(469.6)
Net cash flow from financing activities	25.8	391.3
Net increase in cash, cash equivalents and bank overdrafts	81.0	12.5
Net cash, cash equivalents and bank overdrafts at beginning of year	24.6	12.1
Net cash, cash equivalents and bank overdrafts at end of year	105.6	24.6

10. Fair value measurement

The information below analyses assets and liabilities that are carried at fair value at each reporting period, by level of hierarchy as required by IFRS 7 and IFRS 13.

	Audited fair value measurements at 30 September 2014 using:		
	Quoted prices in active markets for identical assets and liabilities (Level 1) R'm	Significant other observable input (Level 2) R'm	Significant unobservable input (Level 3) R'm
Assets measured at fair value			
Available-for-sale financial assets			
– Listed securities	68.6	–	–
– Unlisted securities	–	1.4	–
Derivative financial instruments			
– Foreign exchange contracts	–	14.3	–
– Embedded derivative	–	0.7	–
Biological assets			
– Vineyards	–	–	16.0
Assets of disposal group classified as held for sale	–	–	2 066.8
Liabilities measured at fair value			
Derivative financial instruments			
– Foreign exchange contracts	–	9.7	–
Liabilities of disposal group classified as held for sale	–	–	568.1
<i>Dividend in specie</i> – unbundling of Quantum Foods	–	–	1 242.2

There have been no transfers between level one, two or three during the period, nor were there any significant changes to the valuation techniques and inputs used to determine fair values.

Financial assets and liabilities

The fair values of financial instruments traded in active markets (such as publicly traded derivatives and available-for-sale securities) are based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. The appropriate quoted market price for financial liabilities is the current ask price. These instruments are included in level 1. Instruments included in level 1 comprise primarily JSE-listed equity investments classified as available-for-sale.

10. Fair value measurement (continued)

Financial assets and liabilities (continued)

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant input required to fair value an instrument were observable, the instrument is included in level 2.

The Group uses a variety of methods that makes assumptions that are based on market conditions existing at the reporting date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments. Other techniques, such as estimated discounted cash flows, are used to determine the fair value for the remaining financial instruments. The fair value of foreign exchange contracts is determined using quoted forward exchange rates at the reporting date.

The carrying amounts of cash, trade and other receivables less provision for impairment, trade and other payables and short-term borrowings are assumed to approximate their fair values due to the short term until maturity of these assets and liabilities.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The fair values of long-term investments and long-term borrowings are not materially different from the carrying amounts.

Biological assets

The fair value of vineyards is calculated as the future expected net cash flows from the asset, discounted at a current market-determined rate, over the remaining useful lives of the vineyards.

Assets and liabilities of disposal group classified as held for sale

The assets and liabilities related to the Quantum Foods segment have been presented as an "asset held for sale" and as "discontinued operations" in terms of IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations* for the year ended 30 September 2014 and the year ended 30 September 2013. Refer to Note 9 for further detail.

In terms of IFRS 5, an entity shall measure a non-current disposal group classified as held for sale at the lower of its carrying amount and fair value less costs to sell. The fair value less costs to sell was determined using the average results of an income valuation approach and different scenarios for a market valuation approach.

In terms of the income approach, the discounted cash flow method is used to determine the present value of projected future cash flows for a cash-generating unit ("CGU") using a rate of return that is commensurate with the risk associated with the business and the time value of money. This approach requires assumptions about revenue growth rates, operating margins, tax rates and discount rates. The assumptions regarding growth are based on the CGUs' internal forecasts for revenue, operating margins and cash flows for a period of five years and by application of a perpetual long-term growth rate thereafter. Past experience, economic trends as well as market and industry trends were taken into consideration. The discount rate used to arrive at the present value of future cash flows represents the weighted average cost of capital ("WACC") for comparable companies operating in similar industries as the applicable CGU, based on publicly available information. The WACC is an estimate of the overall required rate of return on an investment for both debt and equity owners. Its determination requires separate analysis of the cost of equity and debt and considers a risk premium based on an assessment of risks related to the projected cash flows of the CGU.

The South African businesses consist of a number of CGUs. Bokomo Uganda (Pty) Ltd and Quantum Foods Zambia Ltd are two separate CGUs. The market approach assumes that companies operating in the same industry will share similar characteristics and that company values will correlate to these characteristics. The publicly available financial information of similar listed entities have been used to estimate two scenarios of fair value based on EBITDA multiples of these benchmark entities.

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

10. Fair value measurement (continued)

Assets and liabilities of disposal group classified as held for sale (continued)

The key assumptions used in performing the impairment tests, by CGU, were as follows:

	30 September 2014	31 March 2014	30 September 2013
Discount rate			
South Africa	17.4%	17.0%	17.6%
Uganda	27.1%	28.6%	28.6%
Zambia	25.1%	23.1%	23.1%
Perpetual growth rate			
South Africa	5.5%	5.5%	5.5%
Uganda	5.5%	5.5%	5.5%
Zambia	6.5%	6.5%	6.5%
Income tax rate			
South Africa	28.0%	28.0%	28.0%
Uganda	30.0%	30.0%	30.0%
Zambia	12.5%	12.5%	12.5%

11. Restatement of financial information for comparative periods

11.1 Impact of the application of IFRS 11

In terms of IFRS 11 – Joint Arrangements, the Group ceased proportionate consolidation of its investments in joint ventures and now accounts for these investments using the equity method in accordance with IAS 28 – Investments in Associates and Joint Ventures.

The Group applied the change in accounting policy in accordance with the transitional provisions of IFRS 11 from the beginning of the earliest period presented (1 October 2012). The Group recognised the investment in joint ventures as at 1 October 2012 as the aggregate of the carrying amounts of the assets and liabilities that were previously proportionately consolidated. This is the deemed cost of the Group's investment in its joint ventures at initial recognition for purposes of applying equity accounting.

As per the requirements of IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, the relevant comparative information has been restated.

11.2 Impact of the application of IAS 19 (revised)

IAS 19 (revised) makes a number of changes to the accounting for employee benefits, the most significant relating to defined benefit plans.

IAS 19 (revised):

- eliminates the “corridor method” and requires the recognition of remeasurements (including actuarial gains and losses) arising in the reporting period in other comprehensive income;
- changes the measurement and presentation of certain components of the defined benefit cost. The net amount in profit or loss is affected by the removal of the expected return on plan assets and interest cost components and their replacement by a net interest cost based on the net defined benefit asset or liability;
- enhances disclosures, including more information about the characteristics of defined benefit plans and related risks.

IAS 19 (revised) has been applied retrospectively in accordance with its transitional provisions. Consequently, the Group has restated its reported results throughout the comparative periods presented and reported the cumulative effect as at 1 October 2012 as an adjustment to opening equity.

The effects of the application of IFRS 11 and IAS 19 (revised) are reflected below.

11.3 Reclassification of line items of statement of comprehensive income

During the current year, the Group has reallocated certain customer advertising expenditure from marketing costs to revenue. The reason for the reclassification is to reflect more appropriately the way in which economic benefits are derived from customer advertising expenditure.

Group statement of comprehensive income

Year ended 30 September 2013

	Previously reported R'm	Change in accounting policy IFRS 11 R'm	Change in accounting policy IAS 19 R'm	Discontinued Operations IFRS 5 R'm	Reclassification R'm	Restated R'm
Continuing operations						
Revenue	16 992.3	(675.0)	–	(11.2)	(65.2)	16 240.9
Cost of goods sold	(11 985.8)	447.1	–	11.2	–	(11 527.5)
Gross profit	5 006.5	(227.9)	–	–	(65.2)	4 713.4
Other income and gains/(losses) – net	139.5	(3.7)	–	–	–	135.8
Other expenses	(4 090.7)	180.9	2.1	–	65.2	(3 842.5)
Excluding the following:	(3 944.8)	180.9	2.1	–	65.2	(3 696.6)
Phase I B-BBEE transaction share-based payment charge	(145.9)	–	–	–	–	(145.9)
Items of a capital nature	(2.2)	12.9	–	–	–	10.7
Operating profit	1 053.1	(37.8)	2.1	–	–	1 017.4
Investment income	18.3	4.3	–	–	–	22.6
Finance costs	(128.6)	3.1	–	–	–	(125.5)
Share of profit of investments accounted for using the equity method	1.0	23.7	–	–	–	24.7
Profit before income tax	943.8	(6.7)	2.1	–	–	939.2
Income tax expense	(245.2)	6.7	(0.2)	–	–	(238.7)
Profit for the year from continuing operations	698.6	–	1.9	–	–	700.5
Loss for the year from discontinued operations (attributable to owners of the parent)	(200.4)	–	–	–	–	(200.4)
Profit for the year	498.2	–	1.9	–	–	500.1
Other comprehensive income/(loss) for the year						
Items that will not subsequently be reclassified to profit or loss:						
Remeasurement of post-employment benefit obligations	–	–	(1.5)	–	–	(1.5)
Items that may subsequently be reclassified to profit or loss:	80.3	–	–	–	–	80.3
Fair value adjustments to cash flow hedging reserve	17.3	–	–	–	–	17.3
For the year	(13.7)	–	–	–	–	(13.7)
Current income tax effect	4.4	–	–	–	–	4.4
Deferred income tax effect	(0.5)	–	–	–	–	(0.5)
Reclassified to profit or loss	3.7	–	–	–	–	3.7
Current income tax effect	(10.7)	–	–	–	–	(10.7)
Deferred income tax effect	0.1	–	–	–	–	0.1
Fair value adjustments on available-for-sale financial assets	0.8	–	–	–	–	0.8
For the year	18.8	–	–	–	–	18.8
Deferred income tax effect	(1.7)	–	–	–	–	(1.7)
Reclassified to profit or loss	(16.3)	–	–	–	–	(16.3)
Share of other comprehensive income of investments accounted for using the equity method	–	6.5	–	–	–	6.5
Movement on foreign currency translation reserve	62.2	(6.5)	–	–	–	55.7
Total comprehensive income for the year	578.5	–	0.4	–	–	578.9
Profit for the year attributable to:						
Owners of the parent						
For continuing operations	697.1	–	1.9	–	–	699.0
For discontinued operations	(200.4)	–	–	–	–	(200.4)
Non-controlling interest						
For continuing operations	1.5	–	–	–	–	1.5
Total comprehensive income for the year attributable to:	498.2	–	1.9	–	–	500.1
Total comprehensive income for the year attributable to:						
Owners of the parent						
For continuing operations	752.1	–	0.4	–	–	752.5
For discontinued operations	(175.1)	–	–	–	–	(175.1)
Non-controlling interest						
For continuing operations	1.5	–	–	–	–	1.5
Total comprehensive income for the year	578.5	–	0.4	–	–	578.9

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Group statement of financial position

As at 30 September 2013

	Previously reported R'm	Change in accounting policy IFRS 11 R'm	Change in accounting policy IAS 19 R'm	Restated R'm
Assets				
Property, plant and equipment	4 363.1	(200.5)	–	4 162.6
Goodwill	227.7	(10.0)	–	217.7
Other intangible assets	470.8	(0.1)	–	470.7
Biological assets	16.0	–	–	16.0
Investments in associates and joint ventures	44.0	300.1	–	344.1
Available-for-sale financial assets	59.0	–	–	59.0
Trade and other receivables	20.9	(0.2)	–	20.7
Deferred income tax	74.3	(0.2)	–	74.1
Non-current assets	5 275.8	89.1	–	5 364.9
Current assets	4 641.4	(225.3)	–	4 416.1
Inventories	2 491.2	(90.0)	–	2 401.2
Biological assets	8.4	(8.4)	–	–
Derivative financial instruments	11.0	(0.4)	–	10.6
Trade and other receivables	1 730.9	(106.3)	–	1 624.6
Current income tax	1.3	(0.6)	–	0.7
Cash and cash equivalents	398.6	(19.6)	–	379.0
Assets of disposal group classified as held for sale	1 953.4	–	–	1 953.4
Total assets	11 870.6	(136.2)	–	11 734.4
Equity and liabilities				
Capital and reserves attributable to owners of the parent	6 580.2	–	1.1	6 581.3
Share capital	23.1	–	–	23.1
Share premium	2 188.6	–	–	2 188.6
Treasury shares	(1 190.9)	–	–	(1 190.9)
Other reserves	426.2	–	–	426.2
Retained earnings	5 133.2	–	1.1	5 134.3
Non-controlling interest	9.3	–	–	9.3
Total equity	6 589.5	–	1.1	6 590.6
Non-current liabilities	2 344.2	(38.5)	(1.1)	2 304.6
Borrowings				
B-BBEE equity transaction third-party finance	449.7	–	–	449.7
Other	1 034.4	(26.8)	–	1 007.6
Provisions for other liabilities and charges	121.8	–	(1.5)	120.3
Share-based payment liability	251.4	–	–	251.4
Deferred income tax	486.9	(11.7)	0.4	475.6
Current liabilities	2 454.9	(97.7)	–	2 357.2
Trade and other payables	2 010.3	(84.2)	–	1 926.1
Current income tax	29.4	(1.3)	–	28.1
Derivative financial instruments	6.2	–	–	6.2
Borrowings	401.3	(19.5)	–	381.8
Loan from joint venture	7.4	7.3	–	14.7
Dividends payable	0.3	–	–	0.3
Liabilities of disposal group classified as held for sale	482.0	–	–	482.0
Total equity and liabilities	11 870.6	(136.2)	–	11 734.4

Group statement of cash flows

Year ended 30 September 2013

	Previously reported R'm	Change in accounting policy IFRS 11 R'm	Restated R'm
Net cash profit from operating activities	1 623.3	(67.0)	1 556.3
Cash effect from hedging activities	22.7	–	22.7
Working capital changes	53.1	13.7	66.8
Accrual for Competition Commission penalties paid	(216.7)	–	(216.7)
Net cash generated from operations	1 482.4	(53.3)	1 429.1
Income tax paid	(243.1)	10.0	(233.1)
Net cash flow from operating activities	1 239.3	(43.3)	1 196.0
Net cash flow from investment activities	(1 333.0)	45.8	(1 287.2)
Property, plant and equipment and intangible assets			
– additions	(842.6)	14.5	(828.1)
– replacements	(242.5)	7.5	(235.0)
– proceeds on disposal	28.4	(1.7)	26.7
Business combinations	(315.0)	–	(315.0)
Proceeds on disposal of and changes in available-for-sale financial assets and loans	18.5	7.9	26.4
Interest received	18.2	4.3	22.5
Dividends received	1.7	–	1.7
Dividends received from joint ventures	–	13.3	13.3
Dividends received from associates	0.3	–	0.3
Net cash flow from financing activities	(204.6)	4.4	(200.2)
Proceeds from new syndicated borrowings	1 870.0	–	1 870.0
Repayments of other borrowings	(1 700.0)	1.2	(1 698.8)
Share schemes transactions	(17.1)	–	(17.1)
Interest paid	(146.0)	3.2	(142.8)
Dividends paid	(211.5)	–	(211.5)
Net (decrease)/increase in cash, cash equivalents and bank overdrafts	(298.3)	6.9	(291.4)
Net cash, cash equivalents and bank overdrafts at beginning of year	368.1	(11.1)	357.0
Net cash, cash equivalents and bank overdrafts at end of year	69.8	(4.2)	65.6
For continuing operations	45.2	(4.2)	41.0
For discontinued operations	24.6	–	24.6

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Group statement of financial position

As at 30 September 2012

	Previously reported R'm	Change in accounting policy IFRS 11 R'm	Change in accounting policy IAS 19 R'm	Restated R'm
Assets				
Property, plant and equipment	4 641.5	(201.3)	–	4 440.2
Goodwill	271.9	(11.9)	–	260.0
Other intangible assets	464.3	(0.2)	–	464.1
Biological assets	16.0	–	–	16.0
Investments in associates and joint ventures	56.9	290.8	–	347.7
Available-for-sale financial assets	52.8	–	–	52.8
Trade and other receivables	20.4	(0.1)	–	20.3
Deferred income tax	2.7	–	–	2.7
Non-current assets	5 526.5	77.3	–	5 603.8
Current assets	5 079.6	(193.9)	–	4 885.7
Inventories	2 450.0	(89.9)	–	2 360.1
Biological assets	228.7	(7.1)	–	221.6
Derivative financial instruments	6.8	(0.5)	–	6.3
Trade and other receivables	2 014.3	(77.6)	–	1 936.7
Current income tax	4.2	(0.2)	–	4.0
Cash and cash equivalents	375.6	(18.6)	–	357.0
Total assets	10 606.1	(116.6)	–	10 489.5
Equity and liabilities				
Capital and reserves attributable to owners of the parent	6 184.9	–	0.7	6 185.6
Share capital	23.0	–	–	23.0
Share premium	2 171.8	–	–	2 171.8
Treasury shares	(1 207.5)	–	–	(1 207.5)
Other reserves	350.3	0.1	–	350.4
Retained earnings	4 847.3	(0.1)	0.7	4 847.9
Non-controlling interest	8.2	–	–	8.2
Total equity	6 193.1	–	0.7	6 193.8
Non-current liabilities	1 377.5	(34.1)	(0.7)	1 342.7
Borrowings				
B-BBEE equity transaction third-party finance	449.7	–	–	449.7
Other	48.0	(19.8)	–	28.2
Provisions for other liabilities and charges	119.2	–	(1.0)	118.2
Share-based payment liability	108.2	–	–	108.2
Deferred income tax	652.4	(14.3)	0.3	638.4
Current liabilities	3 035.5	(82.5)	–	2 953.0
Trade and other payables	1 933.0	(68.6)	–	1 864.4
Current income tax	4.7	(1.2)	–	3.5
Derivative financial instruments	3.1	–	–	3.1
Borrowings	871.7	(19.7)	–	852.0
Loan from joint venture	7.0	7.0	–	14.0
Accrual for Competition Commission penalties	215.5	–	–	215.5
Dividends payable	0.5	–	–	0.5
Total equity and liabilities	10 606.1	(116.6)	–	10 489.5

12. Preparation of financial statements

These summary consolidated financial statements have been prepared under the supervision of LR Cronjé, CA(SA), Group financial director.

13. Audit

The external auditors, PricewaterhouseCoopers Inc., have audited the Group's financial statements for the year ended 30 September 2014 and their unqualified auditor's report is available for inspection at the registered office of the Company.

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Shareholder analysis

Shareholder spread	GROUP			
	Number of ordinary shareholders	% of shareholders	Number of ordinary shares	% of total ordinary shares
Category				
<i>Ordinary shares</i>				
Individuals	3 865	75.4	21 200 833	9.2
Nominees and trusts	659	12.8	12 917 687	5.6
Investment companies and corporate bodies	607	11.8	197 573 361	85.2
	5 131	100.0	231 691 881	100.0
Non-public/public shareholders				
Pursuant to the JSE Listings Requirements and to the best knowledge of the directors, after reasonable enquiry, the spread of shareholders at 30 September 2014, is as follows:				
Analysis of shareholding – ordinary shares				
Public shareholding				
<i>Major shareholders</i>				
Government Employees Pension Fund	1	–	22 990 261	9.9
Thembeke Capital Ltd	1	–	9 326 640	4.0
Other shareholders	5 119	99.9	113 194 280	48.8
Non-public shareholding				
<i>Major shareholders</i>				
Zeder Investments Ltd (note)	1	–	55 627 707	24.0
Pioneer Foods (Pty) Ltd	1	–	17 982 056	7.8
<i>Other shareholders</i>				
Pioneer Foods Broad-Based BEE Trust	1	–	10 599 988	4.6
Pioneer Foods Share Incentive Trust	1	–	1 110 213	0.5
Directors (including subsidiary directors)	6	0.1	860 736	0.4
	5 131	100.0	231 691 881	100.0
Distribution of ordinary shareholders				
Number of shares				
1 – 1 000 shares	2 668	52.0	873 718	0.4
1 001 – 10 000 shares	1 583	30.9	5 902 879	2.5
10 001 – 50 000 shares	580	11.3	13 303 803	5.7
50 001 – 100 000 shares	120	2.3	8 607 739	3.7
100 001 – 500 000 shares	130	2.5	28 087 491	12.1
500 001 shares and over	50	1.0	174 916 251	75.6
	5 131	100.0	231 691 881	100.0

Note:
The ultimate holding company, after the Agri Voedsel transaction was approved in September 2014 and finally implemented in October 2014.

Directors' interest in shares

As at 30 September 2014 the aggregate of the direct and beneficial interest of directors was 0.38% (2013: 0.37%) of the issued share capital of the Company. Indirect interest through listed public companies have not been taken into account. Individual directors' interest in the issued share capital of the Company is reflected below.

Since the end of the financial year and until the date of the annual report there were no changes in the interest of the directors.

	GROUP			
	Number of shares #		Total	% of issued ordinary share capital
	Direct	Indirect [◊]		
30 September 2014				
PM Roux	9 631	–	9 631	–
LR Cronjé	345 000	55 000	400 000	0.17
ZL Combi	–	172 295	172 295	0.08
N Celliers	–	–	–	–
MM du Toit	–	–	–	–
AE Jacobs (13 February 2014)*	–	–	–	–
Prof ASM Karaan	–	86 147	86 147	0.04
NS Mjoli-Mncube	–	86 147	86 147	0.04
G Pretorius	–	30 000	30 000	0.01
LP Retief	–	–	–	–
AH Sangqu	–	86 147	86 147	0.04
	354 631	515 736	870 367	0.38
30 September 2013				
PM Roux (1 April 2013)**	–	–	–	–
WA Hanekom (31 March 2013)***	–	–	–	–
LR Cronjé	345 000	55 000	400 000	0.17
TA Carstens (16 May 2013)****	–	–	–	–
ZL Combi	–	172 295	172 295	0.07
N Celliers (1 October 2012)**	–	–	–	–
MM du Toit	–	–	–	–
AE Jacobs	–	–	–	–
Prof ASM Karaan	–	86 147	86 147	0.04
NS Mjoli-Mncube	–	86 147	86 147	0.04
G Pretorius	–	30 000	30 000	0.01
LP Retief	–	–	–	–
AH Sangqu	–	86 147	86 147	0.04
	345 000	515 736	860 736	0.37

Notes:

[◊] Include shares issued during a previous year to SPVs, wholly owned by BEE directors, in terms of the B-BBEE equity transaction.

* Resigned during the year.

** Appointed during the year.

*** Retired during the year

**** Stepped down as director during the year.

There has been no change in the directors' interest in shares from the end of the financial year to the date of the approval of the annual financial statements.

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Share capital

	GROUP	
	2014 R'000	2013 Restated R'000
Share capital		
Authorised – ordinary shares of 10 cents each		
400,000,000 (2013: 400,000,000) ordinary shares	40 000	40 000
Authorised – class A ordinary shares of 10 cents each		
18,130,000 (2013: 18,130,000) class A ordinary shares	1 813	1 813
Total issued and fully paid – ordinary shares of 10 cents each		
At beginning of year: 231,006,847 (2013: 230,314,486) ordinary shares	23 101	23 031
Issued to management in terms of share appreciation rights scheme: 685,034 (2013: 692,361) ordinary shares	69	70
At end of year: 231,691,881 (2013: 231,006,847) ordinary shares	23 170	23 101
Shares issued in terms of share appreciation rights scheme		
During the year the Company issued 685,034 (2013: 692,361) ordinary shares of 10 cents each at an average of R97.47 (2013: R71.64) per share in terms of the share appreciation rights scheme.		
Shares issued in terms of the B-BBEE equity transaction		
During 2012 the Company issued 28,691,649 shares to the value of R1,000,347,998 to special purpose vehicles ("SPVs") that were formed in terms of a B-BBEE equity transaction. In terms of the transaction 17,488,631 ordinary shares were issued to strategic BEE partners at a subscription price of R55.14 per share and 603,030 ordinary shares to current and former black directors of the Company at a subscription price of R58.04 per share. A further 10,599,988 shares were issued to the Pioneer Foods Broad-Based BEE Trust at a subscription price of R0.10 per share.		
These SPVs are consolidated as wholly-owned subsidiaries in terms of IFRS and these issued shares of the Company are consequently treated as treasury shares of the Group. The B-BBEE equity transaction was in accordance with the Company's memorandum of incorporation and the Companies Act, Act 71 of 2008, as amended.		
Treasury shares of 10 cents each – nominal value		
Treasury shares held by management share incentive trust		
At beginning of year: 1,422,116 (2013: 2,545,933) ordinary shares	142	255
Net treasury shares sold: 311,903 (2013: 1,123,817) ordinary shares	(31)	(113)
At end of year: 1,110,213 (2013: 1,422,116) ordinary shares	111	142

	GROUP	
	2014 R'000	2013 Restated R'000
Share capital (continued)		
Treasury shares of 10 cents each – nominal value (continued)		
Treasury shares held by B-BBEE equity transaction participants		
At beginning and end of year: 18,091,661 (2013: 18,091,661) ordinary shares	1 809	1 809
Treasury shares held by Pioneer Foods Broad-Based BEE Trust		
At beginning and end of year: 10,599,988 (2013: 10,599,988) ordinary shares	1 060	1 060
Treasury shares held by subsidiary		
At beginning and at end of year: 17,982,056 (2013: 17,982,056) ordinary shares	1 798	1 798
Total treasury shares – nominal value		
At beginning of year	4 809	4 922
Ordinary shares sold by management share incentive trust (at strike price)	(31)	(113)
At end of year	4 778	4 809
Net listed ordinary share capital – nominal value		
Total issued and fully paid ordinary shares	23 170	23 101
Treasury shares held by management share incentive trust	(111)	(142)
Treasury shares held by B-BBEE equity transaction participants	(1 809)	(1 809)
Treasury shares held by Pioneer Foods Broad-Based BEE Trust	(1 060)	(1 060)
Treasury shares held by subsidiary	(1 798)	(1 798)
	18 392	18 292
20,000,000 (2013: 20,000,000) unissued ordinary shares are under control of the directors until the next annual general meeting.		
Treasury shares – carrying amount		
Consist of:		
Treasury shares held by management share incentive trust	23 036	27 391
Treasury shares held by B-BBEE equity transaction participants	999 288	999 288
Treasury shares held by Pioneer Foods Broad-Based BEE Trust	1 060	1 060
Treasury shares held by subsidiary	163 113	163 113
	1 186 497	1 190 852

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Share capital (continued)

	GROUP	
	2014 R'000	2013 Restated R'000
Share capital (continued)		
<i>Issued and fully paid – unlisted class A ordinary shares of 10 cents each held by employee share scheme trust</i>		
At beginning of year: 7,367,360 (2013: 8,198,120) class A ordinary shares	737	820
Bought back and cancelled: 1,323,420 (2013: 830,760) class A ordinary shares	(132)	(83)
At end of year: 6,043,940 (2013: 7,367,360) class A ordinary shares held by employee share scheme trust	605	737
During the year the Company issued Nil (2013: Nil) class A ordinary shares.		
Class A ordinary shares are not listed on the JSE. These shares have full voting rights, similar to those of ordinary shares.		