



HPL&R

Hosken Passenger Logistics & Rail

2021 NOTICE OF
ANNUAL GENERAL MEETING
For the year ended 31 March 2021

SHAREHOLDERS' DIARY

Financial year-end	31 March 2021
Annual general meeting	30 August 2021
Reports	
• Interim report to 30 September 2021	November 2021
• 2021 Integrated annual report	July 2021

CORPORATE INFORMATION

Directors

Executive directors

FE Meyer (chief executive officer)
ML Wilkin (chief financial officer)

Non-executive directors

Y Shaik (chairperson)
TG Govender

Independent non-executive directors

L Govender (lead independent director)
NB Jappie
RD Watson

Company name and registration.

HOSKEN PASSENGER LOGISTICS AND RAIL LIMITED
("HPLR" or "the Company" or "the Group")
Incorporated in the Republic of South Africa
Registration number: 2015/250356/06

JSE share code: HPR
ISIN: ZAE000255907

Registered office

103 Bofors Circle, Epping Industria, 7460
(PO Box 115, Cape Town, 8000)

Company Secretary

HCI Managerial Services Proprietary Limited
Suite 801, 76 Regent Road, Sea Point, Cape Town, 8005
(PO Box 5251, Cape Town, 8000)

Auditors

BDO South Africa Incorporated.
6th Floor, 123 Hertzog Boulevard, Foreshore, Cape Town, 8001
(PO Box 3883, Cape Town, 8000)

Transfer Secretaries

Computershare Investor Services Proprietary Limited
Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196
(Private Bag X9000, Saxonwold, 2132)

Sponsor

Investec Bank Limited
100 Grayston Drive, Sandown, Sandton, 2196
(PO Box 785700, Sandton, 2146)

Website address

www.hplr.co.za

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Hosken Passenger Logistics & Rail

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ISIN Code: ZAE000255907 Share Code: HPR

LETTER TO SHAREHOLDERS

Notice is hereby given in terms of sections 61 and 62 of the Companies Act, No 71 of 2008, as amended ("the Act" or "the Companies Act") of the annual general meeting of shareholders of HPLR to be held at the offices of Hosken Consolidated Investments Limited, Suite 801, 76 Regent Road, Sea Point, 8005 on Monday, 30 August 2021 at 09h00 ("the AGM").

Notice is also given in terms of section 31(1) of the Companies Act to every person who holds, or has a beneficial interest in, any securities issued by the Company of the publication of the annual financial statements of the Company and its subsidiaries ("the Group") for the financial year ended 31 March 2021.

Included in this notice are the summarised annual financial statements of the Group for the financial year ended 31 March 2021.

A copy of the complete annual financial statements and of the Integrated Annual Report of the Group for the financial year ended 31 March 2021 ("2021 Integrated Annual Report") may be obtained by a shareholder, as follows:

1. By downloading a copy from the Company's website at www.hplr.co.za; or
2. By requesting a copy by any of the following means:
 - a. Email to info@hplr.co.za; or
 - b. In person at the registered office of the Company (103 Bofors Circle, Epping Industria, 7460) during office hours.

*HCI Managerial Services
Proprietary Limited*

HCI Managerial Services Proprietary Limited

28 July 2021



Hosken Passenger Logistics & Rail

HOSKEN PASSENGER LOGISTICS AND RAIL LIMITED

Registration number 2015/250356/06

Incorporated in the Republic of South Africa

("HPLR" or "the Company")

ISIN Code: ZAE000255907 Share Code: HPR

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31 MARCH 2021

NOTICE IS HEREBY GIVEN that the annual general meeting of the Company will be held on Monday, 30 August 2021 at 09h00 at the offices of Hosken Consolidated Investments Limited, Suite 801, 76 Regent Road, Sea Point, 8005. Registration will start at 08:30.

This document is available in English only. The proceedings at the meeting will be conducted in English.

The AGM will be held as an in-person meeting and via electronic communication as permitted by the Companies Act, No. 71 of 2008, as amended ("the Act" or "the Companies Act") and by the Company's Memorandum of Incorporation ("MOI") to conduct such business as may lawfully be dealt with at the AGM and to consider and, if deemed fit, pass, with or without modification, the ordinary and special resolutions set out hereunder in the manner required by the Companies Act, as read with the JSE Listings Requirements.

We believe hosting an in-person meeting and a virtual meeting enables participation by more of our shareholders. Further, we believe the virtual meeting format is even more critical considering the ongoing COVID-19 pandemic, as the safety of our employees and shareholders is our priority. Shareholders attending the virtual meeting will be afforded the same rights and opportunities to participate as they would at an in-person meeting. We encourage shareholders to attend online and participate. We recommend that shareholders log-in a few minutes before 09h00, on Monday, 30 August 2021.

GENERAL INSTRUCTIONS AND INFORMATION

The Board of directors of the Company ("the Board") determined, in accordance with section 59 of the Companies Act, that the record date for the purpose of determining when persons must be recorded as shareholders in the securities register of the Company in order to be entitled to receive notice of the annual general meeting is Friday, 16 July 2021. The Board determined that the record date for purposes of determining which shareholders of the Company are entitled to participate in and vote at the annual general meeting is Friday, 20 August 2021 with the last day to trade being Tuesday, 17 August 2021. Accordingly, only shareholders who are registered in the securities register of the Company on Friday, 20 August 2021 will be entitled to participate in and vote at the annual general meeting.

All shareholders are encouraged to attend, speak and vote at the annual general meeting and are entitled to appoint a proxy to attend, speak and vote at the meeting in place of the shareholder. The proxy duly appointed to act on behalf of a shareholder, need not also be a shareholder of the Company. In order to facilitate proceedings at the annual general meeting, shareholders intending to appoint a proxy are requested to do so as soon as is reasonably practical.

If you hold certificated shares (i.e. you have not dematerialised your shares in the Company) or are registered as an "own name" dematerialised shareholder (i.e. you have specifically instructed your Central Securities Depository Participant ("CSDP") to hold your shares in your own name on the Company's sub-register), then:

- you may attend and vote at the annual general meeting; alternatively;
- you may appoint one or more proxies (who need not be shareholders of the Company) to represent you at the annual general meeting by completing the attached form of proxy and returning it to the office of the transfer secretaries (Computershare Investor Services Proprietary Limited, 15 Biermann Avenue, Rosebank 2196 (Private Bag X9000, Saxonwold, 2132) or emailed to: proxy@computershare.co.za, to be received by no later than 09h00 on Thursday, 26 August 2021 for administrative purposes, or delivering such form by hand thereafter to the Company Secretary, before the proxy exercises any rights of the shareholder at the meeting; and/or
- you may participate in the annual general meeting by way of electronic participation as stipulated in this notice.

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31 MARCH 2021 (continued)

Please note that if you own dematerialised shares (i.e. have replaced the paper share certificates representing the shares with electronic records of ownership under the JSE Limited's ("JSE") electronic settlement system, Share Transactions Totally Electronic ("STRATE")) held through a CSDP or broker (or their nominee) and are not registered as an "own name dematerialised shareholder", then you are not a registered shareholder of the Company, your CSDP or broker (or their nominee) would be. Accordingly, in these circumstances, subject to the mandate between yourself and your CSDP or broker, as the case may be:

- if you wish to participate in the annual general meeting (either being physically present at the meeting or by way of electronic participation), you must contact your CSDP or broker, as the case may be, and obtain the relevant letter of representation from it; alternatively
- if you are unable to attend the annual general meeting but wish to be represented at the meeting, you must contact your CSDP or broker, as the case may be, and furnish it with your voting instructions in respect of the annual general meeting and/or request it to appoint a proxy. You must not complete the attached form of proxy. The instructions must be provided in accordance with the mandate between yourself and your CSDP or broker, as the case may be, within the time period required by your CSDP or broker, as the case may be.

CSDPs, brokers or their nominees, as the case may be, recorded in the Company's sub-register as holders of dematerialised shares held on behalf of an investor/beneficial owner in terms of STRATE should, when authorised in terms of their mandate or instructed to do so by the person on behalf of whom they hold dematerialised shares, vote by either appointing a duly authorised representative to attend and vote at the annual general meeting or by completing the attached form of proxy in accordance with the instructions thereon and returning it to the office of the Company's transfer secretaries (Computershare Investor Services Proprietary Limited, 15 Biermann Avenue, Rosebank 2196 (Private Bag X9000, Saxonwold, 2132) or emailed to: proxy@computershare.co.za, to be received by 09h00 on Thursday, 26 August 2021 for administrative purposes, or delivering such form by hand thereafter to the Company Secretary, before the proxy exercises any rights of the shareholder at the meeting. In order to facilitate proceedings at the annual general meeting, shareholders intending to appoint a proxy are requested to do so as soon as is reasonably practical.

In accordance with section 63(1) of the Companies Act, participants at the annual general meeting will be required to provide proof of identification to the reasonable satisfaction of the chairperson of the annual general meeting and must accordingly provide a copy of their identity document, passport or driver's licence at the annual general meeting for verification.

Shareholders of the Company that are companies, that wish to participate in the annual general meeting, may authorise any person to act as its representative at the annual general meeting.

VIRTUAL PARTICIPATION AT THE ANNUAL GENERAL MEETING

Shareholders or their duly appointed proxy(ies) who wish to participate in the AGM via electronic communication must apply to the Company's transfer secretaries (Computershare Investor Services Proprietary Limited), by sending an e-mail to proxy@computershare.co.za to be received by the transfer secretaries by no later than 12h00 on Thursday, 26 August 2021.

The transfer secretaries will first validate such requests and confirm the identity of the shareholder in terms of section 63(1) of the Companies Act, and, if the request is validated, further details on using the electronic communication facility will be provided. The transfer secretaries will inform participants who notified them of their intended participation by no later than 12h00 on Friday, 27 August 2021 by e-mail of the relevant details through which participants can participate in the AGM electronically. Shareholders who wish to vote at the meeting, will be emailed a ballot form for this purpose. Once completed, the ballot form must be returned to proxy@computershare.co.za.

The costs of accessing any means of electronic participation will be borne by the shareholder. The shareholder shall not be able to vote electronically. The Company reserves the right not to provide for electronic participation at the annual general meeting in the event that it may be impractical to do so.

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31 MARCH 2021 (continued)

IN-PERSON PARTICIPATION AT THE ANNUAL GENERAL MEETING

Shareholders or their duly appointed proxy(ies) who wish to participate in the AGM at the offices of Hosken Consolidated Investments Limited (Suite 801, 76 Regent Road, Sea Point, 8005) must apply to the Company Secretary, by sending an e-mail to cshapiro@hci.co.za to be received by the Company Secretary by no later than 12h00 on Thursday, 26 August 2021. This is to ensure that all COVID-19 protocols are met.

VOTING AT THE ANNUAL GENERAL MEETING.

On a show of hands, every shareholder present in person (or by way of electronic participation) or represented by proxy at the annual general and entitled to vote, shall have only one vote irrespective of the number of shares such shareholder holds. On a poll, shareholders present in person (or by way of electronic participation) or represented by proxy at the annual general and entitled to vote, shall be entitled to 1 vote per ordinary share held by such shareholder.

Unless otherwise specifically provided in this notice of annual general meeting, for any of the ordinary resolutions to be adopted, 50% of the voting rights plus 1 vote exercised on each such ordinary resolution must be exercised in favour thereof. For any special resolutions to be adopted, at least 75% of the voting rights exercised on each special resolution must be exercised in favour thereof.

DETAILS OF DIRECTORS, SHAREHOLDERS, SHARE CAPITAL AND ANALYSIS OF SHAREHOLDERS, NO-CHANGE STATEMENT AND DIRECTORS' RESPONSIBILITY STATEMENT

This notice of annual general meeting, provides details of:

- the directors of the Company as per the Corporate Information page, and including brief CVs of the directors nominated for re-election provided as Appendix 1.
- the major shareholders of the Company reflected in the Director's Report on page 16 and the analysis of shareholders as Appendix 3;
- the directors' interests in securities included in the analysis of shareholders as Appendix 3 and the Report of the Remuneration Committee as Appendix 2; and
- the share capital of the Company and an analysis of shareholders as Appendix 3.

No-change statement

There have been no material changes to the Group's financial or trading position, nor are there any legal or arbitration proceedings that may materially affect the financial position of the Group between the signature date of the audit report and the date of this notice.

Director's responsibility statement

The directors, whose names appear on the Corporate Information page, collectively and individually, accept full responsibility for the accuracy of the information given in this notice and certify that, to the best of their knowledge and belief, that there are no facts that have been omitted which would make any statement in this notice false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the annual report and this notice of annual general meeting contains all information required by the Listings Requirements of the JSE ("JSE Listings Requirements").

PURPOSE

The purpose of the annual general meeting is to transact the business set out in the agenda below, and to consider and, if approved, to pass with or without modification, the following ordinary and special resolutions, in the manner required by the Company's Memorandum of Incorporation ("MOI") and, the Companies Act, as read with the JSE Listings Requirements.

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31 MARCH 2021 (continued)

AGENDA

1. Presentation of the audited annual financial statements of the Company, including the reports of the directors, external auditors and the Audit and Risk Committee, for the year ended 31 March 2021

A summary of the audited annual financial statements of the Group is set out on pages 20 to 28 of this notice of annual general meeting (“notice”). This summary is not exhaustive and the complete annual financial statements of the Group should be read in their entirety for a full appreciation of their contents. The complete audited annual financial statements of the Group, including the unmodified audit opinion, are available on HPLR’s website at www.hplr.co.za. Alternatively, shareholders of the Company may request and obtain a copy of the complete annual financial statements of the Group in person, at no charge, at the registered office of the Company (103 Bofors Circle, Epping Industria, 7460) during office hours.

2. Presentation of Social and Ethics Committee Report

In accordance with Regulation 43 of the Companies Regulations, 2011, the Company’s Social and Ethics Committee Report for the financial year ended 31 March 2021, prepared and approved by the Company’s Social and Ethics Committee and set out in the 2021 Integrated Annual Report, will be presented to the shareholders of the Company. Any specific questions to the Social and Ethics Committee may be sent to the Company Secretary prior to the annual general meeting.

3. Ordinary resolution number 1 (1.1 to 1.2): *Retirement and re-election of directors*

- Ordinary resolution number 1.1: *Re-election of Mr TG Govender as director*
“Resolved that Mr TG Govender be and is hereby re-elected as a director of the Company.”
- Ordinary resolution number 1.2: *Re-election of Ms RD Watson as director*
“Resolved that Ms RD Watson be and is hereby re-elected as a director of the Company.”

Explanatory Note

Mr TG Govender and Ms RD Watson (“the directors”) retire as directors in accordance with the Company’s MOI and the JSE Listings Requirements but, being eligible, each offer themselves for re-election as a director of the Company.

The Board has considered the proposed re-election of the above directors and recommends that they be re-elected as directors of the Company. Brief CV details of the abovementioned directors are included in Appendix 1 of this notice.

The reason for ordinary resolution numbers 1.1 to 1.2 is to propose the re-election of the directors who have retired as directors in accordance with the Company’s MOI and JSE Listing Requirements. These elections will be conducted by a series of separate votes in respect of each candidate. Accordingly, shareholders are requested to consider and, if deemed fit, to re-elect the directors by way of passing the ordinary resolutions set out above.

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31 MARCH 2021 (continued)

4. Ordinary resolution number 2: *Re-appointment of auditor*

“Resolved that BDO South Africa Incorporated and Mr Cillié, as designated auditor, is hereby appointed as the auditor to the Company for the ensuing year.”

Explanatory Note

In terms of the Act, the Company, being a public company, must have its financial results audited and such auditor of the Company must each year at the Company’s annual general meeting be appointed or re-appointed, as the case may be, as an external auditor. The Company’s current external auditor is BDO South Africa Incorporated, which has indicated that Mr Cillié who is a director of the firm and a registered auditor and accredited with the JSE in accordance with the JSE Listings Requirements will undertake the audit.

The Company’s Audit and Risk Committee has recommended that BDO South Africa Incorporated be re-appointed as the auditors of the Company, for the ensuing year and to note that the individual registered auditor who will undertake the audit during the financial year ending 31 March 2022 is Mr Cillié.

5. Ordinary resolution number 3 (3.1 to 3.3): *Re-appointment of the members of the Audit and Risk Committee of the Company*

- Ordinary resolution number 3.1: *Re-election of Mr L Govender as member of the Audit and Risk Committee*
“Resolved that Mr L Govender be and is hereby re-appointed to the Audit and Risk Committee of the Company.”
- Ordinary resolution number 3.2: *Re-election of Ms NB Jappie as member of the Audit and Risk Committee*
“Resolved that Ms NB Jappie be and is hereby re-appointed to the Audit and Risk Committee of the Company.”
- Ordinary resolution number 3.3: *Re-election of Ms RD Watson as member of the Audit and Risk Committee*
“Resolved that Ms RD Watson be and is hereby re-appointed to the Audit and Risk Committee of the Company.”

Explanatory Note

In terms of the Act, at each annual general meeting an Audit Committee comprising at least three members must be elected. It is proposed that the following independent non-executive directors be elected as members of the Audit and Risk Committee for the ensuing year. The Board has considered the proposed appointment of Mr L Govender, Ms NB Jappie and Ms RD Watson and recommends that they be re-appointed to the Audit and Risk Committee. The appointment of each member of the Audit and Risk Committee will be voted on separately.

The re-appointment of Ms RD Watson to the Audit and Risk Committee is subject to the approval of ordinary resolution 1.2 above.

Brief CVs of the members are included in Appendix 1 to this notice.

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31 MARCH 2021 (continued)

6. Non-binding advisory votes: *Advisory endorsement of the remuneration policy and implementation report*

- Non-binding advisory vote 1: *Company's remuneration policy*

"Resolved, by way of a non-binding advisory vote, that the Company's remuneration policy, as set out in Appendix 2 to this notice, be and is hereby endorsed."

- Non-binding advisory vote 2: *Company's implementation report on the remuneration policy*

"Resolved, by way of a non-binding advisory vote, that the Company's implementation report in respect of the remuneration policy, as set out in Appendix 2 to this notice, be and is hereby endorsed."

Explanatory Note

The reason for non-binding advisory votes 1 and 2 is that in terms of Part 5.4, principle 14 (recommended practice 37) of the King IV Report on Corporate Governance™ for South Africa, 2016 ("King IV™") the Company's remuneration policy and implementation report should be tabled to shareholders for separate non-binding advisory votes at the annual general meeting. This vote enables shareholders to express their views on the remuneration policies adopted and on their implementation. Furthermore, King IV™ recommends that the remuneration policy should record the measures that the Board commits to in the event that either the remuneration policy or the implementation report, or both, have been voted against by 25% (twenty-five percent) or more of the voting rights exercised by shareholders.

Shareholders are requested to separately endorse the Company's remuneration policy and the implementation report included in the Remuneration Report as Appendix 2, by way of separate non-binding advisory votes.

7. Special resolution number 1: *General authority to issue ordinary shares, options and convertible securities for cash*

"Resolved that the directors of the Company be and are hereby authorised, by way of a general authority, to allot and issue any of the Company's unissued ordinary shares (or to issue options or convertible securities convertible into ordinary shares) for cash as they in their discretion may deem fit, without restriction, subject to the provisions of the Company's MOI, the Companies Act and the JSE Listings Requirements, provided that:

- *the approval shall be valid until the date of the next annual general meeting of the Company, provided it shall not extend beyond 15 months from the date of this resolution;*
- *the general issues of shares for cash under this authority may not exceed, in the aggregate, 15% of the Company's issued share capital of that class as at the date of this notice, it being recorded that ordinary shares issued pursuant to a rights offer to shareholders and, shares issued in respect of the HPLR Group Employee Option Scheme shall not count towards the number of ordinary shares that comprise the 15% of the ordinary shares that can be issued in terms of this special resolution. As at the date of this notice, 15% of the Company's issued ordinary share capital (net of treasury shares) amounts to 43 500 000 ordinary shares;*
- *in determining the price at which an issue of shares may be made in terms of this authority, the maximum discount permitted will be 10% of the weighted average traded price of such securities, as determined over the 30 business days prior to the date that the price of the issue is agreed between the Company and the party subscribing for the securities. The JSE will be consulted for a ruling if the Company's securities have not traded in such 30 business day period;*
- *any such issue will only be made to public shareholders as defined in paragraphs 4.25 to 4.27 of the JSE Listings Requirements and not to related parties;*

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31 MARCH 2021 (continued)

7. Special resolution number 1: *General authority to issue ordinary shares, options and convertible securities for cash* (continued)

- any such issue will only be comprised of securities of a class already in issue or, if this is not the case, will be limited to such securities or rights that are convertible into a class already in issue; and
- in the event that the securities issued represent, on a cumulative basis, 5% or more of the number of securities in issue prior to that issue, an announcement containing the full details of such issue shall be published on the Stock Exchange News Service of the JSE (“SENS”).”

Explanatory Note

For listed entities wishing to issue shares for cash (other than issues by way of rights offers, in consideration for acquisitions and/or to duly approved share incentive schemes), it is necessary for the Board of the Company to obtain the prior authority of shareholders in accordance with the JSE Listings Requirements and the MOI of the Company. Accordingly, the reason for special resolution number 1 is to obtain a general authority from shareholders to issue shares for cash in compliance with the JSE Listings Requirements and the MOI of the Company.

8. Special resolution number 2: *Approval of annual fees to be paid to non-executive directors*

“Resolved that for the period 1 September 2021 until the date of the next annual general meeting of the Company, the remuneration payable to non-executive directors of the Company for their services as directors will be as follows:

<i>Type of fee</i>	<i>Current Fee (excl VAT)</i>	<i>New Proposed Fee (excl VAT)</i>
<i>Board members – annual fee</i>	<i>R116 850</i>	<i>R123 900</i>
<i>Board committee members – annual fee*</i>	<i>R48 310</i>	<i>R51 210</i>

* Where a non-executive director is a member of more than one Board committee of the Company, the annual Board committee fee for such director is limited to R51 210.

Explanatory Note

In terms of section 66(8) of the Act, the Company may pay remuneration to its directors for their services as directors. In terms of section 66(9) of the Act the remuneration may only be paid to directors for their services as directors in accordance with a special resolution approved by shareholders during the previous two years.

9. Special resolution number 3: *General authority to repurchase Company shares*

“Resolved that the Company hereby approves, as a general approval contemplated in paragraph 5.72 of Section 5 of the JSE Listings Requirements, the repurchase by the Company or any of its subsidiaries from time to time of the issued ordinary shares of the Company, upon such terms and conditions and in such amounts as the directors of the Company may from time to time determine, but subject to the MOI, the provisions of the Act and the JSE Listings Requirements, as presently constituted and which may be amended from time to time, and provided further that:

- acquisitions by the Company and its subsidiaries of shares in the capital of the Company in terms of this general authority to repurchase shares may not, in the aggregate, exceed in any one financial year 20% of the Company’s issued share capital of the class of the repurchased shares from the date of the grant of this general authority. As at the date of this notice, 20% of the Company’s issued ordinary share capital (net of treasury shares) amounts to 58 000 000 ordinary shares;
- any such repurchase shall be effected through the order book operated by the JSE trading system, without any prior understanding or arrangement between the Company and the counterparty;
- the Company (or any subsidiary) is authorised to do so in terms of its MOI;

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31 MARCH 2021 (continued)

9. Special resolution number 3: *General authority to repurchase Company shares* (continued)

- *this general authority shall only be valid until the Company's next annual general meeting, provided that it shall not extend beyond 15 months from the date of passing of this special resolution;*
- *in determining the price at which the Company's shares are repurchased by the Company or its subsidiaries in terms of this general authority, the maximum premium at which such shares may be acquired may not be greater than 10% above the weighted average of the market price at which such shares are traded on the JSE for the five business days immediately preceding the date the repurchase transaction is effected;*
- *at any point in time, the Company may only appoint one agent to effect any repurchase(s) on the Company's behalf;*
- *the Company or its subsidiaries may not repurchase shares during a prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements unless there is a repurchase programme in place and the dates and quantities of shares to be repurchased during the relevant period are fixed and full details thereof have been submitted to the JSE in writing prior to commencement of the prohibited period. The Company must instruct an independent third party, which makes its investment decisions in relation to the Company's securities independently of, and uninfluenced by, the Company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE;*
- *an announcement will be published on SENS as soon as the Company and/or its subsidiaries has/have acquired shares in terms of this authority constituting, on a cumulative basis, 3% of the initial number of shares of the class of shares in issue at the time that this general authority is granted by shareholders, and each time the Company acquires a further 3% of the initial number thereafter, which announcement(s) shall contain full details of such repurchases as required in terms of the JSE Listings Requirements; and*
- *a repurchase shall only be effected if the Board of directors have at the time of the repurchase passed a resolution authorising the repurchase in terms of sections 48 and 46 of the Act and it reasonably appears that the Company and its subsidiaries have satisfied the solvency and liquidity test and that, since the test was performed, there have been no material changes to the financial position of the Company and its subsidiaries."*

Explanatory note

The reason for special resolution number 3 is to grant the directors of the Company and/or subsidiaries of the Company a general authority in terms of the Act and the JSE Listings Requirements to acquire the Company's ordinary shares, subject to the terms and conditions set out in the special resolution. The directors require that such general authority should be implemented in order to facilitate the repurchase of the Company's ordinary shares in circumstances where the directors consider this to be appropriate and in the best interests of the Company and its shareholders.

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31 MARCH 2021 (continued)

9. Special resolution number 3: *General authority to repurchase Company shares* (continued)

Director's statement:

Pursuant to and in terms of the JSE Listings Requirements, the Board of directors of the Company hereby states that:

- it is their intention to utilise the general authority to acquire shares in the Company if at some future date the cash resources of the Company are in excess of its requirements and the opportunity presents itself to do so during the year, which the Board deems to be in the best interest of the Company and its shareholders, taking prevailing marketing conditions and other factors into account;
- in determining the method by which the Company intends to acquire its shares, the maximum number of shares to be acquired and the date on which such repurchase will take place, the directors of the Company will only make the repurchase if at the time of the repurchase they are of the opinion that the following conditions have been and will be met:
 - the Company and the Group will be able to pay their debts for a period of 12 months after the date of this notice;
 - the assets of the Company and the Group are to be in excess of the liabilities of the Company and Group for a period of 12 months after the date of this notice (for this purpose the assets and liabilities are recognised and measured in accordance with the accounting policies used in the audited financial statements for the year ended 31 March 2021);
 - the share capital and reserves of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of this notice;
 - the working capital of the Company and the Group are adequate for the ordinary business purposes for a period of 12 months after the date of approval of this notice; and
 - resolution being passed by the Board that it authorised the repurchase of shares, that the Company and its subsidiaries have passed the solvency and liquidity test and that since the test was performed there have been no material changes to the financial position of the Group.

The authority granted in terms of this special resolution number 3 is limited to paragraph 5.72(a), (c), (d) and paragraph 5.68 of the JSE Listings Requirements.

The following additional information is provided in terms of the JSE Listings Requirements for purposes of this general authority:

- major beneficial shareholders – Appendix 3 of the document of which this notice of annual general meeting forms part; and
- share capital of the Company – Appendix 3 and page 16 of the document of which this notice of annual general meeting forms part.

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31 MARCH 2021 (continued)

10. Special resolution number 4: Change of Company name

“Resolved as a special resolution, in terms of section 16 of the Companies Act and the Company’s Memorandum of Incorporation, that the name of the Company be and is hereby changed from “Hosken Passenger Logistics and Rail Limited” to “Frontier Transport Holdings Limited”.

The proposed amended name of the Company to Frontier Transport Holdings Limited was approved and reserved for use by the Companies and Intellectual Property Commission from 31 May 2021 until 30 November 2021 and the name Frontier Transport Holdings Limited was approved by the JSE on 16 July 2021.

Explanatory note

The Board’s rationale for changing the name of the Company is grounded in the need to align it with the strategic intent and the proud history of the Group’s largest subsidiary, Golden Arrow Bus Services Proprietary Limited.

We are an innovative Group engaging new challenges, trailblazing new transport solutions in the Southern African business environment. We see distinctive comparisons with our forbearers in bringing novel services and transport solutions to uncharted domains, under trying and hostile conditions. We are geared to assume challenges and apply new technologies to explore new horizons. The Group’s major subsidiary, Golden Arrow Bus Services Proprietary Limited, deals with daily operational challenges akin to those faced by business pioneers breaking new ground on the frontier of old. Therefore, the name “Frontier Transport Holdings Limited” is considered to succinctly encapsulate the ethos of the Group.

The JSE has, subject to Shareholders’ approval, approved the name change, with a share code of “FTH” and short name of “Frontier”.

For a period of one year, in accordance with the JSE Listings Requirements, the Company is required to reflect the former name “Hosken Passenger Logistics and Rail Limited” on all documents of title and circulars issued by the Company.

Should the name change be approved and implemented: the accounts of Dematerialised Shareholders at their CSDPs or Brokers will be updated to reflect the new name of the Company. Holders of certificated shares are requested to complete the Form of Surrender (*yellow*) attached hereto and deliver the completed form together with the original share certificates to the offices of the Transfer Secretaries by post or by hand to the address stated on the Form of Surrender. New share certificates will thereafter be issued reflecting the new name, and will be posted, by registered post, to Certificated Shareholders at their risk.

In terms of the Companies Act and the JSE Listings Requirements, the percentage of voting rights required for the adoption of this resolution is at least 75% of the voting rights exercised on this resolution.

Special Resolution number 4 shall only be effected subject to approval of shareholders at the AGM. The new name of the Company will be reflected as Frontier Transport Holdings Limited with its abbreviated name being “Frontier”, JSE Code: “FTH” and ISIN: ZAE000300505.

Once this resolution has been adopted by shareholders at the AGM, **Certificated shareholders** are requested to complete the attached Form of Surrender (*yellow*) and follow the instructions thereon. Any queries in relation to the Form of Surrender must be directed to the Company’s transfer secretaries (Computershare Investor Services Proprietary Limited) via their call centre on 086 1100 634 or +27 11 370 5000.

Dematerialised shareholders do not need to take any further action as your CSDP or Broker will arrange for your account to be updated with the replacement ordinary shares.

NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31 MARCH 2021 (continued)

11. Special resolution number 5: Amendment of Memorandum of Incorporation

“Resolved that, subject to the adoption of special resolution number 4, the Company’s Memorandum of Incorporation be amended to give effect to the change of name of the Company from Hosken Passenger Logistics and Rail Limited to Frontier Transport Holdings Limited and that in terms of section 16(1)(c)(ii) of the Companies Act, the Company hereby adopts its amended Memorandum of Incorporation with effect from the date of filing of the required notice of amendment with the Companies and Intellectual Property Commission and further that should this special resolution be adopted at the AGM, that the Chairperson of the Board be authorised to sign and initial the amended Memorandum of Incorporation.”

Explanatory note

Subject to the approval of special resolution number 4 by shareholders of the Company at the AGM, the Company’s Memorandum of Incorporation must be amended to give effect to the change of name of the Company from Hosken Passenger Logistics and Rail Limited to Frontier Transport Holdings Limited.

In terms of section 16(1)(c)(ii) of the Companies Act and item 4(2) of schedule 5 to the Companies Act, the Company hereby adopts its amended Memorandum of Incorporation with effect from the date of filing of the required notice of amendment with the Companies and Intellectual Property Commission.

In terms of the Companies Act and the JSE Listings Requirements, the percentage of voting rights required for the adoption of this resolution is at least 75% of the voting rights exercised on this resolution.

12. Ordinary Resolution number 4: *Directors’ authority to implement Company resolutions*

“Resolved that each and every director of the Company be and is hereby authorised to do all such things and sign all such documents as may be necessary for or incidental to the implementation of the resolutions passed at this meeting.”

13. To transact such other business which may be transacted at an annual general meeting

By order of the Board

*HCI Managerial Services
Proprietary Limited*

HCI Managerial Services Proprietary Limited

28 July 2021

Cape Town

SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

STATEMENT OF RESPONSIBILITY OF THE BOARD OF DIRECTORS

The directors of Hosken Passenger Logistics and Rail Limited (“HPLR” or “the Group”) are responsible for the maintenance of adequate accounting records and the preparation, integrity and fair presentation of the annual financial statements of the Company and the Group and for other information contained herein.

The summarised consolidated annual financial statements, set out on pages 20 to 28, and the consolidated annual financial statements for the year ended 31 March 2021, available on HPLR’s website, have been prepared, in accordance with International Financial Reporting Standards (“IFRS”) and the requirements of the South African Companies Act, 71 of 2008, as amended, on the going concern basis and incorporate full and responsible disclosure. The summarised information included in this report has been extracted from the audited consolidated annual financial statements.

The consolidated annual financial statements are based upon appropriate accounting policies and supported by reasonable and prudent judgements and estimates. The consolidated annual financial statements were prepared under the supervision of the chief financial officer, Mr ML Wilkin CA(SA).

The directors are satisfied that the information contained in the consolidated annual financial statements fairly represents the results of operations for the year and the financial position of the Group at year end. The accuracy of the other information included in this report was considered by the directors and they are satisfied that it accords with the consolidated annual financial statements.

The directors are also responsible for the Group’s system of internal financial controls. The system was developed to provide reasonable, but not absolute, assurance regarding the reliability of the financial statements, the safeguarding of assets, and to prevent and detect misrepresentation and losses.

The directors are of the opinion that the Group will continue as a going concern in the foreseeable future.

The consolidated annual financial statements were audited by the independent auditor, BDO South Africa Incorporated, to whom unrestricted access was given to all financial records and related information. The report of the independent auditor is presented on page 19.

The directors, whose names are stated below, hereby confirm that –

- (a) the consolidated annual financial statements set out on pages 20 to 28, fairly present in all material respects the financial position, financial performance and cash flows of the Company in terms of IFRS;
- (b) no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- (c) internal financial controls have been put in place to ensure that material information relating to the Company and its consolidated subsidiaries have been provided to effectively prepare the annual financial statements of the Company; and
- (d) the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having applied the combined assurance model pursuant to principle 15 of the King Code. Where we are not satisfied we have disclosed to the Audit Committee and the auditors the deficiencies in design and operational effectiveness of the internal financial controls and any fraud that involves directors, and have taken the necessary remedial action.

The consolidated annual financial statements for the year ended 31 March 2021 were approved by the Board of directors on 28 July 2021 and are signed on its behalf by:



FE Meyer
Chief executive officer

Cape Town

28 July 2021



ML Wilkin
Chief financial officer

SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)

DECLARATION BY COMPANY SECRETARY

We certify that Hosken Passenger Logistics and Rail Limited has lodged with the Companies and Intellectual Property Commission, for the financial year ended 31 March 2021, all such returns as required by a public company in terms of the Companies Act of South Africa and that such returns are true, correct and up to date.

*HCI Managerial Services
Proprietary Limited*

HCI Managerial Services Proprietary Limited

Company Secretary

Cape Town

28 July 2021

SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)

DIRECTORS' REPORT

Nature of business and operations

The Company is an investment holding company and holds interests in various subsidiaries operating within the transport sector. Its investment holdings are detailed below.

There have been no material changes to the nature of the Group's business from the prior year.

Results

Reduced passenger numbers, because of COVID-19 lockdowns and the restriction on passenger mobility, resulted in a 19.9% decrease in revenue from FY2020. The resultant contraction in operations over the year coupled with various cost saving initiatives gave rise to a 19.4% savings in operating expenses from the prior year. This resulted in an operating profit (EBITDA) for the period of R385.3 million (21.1% lower than FY2020 of R488.6 million).

Attributable Group profit for the year is reflected at R204.8 million (21.5% lower than FY2020 of R261.0 million) and Headline earnings at R203.0 million (18.9% lower than FY2020 of R250.5 million).

The Group put all major capital expenditure, including its fleet replacement program on hold for FY2021 which resulted in a net reduction in debt of R152.8 million for the year.

Cash dividends

The Company paid an interim ordinary dividend for the year ended 31 March 2021 of 18 cents (gross) per share on 14 December 2020 (2020: 14 cents (gross) per share). The Board declared a final ordinary dividend for the year ended 31 March 2021 of 26 cents (gross) per share on 27 May 2021 which was paid on 21 June 2021 (2020: 31 cents (gross) per share).

Share capital

There was no change in the authorised or issued share capital of the Company during the period under review. At 31 March 2021, the total shares in issue was 290 000 000.

Majority shareholder

The Company's ultimate holding company is Hosken Consolidated Investments Limited holding 82.21% of the issued share capital of the Company at 31 March 2021 (2020:82.11%).

Directorate

The directors of the Company who held office during the year under review and at the date of this report are as follows:

Directors	Office	Designation
Mr Y Shaik	Chairperson	Non-executive
Mr FE Meyer	Chief executive officer	Executive
Mr ML Wilkin	Chief financial officer	Executive
Mr TG Govender		Non-executive
Mr L Govender	Lead independent	Independent non-executive
Ms NB Jappie		Independent non-executive
Ms RD Watson		Independent non-executive

In accordance with the Company's MOI and Section 10.16(g) of the JSE Listing Requirements, one-third of non-executive directors will retire at the forthcoming annual general meeting. In terms of which Mr TG Govender and Ms RD Watson, being the retiring directors, and being eligible, offer themselves for re-election.

SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)

DIRECTORS' REPORT (continued)

Directors emoluments

Details of directors' emoluments and share options awarded to executive directors are included in the Remuneration Policy and Implementation of the Remuneration Policy on pages 33 to 35.

Shareholdings of directors

At year end and at the date of this report the following directors held shares in the Company:

Director	Direct number of shares held	Direct % of shares in issue held	Indirect number of shares held	Indirect % of shares in issue held	Total number of shares held	Total % of shares in issue held
FE Meyer	116 813	0.04%	4 756	0.00%	121 569	0.04%
TG Govender	87 808	0.03%	821 676	0.28%	909 484	0.31%
	204 621	0.07%	826 432	0.28%	1 031 053	0.36%

There were no changes in the directors' interest from 31 March 2021 to the date of this report.

Company secretary

The secretary of the Company is HCI Managerial Services Proprietary Limited, whose details are set out on the Corporate Information page.

Investments

Investments of the Group as at 31 March 2021 are as follows:

Company	Nature of business	Holding
HPL and R Investments Proprietary Limited	Investment Holding	100%
Golden Arrow Bus Services Proprietary Limited	Transport services	100%
Table Bay Area Rapid Transit Proprietary Limited	Transport services	100%
Sibanye Bus Services Proprietary Limited	Transport services	100%
Shuttle Up Proprietary Limited	Transport services	90%
Eljosa Travel & Tours Proprietary Limited	Transport services	76%
N2 Express Joint Venture Proprietary Limited	Transport services	33.33%

Going concern

The directors believe that the Group and the Company have adequate financial resources to continue operations for the foreseeable future and accordingly the consolidated annual financial statements have been prepared on the basis of accounting policies applicable to a going concern.

In preparing the cash flow forecasts utilised to assess going concern, the impact of the COVID-19 pandemic on the Group's operations and liquidity together with measures taken by subsidiaries to mitigate the financial and operational impact of COVID-19 were considered. The Group has no financial covenants imposed by its funders. Based on these cash flow forecasts the directors are of the view that the Group has sufficient liquidity to meet its obligations as currently foreseen in the next financial year.

The directors are not aware of any new material changes that may adversely impact the Group nor are they aware of any material non-compliance with statutory or regulatory requirements which may affect the Group.

SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)

DIRECTORS' REPORT (continued)

Auditors

BDO South Africa Incorporated was appointed in office in accordance with section 90 of the Companies Act 71 of 2008 with Stephan Cillié as designated auditor for the year ended 31 March 2021.

No material change

There has been no material change in the financial or trading position of the Group since the publication of its provisional results for the year ended 31 March 2021.

Special resolutions

The following special resolutions were passed by the Company's shareholders at the annual general meeting held on 15 October 2020:

- Granting the Company a general authority to allot and issue the Company's unissued ordinary shares (or to issue options or convertible securities into ordinary shares) for cash, subject to the provisions of the Company's MOI, the Companies Act and the JSE Listing requirements;
- Approval of the fees payable to non-executive directors for their services as directors or as members of the Board sub-committees in respect of the financial period 1 November 2020 until the next annual general meeting of the Company;
- Granting the Company and the subsidiaries of the Company a general authority contemplated in terms of the JSE Listings Requirement paragraph 5.72, for the acquisition by the Company, or a subsidiary of the Company, of ordinary issued shares issued by the Company; and
- Granting the Company authorisation to provide financial assistance to subsidiaries in accordance with sections 44 and 45 of the Companies Act.

Special resolutions of subsidiaries

The statutory information relating to special resolutions passed by subsidiaries is available from the registered office of the Company.

Subsequent events

The directors are not aware of any further matter or circumstance arising since the end of the financial year to the date of this report, not otherwise dealt with within the annual financial statements that would affect the operations or results of the Company or the Group significantly.

Preparer

These annual financial statements were prepared under the supervision of the chief financial officer, Mr ML Wilkin CA(SA).

SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

To the shareholders of Hosken Passenger Logistics and Rail Limited

Opinion

The summarised consolidated annual financial statements of Hosken Passenger Logistics and Rail Limited, which comprise the summarised consolidated statement of financial position as at 31 March 2021, the summarised consolidated statement of profit or loss, the summarised consolidated statement of other comprehensive income, the summarised consolidated statement of changes in equity and the summarised consolidated statement of cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Hosken Passenger Logistics and Rail Limited for the year ended 31 March 2021.

In our opinion, the accompanying summarised consolidated annual financial statements are consistent, in all material respects, with the audited consolidated annual financial statements of Hosken Passenger Logistics and Rail Limited, in accordance with the JSE Limited's (JSE) requirements for summarised financial statements, as set out in the note "Basis of preparation and accounting policies" to the summarised consolidated annual financial statements, and the requirements of the Companies Act of South Africa as applicable to summarised financial statements.

Summarised consolidated annual financial statements

The summarised consolidated annual financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summarised consolidated annual financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated annual financial statements and the auditor's report thereon.

The audited consolidated annual financial statements and our Report thereon

We expressed an unmodified audit opinion on the audited consolidated annual financial statements in our report dated 28 July 2021. That report also includes communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated annual financial statements of the current period.

Directors' responsibility for the summarised consolidated annual financial statements

The directors are responsible for the preparation of the summarised consolidated annual financial statements in accordance with the JSE's requirements for summarised financial statements, set out in the note "Basis of preparation and accounting policies" to the summarised consolidated annual financial statements, and the requirements of the Companies Act of South Africa as applicable to summarised financial statements.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summarised consolidated annual financial statements are consistent, in all material respects, with the audited consolidated annual financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

BDO South Africa Incorporated

BDO South Africa Incorporated

Registered Auditors

Stephan Cillie

Director

Registered Auditor

28 July 2021

119-123 Hertzog Boulevard

Foreshore

Cape Town, 8001

SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2021

	Notes	2021 R'000	2020 R'000
ASSETS			
Non-current assets		1 713 767	1 786 707
Property, plant and equipment	1	1 660 242	1 730 134
Right-of-use asset		25 295	25 360
Goodwill		27 298	27 298
Intangible assets		59	62
Investment in associate		378	3 358
Deferred taxation		495	495
Current assets		588 632	576 927
Inventories		18 890	19 541
Trade and other receivables		64 861	60 826
Taxation		7 100	6 937
Cash and cash equivalents		497 781	489 623
Total assets		2 302 399	2 363 634
EQUITY AND LIABILITIES			
Equity		1 284 243	1 226 588
Equity attributable to equity holders of the parent		1 292 472	1 228 751
Non-controlling interest		(8 229)	(2 163)
Non-current liabilities		597 413	695 780
Borrowings		9 351	25 700
Instalment sale obligations		199 988	314 200
Lease liability		22 738	23 549
Post-employment medical benefit liability		68 939	55 835
Deferred taxation		296 397	276 496
Current liabilities		420 743	441 266
Trade and other payables		169 307	161 980
Post-employment medical benefit liability		5 233	4 559
Borrowings		19 498	22 603
Instalment sale obligations		135 858	155 027
Taxation		1 375	2 028
Provisions		89 472	95 069
Total equity and liabilities		2 302 399	2 363 634

SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)

SUMMARISED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 March 2021

	Notes	2021 R'000	2020 R'000
Revenue	3	1 641 025	2 048 402
Other income		16 070	18 827
Operating expenses		(1 271 759)	(1 578 572)
Operating profit (EBITDA)		385 336	488 657
Depreciation and amortisation		(92 189)	(93 411)
Investment income		13 413	25 774
(Loss)/Profit from equity accounted investment		(479)	436
Fair value adjustment on associate on change of control		-	9 163
Finance costs		(30 108)	(50 312)
Profit before taxation		275 973	380 307
Taxation		(77 240)	(117 397)
Profit for the year		198 733	262 910
Profit attributable to:			
Equity holders of the parent		204 799	261 042
Non-controlling interest		(6 066)	1 868
		198 733	262 910
Earnings per share (cents)			
Basic and diluted		70.62	90.01

SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)

SUMMARISED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2021

	2021 R'000	2020 R'000
Profit for the year	198 733	262 910
Other comprehensive income		
<i>Items that will not be reclassified to profit or loss</i>		
Actuarial (losses)/gains on defined benefit plans	(10 704)	12 709
Taxation relating to actuarial (losses)/gains on defined benefit plans	2 997	(3 559)
Total comprehensive income for the year	191 026	272 060
Total comprehensive income attributable to:		
Equity holders of the parent	197 092	270 192
Non-controlling interest	(6 066)	1 868
	191 026	272 060

SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)

RECONCILIATION OF HEADLINE EARNINGS

For the year ended 31 March 2021

Reconciliation of headline earnings	2021 R'000		2020 R'000	
	Gross	Net	Gross	Net
Earnings attributable to equity holders of the parent		204 799		261 042
Profit on disposal of plant and equipment	(4 077)	(2 935)	(11 568)	(8 329)
Impairment of plant and equipment	10 262	7 389	13 151	9 469
Insurance claim for capital assets	(8 656)	(6 232)	(6 287)	(4 527)
Fair value adjustment on associate on change of control	-	-	(9 163)	(7 110)
Headline earnings		203 021		250 545
Earnings per share (cents)				
Basic and diluted		70.62		90.01
Headline earnings per share (cents)				
Basic and diluted		70.01		86.39
Weighted average number of shares in issue ('000)				
Basic and diluted		290 000		290 000
Actual number of shares in issue ('000)		290 000		290 000

SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2021

	2021 R'000	2020 R'000
Balance at the beginning of the year	1 226 588	1 158 995
Total comprehensive income	191 026	272 060
Equity settled share-based payments	8 729	4 876
Acquisition of subsidiaries (non-controlling interest portion)	-	17 520
Effects of changes in shareholding	-	(105 063)
Dividends	(142 100)	(121 800)
Balance at the end of the year	1 284 243	1 226 588

SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2021

	Notes	2021 R'000	2020 R'000
Cash flows from operating activities		186 993	276 403
Cash generated from operations		400 946	509 101
Investment income		13 413	25 774
Finance cost		(30 108)	(50 312)
Taxation paid		(55 158)	(86 360)
Dividends paid		(142 100)	(121 800)
Cash flows from investing activities		2 262	(9 584)
Dividends received		2 500	2 000
Business combinations		-	13 056
Acquisition of property, plant and equipment	4	(6 953)	(38 587)
Acquisition of intangible assets		-	(5)
Proceeds from sale of plant and equipment		6 715	13 952
Cash flows from financing activities		(181 097)	(298 153)
Funding raised	4	5 000	-
Funding repaid	4	(186 010)	(192 487)
Principal paid on lease liabilities		(87)	(603)
Transactions with non-controlling shareholders		-	(105 063)
Total cash movement for the year		8 158	(31 334)
Cash and cash equivalents			
At the beginning of the year		489 623	520 957
At the end of the year		497 781	489 623

SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)

NOTES TO THE SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2021

Basis of preparation and accounting policies

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

The accounting policies applied in the preparation of the consolidated annual financial statements from which the summarised consolidated annual financial statements were derived, are compliant in terms of IFRS and are consistent with those applied in the previous annual financial statements. Details of the standards adopted are provided in the Group’s consolidated annual financial statements. As required by the Listings Requirements of the JSE Limited, the Group reports headline earnings in accordance with Circular 1/2019 – Headline Earnings, as issued by the South African Institute of Chartered Accountants.

Operating segment

The directors have considered the implications of IFRS 8: Operating segments and are of the opinion that the operations of the Group constitute one operating segment, being the provision of passenger transport services within South Africa. Resource allocation and operational management is performed on an aggregate basis. Performance is measured based on profit or loss before tax as shown in internal management reports that are reviewed by the chief operating decision maker, who is the Group’s chief executive officer.

1. Property, plant and equipment

The movement in property, plant and equipment is summarised as follows:

	Carrying Value at 31 March 2020 R’000	Additions R’000	Depre- ciation R’000	Disposals R’000	Impair- ments R’000	Carrying Value at 31 March 2021 R’000
Buses	1 322 052	28 536	(82 002)	(2 624)	(9 708)	1 256 254
Computer hardware, fare collection and radio equipment	60 091	1 584	(6 591)	–	(554)	54 530
Land and buildings and leasehold improvements	339 216	3 825	(50)	–	–	342 991
Motor vehicles	5 153	925	(1 846)	(13)	–	4 219
Plant and machinery	2 778	229	(1 411)	–	–	1 596
Furniture and fixtures	844	29	(221)	–	–	652
Total	1 730 134	35 128	(92 121)	(2 637)	(10 262)	1 660 242

The Group acquired ten commuter buses totalling R23.1 million and two luxury coaches totalling R5.4 million which were committed prior to lockdown (2020: acquired 72 commuter buses totalling R159.2 million and six luxury coaches totalling R20.9 million).

The impairment of buses with a net book value of R9.7 million (2020: R12.5 million) relates to the destruction of 13 Golden Arrow buses (2020: 11 Golden Arrow buses and one Eljosa bus), of which R8.7 million is receivable from insurance proceeds (2020: R6.3 million).

SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)

NOTES TO THE SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2021

2. Change in accounting estimate of residual values

In line with the Group's accounting policies, management reassessed the residual values of buses during the year, revising the residual value of commuter buses at the end of their useful life from R200 000 to R250 000. The net effect of the changes in the current period was a decrease in depreciation of R7.2 million.

3. Revenue

Group revenue for the year is made up as follows:

	2021 R'000	2020 R'000
Revenue from bus services provided		
<i>Revenue recognised over time</i>		
Operational contract carrying revenue risk	1 073 596	1 006 182
Operational contract with no revenue risk	130 399	136 433
Sale of multi-journey tickets	273 199	545 728
<i>Revenue recognised at a point in time</i>		
Sale of single journey tickets	149 277	263 244
Charter hire services	9 547	84 562
Total revenue from bus services	1 636 018	2 036 149
Revenue from automotive repair services		
<i>Revenue recognised at a point in time</i>		
Bus and vehicle repair and maintenance	174	1 332
Other revenue		
<i>Revenue recognised over time</i>	1 480	3 649
<i>Revenue recognised at a point in time</i>	3 353	7 272
	4 833	10 921
Total revenue	1 641 025	2 048 402

4. Borrowings arising from financing activities

Movements in the carrying value of borrowings are as follows:

	2021 R'000	2020 R'000
Carrying value at the beginning of the year	517 530	508 083
Cash-flows:		
Raising of new debt (term loan)	5 000	-
Debt repayments	(186 010)	(192 487)
Non-cash:		
Raising of instalment sales obligations	28 175	160 272
Arising on business combination	-	41 662
	364 695	517 530

R28.2 million (2020: R160.2 million) of debt raised in the period relates to instalment sale agreements used to finance bus acquisitions, and therefore has not been included in the cash flow statement as a cash flow amount.

SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)

NOTES TO THE SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2021

5. Commitments

	2021 R'000	2020 R'000
Capital expenditure		
Property, plant and equipment authorised but not yet contracted	-	7 521
Property, plant and equipment authorised and contracted to be expended	4 600	109 008

It is intended that this expenditure will be funded from bank finance and operating cash flows.

6. Related party transactions

Related party transactions similar to those disclosed in the Group's 2020 annual financial statements took place for the year ended 31 March 2021 and are disclosed in the Group's annual financial statements for the year ended 31 March 2021.

7. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report that would require any adjustments to the consolidated annual financial statements.

APPENDIX 1: CURRICULAM VITAE OF DIRECTORS

Yunis Shaik (“Yunis”)

Non-executive chairperson

B.Proc

Appointed: 1 February 2018

Nationality: South African

Age: 63

Board Committees: Social and Ethics

Expertise and experience: Prior to his appointment at Hosken Consolidated Investments Limited (“HCI”), Yunis was an attorney of the High Court and served as an acting judge in the Labour Court. He is a former Deputy General Secretary of the Southern African Clothing and Textile Workers Union (“SACTWU”) and a director of Workers’ College. He has served as Senior Commissioner of the Commission for Conciliation, Mediation and Arbitration (“CCMA”) in KwaZulu-Natal. Yunis is a non-executive director of Tsogo Sun Gaming Limited, Deneb Investments Limited and eMedia Holdings Limited. He has also served on the board of Golden Arrow Bus Services Proprietary Limited since 2014.

Theventheran Govindsamy Govender (“Kevin”)

Non-executive director

B.Comm (Hons), B.Compt (Hons)

Appointed: 1 February 2018

Nationality: South African

Age: 51

Board Committees: Remuneration

Expertise and experience: Kevin joined the HCI Group in 1997 where he held the position of company secretary until his promotion to chief financial officer in 2001 which he held until 2018. Kevin is a non-executive director of Deneb Investments Limited, eMedia Holdings and Montauk Holdings Limited. He has also served on the board of Golden Arrow Bus Services Proprietary Limited since 2006.

Francois Eckhard Meyer (“Francois”)

Chief executive officer

Dip Trans, B.Comm, MBA

Appointed: 6 March 2018

Nationality: South African

Age: 59

Board Committees: Social and ethics

Expertise and experience: Francois has been working in the scheduled bus operations industry for over 30 years and started his career in transport at United Transport’s Western Bus Lines, in the North West, in 1985. He joined Golden Arrow Bus Services Proprietary Limited in 1991 as project manager overseeing the company’s Mossgas contract. He was appointed operations manager in 1993, assumed the position of general manager in 2004 and became chief executive officer in 2015. He was appointed to the Board of HPLR as chief executive officer on 6 March 2018. He is a director of the South African Bus Operators Association (SABOA).

Mark Llewellyn Wilkin (“Mark”)

Chief financial officer

B.Comm, CA (SA)

Appointed: 6 March 2018

Nationality: South African

Age: 67

Board Committees: None

Expertise and experience: Mark worked for Deloitte Haskins and Sells in London, United Kingdom, from 1980 to 1982. He joined City Tramways in 1983 and was appointed financial director in 1988. In 1992 he was part of the consortium formed by the management team to buy the business of City Tramways from TGH Limited and formed Golden Arrow Bus Services Proprietary Limited, where he has been financial director since 1992. He was appointed to the Board of HPLR as chief financial officer on 6 March 2018.

APPENDIX 1: CURRICULUM VITAE OF DIRECTORS (continued)

Loganathan Govender (“Logie”)

Lead independent non-executive director
B.Comm, CA (SA)
Appointed: 6 March 2018
Nationality: South African
Age: 73
Board Committees: Remuneration, Audit and Risk

Expertise and experience: Logie is the sole proprietor of the auditing firm, Logie Govender & Co which is the oldest black-owned auditing practice in South Africa. He has over 40 years’ experience as a practising auditor. Logie is an independent non-executive director of eMedia Holdings Limited.

Naziema Begum Jappie (“Naziema”)

Independent non-executive director
B.SocSc (Hons), M.SocSc, PGDip (HE)
Appointed: 6 March 2018
Nationality: South African
Age: 61
Board Committees: Remuneration, Social and Ethics, Audit and Risk

Expertise and experience: Naziema brings with her a varied background in fields including education, labour law, conflict resolution and performance and project management. She has served as SACTWU’s National Education Officer, Executive Director at the Durban University of Technology and Dean of Students at the University of the Witwatersrand. She is currently employed as director for the Centre for Educational Testing for Access & Placement at University of Cape Town. Naziema is an independent non-executive director of Deneb Investments Limited and Montauk Holdings Limited. She has also served on the board of Golden Arrow Bus Services Proprietary Limited since 2013.

Rachel Doreen Watson (“Rachel”)

Independent non-executive director
Appointed: 17 April 2019
Nationality: South African
Age: 62
Board Committees: Audit and Risk, Social and Ethics

Expertise and experience: Rachel served as a manager at a regional radio broadcaster. Prior to this appointment she was employed for 33 years within the clothing industry, serving as a trade union representative and national media officer. Rachel is an independent non-executive director of eMedia Holdings Limited, Tsogo Sun Gaming Limited and HCI.

APPENDIX 2: REMUNERATION POLICY AND IMPLEMENTATION OF THE REMUNERATION POLICY

REPORT OF THE REMUNERATION COMMITTEE

The Group's Remuneration Committee has the following members:

- TG Govender (Chairperson);
- L Govender; and
- NB Jappie

Members of the Remuneration Committee are all non-executive directors, the majority of which are independent. The Chairperson of the Remuneration Committee is not independent, the Board however, deems this necessary to align the Company's remuneration policy with the corporate strategy of the larger HCI Group. The chief executive officer attends the meetings of the Remuneration Committee at the request of the Committee but recuses himself from the meeting before any decisions are made.

The Remuneration Committee held three formal meetings during the financial year ended 31 March 2021, which were attended by all Committee members.

The Group's Remuneration Policy and the Implementation Report is tabled at each annual general meeting of the Group for a separate non-binding advisory vote by shareholders. Such policy will record the measures that the Board will adopt should either the Remuneration Policy or the Implementation Report, or both, be voted against by 25% or more of the votes exercised at such annual general meeting. In this regard, should 25% or more of the votes exercised on this resolution at the annual general meeting be against such Policy or Report, HPLR will in its voting results announcement include an invitation to dissenting shareholders to engage with HPLR and the Board, as well as the manner and timing of such engagement.

Function and role of the Remuneration Committee

The Remuneration Committee is primarily responsible for reviewing and approving the remuneration and incentives of the executive directors and approving and awarding share incentives to executives and key management of the Group. It takes cognisance of local best practice relating to remuneration to ensure that such total remuneration is fair and reasonable to both the employee and the Company.

In addition, the Remuneration Committee assists the Board in reviewing non-executive directors' remuneration recommendations, which are voted on at each annual general meeting of shareholders.

The Remuneration Committee focuses on ensuring that the Company's Remuneration Policy and framework is appropriate and relevant based on key principles including:

- the alignment of executive's remuneration and incentives with the Group's strategy to enhance and protect shareholder value;
- to determine and monitor the criteria necessary to measure the performance of executive directors in discharging their functions and responsibilities. The level of remuneration should be directly linked to corporate and individual performance; and
- remuneration packages should be designed to attract and retain people of the required calibre.

REMUNERATION POLICY

Executive directors' remuneration

The Remuneration Committee is satisfied that the Remuneration Policy is aligned with the Company's remuneration philosophy. The executives' remuneration is reviewed annually by the Remuneration Committee, who seek to ensure a balance between the executives' base salary, which is fixed, and the variable elements of their remuneration such as bonuses and share options. The salary increases of the executives are usually similar to the average employees' salary increase, for non-union staff members.

APPENDIX 2: REMUNERATION POLICY AND IMPLEMENTATION OF THE REMUNERATION POLICY (continued)

As part of achieving and maintaining reasonable, acceptable levels of remuneration, the Remuneration Committee focuses on the following strategic components to remuneration:

- Fixed: representing basic salaries and benefits commensurate with market levels and with the goal of attracting and retaining suitable executives.
- Annual incentive awards: an incentive bonus linked to performance of the Group. Upon the Group achieving the required performance targets, executives are entitled to two-thirds of the performance bonus following the respective financial year-end, while the remaining one-third is carried over to be paid in the following financial year.
- Long term incentives: The Group operates a share scheme, The HPLR Group employee option scheme, which is discussed in more detail below. Awards are linked to corporate performance measures and subject to holding periods.

The remuneration and incentive bonuses of the executive directors is paid by the Group's major subsidiary, Golden Arrow Bus Services, however, is subject to approval by the Remuneration Committee.

Non-executive directors' remuneration

Non-executive directors receive fixed fees for their services as directors of the Board and as members of Board sub-committees. These fees are reviewed annually by the Remuneration Committee and are recommended by the Board to shareholders for approval at the annual general meeting.

The proposed fee structure, subject to shareholder approval, effective from 1 September 2021 to the 2022 annual general meeting of shareholders is set out in the table below:

Type of fee	Current Fee (excl VAT)	New Proposed Fee (excl VAT)
Board members – annual fee	R116 850	R123 900
Board committee members – annual fee*	R48 310	R51 210

* Where a non-executive director is a member of more than one Board committee of the Company, the annual Board committee fee is limited to R51 210.

These fees are comparable with those of similarly sized companies. Non-executive directors do not receive short-term incentives and do not participate in the Group share option scheme.

The Group pays all reasonable travelling and accommodation expenses incurred to attend Board and Committee meetings.

The HPLR Group Employee Option Scheme

The Group operates a share option scheme, known as The HPLR Group Employee Option Scheme ("the Scheme"), in terms of which shares in the Company are offered on a share option basis to participants, provided they remain in the Group's employ until the options vest. Any gain realised on the exercise of these options is settled on a net equity basis, whereby the participant receives that number of shares that equate in value to the gain made on exercise date. Options must be exercised within six months of the vesting date, where-after the options lapse. Options vest over periods of three to five years. The maximum number of shares that may be utilised for the purposes of the Scheme is 21 750 000 shares.

In terms of the Scheme, share options are awarded to eligible participants at a 10% discount to the 20-business day volume weighted average middle market price, as at the grant date. The number of share options granted is determined using a multiple of the participant's salary, divided by the discounted market price.

Refer to the Implementation Report below for details of the share options awarded to executive directors.

APPENDIX 2: REMUNERATION POLICY AND IMPLEMENTATION OF THE REMUNERATION POLICY (continued)

IMPLEMENTATION OF THE REMUNERATION POLICY

The Remuneration Committee is satisfied that the Group complied with the Remuneration Policy for the 2021 financial year. The Board endorses the Remuneration Committee's position that the Group's Remuneration Policy appropriately takes into account the remuneration and employment conditions of employees in the Group as well as relevant external factors.

Remuneration

The executive directors' remuneration and incentive bonuses were approved by the Remuneration Committee and endorsed by the Board. Due to the potential effect of the COVID-19 pandemic on the Group's performance for the 2021 financial year-end the Remuneration Committee (supported by the Board) proposed no salary increases be implemented for the 2021 financial year-end.

Executives agreed to delay the payment of the two-thirds bonus entitlement relating to the 2020 financial year end until later in the 2021 financial year once further certainty was had on the cashflow position of the Group.

The following sets out the remuneration paid to directors for the years ended 31 March 2021 and 31 March 2020.

Year ended 31 March 2021	HPLR Group directors' fees R'000	Directors' fees R'000	Salary R'000	Fringe benefits including medical aid R'000	Pension contributions R'000	Bonus R'000	Gain from share schemes R'000	Total R'000
Executive directors								
FE Meyer	-	-	3 160	774	295	5 056	-	9 285
ML Wilkin	-	-	2 476	503	231	4 181	-	7 391
	-	-	5 636	1 277	526	9 237	-	16 676
Non-executive directors								
Y Shaik	-	-	3 976	-	-	-	2 619	6 595
TG Govender	-	-	2 003	-	-	-	2 629	4 632
L Govender	190	190	-	-	-	-	-	380
NB Jappie	165	198	-	-	-	-	-	363
RD Watson	165	1 044	-	-	-	-	-	1 209
Paid by HCI subsidiaries not in the HPLR Group	-	(1 432)	(5 979)	-	-	-	(5 248)	(12 659)
Total paid by HPLR Group	520	-	5 636	1 277	526	9 237	-	17 196

APPENDIX 2: REMUNERATION POLICY AND IMPLEMENTATION OF THE REMUNERATION POLICY (continued)

FE Meyer and ML Wilkin were remunerated by Golden Arrow Bus Services Proprietary Limited as executive directors for the years ended 31 March 2021 and 31 March 2020.

Y Shaik and TG Govender was remunerated by HCI as executive directors for the years ended 31 March 2021 and 31 March 2020.

L Govender was remunerated by E-Media Holdings Limited (subsidiary of HCI) as non-executive director for the years ended 31 March 2021 and 31 March 2020.

NB Jappie was remunerated by Deneb Investments Limited (subsidiary of HCI) as non-executive director for the years ended 31 March 2021 and 31 March 2020.

RD Watson was remunerated by HCI and E-Media Holdings Limited as non-executive director for the years ended 31 March 2021 and 31 March 2020 and by Deneb Investments Limited as non-executive director for the year ended 31 March 2020.

KF Mahloma resigned from the Board on 17 April 2019 and RD Watson was appointed to the Board on 17 April 2019.

Year ended 31 March 2020	HPLR Group directors' fees R'000	Directors' fees R'000	Salary R'000	Fringe benefits including medical aid R'000	Pension contributions R'000	Bonus R'000	Gain from share schemes R'000	Total R'000
Executive directors								
FE Meyer	-	-	3 115	784	291	3 833	-	8 023
ML Wilkin	-	-	2 440	509	228	3 288	-	6 465
	-	-	5 555	1 293	519	7 121	-	14 488
Non-executive directors								
Y Shaik	-	-	3 976	-	-	-	2 017	5 993
TG Govender	-	-	1 965	-	-	-	2 373	4 338
L Govender	185	187	-	-	-	-	-	372
NB Jappie	160	193	-	-	-	-	-	353
RD Watson	153	1 165	-	-	-	-	-	1 318
KF Mahloma	7	-	-	-	-	-	-	7
Paid by HCI subsidiaries not in the HPLR Group	-	(1 545)	(5 941)	-	-	-	(4 390)	(11 876)
Total paid by HPLR Group	505	-	5 555	1 293	519	7 121	-	14 993

The HPLR Group employee option scheme

Based on the share price at year end (20-day volume weighted average share price: R3.03) the first tranche of options granted on 31 March 2018 at an option price of R6.98 were underwater and did not vest on this date. On 31 March 2021, the Remuneration Committee awarded a total of 1 896 071 options to management at a weighted average option price of R2.72 (2020 year end: 1 194 437 options at a weighted average option price of R3.33). The acceptance of these options was conditional on employees electing to waive the options granted on 31 March 2018. All employees accepted these options and as such the 31 March 2018 grant of options were forfeited by employees.

APPENDIX 2: REMUNERATION POLICY AND IMPLEMENTATION OF THE REMUNERATION POLICY (continued)

The following share options have been awarded to executive directors:

	2021		2020	
	Number of share options	Weighted average exercise price R	Number of share options	Weighted average exercise price R
FE Meyer				
Balance at the beginning of the year	2 499 951	6.30	2 227 244	6.67
Options granted	589 111	2.72	272 707	3.28
Options forfeited	(2 016 345)	6.98	-	-
Balance at the end of the year	1 072 717	3.06	2 499 951	6.30
Unconditional between the following dates:				
Between 31 March 2021 and 30 September 2021	-	-	672 115	6.98
Between 22 March 2022 and 22 September 2022	70 300	3.70	70 300	3.70
Between 31 March 2022 and 30 September 2022	-	-	672 115	6.98
Between 16 March 2023 and 16 September 2023	90 902	3.28	90 902	3.28
Between 22 March 2023 and 22 September 2023	70 300	3.70	70 300	3.70
Between 31 March 2023 and 30 September 2023	-	-	672 115	6.98
Between 16 March 2024 and 16 September 2024	90 902	3.28	90 902	3.28
Between 22 March 2024 and 22 September 2024	70 300	3.70	70 300	3.70
Between 31 March 2024 and 30 September 2024	196 370	2.72	-	-
Between 16 March 2025 and 16 September 2025	90 902	3.28	90 902	3.28
Between 31 March 2025 and 30 September 2025	196 370	2.72	-	-
Between 31 March 2026 and 30 September 2026	196 371	3.28	-	-
	1 072 717	3.06	2 499 951	6.30
ML Wilkin				
Balance at the beginning of the year	1 566 607	6.30	1 395 724	6.67
Options granted	369 162	2.72	170 883	3.28
Options forfeited	(1 263 484)	6.98	-	-
Balance at the end of the year	672 285	3.06	1 566 607	6.30
Unconditional between the following dates:				
Between 31 March 2021 and 30 September 2021	-	-	421 161	6.98
Between 22 March 2022 and 22 September 2022	44 080	3.70	44 080	3.70
Between 31 March 2022 and 30 September 2022	-	-	421 161	6.98
Between 16 March 2023 and 16 September 2023	56 961	3.28	56 961	3.28
Between 22 March 2023 and 22 September 2023	44 080	3.70	44 080	3.70
Between 31 March 2023 and 30 September 2023	-	-	421 162	6.98
Between 16 March 2024 and 16 September 2024	56 961	3.28	56 961	3.28
Between 31 March 2024 and 30 September 2024	44 080	3.70	44 080	3.70
Between 22 March 2024 and 22 September 2024	123 054	2.72	-	-
Between 16 March 2025 and 16 September 2025	56 961	3.28	56 961	3.28
Between 31 March 2025 and 30 September 2025	123 054	2.72	-	-
Between 31 March 2026 and 30 September 2026	123 054	2.72	-	-
	672 285	3.06	1 566 607	6.30

No additional share options have been awarded to directors from year end to the date of this report. As the first tranche of share options only vest in the 2022 financial year end, there are no long-term incentive outcomes to report for the year ended 31 March 2021.



TG Govender
Chairperson

Remuneration Committee

APPENDIX 3: SHAREHOLDER ANALYSIS

Listed below is an analysis of shareholdings extracted from the register of ordinary shareholders at 31 March 2021.

DISTRIBUTION OF SHAREHOLDERS

	Number of shareholders	% of shareholders	Number of shares	% of issued capital
SHARE RANGE				
1 - 1 000	1 988	54.01%	716 222	0.25%
1 001 - 10 000	1 241	33.71%	4 400 434	1.52%
10 001 - 50 000	359	9.75%	7 288 353	2.51%
50 001 - 100 000	43	1.17%	2 948 125	1.02%
100 001 - 500 000	30	0.81%	5 500 208	1.90%
500 001 - 1 000 000	8	0.22%	5 597 352	1.93%
1 000 001 shares and over	12	0.33%	263 549 306	90.88%
Total	3 681	100.00%	290 000 000	100.00%

TYPE OF SHAREHOLDER

	Number of shareholders	% of shareholders	Number of shares	% of issued capital
Bank	2	0.05%	82 336	0.03%
Broker	14	0.38%	2 263 424	0.78%
Close corporation	23	0.62%	282 356	0.10%
Endowment fund	3	0.08%	27 987	0.01%
Fund	4	0.11%	4 305 188	1.48%
Individual	2 975	80.82%	15 393 427	5.31%
Investments company	29	0.79%	3 449 774	1.19%
Other corporation	141	3.83%	1 030 418	0.36%
Pension fund	2	0.05%	60 510	0.02%
Private company	228	6.19%	20 938 940	7.22%
Provident fund	2	0.05%	152 489	0.05%
Public company	11	0.30%	238 061 002	82.09%
School	5	0.14%	226 088	0.08%
Trust	242	6.57%	3 726 061	1.28%
Total	3 681	100.00%	290 000 000	100.00%

SHAREHOLDING GREATER THAN 5%

The following beneficial shareholder held, directly or indirectly, 5% or more of the issued shares of the Company.

SHAREHOLDER	Number of shares	% of issued capital
Hosken Consolidated Investments Limited ("HCI")	238 403 025	82.21%

SHAREHOLDER SPREAD

To the best of the knowledge of the directors and after reasonable enquiry, the spread of shareholders at 31 March 2021, was as follows:

	Number of shareholders	% of shareholders	Number of shares	% of issued capital
Public shareholding	3 672	99.76%	50 565 922	17.44%
Non-Public shareholding	9	0.24%	239 434 078	82.56%
HCI (direct)	1	0.03%	232 777 041	80.27%
HCI (indirect)	1	0.03%	5 625 984	1.94%
FE Meyer (direct)*	1	0.03%	116 813	0.04%
FE Meyer (indirect)*	4	0.11%	4 756	0.00%
TG Govender (direct)*	1	0.03%	87 808	0.03%
TG Govender (indirect)*	1	0.03%	821 676	0.28%
Total	3 681	100.00%	290 000 000	100.00%

* directors



Hosken Passenger Logistics & Rail

HOSKEN PASSENGER LOGISTICS AND RAIL LIMITED

Registration number 2015/250356/06

Incorporated in the Republic of South Africa

("HPLR" or "the Company")

ISIN Code: ZAE000255907 Share Code: HPR

PROXY FORM

I/We, _____ (name in full)

of address _____

being a registered holder of _____ ordinary shares in HPLR hereby appoint

1. _____ or failing him/her

2. _____ or failing him/her

3. _____ or failing him/her

The Chairperson of the meeting as my proxy to vote for me and on my behalf at the annual general meeting of the Company to be held at 09h00 on Monday, 30 August 2021 at the offices of Hosken Consolidated Investments Limited, Suite 801, 76 Regent Road, Sea Point, 8005 and at any adjournment thereof as follows:

(Indicate instruction to proxy by way of a cross in space provided below)

Table with columns: Resolution number, Description, For, Against, Abstain. Rows include Ordinary Resolutions (1-4) and Special Resolutions (1-5).

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

Signed this _____ day of _____ 2021

Signature _____

Assisted by me (where applicable) _____

NOTES

1. A form of proxy is only to be completed by those shareholders who are:
 - holding shares in certificated form; or
 - recorded in the sub-register in dematerialised electronic form in “own name”.
2. If you have already dematerialised your ordinary shares through a Central Securities Depository Participant (“CSDP”) or broker, other than with “own name” registration, and wish to attend the annual general meeting, you must request your CSDP or broker to provide you with a Letter of Representation or you must instruct your CSDP or broker to vote by proxy on your behalf in terms of the agreement entered into between yourself and the CSDP or broker.
3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, speak and vote in his/her stead. A proxy need not be a member of the Company.
4. Every person present and entitled to vote at the meeting as a member or as a proxy or as a representative of a body corporate shall, on a show of hands, have one vote only, irrespective of the number of shares such person holds or represents but, in the event of a poll, a member shall be entitled to that proportion of the total votes in the Company which the aggregate amount of the nominal value of the shares held by him/her bears to the aggregate amount of the nominal value of all the shares issued by the Company.
5. Please insert the relevant number of shares/votes and indicate with an “X” in the appropriate spaces on the face hereof, how you wish your votes to be cast. If you return this form duly signed without any specific directions, the proxy will vote or abstain from voting at his/her discretion.
6. A deletion of any printed details and the completion of any blank space(s) need not be signed or initialled. Any alteration must be initialled.
7. The Chairperson of the annual general meeting shall be entitled to decline to accept the authority of the signatory under a power of attorney, or on behalf of a company, unless the power of attorney or authority is produced or has been registered.
8. The signatory may insert the name of any person(s) whom the signatory wishes to appoint as his/her proxy, in the blank space(s) provided for that purpose.
9. When there are joint holders of shares and if more than one such joint holder be presented or represented, then the person whose name stands first in the register in respect of such shares or his/her proxy, as the case may be, shall alone be entitled to vote in respect thereof.
10. A minor should be assisted by his parent or legal guardian unless the relevant documents establishing his legal capacity are produced or have been registered.
11. The completion and lodging of this proxy form will not preclude the signatory from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such signatory wish to do so.
12. A shareholder’s instructions must be indicated by the insertion of a cross, or where applicable, the relevant number of votes exercisable by the shareholder, in the appropriate box of this proxy form.
13. If the signatory does not indicate how he/she wishes to vote in the appropriate place(s) on the face hereof in respect of the resolution, his/her proxy shall be entitled to vote as he/she deems fit in respect of the resolutions.
14. If the shareholding is not indicated on the proxy form, the proxy will be deemed to be authorised to vote the total shareholding.
15. The Chairperson of the annual general meeting may reject or accept any proxy form which is completed other than in accordance with these instructions, provided that he is satisfied as to the manner in which a shareholder wishes to vote.
16. Forms of proxy must be completed and returned to the office of the transfer secretaries (Computershare Investor Services Proprietary Limited, 15 Biermann Avenue, Rosebank 2196 (Private Bag X9000, Saxonwold, 2132) or emailed to: proxy@computershare.co.za to be received by no later than 09h00 on Thursday, 26 August 2021, provided that any form of proxy not delivered to the transfer secretaries by this time may be handed to the Company Secretary at any time prior to the commencement of the annual general meeting.



Hosken Passenger Logistics & Rail

HOSKEN PASSENGER LOGISTICS AND RAIL LIMITED

Registration number 2015/250356/06

Incorporated in the Republic of South Africa

("HPLR" or "the Company")

ISIN Code: ZAE000255907 Share Code: HPR

FORM OF SURRENDER

All terms defined in the Notice, to which this Form of Surrender is attached, shall bear the same meanings when used in this Form of Surrender.

For completion only by Holders of Certificated Shares

Please read the instructions overleaf. Non-compliance with these instructions may result in the rejection of this form. If you are in any doubt as to how to complete this form, please consult your CSDP, Broker, banker, accountant, legal advisor or other professional advisor immediately.

Note:

A separate form is required for each Holder of Certificated Shares

By post or by hand:

Computershare Investor Services Proprietary Limited

Rosebank Towers

15 Biermann Avenue

Rosebank, 2196

(PO Box 61763, Marshalltown, 2107)

I/We hereby surrender and enclose the Hosken Passenger Logistics and Rail Limited ordinary share certificate(s) listed below:

Registered Shareholder	Certificate number(s)	Number of HPLR Shares covered by each certificate
Total		

I/We irrevocably and in *rem suam* authorise you to produce the signature of such documents that may be necessary to complete the replacement of the Hosken Passenger Logistics and Rail Limited Shares with shares in the new name of **Frontier Transport Holdings Limited**.

I/We hereby instruct you to forward the replacement share certificate/s to me/us by registered post, at my/our own risk, to the address overleaf and confirm that, where no address is specified, the share certificate/s will be forwarded to my/our address recorded in the share Register of Hosken Passenger Logistics and Rail Limited.

My/Our signature(s) on the Form of Surrender constitutes my/our execution of this instruction.

Signature of Shareholder		
Assisted by (if applicable)		
Name	Capacity	Signature
The Shareholder must complete the following information in BLOCK letters		Date
		2021
Surname or Name or corporate body		
Full names (in full, if applicable)		
Title (Mr, Mrs, Miss, Ms, etc)		
Postal address (preferably PO Box address)		
		Postal code
Telephone number including area code (office hours)		
Cell phone number		
Email address		

INSTRUCTIONS

1. A receipt will not be issued for this Form of Surrender, or the documents lodged with it. Lodging agents who require special transaction receipts are requested to prepare such receipts and submit them for stamping with the other documents lodged.
2. A Shareholder married in community of property or a minor must ensure this Form of Surrender is also signed by his/her spouse or parent or guardian, as the case may be.
3. Where HPLR Shares are jointly held, this form must be signed by joint holders.
4. If this form is signed under power of attorney, such power of attorney must be produced, unless it has already been registered with the transfer secretaries of HPLR.
5. If this form is signed on behalf of a company, close corporation, pension or provident fund, it must be accompanied by a certified copy of the resolution authorising the signature, unless it has already been registered with the transfer secretaries.

