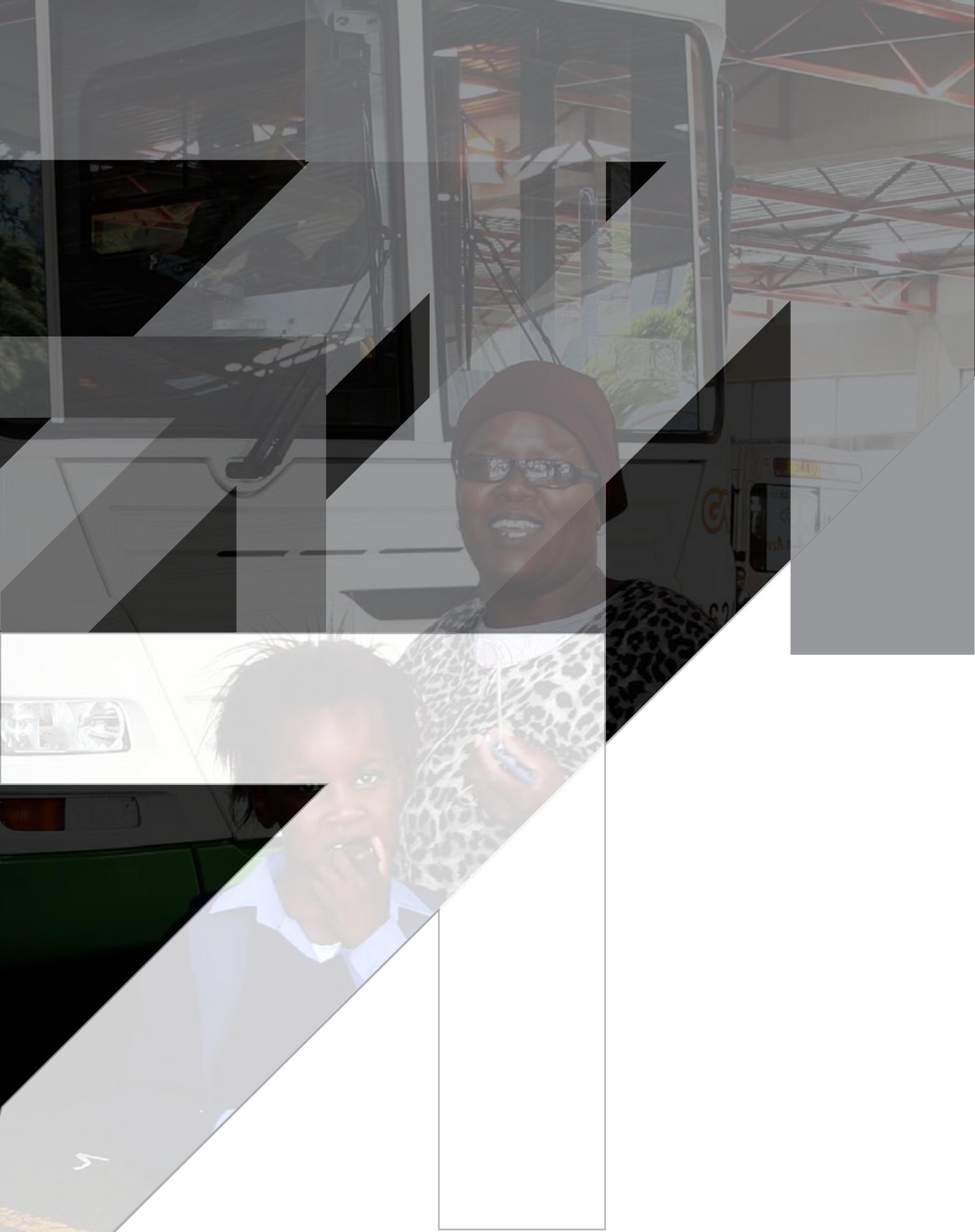




2018 INTEGRATED ANNUAL REPORT

HPL&R
Hosken Passenger Logistics & Rail



CONTENTS

HOSKEN PASSENGER LOGISTICS & RAIL

| | | | |
|-------------------------------------------------------------------|-----------|--------------------------------------------------------------|-----------|
| 1 ABOUT THIS REPORT | 4 | | |
| Scope of Integrated Annual Report and assurance | 4 | | |
| Statement of the Board of Directors on the 2018 Integrated Report | 6 | | |
| 2 GROUP OVERVIEW | 8 | | |
| Introduction | 8 | | |
| HPL&R Group history | 8 | | |
| HPL&R Group structure | 9 | | |
| Investments | 10 | | |
| Key statistics | 10 | | |
| Board of Directors | 12 | | |
| Analysis of shareholders | 14 | | |
| 3 STAKEHOLDERS | 16 | | |
| 4 STRATEGY | 18 | | |
| 5 CHAIRPERSON AND CHIEF EXECUTIVE OFFICER'S REPORT | 20 | | |
| 6 CORPORATE RESPONSIBILITY | 24 | | |
| Introduction | 24 | | |
| Environment | 24 | | |
| | | Corporate Social Investment | 26 |
| | | Broad-Based Black Economic Empowerment | 27 |
| | | Our people | 28 |
| | | 7 CORPORATE GOVERNANCE | 30 |
| | | Approach to Corporate Governance | 30 |
| | | The Board | 30 |
| | | Company Secretary | 33 |
| | | Committees of the Board | 33 |
| | | Audit and Risk Committee | 34 |
| | | Report of the Audit and Risk Committee | 34 |
| | | Report of the Remuneration Committee | 37 |
| | | Implementation of the Remuneration Policy | 40 |
| | | Social and Ethics Committee | 42 |
| | | 8 SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS | 44 |
| | | 9 CORPORATE INFORMATION | 56 |
| | | 10 GLOSSARY OF TERMS | 58 |

1

ABOUT THIS REPORT

SCOPE OF INTEGRATED ANNUAL REPORT AND ASSURANCE

Hosken Passenger Logistics and Rail Limited (“HPL&R” or “the Group”) is pleased to present its maiden Annual Integrated Report for the year ended 31 March 2018 (“2018 Integrated Report”).

This report is a commentary of the Group’s performance covering the period 1 April 2017 to 31 March 2018 that is of material interest to its key stakeholders, and covers both financial and non-financial information. The report provides an insight to *inter alia* the financial performance, social consciousness and environmental awareness of the group as it relates to its stakeholder grouping and its declared intent to create and unlock shareholder value in a sustainable manner.

The Board and executive management team innately recognise and give effect to the tenets of integrated reporting practice as it provides comment and insight to the vision of the company over the short, medium and long term.

This report has been prepared in terms of and guided by the principles of:

- the Company’s memorandum of incorporation (“MOI”);
- requirements of the Companies Act, 71 of 2008, as amended (“the Companies Act”);
- International Financial Reporting Standards (“IFRS”);

- G4 Sustainability Reporting Guidelines by the Global Reporting Initiative (“GRI G4”);
- the Listings Requirements of the JSE Limited (“JSE” and “JSE Listings Requirements”); and
- recommendations of the King IV Report on Corporate Governance for South Africa 2016 (“King IV”).

A glossary of terms used throughout this 2018 Integrated Report can be found on page 58.

HPL&R is an investment holding company with varied shareholdings in a number of companies that are principally involved in the commuter transport sector. As an investment holding company, the business focus of HPL&R differs from that of an operating company, and is accordingly reflected in the content of the Integrated Annual Report.

The Group strives to grow shareholder value through applying sound business principles and by engaging in ethical commercial practices to create a secure platform for the sustainable management of its investment interests. We are mindful of the impact our operations have on the communities from which we derive custom and the physical environment in which we undertake business activities.

Hosken Consolidated Investments Limited (“HCI”), a premier listed black empowerment investment company, owns approximately 73.06% of HPL&R and publishes its own Integrated Annual Report, which is available at www.hci.co.za.

In accordance with the stated objectives of integrated reporting, this report focuses on those issues that have a material impact on the Group to create and sustain value for its shareholders. This report should be read in conjunction with the following supporting reports available on HPL&R's website www.hplr.co.za:

- King IV application register
- 2018 annual financial statements

Financial statements

This report contains summarised audited annual financial statements. The full set of audited consolidated annual financial statements, including the report from the Audit and Risk Committee and Director's Report, are available online at www.hplr.co.za or can be requested directly from the company at info@hplr.co.za.

Materiality

In assessing the relative materiality of issues that are pertinent to the Group, consideration was in the main accorded to those that hold the biggest sway on the group's strategic intent and business model. In this regard, the impact of the regulatory environment, risk profile and expectations of its diverse stakeholder grouping was taken into account. The following was taken into account in developing our understanding of the most material issues:

- The finalisation of regulatory instruments as outlined in the National Land Transport Act (NLTA) of 2009.
- The expectations, views, concerns and interests articulated by stakeholders.

“ *The Group strives to grow shareholder value through applying sound business principles and by engaging in ethical commercial practices to create a secure platform for the sustainable management of its investment interests. We are mindful of the impact our operations have on the communities from which we derive custom and the physical environment in which we undertake business activities.* **”**

- The strategic mission and associated values pursued by the Group.

Forward-looking statements

This report may contain certain statements about the Group that may constitute forward-looking statements. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The Board cautions users that forward-looking statements are not a guarantee of future performance.

These forward-looking statements have not been reviewed or reported on by the Group's independent auditors.

STATEMENT OF THE BOARD OF DIRECTORS ON THE 2018 INTEGRATED REPORT

The 2018 Integrated Report was compiled through collaboration with all of the subsidiaries, associates and joint venture partners of HPL&R.

The quality assurance and veracity of the information contained in the report was underpinned by executive management scrutiny, interrogation by the Audit and Risk Committee and ultimately Board oversight. The external auditor, BDO Cape Incorporated, provides assurance on the consolidated annual financial statements, which are available on the HPL&R website. No independent third-party assurance has been obtained on the non-financial data included in this integrated annual report.

Empowerdex Proprietary Limited independently verifies Broad-Based Black Economic Empowerment ("B-BBEE") data in order to issue the annual B-BBEE scorecards and rating certificates to the HCl group and its subsidiaries. The Group's carbon footprint is independently measured and reported by Ibis Consulting Proprietary Limited.

The Group's Audit and Risk Committee reviewed the 2018 Integrated Report and annual financial statements and recommended them to the Board for approval. The Board acknowledges its responsibility to ensure the integrity of the 2018 Integrated Report, and believes that it addresses all material issues, and fairly represents the integrated performance of the Group.

The summarised consolidated annual financial statements were prepared in accordance with IFRS, JSE Listing Requirements and the Companies Act, while the 2018 Integrated Report was prepared using the guidelines of the GRI G4 and recommended principles of King IV.

In our opinion the 2018 Integrated Report and summarised consolidated annual financial statements fairly represent the financial position of the Group and its operations as at 31 March 2018 and its operations for the year ended 31 March 2018.

On behalf of the Board



FE Meyer

Chief Executive Officer

24 July 2018



2

GROUP OVERVIEW COMPANY STRUCTURE

INTRODUCTION

HPL&R is an investment entity tailored to consolidate and expand opportunities in the mobility and logistics sectors. The current portfolio is rooted in the commuter bus and luxury coach segments.

Through its principal subsidiary Golden Arrow Bus Services Proprietary Limited ("GABS"), with over 157 years of proven operational expertise, the Company aims to harness the combined institutional knowledge and skills sets to pursue further prospects in bus and coach operations and potential *entrées* into freight, rail and logistics operations.

HPL&R GROUP HISTORY

On 1 February 2018, HPL&R acquired 100% of the issued share capital of HPL&R Investments Proprietary Limited, which holds 100% of GABS (which in turn, has various subsidiaries) and 76% of Eljosa Travel and Tours Proprietary Limited ("ElJoSa"), from HCI, which was settled by the allotment and issue of shares, constituting approximately 62% of the issued share capital of HPL&R. At year-end, the remaining approximately 38% of the issued share capital of the Company was held by La Concorde Holdings Limited ("La

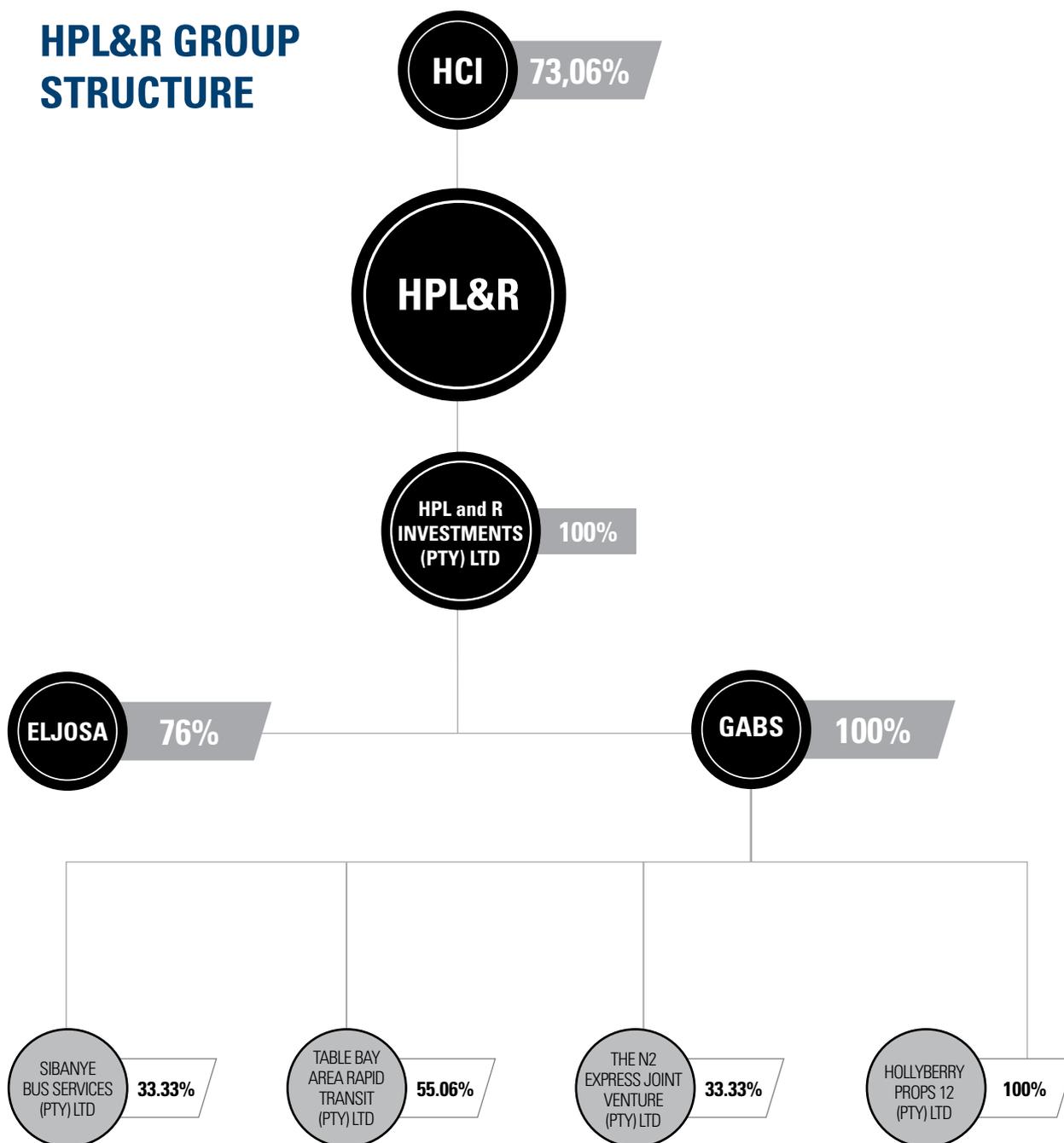
Concorde"), a subsidiary of Niveus Investments Limited ("Niveus"). As holding company of Niveus, HCI remained the controlling shareholder of the Group at year-end with an effective holding of approximately 73.06%.

On 13 April 2018, La Concorde unbundled its holding of the issued share capital of HPL&R to its shareholders by way of a distribution *in specie, pro rata* to their respective holdings in La Concorde, resulting in Niveus thereafter holding approximately 22% of the issued share capital of HPL&R. On 30 April 2018, Niveus unbundled its shareholding in HPL&R to its shareholders by way of a distribution *in specie, pro rata* to their respective holdings in Niveus ("Niveus unbundling").

Following the Niveus and La Concorde unbundlings, HCI still remains the controlling shareholder of the Group and its effective shareholding remains approximately 73.06%. Information on the analysis of shareholders is detailed further in this Integrated Report.

The Company successfully listed on the Main Board of the JSE on 24 April 2018.

HPL&R GROUP STRUCTURE



INVESTMENTS

Golden Arrow Bus Services: 100%

GABS, the Group's major subsidiary, has a history of providing scheduled passenger services in Cape Town for over 157 years. It operates 1 039 buses during peak hours, serving more than 3 100 routes in metropolitan Cape Town, covering a total area of approximately 2460 km². The fleet travels 61.5 million kilometres, conveying 55.4 million passengers annually, at a rate of approximately 220 000 per week day.

ElJoSa Travel and Tours: 76%

ElJoSa was established in 2004 and operates 32 luxury and semi-luxury coaches in the schools, intercity and tourism markets.

Table Bay Area Rapid Transit: 50.06%

Table Bay Area Rapid Transit Proprietary Limited ("TBRT") has been an official MyCiTi Vehicle Operating Company (VOC) for the City of Cape Town since 2013. It primarily operates the trunk service along the Atlantic seaboard as well as feeder routes

in Atlantis and the Cape Town central business district ("CBD").

Sibanye Bus Services: 33.3%

Sibanye Bus Services Proprietary Limited ("Sibanye") is a joint venture established in 2001 between GABS, and two emerging bus operators: Abahlobo Transport Services Proprietary Limited and Siyakhula Bus Services Proprietary Limited. The company operates 48 buses and provides services from Atlantis to the Cape metropole.

N2 Express: 33.3%

The N2 Express Joint Venture Proprietary Limited ("N2 Express JV") is a joint venture between GABS and Mitchells Plain (Route 6) and Khayelitsha (Codeta) taxi operators. The company is contracted to operate a MyCiTi service with 40 buses from Khayelitsha and Mitchells Plain to the Cape Town CBD. The current contract will expire in May 2019 after which a long term contract will be negotiated with the City of Cape Town.

KEY STATISTICS

|  | | Year ended 31 March 2018 | Year ended 31 March 2017 |
|-------------------------------------------------------------------------------------|----------------------------|--------------------------|--------------------------|
| | Buses operated during peak | 1087 | 1061 |
| Total annual kilometres travelled | 64 million | 63 million | |
| Number of staff employed | 2442 | 2463 | |

|  | | Year ended 31 March 2018 | Year ended 31 March 2017 |
|-------------------------------------------------------------------------------------|----------------------------|--------------------------|--------------------------|
| | Buses operated during peak | 16 | 13 |
| Total annual kilometres travelled | 1.8 million | 1.4 million | |
| Number of staff employed | 51 | 39 | |

|  | Year ended 31 March 2018 | | Year ended 31 March 2017 | |
|-----------------------------------------------------------------------------------|----------------------------|----|--------------------------|----|
| | Buses operated during peak | 61 | | 60 |
| Total annual kilometres travelled | 4.3 million | | 4.3 million | |
| Number of staff employed | 223 | | 235 | |





Yunis

Kevin

Francois

Mark

BOARD OF DIRECTORS

Yunis Shaik (“Yunis”)

Non-executive Chairperson
B.Proc

Appointed: 1 February 2018

Nationality: South African

Age: 60

Board Committees: Social and Ethics Committee

Resigned from the Remuneration Committee effective 12 June 2018

Expertise and experience: Prior to his appointment at 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. He was appointed to the HCI Board in August 2005 as a non-executive director and appointed as an executive director in 2014. He also holds directorships in several HCI subsidiary companies.

Theventheran Govindsamy Govender (“Kevin”)

Deputy Chairperson (non-executive)
B.Comm (Hons), B.Compt (Hons)

Appointed: 1 February 2018

Nationality: South African

Age: 47

Board Committees: Remuneration Committee – appointed effective 12 June 2018

Expertise and experience: Kevin is the financial director of HCI. He joined the HCI group in 1997 and held the positions of Company Secretary and Chief Financial Officer from 2001. He holds directorships in several HCI subsidiary companies and is a trustee of the HCI Foundation. He was appointed to the HCI Board as an executive director in June 2009.

Francois Eckhard Meyer (“Francois”)

Chief Executive Officer
Dip Trans, B.Comm, MBA

Appointed: 6 March 2018

Nationality: South African

Age: 56

Board Committees: Social and Ethics

Committee

Expertise and experience: Francois has been working in the scheduled bus industry for the past 30 years and started his career in transport at United Transport’s Western Bus Lines, in the North West, in 1985. He joined GABS 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 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

Board Committees: None

Age: 64

Expertise and experience: Mark worked for Deloitte Haskins & Sells in London, United Kingdom, from 1980 to 1982. He joined City Tramways in 1983



Logie

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 (formerly Tollgate Holdings Limited) and formed GABS, where he has been Financial Director since 1992.

Loganathan Govender (“Logie”)

Lead Independent non-executive Director

B.Comm, CA (SA)

Appointed: 6 March 2018

Nationality: South African

Age: 70

Board Committees: Remuneration Committee and Audit and Risk Committee

Expertise and experience:

Loganathan is the sole proprietor of the auditing firm, Logie Govender & Co which is the oldest Black auditing practice in South Africa. He has over 40 years’ experience as a practising auditor. He also serves on the boards of E Media Holdings Limited and Deneb Investments Limited (both subsidiaries of HCI).

Naziema

Naziema Begum Jappie (“Naziema”)

Independent non-executive Director
B.SocSc (Hons), M.SocSc (specialising in Industrial & labour studies),
PG.Dip (HE)

Appointed: 6 March 2018

Nationality: South African

Age: 58

Board Committees: Remuneration Committee, Social and Ethics Committee and Audit and Risk Committee

Expertise and experience:

Naziema brings with her a distinguished and 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 a director for the Centre for Educational Testing for Access and Placement at University of Cape Town. She also holds directorships in Deneb Investments Limited and Montauk Holdings Limited (also a subsidiary of HCI).

Faith

Kotsi Faith Mahloma (“Faith”)

Independent non-executive Director

Appointed: 6 March 2018

Nationality: South African

Age: 65

Board Committees: Social and Ethics Committee and Audit and Risk Committee

Expertise and experience:

Faith served as a senior shop steward at Gregory Knitting Mills from 1982 until 2001 and was a COSATU executive member from 1987 to 2001. She was the Vice President of SACTWU from 1987 until 2001 and National Economic Development and Labour Council (NEDLAC) executive member from 1997 to 2001. She has served as a director of Zenzelani Clothing (Pty) Ltd, served on the Municipality Public Account Committee (MPAC) and the Germiston Pension Fund Committee (GPFC). She was a ward councillor from 2006 to 2016.

ANALYSIS OF SHAREHOLDERS

As detailed in the Group History earlier in this report, the Company listed on the main board of the JSE on 24 April 2018. At 31 March 2018 the entire share capital of the Company was directly held as follows:

| Shareholder | Number of Shares | % of issued capital |
|--------------|--------------------|---------------------|
| HCI* | 180 000 000 | 62.07% |
| La Concorde | 110 000 000 | 37.93% |
| Total | 290 000 000 | 100.00% |

*HCI through its investment in Niveus held an effective 73.06% of the Group. These were the only beneficial shareholders of HPL&R at 31 March 2018 holding more than 5% of the issued shares of HPL&R.

Listed below are analyses of shareholdings extracted from the register of ordinary shareholders, subsequent to the Niveus unbundling, on 30 April 2018.

Distribution of Shareholders

| | Number of shareholders | % of shareholders | Number of shares | % of issued capital |
|----------------------------|------------------------|-------------------|--------------------|---------------------|
| 1 - 1,000 shares | 1 819 | 49.58% | 737 218 | 0.25% |
| 1,001 - 10,000 shares | 1 331 | 36.28% | 4 763 374 | 1.64% |
| 10,001 - 50,000 shares | 405 | 11.04% | 8 148 521 | 2.81% |
| 50,001 - 100,000 shares | 52 | 1.42% | 3 519 004 | 1.21% |
| 100,001 - 500,000 shares | 40 | 1.09% | 8 674 888 | 2.99% |
| 500,001 - 1,000,000 shares | 6 | 0.16% | 4 562 077 | 1.57% |
| 1,000,001 shares and over | 16 | 0.44% | 259 594 918 | 89.52% |
| | 3 669 | 100.00% | 290 000 000 | 100.00% |

Type of Shareholder

| | Number of shareholders | % of shareholders | Number of shares | % of issued capital |
|--------------------|------------------------|-------------------|--------------------|---------------------|
| Banks | 7 | 0.19% | 1 349 889 | 0.47% |
| Broker | 2 | 0.05% | 7 646 | 0.00% |
| Close Corporation | 36 | 0.98% | 223 657 | 0.08% |
| Endowment Fund | 1 | 0.03% | 15 797 | 0.01% |
| Individual | 3 154 | 85.96% | 37 928 400 | 13.08% |
| Investment Company | 44 | 1.20% | 230 258 923 | 79.40% |
| Pension Fund | 3 | 0.08% | 80 626 | 0.03% |
| Private Company | 121 | 3.30% | 13 042 872 | 4.50% |
| Public Company | 11 | 0.30% | 1 492 253 | 0.51% |
| Trust | 290 | 7.90% | 5 599 937 | 1.93% |
| | 3 669 | 100.00% | 290 000 000 | 100.00% |

Shareholding greater than 5%

Following the Niveus unbundling, on 30 April 2018, according to the information available to the Company, 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 |
|-------------|------------------|---------------------|
| HCI | 211 881 562 | 73.06% |

Shareholder spread

To the best knowledge of the Directors and after reasonable enquiry, the spread of shareholders as at 30 April 2018, following the Niveus unbundling, was as follows:

| | Number of shareholders | % of shareholders | Number of shares | % of issued capital |
|--------------------------------|------------------------|-------------------|--------------------|---------------------|
| Public Shareholding | 3 666 | 99.94% | 77 173 016 | 26.61% |
| Non-Public Shareholding | 3 | 0.06% | 212 826 984 | 73.39% |
| HCI | 1 | 0.02% | 211 881 562 | 73.06% |
| TG Govender (direct)*# | 1 | 0.02% | 111 407 | 0.04% |
| TG Govender (indirect)*# | 1 | 0.02% | 834 015 | 0.29% |
| | 3 669 | 100.00% | 290 000 000 | 100.00% |

*Director

#These shares were acquired as part of the Niveus unbundling.

No Director or their associates held any Shares in the Company as at 31 March 2018.

3

STAKEHOLDERS

| STAKEHOLDER | VALUE-CREATION ACTIVITIES |
|---------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| <p data-bbox="320 703 472 730">PASSENGERS</p>  | <p data-bbox="786 748 1123 815">Delivery of safe and reliable scheduled passenger transport</p> |
| <p data-bbox="331 992 459 1019">SUPPLIERS</p>  | <p data-bbox="735 1037 1174 1144">Long-term planning, contracting and subsequent payment for delivered goods and services</p> |
| <p data-bbox="323 1279 467 1305">GOVERNMENT</p>  | <p data-bbox="735 1323 1174 1391">Participation in the optimised regulation of industry and lobbying</p> |
| <p data-bbox="288 1565 504 1592">REGULATORY BODIES</p>  | <p data-bbox="743 1610 1166 1677">Long-term engagement with Provincial Regulating Entity to ensure compliance</p> |

| STAKEHOLDER | VALUE-CREATION ACTIVITIES |
|-------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| <p>INDUSTRY</p>  | <p>Involvement at various levels in South African Bus Operators Association (SABOA)</p> |
| <p>EMPLOYEES/UNIONS</p>  | <p>Employment, wages and other employee benefits</p> |
| <p>SHAREHOLDERS/ INVESTORS</p>  | <p>Dividends and share price appreciation</p> |
| <p>COMMUNITIES</p>  | <p>Investment in community projects through transport projects and direct monetary contributions</p> |

4

STRATEGY

STRATEGY

HPL&R's strategy entails:

- Consolidating and improving the performance of existing investments;
- Identification and acquisition of transport and logistics related businesses in niche markets; and
- Leveraging the economies of scale and industry expertise in existing operations as a basis for pursuing investment opportunities with feasible risk/reward profiles.

HPL&R will seek to increase shareholder value through:

- *Enhancing the value of established business operations*
The Group will seek to enhance the value of its current business operations by improving operating margins and refining operating efficiencies across the entire business value chain.
- *Entrenching preferred operator status in respect of public transport contracts*
The Group will strive to deliver over and above the stipulated mandate in contracts that are subsidy based to entrench the Group's legacy as a proficient public transport service operator.
- *Harnessing competencies in logistic driven operations to gain entrée into niche markets*
We aim to identify opportunities across the entire logistics value chain which have synergies with existing businesses and can be effectively integrated to deliver organic growth.

Strategic activities

Impetus has been given to a number of focus areas which include:

- Improved operating margins through an automated fare collection system, savings on unproductive kilometres and on-going fleet recapitalisation;
- Use of existing diverse skill sets in the management of logistic driven operations to identify and pursue future acquisitions;
- Expansion of existing operations into new areas;
- Use of custom-built Training and Recruitment Centre to supply services to external clients; and
- Optimisation of benefits offered by sustainable technologies throughout operations.





5

CHAIRPERSON AND CHIEF EXECUTIVE OFFICER'S REPORT

The Group has produced a credible set of results notwithstanding difficult operating conditions. Although Group revenue grew 7.5% from the prior year, Headline Earnings per share only reflected an increase of 2.8%, which is mainly attributable to rising fuel and employee costs in the industry.

The increase in revenue was partly due to the continued dysfunction of rail operations in the Cape metropole which has meant that alternative modes of transport were in high demand.

GABS

The performance of the main subsidiary GABS was grounded in its operating division having maintained a consistent 97% efficiency ratio of scheduled trips departing depots according to the official timetable. This has distinguished GABS as a reliable and compliant operator of public transport services in the metropole.

In this regard, GABS posted a 2% increase in profit for the year which was heavily impacted by a 30% rise in the fuel price and further exacerbated by the Bargaining Council's 9% across the board wage determination and a 13% hike in the overtime rate. This was partly offset by improved fuel efficiencies derived from the company's ongoing fleet recapitalisation and the reduction of excessive positioning and dead kilometres.

The recapitalisation of its fleet, the harnessing of new technologies aimed at achieving extended unit lifecycles and increasing the thresholds of fuel and lubricant usage have complimented the range of cost containment measures instituted during the review period.

The company's resilient performance has been supported by a range of training and development initiatives aimed at driving efficiencies across the value chain and are testimony to the company's central philosophy of growing its own timber. This was tangibly demonstrated by the provision of 16 840 training days to its employees and laid the foundation for 52 internal promotions during the reporting period.

The new R30 million Training and Recruitment Centre was completed during the review period. GABS is poised to entrench the facility as a centre of driving excellence and a channel for developing skills and competencies that are allied to the commuter bus industry. Application to become an accredited Assessment Centre during the current financial year will broaden the Centre's service offering and effectively position it as an additional conduit for revenue generation.

The much anticipated roll-out of the Automated Fare Collection (AFC) system has proceeded according to project timelines and the expected results of the system should be fully realised during the forthcoming financial year. The AFC system will make provision for the selling and updating of contactless smart cards at various points and will

control both cash fares and smart card validation aboard buses. Importantly, the system will allow for the capturing of invaluable ridership data which will highlight route and trip efficiencies and ensure that service offerings meet the needs of passengers.

The devastating drought and the restrictions on water usage imposed by the City impacted negatively on the appearance of the bus fleet. A range of water saving measures were implemented across the company and a new bus washing machine, which recycles water continuously through a cyclical water-flow, was introduced.

As part of the commitment to manage the carbon footprint and improving sustainability measures, two solar installations were piloted at the company's Multimech complex and Arrowgate depot. This initiative has generated an average of 100 kilowatt hours (kWh) on average per day per site which has provided sufficient rationale for rollouts of solar installations to other company facilities.

ElJoSa

During the reporting period, the company grew its revenue by 22% mainly due to an enlarged customer base and the addition of six new luxury coaches to the 32-strong fleet which consists of luxury, semi-luxury and midi buses.

The company's footprint will be expanded through a presence in the Gauteng region which will boost the private hire component of its operations.

TBRT

Since commencing operations in 2014, TBRT has established itself as the leading Vehicle Operating Company (VOC) in the first phase of the MyCiTi service in the Cape metropole. NPAT increased by 4.3% from the prior year which was largely impacted by higher maintenance costs.

The company's performance was the result of maintaining rigorous operational discipline and adherence to strict contract compliance.

N2 Express JV

The N2 Express JV Vehicle Operating Company consists of GABS and two minibus-taxi associations, Codeta in Khayelitsha and the Route 6 Taxi Association in Mitchells Plain.

The N2 Express JV has been operating four MyCiTi routes between the Metro South-east and the Cape Town city centre since July 2014.

The N2 Express operating contract has been extended to the end of May 2019, although without the endorsement of one of the taxi associations. Approximately 4 000 commuters from Mitchells Plain and Khayelitsha make use of the N2 Express and the City and the other JV partners are resolute in concluding a new contractual arrangement as the shareholders are pivotal in the future roll-out of Phase 2A of the MyCiTi service to the Metro South-east, Wynberg, and Claremont.

Sibanye

Revenue is down 0.5% from the prior year as a result of the insourcing of the Jammie Shuttle service, previously operated by Sibanye, to the University of Cape Town.

Eight new buses were purchased during the review period, which were financed on the strength of the company's balance sheet. With the purchase of the new buses, service performance has improved, savings were achieved and fewer breakdowns were experienced.

HPL&R remains optimistic that through the track record of GABS and its subsidiaries as reliable and competent operators and the innovative manner in which cost containment measures have been instituted, the Group is well positioned to optimise the range of opportunities which will unfold with government's resolve to transform public transport and the growing demand for bus services in the Cape Town metropolitan area.



Y Shaik

Chairperson



FE Meyer

Chief Executive Officer





6

CORPORATE RESPONSIBILITY

INTRODUCTION

HPL&R is a responsible corporate citizen as evidenced by its commitment to environmental sustainability, corporate social investment initiatives, Broad-Based Black Economic Empowerment and its developmental approach to human capital.

ENVIRONMENT

HPL&R's approach to the environment and sustainability is underpinned by a sincere desire to effect positive change and ensure that the Company's ecological footprint is minimised. This is achieved through innovation and a constant monitoring of international best practices.

Group policy includes:

- The promotion of sustainable development and ensuring that the actions of the Group meet the needs of the present, while minimising the cost to future generations.
- Monitoring of compliance with environmental legislation, regulations, and other requirements and observance of the standards propagated by appropriate local or international authorities where no such legislation exists.
- Detailed reporting on environmental and recycling initiatives.
- Encouraging and motivating all group employees to adhere to environmental protection and pollution prevention policies in order to meet environmental objectives.
- Auditing, monitoring and reviewing subsidiary progress and compliance and communicating this to all interested parties.

Environmental Sustainability

Environmental management programmes, sustainability and energy-efficiency strategies are implemented within the Group's environmental management policy.

Greenhouse Gas Emissions

Introduction

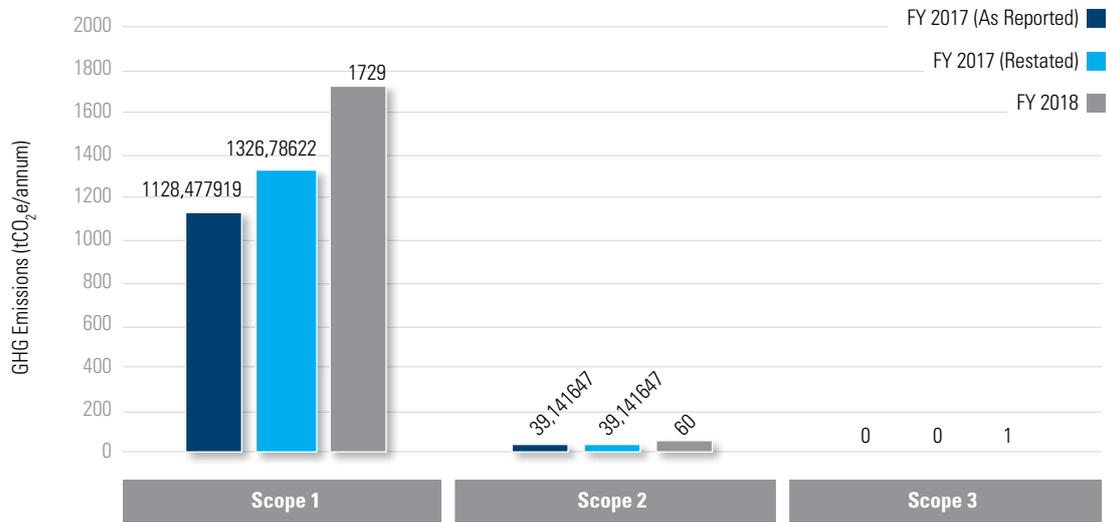
This section contains information pertaining to the carbon footprint for GABS (including TBRT, Sibanye and N2 Express) and ElJoSa for the 2018 Financial Year (FY 2018), from 1 April 2017 to 31 March 2018. It also compares the carbon footprint for FY 2018 with the carbon footprint for FY 2017 and provides an explanation for any major changes. All work has been done in accordance with the World Resources Institute (WRI)/ World Business Council for Sustainable Development (WBCSD)'s GHG Protocol.

Methodology

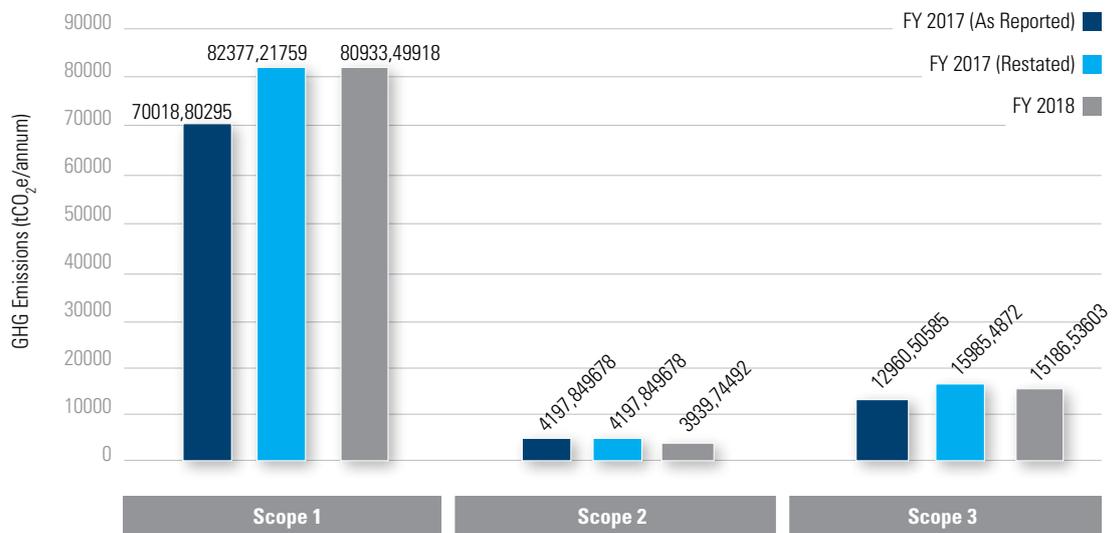
The carbon footprint was calculated according to the WRI/WBCSD's GHG Protocol, a widely used corporate GHG accounting and reporting standard. This year, conversion factors were sourced from the Intergovernmental Panel on Climate Change (IPCC) 2006 Guidelines and the South African Department of Environmental Affairs' Technical Guidelines for Monitoring, Reporting and Verification of GHG Emissions by Industry. This will make the carbon footprinting process easier going forward as the IPCC conversion factors do not change on an annual basis.

Some emission factors, such as those for travel, were still sourced from the Department for Environment, Food and Rural Affairs (DEFRA). Last year, the 2016 DEFRA conversion factors were used to calculate GABS' and ElJoSa's GHG emissions. However, this year, we have restated the carbon footprint for FY 2017 using the IPCC conversion factors. This has been done to ensure ease of comparison between the two years.

ElJoSa Emissions



GABS Emissions



Emissions Summary

Scope 1 and 2 emissions for GABS decreased from 86 575 tCO₂e (restated) in FY 2017 to 84 873 tCO₂e in FY 2018. Scope 3 emissions followed the same trend, decreasing from 15 985 tCO₂e (restated) in FY 2017 to 15 187 tCO₂e in FY 2018.

ElJoSa's Scope 1 and 2 emissions increased 31% from 1 366 tCO₂e in FY 2017 (restated) to 1788 tCO₂e in FY 2018. This increase was due to an increase in Scope 1 and 2 emissions. ElJoSa reports Scope 3 emissions for the first time this year.

Water usage

GABS' water withdrawals decreased by approximately 42% relative to FY 2017. Discharges from the Arrowgate and Philippi Depots and the Epping Head Office decreased by 46% overall. Consumption decreased by 67% between FY 2017 and FY 2018. Consumption is calculated as withdrawals minus sewerage minus discharges.

CORPORATE SOCIAL INVESTMENT

GABS has made significant contributions to social economic development through a variety of projects and programmes which span the last 157 years.

This was achieved though informal social initiatives before the company's efforts were formalised into the Golden Arrow Foundation which was later incorporated into the HCI Foundation.

The Foundation is responsible for administering the majority of the Group's Corporate Social Investment (CSI) initiatives, excluding ElJoSa who are responsible for their own initiatives.

Background

The Golden Arrow Foundation (GAF) was founded in 1993 as a way to give back to the communities

served by Golden Arrow's scheduled bus services. Having always taken great pride in community involvement the donation by the shareholders at that time of 50% of their holding in Golden Arrow's shares as a capital base for the newly formed foundation was merely the formalisation and extension of many years of philanthropic involvement.

Following the acquisition of Golden Arrow Bus Services by HCI, GAF was incorporated into the HCI Foundation. Since then the Foundation has continued to provide financial support to a number of community initiatives across a wide-spectrum including education and early childhood development, health and welfare and social development.

Projects and Programmes

Community Transport Support Programme

The award-winning Community Transport Support Programme (CTSP) has been a particularly successful collaboration between the Foundation, Golden Arrow and a number of community programmes. The Programme allows children from underprivileged communities to enjoy and participate in performing arts, heritage, sport and educational excursions; as well as extra maths and science lessons for school learners.

One of the major beneficiaries of the CTSP is the Grassroots Adventure Bus Programme. The Adventure Bus Programme was officially started in 1974 but Golden Arrow's predecessor, City Tramways, was involved with what was to become Grassroots as early as 1968.

Golden Arrow through the HCI Foundation contributes towards the actual transport costs for educational outings for some 385 pre-schools

through the Adventure Bus Programme.

As a further contribution, a core group of Golden Arrow drivers volunteer their services three days a week while they are off shift. The drivers donate their time and skills free of charge in order to give thousands of historically-disadvantaged children the opportunity to benefit from educational outings such as visits to the Two Oceans Aquarium, Philippi Adventure Farm, the Mini Blue Train and many other inspiring edutainment-oriented venues and activities.

Other beneficiaries of the CTSP include the Artscape Theatre, Baxter Theatre, Getwell, Ibhahhatane Project, Amy Biehl Foundation, College of Magic, Ithemba Labantwana, Magnet Theatre, Sisanda Fundation, Cape Town Science Centre and the Pauline Podbrey Foundation.

Maths Moms

Maths Moms creates a safe space where children are able to learn maths as a gateway to a better future by enlisting the services of retired school teachers or mothers that are respected and trusted community leaders to teach maths to school children in the Elsies River and Ravensmead areas.

The project currently runs at four schools in Elsies River and aims to up-skill unemployed adults in the community, train them in basic mathematics and equip them as broadly as possible so that they can transmit mathematics and life skills to grade 2 and 3 learners.

As an addition to the project's primary focus, selected Golden Arrow staff members have been invited to give motivational talks based on their life experiences, to motivate and encourage those present to rise above their present circumstances.

These have been a resounding success.

JP 21 Project

Golden Arrow was approached by the JP21 Project to assist with transport for rising cricket stars from Mitchells Plain and surrounds. The JP21 Project is the brainchild of beloved South African cricketer, JP Duminy, and focuses on creating a love for cricket from a young age.

GABS assisted the Project by providing transport for 200 children to a provincial mini cricket festival held at Newlands in February 2018. Sport plays an invaluable role in helping to create well-rounded adults and GABS recognises and shares the JP21 Project's commitment to uplifting youth by igniting a passion for cricket.

ElJoSa supports schools

ElJoSa primarily provides transport for scholars and as such they actively give back to a number of schools through fundraising initiatives and discounted or free transport. Schools which have benefited in the last financial year include Riverlands, De Kuilen High, Outeniqua Primary, Stellenbosch Primary and Brackenfell High.

BROAD-BASED BLACK ECONOMIC EMPOWERMENT

HPL&R, as part of HCI's group B-BBEE certification process, has achieved a Level 2 B-BBEE status for the 2018 financial year. HCI is one of the largest empowered entities listed on the JSE.

In terms of HPL&R's specific contribution to the level 2 rating; two areas were particularly notable. In terms of skills development, GABS was able to bolster the rating through its newly constructed specialised Training and Recruitment Centre.

The Training and Recruitment Centre accommodates the company's recruitment department and acts as a hub for driving excellence, as well as promoting and developing skills and competencies that are allied to the commuter bus industry.

In addition to the Training and Recruitment Centre, the two major contributors to skills development were the learnership and apprenticeship programmes, which are run on a continuous basis.

The second area of contribution, preferential procurement, is underpinned by an ongoing process of identifying suitable B-BBEE suppliers.

Going forward HPL&R is committed to furthering its empowerment efforts through partnerships and socio-economic initiatives.

OUR PEOPLE

Employee Relations

HPL&R values its employees and is committed to creating an environment conducive to performance excellence. This is achieved primarily through initiatives which are geared towards personal and professional growth of staff at all levels and a pervasive culture of succession from within. It is also underpinned by a dedication to encouraging staff wellness through the provision of social and clinical services provided primarily by an in-house nursing sister and social worker.

B-BBEE Scorecard Level Two Contributor

| Scorecard Information | Actual Score | Target Score | Analysis | Results |
|----------------------------------------|--------------|---------------|-------------------------------------------|---------------|
| Ownership | 25.00 | 25.00 | Black Ownership Percentage | 81.29% |
| Management Control | 13.12 | 19.00 | Black Women Ownership Percentage | 44.60% |
| Skills Development | 17.25 | 20.00 | Modified Flow Through Principle Applied | No |
| Enterprise and Supplier Development | 37.73 | 40.00 | Exclusion Principle Applied | Yes |
| Socio-Economic Development | 5 | 5.00 | 51% Black Owned Designated Group Supplier | No |
| Total Score | 98.10 | 109.00 | Empowering Supplier | Yes |
| | | | VAT Number | N/A |
| Procurement Recognition Level | 125.00% | | Financial Year End | 31 March 2018 |
| Discounting Principle Applicable | No | | Issue Date | 20 June 2018 |
| Recorded Procurement Recognition Level | 125.00% | | Expiry Date | 19 June 2019 |
| | | | Re-Issue Date | 26 June 2018 |



Training and development

Focus areas

The Group's training and development initiatives focus on holistic interventions which equip staff to deliver to the best of their ability within their own competency areas. A newly-built customised Training and Recruitment Centre will serve as the hub for all training initiatives. It is envisaged that the Centre will ultimately serve as a training provider of choice for the entire bus industry.

Major Achievements

- GABS provided 16 840 training days equating to six days per employee over the 2017/18 period through various interventions ranging from skills programmes to fully accredited training courses.
- 11 apprentices qualified by completing their specific trade test successfully and 18 workshop assistants gained accreditation.
- GABS is represented in and instrumental in the development of the material that will be used by industry for various Occupational Qualifications applicable to the bus industry.
- GABS has launched a 30 month flagship learnership program with 18 learners. This

learnership is aimed at developing learners' soft skills and business acumen through an extensive and intensive training programme. Learners will also obtain a National Certificate in Professional Driving.

- ElJoSa assisted 10 bus drivers through a TETA-Accredited licence upgrading process so that their code 10 licences could be upgraded to code 14 and thereby improve not only their driving skills but future employment prospects

Incidence of Discrimination

The Group's ethos is rooted in fairness and this is championed through our code of ethics. There is a zero tolerance approach to any form of discrimination and this is concretised through formalised grievance and disciplinary procedures.

Freedom of Association and Collective Bargaining

Employees throughout the group are guaranteed freedom of association and are free to join the unions of their choosing. The Group actively seeks to foster positive and transparent relationships with unions throughout its subsidiaries.

7

CORPORATE GOVERNANCE

APPROACH TO CORPORATE GOVERNANCE

The Board charged with Corporate Governance of the newly formed HPL&R Group was fully constituted in March 2018, and the inaugural Board meeting held in March 2018, and attended by all Board members, in which the Board charters and policies of the Board were established and accepted. The report below outlines the Board's approach to Corporate Governance and the structures put in place to meet the Board's objectives in relation to good corporate governance.

During the year under review, the boards' of the subsidiary companies, have taken responsibility for the Corporate Governance of the Group's subsidiary companies. As subsidiaries of the HCI group, the principles of good Corporate Governance have been applied by these Boards. It is noted that Y Shaik, TG Govender, NB Jappie, FE Meyer and ML Wilkin form the Board of Directors of the Group's major subsidiary, GABS.

The Board is fully committed to good corporate governance and stands grounded on the values of ethical behaviour throughout the business and will play a pivotal role in overseeing the delivery of the strategy; supporting effective decision-making and ensuring key risks are identified and properly managed.

The Board endorses the principles of fairness, responsibility, transparency and accountability and is committed to unwavering standards of business integrity and ethics in its business activities. The Board fully recognises the fact that robust corporate

governance practices enhance both shareholder value and the long term sustainability of the business, and as such, will endeavour to implement and review the Group's governance structures and processes to make certain that they support effective and ethical leadership, good corporate citizenship and sustainable development.

As a corporate citizen, HPL&R has a responsibility to conduct its affairs with diligence and to safeguard the interests of all stakeholders. The Board is accountable for the strategy, direction and corporate behaviour of the Company. This includes oversight of policies and procedures that promote Company conduct in accordance with the Group's code of ethics.

The Board endorses and is satisfied that HPL&R, in all material aspects, will comply with the major recommendations of the King IV code to ensure sound corporate governance structures are applied within the Group.

Readers are referred to the HPL&R King IV application register available on the Company's website at www.hplr.co.za for more detail on the application of King IV and the Corporate Governance structure being instituted by the Group.

THE BOARD

The Board of Directors comprises five non-executive directors, three of which are independent and two executive directors.

The Board aims to provide transparency and

accountability to shareholders for the management and control of the Company's activities by maintaining strong leadership based on an ethical foundation.

The Board is responsible for leading and controlling the strategic and governance direction of the Group and is regulated by a formal charter that sets out the roles and responsibilities of the directors. The charter clearly specifies the division of responsibilities, and sets out the practices and processes the Board will follow to discharge its responsibilities. The charter specifically sets a description of roles, functions, responsibilities and powers of the Board, the shareholders, the Chairperson, individual directors, company secretary and any prescribed officers and executives of the Company.

The directors have determined the decision-making authority given to management as well as those matters reserved for decision-making by the directors. The Board charter provides a clear balance of power and authority at Board level, such that no one individual or block of individuals can dominate the Board's decision-making.

The Board has adopted and approved a gender and race diversity policy and will, in identifying suitable candidates for appointment as directors, consider candidates on merit against objective criteria with due regard for the potential benefits of gender and race diversity. Aspects of diversity encompassed in the policy, include, but are not limited to, making good use of differences in skills, geographical and industry experience, background, race, gender and

other distinctions between members of the Board. No specific voluntary targets have been set in terms of race or gender.

The Chairperson leads the Board and is responsible for the governance of the Board and also is poised to facilitate constructive relations between the executive and the non-executive directors. The Chairperson will be elected by the Board on an annual basis after assessing his performance and ability to add value. It should be noted that the current Chairperson, Yunis Shaik, is not an independent director due to his directorship of HPLR's major shareholder, HCI. In this regard, HPL&R has appointed Logie Govender as lead independent director to act as Chairperson where the independence of the Chairperson may be compromised. Given the Chairperson's knowledge of the business and his commercial experience, the Board deems this arrangement appropriate and essential in achieving HPL&R's business objectives.

The division of responsibilities of the Chairperson and CEO has been documented and approved by the Board to ensure a balance of power. There is a clear division between the role of the Chairperson and the CEO who is fully responsible and accountable for the operations of the Company, and whose role and function is formalised.

The Board will annually evaluate the composition of the Board to ensure the appropriate mix of skills and experience. In addition, the Board will be evaluated annually by the Remuneration Committee on a collective basis, and the CEO will be evaluated

on an individual basis. Such evaluation is based on a performance benchmark set by the Board in its charter. In turn, the Board evaluates the performance and effectiveness of the Board sub-committees.

The independent non-executive directors bring independent judgement to issues tabled at director meetings including Group strategy, performance and standards of conduct. Where appropriate, they constructively challenge the executives and ensure that the obligations towards the Company's shareholders are met. Executive directors contribute insight into daily operations.

The boards of the Company's major subsidiaries and operating divisions similarly constitute the necessary mix of skills, experience and diversity.

The Board has delegated the power to manage the daily operations of the Group to the CEO, who may delegate some of these powers. The CEO is supported by the executive management team of the individual subsidiary companies.

The Board has also delegated powers and responsibilities to the elected Committees to execute the strategy and ensure that the objectives, as determined by the individual charters, are met. This ensures that there is a clear division of responsibilities at Board level, which safeguards against an individual exercising an unfettered power of decision-making.

The Board has unrestricted access to the external auditors, professional advisors, the services of the company secretary, the executives and the staff of the Company at any given time. Should a director require independent professional advice on any matters, the Board has agreed that this can be taken at the Company's expense.

Dealing in the Company's securities

HPL&R has adopted a Group-wide share dealing policy to ensure compliance with the continuing obligations of the JSE Listings Requirements. This policy prohibits all directors and employees who have access to financial results and other price-sensitive information from dealing in HPL&R's shares during certain prescribed prohibited periods, as defined by the JSE or when the Company is operating under a cautionary announcement.

The company secretary is charged with disseminating written notices to inform these employees of the insider trading legislation and to advise on closed periods. Details of share dealings by HPL&R's directors or their subsidiaries are required to be disclosed to the Board and the JSE through the Stock Exchange News Service ("SENS"). Written requests by directors and their associates, officers and senior personnel to trade in shares and the requisite approval to trade in HPL&R's shares, outside of closed periods, will be kept on record at HPL&R's office.

Meetings of the Board

The board had one meeting during the 2018 financial year, which was attended by all Board members.

The boards of the subsidiary companies, which were charged with the governance of these individual companies during the year under review, each had six board meetings during the 2018 financial year.

The Board of Directors are scheduled to meet at least four times in a financial year, with additional meetings being held, if necessary, to deal with matters that require the Board's attention between the regular quarterly meetings.

Conflicts of interest

The company secretary will keep a register of declarations of interest for all directors. Directors are not disqualified from contracting within the Group by virtue of their office. However, full disclosure of the nature of a director's interest will be made at every Board meeting. Should a matter arise in which a director has an interest, the director is disqualified from voting and may be required to recuse him/herself from any meeting where the matter is discussed.

Executive directors must distinguish between their role as director and that of manager. Should they be unable to reconcile the two roles, they are required to withdraw from the discussion and the voting.

COMPANY SECRETARY

HCI Managerial Services Proprietary Limited, a juristic person, is the appointed company secretary of the Group and is appointed by the Board in terms of the Companies Act and in accordance with JSE Listings Requirements.

The Board has assessed, through discussion and assessment, the directors and the designated staff of the Company fulfilling the role of company secretary and is satisfied that they have the competence, qualifications and experience to effectively fulfil the role of company secretary. The company secretary provides support and guidance to the Board in matters relating to governance, ethical conduct and fiduciary duties.

Where required, the secretary facilitates induction and training for directors and will coordinate the annual Board evaluation process. Directors have unrestricted access to the advice and services of the company secretary while maintaining an arm's-length relationship between the Board and the company secretary.

The company secretary will attend all Board, Audit and Risk Committee and Social and Ethics Committee meetings.

The certificate that the company secretary, herein represented by Ms CL Phillip is required to issue in terms of section 88(2)(e) of the Companies Act of South Africa, is included on page 44 of this annual report.

COMMITTEES OF THE BOARD

The Board of Directors has delegated certain specific responsibilities to the following Committees:

- Audit and Risk Committee
- Remuneration Committee
- Social and Ethics Committee

Whilst overall responsibility remains with the Board, the Committees will assist the Board in discharging its responsibilities and duties. Full transparency and disclosure of Committee deliberations is encouraged and the minutes of all Committee meetings will be included in the agendas of subsequent Board meetings with the Chairperson of the sub-committees giving feedback to the Board.

All Committees are empowered to obtain such external or other independent professional advice as they consider necessary to carry out their duties. These Committees will play an important role in enhancing good corporate governance and improving internal controls and, as a result, the Company's performance. Each sub-committee acts according to its charter or mandate, approved by the Board and reviewed annually, which sets out its purpose, membership requirements, and duties and reporting procedures.

Notwithstanding the delegation of functions to the sub-committees, the Board remains ultimately responsible for the proper fulfilment of such functions, except in the case of the Audit and Risk Committee functions relating to the appointment, fees and terms of engagement of the external auditor.

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee has the following members, all of whom are Independent non-executive directors:

- L Govender (Chairperson);
- NB Jappie; and
- KF Mahloma

(All members were appointed effective 6 March 2018)

The overall objective of the Committee is to assist the directors to discharge their responsibilities relating to the safeguarding of assets, the operation of adequate and effective systems and internal and financial control processes, the preparation of materially accurate financial reporting information and statements in compliance with all applicable legal and regulatory requirements and accounting standards and the oversight of the external and internal audit appointments and functions. This will be achieved by ensuring that consideration is given to the following:

- the accounting policies of the Group and any proposed revisions thereto;
- the effectiveness of the Group's information systems and internal financial controls;
- monitoring of the Group's risk management, exposure and internal controls;
- the appointment and monitoring of the effectiveness of the external auditors;
- the appropriateness, expertise and experience of the CFO;
- setting the principles for recommending the use of external auditors for non-audit services and recommending that these be kept to a minimum;
- the Integrated Annual Report and specifically the Annual Financial Statements included therein;

- oversight of the internal audit and external audit, and IT systems;
- evaluation of the performance of the internal audit function;
- the Group's going concern status; and
- compliance with relevant laws, regulations, rules, codes of conduct and standards.

REPORT OF THE AUDIT AND RISK COMMITTEE

The Audit and Risk Committee ("the Committee") submits this report for the financial year ended 31 March 2018, as required by section 94 of the Companies Act.

The Committee is a formal Committee of the Board appointed by the shareholders and functions within its documented terms of reference. All members of the Committee are independent non-executive directors who act independently and are suitably skilled and experienced. The Committee members are permitted to consult with specialists or consultants subject to Board approval.

The Chief Executive Officer and the Chief Financial Officer are invited to attend the meetings as permanent invitees, along with the external and internal auditors. Other directors and members of management are also invited to attend as required.

The Committee will perform its duties by holding meetings with key management on a regular basis and by unrestricted access granted to the external and internal auditors.

The Committee held one scheduled meeting during the financial year ended 31 March 2018, which all Committee members attended. The Committee is expected to hold at least four meetings per financial year.

It is noted that this Committee was constituted in March 2018 and for the period under review it has primarily been tasked with appointment of the external auditors and oversight of the Group's Integrated Annual Report and financial statements. The functions it has fulfilled in this regard are outlined below.

Functions of the Audit and Risk Committee

In terms of the Companies Act, the Committee has adopted formal terms of reference, delegated to it by the Board of Directors, as its charter.

The Committee fulfils an independent oversight role regarding the Group's Integrated Annual Report, financial statements in addition to the reporting process, which includes the system of internal financial control. The Committee is ultimately accountable to both the Board and shareholders. The Committee's responsibilities include the statutory duties prescribed by the Companies Act, recommendations by King IV and additional responsibilities assigned by the Board.

The Committee is satisfied that, in respect of the financial period under review, it has performed all the functions required of it by law, including those set out in section 94 of the Act and in terms of the Committee's terms of reference. In connection with the above, the Committee has:

- satisfied itself that the external auditor is independent of HPL&R, as set out in section 94(8) of the Companies Act, and suitable for reappointment by considering, inter alia, the information stated in paragraph 22.15(h) of the JSE Listings Requirements;
- ensured the appointment of the external auditor complied with the Companies Act;
- in consultation with management, agreed to the engagement letter, terms, audit plan and budgeted audit fees for the 2018 financial year;
- considered the nature and extent of non-audit services provided by the external auditor for the financial year ended 31 March 2018 and the fees thereof to ensure the independence of the external auditor is maintained;
- nominated for re-election at the next annual general meeting, BDO Cape Incorporated, as the external audit, firm, and the appointment of Stephan Cillié as the designated auditor for the following financial year;
- reviewed the external audit report on the annual financial statements;
- confirmed that no reportable irregularities were identified or reported by the external auditor;
- reviewed the accounting policies and consolidated annual financial statements (including the summary thereof contained in this annual report) for the year ended 31 March 2018 and based on the information provided to the Committee, considers that the Group complies, in all material aspects, with the requirements of International Financial Reporting Standards, the SAICA Financial Reporting Guides (as issued by the Accounting Practices Committee), the Financial Reporting Pronouncements (as issued by the Financial Reporting Standards Council); the manner required by the Companies Act; and the JSE Listing Requirements; and
- satisfied itself in terms of paragraph 3.84(g)(i) of the JSE Listing Requirements that the Chief Financial Officer, as well as the finance function, has the appropriate expertise and experience.

Internal audit

The Committee has oversight of the Group's financial statements and reporting process, which includes

the system of internal financial control. For the next financial year, it will be responsible for ensuring that the Group's internal audit function is independent and has the necessary resources, standing and authority in the organisation to discharge its duties. For the year under review, this was the responsibility of the boards of the subsidiary companies within the Group. In assessing the system of internal control, the Committee reviewed the internal audit reports of the subsidiary companies for the period under review.

The Committee will oversee cooperation between internal and external auditors, and serve as a link between the Board of Directors and these functions.

Risk management and internal control

The Board acknowledges that it is accountable for the process of risk management and the system of internal control of the Group. The Committee will be accountable to the Board for monitoring the risk management processes. However, the Committee does not assume the functions of management, which remain the responsibility of the executive directors, officers and other members of senior management.

The Committee's responsibilities in terms of risk will be to ensure that:

- management designs, implements and monitors management policies (as approved by the Board);
- risk assessments are performed on an ongoing basis;
- frameworks and methodologies are implemented to increase the probability of anticipating unpredictable risks;
- risk responses by management are considered and implemented;
- risk monitoring is continuous; and

- the Board receives assurance regarding the effectiveness of Group risk management.

Risk registers are presented to the Board, which identify the most significant risks based on likelihood and impact of occurrence, with mitigating controls documented per risk. This is achieved by requiring that subsidiaries report their key risks and responses to the Committee and update the Board when significant changes have taken place.

The Chairperson of the Committee will report the most significant risks derived from the above process to the Board.

Preparation and recommendation of the annual financial statements

The Committee, taking into account the risk of fraud relating to financial reporting, has further considered, and has satisfied itself of the appropriateness of the expertise and adequacy of resources of the HPL&R finance function, the effectiveness of the internal financial controls and the experience of the senior members of management responsible for the finance function.

The Committee has reviewed the consolidated annual financial statements of the Group and is satisfied that they comply with International Financial Reporting Standards and the Companies Act, and that the accounting policies used are appropriate.

The Committee has also reviewed a documented assessment by management of the going concern premise of the Group before recommending to the Board that the Group will be a going concern in the foreseeable future.

Recommendation of the Integrated Annual Report

The Committee has evaluated the 2018 Integrated Annual Report, as well as the complete consolidated annual financial statements of the HPLR Group for the year ended 31 March 2018, and based on the information provided, has recommended them for approval by the Board.



L Govender

Chairperson

Audit and Risk Committee

REPORT OF THE REMUNERATION COMMITTEE

The Group's Remuneration Committee has the following members:

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

Y Shaik resigned as Chairperson of the Remuneration Committee effective 12 June 2018 and was succeeded by TG Govender.

The majority of the members of the Remuneration Committee are independent non-executive directors. 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 Committee at the request of the Committee, but recuses himself from the meeting before any decisions are made.

The Committee met once during the financial year ended 31 March 2018, which was attended by all members. The Committee is scheduled to hold two

meetings per financial year.

The Group's Remuneration Policy and the Implementation Report will be 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, HPL&R will in its voting results announcement include an invitation to dissenting shareholders to engage with HPL&R and the Board, as well as the manner and timing of such engagement.

Remuneration policy

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 the Group's key management. It takes cognisance of local best practice relating to remuneration in order 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 executives 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.

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.

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.
- Long-term incentives: the Company has introduced a share incentive 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, GABS, 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 November 2018 to the 2019 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 | R104 000 | R110 240 |
| Board Committee members – annual fee* | R43 000 | R45 580 |

** 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 R45 580.*

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.

HPL&R Group Share Option Scheme

During the 2018 financial year, the Group implemented a share option scheme, known as the HPL&R Group Employee Option Scheme (“the Scheme”). In terms of the Scheme, 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 equates 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.

On 31 March 2018, the Remuneration Committee awarded a total of 6 572 422 share options to the executive directors and key management of the Group, at an option price of R6.98. Refer to the Implementation Report below for details of the share options awarded to executive directors. In terms of the Scheme, all future share options will be 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.



TG Govender

Chairperson
Remuneration Committee



IMPLEMENTATION OF THE REMUNERATION POLICY

The HPL&R Group is in its first year of operation, having restructured during the end of the 2018 financial year end and constituting its current Board and sub-committees in March 2018, and therefore, items in the Remuneration Policy such as salary increases will only be effective for the 2019 financial year end and awarding of incentive bonuses relating to the performance of the 2018 financial year end will only be paid in 2019. Therefore, no information has been disclosed within the 2018 Implementation Report relating to these items.

During the 2018 financial year end, the executive directors' remuneration and incentive bonuses were approved by the Group's major shareholder, HCI.

The Remuneration Committee is satisfied that the Group complied with the Remuneration Policy for the 2018 financial year.

Remuneration

The following sets out the remuneration paid to directors for the years ended 31 March 2018 and 31 March 2017.

| Year ended 31 March 2018 | HPLR Group Directors' Fees R'000s | Directors' fees R'000s | Salary R'000s | Fringe benefits including medical aid R'000s | Pension contri- butions R'000s | Bonus R'000s | Gain from share schemes R'000s | Total R'000s |
|----------------------------------------------------|-----------------------------------------------|------------------------------|------------------|-------------------------------------------------------------|-----------------------------------------|-----------------|--------------------------------------------|-----------------|
| Executive Directors | | | | | | | | |
| FE Meyer | – | – | 2 761 | 703 | 258 | 3 000 | – | 6 722 |
| ML Wilkin | – | – | 2 162 | 494 | 202 | 2 329 | – | 5 187 |
| | – | – | 4 923 | 1 197 | 460 | 5 329 | – | 11 909 |
| Non-executive Directors | | | | | | | | |
| Y Shaik | 23 | 250 | 3 609 | – | – | 1 758 | 1 371 | 7 011 |
| TG Govender | 17 | 123 | 2 271 | 425 | – | 1 107 | 1 715 | 5 658 |
| L Govender | 8 | 371 | – | – | – | – | – | 379 |
| NB Jappie | 76 | 173 | – | – | – | – | – | 249 |
| KF Mahloma | 8 | – | – | – | – | – | – | 8 |
| Paid by HCI subsidiaries not in the HPL&R Group | – | (917) | (5 880) | (425) | – | (2 865) | 3 086) | (13 173) |
| Total paid by HPL&R Group | 132 | – | 4 923 | 1 197 | 460 | 5 329 | – | 12 041 |

FE Meyer and ML Wilkin were remunerated by Golden Arrow Bus Services Proprietary Limited as executive directors for the years ended 31 March 2018 and 31 March 2017.

Y Shaik and TG Govender were appointed to the Board on 1 February 2018, while FE Meyer, ML Wilkin, L Govender, NB Jappie and KF Mahloma were appointed to the Board on 6 March 2018.

L Govender was remunerated by Deneb Investments Limited and E-Media Holdings Limited (both subsidiaries of HCI) as non-executive director for the years ended 31 March 2018 and 31 March 2017.

NB Jappie was remunerated by Deneb Investments Limited and Golden Arrow Bus Services Proprietary Limited as non-executive director for the years ended 31 March 2018 and 31 March 2017.

Y Shaik was remunerated by HCI as executive director for the years ended 31 March 2018 and 31 March 2017. Y Shaik was also remunerated as non-executive director by Deneb Investments Limited and Niveus Investments Limited for the years ended 31 March 2018 and 31 March 2017.

TG Govender was remunerated by HCI as executive director for the years ended 31 March 2018 and 31 March 2017. TG Govender was also remunerated by Deneb Investments Limited as non-executive director for the years ended 31 March 2018 and 31 March 2017.

| Year ended 31 March 2017 | HPLR Group Directors' Fees R'000s | Directors' fees R'000s | Salary R'000s | Fringe benefits including medical aid R'000s | Pension contri- butions R'000s | Bonus R'000s | Gain from share schemes R'000s | Total R'000s |
|----------------------------------------------------|-----------------------------------------------|------------------------------|------------------|-------------------------------------------------------------|-----------------------------------------|-----------------|--------------------------------------------|-----------------|
| Executive Directors | | | | | | | | |
| FE Meyer | – | – | 2 553 | 673 | 258 | 2 317 | – | 5 782 |
| ML Wilkin | – | – | 1 986 | 431 | 202 | 1 945 | – | 4 548 |
| | – | – | 4 539 | 1 104 | 460 | 4 262 | – | 10 330 |
| Non-executive Directors | | | | | | | | |
| Y Shaik | – | 245 | 3 355 | – | – | 2 181 | 1 311 | 7 092 |
| TG Govender | – | 116 | 3 380 | 585 | – | 1 690 | 1 640 | 7 411 |
| L Govender | – | 360 | – | – | – | – | – | 360 |
| NB Jappie | 68 | 163 | – | – | – | – | – | 231 |
| KF Mahloma | – | – | – | – | – | – | – | – |
| Paid by HCI subsidiaries not in the HPL&R Group | – | (884) | (6 735) | (585) | – | (3 871) | (2 951) | (15 026) |
| Total paid by HPL&R Group | 68 | – | 4 539 | 1 104 | 460 | 4 262 | – | 10 398 |

HPL&R Group Employee Option Scheme

The following share options were awarded to executive directors on 31 March 2018. No additional share options have been awarded to directors from year end to the date of this report. As these are the first share options to be awarded and the first tranche are only due to vest in 2021, there are no long term incentive outcomes to report for the year ended 31 March 2018.

| Director | Number of options awarded | Number of option shares exercised to date | Option price per share | Award date | Closing balance of option shares at year end |
|-----------|---------------------------|-------------------------------------------|------------------------|---------------|----------------------------------------------|
| FE Meyer | 2 016 344 | – | R6.98 | 31 March 2018 | 2 016 344 |
| ML Wilkin | 1 263 484 | – | R6.98 | 31 March 2018 | 1 263 484 |

SOCIAL AND ETHICS COMMITTEE

The Group's Social and Ethics Committee comprises the following members:

- Y Shaik (Chairperson)
- NB Jappie
- KF Mahloma; and
- FE Meyer

The Social and Ethics Committee will assist the Board in monitoring the Company's performance as a good responsible corporate citizen. The Committee comprises executive and non-executive directors with the majority being non-executive directors. To bolster the independence of the Social and Ethics Committee, in the next financial year the Board will appoint an independent non-executive director to replace Y Shaik as the Chairperson of this Committee.

The Social and Ethics Committee will be responsible for monitoring the Group's activities, having regard to any relevant legislation, other legal requirements and prevailing codes of best practice, in respect of social and economic development, good corporate citizenship (including the promotion of equality,

prevention of unfair discrimination, the environment, health and public safety, including the impact of the Group's activities and of its products or services), stakeholder and consumer relationships and labour and employment issues. In discharging its duties the Social and Ethics Committee will give regard to:

- the 10 principles set out in the United Nations Global Compact;
- the OECD recommendations regarding corruption;
- the Employment Equity Act;
- the Broad-Based Black Economic Empowerment Act, 53 of 2003;
- good corporate citizenship;
- environment, health and public safety; and
- labour and employment.

The Social and Ethics Committee will draw to the attention of the Board, matters within its mandate as occasion requires and will report to the Shareholders at the Group's annual general meeting on such matters. In order to carry out its functions, the Social and Ethics Committee will be entitled to request information from any directors or employees of the Group, attend and be heard at general Shareholders'

meetings, and receive notices in respect of such meetings.

The Social and Ethics Committee will hold at least one meeting per financial year. The Committee held one meeting in the 2018 financial year, which was

attended by all members, in which the Committee was constituted and its Charter approved and submitted to the Board of Directors. The first meeting will be held in the 2019 financial year in which the Committee will fulfil its mandate as outlined above.



8

SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

STATEMENT OF RESPONSIBILITY OF THE BOARD OF DIRECTORS

The directors of Hosken Passenger Logistics and Rail Limited ("HPL&R" 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 annual financial statements, set out on pages 49 to 55, and the annual financial statements for the year ended 31 March 2018, available on HPL&R'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 annual financial statements.

The annual financial statements are based upon appropriate accounting policies and supported by reasonable and prudent judgements and estimates. The annual financial statements were prepared under the supervision of the Chief Financial Officer, Mark Wilkin CA(SA).

The directors are satisfied that the information contained in the 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 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 annual financial statements were audited by the independent auditor, BDO Cape Incorporated, to whom unrestricted access was given to all financial records and related information. The report of the independent auditor is presented on page 48.

The annual financial statements for the year ended 31 March 2018 were approved by the Board of directors on 24 July 2018 and are signed on its behalf by:



FE Meyer
Chief Executive Officer
Cape Town
24 July 2018



ML Wilkin
Chief Financial Officer

DECLARATION BY THE 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 2018, 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
24 July 2018

DIRECTORS' REPORT

NATURE OF BUSINESS AND OPERATIONS

The Company has been dormant since incorporation until the acquisition of HPL and R Investments Proprietary Limited, which holds 100% of Golden Arrow Bus Services Proprietary Limited (which in turn, has various subsidiaries) and 76% of Eljosa Travel and Tours Proprietary Limited, from Hosken Consolidated Investments Limited ("HCI") on 1 February 2018. From this date the Company serves as an investment holding company. Its interests consist mainly of investments in the transport sector.

RESULTS

The Group made attributable net profit for the year of R236 million.

The Group's operating profit is largely in-line with the prior year, reflecting a 1.8% increase. Although Group revenue has increased by 7.5% the marginal increase in operating profit is largely attributable to the increase in fuel and labour costs in the industry. Operational efficiencies introduced by management aided in the Group's ability to show an increase in Headline earnings per share of 2.8% for the period.

The increase in depreciation and amortisation costs is due to the ongoing fleet recapitalisation program of the Group's major subsidiary, Golden Arrow Bus Services Proprietary Limited, and is evidenced in the increase in Property Plant and Equipment over the period.

The increase in investment revenue is largely attributable to the interest accrued on the promissory notes receivable on the disposal of KVV by La Concorde Holdings Limited ("La Concorde"), ceded to the Group on the restructure (Refer below).

DIVIDENDS AND DISTRIBUTION TO SHAREHOLDERS

The directors have not declared a final dividend for the full year, as dividends of R120 million were declared and paid to equity holders of the Group on 28 November 2017 (R11.9 million was paid to non-controlling interest during the year). In addition, a distribution of R649.8 million was paid out to Shareholders on 1 February 2018, as part of the restructure and capitalisation of the Group, as referred to below.

In future, the Company aims, in line with the dividend policy disclosed in its pre-listing statement dated 15 March 2018, to declare and pay approximately 50% of its annual profit after tax as a dividend to shareholders, subject to working capital requirements and capital expenditure required for expansion and maintenance.

GROUP RESTRUCTURE AND SHARE ISSUE

On 1 February 2018, the Company acquired 100% of the issued share capital of HPL and R Investments Proprietary Limited, from HCI for a consideration of R1.8 billion, which was settled by the allotment and issue of shares, constituting approximately 62% of the issued share capital of the Company.

The remaining approximately 38% of the issued share capital of the Company was issued to La Concorde Holdings Limited ("La Concorde"), a subsidiary of Niveus Investments Limited ("Niveus"), in exchange for cash of R649.8 million and the cession of Promissory notes with a value of R450.2 million at the time of the share issue.

As holding company of Niveus, HCI remained the controlling shareholder of the Group at year-end with an effective holding of approximately 73.06%.

On 13 April 2018, La Concorde unbundled its holding of approximately 38% of the issued share capital of the Company to its shareholders by way of a distribution in specie, pro rata to their respective holdings in La Concorde, resulting in Niveus thereafter holding approximately 22% of the issued share capital in the Company. On 30 April 2018, Niveus unbundled its approximate 22% shareholding in the Company to its shareholders by way of a distribution in specie, pro rata to their respective holdings in Niveus. Following the Niveus and La Concorde unbundlings, HCI still remains the controlling shareholder of the Group and its effective shareholding remains at approximately 73.06%.

Refer to the Shareholder Analysis included on page 14 for details of the shares in issue at year end, and subsequent to the Niveus unbundling, on 30 April 2018.

SHARE CAPITAL

The authorised share capital at 31 March 2018 was 1 000 000 000 ordinary shares at no par value. At 31 March 2018, the total shares issued was 290 000 000.

MAJORITY SHAREHOLDER

HCI is the holding company of HPL&R with an effective interest of 73.06%.

DIRECTORATE

The directors of the Company at the date of this report are as follows:

| Directors | Office | Designation | Nationality | Appointment date |
|------------------|-------------------------|---------------------------|--------------------|-------------------------|
| Mr Y Shaik | Chairman | Non-executive | South African | 1 February 2018 |
| Mr FE Meyer | Chief Executive Officer | Executive | South African | 6 March 2018 |
| Mr ML Wilkin | Chief Financial Officer | Executive | South African | 6 March 2018 |
| Mr TG Govender | Deputy Chairman | Non-executive | South African | 1 February 2018 |
| Mr L Govender | Lead Independent | Independent non-executive | South African | 6 March 2018 |
| Ms NB Jappie | | Independent non-executive | South African | 6 March 2018 |
| Ms KF Mahloma | | Independent non-executive | South African | 6 March 2018 |

A van der Veen and MM Loftie-Eaton resigned as directors of the Company effective 6 March 2018 following the conclusion of the Group restructure.

In accordance with the Company's MOI and Section 10.16(g) of the JSE Listing Requirements, all directors will retire at the forthcoming annual general meeting being the first annual general meeting of the Company. All retiring directors, being eligible, offer themselves for re-election.

Details of directors' emoluments are included in the Remuneration Policy Implementation Report on pages 40 to 42.

SHAREHOLDINGS OF DIRECTORS

At year end no director held any shares in the Company. However, based on their shareholding in La Concorde and Niveus the following directors (including directors who have resigned during the last 18 months) received shares in the Company on the unbundling by La Concorde, subsequent to the listing on the JSE, and the unbundling by Niveus as follows:

| Director | Direct number | 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 |
|------------------|----------------------|-----------------------------------------|---------------------------------------|-------------------------------------------|------------------------------------|----------------------------------------|
| Y Shaik | – | – | – | – | – | – |
| TG Govender | 111 407 | 0.0% | 834 015 | 0.3% | 945 422 | 0.3% |
| MM Loftie-Eaton* | – | – | 103 707 | 0.0% | 103 707 | 0.0% |
| A Van der Veen* | – | – | 458 428 | 0.2% | 458 428 | 0.2% |
| | 111 407 | 0.0% | 1 396 150 | 0.5% | 1 507 557 | 0.5% |

* MM Loftie-Eaton and A Van Der Veen resigned as directors with effect from 6 March 2018.

In addition to the holdings reflected above, subsequent to year end and to the date of the approval of the annual financial statements the following director acquired an interest in the shares of 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 | 52 500 | 0.0% | 3 000 | 0.0% | 55 500 | 0.0% |

No further changes occurred in the directors' interest from 31 March 2018 to the date of the approval of the annual financial statements.

On 31 March 2018 share options of 2 016 344 and 1 263 484 were awarded to FE Meyer and ML Wilkin respectively, at an option price of R6.98. Details of the Group's share option scheme are included in the Remuneration Policy Implementation Report on page 42.

COMPANY SECRETARY

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

INVESTMENTS

| Company | Nature of business | Holding |
|--------------------------------------------------|---------------------------|----------------|
| HPL and R Investments Proprietary Limited | Investment holding | 100% |
| Golden Arrow Bus Services Proprietary Limited | Transport services | 100% |
| Eljosa Travel & Tours Proprietary Limited | Transport services | 76% |
| Table Bay Area Rapid Transit Proprietary Limited | Transport services | 50.06% |
| Sibanye Bus Services Proprietary Limited | Transport services | 33.33% |
| 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 and separate annual financial statements have been prepared on the basis of accounting policies applicable to a going concern.

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.

AUDITORS

BDO Cape 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 2018.

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 2018.

SUBSEQUENT EVENTS

The Company successfully listed on the main board of the JSE on 24 April 2018.

The directors are not aware of any further matter or circumstance arising since the end of the financial year, 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, Mark Wilkin CA(SA).

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

To the shareholders of Hosken Passenger Logistics and Rail Limited

OPINION

The summarised consolidated financial statements of Hosken Passenger Logistics and Rail Limited, which comprise the summarised consolidated statement of financial position as at 31 March 2018, the summarised consolidated statements of profit and loss, the statement of other comprehensive income, changes in equity and 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 2018.

In our opinion, the accompanying summarised consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements of Hosken Passenger Logistics and Rail Limited, with the requirements of International Accounting Standard 34: Interim Financial Reporting and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

The summarised consolidated financial statements do not contain all the disclosures required by the International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to financial statements. Reading the summarised consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon. The summarised financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on those consolidated financial statements.

THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND OUR REPORT THEREON

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 24 July 2018. That report also includes our communication of key audit matters.

DIRECTORS' RESPONSIBILITY FOR THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the summarised consolidated financial statements in accordance with International Accounting Standard 34: Interim Financial Reporting and the requirements of the Companies Act of South Africa and for such internal control as the directors determine is necessary to enable the preparation of the summarised consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

BDO Cape Inc.

BDO CAPE INCORPORATED

Chartered Accountants (SA)
Registered Auditors

SF Cillié
Director
Chartered Accountant (SA)
Registered Auditor
24 July 2018

SUMMARISED ANNUAL FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2018

| | 2018 R'000 | 2017 ¹ R'000 |
|-----------------------------------------------------|------------------|----------------------------|
| ASSETS | | |
| Non-current assets | 1 709 120 | 1 344 793 |
| Property, plant and equipment | 1 462 937 | 1 319 131 |
| Goodwill | 8 451 | 8 451 |
| Intangible assets | 78 | 57 |
| Investments in associates | 18 343 | 16 757 |
| Deferred taxation | 414 | 397 |
| Other financial asset | 218 897 | – |
| Current assets | 630 598 | 366 857 |
| Inventories | 15 714 | 17 381 |
| Other financial asset | 237 503 | – |
| Trade and other receivables | 67 816 | 57 410 |
| Taxation | 1 435 | 3 669 |
| Cash and cash equivalents | 308 130 | 288 397 |
| Total assets | 2 339 718 | 1 711 650 |
| EQUITY AND LIABILITIES | | |
| Equity | 1 406 308 | 829 570 |
| Equity attributable to equity holders of the parent | 1 373 693 | 794 416 |
| Non-controlling interest | 32 615 | 35 154 |
| Non-current liabilities | 557 397 | 537 070 |
| Borrowings | 300 887 | 293 006 |
| Post-employment medical benefit liability | 58 928 | 68 880 |
| Deferred taxation | 197 582 | 175 184 |
| Current liabilities | 376 013 | 345 010 |
| Trade and other payables | 124 720 | 114 631 |
| Derivative financial liability | – | 6 290 |
| Current portion of borrowings | 149 323 | 130 670 |
| Taxation | 4 340 | 172 |
| Provisions | 97 630 | 93 247 |
| Total equity and liabilities | 2 339 718 | 1 711 650 |

¹ The comparatives of the Company and its subsidiaries ("Group") have been prepared on the common control accounting method, refer to the notes to the summarised consolidated financial statements.

SUMMARISED ANNUAL FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 March 2018

| | 2018 R'000 | 2017 ^{1,2} R'000 |
|--------------------------------|-----------------------------|------------------------------|
| Revenue | 1 808 406 | 1 682 964 |
| Other income | 4 501 | 2 939 |
| Operating expenses | (1 358 793) | (1 239 967) |
| Operating profit | 454 114 | 445 936 |
| Depreciation and amortisation | (112 076) | (99 569) |
| Investment income | 22 310 | 15 000 |
| Share of profits of associates | 7 283 | 6 837 |
| Finance costs | (39 618) | (38 059) |
| Profit before taxation | 332 013 | 330 145 |
| Taxation | (86 619) | (88 407) |
| Profit for the year | 245 394 | 241 738 |
| Attributable to: | 235 947 | 228 336 |
| Equity holders of the parent | 9 447 | 13 402 |
| Non-controlling interest | 245 394 | 241 738 |

¹ The Group's comparatives have been prepared on the common control accounting method, refer to the notes to the summarised consolidated financial statements.

² The Group's subsidiaries historically presented their respective Statement of Profit or Loss in terms of the "function method". The Group has elected to present the Statement of Profit or Loss on the "nature method" as this presents more relevant disclosure for the Group and more closely represents how management evaluate the results of the Group.

SUMMARISED ANNUAL FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

As at 31 March 2018

| | 2018 R'000 | 2017 ¹ R'000 |
|--------------------------------------------------------------------------|----------------|----------------------------|
| Profit for the year | 245 394 | 241 738 |
| Other comprehensive income: | | |
| <i>Items that may be reclassified subsequently to profit or loss</i> | | |
| Cash flow hedging – current year losses | (343) | (6 315) |
| Cash flow hedging – amount capitalised to property, plant and equipment | 6 633 | 25 |
| Taxation relating to cash flow hedging | (1 761) | 1 761 |
| <i>Items that may not be reclassified subsequently to profit or loss</i> | | |
| Actuarial gains/(losses) on defined benefit plans | 16 863 | (3 304) |
| Taxation relating to actuarial gains/(losses) on defined benefit plans | (4 722) | 925 |
| Total comprehensive income for the year | 262 064 | 234 830 |
| Attributable to: | | |
| Equity holders of the parent | 252 617 | 221 428 |
| Non-controlling interest | 9 447 | 13 402 |
| | 262 064 | 234 830 |

| Reconciliation of headline earnings | Gross | 2018 R'000 Net | Gross | 2017 ¹ R'000 Net |
|---------------------------------------------------------|-------|----------------------|-------|-----------------------------------|
| | | | | |
| Earnings attributable to equity holders of the parent | | 245 394 | | 228 336 |
| IAS 16 (Profit)/loss on disposal of plant and equipment | (860) | (619) | 797 | 574 |
| Headline profit | | 235 328 | | 228 910 |
| Earnings per share (cents) | | | | |
| Basic | | 81.36 | | 78.74 |
| Diluted | | 81.36 | | 78.74 |
| Headline earnings per share (cents) | | | | |
| Basic | | 81.15 | | 78.93 |
| Diluted | | 81.15 | | 78.93 |
| Weighted average number of shares in issue ('000) | | | | |
| Basic | | 290 000 | | 290 000 |
| Diluted | | 290 000 | | 290 000 |
| Actual number of shares in issue ('000) | | 290 000 | | – |

¹ The Group's comparatives have been prepared on the common control accounting method, refer to the notes to the summarised consolidated financial statements.

SUMMARISED AUDITED ANNUAL FINANCIAL STATEMENTS CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | 2018 R'000 | 2017 ¹ R'000 |
|-------------------------------------------------|-----------------------------|----------------------------|
| Balance at the beginning of the year | 829 570 | 714 762 |
| Shares issued | 2 900 000 | – |
| Share issue costs | (3 538) | – |
| Total comprehensive income | 262 064 | 234 830 |
| Effects of changes in shareholding ¹ | (1 800 000) | – |
| Business combinations | – | (22) |
| Dividends/distribution to shareholders | (781 788) | (120 000) |
| Balance at the end of the year | 1 406 308 | 829 570 |

¹ The Group's comparatives have been prepared on the common control accounting method, refer to the notes to the summarised consolidated financial statements.

SUMMARISED ANNUAL FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2018

| | 2018 R'000 | 2017 ¹ R'000 |
|---------------------------------------------|------------------|----------------------------|
| Cash flows from operating activities | 249 763 | 252 588 |
| Cash generated by operations | 462 993 | 462 154 |
| Investment income | 15 132 | 15 000 |
| Finance cost | (36 940) | (38 417) |
| Changes in working capital | 4 340 | 16 707 |
| Taxation paid | (63 776) | (82 856) |
| Dividends paid | (131 986) | (120 000) |
| Cash flows from investing activities | (97 117) | (49 585) |
| Investment in subsidiary company | – | (9 636) |
| Dividends received | 5 000 | 8 900 |
| Property, plant and equipment | | |
| – Additions | (104 079) | (52 610) |
| – Disposals | 1 962 | 3 761 |
| Cash flows from financing activities | (132 913) | (157 406) |
| Ordinary shares issued ² | 649 802 | – |
| Other liabilities raised | (3 538) | – |
| Funding raised | 30 000 | – |
| Funding repaid | (159 375) | (157 406) |
| Distribution to shareholders ² | (649 802) | – |
| Increase in cash and cash equivalents | 19 733 | 45 597 |
| Cash and cash equivalents | | |
| At the beginning of the year | 288 397 | 242 800 |
| At the end of the year | 308 130 | 288 397 |

¹ The Group's comparatives have been prepared on the common control accounting method, refer to the notes to the summarised consolidated financial statements.

² As part of the restructure of the Group, Ordinary Shares to the value of R1.1 billion were issued to La Concorde Holdings Limited on the 1 February 2018 in exchange for cash of R649.8 million and a receivable of R450.2m. The Company subsequently declared and paid out a distribution of R649.8m to Shareholders on 1st February 2018, refer to the Directors Report for further detail on the Group restructure.

NOTES TO THE SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

For the year ended 31 March 2018

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 consolidated annual financial statements to be prepared in accordance with the framework concepts, the measurement and recognition requirements of 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 annual financial statements from which the summarised consolidated financial statements were derived, are compliant in terms of IFRS and are consistent with those applied in the previous annual financial statements. The Group has adopted all new and amended accounting pronouncements issued by the International Accounting Standards Board that are effective for financial years commencing 1 April 2017. None of the new or amended accounting pronouncements that are effective for the financial year commencing 1 April 2017 had a material impact on the Group.

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.

COMMON CONTROL

The restructure of the Group, prior to its listing on the JSE, is a common control transaction as HCI remains the ultimate controlling shareholder of the Group. As such IFRS 3 does not apply due to common control. The Group has therefore applied predecessor accounting to its consolidated financial statements with the effect that the assets and liabilities of the subsidiaries acquired under the Group restructure are recognised under the predecessor value method and carried at historical carrying values, with no goodwill being recognised and a common control reserve arising on the Group restructure. This treatment requires that the comparative figures are presented as if the common control transaction had taken place at the start of the first reporting period presented, i.e. 1 April 2016.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment – 31 March 2018

| | Cost R'000 | Accumulated depreciation R'000 | Carrying value R'000 |
|------------------------------|------------------|--------------------------------------|----------------------------|
| Buses | 1 748 454 | (679 911) | 1 068 543 |
| Computer and radio equipment | 96 262 | (27 168) | 69 094 |
| Land and buildings | 313 273 | (14) | 313 259 |
| Motor vehicles | 23 750 | (18 081) | 5 669 |
| Plant and machinery | 27 974 | (23 037) | 4 937 |
| Office equipment | 6 566 | (5 131) | 1 435 |
| | 2 216 279 | (753 342) | 1 462 937 |

Reconciliation of property, plant and equipment – 31 March 2018

| | Opening balance R'000 | Additions R'000 | Disposals/ transfers R'000 | Depreciation R'000 | Impairment loss R'000 | Closing balance R'000 |
|------------------------------|-----------------------------|--------------------|----------------------------------|-----------------------|-----------------------------|-----------------------------|
| Buses | 994 668 | 180 588 | (780) | (102 643) | (3 290) | 1 068 543 |
| Computer and radio equipment | 26 811 | 46 125 | (70) | (3 772) | – | 69 094 |
| Land and buildings | 283 677 | 29 585 | – | (3) | – | 313 259 |
| Motor vehicles | 6 848 | 2 018 | (16) | (3 181) | – | 5 669 |
| Plant and machinery | 6 760 | 240 | – | (2 063) | – | 4 937 |
| Office equipment | 367 | 1 433 | – | (365) | – | 1 435 |
| | 1 319 131 | 259 989 | (866) | (112 027) | (3 290) | 1 462 937 |

R155 909 000 of bus acquisitions for the year were financed through instalment sale agreements. Such additions are reflected in the cash flow statement net of the instalment sale agreements utilised to finance them.

NOTES TO THE SUMMARISED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2018

OTHER FINANCIAL ASSET

This amount is made up of Promissory notes ceded to the Company by La Concorde on 1 February 2018 as part consideration for shares issued to La Concorde on the restructure of the Group (R237 503 000 is classified as current at year end). This receivable is the remaining balance of the deferred settlement of the purchase consideration for the sale of KVV by La Concorde, and is receivable in two instalments on 1 October 2018 and 1 October 2019. The instalments are secured by way of Investec Bank payment obligations that carry interest at 8.5%, compounded annually.

BORROWINGS

Group borrowings at year end are made up as follows:

| | 2018 R'000 | | | 2017 R'000 | | |
|-----------------------------|----------------|----------------|----------------|---------------|---------|---------|
| | Non-current | Current | Total | Non-current | Current | Total |
| Term loan | 17 109 | 6 934 | 24 043 | – | – | – |
| Instalment sale agreements | 283 778 | 142 389 | 426 167 | 278 025 | 130 670 | 408 695 |
| Loan from associate company | – | – | – | 14 981 | – | 14 981 |
| Total borrowings | 300 887 | 149 323 | 450 210 | 293 006 | 130 670 | 423 676 |

Instalment sale agreements are entered into with financial institutions to finance the acquisitions of busses by the major subsidiary, Golden Arrow Bus Services Proprietary Limited. Interest was charged for the year at a weighted average effective rate of 9.04% and monthly instalments are repayable over a period of five years. These instalment sales are secured over the cost of the vehicles financed, however this security is limited to the outstanding balance owing on the instalment sale agreement.

The term loan is unsecured, bears interest at prime less 0.5% and is repayable in monthly instalments over four years.

9

CORPORATE INFORMATION

SHAREHOLDERS' DIARY

Financial year-end
Annual general meeting

31 March 2018
22 October 2018

Reports

- Interim report to 30 September 2018
- Integrated Annual Report

November 2018
July 2018

COMPANY INFORMATION

Directors

Executive directors

FE Meyer[#] (Chief Executive Officer)
ML Wilkin[#] (Chief Financial Officer)

Non-executive directors

Y Shaik* (Chairperson)
TG Govender* (Deputy Chairperson)

Independent non-executive directors

L Govender[#] (Lead Independent Director)
NB Jappie[#]
KF Mahloma[#]

* appointed 1 February 2018

[#] appointed 6 March 2018

Company name and registration

HOSKEN PASSENGER LOGISTICS AND RAIL LIMITED

(Previously Niveus Invest 17 Proprietary Limited)
("the Company" or "the Group" or "HPLR")
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 Cape 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
(PO Box 61051, Marshalltown, 2107)

Sponsor

PSG Capital Proprietary Limited
1st Floor, Ou Kollege, 35 Kerk Street, Stellenbosch, 7600
(PO Box 7403, Stellenbosch, 7599)

and at

2nd Floor, Building 3, 11 Alice Lane, Sandhurst,
Sandton, 2196
(PO Box 650957, Benmore, 2010)

Website Address

www.hplr.co.za

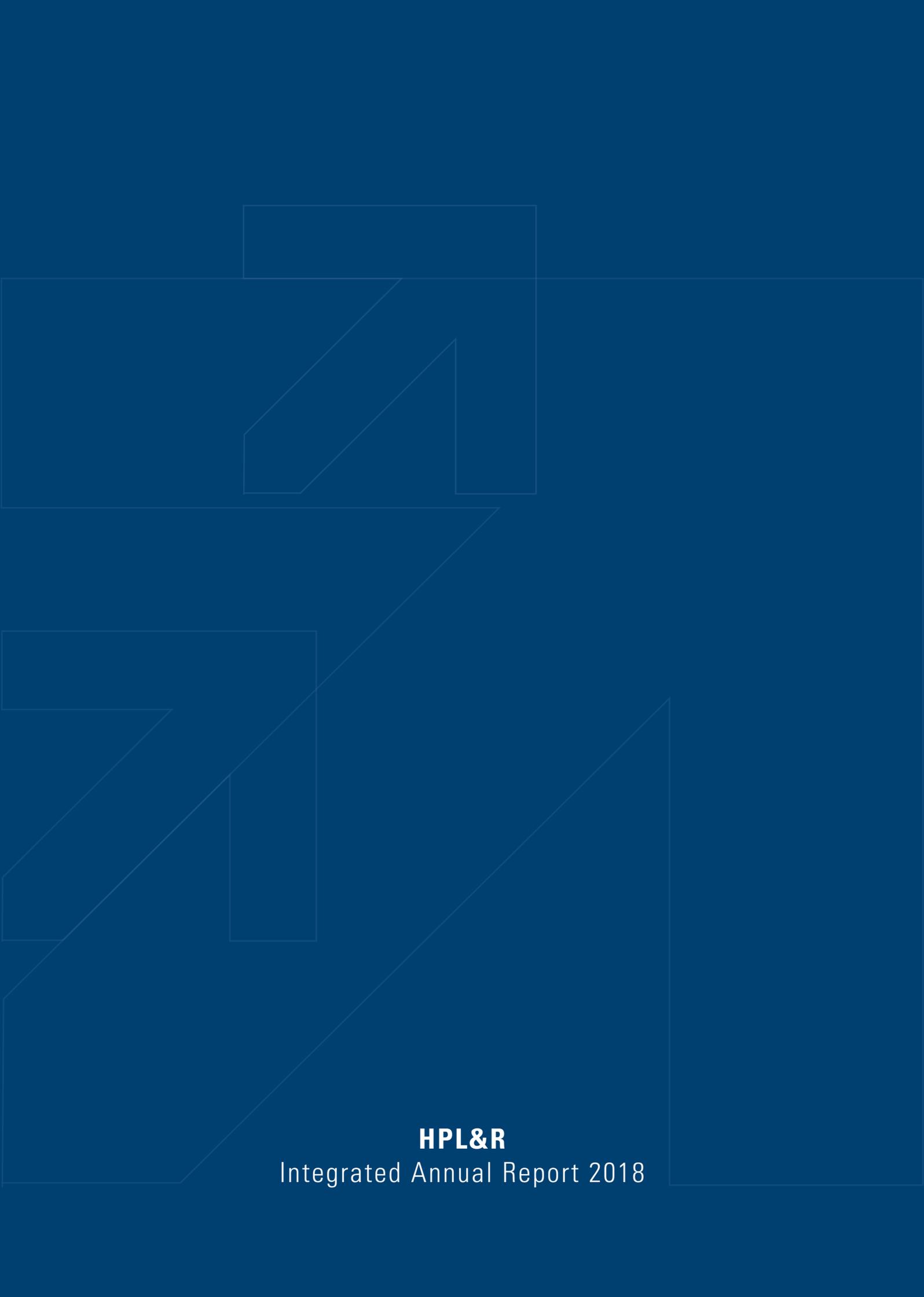


10 / GLOSSARY OF TERMS

| | |
|------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| AFC: Automated Fare Collection System | IFRS: International Financial Reporting Standards |
| AFS: Annual Financial Statements | IPCC: Intergovernmental Panel on Climate Change |
| AGM: Annual General Meeting | JSE: Johannesburg Stock Exchange |
| B-BBEE: Broad-Based Black Economic Empowerment Companies Act: The Companies Act, No 71 of 2008, as amended | JV: Joint venture |
| CCMA: Commission for Conciliation, Mediation and Arbitration | King IV: King IV Report on Corporate Governance for South Africa 2016 |
| CEO: Chief Executive Officer | kWh: Kilowatt hours |
| CFO: Chief Financial Officer | MOI: Memorandum of incorporation |
| COSATU: Council of South African Trade Unions | MPAC: Municipality Public Account Committee |
| CSI: Corporate Social Investment | NEDLAC: National Economic Development and Labour Council |
| CTSP: Community Transport Support Programme | NLTA: National Land Transport Act |
| Eljosa: Eljosa Travel and Tours Proprietary Limited | NPAT: Net profit after tax |
| EPS: Earnings per Share | PLS: Pre-Listing Statement |
| GABS: Golden Arrow Bus Services Proprietary Limited | SACTWU: South African Clothing and Textile Workers Union |
| GAF: Golden Arrow Foundation | TBRT: Table Bay Area Rapid Transit Proprietary Limited |
| GHG: Greenhouse gas | TETA: Transport Education Training Authority |
| GPFC: Germiston Pension Fund Committee | tCO ₂ e: Estimated tons of carbon output |
| GRI G4: G4 Sustainability Reporting Guidelines by the Global Reporting Initiative | VOC: Vehicle Operating Company |
| HEPS: Headline Earnings per Share | WRI/WBSCD: World Resources Institute/ World Business Council on Sustainable Development |
| HPL&R: Hosken Passenger Logistics and Rail Limited (Previously Niveus Invest 17 Proprietary Limited) | |





The background is a solid blue color. Overlaid on this are several white geometric shapes, including rectangles and polygons with diagonal lines, creating a modern, architectural feel.

HPL&R
Integrated Annual Report 2018