

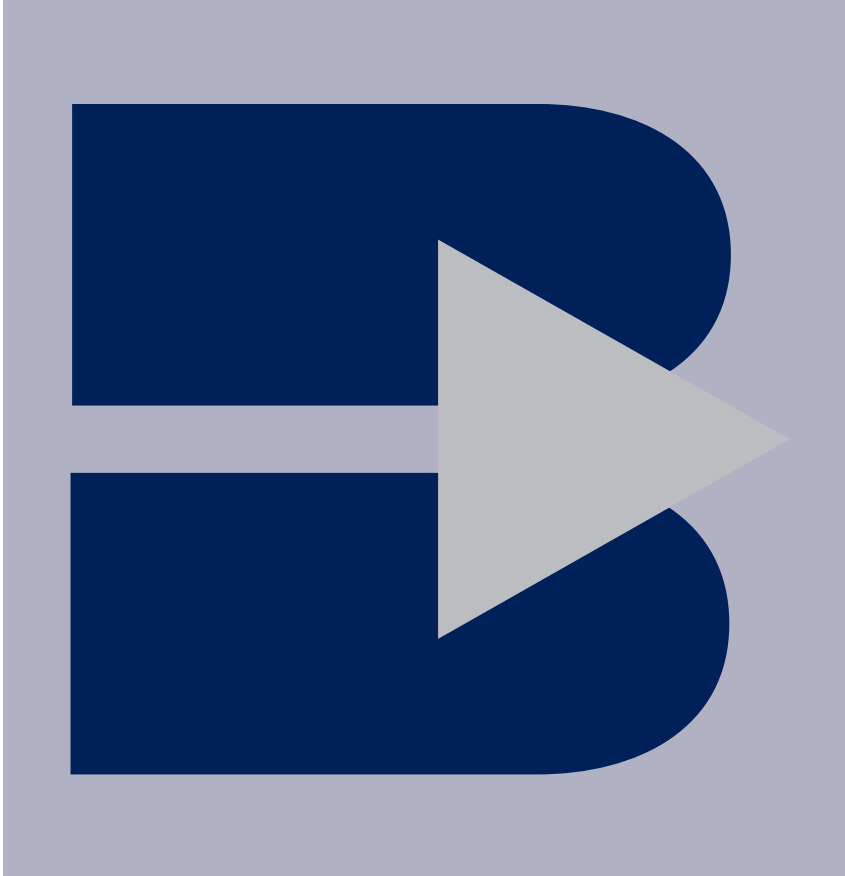
# BID PROFILE

## The ***BID***Vest Group Limited

is an investment holding company  
listed on the Johannesburg Stock Exchange  
in the Industrial – Service sector.

The strategy of the Group is to be invested  
in companies operating in the fields of **service, distribution  
and trading**, which could encompass light manufacturing.  
The Group's objective is to **enhance shareholder wealth**  
through real growth in earnings and dividends per share  
by means of organic growth, selective acquisitions  
and control of funds employed.

The Group's philosophy for motivating management  
is based on a **decentralised structure** with **strong incentives**  
to exceed realistic profit goals.





# CONTENTS

	PAGE
The history of Bidvest	2
Group financial highlights	4
Chairman's review	6
Directorate	16
Administration	19
Shareholders' diary	19
Divisions of The Bidvest Group	20
Review of operations	22
Management team	60
Corporate governance	66
Value added statement	68
Exchanges with Government	68
Directors' approval and responsibility statement	69
Declaration by secretary	69
Independent auditors' report	70
Financial statements	71
Analysis of shareholders	100
Major shareholders	100
Notice to shareholders	101



# THE HISTORY OF BIDVEST



**1988**

Chipkins is the first acquisition followed shortly thereafter by Seaworld, the start of the Caterplus group.



**1990**

Bidcorp becomes the pyramid holding company of Bidvest.



**1992**

Crown Mills acquired and merged with National Spice to form Crown National.

**1989**

Real start of Bidvest. Acquisitions include Afcom.



**1991**

Acquisition of Steiner Services – beginning of the hygiene business.



**1993**

Safcor Freight acquired – the start of Bidfreight. Prestige Cleaning Services acquired and grouped with Steiner to form Bidserv.





**1994**

Rights offer raises R300 million, 10 for 1 share sub-division.



**1996**

Empowerment programmes begin with Wiphold and Worldwide.



**1998**

Bidvest plc created with dual listings in Australia and Luxembourg. Local acquisitions include the Rennies Group and Lithotech.



**2000**

Acquisition of 100% of IVS, banking licence granted to Rennies Bank, I-Fusion acquired and Bidvest ready for integration of Group's IT resources and systems.

**1995**

First steps to international expansion taken – 50,1% of Bidvest Australia Limited acquired.



**1997**

100% of Waltons Stationery Group acquired, Bidcorp unbundled and Bidvest incorporated into the industrial index.



**1999**

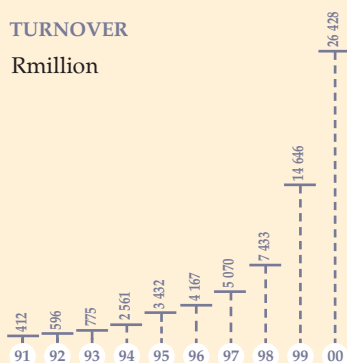
100% of 3663 First for Foodservice acquired and incorporated into Bidvest plc.



# GROUP FINANCIAL HIGHLIGHTS

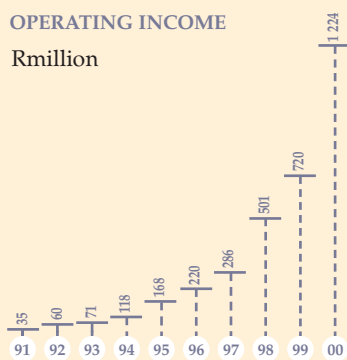
## TURNOVER

Rmillion



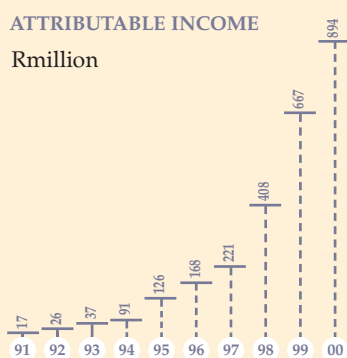
## OPERATING INCOME

Rmillion



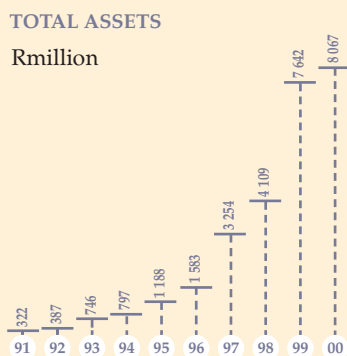
## ATTRIBUTABLE INCOME

Rmillion



## TOTAL ASSETS

Rmillion



Nine year  
compound  
growth rates  
% per annum

		2000	1999	1998
<b>EXTRACTS FROM FINANCIAL STATEMENTS (R'000)</b>				
Revenue	58,2	26 427 620	14 646 145	7 432 920
Operating income	48,2	1 223 660	720 496	501 391
Attributable income	55,4	894 384	667 003	408 176
Shareholders' interest		3 199 823	3 146 201	2 833 451
Total assets		8 067 267	7 642 434	4 109 085
Wealth created by trading operations		4 723 994	2 856 537	1 611 111
<b>SHARE STATISTICS</b>				
Earnings per share (cents) <sup>1</sup>	31,9	310,0	245,7	174,4
Dividends per share (cents) <sup>2</sup>	33,1	150,3	127,3	101,3
Dividend cover (times) <sup>2</sup>		2,1	2,1	1,8
Dividend yield (%)		3,2	2,5	2,2
Net asset value per share (cents)	29,1	1 105	1 098	1 147
Share price (cents)				
High		6 550	5 400	5 980
Low		3 620	2 910	3 250
Closing (June 30)	36,7	4 680	5 040	4 525
Market capitalisation (Rm's)	54,4	13 555	14 435	11 282
Volumes traded (000's)		104 122	89 262	64 413
Volumes traded as percentage of weighted number of shares		36,1	32,9	27,5
<b>RATIOS AND STATISTICS</b>				
Return on total shareholders' interest (%)		28,4	23,5	22,9
Return on average funds employed (%) <sup>4</sup>		36,3	34,0	28,7
Operating income margin (%)		4,6	4,9	6,7
Current asset ratio		1,1	1,2	2,8
Quick asset ratio		0,8	0,8	2,1
Number of employees		50 941	50 132	31 420
Number of shares in issue (000's)		289 638	286 418	247 095

<sup>1</sup>Based on weighted number of shares in issue.

<sup>2</sup>Includes capitalisation issues at market value at date of declaration.

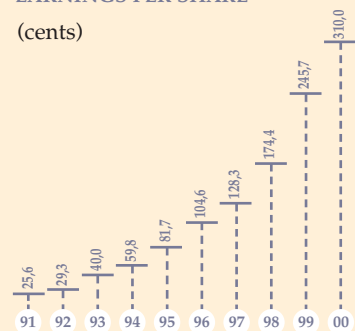
<sup>3</sup>The comparative figures have been restated to account for the 10 for 1 subdivision of the ordinary shares and debentures, the conversion of the debentures effective July 1997 and the changes in accounting policies with regard to deferred tax and dividends, where appropriate.

1997	1996	1995	1994	1993	1992	1991
5 069 948	4 166 682	3 432 155	2 560 707	775 206	595 994	411 694
285 530	219 534	168 468	118 070	70 515	60 054	35 377
220 737	168 288	126 480	90 571	37 169	26 378	16 898
1 780 559	815 154	612 351	506 920	435 816	138 025	107 064
3 253 719	1 583 217	1 187 579	979 385	745 887	387 273	321 639
899 879	696 702	524 636	412 828	224 924	175 299	104 350
128,3	104,6	81,7	59,8	40,0	29,3	25,6
70,8	56,1	43,0	30,2	21,0	16,4	11,5
1,9	2,6	2,8	2,9	2,6	2,5	2,5
2,0	2,2	2,3	2,1	2,7	4,1	4,1
781	445	349	296	261	140	111
3 535	2 956	2 000	1 470	780	400	283
2 275	1 838	1 450	780	343	250	180
3 500	2 590	1 875	1 470	780	400	280
8 030	4 681	3 294	2 502	1 301	391	271
26 456	13 997	8 140	11 061	1 186	4 877	1 247
14,2	7,8	4,7	6,5	1,1	5,0	1,8
29,4	30,7	27,9	23,2	31,4	28,5	68,6
41,5	39,8	37,7	31,0	27,5	27,5	36,1
5,6	5,3	4,9	4,6	9,1	10,1	8,6
2,0	1,9	1,9	1,8	2,0	2,5	1,7
1,5	1,5	1,5	1,5	1,5	1,4	1,0
30 001	21 506	14 970	14 117	4 749	4 784	2 226
228 027	183 041	175 701	171 131	166 775	98 551	96 266

<sup>4</sup>Return on average funds employed is calculated using the weighted average of the Group's operating assets, including patents, tradenames and trademarks at original cost, but excluding cash and operating income before interest and taxation.

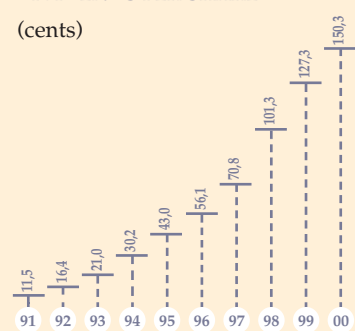
#### EARNINGS PER SHARE<sup>1</sup>

(cents)



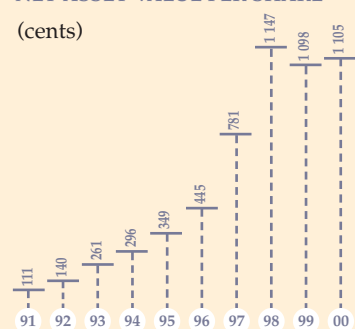
#### DIVIDENDS PER SHARE<sup>2</sup>

(cents)



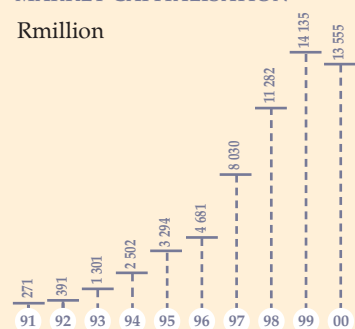
#### NET ASSET VALUE PER SHARE

(cents)



#### MARKET CAPITALISATION

Rmillion



## CHAIRMAN'S REVIEW

performance



‘Bidvest’s distribution capacity has been the cornerstone of its strategy.’



BRIAN JOFFE



## INTRODUCTION

This year's fine results are due to the superb management team that the Group is pleased to call its own. In a country with so small a pool of good management, Bidvest has secured enormous talent and expertise. Divisional management, both locally and offshore are highly competent and without them I would not be able to stand as proud as I do.

## PERFORMANCE

Bidvest has delivered strong organic growth despite the weak economic conditions during the year under review. For the year ended June 30 2000, attributable profit increased by 34% to R894,4 million. Headline earnings per share increased by 26% to 310,0 (1999 – 245,7) cents per share – a figure which would have increased by 27% to 332,1 cents a share but for a change in accounting policy. Turnover for the year increased by 80% to R26,4 billion (1999 – R14,6 billion) and operating income grew 70% to R1 223,7 million (1999 – R720,5 million).

The year's solid performance was built on Bidvest's strong historic record, which shows it has maintained a compound growth rate in earnings per share of 32% over nine years and an organic growth rate during the year of 20%.

The Bidvest team has applied itself with energy and enthusiasm and can be genuinely proud of what it has achieved.

## ECONOMY

General trading conditions were disappointing, despite expectations that the local economy would improve as a result of higher commodity prices, increased international investment and benefits flowing from the global economic recovery. Low economic activity, lacklustre consumer spending, Y2K technology fears and the on-going spate of Cape Town bombings, which deterred





# CHAIRMAN'S REVIEW

(continued)

foreign visitors, depressed the expected millennium boom in tourism, travel, hotel usage, catering and the restaurant trade. In addition, a decline in production volumes, exacerbated by the uneven distribution of public holidays in April, had a negative impact on factory recoveries. The floods in Mozambique and in parts of South Africa, and the political land crisis in Zimbabwe further aggravated the difficult trading conditions and detracted from the progress we made and hoped to make in these markets.

International economic growth also stumbled in the first quarter and the pull back on Wall Street severely impacted the Johannesburg Stock Exchange and general market sentiment. The lagging effect of high interest rates and the high international oil price also contributed to lower consumer expenditure.

## BUSINESS STRATEGY

Growth opportunities in South Africa remain substantial and Bidvest, with its committed, entrepreneurial and capable management, attention to detail, strict cost control and strong balance sheet, will continue to anticipate and exploit favourable circumstances wherever they arise. Bidvest's strong corporate team is ably supported by a decentralised management that is encouraged to retain its entrepreneurial focus.

## e-COMMERCE

Bidvest's distribution capacity has been the cornerstone of its strategy and the future use of the Internet for e-commerce, together with Bidvest's formidable physical infrastructure, makes a unique and potentially profitable combination. Bidvest's e-commerce initiative will enable it to reduce process costs, and consolidate and exploit the synergies within the Group.

These e-commerce initiatives are another step in the continued drive to improve the efficiencies of Bidvest's distribution business.

‘Bidvest, with its committed, entrepreneurial and capable management, will continue to anticipate and exploit favourable circumstances wherever they arise.’



# performance

Bidvest also plans to take a leading role in the provision of business-to-business e-commerce solutions in South Africa through the implementation of a common networking platform and the creation of a 'super-portal', enabling electronic trade between Bidvest companies, customers, suppliers and others. Bidvest potentially owns one of the largest Information Technology (IT) networks in South Africa and intends to capitalise on this intellectual property through its acquisition of I-Fusion Holdings at June 30 2000. When one combines this IT infrastructure with the logistics and distribution businesses, Bidvest's e-commerce potential will be unparalleled, and will elevate Bidvest to the forefront of modern, IT-based business dealings in South Africa.

It is, however, anticipated that this process will take some time to implement and the full benefits will only be achieved over time.

## **BANKING LICENCE**

Following the purchase of Ons Eerste Volksbank and the award by the Reserve Bank of a full banking licence, Bidvest has created Rennies Bank. The bank intends using the licence for a controlled expansion of foreign currency trading, which had previously been restricted to travel related forex. Rennies Bank will also be able to offer full trade-related and asset-backed financing.

## **ISLAND VIEW STORAGE**

Bidvest has successfully absorbed its 100% acquisition of Island View Storage (IVS), the bulk liquid and gas storage company. IVS is a natural extension to Bidfreight's existing storage facilities and is less prone to fluctuations in import and export volumes. IVS is a highly cash-generative business with a strong management team, well-managed assets, an ISO 9000 accreditation and a solid customer base.



# CHAIRMAN'S REVIEW

(continued)

## GEARING

In the past, high interest and inflation rates made Bidvest debt averse. Current conditions are, however, more favourable to increased gearing, which would reduce Bidvest's weighted average cost of capital. Given the opportunity for investment Bidvest would consider further funding through additional debt, to a debt-to-equity ratio of 40%.

Bidvest has a strong balance sheet and will continue to maximise its cash resources.

## GROWTH

The growth achieved this year has, in the absence of any major acquisitions, been largely organic. All divisions are performing well, even though some did not grow. Increased focus on core business disciplines will support future growth which together with Bidvest's organic growth is sufficient to sustain good returns and will strengthen with the improving South African economy. With the exploitation of the untapped synergies within the local businesses and as the dynamics between Bidvest's offshore and South African operations develop, this form of growth will be compounded.

Bidvest continues to seek acquisition opportunities, locally and offshore, where a fit with its strategic focus on service, trading and distribution is met and where it offers Bidvest a significant market position. Bidvest remains reluctant to target how much of its earnings will be generated offshore since its measure of success remains the performance of the individual business units wherever they may be located.

## EMPOWERMENT

In line with its philosophy of economic empowerment of previously disadvantaged groups through job creation and enrichment, Bidvest has to date generated R250 million for organisations seeking to redress imbalances of the past. Bidvest's 51 000 employees are also

‘Growth achieved  
this year has, in the  
absence of any  
major acquisitions,  
been largely  
organic.’



# performance

actively being empowered through training programmes and an equal opportunity policy based on merit and performance. Joint ventures with previously disadvantaged groups have contributed both to the communities in which they operate, and to Bidvest's growth.

In my opinion one of Government's strategies should focus on the economic empowerment of previously disadvantaged groups through job creation and job enrichment. Unions also have a responsibility and should be focusing their efforts to ensure that more workers are empowered and jobs created.

Government should recognise the wealth created for empowerment groups in monetary value rather than percentage shareholding. As Bidvest has expanded its capital base the empowerment percentage shareholding has come down, whilst the Rand value of the investments of our empowerment partners over the period has been substantially enhanced. Furthermore once empowerment shareholders sell their shares, only the resulting shareholding percentages are taken into account under current legislation, but not the substantial wealth creation.

Locally, the full potential of a sizeable up-and-coming middle class, that aspires to improve its living standards as it begins to participate in South Africa's emerging market economy will benefit Bidvest's underlying companies, all of which are ideally poised to take advantage of this demographic trend.

We are investigating the possibility, and progress has been made, to give Bidvest employees the opportunity to invest in Bidvest.

## **PRIVATISATION**

The commitment to restructure State assets and the privatisation blueprint drawn up by Government could have a positive impact on Bidvest's business units. Bidfreight, which houses Bidvest's terminal business, has depth and range and is strategically and physically well placed in respect of privatisation. Caterplus, which does not currently supply the Government's food



# CHAIRMAN'S REVIEW

(continued)

requirements, could benefit as the State outsources its catering needs. This move is expected to shift the supply from the manufacturer to the foodservice sector. Bidserv could benefit once security, cleaning, laundry and other contracts are outsourced. Bidoffice and Renfin operations could similarly benefit.

## DECENTRALISATION

Bidvest's expanding reach is confirmation that its strategy of controlled entrepreneurship is a dynamic and successful formula. While Bidvest's operations are run on a decentralised basis, key issues are monitored and controlled from the centre and at divisional level. The corporate office is actively involved in many ways, from motivation to assistance with business function improvements, providing focus, advice on issues of tactical importance, overall strategic direction as well as acquisition and corporate finance support. All major acquisitions are reviewed and implemented at the corporate level.

## PROSPECTS

Bidvest has over the past several years proved its ability to produce growth in earnings in South Africa's difficult economic environment and it is believed that the Group, which is well poised for growth both locally and abroad, will benefit from the expected upswing in the economy and the real GDP growth that is forecast. The country has entered a new economic era, with lower inflation, lower taxation and lower interest rates, and the growth sectors in which Bidvest is invested are expected to perform well.

## OPERATIONAL HIGHLIGHTS

### Bidfreight

Despite subdued trading conditions, operating income surged 96%, and now stands at R311,2 million, making Bidfreight a 25% contributor to Bidvest's operating income. Year-on-year

‘The country has entered a new economic era, with lower inflation, lower taxation, lower interest rates and real GDP growth.’



# performance

improvements flowed partly from new clients, from the acquisition of the remaining shareholding in Island View Storage and South African Bulk Terminals and the inclusion of the results of the freight operations of the Rennies group for the full year, but more specifically a programme of focused cost reduction and the benefits of a strategic repositioning of many of Bidfreight's operations.

## **Bidoffice**

Waltons impressed with a record year, which should not detract from the division's other main performers – Kolok, Minolco, Lithotech, Contract Office Products, and Dauphin Office Seating who all delivered sound results. Bidoffice's operating income increased by 34% to R172,3 million and contributed 14% to Bidvest's operating income.

## **Bidpac**

Bidpac produced satisfactory results, given the difficult business environment in which it operated. Bidpac was nonetheless able to maintain gross and operating margins, and maintained or enhanced market share in a weak market. Operating income dropped by 4% to R87,2 million contributing 7% to Bidvest's operating income.

## **Bidserv**

The division consolidated its market share and is poised to benefit from outsourcing trends in the private and public sectors. Operating income increased 33% to R90,2 million, contributing 7% to Bidvest's operating income. Good half-year results were bolstered by continuing, strong performances, particularly from Steiner Hygiene and Prestige Cleaning Services, who consolidated their market leadership positions.

## **Caterplus**

The 434% increase in Caterplus' foreign contribution, through Bidvest plc, was largely a result of the incorporation of 3663 First for Foodservice, for the full year, for the first time. The local



# CHAIRMAN'S REVIEW

(continued)

operations traded well in a depressed trading environment. The division boosted operating income by 155% to R289,7 million contributing 24% to Group operating income.

Bidvest plc's turnover increased by 492% to £1 billion and operating income grew by 417% to £19 million contributing 11% to the Group's attributable income. Once Bidvest plc's market capitalisation reaches sufficient critical mass a listing will be sought on the London Stock Exchange.

The intention to merge the local operations of Caterplus with those of Bidvest plc at the appropriate time will create one of the largest foodservice companies outside the United States.

## Combined Foods

Trading conditions in the red meat industry were particularly difficult and declining quality standards in bread and confectionary products, resulted in a 2% lower operating income, which reduced to R69,0 million. Combined Foods now contributes 6% to Group operating income.

## Rennies Financial Services

Despite weak economic conditions, Renfin's operating income increased by 84% to R62,7 million, contributing 5% to Group operating income, and include the results of the travel operations of the Rennies group for the full year.

The leveraging of the immense buying power of the combined travel businesses contributed positively to earnings, which grew by 35% over the previous year. e-Commerce and on-line booking products will position Renfin ahead of competitors and give it the Internet base, which is so important for its future.

## EQUITY-ACCOUNTED INVESTMENT AND INVESTMENT INCOME

Bidvest's investments in Compu-Clearing, Voltex, Reclamation Group, Safren and various others yielded a satisfactory return, increasing their contribution to operating income by 312% to R107,7 million, contributing 9% to Group operating income.

‘The intention to merge the local Caterplus operations with those of Bidvest plc will create one of the largest foodservice companies outside the United States.’





# performance

## CLOSING

I owe an enormous debt of gratitude to Bidvest's management team, many of whom have become my close friends, who consistently deliver above average returns to shareholders.

Thanks also to our non-executive directors, who continue to provide the Group with invaluable strategic input. Without the total management team Bidvest would not be the success it is and

I thank them for yet another prosperous year. There is no doubt in my mind that Bidvest has some of the most talented management and staff.

South Africa's economy, despite recent setbacks, is on track for sustainable development. The fiscal stability is the best it has been in the last twenty-five years, the deficit is manageable, overall debt is down, inflation is at its lowest levels in two decades, both corporate and individual tax rates have been consistently lowered, and the first steps have been taken to set up the SADC free trade zone. However, the economy is fragile and regulation and reparation must be carefully balanced.

Bidvest remains committed to South Africa and looks forward to the challenges of the next year and to continuing the Bidvest tradition of excellence.

**BRIAN JOFFE**

Executive chairman



# DIRECTORATE

Executive

**Brian Joffe (53)**  
CA(SA)

*Appointed:*  
March 1 1989



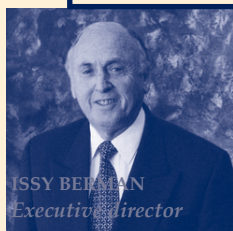
**Mervyn Chipkin (74)**

*Appointed:*  
May 9 1989



**Isaac Abraham Berman (62)**

*Appointed:*  
September 10 1990



**Leonard Ivan Chimes (66)**

*Appointed:*  
June 30 1997



**Alan Michael Griffith (51)**

*Appointed:*  
August 14 1998



**Colin Hugh Kretzmann (53)**  
CA(SA)

*Appointed:*  
August 10 1992



**Peter Nyman (55) ••**  
CA(SA), ACMA,  
HDip Tax Law

*Appointed:*  
February 1 1991



**Lindsay Peter Ralphs (45)**  
CA(SA)

*Appointed:*  
May 20 1992



**Frank Ernest Anthony Roberts (65)**

*Appointed:*  
June 30 1997



**David Keith Rosevear (45) •**  
CA(SA)

*Appointed:*  
March 11 1992



# directorates

**Alan Charles Salomon (51)**  
CA(SA), BSc  
(Lond)

*Appointed:*  
September 10 1990



ALAN SALOMON  
*Executive director*

**Charles Eli Singer (54)**  
CA(SA)

*Appointed:*  
June 30 1995



CHARLES SINGER  
*Executive director*

**Pieter Christiaan Steyn (52)**  
PMD (Harvard)

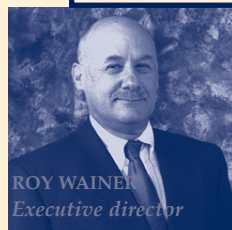
*Appointed:*  
December 10 1998



PIET STEYN  
*Executive director*

**Roy Wainer (52)**

*Appointed:*  
May 14 1991



ROY WAINER  
*Executive director*

**Charles Edward Watt (56)**

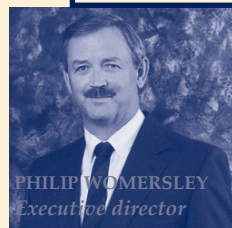
*Appointed:*  
September 10 1990



CHARLES WATT  
*Executive director*

**Philip Douglas Womersley (50)**  
BA Econ, BSc  
(cum laude)

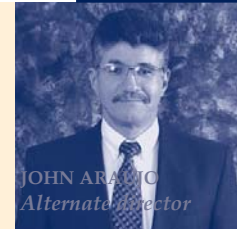
*Appointed:*  
August 14 1998



PHILIP WOMERSLEY  
*Executive director*

**John Araujo (54)**

*Appointed:*  
May 14 1999 as  
alternate to  
CH Kretzmann



JOHN ARAUJO  
*Alternate director*

**Lilian Garner Boyle (53)**

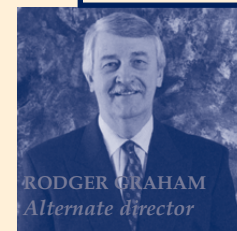
*Appointed:*  
February 21 2000  
as alternate to  
PC Steyn



LILIAN BOYLE  
*Alternate director*

**Rodger William Graham (54)**

*Appointed:*  
February 21 2000  
as alternate to  
PD Womersley



RODGER GRAHAM  
*Alternate director*

**Howard Lyle Greenstein (37)**  
CA(SA)

*Appointed:*  
May 14 1999 as  
alternate to  
AC Salomon



HOWARD GREENSTEIN  
*Alternate director*

- Member of Audit Committee
- ◆ Member of Remuneration Committee



# DIRECTORATE

Non-executive

**Anthony John Behrmann (62)** ●●■  
BA, LLB

*Appointed:*  
June 17 1997



**Nomhle Gcabashe Canca (34)**  
BA Econ, BA  
Political Science  
(Emory)

*Appointed:*  
April 10 1997



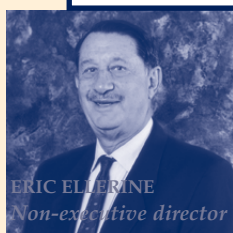
**Bernard Robert Chipkin (71)**  
BSc (Wits)

*Appointed:*  
September 10 1990



**Eric Ellertine (66)** ■

*Appointed:*  
June 17 1997



**Stephen Koseff (49)** ■  
CA(SA), Hdip BDP,  
MBA

*Appointed:*  
June 17 1997



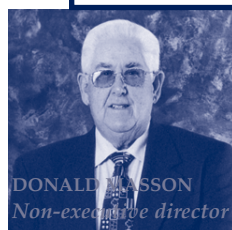
**Phuthuma Freedom Nhleko (40)** ■  
BSc Eng, MBA

*Appointed:*  
June 17 1997



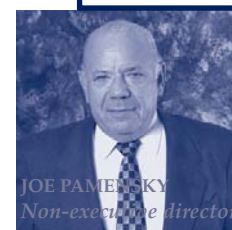
**Donald Masson (69)** ●  
ACIS

*Appointed:*  
March 10 1992



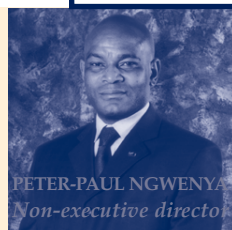
**Joseph Leon Pamensky (70)** ●●  
CA(SA), OMSG

*Appointed:*  
January 8 1990



**Sibusiso Peter-Paul Ngwenya (47)**  
B Com (Hons)

*Appointed:*  
August 24 2000



**Theodore Herzl Reitmann (74)** ×■

*Appointed:*  
June 17 1997



- Member of Audit Committee
- ◆ Member of Remuneration Committee
- × British
- Originally directors of Bid Corporation Limited, the Company's former holding company and appointed to the Board on the unbundling of Bid Corporation Limited.



# administration

## REGISTERED OFFICE

Milner Place  
Sunnyside Office Park  
4 Carse O'Gowrie Road  
Parktown, 2193  
PO Box 87274  
Houghton, 2041  
Telephone: +27 11 481 4100  
Telefax: +27 11 643 4517  
e-mail: [info@bidvest.co.za](mailto:info@bidvest.co.za)  
Web page: [www.bidvest.com](http://www.bidvest.com)

## SECRETARY

Maria Susanna Viljoen

## AUDITORS

KPMG Inc

## LEGAL ADVISORS

Werksmans Attorneys

## BANKERS

The Standard Bank of South Africa Limited  
Nedcor Bank Limited  
Firststrand Group Limited  
Investec Bank Limited  
ABSA Bank Limited

## SHARE TRANSFER SECRETARIES

Mercantile Registrars Limited  
11 Diagonal Street  
Johannesburg, 2001  
PO Box 1053  
Johannesburg, 2000

## COMPANY REGISTRATION NUMBER

1946/021180/06

## SHAREHOLDERS' DIARY

<b>Financial year-end</b>	June 30
<b>Annual general meeting</b>	October
<hr/>	
<b>Report and accounts</b>	
Interim report for the half-year ending December 31	February
Preliminary announcement of annual results	August
Annual report	September
<hr/>	
<b>Dividends</b>	<b>Declaration</b>
Interim dividend	February
Final dividend	August
<hr/>	
	<b>Payment</b>
	February
	September





# DIVISIONS OF THE BIDVEST GROUP



## BIDFREIGHT

A PROMINENT FREIGHT MANAGEMENT GROUP, SERVING CUSTOMERS IN ALL MAJOR CENTRES IN SOUTH AFRICA AND SUB-SAHARAN AFRICA THROUGH SEVERAL INDEPENDENT BUSINESSES FOCUSING ON INTERNATIONAL AND DOMESTIC FREIGHT, LOGISTICS AND MARINE SERVICES.

### SAFCOR PANALPINA

Specialises in international freight management and has access to an international network of over 200 offices in 65 countries through its long-standing association with Panalpina World Transport of Switzerland.

### RENFREIGHT CIRCLE

Operates in southern Africa and is a significant regional force in the freight management industry. **Renfreight Circle** is part of the Circle International global network with over 400 professionals operating in 100 countries in 340 offices worldwide.

### MANICA

Manica offers a full range of freight and marine-related services with a network and facilities to meet all the needs of regional agriculture, mineral and commercial logistical requirements.

### MARINE SERVICES

Provides a complete range of ships agency-related activities at all South African ports, including charter, marine insurance, port and general agency functions for and on behalf of South African and international shippers and ship-owners.

### BIDFREIGHT LOGISTICS

Offers total supply chain management and logistics solutions with its range of services from international express freight and overnight domestic express to specialist warehousing and distribution.

### TERMINALS

Operates a wide range of specialist materials handling facilities in South Africa, mainly in and around the port peripheries, from strategically located facilities.



## BIDOFFICE

ENGAGED IN THE SUPPLY, DISTRIBUTION AND MANUFACTURE OF COMMERCIAL OFFICE PRODUCTS INCLUDING STATIONERY, OFFICE FURNITURE, COMPUTER AND OTHER OFFICE AUTOMATION PRODUCTS, INCLUDING PRINTING, THROUGH A NETWORK OF BRANCHES THROUGHOUT SOUTHERN AFRICA.

### STATIONERY

Wholesales and distributes a wide range of stationery products and computer consumables including leading brand names through **Waltons Stationery Company, Kolok, Kolok Africa, Statmark, Back-to-School, Hortors Stationery, South African Diaries, Medions, Contract Office Products, Quantum and Palladium Stationers.**

### OFFICE FURNITURE

Manufactures and distributes a wide range of office furniture and associated products for the corporate and commercial markets through **Atomic Office Equipment, Cecil Nurse, Dauphin Office Seating, Office Centre, Nuclear Office Products, Pago, Klein Brothers, Nuclear, Pepla and Seating.**

### OFFICE AUTOMATION

Distributes leading brands of office automation products trading as **Minolco**, the distributor of the **Minolta** range of photocopiers, facsimile machines and laser printers and the **Océ** range of high volume and specialised printing equipment.

### PRINTING AND RELATED

Distributes print and print-related products to the trade through approximately twenty operational divisions of **Lithotech**, including mailing and laser personalisation.



## BIDPAC

MARKET AND TECHNOLOGY LEADER OF BRANDED FASTENING, PACKAGING CLOSURES, STRAPPING, STATIONERY PRODUCTS, ADHESIVE TAPE, CODING AND LABELS. DISTRIBUTED THROUGH A NATIONWIDE BRANCH NETWORK TO THE COMMERCIAL, INDUSTRIAL, MINING, AGRICULTURAL AND RETAIL SECTORS.

### PACKAGING CLOSURES

Manufactures and distributes strapping, staples, nails, adhesive tapes, labels, seals and custom-made machinery and systems through its operations **Afcom-GE Hudson, Buffalo Executape** and **Roll-a-Pak.**

### STATIONERY PRODUCTS

Manufactures and distributes envelopes, scholastic stationery, files, adhesive tapes, staplers, rubber bands, paper punches, stamp pads, inks, paste, labels and other stationery products through its operations **Silveray Stationery Company, Hi-Maur Labelling Systems, Ozalid SA** and **Buffalo Executape** under well-known brand names including **Croxley, Sellotape, Rapid, Tesa, Penguin** and **Pelican.**



## BIDSERV

PROVIDES A COMPREHENSIVE RANGE OF OUTSOURCING SERVICES INCLUDING CONTRACT CLEANING, SECURITY, WASHROOM HYGIENE, LAUNDRY SERVICES AND GARMENT RENTAL AND DISTRIBUTES JANITORIAL SUPPLIES AND WORKWEAR.

### STEINER HYGIENE

South Africa's leading washroom rental service provider offering the largest and most cost effective range of products. Products and services include a range of water coolers and supplies purified water under the brand name **Pureau**, dust control mats and a range of hygiene products for food preparation areas.

### PRESTIGE CLEANING SERVICES

Southern Africa's largest contract cleaning operation, also trading as **Execu-Clean, Regent Pro-Serve** and **Hi-Tech Cleaning Services.** Its specialised services division offers a variety of services such as food production cleaning, pest control, carpet and window cleaning.

### QMS

Provides labour broking and training to the industrial and hospitality industries. Also has a remuneration management bureau, an occupational health and safety consultancy, an ISO 9000 and 9001 implementation programme and a staff facilitation arm with three branded tradenames – **Hotel Temp, Ilanga/TMS** (Total Manpower Solutions), and **HP Chem.**

### LAUNDRY DIVISION

The country's largest commercial laundry and textile rental operation, trading as **First Garment Rental** and **Boston Launderers.**

### SECURITY DIVISION

A significant player in the security industry, with two divisions, **Shield Security**, focusing on corporate and industrial guarding, and **Shield Electronics**, focusing on electronic surveillance systems offering the complete security solution to clients.

### COMMERCIAL SUNDRY SUPPLIES

A major distributor of janitorial, cleaning and related products to industry.

### CLOCKWORK CLOTHING

Manufactures and distributes a large range of industrial workwear and leisurewear under the **Admiral** brand name.



## CATERPLUS

A MAJOR DISTRIBUTOR OF A COMPREHENSIVE RANGE OF PRODUCTS TO THE CATERING, HOSPITALITY AND FOODSERVICE INDUSTRY THROUGH STRATEGICALLY LOCATED INDEPENDENT BUSINESS UNITS.

### CATERING SUPPLIES

A major supplier of groceries and allied products to the catering, hospitality and foodservice industry, trading under **Chipkins Catering Supplies, Catersales, CCW Catering, D & R Lowe Catering Supplies, First Foods, Lou's Wholesalers, Pyramid Catering Supplies, Nelpack** and **RFS Catering Supplies**.

### FROZEN FOODS

Supplies seafood, vegetable, poultry, red meat, dairy and pastry products to the catering, hospitality and foodservice industry and trades under the following names: **Seaworld Frozen Foods, Blue Marine and Lusitania Sea Products** (Free State).

### CATERING EQUIPMENT

One of South Africa's leading manufacturers, importers and suppliers of catering and refrigeration equipment, heavy duty kitchen equipment and trades as **Vulcan CAARS**.

### SPECIALITY

Through **Patleys**, local and imported premium quality food products are marketed under the **Goldcrest** and other leading local and international brand names.

### BIDVEST UNITED KINGDOM

One of the largest foodservice distributors in the United Kingdom, **3663 First for Foodservice** is made up of three distinct trading divisions, Multi-Temperature, Frozen Products and Logistics, trading from thirty-two depots.

### BIDVEST AUSTRALIA

A leading supplier of a broad range of food products to the catering, hospitality, and foodservice markets – and also trades under the following names: **Burleigh Marr Distributions, Manettas, RM Smith & Son, Peters Fish Market, Felans Fisheries, Cold Seas, T.O.D Foods, Regency Foodservice, Stephensons** and **Warramba Foodservice**.

### BIDVEST NEW ZEALAND

**Crean Foodservice**, a major player in the foodservice distribution industry in New Zealand offering a range of frozen seafood and other frozen and chilled products as well as a range of ambient products.



## COMBINED FOODS

MANUFACTURES AND DISTRIBUTES A COMPREHENSIVE RANGE OF PRODUCTS TO THE BAKERY, MEAT AND FOOD PROCESSING INDUSTRIES.

### CHIPKINS BAKERY SUPPLIES

Manufactures and distributes a large range of pre-mixed convenience products and ingredients to independent and in-store bakeries and distributes a wide range of bakery consumables.

### CROWN NATIONAL

One of South Africa's largest manufacturers and suppliers of spices, seasonings, additives and condiments to the butchery and meat and food processing industries. It is also a leading supplier of sausage casings, butchery equipment, packaging and allied products.

### NCP YEAST

Manufactures and distributes active yeast to the baking, brewing and consumer markets. The product range comprises compressed yeast, active dried yeast, brewers dried yeast and cream yeast in various pack sizes.



## RENNIES FINANCIAL SERVICES

SOUTHERN AFRICA'S LEADING TRAVEL-RELATED FINANCIAL SERVICES GROUP PROVIDING AN EXTENSIVE BLUE-CHIP CLIENT BASE WITH THE WIDEST RANGE OF HIGH QUALITY PRODUCTS AND SERVICES TO MEET ALL THEIR TRAVEL AND FOREIGN CURRENCY NEEDS, LOCALLY, REGIONALLY AND INTERNATIONALLY.

### RENNIES BANK

A new, niche bank specialising in foreign money transfers.

### RENNIES FOREIGN EXCHANGE

Recognised as the foremost provider of specialised travel foreign exchange services, operating a chain of 65 strategically located bureaux de change throughout southern Africa. Backed by a professional currency dealing operation offering the widest range of currencies in traveller's cheques and foreign bank notes in South Africa. Rennies Foreign Exchange is an authorised representative of Thomas Cook Mastercard Travellers Cheques in the region.

### MASTER CURRENCY

A chain of fifteen strategically located foreign exchange bureaux in Cape Town, Durban and Gauteng. Bidvest holds a 49% stake in this company, which is the only empowerment foreign exchange retailer in the country.

### BIDFIN

Focuses on asset-based financing by means of leasing, instalment sale or rental, mainly for customers of Group companies purchasing office furniture, office equipment and catering equipment.

### TRAVEL DIVISION

Group companies provide travel management services to corporate and leisure clients through their local, regional and international networks. Brand names include **Rennies Travel, Concorde Travel, Connex Travel, BTI World Travel** (which houses the merged operations of World Travel and Gentravel), **Harvey World Travel (SA)** and its associated airport service companies **Premier Club Management** and **Aerospace Handling**.



## BID CORPORATE SERVICES

THE GROUP'S CORPORATE OFFICE IS BASED IN PARKTOWN, JOHANNESBURG, PROVIDING STRATEGIC DIRECTION AND A BROAD SPECTRUM OF CORPORATE SERVICES TO THE GROUP.

IT IDENTIFIES AND EVALUATES NEW INVESTMENT OPPORTUNITIES AND ACTS UPON THOSE WHICH MEET THE GROUP'S DEMANDING INVESTMENT CRITERIA.

THE TEAM EXTENDS SUPPORT TO THE MANAGEMENT OF GROUP OPERATIONS IN THE PURSUIT OF THEIR RESPECTIVE BUSINESS OBJECTIVES.





# REVIEW OF OPERATIONS



DAVE ROSEVEAR  
*Chairman*

‘A prominent freight management group, serving customers in all major centres in South Africa and sub-Saharan Africa through several independent businesses focusing on international and domestic freight, logistics and marine services.’

bidfreight



#### DIVISIONAL CONTRIBUTION TO GROUP



The Bidfreight division is the leading freight and logistics services business in southern Africa, with operations both locally and regionally.

Market conditions were tougher than expected and the widely anticipated economic recovery was no more than modest. Import volumes remained subdued throughout the financial year, as was reflected in the country's consistently favourable balance of trade figures.

#### PERFORMANCE

Despite these subdued trading conditions, the division's annual operating income moved up strongly and now stands at R311 million. Improvements flowed partly from the increased shareholding in Island View Storage (IVS) and South African Bulk Terminals (SABT) and new client acquisitions, but more specifically from a programme of focused cost reduction and the benefits of a strategic repositioning of many of our operations.

#### YEAR UNDER REVIEW

##### Business Strategy

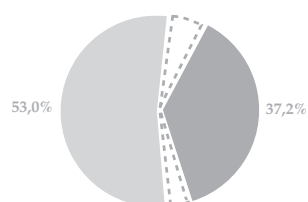
Bidfreight's strategy has been two-fold – firstly, to make sure its businesses are correctly positioned relative to their background trading environments and, secondly, to ensure that those businesses are run as efficiently as possible.

There has been, correctly, a great emphasis on e-commerce. Attention is being devoted to ensuring that our services will meet our clients' future needs and that we remain at the leading edge of freight and logistics developments.

##### Key Events of the Year

The Rennies group acquisition was bedded down with a significant cost reduction over the previous year. The Group acquired the remaining interest in IVS, the largest liquid and gas

#### Turnover



#### Operating income



■ 1999 ■ 2000

# REVIEW OF OPERATIONS

(continued)

terminal operation in the country, which adds significantly to the scope of our terminal interests.

The minority shareholdings in SABT and in SA Stevedores were also acquired, which means that the terminals operations are now mainly wholly owned.

Considerable success has been achieved in repositioning our domestic distribution interests and Bidfreight Logistics has accordingly shown pleasing results. Continued outsourcing by industry of non-core activities such as distribution and freight logistics continues to provide opportunities for growth.

In international logistics, Safcor and Renfreight Circle fared reasonably well given the quieter import volumes and lower interest rates which reduced revenue.

Sebenza Forwarding and Shipping Consultancy, in which we have a 45% minority interest, performed well as a result of the successful take on of parastatal business.

Economic and social turmoil in Zimbabwe made for very difficult trading conditions there, and the recent floods in Mozambique greatly disrupted economic activity and cargo flows.

Management has accordingly scaled down our operations in these two countries and continues to monitor those businesses closely.

## OPERATIONAL REVIEW

### Terminals

The acquisition of IVS is now complete with the remaining shares having been acquired in December 1999 for R312 million. IVS is the Group's largest terminal operation and traded successfully during the year. It has well-developed technologies and systems, coupled with strategically placed assets. During the past year the Maydon Wharf facilities in Durban, which are used to store fats and oils, were doubled in size and additional land was bought next to the current Isando, Gauteng site. This progress will allow for expansion far into the future and the

‘Operating  
income moved up  
strongly year-on-  
year and now  
stands at  
R311 million.’



# bidfreight

second phase of the development is well underway. There is also ample space for expansion on land leased in the Richards Bay harbour.

Rennies Cargo Terminals, which handle large parcels of homogenous type cargoes, made very pleasing progress during the year and brought on stream additional handling operations. The export facility for Mozal in Maputo, Mozambique, was close to completion at the financial year-end. This company continues to show substantial real growth.

South African Container Depots produced acceptable results, which are a tribute to management's ongoing cost controls, particularly given the background of quieter import volumes and ongoing pressure on rates.

Dry Bulk, which handles coal and grains at the Durban harbour, concluded the year satisfactorily despite volatile market conditions. Grain exports were particularly strong towards the end of the financial year. The acquisition of the remaining 50% of SABT and the consolidation of our dry bulk operations will allow for some streamlining.

SA Stevedores traded adequately as a result of cost containment, but under difficult market conditions.

## **Safcor Panalpina**

Safcor Freight managed to increase its market share during the year under review, largely as a result of selective major account acquisitions. Trading results were satisfactory given the quiet import volumes. The company was able to improve operating profit performances in the export markets.

Safcor Freight has also successfully concluded a new operating agreement with its long-standing international partners, Panalpina World Transport, which provides for the two companies to operate in South Africa as a single entity – Safcor Panalpina. This new co-operation should provide service benefits for Safcor Panalpina's customers in South Africa.

# REVIEW OF OPERATIONS

(continued)

## Renfreight Circle

In spite of lower import volumes and the generally subdued economy, Renfreight Circle posted improved results year-on-year. This was achieved through a substantial reduction in the company's cost base and a focus on total supply chain management, particularly in the automotive and component industry. Management is confident that this trend will continue into the new financial year through persistent focus on offering a total logistics solution to its customers.

## Bidfreight Logistics

FedEx traded very satisfactorily during the year and recorded a significant profit improvement. FedEx has a number of IT, e-commerce and possible domestic expansion initiatives under development.

Express Air Services has positioned itself successfully in the domestic and regional airfreight wholesale business, while showing a major profit advance year-on-year.

Rennies Technology Logistics performed well as a result of new client acquisitions and tighter operating systems. The latter procedures led to reduced shrinkage and lower operating costs.

Rennies Textile Logistics had a satisfactory year in which it expanded its client base.

Rennies International Logistics traded satisfactorily despite difficulties relating to the automotive industry and notwithstanding a reduction in automotive exports to Zimbabwe.

Safcon had a difficult year and a programme to reposition the company is underway. We will see the benefits of this action over the next trading period.

## Marine Services

Marine Services comprising Rennies Ships Agency, Marine Insurance and joint ventures in Cosren, Japan Marine Supplies & Services and Dudula Freightbulk, achieved sound operational

‘Attention is being devoted to ensuring that our services will meet our clients’ future needs and that we remain at the leading edge of freight and logistics developments.’



# bidfreight

trading results coupled with a strong performance in customer acquisitions. This division also made good progress in enhancing its technology.

## **Manica**

The Zimbabwean operations traded under extraordinarily difficult circumstances, particularly as a result of the economic instability, pricing and weakening currency.

Mozambique suffered major setbacks following the recent floods and we will be reducing our scale of operations in that country.

Namibia traded very satisfactorily based mainly on outstanding results from the fishing operations.

Zambia has begun to show the anticipated potential of the recent private sector investments, but we still have a long way to go before results are acceptable.

## **PROSPECTS**

Based on an anticipated strengthening of the South African economy, a projected recovery in import flows and continued growth in manufactured exports, Bidfreight is cautiously optimistic of further real growth in its operating results.

This growth should come from the continuation, and in many cases the completion, of the strategic initiatives undertaken in the past financial year to position the companies in this division correctly. These measures have been the necessary precursor in preparation for the real growth improvement anticipated to flow from the improved economy and increased GDP.



LEN CHIMES  
*Chairman*

‘Engaged in the supply, distribution and manufacture of commercial office products including stationery, office furniture, computer and other office automation products, including printing, through a network of branches throughout southern Africa.’

## REVIEW OF OPERATIONS

(continued)

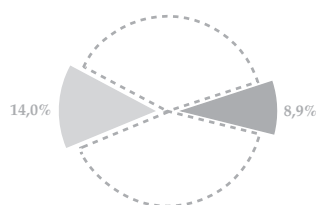
bidoffice



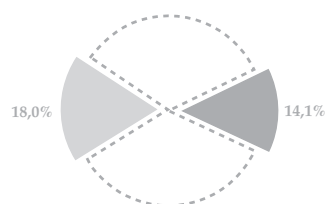


#### DIVISIONAL CONTRIBUTION TO GROUP

##### Turnover



##### Operating income



■ 1999 ■ 2000

Turnover		Operating income	
2 095	2 414	128	172
DIVISIONAL CONTRIBUTION TO GROUP (Rmillion)			
99	00	99	00

This division is involved in the manufacture and distribution of stationery, computer consumables, office furniture, office automation and printing and allied products, through a number of autonomous business units, via a network of branches throughout South Africa.

### PERFORMANCE

The division as a whole, whilst subject to difficult trading conditions, returned a more than satisfactory result for the year. It has been particularly encouraging that the management teams of the individual business units were able to respond to market conditions as quickly as they did, and take advantage of the opportunities presented. Their timely reaction to market forces showed them to be proactive and able to forecast market trends. Management's focus on working capital and cash generation once again ensured that the various companies continually reassessed all aspects of their businesses in an attempt to maximise returns.

All divisions strive to achieve growth in operating returns through effective cost management. Real turnover growth, although encouraged, is often not relied upon to achieve the required returns, although it enables business units to outperform budget.

The division exceeded budgeted turnover for the year and showed real growth over the prior year. Although gross margins were under pressure, effective expense management enabled the division to better the budgeted operating profit for the year and to substantially outperform the previous year's figure. Thanks to this operating result and the effective cash management, the division delivered a higher than targeted attributable income.

### OPERATIONAL REVIEW

#### Stationery division

This division performed well, beating budget and last year's results. Turnover targets were exceeded and despite margins being below budget, pleasing operating results were produced. The margin pressure has largely been influenced by the swing within the division from traditional stationery sales to computer consumable sales – a trend that is anticipated to continue. It was particularly heartening to note the dramatic growth of the Kolok business subsequent to it securing the agency for the distribution of Hewlett Packard consumables.

# REVIEW OF OPERATIONS

(continued)

The process of restructuring business units is an ongoing one, with rationalisations and branch openings and closings being undertaken in response to changing market conditions. The integration of OfficeMart into Waltons was a necessary step in order for the operations to benefit from their respective skills sets, and has been successfully completed. It is anticipated that the move will result in a more focused effort in commercial and retail sales. A certain amount of repositioning and rationalisation was required, and it is anticipated that the benefits thereof will flow through in the ensuing year. Waltons' bouyant 'back-to-school' trade continues to impress.

The division is poised to benefit from any e-commerce initiatives undertaken by the Group as well as by outside companies. The rationalisation effort and the elimination of expenses are continual activities.

The division is well positioned to produce favourable results in the ensuing year.

## Office Automation

Minolco distributes the Minolta range of copiers, faxes and printers and the Océ range of high volume and specialised printing equipment.

As anticipated, following the previous year's investment in technological change, Minolco returned a strongly improved result. This effort is particularly pleasing in light of the aggressive competition in the industry and the devaluation of the Rand against the Japanese Yen. The transition from traditional analogue to digital copying continues and this process should enable the company to reduce its stock holding through a narrower and more focused product range.

The operation is well positioned for the forthcoming year.

## Printing and Related

Lithotech supplies print-related services and products through diverse operations throughout South Africa. The group had an exceptional year, easily beating budget and last year's results. The commitment of management at all levels throughout the organisation and the willingness of all to endorse the Bidvest philosophies was evidenced by the securing of the printing contracts relating to the demutualisation of certain insurance companies, and the Mozambique ballot papers. This development has translated into the pleasing results produced to date. Apart from

‘Continued organic growth of the division is forecast with the emphasis on the streamlining of operations to produce or distribute at the lowest possible cost.’



# bidoffice

profits produced, the group has been successful in managing their assets effectively and in generating positive cash flows.

The group has identified allied business opportunities to complement the shrinking traditional sectors of its business. Lithotech is refocusing to embrace Information Technology-based activities, and a period of consolidation is therefore anticipated in the forthcoming year.

## **Office Furniture division**

The division is involved in the manufacture and distribution of office seating, desking, soft seating and allied products.

The division continued to feel the effects of the downturn in the economy as reported in the prior year. The process of restructuring and refocusing is ongoing and although some success in this regard has been achieved, additional work is required in order to correctly position the individual business units.

The distribution and retail operations of the division experienced fierce competition and a depressed market, which in turn affected the manufacturing companies.

The division finished the year below anticipated turnover levels and, with gross margins under pressure, produced a somewhat disappointing operating result despite significant cost savings throughout.

The tough trading conditions are expected to continue into the new financial year, although some improvement is likely. In order to prosper in the current economic climate, these business units are striving to be more responsive and quicker to adapt to changing market conditions. The division is being closely monitored and steered to take advantage of any upturn in the industry and to ensure that the divisional operations remain focused and motivated.

## **PROSPECTS**

Continued organic growth of the division is forecast with the emphasis on the streamlining of operations to produce or distribute at the lowest possible cost. Further benefits are anticipated from Government outsourcing.





ALAN SALOMON  
*Chairman*

# REVIEW OF OPERATIONS

(continued)

bidpac



‘Market and technology  
leader of branded  
fastening, packaging  
closures, strapping,  
stationery products,  
adhesive tape, coding and  
labels. Distributed  
through a nationwide  
branch network to the  
commercial, industrial,  
mining, agricultural and  
retail sectors.’

#### DIVISIONAL CONTRIBUTION TO GROUP



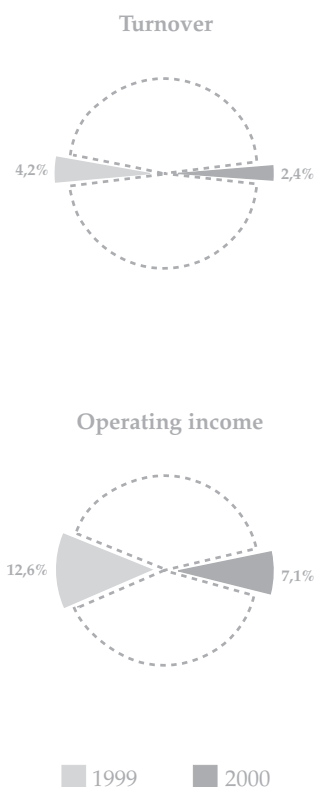
Bidpac's packaging closures division, consisting of six factories and twelve branch business units, manufactures and distributes technology-led systems and consumables to end-user customers in the commercial, industrial, mining and agricultural sectors of the South African economy. The stationery division's four factories and fourteen branch business units manufactures and distributes branded, paper converted and sundry stationery products to commercial stationers and retailers.

#### PERFORMANCE

Bidpac produced satisfactory results, taking cognisance of the highly competitive business environment in which it operates. The anticipated economic recovery and growth in South Africa's Gross Domestic Product did not materialise during the period under review, which was exacerbated by general de-stocking within the division's extensive and diverse customer base. Manufacturing volumes over a broad range of products declined and the resultant lower economies of scale and the uneven distribution of April public holidays impacted on Bidpac's overall performance.

However, management was very aggressive and disciplined when applying basic business principles within the manufacturing, selling and distribution facets of their business. In particular, expense management was excellent in that whilst expenses increased marginally when compared to last year, the increase was well below the prevailing inflation rate. Well-controlled expenses, coupled with productivity and efficiency improvements, allowed Bidpac to maintain gross and operating margins which, under the economic circumstances, was a commendable end result.

All the operations within Bidpac initiated dynamic sales and marketing programmes, which enabled the group to maintain and, in some cases, enhance market share in a weak market. The group has a low bad debt history and bad debts for the financial year were further reduced as the various businesses became more selective when granting credit. Comparing the current year



# REVIEW OF OPERATIONS

(continued)

with last year, there was a small turnover growth, which was influenced primarily by market forces and more stringent credit control procedures.

All business units within Bidpac were highly successful in their asset management, which resulted in substantial positive cash flows from operations. Bidpac has traditionally produced good returns on funds employed and maintained this trend in the review year. There was a modest increase in capital expenditure and the division enhanced its computer infrastructure, which augurs well for the future. The information technology systems are in place to improve the day to day running of Bidpac's businesses. During the year substantial expenditure was incurred on preventative maintenance and the refurbishment of the division's plant and equipment. Bidpac currently has the manufacturing and distribution capacity, with minimal future capital expenditure investment, to meet increased demand when the South African economy recovers and generates acceptable economic growth.

‘Well-controlled expenses, coupled with productivity and efficiency improvements, allowed Bidpac to maintain gross and operating margins.’

## OPERATIONAL REVIEW

### Packaging Closures division

The packaging closures division, comprising Afcom, GE Hudson, Buffalo Executape and Roll-a-Pak, had a difficult year as demand for their products declined. They primarily serve end-user customers, who are involved in manufacturing. Buffalo Executape, however, produced excellent results emanating mainly from the structural changes effected in the latter part of the previous financial year.

Recently, Afcom and GE Hudson were rationalised into one cohesive group. The operations mirrored one another in many aspects and the merger will result in significant costs being taken out of the system, making this new, enlarged group more focused, competitive and profitable in the next financial year.

New product research and development, together with innovative product launches from our overseas principals, has provided the platform for future, organic sales growth.



# bidpac

The packaging closures division maintained its position in the strapping, collated nail, tape and packaging closure market and its effective sales and marketing programme resulted in a significant increase in the number of new customers.

## **Stationery division**

Bidpac's stationery businesses, consisting of Silveray Stationery Company, Hi-Maur Labelling Systems and Ozalid (SA), produced satisfactory results and they further improved their stature in the markets they serve, even though they operated in a fickle and fragile retail environment.

The quality of goods produced and service improved significantly during the year and, in this regard, exceeded customers' expectations.

The exposure of the stationery division's key brands, Croxley, Sellotape, Rapid and Meto strengthened measurably through the implementation of successful sales promotions and new merchandising initiatives.

Silveray's e-commerce strategy is in the final stage of completion and will enhance in-depth selling of its wide range of branded merchandise.

## **PROSPECTS**

Looking to the year ahead, Bidpac anticipates a recovery in the South African economy and has budgeted for an improvement in sales and operating profit. There was a noticeable improvement in trading activity towards the end of the financial year and management is optimistic that this momentum will sustain itself in the year ahead. Bidpac's ethos of trading effectively in a difficult business environment was clearly evident during the past financial year, and highlights Bidpac's potential when reasonable economic growth materialises.







LINDSAY RALPHS  
*Chairman*

# REVIEW OF OPERATIONS

(continued)

bidserv



‘Provides a comprehensive range of outsourcing services including contract cleaning, security, washroom hygiene, laundry services and garment rental and distributes janitorial supplies and workwear.’



#### DIVISIONAL CONTRIBUTION TO GROUP



Bidserv offers a range of corporate service solutions to commercial and industrial South Africa through its seven focused areas: washroom rental services, contract cleaning services, laundry services, security services (both traditional guarding and high-tech surveillance), mineral water cooler services, textile rental and industrial workwear and janitorial products. Bidserv is a major player in these fields and employs some 25 000 people, all of whom are highly trained in their respective areas of specialisation.

#### PERFORMANCE

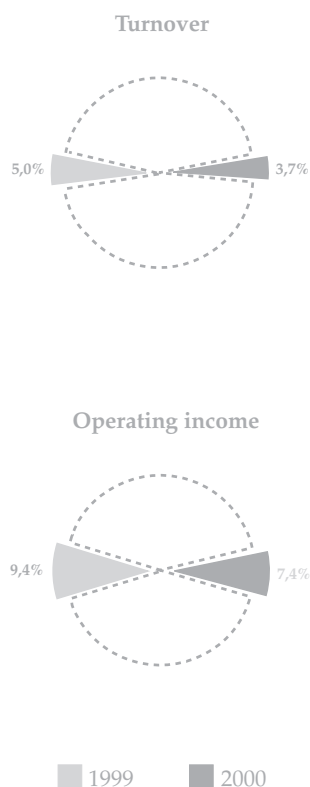
Bidserv had an exceptional year and the growth achieved has been mainly organic in view of the fact that no major acquisitions were made. The division continues to seek acquisition opportunities in the areas in which it operates, and will evaluate each transaction on its own merits.

Specific divisions whose performance demand mentioning include Prestige Cleaning Services, Shield Security and QMS. Their focus and dedication throughout the year have paid generous rewards.

#### KEY EVENTS OF THE YEAR

The growing business trend is a move to the outsourcing of non-core functions. This development is already well underway in the local economy and has had a positive impact on all of Bidserv's businesses, particularly for operations like Prestige, as cleaning services are traditionally the first activity to be outsourced.

Reasons for the move include the fact that as competition tightens, businesses narrow their focus to their core competencies and outsource all those non-core functions. This state of affairs is unlikely to change even when general economic conditions improve. The information revolution is altering the way we do business and this is not limited to the technological aspects. Because of the premium placed on agility and adaptability, companies are rationalising all previous corporate



# REVIEW OF OPERATIONS

(continued)

support functions to concentrate on their 'value added'. Bidserv is ideally positioned to profit from this trend.

## OPERATIONAL REVIEW

### Steiner Hygiene

Steiner Hygiene remains South Africa's leading supplier of environmental hygiene products to both the public and private sectors. It has achieved another year of impressive organic growth with three new branches and three new divisions being opened this year.

During the past financial year the Pureau mineral water cooler division was launched with great success. The business has grown alongside increasing hygiene consciousness. It is the first water cooler system to ensure a completely hygienic water supply with its fully sealed unit, from the water bottle to the dispensing unit. Pureau currently only services the commercial and industrial sectors, but intends to break into the residential market in the forthcoming year.

Steiner Food Technologies division was launched in the period under review, providing services similar to the traditional washroom hygiene range, but aimed at the food preparation market and is Hazard Analysis Critical Control Point (HACCP) compliant.

Steiner Dust Control Mats division, who sell to the commercial and industrial industry, also started operating as a separate division in the year under review.

### Prestige Cleaning Services

Another of Bidserv's industry leading divisions, Prestige, has over the last year cemented its position as the property care specialists.

In the year under review, Prestige achieved major expansion in the hospitality division. Previously, contracts were for cleaning the common areas of hotels, and have now been extended to full housekeeping services.

‘Bidserv has had an exceptional year and the growth achieved has been mainly organic in light of the fact that no major acquisitions were made.’



# bidserv

The food production cleaning division was started, and is aimed at industrial food preparation companies. This division offers a highly niched service with specialised cleaning techniques.

Prestige successfully developed a joint venture empowerment vehicle, Bidwip, with Wiphold, which has already started a number of empowerment cleaning companies nationwide.

## **QMS**

Operational changes this year include the aggressive development of QMS resulting in improvements in profitability. QMS provides labour broking and training, into the industrial and hospitality industries.

QMS was previously part of Prestige, but with the onset of the Skills Development Act and the growing emphasis on workforce training, a strategic decision was made to bring QMS to the fore. Training is, however, only one aspect of their business. They also have a remuneration management bureau, an occupational health and safety consultancy, an ISO 9000 and 9001 implementation programme and a staff facilitation arm with three branded tradenames – Hotel Temp, offering specialised labour broking for the hospitality industry, Ilanga/TMS (Total Manpower Solutions), providing labour broking of skilled and semi-skilled artisans to industry; and HP Chem who provide, inter alia, high pressure chemical and cleaning services.

## **Commercial Sundries**

The merger of Steiner Trading and Commercial Sundries has been successful, substantially improving profitability. The name change has been well received and the Steiner Hygiene brand has strengthened accordingly. It was felt that the Steiner name was most recognised for its washroom hygiene products and the supply of sundry, janitorial type products was diluting its brand value. Commercial Sundries is now one of the country's largest distributors of janitorial, cleaning and related products.



# REVIEW OF OPERATIONS

(continued)

## Shield Security and Shield Electronics

The Shield Security and Shield Electronics acquisitions made last year have been well integrated and the division will be aggressively acquisitive in this field during the next financial year. Crime is an unfortunate reality of the South African way of life and combating the problem is becoming increasingly sophisticated. All personnel are highly trained and the nationwide network helps to draw on the experience of crime fighters across the country.

The division has gained impressive market share as a result of our strategy to 'package' previously competing security services – guarding and surveillance – and has been able to provide clients with the most cost-effective security solutions.

## Boston Launderers

The laundry division also performed well, mainly as a result of Boston Launderers securing a long-term contract with a major international hotel group. However, revenue is still very much linked to hotel occupancy rates, which have been somewhat depressed over the last financial year. Boston Launderers is a leader in this industry and expects strong organic growth through the increased proliferation of casinos throughout the country.

## First Garment Rental

First Garment Rental performed satisfactorily this year, supplying clothing (ranging from corporate wear to industrial protective clothing) to industry on a laundered and serviced basis. This division operates nationally with state-of-the-art laundries in all the major centres, and service centres in Bloemfontein, Pietersburg, Ermelo and Potchefstroom.

‘Bidserv can fulfil  
70% of the typical  
company’s soft service  
requirements.’



# bidserv

## PROSPECTS

A strategic decision was made to position Bidserv in its areas of core competency and to consolidate these services into a single 'packaged' solution. This move caters to the next generation of the outsourcing trend in which a business will contract with a single soft service provider. Bidserv can fulfil 70% of the typical company's soft service requirements.

Bidserv is currently streamlining certain of its internal resources (sales, invoicing, call centres, etc) and is putting the necessary information technology structures into place. The packaged solution will be non-industry specific and preliminary results show that there is a huge demand for this service. Strong organic growth is anticipated to result from this move.







COLIN KRETZMANN  
*Chairman*

# REVIEW OF OPERATIONS

(continued)

caterplus



‘A major distributor of a comprehensive range of products to the catering, hospitality and foodservice industry through strategically located independent business units.’



#### DIVISIONAL CONTRIBUTION TO GROUP



Based in all major urban and tourist areas of South Africa, Caterplus operates through four specialist divisions – Catering Supplies, Speciality, Frozen Foods and Catering Equipment. Caterplus also has a presence in Australia, represented by Bidvest Australia, the United Kingdom through 3663 First for Foodservice (3663) and New Zealand by Crean Foodservice.

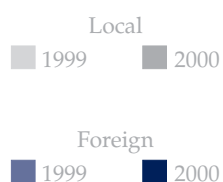
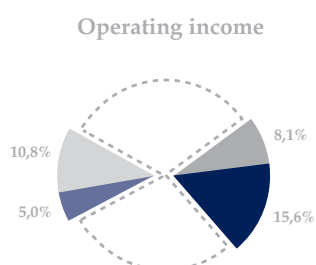
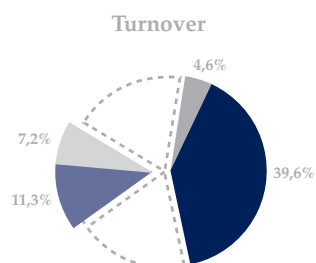
#### PERFORMANCE

The catering market in South Africa remains extremely depressed, with the possible exception of the convenience and fast food segments. No other segments of the market have presented Caterplus with any growth opportunities. In spite of these disappointing market conditions, which include the demise of a number of restaurants and hotels, the division has once again recorded excellent results. The continued emphasis on selling a complete range of products, the benefits derived from the convenience food segment, and management's attention to asset and expense control, have all contributed to this outstanding performance.

Caterplus is strategically positioned to take advantage of any positive market movements, which may arise, be these from the privatisation of Government assets, an upswing in tourism, or simply more people eating out.

In an industry where financial barriers to entry are particularly low, Caterplus' management and staff are constantly aware of the need to maintain superb service and quality products. The 'First for Service' training programme which will be introduced to South Africa from 3663 in the United Kingdom, should unlock benefits as this culture is embraced. Our highly motivated, decentralised management teams have set "striving for competitive advantage" as one of their main objectives, the benefits of which will continue to have a positive impact.

All divisions in South Africa, United Kingdom, Australia and New Zealand are budgeting to record improved profits in the forthcoming year.





# REVIEW OF OPERATIONS

(continued)

## CATERPLUS SOUTHERN AFRICA

### Catering Supplies division

The Catering Supplies division sells and distributes a broad range of groceries, cleaning materials, paper, liquor, cigarettes, glassware, crockery, cutlery and other kitchen and dining room utensils to the catering, hospitality, and foodservice industry throughout South Africa, Swaziland, Lesotho and Mozambique. This division is made up of seventeen decentralised business units, each managed by highly skilled and entrepreneurial management teams.

Their emphasis over the past financial year has been on producing organic growth through a return to basics and concentration on core business. The fundamental disciplines and controls of stock, debtors and expenses have received much attention. This focus has paid off and the division has performed well.

The increased profitability is in part a result of more aggressive liquor sales into the on-consumption hospitality industry, that being predominantly restaurants and bars. The division is in the process of acquiring further liquor licences and will continue to maximise this sales opportunity.

Further growth is anticipated to come from the continuous effort to sell a greater variety of product lines into the existing client base.

### Frozen Food division

The Frozen Food division has produced an excellent set of results for the financial year ended June 30 2000, despite a tough economic climate and a foodservice market that remains highly competitive and demanding.

The Blue Marine branches have performed well in their first full trading year since they were acquired out of liquidation, and all branches recorded good results.

‘Caterplus is strategically positioned to take advantage of any positive market movements.’





# caterplus

Seaworld Frozen Foods traded particularly well over this last year and also produced excellent results.

In spite of continuous market changes, new competitor activities and an unpredictable poultry market, this division is well placed and committed to show further organic and geographical growth.

Management is confident of showing improved results for the next financial year.

## **Speciality division**

Patleys markets local and imported premium quality products to the South African market. The sales volumes of the housebrand 'Goldcrest' continue to grow, as the advantages of the brand building investment are beginning to be enjoyed. The division performed well once again, benefiting from new agencies, the most notable being Kraft International Foods. The division will continue to invest funds behind the Goldcrest brand and will encourage principals to allocate additional funds to support their brands in the South African market.

Patleys is a member of CEISA (Cercle Européen Importateurs Spécialités Alimentaires). This organisation is an elite group comprising one speciality food importer per country. Member countries include Italy, Switzerland, Germany, United States of America, United Kingdom and Brazil amongst others. The association meets annually to benchmark the import and distribution standards of member countries.

It is an honour for Patleys to be included in this forum and membership opens opportunities for new brand acquisitions, ensuring consistent organic growth.



# REVIEW OF OPERATIONS

(continued)

## Catering Equipment division

The pending merger of Vulcan and CAARS will reduce costs and improve the sales and service focus of both companies and generate economies of scale in their manufacturing programme. Vulcan CAARS, which consists of two factories and five branch business units, is the only nationwide player in the catering equipment industry.

The depressed construction industry and volatile political events in the Southern African sub-continent impacted marginally on the results of Vulcan CAARS.

The sales drive into the Government sector is beginning to bear fruit and the extent of committed orders and enquiries currently on hand augurs well for substantially improved results in the 2001 year. During the year under review, the division developed new products and sales opportunities and has further enhanced its position in the markets it serves. Vulcan CAARS were significant positive cash generators and yielded acceptable returns on funds employed.

## BIDVEST plc

Bidvest plc has a market capitalisation of £226 million and is listed on the Luxembourg and Australian stock exchanges. The international companies are well-represented in geographical and product spread and their results have been pleasing.

## Bidvest United Kingdom

### *3663 First for Foodservice*

3663, which operates from thirty-two depots, is one of the leading foodservice distributors in the United Kingdom. The company's customers include the British Ministry of Defence and leading restaurant, pub, catering and fast food chains. In order to ensure that these different market segments are properly serviced the company manages its operations through three separate

‘The international companies are well-represented in geographical and product spread and their results have been pleasing.’





# caterplus

divisions: Multi-Temperature, Frozen Products and Logistics which in turn is made up of the Contract Distribution and the Ministry of Defence operations.

3663 is the leading provider of brand name products to the catering industry in the United Kingdom, and recently launched its own label "3663 Smart Choice". This range has already attracted great interest from customers and the marketplace in general.

The trading performance in the first full year under the control of Bidvest plc has been most satisfactory with significant increases in both operating profit and return on funds employed being achieved.

As evidenced in the trading performance the benefits of joining the Bidvest group are already being realised. Management is confident that additional benefits, especially from the newly formed buying department, will result in further progress being made in the year ahead, despite market conditions having weakened slightly in recent months.

## **Bidvest Australasia**

### *Bidvest Australia*

Bidvest Australia is a leading foodservice distributor in Australia. For the financial year ended June 30 2000 both sales and operating profits increased significantly, which were achieved by both organic and acquisitive growth. The company now operates fourteen business units along the eastern seaboard and is considered to be a national player.

Two acquisitions of substance were made this year: Regency Foodservice, Adelaide, in December 1999, and Warramba Foodservice, Melbourne, in May 2000. Various smaller acquisitions were also made in Brisbane, Wollongong and the Gold Coast.

The company as it stands today was developed over many years, and operates under a multiplicity of trade names, many of which have substantial goodwill attached to them in their



# REVIEW OF OPERATIONS

(continued)

areas of expertise. Nonetheless, a strategic decision was taken to implement a common branding to fully leverage the marketing and procurement opportunities available. The process has begun and all operations will be co-branded under the "Bidvest – First for Foodservice" banner.

The forthcoming year in Australia should be very interesting, with the impact of the Sydney 2000 Olympic Games being an unknown factor. Management is, however, confident of achieving continued growth during the year from a persistent focus on margin management and improvement, expenditure control and asset management.

## **Bidvest New Zealand**

### *Crean Foodservice*

Bidvest entered the New Zealand market through the acquisition of Crean Foodservice on April 1 2000. The company was founded in 1982 and grew both organically and by acquisition to become the largest independent foodservice distributor in New Zealand with one of the best reputations for service in the industry.

Creans began as a frozen seafood distributor, diversified into other frozen and chilled products and has, over the last five years, developed a range of ambient products.

Creans has only been part of Bidvest for the last quarter of the financial year and achieved excellent results for that period.

The main reasons for the fine performance are the improved economic and trading conditions, an increased focus on profitability leading to better operating expense control, and a general improvement in staff morale. All branches achieved budget and improved on last year and the planned expansion into the south island holds exciting potential for growth.

‘Plans for the upcoming year include the streamlining and consolidation of group buying practices on a global level.’





# caterplus

## PROSPECTS

The real potential of consumer patterns to converge with global food trends, where people cook less and spend more on prepared food, holds exciting potential as the local economy becomes more sophisticated and affluent.

Our plans for the upcoming year include the streamlining and consolidation of group buying practices on a global level. We anticipate that the cost savings that will result from such a system will have a positive impact on margins and revenues.

Growth is expected to continue on the back of new contracts, additional benefits from the Blue Marine acquisition and anticipated growth in the convenience/fast food sector.





DAVE ROSEVEAR  
*Chairman*

# REVIEW OF OPERATIONS

(continued)

‘Manufactures and distributes a comprehensive range of products to the bakery, meat and food processing industries.’

combined foods





#### DIVISIONAL CONTRIBUTION TO GROUP



#### YEAR UNDER REVIEW

Combined Foods manufactures and distributes a comprehensive range of products to the bakery, meat and food processing industries.

The bakery industry saw a highly competitive market in the period under review, and both Chipkins Bakery Supplies and NCP Yeast have performed well to produce the results they have.

Trading conditions in the red meat industry, which constitutes a significant portion of the customer base of Crown National, were particularly difficult during the last twelve months. In response the Crown National operations have refocused and resized and it is anticipated that the forecast improvements in the South African economy will bode well for this division.

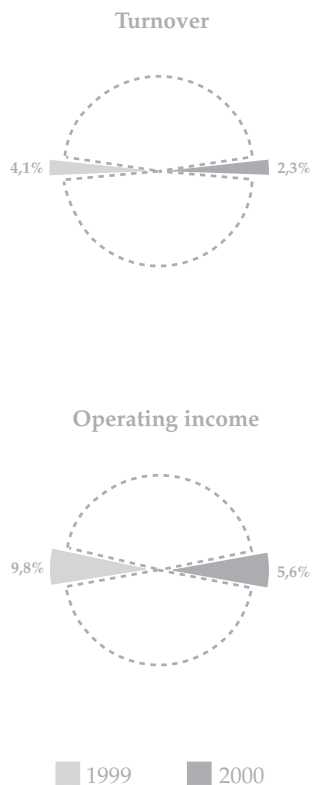
#### Chipkins Bakery Supplies

This division manufactures and distributes a wide variety of ingredients for the bakery industry, supplying the majority of in-store bakeries, industrial bakeries and confectionery outlets. Chipkins can comfortably claim to be a market leader in the industry and offers high quality products and a demonstration back-up service. Chipkins is represented nationally with branches in all the major urban centres.

Current difficulties in the bakery industry include declining quality standards in bread and confectionery products. Furthermore, qualified staff are scarce as the previous influx of highly skilled European bakers and confectioners has dried up.

Chipkins continues to retain highly skilled personnel who understand the bakery industry. A new Johannesburg General Manager and group Financial Manager were appointed this year.

Chipkins has once again performed above inflation maintaining its ten-year record of consistent organic growth, and has budgeted to continue this performance for the forthcoming year.



# REVIEW OF OPERATIONS

(continued)

## NCP Yeast

NCP Yeast (NCP) was established forty years ago and has branches throughout South Africa with agents operating in Lesotho, Swaziland, Namibia and Botswana. The company is focused on the manufacture and distribution of yeast products.

NCP yeast is manufactured at a wholly owned factory in Durban as well as at a site in Industria, which was set up through a joint venture between NCP and Anchor Yeast.

Products are split into three broad categories – consumer, baking and brewing, of which NCP has the greatest market share in brewing, predominantly into the beer powder market.

Consumer expenditure has declined and the fast moving consumer goods industry has suffered as a result. However, with both factories showing strong performance, NCP has traded satisfactorily.

It is anticipated that the brand development, distribution and product initiatives which are in place will enhance organic growth and profitability in the year ahead.

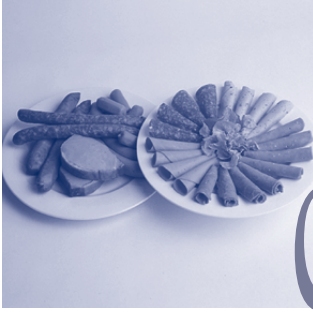
## Crown National

Crown National is a leading manufacturer and supplier of spices, seasonings, ingredients, food additives, condiments, marinades, sausage casings, meat processing equipment, packaging and allied products to the food and meat processing industries.

During the year under review Crown National maintained its position as the market leader despite the difficult trading conditions experienced in a highly competitive market. A marked decrease in consumer spending on food products impacted negatively on the red meat sector, which had an adverse affect on business. Bad debts arising from cash flow problems in the industry further aggravated this problem.

‘Operations have refocused and resized and forecast improvements in the South African economy bode well for this division.’





# combined foods

To combat these negative aspects Crown National resolved to take positive action by effecting major restructuring within the division and have streamlined operations to be more focused, innovative and creative. Crown National continues to place emphasis on improved service levels, asset management and cost controls.

Crown National, with its highly focused decentralised structure and its capacity to grow sales and profits organically, and with a minimum investment, is well poised to take advantage of the generally expected improvement and more consistent economic growth.





**LILIAN BOYLE**  
*Chief executive*

‘Southern Africa’s  
leading travel-related  
financial services group  
providing an extensive  
blue-chip client base with  
the widest range of high  
quality products and  
services to meet  
all their travel and foreign  
currency needs, locally,  
regionally and  
internationally.’

# REVIEW OF OPERATIONS

(continued)

rentfin



## DIVISIONAL CONTRIBUTION TO GROUP



The Group's financial services division, Rennies Financial Services (Renfin), provides a range of financial and travel services through its operations Rennies Bank (including Bidfin and Rennies Foreign Exchange), Rennies Travel, Concorde Travel, BTI World Travel, Connex Travel, Harvey World Travel (SA), Master Currency and associated airport services.

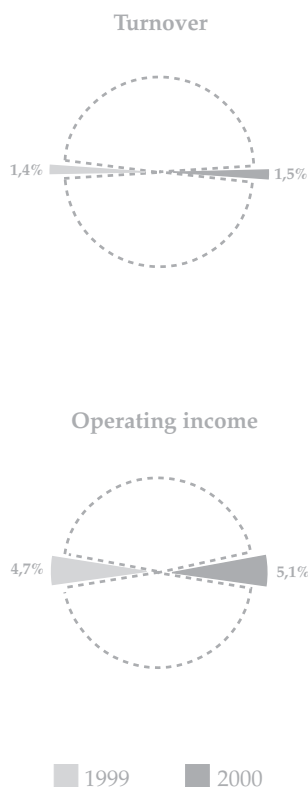
## YEAR UNDER REVIEW

Renfin experienced a difficult trading year with volume growth in the core businesses constrained by persistently sluggish economic conditions for most of the period under review. The combination of intensified competitor activity marked by heavy discounting, the decline in the use of paper instruments such as the traveller's cheque and the first wave of airline commission reductions, cut deeply into traditionally very narrow margins.

The first half of the year was characterised by the build-up to the new millennium. Whilst the anticipated travel boom did not materialise, the division's systems moved over without a hitch as a result of a well-managed and well-executed Y2K project plan. The early months of the second half of the year were flat, but a trend to significantly stronger growth emerged in the closing months and this appears to be continuing into the current year.

Technological developments including evolving e-commerce business models demand intense resource allocation, both human and financial, and will continue to do so.

Empowered and dedicated staff continue to be the lifeblood of this division and a primary focus area. Progress has been made in the implementation of the employment equity plan including learnership programmes, accelerated development programmes and the revitalisation of effective workplace forums to enhance communication and understanding of the business objectives. All staff are managed, incentivised and rewarded according to performance criteria, which reinforces the culture of high achievement throughout the division.



# REVIEW OF OPERATIONS

(continued)

The highlight of the second half of the year was the granting of the banking licence and the establishment of Rennies Bank. Application has been made for a full 'authorised dealer's licence' in order to expand the range of foreign exchange services offered throughout the branch network. Subsequent to the year-end, the business of Rennies Foreign Exchange was transferred into Rennies Bank.

## FINANCIAL PERFORMANCE

Turnover and expenses were augmented by the inclusion of the businesses acquired during the previous year and those acquired in 1999/2000, namely Gentravel, World Travel and Ons Eerste Volksbank. The leveraging of the immense buying power of the combined travel businesses resulted in significant benefits for clients and contributed positively to the division's earnings, which grew by 35% over the previous year.

The management teams are to be commended for the results achieved under difficult conditions. They also managed to maintain their drive to enhance the profitability of the traditional core businesses while participating in the development of new product lines, services and distribution channels in a market which is experiencing extremely rapid change.

## OPERATIONAL REVIEW

### Rennies Bank

Following the acquisition of the business of Ons Eerste Volksbank (OEV) and the granting of the banking licence, Rennies Bank has commenced operations through the former OEV branch in Pretoria. A refocusing exercise has been completed and new business is being conducted.

### Rennies Foreign Exchange

Rennies Foreign Exchange experienced a difficult year as a result of declining sales, lower margins and increased security and risk management costs necessitated by an upsurge in

‘A trend to significantly stronger growth emerged in the closing months and this appears to be continuing into the current year.’



# renfin

syndicated fraud. However, a significant increase in sales in the last two months of the year, stimulated by the revival of international travel and an aggressive marketing campaign, produced a strong finish to the year. The successful growth of the Visa credit card division in the course of the year was another positive development.

## **Bid Financial Services**

Bid Financial Services is an asset-based financier, providing financing in the form of instalment sale, lease and rental for purchasers of office furniture and equipment, security systems, computers, catering equipment and commercial vehicles. The business has enjoyed rapid growth in the past year, particularly in the equipment rental arena.

## **Rennies Travel**

The acquisition of several high quality corporate accounts, the expansion of the “power of managed travel” including customised management reporting and fee-based revenue, and the development of cost effective, high quality packages for the business and leisure traveller, compensated for the sluggish sales volume and revenue erosion from commission reductions. Productivity gains were achieved through process improvements and enhanced training, while the closure of non-productive outlets at the end of the previous year contributed to a substantial increase in earnings in the year under review. Rennies Direct greatly increased the flow of business through the call centre, boosted by consistent advertising to the public and the acquisition of several new affinity clubs.

## **Concorde Travel**

The year under review was one of consolidation and integration within the Renfin division. The benefits of this association, stemming largely from participation in the group’s buying power, translated into an exceptional profit performance from Concorde. The focus in the upcoming year will be on further capitalising on the inter-group strengths and improved productivity.



# REVIEW OF OPERATIONS

(continued)

## Connex Travel

Connex came into the group at the end of the last financial year when Renfin acquired 49% of the company from Transnet. The balance of the shares were acquired by economic empowerment partners. Connex has enjoyed rapid growth in the past year as a result of the acquisition of many large corporate, parastatal and Government accounts and now operates seven branches and four in-house corporate travel offices around the country. The benefits of the association with Rennie's include membership of Business Travel International (BTI), access to products, training and development initiatives and negotiated rates, all of which have a direct benefit to Connex's corporate travellers.

During the year, the non-core inbound travel business company in the United Kingdom was sold, and the South African operation was amalgamated with that of Rennie's Travel. Disposal of those loss making units, plus the increased revenues earned from new business, significantly enhanced the earnings from this joint venture.

## Harvey World Travel (SA)

This joint venture leisure travel franchise company had a most successful year during which the network grew to seventy franchises throughout southern Africa. The stronger trend in leisure travel seen at the close of the year is a most encouraging sign for the forthcoming year.

## World Travel and Gentravel

These two businesses were acquired in September 1999. With effect from the beginning of 2000, they were consolidated under the BTI World Travel banner with some rationalisation of premises already effected. Profitability will be improved in the coming year as a result of the focus on exploiting the benefits of association with the Renfin division.

‘All staff are managed, incentivised and rewarded according to performance criteria, which reinforces the culture of high achievement throughout the division.’



# rentfin

## **Master Currency**

This empowerment foreign exchange bureau, in which the group holds 49%, enjoyed another year of rapid growth in which it extended its network of branches from nine to fifteen. Sales growth, in keeping with the rest of this market, was disappointing for much of the year, turning markedly in the closing months. High costs associated with the expansion of the chain impacted on profits for the year. However, the company is now well established and is ideally positioned to enjoy a significant growth in earnings in the current year.

## **PROSPECTS**

Given the strong growth trends that emerged at the end of the financial year, all businesses expect a more favourable year in terms of sales. However, declining margins remain a feature of the traditional travel business as further commission reductions are anticipated during the year. The conversion of revenue source from suppliers' commissions to client fees will be accelerated, but the transition may be impeded by competitive activities.

The increased investment in e-commerce solutions and associated client relationship management activities will have a major impact on the overall profitability resulting in limited earnings growth.

The traditional foreign exchange businesses are expected to increase sales in the short-term in accordance with the current strong trends, boosted by Rand depreciation and political uncertainty emanating from the Zimbabwean situation.

The introduction of new product lines, ie non-travel foreign payments, will begin to compensate for the decline in travellers' cheques usage in the course of the year. The bank establishment costs including the appointment of key people, technology and systems will be high, largely offsetting the contribution from new product sales in the first year of operation.

# MANAGEMENT TEAM



## BIDFREIGHT

**CHAIRMAN:**  
D Rosevear

**FINANCIAL DIRECTOR:**  
M Steele

### SAFCOR PANALPINA

**Chairman and managing director:**  
P Womersley

**National Airfreight director:**  
H Visser

**National Seafreight director:**  
P Williams

**Financial director:**  
N Thompson

**National sales director:**  
C Cox

**Commercial director:**  
C Speed-Andrews

**Human resources director:**  
S McSweeney

**JOHANNESBURG – SEAFREIGHT**  
*Import manager:* C Pisapia  
*Commercial manager:* C Crowther

**JOHANNESBURG INTERNATIONAL AIRPORT – AIRFREIGHT**  
*General manager:* M du Preez  
*Branch manager:* C Greyling

**CAPE TOWN**  
*Regional director Western and Eastern Cape:* S Goslett  
*Branch manager:* G White  
*Commercial manager:* B Alison

**DURBAN**  
*Regional director:* E Cawood  
*Operations director:* J Cummins  
*Airfreight director:* T Barron

**PORT ELIZABETH**  
*Branch manager:* J Gerber

**EAST LONDON**  
*Branch manager:* D Wayber

**SEBENZA FORWARDING & SHIPPING CONSULTANCY**

**Managing director:**  
M Goodger

### RENFREIGHT CIRCLE

**Chairman:**  
P Steyn

**Managing director:**  
G Griffiths

**Sales and marketing director:**  
B Thoreson

**Financial director:**  
C Pretorius

**REGIONAL MANAGERS**  
*Natal:* B Morris  
*Cape:* G Robison  
*Port Elizabeth:* S Maherry  
*Gauteng:* D Logan  
*IT executive:* K Casey  
*Customs broking executive:* J Marais

### AIMS

**Managing director:**  
A Pheiffer

## BIDFREIGHT LOGISTICS

**Chairman:**  
G Griffiths

**Managing director:**  
G Marshall

**Financial director:**  
S McClure

### FEDEX

**Managing director:**  
G Marshall

**Operations director:**  
C Donald

**Marketing director:**  
D Johnson

**Financial director:**  
G Priest

### EXPRESS AIR SERVICES

**Managing director:**  
F Wolmarans

**Financial director:**  
I Butterworth

### SAFCON

**Chief executive officer:**  
A Verploegh

**Managing director:**  
M Truscott

**Financial director:**  
L Thompson

### RENNIES INTERNATIONAL LOGISTICS

**Managing director:**  
T Wilkinson

**Financial director:**  
I Noorbhai

### RENNIES TEXTILE LOGISTICS

**Managing director:**  
D Pringle

**Financial director:**  
I Noorbhai

### BUSINESS TECHNOLOGY LOGISTICS

**Managing director:**  
K Jackson

**Financial director:**  
I Noorbhai

### TERMINALS

**Chief executive officer:**  
R Graham

**Financial director:**  
A Dawe

**Business development director:**  
A Lax

**Senior consulting engineer – Dry Bulk:**  
R Searle

**SABT managing director:**  
K Smith

**Shipping director:**  
M Moodley

**Financial director:**  
M Steyn

### SACD

**Managing director:**  
G Peinke

**Financial director:**  
S Coetzee

**Business development director:**  
G Popple

## REGIONAL DIRECTORS

*Cape Town:* R Buchanan  
*Durban:* M Martin  
*Gauteng:* D Trotter  
*IS director:* T Afnan-Holmes

### RENNIES CARGO TERMINALS

**Managing director:**  
R Herman

**Financial director:**  
R Carsons

**Operations director:**  
R Sheldrake

## REGIONAL DIRECTORS

*S Dixon*  
*R Ford*  
*B Carey*

### ISLAND VIEW STORAGE

**Managing director:**  
R Graham

**Financial director:**  
D Cleasby

**Human resources director:**  
S Smith

**Operations director:**  
L Redhead

**Marketing director:**  
K Ehlers

**Technical director:**  
G Brooks

### BLUFF MECHANICAL APPLIANCE

**Managing director:**  
I Geldart

**Financial director:**  
W Pillay

**Operations director:**  
B Deghaye

**Engineering director:**  
M Bedingham

### SA STEVEDORES

**Managing director:**  
J Laister

**Marketing manager:**  
N Köfer

**Financial manager:**  
B Irvine

### MANICA

**Chairman:**  
P Steyn

### MANICA AFRICA

**Chairman:**  
P Steyn

**Managing director:**  
P Reeves

**Financial director:**  
D de Klerk

### MANICA ZIMBABWE

**Chairman:**  
P Steyn

**Deputy chairman:**  
J Brien

## GENERAL MANAGERS

*Terminals:* A Kamhunga  
*Freight:* G Davies  
*Perishables:* A Pattenden

### MANICA ZAMBIA

**Managing director:**  
C Clark

## MANICA MALAWI

**Managing director:**  
A Chitsime

### MANICA TRANSBORDER

**General manager:**  
P Reeves

### MANICA LOGISTICS

**Managing director:**  
C Clark

## MANICA INVESTMENTS AND INTERNATIONAL

### MANICA NAMIBIA

**Chairman:**  
P Steyn

**Managing director:**  
H Dennewill

**Financial director:**  
C Lotheringen

### MANICA MOZAMBIQUE

**Chairman and managing director:**  
P Steyn

**Deputy managing director:**  
F Couté

**Financial director:**  
L Goncalves

### MARINE

**Chairman:**  
P Steyn

**Chief executive:**  
M Atter

**Financial director:**  
D Anderson

### RENNIES SHIPS AGENCY

**Chairman:**  
P Steyn

**Managing director:**  
M Atter

**Financial director:**  
D Andersen

**OPERATIONS DIRECTORS**  
*Non-Liner division:* L Smith  
*Liner division:* B Bester

### COMMERCIAL MARKETING DIRECTORS

*Non-Liner division:* A Kee  
*Liner division:* R Murray

### JAPAN MARINE SUPPLIES AND SERVICES

**Managing director:**  
C Kotze

**General manager:**  
K Isiwa

### P&I ASSOCIATES

**Chairman:**  
M Atter

**Managing director:**  
A Reid

### COSREN

**Managing director:**  
H Shou Sen

### DUDULA FREIGHTBULK

**Chairman:**  
S Mithetwa

**Managing director:**  
A Kee

### RENNIE MURRAY

**Managing director:**  
A Edwards





## BIDOFFICE

### **CHAIRMAN:**

L Chimes

### **FINANCIAL DIRECTOR:**

C Rostowsky

### **INTERNAL AUDITOR:**

D Conradie

## STATIONERY DIVISION

### **WALTONS STATIONERY**

#### **Chairman:**

F Robarts

#### **Managing director:**

J Farrell

#### **Operations director:**

D Pewsey

#### **Procurement director:**

P Cronje

#### **Financial director:**

F Reyneke

#### **IT director:**

D Crooke

#### **Retail operations:**

T Piccione

### **WESTERN CAPE**

*Managing director:* R Bowes

*Sales director:* K Spence

### **KWAZULU-NATAL**

*Managing director:* M Frizelle

*Sales director:* T Kane-Berman

### **GAUTENG**

*Managing director:* B Taylor

*Financial director:* E Choonara

*Procurement:* E Kleynhans

### **IMPORT DIVISION**

*Managing director:* R Sepp

### **EAST LONDON**

*Managing director:* G Cohen

### **FREE STATE**

*Managing director:* D Gallagher

### **NAMIBIA**

*Managing director:* J van Tonder

### **KOLOK**

#### **Managing director:**

A Thompson

#### **Financial director:**

P Kleynhans

#### **Stores director:**

E Cassim

#### **Business unit managers:**

G Chappel, S Smith, L Stevens

#### **Sales:**

M Thiel

### **WESTERN CAPE**

*Branch manager:* R Abels

### **KWAZULU-NATAL**

*Branch manager:* B Pullock

### **NAMIBIA**

*Branch manager:* M Roets

### **KOLOK AFRICA**

#### **Managing director:**

R Smith

#### **Production director:**

D Lino

#### **Finance manager:**

C Pettitt

### **STATMARK**

#### **Managing director:**

H Servas

#### **Financial director:**

P McIlwaine

### **HORTORS**

#### **Managing director:**

L Carlson

#### **Editor:**

E Bungay

### **QUANTUM STATIONERS**

#### **Managing directors:**

T Miles, T Palphramand

### **CONTRACT OFFICE**

#### **PRODUCTS**

#### **Managing director:**

H Magid

#### **Sales director:**

H Elison

#### **Operations director:**

B Eisenstein

#### **Financial director:**

N George

## OFFICE FURNITURE DIVISION

#### **Chairman:**

N Levin

#### **Financial director:**

M Rubin

### **CECIL NURSE**

#### **Managing director:**

R Bergh

#### **Financial director:**

W du Plessis

#### **Operations director:**

H Smookler

### **CAPE**

*Managing director:* S Knoetze

### **KWAZULU-NATAL**

*Managing director:* G Bolton

### **FREE STATE**

*Managing director:* H Meyer

### **DAUPHIN**

#### **Managing director:**

I Galloway

#### **Finance manager:**

J Allen

#### **Sales manager:**

J Chalmers

### **NUCLEAR**

#### **Managing director:**

M Janutsch

#### **Sales director:**

M Phillips

#### **Finance manager:**

E Keene

### **PAGO**

#### **Managing director:**

I Walt

#### **Finance manager:**

N Noack

### **SEATING**

#### **Managing director:**

S Gerber

#### **Financial director:**

L Snyman

#### **Operations director:**

S Lavarone

## OFFICE AUTOMATION DIVISION

### **MINOLCO**

#### **Managing director:**

A Griffith

#### **Financial director:**

I Keshwar

#### **Administration director:**

M Holahan

#### **Technical operations:**

A Barbosa

#### **Director – copiers:**

L Tager

#### **Director – fax and lasers:**

P Enslin

#### **General manager – Océ:**

N Foley

#### **Regional managers:**

K Dix-Peek, D Jackson

## PRINTING AND RELATED DIVISION

### **LITHOTECH**

#### **Managing director:**

N Birch

#### **Financial director:**

C Adendorff



## BIDPAC

### **CHAIRMAN:**

A Salomon

### **INTERNAL AUDIT:**

B Kerkhoff

### **INFORMATION SYSTEMS:**

B Sher

### **CREDIT MANAGEMENT:**

E Jenkinson

## PACKAGING DIVISION

### **AFCOM – GE HUDSON**

#### **Managing director:**

H Greenstein

#### **Financial:**

C Levin

#### **Operations:**

C Stedman

#### **Administration:**

B Kerkhoff

#### **Fastening:**

I Hunter

#### **Strapping:**

P Johnston

#### **Packaging:**

M Hilson

#### **Stretchfilm:**

R Trent

#### **Labels:**

W Coetzer

#### **Human resources:**

B Campbell

#### **Accounting:**

M Berthelot

### **PRODUCTION**

*Strapping:* F Fremouw, N Cloete,

B Pretorius

*Collated Nails and Staples:*

J van Ryssen, A Craukamp,

B Mthembu

*Ti-Strap:* W Molautsi

*Workshop:* F Oudmayer

### **BRANCH DISTRIBUTION**

*Bloemfontein:* W Coetzer

*Cape Town:* P Sykes,

D McVean-Nicol

*Durban:* K Oliver, D Poovan

*East London:* K Guess

*Johannesburg – Strapping and*

*Packaging:* P Johnston

*Johannesburg – Fastening:* J East

*Nelspruit:* A de Beer

*Port Elizabeth:* H Nel

*Pretoria:* T Nel

*Tzaneen:* J van der Merwe

*Markwell:* P Steyn

### **BUFFALO EXECUTAPE**

#### **Managing director:**

T Girnun

#### **Financial:**

C van der Westhuizen

#### **Production:**

T Isaacs

#### **Sales:**

A Nel

#### **Administration:**

S Sewpersad



# MANAGEMENT TEAM

(continued)



## BIDPAC (continued)

### ROLL-A-PAK

#### Managing director:

H Petersen

#### Financial:

C Kimmell

#### Sales:

K Steer

#### Production:

L Davids

### STATIONERY PRODUCTS DIVISION

#### SILVERAY STATIONERY COMPANY

#### Managing director:

A Muirhead

#### Financial:

P Haripersad

#### National sales:

J Wheatley

#### Information systems:

V Hoare

#### Retail:

J Feldman

#### Divisional sales:

I Zimmerman, S Zimmerman,  
L Tippet

#### PRODUCTION

Mobeni: D Foure

Globe: J Davis

#### BRANCH DISTRIBUTION

Durban: H Yunus

Johannesburg: T Harman,

J Millinger

Cape Town: K Meehan, G Baines

Bloemfontein: E Maree

Port Elizabeth: J Kinnell

East London: J Trefusis-Paynter

### HI-MAUR LABELLING SYSTEMS

#### Managing director:

T Ruppig

#### Financial:

R Hill

#### Production:

F Vermolen

#### National Sales:

F Harmen

#### BRANCH DISTRIBUTION

Johannesburg: D van Niekerk

Pretoria: M Botes

Durban: G Gordon

Port Elizabeth: D Kozak

Bloemfontein: J Bouwer

Cape Town: W Hitchins

East London: J Hart

### OZALID SA

#### Managing director:

T Ruppig

#### Financial:

R Hill

#### Sales:

K Jardine

#### Production:

J van Heerden



## BIDSERV

#### CHAIRMAN:

L Ralphs

#### INTERNAL AUDITOR:

A Tendeiro

#### SALES AND SERVICE MANAGER:

O Hall

#### MARKETING MANAGER:

L Fleissig

#### NATIONAL SALES AND

#### CUSTOMER CARE:

D Koff

#### GROUP ACCOUNTANT:

B Teixeira

### STEINER HYGIENE

#### Managing director:

N Smith

#### Financial director:

P Meijer

#### Marketing director:

R Tyack

#### DIRECTORS

G Ronan

J Fritz

J Forman

A Cowan

A Steyn

#### GENERAL MANAGERS

National accounts: V Bendrau

Steiner Hygiene Technologies:

P Botha

Steiner Hygiene Dust Control:

R Nel

Pureau: G Tantom

#### Group human resources

#### manager:

K Scott

#### Group IT manager:

P Schoeman

#### REGIONAL MANAGERS

Benrose: J Forman

Kya Sands: A Cowan

Aeroport: G Kellerman

Port Elizabeth: L Krause

Centurion: P Labuschagne

Pretoria West: J Fritz

#### BRANCH MANAGERS

Bloemfontein: E Barnard

Cape Town: G Ronan

Durban: Y Smith

East London: B Hudson

Ermelo: R Heuer

George: Q Harris

Kimberley: M Munnick

Nelspruit: S Knoessen

N'Dabeni: G Ronan

Newcastle: C Robinson

Pietermaritzburg: A Botha

Pietersburg: R Hagerty

Port Elizabeth: L Krause

Potchefstroom: M Veldman

Richards Bay: D Adamson

Welkom: E Grove

Rustenburg: H Kilian

### FIRST GARMENT RENTAL/BOSTON LAUNDERERS

#### Managing director:

A Fainman

#### Financial director:

M van Niekerk

#### DIRECTORS

Western Cape: V Sutherland

Gauteng: P Dunn

#### GENERAL MANAGERS

KwaZulu-Natal: L Volans

Port Elizabeth: A Mather-Brown

Boston – Johannesburg: J Vilensky

Boston – Mogwase: P Armstrong

### COMMERCIAL SUNDRIES

#### Managing director:

S Xenophon

#### Financial manager:

A Muir

#### BRANCH MANAGERS

Johannesburg: P Rice

Cape Town: H Aysel

Durban: C Henstock

Pietersburg: R Prins

### CLOCKWORK CLOTHING

#### Financial director:

M Ross

#### Sales director:

W Welgemoed

#### Director – Giant Clothing:

H Thomas

#### Director – Admiral Sportswear:

R Sparks

#### Financial manager – Admiral

#### Sportswear:

A Greene

### SHIELD ELECTRONICS

#### Managing director:

S van Aswegen

#### Financial director:

A Shiba

#### Technical manager:

K Wheelan

#### Operations manager:

R Kolberg

#### Marketing manager:

S Nel

#### National sales manager:

I Koster

### SHIELD SECURITY

#### Managing director:

A Whiteley

#### Financial director:

L le Roux

#### Human resources director:

L Maree

#### DIVISIONAL DIRECTORS

Quality assurance: M May

Eastern division: T Perkins

#### GENERAL MANAGERS

Natal region: N Lamble

Protection service: A Shaw

#### OPERATIONS MANAGERS

Natal: C Peel

Eastern Cape: P Vorster

Western Cape: C Rademeyer

Gauteng North: K Tredoux

Gauteng East: Y Wilke

Gauteng Central: G Smith

Gauteng West: I Smith

Risk Control: L Knight

#### MARKETING MANAGEMENT

R Ward

J Dowling

#### STRATEGIC CORPORATE SOLUTIONS

Director: R Clarke

## QMS

#### Managing director:

F de Clercq

#### Financial director:

M Grobbelaar

#### Training director:

A Bester

#### General manager IT/ISO:

D du Pisani

#### Director – external training:

J Matsipa

#### General manager – external

#### payroll:

K Flood

#### Managing director – Hotel Temp:

B Anderson

#### Managing director – TMS/

#### Ilanga:

R van Zyl

#### Director – Occupational Health

#### & Safety:

R Scott

### PRESTIGE CLEANING SERVICES

#### Managing director:

J Taylor

#### Financial director:

B Gosai

#### Operations director:

D Otto

#### Marketing and sales director:

J du Toit

#### Human resources director:

P Roux

#### DIVISIONAL DIRECTORS

Finance: A Still

Operations Northern: M Medallie

Operations Southern:

H Liebenberg

Operations Central: J Seegers

Operations Healthcare: P Heilig

Operations Hospitality:

P van der Westhuizen

Operations KwaZulu-Natal:

R White

Operations Cape Coastal: E de Kok

Operations Specialised Services:

J Dames

Joint Ventures: B Bussell

#### GENERAL MANAGERS

Bloemfontein: C van der Merwe

East Rand: S Coetzee

Execu-clean: C Erwee

Hospitality – Durban: N Withers

Healthcare – Johannesburg: K Reid

Healthcare – Pretoria: I Oosthuizen

Healthcare – Johannesburg and

Pretoria: P Heilig

Healthcare – KwaZulu-Natal:

B Burnill

Hi-Tech – Botswana: L Guille

Human resources KwaZulu-Natal:

M Fletcher

KwaZulu-Natal South: J du Toit

Mpumalanga-Highveld: L Jonker

Mpumalanga-Lowveld:

M van der Merwe

North Rand: C Labuschagne

Office valet services – KwaZulu-

Natal: A Kimble

Orkney/Welkom: G Ehlers

Port Elizabeth (Eastern Cape):

A Fulton

Pretoria: J Vogel





#### GENERAL MANAGERS (continued)

*South Rand:* C Maguire  
*Technical, training, buying:*  
E Matthews  
*Vaal:* A Pretorius  
*Cape Town:* H Langeveldt  
*Hospitality – Johannesburg:*  
B Sanders  
*Hospitality – Midrand/Pretoria:*  
J Weiffenbach  
*Sales – Healthcare and Hospitality,*  
*Head Office:* S Bell  
*Sales – Setsebi:* S Fulton  
*Specialised Services – Johannesburg*  
*and Vaal:* A Burnell  
*Specialised Services Pest Control*  
*– Johannesburg and Vaal:* J Tapp  
*Specialised Services – Pretoria and*  
*East Rand:* C Venter  
*Specialised Services:* A Dippenaar  
*Sales – Coastal:* R Mackenzie  
*Sales – Central and Northern:*  
L Steyn  
*Sales – Marketing:* D Wakefield  
*Sales – Southern and Coastal:*  
D Neilon  
*IT:* R Shepherd  
*Quality and training:* C Barrat  
*Finance:* D Gomersall  
*Finance:* M Kruger  
*Credit control:* P Human

### CATERPLUS

**CHAIRMAN:**  
C Kretzmann

**FINANCIAL DIRECTOR:**  
T Scruse

**HUMAN RESOURCES**  
**MANAGER:**  
M Lockley

**IT MANAGER:**  
L Haasbroek

### CATERING SUPPLIES

**Managing director:**  
J Araujo

**Finance:**  
A Jochens

### CHIPKINS CATERING

**JOHANNESBURG**  
*Managing director:* J Uys  
*Administration:* J de Vries  
*Buying:* W Forbes  
*Operations:* B Swanepoel,  
M Isaacs  
*Sales:* M Bonnette, P Barrett

**CAPE TOWN**  
*Managing director:* E Webster  
*Administration:* N Hardwich  
*Buying:* A du Toit  
*Sales:* S Horwitz

**MPUMALANGA**  
*Managing director:* D Mackie  
*Administration:* Y Mackie

**DURBAN**  
*Managing director:* R Lowe  
*Administration:* C Palmer  
*Operations:* S Naicker  
*Sales:* B Mathura

**BLOEMFONTEIN**  
*Managing director:* S Marais  
*Administration:* M Lewis  
*Buying:* M Malherbe  
*Operations:* S Maholi

**PORT ELIZABETH**  
*General manager:* F da Silva  
*Administration:* P Gouws  
*Operations:* F Bekker

**PIETERSBURG**  
*General manager:* A McLeod  
*Administration:* H van Houten  
*Sales:* N Strydom

**EAST LONDON**  
*Managing director:* R Sneddon  
*Administration:* R Hechter

**CATERSALES**  
*Managing director:* E Eagar  
*Administration:* W Venter  
*Operations:* R Ramos  
*Sales:* K Ross

**LOU'S WHOLESALEERS**  
*Managing director:* H Dorfling  
*Administration:* P Roberts  
*Sales:* C Lee

### FIRST FOOD DISTRIBUTORS

*Managing director:* D Smit  
*Administration:* R van Vlaanderen  
*Buying:* M Wainwright  
*Sales:* C Webb

**RFS CATERING SUPPLIES**  
*General manager:* M Murphy  
*Administration:* F Ball  
*Operations:* D Mofokeng  
*Sales:* K Drake

### PYRAMID CATERING SUPPLIES

*Managing director:* B Saharin  
*Administration:* A Ramsaroop  
*Buying:* R Jankiepersadh  
*Operations:* A Govender  
*Sales:* B Govender

**NELPACK**  
*General manager:* B Moore

**D & R LOWE**  
*Managing director:* C McCormack  
*Buying:* T Pillay  
*Operations:* J Agrela  
*Sales:* N Papas

### CCW CATERING

**PIETERMARITZBURG**  
*Managing director:* N Yeats  
*Administration:* C van der Velden  
*Sales:* R Lyon

**EMPANGENI**  
*General manager:* A Müller  
*Administration:* M Ashmore

### CATERING EQUIPMENT

**VULCAN CAARS**  
*Managing director:* D Leibowitz  
*Production:* K Wilding  
*Financial:* R Lucas  
*Sales:* M Neilson  
*Exports:* R McMurray  
*Information Systems:* M Hoff

**BRANCH DISTRIBUTION**  
*Johannesburg:* D Leibowitz  
*Durban:* G Robertson  
*Cape Town:* B du Bois, P Little  
*East London:* T Rademeyer  
*Port Elizabeth:* T van der Merwe

**CATERING APPLIANCES AND**  
**REFRIGERATION SERVICES**  
*Managing director:* D Thewlis  
*Sales:* P Thewlis  
*Financial:* J Visser

### SPECIALITY DIVISION

**PATLEYS**  
**Managing director:**  
M Notrica  
**Administration:**  
H Angove

**JOHANNESBURG**  
*Sales:* R Fitzsimmons

**DURBAN**  
*General manager:* P Whitton  
*Sales:* E Tuback

**CAPE TOWN**  
*General manager:* J de Jager  
*Sales:* M Gliddon

**PORT ELIZABETH**  
*General manager:* E Mossop  
*Sales:* C Dunk

### FROZEN FOODS DIVISION

**Managing director:**  
R Wainer

**Financial director:**  
B Varcoe

**Human resources:**  
P Kashe

### SEAWORLD

**JOHANNESBURG**  
*General manager:* C Watt

**BLOEMFONTEIN**  
*General manager:* A Rheeder

**CAPE TOWN**  
*General manager:* L Fouché

**DURBAN**  
*General manager:* S Naidoo

**NELSPRUIT**  
*General manager:* A Brower

**PIETERSBURG**  
*General manager:* N Myburgh

### BLUE MARINE

**JOHANNESBURG**  
*General manager:* K Köhler

**CAPE TOWN**  
*General manager:* P Struckman

**DURBAN**  
*General manager:* R Gravett

### BIDVEST plc

**Financial:**  
S Bender

**Legal:**  
C Evans

**Company secretary:**  
J Unsworth

### BIDVEST AUSTRALASIA

**Managing director:**  
B Berson

### BIDVEST AUSTRALIA

**Managing director:**  
K Bielby

**National marketing manager:**  
A Fechner

**National accounts manager:**  
P Jamieson

**National purchasing manager:**  
N Stephenson

**Management information**  
**systems:**  
A Stainlay

**Financial controller**  
**– New South Wales:**  
R Romano

**Financial controller**  
**– Queensland:**  
I Allan

**Internal audit:**  
B Boreham





# MANAGEMENT TEAM

(continued)



## CATERPLUS (continued)

### BIDVEST AUSTRALIA (continued)

#### BURLEIGH MARR DISTRIBUTIONS

*Brisbane:* P Jamieson  
*Gold Coast:* I McLeod  
*Hervey Bay:* R Peterson  
*Sunshine Coast:* C James  
*Townsville:* G Denovan

#### COLD SEAS

*Canberra:* M Moullakis

#### FELANS FISHERIES

*Sydney:* C Mantikas

#### MANETTAS

*Newcastle:* A Harman

#### PETERS FISH MARKET

*Sydney:* P Cole, Y Tan

#### REGENCY FOODSERVICE

*Adelaide:* G Turner

#### RM SMITH

*Sydney:* J Lequertier

#### STEPHENSONS

*Sydney:* P Cronin

#### T.O.D. FOODS

*Wollongong:* C Fechner

#### WARRAMBA FOODSERVICE

*Melbourne:* J Pollio

### BIDVEST NEW ZEALAND

#### CREAN FOODSERVICE

*Managing director:* N Boswell  
*Financial:* P Ballantine  
*Retail:* M Hogarth  
*Auckland:* A Crean  
*Rotorua:* K Buckthought  
*Hamilton:* G McGregor

### BIDVEST UNITED KINGDOM

#### 3363 FIRST FOR FOODSERVICE

##### Chief executive:

F Barnes

##### Finance director:

P Weir

##### Managing director – Multi-

##### Temperature division:

A Fisher

##### Managing director – Frozen

##### division:

R O'Keefe

##### Managing director – Logistics

##### division:

A Selley

##### Buying director:

I Crawford

##### Trading director:

W Pearce

##### IT director:

P King

#### REGIONAL DIRECTORS

P de Ternant  
G Hughes  
S Rich  
B Rowlands  
A Tiplady  
N Wemyss

#### DIRECTORS OF NATIONAL

#### ACCOUNTS

S Law  
A Murray  
N Tidy  
L Webb

#### DIRECTORS OF FINANCE

*Logistics division:* C Jones  
*Multi-Temperature division:*  
M Tyler  
*Frozen division:* I Uren

#### DIRECTOR OF SYSTEMS

#### DEVELOPMENT

M Blank

#### DIRECTOR OF CLIENT RELATIONS

M Dickinson

#### DIRECTOR OF QUALITY

M Holmes

#### DIRECTOR OF HUMAN RESOURCES

L McAlister

#### DIRECTOR OF OPERATIONS

#### SERVICES

D Morgan

#### DIRECTOR OF MoD SUPPLY

G Pritchard



## COMBINED FOODS

### CHAIRMAN:

D Rosevear

### CHIPKINS BAKERY SUPPLIES

#### Managing director:

I Berman

#### Finance:

N Phillips

#### Sales director:

J Klost

#### Technical director:

E Kohlöffel

#### Human resources manager:

S Mahlabe

#### JOHANNESBURG

*General manager:* R Mooney

*Operations:* B Boshoff

*Administration:* R Tozer

*Sales:* P Ahrens

#### CAPE TOWN

*General manager:* M Myers

*Administration:* R Hitchins

*Sales:* L Gareis

#### DURBAN

*General manager:* F Goddaer

*Administration:* V Govender

*Sales:* U Lang

#### PORT ELIZABETH

*General manager:* D Stevenson

#### NELSPRUIT

*General manager:* J Wolter

#### PIETERSBURG

*General manager:* H Lippenberger

#### NAMIBIA

*General manager:* A Viljoen

#### BLOEMFONTEIN

*General manager:* K Zurfluh

### CROWN NATIONAL

#### Managing director:

C Singer

#### Financial director:

J Kramer

#### Operations:

M Critien

#### National key accounts:

R Maasdorp

#### Exports:

M Jacob

#### Casings:

C Burger

#### Equipment:

R Jacobs

### CROWN FOOD INGREDIENTS

#### General manager:

H Hunkin

#### Business manager – coastal:

J Morris

#### Business manager – inland:

G Keeling

#### Functional ingredients:

L Filho

#### Procurement and Shipping:

G Fasser

#### Technical:

A Steyn

#### Spice production

#### – Johannesburg:

E Nardelli

#### Spice production – Cape Town:

J Philogene

#### BRANCH GENERAL MANAGERS

*Johannesburg:* J Dyssel

*Cape Town:* T Cleghorn

*Durban:* F Fisher

*Pretoria:* H Pfeiffer

*Port Elizabeth:* P Roos

*Bloemfontein:* N le Grange

*Nelspruit:* T Quarmby

#### MODERN PACKAGING

#### General manager:

I McBride

### NCP YEAST

#### Managing director:

W Bright

#### Operations director:

J du Plessis

#### Financial director:

K Jacobs

#### Sales and marketing director:

J Oosthuizen

#### Logistics director:

A Singh

#### Exports:

S Ferreira

#### Credit control:

D Greyling

#### Promotions:

A Huma

#### KWAZULU-NATAL

*Maintenance engineer:*

J van Rensburg

*Technical:* J du Plessis

*Financial:* L Heads

*Sales:* G Goschen

#### GAUTENG, BOTSWANA, NAMIBIA,

#### SWAZILAND

*Sales:* S Ferreira

#### BORDER, EASTERN AND WESTERN

#### CAPE

*Sales:* T Pieck

#### FREE STATE, LESOTHO

*Sales:* G Scheepers







## RENNIES FINANCIAL SERVICES

### CHIEF EXECUTIVE:

L Boyle

### FINANCIAL DIRECTOR:

J Butler

### INFORMATION TECHNOLOGY DIRECTOR:

N Steingold

### COMMERCIAL DIRECTOR:

R Lawlor

### GENERAL MANAGERS

*Human resources:* K Morobe

*Information systems:*

A Govender

*Sales and account management:*

L Greenaway

### RENNIES BANK

#### Managing director:

D Walker

### GENERAL MANAGERS

*Finance:* D Erlank

*Treasury:* G Bowen

*Operations:* C Macfarlane

*Retail foreign exchange:* Y Lorgat

### RENNIES TRAVEL

#### Chief executive:

L Boyle

### RETAIL OPERATIONS DIRECTORS

*Northern region:* N Esnouf

*Coastal region:* C Holmes

*Director travel services division:*

K Harris

### NAMBIA

*General manager:* H Schultz

### ZIMBABWE

*General manager – travel:* L Valler

*General manager – foreign*

*exchange:* C Naisbitt

### CONCORDE TRAVEL

#### Managing director:

A Lunz

### CONNEX TRAVEL

#### Managing director:

K Makhetha

### BTI WORLD TRAVEL

#### Operations directors:

B Langner, C Whitman

#### Sales and marketing director:

I Hunter

### MASTER CURRENCY

#### Executive chairman:

Z Combi

### HARVEY WORLD TRAVEL (SA)

#### General manager:

B Lutman

### BID FINANCIAL SERVICES

#### General manager:

R Waldman

#### Financial manager:

L Allsop



## BID CORPORATE SERVICES

### GROUP FINANCIAL DIRECTOR:

P Nyman

### GROUP ADMINISTRATION

#### MANAGER:

N Goodwin

### GROUP COMPANY SECRETARY:

M Viljoen

### GROUP ASSISTANT COMPANY

#### SECRETARY:

M David

### GROUP CORPORATE FINANCE:

J Hochfeld

### GROUP CREDIT:

H Zinman

### GROUP INTERNAL AUDIT:

B Smith

### GROUP ACCOUNTANT:

P van der Merwe

### GROUP PUBLIC RELATIONS:

B Dorfman

### GROUP PROPERTIES AND

#### PURCHASING:

R Cohen

### GROUP TAXATION:

S Diss

### MANAGING DIRECTOR

#### – e-COMMERCE:

P Katz

### MANAGING DIRECTOR

#### – ISLE OF MAN:

J Unsworth



# CORPORATE GOVERNANCE

The Board subscribes to the values of good corporate governance espoused in the King Report. The directors have long recognised the need to conduct the enterprise with integrity and in accordance with generally accepted corporate practices. This recognition is evidenced by the directors' support of the Code.

## CORPORATE CODE OF CONDUCT

Bidvest is committed to:

- ▶ the highest standards of integrity and behaviour in all its dealings with its stakeholders and society at large;
- ▶ carrying on of business through fair commercial competitive practices;
- ▶ removing discrimination and the promotion of employees to realise their potential through training and development of their skills; and
- ▶ being responsible toward environmental and social issues.

## BOARD OF DIRECTORS

The Board comprises ten non-executive and sixteen executive directors. These directors have a range of differing skills and experience which they bring to bear for the benefit of the Group.

The Board considers that, given the circumstances, it is in the Group's best interest that the Chief executive officer also be Chairman of the Board. The non-executive directors take responsibility for ensuring that the chair encourages proper deliberation of all matters requiring the Board's attention.

The Board, under chairmanship of Brian Joffe, meets regularly, retains full and effective control over the Group and monitors executive management through a structured approach to reporting and accountability under the auspices of an executive committee. All directors have access to the advice and services of the Group secretary and are entitled to obtain independent professional advice at the Group's expense, should they deem this necessary. The majority of the executive directors do not have service contracts. The continuation of their services is dependent upon satisfactory performance on an ongoing basis.

## REMUNERATION OF DIRECTORS AND EXECUTIVES

The Board maintains a remuneration committee comprising of JL Pamensky (Chairman), AJ Behrmann and P Nyman, which is responsible for reviewing the compensation arrangements for executive directors, senior executives and non-executive directors. Executive directors that



are members of the Remuneration Committee are excluded from the review of their own compensation. This committee is also responsible for reviewing management incentive schemes, share option schemes, superannuation, retirement and termination entitlements and fringe benefit policies.

### **RISK MANAGEMENT AND INTERNAL CONTROL**

The internal audit department is an independent appraisal function designed to assist divisional management in the effective discharge of their duties through a review of the:

- ▶ effectiveness and efficiency of internal control systems;
- ▶ effectiveness, efficiency and reliability of information systems; and
- ▶ level of compliance with the Group's business plans and legislation.

The activities of the divisional internal auditors are co-ordinated by the internal audit manager based at the corporate office, with unrestricted access to the audit committee.

Reports issued by internal audit are also reviewed by the external auditors.

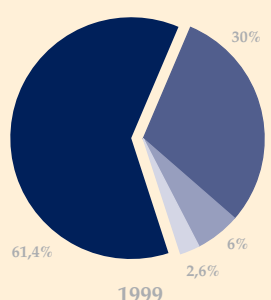
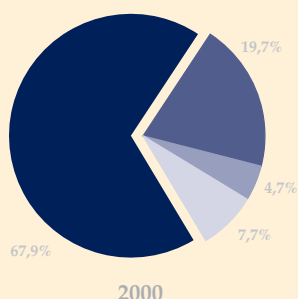
### **AUDIT COMMITTEE**

An audit committee was established in 1995 and is an important element of the Board's system of monitoring internal controls. The members of the committee are JL Pamensky (Chairman), AJ Behrmann, D Masson, P Nyman and DK Rosevear. The committee meets periodically with the Group's external and internal auditors to review accounting, auditing, financial reporting and corporate governance matters. Interim and annual results of the Group are reviewed by the committee before submission to the Board and publication.

### **TRAINING AND AFFIRMATIVE ACTION**

Bidvest's strategy regarding affirmative action is aimed at the development of all of its employees. It does not believe that the promotion of a select few individuals is appropriate. Bidvest's strategy centres on creating opportunities that will enable previously disadvantaged employees to prepare themselves to occupy more skilled and responsible positions within the organisation. A key aspect of this strategy is to promote education and training opportunities for all employees within the organisation and externally.

# VALUE ADDED STATEMENT



■ Employees  
■ Retained for growth  
■ Government  
■ Providers of capital

“Value added” is the value which the Group has added to purchased materials and goods by process of manufacture and conversion, and the sale of its products and services. This statement shows how the value so added has been distributed.

	2000		1999	
	R'000	%	R'000	%
Revenue	26 427 620		14 646 145	
Net cost of raw materials, goods and services	21 761 086		11 995 452	
Wealth created by trading operations	4 666 534		2 650 693	
Finance income	57 460		205 844	
<b>Total wealth created</b>	<b>4 723 994</b>	<b>100,0</b>	<b>2 856 537</b>	<b>100,0</b>
<b>Distributed as follows</b>				
Employees				
Benefits and remuneration	3 209 728	67,9	1 753 982	61,4
Government				
Taxation	220 300	4,7	171 808	6,0
Providers of capital				
Finance charges	57 239	1,2	44 261	1,6
Dividends and capitalisation awards	306 032	6,5	28 709	1,0
Retained for growth				
Depreciation	342 725	7,3	219 482	7,7
Retained income	587 970	12,4	638 295	22,3
	<b>4 723 994</b>	<b>100,0</b>	<b>2 856 537</b>	<b>100,0</b>

## EXCHANGES WITH GOVERNMENT

including amounts collected on their behalf

	2000 R'000	1999 R'000
Employee taxes	539 311	255 512
Company taxes	220 300	171 808
Value added and sales taxes	4 593 306	3 065 138
Customs and excise duty	2 302 581	2 180 120
Other	76 864	36 277
	<b>7 732 362</b>	<b>5 708 855</b>
<b>Paid to</b>		
South African authorities	7 317 532	5 636 186
Other	414 830	72 669
	<b>7 732 362</b>	<b>5 708 855</b>