

# ABOUT THIS REPORT

## Scope and boundary

This integrated report covers the South African and international operations of the Pioneer Food Group Ltd (“Pioneer Foods”) or (“the Group”) for the period from 1 October 2014 to 30 September 2015. The report addresses financial and non-financial information to enable stakeholders to make an informed decision about the Group’s performance.

Following the unbundling of Quantum Foods and the restructuring of the business divisions during the course of 2014, Pioneer Foods reports on three operational divisions from 2015:

- Essential Foods
- Groceries (including Bokomo Foods and Ceres Beverages)
- Pioneer Foods International (“PFI”)

The PFI segment incorporates all exports, the dried fruit operations, as well as the wholly-owned Bokomo Foods UK business. The equity accounted joint ventures of Bowman Ingredients SA, Heinz Foods SA, Bokomo Botswana, Bokomo Namibia and Food Concepts Pioneer Limited in Nigeria form part of PFI’s management responsibility.

The structure of this report is predominantly the same as previous years and the content remains inclusive of the financial performance, sustainability progress and governance structures that support Pioneer Foods in its ability to create value in the short, medium and long term. Non-financial data relate to the wholly-owned operations within South Africa, which contribute 95% to revenue.

The following events took place since the previous report and should be considered when reading this report and evaluating Pioneer Foods’ performance:

- The acquisition of a 50% stake in *Future Life Health Products (Pty) Ltd* effective 1 December 2015
- The acquisition of a 50.1% stake in Food Concepts Pioneer Limited, a bakery business in Nigeria, effective 1 March 2015

- The termination of the Pepsi bottling contract (sole franchise rights in South Africa to bottle, sell and distribute *PepsiCo International* products) during July 2015
- The sale of the biscuit manufacturing assets and the closing down of the related business

## Reporting approach

This integrated report considers international and South African reporting guidelines and best practices, including:

- The revised King Code on Governance Principles for South Africa (“King III”)
- The JSE Listings Requirements
- International Financial Reporting Standards (“IFRS”)
- The Companies Act, Act 71 of 2008, as amended

The summary consolidated financial statements for the year ended 30 September 2015 can be found on page 111. The integrated report and a complete set of annual financial statements are available on the Group’s corporate website at [www.pioneerfoods.co.za](http://www.pioneerfoods.co.za) or can be requested in print format from the company secretary, Jay-Ann Jacobs ([Jay-Ann.Jacobs@pioneerfoods.co.za](mailto:Jay-Ann.Jacobs@pioneerfoods.co.za)).

## Assurance

The financial statements included in this report were independently audited by PricewaterhouseCoopers Inc. An assurance statement by Ernst & Young Inc. that relates to selected non-financial data is available on the website, [www.pioneerfoods.co.za/investor-tools/financial-results/?type=annual&year=2015](http://www.pioneerfoods.co.za/investor-tools/financial-results/?type=annual&year=2015). Pioneer Foods’ B-BBEE verification by Empowerdex is also available on the website at [www.pioneerfoods.co.za/sustainability/our-transformation/](http://www.pioneerfoods.co.za/sustainability/our-transformation/).

## Forward-looking statement

All statements other than those of historical facts included in this report are forward-looking statements. Where the Group expresses or implies an expectation or belief as to future events or results, such expectation

or belief is expressed in good faith and believed to have a reasonable basis. However, forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, commodity price volatility, currency fluctuations, increased production costs, political and operational risks in the countries in which the Group operates, governmental regulation and judicial outcomes. Pioneer Foods gives no guarantees or warranties that any of the future events, expectations or results referred to in the forward-looking statements will happen or materialise. Furthermore, the Group is under no obligation to release publicly any revisions to forward-looking statements reflecting events and circumstances after the date of this report, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

## Approval

The Board of Pioneer Foods reviewed the 2015 integrated report on 18 November 2015 and is satisfied that it is a fair and accurate representation of the Group's performance and prospects.

## Navigational icons

The following icons were applied throughout the report to improve usability and highlight the integration between the relevant elements of the report.



Website



Page reference

