

18 February 2019

PG BISON

a division of KAP Diversified Industrial (Pty) Ltd
Reg. No. 1965/003787/07 | VAT No. 4110114966

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RE: SURFACE INNOVATIONS MARKET ANNOUNCEMENT

At PG Bison we pride ourselves on being one of the largest manufacturers of wood-based panel products. We remain focused on building our reputation for excellence, driven by our strategic focus on manufacturing and primary upgrading.

Over the years we have invested significantly in the industry and will continue to do so. But, to carry on achieving our goals, we need to keep focused on the core business of manufacturing.

With this in mind, we have come to the decision that Surface Innovations, and trading in its basket of imported goods, does not align with our strategic focus. We will therefore be exiting this business and certain of its product lines by 30 June 2019.

We will, however, retain the business unit's talented individuals and their invaluable skills which will be redeployed and add immense value to the expanding PG Bison business, through demand creation for our own manufactured products.

The product groups affected are:

- High Pressure Laminates Flat Sheet
- Compact Laminate
- Corian Solid Surfacing

PG Bison will continue to supply Waterproof Construction Board (WPC) through its own channels to market.

We are well stocked to meet current demand and specifications for the affected product groups and we will continue to trade in them while stocks last. However, we will not be placing future purchase orders on these items to replace them when they run out.

We advise contacting your Surface Innovations representative as soon as possible to ensure your current demand can be met.

For further details, please see below:

Region/s: Gauteng, Kwa-Zulu Natal, Mpumalanga, Polokwane and Free State

Contact person: Lisa Steytler

Contact number: 063 682 9984



DIRECTORS: GN Chaplin, FH Olivier, G Victor (Chief Executive Officer), LR Pollard, SP Lunga, V Zondani

EXECUTIVE MANAGEMENT: JN Berry, SA Engelbrecht, W Kilian, GW Miller, A Saaiman, SP Dlamini

COMPANY SECRETARY: KAP Secretarial Services (Pty) Ltd 2018/102269/07

KAP
KAP GROUP COMPANY

Region/s: Western, Southern and Eastern Cape

Contact person: Larry Unterhalter

Contact number: 082 447 4091

2019 promises to be another memorable year in PG Bison history. With approved capex in hand, our goal is to invest more capacity between the Piet Retief and Ugie factories. We will also commission a sixth Melamine line, located at Piet Retief, by August 2019. This will undoubtedly allow us to serve our customers and the market demands as we strive to provide the best solutions to help our customers grow.

Thank you for journeying with us.

Kind regards

Justin Berry

Executive Sales and Marketing