

BUILDING BLOCKS **FOR GROWTH**

2015

NOTICE OF ANNUAL GENERAL MEETING



SEPHAKU
HOLDINGS LTD

CONTENTS

Letter to shareholders	2
Notice of annual general meeting	3
Annexure 1 – summarised consolidated financial results	10
Annexure 2 – board of directors	17
Annexure 3 – remuneration policy and directors’ emoluments	19
Annexure 4 – shareholders’ analysis	23
Annexure 5 – stated capital and related-party transactions	24
Annexure 6 – directors’ responsibility statement and material changes statement	28
Annexure 7 – proxy appointments	29
Corporate information	30

LETTER TO SHAREHOLDERS

We invite you to attend Sephaku Holdings' annual general meeting ("AGM"), which will be held at the Old Trafford conference room, Centurion Lake Hotel, 1001 Lenchen Avenue North, Centurion on 21 September 2015 at 11:00. For the summary of shareholders' rights in respect of proxy appointments as contained in section 58 of the Companies Act, 71 of 2008 ("Companies Act"), refer to Annexure 7 on page 29.

We encourage you to attend and vote at the AGM as this is your opportunity to meet and question members of the company regarding the group's performance for the year ended 31 March 2015.

The integrated annual review will not be mailed to all shareholders, as part of our strategy to contain costs. However, all the information that you may need to vote at the AGM is included in this booklet, including the detailed notice of the AGM, the summarised consolidated financial statements and other supporting documentation.

If you are not able to attend the AGM, you may vote by proxy according to the instructions in the AGM notice and form of proxy.

The integrated annual review and annual financial statements are available on www.sephakuholdings.com. If you would prefer a printed copy, please contact Jennifer Bennette, group company secretary, at jbennette@sepcem.co.za or +27 12 684 6300.

Printed copies of the integrated annual review and annual financial statements will also be available at the AGM.

Yours sincerely



Jennifer Bennette
Group company secretary

3 August 2015

NOTICE OF ANNUAL GENERAL MEETING



Sephaku Holdings Ltd
Incorporated in the Republic of South Africa
Registration number: 2005/003306/06
JSE share code: SEP
ISIN: ZAE000138459

Notice of annual general meeting

In terms of section 59(1) of the Companies Act, notice is hereby given of the AGM of the shareholders of Sephaku Holdings to be held at the Old Trafford conference room, Centurion Lake Hotel, 1001 Lenchen Avenue North, Centurion on 21 September 2015 at 11:00 to consider and, if deemed fit, approve the resolutions referred to below, with or without modification. This notice is available in English only.

Record date

The board of directors of Sephaku Holdings has determined that the last day to trade to be eligible to participate in and vote at the AGM is Friday, 4 September 2015, and the record date for purposes of determining which shareholders of Sephaku Holdings are entitled to participate in and vote at the AGM is Friday, 11 September 2015. Only shareholders who are registered by Friday, 11 September 2015, will be entitled to participate in and vote at the AGM.

Action required as follows

Shareholders entitled to attend and vote at the AGM may appoint one or more proxies to attend, speak and vote thereat in their stead. A proxy need not be a member of Sephaku Holdings. A form of proxy which provides instructions for its completion is hereby inserted. Completion of a form of proxy will not preclude such shareholder from attending and voting (in preference to that shareholder's proxy) at the AGM.

Proxy forms must be completed by certificated shareholder or "own name" registered dematerialised shareholder who wishes to be represented at the annual general meeting.

Dematerialised shareholders (not with "own-name" registration) must notify their CSDP or broker of their intention to attend the annual general meeting in order for such CSDP or broker to be able to issue them with the necessary authorisation letter to enable them to attend the annual general meeting, or, alternatively, should the dematerialised shareholder not wish to attend the annual general meeting, they should provide their CSDP or broker with their voting instructions.

Forms of proxy must reach the company's transfer secretaries, Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg, 2001, South Africa or be posted to PO Box 61051, Marshalltown, 2107, South Africa, to be received by them by no later than 11:00 on 17 September 2015. Thereafter, forms of proxy may be delivered to the chairman of the AGM, at the AGM, before voting on a particular resolution commences.

AGM participants may be required to provide identification to the reasonable satisfaction of the chairman of the AGM. An official identification document issued by the South African Department of Home Affairs, a driver's license or a valid passport will be accepted as sufficient identification.

Shareholders who have any doubt as to the action they must take should consult their accountant, attorney, banker or other professional advisor immediately. On a poll, ordinary shareholders will have one vote in respect of each share held.

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

Electronic participation

In terms of section 61(10) of the Companies Act, every shareholders' meeting of a public company must be reasonably accessible within South Africa for electronic participation by shareholders. Therefore, shareholders or their proxies may participate in a meeting by way of a teleconference call if they wish to do so. In this event:

- written notice to participate via electronic communication must be sent to the group company secretary, Jennifer Bennette, at Sephaku Holdings, Southdowns Office Park, Block A, corner Karee and John Vorster Streets, Irene X54, Pretoria, to be received by no later than 11:00 on 17 September 2015;
- a pin number and dial-in details for the conference call will be provided;
- shareholders will be billed separately by their own telephone service providers for the teleconference call to participate in the AGM; and
- valid identification will be required:
 - (a) if the shareholder is an individual, a certified copy of their identity document and/or passport;
 - (b) if the shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution, specifying the name of the individual that is authorised to represent the relevant entity at the AGM by way of teleconference call; and
 - (c) a valid email address and/or facsimile number.

Agenda

Ordinary resolutions

To consider and, if deemed fit, to pass with or without modification all the ordinary resolutions relating to business set out below. More than 50% of the voting rights exercised on each individual resolution must be exercised in favour of those resolutions.

1. Adoption of the annual financial statements

Ordinary resolution number 1

To receive and consider the audited annual financial statements for the year ended 31 March 2015, the directors' report, the independent auditor's report and the audit and risk committee's report of Sephaku Holdings. (Refer to Annexure 1.)

2. Re-election of a director

It is hereby brought to the attention of the shareholders that during the last financial year, J Pitt was appointed alternative director to MM Ngoasheng on 21 August 2014.

Ordinary resolution number 2

PM Makwana retires in accordance with Sephaku Holdings' memorandum of incorporation ("MOI"). PM Makwana, being eligible, offers himself for re-election. MG Mahlare and MM Ngoasheng will retire and offer themselves for re-election in 2016. B Williams and PF Fourie will retire and offer themselves for re-election in 2017. (Refer to Annexure 2 for brief biographies of each of the directors).

To consider and, if deemed fit, to elect PM Makwana being eligible for re-election by way of passing the ordinary resolution set out below:

Ordinary resolution number 2.1

"Resolved as an ordinary resolution that PM Makwana be and is hereby re-elected as a director of Sephaku Holdings."

Rationale: The MOI of Sephaku Holdings and, to the extent applicable, the Companies Act, require that one-third of Sephaku Holdings' non-executive directors rotate at the AGM and can be eligible for re-election.

3. Re-appointment of external auditor

Ordinary resolution number 3

“Resolved that Grant Thornton be re-appointed, upon the recommendation of the current audit and risk committee, as independent registered auditors of Sephaku Holdings. The individual registered auditor who will undertake the audit during the financial year ending 31 March 2016 is J Barradas.”

At the Sephaku Holdings’ audit and risk committee meeting held on 12 June 2015, the committee considered the independence of Grant Thornton and has satisfied itself of their independence.

Rationale: In terms of the Companies Act, Sephaku Holdings as a public company must have its financial results audited and such an auditor must be appointed or re-appointed each year at the AGM of Sephaku Holdings.

4. Election of independent non-executive directors to the audit and risk committee

Ordinary resolution number 4

To consider and, if deemed fit, to elect the following independent non-executive directors as members of Sephaku Holdings’ audit and risk committee, with effect from the end of this AGM. Subject to ordinary resolution number 2 being approved, shareholders elect, by way of a separate vote, each of the following:

Ordinary resolution number 4.1

“Resolved that B Williams, the chairman of the board, be and is hereby elected as a member of Sephaku Holdings’ audit and risk committee.”

Ordinary resolution number 4.2

“Resolved that PM Makwana be and is hereby elected as a member of Sephaku Holdings’ audit and risk committee.”

Ordinary resolution number 4.3

“Resolved that MG Mahlare be and is hereby elected as a member and chairman of Sephaku Holdings’ audit and risk committee.”

Rationale: In terms of the Companies Act, Sephaku Holdings as a public company must appoint an audit committee and the members of such audit committee must be appointed, or re-appointed as the case may be, at each AGM of Sephaku Holdings.

Special business

To consider and, if deemed fit, to pass, with or without modification, all the ordinary resolutions relating to special business set out below.

5. General authority to directors to allot and issue authorised but unissued ordinary shares

Ordinary resolution number 5

“Resolved that the directors be authorised, as they in their discretion think fit, to allot and issue the unissued ordinary shares of Sephaku Holdings, subject to the following:

- The authority shall be valid until the date of the next AGM of Sephaku Holdings, provided it shall not extend beyond 15 months from the date of this AGM.
- Issues in terms of this authority will not, in any financial year, in aggregate, exceed 15% of the number of ordinary shares in Sephaku Holdings’ issued share capital as at 31 March 2015.”

Rationale: Subject to the MOI of Sephaku Holdings, the requirements of the Companies Act and the JSE Listings Requirements, the board requires authority from shareholders to issue shares in Sephaku Holdings. Once granted, this general authority allows the board, from time to time and when appropriate, to issue ordinary shares as may be required, inter alia, in terms of capital-raising exercises, and to maintain a healthy capital adequacy ratio.

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

6. General authority to issue shares for cash

Ordinary resolution number 6

“Resolved that, subject to the passing of ordinary resolution number 5 above, the board be and is hereby given a general authority to allot and issue the unissued ordinary shares in the capital of Sephaku Holdings (or options to subscribe for, or securities that are convertible into such ordinary shares) as an issue for cash as and when suitable situations arise and on such terms and conditions as they deem fit, subject to the following:

- The authority shall be valid until the date of the next AGM of Sephaku Holdings, provided it shall not extend beyond 15 months from the date of this AGM.
- Issues in terms of this authority will not, in any financial year, in aggregate, exceed 15% of the number of ordinary shares in Sephaku Holdings’ issued share capital as at 31 March 2015 (15% amounts to 30 183 676 shares).
- The shares which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such equity securities or rights that are convertible into a class already in issue.
- The shares must be issued only to public shareholders (as defined in the JSE Listings Requirements).
- The maximum discount at which such shares may be issued is 10% of the weighted average traded price of the company’s shares over the 30 business days prior to the date that the price of the issue is determined or agreed by the directors of the applicant.
- Upon any issue of shares which, together with prior issues, that constitute 5% or more of the number of shares of the class in issue as at the date of this annual general meeting, the company shall by way of an announcement on Stock Exchange News Service (“SENS”), give full details thereof in compliance with the JSE Listings Requirements.”

This resolution and the restrictions contained herein do not apply to any *pro rata* rights offer to shareholders. This resolution requires more than 75% of the voting rights in favour thereof to be adopted.

Rationale: Subject to the MOI of Sephaku Holdings, the requirements of the Companies Act and the JSE Listings Requirements, the board requires authority from shareholders to issue ordinary shares in Sephaku Holdings. Once granted, the general authority allows the board, from time to time and when appropriate, to issue ordinary shares as may be required, inter alia, in terms of capital-raising exercises, and to maintain a healthy capital adequacy ratio.

7. Sephaku Holdings’ remuneration policy

Ordinary resolution number 7

“Resolved that Sephaku Holdings’ remuneration policy and payment of remuneration for services as directors of Sephaku Holdings (as reflected in Annexure 3) be endorsed, by way of a non-binding advisory vote, for the period 31 March 2015 to 31 March 2016, on the same basis as set out in the audited annual financial statements, escalated as determined as being reasonable by the remuneration and nomination committee of Sephaku Holdings and Sephaku Holdings’ remuneration policy.”

Note: Failure to pass this resolution will not have any legal consequences relating to existing arrangements. However, the board will take the outcome of the vote into consideration when assessing Sephaku Holdings’ remuneration policy.

Rationale: King III requires companies to table their remuneration policy each year to shareholders for a non-binding advisory vote at the AGM.

8. Signing authority

Ordinary resolution number 8

“Resolved to authorise any one director or the company secretary of Sephaku Holdings to do all such things and sign all such documents as are deemed necessary to implement the resolutions set out in the notice convening the AGM at which this ordinary resolution is to be considered and approved.”

Special resolutions

To consider and, if deemed fit, to pass, with or without modification, all the special resolutions relating to business set out below. More than 75% of the voting rights exercised on each individual resolution must be exercised in favour of those resolutions.

9. General authority to acquire/(repurchase) issued shares

Special resolution number 1

“Resolved that an acquisition by Sephaku Holdings and/or any subsidiary of Sephaku Holdings is hereby authorised, by way of a general authority, from time to time, to repurchase any of the shares issued by Sephaku Holdings, or to repurchase any of the shares issued by any subsidiary of Sephaku Holdings, upon such terms and conditions and in such amounts as the directors may from time to time determine, but subject to the provisions of sections 46 and 48 of the Companies Act, the MOI of Sephaku Holdings and/or the subsidiary company and which may be amended from time to time, and provided that acquisitions by Sephaku Holdings and its subsidiaries of the shares in the capital of Sephaku Holdings may not, in the aggregate, exceed in any one financial year 20% of Sephaku Holdings’ issued share capital of the class of shares acquired from the date of the grant of this general approval. The repurchase will also be in compliance with the JSE Listings Requirements.”

Although there is no immediate intention to effect a repurchase of securities of Sephaku Holdings, the directors would utilise the general authority to repurchase securities as and when suitable opportunities present themselves, which opportunities may require expeditious and immediate action.

The directors undertake that, after considering the maximum number of securities which may be repurchased and the price at which the repurchases may take place pursuant to the buyback general authority, for a period of up until the next AGM or 15 months (whichever is shorter), after the date of notice of this AGM:

- Sephaku Holdings will be able to pay their debts in the ordinary course of business;
- the consolidated assets of Sephaku Holdings fairly valued in accordance with IFRS will exceed the consolidated liabilities of Sephaku Holdings;
- the working capital, stated capital and reserves of Sephaku Holdings will be adequate for the purposes of the business of Sephaku Holdings and its subsidiaries;
- the repurchase of securities will be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counter party;
- repurchases may not be made at a price greater than 10% above the weighted average of the market value for the securities for the five business days immediately preceding the date on which the transaction is effected; and
- every 3% repurchased, will trigger a SENS announcement.

The following additional information is provided in terms of paragraph 11.26 of the JSE Listings Requirements for purposes of this general authority:

- Shareholders holding greater than 5% of the issued stated capital – Annexure 4
- Stated capital of Sephaku Holdings – Annexure 5
- Directors’ responsibility statement – Annexure 6
- Material changes statement – Annexure 6

Rationale: The reason and effect of this special resolution number 1 is to grant the directors of Sephaku Holdings and/or any subsidiary of Sephaku Holdings a general authority in terms of its MOI for the acquisition by Sephaku Holdings and/or its subsidiary companies of shares issued by it on the basis reflected in the special resolution.

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

10. Remuneration payable to independent non-executive directors and non-executive directors participating in board committees

Special resolution number 2

“Resolved that, to the extent applicable in terms of section 66(9) of the Companies Act, Sephaku Holdings pays remuneration to its directors for their services as directors of Sephaku Holdings during the financial year ending 31 March 2016.” (The scale of remuneration is set out in Annexure 3.)

Rationale: The Companies Act requires that directors’ fees be authorised by shareholders by way of special resolution. The passing of this special resolution will have the effect of approving the remuneration of each of the directors of Sephaku Holdings for the year ending 31 March 2016 in accordance with section 66(9) of the Companies Act.

11. Financial assistance for any beneficiary participating in any Sephaku Holdings group share incentive scheme

Special resolution number 3

“Resolved that shareholders hereby approve of Sephaku Holdings’ providing any direct or indirect financial assistance, as contemplated in such sections of the Companies Act, to any beneficiary participating in any Sephaku Holdings group share incentive scheme or to a person related to any such beneficiary.”

12. Financial assistance for present or future subsidiaries

Special resolution number 4

“Resolved that shareholders hereby approve of Sephaku Holdings providing direct or indirect financial assistance to any of its present or future subsidiaries.”

Special resolutions 3 and 4 be and are hereby approved provided that no such financial assistance may be provided at any time in terms of this authority after the expiry of two years from the date of the adoption of these special resolutions (for avoidance of doubt, these special resolutions above will be voted on by the shareholders as separate special resolutions) and provided that:

- the recipient(s) of such financial assistance, the form, nature and extent of such financial assistance, and the terms and conditions under which such financial assistance is provided are determined by the board of directors of Sephaku Holdings from time to time;
- the board of directors of Sephaku Holdings may not authorise Sephaku Holdings to provide any financial assistance pursuant to these special resolutions unless the board meets all those requirements of sections 44, 45, 46, 47 and 48 of the Companies Act which it is required to meet in order to authorise Sephaku Holdings to provide such financial assistance; and
- such financial assistance to a recipient thereof is, in the opinion of the board of directors of Sephaku Holdings, required for the purpose of meeting all or any of such recipient’s operating expenses (including capital expenditure), and/or funding the growth, expansion, reorganisation or restructuring of the businesses or operations of such recipient, and/or funding such recipient for any other purpose which in the opinion of the board of directors of Sephaku Holdings is directly or indirectly in the interests of Sephaku Holdings.

Rationale: Section 44 of the Companies Act regulates the provision of financial assistance by the company to any person by way of a loan, guarantee, the provision of security or otherwise for the purpose of or in connection with (i) the subscription of any option, or any securities, issued or to be issued by the company or related or inter-related company, or (ii) for the purchase of any securities of the company, or a related or interrelated company.

It may be necessary for the company to provide financial assistance to directors and employees who participate in the group share incentive scheme. This assistance is only envisaged under the circumstances where options are exercised and an election is made to sell some or all of these shares to cover the issue price and the resulting income tax liability. On a strict interpretation financial assistance is provided from the time of exercise of the option until the proceeds of the sale are paid to the company. This is the only assistance envisaged to directors and employees under this section.

Section 45 of the Companies Act provides, *inter alia*, that any financial assistance to related or inter-related companies and corporations, including, *inter alia*, to subsidiaries of the company, must be provided only pursuant to a special resolution of the shareholders, adopted within the previous two years, which approved such assistance either for the specific recipient, or generally for a category of potential recipients, and the specific recipient falls within that category, and the board of directors must be satisfied that:

- immediately after providing the financial assistance, Sephaku Holdings would satisfy the solvency and liquidity test, as defined in section 4 of the Companies Act;
- the terms under which the financial assistance is proposed to be given are fair and reasonable to the company; and
- any conditions or restrictions in respect of the granting of financial assistance set out in Sephaku Holdings' memorandum of incorporation have been satisfied.

As part of the normal conduct of the business of the group, the company, where necessary, may provide guarantees and other support undertakings to third parties which enter into financial agreements with its subsidiaries and joint ventures in which the company or members of the group have an interest. In the circumstances and in order to, *inter alia*, ensure that the company and its subsidiaries and other related and inter-related companies and entities continue to have access to financing for purposes of refinancing existing facilities and funding their corporate and working capital requirements, it is necessary to obtain approval of the shareholders as set out in this special resolution.

This will allow the board of the company, always subject to applicable law, in particular the solvency and liquidity requirements as set out in the Companies Act, to provide financial assistance to any person for the purposes envisaged in section 44(2) of the Companies Act.

Other business

To transact such other business as may be transacted at an AGM or raised by shareholders with or without advance notice to Sephaku Holdings.

ANNEXURE 1 – SUMMARISED CONSOLIDATED FINANCIAL RESULTS

for the year ended 31 March 2015

STATEMENT OF FINANCIAL POSITION

	GROUP	
	2015 audited R	2014 audited R
Assets		
Non-current assets		
Property, plant and equipment	128 787 297	129 180 045
Goodwill	223 421 981	223 421 981
Intangible asset	10 896 692	14 337 752
Investment in associate	652 313 212	616 388 706
Other financial assets	-	6 924 311
	1 015 419 182	990 252 795
Current assets		
Inventories	8 965 203	7 973 118
Other financial assets	12 504 391	6 648 582
Current tax receivable	933 668	-
Trade and other receivables	110 752 506	75 936 662
Cash and cash equivalents	70 914 266	26 001 268
	204 070 034	116 559 630
Total assets	1 219 489 216	1 106 812 425
Equity and liabilities		
Equity		
Stated capital	631 127 028	585 573 235
Reserves	15 685 391	17 624 536
Retained income	197 907 280	144 525 951
	844 719 699	747 723 722
Liabilities		
Non-current liabilities		
Other financial liabilities	248 672 308	142 576 783
Operating lease liability	-	1 640 263
Deferred income	2 379 952	1 577 232
Deferred taxation	14 778 323	13 555 933
	265 830 583	159 350 211
Current liabilities		
Other financial liabilities	24 750 000	140 907 240
Current taxation payable	-	1 192 809
Operating lease liability	1 806 319	336 348
Trade and other payables	81 869 477	56 994 212
Deferred income	513 138	307 883
	108 938 934	199 738 492
Total liabilities	374 769 517	359 088 703
Total equity and liabilities	1 219 489 216	1 106 812 425
Net asset value per share (cents)	419,79	393,80
Tangible net asset value per share (cents)	304,86	270,70
Ordinary shares in issue	201 224 508	189 872 979

STATEMENT OF COMPREHENSIVE INCOME

	GROUP	
	Year ended 31 March 2015 audited R	Year ended 31 March 2014 audited R
Revenue	775 425 242	571 544 796
Cost of sales	(434 430 692)	(319 156 121)
Gross profit	340 994 550	252 388 675
Other income	9 999 177	13 945 386
Operating expenses	(291 705 645)	(215 181 485)
Operating profit	59 288 082	51 152 576
Investment income	2 167 996	2 693 264
Profit/(loss) from equity-accounted investment	35 924 506	(14 745 655)
Finance costs	(25 321 027)	(25 675 522)
Profit before taxation	72 059 557	13 424 663
Taxation	(24 898 186)	(16 242 442)
Profit/(loss) for the year	47 161 371	(2 817 779)
Total comprehensive income/(loss) for the year	47 161 371	(2 817 779)
Basic earnings/(loss) per share (cents)	24,43	(1,49)
Diluted earnings/(loss) per share (cents)	23,59	(1,39)
Headline earnings/(loss) per share (cents)	24,43	(2,36)
Diluted headline earnings/(loss) per share (cents)	23,59	(2,20)
Reconciliation of basic earnings to diluted earnings and headline earnings:		
Basic profit/(loss) and diluted profit/(loss) attributable to equity holders of parent	47 161 371	(2 817 779)
Loss/(profit) on sale of non-current assets	5 425	(1 076 760)
Profit on disposal of other financial assets held for sale	-	(860 000)
Total taxation effect of adjustments	(1 519)	301 493
Headline earnings/(loss) and diluted headline earnings/(loss) attributable to equity holders of parent	47 165 277	(4 453 046)
Reconciliation of weighted average number of shares:		
Basic weighted average number of shares	193 050 707	188 987 697
Dilutive effect of share options	6 849 198	9 556 129
Contingent issuable shares	-	3 747 730
Diluted weighted average number of shares	199 899 905	202 291 556

ANNEXURE 1 – SUMMARISED CONSOLIDATED FINANCIAL RESULTS CONTINUED

for the year ended 31 March 2015

STATEMENT OF CHANGES IN EQUITY

GROUP	Stated capital R	Revaluation reserve (relating to land of associate) R	Equity-based share option reserve R	Total reserves R	Retained income R	Total equity R
Balance at						
31 March 2013 – audited	580 590 616	(1 207 663)	14 776 581	13 568 918	145 987 793	740 147 327
Total comprehensive loss for the year	-	-	-	-	(2 817 779)	(2 817 779)
Issue of shares	4 982 619	-	-	-	-	4 982 619
Employees' share option scheme	-	-	4 055 618	4 055 618	1 355 937	5 411 555
Balance at						
31 March 2014	585 573 235	(1 207 663)	18 832 199	17 624 536	144 525 951	747 723 722
Total comprehensive income for the year	-	-	-	-	47 161 371	47 161 371
Issue of shares	45 553 793	-	-	-	-	45 553 793
Employees' share option scheme	-	-	(1 939 145)	(1 939 145)	6 219 958	4 280 813
Balance at						
31 March 2015	631 127 028	(1 207 663)	16 893 054	15 685 391	197 907 280	844 719 699

STATEMENT OF CASH FLOWS

	GROUP	
	Year ended 31 March 2015 audited R	Year ended 31 March 2014 audited R
Cash flows from operating activities		
Cash generated from/(utilised in) operations	114 192 061	84 437 984
Interest income	2 167 996	2 693 264
Finance costs	(19 632 742)	(17 939 091)
Taxation paid	(25 802 273)	(28 357 299)
Net cash from/(utilised in) operating activities	70 925 042	40 834 858
Cash flows from investing activities		
Purchase of property, plant and equipment	(30 437 943)	(40 706 776)
Sale of property, plant and equipment	618 158	4 929 319
Proceeds on disposal of other financial assets	-	5 760 244
Net loans advanced	1 606 002	1 932 773
Government grant received	1 436 787	831 895
Net cash (utilised in)/from investing activities	(26 776 996)	(27 252 545)
Cash flows from financing activities		
Proceeds on share issue	16 514 952	2 970 737
Proceeds from other financial liabilities	130 000 000	123 848 444
Repayment of other financial liabilities	(28 750 000)	(137 075 108)
Settlement of deferred vendor loan	(117 000 000)	-
Decrease in loans with group companies	-	337 058
Net cash from/(utilised in) financing activities	764 952	(9 918 869)
Total cash and cash equivalents movement for the year	44 912 998	3 663 444
Cash and cash equivalents at the beginning of the year	26 001 268	22 337 824
Total cash and cash equivalents at end of the year	70 914 266	26 001 268

ANNEXURE 1 – SUMMARISED CONSOLIDATED FINANCIAL RESULTS CONTINUED

for the year ended 31 March 2015

NOTES TO THE SUMMARISED FINANCIAL STATEMENTS

Basis of preparation

The summarised consolidated financial results for the year ended 31 March 2015 (“annual reporting period”) have been prepared in accordance with IAS 34: Interim Financial Reporting, the framework concepts, the disclosure requirements of the JSE Limited Listings Requirements, the requirements of the Companies Act, 2008, the Financial Pronouncements as issued by the Financial Reporting Standards Council, the SAICA financial Reporting guides as issued by the Accounting practices committee and conform to International Financial Reporting Standards (“IFRS”).

The results have been prepared on a historical cost basis, except for the measurement of investment property/land which are carried at fair value.

The accounting policies applied in the preparation of the consolidated financial statements, from which the consolidated financial statements were derived, are in terms of IFRS and are consistent with the accounting policies applied in the preparation of the previous consolidated annual financial statements. As a result of the adoption of new and amended standards and interpretations in issue that were effective for the first time in the current reporting period, a number of new policies were introduced. However, the adoption of these new and amended standards and interpretations did not have a material impact on the results for the current period.

The preparation of the annual financial statements has been supervised by NR Crafford-Lazarus CA(SA).

Audit opinion

The summarised financial information included in this announcement is extracted from audited information but is not itself audited. The directors take full responsibility for the preparation of the summarised financial information and that it has been correctly extracted from the underlying annual financial statements.

The underlying annual financial statements have been audited by the group’s external auditors, Grant Thornton. A copy of their unqualified report, as well as the annual financial statements, is available for inspection at the company’s registered office.

Segment information

	Ready-mixed concrete R	Head office R	Group totals R
2015			
Segment revenue – external revenue	775 425 242	-	775 425 242
Segment cost of sales	(434 430 692)	-	(434 430 692)
Segment expenses	(242 117 993)	(49 587 652)	(291 705 645)
Profit from equity-accounted investment	-	35 924 506	35 924 506
Loss on sale of property, plant and equipment	(5 425)	-	(5 425)
Loss on contingent consideration	-	(28 501 340)	(28 501 340)
Segment profit/(loss) after taxation	64 662 471	(17 501 100)	47 161 371
Taxation	(25 861 683)	963 497	(24 898 186)
Interest received	2 126 072	41 924	2 167 996
Interest paid	(20 477 267)	(4 843 760)	(25 321 027)
Depreciation and amortisation	(30 194 125)	(3 454 043)	(33 648 168)
Segment assets	425 062 048	794 427 168	1 219 489 216
Investment in associate included in the above total segment assets	-	652 313 212	652 313 212
Capital expenditure included in segment assets	29 725 480	712 463	30 437 943
Segment liabilities	(369 976 119)	(4 793 398)	(374 769 517)

	Ready-mixed concrete R	Head office R	Group totals R
2014			
Segment revenue – external revenue	571 544 796	-	571 544 796
Segment cost of sales	(319 156 121)	-	(319 156 121)
Segment expenses	(190 867 146)	(24 314 339)	(215 181 485)
Loss from equity-accounted investment	-	(14 745 655)	(14 745 655)
Profit on sale of property, plant and equipment	1 076 760	-	1 076 760
Profit on contingent consideration	860 000	-	860 000
Segment profit/(loss) after taxation	41 299 405	(44 117 184)	(2 817 779)
Taxation	(17 803 973)	1 561 531	(16 242 442)
Interest received	2 429 956	263 308	2 693 264
Interest paid	(18 784 598)	(6 890 924)	(25 675 522)
Depreciation and amortisation	(24 552 280)	(5 576 891)	(30 129 171)
Segment assets	231 791 330	875 021 095	1 106 812 425
Investment in associate included in the above total segment assets	-	616 388 706	616 388 706
Capital expenditure included in segment assets	36 655 641	4 051 135	40 706 776
Segment liabilities	(241 367 871)	(117 720 832)	(359 088 703)

The only commodity actively managed by Métier Mixed Concrete Proprietary Limited (Métier) is ready-mixed concrete. The group does not rely on any single external customer or group of entities under common control for 10% or more of the group's revenue as disclosed in the annual financial statements.

Sephaku Cement Proprietary Limited (SepCem) is an associate of Sephaku Holdings Limited (SepHold). No segment report has been presented for Cement as the amounts attributable to Cement have been included in the "head office segment".

Investment in associate

The directors would like to draw attention to the fact that the profit from the equity accounted investment of R35 924 506 included in the statement of comprehensive income, mostly relates to a movement on the associate's deferred taxation asset balance for the year.

Summary of group interest in Sephaku Cement Proprietary Limited and its subsidiaries:

	Year ended 31 December 2014 R	Year ended 31 December 2013 R
Non-current assets	3 844 530 357	3 319 954 465
Current assets	434 023 077	110 351 889
Total assets	4 278 553 434	3 430 306 354
Total equity	1 173 212 824	1 073 422 528
Non-current liabilities	(2 712 586 543)	(2 148 277 262)
Current liabilities	(392 754 067)	(208 606 564)
Total liabilities	(3 105 340 610)	(2 356 883 826)
Revenue for the period	918 978 411	36 889 399
Cost of sales	(730 273 759)	(22 032 942)
Gross profit	188 704 652	14 856 457
Operating profit/(loss)	59 533 480	(55 472 969)
Finance costs	(112 903 760)	(27 089)
Loss before taxation	(48 440 987)	(52 346 320)
Taxation income (due to deferred tax asset)	148 231 283	11 386 166
Profit/(loss) after taxation for the year	99 790 296	(40 960 154)
Total comprehensive income/(loss) for the year	99 790 296	(40 960 154)

ANNEXURE 1 – SUMMARISED CONSOLIDATED FINANCIAL RESULTS CONTINUED

for the year ended 31 March 2015

Loss on contingent consideration

On 28 February 2013, the group acquired 100% of the shares in Métier Mixed Concrete Proprietary Limited from KJ Capes, the JTR Trust, RS Thompson and WM Witherspoon (collectively, “the Sellers”). The total nominal purchase consideration payable for Métier was R365 million and consisted of cash payments and issue of fully paid SepHold shares.

On 1 December 2014, SepHold settled the remaining consideration owing and accordingly has made the following payments:

- i) a cash payment of R117 million (being R125 million less R8 million relating to an uncollected debtor) to the sellers in settlement of the final cash payment; and
- ii) 4 429 196 additional consideration shares have been allotted to the sellers at the 60-day VWAP of 643,488 cents (calculated as the difference between the minimum required payment of R100 million, and the 11 111 111 consideration shares multiplied by the 60-day VWAP of 643,488 cents).

The resulting loss on the contingent consideration of R28 501 340 is recognised in the statement of comprehensive income.

Stated capital

4 429 196 shares were issued during the year in terms of a specific authority to the seller of Métier at a 60-day VWAP of 643,488 cents for no consideration as final settlement of the Métier acquisition. The additional consideration shares were issued to the following directors and public officers: 1 018 715 shares to KJ Capes, 974 423 shares to WM Witherspoon and 974 423 shares to RS Thompson.

A total amount of 6 707 333 (2014: 1 971 136) shares issued during the year for a cash amount of R16 514 952 relates to share options that were exercised by employees and directors.

215 000 shares were issued at a value of R2,50 for no cash consideration, in terms of the provisions of the Sephaku share incentive scheme, as a float to administer the share incentive scheme on behalf of identified SepHold’s employees.

Statement on going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Events after the annual reporting period

The directors are not aware of any material fact or circumstance arising between the end of the financial year and the date of this report that would require adjustments to or disclosure in the financial results.

Changes to the board

Name	Position	Change
Dr D Twist	Non-executive director	Resigned 21 August 2014
CRDW de Bruin	Non-executive director	Resigned 21 April 2014
J Pitt	Alternate director to MM Ngoasheng	Appointed 21 August 2014

By order of the board



Dr Lelau Mohuba
Chief executive officer



Neil Crafford-Lazarus
Financial director

26 June 2015

ANNEXURE 2 – BOARD OF DIRECTORS

Brent Williams: Chairman – Independent non-executive director

BA (University of Cape Town), BProc (University of Western Cape), LLM (Harvard University Law School), DLA Piper Harvard Leadership Program (Harvard Business School)

Brent was appointed a director and chairman of SepHold on 3 March 2012. Brent was admitted as an attorney in 1992 and has held a number of key positions. He is currently the chief executive officer of Cliffe Dekker Hofmeyr.

Modilati Gustav Mahlare: Independent non-executive director and chairman of the audit committee and risk committee

BCom (Accounting) (University of Fort Hare), BCompt (Hons) (University of South Africa)

Gustav was appointed a director of SepHold on 29 January 2009. Gustav has held a number of positions at companies such as PricewaterhouseCoopers. He is currently a director at SEMA Integrated Risk Solutions, where he specialises in internal audit, corporate governance, risk management and management consulting.

Paul Mpho Makwana: Independent non-executive director

BAdmin (University of Zululand), BAdmin (Hons) (University of Pretoria), Postgraduate Diploma: Retailing Management (University of Stirling Institute of Retail Studies), Kellogg Executive Development Programme

Mpho was appointed a director of SepHold on 11 January 2013. Mpho is the chairman of ArcelorMittal, an independent non-executive director at Adcock Ingram Holdings Limited, Nedbank Group Limited and Nedbank Limited, among others. He also serves on a number of unlisted companies' and trustee boards.

Moses Modidima Ngoasheng: Independent non-executive director

BA (Economics and International Politics) (University of South Africa), BSocSci (Hons) (University of Natal), MPhil (University of Sussex)

Moss was appointed a director of SepHold on 1 February 2008. Moss was instrumental in developing the industrial policy of the African National Congress and was economic advisor to President Thabo Mbeki from 1995 to 2000. He serves on a number of boards including SA Breweries and Dimension Data.

Justin Pitt: Alternate director to Moses Modidima Ngoasheng

BCom BAcc (Wits), CA(SA), CFA, Member of South African Institute of Chartered Accountants and Association for Investment Management and Research

Justin was appointed as an alternate director of SepHold on 21 August 2014. Justin co-founded Safika Resources and QuestCo in 2002 and is currently the managing director of Safika Resources.

Dr Lelau Mohuba: Chief executive officer – executive director

MBCbB (Nelson Mandela School of Medicine, former University of Natal)

Lelau was appointed a director and founding Chairman of SepHold on 3 February 2005 and became CEO on 28 March 2012. Lelau retired as a medical practitioner in 2001 after a 22-year career. His commercial career began in 2002 and since then, he has served in various capacities in several entrepreneurial endeavours.

Neil Robus Crafford-Lazarus: Financial director – executive director

BCompt (University of the Free State), BCompt (Hons) (University of South Africa), CA(SA)

Neil was appointed a director and CEO of SepHold on 1 June 2007 and became financial director on 28 March 2012. Neil started his career in mining finance in 1988. Since then, he has held various senior positions in taxation, business development and corporate finance with companies such as Anglo American Corporation, Gencor and BHP Billiton. He also served as financial director of Xstrata SA Proprietary Limited between 1998 and 2005.

ANNEXURE 2 – BOARD OF DIRECTORS CONTINUED

Rose Raisibe Matjiu: Executive director, corporate and social development

BA (Hons) (Social Work) (University of the North), MA (Medical Social Work) (University of Pretoria), Certification in Mining and Minerals (University of the Witwatersrand)

Shibe was appointed a director of SepHold on 23 August 2005. Shibe has extensive experience as a professional community and social worker in government and the private sector. She has served in a number of directorate positions and is also a member of South African Women in Mining and the Business Women's Association.

Kenneth John Capes: Executive director, managing director – Métier

Kenneth was appointed a director of SepHold on 29 July 2013. Kenneth has extensive experience in the ready-mixed concrete and aggregates industry. Kenneth spent 20 years at Lafarge South Africa, holding various management positions. He was directly involved in the development of the ready-mixed concrete and quarrying business as a general manager. Kenneth's extensive knowledge, expertise and passion for concrete manufacture led him to be a co-founder of Métier Mixed Concrete in KwaZulu-Natal in 2007.

Pieter Frederick Fourie: Non-executive director, chief executive officer – Sephaku Cement

BCom (Accounting), Executive Development Programme (PRISM) for Global Leaders (IMD, Switzerland)

Pieter was appointed a director of SepHold on 20 November 2009. Pieter has extensive experience in the cement industry and assumed the position of chief executive officer of SepCem in May 2007.

ANNEXURE 3 – REMUNERATION POLICY AND DIRECTORS’ EMOLUMENTS

SepHold’s remuneration practices reflect the dynamics of the market and context in which it operates. Remuneration plays a critical role in attracting and retaining high-performing individuals. Remuneration is also used to reinforce, encourage and promote superior performance and achievement of organisational goals. The group’s remuneration management is market-related through market surveys and benchmarks which are applied to maintain the system.

The board is responsible for making decisions regarding the remuneration of directors and the CEO who, in turn, is responsible for decisions relating to total guaranteed remuneration and incentives of all employees. The remuneration committee receives these recommendations and subsequently advises the board on remuneration practices. The committee makes recommendations on long-term employee incentives and submits all policy amendments to the board for approval.

SepHold adopts a total reward strategy in remunerating all its employees. This is to ensure that all employees are appropriately rewarded and are made aware of the terms and conditions under which they are employed. Key principles of the framework are to ensure that SepHold:

- appropriately compensates employees for services they provide to the company;
- provides a flexible and competitive remuneration structure that:
 - is referenced to appropriate benchmarks;
 - reflects market and industry practices;
 - is tailored to the specific circumstances of SepHold, so as to attract, motivate and retain highly skilled employees;
- aligns remuneration practices with the business strategy, objectives, values and long-term interests of the company;
- ensures equitable remuneration to help facilitate the deployment of people around the business;
- complies with all relevant legal requirements; and
- ensures variable remuneration payment is aligned with the company performance, both on divisional and individual level.

Positioning of the total guaranteed package is based on the individual/or candidates’/employees’ level of demonstrated competency, qualification, experience and performance. The total guaranteed package of individuals new to the position will normally be at the point of entry at the low end of the pay range. With increased experience, learning and performance, the total guaranteed package will be adjusted based on the outcomes performance reviews.

The table below is a summary of the performance measurement criteria:

Entry point	New to the job or building the skill
Needs improvement	The skill needs enhancing to improve performance
Effective	Meets expectations
Excellent	Exceeds expectations
World-class	Expert and fully competent

ANNEXURE 3 – REMUNERATION POLICY AND DIRECTORS’ EMOLUMENTS CONTINUED

The table below summarises the main components of the reward package for all SepHold employees. SepCem, as a subsidiary of Dangote, applies a different reward framework.

Objective and practice	Award size and performance period
<p>Guaranteed pay</p> <ul style="list-style-type: none"> • Remunerate above the market and industry average for key positions. • Remunerate market – related salaries for all other positions. • Review total guarantee annually and set on 1 March. 	<ul style="list-style-type: none"> • The level of skill and experience, scope of responsibility and the total remuneration package are taken into account when rewarding employees. • Appropriate market percentiles based on skills, experience and competitiveness.
<p>Short-term incentive</p> <ul style="list-style-type: none"> • To motivate employees and incentivise delivery of performance over the one-year financial year period. • The appropriateness of measures and weightings are reviewed annually to ensure on-going support of the strategy. • The annual bonus is paid in cash in July each year for performance over the previous financial year. 	<ul style="list-style-type: none"> • Performance over the financial year is measured against targets set in the balanced scorecards. • Target bonus (15%, 30% and 50%) of the total guaranteed pay aligned with the level of a position as defined in the performance management policy.
<p>Long-term incentive</p> <ul style="list-style-type: none"> • To motivate and incentivise delivery over the long term. • Award levels and framework for determining vesting to ensure continued support of the company strategy. 	<ul style="list-style-type: none"> • Performance over three financial years is measured against targets for the performance period.

As the group becomes firmly established as a manufacturer of building materials, the reward structure will be reviewed to reflect the phase of commercial activity in the 2016 financial year.

Non-executive director remuneration

Elements and purpose

We aim to attract and retain suitably skilled and experienced non-executive directors. An appropriate level of competitive remuneration is required to reward them appropriately for their time and expertise.

Non-executive directors are remunerated by way of an annual fee paid in recognition of membership of the board and its committees.

Non-executive directors, including the group chairperson, are not eligible to receive any other employment benefits or performance related remuneration or any form of compensation for loss of office.

The fee structure is reviewed periodically and benchmarked annually to ensure proposed fees are appropriate against the external market and support the attraction and retention of high-quality non-executive directors.

Directors’ and management remuneration

Directors’ emoluments are set out on the next page.

Directors' and prescribed officer's emoluments

Fee structure 2015 – annual fee	R
Chairman of the board	320 000
Independent non-executive	240 000
Proposed fee structure 2016 – annual fee	R
Chairman of the board	350 000
Independent non-executive	262 500

Executive	Remuneration R	Transaction bonuses R	Performance bonuses R	Travel allowances R	Total R
2015					
Dr L Mohuba	2 547 028	-	234 360	-	2 781 388
NR Crafford-Lazarus	2 711 111	1 500 000	234 360	144 000	4 589 471
RR Matjju	82 039	-	-	10 005	92 044
KJ Capes	2 480 500	-	1 932 221	-	4 412 721
	7 820 678	1 500 000	2 400 941	154 005	11 875 624

	Remuneration R	Performance bonuses R	Travel allowances R	Pension fund R	Total R
2014					
Dr L Mohuba	972 594	217 000	-	-	1 189 594
NR Crafford-Lazarus	1 302 095	1 105 083	75 204	-	2 482 382
RR Matjju	299 194	84 222	40 015	-	423 431
KJ Capes ⁽¹⁾	2 255 169	1 561 281	-	-	3 816 450
J Bennette ⁽²⁾	913 846	298 615	38 400	38 269	1 289 130
JW Wessels ⁽³⁾	429 709	902 999	-	-	1 332 708
	6 172 607	4 169 200	153 619	38 269	10 533 695

⁽¹⁾ Appointed on 29 July 2013.

⁽²⁾ Resigned on 21 August 2013. All remuneration paid by the associate company, SepCem, has been disclosed until date of resignation as director of SepHold.

⁽³⁾ Passed away on 23 March 2014.

ANNEXURE 3 – REMUNERATION POLICY AND DIRECTORS' EMOLUMENTS CONTINUED

Non-executive	Fees for	Remuneration	Transaction	Pension	Allowances	Total
	services as					
	director	R	R	R	R	R
2015						
B Williams	320 000	-	-	-	-	320 000
MG Mahlare	240 000	-	-	-	-	240 000
PM Makwana	240 000	-	-	-	-	240 000
MM Ngoasheng	240 000	-	-	-	-	240 000
PF Fourie	-	2 436 839	1 500 000	213 516	270 793	4 421 148
	1 040 000	2 436 839	1 500 000	213 516	270 793	5 461 148

	Fees for	Remu-	Committee	Consulting	Pension	Medical	Allowances	Total
	services as							
	director	R	R	R	R	R	R	R
2014								
B Williams	167 999	-	132 000	-	-	-	-	299 999
MG Mahlare	96 000	-	78 000	-	-	-	-	174 000
PM Makwana	72 000	-	90 000	-	-	-	-	162 000
MM Ngoasheng	16 000	-	18 000	-	-	-	-	34 000
PF Fourie	-	2 232 318	-	-	297 572	107 064	261 600	2 898 554
CRDW de Bruin ⁽¹⁾	-	-	-	554 060	-	-	-	554 060
	351 999	2 232 318	318 000	554 060	297 572	107 064	261 600	4 122 613

⁽¹⁾ Resigned on 21 April 2014.

For 11 months of the financial year, a management fee was paid to Cross Company Management Proprietary Limited for the services of all executive directors and staff of SepHold. The fees are calculated on the basis of time spent on group activities. The amounts included as directors' emoluments are the amounts paid to Cross Company Management Proprietary Limited for the services rendered by the SepHold directors to the group.

Cross Company Management Proprietary Limited also provided administrative services to Métier for 11 months of the financial year and all the executive directors of Métier were paid by Cross Company Management and recovered from Métier in the form of a management fee.

From 1 March 2015, all payroll services relating to SepHold's and Métier's payroll were administered by SepHold for which an inter-company management fee was charged.

PF Fourie is a director of both SepHold and SepCem and all remuneration paid to him by the associate company, SepCem has therefore also been disclosed above.

Service contracts

None of the directors of the company have written service contracts with the company. Directors are employed by the board and rotate in terms of the memorandum of incorporation.

ANNEXURE 4 – SHAREHOLDERS’ ANALYSIS

Shareholders holding greater than 5% of the issued share capital at year-end

	Number of shares	%
Truffle Asset Management	19 705 670	9,79
Safika Resources Proprietary Limited Nominees	15 580 823	7,74
Laurium Capital	14 085 259	7,00

Range of shareholdings

Share range	Number of shareholders	% of shareholders	Number of shares
1 – 1 000	578	25,28	280 470
1 001 – 10 000	1 045	45,71	4 418 968
10 001 – 50 000	393	17,19	9 541 086
50 001 – 100 000	92	4,02	6 487 836
100 001 – 500 000	108	4,72	27 019 472
500 001 – 1 000 000	27	1,18	18 612 508
1 000 001 shares and over	43	1,88	134 864 168
	2 286	100,00	201 224 508

Public and non-public shareholders

	Shares held	%	Number of shareholders
Public	164 583 446	81,79	2 276
Non-public	36 641 062	18,21	10
– Directors’ direct holdings	10 900 002	5,42	5
– Directors’ indirect holdings	14 697 326	7,30	2
– Directors’ associates	340 000	0,17	1
– Directors of a subsidiary’s direct holdings	10 703 734	5,32	2
	201 224 508	100,00	2 286

ANNEXURE 5 – STATED CAPITAL AND RELATED-PARTY TRANSACTIONS

Stated capital

	GROUP		COMPANY	
	2015 R	2014 R	2015 R	2014 R
Authorised				
1 000 000 000 ordinary shares with no par value				
Reconciliation of number of shares issued:				
Number of shares at beginning of period	189 872 979	187 901 843	189 872 979	187 901 843
Number of ordinary shares issued during the period	11 351 529	1 971 136	11 351 529	1 971 136
Number of ordinary shares at end of period	201 224 508	189 872 979	201 224 508	189 872 979

2015: 4 429 196 shares were issued during the year in terms of a specific authority to the sellers of Métier at a 60-day VWAP of 643,488 cents for no cash consideration as final settlement for the Métier acquisition. The additional consideration shares were issued to the following directors and public officers: 1 018 715 shares to KJ Capes, 974 423 shares to WM Witherspoon and 974 423 shares to RS Thompson.

A total amount of 6 707 333 (2014: 1 971 136) shares issued during the year for a cash amount of R16 514 952 relates to share options that were exercised by employees and directors.

215 000 shares were issued at a value of R2,50 for no cash consideration as a float to administer the share incentive scheme on behalf of SepHold.

	GROUP		COMPANY	
	2015 R	2014 R	2015 R	2014 R
Issued				
Ordinary shares with no par value	631 127 028	585 573 235	631 127 028	585 573 235

Share-based payments

	Number R	Weighted exercise price R	Total value R
Share options granted during 2008 year (30/06/2008 to 30/06/2011)	200 000	1,50	300 000
Exercised in prior periods Outstanding at 31 March 2014	(200 000)		
Outstanding at 31 March 2014	-		
Outstanding at 31 March 2015	-		
Share options granted on 31 March 2008	5 740 000	2,50	14 350 000
Exercised and expired during prior period	(316 530)		
Exercised in 2014	(1 666 803)		
Outstanding at 31 March 2014	3 756 667		
Exercised in 2015	(3 756 667)		
Outstanding at 31 March 2015	-		
Share options granted on 15 October 2010	10 000 000	3,50	35 000 000
Exercised in 2014	(304 333)		
Outstanding at 31 March 2014	9 695 667		
Exercised in 2015	(1 950 666)		
Outstanding at 31 March 2015	7 745 001		
Share options granted on 29 June 2012	3 500 000	1,90	6 650 000
Exercised in 2014	-		
Outstanding at 31 March 2014	3 500 000		
Exercised in 2015	(750 000)		
Outstanding at 31 March 2015	2 750 000		
Share options granted on 31 August 2012	1 500 000	1,90	2 850 000
Exercised in 2014	-		
Outstanding at 31 March 2014	1 500 000		
Exercised in 2015	(250 000)		
Outstanding at 31 March 2015	1 250 000		
Share options granted on 10 December 2014	1 565 000	6,80	10 642 000
Exercised in 2014	-		
Outstanding at 31 March 2014	1 565 000		
Exercised in 2015	-		
Outstanding at 31 March 2015	1 565 000		
Total outstanding at 31 March 2014	18 452 334		
Total outstanding at 31 March 2015	13 310 001		
Total exercisable at 31 March 2014	6 785 667		
Total exercisable at 31 March 2015	4 411 668		

ANNEXURE 5 – STATED CAPITAL AND RELATED-PARTY TRANSACTIONS CONTINUED

Related parties

	GROUP		COMPANY	
	2015 R	2014 R	2015 R	2014 R
Related-party balances				
Loan accounts – Owning by/(to) related parties				
African Nickel Limited	2 000 000	2 000 000	2 000 000	2 000 000
Métier Mixed Concrete Proprietary Limited	-	-	(125 000 000)	-
Cross Company Management Proprietary Limited	10 504 391	11 572 893	10 504 391	11 572 893
Sephaku Cement Investment Holdings Limited	-	-	4 149	4 149
Amounts included in trade receivables/(trade payables) regarding related parties				
Cross Company Management Proprietary Limited	(5 394)	-	(5 394)	-
Métier Concrete Products Proprietary Limited	-	137 677	-	-
Meadowland Estates Proprietary Limited	565 377	112 436	-	-
Metransport Proprietary Limited	5 095 861	-	-	-
Sephaku Cement Proprietary Limited	1 380 099	-	-	-
Metransport Proprietary Limited	(17 545 131)	-	-	-
Sephaku Cement Proprietary Limited	(109 279 370)	-	-	-
Provision for rent payable to related party				
Sephaku Cement Proprietary Limited	(372 306)	-	(372 306)	-
Related-party transactions				
Sales to related parties				
Métier Concrete Products Proprietary Limited	-	2 738 681	-	-
Meadowland Estates Proprietary Limited	565 377	642 272	-	-
Metransport Proprietary Limited	5 019 465	-	-	-
Sephaku Cement Proprietary Limited	1 210 613	-	-	-

	GROUP		COMPANY	
	2015 R	2014 R	2015 R	2014 R
Purchases from related parties				
WKR D Properties				
Proprietary Limited	-	7 184 618	-	-
Plazatique Corp 27 CC	-	1 275 317	-	-
Métier Concrete Products				
Proprietary Limited	-	239 800	-	-
Sephaku Cement				
Proprietary Limited	95 859 095	-	-	-
Mettransport Proprietary Limited	17 545 031	-	-	-
Rent paid to/(received from) related parties				
Plazatique Corp 27 CC	819 433	751 773	-	-
WKR D Properties				
Proprietary Limited	5 542 976	5 015 662	-	-
Métier Mixed Concrete				
Proprietary Limited	-	-	(955 319)	(320 355)
Sephaku Cement				
Proprietary Limited	341 348	-	341 348	-
Fees paid to/(received from) related parties for management services, overheads and salaries				
Métier Mixed Concrete				
Proprietary Limited	-	-	(4 672 570)	-
Cross Company Management				
Proprietary Limited	25 230 969	17 808 951	12 490 609	6 203 232
Utilities paid to related parties				
Plazatique Corp 27 CC	412 690	366 926	-	-
WKR D Properties				
Proprietary Limited	1 415 370	1 199 593	-	-

ANNEXURE 6 – DIRECTORS’ RESPONSIBILITY STATEMENT AND MATERIAL CHANGES STATEMENT

Directors’ responsibility statement

Directors, whose names appear in Annexure 2 of this notice, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the special resolution contains all information required in terms of the JSE Listings Requirements.

Material changes statement

Other than the facts and developments reported on in the integrated report, there have been no material changes in the affairs or financial position of SepHold and its subsidiaries since the date of signature of the audit report for the year ended 31 March 2015 and up to the date of this notice.

ANNEXURE 7 – PROXY APPOINTMENTS

Summary of shareholders' rights in respect of proxy appointments as contained in section 58 of the Companies Act. The shareholder may appoint an individual as a proxy, including an individual who is not a shareholder of SepHold, to participate in, speak and vote at the shareholders' meeting on behalf of the shareholder.

- The shareholder may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder.
- The form of proxy must be dated and signed by the shareholder appointing the proxy.
- An appointed proxy may delegate his/her authority to act on the shareholder's behalf to another person, subject to any restrictions set out in the form of proxy.
- The form of proxy must be delivered to the transfer secretaries of SepHold before the proxy exercises any of the shareholder's rights at the shareholders' meeting.
- Irrespective of the form of instrument used to appoint a proxy:
 - the appointment of the proxy is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder;
 - the appointment is revocable unless the proxy appointment expressly states otherwise; and
 - if the appointment of the proxy is revocable, a shareholder may revoke the proxy appointment by (1) cancelling it in writing, or making a later inconsistent appointment of a proxy; and (2) delivering a copy of the revocation instrument to the proxy and to SepHold.
- The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the relevant shareholder as of the later of:
 - the date stated in the revocation instrument, if any; or
 - the date on which the revocation instrument was delivered to SepHold and the proxy as aforesaid.
- If the instrument appointing a proxy or proxies has been delivered to SepHold, as long as that appointment remains in effect, any notice that is required by the Companies Act or SepHold's MOI to be delivered by SepHold to the shareholder must be delivered by SepHold to:
 - the shareholder; or
 - the proxy or proxies (if the shareholder has in writing directed SepHold to do so and has paid any reasonable fees charged by SepHold for doing so).
- A proxy is entitled to exercise, or abstain from exercising, any voting rights of the shareholder without direction, except to the extent that the instrument appointing the proxy provides otherwise.
- The appointment of the proxy utilising the form of proxy attached to the AGM notice remains valid only until the end of the AGM or any adjournment or postponement thereof.

CORPORATE INFORMATION

Directors

B Williams* (chairman)

MG Mahlare*

PM Makwana*

MM Ngoasheng*

J Pitt*#

Dr L Mohuba° (chief executive officer)

NR Crafford-Lazarus° (financial director)

RR Matju°

KJ Capes°

PF Fourie

° *Executive*

* *Independent*

Alternate

Company secretary

Jennifer Bennette

Email: Jbennette@sepccm.co.za

Telephone: +27 12 684 6300

Registered office

Southdowns Office Park

Ground Floor, Block A

Cnr Karee and John Vorster Streets

Irene, X54

0062

PO Box 7651

Centurion

0046

Website: www.sephakuholdings.com

Transfer secretaries

Computershare Investor Services

Proprietary Limited

70 Marshall Street, Johannesburg, 2001

PO Box 61051, Marshalltown, 2107

Telephone: +27 11 370 5000

JSE sponsor

Questco Proprietary Limited

Claudia Adamson

Telephone: +27 11 011 9209

Auditors

Grant Thornton

Chartered accountants (SA)

Registered auditors

Bankers

Nedbank

Métier Mixed Concrete (wholly owned subsidiary)

Physical address: Romead Business Park, 23 Malone Road, Maxmead, 3610

Postal address: Postnet Suite #546, Private Bag x4, Kloof, 3640

Telephone: +27 31 716 3600/0861 638437

Website: www.metiersa.co.za

Sephaku Cement (Associate)

Physical address: Southdowns Office Park, Block A, Ground Floor

Cnr Karee and John Vorster Streets, Irene, X54, 0062

Postal address: PO Box 68149, Highveld, 0169

Telephone: +27 12 684 6300

Website: www.sephakucement.com

Investor relations

Sakhile Ndlovu

Email: info@sepman.co.za

Telephone: +27 12 612 0210

