



SEPHAKU
HOLDINGS LTD

Notice of annual
general meeting

18 September 2023

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LETTER TO SHAREHOLDERS

We invite you to attend the Sephaku Holdings Limited annual general meeting (AGM), which will be held electronically on Monday, 18 September 2023 at 10:00HS SAST. We encourage you to participate and vote in the AGM electronically and, for administrative ease, to make use of proxy voting as outlined in the notice of AGM (notice). The AGM is your opportunity to engage with company executives regarding the group's performance for the year ended 31 March 2023.

The AGM will only be accessible through electronic communication, in accordance with the provisions of the Companies Act, 71 of 2008, as amended (the Companies Act) and the company's memorandum of incorporation (MOI). The company has retained the services of The Meeting Specialist Proprietary Limited (TMS) to remotely host the AGM on an interactive electronic platform, to facilitate remote participation and voting by shareholders. TMS will also act as scrutineer for the purposes of the AGM.

The integrated annual report will not be mailed to shareholders as part of our strategy to contain costs. However, all the information that you may require for voting at the AGM is included in this booklet, including the detailed notice, the summarised consolidated financial statements and other supporting documentation. The integrated annual report is available on <https://sephakuholdings.com/investor-centre/results-and-reports/>.

If you are not able to participate in the AGM, you may vote by proxy according to the instructions in the notice and form of proxy. For a summary of the shareholders' rights in respect of proxy appointments as contained in section 58 of the Companies Act refer to the notes to the form of proxy on page 32.

Yours sincerely

The logo for Acorim, featuring the word "Acorim" in a stylized, cursive script font.

Acorim Proprietary Limited

Group company secretary

31 July 2023

NOTICE OF ANNUAL GENERAL MEETING



Sephaku Holdings Limited

Incorporated in the Republic of South Africa

Registration number: 2005/003306/06

JSE share code: SEP

ISIN: ZAE000138459

In terms of section 62(3)(a) of the Companies Act, 71 of 2008, as amended (the Companies Act) and, subject to any cancellation, postponement or adjournment, notice is hereby given to shareholders of Sephaku Holdings Limited (“SepHold” or “the company”) that the annual general meeting (AGM) will be held by way of electronic communication on Monday, 18 September 2023 at 10:00HS.

The AGM is for SepHold shareholders to (i) consider and, if deemed fit, adopt with or without modification, the ordinary and special resolutions as set out in this notice of AGM (notice) in the manner required by the Companies Act, as read with the Listings Requirements (Listings Requirements) of the JSE Limited (JSE), and (ii) deal with such other business as may lawfully be dealt with at the AGM.

RECORD DATES

The board of directors of SepHold (the Board) has determined in terms of section 62(3)(a), read together with section 59(1)(b) of the Companies Act, the record date on which a shareholder must be in the securities register of SepHold for the purpose of determining which shareholders are entitled to:

- receive notice of the AGM is Friday, 21 July 2023; and
- participate in, and vote on the resolutions to be proposed at the AGM by Friday, 08 September 2023

Accordingly, the last day to trade SepHold shares to be entitled to participate in and vote during the AGM will be Tuesday, 05 September 2023.

ACTION BY SHAREHOLDERS

Certificated shareholders or “own name” registered dematerialised shareholders are entitled to participate and vote during the AGM or any adjournment thereof or may appoint one or more proxies to attend, speak and vote thereat in their stead. A proxy need not be a shareholder or member of the board. Completion of a form of proxy will not preclude such shareholder from participating and voting (in preference to that shareholder’s proxy) during the AGM or any adjournment thereof.

Dematerialised shareholders (not with “own name” registration) must notify their Central Securities Depository Participant (CSDP) or broker of their intention to participate in the AGM for such CSDP or broker to be able to issue them with the necessary letter of representation to enable them to participate in the AGM or should the dematerialised shareholder not wish to participate in the AGM, they should provide their CSDP or broker with their voting instructions.

For administrative purposes only, we request that completed forms be emailed to proxy@tmsmeetings.co.za by 14 September 2023.

Forms of proxy may also be submitted electronically to the chairperson before the start of the AGM or voting on any resolution commences as set out in this notice. During the AGM, each shareholder will have voting rights determined in terms of the shares held by such shareholder as set out in the memorandum of incorporation of the company (MOI). AGM participants will be required to provide identification to the reasonable satisfaction of the chairperson of the AGM.

An official identification document issued by the South African Department of Home Affairs, a driver’s licence or a valid passport will be accepted as sufficient identification. Shareholders who have any doubt as to the action they are required to take in respect of the following resolutions should consult their CSDP, broker, banker, attorney, accountant, or other professional advisers immediately.

ELECTRONIC PARTICIPATION

Shareholders who wish to participate electronically in and/or vote at the AGM are required to contact The Meeting Specialist (TMS) on proxy@tmsmeetings.co.za as soon as possible, but in any event no later than 10:00HS on Thursday, 14 September 2023. TMS will assist shareholders with the requirements for electronic participation in, and/or voting at, the AGM.

In terms of section 61(10) read with sections 63(2) and (3) of the Companies Act, every shareholder meeting of a public company must be reasonably accessible within South Africa for electronic participation by shareholders. The application form with details on how to participate electronically forms part of this notice and can be accessed from the company website on: www.sephakuholdings.com.

PURPOSE

The purpose of the AGM is for the following business to be transacted:

- The board will present the consolidated audited annual financial statements of SepHold and its subsidiaries (as approved by the board) for the financial year ended 31 March 2023 (2023 AFS), including the reports of the independent auditors, the directors, the remuneration and nomination committee, the social and ethics committee and the audit and risk committee to shareholders;
- The shareholders will consider and, if deemed fit, pass, with or without modification, the ordinary and special resolutions (resolutions) set out in this notice (which are to be proposed at the AGM) per the requirements of the MOI of SepHold, the Companies Act, the JSE Listings Requirements, and to the extent applicable, the principles and recommended practices set out in the King Report on Corporate Governance™ for South Africa, 2016 (King IV); and
- Consider all matters of SepHold as may lawfully be dealt with at the AGM.

Shareholders will be liable for their own network charges, and it will not be for the expense of the JSE, SepHold or TMS. Neither the JSE, SepHold or TMS can be held accountable in the case of loss of network connectivity or network failure including, but not limited to, insufficient airtime, internet connectivity or power outages which would prevent you from voting or participating in the virtual AGM.

AGENDA

Presentation of 2023 AFS

The FY2023 SepHold integrated annual report and AFS were made available to shareholders on 31 July 2023. The 2023 AFS together with the report of the independent auditors and the reports of the directors and the audit and risk committee will be presented to the shareholders at the AGM as required in terms of the Companies Act, read with the Companies Regulations, 2011. The complete 2023 AFS and the integrated annual report of which this notice is part are available on the Company's website: www.sephakuholdings.com.

Report from the social and ethics committee

In accordance with Regulation 43(5)(c) of the Companies Regulations, 2011 promulgated under the Companies Act, a member of the social and ethics committee (the committee) is required to report to shareholders on the matters within the mandate of the committee. The committee's report is contained in the 2023 integrated report available at www.sephakuholdings.com.

ORDINARY RESOLUTIONS

To consider and, if deemed fit, to pass, with or without modification, all the ordinary resolutions relating to the business set out below. Unless otherwise stated, the minimum percentage of voting rights required for each of the ordinary resolutions set out below to be adopted is more than 50% (fifty percent) of the voting rights exercised on each of the resolutions by shareholders present or represented by a proxy at the AGM.

Ordinary resolution number 4.1 and ordinary resolution number 4.2 are non-binding resolutions which are of an advisory nature only, and failure to pass these resolutions will not have any legal consequences relating to existing arrangements. In terms of the JSE Listings Requirements, ordinary resolution number 7 must be passed by at least 75% (seventy-five percent) majority of the votes cast in favour of the resolution by shareholders present or represented by a form of proxy at the AGM.

ORDINARY RESOLUTION NUMBER 1

Re-appointment of independent external auditors

“Resolved that on the recommendation of the current audit and risk committee, BDO South Africa Incorporated be and is hereby appointed as the independent external auditors of SepHold (until the conclusion of the next AGM of SepHold), and Jacques Barradas, as the individual designated registered auditor, and that the audit and risk committee be and is hereby authorised to determine the auditor's remuneration.”

Explanatory note

The audit and risk committee assessed the performance and accreditation of the proposed independent auditor and the proposed individual registered auditor (the designated auditor) in terms of the applicable regulations and legislation and is satisfied with their independence, accreditation, and performance. The audit and risk committee are also satisfied that the audit firm is accredited to appear on the JSE List of Accredited Auditors (as currently required) and that the individual registered auditor of SepHold does not appear on the JSE List of Disqualified Auditors. The agreed audit fees for FY2023 for both SepHold and the subsidiary of Metier Mixed Concrete was R1.1 million.

The Board intends reassessing its auditor appointment in line with independence requirements for public interest entities. However, it is noted that the JSE Limited (JSE) is proposing certain amendments to the JSE Listings Requirements regarding auditor accreditation. BDO South Africa Incorporated is therefore reappointed as the Company's auditors until such a time as the Company has more finality on the JSE's proposed amendments and the Board has had an opportunity to assess its auditor appointment accordingly.

ORDINARY RESOLUTION NUMBER 2**Appointment and re-election of directors**

“**Resolved** to individually re-elect each of the following directors (ordinary resolutions 2.1 to 2.3 to be voted on and adopted as separate resolutions). The board recommends the re-election of these directors.”

Ordinary resolution 2.1: “**Resolved** that the re-election of Mr. Lelau Mohuba, as a non-executive director, who retires by rotation at this AGM, but being eligible to do so, offers himself for re-election, is hereby confirmed.”

Ordinary resolution 2.2: “**Resolved** that the re-election of Mr. Moss Ngoasheng, as a non-executive director, who retires by rotation at this AGM, but being eligible to do so, offers himself for re-election, is hereby confirmed.”

Ordinary resolution 2.3: “**Resolved** that the re-election of Mr. Brent Williams, as an independent, non-executive director, who retires by rotation at this AGM, but being eligible to do so, offers himself for re-election, is hereby confirmed.”

Explanatory note

Under the MOI of SepHold, one-third of all non-executive directors are required to retire at the AGM and according to the Board charter, a director serving more than 9 years will be subject to an annual re-election by shareholders at the AGM. Accordingly, Mr. Lelau Mohuba, Mr. Moss Ngoasheng and Mr. Brent Williams will retire and being eligible, offer themselves for re-election to serve as directors of SepHold.

The remuneration and nomination committee reviewed the composition of the board against corporate governance, individual performance and diversity requirements and has recommended the re-election and appointment of the directors listed above. The performance of each retiring director has been assessed.

The board recognises that Mr. Moss Ngoasheng has been a member of the board for 14 years and Mr. Brent Williams has been a member of the Board for 11 years. Mr. Ngoasheng’s and Mr. William’s independence has been scrutinised by the board with the assistance of the remuneration and nomination committee.

Although Mr. Ngoasheng is a shareholder of SepHold through Safika Resources Proprietary Limited, the board is satisfied that his ownership constitutes a small portion of his overall wealth and is unlikely to influence his independence. The assessment highlighted that Mr. Ngoasheng’s extensive knowledge in deal structuring and the building materials sector is valuable to SepHold’s strategic intent. The board values the depth of his experience and concluded that his independence of character and judgement is not in any way affected or impaired by his years of service to SepHold.

The Board believes that Mr. William’s wealth of knowledge and experience adds value to the Board because he is skilled in the context of the Company’s long-term strategy and the evolving market environment. Furthermore, he has a relationship with management that has not exceeded acceptable limits of comfort such that it would impact his ability to maintain independent mind.

Following such review, the board recommends to shareholders the re-election of the directors mentioned above, by way of a series of votes, each of which is on the candidacy of a single individual to fill a single vacancy, as required under section 68(2) of the Companies Act.

Abbreviated curricula vitae in respect of each director listed above appears in Annexure 2 of this notice.

ORDINARY RESOLUTION NUMBER 3**Appointment of the chairperson and members of the audit and risk committee**

“**Resolved** to individually elect the following independent non-executive directors (ordinary resolutions 3.1 to 3.3) of SepHold as the chairperson and members of the audit and risk committee until the conclusion of the next AGM of SepHold. The board recommends the appointment of these members.”

Ordinary resolution 3.1: “**Resolved** that the re-election of Ms. Martie Janse van Rensburg as a member and chairperson of the audit and risk committee, be and is hereby confirmed”.

Ordinary resolution 3.2: “**Resolved** that the re-election of Mr. Brent Williams as a member of the audit and risk committee, be and is hereby confirmed, subject to the passing of ordinary resolution 2.3.”

Ordinary resolution 3.3: “**Resolved** that the re-election of Ms. Bukelwa Bulo as a member of the audit and risk committee, be and is hereby confirmed.”

Explanatory note

In terms of section 94(2) of the Companies Act, an audit committee comprising at least 3 (three) members must be elected by shareholders at each AGM of a public company. Further, in terms of regulation 42 of the Companies Regulations, 2011, at least one-third of the members of a public company’s audit committee members at any time must have appropriate academic qualifications or experience in economics, law, corporate governance, finance, accounting, commerce, industry, public affairs, or human resource management.

Having reviewed the composition of the audit and risk committee, the remuneration and nomination committee satisfied itself that the members of the audit and risk committee continue to meet the requirements of the Companies Act.

The board recognises that King IV recommends against the appointment of a board chairperson to the audit committee. The decision to re-appoint Mr. Brent Williams to the audit and risk committee was informed by the number of independent, non-executive directors on the board and their availability. Consideration was also made of the SepHold cost reduction programme in deciding not to appoint a new board member to fill the position. The remuneration and nomination committee decided that Mr. Brent Williams is best qualified to fulfil the position without the appointment of an additional independent, non- executive director to comply with the requisites of the composition of the committee.

The remuneration and nomination committee, with the support of the board, unanimously recommends and supports the re-election of Ms. Martie Janse van Rensburg, Mr. Brent Williams, and Ms. Bukelwa Bulo to the audit and risk committee. Abbreviated curricula vitae in respect of each member of the audit and risk committee, appears in Annexure 2 of this notice.

NON-BINDING ADVISORY VOTES (COMPRISING NON-BINDING ADVISORY VOTE NUMBERS 4.1 AND 4.2, ALL INCLUSIVE)

Non-binding advisory votes on the SepHold remuneration policy and implementation report

Ordinary resolution 4.1: “Resolved that as a separate non-binding advisory vote that SepHold’s remuneration policy, as set out in Annexure 3, be and is hereby approved.”

Ordinary resolution 4.2: “Resolved that as a separate non-binding advisory vote that the implementation report, as set out in Annexure 3, be and is hereby approved.”

Explanatory note

In terms of King IV, read with the JSE Listings Requirements, the company’s remuneration policy and implementation report must each be tabled to shareholders for a non-binding advisory vote at each AGM of the company. These non-binding advisory votes enable shareholders to express their views on the company’s remuneration policy and on how the company implements the remuneration policy.

The non-binding resolutions are of an advisory nature only, and failure to pass these resolutions will not have any legal consequences relating to existing arrangements. The board will take the outcome of each of the non-binding advisory votes in consideration when considering SepHold’s future remuneration policy and remuneration implementation report. In terms of paragraph 3.84 (j) of the JSE Listings Requirements, the remuneration policy must record the measures that the board commits to take in the event these non-binding resolutions are voted against by 25% (twenty-five percent) or more of the voting rights exercised. SepHold will, as recommended by King IV and required by the JSE, implement certain measures, including:

- an invitation to dissenting shareholders (those who voted against the remuneration policy and/or implementation report) to engage with the company; and
- the manner and timing of such engagement.

After that, the company will engage with the dissenting shareholders to address the matters of concern.

ORDINARY RESOLUTION NUMBER 5

Signature of documents

“Resolved that each director of SepHold, or the company secretary, be and is hereby individually authorised to sign all such documents and do all such things as may be necessary for, or incidental to, the implementation of those resolutions set out in this notice.”

ORDINARY RESOLUTION NUMBER 6

Control of authorised but unissued ordinary shares

“Resolved that the authorised but unissued ordinary shares in the capital of the company be and are hereby placed under the control and authority of the directors of the company (“directors”) and that the directors be and are hereby authorised and empowered to allot and issue all or any of such ordinary shares, or to issue any options in respect of all or any of such ordinary shares, to such person/s on such terms and conditions and at such times as the directors may from time to time and in their discretion deem fit, subject to the provisions of sections 36 and 38 of the Companies Act, clause 8.7 of the company’s MOI and the provisions of the JSE Listings Requirements, when applicable.”

ORDINARY RESOLUTION NUMBER 7

General authority to issue shares for cash

“Resolved that, subject to the Companies Act and the JSE Listings Requirements, SepHold be and is hereby given a general authority to allot and issue the unissued ordinary shares in the capital of SepHold (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 SepHold, provided it shall not extend beyond 15 (fifteen) months from the date of this AGM;
- issues in terms of this authority will not, in any financial year, in aggregate, exceed 5% (five percent) of the number of ordinary shares in SepHold’s issued share capital as at the date of this notice being 12 724 322 shares. In the event of a subdivision or consolidation of issued equity securities, this authority must be adjusted accordingly to represent the same allocation ratio;
- 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) and not to related parties, save therefore that related parties may participate in a general issue for cash through a bookbuild process provided that (i) related parties may only participate with a maximum bid price at which they are prepared to take-up shares or at book close price. In the event of a maximum bid price and the book closes at a higher price the relevant related party will be “out of the book” and not be allocated shares; and (ii) equity securities must be allocated equitably “in the book” through the bookbuild process and the measures to be applied must be disclosed in the JSE’s Stock Exchange News Service (“SENS”) announcement launching the bookbuild;
- the maximum discount at which such shares may be issued is 10% (ten percent) of the weighted average traded price of the company’s shares over the 30 (thirty) business days before the date that the price of the issue is agreed between the company and the party subscribing for the securities;
- upon any issue of shares for cash which, on a cumulative basis within the validity period of this general authority, constitute 5% (five percent) or more of the number of shares of the class in issue as at the date of this AGM, the company shall by way of an announcement on 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, in terms of the JSE Listings Requirements, and
- this resolution requires more than 75% (seventy-five percent) of the voting rights in favour thereof to be adopted.

Explanatory note

The purpose of this ordinary resolution number 7 is to obtain a general authority for, and to authorise, SepHold by way of a general authority in terms of the JSE Listings Requirements and the Companies Act, to issue ordinary shares for cash in SepHold. The effect of the passing of this ordinary resolution will be to authorise SepHold, from time to time, to issue ordinary shares as may be required, inter alia, in terms of capital raising exercises.

SPECIAL RESOLUTIONS

To consider and, if deemed fit, to pass, with or without modification, all the special resolutions relating to the business set out below. At least 75% (seventy-five percent) of the voting rights exercised on each resolution must be exercised in favour of those resolutions for it to be validly adopted.

SPECIAL RESOLUTION NUMBER 1**General authority to repurchase securities**

“Resolved that an acquisition by the company or any subsidiary of the group is hereby authorised, by way of a general authority, from time to time, to repurchase any of the shares issued by SepHold, upon such terms and conditions and in such amounts as the directors may from time to time determine. It will be subject to the provisions of section 46 and 48 of the Companies Act, the MOI of any subsidiary of the group and the JSE Listings Requirements, which may be amended from time to time. Acquisitions by SepHold of its shares may not, in the aggregate, exceed in any one financial year 20% (twenty percent) of its issued share capital of that class of shares acquired from the date of the grant of this general approval.

In respect of any other group entity, such acquisition of SepHold shares may not exceed 10% (ten percent), provided that:

- the repurchase of securities will be implemented through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the group entity and the counterparty (reported trades are prohibited);
- this general authority shall be valid only until the next AGM or for 15 (fifteen) months from the date of this resolution, whichever period is shorter;
- repurchases may not be made at a price greater than 10% (ten percent) above the weighted average of the market value for the securities for the 5 (five) business days immediately preceding the date on which the transaction is affected;
- at any point in time, SepHold may appoint only 1 (one) agent to affect any repurchase on the company’s behalf;
- no group entity may repurchase securities during a prohibited period, as defined in the JSE Listings Requirements unless a repurchase programme is in place in terms of which the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and full details of such programme have been submitted to the JSE in writing before the commencement of the prohibited period;
- SepHold will instruct only one independent third party, which makes its investment decisions about the company’s securities independently of, and uninfluenced by, the company, before the commencement of the prohibited period to execute the repurchase programme submitted to the JSE;
- SepHold may only repurchase the securities once authorised by the board through a resolution confirming that SepHold has applied and passed the solvency and liquidity test as contemplated in section 4 of the Companies Act (test), and that since the test was done, there have been no material changes to the financial position of the group; and
- an announcement will be published on SENS as soon as the company or any subsidiary of the group has acquired securities constituting, on a cumulative basis, 3% (three percent) of the number of securities in issue and for each 3% (three percent) in aggregate of the initial number acquired after that.”

Although there is no immediate intention to repurchase SepHold’s securities, the directors would utilise the general authority to repurchase securities as and when suitable opportunities present themselves, which opportunities may require prompt and immediate action.

Adequacy of working capital

At the time that the contemplated repurchase is to take place, the directors will ensure that, after considering the effect of the maximum repurchase and for a period of 12 (twelve) months thereafter:

- the company and the group will be able to pay their debts as they become due in the ordinary course of business;
- the assets of the company and the group will be more than the liabilities of the company and the group. For this purpose, the assets and liabilities should be recognised and measured in accordance with the accounting policies used in the latest audited consolidated AFS;
- the share capital and reserves of the company and the group will be adequate for the purpose of the ordinary business of the company and the group;
- the working capital to the company and the group will be adequate for ordinary business purposes; and
- the board will authorise the repurchase, that the company and the group have passed the solvency and liquidity test and that, since the test was performed, there have been no material changes to the financial position of the group.

In terms of paragraph 11.26 of the JSE Listings Requirements the following disclosures are contained in the 2023 integrated annual report of SepHold:

- Major shareholders set out on page 27.
- The share capital of SepHold set out on page 28; and
- Material change statement set out on page 30.

Directors' responsibility statement

The directors, whose names are set out in the corporate information section of this notice, collectively and individually accept full responsibility for the accuracy of the information on special resolution number 1 and certify that to the best of their knowledge and belief, there are no facts concerning it that have been omitted which would make any statement about this special resolution false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this special resolution contains all the information required by the JSE Listings Requirements.

Explanatory note

The purpose of this special resolution number 1 is to obtain a general authority for, and to authorise, the company or any subsidiary of the group, by way of a general authority in terms of the JSE Listings Requirements and the Companies Act, to acquire SepHold issued ordinary shares which general authority shall be valid until the earlier of the next AGM of SepHold or the variation or revocation of such general authority by special resolution by any subsequent general meeting of SepHold, provided that the general authority shall not extend beyond 15 (fifteen) months of the date of this AGM.

The effect of the passing of this special resolution will be to authorise any group entity to acquire the issued ordinary shares in SepHold. The board intends to use such authority should prevailing circumstances (including the financial position of the company, tax dispensations and market conditions) in the opinion of the board warrant it. In this regard, the board will consider, among other things, an appropriate capitalisation structure for the long-term cash needs and the best interest of SepHold.

SPECIAL RESOLUTION NUMBER 2

Non-executive directors' remuneration

"Resolved that to the extent applicable in terms of section 66(9) of the Companies Act, the payment by SepHold of remuneration to its non-executive directors for their services as non-executive directors of SepHold during the financial year ending 31 March 2022 be approved."

FY 2023 annual fee

Chairperson of the board	R475 000
Independent non-executive	R360 000

FY 2024 proposed annual fee

Chairperson of the board	R475 000
Independent non-executive	R390 000

Explanatory note

The Companies Act requires that fees paid to directors for their services as directors be authorised by shareholders by way of a special resolution. The passing of this special resolution will have the effect of approving the directors' fees payable by SepHold for the year ending 31 March 2024, per section 66(9) of the Companies Act.

SPECIAL RESOLUTION NUMBER 3

Financial assistance for any beneficiary participating in any SepHold incentive scheme

"Resolved that shareholder hereby approve of SepHold providing any or indirect financial assistance, as contemplated as such in section 44 of the Companies Act, as may apply to any beneficiary participating in any SepHold group share incentive scheme or a person related to any beneficiary."

Explanatory note

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 or in connection with:

- the subscription of any option, or any securities, issued or to be issued by the company or related or inter-related company; or
- for the purchase of any securities of the company, or a related or inter-related company.

It may be necessary for the company to provide financial assistance to directors and employees who participate in the SepHold share incentive scheme. This assistance is only envisaged under the circumstances where options are exercised, and an election is made to dispose of some or all 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.

SPECIAL RESOLUTION NUMBER 4**Financial assistance for present or future subsidiaries**

“**Resolved** that shareholders hereby approve, in terms of section 45 of the Companies Act, of the provision by SepHold of direct or indirect financial assistance to any of its present or future subsidiaries.”

Special resolutions 3 and 4 are hereby approved provided that no such financial assistance may be provided at any time in terms of this authority after the expiry of 2 (two) years from the date of the adoption of the special resolutions (for the 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 SepHold from time to time;
- the board may not authorise SepHold to provide any financial assistance according to these special resolutions unless the board meets all those requirements of sections 44 and 45 of the Companies Act, which it is required to meet to authorise SepHold to provide such financial assistance; and
- such financial assistance to a recipient thereof is, in the opinion of the board, required for meeting all or any of such recipient's operating expenses (including capital expenditure), and/or funding the growth, expansion, re-organisation 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 SepHold, is directly or indirectly in the interests of SepHold.

Explanatory note

Section 45 of the Companies Act provides, among other things, that any financial assistance to related or inter-related companies and corporations, including, inter alia, to subsidiaries of the company, must be provided only according to a special resolution of the shareholders, adopted within the previous 2 (two) years, which approved such assistance either for the specific recipient or generally for a category of potential recipients. If a specific recipient falls within that category, the Board of directors must be satisfied that;

- immediately after providing the financial assistance, SepHold 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 SepHold's MOI have been satisfied.

As part of the ordinary conduct of the business, SepHold, 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 to, among other things, ensure that the group 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, always subject to applicable law, 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 SepHold.

By order of the board

31 July 2023



ANNEXURE 1 – SUMMARISED CONSOLIDATED FINANCIAL RESULTS

STATEMENT OF FINANCIAL POSITION

as at 31 March 2023

	Group	
	2023 R	2022 R
ASSETS		
Non-Current Assets		
Property, plant and equipment	160 270 076	136 616 822
Right-of-use assets	49 271 670	53 535 740
Goodwill	223 421 981	223 421 981
Investment in joint venture	1	1
Investment in associate	836 320 473	838 361 313
Loans receivable	–	961 173
Other financial assets	10 337 990	8 702 890
Other investments	1 000 000	2 000 000
	1 280 622 191	1 263 599 920
Current Assets		
Inventories	20 504 893	18 076 838
Loans receivable	961 173	3 658 670
Trade and other receivables	121 929 846	87 190 895
Cash and cash equivalents	4 348 011	29 476 556
	147 743 923	138 402 959
Total Assets	1 428 366 114	1 402 002 879
EQUITY AND LIABILITIES		
Equity		
Share capital	682 965 910	682 965 910
Reserves	2 738 696	5 903 868
Retained income	487 201 495	458 410 976
	1 172 906 101	1 147 280 754
Liabilities		
Non-Current Liabilities		
Instalment sale liabilities	36 435 398	25 384 965
Other financial liabilities	–	34 863 130
Lease liabilities	48 454 562	54 897 551
Deferred tax	19 432 371	17 584 930
	104 322 331	132 730 576
Current Liabilities		
Trade and other payables	105 590 717	90 047 921
Instalment sale liabilities	10 300 021	6 026 405
Other financial liabilities	–	13 410 551
Lease liabilities	15 054 190	12 178 585
Current tax payable	2 277 547	328 087
Bank overdraft	17 915 207	–
	151 137 682	121 991 549
Total Liabilities	255 460 013	254 722 125
Total Equity and Liabilities	1 428 366 114	1 402 002 879

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 March 2023

	Group	
	2023 R	2022 R
Revenue	980 710 786	785 791 090
Cost of sales	(615 819 604)	(484 062 792)
Gross profit	364 891 182	301 728 298
Other operating income	3 564 049	4 322 893
Other operating losses	(768 879)	–
Movement in loss allowances	(400 000)	–
Operating expenses	(318 274 963)	(271 819 556)
Operating profit	49 011 389	34 231 635
Investment income	2 231 302	2 037 346
Finance costs	(13 321 210)	(12 851 844)
(Loss)/Income from equity accounted investments	(2 040 840)	28 992 240
Profit before taxation	35 880 641	52 409 377
Taxation	(10 313 484)	(7 831 832)
Profit for the year	25 567 157	44 577 545
Other comprehensive income	–	–
Total comprehensive income/(loss) for the year	25 567 157	44 577 545
Basic earnings per share (cents)	10.05	17.52
Diluted earnings per share (cents)	10.05	17.52

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2023

Group	Share capital R	Equity-based share option reserve R	Retained income R	Total equity R
Balance at 01 April 2021	682 965 910	11 052 071	408 387 152	1 102 405 133
Profit for the year	–	–	44 577 545	44 577 545
Other comprehensive income	–	–	–	–
Total comprehensive income for the year	–	–	44 577 545	44 577 545
Employees share option scheme	–	(5 148 203)	5 446 279	298 076
Total contributions by and distributions to owners of group recognised directly in equity	–	(5 148 203)	5 446 279	298 076
Balance at 01 April 2022	682 965 910	5 903 868	458 410 976	1 147 280 754
Profit for the year	–	–	25 567 157	25 567 157
Other comprehensive income	–	–	–	–
Total comprehensive income for the year	–	–	25 567 157	25 567 157
Employees share option scheme	–	(3 165 172)	3 223 362	58 190
Total contributions by and distributions to owners of group recognised directly in equity	–	(3 165 172)	3 223 362	58 190
Balance at 31 March 2023	682 965 910	2 738 696	487 201 495	1 172 906 101

STATEMENT OF CASH FLOWS

for the year ended 31 March 2023

	Group	
	2023 R	2022 R
Cash flows from operating activities		
Cash generated from operations	64 828 440	66 022 736
Interest income received	1 994 865	1 519 584
Tax paid	(6 516 582)	(9 028 544)
Net cash generated from operating activities	60 306 723	58 513 776
Cash flows from investing activities		
Purchase of property, plant and equipment	(28 223 234)	(14 359 181)
Proceeds on disposal of property, plant and equipment	5 701 922	1 023 903
Proceeds from repayment of loans	–	2 058 946
Loans advanced	(2 035 100)	–
Net cash (used in) investing activities	(24 556 412)	(11 276 332)
Cash flows from financing activities		
Repayment of principal on instalment sales	(3 611 680)	(2 487 183)
Repayment of interest on instalment sales	(4 233 275)	(1 411 613)
Finance costs – other	–	(1 316)
Repayment of principal on other financial liabilities	(48 546 408)	(23 311 072)
Repayment of interest on other financial liabilities	(2 789 022)	(4 859 481)
Payments of principal on leases	(13 587 491)	(12 135 444)
Payments of interest on leases	(6 026 186)	(6 307 253)
Net cash (used in) financing activities	(78 794 062)	(50 513 362)
Total cash movement for the year	(43 043 751)	(3 275 918)
Cash at the beginning of the year	29 476 556	32 752 474
Total cash at end of the year	(13 567 195)	29 476 556

NOTES TO THE SUMMARISED FINANCIAL STATEMENTS

for the year ended 31 March 2023

BASIS OF PREPARATION

The summarised consolidated financial results for the year ended 31 March 2023 (annual reporting period) have been prepared in accordance with the Companies Act, the JSE Listings Requirements, the framework concepts and the measurement and recognition requirements of the International Financial Reporting Standards (IFRS), the South African Institute of Chartered Accountants Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council as required by International Accounting Standard 34 Interim Financial Reporting. The results have been prepared on a historical cost basis, except for the measurement of investment property which is carried at fair value.

The accounting policies applied in the preparation of the consolidated annual 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 AFS. 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 amendments and interpretations did not have a material impact on the results for the current period.

The preparation of the AFS has been supervised by Mr. 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 AFS.

The underlying AFS have been audited by the group's external auditors, BDO South Africa Incorporated. A copy of their unqualified report, as well as the AFS, are available for inspection at the company's registered office and the website: www.sephakuholdings.com.

STANDARDS AND INTERPRETATION EFFECTIVE AND ADOPTED DURING THE YEAR

In the current year, the Group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

- Annual Improvement to IFRS Standards 2018 – 2020: Amendments to IFRS 1 and Reference to the Conceptual Framework: Amendments to IFRS 3. The impact of these amendments is not material.
- Annual Improvement to IFRS Standards 2018 – 2020: Amendments to IFRS 9 and Onerous Contracts – Cost of Fulfilling a Contract: Amendments to IAS 37. The adoption of these standards have not had a material impact on the results of the Group, but have resulted in more disclosure than would have previously been provided in the financial statements.
- Property, Plant and Equipment: Proceeds before Intended Use: Amendments to IAS 16. When applicable, the impact of the standard will be set out in the Property, plant and equipment note of the AFS.

NET ASSET VALUE PER SHARE AND EARNINGS PER SHARE

	Group	
	2023 R	2022 R
Net asset value and tangible net asset value per share		
Total assets	1 428 366 114	1 402 002 879
Total liabilities	(255 460 013)	(254 722 125)
Net asset value attributable to equity holders of parent	1 172 906 101	1 147 280 754
Goodwill	(223 421 981)	(223 421 981)
Tangible net asset value	949 484 120	923 858 773
Shares in issue	254 486 436	254 486 436
Net asset value per share (cents)	460.89	450.82
Tangible net asset value per share (cents)	373.10	363.03

Group

	2023 Gross R	2023 Net R	2022 Gross R	2022 Net R
Reconciliation of basic earnings to diluted earnings, headline earnings and normalised earnings:				
Profit attributable to ordinary equity holders of the parent entity		25 567 156		44 577 544
IAS 33 earnings		25 567 156		44 577 544
Add/Less IAS 16 losses/(gains) on the disposal of plant and equipment	(231 121)	(168 718)	389 942	280 758
Add IAS 36 impairment of investment		–		120 551
Headline earnings and diluted headline earnings attributable to equity holders of parent		25 398 438		44 978 853
Add IFRS 9 equity investment measured at fair value through profit or loss		1 000 000		–
Add IFRS 9 loan receivable at amortised cost		400 000		–
Normalised headline earnings attributable to equity holders of parent		26 798 438		44 978 853
Basic weighted average number of shares		254 486 436		254 486 436
Diluted weighted average number of shares		254 486 436		254 486 436
Basic earnings per share (cents)		10.05		17.52
Diluted earnings per share (cents)		10.05		17.52
Headline earnings per share (cents)		9.98		17.67
Normalised headline earnings per share (cents)		10.53		17.67
Diluted headline earnings per share (cents)		9.98		17.67

SEGMENT INFORMATION

	Ready-mix concrete R	Head office R	Group totals R
2023			
Segment revenue – external revenue	980 710 786	–	980 710 786
Segment cost of sales	(615 819 604)	–	(615 819 604)
Segment expenses	(304 530 375)	(13 744 588)	(318 274 963)
Loss from equity-accounted investment	–	(2 040 840)	(2 040 840)
Profit/(Loss) on sale of property, plant and equipment	231 147	(26)	231 121
Segment profit/(loss) after taxation	42 752 427	(17 185 270)	25 567 157
Taxation	(10 313 484)	–	(10 313 484)
Interest received	2 231 118	184	2 231 302
Interest paid	(13 321 210)	–	(13 321 210)
Depreciation and amortisation	(34 182 725)	(7 946)	(34 190 671)
Segment assets	355 548 562	1 072 817 552	1 428 366 114
Investment in associate included in the above total segment assets	–	836 320 473	836 320 473
Capital expenditure included in segment assets	47 158 965	–	47 158 965
Segment liabilities	(255 884 352)	(1 575 661)	(255 460 013)
2022			
Segment revenue – external revenue	785 791 090	–	785 791 090
Segment cost of sales	(484 062 792)	–	(484 062 792)
Segment expenses	(257 825 431)	(13 994 125)	(271 819 556)
Profit from equity-accounted investment	–	28 992 240	28 992 240
Loss on sale of property, plant and equipment	(389 942)	–	(389 942)
Segment profit after taxation	29 579 105	14 998 440	44 577 545
Taxation	(7 831 832)	–	(7 831 832)
Interest received	2 037 015	331	2 037 346
Interest paid	(12 851 838)	(6)	(12 851 844)
Depreciation and amortisation	(26 718 733)	–	(26 718 733)
Segment assets	325 307 335	1 076 695 544	1 402 002 879
Investment in associate included in above total segment assets	–	838 361 313	838 361 313
Capital expenditure included in segment assets	48 229 012	–	48 229 012
Segment liabilities	(251 544 361)	(3 177 764)	(254 722 125)

The only commodity actively managed by Métier is ready-mix 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.

SepCem is an associate of SepHold. No segment report has been presented for cement (the commodity) as the amounts attributable to cement (the commodity) have been included in the head office segment.

INVESTMENT IN ASSOCIATE

Due to the fact that the debt service ratio was 1.225 during the 2017 year instead of the required 1.3, negotiations were entered into with Nedbank to reshape the payment profile. This was successfully completed during the second half of 2017 and required a further R95 million contribution by shareholders. DCP made this contribution and in terms of the relationship agreement; SepHold will have to contribute 36% of this on demand or face dilution of approximately 1.2 percentage points. The shareholders are still in agreement with regards to the postponement of the timing of the repayment or dilution. SepHold has a potential liability of R34,2 million or a dilution in investment. SepCem started the previous financial year with a cash balance of R500 million and was in the process of agreeing a pre-payment of R200 million on its bank debt in order to get relief of R25 million per payment on the next eight scheduled payments. Just before the payment was made, the government-enforced lockdown due to COVID-19 commenced and the overhead costs during this period required all these excess funds. It was envisaged that the impact of COVID-19 on SepCem could be a reduction of in EBITDA levels that would not be able to service debt for the current year. The lenders were approached to waive capital payments for the balance of 2020 and receive interest only, but this was only to be considered if shareholders made a contribution of R125 million. DCP undertook to make this contribution in August 2020 and shareholders have agreed to treat this as a shareholders' loan.

The net asset value of the Associate is R1 811 822 000 (2022: R1 816 004 000) as indicated below.

Summarised financial information of Dangote Cement South Africa Proprietary Limited and its subsidiaries

	2023* R'000	2022* R'000
Non-current assets	2 680 016	2 787 478
Current assets	679 626	870 093
Total assets	3 359 642	3 657 571
Total equity	1 811 823	1 816 004
Non-current liabilities	(1 016 010)	(716 306)
Current liabilities	(531 809)	(1 125 261)
Total liabilities	(1 547 819)	(1 841 567)

	2023* R'000	2022* R'000
Revenue for the period	2 454 678	2 564 262
Cost of sales	(2 209 680)	(2 180 328)
Gross profit	244 998	383 934
Operating profit	104 459	219 393
Investment income	8 486	11 593
Finance costs	(112 459)	(119 502)
Profit before taxation	486	111 484
Taxation expense	(4 667)	(29 573)
(Loss)/Profit after taxation for the period	(4 181)	81 911
Total comprehensive (loss)/income for the period	(4 181)	81 911
Total comprehensive (loss)/income attributable to owners of the parent	(5 669)	80 534

* SepCem has a December year-end so as to agree with DCP's year-end. In line with the requirements of IAS 28, the year-end results of SepCem as at 31 December 2022 have been included in these financial statements.

OTHER FINANCIAL LIABILITIES

	Group	
	2023 R	2022 R
At fair value through profit/(loss)		
Standard Bank – Facility B	–	48 273 681
This loan bears interest at the three-month JIBAR plus a margin of 4.25%. The loan was repaid in full during the financial year under review.		
Split between non-current and current portions		
Non-current liabilities	–	34 863 130
Current liabilities	–	13 410 551
	–	48 273 681

CASH AND CASH EQUIVALENTS

	Group	
	2023 R	2022 R
Cash and cash equivalents consist of:		
Cash on hand	121 646	101 500
Bank balances	4 226 366	29 375 056
Bank overdraft	(17 915 207)	–
	(13 567 195)	29 476 556
Current assets	4 348 012	29 476 556
Current liabilities	(17 915 207)	–
	(13 567 195)	29 476 556

The fair values of cash and cash equivalents are considered to be equal to the carrying value.

Métier secured an overdraft facility with First National Bank of R80 000 000 during the year (2022: Standard Bank of R10 000 000).

The total amount of undrawn facilities available for future operating activities and commitments	62 084 793	10 000 000
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Security

The First National Bank (the debt guarantor) overdraft facility is secured as follows:

- General notarial bond to be granted by Métier in favour of the debt guarantor over all its movable assets (including inventory) to the value of R40 000 000.
- Suretyship by SepHold in favour of the debt guarantor for the obligations of Métier to the value of R140 000 000.
- Cession of short-term insurance policies by Métier in favour of the debt guarantor, in terms of which Métier cedes in securitatem debiti to the debt guarantor all of its right, title and interest in and to all short-term insurances over its assets.
- Cession of debts by Métier in favour of the debt guarantor, in terms of which Métier cedes in securitatem debiti to the debt guarantor, all of its right, title and interest in and to all of its debtors.

Métier will ensure that the Interest-bearing debt to earnings before EBITDA will not exceed 2.5 times operating income before interest, tax, depreciation and amortisation of any intangibles (excluding extraordinary items), during any period.

The fair values of the financial liabilities are substantially the same as the carrying amounts reflected on the statement of financial position as they bear interest at market-related rates.

GOING CONCERN

The 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.

The directors believe that the Company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the Company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The Group and Company's current liabilities exceed the current assets, however if the loan from group Company is required to be repaid, the Board will approve Métier to pay a dividend to SepHold. The dividend received will be utilised to repay the loan in full. The directors are not aware of any new material changes that may adversely impact the Company.

As mentioned under the debt management portion of Métier, the current liabilities exceeded the current assets at year-end. This is mainly due to the fact that the long-term portion of financing was repaid during FY 2023 and replaced with a bank overdraft. Long-term debt reduced by R48 million while the bank overdraft at year-end was R18 million. The overdraft is only utilised over month end and is repaid in the first half of the month. This position will further improve during the current year and as cash is generated from profits, the current assets will again exceed the current liabilities. During the period that these timing differences occur the R80 million overdraft facility provides enough headroom to ensure that all foreseeable cash requirements will be met.

The refinancing of the SepCem Nedbank and consortium loan of R376 714 000 was granted by Nedbank and Standard Bank during the financial year.

The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Company.

STATED CAPITAL

No new shares were issued during the current or prior period.

The unissued ordinary shares are under the control of the directors in terms of a resolution of members passed at the last annual general meeting.

EVENTS AFTER THE ANNUAL REPORTING PERIOD

Chief executive officer appointment

Shareholders are referred to the SENS announcement dated 25 November 2022 advising the appointment of Mr Kenneth Capes as the new CEO of SepHold. The board is pleased to announce that Mr Capes has been formally appointed as the CEO from 1 April 2023. He will continue to be CEO of Metier and an executive director on the SepHold board.

Q1 2023 performance

Following the DCP first-quarter results announcement for the three months ended 31 March 2023, released on 28 April 2023, SepCem's revenue increased by 5.4% to R583 million (Q1 2022: R553 million) mainly due to price increases implemented in February 2023. SepCem's quarterly EBITDA decreased significantly to R31,3 million (Q1 2022: R89,7 million) mainly due to comparative inventory depletion typical during planned kiln outages for an extended maintenance period.

CHANGES TO THE BOARD

There were no changes to the board during the financial year.

COMPANY SECRETARY

There were no changes to the Company Secretary during the financial year.

By order of the board



Neil Crafford-Lazarus

CEO and financial director (FD)
23 June 2023



Brent Williams

Chairperson – independent non-executive director

ANNEXURE 2 – BOARD OF DIRECTORS (SUBJECT TO RE-ELECTION AND ELECTION)

Dr. Lelau Mohuba (65)

Non-executive director

MChB (Nelson Mandela School of Medicine formerly University of Natal)

Lelau is a founding director of SepHold. He became the original chairperson on 3 February 2005 and became CEO on 28 March 2023. He 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.

Moses Modidima Ngoasheng (66)

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. He was instrumental in the industrial policy of the African National Congress and an economic advisor to President Thabo Mbeki from 1995 to 2000. He consulted for the World Bank and National Housing Forum (South Africa) on aspects of economic policy in South Africa. Moss is a CEO, deputy chairman, and cofounder of Safika Holdings, an investment holding company with a broad range of interests in the mining, industrial, gaming, financial services, telecommunication, and technology sectors. He is a board member and chairman of South African Breweries Foundation as well as a Trustee of the Nelson Mandela Children's Hospital, just to mention a few.

Brent Williams (59)

Chairperson – independent non-executive director

BA (University of Cape Town), BProc (University of Western Cape), LLM (Harvard University Law School)

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

Martie Jacoba Janse van Rensburg (66)

Independent non-executive director

BCom (University of the Free State), BCompt (Hons) (University of South Africa), CA(SA), Executive Programme in Strategy and Organisation (Stanford University Business School), TCTA Leadership Development Programme (Gordon Institute of Business Science), AltX Director Programme (JSE and Wits Business School).

Martie was appointed a director of SepHold on 22 September 2016. Between 1994 and 2008, she was the chief financial officer (five years) and then CEO (10 years) of the Trans-Caledon Tunnel Authority. Martie served as a non-executive director and member or chairperson of audit committees for Bond Exchange of South Africa, Airports Company South Africa, Etion Limited, Johannesburg Water SOC, Denel SOC, Development Bank of Southern Africa, Ivanhoe Mines Limited and the Independent Regulatory Board of Auditors. She is a non-executive member of the FirstRand Wholesale Credit Committee and Ashburton Investment Credit Committee.

Bukelwa Bulo (45)

Independent non-executive director

BBusSc (Finance) and PGDip in Accounting (University of Cape Town), CFA, Leadership Development Program (Harvard Business School).

Bukelwa was appointed a director of SepHold on 26 October 2018. She has over 17 years' experience in private equity with exposure to a wide spectrum of sectors, including industrial services and retail. Bukelwa has expertise in investment and divestment evaluation, deal structuring, and strategic and stakeholder management. She is a cofounder of Jade Capital Partners, an investment holding Company focused primarily on the property, industrial, construction and building materials sectors. Her current directorships include non-executive directorships on the boards of Capital Appreciation and Netcare.

ANNEXURE 3 – REMUNERATION POLICY AND DIRECTORS' EMOLUMENTS



Moses Modidima Ngoasheng
Chairperson – Remuneration

Role: The REMCO deals with the nomination and appointment of new directors, the appropriateness of the board's composition and succession planning. Furthermore, the REMCO decides on remuneration and incentives, and recommends long-term incentives for the executive directors.

The REMCO submits all policy amendments to the board for approval.

Composition

Members

MM Ngoasheng (Chairperson, Remuneration)

B Williams (Chairperson, Nominations)

MJ Janse van Rensburg

SepHold FD*

L Mohuba*

SepHold CEO* **

* Invitee to REMCO meetings.

** Approved by Remco on 14 June 2023. Approved by board on 23 June 2023.

Feedback on key focus areas in FY 2023

① Focus on an appropriate management structure for SepHold

- Appointed Kenneth Capes, Métier CEO as SepHold CEO.
- Neil Crafford-Lazarus continues in his role as SepHold FD.

② Benchmark non-executive director fees

- After three years of stagnation the non-executive directors' fees benchmark is adjusted over a two year period.

③ Evaluate board tenure and independence of directors who have served for more than nine years

- SepHold has two non-executive directors that have served for more than nine years and are therefore up for re-election every year. The Nominations Committee evaluated and supports the re-election nominations.

In FY 2024, the committee will continue to focus on

① Focus on an appropriate management structure for SepHold

② Benchmark non-executive director fees

③ Evaluate board tenure and independence of directors who have served for more than nine years

REMUNERATION POLICY

The group applies a total cost to company approach to the remuneration of its employees. The main objectives of the remuneration framework are to:

- Appropriately reward employees for services provided.
- Ensure equitable and fair remuneration.
- Ensure that variable remuneration is aligned to performance.
- Implement a competitive remuneration structure that:
 - is tailored to the specific circumstances of the group;
 - is referenced to appropriate benchmarks; and
 - reflects the market and industry practices.
- Comply with all relevant legal requirements.

The total guaranteed package (TGP) is based on an employee's level of demonstrated competency, qualifications, experience, and performance. The TGP of new employees is normally at the low end of the salary range. As the employee demonstrates increased experience, learning and performance, the package is adjusted based on the objective outcome of performance reviews.

The following performance measurement criteria are used:

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.*

The table below summarises the main components of the reward package for group employees. SepCem applies a different framework as a subsidiary of DCP

Component	Objective	Practice
TGP	<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 TGP annually in November. 	<ul style="list-style-type: none"> • The level of skill and experience, the scope of responsibility and the total remuneration package are considered when rewarding employees. • Appropriate market percentiles based on skills, experience and competitiveness are applied.
Short-term incentive (STI)	<ul style="list-style-type: none"> • To motivate employees and incentivise the delivery of performance over the financial year. • The appropriateness of measures and weightings are reviewed annually to ensure ongoing support of the strategy. 	<ul style="list-style-type: none"> • Performance over the financial year is measured against targets set in the balanced scorecards. • Target bonus (30%, 50% and 70%) of TGP aligned with the level achieved as defined in the performance management policy. • The executive committee annual bonus is paid in cash in Q3 each year for performance over the previous financial year.
Long-term incentive (LTI)	<ul style="list-style-type: none"> • To motivate and incentivise delivery over the long term. • Continued support of the company strategy through awards relating to total shareholder return. These awards are vested against a pre-determined framework. 	<ul style="list-style-type: none"> • Performance over three financial years is measured against targets for the performance period, with vesting ranging between 0%, 50%, 100% and 200% of the TGP. The award will consist of a share award bought in the open market.
Termination benefits	<ul style="list-style-type: none"> • To retain executive management. 	<ul style="list-style-type: none"> • The CEO and FD roles are on a permanent contract, and there will be no unusual obligation for the group at retirement. • The SepHold CEO's and FD's employment contracts have a provision for a minimum payment equivalent to annual remuneration on termination of employment due to a change of control. • The long-term incentive scheme also provides for early vesting in case of a change of control.

Determination of the SepHold executive management fixed TGP

As in previous review periods, the REMCO utilised the PwC executive directors' practices and remuneration trends report* for 1 March 2021 to 28 February 2022 to review SepHold's executive management TGP. The report focuses on JSE listed entities and includes analyses of the seven sub-Saharan African stock exchanges. The data used in the report was obtained from publicly available information on 28 February 2022. There were no remuneration consultants engaged during the year.

The appropriate industry sector benchmark for SepHold's executive remuneration is the small-cap industrial with the remuneration profile for the CEO, CFO and ED indicated in the table below. Therefore, based on the TGP ranges for the sector, REMCO was satisfied that the current executive remuneration is appropriately within the median to upper quartile bands.

* The report can be accessed online using the link: <https://www.pwc.co.za/en/assets/pdf/executive-directors-report-2022.pdf>

JSE industrial industry small-cap TGP ranges for the period 1 March 2021 to 28 February 2022: R'million

	Chief executive officer	Chief financial officer	Executive director
Upper quartile	6,21	4,38	3,91
Median	4,56	3,37	3,39
Lower quartile	3,94	2,72	2,74

During the corresponding period the SepHold CEO earned a TGP of R4,61m. (1.1% above the mean) This amount remained the same for the 2023 financial year. The Metier CEO and SepHold executive director earned a TGP of R2,74m in the corresponding period (equal to lower quartile). This amount increased to R3,15m during the current year, still 7% below the median of the prior year.

Determination of the SepHold executive management variable remuneration

The board-approved performance indicators to measure executive management's performance are reviewed annually. The indicators are broadly categorised into financial (75%) and non-financial measures (25%).

SHORT-TERM INCENTIVES SCORECARD*Financial measures (75%)*

Performance indicator	Weighting %	Performance condition detail	Minimum (30%)	Target (50%)	Stretch (70%)
Real* growth in headline earnings per share (HEPS).	37.5	HEPS growth over the previous year above inflation	Real* growth in HEPS	Real HEPS growth greater than 4% per annum	Real HEPS growth greater than 8% per annum
Gearing, debt covenants and free cash flow.	37.5	Measuring 1. Debt to EBITDA 2. Debt service coverage ratio 3. Free cash flow	Company-specific	Company-specific	Company-specific

* Real relative to CPI.

Non-financial measures (25%)

Performance indicator	Weighting %	Performance criteria	Executive/s responsible
Implementation of corporate governance best practices.	15	Level of group compliance and standards achieved <ul style="list-style-type: none"> • JSE Listing requirements compliance • Application of King IV principles • Attainment of BBBEE rating • Achievement of safety and environment targets as determined by the company will be measured against a portfolio of evidence. 	SepHold CEO and FD Métier CEO
Achievement of job-specific personal goals. The achievement of job-specific personal goals as determined by the company will be measured against a portfolio of evidence.	10	Stakeholder engagement and relationship management <ul style="list-style-type: none"> • Satisfactory resolution of main stakeholder issues 	CEO
		Optimisation of group funding structures to enable sustainability during a negative cycle and value-accretive expansion during a positive cycle. Investigating and mitigating risk on alternative funding sources for deals. <ol style="list-style-type: none"> 1. Achieve targeted debt:equity ratio 2. Compliance with all debt loan covenants 3. Increase free cash flow 	FD
		Operational executives to demonstrate the ability to: <ol style="list-style-type: none"> 1. Utilise and maintain core competencies 2. Develop human capital and sustain an effective high-performance organisational culture 3. Promote ethical practices 4. Establish robust organisational controls 	Métier Exco

LONG-TERM INCENTIVES SCORECARD

Performance indicator	Weighting %	Performance condition detail	Minimum (50%)	Target (100%)	Stretch (200%)
Total shareholder return (TSR).	100	TSR is measured against the median of six comparable companies	Median	Median +15%	Median +40%

SepHold executive management performance criteria

Illustration of single total remuneration figure for minimum, target and stretch performance for the next financial year.

The executive remuneration constitutes the TGP and the variable short-term and long-term incentives that are based on performance against key performance indicators (KPIs). The determination of the appropriate TGP is based on the executive's level of experience, responsibilities, prevailing trading conditions and comparative level for JSE listed companies in the same sector. The table below summarises the assumption of the delivery of the minimum, target and stretch performance achievement on total remuneration of the SepHold CEO and FD in a single total figure.

	TPG ZAR	STI	LTI	Total
2024				
SepHold CEO				
Base	3 900 000	0	0	3 900 000
Threshold	3 900 000	1 170 000	1 950 000	7 020 000
Target	3 900 000	1 950 000	3 900 000	9 750 000
Stretch	3 900 000	2 730 000	7 800 000	14 430 000
SepHold FD				
Base	4 613 000	0	0	4 613 000
Threshold	4 613 000	1 383 900	2 306 500	8 303 400
Target	4 613 000	2 306 500	4 613 000	11 532 500
Stretch	4 613 000	3 229 100	9 226 000	17 068 100

Non-executive directors' remuneration**Elements and purpose**

The group aims to attract and retain suitably skilled and experienced non-executive directors. An appropriate level of competitive remuneration is necessary to reward them for their time and commitment. The non-executive directors are remunerated by an annual fee paid in recognition of board and committee membership. The non-executive directors, including the group's chairperson, do not receive any other employment benefits, performance-related remuneration, or any form of compensation for loss of office.

The fee structure is reviewed and benchmarked annually to ensure that the proposed fees are aligned to market levels to attract and retain high-quality individuals. SepHold has recommended an increase of approximately 8% for FY 2024 to the shareholders to be decided at the September 2023 AGM.

Service contracts

None of the non-executive directors has a written service contract with the group, and all the directors rotate in terms of the memorandum of incorporation.

IMPLEMENTATION REPORT**Short-term incentives**

The group's performance during FY 2023 for the 12 months ended 31 March 2023 warranted the awarding of bonuses to the SepHold CEO and Métier CEO to be paid in FY 2024 in line with the remuneration policy. The following FY 2023 performance parameters were considered in the decision to award the short-term incentives:

FY 2023 SHORT-TERM INCENTIVES SCORECARD					
Financial measures (75%)					
Performance indicator	Weighting %	Performance condition detail	Achieved growth	Achieved score	Bonus allocation as % of TGF
Real* growth in headline earnings per share (HEPS).	37.5	HEPS growth over the previous year above inflation	-40% Therefore, no real growth.	Real HEPS growth: 0%	Nil
* Real relative to CPI.					
Performance indicator	Weighting %	Performance condition detail	Achieved growth	Achieved score	Bonus allocation as % of TGF
Gearing	37.5	Debt to EBITDA	SEP 1.8 to 1.4 MMC 1.1 to 0.5	50 70	SEP 18.75% MMC 26.25%
Free cash flow		Free cash flow	SEP negative MMC +50%	0 70	
Debt ratios		Debt service coverage ratio	SEP 1.8 to 1.4 MMC 1.5 to 2.2	0 70	
Non-financial measures (25%)					
Performance indicator	Weighting %	Performance achieved	Achieved score	Bonus allocation as % of TGF	
Implementation of corporate governance best practices.	15	Target	50%	7.5%	
Achievement of job-specific personal goals. The achievement of job-specific personal goals as determined by the company will be measured against a portfolio of evidence	10	SEP Stretch MMC Stretch	70%	7%	

The total bonus against the TGP based on 33.25% of SepHold and 40.75% for Metier

- SepHold CEO at 33.25% against R4.5 million = R1,5 million.
- Métier CEO at 40.75% against R3,9 million = R1,6 million.

The self imposed limit to the bonus pool of 10% of earnings restricted the bonuses to R2,56m. Therefore, the resultant total bonus awards were R1,2 million for the SepHold CEO and FD and R1,3 million for the Métier CEO. This will be paid in the current financial year as the previous bonuses were paid in the last financial year as indicated in the emoluments table below.

FY 2023 long-term incentive scheme

The group's performance for the 36 months ended 31 March 2023 warranted the awarding of bonuses to the SepHold CEO and Métier CEO to be paid in FY 2024 in line with the remuneration policy.

SepHold achieved the mean position for total shareholders return over the 36-month period measured against the median of six comparable companies. This resulted in 50% of TGP being made available as a share award bought in the open market from post-tax proceeds.

Directors' and prescribed officer's emoluments

Executive

	TGP R	Performance bonuses* R	Travel allowances R	Pension fund R	IFRS 2 share- based payments expense R	Total R
2023						
NR Crafford-Lazarus	4 143 800	2 000 000	142 500	326 700	16 409	6 629 409
KJ Capes	2 908 506	2 000 000	–	240 300	–	5 148 806
	7 052 306	4 000 000	142 500	567 000	16 409	11 778 215
2022						
NR Crafford-Lazarus	4 312 334	2 000 000	142 500	158 166	83 042	6 696 042
KJ Capes	2 740 500	1 700 000	–	–	–	4 440 500
	7 052 834	3 700 000	142 500	158 166	83 042	11 136 542

* The bonus paid in FY 2023 relates to the FY 2022 performance and the FY 2022 number for FY 2021.

Non-executive

	Fees for services as director R	Remuneration R	Bonuses and performance- related payments* R	IFRS 2 share-based payments expense R	Total R
2023					
B Williams	475 000	–	–	–	475 000
MM Ngoasheng	360 000	–	–	–	360 000
MJ Janse van Rensburg	360 000	–	–	–	360 000
B Bulo	360 000	–	–	–	360 000
Dr L Mohuba	360 000	–	–	16 409	376 409
	1 915 000	–	–	16 409	1 931 409
2022					
B Williams	440 000	–	–	–	440 000
MM Ngoasheng	335 000	–	–	–	335 000
MJ Janse van Rensburg	335 000	–	–	–	335 000
B Bulo	335 000	–	–	–	335 000
Dr L Mohuba	335 000	–	–	83 042	418 042
PF Fourie*	–	3 373 781	738 204	–	4 111 985
	1 780 000	3 373 781	738 204	83 042	5 975 027

* PF Fourie (deceased 19 May 2021) was a non-executive director of SepHold and an executive director of SepCem. All remuneration paid to him by the associate company, SepCem, has therefore also been disclosed above.

Non-binding remuneration resolutions shareholder advisory vote

In terms of the Listings Requirement 3.84(J), the remuneration policy must record the measures that the board commits to take if the non-binding resolutions of shareholder approval of the remuneration policy and the implementation report are voted against by 25% or more of the voting rights exercised.

The Company will:

- invite dissenting shareholders (those who voted against the policy and/or the implementation report) to engage with the Group; and
- provide details on the manner and timing of such engagement.

Subsequently, the REMCO and executive management will engage with the shareholders to address matters of concern.

ANNEXURE 4 – SHAREHOLDERS’ ANALYSIS

SEPHAKU HOLDINGS LIMITED

Shareholders holding greater than 5% of the issued share capital at year-end	Number of shares	%
Citiclient Nominees No8 NY GW	36 171 173	14.21
Safika Resources Proprietary Limited (Dematerialised)	30 734 981	12.08
Safika Resources Proprietary Limited (Certificated)	19 043 228	7.48

Range of shareholdings

Share range	Number of shareholders	% of shareholders	Number of shares
1 – 1 000	6 787	79.94	861 053
1 001 – 10 000	1057	12.45	3 952 897
10 001 – 50 000	406	4.78	9 777 869
50 001 – 100 000	100	1.18	7 048 073
100 001 – 500 000	88	1.04	19 082 521
500 001 – 1 000 000	18	0.21	11 844 476
1 000 001 shares and over	34	0.40	201 919 547
Total	8 490	100.00	254 486 436

Public and non-public shareholders	Shares held	%	Number of shareholders
Public	219 892 914	91.32	8 484
Non-public	34 593 522	13.59	6
– Directors’ direct holdings	13 674 186	5.37	3
– Directors’ indirect holdings	20 879 336	8.20	2
– Directors’ associates	40 000	0.02	1
	254 486 436	100.00	8 490

Further details on the directors’ shareholding, refer to pages 11 and 12 of the AFS.

ANNEXURE 5 – STATED CAPITAL AND RELATED PARTY TRANSACTIONS

SHARE CAPITAL

	Group	
	2023 R	2022 R
Authorised 1 000 000 000 ordinary shares with no par value		
Issued 254 486 436 (2022: 254 486 436) shares at beginning of period	682 965 910	682 965 910

No new shares were issued during the current or prior period.

The unissued ordinary shares are under the control of the directors in terms of a resolution of members passed at the last annual general meeting. This authority remains in force until the next annual general meeting.

SHARE-BASED PAYMENTS

	Number	Weighted exercise price R	Total value R
Share options granted on 10 December 2014	1 565 000	6.80	10 642 000
Outstanding at 1 April 2021	1 465 000		
Expired in 2022	(1 465 000)		
Outstanding at 31 March 2022	–		
Outstanding at 31 March 2023	–		
Share options granted on 31 March 2016	1 630 000	4.40	7 172 000
Outstanding at 1 April 2021	1 630 000		
Cancelled in 2021 due to resignation	(41 667)		
Outstanding at 31 March 2022	1 588 333		
Expired in 2023	(1 588 333)		
Outstanding at 31 March 2023	–		
Share options granted on 30 June 2017	1 905 000	3.00	5 715 000
Outstanding at 1 April 2021	1 905 000		
Cancelled in 2021 due to resignation	(200 000)		
Outstanding at 31 March 2022	1 705 000		
Outstanding at 31 March 2023	1 705 000		
Total share options outstanding and exercisable at 31 March 2023	1 705 000		
Total share options outstanding and exercisable at 31 March 2022	3 293 333		

RELATED PARTIES

	Group	
	2023 R	2022 R
Related party balances		
Loan accounts – Owning (to)/by related parties		
Union Atlantic Minerals Proprietary Limited	673 054	1 073 054
Cross Company Management Proprietary Limited	9 664 936	7 629 836
Amounts included in (Trade Payable) regarding related parties		
Dangote Cement South Africa Proprietary Limited	(11 563 576)	(10 925 479)
Related party transactions		
Purchases from related parties		
Dangote Cement South Africa Proprietary Limited	142 322 380	75 826 136
Rent paid to related parties		
Plazatique Corp 27 CC [^]	1 202 067	1 139 400
WKRD Properties Proprietary Limited [^]	1 067 507	982 153
Utilities paid to related parties		
Plazatique Corp 27 CC	777 861	708 583
WKRD Properties Proprietary Limited	408 806	–

[^] The amounts included represent the actual transactions as per the lease agreements. The IFRS 16 treatment for these form part of Lease liabilities.



ANNEXURE 6 – DIRECTORS’ RESPONSIBILITY STATEMENT AND MATERIAL CHANGES STATEMENT

DIRECTORS’ RESPONSIBILITY STATEMENT

The CEO and the financial director, whose names are stated below, hereby confirm that:

- a) the financial statements fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- b) to the best of their knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- c) internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer;
- d) the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- e) where we are not satisfied, we have disclosed to the audit committee and the auditors the deficiencies in design and operational effectiveness of the internal controls and any fraud that involve directors, and have taken the necessary remedial action; and
- f) we are not aware of any fraud involving directors.



Neil Crafford-Lazarus

Chief executive officer and financial director

Centurion, South Africa

23 June 2023



KJ Capes

Incoming chief executive officer

MATERIAL CHANGES STATEMENT

Other than the facts and developments reported on in the integrated annual report, there have been no material changes in the affairs or financial position of SepHold and its subsidiaries since the company’s year-end as at 31 March 2023 up to the date of this notice.

ANNEXURE 7 – FORM OF PROXY

For use only by shareholders who:

- hold shares in certificated form (certificated ordinary shareholders); or
- have dematerialised their ordinary shares (dematerialised ordinary shareholders) and are registered with “own name” registration, at the annual general meeting (AGM) to be held electronically on Monday, 18 September 2023 at 10:00HS.

Dematerialised ordinary shareholders holding ordinary shares other than with “own name” registration who wish to attend the AGM by way of electronic communication must inform their Central Securities Depository Participant (CSDP) or broker of their intention to attend the AGM and request their CSDP or broker to issue them with the relevant Letter of Representation to participate electronically at the AGM or by proxy. If they do not wish to attend the AGM or by proxy, they must provide their CSDP or broker with their voting instructions in terms of the relevant custody agreement entered between them and the CSDP or broker.

These ordinary shareholders must not use this form of proxy.

Participants will be able to vote during the AGM through an electronic participation platform. Such Participants, should they wish to have their vote(s) counted at the AGM, must provide The Meeting Specialist Proprietary Limited with the information as set out in the Electronic Participation Form, forming part of the notice. Each Participant, who has complied with the requirements as set out in the Electronic Participation Form, forming part of the notice, will be contacted during the course of business on Friday 15 September 2023 via email or mobile number and will be provided with a unique link to enable them to participate in the virtual AGM.



Sephaku Holdings Limited

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

I/we (please print names in full) _____

of (address) _____

Contact numbers (landline) _____

(mobile) _____

Email address _____

being the registered holder(s) of _____ ordinary shares in the capital of Sephaku Holdings does hereby appoint:

1. _____ or failing him/her;

2. _____ or failing him/her;

the chairperson of the AGM as my/our proxy to act for me/us and on my/our behalf at the AGM for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at any adjournment thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of the shares registered in my/our name/s, in accordance with the following instructions:

	Number of ordinary shares		
	For	Against	Abstain
Ordinary resolutions			
1. Re-appointment of independent external auditors			
2. Re-election of directors			
2.1 Re-election of Dr. Lelau Mohuba as a director			
2.2 Re-election of Mr. Moss Ngoasheng as a director			
2.3 Re-election of Mr. Brent Williams as a director			
3. Appointment of the chairperson and members of the audit and risk committee			
3.1 Appointment of Ms. Martie Janse van Rensburg as a member and chairperson of the audit and risk committee			
3.2 Appointment of Mr. Brent Williams as a member of the audit and risk committee subject to the passing of resolution 2.3			
3.3 Appointment of Ms. Bukelwa Bulo as a member of the audit and risk committee			
4. Advisory endorsement of remuneration policy and implementation report			
4.1 Endorsement of the remuneration policy			
4.2 Endorsement of the remuneration implementation report			
5. Signature of documents			
6. Control of authorised but unissued ordinary shares			
7. General authority to issue shares for cash			
Special resolutions			
1. General authority to repurchase securities			
2. Non-executive directors' remuneration			
3. Financial assistance for any beneficiary participating in any Sephaku Holdings group share incentive scheme			
4. Financial assistance for present or future subsidiaries			

Please indicate instructions to proxy in the space provided above by the insertion therein of the relevant number of votes exercisable. A member entitled to participate in and vote at the AGM may appoint one or more proxies to attend and act in his stead. A proxy so appointed need not be a member of SepHold.

Signed at _____ on _____, 2023

Signature: _____

Assisted by me (where applicable) _____

Landline number _____ Mobile number _____

NOTES TO THE FORM OF PROXY

1. The form of proxy must only be completed by shareholders who hold shares in certificated form or who are recorded on the sub-register in electronic form in "own name".
2. All other beneficial owners who have dematerialised their shares through a CSDP or broker and wish to attend the AGM must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered between them and the CSDP or broker.
3. A shareholder entitled to attend and vote at the AGM may insert the name of a proxy or the names of two alternate proxies (none of whom need be a shareholder of the company) of the shareholder's choice in the space provided, with or without deleting "the chairperson of the meeting". The person whose name stands first on this form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those proxy(ies) whose names follow. Should this space be left blank, the proxy will be exercised by the chairperson of the meeting.
4. A shareholder is entitled to one vote on a poll and one vote in respect of each ordinary share held. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate space provided. If an "X" has been inserted in one of the blocks to a particular resolution, it will indicate the voting of all the shares held by the shareholder concerned. Failure to comply with this will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/she deems fit in respect of all the shareholder's votes exercisable thereat. A shareholder or the proxy is not obliged to use all the votes exercisable by the shareholders or by the proxy, but the total of the votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the shareholder or the proxy.
5. A vote given in terms of an instrument of proxy shall be valid in relation to the AGM notwithstanding the death, insanity or other legal disability of the person granting it, or the revocation of the proxy, or the transfer of the ordinary shares in respect of which the proxy is given. For administrative purposes only, we request that forms of proxy be emailed to TMS on proxy@tmsmeetings.co.za, by no later than 10:00HRS, Thursday, 14 September 2023 (or 48 hours before any adjournments of the AGM, which date, if necessary, will be notified on the Stock Exchange News Service). Forms of proxy may also be submitted electronically to the chairperson via email to proxy@tmsmeetings.co.za before the start of the AGM.
6. If a shareholder does not indicate on this form that his/her proxy is to vote in favour of or against any resolution or to abstain from voting, or gives contradictory instructions, or should any further resolution(s) or any amendment(s) which may properly be put before the AGM be proposed, such proxy shall be entitled to vote as he/she thinks fit.
7. The chairperson of the AGM may reject or accept any form of proxy which is completed and/or received other than in compliance with these notes.
8. A shareholder's authorisation to the proxy including the chairperson of the AGM, to vote on such shareholder's behalf, shall be deemed to include the authority to vote on procedural matters at the AGM.
9. The completion and lodging of this form of proxy will not preclude the relevant shareholder from participating at the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.
Attention is also drawn to the "Notes to the Form of Proxy".
10. Documentary evidence establishing the authority of a person signing the form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the company's transfer secretaries or waived by the chairperson of the AGM.
11. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian, as applicable, unless the relevant documents establishing his/her capacity are produced or have been registered by the transfer secretaries of the company.
12. Where there are joint holders of ordinary shares:
 - any one holder may sign the form of proxy;
 - the vote(s) of the senior ordinary shareholders (for that purpose seniority will be determined by the order in which the names of ordinary shareholders appear in the company's register of ordinary shareholders) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint shareholder(s).
13. Forms of proxy should be emailed to TMS at proxy@tmsmeetings.co.za.
14. A deletion of any printed matter and the completion of any blank space need not be signed or initialled. Any alteration or correction must be signed and not merely initialled.
15. Summary of the rights of a shareholder to be represented by proxy, as set out in section 58 of the Companies Act, 71 of 2008, as amended:
 - A proxy appointment must be in writing, dated and signed by the shareholder appointing a proxy, and, subject to the rights of a shareholder to revoke such appointment (as set out below), remains valid only until the end of the relevant shareholders meeting.
 - A proxy may delegate the proxy's authority to act on behalf of a shareholder to another person, subject to any restrictions set out in the instrument appointing the proxy.

The appointment of a proxy is suspended at any time and to the extent that the shareholder who appointed such proxy chooses to act directly and in person in the exercise of any rights as a shareholder.

The appointment of a proxy is revocable by the shareholder in question cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the company. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of (a) the date stated in the revocation instrument, if any; and (b) the date on which the revocation instrument is delivered to the company as required in the first sentence of this paragraph. If the instrument appointing the proxy or proxies has been delivered to the company, as long as that appointment remains in effect, any notice that is required by the companies Act or the company's memorandum of incorporation to be delivered by the company to the shareholder, must be delivered by the company to

(a) the shareholder, or (b) the proxy or proxies, if the shareholder has (i) directed the company to do so in writing; and (ii) paid any reasonable fee charged by the company for doing so.

ANNEXURE 8 – ELECTRONIC PARTICIPATION IN THE SEPHAKU HOLDINGS LIMITED ANNUAL GENERAL MEETING (AGM)



Sephaku Holdings Limited

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

Shareholders or their proxies who wish to participate in the AGM by way of electronic communication (Participants) must notify the company's meeting scrutineers by submitting the form below (the application) via email to the company's meeting scrutineers The Meeting Specialist Proprietary Limited (TMS) to proxy@tmsmeetings.co.za by no later than 10:00HS on Thursday, 14 September 2023.

- Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with "own name" registration, should contact their Central Securities Depository Participant (CSDP), broker or custodian in the manner and time stipulated in their agreement with their CSDP broker or custodian:
 - to furnish them with their voting instructions; and
 - in the event that they wish to participate in the AGM electronically, to obtain the necessary authority to do so.
- Participants will be able to vote during the AGM through an electronic participation platform. Such Participants, should they wish to have their vote(s) counted at the AGM, must provide TMS with the information requested below.
- Each Participant, who has complied with the requirements below, will be contacted during the course of business on 15 September 2023 via email or mobile number with a unique link to enable them to participate in the virtual AGM.
- The cost of the Participant's phone call or data usage will be at his/her own expense and will be billed separately by his/her own telephone or internet service provider.
- For administrative purposes, participants are requested to submit the application by 10:00HS on Thursday, 14 September 2023.
- The Participant's unique access credentials will be forwarded to the email or mobile number provided below.

APPLICATION FORM	
Full name of shareholder	
Full name of shareholder representative (if applicable)	
Registration number/identity number/passport of shareholder or representative	
Email address	
Mobile number	
Telephone number	
Name of CSDP, broker or custodian (If shares are held in dematerialised format)	
Shareholder number/SCA number/broker account number/own name account number or custodian account number	
Number of shares	
Signature	
Date	

By signing this form, I agree and consent to the processing of my personal information above for the purpose of participation in the AGM.

Important: You are required to attach a copy of your identity/passport document when submitting the application.

TERMS AND CONDITIONS FOR PARTICIPATION AT THE SEPHAKU HOLDINGS LIMITED AGM VIA ELECTRONIC COMMUNICATION

- The cost of dialling in using a telecommunication line/webcast/web streaming to participate in the AGM is for the expense of the Participant and will be billed separately by the Participant's own telephone or internet service provider.
- The Participant acknowledges that the telecommunication lines/webcast/web streaming are provided by a third-party service provider and indemnifies Sephaku Holdings Limited, JSE Limited and TMS and/or its third-party service providers against any loss, injury, damage, penalty, or claim arising in any way from the use of the telecommunication lines/webcast/web streaming, whether or not the problem is caused by any act or omission on the part of the Participant or anyone else. In particular, but not exclusively, the Participant acknowledges that he/she will have no claim against, and indemnifies Sephaku Holdings Limited, JSE Limited and TMS and/or its third-party service providers, whether for consequential damages or otherwise, arising from the use of the telecommunication lines/webcast/web streaming or any defect in it or from total or partial failure of the telecommunication lines/webcast/web streaming and connections linking the telecommunication lines/webcast/web streaming to the AGM.
- Participants will be able to vote during the AGM through an electronic participation platform. Such Participants, should they wish to have their vote(s) counted at the AGM, must act in accordance with the requirements set out above.
- Once the Participant has received the link to the electronic participation platform and/or the electronic voting platform, the onus to safeguard this information remains with the Participant.
- The application will only be deemed successful if this application form has been fully completed and signed by the Participant and delivered or emailed to TMS at proxy@tmsmeetings.co.za.

Shareholder name: _____

Signature: _____

Date: _____

NOTES

CORPORATE INFORMATION

Directors	B Williams* (Chairperson) MJ Janse van Rensburg* B Bulo* MM Ngoasheng* NR Crafford-Lazarus° (FD) Dr L Mohuba KJ Capes° (Métier and SepHold CEO) ° Executive * Independent non-executive
Company secretary	Acorim Proprietary Limited Email: sephaku@acorim.co.za Telephone: +27 11 325 6363
Investor relations	Email: info@sephold.co.za Telephone: +27 12 648 6300
Registered office	Southdowns Office Park First 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 Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg 2196 Private Bag X9000, Saxonwold, 2131 Telephone: +27 11 370 5000
JSE sponsor	QuestCo Corporate Advisory Proprietary Limited Telephone: +27 11 011 9200
Auditors	BDO South Africa Incorporated 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
Dangote Cement South Africa Proprietary Limited (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.co.za



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