

# Reviewed results for the year ended 31 March 2008 – dividend declaration and withdrawal of cautionary announcement

Group revenue increased to **R2,66 billion**  
(Restated 2007: R1,38 billion)

Operating profit up to **R376,3 million**  
(Restated 2007: R189,57 million)

Core EPS was **107,5 cents per share**  
(Restated 2007: 77,9 cents per share)



SENTULA MINING LIMITED (previously Scharrig Mining Limited)  
(Registration number 1992/001973/06)  
(Incorporated in the Republic of South Africa)  
Share code: SNU ISIN code: ZAE000107223  
(“Sentula” or “the Group” or “the Company”)

“It was a very challenging second half to the financial year, but we have dealt with all the problematic issues outlined in our trading statement on 2 June 2008. The March 2007 results have been restated and our performance in 2008 has shown relative growth. The extraordinary challenges we’ve been faced with over the last year are now behind us and the fundamentals of the company are sound, integration of acquisitions is complete and the operations are well poised for sustained growth. We will continue to pursue our growth strategy and our prospects are exceptionally good. We are facing an exciting future with renewed determination and clarity of purpose.” – Robin Berry, CEO, Sentula Mining

## Condensed Provisional Consolidated Income Statement

for the year ended 31 March 2008	Reviewed results 31 March 2008 R'000	Restated results 31 March 2007 R'000	As previously reported 31 March 2007 R'000
Revenue	2 659 897	1 376 859	1 368 760
Operating profit	376 288	189 571	296 360
Excess of assets and liabilities obtained over purchase price	52 816	5 511	—
Finance costs	(148 722)	(69 391)	(69 391)
Net profit before taxation	280 382	125 691	226 969
Income from investments in associates – net of tax	18 286	—	—
Taxation	(63 889)	(32 028)	(69 728)
Net profit after taxation	234 799	93 663	157 241
Earnings attributable to ordinary shareholders	—	8 389	8 389
Earnings attributable to ordinary shareholders	234 799	85 274	148 852
<b>Supplementary information</b>			
Attributable earnings per share (cents)	116,4	56,3	98,4
Core earnings per share (cents)	107,5	77,9	103,7
Headline earnings per share (cents)	93,9	71,2	98,4
Dividend per share (cents)	—	—	—
Interim (Declared)	11,00	7,00	7,00
Final (Proposed)	10,00	10,00	10,00
	21,00	17,00	17,00
Shares in issue (000)			
– at end of period	235 566	188 431	188 431
– weighted average for the year	201 699	151 352	151 352

## Condensed Provisional Consolidated Balance Sheet

as at 31 March 2008	Reviewed results 31 March 2008 R'000	Restated results 31 March 2007 R'000	As previously reported 31 March 2007 R'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2 412 693	1 302 318	1 399 575
Investments in equity-accounted associates	190 266	—	—
Intangible assets – other	12 008	38 667	227 785
Investments in mineral rights	366 482	—	—
Goodwill	372 698	203 425	—
	3 354 147	1 544 410	1 627 360
<b>Current assets</b>			
Inventories	307 545	175 202	137 752
Trade and other receivables	556 728	326 313	338 462
Bank balance and cash	285 397	164 511	164 511
	1 149 670	666 026	640 725
	4 503 817	2 210 436	2 268 085
<b>EQUITY AND LIABILITIES</b>			
Share capital and premium	1 560 996	574 568	517 843
Reserves	488 522	272 249	363 650
Ordinary shareholders' funds	2 049 518	846 817	881 493
Outside shareholders' interests	105 926	8 389	8 389
Total shareholders' funds	2 155 444	855 206	889 882
<b>Non-current liabilities</b>			
Long-term borrowings	1 290 272	348 667	322 555
Deferred taxation	252 184	139 470	182 008
	1 542 456	488 137	504 563
<b>Current liabilities</b>			
Trade and other payables	270 486	238 289	252 441
Other financial liabilities	5 851	284 586	284 586
Current portion of long-term borrowings	472 532	309 353	309 353
Taxation	57 048	34 866	26 960
	805 917	867 093	873 340
	4 503 817	2 210 436	2 268 085

## Statement of Changes in Equity

for the year ended 31 March 2008	Share capital R'000	Share premium R'000	Employee share incentive reserve/capital reserve R'000	Treasury shares R'000	Foreign exchange translation reserve R'000	Retained earnings R'000	Non-distributable reserve R'000	Minority interest	Total R'000
Balance at 1 April 2006 as previously reported	1 374	100 055	6 076	(8 397)	—	217 397	13 866	—	330 371
Prior year adjustments	108	5 142	(5 469)	(5 297)	—	13 414	—	—	7 898
Restated balance as at 1 April 2006	1 482	105 197	607	(13 694)	—	230 810	13 866	—	338 268
Restated profit for the year	—	—	—	—	—	85 274	—	8 389	93 663
Profit for the year as previously reported	—	—	—	—	—	148 852	—	8 389	157 241
Prior year adjustments – profit	—	—	—	—	—	(63 578)	—	—	(63 578)
Prior year adjustments – equity	—	21 600	—	—	(2 263)	—	—	—	19 337
Dividend paid	—	—	—	—	—	(20 923)	—	—	(20 923)
Share-based payments	—	13 464	503	10 443	—	—	—	—	24 410
Shares issued	510	432 315	—	(32 375)	—	—	—	—	400 450
Restated balance as at 31 March 2007	1 992	572 576	1 110	(35 626)	(2 263)	295 161	13 866	8 389	855 205
Net profit for the year	—	—	—	—	—	234 779	—	—	234 779
Foreign currency translation movement	—	—	—	—	2 544	—	—	—	2 544
Nkomati minority	—	—	—	—	—	—	105 927	—	105 927
Dividend Paid	—	(4 073)	20 244	4 847	—	(3 291)	—	—	(42 851)
Share-based payments	—	—	—	—	—	—	—	(8 389)	(8 389)
Minority acquired	—	—	—	—	—	—	—	—	990 501
Shares issued	472	990 029	—	—	—	—	—	—	990 501
	2 464	1 558 532	21 354	(30 779)	281	483 798	13 866	105 927	2 155 443

## Prior period adjustments

	Balance as previously reported on 31 March 2007	Share-based payment expenditure (1)	Benicon Earthworks (Pty) Ltd acquisition adjustment (2)	Benicon Sales (Pty) Ltd/ Enjee Trust (3)	Scharrighuisen Drilling and Blasting (Pty) Ltd asset impairment (4)	Shares issued regarding restraint of trade (5)	Benicon Sales (Pty) Ltd Opencast Mining (Pty) Ltd (6)	Geosearch Holdings (Pty) Ltd (7)	Total adjustments	31 March 2007
<b>Balance sheet</b>										
<b>Equity</b>										
Share capital	1 884	108	21 600	—	—	—	—	—	108	1 992
Share premium	532 370	18 606	18 606	—	—	—	—	—	40 206	572 576
Employee share incentive reserve/Capital reserve	7 209	(6 099)	17 727	—	—	—	—	—	(6 099)	19 337
Treasury shares	(16 411)	—	—	—	—	—	—	—	(19 215)	(35 626)
Retained earnings	344 838	1 995	(23 827)	—	(24 567)	(6 212)	6 985	(4 049)	(49 675)	295 163
Net effect on equity	869 890	(4 605)	(2 227)	—	(24 567)	(6 212)	6 985	(4 049)	(34 675)	835 215
<b>Assets</b>										
Property, plant and equipment	1 399 575	—	(11 235)	—	(34 613)	—	(51 409)	(97 257)	1 302 318	1 399 575
Receiver of revenue	(26 960)	(4 605)	(3 300)	—	—	—	—	(7 905)	(34 865)	(26 960)
Inventory	137 752	—	—	—	8 000	—	29 450	37 450	175 202	137 752
Long term liability	(322 855)	—	—	—	(18 629)	—	12 827	(20 010)	(348 666)	(322 855)
Deferred taxation	(182 008)	—	—	—	10 046	2 538	15 993	1 654	(139 470)	(182 008)
Trade receivables	338 462	—	—	—	—	(8 750)	(3 399)	14 151	326 313	338 462
Trade payables	(252 441)	—	—	—	—	—	3 523	14 307	(238 289)	(252 441)
Goodwill	227 785	—	—	—	—	—	—	(14 307)	242 092	227 785
Net effect on assets	1 319 310	(4 605)	(2 227)	—	(24 567)	(6 212)	6 985	(4 049)	(34 677)	1 284 634
<b>Income statement</b>										
Net (profit) attributable to ordinary shareholders	(148 852)	—	—	—	—	—	—	—	—	(148 852)
<b>Staff cost</b>										
Impairment of Property Plant and Equipment	—	1 148	—	—	34 613	—	—	—	1 148	1 148
Debt write off/restraint of trade	—	6 076	—	—	—	8 750	—	—	34 613	34 613
Foreign exchange adjustment	—	—	—	—	—	—	—	—	14 826	14 826
Depreciation	—	—	(1 198)	—	—	—	—	—	5 703	(1 198)
Profit on sale of assets	—	—	(108)	—	—	—	—	—	(8 099)	(108)
Taxation expenditure	—	4 605	(12 074)	—	(10 046)	(2 538)	(15 993)	(1 654)	(37 700)	(12 074)
Revenue	—	—	—	—	—	—	(8 099)	—	(8 099)	(8 099)
Cost of sales	—	—	—	—	—	—	15 354	—	15 354	15 354
Commission paid	—	—	—	—	—	—	1 753	—	1 753	1 753
Negative goodwill on business acquisition	—	—	—	—	—	—	—	—	37 287	37 287
Net (profit) attributable to ordinary shareholders	(148 852)	11 829	23 906	—	24 567	6 212	(6 985)	4 049	63 578	(85 274)
Impact on earnings per share (cents)	—	8	16	—	16	4	(5)	3	42	—

## Notes to the prior year restatement:

- Note 1 Recognition of accounting impact for share based payments incorrectly accounted for in the prior year.
- Note 2 Correction of purchase price adjustment on acquisition of Benicon Earth Works (Pty) Ltd acquisition and correction of fair value of fixed assets.
- Note 3 Correction of balances on vendor loan accounts pertaining to funding for Benicon Sales (Pty) Ltd.
- Note 4 Impairment of 11 drill rigs acquired as part of the Fixedtrade CC acquisition.
- Note 5 Expenses associated with restraint payments.
- Note 6 Adjustments resulting from the reconciliation of fixed asset register and accounts associated with funding arrangements.
- Note 7 Purchase price adjustments pertaining to acquisition of Geosearch Holdings (Pty) Ltd.

## Condensed Provisional Consolidated Cash Flow Statement

for the year ended 31 March 2008	Reviewed results 31 March 2008 R'000	Restated results 31 March 2007 R'000	As previously reported 31 March 2007 R'000
Net profit before taxation	280 382	125 691	226 969
Non-cash flow items and changes in working capital	(41 988)	(27 662)	(17 501)
Finance charges	155 387	71 013	71 013
Cash generated from operations	393 781	169 042	280 481
Interest paid	(122 153)	(61 260)	(59 638)
Dividends paid	(42 851)	(21 411)	(21 411)
Taxation paid	(74 273)	(5 083)	(5 083)
Cash flows from operating activities	154 504	81 288	194 349
Cash flows from investing activities	(1 378 040)	(605 376)	(710 371)
Acquisition of businesses, net of cash acquired	(57 817)	(74 113)	(126 077)
Acquisition of minority interest	(13 880)	—	—
Purchase of property, plant and equipment	(1 241 499)	(529 855)	(581 264)
Disposal of property, plant and equipment	100 468	19 110	19 110
Movement in other financial liabilities	—	(22 140)	(22 140)
Interest received	6 669	1 622	—
Purchase of investments in associate	(171 981)	—	—
Cash flows from financing activities	1 344 412	664 959	659 157
Proceeds of share issue	702 228	424 802	400 450
Proceeds/payments of long-term borrowings	642 184	240 157	234 355
Net movement in treasury shares	—	—	24 352
Net increase/(decrease) in cash and cash equivalents	120 876	140 871	143 135
Foreign currency translation reserves	—	—	(2 264)
Cash and cash equivalents at the beginning of the year	164 511	23 640	23 640
Cash and cash equivalents at the end of the year	285 387	164 511	164 511

## Purchase of Investments

	Benicon Coal (Pty) Limited R'000's	Ritchie Crane Hire (Pty) Limited R'000's	Classic Challenge Trading (Pty) Limited R'000's	Pioneer Drilling & Blasting cc R'000's	Acquisition in minority – Geosearch Holdings (Pty) Limited R'000's	Total R'000's
Property, plant and equipment	43 074	36 402	25 042	51 098	155 616	30 011
Amortised customer base	—	—	—	—	—	7 733
Goodwill	282	87	9 651	9 738	282	37 291
Investment	—	—	—	—	—	—
Inventories	10 916	761	199	1 091	12 967	6 752
Receivables	18 869	—	17 058	22 504	58 431	30 506
Cash and cash equivalents	3 303	—	9 123	(6 226)	6 200	14 589
Leases	(19 165)	—	(19 165)	(37 038)	(56 203)	(56 203)
Long-term liabilities	(86 312)	(7 502)	(614)	(94 429)	(82 394)	(82 394)
Payables	(27 051)	—	(9 105)	(12 588)	(48 744)	(28 929)
Provisions	(25 708)	—	—	—	(25 708)	(25 708)