

MISSION STATEMENT

We at Nu-World, are driven by the quest for excellence across all the disciplines of manufacturing, importing, distributing and exporting, in the Global Market of branded consumer durables, working together with a team of committed, well-trained and empowered employees.

We aim to provide products of outstanding quality to our clients worldwide, superior returns to our shareholders, whilst contributing to the growth of a democratic and prosperous South Africa.

We will strive to be acknowledged, both locally and internationally, as an outstanding source and provider of branded consumer durables.

We will endeavour to ensure that the needs and expectations of our customers are consistently surpassed.

The attainment of this vision and mission, will require a sustained level of superior customer service and support as well as operational excellence, resulting in the continued growth and expansion of our business.

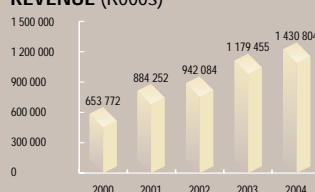
FINANCIAL HIGHLIGHTS

GROUP FINANCIAL RESULTS

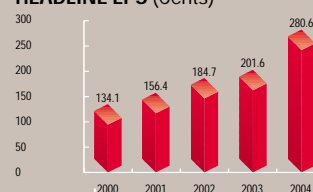
A summary is as follows:

	2004 R000s	2003 R000s
Revenue	1 430 804	1 179 455
Net operating profit	94 659	72 834
Depreciation	8 440	6 852
Interest paid	3 606	5 018
Profit before taxation	82 613	60 964
Taxation	19 082	12 127
Profit after taxation	63 531	48 837
Minority interest	2 781	5 738
Net profit attributable to ordinary shareholders	60 750	43 099
Dividend	8 621	6 791
Net profit for the year	52 129	36 308
Headline earnings per share (cents)	280,6	201,6

REVENUE (R000s)



HEADLINE EPS (Cents)



Turnover up
21,3%
to R1 430 804m

Attributable income up
41,0%
to R60 750m

Headline earnings per
share (cents) up
39,2%
to 280,6 cents

Dividend declared per
share (cents) up
76,6%
to 70,3 cents

CHAIRMAN'S REVIEW

for the year ended 31 August 2004

The Nu-World Group performed exceedingly well for the year under review. The achievement to August 2004, represents the 14th year of consecutive growth for the Group. The Group has now achieved 14 years of growth across the board, including revenue, gross profit, attributable income, headline earnings per share and dividend per share.

The economic cycle prevailing in South Africa is favourable for consumer sentiment and consumer spending. Consumers are favoured by lower interest rates, higher real wages, relatively lower debt levels and tax relief.

Analysts suggest that the profile of the South African domestic consumer, most particularly, the black consumer, has changed dramatically since the election of the first democratic government. It is assumed that these structural changes, incorporating the emergence of a black middle class, will underpin South African retail and the economy at large, in the years to come.

Analysis indicates that SA consumers have migrated from lower to middle income brackets over the past 10 years. As a percentage, the number of black consumers in the lower LSM groupings has decreased. Increased job opportunities, employment equity and affirmative action legislation and programmes have supported the migration. The more consumers in the economy falling into the LSM 7 to LSM 10 categories, the larger the pool of consumers with solid spending power and access to credit.

The number of black middle income earners as a percentage of total income earners have increased dramatically over the past few years, as a consequence of better education opportunity, demand for black middle managers and rising salaries offered by companies to attract and retain managers of colour.

The scourge of the Aids epidemic, is a serious threat to the health and well-being of the nation at large and the sustainability of economic growth. Education and the rollout of supportive treatment and medication, should serve to contain the adverse effects of the epidemic on the overall economy. Nu-World remains committed to supporting our employees suffering from HIV/AIDS with education programmes, pre-testing counseling, post-

testing counselling and supportive medical and nutritional therapies.

Nu-World remains committed to taking a black empowerment partner on board. A Black Empowerment subcommittee has been appointed and a group of preferred partners has been identified. Whilst, to date, no BEE charter has been prescribed for the retail sector, it is Nu-World's contention that we remain committed to bringing the right partner of value on board.

Nu-World as a marketing company houses an impressive line up of international and local brands. In the past year, a Markinor survey of the electric/electronics markets, identified two Nu-World brands amongst the top 10 – namely "JVC" and "Telefunken". Previously a number of our Nu-World brands have been included – "Sunbeam" and "Ideal", amongst others.

The addition of the "GE" brand to our large appliances "White Goods" line up, is a tremendous coup which will greatly enhance our offering in this very important and substantial market segment.

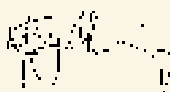
Prima Australasia Pty Ltd, our 51% held Australian subsidiary performed relatively well in an intensely difficult and deflationary market place. Prima grew revenue 26% from AUD \$48,2 million to AUD \$60,6 million – commendable in a market with deflation averaging 15% – 25%.

Nu-World U.K. Ltd, established on the 1st September 2003, performed relatively well in a difficult deflationary market, contributing R80 159 million to revenue and R1 403 million to attributable income.

It is apparent that positive cyclical factors will serve to underpin growth in the retail markets in South Africa for the foreseeable future. The government's housing and electrification initiatives will see an additional 3 million homes connected to the grid in the years to come. The relatively well-off consumer, supported by low interest rates, relatively lower levels of debt and consequent higher levels of discretionary income, will continue to support the buoyancy being experienced across the board in the retail sector.

As Chairman, I extend a special thank you to each and every member of staff, in South Africa and abroad, for your contribution to the ongoing success of our Company. We sincerely appreciate your extraordinary commitment and support. We have always understood that our human intellectual capital is our most important asset.

With these cyclical fundamentals in place, Nu-World expects to continue to generate growth in the years to come. We remain as committed as ever to grow shareholder value and ensure above average shareholder returns.



M.S. Goldberg
Executive Chairman





MANAGING DIRECTOR'S REVIEW

for the year ended 31 August 2004

Financial review

Directors of Nu-World are pleased to report excellent growth for the period ending 31st August 2004. For the 14th consecutive year, the Group has produced growth in turnover, operating income, attributable income, headline earnings per share and dividend.

The buoyant conditions being experienced in the South African retail industry for consumer durables are supported from an economic cyclical perspective, by lower interest rates, high real wages, individual tax relief and low debt levels. The Group has certainly benefited from the current positive economic conditions, but at the same time, organic growth and further market penetration underpins the Group's superb performance.

Nu-World is a leading South African source for branded consumer durables. The Group manufactures, imports, exports and distributes a one-stop supply of branded consumer durables.

Group turnover increased by 21,3% to R1 430,804 million (August 2003: R1 179,455 million).

South African local revenue excluding exports increased by 27%, which is commendable considering the impact of price deflation averaging 15% – 25%.

Net operating income increased 30,0% to R94 659 million (August 2003: R72 834 million). Operating margins increased to 6,6% as compared to the previous year's 6,2%.

The increase in the depreciation charge by 23%, is due to the acquisition of Conti S.A. plant and machinery.

The minority interest deduction decreased in the current year, due to the previous year's once off benefit arising from the sale of discounted liquidated stock by Prima Australasia.

Attributable income increased by 41,0% to R60 750 million (August 2003: R43 099 million).

Headline earnings per share on a weighted basis increased 39,2% to 280,6 cents (August 2003: 201,6 cents).

Dividend per share is up 76,6% to 70,3 cents (August 2003: 39,8 cents). The dividend cover has reduced from 5 times to a less conservative 4 times cover, due to the improving cash on hand and cash generation.

Cash generated by operating activities amounted to R72 118 million.

The improved working capital position, has resulted in a 28,2% reduction in interest paid of R3 606 million (August 2003: R5 018 million). Overall net working capital days of 91,3 compares favourably with the previous year's 93,7 days.

The balance sheet is strong and the Group remains ungeared with cash balances on hand of R161 688 million (August 2003: R103 437 million).

The net asset value per share of 1 673,4 cents is up 17,5% (August 2003: 1 424,6 cents).

Operational review

Nu-World is South Africa's leading low-cost, high-volume manufacturer, importer and exporter, of small electrical appliances and one of South Africa's key players in consumer electronics.

Manufacturing small electrical appliances

Manufacturing of small electrical appliances performed well despite the strong Rand and increasingly competitive imports. Manufacturing revenues increased 20% notwithstanding a substantial decrease in exports. With the introduction of a number of new products and the robust domestic consumer demand, manufacturing is expected to sustain strong growth in the year ahead.

Consumer electronics

• JVC • Telefunken • Thomson • Nu-Tec • Palsonic

In a recent Markinor survey of the electrics/electronics markets, Nu-World was the only company within this sector with two brands included in the top 10, being JVC and Telefunken.

Nu-World's consumer electronics division, with our range of complimentary international brands, continues to generate growth.

Prima Australasia Pty Ltd – Subsidiary ("Prima")

• Akai • Telefunken • Prima Electronics • Nu-Tec • RCA • Thomson

Nu-World holds a 51% share in Prima. Prima has performed relatively well in an increasingly competitive and deflationary market, achieving an increase in comparable trading margins of 19,8% year on year. The higher income contribution during the previous year arose from a once-off benefit from the sale of discounted liquidated stock.

Apart from the RCA agency introduced in 2003, Prima has been appointed the sole agent for the Thomson range of consumer electronics. Thomson is positioned at the upper end of the market. Prima's ever increasing stable of brands now covers the entire spectrum of market segments, from price-entry to upper end.

J.A. Goldberg



MANAGING DIRECTOR'S REVIEW

for the year ended 31 August 2004

Nu-World U.K. Ltd – Subsidiary (“Nu World U.K.”)

Nu-World U.K. is a 60% held subsidiary, established on 1st September 2003.

Nu-World U.K. imports and distributes a range of branded consumer durables with a primary focus on small electrical appliances.

The results from Nu-World U.K. are being consolidated for the first time. The U.K. market is heavily weighted to the Christmas season. The first half of the financial year to February, exceeds the second half in revenue and profit. Nu-World U.K. contributed R80 159 million to Group turnover and R1 403 million to attributable income.

GE White Goods

Nu-World was appointed the South African agent for GE large appliances in August 2004. The GE branded large appliances are positioned at the upper end of the “White Goods” brand spectrum. GE will strengthen the Group's brand offerings and range of products in this important market sector.

Morphy Richards

Nu-World was appointed the exclusive agent for the Morphy Richards brand of appliances in South Africa, as of 1st September 2003. The Morphy Richards range of small electric appliances has expanded significantly over the year and will continue to be a key growth driver in the year ahead.

Manpower and social responsibility

The Nu-World Group of companies employs just less than 1 000 people on three continents. Nu-World remains committed to creating an environment where all of our employees worldwide, can develop to their fullest potential. The Nu-World health clinic serves to provide occupational health and safety and to focus on HIV/Aids awareness programmes, counselling, testing and supportive medical assistance. The board has appointed a BEE subcommittee which is engaged in discussions with potential partners. The Group is actively supportive of the responsibility of employment equity and continues to empower employees of colour. The Group is actively committed to comply with environmental regulations.

Prospects

The Group has now achieved 14 consecutive years of growth across the board, in turnover, operating income, attributable income, headline earnings per share and dividend.

Lower real interest rates are affording higher disposable income and higher consumer confidence. Statistics indicate that there has been a structural shift in the SA consumer profile, with an increasing number of consumers migrating from lower to middle income brackets over the past 10 years. It is expected that structural forces will underpin sustained growth for the foreseeable future.

As a consequence of the government's reconstruction and development programmes, more than 1,6 million houses have been built and more than 4 million electricity connections have been made. A further 3 million homes will be connected to the grid over the next few years, at a rate exceeding 250 000 homes per annum.

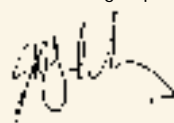
The Group expects to increase market penetration in each of its areas of operation in Southern Africa, Australasia and the United Kingdom, with new and increased ranges of products lined up for the consumer electronics and appliances divisions.

GE white goods and Morphy Richards small appliances, will generate additional growth in the South African market.

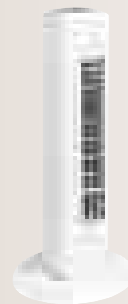
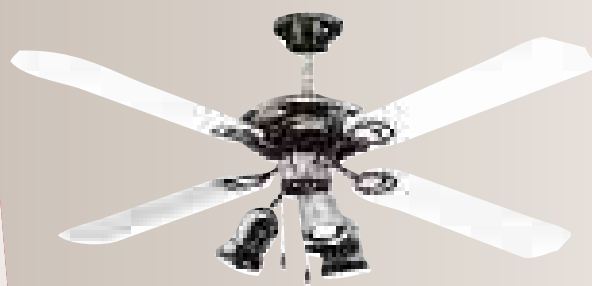
The current positive economic structural forces in South Africa are expected to be sustained for the foreseeable future and will serve to underpin the Group's above average growth rate for the forthcoming year and into the future.

Corporate governance

The Group subscribes to and complies with the Code on Corporate Governance Practices as contained in the second King Report on Corporate Governance.



J.A. Goldberg
Managing Director



THE BRANDS

CONTI

GOLDWIN

JVC

MAGIC LINE

MORPHY RICHARDS

NU-TEC



PRIMO

TELEFUNKEN

THOMSON

WIK

Palafide

ideal

Winter
warm

IDEAS

TIMEX
AUDIO PROTECTA



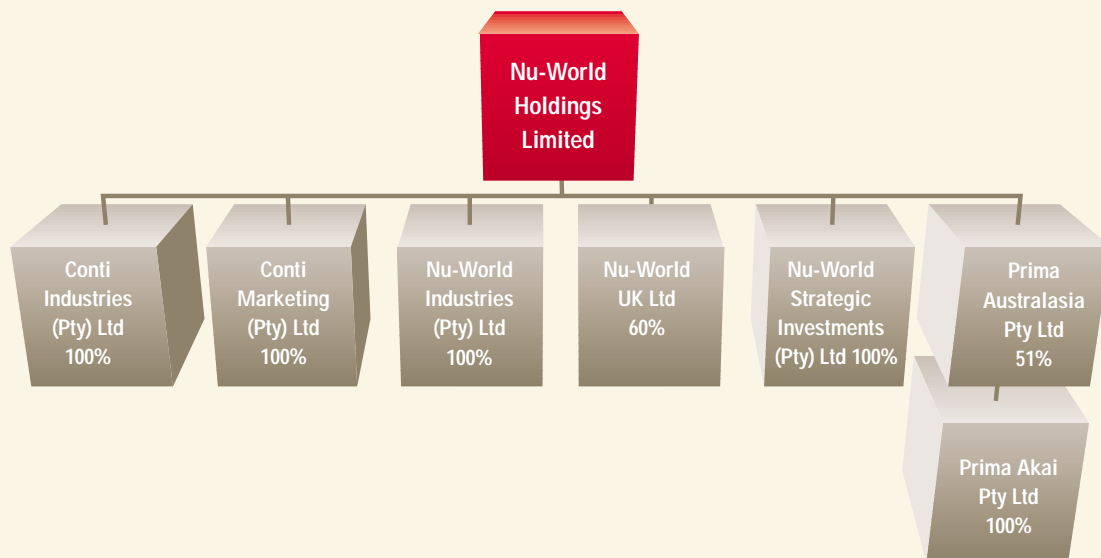
FENICI

Sunbeam

AKAI

CASIO

GROUP STRUCTURE



BOARD OF DIRECTORS

for the year ended 31 August 2004

The board of directors of Nu-World Holdings Limited, consists of three executive and two non-executive directors. Each of the executive directors has clearly defined areas of responsibility in which they have many years of experience and have developed the necessary skills to provide guidance and support at an operational level.

EXECUTIVE DIRECTORS

M.S Goldberg (52)

B.Com M.B.A (Wits)

Executive Chairman responsible for the Group's overall performance and well-being. He plays an active role in the formulation of Group strategies, and in the formulation and implementation of growth strategies, and in determining the future direction of the Group.

Appointed to the board in 1986, listed the Group in 1987 and appointed chairman of the Group in 2001. Has 27 years experience in manufacturing and the appliance industry.

J.A Goldberg (49)

B.Sc Eng (Wits)

Managing Director responsible for developing and implementing the Group's marketing and sales strategies. Intimately involved in all operational aspects of the Group and in sourcing new products and markets. Appointed to the board in 1986. Has 27 years' experience in manufacturing and the appliance industry.

G.R Hindle (43)

B.Acc (Wits) CA(SA)

Financial Director. Joined the Group in 1992.

Responsibilities include all financial aspects of the business including Information Systems, administrative and treasury functions. Appointed to the board in 1993. Has 21 years' experience in financial management and Information System technology in the manufacturing and electronic environment.

NON-EXECUTIVE DIRECTORS

J.M Judin (58)

Dip Law (Wits)

Currently the senior partner at the Johannesburg based law firm, Goldman, Judin, Maisels Inc. Appointed to the board in 1989 and holds the position of Chairman of the Primeserv Group Ltd and as a non-executive director to Set Point Technology Holdings Ltd.

D. Piaray (37)

D Chem. Eng (Natal) B.Com (Unisa) M.B.A (Wits)

Currently the managing director of Innovative Management Consulting (Pty) Ltd. Appointed to the board in 2002.

10 YEAR REVIEW

	2004 R000s	2003 R000s	2002 R000s	2001 R000s	2000 R000s
INCOME STATEMENT					
Revenue	1 430 804	1 179 455	942 084	884 252	653 772
Operating income	86 219	65 982	56 122	51 487	50 160
Interest paid	3 606	5 018	8 355	8 988	6 414
Income before taxation	82 613	60 964	47 767	42 499	43 746
Taxation	19 082	12 127	9 998	8 336	12 013
Income after taxation	63 531	48 837	37 769	34 163	31 733
Share of income attributable to associated company			2 296	135	
Net income	63 531	48 837	40 065	34 028	31 733
Minority interest	2 781	5 738		87	2 648
Net profit for the year	60 750	43 099	40 065	33 941	29 085
Shares in issue (000s):					
– at year end	21 597	21 611	21 695	21 695	21 695
– weighted average	21 597	21 611	21 695	21 695	21 584
Headline earnings per share (cents)	280,6	201,6	184,7	156,4	134,1
Headline earnings per share (cents)					
– weighted	280,6	201,6	184,7	156,4	134,8
Dividend per share (cents)	70,3	39,8	31,3	27,2	22,6
Dividend cover	4,0	5,0	5,9	5,7	5,9
BALANCE SHEET					
ASSETS					
Non-current assets	52 923	56 691	57 286	40 954	35 812
Property, plant and equipment	46 997	50 905	36 204	28 089	35 812
Investment in associated company			21 082	12 865	
Intangible asset	5 926	5 786			
Current assets	546 664	419 055	361 091	330 648	350 628
Inventories	167 448	132 695	117 384	103 137	132 947
Trade and other receivables	217 528	182 923	156 563	162 433	157 150
Bank and cash balances	161 688	103 437	87 144	65 078	60 531
Total assets	599 587	475 746	418 377	371 602	386 440
EQUITY AND LIABILITIES					
Total capital and reserves	361 397	309 071	274 846	240 684	208 101
Issued capital	114 776	115 058	115 849	115 849	117 120
Foreign currency translation reserve	(813)	(1 292)			88
Retained earnings	247 434	195 305	158 997	124 835	90 893
Minority interest	23 786	20 471			22 880
Non-current liabilities	4 443	8 149	8 950	12 973	17 433
Interest bearing borrowings				5 089	10 119
Deferred taxation	4 443	8 149	8 950	7 884	7 314
Current liabilities	209 961	138 055	134 581	117 945	138 026
Trade and other payables	209 961	138 001	134 528	117 909	132 095
Shareholders for dividend		54	53	6	4 900
Current portion of interest bearing borrowings				30	1 031
Total equity and liabilities	599 587	475 746	418 377	371 602	386 440

10 YEAR REVIEW

1999 R000s	1998 R000s	1997 R000s	1996 R000s	1995 R000s	
					INCOME STATEMENT
527 706	446 629	343 979	247 387	174 476	Revenue
35 119	32 781	24 344	15 147	11 224	Operating income
6 098	6 636	5 957	4 209	3 989	Interest paid
29 021	26 145	18 387	10 938	7 235	Income before taxation
6 462	7 729	4 720	1 594	1 843	Taxation
22 559	18 416	13 667	9 344	5 392	Income after taxation
					Share of income attributable to associated company
22 559	18 416	13 667	9 344	5 392	Net income
					Minority interest
22 559	18 416	13 667	9 344	5 392	Net profit for the year
					Shares in issue (000s):
21 327	21 229	17 989	17 657	14 854	– at year end
21 300	19 496	17 848	17 009	14 378	– weighted average
105.8	86.7	76.0	52.9	36.3	Headline earnings per share (cents)
					Headline earnings per share (cents)
105.9	94.5	76.6	55.0	37.5	– weighted
17.0	15.5	15.3	10.6	8.1	Dividend per share (cents)
6.2	6.0	5.0	5.0	4.5	Dividend cover
					BALANCE SHEET
					ASSETS
24 681	23 516	22 137	19 407	17 355	Non-current assets
24 681	23 516	22 137	19 407	17 355	Property, plant and equipment
					Investment in associated company
					Intangible asset
273 364	265 296	144 971	100 486	67 512	Current assets
80 324	77 432	52 684	43 819	29 999	Inventories
113 622	104 632	79 755	49 136	35 899	Trade and other receivables
79 418	83 232	12 532	7 531	1 614	Bank and cash balances
298 045	288 812	167 108	119 893	84 867	Total assets
					EQUITY AND LIABILITIES
184 158	162 874	77 437	60 989	30 983	Total capital and reserves
117 449	115 099	39 341	33 810	11 273	Issued capital
66 709	47 775	38 096	27 179	19 710	Foreign currency translation reserve
					Retained earnings
23 261	30 088	7 686	10 337	9 950	Minority interest
					Non-current liabilities
16 150	23 316	7 686	10 337	9 950	Interest bearing borrowings
7 111	6 772				Deferred taxation
90 626	95 850	81 985	48 567	43 934	Current liabilities
88 459	92 670	77 550	44 381	40 474	Trade and other payables
2 167	3 180	4 435	4 186	3 460	Shareholders for dividend
298 045	288 812	167 108	119 893	84 867	Current portion of interest bearing borrowings
					Total equity and liabilities

CORPORATE CONDUCT AND GOVERNANCE

INTRODUCTION

The board of directors subscribes to the recommendations for good corporate governance as set out in the King II Report. The directors have recognised the need to conduct the enterprise with integrity and in accordance with sound corporate practices by implementing procedures that are enhanced where necessary to meet the changing demands of our Group and to ensure a culture of qualitative governance. The board and its individual directors have embraced their duty of ensuring that the principles set out in the Code of Corporate Practices and Conduct as defined in the King II Report are observed.

BOARD OF DIRECTORS

The board comprises of two non-executive directors and three executive directors. Nu-World is a small market capitalisation company, which is reflected in the composition and size of its board. This has sometimes made it difficult when constituting various committees and following the recommendations espoused in the King II Report.

The board considers the appointment of new directors as and when required.

The board has an independent company secretary who is both properly empowered and suitably experienced to fulfil the duties of a company secretary. The Company secretary provides the board with detailed guidance as to how their responsibilities should be properly discharged in the best interests of the Group in relation to its statutory and other requirements.

BOARD COMMITTEES

The board has established a number of committees, in which non-executive and independent skilled outsiders play an active role and which operate within the defined terms of reference laid down by the board with clearly agreed upon reporting procedures, defined areas of authority and full transparency and disclosure.

The committees are free where appropriate to take independent outside professional advice on any issues.

Executive Committee

The executive committee consists of the Executive Chairman, Managing Director and Group Financial Director. This committee deals with the normal operating decisions, which are required to be made to run the Group effectively whilst major matters of importance are referred to the board for approval.

Remuneration Committee

The remuneration committee is chaired by Mr. J.M. Judin and its other members are Mr. G.R. Hindle and Mr. B.H. Haikney. The Executive Chairman and Managing Director are invitees where necessary, when the committee meets. The committee reviews and approves the remuneration and terms of employment of executive directors and senior employees of the Group. The committee reviews salary trends in the market place and recommends emolument structures and levels to the chairman for his consideration and approval.

Audit Committee

The board has appointed an audit committee. Mr. J.M. Judin holds the position of Chairman of the committee and the other members are Mr. G.R. Hindle, Mr. D. Piaray and Mr. B.H. Haikney. The Executive Chairman, Internal Audit Manager and the External Auditors are invited to attend every meeting. From time to time members of other management committees may meet with the audit committee.

The audit committee has written terms of reference that deal adequately with its membership, authority and duties. The committee deals with internal financial controls that are in place, assesses their adequacy and makes certain that business, statutory and financial risks have been identified and are being monitored and managed, and that appropriate standards of governance, reporting and compliance are in operation. The committee is also responsible for reviewing the interim reports and financial statements, internal financial control procedures, accounting policies, compliance and regulatory matters, recommending the appointment of external auditors and other related issues. The audit committee advises the

CORPORATE CONDUCT AND GOVERNANCE

board on various other issues ranging from the application of accounting standards to published financial information. The Group's internal audit manager and external auditors have unrestricted access to the audit committee chairman and, if necessary, the non-executive directors.

ACCOUNTABILITY AND AUDIT

Going Concern

The board minutes the facts and assumptions used in the assessment of the going concern status of the Group at the financial year end, following the review by the audit committee. The directors consider their assessment at the reporting stage of the Group's ability to continue as a going concern and determine whether or not, under the guidance of the audit committee, any of the significant factors in the assessment have changed to such an extent that the appropriateness of the going concern assumption at the reporting stage has been affected.

Auditing and Accounting

The board considers that their auditors Tuffias Sandberg KSi observe the highest level of business and professional ethics and that their independence is not in any way impaired. There is an external and internal audit function where both internal and external auditors exchange information and express their opinions. Working papers and management letters as well as reports are drafted and prepared according to a set procedure and according to a common understanding of audit techniques, methods and terminology.

Internal Financial Controls

The Group maintains controls and systems designed to provide reasonable assurance as to the integrity and reliability of its financial information, to safeguard its assets and to provide reasonable, but not absolute assurance against material misstatement or loss. The directors have established an internal audit department. These functions are performed by appropriately qualified and experienced personnel. In addition, the external auditors or other independent specialists are engaged to review and report on systems of internal control.

EMPLOYEE PARTICIPATION

Nu-World seeks to provide employment equity in which individuals with the ability and application can develop careers, regardless of race, gender or background. The Group supports the principles and objectives contained in the Employment Equity Act.

The board is committed to improving communication with employees and encourages employees to participate at all levels in the decision-making process of the Group.

A share incentive scheme has been established to provide an incentive to employees to remain in the service of the Group and increase the proprietary interest in the Group's success. Other mechanisms have also been put in place by the remuneration committee and sanctioned by the board which incentivise, motivate and empower management to express dynamic entrepreneurial skills.

Nu-World is concentrating on promoting education and training opportunities for all employees within the organisation. Nu-World has submitted its Employment Equity and Skills Development plans to the relevant authorities and is on track to meet the required target.

Training and Skills Development

Nu-World considers training and skills development as strategically significant. Training will differentiate the Group from its competitors. Succession planning and development of future leaders makes it imperative that proper training programmes and skills development opportunities are made available to all employees in the Group, whatever their race, gender or background.

Environment

The Group is conscious of the fact that in carrying out its activities there is a potential risk of environmental damage. An effort has therefore been made to educate all employees in best practice so as to avoid causing long-term damage to the environment or atmospheric pollution through the inappropriate use of plant and equipment.

DIRECTORS' RESPONSIBILITY FOR AND APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

The annual financial statements, set out on pages 16 to 31, were prepared by management in conformity with Generally Accepted Accounting Practice and the Companies Act, applied on a consistent basis throughout the year, except where otherwise stated. They have been approved by the board of directors and have been signed on their behalf by the undermentioned directors.

The manner of presentation of the annual financial statements, the selection of accounting policies and the integrity of the financial information are the responsibility of the board of directors.

To fulfil its responsibilities, the board of directors has developed and continues to maintain a system of internal controls. These controls are based on established policies and procedures, are implemented by trained skilled personnel with an appropriate segregation of duties and are closely monitored by the board of directors.

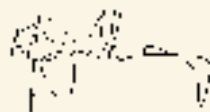
We believe the controls in use are adequate to provide reasonable assurance that assets are safeguarded from loss or unauthorised use and that the financial records may be relied on for preparing the financial statements and maintaining accountability for assets and liabilities.

Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

After conducting appropriate procedures, the directors are satisfied that the Company will be a going concern for the foreseeable future and have continued to adopt the going concern basis in preparing the annual financial statements.

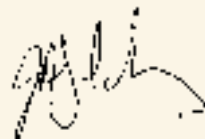
The board of directors is primarily responsible for the financial affairs of the Group. The auditors are responsible for independently reviewing and reporting on the Group's annual financial statements and the relevant underlying financial controls.

The annual financial statements have been examined by the Group's auditors and their report is presented on page 15. The auditors are appointed each year based on recommendation by the audit committee.



M.S. GOLDBERG
Executive Director

Sandton
22 October 2004



J.A. GOLDBERG
Managing Director

CERTIFICATE BY COMPANY SECRETARY

I certify, in accordance with Section 286 G(d) of the Companies Act 1973 (as amended) that the Company has lodged with the Registrar all such returns as are required by a public company in terms of this Act, for the year ended 31 August 2004. Furthermore, all such returns are true and correct.



B.H. HAIKNEY
Company Secretary

Sandton
22 October 2004

REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS OF NU-WORLD HOLDINGS LTD

We have audited the annual financial statements and group annual financial statements of Nu-World Holdings Limited set out on pages 16 to 31 for the year ended 31 August 2004. These financial statements are the responsibility of the Company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

SCOPE

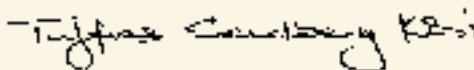
We conducted our audit in accordance with statements of South African Auditing Standards. These standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements;
- assessing the accounting principles used and significant estimates made by management; and
- evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

AUDIT OPINION

In our opinion these financial statements fairly present, in all material respects, the financial position of the Company and the Group at 31 August 2004, and the results of its operations and cash flow information for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice and in the manner required by the Companies Act of South Africa.



Tuffias Sandberg KSi

Chartered Accountants (SA)

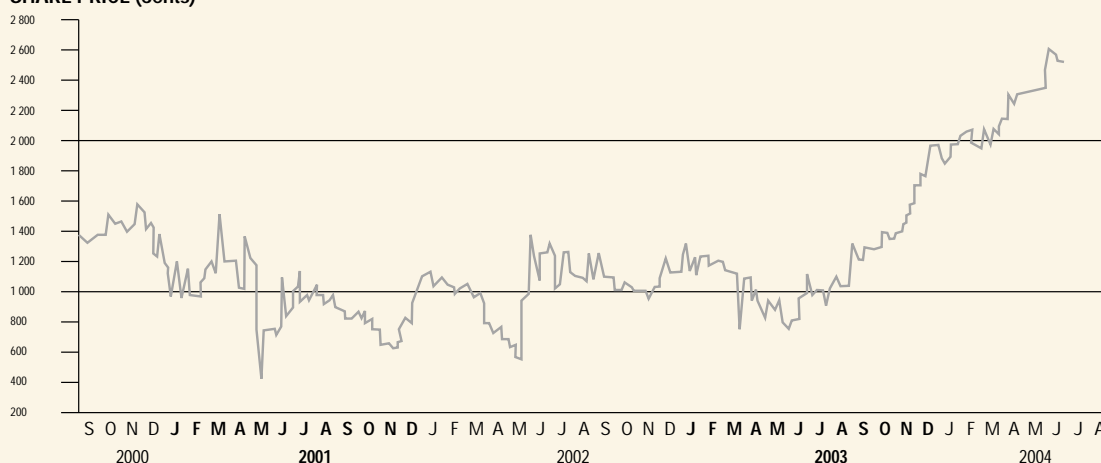
Registered Accountants and Auditors

Johannesburg

22 October 2004

SHARE PERFORMANCE

SHARE PRICE (cents)



REPORT OF DIRECTORS

for the year ended 31 August 2004

NATURE OF BUSINESS

Your company is a holding company listed on the JSE Securities Exchange South Africa. Its subsidiaries manufacture, import and export a diversified range of electrical appliances, consumer electronics and branded consumer durables.

The results and state of affairs of the Group are reflected in the attached financial statements and commentary thereon is provided in the Managing Director's Review.

SHARE CAPITAL

Authorised share capital

The authorised share capital of the Company comprises 30 000 000 ordinary shares of 1 cent each and 20 000 000 "N" ordinary shares of 0,1 cent each. There were no changes to the authorised share capital for the year under review.

Unissued share capital

At the forthcoming annual general meeting, members will be asked to place the unissued share capital of the Company under the control of the directors. A resolution for this purpose is included in the notice of the forthcoming annual general meeting.

The Nu-World Share Incentive Trust

The Nu-World Share Incentive Trust ("the trust") was established in March 1994. In terms of the trust deed, the

aggregate number of ordinary shares in the capital of the Company, which may be made available for purposes of the trust, shall not exceed 10% of the Company's issued share capital. The trust requires a minimum of two trustees. The current trustees are Messrs R.G. Fermoye, R. Kinross and J. M. Judin. No trustee is a beneficiary of the trust.

Refer to note 17 in the attached financial statements for further details.

ESTIMATED VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The directors estimate that the depreciated replacement value of property, plant and equipment at 31 August 2004 is R70,2 million, which exceeds book value by R23,2 million.

	Book value		Replacement value	
	2004	2003	2004	2003
Net asset value per share (cents)	1 673,40	1 424,60	1 780,77	1 528,40

There were no changes in the nature and usage of property, plant and equipment.

DIVIDEND

Notice is hereby given that the final dividend number 17 (seventeen) of 70,3 cents per share (2003: 39,8 cents) has been declared to shareholders.

REPORT OF DIRECTORS

The dividend is payable to the shareholders of the Company recorded in the books of the Company at the close of business on Friday, 10 December 2004 ("the record date"). The last date to trade cum dividend will be Friday, 3 December 2004 and trading commences ex dividend from Monday, 6 December 2004. The dividend will be paid on Monday, 13 December 2004. Share certificates may not be rematerialised or dematerialised between Monday, 6 December 2004 and Friday, 10 December 2004.

DIRECTORS

The composition of the board of directors during the year under review was as follows:

M.S. Goldberg (chairman), J.A. Goldberg (managing director), G.R. Hindle, J.M. Judin^{*1}, D. Piaray^{*2} (^{*1}Non-executive director) (^{*2}Independant non-executive director).

In terms of the articles of association, Messrs. G.R. Hindle, J.M. Judin and D. Piaray retire at the forthcoming annual general meeting, but being eligible offer themselves for re-election.

The board expects to appoint additional non-executive directors in the future.

SECRETARY

Mr. B.H. Haikney was company secretary throughout the year.

Business and postal address:

The Secretary
35, 3rd Street, Wynberg, P.O. Box 8964, Johannesburg.

SUBSIDIARY COMPANIES

Details of your company's investment in its subsidiaries are set out in appendix A to the annual financial statements.

DIRECTORS' INTEREST IN THE SHARES OF THE COMPANY

The directors' interest, directly and indirectly, in the issued share capital of the Company at the year end represented 4,9%.

There have been no material changes in the directors' interest between 31 August 2004 and the date of this report.

SPECIAL RESOLUTIONS

Since the publishing of the last annual report, the Company passed 1 (one) special resolution at its Annual General Meeting, held on 10 March 2004 namely a special resolution as contemplated in terms of sections 85(2) and 85(3) of the Companies Act (Act 61 of 1973) as amended, i.e. a general approval to repurchase shares. Other than the foregoing, no other special resolutions were passed.

POST BALANCE SHEET EVENTS

No material facts or circumstances have occurred between 31 August 2004 and the date of this report.

The directors' remuneration in respect of the financial year ended 31 August 2004 was as follows:

Name	Directors' fees R000s	Basic remuneration R000s	Performance bonus R000s	Car/subsistence allowance R000s	Total 2004 R000s	Total 2003 R000s
Executive						
M.S. Goldberg		2 344		156	2 500	1 483
J.A. Goldberg		2 344		156	2 500	1 484
G.R. Hindle		1 696		144	1 840	1 088
Non-executive						
D. Piaray	100				100	30
J.M. Judin	100				100	50
	200	6 384	–	456	7 040	4 135

The directors' interest in the issued share capital of the company was as follows:

Name	Direct Holding		Indirect Holding	
	Beneficially	Non-Beneficially	Beneficially	Non-Beneficially
Executive				
M.S. Goldberg			1 805	437 000
J.A. Goldberg			580 760	
G.R. Hindle	19 470			
Non-executive				
J.M. Judin			26 039	

BALANCE SHEET

as at 31 August 2004

		GROUP		COMPANY	
	Note	2004 R000s	2003 R000s	2004 R000s	2003 R000s
ASSETS					
Non-current assets		52 923	56 691	136 883	136 222
Property, plant and equipment	3	46 997	50 905		
Intangible asset	4	5 926	5 786		
Investment in subsidiaries	5			136 883	136 222
Current assets		546 664	419 055	39	74
Inventories	6	167 448	132 695		
Trade and other receivables		217 528	182 923		
Cash and cash resources		161 688	103 437		
Taxation prepaid				39	74
Total assets		599 587	475 746	136 922	136 296
EQUITY AND LIABILITIES					
Capital and reserves		361 397	309 071	136 739	136 162
Issued capital	7	114 776	115 058	117 737	117 737
Foreign currency translation reserve		(813)	(1 292)		
Accumulated profits		247 434	195 305	19 002	18 425
Outside shareholders interest		23 786	20 471		
Non-current liabilities		4 443	8 149		
Deferred taxation	8	4 443	8 149		
Current liabilities		209 961	138 055	183	134
Trade and other payables		199 024	135 949	183	80
Shareholders for dividend			54		54
Taxation		10 937	2 052		
Total equity and liabilities		599 587	475 746	136 922	136 296

INCOME STATEMENT

for the year ended 31 August 2004

	Note	GROUP		COMPANY	
		2004 R000s	2003 R000s	2004 R000s	2003 R000s
Revenue	9	1 430 804	1 179 455	9 840	9 840
Operating profit before interest	10	86 219	65 982	9 198	9 318
Interest paid		3 606	5 018		
Profit before taxation		82 613	60 964	9 198	9 318
Taxation	11	19 082	12 127		(27)
Net profit after taxation		63 531	48 837	9 198	9 345
Outside shareholders' interest		2 781	5 738		
Net profit for the year		60 750	43 099	9 198	9 345
Earnings per share (cents)	12	281,3	199,4		
Dividend declared per share (cents)	13	70,3	39,8		

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 August 2004

	Issued share capital R000s	Share premium R000s	Treasury share R000s	Foreign currency translation reserve R000s	Accumulated profits R000s	Total R000s
GROUP						
Balance at 31 August 2002	217	115 632			158 997	274 846
Change in accounting policy (note 2)			(791)			(791)
Restated balance 1 September 2002	217	115 632	(791)	–	158 997	274 055
Currency translation difference				(3 616)		(3 616)
Transfer to deferred taxation				1 085		1 085
Transfer to outside shareholders				1 239		1 239
Net profit for the year					43 099	43 099
Dividend paid					(6 791)	(6 791)
Balance at 31 August 2003	217	115 632	(791)	(1 292)	195 305	309 071
Currency translation difference				(205)		(205)
Transfer to deferred taxation				61		61
Transfer to outside shareholders				623		623
Net profit for the year					60 750	60 750
Dividend paid					(8 621)	(8 621)
Treasury share movement			(282)			(282)
Balance at 31 August 2004	217	115 632	(1 073)	(813)	247 434	361 397
COMPANY						
Balance at 31 August 2002	217	117 520			15 871	133 608
Net profit for the year					9 345	9 345
Dividend paid					(6 791)	(6 791)
Balance at 31 August 2003	217	117 520	–	–	18 425	136 162
Net profit for the year					9 198	9 198
Dividend paid					(8 621)	(8 621)
Balance at 31 August 2004	217	117 520	–	–	19 002	136 739

CASH FLOW STATEMENT

for the year ended 31 August 2004

	Note	GROUP		COMPANY	
		2004 R000s	2003 R000s	2004 R000s	2003 R000s
Cash flows from operating activities		72 118	33 256	662	2 635
Receipts from customers		1 396 198	1 152 399	9 840	9 840
Paid to suppliers and employees		(1 301 148)	(1 099 173)	(10 378)	(10 282)
Cash generated from (absorbed by) operations	14.1	95 050	53 226	(538)	(442)
Investment income		3 190	1 934	9 840	9 840
Interest paid		(3 606)	(5 018)		
Taxation paid	14.2	(13 841)	(10 096)	35	27
Dividends paid	14.3	(8 675)	(6 790)	(8 675)	(6 790)
Cash flows from investing activities		(13 860)	(16 998)	(662)	(2 635)
Additions to property, plant and equipment		(4 039)	(4 858)		
Proceeds on disposal of property, plant and equipment		462	336		
Increase in investment in subsidiaries	14.4	(10 001)	(11 685)	(662)	(23 717)
Decrease in investment in associate company					21 082
Increase in investment in treasury shares		(282)	(791)		
Cash flows from financing activities		–	–	–	–
Decrease in interest bearing borrowings					
Net increase in cash and cash equivalents		58 258	16 258	–	–
Effects of exchange rate changes		(7)	35		
Cash and cash equivalents at the beginning of the year		103 437	87 144		
Cash and cash equivalents at the end of the year	14.5	161 688	103 437	–	–

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2004

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements, except where otherwise stated, have been prepared on the historical cost basis in conformity with South African Statements of Generally Accepted Accounting Practice.

1.2 Accounting policies

The financial statements incorporate the following principal accounting policies, which have been applied consistently in all material respects with those applied in the previous year, except for the change in accounting policy as detailed in note 2.

1.2.1 Basis of consolidation

The consolidated financial statements include those of Nu-World Holdings Limited and its subsidiaries. A subsidiary being defined as a company in which Nu-World has the power to govern the financial and operating activities. The results of any subsidiary acquired or disposed of during the year are included from the date effective control commenced to the date that effective control ceased. Significant intercompany transactions and balances and any resultant unrealised profits have been eliminated on consolidation.

1.2.2 Investment in associates

Investments in associated undertakings are accounted for by the equity method of accounting. These are undertakings over which the Group has between 20% and 50% of the voting rights, and over which the Group exercises significant influence, but which it does not control. Provisions are recorded for long-term impairment in value.

Equity accounting involves recognising in the income statement the Group's share of the associate's profit and loss for the year. The Group's interest in the associate is carried in the balance sheet at an amount that reflects its share of the net assets of the associate and includes goodwill on the acquisition.

1.2.3 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and are depreciated on the reducing balance basis at rates which approximate their useful lives. Depreciation is provided at the following rates:

Plant and machinery	15%
Moulds and dies	15%
Computers and software	25%
Motor vehicles	25%
Equipment	20%
Furniture, fixtures and fittings	10%
Leasehold improvements	10%

1.2.4 Inventories

Inventories are valued at the lower of cost or net realisable value. Cost is determined on the weighted average basis. Net realisable value is the estimate of the selling price in the ordinary course of business less the costs of completion and selling expenses. The value of work in progress and finished goods includes direct costs and an appropriate proportion of manufacturing overheads. Specific provisions are made for slow moving, obsolete and redundant inventories.

1.2.5 Foreign currencies

Foreign entities

The balance sheets of the consolidated foreign subsidiaries are translated into South African Rand at rates of exchange ruling at year end. The related income statements are translated at the weighted average rate of exchange for the period. Aggregate gains or losses on the translation of the foreign subsidiaries are taken directly to a foreign currency translation reserve.

Foreign currency transactions and balances

Transactions in foreign currencies are translated at the rate of exchange ruling on the transaction dates. Gains and losses on settlement of these amounts are included in operating profit when they arise.

Monetary assets and liabilities denominated in foreign currencies are brought to account or valued at the rates of exchange ruling at the balance sheet date. Unrealised differences on monetary assets and liabilities are recognised in the income statement in the period in which they occur.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2004

1.2.6 Earnings per share

Earnings per share has been calculated on the basis of net profit for the year in relation to the weighted average number of shares in issue during the financial year.

1.2.7 Deferred taxation

Deferred taxation is provided using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted taxation rates are used to determine deferred taxation. Deferred taxation assets are recognised to the extent that it is probable that future taxable profits will be available against which to offset the deductible temporary difference.

1.2.8 Retirement benefits

The policy of the Group is to contribute to a defined contribution fund on behalf of employees. Contributions to the retirement funds operated for employees are charged to income as incurred.

1.2.9 Revenue recognition

The sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer. Interest income is recognised on a time proportion basis. Dividend income is recognised when shareholders are entitled to such dividend.

1.2.10 Intangible assets

Goodwill

Goodwill represents the excess of the purchase consideration over book value of net tangible asset values of the subsidiaries acquired and is amortised over 20 years on the straight line basis.

Negative goodwill being the excess of the book value of net tangible asset values over the purchase consideration is recognised in income on a systematic basis over the useful life of these assets.

1.2.11 Investment in subsidiaries

Investment in subsidiaries are stated at cost and are only written down when there is a permanent impairment in value.

1.2.12 Foreign exchange contracts and financial future options

Foreign exchange contracts and financial future options are revalued to market value at the balance sheet date and both realised and unrealised profits and losses are accounted for in the income statement for the year.

2. CHANGE IN ACCOUNTING POLICY

During the year, the Group changed its accounting policy in respect of its share incentive scheme trust. The share trust was previously not consolidated into the consolidated financial statements of the Group. In the current year, the share trust is consolidated to the extent that the Group's issued share capital is under the control of the Group. These shares are shown as treasury shares.

The comparative amounts have been appropriately restated. The effect of this change is as follows:

	As previously stated R000s	Adjustment R000s	Restated R000s
Balance sheet			
Trade and other receivables	183 714	(791)	182 923
(Share incentive scheme loan receivable)			
Treasury shares		791	791
Income statement			
There was no effect on the income statements in either year.			
Number of shares			
Shares in issue	21 695	(84)	21 611
Shares in issue – weighted	21 695	(84)	21 611
Earnings per share			
Earnings per share (cents)	198,7	0,7	199,4
Headline earnings per share (cents)	200,8	0,8	201,6
Net asset value per share	1 428,2	(3,6)	1 424,6

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2004

GROUP				
	2004 R000s	2003 R000s		
3. PROPERTY, PLANT AND EQUIPMENT				
Cost				
Plant and machinery	82 362	81 455		
Motor vehicles	4 456	4 132		
Office equipment and furniture	17 989	15 847		
Leasehold improvements	9 770	9 749		
	114 577	111 183		
Accumulated depreciation				
Plant and machinery	50 284	45 542		
Motor vehicles	2 757	2 606		
Office equipment and furniture	11 555	9 881		
Leasehold improvements	2 984	2 249		
	67 580	60 278		
Net carrying amount				
Plant and machinery	32 078	35 913		
Motor vehicles	1 699	1 526		
Office equipment and furniture	6 434	5 966		
Leasehold improvements	6 786	7 500		
	46 997	50 905		
	Leasehold improvements R000s	Plant and machinery R000s	Other fixed assets R000s	Total R000s
Movement summary				
Opening net carrying amount	7 500	35 913	7 492	50 905
Additions	29	1 694	2 316	4 039
Acquisition of subsidiary			894	894
Disposals		(28)	(380)	(408)
Depreciation	(743)	(5 502)	(2 195)	(8 440)
Translation difference		1	6	7
Closing net carrying amount	6 786	32 078	8 133	46 997

The directors estimate that the depreciated replacement value of property, plant and equipment at 31 August 2004 is R70,2 million, which exceeds book value by R23,2 million.

GROUP		
	2004 R000s	2003 R000s
4. INTANGIBLE ASSET		
Goodwill		
Balance at beginning of year	5 786	
Acquisition of subsidiaries		6 249
Goodwill amortised (created)	140	(463)
Balance at end of year	5 926	5 786

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2004

	GROUP		COMPANY	
	2004 R000s	2003 R000s	2004 R000s	2003 R000s
5. INVESTMENT IN SUBSIDIARIES				
Shares at valuation			66 584	64 847
Amount owing by subsidiaries			70 299	71 375
	–	–	136 883	136 222
The above loans are unsecured, interest free, with no fixed terms of repayment. Refer to Appendix A for analysis of subsidiaries.				
6. INVENTORIES				
Raw materials	16 108	18 034		
Work in progress	3 515	3 269		
Finished goods	147 825	111 392		
	167 448	132 695	–	–
7. SHARE CAPITAL				
Authorised				
30 000 000 ordinary shares of 1 cent each	300	300	300	300
20 000 000 "N" ordinary shares of 0,1 cent each	20	20	20	20
	320	320	320	320
Issued				
21 695 465 ordinary shares of 1 cent each	217	217	217	217
Treasury share	(1 073)	(791)		
Share premium	115 632	115 632	117 520	117 520
Arising on shares issued	120 894	120 894	120 894	120 894
Share issue expenses written off	(3 374)	(3 374)	(3 374)	(3 374)
Goodwill arising on consolidation	(1 888)	(1 888)		
	114 776	115 058	117 737	117 737
8. DEFERRED TAXATION				
Balance at beginning of year	8 149	8 951		
Charge to income statement	(3 645)	283		
– Capital allowances	626	648		
– Allowances for future expenditure	(4 219)	(338)		
– Other temporary differences	(52)	(27)		
Amounts not charged to income statement – translation reserve	(61)	(1 085)		
	4 443	8 149	–	–
Balance consists of:				
Capital allowances	6 230	5 605		
Allowances for future expenditure		4 219		
Other temporary differences	(641)	(590)		
Translation reserve	(1 146)	(1 085)		
	4 443	8 149	–	–

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2004

	GROUP		COMPANY	
	2004 R000s	2003 R000s	2004 R000s	2003 R000s
9. REVENUE				
9.1 Group	1 430 804	1 179 455		
Consolidated revenue comprises the net invoiced value of goods supplied to customers, less trade discounts where applicable.				
9.2 Company			9 840	9 840
Revenue comprises dividends from a subsidiary company.				
10. OPERATING PROFIT				
Operating profit is arrived at after taking into account:				
Income				
Foreign exchange profits	5 650	3 611		
Dividend received			9 840	9 840
Investment income	3 190	1 934		
Profit on disposal of property, plant and equipment	54	3		
Expenditure				
Cost of sales	1 031 454	868 357		
Amortisation of goodwill	(140)	463		
Auditors' remuneration	710	546	9	9
Audit fees	627	426	9	7
Fees for other services	28	78		2
Underprovision prior years	55	42		
Depreciation of property, plant and equipment	8 440	6 852		
Plant and machinery	5 502	4 059		
Leasehold improvements	743	803		
Motor vehicles	467	463		
Office equipment and furniture	1 728	1 527		
Directors' executive emoluments				
Paid by company			200	80
Paid by subsidiary	8 401	6 524		
Operating lease rentals				
Property	6 221	4 559		
Cost of sales above includes:				
Freight, customs duty and import surcharge	118 067	74 861		
Duties levied in terms of section 88 and 91 of the Customs and Excise Act of 1964, as amended.	34 957	1 034		

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2004

	GROUP		COMPANY	
	2004 R000s	2003 R000s	2004 R000s	2003 R000s
11. TAXATION				
11.1 Charge to income statement				
<i>South African normal taxation</i>	19 762	10 481	–	(27)
– Current year	19 762	10 508		
– Prior years		(27)		(27)
<i>Deferred taxation</i>				
– Current year	(3 645)	283		
<i>Foreign taxation</i>	2 965	1 363		
– Current year	2 769	1 363		
– Prior year	196			
	19 082	12 127	–	(27)
11.2 Reconciliation of rates of taxation				
Statutory tax rate	30,00%	30,00%		
Adjusted for:	(6,90%)	(10,11%)		
Permanent differences	(7,20%)	(5,91%)		
Foreign taxation	0,30%	(4,20%)		
Effective tax rate	23,10%	19,89%		
11.3 The Group has tax losses of R68 468 709 (2003: R78 973 361) to carry forward to set off against future taxable income. These have not been recognised in these financial statements due to uncertainty of their recoverability.				
12. EARNINGS PER SHARE				
Earnings per share are based on:				
Weighted average number of shares (000s)	21 597	21 612		
Net profit for the year	60 750	43 099		
Reconciliation between earnings and headline earnings:				
Net income attributable to ordinary shareholders	60 750	43 099		
Adjustment for amortisation of goodwill	(140)	463		
Headline earnings	60 610	43 563		
13. DIVIDEND	8 621	6 791	8 621	6 791
It is the Company's policy to declare only one dividend per year. A cash dividend of 70,3 cents per share has been declared in respect of the year ended 31 August 2004 (2003: 39,8 cents per share).				

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2004

		GROUP		COMPANY	
		2004 R000s	2003 R000s	2004 R000s	2003 R000s
14.	CASH FLOW INFORMATION				
14.1	Cash generated from (absorbed by) operations				
	Operating profit before interest and taxation	86 219	65 982	9 198	9 318
	Adjustments for:				
	Depreciation	8 440	6 852		
	Profit on disposal of property, plant and equipment	(54)	(3)		
	Investment income	(3 190)	(1 934)	(9 840)	(9 840)
	(Creation) amortisation of goodwill	(140)	463		
	Translation difference	(205)	(3 616)		
	Operating profit (loss) before working capital changes	91 070	67 744	(642)	(522)
	Working capital changes	3 980	(14 518)	104	80
	(Increase) decrease in inventories	(22 877)	31 553		
	(Increase) decrease in trade and other receivables	(11 614)	27 155		
	Increase (decrease) in trade and other payables	38 471	(73 226)	104	80
		95 050	53 226	(538)	(442)
14.2	Taxation paid				
	Amount (unpaid) prepaid at beginning of year	(2 052)	696	74	74
	Amounts charged to the income statement	(22 727)	(11 844)		27
	Reclassification of subsidiary		(1 000)		
	Amounts unpaid (prepaid) at end of year	10 938	2 052	(39)	(74)
		(13 841)	(10 096)	35	27
14.3	Dividends paid				
	Amounts unpaid at beginning of year	(54)	(53)	(54)	(53)
	Amounts charged to the income statement	(8 621)	(6 791)	(8 621)	(6 791)
	Amounts unpaid at end of year		54		54
		(8 675)	(6 790)	(8 675)	(6 790)
14.4	Acquisition of subsidiaries				
14.4.1	Acquisition of subsidiary				
	Prima Australasia Proprietary Limited				
	Property, plant and equipment		1 978		
	Cash and cash equivalents		244		
	Inventories		45 299		
	Trade and other receivables		47 729		
	Trade and other payables		(61 655)		
	Receiver of revenue		(1 000)		
	Fair value of assets acquired	–	32 595	–	–
	Outside shareholder's interest		(15 972)		
	Goodwill		9 264		
	Cost of investment		(21 082)		
	Net cash movement	–	4 805	–	–
	Bank overdraft on reclassification of subsidiary		(244)		
	Net cash increase on reclassification of subsidiary	–	4 561	–	–

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2004

		GROUP		COMPANY	
		2004 R000s	2003 R000s	2004 R000s	2003 R000s
14.	CASH FLOW INFORMATION (continued)				
14.4	Acquisitions of subsidiaries (continued)				
14.4.2	Acquisition of subsidiary				
	<i>Conti Industries (Proprietary) Limited</i>				
	Property, plant and equipment		15 043		
	Cash and cash equivalents		(1 952)		
	Inventories		1 148		
	Trade and other receivables		(1 789)		
	Trade and other payables		(9 439)		
	Fair value of assets acquired	–	3 011	–	–
	Goodwill		(2 996)		
	Purchase price	–	15	–	–
	Cash and cash equivalents on acquisition		1 952		
	Net cash purchase price	–	1 967	–	–
14.4.3	Acquisition of subsidiary				
	<i>Conti Marketing (Proprietary) Limited</i>				
	Property, plant and equipment		43		
	Cash and cash equivalents		(5 141)		
	Inventories		417		
	Trade and other receivables		8 270		
	Trade and other payables		(3 554)		
	Fair value of assets acquired	–	35	–	–
	Goodwill		(19)		
	Purchase price	–	16	–	–
	Cash and cash equivalents on acquisition		5 141		
	Net cash purchase price	–	5 157	–	–
14.4.4	Acquisition of subsidiary				
	<i>Nu-World U.K. Limited</i>				
	Property, plant and equipment	894			
	Cash and cash equivalents	(8 266)			
	Inventories	11 876			
	Trade and other receivables	22 991			
	Trade and other payables	(24 603)			
	Fair value of assets acquired	2 892	–	–	–
	Outside shareholder's interest	(1 157)			
	Purchase price	1 735	–	–	–
	Cash and cash equivalents on acquisition	8 266			
	Net cash purchase price	10 001	–	–	–
14.5	Cash and cash equivalents				
	Cash and cash equivalents consist of cash on hand, balances with banks and investments in money market instruments.	161 688	103 437		

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2004

15. RELATED PARTY TRANSACTIONS

Transactions with group companies

Nu-World Industries (Proprietary) Limited, Nu-World Strategic Investments (Proprietary) Limited, Conti Marketing (Proprietary) Limited, Conti Industries (Proprietary) Limited, Prima Australasia Proprietary Limited and Nu-World U.K. Limited are subsidiaries of Nu-World Holdings Limited.

Related party transactions are conducted at arms length.

Transactions with related parties are as follows:

Nu-World Industries (Proprietary) Limited is a wholly owned subsidiary and the main manufacturing and trading entity of the Group.

Nu-World Industries (Proprietary) Limited has a Procurement, Purchasing and Assembly Agreement with Conti Industries (Proprietary) Limited and a Warehousing and Distribution Agreement with Conti Marketing (Proprietary) Limited.

Manufactured goods are exported to Prima Australasia Proprietary Limited and Nu-World U.K. Limited.

16. RETIREMENT BENEFITS

The Group contributes to either a defined contribution pension fund or provident fund. These funds are registered under the Pension Funds Act, 1956.

Non-scheduled employees may choose to which fund they wish to belong.

GROUP		
	2004 Shares	2003 Shares
17. SHARE INCENTIVE AND OPTION SCHEME		
During March 1994 a share incentive and option scheme was created. The shares are under the control of the Company's executive directors.		
Total number of shares available to be utilised for the share incentive and option scheme:		
Opening balance		
– unissued shares	83 790	75 681
Net shares purchased during the year	14 410	8 109
Closing balance – unissued shares	98 200	83 790
GROUP		
	2004 R000s	2003 R000s
18. OPERATING LEASE COMMITMENTS		
Property		
Due within one year	5 329	3 701
Due within 2 to 5 years	6 744	10 222
	12 073	13 923

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2004

19. FINANCIAL RISK MANAGEMENT

Senior executives meet on a regular basis to analyse interest rate exposures and evaluate treasury management strategies against revised economic forecasts. Compliance with Group policies and exposure limits are reviewed at regular meetings of the board. The directors believe, to the best of their knowledge, that there are no undisclosed financial risks.

19.1 Interest rate management

As part of the process of managing the Group's fixed and floating borrowings, the interest rate characteristics of new borrowings and the refinancing of existing borrowings are positioned according to expected movements in interest rates.

19.2 Foreign currency management

Foreign exchange commitments are managed using forward exchange contracts and the natural hedge derived from uncovered export proceeds. At the 31 August 2004 forward exchange contracts amounted to USD 10,0 million (2003: USD 8,6 million).

19.3 Credit risk management

Potential concentrations of credit risk consist principally of trade receivables and short-term cash investments.

The Group only deposits short-term cash surpluses with major banks of high quality credit standing. Trade receivables comprise a large, widespread customer base. The granting of credit is controlled via credit applications, rigorous credit reviews, and the assumptions therein are reviewed and updated on an ongoing basis. At 31 August 2004, the Group did not consider that any significant concentration of credit risk existed which had not been adequately provided for.

19.4 Liquidity risk

The Group manages liquidity risk by the proper management of working capital and cash flows. The risk of illiquidity is not considered probable as the Group has substantial banking facilities available.

	GROUP	
	2004 R000s	2003 R000s
Banking facilities		
Total banking facilities	475 000	365 000
Bank facility utilisation	15 144	(73 289)
Unutilised banking facilities	490 144	291 711

20. CONTINGENT LIABILITIES

The Group has signed guarantees for bank borrowings and other loan facilities on behalf of their wholly owned subsidiary, Nu-World Industries (Proprietary) Limited, which at year end were not being utilised (2003: R73 289 326).

Nu-World Holdings Limited has issued deeds of suretyship in favour of both Citibank, N.A. for five million Australian Dollars and the Australia and New Zealand Banking Group Limited (ANZ) for 28 million Australian Dollars to be used for general banking facilities of the subsidiary, Prima Australasia Proprietary Limited.

ANALYSIS OF SUBSIDIARIES – APPENDIX A

at 31 August 2004

	Interest of Nu-World Holdings Limited							
	Issued share capital		Effective shareholding		Shares at valuation		Loans receivable/ (payable)	
	2004 R	2003 R	2004 %	2003 %	2004 R000s	2003 R000s	2004 R000s	2003 R000s
Direct interest								
Conti Industries (Proprietary) Limited	35 401	35 401	100	100	15	15		
Conti Marketing (Proprietary) Limited	4 781	4 781	100	100	15	15		
Nu-World Industries (Proprietary) Limited	5 725	5 725	100	100	38 929	38 929	(9 086)	(3 577)
Nu-World Strategic Investments (Proprietary) Limited	1	1	100	100			75 080	75 080
Nu-World U.K. Limited	1 188		60		1 737		4 433	
Prima Australasia Proprietary Limited	245	245	51	51	25 888	25 888	(128)	(128)
The aggregate net profit after taxation of subsidiaries attributable to the Company amounted to R61 694 850 (2003: R49 795 578)								
					66 584	64 847	70 299	71 375
Indirect interest								
Prima Akai Proprietary Limited (Incorporated in Australia)								

VALUE ADDED STATEMENT – APPENDIX B

for the year ended 31 August 2004

	2004		2003	
	R000s	%	R000s	%
REVENUE	1 430 804	100,00	1 179 455	100,00
Cost of materials, services and expenses	(1 031 454)	(72,09)	(868 357)	(73,62)
VALUE ADDED FROM TRADING OPERATIONS	399 350	27,91	311 098	26,38
Net interest paid	(3 606)	(0,25)	(5 018)	(0,43)
TOTAL VALUE ADDED	395 744	27,66	306 080	25,95
Allocated as follows:				
Employees				
Salaries, wages, commission and other benefits	79 125	5,53	71 914	6,10
Government				
Normal taxation on companies	22 727	1,59	11 844	1,00
Employee tax	8 735	0,61	7 799	0,66
Providers of capital				
Minority interest	2 781	0,19	5 738	0,49
Dividends	8 621	0,60	6 791	0,58
Total wealth distributed	121 989	8,52	104 086	8,83
Re-investment in the Group				
Depreciation and amortisation	8 300	0,58	7 315	0,62
Retained for future growth	265 455	18,56	194 679	16,50
	395 744	27,66	306 080	25,95

ANALYSIS OF SHAREHOLDERS – APPENDIX C

at 31 August 2004

	Number of Shareholders	%	Number of shares	%
HOLDINGS				
1 to 25 000	651	90,9	1 599 196	7,4
25 001 to 50 000	17	2,4	575 763	2,6
50 001 to 100 000	11	1,5	769 181	3,6
Over 100 000 shares	37	5,2	18 751 325	86,4
	716	100,0	21 695 465	100,0
CATEGORY OF SHAREHOLDERS				
Non-Public – Directors and Associates	5	0,7	2 648 708	12,2
– Trustee of Employees				
Share Scheme	1	0,1	98 200	0,5
Public shareholders	710	99,2	18 948 557	87,3
	716	100,0	21 695 465	100,0
SHAREHOLDERS SPREAD				
Major shareholders beneficially interested in more than 5% of the Company's listed securities:				
First National Nominees (Proprietary) Limited	89	12,4	5 154 503	23,8
Standard Bank Nominees (Tvl) (Proprietary) Limited	217	30,3	5 077 633	23,4
ABSA Nominees	126	17,6	3 361 894	15,5
Nedcor Bank Nominees Limited	76	10,6	2 914 964	13,4
Old Mutual Nominees	5	0,7	4 527 622	20,9
	12 months trade 31 August 2004		12 months trade 31 August 2003	
STOCK EXCHANGE PERFORMANCE				
Market price per share (cents)				
– at year end		2 200		1 215
– highest		2 600		1 245
– lowest		1 205		900
Number of shares traded (000s)		7 339		3 587
Number of shares in issue (000s)		21 695		21 695
Volume traded as a percentage of total shares in issue (%)		33,8		16,5

NOTICE OF ANNUAL GENERAL MEETING

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the annual general meeting of shareholders in respect of the year ended 31 August 2004 will be held in the boardroom of Nu-World Holdings Limited at 35, 3rd Street, Wynberg, Sandton at 10h00 on Wednesday 16 March 2005 for the purpose of considering and, if deemed fit, passing with or without modification the resolutions set out below, in the manner required by the Companies Act, 1973 (Act 61 of 1973), as amended ("the Act"); and subject to the listings requirements of the JSE Securities Exchange South Africa ("the JSE"):

Ordinary Resolution number 1

"Resolved that the annual financial statements and group annual financial statements together with reports of the directors and auditors for the year ended 31 August 2004 be approved."

Ordinary Resolution number 2

"Resolved to elect directors by means of a single resolution."

Ordinary Resolution number 3

In terms of the Company's articles of association, all non-executive directors and at least one third of the executive directors are required to retire from office at every annual general meeting. Messrs M.S. Goldberg and J.A. Goldberg will not retire and thus will continue as directors.

Subject to the passing of resolution 2 by unanimous consent, "Resolved that the retiring directors, G.R. Hindle, J.M. Judin and D. Piaray who, being eligible, have offered themselves for re-election, be and they are hereby re-appointed as directors."

Ordinary Resolution number 4

Subject to the failure to obtain unanimous consent to passing of resolution number 2, "Resolved as separate resolutions 4.1, 4.2, and 4.3 respectively that, Messrs G.R. Hindle, J.M. Judin and D. Piaray be re-appointed as directors."

Ordinary Resolution number 5

"Resolved that the remuneration paid to the directors of the Company as set out in the financial statements for the financial year ended 31 August 2004 be approved."

Ordinary Resolution number 6

"Resolved that the directors be and are hereby authorised to re-appoint Tuffias Sandberg KSi as auditors of the Company, which appointment shall be valid until the next annual general meeting of the Company unless varied or revoked by any general meeting prior thereto and that their remuneration for the year ended 31 August 2004 be approved."

Ordinary Resolution number 7

"Resolved that the authorised but unissued shares in the capital of the Company be and are hereby placed under the authority of the directors and that the directors be and are hereby authorised and empowered to allot, issue and otherwise dispose of such shares to such person or persons on such terms and conditions and at such times as the directors may from time to time in their discretion deem fit, subject to the terms and conditions of the Act and the Listings Requirements of the JSE. Such issues in the aggregate in any one financial year shall not exceed 10% (ten percent) of the ordinary shares in issue in the capital of the Company.

Further, that this authorisation is valid until the next annual general meeting of the Company, unless varied or revoked by any general meeting prior thereto."

Ordinary Resolution number 8

"Resolved that subject to the passing of ordinary resolution number 7 and the Act and the listings requirements of the JSE, the directors of the Company be authorised, by way of a general authority to allot and issue ordinary shares of the Company for cash, subject to the following limitations:

That this authority shall not extend beyond 15 months from the date of this annual general meeting, or the date of the next annual general meeting, whichever is the earlier date;

That the shares will only be issued to "public shareholders" as defined in the Listings Requirements of the JSE, and not to related parties;

That a paid press announcement giving full details, including the impact on net asset value and earnings per share, will be published at the time of any issue representing, on a cumulative basis within one financial year, 5% or more of the number of shares of that class in issue prior to the issue;

NOTICE OF ANNUAL GENERAL MEETING

That issues in the aggregate in any one financial year may not exceed 10% (ten percent) of the number of shares of that class of the Company's issued share capital (including instruments which are compulsorily convertible into shares of that class) at the date of application less any shares of that class issued, or to be issued in future arising from option/convertible securities issued during the current financial year, plus any shares to be issued pursuant to an announced, irrevocable and fully underwritten rights offer or to be issued pursuant to any acquisition for which final terms have been announced; and

That, in determining the price at which an issue of shares will be made in terms of this authority, the maximum discount permitted will be 10% of the weighted average trading price of the shares in question, as determined over the 30 business days prior to the date that the price of the issue is determined or was agreed by the directors."

In terms of the listing requirements of the JSE, the approval of a 75% majority of votes cast by shareholders present or represented by proxy at this meeting is required for this resolution to become effective.

Special Resolution number 1

"Resolved that the Company hereby approves, as a general approval contemplated in sections 85(2) and 85(3) of the Act, and in terms of the Company's articles of association the acquisition by the Company or any of its subsidiaries from time to time of the issued ordinary shares of the Company, upon such terms and conditions and in such amounts as the directors of the Company may from time to time determine, but subject to the articles of association of the Company, the provisions of the Act and the Listings Requirements of the JSE as presently constituted and which may be amended from time to time, and provided:

That any such acquisition of ordinary shares shall be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counter party;

That this general authority shall only be valid until the Company's next annual general meeting, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this special resolution;

That a paid press announcement will be published as soon as the Company or its subsidiaries has/have acquired ordinary shares constituting, on a cumulative basis, 3% (three percent) of the number of ordinary shares in issue prior to the acquisition pursuant to which the 3% (three percent) threshold is reached, and in respect of every 3% (three percent) thereafter, which announcement shall contain full details of such acquisitions;

That acquisitions by the Company and its subsidiaries of ordinary shares in the aggregate in any one financial year may not exceed 10% (ten percent) of the Company's issued ordinary shares capital from the date of the grant of this general authority;

That, in determining the price at which the Company's ordinary shares are acquired by the Company in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% of the weighted average of the market price at which such ordinary shares are traded on the JSE, as determined over the 5 (five) business days immediately preceding the date of repurchase of such ordinary shares by the Company;

That the Company may at any point in time only appoint one agent to effect any repurchase(s) on its behalf;

That the Company may only undertake a repurchase if, after such a repurchase it shall still comply with the spread requirements of the JSE listings requirements; and

That the Company may not repurchase securities during a prohibited period, as defined in the JSE listings requirements."

The reason for the special resolution is to grant the Company a general authority in terms of the Act for the acquisition by the Company or any of its subsidiaries of shares issued by the Company, which authority shall be valid until the earlier of the next annual general meeting of the Company or the variation or revocation of such general authority by special resolution by any subsequent general meeting of the Company, provided that the general authority shall not extend beyond 15 (fifteen) months from the date of this annual general meeting. The passing and registration of this special resolution will have the effect of authorising the Company or any of its subsidiaries to acquire shares issued by the Company.

The following information which is required by the JSE listings requirements with regard to the resolution granting a general authority to the Company to repurchase securities appears on the pages of the annual financial statements to which this notice of general meeting is annexed indicated below:

Directors and management of the Company:	page 17
Major shareholders:	page 34
Directors' interests in securities:	page 17
Share capital of the Company:	page 25
Directors' responsibility statement:	page 14

NOTICE OF ANNUAL GENERAL MEETING

There are no legal or arbitration proceedings, either pending or threatened against the Company or its subsidiaries, of which the Company is aware, which may have, or have had in the last 12 months, a material effect on financial position of the Company or its subsidiaries.

Statement by the board of directors of the Company

Pursuant to and in terms of the Listings Requirements of the JSE, the directors of the Company hereby state:

That, the intention of the directors of the Company is to utilise the authority if at some future date the cash resources of the Company are in excess of its requirements. In this regard the directors will take account of, inter alia, an appropriate capitalisation structure for the Company, the long-term cash needs of the Company, and will ensure that any such utilisation is in the interests of shareholders;

That the method by which the Company intends to re-purchase its securities and the date on which such re-purchase will take place, has not yet been determined, and

That after considering the effect of a maximum permitted re-purchase of securities, the Company is, as at the date of this notice convening the annual general meeting of the Company, able to fully comply with the Listings Requirements of the JSE. Nevertheless, at the time that the contemplated re-purchase is to take place, the directors of the Company will ensure that:

- the Company and the Group will be able to pay their debts as they become due in the ordinary course of business for a period of 12 months after the date of the annual general meeting;
- the consolidated assets of the Company and the Group, fairly valued in accordance with generally Accepted Accounting Practice, will be in excess of the consolidated liabilities of the Company and the Group for a period of twelve months after the date of the annual general meeting;
- the issued share capital and reserves of the Company and the Group will be adequate for the purposes of the business of the Company and the Group for a period of twelve months after the date of the annual general meeting;
- the working capital available to the Company and the Group will be sufficient for the Company and the Group's requirements for a period of 12 months after the date of the annual general meeting; and
- the Company will provide its sponsors and the JSE with all documentation as required in Schedule 25 of the JSE listings requirements, and will not commence any repurchase programme until the sponsors have signed off on the adequacy of its working capital, advised the JSE accordingly, and the JSE has approved this documentation.

Ordinary Resolution number 9

"Resolved that the directors of the Company be and are hereby authorised to sign all such documents and do all such things as may be necessary for or incidental to the registration or implementation of the resolutions set out in the notice convening the annual general meeting at which this ordinary resolution is to be considered."

Any member entitled to attend and vote is entitled to appoint a proxy or proxies to attend, speak and vote in his stead and the person so appointed need not be a member. A form of proxy is attached for use by certificated and own name dematerialised shareholders who cannot attend the meeting and wish to be represented thereat. A form of proxy may be obtained from the registered office of the Company. The attention of members is drawn to the fact that, to be effective, the completed proxy form must reach the transfer secretaries of the Company, Computershare Investor Services 2004 (Pty) Limited, Ground floor, 70 Marshall Street, Johannesburg, 2001 (P O Box 61051, Marshalltown, 2107), 48 hours (being 10h00 on Monday, 14 March 2005) before the scheduled time of the meeting. Shareholders whose shares have been dematerialised (other than by own name registration) must inform their Central Securities Depository Participant (CSDP) or broker of their intention to attend the meeting and obtain the necessary authorisation from the CSDP or broker to attend the meeting, or provide the CSDP or broker with voting instructions in terms of the custody agreement between them.

By order of the board



B.H. Haikney
Company Secretary

Sandton
3 February 2005

SHAREHOLDERS CALENDAR

Declaration of dividend	25 October 2004
Announcement of 2004 results	Published 27 October 2004
2004 Annual Financial Statement to shareholders	Published February 2005
Record date	10 December 2004
Payment of dividend seventeen	13 December 2004
Annual General Meeting	16 March 2005
Announcement of 2005 interim results	To be published April 2005

FORM OF PROXY

NU-WORLD HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(REGISTRATION NUMBER 1968/002490/06)

Share Code: NWL ISIN code: ZAE000005070

("Nu-World" or "the Company")

For use only by certificated shareholders and own name dematerialised shareholders at the annual general meeting of the Company to be held at the Company's registered office, 35-3rd Street, Wynberg, Sandton on 16 March 2005 at 10h00 and at any adjournment thereof.

I/We

of

being a holder of ordinary shares hereby appoint

1. or failing him/her

2. or failing him/her

3. The chairman of the general meeting

as my/our proxy to act for me/us at the annual general meeting for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at each adjournment or postponement thereof, and to vote for and/or against such resolutions and/or abstain from voting in respect of the ordinary shares in the issued capital of Nu-World registered in my/our name as follows:

	For	Against	Abstain
Ordinary resolution 1			
Ordinary resolution 2			
Ordinary resolution 3			
Ordinary resolution 4			
4.1 G.R. Hindle			
4.2 J.M. Judin			
4.3 D. Piaray			
Ordinary resolution 5			
Ordinary resolution 6			
Ordinary resolution 7			
Ordinary resolution 8			
Special resolution 1			
Ordinary resolution 9			

Signed at on

Signature

Name if full

Any member entitled to attend and vote is entitled to appoint a proxy or proxies to attend speak and vote in his stead and the person so appointed need not be a member. A form of proxy is attached for use by certificated and own name dematerialised shareholders who cannot attend the meeting and wish to be represented thereat. A form of proxy may be obtained from the registered office of the Company. The attention of members is drawn to the fact that, to be effective, the completed proxy form must reach the transfer secretaries of the Company, Computershare Investor Services 2004 (Pty) Limited, 8th floor, 70 Marshall Street, Johannesburg, 2001 (P O Box 61051, Marshalltown, 2107), 48 hours (being 10h00 on Monday, 14 March 2005) before the scheduled time of the meeting. Shareholders whose shares have been dematerialised (other than by own name registration) must inform their Central Securities Depository Participant (CSDP) or broker of their intention to attend the meeting and obtain the necessary authorisation from the CSDP or broker to attend the meeting, or provide the CSDP or broker with voting instructions in terms of the custody agreement between them.

NOTES TO THE FORM OF PROXY

A form of proxy is only to be completed by those shareholders who are:

1.1 Holding shares in certificated form; or

1.2 Recorded in dematerialised form on the electronic sub-register in "own name".

All other beneficial owners who have dematerialised their shares through a Central Securities Depository Participant ("CSDP") or broker and wish to attend the annual general meeting, must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker in the manner and cut-off time stipulated therein.

A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting "the Chairman of the annual general meeting", but any such deletion must be initialled by the shareholder. The person whose name stands first on the form of proxy and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow. In the event that no names are filled in, the proxy shall be exercised by the Chairman of the annual general meeting.

A shareholder's instruction to the proxy must be indicated by the insertion of the relevant number of votes exercised by that shareholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the general meeting as he deems fit in respect of all the shareholder's votes exercised thereat. A shareholder or his proxy is not obliged to use all the votes exercisable by the shareholder or by his proxy, but the total of the votes cast and in respect of which abstentions are recorded may not exceed the total votes exercisable by the shareholder or his proxy.

Forms of proxy must be lodged with or posted to the transfer secretaries; Computershare Investor Services 2004 (Pty) Limited, 8th floor, 70 Marshall Street, Johannesburg, 2001 (P O Box 61051, Marshalltown, 2107) by not later than 10h00 on Monday, 14 March 2005, in accordance with the instructions thereon.

The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the annual general meeting, speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.

Documentary proof establishing the authority of the person signing this form of proxy in a representative or other legal capacity must be attached to this form of proxy unless previously recorded by the transfer secretaries of the Company or waived by the Chairman of the annual general meeting.

Any alterations to the form of proxy must be initialled by the signatories