



SEPHAKU

HOLDINGS LTD

Sephaku Holdings Limited and its subsidiaries
(Incorporated in the Republic of South Africa)

Share code: SEP

ISIN: ZAE000138459

Main board - General segment

(Registration number 2005/003306/06)

Annual financial statements
for the year ended 31 March 2026

Sephaku Holdings Limited and its subsidiaries

(Registration number 2005/003306/06)

Annual Financial Statements for the year ended 31 March 2026

General Information

Country of incorporation and domicile	South Africa	
Nature of business and principal activities	Construction materials company	
Directors	B Williams MJ Janse van Rensburg MM Sedikela MM Ngoasheng Dr. L Mohuba KJ Capes NR Crafford-Lazarus	Chairperson - independent non-executive director Independent non-executive director Independent non-executive director Independent non-executive director Non-executive director Chief executive officer Financial director
Registered office	Southdowns Office Park First Floor, Block A Cnr Karee and John Vorster Streets Irene X54, Pretoria 0062	
Postal address	PO Box 7651 Centurion 0046	
Banker	Nedbank	
Secretary	Acorim Proprietary Limited Telephone: +27 11 325 6363 Email: sephaku@acorim.co.za	
Métier Mixed Concrete (wholly-owned subsidiary)	Physical address: Romead Business Park, 23 Malone Road, Maxmead 3610 Postal address: Postnet Suite #546, Private Bag X4, Kloof 3640 Telephone: +27 31 716 3600/0861 638437 Website: www.metiersa.co.za	
Dangote Cement South Africa (associate)	Physical address: Southdowns Office Park, Block A, Ground Floor Cnr Karee and John Vorster Streets, Irene, X54 0062 Postal address: PO Box 68149, Highveld 0169 Telephone: +27 12 684 6300 Website: www.sephakucement.co.za	
Company registration number	2005/003306/06	
Preparer	The financial statements were internally compiled under the supervision of: NR Crafford-Lazarus CA(SA)	
Transfer secretaries	Computershare Investor Services Proprietary Limited Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg 2196 Private Bag X9000, Saxonwold, 2132 Telephone: +27 11 370 5000	
JSE Sponsor	QuestCo Corporate Advisory Proprietary Limited Telephone: +27 63 482 3802	
Investor relations officer	NR Crafford-Lazarus Email: info@sepman.co.za Telephone: +27 12 684 6300	

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The following supplementary information does not form part of the annual financial statements and is unaudited:

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The financial statements have been audited by PricewaterhouseCoopers Incorporated in compliance with the applicable requirements of the Companies Act, 71 of 2008 of South Africa, as amended, and have been prepared under the supervision of NR Crafford-Lazarus CA(SA).

Published

24 June 2026

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Statement of compliance by audit and risk committee

1. Mandate and terms of reference

The audit and risk committee (ARC) has executed its duties and responsibilities in accordance with its terms of reference which are inferred by the Companies Act, 71 of 2008 of South Africa, as amended (the Companies Act), paragraph 5.7(h) of the JSE Limited (JSE) Listings Requirements (JSE Listings Requirements) and the King Report on Corporate Governance™ for South Africa, 2016 (King IV)*, except for the chairperson being a member of the audit committee, and are approved by the board. In addition, the audit committee ensured compliance with JSE Listings Requirements paragraph 11.38(d) dealing with compliance with the laws of establishment and the memorandum of incorporation (MOI) of the Group.

The members of the ARC are all independent non-executive directors of the Group and include:

Name

MJ Janse van Rensburg (chairperson)

MM Sedikela

B Williams

The committee is satisfied that the members thereof have the required knowledge and experience as set out in section 94(5) of the Companies Act and Regulation 42 of the Companies Regulation, 2011.

2. Composition and attendance at meetings

There was no change to the committee members during the year. In addition, the chief executive officer (CEO) and financial director (FD) are permanent invitees to meetings. The committee performs its duties in compliance with section 94(7) of the Companies Act by holding meetings at least three times per annum and special committee meetings are convened as required.

The external auditor attended and reported at all meetings of the committee. The external auditor have unrestricted access to the committee.

Full details of the attendance and dates of the meetings are disclosed in the corporate governance section of the integrated annual report.

3. Statutory duties

The committee's roles and responsibilities include its statutory duties as per the Companies Act and the responsibilities assigned to it by the board, which are reviewed annually.

The committee has performed the following statutory duties:

- Nominated and recommended the appointment of PricewaterhouseCoopers Incorporated as the external auditor of Sephaku Holdings Limited (SepHold), with Y Kharwa as the lead engagement partner. PricewaterhouseCoopers Incorporated is, in the opinion of the committee, independent of the Group.
- Reviewed and agreed to the fees to be paid to the external auditor and their terms of engagement in consultation with executive management.
- Ensured that the appointment of the external auditor complies with the Companies Act and any other legislation relating to the appointment of an auditor.
- Determined the nature and extent of allowable non-audit services and pre-approved any proposed agreement with the external auditor for the provision of non-audit services to SepHold.
- Attended to any complaints relating to the accounting practices, the auditing or content of annual financial statements, and the internal financial controls of SepHold.
- Considered and, when appropriate, made recommendations to the board on internal financial controls, accounting policies, records and reporting.
- Ensure, on an annual basis, that the financial director has the appropriate expertise and experience.
- Ensure that the Group and the Company has established appropriate financial reporting procedures and that those procedures are operating.
- Ensure suitability of the appointment of external auditor and the designated individual partner, specifically taking into account any information pursuant to paragraph 5.7(h)(iii) of the JSE Listings Requirements.

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Statement of compliance by audit and risk committee

4. External auditor

The ARC has nominated PricewaterhouseCoopers Incorporated as the independent auditor and Y Kharwa as the designated partner, who is a registered independent auditor, for appointment of the FY 2026 audit.

The ARC in consultation with executive management, agreed to the terms of the engagement. The audit fee for the external audit has been considered and approved taking into consideration such factors as the timing of the audit, the extent of the work required and the scope.

The external auditor is invited to and attends all committee meetings. Findings by the external auditor arising from his annual statutory audit are tabled and presented at a committee meeting following the audit. The external auditor has expressed an unqualified opinion on the financial statements for the year ended 31 March 2026. This will be presented at the annual general meeting.

SepHold has satisfied itself of the independence, suitability and accreditation of PricewaterhouseCoopers Incorporated and Y Kharwa. The committee also acted according to the JSE Listings Requirements and the auditor approval process per paragraph 5.7(h)(iii) in requesting from the audit firm (and if necessary consulting with the audit firm on) the information detailed in paragraph 5.7(h)(iii) in their assessment of the suitability for appointment of their current or a prospective audit firm and designated individual partner both when they are appointed for the first time and thereafter annually for every re-appointment as well as for an applicant issuer prior to listing.

5. Internal financial controls

The committee has reviewed:

- the effectiveness of the risk management, controls and governance processes, including receiving assurance from management and external audit;
- significant issues raised by the external audit process; and
- policies and procedures for preventing and detecting fraud.

The committee believes that internal financial controls are effective and form a sound basis for the preparation of reliable annual financial statements. No findings have come to the attention of the committee to indicate that any material breakdown in internal financial controls has occurred during the financial year.

6. Annual financial statements

The committee reviews the annual financial statements, preliminary results announcements, interim financial information and integrated annual report – this culminates in a recommendation to the board to approve them. The annual financial statements were prepared in accordance with the IFRS® Accounting Standards (IFRS Accounting Standards), the JSE Listings Requirements and the requirements of the Companies Act.

7. Going concern

The committee reviewed a documented assessment by management of the going concern premise of the Group and the Company. Based on this assessment, the committee agrees with management's assessment that the Group and the Company will be a going concern in the foreseeable future. Refer to note 34 for further details.

8. Expertise and experience of financial director and the finance function

The committee has satisfied itself that the financial director of SepHold, NR Crafford-Lazarus, has appropriate expertise and experience to meet his responsibilities in that position as required in terms of the JSE Listings Requirements. The committee also satisfied itself of the appropriateness of the expertise and adequacy of resources of the finance function of the Company.

9. Duties assigned by the board

The duties and responsibilities of the members of the committee are set out in the committee's terms of reference which are approved by the board. The committee fulfils an oversight role regarding SepHold's integrated annual report and the reporting process, including the system of internal financial control.

The committee is satisfied that it has complied in all material respects with its legal, regulatory and other responsibilities during the year, which includes consideration of the JSE's findings contained in the latest monitoring report when preparing the annual financial statements for the year under review.

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Statement of compliance by audit and risk committee

10. Internal audit

Due to the nature and size of the head office, the accounting function is structured to accommodate current requirements and as such, the committee does not believe that an internal audit function is viable at this stage. The committee believes that new appointments should strengthen the accounting function and improve control through the division of duties. As such, this is better suited to the Company's needs than the performance of an internal audit function. On an operational level, Dangote Cement South Africa Proprietary Limited (SepCem) has a functional internal audit department that reports to the SepCem audit committee on which SepHold is also represented. Internal control compliance in Métier Mixed Concrete Proprietary Limited (Métier) is monitored by management through an annual programme of review.

11. Risk management

The committee discussed and reviewed the following:

- Recommending to the board SepHold's risk appetite.
- Monitoring the emerging risk profile of SepHold on a regular basis and reporting its findings to the board.
- Receiving and reviewing reports that assess the nature and extent of the risks facing SepHold.
- Ensuring steps are taken by executive management to embed risk management practices within the day-to-day operations of the business.
- Monitoring the level of available capital and reporting to the board on the adequacy of the available capital relative to the emerging risk profile of SepHold.
- Ensuring that risk and capital management policies, processes and practices are adopted in SepHold and reviewing the adequacy and effectiveness of the risk-type control frameworks and policies.

12. IT governance

The committee considered and reviewed the IT policy and governance framework approved in the previous financial year and recommended to the board that no changes were required. While business continuity is not at risk the committee further reviewed the need for system upgrades for the Subsidiary.

13. Recommendations of the annual financial statements for approval by the board

The committee met with PricewaterhouseCoopers Incorporated prior to the commencement of the audit to discuss the potential key audit matters. The independent auditor's report on pages 15 to 23 details the following key audit matters:

- Impairment assessment of goodwill (Group) and investments in subsidiaries (Company).
- Impairment assessment of investment in associate (Group).

The committee is satisfied that the key audit matters were adequately and appropriately addressed in the context of the audit and appropriately disclosed in the notes to the financial statements. The committee held a meeting on 17 June 2026 at which time they reviewed and recommended the annual financial statements for approval by the board.

On behalf of the audit committee



MJ Janse van Rensburg
Chairperson

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Statement of responsibility by the board

The directors are required in terms of the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with IFRS® Accounting Standards issued by the International Accounting Standards Board (IASB), including interpretations developed by the International Financial Reporting Interpretations Committee (IFRIC® Interpretations) (IFRS Accounting Standards), the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council (FRSC), the requirements of the Companies Act of South Africa and the JSE Listings Requirements. The external auditor is engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with IFRS Accounting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within pre-determined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the Group's and the Company's cash flow forecast for the year to 31 March 2027 and considered other relevant factors and, in light of this review and the current financial position, they are satisfied that the Group and the Company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the Group's and the Company's annual financial statements. The financial statements have been examined by the Group's and the Company's external auditor and their report is presented on pages 15 to 23.

The financial statements set out on pages 24 to 80, which have been prepared on the going concern basis, were approved and authorised by the board on 24 June 2026 and were signed on their behalf by:

Kenneth Capes

KJ Capes
Chief executive officer

B Williams

B Williams
Chairperson - non-executive director

Centurion, South Africa
Wednesday, 24 June 2026

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Chief executive officer and financial director responsibility statement

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

(a) the consolidated annual financial statements set out on pages 24 to 80, fairly present in all material respects the financial position, financial performance and cash flows of the Group in terms of IFRS Accounting Standards;

(b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the consolidated annual financial statements false or misleading;

(c) internal financial controls have been put in place to ensure that material information relating to the Company and its consolidated subsidiaries have been provided to effectively prepare the consolidated annual financial statements of the Group;

(d) the internal financial controls are adequate and effective and can be relied upon in compiling the consolidated annual financial statements, and we have fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;

(e) where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and

(f) we are not aware of any fraud involving directors.



KJ Capes
Chief executive officer



NR Crafford-Lazarus
Chief financial officer

Centurion, South Africa
Wednesday, 24 June 2026

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Statement of compliance by the company secretary

In terms of section 88(2)(e) of the Companies Act, I declare that to the best of my knowledge, for the year ended 31 March 2026, that the Group has lodged with the Companies and Intellectual Property Commission all such returns as are required of a public company in terms of the Companies Act and that all such returns are true, correct and up to date.



Acorim Proprietary Limited
Company Secretary
Centurion, South Africa
Wednesday, 24 June 2026

Sephaku Holdings Limited and its subsidiaries

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Directors' report

The directors have pleasure in submitting their report on the financial statements of Sephaku Holdings Limited and its subsidiaries and the Group for the year ended 31 March 2026.

1. Review of financial results and activities

Main business and operations

SepHold ("the Company") offers investors a portfolio of assets focused on the construction materials value chain. SepHold's active investment portfolio comprises the 100% owned subsidiary, Métier ("the Subsidiary") and the 36% owned associate, SepCem ("the Associate"), which are collectively referred to as "the Group". As a subsidiary of Dangote Cement PLC (DCP), SepCem has a 31 December year-end, therefore the equity-accounted profit included in this report relates to SepCem's results in the period 1 January 2025 to 31 December 2025.

Métier is a leading supplier in quality ready-mix concrete and pumping services that range from standard ready-mixed concrete to highly specialised concrete.

SepCem is engaged in mining, exploration and the production and sale of cement.

Group

The salient features of the Group for the reporting period was as follows:

Group consolidated revenue: R1,29 billion (FY 2025: R1,18 billion)

Net profit after tax: R93 million (FY 2025: R74 million)

Basic earnings per share: 40.50 cents (FY 2025: 31.57 cents)

Diluted earnings per share: 40.50 cents (FY 2025: 31.57 cents)

Headline earnings per share: 37.91 cents (FY 2025: 31.52 cents)

SepHold

During the year under review the Group made a payment of R34,7 million to SepCem as a cash injection previously agreed between shareholders. The percentage shareholding in the Associate is unchanged at 36%.

The Group acquired Cross Company Management (CCM) as a 100% subsidiary on 1 April 2025. CCM was not part of the Group during the prior year and was previously accounted for as a related party due to common directors.

Métier

Sales volumes

Total concrete sales volume increased by 3% year-on-year (YoY), following a decline of 8% in FY 2025 and strong growth of 11% in FY 2024. The current year's improvement reflects a partial recovery in activity levels, albeit from a lower base.

Pump volumes increased significantly by 19%, driven by a shift in project requirements toward more technically complex construction methods requiring specialised pumping services. The growth in total concrete volumes was largely supported by increased demand from a key project in which Métier remains actively engaged.

Métier continued to deliver profitable growth during the year, underpinned by its reputation for quality, service and reliability. Despite operating in a highly competitive and fragmented market with limited available industry data, management believes that the Group has maintained its market share across its core operating regions.

Looking ahead, market conditions in 2026 are expected to remain constrained, with subdued infrastructure investment, limited private sector construction activity, and ongoing cost pressures across the industry. While selective project activity and niche demand segments (including specialised concrete applications) may provide opportunities, overall volume growth is likely to remain modest in the short term. In this environment, Métier will continue to focus on operational efficiency, disciplined pricing, and leveraging its service differentiation to sustain performance.

Revenue and profitability

Métier recorded solid financial performance, with revenue increasing by 9.2% year-on-year to R1,29 billion (FY 2025: R1,18 billion). This growth was driven by a combination of inflationary price adjustments, increased services revenue, and continued expansion in the Western Cape.

EBITDA increased by 34.2% to R196 million (FY 2025: R146 million), while EBIT rose by 39.4% to R145 million (FY 2025: R104 million). Net profit after tax improved significantly by 41% to R107 million (FY 2025: R76 million), supported by disciplined cost management and enhanced operating margins.

Looking ahead, revenue growth is expected to track inflation, reflecting a subdued outlook for the construction sector. Management anticipates limited short-term growth opportunities as industry activity remains constrained.

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Directors' report

1. Review of financial results and activities (continued)

Bank debt management

Métier fully repaid its bank term loan during FY 2023 and replaced it with an overdraft facility, which remained unutilised at the end of both FY 2024 and FY 2025.

Total borrowings increased to R163 million (FY 2025: R124 million), primarily to support fleet renewal, the loader replacement programme, and the installation of an additional batch plant. As a result of the higher debt levels, finance charges increased from R15,5 million to R18,1 million year-on-year.

Debtor management remained effective throughout the period, with no significant or unexpected customer credit risks encountered.

The unutilised portion of the overdraft facility provides sufficient headroom to meet all current debt servicing requirements.

SepCem

SepCem maintained its competitive position in a persistently difficult cement market and a lacklustre economic environment. The construction sub-sector of the South African economy again lagged all other sectors, which impacted bulk sales volumes. Unseasonally wet conditions at the start of 2025 impacted the 1H25 performance, but a much improved 2H, driven by consumer demand resilience, and the positive results from a mid-year turn-around strategy, aided overall financial performance. Pricing suffered throughout the reporting period, as inland competition for market share intensified.

Sales volumes

Sales volumes decreased by 4.5% during the year to 31 December 2025 (CY 2024: 4% decrease) in line with SepCem's estimates of the overall market performance, evidenced by a substantial drop in bulk sales volumes in the inland region. This resulted in a change in sales mix with the bulk sales comprising a smaller proportion overall. SepCem saw strong competition in bag pricing due to the depressed market, exacerbated by extreme rainfall in H1 with an overall net delivered price per ton that was down on CY 2024 by about 1.1%.

Revenue and profitability

SepCem saw a reduction in its revenue by 4.4% to R2,66 billion (CY 2024: R2,78 billion). A reduction in volumes always impacts negatively on EBITDA as the fixed cost element of a capital-intensive industry raises production costs per ton. This resulted in a 9.3% decrease in EBITDA at R301,1 million (CY 2024: R321,9 million) at a margin of 11.3% (CY 2024: 11.6%). Profitability showed a decrease from R42,6 million to R24,5 million (42.5%) in net profit after tax, due to increases in depreciation, while taxation and interest were lower.

Debt management

The refinanced project loan bullet instalment of R377 million due in November 2022 was converted into a three-year term loan of R400 million at a rate of JIBAR plus 3.25%. This was fully settled in October 2025.

The R200 million revolving working capital facility remained unutilised during the year at a rate of prime minus 0.5% from one of the original major lenders.

The DCP shareholder loan that accrues interest at JIBAR plus 4% capitalised against the loan had a balance of R898 million by year-end.

Group focus

The Group will continue to focus on disciplined cost management to ensure that the gains achieved from the various initiatives implemented during FY 2026 are sustained. SepCem and Métier will prioritise strengthening their balance sheets through prudent debt management, while actively pursuing opportunities.

In addition, management is selectively targeting ad hoc opportunities that have the potential to enhance long term value creation for both Métier and SepCem. These opportunities are being evaluated with a focus on strategic alignment, sustainability of returns, and their ability to strengthen the Group's market position. Continued engagement with government on duties on imported cement will remain a focus area.

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Directors' report

2. Share capital

There have been no changes to the authorised or issued share capital during the year under review.

During the period under review Métier did not acquire any further ordinary shares in SepHold. The total number of treasury shares held by Métier to date is 22,700,000 ordinary shares. The repurchased equity shares were acquired under an approved share buyback scheme.

The Group acquired CCM as a 100% subsidiary during the year under review. CCM holds a total of 876,710 ordinary shares in SepHold at a fair value of R1,639,448. These were accounted for under treasury shares in the Group's equity, resulting in a total number of 23,576,710 treasury shares at the end of the financial year.

All the authorised and issued shares have no par value.

Refer to note 16 to the financial statements for further details on authorised and issued stated capital.

3. Dividends

No dividends were declared or paid to shareholders during the current year (FY 2025: Rnil).

4. Share incentive scheme

There are no outstanding share options. The last remaining 1,705,000 share options expired on 1 July 2024. An amount of R2,738,696 was transferred from the share-based payment reserve to retained income during the prior period. No additional share options were issued.

Refer to note 17 of the consolidated annual financial statements for details of the Group share incentive scheme.

5. Directorate

The directors in office at the date of this report are as follows:

Directors	Office	Designation
B Williams	Chairperson - Board	Independent non-executive
MJ Janse van Rensburg	Chairperson - Audit committee	Independent non-executive
MM Sedikela	Member - Audit committee	Independent non-executive
MM Ngoasheng	Chairperson - Remuneration and nomination committee	Independent non-executive
Dr. L Mohuba	Chairperson - Social and ethics committee	Non-executive
KJ Capes	Chief executive officer - Métier & SepHold	Executive
NR Crafford-Lazarus	Financial director	Executive

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Directors' report

6. Shareholders' information

An analysis of shareholders and the respective percentage shareholdings appear in the shareholders' analysis section on page 81.

As at 31 March 2026, the directors of the Company held direct and indirect beneficial interests of 14.5% (FY 2025: 14.5%) of its issued ordinary shares, as set out below.

Beneficial shareholdings of directors, directors' associates and prescribed officer:

Director/prescribed officer	2026			2025		
	Direct number of shares	Indirect number of shares	Associates' number of shares	Direct number of shares	Indirect number of shares	Associates' number of shares
Dr. L Mohuba	87,202	8,363,767	40,000	87,202	8,363,767	40,000
NR Crafford-Lazarus	5,366,000	-	108,679	4,211,985	-	108,679
KJ Capes	11,581,481	-	-	11,581,481	-	-
MM Ngoasheng*	-	11,356,073	-	-	11,403,893	-
	<u>17,034,683</u>	<u>19,719,840</u>	<u>148,679</u>	<u>15,880,668</u>	<u>19,767,660</u>	<u>148,679</u>

* MM Ngoasheng holds his indirect beneficial interest through an indirect beneficial interest in Safika Resources Proprietary Limited (Safika), who holds 19.56% SepHold shares. Safika is however not an associate of the director as defined in the JSE Listings Requirements.

There have been no changes in the beneficial interests of the directors, directors' associates and prescribed officers in the stated capital between the end of the financial year and the date of approval of these annual financial statements.

Directors' interest in share options:

All share options expired in the prior year. No additional share options were awarded during the current year.

2025	Opening balance number of share options	Exercise price	Options expired	Date expired	Market price on exercise date	Options vested at year-end	Closing balance number of share options
Dr. L Mohuba							
Granted 01/07/2017	475,000	R 3.00	(475,000)	01/07/2024	-	-	-
NR Crafford-Lazarus							
Granted 01/07/2017	475,000	R 3.00	(475,000)	01/07/2024	-	-	-
	<u>950,000</u>		<u>(950,000)</u>				

The register of interests of directors and all shareholders of the Company is available to shareholders on request.

There have been no changes in beneficial interest that occurred between the end of the reporting period and the date of this report.

7. Non-current assets

There was no change in the nature of the property, plant and equipment of the Group or in the policy regarding their use.

At 31 March 2026 the Group's investment in property, plant and equipment amounted to R358,227,608 (2025: R 282,068,060), of which R119,885,752 (2025: R124,278,075) was added in the current year through additions.

Refer to note 3 of the consolidated financial statements for further details.

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Directors' report

8. Interests in subsidiaries and associate

Details of material interests in subsidiary companies and associate are presented in the consolidated annual financial statements in notes 6 and 7.

On 1 April 2025 the Group acquired 100% of the voting equity instruments of Cross Company Management (CCM), a company who owns various investments. The principal reason for this acquisition was to move the investments to the Group and reduce the loan due to SepHold.

9. Borrowing powers

In terms of the memorandum of incorporation of the Company, the directors may exercise all the powers of the Company to borrow money, as they consider appropriate. The memorandum of incorporation authorises unlimited borrowing powers.

10. Special resolutions

No special resolutions of material interest or of a substantive nature were made by the Group or any of its subsidiaries during the period covered by this report.

11. Events after the reporting period

After the repayment of the Senior bank debt in October 2025, the Associate commenced a process to raise bank finance to repay the Dangote shareholders loan as well as the second equity deposit of R125 million. This process should be completed early in the second quarter of the financial year.

Apart from the abovementioned event in the Associate, the directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

12. Going concern

The directors believe that the Group and the Company have adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the Group and the Company are in a sound financial position and have access to sufficient borrowing facilities to meet its foreseeable cash requirements. The Company's current liabilities exceed the current assets, however if the loan from the Subsidiary is required to be repaid, the board will consider various options including, but not limited to, the approval of dividends from its subsidiary and the realisation of assets. The directors are not aware of any new material changes that may adversely impact the Group and the Company.

Métier's term loan was repaid during FY 2023 and replaced with an overdraft facility. The R40 million overdraft facility provides enough headroom to ensure that all foreseeable cash requirements will be met.

The refinanced SepCem loan granted by Nedbank and Standard Bank was repaid in full in CY 2025. The working capital facility of R200 million remains unutilised and SepCem therefore also has enough headroom to ensure that all foreseeable cash requirements will be met.

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

13. Auditor

PricewaterhouseCoopers Incorporated continued in office as auditor for the Company and its subsidiaries for 2026.

At the AGM, the shareholders will be requested to re-appoint PricewaterhouseCoopers Incorporated as the independent external auditor of the Company and to confirm Y Kharwa as the designated lead audit partner for the 2027 financial year.

A total audit fee of R1,265,250 (2025: R1,205,000) was agreed for SepHold and Métier. PricewaterhouseCoopers Incorporated did not perform any non-audit services for these companies during the period under review.

Sephaku Holdings Limited and its subsidiaries

(Registration number 2005/003306/06)

Annual Financial Statements for the year ended 31 March 2026

Directors' report

14. Secretary

The company secretary is Acorim Proprietary Limited.

Postal address: PO Box 41480
Craighall
2024

Business address: 13th Floor, Illovo Point
68 Melville Road
Illovo
Sandton
2196

The company secretary provides the board with guidance in respect of the discharge of directors' duties and their responsibilities, and regarding legislation, regulatory and governance procedures and requirements. The board has access to, and is aware of, the responsibilities and duties of the company secretary and has committed itself to ensure that the company secretary is afforded the support required to perform its duties.

The company secretary acts as secretary to board-appointed committees. The board is satisfied that Acorim, represented by N Hunter, has the required knowledge, skill and discipline to perform the functions and duties of the company secretary. The board has concluded that Acorim maintains an arm's length relationship with the Company and its board.

No Acorim employees are directors of the Company, nor do they have any other interests or relations that may affect independence. In making this assessment, the board considered the independence of Acorim directors, shareholders and employees, as well as Acorim's collective qualifications and track record.



Independent auditor's report

To the shareholders of Sephaku Holdings Limited

Report on the audit of the consolidated and separate financial statements

Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Sephaku Holdings Limited (the Company) and its subsidiaries (together the Group) as at 31 March 2026, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa.

What we have audited

Sephaku Holdings Limited's consolidated and separate financial statements set out on pages 24 to 80 comprise:

- the consolidated and separate statements of financial position as at 31 March 2026;
- the consolidated and separate statements of profit or loss and other comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated and separate financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code), as applicable to audits of financial statements of public interest entities, and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with

PricewaterhouseCoopers Inc.

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P.O. Box 1274, Umhlanga Rocks, 4319

T: +27 (0) 31 271 2000, F: +27 (0) 31 815 2000

Chief Executive Officer: L S Machaba

The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of directors' names is available for inspection.

Reg. no. 1998/012055/21, VAT reg.no. 4950174682

the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

Our audit approach

Overview



Final materiality

- Group final materiality - R12.9 million for the consolidated financial statements, which represents 1% of consolidated revenue.
- Company final materiality - R10.3 million for the separate financial statements, which represents 1% of total assets.

Group audit scope

The Group comprises five components, which includes one wholly-owned subsidiary that produces ready-mix concrete, an associate that produces cement, the head office entity and two dormant entities.

We performed full-scope audits on three components that were considered significant due to risk or size.

No further audit procedures were performed over the two dormant entities which were considered inconsequential components.

Key audit matters

- Impairment assessment of goodwill allocated to the Métier Cash Generating Unit and investment in the Métier Mixed Concrete Proprietary Limited (“Métier”) subsidiary; and
- Impairment assessment of investment in associate.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and separate financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette Number 49309 dated 15 September 2023 (EAR Rule), we report final materiality and group audit scope below.

Final materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated and separate financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated and separate financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the final materiality for the consolidated and separate financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the consolidated and separate financial statements as a whole.

	Consolidated financial statements	Separate financial statements
Final materiality	R12.9 million	R10.3 million
How we determined it	1% of consolidated revenue.	1% of total assets.
Rationale for the materiality benchmark applied	<p>We chose consolidated revenue as the benchmark for materiality because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users and is a generally accepted benchmark.</p> <p>We chose 1% which is consistent with quantitative materiality thresholds used for profit-orientated companies in this sector.</p>	<p>We chose total assets as the benchmark because, in our view, it is the benchmark against which the performance of the Company is most commonly measured by users based on the nature and purpose of the Company and is a generally accepted benchmark.</p> <p>We chose 1% which is consistent with quantitative materiality thresholds used for investment holding companies.</p>

Group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

We considered the Group's legal structure and its financial reporting processes when identifying components for purposes of planning and performing audit procedures.

The Group consists of five components, which comprises one wholly-owned subsidiary that produces ready-mix concrete, an associate that produces cement, the head office entity and two dormant entities. Each component identified has a discrete set of financial information that is consolidated.

Our scoping assessment included consideration of the Group's significant components due to risk or size (based on contribution to consolidated assets, revenue and profit before tax), whether the component contains financial statement line items that present a significant or elevated risk in the consolidated financial statements as well as any other additional risk factors impacting the component. Following this assessment, we identified three components that were considered to be significant due to size or risk and two components that were considered inconsequential to the Group.

We determined that full-scope audits will be performed over all significant components. No further work was performed over the inconsequential components.

In establishing the overall approach to the Group audit, we determined the type of work that needed to be performed by the Group engagement team and a non-PwC firm acting under our instruction.

Where the work was performed by the component auditors, we determined the level of involvement we needed to have in the audit work of that component to be able to conclude on whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the consolidated financial statements as a whole. We issued group audit instructions and had various interactions with the component audit team, where we outlined key aspects such as recent developments at the component, audit risks, materiality, the scope of the audit and audit approaches.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In terms of ISA 701 *Communicating key audit matters in the independent auditor's report* / the EAR Rule (as applicable), we are required to report key audit matters and the outcome of audit procedures or key observations with respect to the key audit matters, and these are included below.

Key audit matter	How our audit addressed the key audit matter
<p><i>Impairment assessment of goodwill allocated to the Métier Cash Generating Unit and the investment in Métier Mixed Concrete Proprietary Limited (“Métier”)</i></p> <p><i>This key audit matter relates to the consolidated and separate financial statements.</i></p> <p>Refer to the following accounting policies and notes to the separate and consolidated financial statements for disclosures as it relates to this key audit matter:</p> <ul style="list-style-type: none"> • Material accounting policy 1.4: <i>Significant judgements and sources of estimation uncertainty</i> - Impairment of investment in subsidiaries and associate • Material accounting policy 1.19: <i>Goodwill</i>; • Note 5: <i>Goodwill</i>; and • Note 6: <i>Investments in subsidiaries</i>. <p>As at 31 March 2026, the Group’s consolidated statement of financial position included goodwill with a closing net book value of R224.1 million, while the Company’s separate statement of financial position included investments in subsidiaries with a carrying amount of R299.4 million.</p> <p>In accordance with IAS 36, <i>Impairment of Assets</i> (“IAS 36”), the Group performs an annual impairment assessment on goodwill, or more frequently, if there is an indicator of impairment on goodwill.</p>	<p>Our audit addressed this key audit matter as follows:</p> <ul style="list-style-type: none"> • We assessed the reasonableness of the valuation methodology applied by management by comparing the valuation methodology used by management to generally accepted valuation methodology, and found this to be consistent; • We tested the mathematical accuracy of the value-in-use calculation and the discounted cash flow model prepared by management, noting no material differences; • We agreed management’s cash flow forecast used in the discounted cash flow model in respect of the first year of the forecast period to the 2027 Board approved budget, noting no material exceptions; • We compared the cash flow forecasts over the projected forecast periods to historically achieved sales growth rates. We noted that the forecasts used were within a reasonable range of historically achieved results; • We assessed the appropriateness of management’s budgeting process by comparing the prior year Board approved budget to the actual results. Where variances in excess of our set threshold were identified, we obtained management explanations and inspected underlying supporting documentation. We found that the explanations and inspection of the underlying documentation supported the variances identified.

Key audit matter	How our audit addressed the key audit matter
<p>The Company assesses its investments in subsidiaries for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Reduced profitability and general economic downturn in the construction industry were identified as indicators of impairment of the investments in subsidiaries.</p> <p>Management performed an annual impairment assessment on the Métier CGU to which goodwill was allocated, using a value-in-use discounted cash flow model to determine the recoverable amount of the goodwill relating to the Métier CGU. The discounted cash flow model incorporates cash flows over a three-year period, and a projected terminal year, based on financial budgets or forecasts approved by the Board.</p> <p>In determining the value-in-use of the Métier CGU, the following key inputs were applied by management:</p> <ul style="list-style-type: none"> • Discount rate; • Terminal value growth rate; and • Sales growth rate. <p>Management's impairment assessment over goodwill relating to the Métier CGU and the Company's investment in Métier indicated that the respective carrying values were lower than the recoverable amounts, resulting in no impairment charge recognised.</p> <p>We considered the impairment assessment of goodwill relating to the Métier CGU and the Company's investment in Métier to be a matter of most significance to our current year audit of the consolidated and separate financial statements due to:</p> <ul style="list-style-type: none"> • the significant judgement applied by management with regard to determining the key assumptions and future cash flows that are included in the value-in-use calculation; and • the magnitude of goodwill and investment in subsidiaries balances recognised in relation to the consolidated and separate financial statements. 	<ul style="list-style-type: none"> • With the assistance of our internal valuation expertise, we independently calculated a weighted average cost of capital discount rate range, taking into account independently obtained data. We noted that the discount rate used by management was outside of our independently calculated range. • We performed a sensitivity analysis using our independently determined discount rate range and noted sufficient headroom such that no impairment would be required; • We compared the terminal value growth rate used by management to long-term inflation rates obtained from independent sources. The independently determined rate was incorporated into our stress testing referred to below in order to assess the impact of any difference on the valuation results; and • We performed stress testing on the value-in-use model to determine the degree by which the key inputs would need to fluctuate before an impairment was triggered and considered the likelihood of such fluctuations occurring. The results of our stress testing supported the reasonableness of management's conclusion that no impairment was required as at the reporting date.
<p><i>Impairment assessment of investment in associate</i></p> <p><i>This key audit matter relates to the consolidated financial statements only.</i></p> <p>Refer to the following accounting policies and notes to the consolidated financial statements for disclosures as it relates to this key audit matter:</p>	<p>Our audit addressed this key audit matter as follows:</p>

Key audit matter	How our audit addressed the key audit matter
<ul style="list-style-type: none"> • Material accounting policy 1.6: <i>Significant judgements and sources of estimation uncertainty</i> - Investments in associates; and • Note 7: <i>Investments in associates</i>. <p>The Group has an investment in Dangote Cement South Africa Proprietary Limited that has been classified as an associate and equity-accounted in the consolidated financial statements. As at 31 March 2026, the Group’s consolidated statement of financial position included the investment in associate with a carrying amount of R908.5 million.</p> <p>In terms of IAS 36, an impairment assessment should be performed if any indicators of impairment are identified.</p> <p>Reduced profitability experienced by the associate over the past few years and the continued economic downturn in the construction industry were factors indicating that the Group’s investment in associate may be impaired. A value-in-use discounted cash flow model was applied in assessing the carrying value of the equity-accounted associate. The discounted cash flow model incorporates cash flows over a three-year period, and a projected terminal year, based on budgets or forecasts approved by the associate’s Board.</p> <p>An enterprise value of the associate is derived from the discounted cash flow model and the Group’s ownership interest was then applied to the enterprise value in order to determine the recoverable amount of the investment in associate.</p> <p>In determining the value-in-use of the Group’s investment in associate, the following key inputs were applied by management:</p> <ul style="list-style-type: none"> • Discount rate; • Terminal value growth rate; and • Sales growth rate. <p>Management’s impairment testing performed over the investment in associate indicated that the respective carrying value of the investment was lower than the recoverable amount, resulting in no impairment charge recognised.</p> <p>We considered the impairment assessment of the investment in associate is considered to be a matter of most significance to the current year audit due to:</p> <ul style="list-style-type: none"> • the significant judgement applied by management with regard to determining the key assumptions and future cash flows of the associate which are included in the value-in-use calculation; and 	<ul style="list-style-type: none"> • We assessed the reasonableness of the valuation methodology applied by management by comparing the valuation methodology to generally accepted valuation methodology, and found this to be consistent; • We tested the mathematical accuracy of the value-in-use calculation and the discounted cash flow model prepared by management, noting no material exceptions; • We agreed management’s cash flow forecast in respect of the first year of the forecast period to the 2026 Board approved budget, noting no material exceptions; • We compared the cash flow forecasts over the projected forecast periods to historically achieved sales growth rates. We noted that the forecasts used were within a reasonable range of historically achieved results; • We assessed the appropriateness of management’s budgeting process by comparing the prior year Board approved budget to the actual results. Where variances in excess of our set threshold were identified we obtained management explanations and inspected underlying supporting documentation. We found that the explanations and inspection of the underlying documentation supported the variances identified; • With the assistance of our internal valuation expertise, we independently calculated a weighted average cost of capital discount rate range, taking into account independently obtained data. We noted that the discount rate used by management was outside of our independently calculated range; • We performed a sensitivity analysis using our independently determined discount rate range and noted sufficient headroom such that no impairment would be required; • We compared the associate’s actual results for the first quarter of its new financial year to the Board approved budget. Where variances in excess of our set threshold were identified, we obtained explanations and considered the impact of these variances on the forecast cash flows;

Key audit matter	How our audit addressed the key audit matter
<ul style="list-style-type: none"> the magnitude of the investment in associate in relation to the consolidated financial statements. 	<ul style="list-style-type: none"> We compared the terminal value growth rate used by management to long-term inflation rates obtained from independent sources. The independently determined rate was incorporated into our stress testing referred to below in order to assess the impact of any difference on the valuation results; and We performed stress testing on the value-in-use model to determine the degree by which the key inputs would need to fluctuate before an impairment was triggered and considered the likelihood of such fluctuations occurring. The results of our stress testing supported the reasonableness of management's conclusion that no impairment was required as at the reporting date.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document(s) titled "Sephaku Holdings Limited and its subsidiaries Annual Financial Statements for the year ended 31 March 2026", which include(s) the Directors' report, the Statement of compliance by audit and risk committee and the Statement of compliance by the company secretary as required by the Companies Act of South Africa, which we obtained prior to the date of this auditor's report, and the document(s) titled "Sephaku Holdings Ltd 2026 Integrated Annual Report", which is expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit

matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Audit tenure

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of Sephaku Holdings Limited for 3 years.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.

Director: Y Kharwa

Registered Auditor

Durban, South Africa

24 June 2026

Sephaku Holdings Limited and its subsidiaries

(Registration number 2005/003306/06)

Annual Financial Statements for the year ended 31 March 2026

Consolidated and separate statements of financial position as at 31 March 2026

Figures in Rand	Note(s)	Group		Company	
		2026	2025	2026	2025
Assets					
Non-current assets					
Property, plant and equipment	3	358,227,608	282,068,060	37,173	62,865
Right-of-use assets	4	41,925,713	28,196,013	-	-
Goodwill	5	224,063,063	223,421,981	-	-
Investments in subsidiaries	6	-	-	299,378,039	299,378,029
Investments in associates	7	908,486,024	865,605,033	718,417,230	683,689,159
Other financial assets	12	-	7,272,626	6,111,226	7,272,626
Other investments	13	4,617,366	800,000	800,000	800,000
		1,537,319,774	1,407,363,713	1,024,743,668	991,202,679
Current assets					
Inventories	14	25,095,237	24,575,616	-	-
Loans to group companies	8	-	-	12,229	12,229
Loans receivable (at amortised cost)	9	-	94,279	-	-
Trade and other receivables	10	147,874,512	122,175,340	3,694,300	2,152,863
Current tax receivable		1,372,472	-	-	-
Cash and cash equivalents	15	30,058,363	29,768,153	3,354,521	2,389,367
		204,400,584	176,613,388	7,061,050	4,554,459
Total assets		1,741,720,358	1,583,977,101	1,031,804,718	995,757,138
Equity and liabilities					
Equity					
Share capital	16	682,965,910	682,965,910	682,965,910	682,965,910
Other equity	16	(25,223,505)	(23,629,110)	-	-
Retained income		723,430,243	630,116,442	235,430,605	216,477,001
		1,381,172,648	1,289,453,242	918,396,515	899,442,911
Liabilities					
Non-current liabilities					
Borrowings	19	116,558,125	92,034,257	-	-
Lease liabilities	4	33,687,977	18,920,220	-	-
Deferred tax	11	39,201,990	27,608,027	-	-
		189,448,092	138,562,504	-	-
Current liabilities					
Trade and other payables	21	111,643,931	104,603,283	2,260,350	1,775,780
Loans from group companies	18	-	-	111,147,853	94,523,036
Borrowings	19	46,484,722	32,337,153	-	-
Lease liabilities	4	12,970,965	18,642,280	-	-
Current tax payable		-	378,639	-	15,411
		171,099,618	155,961,355	113,408,203	96,314,227
Total liabilities		360,547,710	294,523,859	113,408,203	96,314,227
Total equity and liabilities		1,741,720,358	1,583,977,101	1,031,804,718	995,757,138

Sephaku Holdings Limited and its subsidiaries

(Registration number 2005/003306/06)

Annual Financial Statements for the year ended 31 March 2026

Consolidated and separate statements of profit or loss and other comprehensive income

Figures in Rand	Note(s)	Group		Company	
		2026	2025	2026	2025
Revenue	22	1,291,486,841	1,182,844,822	49,681,607	41,137,358
Other operating income	23	8,938,032	1,015,747	-	-
Other operating losses	24	-	(6,622)	-	(6,622)
Movement in credit loss allowances		-	1,047,994	-	(473,054)
Raw materials		(745,239,628)	(706,002,253)	-	-
Transportation		(154,882,964)	(146,341,586)	-	-
Production expenses		(29,077,811)	(28,986,737)	-	-
Employee benefit expenses		(134,271,239)	(111,871,889)	(24,510,222)	(18,212,144)
Depreciation on property, plant and equipment		(50,714,969)	(41,930,448)	(25,692)	(15,536)
Other operating expenses		(62,447,875)	(61,266,964)	(5,097,311)	(4,843,327)
Operating profit		123,790,387	88,502,064	20,048,382	17,586,675
Investment income	25	5,363,175	2,794,863	100	1,193
Finance costs	26	(18,124,506)	(15,484,113)	(677)	(564)
Income from equity-accounted investments		8,152,920	14,663,520	-	-
Profit before taxation		119,181,976	90,476,334	20,047,805	17,587,304
Taxation	27	(25,868,175)	(16,925,027)	(1,094,201)	(976,768)
Profit for the year		93,313,801	73,551,307	18,953,604	16,610,536
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		93,313,801	73,551,307	18,953,604	16,610,536
Basic earnings per share (cents)	36	40.50	31.57		
Diluted earnings per share (cents)	36	40.50	31.57		

Sephaku Holdings Limited and its subsidiaries

(Registration number 2005/003306/06)

Annual Financial Statements for the year ended 31 March 2026

Consolidated and separate statements of changes in equity

Figures in Rand	Share capital	Other equity	Total share capital	Other NDR	Retained income	Total equity
Group						
Balance at 1 April 2024	682,965,910	(13,914,974)	669,050,936	2,738,696	553,826,439	1,225,616,071
Profit for the year	-	-	-	-	73,551,307	73,551,307
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	73,551,307	73,551,307
Purchase of treasury shares	-	(9,714,136)	(9,714,136)	-	-	(9,714,136)
Transfer between reserves	-	-	-	(2,738,696)	2,738,696	-
Total contributions by and distributions to owners of company recognised directly in equity	-	(9,714,136)	(9,714,136)	(2,738,696)	2,738,696	(9,714,136)
Balance at 1 April 2025	682,965,910	(23,629,110)	659,336,800	-	630,116,442	1,289,453,242
Profit for the year	-	-	-	-	93,313,801	93,313,801
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	93,313,801	93,313,801
Business combinations - treasury shares	-	(2,777,250)	(2,777,250)	-	-	(2,777,250)
Disposal of treasury shares (CCM)	-	1,182,855	1,182,855	-	-	1,182,855
Total contributions by and distributions to owners of company recognised directly in equity	-	(1,594,395)	(1,594,395)	-	-	(1,594,395)
Balance at 31 March 2026	682,965,910	(25,223,505)	657,742,405	-	723,430,243	1,381,172,648
Note(s)	16	16	16			
Company						
Balance at 1 April 2024	682,965,910	-	682,965,910	2,738,696	197,127,769	882,832,375
Profit for the year	-	-	-	-	16,610,536	16,610,536
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	16,610,536	16,610,536
Employees share option scheme: Proceeds of shares issued	-	-	-	(2,738,696)	2,738,696	-
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	(2,738,696)	2,738,696	-
Balance at 1 April 2025	682,965,910	-	682,965,910	-	216,477,001	899,442,911
Profit for the year	-	-	-	-	18,953,604	18,953,604
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	18,953,604	18,953,604
Balance at 31 March 2026	682,965,910	-	682,965,910	-	235,430,605	918,396,515
Note(s)	16	16	16			

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Consolidated and separate statements of cash flows

Figures in Rand	Note(s)	Group		Company	
		2026	Restated 2025	2026	2025
Cash flows from operating activities					
Cash generated from operations	28	148,077,897	125,203,986	19,017,197	16,675,633
Interest received		5,361,770	1,905,289	100	1,193
Interest paid		(6,688)	(285,501)	(677)	(564)
Taxation paid	29	(16,025,323)	(9,651,612)	(1,109,612)	(929,837)
Net cash from operating activities		137,407,656	117,172,162	17,907,008	15,746,425
Cash flows from investing activities					
Purchase of property, plant and equipment	3	(119,885,752)	(124,278,075)	-	(77,074)
Proceeds from sale of property, plant and equipment	3	16,034,088	4,753,684	-	-
Investment in associate	7	(34,728,071)	-	(34,728,071)	-
Cash received on business combinations	30	36,675	-	-	-
Cash receipts on repayments of other financial assets	12	-	2,392,460	1,161,400	2,392,460
Net cash (used in)/ from investing activities		(138,543,060)	(117,131,931)	(33,566,671)	2,315,386
Cash flows from financing activities					
Acquisition of treasury shares	16	-	(9,714,136)	-	-
Proceeds on sale of treasury shares	16	1,182,855	-	-	-
Proceeds from external borrowings and instalment sale agreements	20	76,962,473	82,683,564	-	-
Repayments of loans from group companies	18	-	-	(17,875,183)	(18,348,284)
Cash advances received on loans from group companies	18	-	-	34,500,000	-
Repayments of principal on instalment sales	20	(37,008,165)	(22,881,134)	-	-
Repayments of interest on instalment sales	20	(13,098,458)	(10,132,347)	-	-
Repayments of principal on external borrowings	20	(1,282,871)	(653,686)	-	-
Repayments of interest on external borrowings	20	(1,258,602)	(866,581)	-	-
Payment of principal on lease liabilities	4	(20,310,860)	(17,912,537)	-	-
Payment of interest on lease liabilities	4	(3,760,758)	(4,199,684)	-	-
Net cash (used in)/ from financing activities		1,425,614	16,323,459	16,624,817	(18,348,284)
Total cash movement for the year		290,210	16,363,690	965,154	(286,473)
Cash and cash equivalents at the beginning of the year		29,768,153	13,404,463	2,389,367	2,675,840
Cash and cash equivalents at the end of the year	15	30,058,363	29,768,153	3,354,521	2,389,367

Note A

Note A - The consolidated statement of cash flows for the prior year has been corrected to disclose the acquisition of Property, plant and equipment (PPE) through instalment sale agreements (ISAs) of R68,683,564 as a cash outflow from investing activities, and the corresponding proceeds from ISAs of R68,683,564 as a cash inflow from financing activities. The resulting impact is an increase in the net cash (used in) investing activities of (R68,683,564) and net cash from financing activities of R68,683,564. Although cash does not flow through the Group's bank account at the time the PPE is acquired, presenting gross cash flows is more reflective of the substance of the cash flow as the lender acts as an agent on behalf of the Group. This adjustment does not impact any of the other primary statements.

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Material accounting policies

1. Material accounting policies

1.1 Basis of preparation

The consolidated and separate annual financial statements have been prepared in accordance with IFRS® Accounting Standards issued by the International Accounting Standards Board (IASB), including interpretations developed by the International Financial Reporting Interpretations Committee (IFRIC® Interpretations) (IFRS Accounting Standards), the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council (FRSC), the requirements of the Companies Act of South Africa and the JSE Listings Requirements.

The financial statements have been prepared on the historic cost convention, except for certain financial assets, such as other investments and the equity method of accounting for investments in associate. They incorporate the principal accounting policies set out below and are presented in South African rands, which is the Group and the Company's functional currency. Accounting policies that refer to "consolidated or group", apply equally to the Company financial statements where relevant.

These accounting policies are consistent with the previous period.

1.2 Consolidation

Basis of consolidation

The consolidated annual financial statements incorporate the annual financial statements of the Company and all subsidiaries. Subsidiaries are entities which are controlled by the Group. Accounting policies are applied consistently in all group companies.

The results of subsidiaries are included in the consolidated financial statements for the duration of the period in which the Group exercised control over the subsidiaries.

All inter-company transactions, balances, and unrealised gains on transactions between group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Business combinations

The Group accounts for business combinations using the acquisition method as the acquisition date – ie, when control is transferred to SepHold. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred.

The acquiree's identifiable assets, liabilities and contingent liabilities are recognised at their fair values at acquisition date.

On acquisition, the acquiree's assets and liabilities are reassessed in terms of classification and are reclassified where the classification is inappropriate for Group purposes. This excludes lease agreements and insurance contracts, whose classification remains as per their inception date.

Goodwill is determined as the consideration paid, plus the fair value of any shareholding held prior to obtaining control, plus non-controlling interest and less the fair value of the identifiable assets and liabilities of the acquiree. If, in the case of a bargain purchase, the result of this formula is negative, then the difference is recognised directly in profit or loss.

Goodwill is not amortised but is tested on an annual basis for impairment. If goodwill is assessed to be impaired, that impairment is not subsequently reversed.

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Material accounting policies

1.3 Investments in subsidiaries

Company annual financial statements

In the Company's separate annual financial statements, investments in subsidiaries are carried at cost less any accumulated impairment. Investments in subsidiaries are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Any impairment suffered is reviewed for possible reversal of the impairment at the end of each reporting period.

1.4 Significant judgements and sources of estimation uncertainty

Key sources of estimation uncertainty

The key assumptions and sources of estimation uncertainty at the reporting date that could have significant risk of causing material adjustment to the carrying amounts of the assets and liabilities within the new financial year are listed below:

Useful lives and residual values of assets

Items of property, plant and equipment are depreciated over their useful lives taking into account residual values, where applicable.

Useful lives and residual values are reviewed annually, taking into account factors such as the expected usage, physical output, market demand for the output of the assets and legal or similar limits on the assets.

Goodwill

Goodwill is considered for impairment at least annually. Determining whether goodwill is impaired requires an estimation of the recoverable amount of the cash-generating unit (CGU) to which goodwill has been allocated. The recoverable amount is determined as the higher of the value-in-use and fair value less cost to sell of the CGU. The value-in-use calculation requires the entity to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value of future cash flows. Management estimates the discount rate using pre-tax rates that reflect current market assessments of the time value of money and risks specific to the CGU. The growth rates are based on industry growth forecasts. The key assumptions used in the calculations and a sensitivity analysis are disclosed in note 5 of the consolidated financial statements.

Impairment of investment in subsidiaries and associate

The indicators and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of investment in subsidiaries and associate are highlighted in note 6 and 7.

Trade and other receivables

The Group makes use of a simplified approach in accounting for trade receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. The Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix. Refer to note 10 Trade receivables for more details. The approach remained consistent with the prior year.

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Material accounting policies

1.5 Property, plant and equipment

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets, where appropriate.

Subsequent to initial recognition, property, plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using the straight-line method. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The estimation of the useful lives of assets is based on historic performance as well as expectations about future use, and therefore requires a significant degree of judgement to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Management assess the appropriateness of the useful lives of property, plant and equipment at the end of each reporting period. The useful lives of plant and machinery, motor vehicles, furniture and fixtures and computer equipment are determined based on group replacement policies for the various assets. Individual assets within these classes, which have a significant carrying amount are assessed separately to consider whether replacement will be necessary outside of normal replacement parameters. The useful life of manufacturing equipment is assessed annually based on factors including wear and tear, technological obsolescence and usage requirements. When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation charge.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average useful life
Land	*
Plant and machinery	10 to 20 years
Furniture and fixtures	6 to 8 years
Motor vehicles	5 to 10 years
Computer equipment	2 to 6 years

* Land is not depreciated as it has an indefinite useful life.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

Capital work in progress represent the construction of a new plant. These assets are measured at cost and are not depreciated until they are available for use. The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting . No material changes were made.

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Annual Financial Statements for the year ended 31 March 2026

Material accounting policies

1.6 Investments in associates

Group annual financial statements

In the financial statements, investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the Group's share of the after-tax profit or loss of the investee after the date of acquisition. The year-end of SepCem is 31 December 2025. The use of the different date in applying the equity method is due to the practicality of obtaining the audited March 2026 results timeously.

As a result, "lag reporting" has been applied where the audited financial information of the Associate for the period from 1 January 2025 to 31 December 2025 has been used for equity accounting purposes. The impact of any significant transactions that occur in the period from 1 January 2026 to 31 March 2026 are adjusted for when equity accounting.

Company annual financial statement

In the financial statements, investments in associates are carried at cost less any accumulated impairment losses. The Company's investment in associates includes goodwill identified on acquisition.

1.7 Financial instruments

Financial instruments held by the Group are classified in accordance with IFRS 9 *Financial Instruments* and are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the Group are presented below:

Classification and initial measurement of financial assets

Other than for financial assets classified as at fair value through profit and loss, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets are classified into the following categories:

- Amortised cost;
- Fair value through profit or loss (FVTPL); and
- Fair value through other comprehensive income (FVOCI).

During the period the financial assets consisted of trade and other receivables, loans receivable, cash and cash equivalents, other financial assets and other investments. In the periods presented the Group does not have any financial assets categorised as FVOCI.

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented separately on the statement of profit or loss and other comprehensive income.

Subsequent measurement

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- They are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows.
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method.

The Group's cash and cash equivalents, trade and loan receivables and the Company's loans to group companies fall into this category of financial instruments.

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Material accounting policies

1.7 Financial instruments (continued)

Loans receivable

Loans receivable are subject to the impairment provisions of IFRS 9 *Financial Instruments*, which requires a loss allowance to be recognised for all exposures to credit risk. The loss allowance for loans receivable is calculated based on 12-month expected losses if the credit risk has not increased significantly since initial recognition. In cases where the credit risk has increased significantly since initial recognition, the loss allowance is calculated based on lifetime expected credit losses. The loss allowance is updated to either 12-month or lifetime expected credit losses at each reporting date based on changes in the credit risk since initial recognition. If a loan is considered to have a low credit risk at the reporting date, then it is assumed that the credit risk has not increased significantly since initial recognition. On the other hand, if a loan is in arrears more than 90 days, then it is assumed that there has been a significant increase in credit risk since initial recognition.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT and pre-payments. The amount of expected credit losses is updated at each reporting date.

The Group measures the loss allowance for trade and other receivables which do not contain a significant financing component at an amount equal to lifetime expected credit losses (lifetime ECL). The loss allowance for all other trade and other receivables is measured at lifetime ECL when there has been a significant increase in credit risk since initial recognition. If the credit risk on these receivables has not increased significantly since initial recognition, then the loss allowance for those receivables is measured at 12-month expected credit losses (12-month ECL).

The impairment requirements use more forward-looking information to recognise expected credit losses – the expected credit loss (ECL) model.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk (Stage 1);
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low (Stage 2); and
- financial assets that have objective evidence of impairment at the reporting date. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a loan (stage 3).

In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on trade receivables that are possible within 12 months after the reporting date.

Trade and other receivables

The Group makes use of a simplified approach in accounting for trade receivables, as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. The Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics and they have been grouped based on the days past due. Refer to note 10 for a detailed analysis of how the impairment requirements of IFRS 9 are applied.

The accounting policy for impairment of trade and other receivables is set out in the loss allowances and write-offs accounting policy.

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Material accounting policies

1.7 Financial instruments (continued)

Significant increase in credit risk

In assessing whether the credit risk on a receivable or group of receivables has increased significantly since initial recognition, the Group compares the risk of a default occurring as at the reporting date with the risk of a default occurring as at the date of initial recognition.

The Group considers qualitative information by reference to the customers' cash flow and liquid asset position, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the counterparties operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information.

By contrast, if a receivable is assessed to have a low credit risk at the reporting date, then it is assumed that the credit risk has not increased significantly since initial recognition.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increases in credit risk before the amount becomes past due.

Definition of default

The Group considers that a default event has occurred if there is either a breach of financial covenants by the counterparty, or if internal or external information indicates that the counterparty is unlikely to pay its creditors in full (without taking collateral into account). This is assessed based on a number of factors including various liquidity and solvency ratios.

Measurement and recognition of expected credit losses

The Group makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade receivables in totality. Details of the provision matrix is presented in note 10.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is presented separately on the face of the statement of profit or loss and other comprehensive income as a "movement in loss allowances".

Write-off policy

The Group writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, eg when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the Group recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Trade and other payables

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). If not, they are presented as non-current liabilities.

Trade and other payables also includes income received in advance which represents deposits from customers with no formal credit terms. These do not represent contract liabilities in terms of IFRS15 as no sales have occurred and these are refundable to customers, if required.

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Material accounting policies

1.7 Financial instruments (continued)

Classification and measurement of financial liabilities

Financial liabilities are initially measured at fair value and, where applicable, adjusted for transaction costs.

Trade and other payables (note 21), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

The Group's financial liabilities include trade and other payables, bank overdraft, loans from group companies, lease obligations, instalment sales, external borrowings and other financial liabilities.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

All interest-related charges are included within finance costs or finance income.

Cash and cash equivalents

Cash and cash equivalents are initially stated at fair value, and subsequently carried at amortised cost which is deemed to be fair value. Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are included in current liabilities on the statement of financial position.

Derecognition

Financial assets

Financial assets (or a portion thereof) are derecognised when the rights to receive cash flows from the asset have expired or have been transferred and the Group has substantially transferred all risks and rewards of ownership. On derecognition, the difference between the carrying amount of the financial asset and the proceeds receivable is included in the income statement.

Financial liabilities

The Group derecognises financial liabilities when, and only when, the Group obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

1.8 Taxation

Current taxation assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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Material accounting policies

1.8 Taxation (continued)

Deferred taxation assets and liabilities

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated statement of financial position differs from its tax base, except for differences arising on:

- the initial recognition of goodwill;
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit; and
- investments in subsidiaries and associates where the Group is able to control timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- the same taxable group company; or
- different group entities which intend either to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Taxation expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income; or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

1.9 Leases

The Group assesses whether a contract is, or contains a lease, at the inception of the contract.

No contracts were identified that required specific judgement as to whether they contained leases.

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Material accounting policies

1.9 Leases (continued)

Group as lessee

The Group assesses whether a contract is, or contains a lease, at the inception of the contract.

The Group recognises right-of-use assets and lease liabilities at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

The right-of-use assets include land and buildings. These right-of-use assets are measured at cost comprising of the initial measurement of the lease liability, initial direct cost, any lease payments made at or before the commencement date less any incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and accumulated impairment losses and are depreciated over the shorter period between the lease term and the useful life of the asset on a straight-line basis. Depreciation is recognised on the shorter of the lease term or useful life of the leased asset. However, if a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of a lease. For right-of-use assets which are depreciated over their useful lives, the useful lives are determined by the lease term of the asset. The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right-of-use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

The useful lives of items of right-of-use assets have been assessed as follows in line with the lease terms:

Item	Depreciation method	Average useful life
Land	Straight line	3 to 10 years
Buildings	Straight line	2 to 8 years

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments.
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable under a residual value guarantee.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's and the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Group or the Company change their assessment of whether it will exercise a purchase, extension or terminate option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets, including computer and office equipment. The Group and the Company recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

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Material accounting policies

1.10 Inventories

Inventories are measured at the lower of cost and net realisable value. Costs include expenditure incurred in acquiring the inventories and bringing them to their present location and condition, all direct production costs and an appropriate portion of overheads.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the entity.

Slow-moving stock assessed where the net realised value is lower than the cost to be impaired or obsolete is written down. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.11 Impairment of non-financial assets

The Group assesses at each end of the reporting period whether there is any indication that goodwill and property, plant and equipment may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value-in-use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

Irrespective of whether there is any indication of impairment, the Group also tests goodwill acquired in a business combination for impairment annually.

Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units or groups of units.

An impairment loss is recognised for cash-generating units if the recoverable amount of the unit is less than the carrying amount of the units. The impairment loss is allocated to reduce the carrying amount of the assets of the unit in the following order:

- first, to reduce the carrying amount of any goodwill allocated to the cash-generating unit; and
- then, to the other assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

The Group assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss.

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Material accounting policies

1.12 Share capital and equity

Ordinary shares are recognised at par value and classified as "share capital" in equity. Dividends are recognised as a liability in the year in which they are declared.

1.13 Other equity

Where any group company purchases the Company's equity instruments, for example as the result of a share buyback or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the owners of SepHold as treasury shares until the shares are cancelled or re-issued.

Where such ordinary shares are subsequently re-issued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of SepHold.

1.14 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care) are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance. The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal obligation to make such payments as a result of past performance.

Retirement benefits

Post-employment benefits

For defined contribution plans, the amount charged to the profit or loss are the contributions paid or payable during the reporting period.

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Material accounting policies

1.15 Revenue from contracts with customers

Revenue comprises income arising in the course of the Group's ordinary activities. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or when services are rendered to a customer. Revenue is recognised net of value added tax, returns, rebates, discounts and other allowances.

Sales of goods (at a group level) comprise the sale of ready-mix concrete, arising mainly from the sale of a variety of standard and specialised high-value concrete products to the construction industry. This includes the manufacture and supply of quality ready-mixed concrete products for the residential, commercial and industrial markets in South Africa. Revenue from the sale of goods includes concrete pumping services and these sales are identified as being a single performance obligation. Revenue is recognised only once all performance obligations of the Group to the customer have been satisfied and to the extent that it is highly probable that a significant reversal will not occur. Revenue is recognised when or as the Group transfers control of the asset at a point in time to the customer on the day the goods are delivered to the customer together with a signed delivery note. There are no variable considerations included in contracts. The transaction price for the sale of ready-mix concrete is based on a price per cubic metre sold for concrete. The transaction price for concrete pumping services is based on set rates for pump establishments and varies based on the quantity pumped.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position.

Revenue from the sale of services (the Company) relate to management fees rendered. The Company recognises revenue from management fees over the time the services are rendered.

The management fee represents compensation for administrative and oversight services provided by the Company, including strategic planning, operational support, governance-related activities and procurement support services.

The following payment terms are applicable to the Group:

- Sale of goods: 30 days from statement date or cash on delivery; and
- Sale of services: payable on presentation of the invoice.

1.16 Instalment sales liabilities

Instalment sale agreements are treated similarly to finance leases, meaning they are recognised as liabilities on the statement of financial position. The liability is recorded at the present value of the future instalments.

Interest paid is recognised separately from the principal repayment on the Statement of profit or loss and other comprehensive income.

The Group discloses the details of the instalment sale agreements, including interest rates and repayment terms (refer to note 19 Borrowings).

1.17 Earnings per share

Basic and diluted earnings per share (EPS)

Basic EPS is calculated in accordance with IAS 33, considering net income attributable to ordinary equity holders and the weighted average number of ordinary shares outstanding.

The diluted EPS calculation considers the potential impact of dilutive securities (like convertible debt, options, or warrants) on EPS.

EPS is presented on the face of the Statement of Profit or Loss and Other Comprehensive Income for both basic and diluted EPS.

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Material accounting policies

1.17 Earnings per share (continued)

Headline earnings per share (HEPS)

Headline Earnings is the adjusted earnings figure that excludes certain non-recurring items, providing a clearer view of core profitability. The Group takes into account the "look-through" adjustments of the equity-accounted associate when calculating the HEPS.

The full details of HEPS are disclosed in note 36 Net asset value per share and earnings per share.

1.18 Operating segments

Operating segments are reported on in a manner consistent with internal reporting provided to the chief operating decision maker.

The business manages and reports on ready-mix concrete and cement as the two main segments.

Ready-mix concrete – this part of the business manufactures and sells ready-mixed concrete in South Africa.

Cement – this equity-accounted associate is an integrated cement and clinker producer in South Africa.

The chief operating decision maker, who is responsible for allocating resources and assessing performance of the reportable operating segments, has been identified as the executive board members of the Group.

1.19 Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree. It is reported in the statement of financial position as a non-current asset and carried at cost less accumulated impairment losses. Goodwill is allocated to each of the cash-generating units (CGUs) that are expected to benefit from the synergies of the combination. Each CGU to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at a CGU level. Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment.

The carrying value of goodwill is compared to the recoverable amount, which is the higher of value-in-use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

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2. New standards and interpretations

2.1 Standards and interpretations not yet effective

The Group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Group's accounting periods beginning on or after 1 April 2026 or later periods:

IFRS 18 Presentation and Disclosure in Financial Statements

This is a new standard which replaces IAS 1 *Presentation of Financial Statements* and introduces several new presentation requirements. The first relates to categories and subtotals in the statement of financial performance. Income and expenses will be categorised into operating, investing, financing, income taxes and discontinued operations categories, with two new subtotals, namely "operating profit" and "profit before financing and income taxes" also being required. These categories and sub totals are defined in IFRS 18 for comparability and consistency across entities. The next set of changes requires disclosures about management-defined performance measures in a single note to the financial statements. These include reconciliations of the performance measures to the IFRS defined subtotals, as well as a description of how they are calculated, their purpose and any changes. The third set of requirements enhance the guidance on grouping of information (aggregation and disaggregation) to prevent the obscuring of information.

The effective date of the amendment is for years beginning on or after 1 January 2027.

The Group expects to adopt the amendment for the first time in the 2028 annual financial statements.

The adoption of this amendment is not expected to impact on the results of the Group, but will result in changes to the presentation of the statements of profit or loss and other comprehensive income.

Amendments to IFRS 7 Financial Instruments: Disclosures

Annual Improvements to IFRS Accounting Standards - Volume 11 - Gain or loss on derecognition - Amendment to delete an obsolete reference that remained in IFRS 7 after the publication of IFRS 13 *Fair Value Measurement*, as well as to improve consistency of wording of the requirements of IFRS 7 with IFRS 13 concepts regarding disclosure of a gain or loss on derecognition.

The effective date of the amendment is for years beginning on or after 1 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 annual financial statements.

The adoption of this amendment is not expected to impact on the results of the Group.

Amendments to IFRS 9 Financial Instruments

Annual Improvements to IFRS Accounting Standards - Volume 11 - Derecognition of lease liabilities. The amendment clarifies that if a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to recognise any resulting gain or loss in profit or loss.

The effective date of the amendment is for years beginning on or after 1 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 annual financial statements.

The impact of this amendment is currently being assessed, but is not expected to have a material impact on the Group's and the Company's results.

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2. New standards and interpretations (continued)

Amendments to IFRS 10 Consolidated Financial Statements

Annual Improvements to IFRS Accounting Standards - Volume 11 - Determination of a 'de facto agent'. The amendment is to clarify whether a party acts as a de facto agent in assessing control of an investee.

The effective date of the amendment is for years beginning on or after 1 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 annual financial statements.

It is unlikely that the amendment will have a material impact on the Group's annual financial statements.

Amendments to IAS 10 Statement of Cash flows

Annual Improvements to IFRS Accounting Standards - Volume 11 - Cost method - Amendment to replace the term 'cost method' with 'at cost' following the earlier removal of the definition of cost method from IFRS Accounting Standards.

The effective date of the amendment is for years beginning on or after 1 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 annual financial statements.

The adoption of this amendment is not expected to impact on the results of the Group.

Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments.

The amendments clarify the classification of financial assets with environmental, social and corporate governance (ESG) and similar features, as such features could affect whether the assets are measured at amortised cost or fair value. The amendment also clarifies the date on which a financial asset or financial liability is derecognised in cases where liabilities are settled through electronic payment systems.

The effective date of the amendment is for years beginning on or after 1 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 annual financial statements.

The adoption of this amendment is not expected to impact on the results of the Group.

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Notes to the financial statements

3. Property, plant and equipment

Group	2026			2025		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Land	26,960,000	-	26,960,000	29,626,309	-	29,626,309
Plant and machinery	213,064,111	(88,845,555)	124,218,556	162,393,525	(77,507,070)	84,886,455
Furniture and fixtures	1,002,998	(959,614)	43,384	1,002,998	(934,062)	68,936
Motor vehicles	280,045,935	(81,909,303)	198,136,632	239,085,160	(80,824,143)	158,261,017
Computer equipment	4,962,337	(4,406,266)	556,071	4,595,221	(4,263,349)	331,872
Capital - work in progress (asset under construction - fleet)	8,312,965	-	8,312,965	-	-	-
Capital - work in progress (asset under construction)	-	-	-	8,893,471	-	8,893,471
Total	534,348,346	(176,120,738)	358,227,608	445,596,684	(163,528,624)	282,068,060

Company	2026			2025		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Computer equipment	140,592	(103,419)	37,173	140,592	(77,727)	62,865

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Notes to the financial statements

3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Group - 2026

	Opening balance	Additions	Additions - instalment sale agreements	Disposals	Transfers	Depreciation	Total
Land	29,626,309	-	-	(2,666,309)	-	-	26,960,000
Plant and machinery	84,886,455	1,238,901	-	(43,542)	49,818,944	(11,682,202)	124,218,556
Furniture and fixtures	68,936	-	-	-	-	(25,552)	43,384
Motor vehicles	158,261,017	10,315,885	39,919,044	(5,961,070)	18,670,628	(23,068,872)	198,136,632
Computer equipment	331,872	502,856	-	(17,916)	-	(260,741)	556,071
Capital - work in progress (asset under construction - fleet)	-	3,729,844	23,253,749	-	(18,670,628)	-	8,312,965
Capital - work in progress (asset under construction)	8,893,471	27,135,793	13,789,680	-	(49,818,944)	-	-
	282,068,060	42,923,279	76,962,473	(8,688,837)	-	(35,037,367)	358,227,608

Reconciliation of property, plant and equipment - Group - 2025

	Opening balance	Additions	Additions - instalment sale agreements	Disposals	Transfers	Depreciation	Total
Land	2,666,309	26,960,000	-	-	-	-	29,626,309
Plant and machinery	48,151,014	712,563	-	-	44,515,231	(8,492,353)	84,886,455
Furniture and fixtures	96,876	-	-	-	-	(27,940)	68,936
Motor vehicles	127,445,350	5,997,997	46,895,939	(3,237,385)	-	(18,840,884)	158,261,017
Computer equipment	338,987	272,442	-	(6,622)	-	(272,935)	331,872
Capital - work in progress	11,169,568	21,651,509	21,787,625	(1,200,000)	(44,515,231)	-	8,893,471
	189,868,104	55,594,511	68,683,564	(4,444,007)	-	(27,634,112)	282,068,060

Reconciliation of property, plant and equipment - Company - 2026

	Opening balance	Depreciation	Total
Computer equipment	62,865	(25,692)	37,173

Reconciliation of property, plant and equipment - Company - 2025

	Opening balance	Additions	Disposals	Depreciation	Total
Computer equipment	7,949	77,074	(6,622)	(15,536)	62,865

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3. Property, plant and equipment (continued)

Property, plant and equipment encumbered as security

Refer to note 15 Cash and cash equivalents and note 19 Borrowings for details of property, plant and equipment encumbered as security for borrowings.

Additions - instalment sale agreements

Additions of R76,962,473 (2025: R68,683,564) relate to the purchase of motor vehicles through instalment sale agreements R39,919,044 (2025: R46,895,939), the purchase of assets under construction - fleet R23,253,749 (2025: Rnil), the purchase of assets under construction R13,789,680 (2025: R21,787,625) and other non-cash adjustments Rnil (2025: R612,054). Refer to note 19 for further details of the instalment sale agreements. The presentation of additions through instalment sale agreements in the consolidated statement of cash flows has been restated. Refer to the note included in the consolidated statement of cash flows.

Details of properties

Portion 0 of Erf 233, Phoenix Industrial Park

- Purchase price: 12 June 2009	2,400,000	2,400,000	-	-
- Additions since purchase	266,309	266,309	-	-
- Disposal	(2,666,309)	-	-	-
	-	2,666,309	-	-

Erf 126 Phoenix Industrial Park

- Purchase price: 8 May 2024	21,000,000	21,000,000	-	-
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Portion 7 on Erf 1029, Isipingo

- Purchase price: 6 February 2025	5,960,000	5,960,000	-	-
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Registers with details of land and buildings are available for inspection by shareholders or their duly authorised representatives at the registered office of the Company and its respective subsidiaries.

4. Right-of-use assets

The Group entered into leasing arrangements for certain of its assets, including land and buildings. The average lease term is five years (2025: six years) and the incremental borrowing rate is prime lending rate (2025: the incremental borrowing rate is the prime lending rate).

Details pertaining to leasing arrangements, where the Group is lessee are presented below:

Group	2026			2025		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Land	72,931,011	(41,871,098)	31,059,913	55,870,176	(37,172,147)	18,698,029
Buildings	25,513,715	(14,647,915)	10,865,800	36,890,915	(27,392,931)	9,497,984
Total	98,444,726	(56,519,013)	41,925,713	92,761,091	(64,565,078)	28,196,013

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Figures in Rand	Group		Company	
	2026	2025	2026	2025

4. Right-of-use assets (continued)

Net carrying amounts of right-of-use assets

The carrying amounts of right-of-use assets are included in the following line items:

Land	31,059,913	18,698,029	-	-
Buildings	10,865,800	9,497,984	-	-
	41,925,713	28,196,013	-	-

Additions to right-of-use assets

During the current year, the Group entered into nine (2025: one) new lease agreements. The average lease term for these new agreements are five (2025: six) years. There are no specific restrictions or covenants imposed by the leases, no variable lease payments and no residual value guarantees. There are no leases that have not yet commenced to which the Group is committed.

Land	22,382,990	2,782,240	-	-
Buildings	7,024,313	-	-	-
	29,407,303	2,782,240	-	-

Depreciation recognised on right-of-use assets

Depreciation recognised on each class of right-of-use assets, is presented below. It includes depreciation which has been expensed in the total depreciation charge in profit or loss, as well as depreciation which has been capitalised to the cost of other assets.

Land	10,941,892	9,484,290	-	-
Buildings	4,735,710	4,812,046	-	-
	15,677,602	14,296,336	-	-

Other disclosures

Interest expense on lease liabilities	3,760,758	4,199,684	-	-
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Interest is at prime lending rate.

Payments associated with short-term leases of offices are recognised on a straight-line basis as an expense in profit or loss.

At 31 March 2026, the Group included an amount of R435,256 (2025: R243,101) within operating expenses in the statement of profit or loss and other comprehensive income. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

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Figures in Rand	Group		Company	
	2026	2025	2026	2025

4. Right-of-use assets (continued)

Lease liabilities

Lease liabilities have been included in the lease liabilities line item on the statement of financial position.

The maturity analysis of lease liabilities is as follows:

Minimum lease payments due

Within one year	17,022,068	21,162,638	-	-
Two to five years	38,090,163	20,830,604	-	-
More than five years	2,443,194	-	-	-
	57,555,425	41,993,242	-	-
Less finance charges component	(10,896,483)	(4,430,742)	-	-
Present value of lease payments	46,658,942	37,562,500	-	-
Non-current liabilities	33,687,977	18,920,220	-	-
Current liabilities	12,970,965	18,642,280	-	-
	46,658,942	37,562,500	-	-

Reconciliation of lease liabilities - Group - 2026

	Opening balance	Additions	Finance costs	Repayment - principal element on leases	Repayments - interest element on leases	Total
Lease liabilities	37,562,500	29,407,303	3,760,758	(20,310,860)	(3,760,758)	46,658,942

Reconciliation of lease liabilities - Group - 2025

	Opening balance	Additions	Finance costs	Repayments - principal element on leases	Repayments - interest element on leases	Total
Lease liabilities	52,692,797	2,782,240	4,199,684	(17,912,537)	(4,199,684)	37,562,500

Lease liabilities terms and conditions

The leases entered into do not provide flexibility in the form of termination options but there are options in some limited instances to renew the leases. There are no specific restrictions or covenants imposed by the leases, no variable lease payments and no residual value guarantees. There are no leases that have not yet commenced to which the Group is committed.

Lease term per category – land and buildings

Land 3 to 10 years

Building 2 to 8 years

The Group's obligations under leases are secured by the lessor's charge over the leased assets.

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5. Goodwill

Group	2026			2025		
	Cost R	Accumulated impairment R	Carrying value R	Cost R	Accumulated impairment R	Carrying value R
Goodwill	224,063,063	-	224,063,063	223,421,981	-	223,421,981

Reconciliation of goodwill - Group - 2026

	Opening balance R	Additions through business combinations R	Total R
Goodwill	223,421,981	641,082	224,063,063

Reconciliation of goodwill - Group - 2025

	Opening balance R	Additions through business combinations R	Total R
Goodwill	223,421,981	-	223,421,981

Impairment testing

In accordance with IAS 36 *Impairment of Assets*, goodwill is reviewed annually for impairment, or more frequently if there is an indication that goodwill might be impaired. Goodwill arose on the acquisition of Métier and the impairment assessment is performed at a Métier level, with Métier identified as the cash-generating unit (CGU). The recoverable amount of the CGU was determined based on a value-in-use calculation.

The value-in-use discounted cash flow model was applied in assessing the carrying value of goodwill. Cash flows were projected over a three-year period, and a projected terminal year, based on financial budgets or forecasts approved by the board. The following approach was followed in forecasting cash flows:

- future profits were estimated using historical financial results achieved and approved three-year budgets;
- costs were assumed to grow in line with the projected growth of the CGU and expected inflation;
- sales growth forecasts were largely driven by increased volumes resulting from additional capacity projected for the forecast period, with cautious increases in pricing estimated; and
- capital expenditure was limited to replacement capital expenditure spend, in line with the CGUs maintenance programmes.

The following rates were applied in determining the value-in-use:

	2026 %	2025 %
Pre-tax discount rate	14.84	20.26
Terminal value growth rate	4.6	4.6
Sales growth rate (average over forecast period)	8.97	13.16

Discount rates applied are consistent with external sources. Specifically, the risk-free rate, market risk premium and betas used in the computation of the discount rate were based on external sources. The discount rate was also adjusted for a specific risk premium based on management's judgement. Sales and terminal value growth rates reflect expected performance.

No impairment losses were required in the current financial year based on the value-in-use computation.

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5. Goodwill (continued)

A sensitivity analysis of the key assumptions have been presented below:

2026	Movement	Impact on Headroom amount (R'million)	Impairment
Discount rate	+1%	(140)	Nil
Terminal value growth rate	-1%	(126)	Nil
Sales growth rate (average over forecast period)	-2%	(241)	Nil

2025	Movement	Impact on Headroom amount (R'million)	Impairment
Discount rate	+1%	(70)	Nil
Terminal value growth rate	-1%	(60)	Nil
Sales growth rate (average over forecast period)	-2%	(80)	Nil

Additions through business combinations

Refer to note 30 Business combinations for the detail on the Goodwill movement relating to the acquisition of CCM as a 100% owned subsidiary during the year.

6. Investments in subsidiaries

The following table lists the entities which are controlled by the Group, either directly or indirectly through subsidiaries.

Company

Name of company	% holding 2026	% holding 2025	Carrying amount 2026	Carrying amount 2025
Sephaku Investment Holdings Proprietary Limited	100.00 %	100.00 %	1	1
Métier Mixed Concrete Proprietary Holdings	100.00 %	100.00 %	299,378,028	299,378,028
Cross Company Management Proprietary Limited	100.00 %	- %	10	-
			299,378,039	299,378,029

Impairment testing

Subsidiaries are shown at carrying amounts, net of impairment.

Refer to note 5 above for the full details on the assumptions applied by management when reviewing investment in subsidiaries for impairment.

All the subsidiaries are registered and operate within South Africa. Reduced profitability and general economic downturn in the construction industry were identified as indicators of impairment. The same assumptions were applied as with the test for goodwill impairment in the performance of an impairment test on the investment.

Changes in ownership interest

The following schedule represents the impact of changes in ownership interest of subsidiaries, on the equity attributable to owners of the Group:

Purchase of 10 ordinary shares in Cross Company Management, increasing ownership interest from 0% to 100%. Refer note 30 Business combinations for further details.	-	-	10	-
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Sephaku Holdings Limited and its subsidiaries

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7. Investments in associates

Sephaku Holdings Limited has a 36% ownership interest in Dangote Cement South Africa Proprietary Limited. The Associate is unlisted and is registered and operates within South Africa. SepCem is engaged in mining, exploration and the production and sale of cement.

Group

Summary of the Group's interest in associate

	Carrying amount 2026	Carrying amount 2025
Cost of investment in associate	635,117,284	635,117,284
Proportional increase in investment	48,571,875	48,571,875
Equity-accounted earnings - prior years	181,915,874	167,252,354
Group level: Opening balance of carrying value	865,605,033	850,941,513
Equity-accounted earnings - current years	8,152,920	14,663,520
Equity injection	34,728,071	-
Group level: Carrying value of investment in associate	908,486,024	865,605,033

Due to the fact that the debt service ratio was 1.225 during the 2017 year instead of the required 1.3, negotiations were entered into with Nedbank to reshape the payment profile. This was successfully completed during the second half of 2017 and required a further R95 million contribution by shareholders. During the current year SepHold paid its portion of the equity contribution of R34,7 million.

SepCem started the 2020 financial year with a cash balance of R500 million and was in the process of agreeing a pre-payment of R200 million on its bank debt in order to get relief of R25 million per payment on the next eight scheduled payments. Just before the payment was made, the government-enforced lockdown due to COVID-19 commenced and the overhead costs during this period required all these excess funds. It was envisaged that the impact of COVID-19 on SepCem could be a reduction in EBITDA levels that may result in SepCem not being able to service debt during the COVID-19 lockdown period. The lenders were approached to waive capital payments for the balance of 2020 and receive interest only, but this was only to be considered if shareholders made a contribution of R125 million. DCP undertook to make this contribution in August 2020 and shareholders have agreed to treat this as a shareholder's loan.

Associate events after reporting period

After the repayment of the bank debt in October 2025, the Associate embarked on a process of raising bank funding to repay the Dangote shareholder loan as well as the R125 million referred to above. It is envisaged that this process will be completed during the second quarter of the financial year.

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7. Investments in associates (continued)

Impairment testing

In terms of IAS 36 *Impairment of assets*, an impairment assessment should be performed if any indicators of impairment are identified. Reduced profitability experienced by the Associate over the past few years and the continued economic downturn in the construction industry were factors indicating that the Group's investment in associate may be impaired.

The recoverable amount of the investment in the Associate was determined based on a value-in-use calculation.

The value-in-use discounted cash flow model was applied in assessing the carrying value of the equity-accounted associate. Cash flows were projected over a three-year period, and a projected terminal year, based on financial budgets or forecasts approved by the board of the Associate.

The following approach was followed in forecasting cash flows:

- future profits were estimated using historical financial results achieved and approved three-year budgets;
- costs were assumed to grow in line with the projected growth of the CGU and expected inflation;
- sales growth forecasts were largely based on inflationary price increases with cautious increases in volumes based on growth in the industry; and
- capital expenditure was limited to replacement capital expenditure spend, in line with the Associate's maintenance programmes.

The following rates were applied in determining the value-in-use:

	2026	2025
Pre-tax discount rate	14.2 %	17.5 %
Terminal value growth rate	4.6 %	4.6 %
Sales growth rate (average over forecast period)	6.5 %	9.3 %

Discount rates applied are consistent with external sources. Specifically, the risk-free rate, market risk premium and betas used in the computation of the discount rate were based on external sources. The discount rate was also adjusted for a specific risk premium based on management's judgement. Sales and terminal value growth rates reflect expected performance.

No impairment losses were required in the current financial year based on the value-in-use computation.

A sensitivity analysis of the key assumptions have been presented below:

	Movement	Impact on Headroom amount (R'million)	Impairment
2026			
Discount rate	+1%	(114)	Nil
Terminal value growth rate	-1%	(102)	Nil
Sales growth rate (average over forecast period)	-2%	(110)	Nil

	Movement	Impact on Headroom amount (R'million)	Impairment
2025			
Discount rate	+1%	(108)	Nil
Terminal value growth rate	-1%	(94)	Nil
Sales growth rate (average over forecast period)	-2%	(99)	Nil

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7. Investments in associates (continued)

Summarised financial information of material associates

Summarised Statement of Profit or Loss and Other Comprehensive Income

	2026 R'000	2025 R'000
Revenue	2,662,789	2,785,449
Cost of sales	(2,414,045)	(2,442,885)
Gross profit	248,744	342,564
Profit before tax	29,503	58,057
Tax expense	(5,026)	(15,480)
Profit from continuing operations	24,477	42,577
Non-controlling interest	(1,830)	(1,845)
Total comprehensive income	22,647	40,732

Summarised Statement of Financial Position

	2026 R'000	2025 R'000
Assets		
Non-current	2,427,130	2,503,073
Current	987,730	1,152,578
Total assets	3,414,860	3,655,651
Liabilities		
Non-current	1,018,571	949,028
Current	477,944	812,755
Total liabilities	1,496,515	1,761,783
Total net assets	1,918,345	1,893,868

* SepCem has a December year-end so as to agree with DCP's year-end. In line with the requirements of IAS 28, the audited year-end results of SepCem as at 31 December 2025 have been included in these financial statements. The use of the different date in applying the equity method is due to the practicality of obtaining the audited March 2026 results timeously.

The summarised information presented above reflects the financial statements of the Associate after adjusting for differences in accounting policies between the Group and the Associate. No adjustments to the financial information of SepCem used in the equity accounting at SepHold group level for the period from 1 January 2026 to 31 March 2026, was considered necessary.

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	2026	2025	2026	2025

8. Loans to group companies

Subsidiaries

Sephaku Investment Holdings Proprietary Limited	-	-	12,229	12,229
The loan is unsecured, interest free and is repayable on demand. If there is an expected credit loss allowance it is assumed immaterial.				

The fair values of the loan is substantially the same as the carrying amounts reflected on the statement of financial position.

Split between non-current and current portions

Current assets	-	-	12,229	12,229
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Exposure to credit risk

Loans receivable inherently expose the Group to credit risk, being the risk that the Group will incur financial loss if counterparties fail to make payments as they fall due.

Loans receivable are subject to the impairment provisions of IFRS 9 *Financial Instruments*, which requires a loss allowance to be recognised for all exposures to credit risk.

In determining the amount of expected credit losses, the Group has taken into account any historic default experience, the financial positions of the counterparties as well as the future prospects in the industries in which the counterparties operate.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The credit risk of the loan has not changed and no allowance has been made for ECL as it is deemed insignificant.

9. Loans receivable

Loans receivable are presented at amortised cost at Stage 1 with no loss allowance, as follows:

YC Naidoo	-	94,279	-	-
The above loan was unsecured, bore interest at 1% per annum and was repaid during the year.				

Split between non-current and current portions

Current assets	-	94,279	-	-
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Exposure to credit risk

Loans receivable inherently exposes the Group to credit risk, being the risk that the Group will incur financial loss if counterparties fail to make payments as they fall due.

Sephaku Holdings Limited and its subsidiaries

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Figures in Rand	Group		Company	
	2026	2025	2026	2025
10. Trade and other receivables				
Financial instruments:				
Trade receivables	145,663,013	118,468,561	3,531,995	1,996,707
Deposits	1,938,068	3,467,980	-	-
Sundry customers	68,776	21,644	-	-
Non-financial instruments:				
Pre-payments	204,655	217,155	162,305	156,156
Total trade and other receivables	147,874,512	122,175,340	3,694,300	2,152,863

Split between non-current and current portions

Current assets	147,874,512	122,175,340	3,694,300	2,152,863
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All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

Trade and other receivables pledged as security

Trade and other receivables of R 147,669,857 (2025: R 121,958,185) were pledged as security for overdraft facilities of the Group as per note 15.

Exposure to credit risk

Trade receivables inherently expose the Group to credit risk, being the risk that the Group will incur financial loss if customers fail to make payments as they fall due.

To mitigate the risk, the Group engages only with reputable customers who have a consistent history of timely payments. Where appropriate, sufficient collateral or guarantees are obtained. Each customer is individually assessed for creditworthiness before credit terms and conditions are extended. This assessment includes the use of statistical credit scoring models that consider both customer-submitted data and external bureau information (where available). Credit limits are established for all customers and are reviewed and approved by the credit management committee.

The Group continually monitors exposure to credit risk and customer creditworthiness. Credit losses are proactively managed through stringent credit controls and policies. These include converting defaulting customers to cash-only terms, limiting credit to new customers and requiring upfront payments before order fulfilment. These measures have contributed to effective debt collection and minimal financial losses.

Trade receivables are insured through a credit risk policy with Santam, effective 01 March 2021. During the year, the policy was revised to a total cover of R7,8 million (2025: R11,1 million). This insurance applies broadly to customer defaults, regardless of specific accounts or ageing categories, and supports the assessment of credit risk exposure under IFRS 9.

Following IFRS 9 *Financial Instruments*, the Group recognises a loss allowance for all trade receivables using the simplified approach. This involves calculating lifetime expected credit losses (ECL) using a provision matrix informed by historical default rates, forward-looking information, and relevant economic conditions such as interest rates and inflation.

Due to effective management of debtors and strong credit control practices no credit losses were accounted for during the financial year. Based on improvements in the construction industry and the Group's continued success in debt recovery, credit risk policies were refined, and the expected credit loss rate was adjusted downward accordingly, with no provision held in the balance sheet, as the impact of the application of historical loss rates and forward-looking information is not considered to be material.

At each reporting date, the Group assesses whether there has been a significant increase in credit risk since initial recognition. If so, the loss allowance is measured at lifetime expected credit losses; otherwise, it is measured at 12-month expected credit losses.

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Figures in Rand	Group		Company	
	2026	2025	2026	2025

10. Trade and other receivables (continued)

During the reporting period, credit losses on trade receivables were minimal and well within expected levels. As a result of sound credit assessments and continuous monitoring of counterparties, the Group did not experience any material impairment losses related to trade receivables.

Where applicable, credit losses recognised on trade receivable are included under "Bad Debts written off" in the Statement of Profit or Loss and Other Comprehensive Income, and any loss allowances are presented as a deduction from the carrying amount of the related trade receivable on the Statement of Financial Position.

There have been no other significant changes to the Group's credit risk management policies since the previous reporting period. Historical credit loss experience does not indicate significantly different loss patterns across customer segments; therefore, the provision for credit losses is based on ageing status rather than further risk segmentation.

The loss allowance provision is determined as follows:

Group	2026	2026	2025	2025
	Gross carrying amount	Loss allowance (Lifetime expected credit loss)	Gross carrying amount	Loss allowance (Lifetime expected credit loss)
Expected credit loss rate:				
Current: 0% (2025: 0%)	109,018,665	-	90,077,493	-
More than 30 days: 0% (2025: 0%)	34,266,064	-	25,236,464	-
More than 60 days past due: 0% (2025: 0%)	539,620	-	741,953	-
More than 90 days past due: 0% (2025: 0%)	401,651	-	1,046,048	-
More than 120 days past due: 0% (2025: 0%)	1,437,013	-	1,366,603	-
Total	145,663,013	-	118,468,561	-

Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade receivables:

Opening balance in accordance with IFRS 9	-	1,521,048	-	-
Provision raised on new trade receivables	-	660,000	-	-
Provisions reversed on settled trade receivables	-	(2,181,048)	-	-
Closing balance	-	-	-	-

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

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Figures in Rand	Group		Company	
	2026	2025	2026	2025
11. Deferred tax				
Deferred tax liability				
Property plant and equipment	(41,712,339)	(32,657,941)	-	-
Pre-payments	(179,304)	(16,469)	-	-
Right-of-use assets	(11,319,943)	(6,187,363)	-	-
Total deferred tax liability	(53,211,586)	(38,861,773)	-	-
Deferred tax asset				
Lease liabilities	12,597,914	8,716,314	-	-
Income received in advance and section 24C allowances	-	1,245,515	-	-
Accrual for leave pay	533,038	503,480	-	-
Bonus accrual	878,644	788,437	-	-
Total deferred tax asset	14,009,596	11,253,746	-	-
The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction and in respect of the same entity in the Group, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:				
Deferred tax liability	(53,211,586)	(38,861,773)	-	-
Deferred tax asset	14,009,596	11,253,746	-	-
Total net deferred tax liability	(39,201,990)	(27,608,027)	-	-
Reconciliation of deferred tax liability				
At beginning of year	(27,608,027)	(21,274,525)	-	-
Property, plant and equipment	(9,054,399)	(6,170,087)	-	-
Income received in advance and section 24C allowance	(1,245,515)	956,765	-	-
Accrual for leave pay	29,558	(13,366)	-	-
Right-of-use assets	(5,132,579)	4,534,365	-	-
Lease liability	3,881,599	(5,510,741)	-	-
Pre-payments	(162,834)	(14,593)	-	-
Bonus accrual	90,207	130,563	-	-
Doubtful debts	-	(246,408)	-	-
	(39,201,990)	(27,608,027)	-	-
Unrecognised deferred tax asset				
Unused tax losses not recognised as deferred tax assets	101,843,818	117,877,684	101,843,818	117,877,684

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Figures in Rand	Group		Company	
	2026	2025	2026	2025
12. Other financial assets				
Other long-term financial assets				
Union Atlantic Minerals Limited (UAM) (stage 3)	1,073,054	1,073,054	1,073,054	1,073,054
Cross Company Management Proprietary Limited (CCM) (stage 2)	-	7,272,626	6,111,226	7,272,626
Total other long-term financial assets	1,073,054	8,345,680	7,184,280	8,345,680
Less: Impairment	(1,073,054)	(1,073,054)	(1,073,054)	(1,073,054)
Closing balance	-	7,272,626	6,111,226	7,272,626

These loans are unsecured, bear no interest and are repayable on demand.

The UAM loan is in default. During the prior year management reviewed the impairment of the loan and decided to recognise the remaining portion of the loan of R473,054 as a loss allowance, bringing the full provision to R1,073,054. UAM management is continuing to look for investors to progress the exploration projects and unlock further value in the company. New investors are being targeted but SepHold management decided to provide for the full loan amount while still putting value on the rights held by the Company.

At a group level the CCM loan is eliminated due to the acquisition of 100% of the voting equity instruments on 1 April 2025. CCM is now a 100% owned subsidiary. At a company level the CCM loan is supported by shares in companies that were funded through the application of funds made available. Management has assessed the value of these underlying shares and are satisfied that the loan would be recoverable in full in the foreseeable future. Based on this it was decided not to recognise a further loss allowance on this loan.

Reconciliation of loss allowances

The following table shows the movement in the loss allowance:

Opening balance in accordance with IFRS 9	1,073,054	600,000	1,073,054	600,000
Impairment of other financial assets	-	473,054	-	473,054
Closing balance	1,073,054	1,073,054	1,073,054	1,073,054

Non-current assets

At amortised cost	-	7,272,626	6,111,226	7,272,626
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The maximum exposure to credit risk at the reporting date is the gross carrying amount of the financial assets.

There are no fixed repayment terms on the loans and it is not management's intention to call for the loans in the next 12 months.

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Figures in Rand	Group		Company	
	2026	2025	2026	2025
13. Other investments				
Union Atlantic Minerals Limited	2,672,000	2,000,000	2,000,000	2,000,000
Incubex Minerals Limited (Incubex)	1,016,534	-	-	-
SepFluor Limited (SepFluor)	2,128,832	-	-	-
Less: Impairment	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)
Carrying amount	4,617,366	800,000	800,000	800,000
Level 3 other investments	4,617,366	800,000	800,000	800,000

The existing investment in UAM increased during the current period due to the acquisition of CCM as a subsidiary. Investments in UAM, Incubex and SepFluor consist of shares in the companies acquired by SepHold in lieu of financial assistance provided prior to the unbundling of Incubex in 2010 and SepFluor in 2012. Shares held in these companies were unbundled and distributed to SepHold shareholders at the time but inter-company loans remained in existence. When these loans were not repaid, shares were issued to SepHold. These shares were revalued in CCM before the purchase by SepHold on 1 April 2025. Management is of the opinion that these are still a fair representation of the current value.

During FY 2019 Union Atlantic Minerals Limited issued 50 000 000 shares at R0.04 per share to CCM on behalf of SepHold and 42 000 000 shares at R0.02 per share directly to CCM.

The last price before suspension of trade on the stock exchange was 4cps.

During the financial year management reviewed the value of the investment in UAM. Although the mining right application has been advanced for the asset and funds are being raised to complete the project, management decided to adjust the suspended price to 4cps as a starting point by applying the equity raise dilution to the value of the company. The impairment raised to date on these principles resulted in 42.2% (2025: 60%) or 1.60cps (2025: 1.60cps) in the value of R1,472,000 (2025: R800,000). Management believes that the previous loss allowance is sufficient and no further impairment is required for the current year.

Reconciliation of level 3 measurements

The following table shows the movement on the level 3 measurements:

Opening balance in accordance with IFRS 13	2,000,000	2,000,000	2,000,000	2,000,000
Acquisitions through business combinations	3,817,366	-	-	-
Impairment	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)
Closing balance	4,617,366	800,000	800,000	800,000

The maximum exposure to market risk at the reporting date is the carrying amount of the financial assets.

14. Inventories

Raw materials, components	14,919,537	14,456,614	-	-
Diesel	4,557,844	4,022,221	-	-
Spare parts	5,617,856	6,096,781	-	-
	25,095,237	24,575,616	-	-

Inventories recognised as an expense during the year ended 31 March 2026 amounted to R745,239,628 (2025: R706,002,253).

Inventory pledged as security

Inventory is pledged as security for the bank overdraft facilities of the Group. At year-end, the overdraft was undrawn.

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Figures in Rand	Group		Company	
	2026	2025	2026	2025
15. Cash and cash equivalents				
Cash and cash equivalents consist of:				
Cash on hand	458,512	184,512	-	-
Bank balances	29,539,770	29,526,042	3,354,521	2,389,367
Other cash and cash equivalents	60,081	57,599	-	-
	30,058,363	29,768,153	3,354,521	2,389,367

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

There is an overdraft facility of R40,000,000 (2025: R40,000,000) with First National Bank (FNB) that was undrawn at year-end.

The total amount of undrawn facilities available for future operating activities and commitments	40,000,000	40,000,000	-	-
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Security

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

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

Métier will ensure that the interest-bearing debt to earnings before EBITDA will not exceed 2.5 times operating income before interest, tax, depreciation and amortisation of any intangibles (excluding extraordinary items), during any period. Métier has complied with the financial covenants of its overdraft facility during both periods presented.

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

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Figures in Rand	Group		Company	
	2026	2025	2026	2025
16. Share capital				
Authorised				
1,000,000,000 Ordinary shares with no par value issued and fully paid				
254,486,436 (2025: 254,486,436) shares at beginning and end of period	682,965,910	682,965,910	682,965,910	682,965,910
	682,965,910	682,965,910	682,965,910	682,965,910

No new shares were issued during the current or prior financial year.

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

Other equity

23,576,710 (2025: 22,700,000) Treasury shares held by subsidiary	(25,223,505)	(23,629,110)	-	-
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During the period under review Métier did not acquire any further ordinary shares in SepHold. The total number of treasury shares held by Métier to date is 22,700,000 ordinary shares. The repurchased equity shares were acquired under an approved share buyback scheme.

The Group acquired CCM as a 100% subsidiary during the period under review. At the date of acquisition CCM held 1,461,710 ordinary shares at a value of R2,777,250 in SepHold. During January and February 585,000 of these shares were sold for R1,182,855. As a result of these transactions CCM held a total of 876,710 ordinary shares at a value of R1,594,395 in the Company at year-end. These were accounted for under treasury shares in the Group's equity, resulting in a total number of 23,576,710 treasury shares at the end of the year under review.

17. Share-based payments

There are no outstanding share options. During the current year no new options were granted. Management do not have plans to grant any new share options in the foreseeable future.

Information on options granted on 1 July 2017

During the prior year the last remaining 1,705,000 share options expired. No new options were issued.

This resulted in R2,738,696 share option expenses transferred from the reserve account to retained income. The movement of which can be found in the Statements of changes in equity.

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	2026	2025	2026	2025
18. Loans from group companies				
Subsidiaries				
Métier Mixed Concrete Proprietary Limited	-	-	111,147,853	94,523,036
The loan is unsecured, interest free and is repayable on demand. During the year the Company repaid a variable amount per month which reduced the loan balance with R17 875 183 (2025: R18 348 284). There was an advance of R34 500 000 to pay for the proportional increase in the investment in the Associate.				
Reconciliation of loan from subsidiary				
The following table shows the movement in the loan from subsidiary:				
Opening balance in accordance with IAS 7	-	-	94,523,036	112,871,320
Advances during the year	-	-	34,500,000	-
Repayments during the year	-	-	(17,875,183)	(18,348,284)
Closing balance	-	-	111,147,853	94,523,036
Split between non-current and current portions				
Current liabilities	-	-	111,147,853	94,523,036

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Figures in Rand	Group		Company	
	2026	2025	2026	2025

19. Borrowings

Held at amortised cost

Instalment sale liabilities

WesBank Vehicle Finance	92,644,415	56,831,264	-	-
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During the year, the Group entered into thirty eight (2025: fifty) instalment sale agreements with WesBank Vehicle Finance. It bears interest at rates linked to prime and is repayable over a term of 60 months with an average monthly repayment of R11,264 per vehicle (2025: R10,948 per vehicle). The Group has access to an approved asset finance facility with a limit of R130,000,000, which may be utilised for the acquisition of movable assets.

The liability is secured by motor vehicles, plant and machinery and assets under construction - fleet with a carrying amounts of R75,484,658, R44,127,395 and R539,630 respectively (2025: motor vehicles and plant and machinery of R36,700,954 and R27,459,499 respectively). Refer to note 3 Property, plant and equipment for further details.

Komatsu Africa Holdings Proprietary Limited	27,019,348	21,761,355	-	-
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During the year, the Group entered into six (2025: seven) instalment sale agreements with Komatsu Africa Holdings Proprietary Limited. It bears interest at rates linked to prime and is repayable over a term of 48 months with an average monthly repayment of R37,934 per vehicle (2025: R46,131 per vehicle). The Group has access to an approved asset based funding facility with a limit of R30,000,000, which may be utilised for the acquisition of various new Komatsu plant and equipment.

The liability is secured by motor vehicles with a carrying amount of R36,664,211 (2025: R26,789,745). Refer to note 3 Property, plant and equipment for further details.

Mercedes-Benz Financial Services	31,315,360	32,432,055	-	-
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During the year, the Group entered into eight (2025: two) instalment sale agreements with Mercedes-Benz Financial Services. It bears interest at rates linked to prime and is repayable over a term of 60 months with an average monthly repayment of R33,127 per vehicle (2025: R42,318 per vehicle). The Group has access to an approved credit facility with a limit of R70,000,000 which may be utilised for the acquisition of approved vehicles.

The liability is secured by motor vehicles and assets under construction - fleet with a carrying amount of R70,293,943 and R6,743,520 respectively (2025: motor vehicles with a carrying amount of R50,292,298). Refer to note 3 Property, plant and equipment and note 20 below for further details.

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	2026	2025	2026	2025

19. Borrowings (continued)

External borrowings

First National Bank Commercial Property Finance	12,063,724	13,346,736	-	-
During the prior year, the Group purchased a property partially financed by First National Bank Commercial Property Finance. The liability is secured by land and buildings with a carrying amount of R21,000,000. It bears interest at rates linked to prime and is repayable over a terms of 96 months with an average monthly repayment of R209,999 (2025: R217,181). Refer to note 3 Property, plant and equipment for further details.				
	163,042,847	124,371,410	-	-

Split between non-current and current portions

Non-current liabilities	116,558,125	92,034,257	-	-
Current liabilities	46,484,722	32,337,153	-	-
	163,042,847	124,371,410	-	-

Lease liabilities

Refer to note 4 Right-of-use assets for details of leasing activities.

20. Reconciliation of liabilities arising from financing activities

The changes in the Group's liabilities arising from financing activities can be classified as follows:

Reconciliation of liabilities arising from financing activities - 2026	Opening balance	Finance costs	Additions - instalment sale agreements*	Additions	Cash flows principal and interest	Closing balance
Borrowings						
Instalment sale liabilities	111,025,096	13,098,458	76,962,473	-	(50,106,623)	150,979,404
External borrowings	13,346,314	1,258,602	-	-	(2,541,473)	12,063,443
	124,371,410	14,357,060	76,962,473	-	(52,648,096)	163,042,847

Reconciliation of liabilities arising from financing activities - 2025	Opening balance	Finance costs	Additions - instalment sale agreements*	Additions	Cash flows principal and interest	Closing balance
Borrowings						
Instalment sale liabilities	64,610,612	10,132,347	69,295,618	-	(33,013,481)	111,025,096
External borrowings	-	866,581	-	14,000,000	(1,520,267)	13,346,314
	64,610,612	10,998,928	69,295,618	14,000,000	(34,533,748)	124,371,410

Lease liabilities also form part of financing activities. For the reconciliation refer to note 4.

* Total movements of R76,962,473 (2025: R69,295,618) are additions in respect of instalment sale liabilities. The 'Additions-instalment sale agreements' was previously presented as non-cash in the consolidated statement of cash flows. Refer to the note included in the consolidated statement of cash flows.

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Figures in Rand	Group		Company	
	2026	2025	2026	2025
21. Trade and other payables				
Financial instruments:				
Trade payables	84,752,443	83,166,637	663,949	125,945
Other payables	5,749	653	5,749	653
Accrued expenses	4,399,458	2,087,780	589,575	449,200
Non-financial instruments:				
Accrual for salary-related expenses	5,701,526	5,244,057	473,075	459,178
Value added taxation	3,161,994	2,571,612	528,002	740,804
Income received in advance	13,622,761	11,532,544	-	-
	111,643,931	104,603,283	2,260,350	1,775,780

Financial instrument and non-financial instrument components of trade and other payables

At amortised cost	89,157,650	85,255,070	1,259,273	575,798
Non-financial instruments	22,486,281	19,348,213	1,001,077	1,199,982
	111,643,931	104,603,283	2,260,350	1,775,780

Fair value of trade and other payables

The fair value of trade and other payables is substantially the same as the carrying amounts reflected on the statement of financial position, as the financial instruments are short-term in nature.

22. Revenue

Disaggregation of revenue from contracts with customers

The Group disaggregates revenue from customers as follows:

Sale of goods

Revenue from the sale of goods	1,291,486,841	1,182,844,822	-	-
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Rendering of services

Management fees received	-	-	49,681,607	41,137,358
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Total revenue from contracts with customers	1,291,486,841	1,182,844,822	49,681,607	41,137,358
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Timing of revenue recognition

At a point in time

Sale of goods	1,291,486,841	1,182,844,822	-	-
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Over time

Management fees received	-	-	49,681,607	41,137,358
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Total revenue from contracts with customers	1,291,486,841	1,182,844,822	49,681,607	41,137,358
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Figures in Rand	Group		Company	
	2026	2025	2026	2025
23. Other operating income				
Bad debts recovered	596,741	305,745	-	-
Other sundry income	170,199	213,053	-	-
Rent received	766,372	660,601	-	-
Profit/ (loss) on sale of property, plant and equipment	7,344,470	(295,755)	-	-
Income received in advanced written off	60,250	132,103	-	-
	8,938,032	1,015,747	-	-
24. Other operating losses				
Gains (losses) on disposals, scrappings and settlements				
Property, plant and equipment (note 3)	3	-	(6,622)	(6,622)
25. Investment income				
Interest income				
Investments in financial assets:				
Bank and other cash	3,961,960	1,905,289	100	128
Trade and other receivables	1,401,215	888,509	-	-
Other financial assets	-	1,065	-	1,065
Total interest income	5,363,175	2,794,863	100	1,193
26. Finance costs				
Lease liabilities	3,760,758	4,199,684	-	-
Bank overdraft	6,011	101,950	-	7
SARS interest	677	183,551	677	557
Borrowings	14,357,060	10,998,928	-	-
Total finance costs	18,124,506	15,484,113	677	564

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Figures in Rand	Group		Company	
	2026	2025	2026	2025
27. Taxation				
Major components of the tax expense				
Current				
Local income tax - current period	14,274,212	10,530,852	1,094,201	976,768
Adjustments in respect of prior years	-	60,674	-	-
	14,274,212	10,591,526	1,094,201	976,768
Deferred				
Originating and reversing temporary differences	11,593,963	6,333,501	-	-
	25,868,175	16,925,027	1,094,201	976,768
Reconciliation of the tax expense				
Reconciliation between accounting profit and tax expense.				
Accounting (loss) profit	119,181,976	90,476,334	20,047,805	17,587,304
Tax at the applicable tax rate of 27% (2025: 27%)	32,179,134	24,428,610	5,412,907	4,748,572
Tax effect of adjustments on taxable income				
Charitable donations income	-	60,674	-	-
Overprovision of tax in current year	11,915	-	11,915	-
Deferred tax effect income	(57,241)	(64,886)	-	-
Utilisation of assessed loss	(4,330,804)	(3,909,664)	(4,330,804)	(3,909,664)
Profit from equity-accounted investment	(2,201,288)	(3,959,150)	-	-
Tax losses carried forward	175	2,008	-	-
Capital gain	693,782	325,787	-	1,787
Interest and penalties relating to taxes	183	57,756	183	8,348
Impairment of loan	-	127,725	-	127,725
Other items	(168,481)	(35,833)	-	-
Learnership allowances	(259,200)	(108,000)	-	-
	25,868,175	16,925,027	1,094,201	976,768
The estimated tax loss available for set off against future taxable income is R 101,843,818 (2025: R 117,877,685).				
28. Cash generated from operations				
Profit before taxation	119,181,976	90,476,334	20,047,805	17,587,304
Adjustments for non-cash items:				
Depreciation, amortisation, impairments and reversals of impairments	50,714,969	41,930,448	25,692	15,536
Share of profit of equity-accounted investments	(8,152,920)	(14,663,520)	-	-
Impairments and movements in credit loss allowances	-	(1,047,994)	-	473,054
(Profit) / loss on sale of property, plant and equipment	(7,344,470)	302,377	-	6,622
Adjust for items which are presented separately:				
Interest income	(5,363,175)	(2,794,863)	(100)	(1,193)
Finance costs	18,124,506	15,484,113	677	564
Changes in working capital:				
Increase in inventories	(519,621)	(3,397,994)	-	-
Increase in trade and other receivables	(25,699,172)	(12,412,019)	(1,541,437)	(2,006,313)
Increase in trade and other payables	7,040,121	10,531,809	484,560	600,059
Decrease in loans receivables	95,683	795,295	-	-
	148,077,897	125,203,986	19,017,197	16,675,633

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Figures in Rand	Group		Company	
	2026	2025	2026	2025
29. Taxation paid				
Balance at the beginning of the year	(378,639)	561,275	(15,411)	31,520
Current taxation for the period recognised in profit or loss	(14,274,212)	(10,591,526)	(1,094,201)	(976,768)
Balance at the end of the year	(1,372,472)	378,639	-	15,411
	(16,025,323)	(9,651,612)	(1,109,612)	(929,837)

30. Business combinations

Cross Company Management Proprietary Limited (CCM)

On 1 April 2025, the Group acquired 100% of the voting equity interest of CCM which resulted in the Group obtaining control over CCM. CCM is a company who owns various investments. At year-end the loan receivable by SepHold of R6,111,226 is eliminated. On date of acquisition the loan receivable amounted to R7,272,626, of which R1,161,400 was repaid by CCM during the year.

Goodwill of R 641,082 arising from the acquisition consists largely of the accumulated loss from previous years. Goodwill is not deductible for income tax purposes.

Fair value of assets acquired and liabilities assumed

Investments at fair value	6,594,615	-	-	-
Current tax receivable	254	-	-	-
Cash and cash equivalents	36,675	-	-	-
Borrowings	(7,272,626)	-	-	-
Total identifiable net assets	(641,082)	-	-	-
Goodwill	641,082	-	-	-
	-	-	-	-

Net cash outflow on acquisition

Cash consideration paid	-	-	-	-
Cash acquired	36,675	-	-	-
	36,675	-	-	-

Revenue and profit or loss of Cross Company Management Proprietary Limited (CCM)

Revenue of Rnil and loss after tax of R645 of CCM have been included in the Group's results since the date of acquisition.

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	2026	2025	2026	2025
31. Related parties				
Relationships				
Subsidiaries	Refer to note 6			
Associates	Refer to note 7			
Major shareholder of SepCem	Dangote Industries Limited			
Companies with common shareholders	Incubex Minerals Limited SepFluor Limited			
Key management personnel of the Group	Refer to directors listed below			
Companies with common directors	Cato Ridge Quarry Proprietary Limited Union Atlantic Minerals Limited WKRD Properties Proprietary Limited Plazatique Corp 27 CC			
Directors	B Williams MM Ngoasheng MJ Janse van Rensburg MM Sedikela Dr. L Mohuba KJ Capes NR Crafford-Lazarus			

Related party balances

Loan accounts - Owing (to) by related parties

Metier Mixed Concrete Proprietary Limited	-	-	(111,147,853)	(94,532,036)
Cross Company Management Proprietary Limited	-	7,272,626	6,111,226	7,272,626
Sephaku Investment Holdings Proprietary Limited	-	-	12,229	12,229

Amounts included in Trade receivable (Trade Payable) regarding related parties

Dangote Cement South Africa Proprietary Limited [^]	(10,569,432)	(8,707,855)	-	-
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Related party transactions

Purchases from (sales to) related parties including VAT

Dangote Cement South Africa Proprietary Limited	116,085,005	102,704,930	-	-
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Rent paid to (received from) related parties

Plazatique Corp 27 CC ^{^^}	1,431,586	1,337,931	-	-
WKRD Properties Proprietary Limited ^{^^}	1,307,168	1,233,638	-	-

Management fees paid to (received from) related parties^{^^^}

Metier Mixed Concrete Proprietary Limited	-	-	(49,681,607)	(41,137,358)
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Utilities paid to related parties

Plazatique Corp 27 CC	1,067,848	1,048,583	-	-
WKRD Properties Proprietary Limited	1,355,987	1,062,890	-	-

[^] Goods were purchased from the Associate during the year based on price lists in force and terms that would be available to third parties.

^{^^} The amounts included represent the actual transactions as per the lease agreements. The IFRS 16 treatment for these form part of note 4.

^{^^^} Management services were received on a cost-plus basis. All other transactions were made on normal commercial terms.

All other transactions were made on normal commercial terms.

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32. Directors' emoluments

Executive

2026

Directors' emoluments	Basic salary	Prior year performance bonuses*	Travel allowances	Pension fund	Total
	R	R	R	R	R
Services as director					
KJ Capes	4,667,890	3,360,000	-	420,110	8,448,000
NR Crafford-Lazarus	4,573,500	2,640,000	150,000	364,500	7,728,000
	9,241,390	6,000,000	150,000	784,610	16,176,000

Additional to the directors' emoluments paid above the Group settled the approved Long-Term Incentive scheme for FY 2021, which was approved at the Remco meeting on 9 November 2021. The award entitled the financial director to an amount of R4,5 million, requiring the acquisition of shares equal to the after-tax value. At the time management and Remco agreed to defer settlement to protect liquidity and capital stability. The Group's financial position has improved materially. Settlement during the current year maintains alignment with the original incentive intent and is affordable within the Group's current financial capacity.

2025

Directors' emoluments	Basic salary	Prior year performance bonuses*	Travel allowances	Pension fund	Total
	R	R	R	R	R
Services as director					
KJ Capes	4,403,670	2,767,500	-	396,330	7,567,500
NR Crafford-Lazarus	4,299,000	2,767,500	150,000	351,000	7,567,500
	8,702,670	5,535,000	150,000	747,330	15,135,000

*The bonus paid in FY 2026 (FY 2025) relates to the FY 2025 (FY 2024) performance.

Non-executive

2026

Directors' emoluments	Fees for services as director	Total
		R
Services as director		
B Williams	530,000	530,000
MJ Janse van Rensburg	440,000	440,000
MM Sedikela	440,000	440,000
MM Ngoasheng	440,000	440,000
Dr. L Mohuba	440,000	440,000
	2,290,000	2,290,000

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32. Directors' emoluments (continued)

2025

Directors' emoluments	Fees for services as director	Total R
Services as director		
B Williams	500,000	500,000
MJ Janse van Rensburg	415,000	415,000
MM Sedikela	207,500	207,500
MM Ngoasheng	415,000	415,000
Dr. L Mohuba	415,000	415,000
B Bulo	207,500	207,500
	2,160,000	2,160,000

33. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

Group - 2026

	Note(s)	Assets at fair value (level 3) R	Amortised cost R	Non-financial instruments R	Total R
Trade and other receivables	10	-	147,669,857	204,655	147,874,512
Cash and cash equivalents	15	-	30,058,363	-	30,058,363
Other investments	13	4,785,366	-	-	4,785,366
		4,785,366	177,728,220	204,655	182,718,241

Group - 2025

	Note(s)	Assets at fair value (level 3) R	Amortised cost R	Non-financial instruments R	Total R
Loans receivable	9	-	94,279	-	94,279
Trade and other receivables	10	-	121,958,185	217,155	122,175,340
Cash and cash equivalents	15	-	29,768,153	-	29,768,153
Other financial assets	12	-	7,272,626	-	7,272,626
Other investments	13	800,000	-	-	800,000
		800,000	159,093,243	217,155	160,110,398

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33. Financial instruments and risk management (continued)

Company - 2026

	Note(s)	Assets at fair value (level 3) R	Amortised cost R	Non-financial instruments R	Total R
Loans to group companies	8	-	12,229	-	12,229
Trade and other receivables	10	-	3,531,995	162,305	3,694,300
Cash and cash equivalents	15	-	3,354,521	-	3,354,521
Other financial assets	12	-	6,111,226	-	6,111,226
Other investments	13	800,000	-	-	800,000
		800,000	13,009,971	162,305	13,972,276

Company - 2025

	Note(s)	Assets at fair values (level 3) R	Amortised cost R	Non-financial instruments R	Total R
Loans to group companies	8	-	12,229	-	12,229
Trade and other receivables	10	-	1,996,707	156,156	2,152,863
Cash and cash equivalents	15	-	2,389,367	-	2,389,367
Other financial assets		-	7,272,626	-	7,272,626
Other investments		800,000	-	-	800,000
		800,000	11,670,929	156,156	12,627,085

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33. Financial instruments and risk management (continued)

Categories of financial liabilities

Group - 2026

	Note(s)	Non-financial instruments R	Amortised cost R	Leases R	Total R
Trade and other payables	21	22,486,281	89,157,650	-	111,643,931
Borrowings	19	-	163,042,847	-	163,042,847
Lease liabilities	4	-	-	46,658,942	46,658,942
		22,486,281	252,200,497	46,658,942	321,345,720

Group - 2025

	Note(s)	Non-financial instruments R	Amortised cost R	Leases R	Total R
Trade and other payables	21	19,348,213	85,255,070	-	104,603,283
Borrowings	19	-	124,371,410	-	124,371,410
Lease liabilities	4	-	-	37,562,500	37,562,500
		19,348,213	209,626,480	37,562,500	266,537,193

Company - 2026

	Note(s)	Non-financial instruments R	Amortised cost R	Total R
Trade and other payables	21	1,001,077	1,259,273	2,260,350
Loans from group companies	18	-	111,147,853	111,147,853
		1,001,077	112,407,126	113,408,203

Company - 2025

	Note(s)	Non-financial instruments R	Amortised cost R	Total R
Trade and other payables	21	1,199,982	575,798	1,775,780
Loans from group companies	18	-	94,523,036	94,523,036
		1,199,982	95,098,834	96,298,816

The Group believes that the carrying value of the financial instruments approximates the fair value.

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33. Financial instruments and risk management (continued)

Capital risk management

The Group's objective when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the Group's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise stakeholder returns sustainably.

The Group monitors capital utilising a number of measures, including the gearing ratio. The gearing ratio is calculated as net borrowings (total borrowings less cash) divided by shareholders' equity. The Group's gearing ratio of 21% is below the Group comfort ratio of 25%.

The capital structure and gearing ratio of the Group at the reporting date was as follows:

	Notes	Group 2026 R	Group 2025 R	Company 2026 R	Company 2025 R
Loans from group companies	18	-	-	111,147,853	94,523,036
Borrowings	19	163,042,847	124,371,410	-	-
Lease liabilities	4	46,658,942	37,562,500	-	-
Trade and other payables	21	111,643,931	104,603,283	2,260,350	1,775,778
Total borrowings		321,345,720	266,537,192	113,408,203	96,298,814
Cash and cash equivalents	15	(30,058,363)	(29,768,153)	(3,354,521)	(2,389,367)
Net borrowings		291,287,357	236,769,039	110,053,682	93,909,447
Equity		1,381,172,648	1,289,453,242	918,396,514	899,442,912
Gearing ratio		21 %	18 %	12 %	10 %
Gearing ratio excluding IFRS 16 lease liabilities		18 %	15 %	12 %	10 %

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33. Financial instruments and risk management (continued)

Financial risk management

Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Group is exposed to credit risk on loans receivable (at amortised cost), trade and other receivables, cash and cash equivalents and loan commitments.

Credit risk for exposures other than those arising on cash and cash equivalents, are managed by making use of credit approvals, limits and monitoring. The group only deals with reputable counterparties with consistent payment histories. Sufficient collateral or guarantees are also obtained when necessary. Each counterparty is analysed individually for creditworthiness before terms and conditions are offered. The analysis involves making use of information submitted by the counterparties as well as external bureau data (where available). Counterparty credit limits are in place and are reviewed and approved by credit management committees. The exposure to credit risk and the creditworthiness of counterparties is continuously monitored.

Credit risk exposure arising on cash and cash equivalents is managed by the Group through dealing with well-established financial institutions with high credit ratings. Credit quality of cash in the bank and short-term deposits, excluding cash on hand (according to Moody's short-term ratings):

Group	Rating type		Outlook	Amount	
	Global short-term bank deposit rating	Global short-term issuer rating		2026 R	2025 R
Financial institutions:					
First National Bank	P-3	NP	Stable	26,187,846	27,194,274
Nedbank Limited	P-3	NP	Stable	2,157,618	2,351,867
ABSA Bank Limited	P-3	NP	Positive	1,254,386	37,500
				29,599,850	29,583,641

Credit loss allowances for expected credit losses are recognised for all debt instruments, but excluding those measured at fair value through profit or loss.

Trade receivables

Trade receivables consist of a large number of customers mainly in the construction industry. Due to a number of hardships experienced in the construction industry over the past year management increased its risk management efforts on trade receivables by obtaining general risk cover from Santam for non-specific customers. The Group applies the IFRS 9 simplified approach in measuring expected credit losses (ECL) which uses a lifetime expected loss allowance for all trade receivables. These lifetime ECL are estimated using a provision matrix. The provision matrix has been developed by making use of historical default experience of debtors but also incorporates forward-looking information and general economic conditions of the industry as at the reporting date. In order to mitigate the risk of financial loss from defaults, management has reacted differently to prior years and were stricter on credit controls with customer credit limits being in place, reviewed and approved by credit management committees. Defaulting customers were converted to cash customers and credit limits for new customers were limited. More upfront payments are required prior to commencing orders.

The exposure to credit risk and the creditworthiness of customers are continuously monitored.

Loans receivable

The Group recognises a loss allowance for ECL on all loans receivable measured at amortised cost in accordance with IFRS 9. The amount of ECL is updated at each reporting date to reflect the changes in credit risk since initial recognition of the respective loans. The Group measures the loss allowance at an amount equal to lifetime ECL when there has been a significant increase in credit risk since initial recognition. If the credit risk on a loan has not increased significantly since initial recognition, the loss allowance for that loan is measured at 12-month expected credit losses (12-month ECL).

For trade receivables and contract assets which do not contain a significant financing component, the loss allowance is determined as the lifetime expected credit losses of the instruments

The maximum exposure to credit risk is presented in the table below:

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33. Financial instruments and risk management (continued)

Group		2026			2025		
	Notes	Gross carrying amount R	Credit loss allowance R	Amortised cost / fair value R	Gross carrying amount R	Credit loss allowance R	Amortised cost / fair value R
Loans receivable	9	-	-	-	94,279	-	94,279
Trade and other receivables	10	147,874,512	-	147,874,512	122,175,340	-	122,175,340
Cash and cash equivalents	15	30,058,363	-	30,058,363	29,768,153	-	29,768,153
		177,932,875	-	177,932,875	152,037,772	-	152,037,772

Company		2026			2025		
	Notes	Gross carrying amount R	Credit loss allowance R	Amortised cost / fair value R	Gross carrying amount R	Credit loss allowance R	Amortised cost / fair value R
Loans to group companies	8	12,229	-	12,229	12,229	-	12,229
Trade and other receivables	10	3,694,300	-	3,694,300	2,152,863	-	2,152,863
Cash and cash equivalents	15	3,354,521	-	3,354,521	2,389,367	-	2,389,367
		7,061,050	-	7,061,050	4,554,459	-	4,554,459

The gross carrying amount of financial assets represents the maximum exposure to credit risk.

Liquidity risk

The Group's risk to liquidity is a result of the funds available to cover future commitments. The Group manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The tables that follow analyse the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The cash flows are undiscounted contractual amounts.

Group - 2026

	Notes	Less than 1 year R	1 to 2 years R	2 to 5 years R	Over 5 years R	Total R	Carrying amount R
Non-current liabilities							
Borrowings	19	-	48,302,434	75,551,169	3,572,800	127,426,403	116,558,125
Lease liabilities	4	-	14,239,403	23,850,760	2,443,194	40,533,357	33,687,977
Current liabilities							
Trade and other payables	21	89,157,649	-	-	-	89,157,649	89,157,649
Borrowings	19	59,030,607	-	-	-	59,030,607	46,484,722
Lease liabilities	4	17,022,068	-	-	-	17,022,068	12,970,965
		165,210,324	62,541,837	99,401,929	6,015,994	333,170,084	300,772,374

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33. Financial instruments and risk management (continued)

Group - 2025

	Notes	Less than 1 year R	1 to 2 years R	2 to 3 years R	3 to 5 years R	Total R	Carrying amount R
Non-current liabilities							
Borrowings	19	-	54,863,040	27,528,400	26,818,636	109,210,076	92,034,257
Lease liabilities	4	-	10,201,866	7,205,292	3,462,580	20,869,738	18,920,220
Current liabilities							
Trade and other payables	21	85,255,070	-	-	-	85,255,070	85,255,070
Borrowings	19	44,832,432	-	-	-	44,832,432	32,337,153
Lease liabilities	4	21,536,251	-	-	-	21,536,251	18,642,280
		151,623,753	65,064,906	34,733,692	30,281,216	281,703,567	247,188,980

Company - 2026

	Notes	Less than 1 year R	Total R	Carrying amount R
Current liabilities				
Trade and other payables	21	1,787,275	1,787,275	1,787,275
Loans from group companies	18	111,147,853	111,147,853	111,147,853

Company - 2025

	Notes	Less than 1 year R	Total R	Carrying amount R
Current liabilities				
Trade and other payables	21	1,316,602	1,316,602	1,316,602
Loans from group companies	18	94,523,036	94,523,036	94,523,036

Without the Subsidiary loan the Company does not face any liquidity risk and are able to settle their current obligations as they become due.

This is discussed in detail in note 34 Going concern.

Market risk

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. Market risk arises from the Group's use of interest bearing and tradable financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors.

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33. Financial instruments and risk management (continued)

Interest rate risk

The Company and the Group are exposed to interest rate risk through their variable rate cash balances, as well as their other financial liabilities, instalment sale liabilities and external borrowings. Surplus cash flows exposed to interest rate risk are placed with institutions and facilities which yield the highest rate of return.

Interest rate sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

Group

At 31 March 2026, if the interest rates on cash and cash equivalents had been 1% (2025: 1%) higher or lower during the period, with all other variables held constant, pre-taxation profit for the year would have been R792,392 (2025: R526,068) higher or lower, mainly as a result of higher or lower interest income on funds invested on call. The resulting taxation effect would have been R213,946 (2025: R142,038).

At 31 March 2026, if the interest rates on borrowings had been 1% per annum (2025: 1%) higher or lower during the period, with all other variables held constant, pre-taxation profit for the year would have been R1,1812,383 (2025: R1,548,356) higher or lower, as a result of higher or lower interest expense on floating rate borrowings. The resulting taxation effect would have been R489,343 (2025: R418,056).

Company

At 31 March 2026, if the interest rates on cash and cash equivalents had been 1% (2025: 1%) higher or lower during the period, with all other variables held constant, pre-taxation profit for the year would have been R20 (2025: R239) higher or lower, mainly as a result of higher or lower interest income on funds invested on call. The resulting taxation effect would have been Rnil.

At 31 March 2026, if the interest rates on borrowings had been 1% per annum (2025: 1%) higher or lower during the period, with all other variables held constant, pre-taxation profit for the year would have been Rnil (2025: Rnil) higher or lower, as a result of higher or lower interest expense on floating rate borrowings. The resulting taxation effect would have been Rnil.

34. Going concern

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

The directors believe that the Group and the Company have adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the Group and the Company are in a sound financial position and have access to sufficient borrowing facilities to meet its foreseeable cash requirements. The Company's current liabilities exceeds the current assets, however if the loan from the Subsidiary is required to be repaid, the board will consider various options including, but not limited to, the approval of dividends from its subsidiary and the realisation of assets. The directors are not aware of any new material changes that may adversely impact the Group and the Company.

Métier's term loan was repaid during FY 2023 and replaced with an overdraft facility. The R40 million overdraft facility provides enough headroom to ensure that all foreseeable cash requirements will be met.

The refinanced SepCem loan granted by Nedbank and Standard Bank was repaid in full in CY2025. The working capital facility of R200 million remains unutilised and SepCem therefore also has enough headroom to ensure that all foreseeable cash requirements will be met.

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

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35. Events after the reporting period

Apart from the Associate's event that is disclosed in note 7 Investment in associate, the directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

36. Net asset value per share and earnings per share

Net asset value and tangible net asset value per share	Group	
	2026 R	2025 R
Total assets	1,741,720,358	1,583,977,101
Total liabilities	(360,547,710)	(294,523,859)
Net asset value attributable to equity holders of parent	1,381,172,648	1,289,453,242
Goodwill	(224,063,063)	(223,421,981)
Tangible net asset value	1,157,109,585	1,066,031,261
Shares in issue	254,486,436	254,486,436
Less: Treasury shares	(23,576,710)	(22,700,000)
Total shares outstanding	230,909,726	231,786,436
Net asset value per share (cents)	598.14	556.31
Tangible net asset value per share (cents)	501.11	459.92

Reconciliation of basic earnings to diluted earnings and headline earnings:

	2026	2026	2025	2025
	Gross	Net	Gross	Net
	R	R	R	R
Profit attributable to ordinary equity holders of the parent entity		93,313,801		73,551,307
IAS 33 earnings		93,313,801		73,551,307
Less loss/(profit) on the disposal of plant and equipment (note 23 and 24)	(7,344,470)	(5,361,463)	302,377	220,735
Less share of "look-through" adjustments of associate:	(806,400)	(588,672)	(460,080)	(335,858)
- (Profit)/loss on the disposal of plant and equipment	(806,400)	(588,672)	(460,080)	(335,858)
- Insurance proceeds on plant and equipment	-	-	-	-
Headline earnings and diluted headline earnings attributable to equity holders of parent		87,363,666		73,909,238
Basic weighted average number of shares		230,431,032		232,995,700
Diluted weighted average number of shares		230,431,032		232,995,700
Basic earnings per share (cents)		40.50		31.57
Diluted earnings per share (cents)		40.50		31.57
Headline earnings per share (cents)		37.91		31.52
Diluted headline earnings per share (cents)		37.91		31.52

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37. Segment information

2026	Ready-mix concrete		Head office	Group totals
	R	R	R	
Segment revenue - external revenue	1,291,486,841		-	1,291,486,841
Segment raw materials	(745,239,628)		-	(745,239,628)
Segment transportation	(154,882,964)		-	(154,882,964)
Segment production expenses	(29,077,811)		-	(29,077,811)
Segment employee benefit expenses	(118,209,017)		(16,062,222)	(134,271,239)
Segment administration and other operating expenses	(57,347,551)		(5,100,325)	(62,447,876)
Profit on sale of property, plant and equipment	7,344,470		-	7,344,470
Segment profit/(loss) after taxation	107,441,541		(22,280,661)	93,313,800
Taxation	(24,773,974)		(1,094,202)	(25,868,176)
Interest received	5,360,719		2,456	5,363,175
Interest paid	(18,123,830)		(676)	(18,124,506)
Depreciation and amortisation	(50,689,277)		(25,691)	(50,714,968)
Segment assets	600,942,421		232,291,913	1,741,720,358
Capital expenditure included in segment assets	119,885,752		-	119,885,752
Segment liabilities	(358,748,325)		(1,799,385)	(360,547,710)

2025	Ready-mix concrete		Head office	Group totals
	R	R	R	
Segment revenue - external revenue	1,182,844,822		-	1,182,844,822
Segment raw materials	(706,002,253)		-	(706,002,253)
Segment transportation	(146,341,586)		-	(146,341,586)
Segment production expenses	(28,986,737)		-	(28,986,737)
Segment employee benefit expenses	(101,227,245)		(10,644,644)	(111,871,889)
Segment administration and other operating expenses	(56,423,635)		(4,843,327)	(61,266,962)
Loss on sale of property, plant and equipment	(295,755)		-	(295,755)
Segment profit/(loss) after taxation	75,847,115		(16,959,328)	73,551,307
Taxation	(15,948,259)		(976,768)	(16,925,027)
Interest received	2,793,670		1,193	2,794,863
Interest paid	(15,483,548)		(564)	(15,484,112)
Depreciation and amortisation	(41,914,912)		(15,536)	(41,930,448)
Segment assets	484,269,073		234,102,995	1,583,977,101
Capital expenditure included in segment assets	123,913,054		77,074	123,990,128
Segment liabilities	(292,732,668)		(1,791,191)	(294,523,859)

The only commodity actively managed by Métier is ready-mixed concrete.

The Group does not rely on any single external customer or group of entities under common control for 10% or more of the Group's revenue.

The "Head office" financial information presented in the segment information comprises corporate headquarters activities that provide support functions to the Ready-mix concrete operating segment, including accounting and management activities. The revenue earned by Head office, which is eliminated on consolidation, and the expenses incurred are incidental to the entity's business, as these activities exist solely to support the principal operations of the Group. Accordingly, Head office does not represent an operating segment. Head office information is presented separately from the Ready-mix concrete operating segment in order to reconcile the segment information to the consolidated financial statements and to provide additional information that contributes to an understanding of the Group.

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37. Segment information (continued)

Cement segment

SepCem, the Group's equity-accounted associate, is also considered to be a reportable operating segment of the Group. The CODM regularly reviews the financial performance of SepCem, which is an integrated cement and clinker producer.

The segment information of the Cement segment should be considered in conjunction with the segment information in the table above. The total column in the table above is a sum of Ready-mix concrete segment and the Cement segment. Under the equity method of accounting, the Group's consolidated financial statements reflect only the investment in the Associate (in the consolidated statement of financial position) and the share of the Associate's profit or loss (in the consolidated statement of profit or loss and other comprehensive income), rather than the underlying revenue, expenses, assets and liabilities of the Associate on a line-by-line basis.

The financial information of the Cement segment is presented in note 7 Investment in associates, which represents the level of financial information reviewed by the CODM in assessing the performance of this segment.

The measure of the Cement segment's profit or loss and other line items, as reviewed by the CODM, is reconciled to the consolidated financial information of the Group as follows:

2026	Cement segment R'000	Equity method adjustment R'000	Amounts in consolidated financial statements (included in the Group segment information above) R'000
Segment revenue - external	2,662,789	(2,662,789)	-
Segment cost of sales	(2,414,045)	2,414,045	-
Segment profit after tax (attributable owners of the parent)	22,647	(22,647)	8,153 [share of associate's profit]
Total assets	3,414,860	(3,414,860)	908,486 [investment in associate]
Total liabilities	1,496,515	(1,496,515)	-

2025 (restated)**	Cement segment R'000	Equity method adjustment R'000	Amounts in consolidated financial statements (included in the Group segment information above) R'000
Segment revenue - external	2,785,449	(2,785,449)	-
Segment cost of sales	(2,442,885)	2,442,885	-
Segment profit after tax (attributable owners of the parent)	40,732	(40,732)	14,664 [share of associate's profit]
Total assets	3,655,651	(3,655,651)	865,605 [investment in associate]
Total liabilities	1,761,783	(1,761,783)	-

** Disclosure in respect of the Cement segment was not included in the prior year. The presentation of financial information relating to the prior year, in respect of the Cement segment, has been included in this note to appropriately present the Cement segment as a separate segment. This correction in presentation has no impact on the primary statements or any other note to the financial statements.

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Supplementary Information

1. Shareholders' analysis

Ordinary shares as at 31 March 2026

Number of ordinary shares in issue during the financial year:	254,486,436
Total holders:	11,204

Issued capital Type of shares	Number of shareholders	% of shareholders	Number of shares
Certificated shares	119	1.06	26,426,851
Dematerialised shares	11,085	98.94	228,059,585
Total issued capital	11,204	100.00	254,486,436

Shareholders holding greater than 5% of the issued share capital at year-end	Number of shares	%
Safika Resources Proprietary Limited (Dematerialised)	30,734,981	12.08
Métier Mixed Concrete Proprietary Limited	22,700,000	8.92
Safika Resources Proprietary Limited (Certificated)	19,043,228	7.48
Mr. D Fraser	16,884,724	6.63
Mr. RC Williams	15,642,920	6.15

Range of shareholdings Share range	Number of shareholders	% of shareholders	Number of shares
1 - 1,000	10,032	89.54	759,477
1,001 - 10,000	672	6.00	2,592,302
10,001 - 50,000	272	2.43	6,677,370
50,001 - 100,000	77	0.68	5,503,023
100,001 - 500,000	95	0.85	22,313,719
500,001 - 1,000,000	19	0.17	13,716,915
1,000,001 shares and over	37	0.33	202,923,630
Total	11,204	100.00	254,486,436

Breakdown by domicile Domicile	Number of shareholders	% of shareholders	Number of shares
Non-resident shareholders	77	0.69	19,513,921
Resident shareholders	11,127	99.31	234,972,515
Total	11,204	100.00	254,486,436

Public and non-public shareholders	Shares held	%	Number of shareholders
Public	194,006,524	76.23	11,195
Non-public	60,479,912	23.77	9
- Directors' direct holdings	17,034,683	6.69	3
- Directors' indirect holdings	19,719,840	7.75	2
- Directors' associates	148,679	0.06	2
- Treasury shares	23,576,710	9.27	2
Total issued capital	254,486,436	100.00	11,204