



LA CONCORDE

Registration number: 2009/012871/06

LA CONCORDE HOLDINGS LIMITED
NOTICE OF ANNUAL GENERAL MEETING AND
SUMMARISED CONSOLIDATED
FINANCIAL STATEMENTS
for year ended 31 March 2019

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SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		Year ended 31 March 2019	Year ended 31 March 2018
	Notes	R'000	R'000
ASSETS			
Non-current assets			
		206 146	283 682
Property, plant and equipment		2 443	3 598
Investment properties	4	153 900	262 758
Intangible assets		185	195
Investment in associate	5	19 082	17 131
Other financial assets	6	24 014	-
Deferred tax	7	6 522	-
Current assets			
		64 326	105 795
Trade and other receivables		11 174	6 033
Inventory		119	117
Loan receivable		782	792
Taxation		687	-
Cash and cash equivalents	8	51 564	98 853
Non-current assets held for sale			
	9	-	855 273
Total assets			
		270 472	1 244 750
EQUITY AND LIABILITIES			
Equity			
		227 542	1 161 396
Ordinary share capital		1	1
Share premium		420 711	425 722
Other reserves		109 539	896 769
Retained losses		(302 709)	(161 096)
Non-current liabilities			
		28 770	53 451
Deferred taxation	7	28 770	53 451
Current liabilities			
		14 160	29 903
Trade and other payables		14 160	16 686
Taxation		-	13 217
Total equity and liabilities			
		270 472	1 244 750

SUMMARISED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Year ended 31 March 2019 R'000	Year ended 31 March 2018 R'000
Property rental income	18 725	16 384
Fair value adjustments of financial instruments	(24 893)	-
Fair value adjustments of investment properties	(111 640)	23 500
Investment income	15 123	79 907
Operating expenses	(20 562)	(22 211)
Depreciation and amortisation	(746)	(1 290)
Share of equity-accounted earnings	2 377	3 925
Finance costs	(1)	(7)
(Loss)/profit before taxation	(121 617)	100 208
Taxation	31 496	(26 688)
(Loss)/profit for the year	(90 121)	73 520
Other comprehensive income		
Gain on revaluation of land and buildings	-	141 159
Tax on gain on revaluation of land and buildings	-	(31 620)
Total comprehensive (loss)/income for the year	(90 121)	183 059
Earnings per share (cents)		
Basic earnings	(132.9)	108.1
Headline earnings	(5.1)	81.3
Shares in issue		
Number of shares issued ('000)	68 980	68 980
Treasury shares ('000)	(979)	(979)
Shares repurchased ('000)	(198)	-
Net weighted average number of shares in issue	67 803	68 001

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Year ended 31 March 2019 R'000	Year ended 31 March 2018 R'000
Balance at the beginning of the year	1 161 396	1 293 481
Total comprehensive (loss)/income for the year	(90 121)	183 059
Repurchase of shares	(5 011)	-
Dividends	(838 722)	(315 144)
Balance at the end of the year	227 542	1 161 396

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

	Year ended 31 March 2019 R'000	Year ended 31 March 2018 R'000
	Notes	
Cash flows from operating activities		
Net cash from operating activities	(4 875)	(45 306)
Cash utilised in operations	8 (1 841)	(3 503)
Changes in working capital	8 (7 140)	204 957
Cash (utilised in)/generated by operating activities	(8 981)	201 454
Investment income	15 123	79 907
Finance costs	(1)	(7)
Taxation paid	8 (11 016)	(24 399)
Dividends paid	-	(302 261)
Cash flows from investing activities	(37 403)	(447 749)
Investment in associate	426	264
Additions to investment property	(2 296)	(11 274)
Additions of property, plant and equipment	(233)	(1 395)
Proceeds on disposal of property, plant and equipment	239	7
Intangible assets acquired	(69)	(105)
Investment in financial assets	(35 470)	(855 273)
Loans receivable disposal	-	420 819
Loan receivable advance	-	(792)
Cash flows from financing activities	(5 011)	-
Ordinary shares repurchased	(5 011)	-
Cash and cash equivalents		
Movements	(47 289)	(493 055)
At the beginning of the year	98 853	591 908
At the end of the year	51 564	98 853

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The results for the year ended 31 March 2019 have been prepared in accordance with International Financial Reporting Standards ("IFRS"), IAS 34 *Interim Financial Reporting*, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the South African Companies Act, No. 71 of 2008 (as amended). The accounting policies of the group are consistent with those applied for the year ended 31 March 2018. The adoption of new standards that are applicable for this financial year had no impact on the figures presented. Details of the standards adopted will be provided in the annual financial statements. These financial statements were prepared under the supervision of the financial director, Mr AF Pereira CA(SA).

2. AUDITOR'S NOTE

The summarised consolidated financial statements are extracted from audited information but is not itself audited. The annual financial statements were audited by PricewaterhouseCoopers Inc., who expressed an unmodified opinion thereon. The audited annual financial statements and the auditor's report thereon are available for inspection at the company's registered office or on the La Concorde website, www.laconcordeholdings.co.za or alternatively requested by sending an email to shares@laconcordeholdings.co.za. The directors take full responsibility for the preparation of the summary consolidated financial statements and that the financial information has been correctly extracted from the underlying annual consolidated financial statements.

3. SEGMENTS

The group is an investment company. No separately identifiable operating segments exist, other than the income received from the property rentals of which the financial effects are disclosed in the financial statements.

4. INVESTMENT PROPERTIES

	2019	2018
	R'000	R'000
Investment properties at fair value	153 900	262 758
	153 900	262 758
Reconciliation of carrying value		
At the beginning of the year	262 758	68 358
Fair value adjustments	(111 640)	23 500
Transfer from property, plant and equipment	486	159 626
Additions	2 296	11 274
At the end of the year	153 900	262 758

Investment properties are stated at fair value.

The group engages external, independent and qualified valuers to determine the fair value of the group's investment property as required by the Board. The directors perform valuations annually.

Investment property is in level 3 of the fair value hierarchy.

The investment properties were fairly valued by suitably qualified independent valuers with recent experience in similar properties in similar areas.

The valuers analysed the values of the properties by considering all incomparable characteristics and their potential influence on the sales prices.

The fair value of the investment properties owned by the group, totalling R153.9 million at 31 March 2019, was arrived at on the basis of external valuations performed by Quadrant Properties Proprietary Limited and The Valuator Group Proprietary Limited, independent firms of valuers not related to the group.

The fair value of the vacant land and Picardi farm totalling R35 million was determined by applying the direct comparable sales method. The fair value of the Laborie estate totalling (which includes buildings and an adjacent house) R66,5 million was determined by applying the direct comparable sales, income based, profits based and depreciated cost valuation techniques and buildings with a fair value of R52.4m were valued using the free cash flow method.

Significant unobservable inputs were as follows:

- Rental growth rate:	7%
- Cost growth rate:	7.5%
- Capitalisation rate:	10%-10.75%
- Occupancy rate:	98%

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

4. INVESTMENT PROPERTIES *(continued)*

Amounts recognised in profit and loss for the year:

	2019 R'000	2018 R'000
Rental income from investment property	18 725	16 384
Direct operating expenses from rental-generating property	(20 562)	(22 211)
	(1 837)	(5 827)
Contractual rent receivable:		
- within one year	5 995	6 856
- within two to five years	6 207	11 462
- after five years	195	181
	12 397	18 499
Investment properties consist of:		
Erf 31403, Main Street House, Paarl, Western Cape	4 000	5 000
Erf 11919, De Hoop Farm, Paarl, Western Cape, in extent of 3.3 ha	13 200	25 000
Erf 23407, Worcester, Western Cape, in extent of 6 602 m ²	1 100	1 650
Erf 31366, Picardi Farm, Paarl, Western Cape, in extent of 16.4 ha	9 000	35 000
Erf 212, 213, 214, 223 and 224, Klapmuts erven, in extent of 5 502 m ²	1 100	1 208
Erf 8677, Paarl, Western Cape, in extent of 2.4702 ha	13 000	24 000
Erf 8676, Paarl, Western Cape, in extent of 2.5849 ha	50 000	73 400
Erf 13004, Paarl, Western Cape, in extent of 44.3918 ha	62 500	97 500
	153 900	262 758

5. INVESTMENT IN ASSOCIATE

Name of associate	Place of business	Principal activity	Group interest		2019 R'000	2018 R'000
			2019 %	2018 %		
Paarlvallei Bottling Proprietary Limited	South Africa	Bottling	30.9%	30.9%	19 082	17 131
					19 082	17 131
Reconciliation of investment in associate						
					2019 R'000	2018 R'000
At the beginning of the year					17 131	13 470
Share of the profits					2 377	3 925
Dividend received					(426)	(264)
					19 082	17 131

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

6. OTHER FINANCIAL ASSETS

	2019	2018
	R'000	R'000
Financial assets carried at fair value through profit or loss		
Equity securities	24 014	-
Current portion	-	-
Non-current portion	24 014	-

Fair value of equity securities carried at fair value through profit or loss

The fair value of the listed equity instruments was determined using the quoted price available for the instruments.

7. DEFERRED TAXATION

	2019	2018
	R'000	R'000
Movements in deferred taxation		
At the beginning of the year	(53 451)	(15 992)
Asset revaluations	26 154	(31 709)
Accelerated tax allowances	(209)	(5 400)
Provisions and accruals	114	(350)
Financial asset revaluations	5 144	-
At the end of the year	(22 248)	(53 451)
Analysis of deferred taxation		
Accelerated tax allowances	(6 517)	(6 308)
Fair value remeasurements	(20 654)	(46 808)
Provisions and accruals	(164)	(278)
Assessed losses	(57)	(57)
Financial asset revaluations	5 144	-
	(22 248)	(53 451)
Composition of deferred taxation		
Deferred taxation assets	6 522	-
Deferred taxation liabilities	(28 770)	(53 451)
	(22 248)	(53 451)

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

8. NOTES TO THE STATEMENT OF CASH FLOWS

	2019	2018
	R'000	R'000
Cash generated by operations		
(Loss)/profit for the year	(90 121)	73 520
Taxation	(31 496)	26 688
Depreciation and amortisation	746	1 290
Profit on disposal of plant and equipment	(4)	-
Share of equity-accounted earnings	(2 377)	(3 925)
Fair value adjustments of investment properties	111 640	(23 500)
Fair value adjustments of financial instruments	24 893	-
Investment income	(15 123)	(79 907)
Finance cost	1	7
Other non-cash items	-	2 324
	(1 841)	(3 503)
Changes in working capital		
Inventory	(2)	(117)
Trade and other receivables	(5 141)	205 558
Trade and other payables	(1 997)	(484)
	(7 140)	204 957
Taxation paid		
Unpaid at the beginning of the year	(13 217)	(14 428)
Charged to the statement of profit and loss	291	(20 848)
Penalties and interest	2 499	(2 340)
Other (list)	98	-
Unpaid at the end of the year	(687)	13 217
	(11 016)	(24 399)
Cash and cash equivalents		
Bank balances and deposits	51 564	98 853

Fair value of cash and cash equivalents

The carrying value of cash and cash equivalents approximates fair value due to the short-term maturity of these instruments.

9. NON-CURRENT ASSETS HELD FOR SALE

	2019	2018
	R'000	R'000
Disposal of group assets classified as held for sale	-	855 273
The investment in HPL&R was disposed of through dividend in specie during April 2018.		

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

10. EVENTS AFTER REPORTING DATE

On 28 June 2019 the group entered into the following transactions with its holding company, HCI:

- An agreement with La Concorde South Africa Proprietary Limited, a subsidiary, to acquire the Group's interests in the following properties:

Erf 11919, De Hoop Farm, Paarl, Western Cape

Erf 31366, Picardi Farm, Paarl, Western Cape

Erf 8677, Paarl, Western Cape

Erf 8676, Paarl, Western Cape

Total consideration in respect of the transaction is R79,75 million plus the value of certain loan claims advanced subsequent to the reporting date.

11. DIVIDENDS

The group's dividend policy is to consider an interim and a final dividend in respect of each financial year.

At its discretion, the board may consider a special dividend, where appropriate. Depending on the perceived need to retain funds for expansion or operating purposes, the board may pass on the payment of dividends.

On 13 April 2018 the group declared a dividend in specie of 1,59466 Hosken Passenger Logistics and Rail Limited shares per 1 La Concorde Holdings Limited share.

Due to reduced liquidity in the group and potential future property developments, the board has resolved not to declare a final dividend.

COMMENTARY FROM THE CHIEF EXECUTIVE OFFICER

The assets of La Concorde mainly comprise property, art and cash and cash equivalents.

The group concluded the Hosken Passenger Logistics and Rail Limited (HPL&R) unbundling through a distribution of its shares in HPL&R to shareholders. On 13 April 2018 the group declared a dividend in specie of 1,59466 HPL&R shares per 1 La Concorde Holdings Limited share.

During the year the income generated mainly consisted of dividends and interest income from cash and cash equivalents, rental income and recoveries of utilities and operating expenses. Operating expenses mainly consisted of utility expenses, management fees, salaries, and repairs and maintenance required for the management of the properties. The fair value adjustment on HPL&R shares retained was mainly attributable to adverse market conditions. The fair value adjustment on properties followed an assessment of carrying values. Independent valuers were contracted to perform the valuations which reflect current zoning of each property and current market conditions.

The group is continuing its efforts to extract value from its properties, either through sale or development.

Signed on behalf of the board of directors.

Lael Bethlehem
Chief executive officer

Paarl
16 August 2019

NOTICE OF ANNUAL GENERAL MEETING

LA CONCORDE HOLDINGS LIMITED
Registration number: 2009/012871/06
Incorporated in the Republic of South Africa
("LA CONCORDE" or "the Company")

Notice is hereby given in terms of section 62 of the Companies Act, 2008, (Act 71 of 2008) as amended ("the Act") that the annual general meeting of the company will be held on Thursday, 12 September 2019 at 08:30 at the offices of Hosken Consolidated Investments Limited, Suite 801, 76 Regent Road, Sea Point, 8005, to transact the following business and to consider and, if deemed fit, to pass the following ordinary and special resolutions with or without modification:

PRESENTATION OF THE AUDITED ANNUAL FINANCIAL STATEMENTS OF THE COMPANY, INCLUDING THE REPORTS OF DIRECTORS, EXTERNAL AUDITORS AND THE AUDIT COMMITTEE, FOR THE YEAR ENDED 31 MARCH 2019

In terms of the Act, the audited annual financial statements of Company (including the reports of the directors and the audit committee) for the year ended 31 March 2019 as approved by the board of directors will be presented to the shareholders of the Company.

The full annual financial statements are available on the La Concorde website, www.laconcordeholdings.co.za or alternatively requested by sending an email to shares@laconcordeholdings.co.za.

ORDINARY RESOLUTION 1: RETIREMENT, RE-ELECTION AND CONFIRMATION OF APPOINTMENT OF DIRECTORS

Clause 22.7 of the company's memorandum of incorporation determines that no person other than a director retiring at the meeting shall, unless recommended by the directors for election, be eligible for election to the office of director at any annual general meeting unless, not less than 7 (seven) days nor more than 14 (fourteen) days before the day appointed for the meeting, there shall have been given to the secretary notice in writing by some member duly qualified to be present and vote at the meeting for which such notice is given of the intention of such member to propose such person for election and also notice in writing signed by the person to be proposed of her/his willingness to be elected.

The directors have recommended the following:

ORDINARY RESOLUTION NUMBER 1.1: ELECTION OF MR YUNIS SHAIK AS DIRECTOR

"Resolved that Mr Y Shaik be and is hereby elected as a director of the Company."

Explanation:

To re-elect Mr Yunis Shaik who retires at this annual general meeting in terms of the memorandum of incorporation and who is eligible and available for re-election.

Yunis was an attorney of the High Court and in private practice prior to joining HCI in 2014. He is a former deputy general secretary of the Southern African Clothing and Textile Workers Union and a director of Workers' College. He has served as a senior commissioner to the CCMA in KwaZulu Natal. He was appointed to the HCI Board in August 2005 and to the Board of Niveus Investments in 2012. He was appointed to the La Concorde board on 09 March 2017.

ORDINARY RESOLUTION NUMBER 1.2: ELECTION OF MR ANTONIO FRANCISCO PEREIRA AS DIRECTOR

"Resolved that Mr Antonio Francisco (Cisco) Pereira be and is hereby elected as a director of the Company."

Explanation:

Mr Antonio Francisco (Cisco) Pereira, who retires at this annual general meeting in terms of the memorandum of incorporation and who is eligible and available for re-election.

Cisco joined HCI as group financial manager in 2010 and has served on a number of executive committees of HCI's subsidiaries. He qualified as a chartered accountant at PKF (Cpt) Inc and worked at PSG Asset Management prior to joining HCI. He was appointed to the La Concorde board in July 2018.

ORDINARY RESOLUTION NUMBER 1.3: ELECTION OF MS LAEL IRENE BETHLEHEM AS DIRECTOR

"Resolved that Ms Lael Irene Bethlehem be and is hereby elected as a director of the Company."

Explanation:

To elect Ms Lael Irene Bethlehem, who was appointed during the course of the year and now retires at this annual general meeting in terms of the memorandum of incorporation and who is eligible and available for re-election.

Lael has a master's degree in Industrial Sociology from the University of Witwatersrand and started her career as a researcher in the union movement in the early 1990s, working in the Industrial Strategy Project, Naledi and Nedlac. Serving as Chief Director of Forestry in the National Department of Water Affairs and Forestry from 1998 - 2002 before moving to the City of Johannesburg where she worked in various roles, which included a 5-year tenure as CEO of the Johannesburg Development Agency where she was deeply involved in inner city regeneration. From 2010 - 2013 she was Head of Real Estate Investments and Integrated Residential Development at Standard Bank South Africa. Lael joined Hosken Consolidated Investments (HCI) in 2013, where she has been working mainly in the property development and renewable energy portfolios.

NOTICE OF ANNUAL GENERAL MEETING *(continued)*

Lael serves as a Board member of the Industrial Development Corporation as well as Sedibelo Platinum. She has also served on the Boards of various other entities including the Centre for International Forestry Research, The International Institute for Environment and Development and City Power Johannesburg. She was appointed to the La Concorde board on 7 February 2019.

ORDINARY RESOLUTION NUMBER 2: APPOINTMENT OF AUDITORS

“Resolved that PricewaterhouseCoopers and Mr Hugo Zeelie, as designated auditor, is hereby appointed as external auditor of the company for the ensuing year.”

Explanation:

In terms of the Act, the Company, being a public company, must have its financial results audited and such auditor of the Company must each year at the Company’s annual general meeting be appointed or re-appointed, as the case may be, as an external auditor. The Company’s current external auditor is PricewaterhouseCoopers, which has indicated that Mr Hugo Zeelie, will undertake the audit during the financial year ending 31 March 2020.

SPECIAL RESOLUTION NUMBER 1: AMENDMENT OF MEMORANDUM OF INCORPORATION

Resolved that the existing memorandum of incorporation of the Company be and is hereby amended as follows:

1. by deleting clause 1.2.11 and replacing same as follows:

“1.2.11 “Odd-Lot Holders” means Holders who own Odd-Lots;”

2. inserting new clauses 1.2.11A and 1.2.11B immediately after clause 1.2.11, which read as follows:

“1.2.11A “Odd-Lot Offer” means an offer by the Company to purchase Odd-Lots from Odd-Lot Holders;

1.2.11B “Odd-Lots” means such number of Shares as determined by the Board in respect of an Odd-Lot Offer, which shall not be more than 10,000 (ten thousand) Shares;”

3. replacing clause 36 in its entirety with the following new clause 36:

“36 REPURCHASES OF SECURITIES

36.1 The Company is authorised to repurchase Securities subject to compliance with the Companies Act.

36.2 Subject to clause 36.1, the Company may repurchase Odd-Lots from Odd-Lot Holders pursuant to an Odd-Lot Offer from time to time, on the following basis:

36.2.1 each Odd-Lot Offer shall allow the relevant Odd-Lot Holder to elect to either retain its Odd-Lot or to sell its Odd-Lot;

36.2.2 save if the Board determines otherwise, if the Holder of the Odd-lot does not respond to the Odd-Lot Offer within the requisite time period specified in the Odd-Lot Offer, such Holder will be deemed to have accepted the Odd-Lot Offer, provided that the specific Odd-lot Offer was approved by Shareholders by way of an Ordinary Resolution (which resolution, for the avoidance of any doubt, may be adopted by round robin resolution in terms of section 60 of the Companies Act);

36.2.3 the Board shall determine the price at which the Odd-lot Offer will be implemented, in its sole discretion, having regard to such factors as it may deem appropriate including, inter alia, the trading history of the Company’s shares;

36.2.4 the Board shall determine such other terms as it may deem appropriate regarding the implementation of an Odd-Lot Offer, including the time periods during which the Odd Lot Holder should elect out of an Odd Lot Offer and the methodology to do so, and it shall be entitled to take guidance from the timetable and terms applicable to odd lot offers contained in the JSE Listings Requirements when making such determination;

36.2.4 subject to the terms of the Odd Lot Offer as determined by the Board and specified in the relevant notice document and/or circular circulated to the Holders, upon implementation of an Odd-lot Offer, an Odd Lot sold in terms of the Odd-Lot Offer (i.e. an Odd-Lot in respect of which the Odd-Lot Holder did not validly elect to retain such Odd-Lot) shall be deemed to have been repurchased by the Company on the date specified in the Company’s applicable notice document and/or circular circulated to Holders, notwithstanding that the relevant form of transfer and/or documents of title applicable to the Odd-Lot had not yet been delivered to the Company, provided that it shall remain a requirement for the relevant Odd-Lot Holder to deliver its original Share certificates and/or other documents of title, as required by the Company, in order to be paid its purchase price payable for repurchase of the Odd-Lot.”

NOTICE OF ANNUAL GENERAL MEETING *(continued)*

Reason for, and effect of, special resolution number 1:

The Company currently has a significant number of shareholders, which is unusual for an unlisted company. Whilst this position may have been tenable whilst the Company still held its interests in the KWV business, the Company's board believes that, pursuant to the disposal of that business, it would be appropriate and in the best interests of the Company to reduce the number of shareholders of the Company and grant shareholders who hold a smaller number of shares the opportunity to exit. One of the methods to achieve this would be for the Company to propose an Odd-Lot Offer to shareholders.

The Company's Memorandum of Incorporation currently allows for the implementation of an Odd-Lot Offer in accordance with the JSE Listings Requirements. Since the Company's shares are not listed on the JSE, the board believes that it is appropriate to amend the Memorandum of Incorporation to incorporate those provisions into the Memorandum of Incorporation which would apply to Odd-Lot Offers made to the shareholders of the Company from time to time.

The reason for, and effect of, special resolution number 1 is to obtain the approval of the shareholders of the Company to amend its existing Memorandum of Incorporation so as to expressly record the terms upon which the Company will have the authority to implement an odd-lot offer from time to time.

SPECIAL RESOLUTION NUMBER 2: SHAREHOLDERS' GENERAL AUTHORISATION OF FINANCIAL ASSISTANCE

"Resolved that, to the extent required by sections 44 and 45 of the Act, the board of directors of the Company may, subject to compliance with the requirements of the Company's MOI and the Act, each as presently constituted and as amended from time to time, authorise the Company to provide direct or indirect financial assistance by way of a loan, guarantee, the provision of security or otherwise, to:

- 1.1 any person for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or inter-related company, or for the purchase of any securities of the Company or a related or inter-related company; and/or*
- 1.2 any of its present or future subsidiaries and/or any other company or corporation that is or becomes related to or inter-related with the Company for any purpose or in connection with any matter; and/or*
- 1.3 any of the present or future directors or prescribed officers (or any person related to any of them or to any company or entity related or inter-related to any of them), or to any other person who is or may be a participant in any employee share scheme, current or future employee share plans or other incentive schemes, or any share scheme trust or other entity facilitating any such scheme, for the purpose of, or in connection with, the subscription for any option, or any securities, issued or to be issued by the company or a related or inter-related company or entity or for the purchase of any securities of the company or a related or inter-related company, where such financial assistance is provided in terms of any such plan or scheme that does not constitute an employee share scheme that satisfies the requirements of section 97 of the Act.*

The financial assistance may be provided at any time during the period commencing on the date of the adoption of this resolution and ending 2 (two) years after such date."

Explanation:

As part of the normal conduct of the business of the Company and its subsidiaries from time to time, the company, where necessary, provides financial assistance to its related and inter-related companies and entities (as contemplated in the Act) including the provision of guarantees and other forms of security to third parties which provide funding to the company's subsidiaries, whether by way of loans, subscribing for shares (including preference shares) or otherwise. In the circumstances and in order to ensure that, among other things, the company and its subsidiaries and other related and inter-related companies and entities continue to have access to, and are able to appropriately structure their financing for purposes of funding their corporate and working capital requirements, it is necessary that the company obtains the approval of shareholders in terms of this special resolution number 2.

The Company may furthermore wish to provide financial assistance to its subsidiaries and other related and inter-related companies and corporations including pursuant to the Company's employee and other share schemes.

Sections 44 and 45 of the Companies Act provide that the financial assistance required can only be provided pursuant to a special resolution of the shareholders, adopted within the previous two years, which resolution must have approved such financial assistance either for the specific recipient or generally for a category of potential recipients (and the specific recipient falls within that category), and the directors must be satisfied that:

- immediately after providing the financial assistance, the company will satisfy the solvency and liquidity test as defined in section 4 of the Act; and
- the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company.

The passing of this special resolution number 2 will have the effect of authorising the Company to provide direct or indirect financial assistance in accordance with sections 44 and 45 of the Companies Act, for a period of two years after the adoption of this resolution.

NOTICE OF ANNUAL GENERAL MEETING *(continued)*

SPECIAL RESOLUTION NUMBER 3: APPROVAL OF ANNUAL FEES TO BE PAID TO NON-EXECUTIVE DIRECTORS

In terms of the requirements of section 65 (1) (h) of the Act, shareholders are requested to approve the following resolution as a special resolution:

“Resolved that for the period 1 April 2020 to 31 March 2021, the remuneration payable to non-executive directors of Company for their services as directors as follow:

Director R100 170 per annum”

Explanation:

In terms of section 66(8) of the Act, the Company may pay remuneration to its directors for their services as directors. In terms of section 66(9) of the Act the remuneration may only be paid to directors for their services as directors in accordance with a special resolution approved by the holders during the previous 2 (two) years.

ORDINARY RESOLUTION NUMBER 3: DIRECTORS' AUTHORITY TO IMPLEMENT COMPANY RESOLUTIONS

“Resolved that each and every director of the Company be and is hereby authorised to do all such things and sign all such documents as may be necessary for or incidental to the implementation of the resolutions passed at this meeting.”

RECORD DATE

The board of directors of the Company (“the board”) determined, in accordance with section 59 of the Companies Act, 71 of 2008, as amended (“Act”), that the record date for the purpose of determining when persons must be recorded as shareholders in the securities register of the Company in order to be entitled to receive notice of the annual general meeting is Friday, 9 August 2019. The board determined that the record date for purposes of determining which shareholders of the Company are entitled to participate in and vote at the annual general meeting is Friday, 6 September 2019. Accordingly, only shareholders who are registered in the securities register of the Company on Friday, 6 September 2019 will be entitled to participate in and vote at the annual general meeting being either personally present or represented by proxy.

PROXIES

A shareholder who is entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, participate in and vote at the meeting in the place of the shareholder. Such a proxy need not also be a shareholder of the company. A form of proxy, in which is set out the relevant instructions for its completion, is enclosed for the use of shareholders who are unable to attend the meeting but who wish to be represented thereat. Proxies may only be revoked in writing.

The instrument appointing a proxy and the authority (if any) under which it is signed must be returned to the company's transfer secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (PO Box 61051, Marshalltown, 2107). Alternatively forms of proxy may be delivered to the Chairman of the AGM, at the AGM before voting on a particular resolution commences.

IDENTIFICATION

The attention of shareholders is drawn to the provisions of section 63 (1) of the Act, which determines that:

“Before any person may attend or participate in a shareholders meeting that person must present reasonably satisfactory identification.”

Shareholders or their proxies wishing to attend the meeting are therefore advised to bring their identity document, passport or driver's license and, in the case of a legal person, documentary proof confirming the authority of a person signing the form of proxy in a representative capacity.

VOTES

On a show of hands, any person present and entitled to exercise voting rights shall have one vote.

On a poll, any person present and entitled to exercise voting rights shall have the number of votes determined in accordance with the voting rights associated with the securities held by that shareholder.

RESOLUTIONS

For an ordinary resolution to be approved by shareholders, it must be supported by more than 50% of the voting rights exercised on the resolution.

For a special resolution to be approved by shareholders, it must be supported by at least 75% of the voting rights exercised on the resolution.

By order of the board of directors

HCI Managerial Services Proprietary Limited
Company Secretary

Paarl

16 August 2019



LA CONCORDE

LA CONCORDE HOLDINGS LIMITED
Registration number: 2009/012871/06
Incorporated in the Republic of South Africa
("LA CONCORDE" or "the Company")

FORM OF PROXY

Form of proxy for the annual general meeting of La Concorde Holdings Limited to be held at the offices of Hosken Consolidated Investments Limited, Suite 801, 76 Regent Road, Sea Point, 8005, on Thursday, 12 September 2019, at 08:30 – for use by certificated ordinary shareholders and dematerialised ordinary shareholders with "own name" registration only.

I/We (full names) _____

of (address) _____

being the registered shareholder of ordinary shares in the capital of the Company, do hereby appoint:

1. _____ or failing him/her,

2. _____ or failing him/her,

or in the event of the absence of the abovementioned proxy or if a specific proxy is not appointed in terms

hereof, the chairman of the general meeting, as my/our proxy to vote for me/us and on my/our behalf at the general meeting to be held on 12 September 2019 at 08:30 and at any adjournment thereof in respect of the resolutions as set out in the notice of the said meeting, as follows:

Please indicate with an "X" in the appropriate spaces provided above how you wish your vote to be cast. If no indication is given, the proxy will be entitled to vote or abstain as he/she deems fit

	For	Against	Abstain
ORDINARY RESOLUTIONS			
Ordinary Resolution Number 1: Retirement, re-election and confirmation of appointment of directors			
Ordinary Resolution Number 1.1: Re-election of director retiring by rotation: Mr Y Shaik			
Ordinary Resolution Number 1.2: Re-election of director retiring by rotation: Mr A F Pereira			
Ordinary Resolution Number 1.3: Election of director: Ms L I Bethlehem			
Ordinary Resolution Number 2: Re-appointment of external auditor			
Ordinary Resolution Number 3: Directors authority to implement company resolutions			
SPECIAL RESOLUTIONS			
Special Resolution Number 1: Amendment of Memorandum of Incorporation			
Special Resolution Number 2: General authorisation of financial assistance			
Special Resolution Number 3: Directors' remuneration			

Signed at _____ on _____ 2019

Signature _____

Assisted by me (where applicable) _____

Please read the notes on the reverse side hereof.

NOTES

1. Indicate instructions to proxy in respect of each resolution by way of a clear cross in the applicable block provided above. Unless otherwise instructed my/our proxy may vote as he or she deems fit.
2. A shareholder of the company who is entitled to be present and vote may appoint any individual, including an individual who is not a shareholder of the company, as a proxy to participate in, and speak and vote at, the meeting on behalf of the shareholder.
3. Any amendment or correction made on this Form of Proxy must be initialled by the signatory.
4. The appointment of a proxy is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder.
5. The appointment of a proxy is revocable unless the proxy appointment expressly states otherwise. If the appointment is revocable the revocation of a proxy must be in writing and signed by the person giving the proxy.
6. A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the instrument appointing the proxy provides otherwise.
7. This proxy appointment, unless revoked earlier, remains valid only until the end of the meeting.
8. In the case of a legal person (company, CC, trust etc.), documentary proof confirming the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy provided that the chairman of the general meeting may waive this requirement if he is satisfied that the person had the necessary authority.
9. A copy of the instrument appointing a proxy must be deposited at the company's transfer secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank 2196 (PO Box 61051, Marshalltown 2107), so as to reach them by no later than Wednesday, 11 September 2019, at 08:30, provided that any form of proxy not delivered to the transfer secretaries by this time may be handed to the chairman of the annual general meeting at any time prior to the commencement of the annual general meeting.
10. Proxies not complying with the above requirements will be rejected.

ADMINISTRATIVE INFORMATION

REG NO:

2009/012871/06

DIRECTORS

JA Copelyn, LI Bethlehem, AF Pereira and Y Shaik

COMPANY SECRETARY

HCI Managerial Services Proprietary Limited

REGISTERED OFFICE

La Concorde Building, 57 Main Street, Paarl 7646

WEBSITE

www.laconcordeholdings.co.za

AUDITORS

PricewaterhouseCoopers Inc.

Capital Place, 15-21 Neutron Avenue, Techno Park, Stellenbosch 7600

TRANSFER SECRETARIES

Computershare Investor Services Proprietary Limited



LA CONCORDE
