



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 2018

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SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Year ended 31 March 2018 R'000	Restated Year ended 31 March 2017 R'000
ASSETS		
<i>Non-current assets</i>	283 682	524 689
Property, plant and equipment	3 598	21 866
Investment property	262 758	68 358
Intangible assets	195	176
Investment in associate	17 131	13 470
Loans receivable	-	420 819
<i>Current assets</i>	105 795	803 499
Inventory	117	-
Trade and other receivables	6 033	1 443
Other financial assets	792	
Loans receivable	-	210 148
Cash and cash equivalents	98 853	591 908
<i>Non-current assets held for sale</i>	855 273	-
Total assets	1 244 750	1 328 188
EQUITY AND LIABILITIES		
<i>Capital and reserves</i>	1 161 396	1 293 481
Share capital	1	1
Share premium	425 722	425 722
Retained earnings	(161 096)	80 528
Other reserves	896 769	787 230
<i>Non-current liabilities</i>	53 451	15 992
Deferred taxation	53 451	15 992
<i>Current liabilities</i>	29 903	18 715
Trade and other payables	16 686	4 287
Taxation	13 217	14 428
Total equity and liabilities	1 244 750	1 328 188

SUMMARISED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Year ended 31 March 2018 R'000	Restated Year ended 31 March 2017 R'000
Revenue	16 480	8 155
Cost of sales	(96)	-
Fair value adjustments	23 500	67 405
Operating expenses	(22 211)	(15 309)
Depreciation and amortisation	(1 290)	(2 157)
Share of equity-accounted earnings	3 925	736
Investment income	79 907	46 818
Impairment of assets	-	(1 775)
Finance costs	(7)	(5)
Profit before taxation	100 208	103 868
Taxation	(26 688)	(26 024)
Profit for the year from continuing operations	73 520	77 844
Net result from discontinued operations	-	(79 175)
Profit/(loss) for the year	73 520	(1 331)
Other comprehensive income:		
Gains on revaluation of land and buildings	109 539	-
Total comprehensive income/(loss) for the year	183 059	(1 331)
Earnings per share (cents)	108.1	(1.9)
- Continuing operations	108.1	114.5
- Discontinued operations	-	(116.4)
Number of shares issued ('000)	68 980	68 980
Treasury shares ('000)	(979)	(979)
Used in the calculation of earnings per share ('000)	68 001	68 001

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Year ended 31 March 2018 R'000	Restated Year ended 31 March 2017 R'000
Balance at beginning of the year	1 293 481	1 294 812
Total comprehensive income/(loss) for the year	183 059	(1 331)
Dividends	(315 144)	-
	1 161 396	1 293 481

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

	Year ended 31 March 2018 R'000	Restated Year ended 31 March 2017 R'000
Cash flows from operating activities	(45 306)	44 993
Cash generated by operations	(3 503)	11 301
Changes in working capital	204 957	13 692
Cash generated by operating activities	201 454	24 993
Investment income	79 907	20 705
Finance costs	(7)	-
Dividends paid	(302 261)	-
Taxation paid	(24 399)	(705)
Cash flows from investing activities	(447 749)	502 588
Investment in associates	264	26
Additions to property, plant and equipment	(1 395)	(17 972)
Proceeds on disposal of property, plant and equipment	7	115
Additions to investment property	(11 274)	-
Intangible assets acquired	(105)	(64)
Disposal of business assets	-	520 483
Investment in financial assets	(856 065)	-
Loans receivable disposal	420 819	-
Net increase/(decrease) in cash and cash equivalents	(493 055)	547 581
At beginning of year	591 908	44 327
At end of year	98 853	591 908

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The results for the year ended 31 March 2018 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 2017, except for the policy relating to investment property. During the year, the group changed its accounting policy for investment properties from the cost model to the fair value model. The comparative results have been restated. 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. DISCONTINUED OPERATIONS

During May 2016, it was decided to dispose of the operating assets of KWV to the Vasari group. Revenue and expenses, and gains and losses relating to these assets have been removed from the results of continuing operations and are shown as a single line item on the face of the consolidated statement of profit or loss and other comprehensive income ("Net result from discontinued operations") in the prior year. The operating results of the discontinued operations and the loss on sale of assets were as follows:

	Year ended 31 March 2018 R'000	Year ended 31 March 2017 R'000
Revenue	-	566 898
Other income and operating costs	-	(485 173)
Share of losses of associates and joint ventures	-	-
Investment income	-	411
Depreciation and amortisation	-	(16 045)
Impairment of investment in joint venture	-	(85)
Loss on disposal of business	-	(191 222)
Finance costs	-	(688)
(Loss)/profit before taxation	-	(125 904)
Taxation	-	46 730
(Loss)/profit from discontinued operations	-	(79 174)
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Foreign currency translation differences	-	(1)
Net result from discontinued operations	-	(79 175)
Cash flows from discontinued operations		
Cash flows from operating activities	-	34 407
Cash flows from investing activities	-	503 717
	-	538 124

5. INVESTMENT PROPERTY

Group	2018 Carrying value	2017 Restated Carrying value
Investment property	262 758	68 358

Reconciliation of investment property – 2018

Group	Opening balance	Additions	Transfer from property, plant and equipment	Fair value adjustments	Total
Investment property	68 358	11 274	159 626	23 500	262 758

Reconciliation of investment property – 2017

Group	Opening balance	Fair value adjustments	Total
Investment property	953	67 405	68 358

Investment properties are stated at fair value.

The company engages external, independent and qualified valuers to determine the fair value of the group's investment property at the end of every 3rd reporting period. The directors perform valuations annually.

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

The investment properties were fairly valued on 1 April 2018 by a suitable qualified and independent valuator with recent experience in similar properties in similar areas.

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

The fair value of investment properties owned by the group, totalling R262,8 million at 31 March 2018, was arrived at on the basis of external valuations performed by Real Direct Proprietary Limited, an independent firm of valuers not related to the group. The fair value of the vacant land totalling R180 million was determined by applying the direct comparable sales valuation technique and buildings with a fair value of R82,8 million were valued using the net income capitalisation method.

Significant unobservable inputs were as follows:

- Rental growth rate 7%
- Cost growth rate 6%
- Capitalisation rate 10.5%
- Occupation rate 95%

Change in use:

The change in use of certain properties resulted in its reclassification from property, plant and equipment to investment property. These properties were fair valued through other comprehensive income prior to being transferred to investment property. The effect of the change in use was R110 million, net of deferred tax, recognised in the statement of other comprehensive income.

Amounts recognised in profit and loss for the year

	2018 R'000	2017 R'000
Rental income from investment property	16 480	8 155
Direct operating expenses from rental generating property	(22 307)	(15 309)
	(5 827)	(7 154)

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

5. INVESTMENT PROPERTY *(continued)*

Investment property owned was revalued recognising R23 500 000 (2017: R67 405 000) in profit or loss.

	2018	2017
	R'000	Restated R'000
Contractual rent receivable:		
- within one year	6 856	11 289
- within two to five years	11 462	19 673
- after five years	181	358
	18 499	31 320
Investment properties consist of:		
Erf 31403, Main Street House, Paarl, Western Cape, 549 m ²	5 000	5 000
Erf 11919, De Hoop Farm, Paarl, Western Cape, in extent of 3,3 ha	25 000	25 000
Erf 23407, Worcester, Western Cape, in extent of 6 602 m ²	1 650	1 650
Erf 31366, Picardie Farm, Paarl, Western Cape, in extent of 16,4 ha	35 000	11 500
Erf 212, 213, 214, 223, 224, Klapmuts erven, in extent of 5 502 m ²	1 208	1 208
Erf 8677, Paarl, Western Cape, in extent 2,4702 ha	24 000	24 000
Erf 8676, Paarl, Western Cape, in extent 2,5849 ha	73 400	-
Erf 13004, Paarl, Western Cape, in extent 44,3918 ha	97 500	-
	262 758	68 358

6. NON-CURRENT ASSET HELD FOR SALE

The current year assets of disposal group classified as held for sale balance represents the 38% shareholding in Hosken Passenger Logistics and Rail Limited ("HPL&R"), which is held for distribution - refer subsequent events note.

7. EVENTS AFTER REPORTING PERIOD

Subsequent to year-end, La Concorde unbundled the shares in Hosken Passenger Logistics and Rail Limited to La Concorde shareholders by way of a distribution in specie. On 13 April 2018 the company declared a dividend in specie of 1.59466 Hosken Passenger Logistics and Rail Limited shares per La Concorde Holdings Limited share.

COMMENTARY FROM THE CHIEF EXECUTIVE OFFICER

The Niveus Group owns a 58% interest in the La Concorde Group. Prior to 18 February 2018, a wholly owned subsidiary of La Concorde (“NewCo”) was capitalised with R1,1 billion of cash and cash equivalents. In February 2018, NewCo acquired 100% of the issued shares in HPL & R Investments Proprietary Limited, which holds 100% of Golden Arrow Bus Services Proprietary Limited and 76% of EIJoSa Travel & Tours Proprietary Limited, from Hosken Consolidated Investments Limited (“HCI”) for R1,8 billion. The purchase price was settled by the issue of approximately 62% of the issued shares in NewCo to HCI.

In February 2018, NewCo declared a cash dividend of approximately R650 million to its shareholders. La Concorde Group received approximately R247 million of the NewCo cash dividend and declared a dividend of R3,62 per share to its shareholders subsequently, in February 2018.

NewCo’s name was changed to Hosken Passenger Logistics and Rail (HPL&R), and on 13 April 2018 La Concorde unbundled its interest in HPL&R to its shareholders. HPL&R was listed on the JSE on 24 April 2018.

The remaining assets of La Concorde consist mainly of investment property, art and cash. Additions to the La Concorde head offices were made during the year with development plans for vacant land being considered.

Signed on behalf of the board of directors



Yunis Shaik
20 September 2018

Paarl

NOTICE OF THE 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 Monday, 22 October 2018, at 15:00 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 2018

In terms of the Act, the audited annual financial statements of the Company (including the reports of the directors and the audit committee) for the year ended 31 March 2018, as approved by the board of directors, will be presented to the shareholders of the Company.

The summary of the consolidated audited annual financial statements are set out on pages 3 to 8 and the commentary from the chief executive officer is set out on page 9, of which this notice of annual general meeting forms part. 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.

ELECTION OF DIRECTORS ORDINARY RESOLUTION NUMBER 1

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

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

Mr Copelyn joined Hosken Consolidated Investments Limited ("HCI") as chief executive officer in 1997. Prior to this, he was a member of parliament and general secretary of the Southern African Clothing and Textile Workers' Union. He holds directorships in numerous companies within the group. He is chairman of Deneb Investments, eMedia Holdings, Hospitality Property Fund, Tsogo Sun Holdings and the HCI Foundation. He was appointed to the La Concorde board in 2011.

ORDINARY RESOLUTION NUMBER 1.2

To elect Mr Antonio Francisco (Cisco) Pereira, who was appointed during the course of the year and now retires at this annual general meeting in terms of clause 22.17 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.

APPOINTMENT OF AUDITORS ORDINARY RESOLUTION NUMBER 2

Re-appointment of independent auditors

To re-appoint PricewaterhouseCoopers Inc. as independent external auditors of the Company and to appoint Mr DG Malan as designated auditor, for the ensuing year.

SPECIAL RESOLUTIONS

SPECIAL RESOLUTION NUMBER 1

Inter-company financial assistance

In terms of the requirements of section 65(11)(f) of the Act, shareholders are requested to approve the following resolution as a special resolution:

“Resolved that in terms of and pursuant to the provisions of section 45(3)(a)(ii) of the Companies Act No. 71 of 2008, as amended, the Company is hereby authorised, by way of general authority to:

- 7.1 provide inter-company loans to companies or corporations which are related or inter-related to the Company; and/or
- 7.2 provide direct or indirect financial assistance to companies or corporations which are related or inter-related to the Company”.

Explanation:

Special resolution number 1 is required in terms of section 45 of the Act to grant the directors of the Company the authority to cause the Company to provide financial assistance by way of loan, guarantee, the provision of security or otherwise, to any company or corporate entity which is related or inter-related to the Company. The special resolution does not authorise the provision of financial assistance to a director or prescribed officer of the Company.

SPECIAL RESOLUTION NUMBER 2

Directors’ remuneration

In terms of the requirements of section 65(11)(h) of the Act, shareholders are requested to approve the following resolution as a special resolution:

“In terms of and pursuant to the provisions of section 66(9) of the Companies Act No. 71 of 2008, as amended, the Company is hereby authorised to pay remuneration to its non-executive directors for their services as directors as set out in the following table”:

Director	R95 400 per annum
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Explanation:

Special resolution number 2 is required in terms of section 66(9) of the Act, which provides that remuneration payable to non-executive directors of a company in respect of their services as directors must be approved by special resolution of the shareholders of the company.

RECORD DATE

The transfer of shares will be suspended from Friday, 12 October 2018 (“Record Date”) until after the annual general meeting. No share transfers from the Record Date up to the date of the meeting will be recognised for voting purposes at the meeting. Only the shareholders as indicated on the share register on the Record Date will be entitled to vote at the 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.

NOTICE OF THE ANNUAL GENERAL MEETING *(continued)*

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 licence 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*

HCI Managerial Services Proprietary Limited

Company Secretary

20 September 2018

Paarl



LA CONCORDE

La Concorde Holdings Limited
 Registration number: 1990/012871/06
 ("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 Monday, 22 October 2018, at 15:00 - 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 in the event of the absence of the above-mentioned 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 22 October 2018 at 15:00 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 below 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 JA Copelyn			
Ordinary Resolution Number 1.2: Election of director Mr AF Pereira			
Ordinary Resolution Number 2: Re-appointment of external auditor			
SPECIAL RESOLUTIONS			
Special Resolution Number 1: Inter-company financial assistance			
Special Resolution Number 2: Directors' remuneration			

Signed at _____ on _____ 2018.

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 has 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 Friday, 19 October 2018, at 15:00, 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

DIRECTORS

Y Shaik (CEO), JA Copelyn, AF Pereira

COMPANY SECRETARY

HCI Managerial Services Proprietary Limited

REGISTERED OFFICE

La Concorde, 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
