

**NOTICE OF ANNUAL
GENERAL MEETING**
for the year ended 30 June **2016**

supergroup 



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To the shareholders

This document contains the detailed Notice of Super Group Limited's Annual General Meeting, which will be held on Tuesday, 22 November 2016.

Super Group's Integrated Report and Annual Financial Statements will be available for viewing and download on the company's website www.supergroup.co.za on or about 19 October 2016. These reports will not be posted to shareholders.

To request a printed copy of the Integrated Report please contact:

Nigel Redford

Tel: +27 11 523 4093

Email: nigel.redford@supergroup.com

Documents available on Super Group's website: www.supergroup.co.za

- Integrated Report 2016
- Annual Financial Statements
- Corporate Governance Report
- Sustainability Report
- Chapter 2 Principles in terms of par 8.63(a) of the JSE Limited ("JSE") Listings Requirements

The Super Group Investor Relations App is now available for download from the iTunes and Android Stores.



SUPER GROUP LIMITED

(Incorporated in the Republic of South Africa)

Registration number 1943/016107/06

Share code: SPG

ISIN: ZAE000161832

("Super Group" or "the company" or "the Group")



Notice of Annual General Meeting

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Super Group Limited

(Incorporated in the Republic of South Africa)
Registration number 1943/016107/06
Share code: SPG
ISIN: ZAE000161832
("Super Group" or "the company" or "the Group")

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("AGM") of shareholders of Super Group, in respect of the year ended 30 June 2016, will be held at the registered offices of the company, 27 Impala Road, Chislehurst, Sandton, on Tuesday, 22 November 2016 at 09:00.

Shareholders or their proxies may participate in the meeting by way of a teleconference call and, if they wish to do so:

- must contact the Group Company Secretary (by email at the address: nigel.redford@supergrp.com) by no later than 09:00 on Friday, 18 November 2016 in order to obtain a pin number and dial-in details for that conference call;
- will be required to provide reasonably satisfactory identification;
- will be billed separately by their own telephone service providers for their telephone call to participate in the meeting; and
- are required to submit their Form of Proxy as attached to this notice. The conference participants may not cast their votes at the AGM.

Please note that although shareholders are entitled to participate in the AGM by electronic means, they shall not be entitled to exercise their votes electronically.

This Notice of AGM includes the attached Form of Proxy.

Record date

The record date for the purpose of determining which shareholders of the company are entitled to receive the Notice of the AGM was 23 September 2016 ("Notice Record Date").

The last day to trade in order to participate and vote at the AGM is Tuesday, 8 November 2016.

The record date for the purpose of determining which shareholders of the company are entitled to participate in and vote at the AGM is Friday, 11 November 2016 ("Voting Record Date").

Accordingly, only shareholders who are registered in the register of members of the company on Friday, 11 November 2016 will be entitled to attend, speak and vote at the AGM.

Attendance and voting

If you are a registered shareholder as at the Voting Record Date, you may attend the meeting in person. Alternatively, you may appoint a proxy (who need not be a shareholder of the company) to represent you at the meeting. Any appointment of a proxy may be effected by using the attached Form of Proxy and, in order for the proxy to be effective and valid, must be completed and delivered in accordance with the instructions contained in the attached Form of Proxy.

If you are a beneficial shareholder and not a registered shareholder as at the Voting Record Date:

- and wish to attend the meeting, you must obtain the necessary letter of representation to represent the registered shareholder of your shares from your CSDP or broker;
- and do not wish to attend the meeting but would like your vote to be recorded at the meeting, you should contact the registered

shareholder of your shares through your CSDP or broker and furnish them with your voting instructions;

- you must not complete the attached Form of Proxy.

All attendees and participants at the meeting will be required to provide identification reasonably satisfactory to the Chairman of the meeting.

Purpose of the meeting

The purpose of this meeting is to:

- present the Directors' Report and the Annual Financial Statements of the Group for the year ended 30 June 2016;
- present the Independent Auditor's Report;
- present the Group Audit Committee Report;
- present the Group Social and Ethics Committee Report;
- consider any matters raised by shareholders; and
- consider and if deemed fit, to pass, with or without modification, the resolutions set out below.

Unless otherwise indicated, in order for the ordinary resolutions to be adopted, the support of at least 50% (fifty percent) plus one vote of the total number of votes, which the shareholders present or represented by proxy at this meeting are entitled to cast, is required.

In order for the special resolutions to be adopted, the support of at least 75% (seventy-five percent) of the total number of votes, which the shareholders present or represented by proxy at this meeting are entitled to cast, is required.

Integrated Report and Annual Financial Statements

The Integrated Report and Annual Financial Statements are available on the website: www.supergroup.co.za.

Ordinary resolution number 1 – Re-election of directors

"RESOLVED THAT each of the following directors, who retire in accordance with the Memorandum of Incorporation ("MOI"), and being eligible, offers himself for re-election, be and are hereby re-elected as a director of the company:

- 1.1 Mr John Newbury
- 1.2 Mr David Rose

(Brief curriculum vitae for these directors are set out on page 7 of this Notice of AGM.)

The Board of directors ("Board") has reviewed the composition of the Board and has recommended the re-election of the directors listed above. It is the view of the directors that re-election of the candidates referred to above would enable the company to:

- responsibly maintain a mixture of business skills and experience relevant to the company and balance the requirements of transformation, continuity and succession planning; and
- comply with corporate governance requirements in respect of matters such as the balance of executive and non-executive independent directors on the Board."

Notice of Annual General Meeting

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Ordinary resolution number 2 – Reappointment of auditors

“RESOLVED THAT KPMG Inc. is reappointed as independent auditors of the Group and that Mr Dwight Thompson, being a member of KPMG Inc., is appointed as the individual designated auditor who will undertake the audit of the Group for the ensuing year.”

Ordinary resolution number 3 – Re-election of the Group Audit Committee

“RESOLVED THAT the following non-executive directors be re-elected as members of the Group Audit Committee:

- 3.1 Mr David Rose
- 3.2 Ms Mariam Cassim
- 3.3 Dr Enos Banda

(Brief curricula vitae for these directors are set out on page 7 of this Notice of AGM.)”

Ordinary resolution number 4 – Endorsement of the Super Group remuneration policy

“RESOLVED THAT, the company’s remuneration policy as set out in the Remuneration Report, be and is hereby approved.

In terms of Chapter 2 of The King Code of Governance Principles 2009 (“King III”) dealing with boards and directors, companies are required to table their remuneration policy every year to shareholders for a non-binding advisory vote at the AGM. This vote enables shareholders to express their views on the remuneration policies adopted and on their implementation.

The company’s Remuneration Report is contained on pages 10 to 14 of this Notice of AGM.

Ordinary resolution number 4 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing arrangements. However, the Board will take the outcome of the vote into consideration when considering the company’s remuneration policy.”

Ordinary resolution number 5 – General authority to directors to issue shares for cash

“RESOLVED THAT, the directors be and are hereby authorised, until this authority lapses at the next AGM of the company, unless it is then renewed at the next AGM of the company, provided that it shall not extend beyond 15 months, to allot and issue ordinary shares for cash on the following bases:

- (1) The allotment and issue of the shares must be made to persons qualifying as public shareholders and not to related parties as defined in the JSE Listings Requirements (“Listings Requirements”).
- (2) The shares which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such shares or rights that are convertible into a class already in issue.

- (3) The number of shares issued for cash shall not in the aggregate in any one financial year exceed 7.5% (seven and a half percent) of the company’s issued share capital of ordinary shares (excluding treasury shares) as at the date of the Notice of AGM, such 7.5% number being 26 000 289 ordinary shares provided that:
 - a. any equity securities issued under the authority during the period contemplated above must be deducted from the 26 000 289 ordinary shares in point 3 above; and
 - b. in the event of a sub-division or consolidation of issued equity securities during the period contemplated above, the existing authority must be adjusted accordingly to represent the same allocation ratio.
- (4) The maximum discount at which ordinary shares may be issued is 10% (ten percent) of the volume weighted average traded price on the JSE of those shares over the 30 business days prior to the date that the price of the issue is agreed between the company and the party/(ies) subscribing for the shares.
- (5) After the company has issued shares for cash which represent, on a cumulative basis within a financial year, 5% (five percent) of the number of shares in issue prior to that issue, the company shall publish an announcement containing full details of the issue, (including the number of shares issued, the average discount to the weighted average traded price of the shares over the 30 days prior to the date that the price of the issue is agreed in writing between the company and the party/(ies) subscribing for the shares and the effects of the issue on the Statement of Financial Position, net asset value per share, net tangible asset value per share, the Statement of Comprehensive Income, earnings per share, headline earnings per share, and if applicable diluted earnings per share and diluted headline earnings per share), or an explanation, including supporting information (if any), of the intended use of the funds, or any other announcements that may be required in such regard in terms of the JSE Listings Requirements which may be applicable from time to time.”

The reason for requesting the approval of ordinary resolution number 5 is to enable Super Group to issue shares when an acquisition is concluded. Super Group confirms that shares will only be issued if the issue is value accretive to shareholders.

In terms of the Listings Requirements a 75% (seventy-five percent) majority of the votes cast by shareholders present or represented by proxy at the AGM must be cast in favour of ordinary resolution number 5 for it to be approved.

Ordinary resolution number 6 – Signing of documents

“RESOLVED THAT any director of the company be and is hereby authorised to sign all such documents, do all such things and take all such actions as may be necessary to give effect to, and implement, the preceding resolutions.”

To consider and, if deemed fit, pass the following resolutions as special resolutions:

Special resolution number 1 – Approval of non-executive directors' fees

"RESOLVED THAT the non-executive directors' fees payable for the period, set out below, are hereby approved:

Description	% change	To be approved	
		1 Dec 2016 30 Nov 2017	1 Dec 2015 to 30 Nov 2016
Fixed fees:			
Chairman of the company	19.6	700 000	585 000
Directors	4.2	350 000	336 000
Meeting fees			
Chairman of Board Committees*	25.0	25 000	20 000
Board	–	20 000	20 000
Group Audit Committee	–	15 000	15 000
Group Risk Committee	–	15 000	15 000
Remuneration Committee	–	15 000	15 000
Deal Committee	33.3	20 000	15 000
Group Social and Ethics Committee	–	15 000	15 000

* In addition to the Committee fees"

Reason for and effect

Special resolution number 1 is required in terms of section 66 of the Companies Act No 71 of 2008 ("Companies Act") to authorise the company to pay remuneration to non-executive directors of the company in respect of their services as directors.

Furthermore, in terms of the Companies Act and King III, remuneration payable to non-executive directors should be approved by shareholders in advance or within the previous two years.

Special resolution number 2 – Financial assistance to related or inter-related companies

"RESOLVED THAT the directors be and are hereby authorised in terms of and subject to the provision of section 45 of the Companies Act, to cause the company to provide any financial assistance to any company or corporation which is related or inter-related to the company."

Reason for and effect

Special resolution number 2 is required in terms of section 45 of the Companies Act to grant the directors of the company the authority to cause the company to provide financial assistance to any entity which is related or inter-related to the company. This special resolution does not authorise the provision of financial assistance to a director or prescribed officer of the company.

Special resolution number 3 – Financial assistance for subscription of securities by related or inter-related entities of the company

"RESOLVED THAT the company is hereby authorised, in terms of and subject to section 44 of the Companies Act, to provide direct or indirect financial assistance, by way of loans, guarantees, the provision of security or otherwise to any related or inter-related company or corporation for the purpose of, or in connection with, the subscription of any option, or any securities (as such term is defined in the Companies Act), 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."

Reason for and effect

The reason for, and effect of, special resolution number 3, is to permit the company to provide direct or indirect financial assistance to a related or inter-related company or corporation as contemplated in section 44 of the Companies Act. This special resolution does not authorise the provision of financial assistance to a director and/or prescribed officer of the company.

Special resolution number 4 – Acquisition of securities by the company and/or its subsidiaries

"RESOLVED THAT the mandate given to the company (or any of its wholly-owned subsidiaries) providing authorisation, by way of a general approval, to acquire the company's own securities, upon such terms and conditions and in such amounts as the directors may from time to time decide, but subject to the company's MOI, the provisions of the Companies Act and the Listings Requirements be extended, provided that:

- any repurchase of securities must be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counterparty (reported trades are prohibited);
- at any point the company may only appoint one agent to effect any repurchase on the company's behalf;
- this general authority be valid until the company's next AGM, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this special resolution (whichever period is shorter);
- an announcement be published as soon as the company has cumulatively repurchased 3% (three percent) of the initial number (the number of that class of share in issue at the time that the general authority is granted) of the relevant class of securities and for each 3% (three percent) in aggregate of the initial number of that class acquired thereafter, containing full details of such repurchases;

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- repurchases by the company, and/or its subsidiaries, in aggregate in any one financial year may not exceed 20% (twenty percent) of the company's issued share capital as at the date of passing this special resolution or 10% (ten percent) of the company's issued share capital in the case of an acquisition of shares in the company by a subsidiary of the company;
- this authority includes an authority for shares to be acquired, through the JSE's order book from a director or a prescribed offer of the company or a person related to a director or prescribed officer, as contemplated in section 48(8)(a) of the Companies Act;
- repurchases may not be made at a price greater than 10% (ten percent) above the weighted average of the market value of the securities for the 5 (five) business days immediately preceding the date on which the transaction was effected;
- repurchases may not be made by the company and/or its subsidiaries during a prohibited period as defined by the Listings Requirements unless a repurchase programme is in place where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and has been submitted to the JSE in writing prior to the commencement of the prohibited period. The company will instruct an independent third party, which makes its investment decisions in relation to the company's securities independently of, and uninfluenced by, the company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE."

Reason for and effect

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

Directors' responsibility statement

The directors, whose names are given on pages 6 and 7 of this Notice of AGM, collectively and individually, accept full responsibility for the accuracy of the information pertaining to the above special resolution and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the above special resolution contains all relevant information required by law and the Listings Requirements.

Statement by the directors

The Board of the company confirms that the company will not enter into a transaction to repurchase shares in terms of special resolution number 4 unless:

- the company and its subsidiaries ("collectively the Group") will be able to pay their debts as they become due in the ordinary course of business for a period of 12 months after the date of the repurchase;

- the assets of the company and the Group, valued in accordance with the accounting policies used in the latest Annual Financial Statements will exceed the liabilities of the company and the Group for a period of 12 months after the date of the repurchase;
- the share capital and reserves of the company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the repurchase;
- the working capital available to the company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the repurchase; and
- a resolution by the Board of directors will be proposed that they authorise the repurchase after the company and its subsidiaries passed the solvency and liquidity test as contemplated in the Companies Act and within the time frame contemplated in the Companies Act and that, since the test was applied there have been no material changes to the financial position of the Group.

The directors of the company hereby state that:

- (a) the intention of the directors of the company is to utilise the authority if, at some future date, the cash resources of the company are in excess of its requirements. In this regard the directors will take account of, inter alia, an appropriate capitalisation structure for the company and the long-term cash needs of the company and will ensure that any such utilisation is in the interests of the shareholders; and
- (b) the method by which the company intends to repurchase its securities and the date on which such repurchase will take place, has not yet been determined.

For the purposes of considering special resolution number 4, and in compliance with the Listings Requirements, the information listed below has been included in the Annual Financial Statements of the company for the year ended 30 June 2016, or the Integrated Report at the places indicated:

- major shareholders – page 58 of the Integrated Report; and
- share capital of the company – note 14 of the Annual Financial Statements of the company for the financial year ended 30 June 2016.

As at 23 September 2016, being the last practicable date before the finalisation of this Notice of AGM, there have been no material changes in the financial or trading position of the company and its subsidiaries that have occurred since 30 June 2016 other than the facts and developments reported on in the Integrated Report.

Listings Requirements and Companies Act requirements

In terms of the Listings Requirements, any shares currently held by the Super Group Share Incentive Scheme and Group subsidiaries will not have their votes at the AGM taken into account in determining the results of voting on all JSE resolutions. No voting rights attaching to shares held by Group subsidiaries may be exercised in terms of section 48(2) of the Companies Act in respect of the resolutions contained herein.

Summary of the rights of a shareholder to be represented by proxy

Shareholders' rights regarding proxies in terms of section 58 of the Companies Act are as follows:

- at any time, a shareholder of a company may appoint any individual, including an individual who is not a shareholder of that company, as a proxy to participate in, and speak and vote at, a shareholders' meeting on behalf of the shareholder.
- give or withhold written consent on behalf of the shareholder to a decision contemplated in section 60 of the Companies Act.

A proxy appointment:

- must be in writing, dated and signed by the shareholder; and
- remains valid for:
 - one year after the date on which it was signed; or
 - any longer or shorter period expressly set out in the appointment unless it is revoked in a manner contemplated in subsection (4)(c); or expires earlier as contemplated in subsection (8)(d) of the Companies Act.

Except to the extent that the MOI of a company provides otherwise:

- a shareholder of that company may appoint two or more persons concurrent as proxies, and may appoint more than one proxy to exercise voting rights attached to the different securities held by the shareholder;
- a proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
- a copy of the instrument appointing a proxy must be delivered to the company, or to any other person on behalf of the company, before the proxy exercises any rights of the shareholder at a shareholders' meeting.

Irrespective of the form of instrument used to appoint a proxy:

- the appointment 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;
- the appointment is revocable unless the proxy appointment expressly states otherwise; and
- if the appointment is revocable, a shareholder may revoke the proxy appointment by:
 - cancelling it in writing, or making a later inconsistent appointment of a proxy; and
 - delivering a copy of the revocation instrument to the proxy and to the company.

The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder.

By order of the Board

Nigel Redford

Group Company Secretary

30 September 2016

Board of Directors



From left to right: Mariam Cassim, Dr Enos Banda, Peter Mountford, Colin Brown, Valentine Chitalu, Phillip Vallet, John Newbury and David Rose

Executive Directors

PETER MOUNTFORD (58)

BCom, BAcc, HDip Tax, MBA, CA(SA)

Chief Executive Officer

Appointed 29 July 2009

Peter is a qualified Chartered Accountant with an MBA from Warwick University. His business experience includes the role of Managing Director of SAB Diversified Beverages which included SAB's Supply Chain Services and Logistics interests. He was previously the Managing Director of Super Group's Logistics and Transport Division until June 2002, after which he joined Imperial Holdings Limited (Imperial). Over the six years to April 2008 he fulfilled the role of CEO of the Consumer Logistics Division at Imperial. He rejoined Super Group in May 2008 as Managing Director of the Supply Chain Division. Peter was appointed CEO on 29 July 2009. Peter is also a Director of the Road Freight Association.

COLIN BROWN (47)

BCompt (Hons), MBL, CA(SA)

Chief Financial Officer

Appointed 28 February 2010

Colin is a Chartered Accountant and has an MBL from the UNISA School of Business Leadership. Colin provided support services to the Group's treasury activities from June 2009 to February 2010, and was subsequently appointed to the Board as CFO. Prior to that, Colin was CFO and a member of the Board of Celcom Group Limited, a business in the mobile phone industry and previously listed on the Alternative Exchange (ALT) of the JSE. Colin has also held the Financial Director position at EDS Africa Limited and Fujitsu Services South Africa, both multinational companies in the IT services industry.

Non-executive Directors

PHILLIP VALLET (70)

BA, LLB

Chairman of the company

Independent Non-executive Director

Appointed 1999

Phillip qualified as a lawyer in 1971. He is the senior partner and CEO of Fluxmans Attorneys, specialising in corporate law. Phillip joined the Board in 1999. From April 2009 to 29 July 2009 he acted as interim CEO until the appointment of Peter Mountford to the position. Phillip retained certain executive functions relating to the corporate actions and disposals up to the end of August 2009. He assumed the position as Non-executive Chairman of the company effective 1 November 2009. Phillip is currently a Non-executive Director of several private companies.

JOHN NEWBURY (74)

Independent Non-executive Director

Appointed 1 November 2009

John is an experienced industrialist whose expertise has him serving on the boards of and chairing a number of listed and unlisted companies. Companies chaired by John include Tracker Connect (Pty) Ltd and MARC Group Limited. John's business career spans five decades with a significant focus on the motor industry. He served as CEO of Nissan South Africa for 17 years, until retirement in 2000. John is a Non-executive Director at Dimension Data Holdings plc, Blue Bulls Company and National Airways Corporation (Pty) Ltd.

DAVID ROSE (74)

BCom, BA, CA(SA), F.Inst. Directors

Independent Non-executive Director

Appointed December 2008

David is a Chartered Accountant and an independent consultant. David is a Non-executive Director, Chairman of Super Group's Audit Committee, Risk Committee and the Group's Social and Ethics Committee. He is also Chairman of the Audit Committee of Primeserv Limited. He spent 41 years with Fisher Hoffman, a major national firm of Chartered Accountants. He became a partner of the firm in 1970 and was Managing Partner of the Johannesburg office as well as Chairman of the National Practice from 1991 to 1998. From 2002 to 2007 he served as CEO of International Financial Services (Pty) Ltd (now Stonehage Financial Services (Pty) Ltd).

VALENTINE CHITALU (52)

ACCA (UK), M.Phil (UK)

Independent Non-executive Director

Appointed December 2008

Valentine is an entrepreneur in Zambia and Southern Africa, specialising in Private Equity and General Investments. In the early part of his career, he worked at KPMG London Office. Valentine was previously CEO at the Zambia Privatisation Agency where he was responsible for the divestiture of over 240 enterprises. He later worked for CDC Group Plc, both in London and Lusaka, and is currently a Non-executive Director of the CDC Group Plc; a Fund-of-Funds Group based in London. Valentine holds several other board positions in Zambia, Australia and the United Kingdom. He is currently Chairman of Zambian Breweries, MTN (Zambia) Limited and the Phatisa Group, a Pan African Private Equity Fund Manager. Valentine is a UK Qualified Accountant and holds a Masters Degree in Development Economics from Cambridge University in the United Kingdom.

MARIAM CASSIM (34)

BCom (Hons), CA(SA), MBA (Cum Laude)

Independent Non-executive Director

Appointed 1 July 2015

Mariam Cassim was appointed as an Independent Non-executive Director with effect from 1 July 2015. Until recently, Ms Cassim held a number of senior positions at Thebe Investment Corporation, and holds the position of Executive Head: Commercial at Telesure Investment Holdings. She has previously served as a Non-executive Director of Efficient Financial Holdings, Altech Netstar and Eskom Holdings SOC (Limited) where she served on the Audit, Risk and Remuneration Committees. A recipient of various academic awards, both local and international, Ms Cassim is a Chartered Accountant (SA) and was singled out by the South African Institute of Chartered Accountants (SAICA) as a finalist in the 35-under-35 most outstanding young chartered accountants in the country. She has an MBA (*cum laude*) from the University of Cape Town's Graduate School of Business.

DR ENOS BANDA (51)

BA (Hons) Financial Accounting, LLM (distinction), Doctor of Jurisprudence

Independent Non-executive Director

Appointed 1 July 2011

Enos Banda is a South African entrepreneur and investment banker who is founder and CEO of Freetel Capital (Pty) Ltd, an investment holding and advisory firm. He has served as Chairman of the South African National Electricity Regulator and Chairman of the Municipal Infrastructure Investment Unit of the South African Government. He was country head for global bank, Credit Suisse First Boston, and later, Head of sub-Saharan Africa for HSBC Corporate and Investment Bank. He has practised law in both the United States and in South Africa. He is admitted to the New York Law Bar and he is an Advocate of the Supreme Court of South Africa. He is a Senior Associate and Faculty Member of the University of Cambridge Institute on Sustainability Leadership and a member of the Board of the South Africa Washington Internship Programme. Enos has sat on a number of boards of listed and unlisted international and domestic companies.



Abridged Corporate Governance Report

Introduction

The directors and management of Super Group subscribe to the generally accepted principles of good corporate governance as one of the foundations of a sustainable business. Super Group is committed to and accepts responsibility for applying these principles to ensure that the Group is managed ethically within prudent risk parameters. The Group is subject to and endorses the ongoing disclosure, corporate governance and other requirements required by the JSE. The Group also supports and complies with the principles of the South African Code of Corporate Practices and Conduct as recommended in the King III report and the International Integrated Reporting <IR> Framework of the International Integrated Reporting Council has been taken into consideration when preparing the Integrated Report.

In terms of paragraph 8.63(a) of the JSE Listings Requirements, the Group has published its application of the Chapter 2 principles on its website, www.supergroup.co.za.

Issues of corporate governance, including the requirements of the Companies Act, will continue to receive the Board's attention, consideration and refinement as necessary in order for the Group to remain compliant with current practices in corporate governance and with the changes arising from the South African Corporate Law reformation process. Sound corporate governance remains one of the top priorities of the Board and executive management.

Board of directors

Corporate governance within Super Group is managed and monitored by a unitary Board, the Group Audit Committee and several subcommittees of the Board. The Board's responsibilities and terms of reference are detailed in the Board charter. This charter has been developed to enable the directors to maintain effective control over strategic, financial and compliance matters of Super Group. This charter is reviewed and updated annually to ensure compliance with the Companies Act, King III and the JSE Listings Requirements.

Board responsibilities

The Board is accountable to the stakeholders for exercising leadership, integrity and judgement in directing Super Group to achieve profitability by ensuring the necessary balance between entrepreneurship and conformance with best business and corporate governance practices. The Board's primary functions are set out on page 2 of the Corporate Governance report on the Group's website, www.supergroup.co.za.

Composition of the Board

A key aspect of the Group's governance philosophy is that no one individual has unfettered powers of decision-making. During the year under review, the Board comprised six non-executive directors and two executive directors and was chaired by a Non-executive Chairman. The non-executive directors exert significant influence at meetings. From time to time the non-executive directors meet without the executive directors present. In considering the composition of the Board, competency in respect of the Group's affairs carries as much weight as independence. The roles of Chief Executive Officer ("CEO") and Chairman of the company are split.

The Board considers its composition including its chairmanship annually.

The Board has considered the chairmanship of Phillip Vallet and agrees that he may now be regarded as an independent non-executive director and remains the best person to lead the company and the Board as the Group continues to implement its strategies. In determining the independence of Mr Vallet, the Board took into account the fact that he was the acting CEO of Super Group some seven years ago for a period of four months until the appointment of Peter Mountford in July 2009. The Board has also had regard to the fact that legal fees paid by Super Group to Fluxmans Inc., are not material to either entity. In the result, the Board has concluded that Mr Vallet is an Independent Non-executive Director.

While retaining overall accountability and subject to matters reserved to itself, the Board has delegated to the executive directors' authority to run the day-to-day affairs of the Group. The executive directors are held accountable through regular reports to the Board and are measured against agreed performance criteria and objectives appropriate to the current stage in the business cycle and the prospects in each business unit.

Each of the directors brings to the Board a wide range of expertise, commercial and technical experience and business acumen that allow them to exercise independent judgement in Board deliberations and decisions. Non-executive directors have unrestricted access to management.

Members of the Board have unlimited access to the Group Company Secretary. Where appropriate, advice of independent professionals may be sought by any Board member, the cost of which is borne by the company.

Board meetings

Board meetings are held at least quarterly and additional meetings are convened when necessary should a particular issue demand attention. Where necessary, decisions are taken between Board meetings by written resolution as provided for in the company's MOI.

Details of attendance by directors of the Board and committee meetings for the year under review are set out on page 3 of the Corporate Governance Report on the Group's website, www.supergroup.co.za.

Board appointments

The non-executive directors have no fixed terms of appointment as they are subject to reappointment by the shareholders every three years. Non-executive directors will retire from the Board at the age of 75. Where circumstances require the retiring director maybe retained on the Board. Peter Mountford, the CEO, has a written letter of appointment which endures indefinitely and is subject to termination on one month's notice. Colin Brown, the Chief Financial Officer ("CFO"), has a written letter of appointment which endures indefinitely and is subject to termination on two months' notice. Both executives have change of control clauses in their letter of appointment. One-third of the non-executive Board members is required to retire by rotation every year and, if eligible, is considered for reappointment at the AGM.

There were no changes to the composition of the Board during the financial year.

Evaluation of the Board

The Chairman of the company and the Group Company Secretary have carried out a comprehensive evaluation of the Board, its committees and the directors. They have concluded that the Board and its committees are operating effectively. All the directors have contributed their time and skills to the functioning of the Board.

The Chairman of the company recommends all directors who are nominated for re-election at the AGM as competent and dedicated to serving the Group and looking after the interests of the stakeholders.

Group Company Secretary

The role and evaluation of the Group Company Secretary are set out on page 4 of the Corporate Governance Report available on the website.

Group Audit Committee

Members: David Rose (Chairman), Enos Banda and Mariam Cassim.

In terms of the Companies Act, the members of the Group Audit Committee were directly elected at the AGM in November 2015 by the shareholders. The members of the committee that are standing for re-election at the AGM in November 2016 are set out in ordinary resolution 3 on page 2 of this Notice. The Notice of AGM is available on the Group's website.

Further details of the responsibilities and functioning of the Group Audit Committee are set out on page 4 of the Corporate Governance Report available on the Group's website.

Board subcommittees

The Board has created various subcommittees to enable it to properly discharge its duties and responsibilities and to effectively fulfil its decision making process. The Board and its committees are supplied with relevant and timely information enabling them to discharge their responsibilities. The directors have access to all company information, records and documents.

The following subcommittees have been formally constituted:

- Deal Committee
- Remuneration Committee
- Group Risk Committee
- Group Social and Ethics Committee

Each Board subcommittee acts within formalised terms of reference which have been approved by the Board. These are reviewed annually and updated where necessary. These set out the purpose, membership, duties and reporting procedures. The subcommittees are subject to regular evaluation by the Board with regard to performance and effectiveness. Further details of the responsibilities and functioning of the Deal, Group Risk and Group Social and Ethics Committees are set out on pages 4 to 5 of the Corporate Governance Report on the Group's website, www.supergroup.co.za. The details of the responsibilities and functions of the Remuneration Committee are set out in the Remuneration Report on page 10 of this Notice.

Accountability

The directors are responsible for the Group's system of internal controls. While no system can provide absolute guarantees and protection against material loss, the systems are designed to give the directors reasonable assurance that problems can be identified promptly and remedial action taken as appropriate.

The Board has reviewed the effectiveness of internal controls on an ongoing basis. Further details of the key features are set out on page 5 of the Corporate Governance Report.

Information Technology

The Group continued with an increased focus on the importance of IT on governance and sustainability during the financial year.

Further information in respect of the IT Steering Committee is set out on page 6 of the Corporate Governance Report.

Fraud hotline

Good corporate governance requires companies to implement mechanisms to combat theft, fraud and other unethical practices. Among other initiatives, the fraud hotline acts as both a passive and an active tool in the combating of unethical behaviour. Further details in respect of the Fraud Hotline are set out on page 6 of the Corporate Governance Report.

Employment equity, ethics, health, safety and third party management

Further details of the items listed below are set out on pages 6 and 7 of the Corporate Governance Report.

- employment equity
- Code of Ethics and Business Conduct
- occupational health and safety
- third party management

Insurance

The Group has a comprehensive insurance programme to protect against a wide variety of insurable risks. External advisors are used to advise on the appropriate type and level of cover. The terms and levels of each facility are reviewed annually to ensure that satisfactory cover is in place.

Efforts are made to identify, prevent and mitigate uninsurable risks.

Annual General Meeting

All necessary information and facilities are made available to shareholders to enable them to attend the AGM, submit Forms of Proxy and receive announcements and circulars in accordance with the JSE Listings Requirements. The Chairman of the company, the Chairmen of the Board subcommittees and the external auditors are available to answer questions at the AGM.

The comprehensive Corporate Governance Report is published on the Group's website, www.supergroup.co.za.

Remuneration Report

Introduction

The Remuneration Committee ("Remco") comprises three independent non-executive directors. This committee addresses issues relating to the remuneration of directors and senior management and ensures that the remuneration levels are sufficient to attract, retain, motivate and reward directors and executives of the quality needed to run the Group successfully.

The remuneration philosophy is set with the intentions of ensuring the achievement of the Group's objectives and the encouragement of sustainable long-term performance. Remuneration is reviewed at appropriate intervals to motivate employees to perform to required standards and to retain their services by offering and maintaining market-related remuneration in line with their performance. Remuneration is linked to corporate and individual performance.

Remco ensures that the executive directors' remuneration mix, in respect of guaranteed remuneration, performance bonuses and share options, is appropriate so as to align the directors' interests with those of shareholders. In discharging its duties, Remco makes use of external consultants, where necessary, to determine market-related remuneration levels.

Emphasis is placed on succession planning at executive and senior management levels. The CEO, in consultation with Remco, is responsible for ensuring that adequate succession plans are in place.

Remco approves the remuneration of senior management who are members of Exco reporting to the CEO and receives the details of remuneration of the managers who report to the members of the Exco. Adjustments to directors' and Exco members' total remuneration are recommended to the Board for individual approval.

In keeping with good corporate governance practices, the CEO attends meetings by invitation only and is not entitled to vote. The CEO does not participate in discussions regarding his/her own remuneration. The CEO acts as the committee secretary.

Remuneration philosophy and policy

The overriding philosophy of the Group Remuneration and Reward Policy is to "pay for performance".

The Group Reward and Performance Policy is designed to support and help execute the Group strategy. It aims to do this by rewarding staff members for "performance" and for "living the values".

The Group Reward and Performance Policy, together with the performance management process, aims to build a culture of high performance by ensuring that "reward" encompasses the performance of both the individual and the business. Excellent performance will be rewarded (above the market average), which will ensure both the attraction and retention of key talent and high performers.

Conversely, poor performance needs to be managed until a satisfactory level of performance is attained or the employee exits the business.

The Group's value statement governs the way it conducts itself in all interactions. The value system is of such importance that a significant percentage of an individual's bonus is linked to how they apply the Group's value system.

The Group's vision describes the feedback expected from customers, employers, the investment market, competitors and suppliers.

Paramount importance is placed on the vision and as a result, 90% of an employee's bonus is based on the achievement of the overall Group vision. Every employee has a responsibility to the Group to assist in achieving this target.

While the policy pertains to monetary reward, it should be acknowledged that reward also encompasses learning and development opportunities (performance management; career development, succession planning) and work environment (leadership; culture; involvement; transformation; work/life balance).

Remuneration package components

The total remuneration package of a Super Group employee is split between "guaranteed pay" and "variable pay".

Guaranteed pay

Guaranteed pay is that remuneration which is contractually guaranteed to the employee and is generally paid to the employee on a monthly basis.

Guaranteed pay is also referred to as base pay and may be inclusive of any benefits that the individual employee may receive. Super Group strives to provide its employees with a benefit offering that is competitive with the local or regional market offering for that level of employee at a cost to company level. In the case of members of unions, their pay is based on the agreements concluded by the Road Freight Bargaining Council.

At a total annual guaranteed salary level (variable pay excluded), Super Group offers market-related salaries. At a total annual salary level (guaranteed and variable pay), Super Group strives to be a superior payer, the underlying philosophy being that when the company and the individual achieve a high level of performance, the overall reward is superior to that of the average market offering.

The business units are responsible to ensure that individual employees are correctly positioned in the market from a guaranteed pay perspective and to this end must conduct regular market surveys and benchmarking studies. At a minimum this must be done on an annual basis but, where necessary, should be done to correct any imbalances. These studies use data that is accurate, relevant and up to date and take into consideration local market conditions as well as inflation trends.

Variable pay

Variable pay is that remuneration which is not guaranteed to the employee and which payment is dependent on the achievement of specified criteria at an individual employee level and/or a collective business level. This form of remuneration is also known as "at risk" pay.

Variable pay or "at risk" pay takes the form of bonuses or commission, with the latter being applicable generally to sales (quota-bearing) staff.

Generally, an employee's variable pay is in the form of a bonus and is split into a "business performance bonus" portion and a "discretionary performance bonus" portion. The targets and bonus achievement splits for the executive directors and senior executives are set out on page 12.

Although commission is, by definition, also a form of "at risk" or variable pay in that it is not guaranteed to the employee, the criteria on which commission are earned are fundamentally different to those applied to bonus earnings.

Remuneration package split

The package percentage split between the guaranteed and variable pay needs to be appropriate to the level of accountability carried by the individual employee and their "line of sight" in the business (i.e. the ability to affect the results). The guiding principle is that the greater the level of accountability and the closer the "line of sight", the greater the risk portion of an employee's remuneration package. The risk portion of remuneration ranges from 75:25 to 50:50 fixed to variable.

The targets and bonus achievement splits for the executive directors are as follows:

Targets	Bonus	FY2015	Maximum
	weighting	achievement	bonus ⁽¹⁾
	%	%	%
Profit before taxation growth >9%	25.0	10.9	30.0
Return on net operating assets >WACC + 4% (>14.8% in 2015)	25.0	16.7	30.0
Core HEPS growth >9%	40.0	9.0	40.0
Discretionary personal KPIs	10.0	100.0	10.0
Total	100.0		110.0

Note 1: Percentage of annual guaranteed pay. Executive directors can earn a performance bonus to a maximum of 110% of their guaranteed pay. Bonuses are not earned should the performance in any one target category be less than 60% of such target. For achievement against target between 60% and 100%, bonuses paid are pro-rated.

The targets for FY2016 are unchanged from FY2015, with the exception of the return on net operating assets which will be WACC +3%.

The targets and bonus achievement splits for the senior executives are as follows:

Targets	Bonus split
	%
Profit before taxation growth >9%	90.0
Discretionary personal KPIs	10.0
Total	100.0

Senior executives can achieve bonuses of between 50% and 100% of their guaranteed pay depending on their role within the Group and the achievement of their targets. Bonuses are not earned should profit before or after taxation achievement be less than 60% of the targets. For achievement against target between 60% and 100%, bonuses are pro-rated. The target for FY2016 is unchanged from FY2015.

Certain employees receive a bonus equivalent to approximately one month's salary provided the Group has met its targets.

The remuneration package splits are deemed as appropriate for the various levels of employees. The PE Survey (salary surveys conducted by P-E Corporate Services) is one benchmark that is used to assess the market/industry salaries. For highly specialised positions other surveys are used.

Salary increases and salary reviews

There are three forms of salary increases that can be given, namely:

- Performance-based salary increase;
- Merit increases; and
- Salary adjustments.

Performance-based salary increases are awarded in recognition of an individual employee's achievement and level of performance relative to their role in the organisation and the delivery against KPIs set in their performance review.

Merit increases are awarded in recognition of consistent, exceptional performance by an individual employee whose delivery and achievements surpass that which is normally and/or reasonably expected of an employee in that role or may be awarded as a result of a promotion or job role change.

Salary adjustments are awarded to ensure that an individual employee is adequately compensated for the job that they do and/or their knowledge or skills relative to the market value of that job and/or knowledge or skills. Adjustments are made to ensure that no employee is de incentivised to perform.

All salary increases are subject to the approval of the relevant line managers and must be submitted and actioned in accordance with the processes and procedures established by the Group approvals framework.

Long-term incentives

The Group's long-term incentive programme is the Share Appreciation Rights Scheme (SARS). Senior managers within the Group are eligible to participate in the scheme.

The scheme supports the principle of aligning management and shareholder interests. Performance conditions governing the vesting of these rights are intended to be stretching but achievable. The performance conditions are related to headline earnings per share increasing by 2% per annum above the Consumer Price Inflation Index over the three-year performance period following the award. The grants are conditional upon the participant remaining employed during the performance period.

Remco approves the award of the grants and certifies the achievement of the three-year target prior to the grants vesting.

Directors' remuneration and fees

Policy on directors' remuneration

The directors are appointed to the Board to bring to the Group the skills and experience appropriate to its needs. The guaranteed remuneration is based on the median of the market, with discretion to pay a premium (typically 5% to 20%) to the median for the attraction and retention of the directors.

Remuneration Report

> continued

Executive directors' remuneration

Remco aims to align the directors' total remuneration with shareholders' interest by ensuring that a significant portion of their package is linked to the achievement of performance targets.

Executive directors' salaries comprise a cash salary which is reviewed annually by Remco. Salaries are compared to pay levels of other South African companies to ensure sustainable performance and market competitiveness. The individual salaries of directors are reviewed

annually in light of their own performance, experience, responsibility and Group performance. The company makes contributions to defined contribution plans on behalf of the executive directors on the basis of a percentage of cash salary. Death and disability cover provided to executive directors reflects best practice among comparable employers in South Africa. Other benefits include car and travel benefits and cover on the Group's medical healthcare scheme. These elements comprise the fixed remuneration component.

Remuneration awarded and accrued

The following tables show a breakdown of the annual remuneration (excluding equity awards) of executive directors for the years ended 30 June 2016 and 30 June 2015.

Executive directors

Year ended 30 June 2016	Basic remuneration ¹ R	Subsidiary directors' fees ² R	Retirement contributions R	Other material benefits ³ R	Total excluding performance R	Performance bonus R	Total R
P Mountford	4 324 962	1 121 464	592 466	382 571	6 421 463	6 277 000	12 698 463
C Brown	2 810 042	–	344 400	125 558	3 280 000	3 608 000	6 888 000
Total	7 135 004	1 121 464	936 866	508 129	9 701 463	9 885 000	19 586 463

¹ Remuneration comprises gross salary.

² For services as a director of SG Fleet, amounting to AUD107 500.

³ Other material benefits include entitlement to fuel, cover on the Group's medical healthcare and disability scheme, funeral benefits and travel allowances. These benefits are granted on similar terms to other senior executives.

Year ended 30 June 2015	Basic remuneration ¹ R	Subsidiary directors' fees ² R	Retirement contributions R	Other material benefits ³ R	Total excluding performance R	Performance bonus R	Total R
P Mountford	3 984 218	882 450	677 025	353 757	5 897 450	5 560 000	11 457 450
C Brown	2 686 697	–	328 650	114 653	3 130 000	3 600 000	6 730 000
Total	6 670 915	882 450	1 005 675	468 410	9 027 450	9 160 000	18 187 450

¹ Remuneration comprises gross salary.

² For services as a director of SG Fleet, amounting to AUD92 500.

³ Other material benefits include entitlement to fuel, cover on the Group's medical healthcare and disability scheme, funeral benefits and travel allowances. These benefits are granted on similar terms to other senior executives.

Non-executive directors' fees

Non-executive directors generally receive fixed fees for service on the Board and Board committees. Non-executive directors do not receive short-term incentives nor do they participate in any long-term incentive schemes. The fees paid to non-executive directors were approved by Remco, the Board and shareholders at the AGM.

	Fixed directors' fees including allowances	Meeting attendance fees	Year ended 30 June 2016	Year ended 30 June 2015
	R	R	R	R
Non-executive directors				
P Vallet ¹ – South Africa	543 542	191 900	735 442	808 042
E Banda	314 542	270 200	584 742	673 825
V Chitalu	314 542	176 900	491 442	476 525
N Davies ²	–	–	–	737 425
J Newbury	314 542	237 200	551 742	647 825
D Rose	314 542	418 500	733 042	746 525
M Cassim ³	314 542	281 100	595 642	–
Total	2 116 252	1 575 800	3 692 952	4 090 167

¹ Billed by Fluxmans Inc. P Vallet's full-time employer.

² N Davies retired from the Board on 30 June 2015.

³ M Cassim was appointed to the Board on 1 July 2015.

Directors' service contracts

Peter Mountford, the CEO, has a written letter of appointment which endures indefinitely and is subject to termination on one month's notice. Colin Brown the CFO has a written letter of appointment which endures indefinitely and is subject to termination on two months' notice. Both executives have change of control clauses included in their letters of appointment. The contractual relationship between the company and its executive directors is controlled through Remco which comprises non-executive directors only.

These contracts are formulated in a manner which is consistent with the provisions of the Basic Conditions of Employment Act.

Beneficial and non-beneficial shareholding

No director of the company held any beneficial or non-beneficial shareholding in the issued shares of the company as at 30 June 2016. There is no change to the date of this report.

Interest of directors in contracts

Fluxmans Attorneys, a director-related entity, was appointed to assist Super Group with corporate law advisory services in respect of various transactions and several other corporate and labour matters. During the year the Group paid Fluxmans Attorneys R3.7 million (2015: R2.6 million) for general legal services of which approximately 33.9% (2015: 16.6%) is in respect of disbursements paid by Fluxmans on behalf of Super Group.

The directors have certified that they were not materially interested in any transaction of material significance and which significantly affected the business of the Group, with the company or any of its subsidiaries.

Accordingly, no conflict of interest with regard to directors' interests in contracts exists. There have been no material changes in the foregoing between 30 June 2015 and the date of this Notice.

Executive Directors' share option and incentive scheme grants

Executive Directors participate in the Group's share option and incentive schemes, which are designed to recognise the contributions of senior staff to the growth in the value of the Group's equity and to retain key employees. Within the limits imposed by the company's shareholders, options are allocated to the directors and senior staff in proportion to their contribution to the business as reflected by their seniority and the company's performance. The options, which are allocated at a price determined by Remco, in terms of a resolution and the applicable JSE Listings Requirements, vest after stipulated periods and are exercisable after a three-year period in terms of the scheme rules.

Share option allocations are considered at least annually and are recommended by Remco and approved by the Board. The underlying principle of these schemes is to provide direct linkage between the interests of shareholders and the efforts of executives or managers.

Targets are linked where applicable to the Group's medium-term business plan, over rolling three-year performance periods. The SARS incorporates performance target requirements which must be met before the exercise of the share grants is permitted. Certain executive directors have an interest in the various share incentive schemes of the Group. The performance targets are set by Remco and may be varied from time-to-time.

Remuneration Report

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Analysis of directors' share option entitlements as at 30 June 2016

Executive directors' options	Allocation date	Strike price R	Balance at 01/07/2015	Awarded/adjusted ¹	Exercised	Exercise date	Exercise price R	Balance at 30/06/2016
Peter Mountford	21/08/2012	16.51	600 000	28 956	(78 956)	14/12/2015	35.53	–
		–	–	–	(550 000)	16/02/2016	39.21	–
	26/08/2013	22.33	1 100 000	84 546	–		–	1 184 546 ³
	19/08/2014	31.13	1 000 000	87 020	–		–	1 087 020
	26/08/2015	31.85	–	1 071 370 ²	–		–	1 071 370
Total			2 700 000	1 271 892	(628 956)			3 342 936
Colin Brown	21/08/2012	16.51	400 000	19 304	(419 304)	16/02/2016	39.21	–
	26/08/2013	22.33	750 000	57 645	–		–	807 645 ⁴
	19/08/2014	31.13	700 000	60 914	–		–	760 914
	26/08/2015	31.85	–	749 959 ²	–		–	749 959
Total			1 850 000	887 822	(419 304)			2 318 518
Total directors' options			4 550 000	2 159 714	(1 048 260)			5 661 454

¹ The share options were adjusted in terms of the rules of the scheme following the Rights Offer on 12 October 2015.

² Includes the adjustment referred to in note 1.

³ P Mountford exercised 600 000 options on 30 August 2016 and sold 270 568 shares with an after tax gain of R6 432 273.63.

⁴ C Brown exercised 807 645 options on 12 September 2016 and sold 382 999 shares with an after tax gain of R9 370 374.03.

Share option gains after tax	2016 R'000	2015 R'000
Executive directors		
P Mountford	8 252	9 568
C Brown	5 616	6 834
Total	13 868	16 402

Directors trading in company securities

All directors are required to obtain clearance prior to trading in company securities. Such clearance must be obtained from the Chairman of the company or in his/her absence from a designated director. The Chairman consults the CEO and Group Company Secretary prior to his trading in the company's securities. Directors are required to inform their portfolio/investment managers not to trade in the securities of the company unless they have specific written instructions from that director to do so. Directors also may not trade in their shares during closed periods. Directors are further prohibited from dealing in the company's shares at any time when they are in possession of unpublished price-sensitive information in relation to those securities, or otherwise where clearance to deal is not given.

Summarised Consolidated Financial Statements

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Independent Auditor's Report

The Independent Auditors' report can be found on page 6 of the Annual Financial Statements which are available on Super Group's website, www.supergroup.co.za.

Basis of preparation and accounting policies

The Summarised Consolidated Financial Statements for the year ended 30 June 2016 are prepared in accordance with the requirements of the JSE Listings Requirements for preliminary reports and the requirements of the Companies Act. The JSE Listings Requirements require preliminary reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") and the South African Institute of Chartered Accountants ("SAICA") Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by International Accounting Standards ("IAS") 34 – Interim Financial Reporting.

The accounting policies applied in the preparation of the Summarised Consolidated Financial Statements are in terms of IFRS and are consistent with those applied in the previous Annual Financial Statements. The definitions of capital items, core headline earnings and related adjustments are included in the accounting policies in the Annual Financial Statements. There were no standards and amendments to standards that are relevant to and became effective for the first time in Super Group's financial year commencing 1 July 2015.

The Summarised Consolidated Financial Statements are extracted from the Annual Financial Statements, but is not audited. The Annual Financial Statements were audited by KPMG Inc, who expressed an unmodified opinion thereon. The Annual Financial Statements and the Independent Auditor's Report thereon are available for inspection at the company's registered office. The directors take full responsibility for the preparation of the Summarised Consolidated Financial Statements and the financial information has been correctly extracted from the Annual Financial Statements.

The Independent Auditor's Report does not necessarily report on all of the information contained in this announcement. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of the auditor's report together with the accompanying financial information from the issuer's registered office.

The Summarised Consolidated Financial Statements are presented in Rand, which is the company's functional currency and the Group's presentation currency.

These results have been compiled under the supervision of the Chief Financial Officer, Colin Brown, CA(SA), BCompt (Hons), MBL.

Summarised Consolidated Statement of Comprehensive Income

	Year ended 30 June 2016 Audited R'000	Restated ¹ Year ended 30 June 2015 Audited R'000
Revenue	25 949 004	19 817 915
Depreciation and amortisation (excluding amortisation of PPA intangibles)	(656 822)	(599 321)
Operating expenditure – excluding capital items	(23 219 796)	(17 672 639)
Operating income – capital items	10 134	1 276
EBITA¹	2 082 520	1 547 231
Amortisation of PPA intangibles	(130 517)	(46 095)
Operating profit	1 952 003	1 501 136
Finance costs	(394 921)	(261 437)
Income from equity-accounted investees and interest received	140 264	122 791
Profit before income tax	1 697 346	1 362 490
Income tax expense	(438 594)	(322 246)
Profit for the year	1 258 752	1 040 244
Profit for the year attributable to:		
Non-controlling interests	272 798	233 516
Equity holders of Super Group	985 954	806 728
	1 258 752	1 040 244
Other comprehensive income for the year		
Translation adjustment [#]	380 342	(17 385)
Effective portion of hedge [#]	(15 645)	(67)
Tax effect of effective portion of hedge [#]	4 423	–
Revaluation of land and buildings [*]	101 979	23 029
Tax effect of revaluation of land and buildings [*]	(23 237)	(4 338)
Other comprehensive income for the year (net of tax)	447 862	1 239
Total comprehensive income for the year (net of tax)	1 706 614	1 041 483
Total comprehensive income for the year attributable to:		
Non-controlling interests	407 791	195 599
Equity holders of Super Group	1 298 823	845 884
	1 706 614	1 041 483
Basic earnings per share (cents)	296.6	264.4
Diluted earnings per share (cents)	291.3	258.2
Additional Comprehensive Income Information	cents	cents
Headline earnings per share ²	292.6	265.0
Diluted headline earnings per share ²	287.3	258.8
Core headline earnings per share ²	308.1	282.6
Diluted core headline earnings per share ²	302.6	276.0

¹ Earnings before interest, tax and amortisation of purchase price allocation intangibles ("PPA").

² The earnings per share, headline earnings per share and the core earnings per share have been restated in terms of IAS 33.28 as a result of the rights issue in October 2015.

[#] Item of other comprehensive income which will be reclassified to profit or loss in the event of deconsolidation of relevant subsidiary.

^{*} Items of other comprehensive income which will not be reclassified to profit or loss.

Summarised Consolidated Statement of Financial Position

	30 June 2016 Audited R'000	30 June 2015 Audited R'000
ASSETS		
Non-current assets	12 862 527	7 690 203
Property, plant and equipment	3 431 286	3 313 348
Investment property	143 200	139 200
Full maintenance lease assets	1 144 622	1 065 721
Intangible assets	1 400 757	275 303
Goodwill	6 333 276	2 420 989
Investments and other non-current assets	124 904	133 598
Deferred tax assets	284 482	342 044
Current assets	9 935 093	7 600 710
Assets held-for-sale	–	48 065
Inventories	3 053 994	2 458 192
Trade receivables	2 610 871	2 000 108
Sundry receivables	1 142 318	971 437
Cash and cash equivalents	3 127 910	2 122 908
Total assets	22 797 620	15 290 913
EQUITY AND LIABILITIES		
Capital and reserves		
Capital and reserves attributable to equity holders of Super Group	7 614 120	5 021 951
Non-controlling interests	1 687 673	910 729
Total equity	9 301 793	5 932 680
LIABILITIES		
Non-current liabilities	5 765 635	3 639 691
Fund reserves	536 175	370 432
Non-controlling interest put options and other liabilities	402 749	215 282
Full maintenance lease borrowings	523 619	452 670
Interest-bearing borrowings	3 627 830	2 258 754
Provisions	92 008	112 320
Deferred tax liabilities	583 254	230 233
Current liabilities	7 730 192	5 718 542
Non-controlling interest put option liability	–	61 937
Full maintenance lease borrowings	102 174	127 760
Interest-bearing borrowings	863 046	279 191
Trade and other payables	6 491 231	4 865 235
Income tax payable	54 925	182 702
Provisions	218 816	201 717
Total equity and liabilities	22 797 620	15 290 913

Summarised Consolidated Statement of Cash Flows

	Audited Year ended 30 June 2016 R'000	Audited Year ended 30 June 2015 R'000
Cash flows from operating activities		
Operating cash flow	2 651 508	2 122 675
Working capital inflow/(outflow)	245 471	(102 088)
Cash generated from operations	2 896 979	2 020 587
Finance costs paid	(387 018)	(262 205)
Investment income and interest received	142 029	117 278
Income tax paid	(552 678)	(248 815)
Dividend paid to non-controlling interest	(186 481)	(135 570)
Net cash generated from operating activities	1 912 831	1 491 275
Cash flows from investing activities		
Net additions to property, plant and equipment	(320 603)	(717 986)
Net additions to full maintenance lease assets	(285 281)	(737 274)
Net additions to intangible assets	(36 912)	(35 328)
Proceeds on disposal of assets held-for-sale	48 065	-
Net acquisition of businesses (net of cash acquired)	(1 848 874)	(759 730)
Dividends received from equity-accounted investees	18 048	42 350
Other investing activities	19 902	31 972
Net cash outflow from investing activities	(2 405 655)	(2 175 996)
Cash flows from financing activities		
Share issues net of expenses	1 226 950	-
Net share repurchases	(570)	(75 937)
Additional investment in existing subsidiaries	(81 447)	(78 940)
Net interest-bearing borrowings raised	214 065	590 091
Net full maintenance lease borrowings raised	29 935	371 067
Net cash inflow from financing activities	1 388 933	806 281
Net increase in cash and cash equivalents	896 109	121 560
Net cash and cash equivalents at beginning of the year	2 122 908	2 040 179
Effect of foreign exchange on cash and cash equivalents	108 893	(38 831)
Cash and cash equivalents at end of the year	3 127 910	2 122 908

Summarised Consolidated Statement of Changes in Equity

	Stated capital R'000	Share capital R'000	Share premium R'000	Other reserves R'000	Retained earnings R'000	Share buyback reserve R'000	Total R'000	Non-controlling interest (NCI) R'000	Total equity R'000
Balance at 30 June 2014 – Audited	–	315 334	1 746 798	811 741	1 885 329	(490 406)	4 268 796	952 693	5 221 489
Changes in equity for the 2015 year									
Other comprehensive income	–	–	–	39 156	–	–	39 156	(37 917)	1 239
Translation adjustment	–	–	–	20 501	–	–	20 501	(37 886)	(17 385)
Effective portion of hedge	–	–	–	(36)	–	–	(36)	(31)	(67)
Revaluation of land and buildings	–	–	–	23 029	–	–	23 029	–	23 029
Taxation effect of revaluation of land and buildings	–	–	–	(4 338)	–	–	(4 338)	–	(4 338)
Profit for the year	–	–	–	–	806 728	–	806 728	233 516	1 040 244
Total comprehensive income for the year	–	–	–	39 156	806 728	–	845 884	195 599	1 041 483
Realisation of revaluation reserve through depreciation	–	–	–	(116)	116	–	–	–	–
Realisation of revaluation reserve through reclassification of revalued properties	–	–	–	(4 403)	4 403	–	–	–	–
Share-based payment reserve movement	–	–	–	–	23 749	–	23 749	2 378	26 127
Share options exercised	–	–	–	–	(127 146)	–	(127 146)	(228)	(127 374)
B-BBEE good leaver options exercised ¹	–	–	–	–	(4 966)	–	(4 966)	–	(4 966)
Movement in treasury shares	–	–	–	–	–	56 403	56 403	–	56 403
Deferred tax recorded directly in equity on movement in options	–	–	–	–	6 256	–	6 256	709	6 965
NCI put options movement	–	–	–	–	2 640	–	2 640	–	2 640
Dividends paid to NCI	–	–	–	–	–	–	–	(135 570)	(135 570)
Additional investment in existing subsidiaries	–	–	–	–	(49 665)	–	(49 665)	(29 275)	(78 940)
NCI recognised in respect of subsidiaries acquired	–	–	–	–	–	–	–	16 189	16 189
NCI derecognised in respect of subsidiaries disposed	–	–	–	–	–	–	–	(91 766)	(91 766)
Balance at 30 June 2015 – Audited	–	315 334	1 746 798	846 378	2 547 444	(434 003)	5 021 951	910 729	5 932 680
Changes in equity for the 2016 year									
Other comprehensive income	–	–	–	312 869	–	–	312 869	134 993	447 862
Translation adjustment	–	–	–	239 980	–	–	239 980	140 362	380 342
Effective portion of hedge	–	–	–	(8 160)	–	–	(8 160)	(7 485)	(15 645)
Taxation effect of effective portion of hedge	–	–	–	2 307	–	–	2 307	2 116	4 423
Revaluation of land and buildings	–	–	–	101 979	–	–	101 979	–	101 979
Taxation effect of revaluation of land and buildings	–	–	–	(23 237)	–	–	(23 237)	–	(23 237)
Profit for the year	–	–	–	–	985 954	–	985 954	272 798	1 258 752
Total comprehensive income for the year	–	–	–	312 869	985 954	–	1 298 823	407 791	1 706 614
Realisation of revaluation reserve through depreciation	–	–	–	(1 236)	1 236	–	–	–	–
Share issue for cash	–	33 751	833 658	–	–	32 591	900 000	–	900 000
Share issue expenses – Rights Offer	–	–	(29 562)	–	–	–	(29 562)	–	(29 562)
Transfer to stated capital	2 899 979	(349 085)	(2 550 894)	–	–	–	–	–	–
Bookbuild shares issued for cash ²	360 000	–	–	–	–	–	360 000	–	360 000
Share issue expenses – bookbuild	(3 488)	–	–	–	–	–	(3 488)	–	(3 488)
Share-based payment reserve movement	–	–	–	–	38 414	–	38 414	5 543	43 957
Share options exercised	–	–	–	–	(92 769)	–	(92 769)	(6 182)	(98 951)
B-BBEE good leaver options exercised ¹	–	–	–	–	(5 960)	–	(5 960)	–	(5 960)
Movement in treasury shares	–	–	–	–	–	104 341	104 341	–	104 341
Dividends paid to NCI	–	–	–	–	–	–	–	(186 481)	(186 481)
Deferred tax recorded directly in equity on movement in options	–	–	–	–	20 234	–	20 234	1 518	21 752
NCI put options movement	–	–	–	–	(126 306)	–	(126 306)	–	(126 306)
Transactions with equity partners – NLC ³	–	–	–	–	156 664	–	156 664	204 296	360 960
Transactions with equity partners – SG Coal ³	–	–	–	–	(19 238)	–	(19 238)	104 446	85 208
Transactions with equity partners – SG Fleet ³	–	–	–	–	(8 984)	–	(8 984)	(2 463)	(11 447)
NCI recognised in respect of subsidiaries acquired – IN tIME ³	–	–	–	–	–	–	–	248 476	248 476
Balance at 30 June 2016 – Audited	3 256 491	–	–	1 158 011	3 496 689	(297 071)	7 614 120	1 687 673	9 301 793

¹ A good leaver is an employee who participated in the Broad-Based Black Economic Empowerment Scheme whose employment was terminated due to their death, retrenchment, retirement or sale of the subsidiary or business which employed the participant.

² A bookbuild is an offer of shares to selected investors of the company.

³ Refer to business combinations note.

Operating segments

	Super Group		Supply Chain Africa		Supply Chain Europe	
	Year ended 30 June 2016 Audited R'000	Year ended 30 June 2015 Audited R'000	Year ended 30 June 2016 Audited R'000	Year ended 30 June 2015 Audited R'000	Year ended 30 June 2016 Audited R'000	Year ended 30 June 2015 Audited R'000
Revenue	25 949 004	19 817 915	8 021 631	8 321 231	1 400 007	–
South Africa	15 148 437	14 487 141				
Australia	2 103 987	1 543 177				
Europe	1 400 007	–				
United Kingdom	7 000 543	3 327 302				
Africa and other	296 030	460 295				
Depreciation and amortisation (excluding amortisation of PPA intangibles)	(656 822)	(599 321)	(348 666)	(394 445)	(7 527)	–
Net operating expenditure – excluding capital items	(23 219 796)	(17 672 639)	(7 181 221)	(7 347 795)	(1 241 550)	–
Operating income – capital items	10 134	1 276	6 161	(4 242)	(820)	–
EBITA	2 082 520	1 547 231	497 905	574 749	150 110	–
Amortisation of PPA intangibles	(130 517)	(46 095)	(38 849)	(42 942)	(53 768)	–
Operating profit	1 952 003	1 501 136	459 056	531 807	96 342	–
Net finance charges	(254 657)	(138 646)	(68 902)	(74 964)	(28 627)	–
Profit before tax	1 697 346	1 362 490	390 154	456 843	67 715	–

	Super Group		Supply Chain Africa		Supply Chain Europe	
	As at 30 June 2016 Audited R'000	As at 30 June 2015 Audited R'000	As at 30 June 2016 Audited R'000	As at 30 June 2015 Audited R'000	As at 30 June 2016 Audited R'000	As at 30 June 2015 Audited R'000
Assets						
Non-current assets						
Property, plant and equipment	3 431 286	3 313 348	1 861 987	1 978 275	40 212	–
Investment property	143 200	139 200	–	–	–	–
Full maintenance lease assets	1 144 622	1 065 721	–	–	–	–
Intangible assets	1 400 757	275 303	84 658	140 324	604 686	–
Goodwill	6 333 276	2 420 989	588 890	577 029	1 831 111	–
Investments and other non-current assets	124 904	133 598	26 650	74	–	–
Current assets						
Assets held-for-sale	–	48 065	–	–	–	–
Inventories	3 053 994	2 458 192	419 052	396 069	1 089	–
Trade receivables	2 610 871	2 000 108	1 250 495	1 184 795	388 433	–
Sundry receivables	1 142 318	971 437	680 690	606 795	12 223	–
Intercompany trade receivables	–	–	13 329	19 407	–	–
Segment assets	19 385 228	12 825 961	4 925 751	4 902 768	2 877 754	–
South Africa	8 354 934	8 031 123				
Australia	4 491 484	1 691 625				
Europe	2 877 754	–				
United Kingdom	3 045 401	2 313 187				
Africa and other	615 655	790 026				
Liabilities						
Non-current liabilities						
Long-term borrowings	4 151 449	2 711 424	440 762	537 846	901 147	–
Non-controlling interest put options and other liabilities	402 749	215 282	124 825	125 127	189 616	–
Fund reserves	536 175	370 432	–	–	–	–
Long-term provisions	92 008	112 320	2 078	3 643	2 631	–
Current liabilities						
Short-term borrowings	965 220	406 951	212 448	206 311	4 581	–
Non-controlling interest put options	–	61 937	–	61 937	–	–
Trade and other payables and provisions	6 710 047	5 066 952	1 578 286	1 526 065	215 491	–
Intercompany trade payables	–	–	44 057	38 242	–	–
Segment liabilities	12 857 648	8 945 298	2 402 456	2 499 171	1 313 466	–
South Africa	5 151 302	5 224 151				
Australia	3 316 687	1 404 574				
Europe	1 313 466	–				
United Kingdom	2 814 108	2 040 240				
Africa and other	262 085	276 333				
Net capex	594 731	1 490 588	160 748	361 266	14 507	–
South Africa	362 661	1 075 585				
Australia	47 345	81 486				
Europe	14 507	–				
United Kingdom	77 489	260 234				
Africa and other	92 729	73 283				
Net operating assets	12 875 023	7 896 800	3 263 231	3 324 366	2 659 632	–

FleetAfrica		SG Fleet		Dealerships SA		Dealerships UK		Services and intercompany eliminations	
Year ended 30 June 2016 Audited R'000	Year ended 30 June 2015 Audited R'000	Year ended 30 June 2016 Audited R'000	Year ended 30 June 2015 Audited R'000	Year ended 30 June 2016 Audited R'000	Year ended 30 June 2015 Audited R'000	Year ended 30 June 2016 Audited R'000	Year ended 30 June 2015 Audited R'000	Year ended 30 June 2016 Audited R'000	Year ended 30 June 2015 Audited R'000
732 716	522 697	2 203 072	1 616 585	6 637 676	6 069 143	6 946 252	3 278 658	7 650	9 601
(156 075)	(102 540)	(80 892)	(67 728)	(32 153)	(15 243)	(17 377)	(6 854)	(14 132)	(12 511)
(413 340)	(304 415)	(1 322 939)	(988 584)	(6 395 161)	(5 881 496)	(6 750 887)	(3 194 210)	85 302	43 861
-	-	461	34	(59)	4 932	-	-	4 391	552
163 301	115 742	799 702	560 307	210 303	177 336	177 988	77 594	83 211	41 503
-	-	(31 462)	-	-	-	(6 438)	(3 153)	-	-
163 301	115 742	768 240	560 307	210 303	177 336	171 550	74 441	83 211	41 503
(21 198)	1 819	(70 136)	(17 278)	(32 993)	(34 966)	(55 350)	(22 139)	22 549	8 882
142 103	117 561	698 104	543 029	177 310	142 370	116 200	52 302	105 760	50 385
FleetAfrica		SG Fleet		Dealerships SA		Dealerships UK		Services and intercompany eliminations	
As at 30 June 2016 Audited R'000	As at 30 June 2015 Audited R'000	As at 30 June 2016 Audited R'000	As at 30 June 2015 Audited R'000	As at 30 June 2016 Audited R'000	As at 30 June 2015 Audited R'000	As at 30 June 2016 Audited R'000	As at 30 June 2015 Audited R'000	As at 30 June 2016 Audited R'000	As at 30 June 2015 Audited R'000
1 732	805	31 054	9 392	351 595	300 168	355 400	294 540	789 306	730 168
-	-	-	-	-	-	-	-	143 200	139 200
967 547	900 231	177 075	165 490	-	-	-	-	-	-
-	-	640 887	58 357	-	-	65 196	69 312	5 330	7 310
87 822	87 822	3 226 787	1 169 059	159 705	159 029	438 961	428 050	-	-
-	-	-	-	-	-	-	-	98 254	133 524
-	48 065	-	-	-	-	-	-	-	-
174	3 176	57 365	46 078	773 756	776 562	1 802 558	1 236 307	-	-
125 141	168 095	449 933	309 563	134 677	143 366	223 822	171 545	38 370	22 744
26 065	35 541	85 488	65 537	7 152	1 260	94 753	31 407	235 947	230 897
4 703	1 282	-	-	701	1 125	-	-	(18 733)	(21 814)
1 213 184	1 245 017	4 668 589	1 823 476	1 427 586	1 381 510	2 980 690	2 231 161	1 291 674	1 242 029
444 265	401 157	1 393 844	353 051	-	-	606 431	603 622	365 000	815 748
-	-	28 341	16 291	44 999	50 875	-	-	14 968	22 989
83 955	73 695	452 220	296 737	-	-	-	-	-	-
-	-	78 772	100 150	-	-	-	-	8 527	8 527
51 394	70 492	215 433	57 695	-	-	-	-	481 364	72 453
-	-	-	-	-	-	-	-	-	-
91 159	126 148	1 305 531	595 655	1 218 909	1 186 231	2 140 856	1 419 941	159 815	212 912
6 800	17 275	-	-	1 562	13	-	-	(52 419)	(55 530)
677 573	688 767	3 474 141	1 419 579	1 265 470	1 237 119	2 747 287	2 023 563	977 255	1 077 099
191 341	667 972	98 742	91 597	15 130	64 255	75 767	250 123	38 496	55 375
959 276	942 255	2 803 690	814 131	709 349	675 774	1 578 315	1 321 047	901 530	819 227

Business combinations

Subsidiaries and businesses acquired	Nature of business	Operating segment	Date acquired	Interest acquired (%)	Purchase price R'000
IN tIME Holding GmbH (IN tIME)	Logistics	Supply Chain Offshore	2 November 2015	75	776 027
NLC Proprietary Limited (NLC)	Fleet management	SG Fleet	30 November 2015	100	2 206 157
Other acquisitions	Logistics and Dealerships	Supply Chain Africa and Dealerships SA			1 270
Total purchase consideration					2 983 454

	IN tIME R'000	NLC R'000	Other acquisitions R'000	Total R'000
Net costs on acquisition in businesses				
Fair value of assets acquired and liabilities assumed at date of acquisition:				
Assets				
Property, plant and equipment	33 415	6 952	–	40 367
Intangible assets	613 293	555 063	–	1 168 356
Goodwill	1 708 293	1 765 405	1 270	3 474 968
Inventories	1 418	1 868	–	3 286
Trade and other receivables	402 841	49 802	–	452 643
Provision for impairment of trade receivable	(5 915)	(52)	–	(5 967)
Cash and cash equivalents	262 409	511 211	–	773 620
	3 015 754	2 890 249	1 270	5 907 273
Liabilities				
Fund reserves	–	111 117	–	111 117
Interest-bearing borrowings	1 513 765	–	–	1 513 765
Deferred tax liabilities	181 845	154 029	–	335 874
Trade and other payables	214 543	403 163	–	617 706
Income tax payable	41 296	8 100	–	49 396
Provisions	39 802	7 683	–	47 485
	1 991 251	684 092	–	2 675 343
Acquirees' fair value at acquisition	1 024 503	2 206 157	1 270	3 231 930
Less: Non-controlling interest	(248 476)	–	–	(248 476)
Purchase price	776 027	2 206 157	1 270	2 983 454
Equity shares of SG Fleet transferred	–	(360 960)	–	(360 960)
Cash consideration transferred	776 027	1 845 197	1 270	2 622 494
Cash acquired	(262 409)	(511 211)	–	(773 620)
Cash outflow	513 618	1 333 986	1 270	1 848 874

The acquisition of IN tIME will allow the Group to expand into the time-critical delivery services sector across Europe. The Group performed a purchase price allocation exercise on IN tIME whereby intangible assets acquired were separately valued. The valuation, using projected financial information led to the recognition of R610 549 000 in respect of customer relationships, trade name and self-developed software.

The acquisition of NLC will bolster the SG Fleet division. The Group performed a purchase price allocation exercise on NLC whereby intangible assets acquired were separately valued. The valuation, using projected financial information led to the recognition of R536 534 000 in respect of customer contracts and trade name.

The non-controlling interests have been calculated using the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets.

Goodwill has been recognised on the acquisition of IN tIME, NLC and the other acquisitions amounting to R1.7 billion, R1.8 billion and R1.3 million respectively.

Goodwill is attributable mainly to the skills and technical talent of the workforce and synergies expected to be achieved from integrating the acquired businesses into the Group's various operations. None of the goodwill is expected to be deductible for tax purposes.

The acquisition related costs of R82.1 million relating to these acquisitions are included in the Consolidated Statement of Comprehensive Income.

Impact of the acquisitions on the results of the Group	IN TIME R'000	NLC R'000	Total R'000
From the dates of acquisition, the acquired businesses contributed:			
Revenue	1 400 007	352 519	1 752 526
Attributable profit to equity holders of Super Group ¹	54 724	31 244	85 968

¹ Profit after tax, after non-controlling interest (excluding acquisition related costs).

Impact of the acquisitions on the results of the Group had they occurred on 1 July 2015	IN TIME R'000	NLC R'000	Total R'000
From 1 July 2015, the businesses would have contributed:			
Revenue	2 235 014	590 255	2 825 269
Profit after tax and amortisation of PPA intangibles	119 698	121 497	241 195
Attributable profit to equity holders of Super Group ¹	89 773	63 373	153 146

¹ Profit after tax, after non-controlling interest (excluding acquisition related costs).

Net proceeds on disposal of business	Micor SA R'000
Fair value of assets and liabilities disposed were:	
Property, plant and equipment	(1 375)
Trade and other payables	1 726
Provisions	3 500
Fair value of net liabilities disposed	3 851
Profit on sale of subsidiary	(39 629)
Proceeds receivable	16 100
Equity-accounted investee recognised	19 678
Cash inflow	–

Micor SA was disposed effective 30 June 2016. The Group received R16.1 million in July and a 55% shareholding in an equity-accounted investee.

Net costs on increase in existing shareholding in subsidiaries	SG Fleet R'000	SG Coal R'000	Total R'000
Non-controlling interest	(2 463)	(130 786)	(133 249)
Effect of transactions between equity partners on equity	(8 984)	60 786	51 802
Cash outflow	(11 447)	(70 000)	(81 447)

During the year, the Group purchased an additional 0.12% in SG Fleet for R11.5 million and an additional 25% in SG Coal for R70.0 million.

Net proceeds on decrease in existing shareholding in subsidiaries	SG Fleet R'000	SG Coal R'000	Total R'000
Non-controlling interest	204 296	235 232	439 528
Effect of transactions between equity partners on equity	156 664	(80 024)	76 640
	360 960	155 208	516 168
Equity shares of SG Fleet issued	360 960	–	360 960
Present value of proceeds receivable	–	155 208	155 208
Equity shares of SG Fleet transferred on purchase of NLC	(360 960)	–	(360 960)
Receivable	–	(155 208)	(155 208)
Cash inflow	–	–	–

SG Fleet issued 9.1 million shares to the sellers of NLC as part payment for the acquisition of NLC, resulting in a dilution of 1.96% of the Group's shareholding.

During the year, the Group disposed of 49.17% of SG Coal for R180.6 million, effective from 2 June 2016 receivable over a period of 24 months.

Salient features

	Year ended 30 June 2016 Audited R'000	Year ended 30 June 2015 Audited R'000
1. Interest-bearing borrowings		
SG Fleet interest-bearing borrowings	1 479 144	301 966
Asset-based finance	653 210	920 841
Corporate bond	478 398	477 334
Acquisition borrowings – United Kingdom	466 667	452 188
Acquisition borrowings – Germany	905 727	–
Property and other borrowings	507 730	385 616
	4 490 876	2 537 945
2. Share statistics		
Total issued less treasury shares ('000)	346 671	298 839
Weighted number of shares ('000) ¹	332 387	305 088
Diluted weighted number of shares ('000) ¹	338 447	312 440
Net asset value per share (cents) ²	2196.4	1680.5
¹ As a result of the Rights Offer undertaken by Super Group in October 2015, the weighted and diluted weighted number of shares in issue had to be adjusted in terms of IAS 33.28, which resulted in the EPS, HEPS, and Core HEPS for the year ended 30 June 2015 having to be restated.		
² Net asset value per share is calculated as the capital and reserves attributable to equity shareholders of Super Group divided by the total issued less treasury shares.		
3. Capital commitments		
Authorised but not yet contracted for capital commitments, excluding full maintenance lease assets.	555 355	341 780
Capital commitments will be funded from normal operating cash flows and the utilisation of existing borrowings facilities.		
4. Related party transactions		
The Group, in the ordinary course of business, entered into various sales and purchase transactions on arm's length basis with related parties.		
Certain management of subsidiary companies sub-contracts vehicles to the Group. Sales, purchases and management fees received amounted to R5 094 000 (2015: R17 891 000), R26 982 000 (2015: R41 774 000) and R1 249 000 (2015: R2 140 000) respectively for these services. These transactions were entered into in the normal course of business under terms and conditions that were no more favourable than those arranged with third parties. Net amounts owing by the key employees of this subsidiary was R47 000 (2015: net amounts owing to key employees R1 942 000).		
5. Subsequent events		
SG Fleet acquisition		
SG Fleet announced the acquisition of Fleet Hire on 4 August 2016, a UK company providing contract hire, salary sacrifice, short-term rental and fleet management services. The enterprise value of GBP25.7 million (purchase price GBP19.6 million plus lease portfolio debt net of cash of GBP6.1 million) will be funded through SG Fleet shares of GBP1.8 million, debt of GBP12.0 million and cash on hand of GBP5.8 million. The acquisition provides SG Fleet with critical mass in the attractive UK market and, in combination with its existing local business, creates a profitable platform for continued growth. The Group will provide further information in the interim financial report ending 31 December 2016.		
Mercedes-Benz dealerships		
The Group has concluded an agreement with Sandown Motor Holdings Proprietary Limited (Sandown), where the Group, through Super Group Trading Proprietary Limited, has acquired the Western Cape dealership business and related properties effective 1 September 2016. The purchase price of the dealerships is approximately R418 million, while the purchase price of the property is R200 million. The Group will provide more information in the interim financial report ending 31 December 2016.		
Listing of Domestic Medium-Term Notes		
The JSE has granted a listing to Super Group on 9 September of its SPG002 senior unsecured notes, in terms of its Domestic Medium-Term Note Programme dated 22 October 2013. The value of the issue was R50 million, with the interest linked to the three-month JIBAR coupon rate and is payable quarterly. The maturity date of this issue is 9 September 2019.		

6. Significant events

SG IN TIME Holdings GmbH acquisition

The Group acquired a 75% interest in the share capital of IN TIME Holding GmbH for R776.0 million. The Statement of Financial Position as at 30 June 2016 has been impacted by increases in intangible assets of R604.7 million, goodwill of R1.9 billion, trade and other receivables of R400.7 million, long-term borrowings of R901.1 million and a net deferred tax liability of R173.4 million as a result of this acquisition. Trading relating to the eight months ended 30 June 2016 has been included in the Statement of Comprehensive Income.

SG Fleet Group Limited acquisition of NLC Proprietary Limited

SG Fleet Group Limited, acquired NLC Proprietary Limited effective 30 November 2015 for a purchase consideration of R2.2 billion. The Statement of Financial Position as at 30 June 2016 has been impacted by increases in intangible assets of R549.8 million, goodwill of R1.8 billion, fund reserves of R131.2 million and a deferred tax liability of R151.4 million as a result of the acquisition. This transaction was funded through the issue of SG Fleet shares, cash and interest-bearing borrowings. Trading relating to the seven months ended 30 June 2016 has been included in the Statement of Comprehensive Income.

Rights Offer

The Group concluded a fully-underwritten renounceable Rights Offer effective October 2015 for R900 million. The Rights Offer consisted of an offer of 35 019 470 Rights Offer shares at a price of R25.70 per Rights Offer share. The Statement of Financial Position has been impacted by an increase in stated capital of R870.4 million (after share issue expenses).

Exchange rate movements

The Group operates in foreign countries which use currencies other than presentation currency. The main currencies used in the Group's foreign operations are Australian Dollar, US Dollar, Euro and the GBP. The deterioration of the Rand against these currencies has had an effect on the Group's financial statements and has resulted in a foreign currency translation adjustment of R380.3 million increasing total equity.

The table below reflects the movement in the exchange rates from the prior reporting periods:

	30 June 2016	30 June 2015	% change
Average currency rate to the South African Rand:			
Australian Dollar	10.49	9.54	10.0
US Dollar	14.51	11.45	26.7
Euro	16.10	13.74	17.2
GBP	21.46	18.02	19.1
Closing currency rate to the South African Rand:			
Australian Dollar	10.98	9.36	17.3
US Dollar	14.73	12.15	21.2
Euro	16.34	13.55	20.6
GBP	19.61	19.12	2.6

The non-South African operations account for 58% (June 2015: 42%) and 60% (June 2015: 40%) of the Group's total assets and liabilities respectively. The non-South African operations generated 42% (June 2015: 27%) and 60% (June 2015: 47%) of the Group's revenue and operating profit respectively.

The non-South African operations revenue, operating profit and profit before tax increased in the current year by 103%, 66% and 52% respectively.

Salient features

> continued

	Hierarchy		Valuation technique
	Level 2 R'000	Level 3 R'000	
7. Fair value			
Property, plant and equipment – Land, buildings and leasehold improvements		1 474 689	Valuation performed by Onyx valuation services in June 2016. The valuation model considers the present value of net cash flows to be generated from these properties, taking into account expected rental growth rate, void period, occupancy rate, lease incentive costs such as rent-free periods and other costs not paid by tenants. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality and lease terms.
Investment properties		143 200	
Deferred contingent purchase consideration		57 462	This valuation was performed using the present value of expected future profits, discounted using a pre-tax rate of 9.0% and assessed for recoverability.
FEC assets	206		The fair values are based on broker quotes. Similar contracts are traded in an active market and reflect the actual transactions in similar instruments.
FEC liabilities	5 692		
Digistics put option		113 374	This put option has been based on the average non-controlling interest non-proportionate share of the profit after tax for the three financial years preceding 1 October 2017 of the put option at a price earnings ratio of 6.5. The present value has been determined using an after tax discount rate of 6.5%
IN TIME put option		189 616	This put option is calculated as the fair value determined by using the average audited EBITDA for the preceding three years at a price earnings multiple of 7.5, adjusted for net debt. The present value has been determined using a pre-tax discount rate of 7.3%. The put option can be exercised from 30 June 2020 to 30 June 2025.

The carrying value of all other financial instruments approximates the fair value of the financial instruments as at 30 June 2016.

Movement in level 3 financial instruments measured at fair value

The following table shows a reconciliation from the opening to closing balances of level 3 financial instruments carried at fair value:

	30 June 2016 Audited R'000
Financial assets – Deferred contingent purchase consideration	
Opening balance	69 694
Fair value adjustment to profit and loss	(12 232)
	57 462
Financial liabilities – Put option liabilities	
Opening balance	176 684
Movement through statement of changes in equity	126 306
Subsidiary acquired	170 576
Put option exercised	(65 000)
Fair value adjustment in statement of changes in equity	20 730
	302 990

Sensitivity analysis

The significant assumption included in the fair value measurement of the deferred contingent purchase consideration relates to the projected income that is not observable in the market. A change of 100bps to the significant assumption had no impact on the fair value of the asset.

The significant assumption included in the fair value measurement of the put option liabilities relates to the projected income that is not observable in the market. The following table shows how the fair value of the liabilities would change if the significant assumption was increased by 100bps:

	Fair value R'000	Increase in liability R'000
Digistics	113 374	376
IN TIME	189 616	1 990

	Year ended 30 June 2016 Audited R'000	Year ended 30 June 2015 Audited R'000
8. Capital items		
Impairment of property, plant and equipment, intangible assets and full maintenance lease vehicles	19 715	8 349
Impairment of equity-accounted investee	22 620	–
(Profit)/loss on sale of business/subsidiary	(39 629)	12 053
Profit on sale of property, plant and equipment	(8 840)	(9 114)
Fair value adjustment to investment property	(4 000)	(12 564)
Capital items before taxation and NCI	(10 134)	(1 276)
Taxation effect of capital items	(2 297)	2 562
NCI effect of capital items	(1 064)	577
Capital items after taxation and NCI	(13 495)	1 863

Additional information

Shareholders' diary

Notice of AGM posted to shareholders	30 September 2016
Annual Financial Statements published and available on website	19 October 2016
2016 Integrated Report published and available on website	19 October 2016
Annual General Meeting	22 November 2016
Interim results for the six months ending 31 December 2016	February 2017
Annual results for the year ending 30 June 2017	August 2017

Form of Proxy

Super Group Limited

(Incorporated in the Republic of South Africa)
 Registration number 1943/016107/06
 Share code: SPG
 ISIN: ZAE000161832
 ("Super Group" or "the company" or "the Group")

To be completed by registered certificated shareholders and dematerialised shareholders with own-name registration only

This Form of Proxy relates to the AGM of the company to be held at 27 Impala Road, Chislehurst, Sandton, 2196 on Tuesday, 22 November 2016 at 09:00 ("meeting") (see note 1) and is for use by registered shareholders whose shares are registered in their own names by the Voting Record Date, Friday, 11 November 2016 (see note 2).

Terms used in this Form of Proxy have the meanings given to them in the Notice of AGM to which this Form of Proxy is attached.

Please print clearly when completing this form and see the instructions and notes at the end of this form for an explanation of the use of this Form of Proxy and the rights of the shareholder and the proxy.

I/We (full name in block letters)

of (address)

Email

Cell number

Telephone (work)

(home)

being a shareholder of the company and being the registered owner/s of ordinary shares in the company (note 3)

hereby appoint

or failing him, the chairman of the meeting (see note 4)

to attend and participate in the meeting and to speak and to vote or abstain from voting for me/us and on my/our behalf in respect of all matters arising (including any poll and all resolutions put to the meeting) at the meeting, even if the meeting is postponed, and at any resumption thereof after any adjournment (see note 5).

My/Our proxy shall vote as follows:

Please indicate with an "X" in the appropriate spaces how you wish your votes to be cast. If you do not do so, the proxy may vote or abstain at his/her discretion (see note 6).

	For	Against	Abstain
Ordinary resolution number 1 – Re-election of directors			
1.1 Mr John Newbury			
1.2 Mr David Rose			
Ordinary resolution number 2 – Reappointment of auditors			
Ordinary resolution number 3 – Re-election of the Group Audit Committee			
3.1 Mr David Rose			
3.2 Ms Mariam Cassim			
3.3 Dr Enos Banda			
Ordinary resolution number 4 – Endorsement of the Super Group remuneration policy			
Ordinary resolution number 5 – General authority to directors to issue shares for cash			
Ordinary resolution number 6 – Signing of documents			
Special resolution number 1 – Approval of non-executive directors' fees			
Special resolution number 2 – Financial assistance to related or inter-related companies			
Special resolution number 3 – Financial assistance for subscription of securities by related or inter-related entities of the company			
Special resolution number 4 – Acquisition of securities by the company and/or its subsidiaries			

(Indicate instruction to proxy by way of a cross in the space provided above)

Unless otherwise instructed, my/our proxy may vote as he/she thinks fit.

Signed this

day of

2016

Signature

Please read the notes on the reverse side hereof.

Instructions and notes to the Form of Proxy

1. This Form of Proxy will not be effective at the meeting unless received at the company's transfer office, Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg, by no later than 09:00 on Friday, 18 November 2016. If a shareholder does not wish to deliver this Form of Proxy to that address, it may also be posted, at the risk of the shareholder, to Computershare Investor Services Proprietary Limited, PO Box 61051, Marshalltown, 2107.
2. This form is for use by registered shareholders who wish to appoint another person (a proxy) to represent them at the meeting. If duly authorised, companies and other corporate bodies who are registered shareholders may appoint a proxy using this form, or may appoint a representative in accordance with paragraph 12 below.

Other shareholders should not use this form. All beneficial shareholders who have dematerialised their shares through a CSDP or broker must provide the CSDP or broker with their voting instruction. Alternatively, if they wish to attend the meeting in person, they should request the CSDP or broker to provide them with a letter of representation in terms of the custody agreement entered into between the beneficial shareholder and the CSDP or broker.
3. This proxy shall apply to all ordinary shares registered in the name of the shareholder who signs this Form of Proxy at the record date unless a lesser number of shares is inserted.
4. A shareholder may appoint one person of his/her own choice as his/her proxy by inserting the name of such proxy in the space provided. Any such proxy need not be a shareholder of the company. If the name of the proxy is not inserted, the chairman of the meeting will be appointed as proxy. If more than one name is inserted, then the person whose name appears first on the Form of Proxy and who is present at the meeting will be entitled to act as proxy to the exclusion of any persons whose names follow. The proxy appointed in this proxy form may delegate the authority given to him/her in this Form of Proxy by delivering to the company, in the manner required by these instructions, a further Form of Proxy which has been completed in a manner consistent with the authority given to the proxy in this Form of Proxy.
5. Unless revoked, the appointment of a proxy in terms of this Form of Proxy remains valid until the end of the meeting, even if the meeting or part thereof is postponed or adjourned.
6. If:
 - 6.1 a shareholder does not indicate on this instrument that the proxy is to vote in favour of or against or to abstain from voting or any resolution; or
 - 6.2 the shareholder gives contradictory instructions in relation to any matter; or
 - 6.3 any additional resolution/s which are properly put before the meeting; or
 - 6.4 any resolution listed in the Form of Proxy is modified or amended, and then the proxy shall be entitled to vote or abstain from voting, as he/she thinks fit, in relation to that resolution or matter. If, however, the shareholder has provided further written instructions which accompany this form and which indicate how the proxy should vote or abstain from voting in any of the circumstances referred to in 6.1 to 6.4, then the proxy shall comply with those instructions.
7. If this proxy is signed by a person (signatory) on behalf of the shareholder, whether in terms of a power of attorney or otherwise, then this Form of Proxy will not be effective unless:
 - 7.1 it is accompanied by a certified copy of the authority given by the shareholder to the signatory; or
 - 7.2 the company has already received a certified copy of that authority.
8. The chairman of the meeting may, in his/her discretion, accept or reject any Form of Proxy or other written appointment of a proxy which is received by the chairman prior to the time when the meeting deals with a resolution or matter to which the appointment of the proxy relates, even if that appointment of a proxy has not been completed and/or received in accordance with these instructions. However, the chairman shall not accept any such appointment of a proxy unless the chairman is satisfied that it reflects the intention of the shareholder appointing the proxy.
9. Any alternations made in this Form of Proxy must be initialled by the authorised signatory/ies.
10. This proxy form is revoked if the shareholder who granted the proxy:
 - 10.1 gives written notice of such revocation to the company, so that it is received by the company by not later than 09:00 on Friday, 18 November 2016; or
 - 10.2 subsequently appoints another proxy for the meeting; or
 - 10.3 attends the meeting him/herself in person.
11. All notices which a shareholder is entitled to receive in relation to the company shall continue to be sent to that shareholder and shall not be sent to the proxy.
12. If duly authorised, companies and other corporate bodies who are shareholders of the company having shares registered in their own names may, instead of completing this Form of Proxy, appoint a representative to represent them and exercise all of their rights at the meeting by giving written notice of the appointment of that representative. That notice will not be effective at the meeting unless it is accompanied by a duly certified copy of the resolution/s or other authorities in terms of which that representative is appointed and is received at the company's transfer office, Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg, by not later than 09:00 on Friday, 18 November 2016 or presented at the AGM on Tuesday, 22 November 2016. If a shareholder does not wish to deliver that notice to that address, it may also be posted, at the risk of the shareholder to Computershare Investor Services Proprietary Limited, PO Box 61061, Marshalltown, 2107.
13. The completion and lodging of this Form of Proxy does not preclude the relevant shareholder from attending the AGM and speaking and voting in person to the exclusion of any proxy appointed by the shareholder.
14. The chairman of the AGM may accept or reject any Form of Proxy which is completed and/or received other than in accordance with these instructions, provided that he/she shall not accept a proxy unless he/she is satisfied as to the manner in which a shareholder wishes to vote.

Transfer secretaries' office

Computershare Investor Services Proprietary Limited
Ground Floor, 70 Marshall Street, Johannesburg, 2001
(PO Box 61051, Marshalltown, 2107)

Corporate information

Directors

Executive: P Mountford (CEO) and C Brown (CFO)

Non-executive: P Vallet* (Chairman of the company), Dr E Banda*,
M Cassim*, V Chitalu**#, J Newbury* and D Rose*

* *Independent* * *Zambian*

Company Secretary

N Redford

+27 (0)11 523 4000

nigel.redford@supergroup.co.za

Registered office

27 Impala Road, Chislehurst, Sandton, 2196

Transfer secretaries

Computershare Investor Services Proprietary Limited

(Registration number 2004/003647/07)

Ground Floor, 70 Marshall Street, Johannesburg, 2001

(PO Box 61051, Marshalltown, 2107)

Sponsor

Deutsche Securities (SA) Proprietary Limited

(Registration number 1995/011798/07)

3 Exchange Square, 87 Maude Street, Sandton, 2196

Auditors

KPMG Inc.

(Registration number 1999/021543/21)

KPMG Crescent, 85 Empire Road, Parktown, 2193

Attorneys

Fluxmans Inc.

(Registration number 2000/024775/21)

30 Jellicoe Avenue, Rosebank, 2196

Investor Relations

Keyter Rech Investor Solutions CC

(Registration number 2008/156985/23)

5 2nd Road, Hyde Park, 2196

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