

Sedibeng Iron ore (Pty) Ltd.

**Annual Financial Report For The Year
Ended 31 March 2017**

Standalone Balance Sheet as at 31st Mar 2017

Amount in ZAR

	As at Mar 2017	As at Mar 2016
(I) ASSETS		
(1) Non-current assets		
(a) Goodwill on consolidation	-	-
(b) Fixed assets		
(i) Tangible assets	124,147,316	47,692,242
(ii) Capital work-in-progress	-	803,165
(iii) Other Intangible assets	355,190,971	394,855,437
(iv) Intangible assets under development	-	-
(c) Investment properties	-	-
	479,338,287	443,350,844
(d) Equity accounted investments	-	-
(e) Investments in subsidiaries	-	-
(f) Financial assets		
(i) Other non-current investments	-	-
(ii) Trade receivables	-	-
(iii) Other financial assets	-	-
(iv) Derivative assets	-	-
(g) Retirement benefit assets	-	-
(h) Other non-financial assets	-	-
(i) Non current tax asset	-	-
(j) Deferred tax assets	-	-
	479,338,287	443,350,844
(2) Current assets		
(a) Inventories	128,098,120	83,353,798
(b) Financial assets		
(i) Current investments	-	-
(ii) Trade receivables	16,625,172	8,965,699
(iii) Cash and bank balances	163,326,500	102,881,702
(iv) Other financial assets	162,676	-
(v) Derivative assets	-	-
(c) Retirement benefit assets	-	-
(d) Other non-financial assets	50,934,078	29,745,433
(e) Current tax assets	-	-
(f) Assets held for sale	-	-
	359,146,545	224,946,632
TOTAL ASSETS	838,484,832	668,297,477

Standalone Balance Sheet as at 31st Mar 2017

Amount in ZAR

(II) EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity Share Capital	300	300
(b) Other equity		
(i) Equity component of other financial instruments	-	-
(ii) Retained earnings	148,685,847	39,764,606
(iii) Other components of equity	23,586,482	23,586,482
(iv) Share warrants	-	-
(c) Non controlling interest	-	-
(i) Equity Share Capital	-	-
(ii) Other Equity	-	-
	172,272,629	63,351,388
(2) Share application money pending allotment	-	-
(3) Non-current liabilities		
(a) Financial liabilities		
(i) Long term borrowings	278,475,652	275,403,564
(ii) Derivative liabilities	-	-
(iii) Trade payables	-	-
(iv) Other financial liabilities	-	-
(b) Long term provisions	17,396,969	12,066,523
(c) Retirement benefit obligations	-	-
(d) Deferred income	-	-
(e) Other non-financial liabilities	-	-
(f) Non current tax liabilities	-	-
(g) Deferred tax liabilities	100,478,247	104,017,178
	396,350,868	391,487,266
(4) Current liabilities		
(a) Financial liabilities		
(i) Short term borrowings	-	53,592,400
(ii) Derivative liabilities	-	-
(iii) Trade payables	137,442,252	135,057,956
(iv) Other financial liabilities	41,469,354	11,349,726
(b) Short term provisions	4,647,425	-
(c) Retirement benefit obligations	-	-
(d) Deferred income	-	-
(e) Other non-financial liabilities	80,455,798	13,458,741
(f) Current tax liabilities	5,846,506	-
(g) Liabilities held for sale	-	-
	269,861,335	213,458,823
TOTAL EQUITY AND LIABILITIES	838,484,832	668,297,477

Standalone Statement of Profit & Loss for the period

Amount in ZAR

	Apr-Mar 2017	Apr-Mar 2016
I Revenue from operations	1,278,402,267	821,406,257
II Other Income	1,347,467	760,156
III Total Revenue (I + II)	1,279,749,734	822,166,413
IV EXPENSES		
(a) Raw materials consumed	329,200,794	225,054,913
(b) Purchases of finished, semi-finished and other products		2,026,620
(c) Changes in stock of finished goods, work-in-progress and stock-in-trade	(43,544,096)	(29,423,121)
(d) Employee benefit expense	59,169,515	45,874,026
(e) Finance costs	8,521,831	11,628,298
(f) Depreciation and amortisation expense	65,109,417	45,509,507
(1) Property Plant and Equipment - Deprn	19,099,826	15,928,285
(2) Intangible Fixed Assets - Amortisation	46,009,590	29,581,222
(3) Investment Property Depreciation		
(4) Release of grant relating to assets		
(5) Accelerated release of grant relating to assets		
(g) Other expenses	708,985,536	478,666,703
Total Expenses (IV)	1,127,442,997	779,336,945
V Share of profit / (loss) of joint ventures and associates	-	-
(1) Share of profit / (loss) of joint ventures		
(2) Share of profit / (loss) of associates		
VI Profit/(loss) before exceptional items and tax (III - IV + V)	152,306,737	42,829,468
VII Exceptional Items	-	-
VIII Profit/(loss) before tax and net movement in regulatory deferral account balances (VI - VII)	152,306,737	42,829,468
IX Net movement in regulatory deferral account balances related to profit and loss		
X Profit/(loss) before tax after net movement in regulatory deferral account balances (VIII + IX)	152,306,737	42,829,468
XI Tax Expense		
(1) Current tax	46,924,427	-
(i) Current tax	46,187,715	
(ii) Current tax relating to previous years	736,712	
(2) Deferred tax	(3,538,931)	11,992,251
(i) Deferred tax	(3,538,931)	11,992,251
(ii) Deferred tax relating to previous years		
(iii) Deferred tax on net movement in regulatory deferral account balances		
(3) MAT Credit		
Total tax expense	43,385,496	11,992,251
XII Profit/(loss) after tax (X - XI)	108,921,241	30,837,217

Standalone Cash Flow Statement for the period Apr-Mar 2017

Amount in ZAR

	Apr-Mar 2017	Apr-Mar 2016
A. Cash Flow from Operating activities:		
Profit before taxes	127,306,736.99	42,829,468.00
<i>Adjustments for:</i>		
Share of profits from associates		
Share of profits from joint ventures		
Depreciation and amortisation	65,109,416.73	45,509,506.00
Finance costs charged to profit and loss account	8,521,831.25	11,090,872.00
Finance Income	(1,347,466.59)	(760,156.00)
Inventories write-down / reversal of write-downs	(4,911,696.37)	(33,840,868.00)
Exchange (Gain)/Loss on revaluation of Loans		
Operating profit before working capital changes	194,678,822.01	64,828,822.00
<i>Adjustments for:</i>		
Movements in trade and other receivables	(4,010,793.73)	4,750,380.00
Movements in derivative assets/liabilities other than for loans		
Movements in retirement benefit assets/obligations		
Movements in inventories	(39,832,624.98)	4,322,955.00
Movements in trade and other payables	74,028,778.73	(3,856,118.00)
Movements in deferred income		
Movements in regulatory deferral account balances		
Cash generated from operations	224,864,182.03	70,046,039.00
Taxes paid (excluding dividend tax)	(41,077,920.61)	1,138,641.00
Net cash from operating activities	183,786,261.42	71,184,680.00
B. Cash Flow from Investing activities:		
Purchase of fixed assets	(65,947,417.41)	(28,357,308.00)
Sale of fixed assets		
Interest received from external investments / agencies (Bank etc.)	1,347,466.59	760,156.00
Interest received from subsidiaries/fellow subsidiaries		
Net cash from investing activities	(64,599,950.82)	(27,597,152.00)
C. Cash Flow from Financing activities:		
Proceeds from borrowings from external agencies (Bank etc.)	12,320,087.48	6,220,000.00
Repayment of borrowings from external agencies (Bank etc.)	(19,293,264.16)	
Repayment of borrowings from subsidiaries/fellow subsidiaries	(34,299,136.29)	
Interest paid to external agencies (Bank etc.)	(17,469,200.24)	(4,937,016.00)
Interest paid to subsidiaries/fellow subsidiaries		
Net cash from financing activities	(58,741,513.21)	1,282,984.00
Net increase or decrease in cash or cash equivalents	60,444,797.39	44,870,512.00
Cash & cash equivalents as at 1st April	102,881,702.04	58,011,190.93
Effect of exchange rate on translation of foreign currency cash and cash equivalents		
Cash & cash equivalents as at 31st March	163,326,499.43	102,881,702.93

