

Directors' report

The directors have pleasure in submitting their report on the activities of the business together with the consolidated financial statements for the year ended 31 March 2017.

Nature of business

Deneb Investments Limited is a diverse investment company operating in southern Africa and listed on the JSE Limited under the Financial Services – Speciality Finance sector.

General review of operations

The results of the Group are set out in the Integrated Annual Report and consolidated financial statements of which this report forms part.

Share capital

During the year under review, 639 324 share options were exercised in terms of the Group's share incentive scheme. Deneb acquired 133 507 226 ordinary shares from SACTWU at a price of R2,00 per share.

Holding company

The company's ultimate holding company is Hosken Consolidated Investments Limited (HCI).

Dividends/Distribution

The directors resolved to make a 3 (three) cents distribution to shareholders for the year ended 31 March 2017 (2016: 0).

Subsequent events

Events subsequent to year-end are disclosed in note 32 of the financial statements.

Going concern

The directors have made an assessment of the ability of the Group to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

Directorate

The directors of the company appear on pages 8 to 10. There were no changes to the directorate during the year.

Directors' emoluments

Directors' emoluments for the year ended 31 March 2017 are set out in the remuneration report and in note 26 of the consolidated financial statements.

Secretary's and administrative details

The secretary of the company is Ms C Philip, who was appointed on 16 November 2016. Ms C Philip replaced HCI Managerial Services Proprietary Limited, which resigned with effect from 16 November 2016. Ms C Philip's business address is located at 4 Stirling Street, Zonnebloem, 7925.

Material change

There has been no material change in the financial or trading position of the company since the publication of its provisional results for the year ended 31 March 2017.

Special resolutions

The company subscribed, by way of special resolution, for an additional 73 ordinary shares in OfficeBox for R3 million, which increased the company's shareholding in OfficeBox from 79,8% to 84,5%.