Another exciting half year for Sefalana!

Financial results of the Group predominantly grew its profit through continued focus on, and leveraging off, the core business. This has been undertaken soon after the 2014 year end. This was achieved, including its first major acquisition in Namibia. Sefalana has remained competitive, achieving an overall profit of P80.5 million – up 27% on prior period. This represents a 27% growth in profit compared to the prior period to 31 October 2013 (the “prior period”).

The Group predominantly grew its profit through continued focus on, and leveraging off, the core consumer and Government spending, Sefalana has continued to report that during the period, the Group acquired the entire Metro chain in Namibia, consisting of 12 stores strategically located across the country. The results for the period include 4 months of trading from the Rights Issue price of P6.95 to its current trading price of P8.20.

We are happy to report that, despite ongoing challenging economic conditions, increases in the cost of borrowing, and continued pressure on consumer and Government spending, Sefalana has remained competitive, achieving an overall profit before tax of P80.5 million for the six month period to 31 October 2014. This represents a 27% growth in profit compared to the prior period to 31 October 2013 (the “prior period”).

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SEGMENT RESULTS

For the 6 months ended 31 October 2013

Trading and Segment results

<table>
<thead>
<tr>
<th>Description</th>
<th>P’000</th>
<th>P’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>1,073,041</td>
<td>621,510</td>
</tr>
<tr>
<td>Gross profit</td>
<td>210,182</td>
<td>14,854</td>
</tr>
<tr>
<td>Earnings before interest, tax and amortisation</td>
<td>35,220</td>
<td>5,236</td>
</tr>
<tr>
<td>Profits before share of results of associate</td>
<td>30,530</td>
<td>3,259</td>
</tr>
</tbody>
</table>

Botswana

Sefalana Cash and Carry Limited ("Sefalana’’), contributed 19% of the Group’s revenue and profits for the reporting period respectively. At the beginning of the financial year, Sefalana operated 3 Hyper ("Sefalana’’ Hyper), 25 cash and carry stores ("Sefalana Cash and Carry’) and 18 supermarket retail stores across the country. During the reporting period, we increased our market presence by opening additional “Shoppers” supermarkets in Thokwane and Ghanzi. Since the first half of the previous year we have also converted our Orapa home store into a Shoppers Hyper store, bringing the total number of stores in Botswana to 70 and total number of stores across Botswana to 48.

We recognize and appreciate the very strong loyalty shown by our existing and expanding customer base. A number of factors contributed to that the Sefalana brand is gaining more and more traction across the country.

We look towards growth and success in this year as well as the ensuing years as the local economy continues to recover. We continue to seek additional suitable locations for further store openings as we move forward, with the total number of stores across Botswana to 70.

Trading - others

At the 2014 year end, we reported that Commercial Motor ("Commercial’’ Limited) ("CMC’) had incurred a defined benefit pension liability. This liability is due to defined benefit pension plans that are expected to be delivered in the second half of the financial year. The financial statements do not include an estimate of the defined benefit pension liability.

SEGMENT ASSETS AND LIABILITIES

For the 6 months ended 31 October 2013

<table>
<thead>
<tr>
<th>Description</th>
<th>P’000</th>
<th>P’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td>490,244</td>
<td>577,359</td>
</tr>
<tr>
<td>Liabilities</td>
<td>496,693</td>
<td>317,848</td>
</tr>
</tbody>
</table>

Namibia

The Namibian business is expected to increase the Group’s turnover by around N$600 million in the first 12 months of trading and should contribute approximately N$30 - N$35 million to profit by the financial year end. This will therefore be a sizable segment going forward.

We are very excited about this new venture and look forward to extracting maximum value from it for our Shareholders. Other potential sites in Namibia are also being considered for additional store openings. Further updates will be provided to our Shareholders in due course.

The Sefalana share price has steadily increased from N$7.76 in mid January 2015 to N$9.30 in January 2015. This represents an increase of approximately 20% during the 9 month period. We are proud to be one of the top performing shares on the Botswana Stock Exchange.

Prospects

Sefalana remains very positive about its future and has no plans to grow its business through continued focus on core business segments and in particular through its acquisition in Namibia. We are looking to introduce an initial public offering in the New Year that will benefit our customer base.

We are also currently in discussions with third parties relating to two other potential transactions. Further information will be provided to Shareholders in regular customary updates.

The Namibian business is expected to increase the Group’s turnover by around N$600 million in the first 12 months of trading and should contribute approximately N$30 - N$35 million to profit by the financial year end. This will therefore be a sizable segment going forward.

We are very excited about this new venture and look forward to extracting maximum value from it for our Shareholders. Other potential sites in Namibia are also being considered for additional store openings. Further updates will be provided to our Shareholders in due course.

The Sefalana share price has steadily increased from N$7.76 in mid January 2015 to N$9.30 in January 2015. This represents an increase of approximately 20% during the 9 month period. We are proud to be one of the top performing shares on the Botswana Stock Exchange.

Directors

On 1 December 2014, Dr PHK Kedikilwe was appointed Chairman and Chairman of the Board of Sefalana. Dr Kedikilwe succeeds Mr Julian Ngunjira who passed away on 20 August 2014. The Directors welcome Dr Kedikilwe to the Board and look forward to further success for Sefalana under his leadership.

On 21 January 2015, the Board of Directors of Sefalana Holding Company Limited declared an interim gross dividend of 16,000 (ten) per ordinary share. This dividend will not be paid net of applicable withholding taxes as required under the Income Tax Act of Botswana, or in respect of shares held by all Shareholders registered in the books of the Company at the last date to register, being close of business on Friday 13 February 2015.

By order of the Board

Dr PHK Kedikilwe

Chairman

31 January 2015