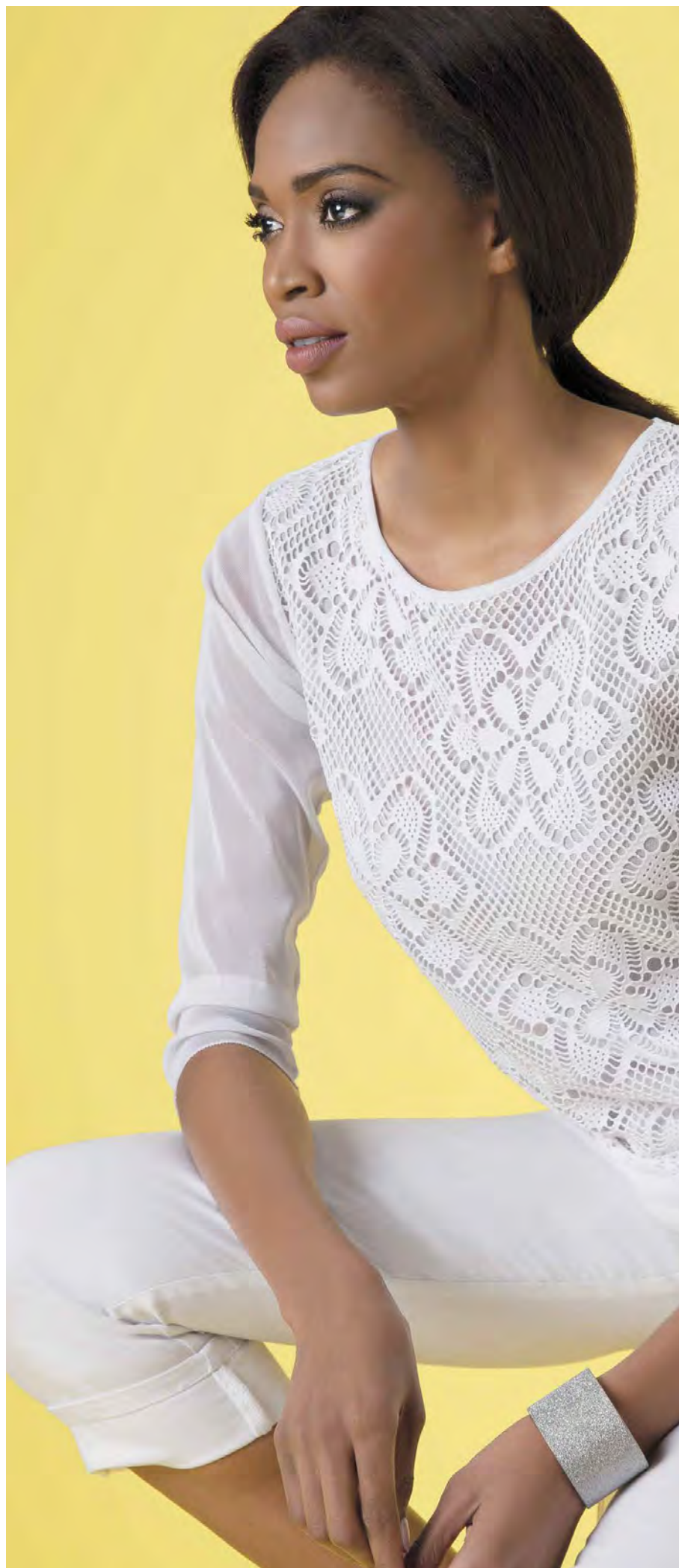


INTEGRATED
ANNUAL REPORT
2015



REX TRUEFORM
CLOTHING COMPANY
LIMITED

*Rex
Trueform*



CONTENTS

Scope, boundary and approval of the integrated annual report.....	1
Group profile.....	2
Financial performance.....	3
Values.....	4
Vision.....	5
Business model.....	5
Retail trading brands.....	6
Stakeholder engagement.....	8
Strategy.....	10
Risk management.....	10
Strategic objectives 2015.....	11
Strategic objectives 2016.....	13
Five-year review.....	14
Retail segment results: three-year analysis.....	16
Share performance.....	17
Group definitions.....	18
Retail segment definitions.....	18
Value added statement.....	19
Directorate.....	20
Executive.....	21
Chairman's report.....	23
Chief executive officer's review.....	25
Financial director's report.....	26
Human capital and remuneration report.....	29
Environmental and social sustainability.....	33
Corporate governance report.....	34
Risk committee report.....	42
Social and ethics committee report.....	46
Companies Act notice.....	48
Directors' responsibility statement.....	49
Company secretary's certificate.....	49
Report of the independent auditor.....	49
Directors' report.....	50
Audit committee report.....	52
Abridged consolidated statement of financial position.....	54
Abridged consolidated statement of comprehensive income.....	55
Abridged consolidated statement of changes in equity.....	56
Abridged consolidated statement of cash flows.....	58
Shareholders' information.....	59
Notice of annual general meeting.....	60
Annexure A.....	64
Form of proxy..... (attached)	
Shareholders' calendar.....	67
Administration.....	67

SCOPE, BOUNDARY AND APPROVAL OF THE INTEGRATED ANNUAL REPORT

The Rex Trueform group is pleased to present its integrated annual report to stakeholders in line with the requirements of the King Report on Governance for South Africa 2009 ("King III").

Report content

This integrated annual report covers the annual financial reporting period 1 July 2014 to 30 June 2015. The integrated annual report covers all subsidiaries within the group as detailed in this integrated annual report, and both the retail and property segments as defined within the group (refer to the notes to the annual financial statements). The companies operate mainly in South Africa, with three retail franchisees operating in Kenya, Botswana and Namibia.

We have included only a general narrative on strategy, risks, opportunities and sustainability issues identified within the group. All financial information provided, which is supported by the annual financial statements, has been prepared in terms of International Financial Reporting Standards, while financial key performance indicators ("KPIs") and ratios calculated using non-financial information have been provided based on internal management information, and are defined within the integrated annual report.

This integrated annual report includes summarised extracts from the group's annual financial statements. The full set of annual financial statements can be found on the company's website at www.rextrueform.co.za.

External assurance

Assurance on the financial statements has been provided by the external auditors, KPMG Inc. These financial statements form the basis of the financial disclosure in the integrated annual report.

Approval of integrated annual report

The board of directors ("the board") acknowledges its responsibility to ensure the integrity of the integrated annual report. The board has accordingly applied its mind to the integrated annual report and in its opinion the integrated annual report addresses all material issues and presents fairly the integrated performance of the organisation. The integrated annual report has been prepared pursuant to the recommendations of King III (principle 9.1). The Board authorised the integrated annual report for release on 30 September 2015.



Michael Krawitz
Chairman

Cape Town
23 September 2015



Catherine Radowsky
Chief executive officer



www.facebook.com/queenspark



[@QueensparkSA](https://twitter.com/QueensparkSA)

www.queenspark.com

GROUP PROFILE

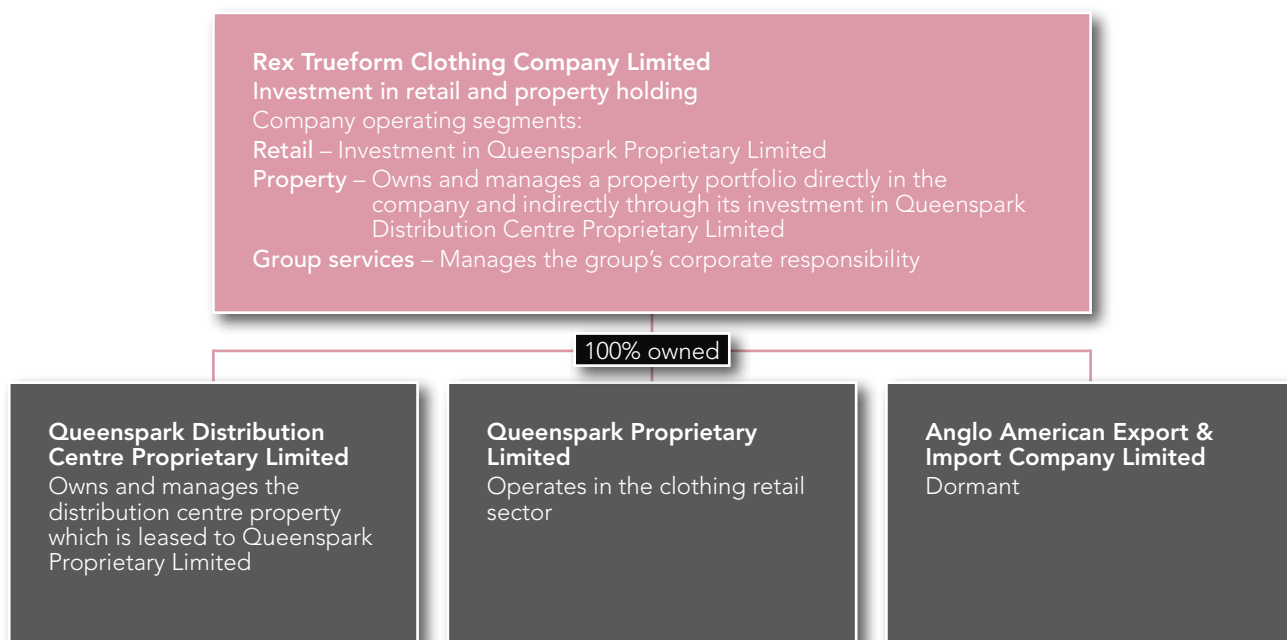
Rex Trueform Clothing Company Limited ("Rex Trueform" or "the company") was established in Cape Town in 1937 and has been listed on the JSE Limited since 1945. The company has interests in the retailing of clothing and in property.

Retail segment

Through its ownership of Queenspark Proprietary Limited ("Queenspark"), which operates a nationwide chain of Queenspark stores, Rex Trueform has a significant interest in the retailing of fine-quality men's and women's clothing and related accessories.

Property segment

Rex Trueform and its subsidiary, Queenspark Distribution Centre Propriety Limited, have a direct investment in a portfolio of properties located in and around Cape Town. These properties are held either for the purpose of operations or for investment purposes. Group properties utilised (or part utilised) by the retail segment include the group's head office premises and the distribution centre premises.

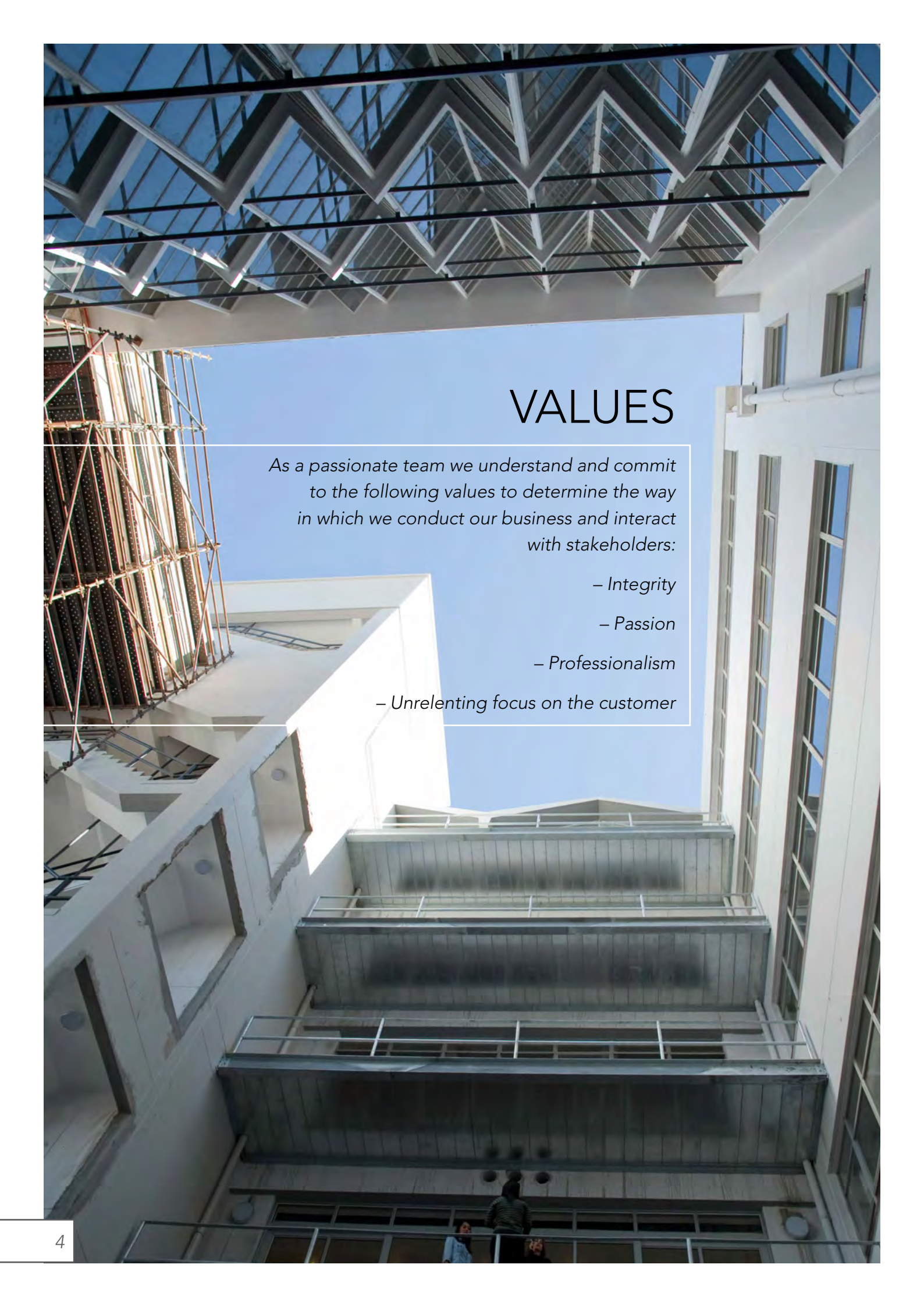


FINANCIAL PERFORMANCE

Turnover
increased by **4.9%**

Operating
profit **R29.9m**
(2014: loss of R17.3m)

Earnings per
share **115.6cents**
(2014: loss of 48.8 cents)



VALUES

As a passionate team we understand and commit to the following values to determine the way in which we conduct our business and interact with stakeholders:

- Integrity*
- Passion*
- Professionalism*
- Unrelenting focus on the customer*

RETAIL SEGMENT: VISION

To be the destination fashion store for discerning customers who want to look and feel fantastic

BUSINESS MODEL

Retail segment

Strategy/business model

- Niche retailer focused on fashion clothing and accessories
- International fashion trends continually monitored
- All product brands are owned by the group
- Focused mainly on the higher LSM customers
- Product sold through retail stores located in shopping malls
- A mix of emporium style and standalone stores mainly located in major centres in South Africa
- Franchise stores model in operation in Africa
- Private label card credit provided to customers by a third party service provider
- Build long-term relationship with key suppliers

Property segment

Strategy/business model

- Group owns a small property portfolio in and around Cape Town
- Where feasible, properties are to be developed in the medium to long term
- Developed properties (where practical) are leased to third parties or where feasible the operations of the group will occupy (or part occupy) group-owned property

RETAIL TRADING BRANDS

Brand	Overview and customer offering	Product focus	Current customer focus	The total number of stores that sell the particular brand
QUEENSPARK LADIESWEAR	The ladieswear division forms the core of the retail business. It is the fashion destination for discerning customers who want to look and feel fantastic, feminine, with fashion confidence across casual, formal and glamour.	Fashion apparel including casual, formal and glamour, jewellery, fashion accessories, and footwear	LSM 8 – 10+ 35 years and up	56
J CREW	J CREW is the fashion destination for discerning male customers who want to look well groomed, classic and comfortable. Its hallmark is good fabrics and colour in sophisticated styles yet always commercial.	Fashion apparel including casual and formal, footwear and fashion accessories	LSM 8 – 10+ 35 years and up	54
QUEENSPARK PLUS	The Queenspark Plus collection offers feminine and flattering clothing suitable for a larger lady by replicating the signature looks and pieces of the mainstream Queenspark range.	Fashion apparel including casual, formal and glamour	LSM 8 – 10+ 35 years and up	55
AURA	A limited cosmetic range of seasonal colour relevant make-up especially formulated and developed for the core Queenspark customer.	Cosmetics	LSM 8 – 10+ 30 years and up	56
CATH.NIC	Cath.Nic is the destination for aspirational, thinking, fashion-conscious women who seek the latest of fashion across casual, formal and glamour.	Fashion apparel, footwear, and fashion accessories	LSM 8 – 10+ 30 years and up	56



Retail turnover and stores by geographic region

	2015			2014		
	Number of stores at 30 June 2015	Turnover Rm	% Contribution	Number of stores at 30 June 2014	Turnover Rm	% Contribution
Eastern Cape	4	22 752	4.5	4	23 880	5.0
Free State	3	22 086	4.4	3	21 044	4.4
Gauteng	22	267 614	53.0	22	253 224	52.8
KwaZulu-Natal	7	46 347	9.2	6	45 997	9.6
Limpopo	3	19 524	3.9	3	16 047	3.3
Mpumalanga	4	27 795	5.5	4	24 706	5.2
North West	3	18 815	3.7	2	14 836	3.1
Northern Cape	2	7 756	1.5	2	5 987	1.2
Western Cape	8	72 194	14.3	10	73 702	15.4
Total	56	504 883	100.0	56	479 423	100.0

* Excludes franchise stores. Currently operate three franchise stores in Windhoek (Namibia), Gaborone (Botswana) and Nairobi (Kenya).

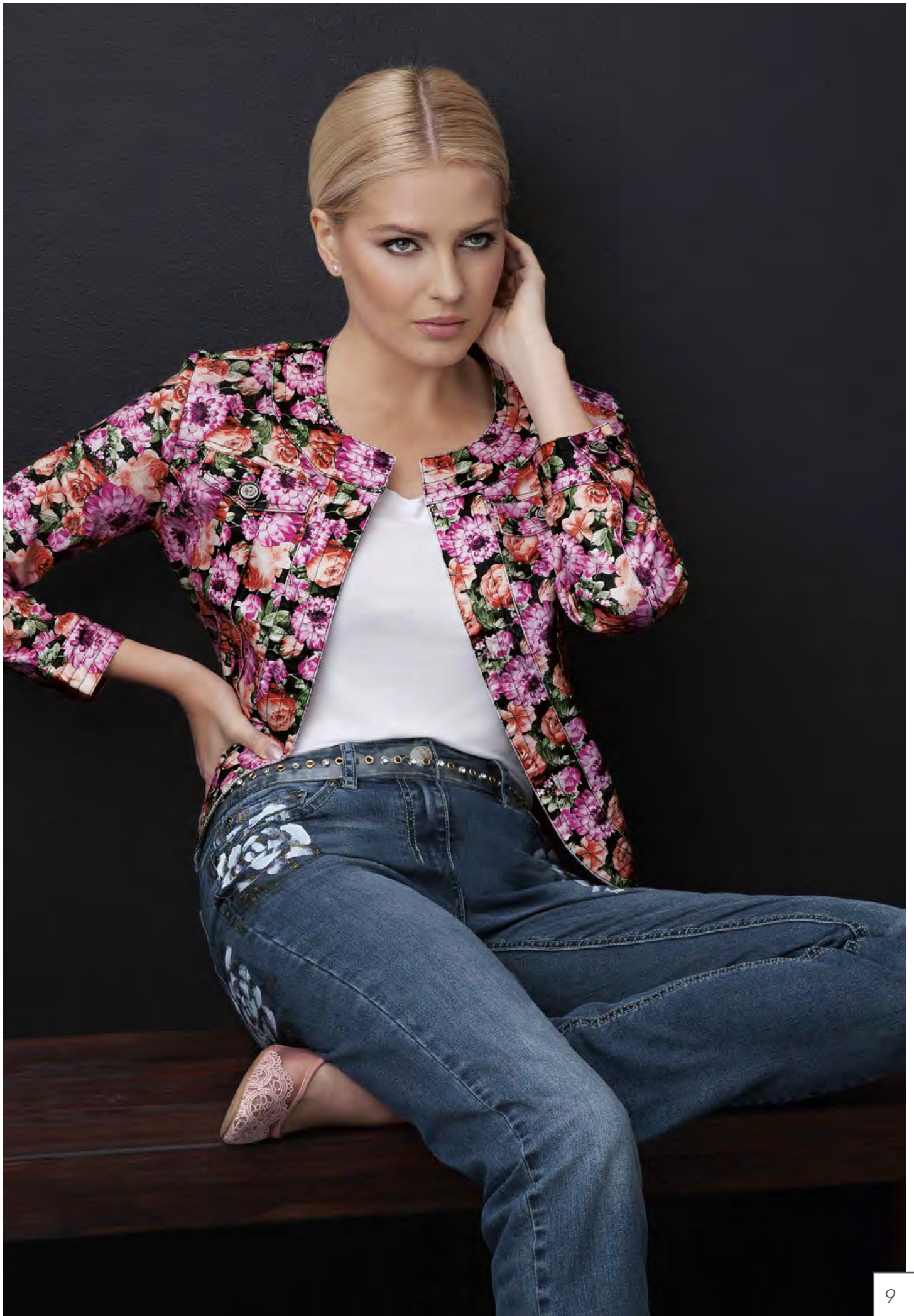
Three stores opened during the year and three closed down during the year:

	2015			2014		
Summary of store gross trading area*	Number of stores	Store m ²	% Change	Number of stores	Store m ²	% Change
Opening store base	56	26 554		53	25 705	
Stores opened	3	1 212	4.6	4	1 406	5.5
Stores closed	(3)	(912)	(3.4)	(1)	(404)	(1.6)
Space decreased due to refurbishments and other	–	(606)	(2.3)	–	(153)	(0.6)
Closing store base	56	26 248	(1.1)	56	26 554	3.3
Weighted average store area* (m ²)		25 944			26 653	

* Store area includes the trading area plus store rooms and back-office space.

STAKEHOLDER ENGAGEMENT

Stakeholder	Why we engage	Means of engaging
Retail customers	– To obtain customer loyalty and achieve customer satisfaction	– Customer feedback at stores – Customer feedback via helpdesk – Advertising and marketing through various media channels – Interaction with account holders of private label card via various communication channels – Use of social media and web-based channels to improve interaction
Shareholders	– To provide our shareholders with relevant, timeous and balanced information	– Integrated annual report – Annual financial statements – Interim reporting announcements – Annual general meeting – SENS announcement when applicable
Employees	– To ensure that we attract and retain the relevant talent – To ensure that we have motivated employees – To increase our employee productivity – To ensure employee loyalty	– Performance management – Training programmes – Liaison committees – Competitive remuneration policy
Suppliers	– To maintain a good relationship with our suppliers to ensure a long-term benefit for both parties, and ensure that our suppliers maintain a high ethical standard – To ensure that we receive a timeous supply of consistently high-quality merchandise	– Regular supplier interaction and correspondence – Supply agreements entered into



STRATEGY

The group has two key operating segments, these being retail and property.

Retail segment

The group wishes to grow the Queenspark retail division by expanding the range of products offered in its retail outlets, by increasing the trading space within South Africa and by expanding the Queenspark franchise model in Africa. The retail segment manages its own "house of brands". The growth strategy encompasses organic growth of existing brands and the introduction of new internally-generated brands where feasible.

Property segment

The group owns and leases commercial properties, some of which it intends to redevelop in the medium to long term.

A conservative approach to development of properties is to be applied. Group-owned properties are, where feasible, to be occupied (or part-occupied) by the group's operations.

RISK MANAGEMENT

The directors and management recognise that certain risks are inherent in the achievement of the group's strategic objectives. A formal process is followed to identify, evaluate and develop appropriate strategies to mitigate and manage these risks. The key risks identified by the group are outlined in the Risk Committee Report included in this integrated annual report.



STRATEGIC OBJECTIVES – 2015

Report on the implementation of objectives during the year

Retail segment

Objectives	Progress
Fashion/growth	
Continue to focus on the organic growth of all ranges.	The business obtained a modest turnover growth, however less markdowns were applied resulting in an improved gross margin
Supply chain	
Improve the quality analysis process with the objective of raising quality standards	Improved processes have been implemented addressing product quality management
Customers	
Investigate the feasibility of implementing an online sales platform	This process is underway and various options are being considered
Stores/franchise	
At least three new stores to be opened during the year.	Three new stores opened and three unprofitable stores closed during the year
Source potential franchise partners in African countries in which we are not represented	This objective was not achieved as management focused primarily on the performance of its SA corporate stores
Marketing	
Improve the customer data gathering and analysis process	Various improvements have been made during the year, however further initiatives are still to be implemented
Increase the marketing focus towards the 35 – 40 year-old customer in order to increase sales in this target market	Electronic marketing campaigns aimed at this target market were implemented during the year
Financial	
Return retail segment to profitability	This objective has been achieved with the segment providing a healthy return to profit
Human resources	
Concentrate on the further development of staff	An improved staff development process has been developed which is to be implemented during the 2016 financial year
Implement improved incentive scheme structures	A head office incentive scheme was developed and will be implemented during the 2016 year
Sustainability	
Continue to integrate sustainable development and environmental practices into certain business processes	Refer to the Social and Ethics Committee Report and the Environmental and Social Sustainability report
Information technology	
Ensure the successful implementation of the Enterprise Resource Planning ("ERP") (information technology) system	The IT ERP system was not implemented and is likely to be implemented in the 2016 financial year

Property segment

Objectives	Progress
Development	
Rex Trueform Office Park ("RTOP")	
– Finalise the development of the RTOP	The property has been successfully developed
– Let the remaining office space still available to be let (being approximately 10%)	The space has not yet been let and will likely be let in the 2016 year
Prepare development feasibilities in respect of further properties owned by the group	Although progress has been made, feasibilities are not yet complete
Financial	
Continue to provide improved return on investments	The property segment returns improved during the year as a result of the RTOP development
Sustainability	
Integrate sustainable development and environmental practices into development plans where practical	Refer to the Social and Ethics Committee Report and the Environmental and Social Sustainability report



STRATEGIC OBJECTIVES – 2016

Retail segment

Fashion/growth

- Continue to focus on the organic growth of all ranges

Customers

- Finalise the feasibility in relation to implementing an online sales platform

Stores/Franchise

- At least two new stores to be opened during the year

Marketing

- Continue to improve the customer data gathering and analysis process
- Realign marketing resources based on updated customer data analyses

Financial

- Continue to focus on key financial indicators

Human resources

- Implement the improved staff development process
- Implement head office incentive scheme

Sustainability

- Continue to integrate sustainable development and environmental practices into certain business processes

Information technology

- Ensure the successful implementation of the ERP (information technology) system

Property segment

Development

- Rex Trueform Office Park – Let the remaining office space
- Prepare development feasibilities in respect of the two undeveloped investment properties

Financial

- Continue to provide improved return on investments

Sustainability

- Integrate sustainable development and environmental practices into development plans where practical

FIVE-YEAR REVIEW

Group results

Statement of comprehensive income

Continuing operations

Turnover

Cost of sales

Gross profit

Other income

Trading expenses

Operating profit/(loss)

Dividends received

Interest income

Interest expense

Profit/(loss) before tax

Income tax expense

Profit/(loss) for the year from continuing operations

Profit from discontinued operation (net of income tax)

Profit/(loss) for the year

Profit/(loss) attributable to ordinary and "N" ordinary shareholders

Statement of cash flows

Operating profit/(loss) before working capital changes

Working capital changes

Cash generated/(utilised) by operating activities

Interest received

Interest paid

Dividends paid

Dividends received

Income tax paid

STC paid

Net cash inflows/(outflows) from operating activities

Net cash outflows from investing activities

Net cash inflows from financing activities

Net increase/(decrease) in cash and cash equivalents

Statement of financial position

Assets

Non-current assets

Current assets

Total assets

Equity and liabilities

Ordinary shareholders' interest

Preference share capital

Total equity

Non-current liabilities

Current liabilities

Total equity and liabilities

	2015 R'000	2014 R'000	2013 R'000	2012 R'000	2011 R'000
Turnover	516 086	492 079	474 438	530 593	508 078
Cost of sales	(225 698)	(249 774)	(231 176)	(246 182)	(221 987)
Gross profit	290 388	242 305	243 262	284 411	286 091
Other income	17 029	5 585	3 079	2 937	1 908
Trading expenses	(277 483)	(265 192)	(265 479)	(260 731)	(243 596)
Operating profit/(loss)	29 934	(17 302)	(19 138)	26 617	44 403
Dividends received	18	16	13	13	12
Interest income	3 493	3 527	6 427	8 133	8 798
Interest expense	(163)	(201)	(189)	(272)	(302)
Profit/(loss) before tax	33 282	(13 960)	(12 887)	34 491	52 911
Income tax expense	(9 470)	3 929	3 389	(10 711)	(16 116)
Profit/(loss) for the year from continuing operations	23 812	(10 031)	(9 498)	23 780	36 795
Profit from discontinued operation (net of income tax)	–	–	–	–	3 135
Profit/(loss) for the year	23 812	(10 031)	(9 498)	23 780	39 930
Profit/(loss) attributable to ordinary and "N" ordinary shareholders	23 795	(10 048)	(9 515)	23 763	39 913
Operating profit/(loss) before working capital changes	51 620	3 091	(1 654)	45 456	66 627
Working capital changes	4 855	9 137	(18 206)	5 157	(11 819)
Cash generated/(utilised) by operating activities	56 475	12 228	(19 860)	50 613	54 808
Interest received	3 493	3 527	6 427	8 133	8 798
Interest paid	(163)	(201)	(189)	(272)	(302)
Dividends paid	(17)	(12 567)	(12 567)	(10 659)	(8 194)
Dividends received	18	16	13	13	12
Income tax paid	(782)	736	(784)	(10 255)	(17 002)
STC paid	–	–	–	(1 073)	(826)
Net cash inflows/(outflows) from operating activities	59 024	3 739	(26 960)	36 500	37 294
Net cash outflows from investing activities	(34 627)	(46 814)	(35 805)	(24 474)	(30 519)
Net cash inflows from financing activities	–	57	263	309	443
Net increase/(decrease) in cash and cash equivalents	24 397	(43 018)	(62 502)	12 335	7 218
Non-current assets	151 146	142 159	114 458	90 263	81 331
Current assets	174 235	151 717	203 416	238 617	243 827
Total assets	325 381	293 876	317 874	328 880	325 158
Ordinary shareholders' interest	260 798	237 033	259 473	281 258	267 833
Preference share capital	280	280	280	280	280
Total equity	261 078	237 313	259 753	281 538	268 113
Non-current liabilities	20 916	15 110	15 508	14 961	13 575
Current liabilities	43 387	41 453	42 613	32 381	43 470
Total equity and liabilities	325 381	293 876	317 874	328 880	325 158

Group ratios

		2015	2014	2013	2012	2011
Returns						
Return on equity	(%)	9.6	(4.0)	(3.5)	8.7	15.9
Return on capital	(%)	13.4	(5.5)	(4.7)	12.6	22.8
Return on assets	(%)	10.7	(4.6)	(3.9)	10.6	18.6
Productivity						
Total asset turn	(times)	1.7	1.6	1.5	1.6	1.8
Gross margin from continuing operations	(%)	56.3	49.2	51.3	53.6	56.3
Operating margin from continuing operations	(%)	5.8	(3.5)	(4.0)	5.0	8.7
EBITDA margin from continuing operations	(%)	10.8	1.9	1.0	10.6	13.5
Profit/(loss) margin before tax	(%)	6.4	(2.8)	(2.7)	6.5	10.4
Inventory turn	(times)	3.0	2.9	3.1	3.7	3.9
Effective tax rate on continuing operations	(%)	28.5	28.1	26.3	31.1	30.5
Solvency and liquidity						
Total liabilities to total equity	(%)	24.6	23.8	22.4	16.8	21.3
Current ratio	:1	4.0	3.7	4.8	7.4	5.6
Acid test ratio	:1	2.4	1.7	2.7	5.5	4.0
Dividend cover	(times)	1.7	–	(0.8)	2.0	3.8
Annual growth on continuing operations						
Turnover	(%)	4.9	3.7	(10.6)	4.4	10.2
Operating profit/(loss)	(%)	273.0	9.6	171.9	40.1	(15.8)
Profit/(loss) for the year	(%)	337.4	(5.6)	139.9	35.4	(16.4)

RETAIL SEGMENT RESULTS

three-year analysis

		2015	2014	2013
Retail turnover*	(R'000)	516 086	492 079	474 438
Sale of merchandise at retail stores	(R'000)	504 883	479 423	461 133
Sales to franchisees	(R'000)	11 012	12 220	12 650
Other miscellaneous sales	(R'000)	191	436	655
Returns				
Operating profit/(loss)	(R'000)	26 807	(14 046)	(14 754)
Operating assets at year-end	(R'000)	216 705	203 295	217 474
Return on average operating assets	(%)	12.8	(6.7)	(6.8)
Annual growth				
Retail segment turnover	(%)	4.9	3.7	(10.6)
Sale of merchandise at retail stores	(%)	5.3	4.0	(11.8)
Operating profit/(loss)	(%)	290.9	(4.8)	(151.4)
Productivity				
Sale of merchandise per full-time equivalent ("FTE")	(R'000)	883	820	783
Sale of merchandise per store	(R'000)	9 016	8 561	8 701
Sales trading density	(R)	19 460	17 988	17 965
Total asset turn	(times)	2.4	2.3	2.2
Gross margin	(%)	56.3	49.2	51.3
Operating margin	(%)	5.2	(2.9)	(3.1)
Inventory turn	(times)	3.0	2.9	3.1
Operating statistics				
Total number of FTE employees	(closing)	572	585	589
Total number of Queenspark stores excluding franchisees		56	56	53
Total number of franchise stores		3	4	3
Total weighted average store area, excluding franchisees	(m ²)	25 944	26 653	25 668
Trading expenses as a % of retail turnover	(%)	51.2	52.3	54.6
Depreciation costs as a % of retail turnover	(%)	3.9	4.5	3.6
Employment costs as a % of retail turnover	(%)	16.7	17.4	20.9
Occupancy costs as a % of retail turnover	(%)	20.2	19.6	18.6
Other operating costs as a % of retail turnover	(%)	10.4	10.8	11.5

* Retail turnover includes sales of merchandise at retail stores, sales to franchisees and miscellaneous sales.

SHARE PERFORMANCE

		2015	2014	2013	2012	2011
Earnings/(loss) per share	(cents)	115.6	(48.8)	(46.3)	116.1	195.6
Headline earnings/(loss) per share	(cents)	102.0	(41.0)	(47.4)	123.7	198.3
Proposed dividend per ordinary share	(cents)	61.0	–	61.0	61.0	52.0
Dividend declared per ordinary share	(cents)	–	61.0	61.0	52.0	40.0
Dividend cover – based on headline earnings/(loss)	(cents)	1.7	–	(0.8)	2.0	3.8
Shares repurchased	(R'000)	–	–	–	–	–
Shares repurchased	(000's)	–	–	–	–	–
Total number of shares in issue	(000's)	20 642	20 642	20 642	20 642	20 642
Total number of shares in issue (net of treasury shares)	(000's)	20 582	20 582	20 575	20 531	20 466
Weighted average number of shares in issue (net of treasury shares)	(000's)	20 582	20 574	20 555	20 469	20 410
Weighted average shareholder return	(%)	(5.9)	(17.2)	(2.8)	61.5	10.2
Net asset value per share	(cents)	1 267	1 152	1 261	1 370	1 309
Ratio closing price/net asset value						
– ordinary shares		1.0	1.0	1.3	1.3	1.0
– “N” ordinary shares		0.9	1.0	1.2	1.2	0.8
Ordinary shares						
Market price per share						
– at year-end	(cents)	1 255	1 150	1 600	1 740	1 250
– high	(cents)	1 255	1 600	1 950	1 750	1 375
– low	(cents)	1 200	1 150	1 380	1 250	950
Shares traded						
– value	(R'000)	21	42	267	283	418
– volume	(000's)	2	4	15	17	36
Shares in issue	(000's)	2 906	2 906	2 906	2 906	2 906
Percentage traded	(%)	0.1	0.1	0.5	0.6	1.2
Closing price/headline earnings/(loss)	(ratio)	12.3	(28.1)	(33.7)	14.1	6.3
Closing dividend yield – proposed dividend	(%)	4.9	–	3.8	3.5	4.2
“N” ordinary shares						
Market price per share						
– at year-end	(cents)	1 100	1 200	1 500	1 600	1 000
– high	(cents)	1 250	1 200	9 999	1 700	1 400
– low	(cents)	540	850	1 500	1 000	980
Shares traded						
– value	(R'000)	344	1 241	3 489	3 214	2 847
– volume	(000's)	35	126	159	197	237
Shares in issue	(000's)	17 736	17 736	17 736	17 736	17 736
Percentage traded	(%)	0.2	0.7	0.9	1.1	1.3
Closing price/headline earnings/(loss)	(ratio)	10.8	(29.3)	(31.6)	12.9	5.0
Closing dividend yield – proposed dividend	(%)	5.5	–	4.1	3.8	5.2
Market capitalisation						
– Ordinary shares	(R million)	36.5	33.4	46.5	50.6	36.3
– “N” ordinary shares	(R million)	195.1	212.8	266.0	283.8	177.4
– Total	(R million)	231.6	246.2	312.5	334.4	213.7

GROUP DEFINITIONS

Return on equity:	Profit/(loss) attributable to ordinary and "N" ordinary shareholders divided by average ordinary shareholders' interest
Return on capital:	Total group profit/(loss) before interest paid and tax divided by average total net assets
Return on assets:	Total group profit/(loss) before interest paid and tax divided by average total assets
Total asset turn:	Total group turnover divided by average total assets
Gross margin from continuing operations:	Gross profit from continuing operations divided by turnover from continuing operations
Operating margin from continuing operations:	Operating profit/(loss) from continuing operations divided by turnover from continuing operations
EBITDA margin from continuing operations:	Earnings before interest expense, tax, depreciation and amortisation from continuing operations divided by turnover from continuing operations
Inventory turn:	Total group cost of sales for the year divided by average inventory
Effective tax rate on continuing operations:	Income tax expense on continuing operations divided by profit before tax on continuing operations
Total liabilities to equity:	Total closing liabilities divided by total closing equity
Current ratio:	Total closing current assets divided by total closing current liabilities
Acid test ratio:	Total closing current assets less closing inventories divided by total closing current liabilities
Dividend cover:	Headline earnings/(loss) per share divided by total ordinary dividends proposed for the year
Weighted average number of shares in issue:	The number of shares in issue at the beginning of the year increased by shares issued during the year, and decreased by shares repurchased during the year, weighted on a time basis for the period during the year in which they were in issue
Weighted average shareholder return:	Weighted average share price at the end of the year minus the weighted average share price at the beginning of the year plus dividends declared, divided by the weighted average share price at the beginning of the year
Net asset value per share:	Net assets divided by the number of shares in issue (net of treasury shares) at the end of the reporting period
Market capitalisation:	The closing share price at year-end as per the JSE multiplied by the total number of shares in issue at the end of the year

RETAIL SEGMENT DEFINITIONS

Return on average operating assets:	Operating profit/(loss) from the retail segment divided by average total assets of retail segment
Sales trading density:	Sale of merchandise at retail stores divided by the weighted average store area (square metres)
Total asset turn:	Retail segment turnover divided by average total retail segment assets
Inventory turn:	Cost of sales for the year from retail segment divided by average inventory from retail segment
Operating margin:	Retail segment operating profit/(loss) divided by retail segment turnover
Gross margin:	Retail segment gross profit divided by retail segment turnover
Sale of merchandise per store:	Sale of merchandise at retail stores divided by number of retail stores (excluding franchise stores) at year-end

VALUE ADDED STATEMENT

	Notes	2015 R'000	2014 R'000
Turnover		516 086	492 079
Rental income		11 417	3 905
Profit on sale of investment property		3 864	–
Royalties		1 228	1 213
Interest income		3 493	3 527
Dividends received		18	16
Management fee income		520	467
Paid to suppliers for goods and services		(387 159)	(400 933)
Value added		149 467	100 274
Applied as follows:			
Employees			
Remuneration to employees		93 798	91 131
Taxation and duties			
Income tax	2	623	732
Providers of capital			
To lenders as finance charges		163	201
To shareholders as dividends and share premium reduction		17	12 567
Reinvested			
Reinvested in group to finance future expansion and growth	1	54 866	(4 357)
Total		149 467	100 274
Notes to the value added statement			
1. Reinvested in group to finance future expansion and growth			
Depreciation and amortisation		22 224	22 902
Deferred tax		8 847	(4 661)
Retained Income		23 795	(22 597)
		54 866	(4 357)
2. Taxation channelled through the group			
Taxation as above		623	732
Net value added tax		15 864	5 556
Employees' taxation		12 657	13 257
		29 144	19 545



DIRECTORATE



Michael Laurence Krawitz
(76)

Diploma in Law and Higher
Diploma in Tax Law
Non-executive chairman

Non-executive chairman
of African and Overseas
Enterprises Limited,
Queenspark Proprietary
Limited and Queenspark
Distribution Centre
Proprietary Limited

Appointed to the board
2003

No other significant
directorships



**Catherine Elizabeth Anne
Radowsky** (48)

BA
Chief executive officer

Director of African and
Overseas Enterprises
Limited, Queenspark
Proprietary Limited and
Queenspark Distribution
Centre Proprietary Limited

Appointed to the board
1999

No other significant
directorships



Damian Steven Johnson
(47)

BCompt (Hons), CA (SA)
Executive financial director

Director of African and
Overseas Enterprises
Limited, Queenspark
Proprietary Limited and
Queenspark Distribution
Centre Proprietary Limited

Appointed to the board
2009

No other significant
directorships



Patricia Eve Shub (71)

BA
Non-executive director

Director of African and
Overseas Enterprises
Limited, Queenspark
Proprietary Limited and
Queenspark Distribution
Centre Proprietary Limited

Appointed to the board
2012

No other significant
directorship

Note: Malcolm Segal was an independent non-executive director of the company until his resignation in November 2014. In March 2015 Patricia Shub ceased to be an executive director of the company and was re-categorised as a non-executive director of the company.

EXECUTIVE

Catherine Elizabeth Anne Radowsky (48)

BA
Chief executive officer
Joined the group 1991

Damian Steven Johnson (47)

BCompt (Hons), CA (SA)
Finance director
Joined the group 2004

Gordon Bradley (59)

Distribution and property executive
Joined the group 1976

Andrew Gast (49)

Merchandise executive
Joined the group 2012

Anton Prinsloo (55)

Operations executive
Joined the group 2006

Matthew Mueller (52)

BCom
Information technology executive
Joined the group 2014

Lindsey Johnson (47)

BA, BCompt
Marketing and sourcing executive
Joined the group 1992

Adam Theodore Snitcher (35)

LLB
Company secretary and group legal advisor
Joined the group 2013

Gayle Momsen (44)

Retail property and franchise executive
Joined the group 2014

Cathy Mills (46)

Business Science, BCompt (Hons)
CA (SA)
Group financial manager
Joined the group 2015

Juanita Dixon (44)

N.D.I.A
Human resources executive
Joined the group 2013

**Patrick Martin Naylor (69)**

BSc (Eng)
Lead independent non-executive director

Director of African and Overseas Enterprises Limited, Queenspark Proprietary Limited and Queenspark Distribution Centre Proprietary Limited

Appointed to the board 2003

Other significant directorship: Fruitways Group Proprietary Limited

**Romain Victor Orlin (73)**

BA (Econ) (Wits)
Independent non-executive director

Director of African and Overseas Enterprises Limited, Queenspark Proprietary Limited and Queenspark Distribution Centre Proprietary Limited

Appointed to the board 2009

Other significant directorship: Blue Strata Trading (Pty) Ltd

**Humphrey John Borkum (70)**

Independent non-executive director

Director of African and Overseas Enterprises Limited, Queenspark Proprietary Limited and Queenspark Distribution Centre Proprietary Limited

Appointed to the board 2015

No other significant directorships



CHAIRMAN'S REPORT



Overview

The board is pleased with the results of the group which was mainly driven by the performance of the retail segment. Group revenue for the year increased by 7.1% to R536.6 million (2014: R501.2 million). The operating profit amounted to R29.9 million (2014: loss R17.3 million). Profit after tax amounted to R23.8 million (2014: loss of R10 million), resulting in a headline earning per share of 102.0 cents (2014: headline loss per share of 41 cents).

The directors will propose a distribution of 61 cents per share in respect of the ordinary and "N" ordinary shares. Shareholders will be asked to approve this proposal of the board at the annual general meeting of the company.

The economic environment

The local economy continues to remain under pressure resulting in low GDP growth forecasts which are likely to be constrained in the foreseeable future. Potential further weakening and volatility of the rand continues to be a concern as this could lead to the cost inflation in respect of imported products.

Governance

The board is fully committed to the principles and practice of sound governance which are promoted by the King III and the Companies Act 71 of 2008 (as amended) ("the Companies Act"). We endeavour to maintain a culture of good corporate governance and are substantially compliant with those aspects of King III material to the effective corporate governance of the company.

Integrated reporting

We continue to provide an integrated annual report as promoted in King III. We have chosen to present our integrated annual report to our stakeholders in a combined document which incorporates information

about the operations of the group, corporate matters, sustainability matters and summaries of key financial information. The full set of annual financial statement of the company and the group can be found on the company's website.

Prospects

Retail

Initiatives being considered mainly focus on turnover growth and are predominantly aimed at improving the performance over the medium to long term.

Property

The company has successfully developed the Rex Trueform Office Park located in Salt River (Cape Town) and is now considering the potential development of its two remaining investment properties.

Acknowledgements

I have enjoyed working with the Chief Executive Catherine Radowsky and I thank her for her contribution to the group during this prosperous year. I also thank the executive team and all employees for their contribution towards improving the performance of the business.

I thank my fellow directors for their valued input and guidance during the year. I also welcome Humphrey Borkum to the board of the company. The skill and experience he provides to the company is greatly valued.

Michael Krawitz
Chairman

23 September 2015



CHIEF EXECUTIVE OFFICER'S REVIEW



The group produced a very pleasing result mainly due to the improved performance of the retail segment. Many initiatives implemented by the group added benefits which reflected in the results. Group revenue for the year increased by 7.1% to R536.6 million (2014: R501.2 million) and the operating profit amounted to R29.9 million compared to a R17.3 million operating loss in the 2014 year. Included in the group operating profit is the R3.9 million profit on the sale of the non-strategic Atlantis property. The operating profit excluding the profit on sale of the property amounts to R26 million.

Summarised details of the financial performance of the group are contained in the abridged group financial statements, the financial director's report and the five-year review, all of which are available in this integrated annual report.

Retail (Queenspark)

The Queenspark retail segment returned to profitability despite the challenging market and produced an operating profit of R26.8 million (2014: loss of R14 million). The retail initiatives implemented contributed to the improvement in the results. These included processes to improve the gross profit margin which increased to 56.3% (2014: 49%). Further details of the Queenspark retail segment trading results, brands and trading footprint can be found within this integrated annual report.

Three new stores were opened and three unprofitable stores were closed during the financial year. We aim to open further new stores during the forthcoming year and are also considering the introduction of "pop up" stores to allow us to better consider areas of opportunity.

The IT ERP project is progressing, with the implementation thereof expected during the 2016 financial year. The initial benefits of this project should be gained in the 2016 financial year, however the majority of benefits will be gained in the years thereafter.

Further initiatives being considered mainly relate to turnover growth and are expected to impact the medium to long-term.

Property

The group has successfully developed the Rex Trueform Office Park located in Salt River, Cape Town. Lease agreements in respect of approximately 90% of the office space have been entered into, however, due to the reorganisation of the office space within the Office Park, rental in respect of a portion thereof was only received from July 2015. The balance of the office space available is expected to be let during the 2016 financial year.

The group is considering the development of its two other investment properties over the medium-term.

Appreciation

I appreciate the high levels of commitment and work ethic provided by staff at every level of the business and would like to take this opportunity to thank each and every staff member for their contribution to the operation of this business and the success of this past financial year. The group receives a high level of support and input from suppliers, service providers and consultants and I would also like to take this opportunity to thank them for this.

The involvement, advice and encouragement of the non-executive board members is highly valued, and I wish to extend my appreciation to them. I would like to welcome Humphrey Borkum to the board. The skill and experience he brings to the business is greatly appreciated.

Finally, I would like to thank the non-executive chairman of the group, Michael Krawitz, for his leadership, advice and support provided to myself and the senior executives.

Catherine Radowsky
Chief executive officer

23 September 2015

FINANCIAL DIRECTOR'S REPORT

Introduction

Group

The performance of the group improved significantly during the year. Revenue increased by 7.1% to R536.6 million (2014: R501.2 million). The gross profit generated from the retail segment increased by 19.8% to R290.4 million (2014: R242.3 million). Other income, which includes rental income and the profit on sale of the Atlantis property, increased from R5.6 million to R17.0 million. Trading expenses were contained and increased by 4.6%.

The above resulted in the operating profit increasing by 273% to R29.9 million (2014: loss of R17.3 million) which includes an amount of R3.9 million in respect of the profit on sale of the Atlantis property. The operating profit excluding the profit on sale of the property amounts to R26 million.

Profit after tax increased by 337.4% to R23.8 million (2014: loss of R10 million), resulting in the earnings per share increasing by 336.9%.

Retail

The segment returned to profitability, despite the challenging market, and produced an operating profit of R26.8 million compared to a R14 million operating loss in the prior period. A notable contribution to the improvement in operating profit was the improvement in the gross margin, which increased to 56.3% (2014: 49.2%).

The various retail initiatives implemented, which contributed to the improved performance, include:

- the improved processes to improve the gross margin;
- the management of costs;
- the closure of unprofitable stores; and
- the opening of new stores.

Feedback on the business objectives regarding the 2015 financial year is provided in the strategy section of the integrated annual report.

Property

The property segment revenue showed an improvement during the year and amounted to R11.4 million (2014:

R3.9 million). The segment operating profit amounted to R7.8 million compared to R0.02 million in 2014. The group sold a non-strategic property located in Atlantis during the year, resulting in a profit on sale of R3.9 million. The segment operating profit excluding the sale of the property amounted to R3.9 million.

The development of the Rex Trueform Office Park ("RTOP") has been a success. This property has, during the financial year been reclassified as investment property. The RTOP development costs (including fixtures) incurred during the year amounted to R19.2 million

The group's performance over the last five years is reflected on pages 14 and 15 of this integrated annual report.

Financial performance

This review of the group's consolidated financial performance for the year ended 30 June 2015 should be read in conjunction with the annual financial statements, as well as the retail segment results.

Group statement of comprehensive income

Revenue

Total revenue comprising of turnover, rental income, royalties, interest, dividends, profit on sale of asset, and management fees increased by 7.1% to R536.6 million (2014: R501.2 million).

Turnover

The group's retail operations turnover increased by 4.9% to R516.1 million (2014: R492.1 million).

Interest income

Interest received during the period remained similar to the prior period (2015: R3.5 million, 2014: R3.5 million).

Royalty income

The number of franchise stores decreased during the year, resulting in three franchise stores operating outside of South Africa. One of the franchisees is still operating on the royalty income model whereas the

other franchisees operate on a mark-up based charge on inventory sold to the franchisee. The royalty income for the year increased by a marginal 1%.

Rental income

Rental income is generated from the leasing of group properties to third parties. The rental received increased to R11.4 million (2014: R3.9 million).

Management fees

Management fees are earned on services provided to the holding company and amounts to R0.5 million (2014: R0.5 million).

Gross profit

Gross profit, which is derived from the retail segment increased by 19.8% to R 290.4 million (2014: R242.3 million). The gross margin, being gross profit as a percentage of sales, increased to 56.3% (2014: 49.2%).

Trading expenditure

Group trading expenditure increased by 4.6% which reflected management's efforts to contain costs.

Operating profit

Group

The group produced an operating profit of R29.9 million, increasing by 273% which includes an amount of R3.9 million in respect of the profit on sale of the Atlantis property. The operating profit excluding the profit on sale of the property amounts to R26 million.

The operating margin increased to 5.8% for the year (2014: (3.5%)), partly as a result of the improved gross profit margin achieved in the retail segment.

Interest charge

The group's interest charge amounting to R0.2 million relates mainly to the post-retirement liability.

Profit for the year

The after-tax profit for the year increased by 337.4%, resulting in a profit of R23.8 million (2014: loss of R10.0 million).

Statement of financial position

Equity and reserves

The group's capital and reserves increased to R261.1 million (2014: R237.3 million).

Inventory

Inventory levels were 14.7% lower at year-end when compared with the corresponding year-end. This is mainly due to the improved inventory management initiatives introduced.

Cash on hand/cash utilisation

The group generated positive cash flows from operations of R56.5 million compared to a R12.2 million in 2014, which reflected the improved performance of the business. The cash and cash equivalents increased to R80.1 million at year-end (2014: R55.6 million).

The investment in capital expenditure of R40.9 million was incurred in both the retail segment (R21.4 million) and the property segment (R19.5 million). The retail segment capital expenditure mainly related to the refurbishment of stores, new stores, new IT hardware, and the ERP system.

Shareholder distribution

Ordinary and "N" ordinary shareholders did not receive a dividend during the year.

The directors have proposed a dividend of 61 cents per share in respect of the 2015 financial year, which if approved at the AGM, will be paid in December 2015.

Financial risk management

The group is exposed to a range of financial risks through its business activities, including market risk (currency risk, interest rate risk and price risk), credit risk and liquidity risk. The group's exposure to these risks and the policies managing the risks are detailed in the annual financial statements.

Looking ahead – 2016

Retail segment

The group is considering further initiatives which will mainly focus on turnover growth and are predominately

aimed at improving the performance over the medium to long term. One of the initiatives currently underway relates to implementation of the Enterprise Resource Planning ("ERP") software, which will mainly benefit the retail division. The ERP system will start to benefit the business in the 2016 financial year with the major benefits being realised in the years thereafter.

Total retail budgeted capital expenditure in respect of the 2016 year amounts to R32 million, which mainly relates to new store developments, and store refurbishments/remodelling.

Refer to the strategic objectives reports for further detail.

Property segment

The property segment is to remain a key focus area of the group. The group holds three investment properties located in Salt River (Cape Town):

Rex Trueform Office Park

This property has recently been developed. Lease agreements in respect of approximately 90% of the

office space have been entered into, however due to the required reorganisation of space within the building a smaller part of the rental was only due from the beginning of July 2015. The balance of the office space, amounting to approximately 900 m², not yet let, is likely to be let during the 2016 financial year.

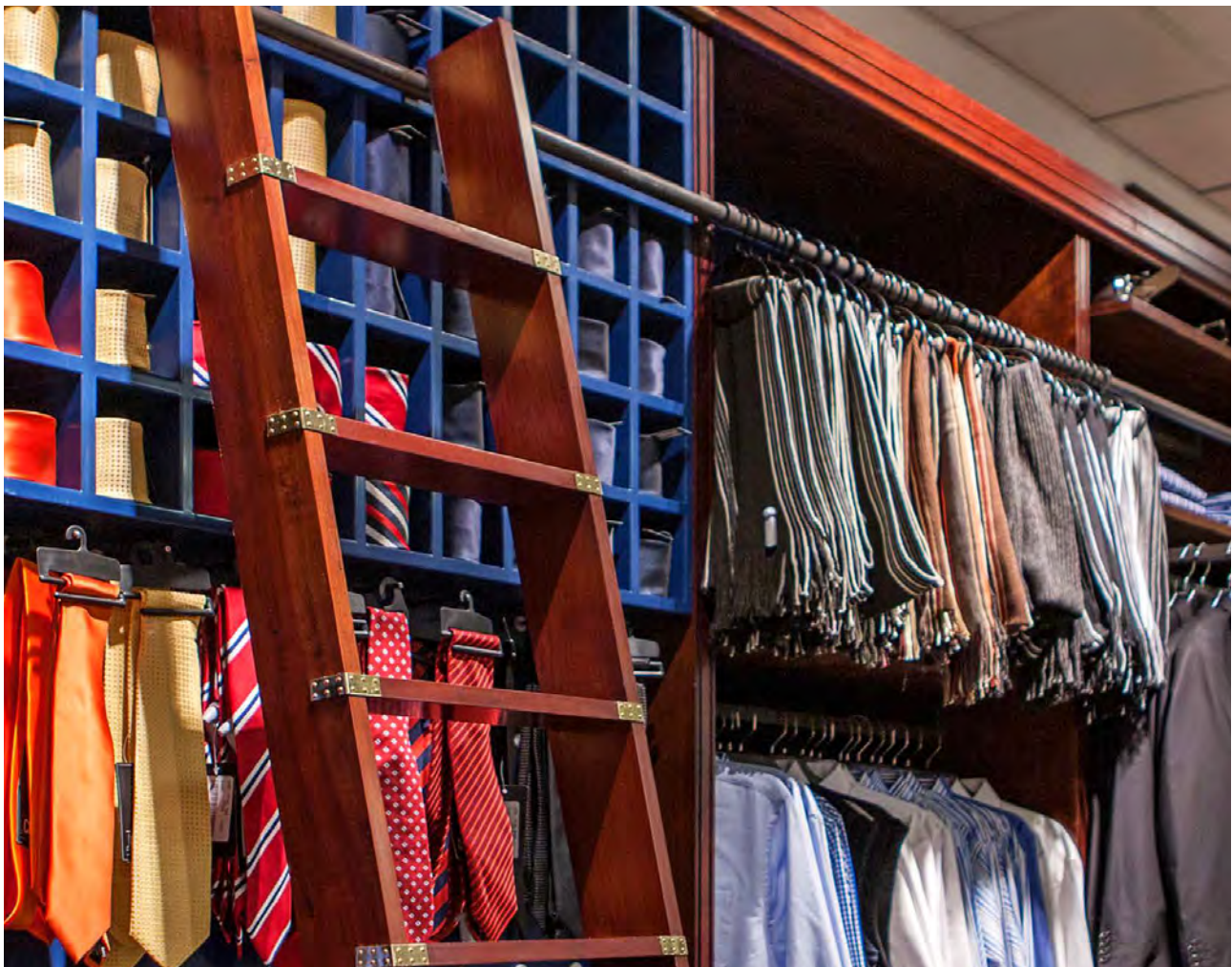
Remaining two properties in Salt River

The business will continue to consider various potential development options in respect of the two remaining properties in Salt River, with a view to extracting value from such properties.



Damian Johnson
Financial director

23 September 2015



HUMAN CAPITAL AND REMUNERATION REPORT

The group recognises that employees play an important role in its operations. Accordingly the training, development and motivation of staff at all levels, together with management's responsibility for their health and safety in the workplace, continue to receive a high level of attention. Most of the employees employed in the group are employed in the subsidiary companies and therefore this report includes matters relating to the group employees.

Remuneration policy

The group's policy is to remunerate executives and employees fairly in relation to the market and the nature of the services they provide. The group's intention is to ensure the promotion of a performance-based culture across the business to ensure that the group meets its operational, financial and strategic objectives.

The group looks to attract, motivate and retain talented employees and remuneration therefore needs to be competitive owing to the portability of skills. Market information is sourced from industry-specific and generic remuneration surveys obtained on a regular basis. Remuneration packages are determined by considering market benchmarks, the company's financial performance, and the importance of a particular position relative to the group's business, the required skill set, job-specific experience and the performance and contribution of individual incumbents. The remuneration of non-executive directors is reviewed on an annual basis.

Employee remuneration

Group remuneration packages for the majority of permanent employees comprise a mix of the following: a base salary, job-specific allowances, performance-linked incentives, bonuses, retirement funding and health care contributions. Another benefit is a discount on store purchases.

Group remuneration levels are reviewed annually. In the main a cost of living adjustment was approved in July 2014 in respect of the 2015 financial year. Annual increases were approved in July 2015 in respect of the 2016 financial year, during the annual salary review process.

Retail store operational employees participate in the Queenspark store incentive scheme, which rewards those employees on a quarterly basis for meeting predetermined financial performance criteria, including sales and profitability targets. The group has developed a short-term incentive scheme which will accommodate certain employees who do not participate in the store incentive scheme.

Group employees (in terms of the fund rules) are required to join the Alexander Forbes Retirement Umbrella Fund in which the group participates. The Fund includes both a pension and a provident scheme. Risk benefits such as death, disability and funeral cover are provided through membership of the Fund.

The group participates in medical aid schemes in which staff are entitled to participate.

Wage and substantive conditions of employment are negotiated with the Southern African Clothing and Textile Workers' Union ("SACTWU") for employees forming part of the distribution centre bargaining unit and the remuneration due to these employees is managed accordingly.

Executive remuneration.

The remuneration of the group's executive directors is set out in the notes to the annual financial statements. Group executive remuneration packages include a mix of the following: a base salary, incentive, use of a company motor vehicle, health care funding, retirement funding and other benefits.

Executive directors do not receive payments of directors' fees in respect of meetings attended.

The group has developed an executive short-term incentive scheme. Certain key members of executive management participate in the group share option scheme which is detailed in the notes to the annual financial statements.

Key management personnel

Key management personnel are those that have authority and responsibility for planning, directing and controlling the activities of the group. Further details can be found in the notes to the annual financial statement. During the year the company obtained a legal opinion regarding prescribed officers and it was determined that only directors are considered prescribed officers and key management personnel. During the previous reporting period senior executives' remuneration was also disclosed which was not required. The remuneration in respect of the current year only reflects remuneration paid to directors.

The total group remuneration of key management personnel is as follows:

	Basic salary R'000	Bonus and performance-related payments R'000	Value of other benefits R'000	Retirement fund contributions R'000	Directors' fees R'000	Fees for other services R'000	Total 2015 R'000	Total 2014 R'000
Executive directors	4 425	–	183	231	–	–	4 839	6 438
Non-executive directors	–	–	–	–	1 925	444	2 369	2 087
Total	4 425	–	183	231	1 925	444	7 208	8 525

Non-executive directors' remuneration

Non-executive directors are paid a base fee for their services as directors. Fees are based on an assessment of the non-executive directors' time commitment and increased regulatory and governance obligations. Fees paid to the non-executive directors for the 2015 reporting period are outlined in the notes to the annual financial statements.

The remuneration of non-executive directors is reviewed annually by the remuneration committee and recommended to shareholders for approval at the relevant annual general meeting.

The following fees for the period 1 July 2015 to 30 June 2016 were approved by way of a special resolution at the previous annual general meeting. The revised fees the period 1 July 2015 to 30 June 2016 and a fee for the period 1 July 2016 to 30 June 2017 as set out below has been proposed and will be submitted to shareholders for approval as per the notice of annual general meeting.

	Financial years			
	Proposed 2017 R	Revised Proposed 2016 R	Approved 2016 R	Approved 2015 R
Fees for services rendered to Rex Trueform Clothing Company Limited				
Chairman of the board	649 158	649 158	606 690	567 000
Lead independent director	287 370	287 370	268 570	251 000
Director	269 052	269 052	251 450	235 000
Chairman of the audit committee	80 143	80 143	74 900	70 000
Member of the audit committee	61 252	61 252	57 245	53 500
Chairman of the retirement fund	91 592	91 592	85 600	80 000
Member of the risk committee	80 143	80 143	74 900	70 000
Chairman of the social and ethics committee	61 252	61 252	57 245	53 500
Member of the social and ethics committee	49 230	49 230	46 010	43 000

Employee equity

The group remains fully committed to the implementation of the provisions of the Employment Equity Act, and employment equity is accordingly a business priority to ensure an integrated, diverse workplace that is truly representative of the demographics of South Africa. In this regard the group provides equal opportunities and has a strong culture of internal promotion and upliftment for its employees.

Skills development

Close attention is paid by management and employee representatives to meeting the challenges of accelerated employee growth and development, as set out in the Department of Labour's National Skills Development strategy. In terms of the Skills Development Act, incentives

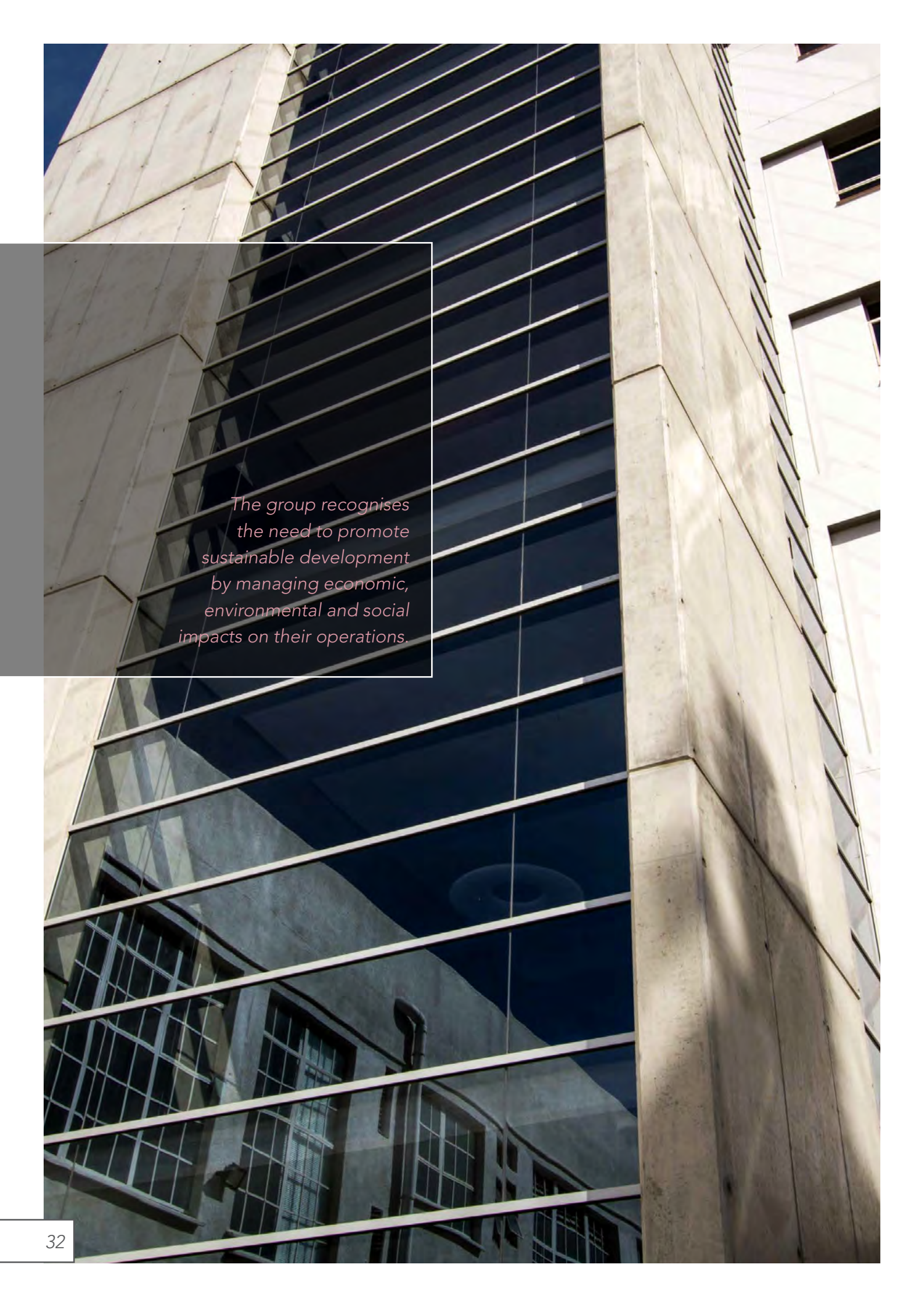
are offered to group employers who systematically train and develop their personnel, and the group has participated in available skills development programmes.

Employees play a key role in the success of the operations of the group. Accordingly the training, development and motivation of personnel at all levels continue to receive high priority. Training programmes have been developed at both operational and management levels.

Occupational health and safety

The group is committed to ensuring a safe and healthy working environment for all its employees and the group is regularly assisted by an independent consultant in this respect.





*The group recognises
the need to promote
sustainable development
by managing economic,
environmental and social
impacts on their operations.*

ENVIRONMENTAL AND SOCIAL SUSTAINABILITY

Corporate social responsibility

The group acknowledges its corporate social responsibility, that is, its duty to contribute to both the society and to the community within which it operates. Please refer to the social and ethics committee report for further details regarding social responsibility.

Environment

The group acknowledges that its operations have an impact on the natural environment, both directly through electricity, fuel and materials consumed in its operations and indirectly through impacts associated with the production, use and end-of-life disposal of the products it sells.

The impacts of initiatives have not been measured and we therefore provide only a general narrative on some of the key areas in respect of which positive steps have been taken by the group.

Electronic communication with shareholders

In an attempt to ameliorate, amongst other things, the environmental impact of the corporate actions of the company and in order to take advantage of technological advances in this digital age, the company undertook a project in terms of which it endeavoured to obtain permission from shareholders to distribute shareholder communications (including this integrated annual report) electronically. A number of shareholders furnished their permission, which will result in a decrease in the amount of hard copies of such communications being required and should further result in a benefit to the group and to the environment for years to come.

Electricity and water

The group is a user of electricity and water throughout its operations. The group has taken the following steps in an attempt to better manage its electricity and water consumption:

- Rex Trueform Office Park. The development of the Rex Trueform Office Park is complete and various water and energy saving measures have been instituted, including:
 - movement sensors (where practical) which modify lighting requirements in an endeavour to ensure that lighting is not utilised unnecessarily;
 - energy-saving light fittings and bulbs have been installed where practical;
 - bathroom washbasin sensors have been installed to regulate the water consumption in an endeavour to ensure that water is not utilised unnecessarily;
 - the group is considering the installation of solar panel energy units; and
 - further water and energy saving initiatives are to be investigated in the future.

"Green" store design initiatives

When designing and building new stores, the group implements a number of "green" environmentally friendly initiatives relating to lighting, paint, shopfitting, flooring and signage.

Fuel

The main area of fuel consumption relates to freight services provided by third parties. Fuel management in respect thereof is the responsibility of the service provider.

Recycling and disposal of waste

The major forms of waste in the business are paper, cardboard, and plastic packing materials. Procedures relating to recycling or disposal have been instituted as follows:

- clothing hangers are sorted and cleaned by an outside agency before being returned to the merchandise distribution centre for reuse;
- cardboard cartons are reused until they are deemed unusable;
- cardboard and paper waste is mostly sold to recycling agencies;
- wastage at retail stores has, where practical, been contained to a minimum and is managed by shopping centre disposal processes;
- plastic bags issued at retail stores are durable and reusable; and
- a waste recycle programme has been introduced on a trial basis in respect of the Rex Trueform Office Park. If successful the programme will be formally implemented during the 2016 financial year.

CORPORATE GOVERNANCE REPORT

Statement of commitment

The directors subscribe to the principles of corporate governance as set out in King III, as read with the Companies Act and the Listings Requirements of the JSE Limited ("Listings Requirements"). The directors therefore recognise the need to conduct the business of the company with integrity and responsibility and are committed to the application of high ethical standards in the conduct of the business.

The company is, however, continually engaged in re-assessing its compliance with the principles of corporate governance contained in King III and working to improve compliance where it is deemed appropriate. The board endeavours to ensure either the application of the King III principles, or explanation, in accordance with the "apply or explain" approach contemplated in King III.

Where, to the extent applicable, the board has elected not to apply or has yet to apply a particular

recommended principle, or where an alternative practice has been applied which achieves a similar result, the board is able to explain the reasons therefor. Where principles which the board considers appropriate and useful have not yet been addressed, action is being taken to ensure future compliance.

Application of King III

The board is of the opinion that the company is substantially compliant with those aspects of King III that are material to the effective corporate governance of the company.

The company's full King III compliance checklist is available on the company's website at www.rextrueform.com.

The 27 principles in respect of Chapter 2 of King III are noted in the adjacent table. General non-compliance or part compliance comments are noted following the table.



Principle and response

Principle	Description	Status
2.1	The board should act as the focal point for and custodian of corporate governance.	Applied
2.2	The board should appreciate that strategy, risk, performance and sustainability are inseparable.	Applied
2.3	The board should provide effective leadership based on an ethical foundation.	Applied
2.4	The board should ensure that the company is and is seen to be a responsible corporate citizen.	Applied
2.5	The board should ensure that the company's ethics are managed effectively.	Applied
2.6	The board should ensure that the company has an effective and independent audit committee.	Partly applied
2.7	The board should be responsible for the governance of risk.	Applied
2.8	The board should be responsible for information technology ("IT") governance.	Partly applied
2.9	The board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards.	Applied
2.10	The board should ensure that there is an effective risk-based internal audit.	Applied
2.11	The board should appreciate that stakeholders' perceptions affect the company's reputation.	Applied
2.12	The board should ensure the integrity of the company's integrated annual report.	Applied
2.13	The board should report on the effectiveness of the company's system of internal controls.	Applied
2.14	The board and its directors should act in the best interests of the company.	Applied
2.15	The board should consider business rescue proceedings or other turnaround mechanisms as soon as the company is financially distressed as defined in the Companies Act.	Applied
2.16	The board should elect a chairman of the board who is an independent non-executive director. The chief executive officer ("CEO") of the company should not also fulfil the role of chairman of the board.	Partly applied
2.17	The board should appoint the CEO and establish a framework for the delegation of authority.	Partly applied
2.18	The board should comprise a balance of power, with a majority of non-executive directors. The majority of non-executive directors should be independent.	Partly applied
2.19	Directors should be appointed through a formal process.	Applied
2.20	The induction of, and ongoing training and development of directors should be conducted through formal processes.	Applied
2.21	The board should be assisted by a competent, suitably qualified and experienced company secretary.	Applied
2.22	The evaluation of the board, its committees and the individual directors should be performed every year.	Partly applied
2.23	The board should delegate certain functions to well-structured committees but without abdicating its own responsibilities.	Applied
2.24	A governance framework should be agreed between the group and its subsidiary boards.	Applied
2.25	Companies should remunerate directors and executives fairly and responsibly.	Applied
2.26	Companies should disclose the remuneration of each individual director and persons falling within the definition of prescribed officers of the company.	Applied
2.27	Shareholders should approve the company's remuneration policy.	Applied

Notes on the above principles

- 2.6 The audit committee, as required by King III, comprised of three independent non-executive directors of the company for the majority of the financial year ending June 2015 (and at all meetings of the audit committee during the financial year ending June 2015). With effect from the passing of Roger Rees in June 2014 the audit committee comprised of two independent non-executive directors only. Malcolm Segal was appointed as a director of the company by the board in September 2014 in order to fill the vacancy arising from the passing of Roger Rees, with Malcolm Segal becoming an independent non-executive director of the company. Malcolm Segal was thereafter appointed by the board to the audit committee in order to fill the vacancy also arising from the passing of Roger Rees. Malcolm Segal retired as a director at the 2014 annual general meeting of the company, was duly elected by shareholders as a director of the company at such annual general meeting and was thereafter elected by shareholders as a member of the audit committee. Malcolm Segal resigned as a director of the company in November 2014 and with effect from such resignation the audit committee again comprised of two independent non-executive directors only. Humphrey Borkum was appointed as a director of the company by the board in January 2015 in order to fill the vacancy arising from the resignation of Malcolm Segal, with Humphrey Borkum becoming an independent non-executive director of the company. Humphrey Borkum was thereafter appointed by the board to the audit committee of the company in order to fill the vacancy also arising from the resignation of Malcolm Segal. Humphrey Borkum will retire as a director at the next annual general meeting of the company and, in accordance with the requirements of the Companies Act, the election by shareholders of Humphrey Borkum as a new director of the company will be proposed at such meeting. To the extent that Humphrey Borkum is duly elected as a director of the company, then Humphrey Borkum will be nominated for election by shareholders to the audit committee.
- 2.8 In order to manage the group's resources more effectively the company receives certain IT related services from its subsidiary, Queenspark Proprietary Limited. The company therefore does not have its own IT infrastructure but rather utilises the services of its subsidiary in this regard. Queenspark Proprietary Limited owns and manages various IT facilities and resources utilised to provide the services to the company and is responsible for the implementation and maintenance of IT Governance. The company (and the board) has access to relevant information regarding matters of IT Governance within Queenspark Proprietary Limited including its policies and procedures relating thereto. Note further the IT discussion below.
- 2.16 The chairman, Michael Krawitz, although a non-executive director, is not considered independent in the manner contemplated in King III. Patrick Naylor, an independent non-executive director, has been appointed as lead independent director. A formal succession plan in respect of the chairman position was approved by the board during the 2015 financial year.
- 2.17 A formal succession plan in respect of the CEO was approved by the board during the 2015 financial year.
- 2.18 Prior to the passing of Roger Rees in June 2014 (Roger Rees being an independent non-executive director of the company) the composition of the board did comply with the requirements of King III, in that the board comprised a majority of non-executive directors – numbering four out of the seven directors of the company. With effect from the passing of Roger Rees the board consisted of three executive directors and three non-executive directors. Please note the note to principle 2.6 of King III above in relation to the appointment of Malcolm Segal and thereafter Humphrey Borkum as independent non-executive directors of the company during the 2015 financial year, which appointments had the effect of the board comprising a majority of non-executive directors. In March 2015 Patricia Shub ceased to be an executive director of the company and was thereafter re-categorised as a non-executive director of the company. The majority of the non-executive directors are independent.
- 2.22 The board has developed a board member self-evaluation process and all board members have completed a self-evaluation questionnaire which has been considered by the nomination committee. It is anticipated that the process of evaluation of board members and committees will continue to be improved upon over time. The evaluation should enable directors

and committees to identify areas in which their contribution to the board could be improved upon.

Integrated reporting

King III recommends that annual reporting to stakeholders be in the form of an integrated annual report, so as to provide a holistic and integrated representation of the performance of the company, in terms of both finances and sustainability.

The board is satisfied that the integrated annual report for the 2015 financial year will enable our stakeholders to obtain insight into the operations of the company's business, business strategy and the financial and sustainability performance of the company.

The board acknowledges its ultimate responsibility for the integrity of the integrated annual report as a whole. In this regard the board has accepted the recommendation of the audit committee regarding the reliability of these documents and has approved the integrated annual report for the year ended 30 June 2015.

Our board

The company has a unitary board structure which consisted (subject to what is stated herein) during the majority of the year under review, of four non-executive directors, three of whom are independent, and three executive directors. Please note the notes to principles 2.6 and 2.18 of King III above in relation to changes to the board during the 2015 financial year. The CEO and the financial director are included amongst the executive directors.

The board is responsible for setting the direction of the company through the establishment of strategic objectives and policies, and takes overall accountability for the company by taking responsibility for its management. It retains full and effective control over the company.

Board meetings

The board meets at least quarterly to consider performance, to monitor issues of strategic direction and to consider any other issues having a material effect on the company. Certain executives may attend board meetings by invitation, specifically where their contribution is required in order to assist the board in its deliberations.

A formal agenda is prepared for each board meeting and comprehensive board packs containing the information

required in order to enable directors to make informed decisions are forwarded to directors and invitees prior to board meetings.

Directorate

The chairman, Michael Krawitz, leads the board and is responsible for its efficient operation and for representing the board to shareholders. The chairman is a non-executive director and is elected by the board.

As noted above, as the non-executive chairman is not independent, as defined in King III, Patrick Naylor, an independent non-executive director, has been appointed as lead independent director.

Executive directors are involved in the day-to-day management of the company as apposed to the non-executive directors who are chosen for their business acumen, skills and experience and bring an independent view to bear on key issues. They take responsibility for ensuring that the chairman encourages proper deliberation on all matters requiring the board's attention.

The CEO, Catherine Radowsky, is responsible to ensure that the day-to-day business affairs of the company are properly managed.

The roles of chairman, CEO, financial director and the remaining non-executive directors are separated, with there being a clear division of responsibilities at board level, as informed by the Memorandum of Incorporation of the company, together with the company's board charter.

Composition and appointment

The composition of the board complied with the requirements of the Companies Act and King III for the majority of the financial year ending June 2015, in that the board comprised a majority of non-executive directors who were independent.

The company's non-executive directors are subject to retirement by rotation and re-election in terms of company's Memorandum of Incorporation. No executive director has a long-term service contract with the company, and life directorships are not permitted.

Remuneration

Directors' remuneration, directors' interest in shares and directors' share options (to the extent applicable) have been audited by KPMG Inc, and can be found in the notes to the consolidated financial statements. Further information regarding directors' remuneration is provided in the Human Capital and Remuneration Report.

Independence assessment

The board annually assesses the independence of the independent non-executive directors and has ascertained that Patrick Naylor, Romain Orlin and Humphrey Borkum all satisfy the criteria for independence as set out in King III.

The non-executive chairman, Michael Krawitz, does not qualify as an independent director, and as a consequence and as stated above, Patrick Naylor, an independent non-executive director, has been appointed as lead independent director. The board has determined that Patrick Naylor's independence of character and judgement has not in any way been affected or impaired by the length of his service.

Company secretary

The board has appointed a company secretary whose responsibilities include:

- providing the directors of the company with guidance as to their duties, responsibilities and powers; and
- providing a central source of guidance and advice to the board, and within the company, on matters of good governance and changes in legislation.

All directors have unlimited access to the advice and services of the company secretary.

The board considers on an annual basis the competence, performance, qualifications and experience of the company secretary and is satisfied that during the year under review the company secretary, given his competence, performance, experience and qualifications, discharged his duties effectively and appropriately and maintained an arm's length relationship with the board.

Prior to the appointment of the company secretary, the board considered his experience and qualifications and was satisfied that he has the competence to undertake the role. The company secretary is not a director of the company and has no relationship with the board that interferes with his arm's length relationship with the board.

Directors' interests in contracts/conflict of interest/political exposure

The company has a formal disclosure process in terms of which directors are required to disclose any interests which they may have, either directly or indirectly, in contracts concluded or to be concluded with the company.

All board members are required to report any conflicts of interest that may arise in the course of their duties.

During the year under review, it was established that none of the directors had a significant interest in any contract or arrangement entered into by the company, its holding company or its subsidiaries. No members of the board have actual or potential political connections or exposure.

Audit committee

Name	Qualification	Date of first appointment
PM Naylor	BSc (Eng)	11/02/2006
RV Orlin	BA (Econ)	19/05/2009
RW Rees*	BSc (Econ) (Hons), FCA	01/04/2010
M Segal**	BCom, CA (SA), CPA (ISR)	03/09/2014
HJ Borkum***		15/01/2015

* Roger Rees passed away on 11 June 2014 and ceased to be a member of the audit committee with effect from such date.

** Malcolm Segal was appointed by the board of directors of the company to the audit committee on 3 September 2014. Malcolm Segal resigned as an independent non-executive director of the company on 24 November 2014.

*** Humphrey Borkum was appointed by the board of directors of the company to the audit committee on 15 January 2015 in order to fill the vacancy arising from the resignation of Malcolm Segal.

Please note further the note to principle 2.6 of King III above in relation to changes to the composition of the audit committee during the 2015 financial year. The audit committee is chaired by Patrick Naylor, the lead independent non-executive director of the company.

The board is of the view that the current audit committee members possess the skills, knowledge and understanding of the company necessary for them to carry out their duties and responsibilities.

The audit committee meets at least twice a year (with the full audit committee – including Malcolm Segal and thereafter Humphrey Borkum – having met twice during the financial year ending June 2015), specifically prior to the publication of the company and group's interim and final results. These meetings are attended by the external auditors, the internal auditor, the chairman of the board and, where appropriate, executive directors of the group by invitation.

The audit committee is governed by terms of reference which set out the role of the audit committee, its processes and procedures.

Full details regarding the functioning of the audit committee are set out in the Audit Committee Report, which is included in the annual financial statements.

Remuneration committee

Name	Date of first appointment
PM Naylor	01/07/2006
ML Krawitz	04/06/2004
RV Orlin	19/05/2009

The committee comprises Patrick Naylor (chairman) and Romain Orlin, both independent non-executive directors, together with Michael Krawitz, a non-executive director.

The role of the remuneration committee includes assisting the board in:

- ensuring that the company's directors and senior executives are fairly rewarded for their individual contributions to the company's overall performance;
- demonstrating to all stakeholders that the remuneration of senior executives is recommended by a committee of board members who have no personal interest in the outcome of their decisions and give due regard to the interest of the shareholders of the company, and to the financial and commercial health of the company, in setting such remuneration.

Nomination committee

The members of the remuneration committee also constitute the nomination committee.

The chairman of the nomination committee is Michael Krawitz.

The role of the nomination committee is to assist the board to ensure that:

- the board has appropriate composition for it to execute its duties effectively;
- directors are appointed through a formal process;
- induction and on-going training and development of directors take place; and
- formal succession plans for the board, the chief executive officer and senior management appointments are in place.

The Memorandum of Incorporation of the company as read with its board charter contains provisions dealing with the composition of the board, appointments to the board (including the qualities required of individuals considered for appointment to the board and additional

competencies of non-executive directors) and the induction of new directors, which collectively (and as read with the terms of reference of the nomination committee) constitutes the company's policy on appointments to the board. The policy as aforesaid, informs any recommendation made by the nomination committee in relation to an appointment to the board, and any subsequent appointment to the board.

Risk committee

The board is responsible for the governance of risk and is assisted by both the audit committee and a risk committee.

The role of the risk committee is to assist the board to ensure that:

- the company has implemented an effective policy and plan for risk management that will enhance the company's ability to achieve its strategic objectives; and
- the disclosure regarding risk is comprehensive, timely and relevant.

The risk committee for the year under review consisted of the non-executive chairman (Michael Krawitz), the financial director (Damian Johnson) and the company secretary (Adam Snitcher). The company secretary resigned as a member of the risk committee in January 2015 and was replaced by the CEO (Catherine Radowsky). An independent non-executive director (Humphrey Borkum) was appointed to the risk committee in January 2015.

Further details regarding risk management are noted in the Risk Committee Report included in this integrated annual report. The board believes the risk management processes are effective.

Social and ethics committee

The social and ethics committee for the year under review consisted of an independent non-executive director (Patrick Naylor) who is the chairman of the committee, the financial director (Damian Johnson) and the CEO (Catherine Radowsky).

Please refer to the Social and Ethics Committee Report which is found in this integrated annual report for further details.

Attendance at meetings

The attendance of directors at board meetings and at meetings of the risk committee, audit committee, social and ethics committee, remuneration committee and nomination committee held during the financial year ending June 2015 was as follows:

	Board	Risk committee	Audit committee	Social and ethics committee	Remuneration committee	Nomination committee
Number of meetings	4	3	2	2	2	2
Non-executive directors						
ML Krawitz	4	3	2*	–	2	2
PM Naylor	4	–	2	2	2	2
RV Orlin	4	1*	2	–	2	2
M Segal	2	–	1	–	–	–
HJ Borkum	2	2	1	–	–	–
PE Shub**	2	–	–	–	–	–
Executive directors						
CEA Radowsky	4	2	2*	2	1*	–
DS Johnson	4	3	2*	2	1*	–
PE Shub**	2	–	–	–	–	–
Company secretary	4*	1, 2*	2*	2*	2*	2*

Various executives attend meetings by invitation.

* By invitation

** In March 2015 Patricia Shub ceased to be an executive director of the company and was thereafter re-categorised as a non-executive director of the company. The meetings attended by Patricia Shub in the capacity as an executive and a non-executive director of the company are separately reflected above.

Accountability and audit

Going concern

The directors have made an assessment of the company's ability to continue as a going concern. The directors have every reason to believe that the company has adequate resources in place to continue operating for the year ahead and the financial reports have been prepared on the basis of this assumption.

Internal financial control/internal audit

The company subscribes to a combined assurance model that attempts to limit or control risk in the business by making use of both internal and third party assurance providers. The board of directors is responsible for the company's internal control systems and for reviewing their effectiveness. The implementation of internal control systems is fundamental and appropriate systems of internal control are maintained.

In compliance with the recommendation of King III, the group's internal audit function is considered essential to maintaining the integrity, adequacy, efficiency and effectiveness of the company's financial and non-financial controls.

The year under review has seen the continued entrenchment of the risk assessment process. The risk assessment process, which is reviewed by internal audit, forms part of the combined assurance framework.

The internal audit function examines and evaluates the company's activities and resultant business risks and develops an annual internal audit plan that is approved by the audit committee. The audit committee (with the assistance of the external auditors where required), reviews and approves the internal audit charter and internal audit plans, and evaluates the independence, effectiveness and performance of the internal audit function.

No material loss or misstatement arising from a material breakdown in the functioning of the system of internal controls has been identified by the internal auditor in respect of this financial year. The internal audit department has made



further progress towards providing written assessments relating to the effectiveness of the internal control and risk management processes as required by King III.

IT governance

The role that electronic communication and information technology play in the group is of central importance. In recognition thereof, the group has previously adopted and continues to entrench applicable strategies, policies and processes.

Responsibility for the implementation of IT governance within the group is assigned to the information technology senior executive employed in the group. The risk committee within the group assists the group in the management of IT risks. The assistance of external experts is obtained to assist the group in the governance of IT.

Whistle-blowing ethics hotline

Please refer to the Social and Ethics Committee Report.

Shareholdings and share dealings

Directors and the company secretary are prohibited from trading in the listed shares of the company or its holding company during, amongst other things, "closed periods" as defined in the Listings Requirements. Prior to the commencement of a "closed period" all relevant parties are informed of their responsibilities with regard to dealing in the shares of the company. Any dealings in the shares of the company by directors or the company secretary would be reported to the company within three business days of the trade having been made and would be published on SENS within 24 hours thereafter.

Directors are required to obtain clearance prior to dealing in shares of the company or its holding company.

Compliance

The board is committed to high standards of integrity and fair dealings in the conduct of the company and also the preservation of the group's integrity and reputation. It thus requires all business units, departments and subsidiaries within the group to have an understanding of and comply with those laws, regulations and standards applicable to the environment within which they operate.

To the best of the company's knowledge and belief, it has complied with all applicable Listings Requirements and every disclosure requirement for continued listing on the JSE Limited ("the JSE") imposed by the JSE for the financial year under review.

The risk committee assists the company in complying with the regulatory requirements and to promote processes and procedures that are risk appropriate, so that the company achieves its goals without fear of penalties or reputational harm.

The group utilises the resources of experts when necessary to assist in the management of compliance. The group has appropriately qualified employees in executive positions (including an in-house legal advisor) to assist with matters of compliance and has appointed a company secretary (who also performs the role of the group's in-house legal advisor) to provide a central source of guidance and advice to the board, and within the company, on matters of good governance and of changes in legislation.

RISK COMMITTEE REPORT

Introduction

The risk management process is designed to identify, assess, record and mitigate significant risks to ensure both the short-term and long-term sustainability of the group. The risk management process continues to be embedded within the group.

Risk committee

This risk committee assists the board in fulfilling its responsibilities by performing the following functions:

- overseeing the development and annual review of a policy and plan in respect of risk management for approval by the board;
- monitoring implementation of the policy and plan;
- making recommendations to the board concerning the levels of tolerance for risk, and monitoring same;

- overseeing that the risk management policy is widely disseminated throughout the group and integrated into the day-to-day activities of the group companies;
- ensuring that risk management assessments are performed on a continuous basis;
- ensuring that frameworks and methodologies are implemented to improve the prediction of risk;
- verifying that continuous risk monitoring by management takes place;
- verifying that management considers and implements appropriate risk responses;
- liaising with the audit committee to exchange information relevant to risk; and
- reporting to the board on the effectiveness of the system and process of risk management.

Key risks

The group's key risks are noted in the registers below:

Risk	Risk mitigation
Property and corporate segments	
Property	
Property may be materially damaged.	Insurance policies regularly reviewed and updated. Comprehensive lease agreements implemented. Property house rules implemented.
Personnel and third parties may be injured due to structural defects during and after property development.	Appointment of professional consultants and building contractors. Insurance policies regularly reviewed and updated. Comprehensive lease agreements implemented.
Redeveloped property may not be leased timeously thereby negatively impacting the return on investment.	Experienced property agents appointed. Market-related rentals being charged. Feasibilities prepared prior to approval of development.
Legal compliance	
Need to comply with comprehensive legislature and regulations which are continuously changing.	Obtain regular advice from third party consultants and advisors in respect of legislative changes impacting the business. Group in-house legal advisor provides guidance.

Risk	Risk mitigation
Retail segment	
Fashion trends	
Our ability to anticipate the customer's fashion requirements and provide high-quality merchandise to our customers at an appropriate margin, failure of which may lead to lower sales, excess inventories and more frequent markdowns as well as have a negative impact on our image, resulting in reduced brand loyalty.	Comprehensive analysis of local and overseas fashion trends with the objective of providing merchandise which is on-trend and satisfies our niche customer demand in a timely manner. Key performance indicators monitored and used to enhance decision-making.
Business continuity	
In the event of a disaster and the resulting loss of the head office IT infrastructure, the organisation's ability to trade may be negatively impacted.	Comprehensive business continuity plans in respect of information systems (with defined time frames for key systems) have been formalised. The maintenance of physical protection measures. Insurance cover is maintained.
In the event of a disaster at the head office the organisation's ability to operate effectively may be negatively impacted.	A business continuity plan has been developed. The maintenance of physical protection measures. Insurance cover is maintained.
As the business operates one distribution centre a disaster at the distribution centre may severely impact the storage and distribution of product.	Other group premises used together with third party service provider premises would be utilised to re-establish the storage requirements and distribution of products. The maintenance of physical protection measures. Insurance cover is maintained.
Distribution facility	
With projected growth the distribution centre is likely to reach its maximum capacity in the next few years.	Further operational efficiencies will be likely once the new IT ERP system is implemented.
Human resources	
Our success and ability to manage our growth depends significantly on our ability to attract, develop and retain a sufficient number of skilled, motivated and experienced staff.	The business offers competitive remuneration. On-going staff development is being managed by way of a formalised development process.
Information systems	
In order to effectively manage our operations we rely on various information technology systems. We regularly maintain and/or upgrade and enhance our information system to support our business objectives and provide business continuity. Replacing legacy systems or acquiring systems with new functionality have inherent risks including disruptions and delays that may impair the effectiveness of our information systems. The inability to access critical data or trade would be detrimental to the business.	Due to rapid technological change information system improvements are investigated on an ongoing basis in order to enable the business to remain competitive in the market. An ERP system has been selected and is being implemented. All systems are tested before being deployed in the production environment. An information technology disaster recovery data centre has been established and disaster recovery plans have been formulated. Continuous review and improvement of control environment and policies. Power generators have been installed at head office and distribution centre to ensure continuity of power supply.

Risk	Risk mitigation
Legal compliance	
Need to comply with comprehensive legislation and regulations which are continuously changing. Failure to comply with the various laws could have an adverse impact on our reputation and the results of operations.	Our policies, procedures and internal controls are designed to help us comply with applicable regulations. We obtain regular advice from third party consultants and advisors in respect of legislative changes impacting the business. Training of staff takes place where applicable. Appointment of an in-house legal executive assists with the management of legal compliance.
Intellectual property	
The intentional or unintentional infringement on our intellectual property rights by one of our suppliers or any other person or entity, could diminish the uniqueness of our products, tarnish our trademarks, or damage our reputation.	We have taken and continue to take steps to protect our intellectual property rights locally and where practical overseas, but cannot guarantee that such rights are not infringed.
Customer retention/spending	
Retention of existing customers and attraction of new customers is key to the success of the business.	We plan to expand our store base and aim to provide high-quality fashion, excellent customer service and an exciting retail environment.
Numerous economic conditions, all of which are outside of our control, could negatively affect the level of consumer spending on the merchandise that we offer. If negative economic conditions persist for a sustained period, our financial position and results of operations could be materially adversely impacted. These economic conditions include, but are not limited to, the following: power outages, higher unemployment levels, low levels of consumer credit, inflation, interest rates, recessionary pressures, increasing fuel and other energy costs, taxation, volatility in the financial markets, and low consumer confidence in future economic conditions. All of these conditions may lead to declines in consumer spending on our merchandise.	In order to increase demand for our products and mitigate the impact of external factors, efforts are continually made to promote the reputation of the Queenspark brands within the market-place. Improvements to the customer relationship management process are regularly considered and implemented.
A third party company provides credit to a substantial number of customers through a private label card. The group has no control over the management of this credit provider. Turnover may be negatively impacted should the provider cease to provide effective credit services to our customers.	Continuous monitoring of the credit provider's financial reporting. Regular operational meetings held with the service provider in order to ensure an effective working relationship is maintained. Comprehensive detailed analyses of the private label card risk and performance indicators. Comprehensive terms and conditions agreed with credit provider.

Risk	Risk mitigation
Supply chain The ability to source appropriately priced merchandise timeously. Failure of which negatively impacts on turnover growth and profitability. As the organisation relies significantly on foreign sources of production, our business is at risk of various issues relevant to doing business in foreign markets and importing merchandise from abroad. Fluctuations in the price, availability and quality of fabrics and other raw materials used to manufacture our products, as well as the price for labour and transportation have contributed to, and may continue to contribute to, ongoing pricing pressures throughout our supply chain.	Maintain professional relationships with existing suppliers. Continuously search for potential suppliers locally and abroad. Continuously analyse the supply chain process (including key financial measures) with a view to identifying inefficiencies and thereby implementing improvements.
Our ability to effectively locate new stores We cannot control the availability or cost of appropriate locations within existing or new shopping centres or the success of individual shopping centres. Furthermore, factors beyond our control impact shopping centres, such as general economic conditions, weather conditions, consumer acceptance of new or existing shopping centres, regional demographic shifts, power outages and consumer spending levels. Our store sales are dependent on a certain level of shopping centre traffic and any large-scale decline in shopping centre traffic, whether because of a slowdown in the economy or a fall-off in the popularity of shopping centres among our target customers, could have a material adverse effect on our business.	Regular comprehensive analyses performed on new and existing shopping centres. Expert advice obtained when required. Comprehensive analyses of store related key performance measures. Continually engage with shopping centre management regarding the implementation of shopping centre backup generators.
Competition We compete with local, national and international stores that market and sell similar lines of merchandise. Many competitors are significantly larger and have greater financial, marketing and other resources and enjoy greater name recognition. In addition to competing for sales, we compete for favourable store locations, lease terms and qualified staff. Increased competition could result in price reductions, increased marketing expenditure and loss of market share. Over the last several years, additional competitors have entered the market. Competitors continue to engage in more promotional activity and enhanced their online presence, which has resulted in heightened competition.	We continuously strive to differentiate our brands by way of offering our unique fashionable and high-quality merchandise to our customers in order to entrench our product position in the minds of our customers. We continuously monitor competitors' marketing, online and other strategies, with a view to better understanding the market and its needs.

SOCIAL AND ETHICS COMMITTEE REPORT

The social and ethics committee ("the committee") is pleased to present its report to the shareholders of Rex Trueform, which report is for the financial year ended 30 June 2015.

Introduction

This report is made to shareholders in compliance with the requirements of the Companies Act and King III.

Social and ethics committee mandate

The committee is governed by formal terms of reference which incorporate the requirements of the Companies Act. The committee furthermore performs the functions of a social and ethics committee for each of the subsidiaries of the company, namely Queenspark Proprietary Limited and Queenspark Distribution Centre Proprietary Limited, in accordance with the provisions of the Companies Act.

Role of the committee

The committee is broadly responsible for monitoring the company's activities, having regard to relevant legislation, other legal requirements or prevailing codes of best practice (where practical), in terms of matters relating to:

- social and economic development;
- good corporate citizenship;
- the environment, health and public safety;
- consumer relationships; and
- labour and employment.

The committee is further responsible to:

- assist in the implementation of an ethics management programme within the company;

- oversee that the ethics of the company are correctly captured and conveyed;
- assess ethics-related risks and opportunities;
- undertake such other social and ethics-related duties delegated to it by the board;
- draw matters within its mandate to the board as occasions require; and
- report to the board and the shareholders.

The committee plays an assessing, initiating, monitoring and reporting role, as opposed to an implementation role within the company and its subsidiaries.

Composition and attendance at meetings

The committee for the year under review consisted of a non-executive director (Patrick Naylor) who is the chairman of the committee and two executive directors (Damian Johnson and Catherine Radowsky).

Meetings of the committee are also attended by the company secretary and will be attended by certain other executives and managers by invitation.

Details of fees paid to the social and ethics committee members who are non-executive directors are disclosed in the Human Capital and Remuneration Report.

Executive directors do not receive a fee in respect of committee membership.

Committee functioning

Feedback in respect of areas of focus in respect of the 2015 financial year and beyond:

Area of focus	Progress during the year
Improvement of processes to monitor matters that fall within the focus of the committee	The committee has implemented a process to ensure it receives improved detailed information from within the group for consideration. This should further improve the functionality of the committee and the performance of its responsibilities.
Consideration of greening initiatives in the context of group property development	The business has developed the Rex Trueform Office Park. In respect of this development initiatives have been introduced, as detailed further in the Environmental and Social Sustainability report contained in this integrated annual report. It is envisaged that these initiatives should save on both resources and costs.
Corporate social responsibility and donations	The group has decided to focus its efforts on education-based donations going forward as education is viewed as being fundamental to improving the lives of the people of tomorrow. Various options in respect of how to proceed with allocating resources in this regard have been considered and are to be implemented during the 2016 financial year.
Ethics and anti-corruption	There is an ongoing focus on ethics in line with good practice. Various anti-corruption and fraud prevention measures (including a whistle-blowing facility) are in place and the business will continue to consider improved measures in the future.
Labour and employment	The group continues to apply fair labour practices.

Areas of focus of the next financial year (2016) and beyond

The group is to improve, where practical, and in line with applicable rules, regulations and good business practice, on its business practices that relate to social and ethical matters.

COMPANIES ACT NOTICE

These financial statements have been audited in terms of the Companies Act and have been prepared under the supervision of the group financial director, DS Johnson CA (SA).



DIRECTORS' RESPONSIBILITY STATEMENT

The directors are responsible for the preparation and fair presentation of the consolidated and separate annual financial statements of Rex Trueform Clothing Company Limited comprising the statements of financial position at 30 June 2015, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa. The directors are furthermore responsible for the preparation of the Directors' report, which forms part of the annual financial statements.

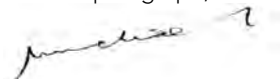
The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management, as well as preparation of the supplementary schedules included in the annual financial statements.

The directors have made an assessment of the ability of the company and its subsidiaries to continue as going concerns and have no reason to believe that the businesses will not be going concerns in the year ahead.

The auditor is responsible for reporting on whether the consolidated and separate financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of consolidated and separate annual financial statements

The consolidated and separate annual financial statements of Rex Trueform Clothing Company Limited, as identified in the first paragraph, were approved by the board of directors on 23 September 2015 and signed by:



ML Krawitz
Chairman



CEA Radowsky
Chief executive officer

23 September 2015

COMPANY SECRETARY CERTIFICATE

I certify that Rex Trueform Clothing Company Limited has filed all returns and notices as required by a public company in terms of the Companies Act and that all such returns and notices appear to be true, correct and up to date.



AT Snitcher
Company secretary

23 September 2015

REPORT OF THE INDEPENDENT AUDITOR

The report of the Independent Auditor can be found in the annual financial statements which are located on the company's website www.rextrueform.co.za

DIRECTORS' REPORT

Corporate governance

The directors subscribe to the principles of corporate governance as set out in King III. Specific disclosure requirements are dealt with in this integrated annual report.

Nature of business

The company is a holding company listed on the JSE Limited under the Sector: Consumer Services – Retail – General Retailers – Apparel Retailers.

The company, through its subsidiaries (collectively, "the group") continued its activity of retailing clothing and fashion accessories in South Africa and the franchising of Queenspark retail stores in Kenya, Namibia and Botswana.

Retail activities include the sale of ladies' and men's clothing, shoes, costume jewellery, related fashion accessories and cosmetics through branded Queenspark and J CREW outlets located nationwide, as well as through Queenspark branded franchised outlets in Namibia, Kenya and Botswana.

The group continues to develop its property portfolio. The group's approach to development of its properties is a conservative one, having regard to prevailing financial and market conditions.

Financial results

The financial results of the company and the group for the year are set out in the annual financial statements.

Share capital

The share capital of the company, both authorised and issued, is set out in the notes to the annual financial statements.

Dividends

Details of dividends paid during the year are as follows:

	2015 R'000	2014 R'000
Dividends on ordinary and "N" ordinary shares:		
Dividend paid in respect of the ordinary shares	–	1 772
Dividend paid in respect of the "N" ordinary shares	–	10 819
Dividends on 6% cumulative preference shares:		
No. 139 for half-year to 31 December 2014	8	8
No. 140 for half-year to 30 June 2015	9	9
Total	17	12 608

The directors have proposed a distribution of 61 cents per share (2014: 0 cents) in respect of the ordinary and "N" ordinary shares. Shareholders will be asked to approve this proposal of the board at the annual general meeting of the company to be held on 17 November 2015.

Holding company

The company's holding company is African and Overseas Enterprises Limited.

Subsidiaries

The required information relating to subsidiary companies is set out in the notes to the annual financial statements.

Investments

Full details of the company's investments are set out in the notes to the annual financial statements.

Directorate

The names of the directors of the company are reflected in this integrated annual report.

The following changes in the composition of the board of directors occurred during the year:

Director	Event	Date
CEA Radowsky	Retired by rotation	14 November 2014
	Re-appointed	14 November 2014
PE Shub	Retired by rotation	14 November 2014
	Re-appointed	14 November 2014
	Re-categorised as a non-executive director	1 March 2015
ML Krawitz	Retired by rotation	14 November 2014
	Re-appointed	14 November 2014
M Segal	Appointed by the board	2 September 2014
	Retired	14 November 2014
	Re-appointed	14 November 2014
	Resigned	24 November 2014
HJ Borkum*	Appointed by the board	12 January 2015

PM Naylor and RV Orlin will retire at the annual general meeting in accordance with the Memorandum of Incorporation but, being eligible, offer themselves for re-election.

* HJ Borkum was appointed as a director of the company by the board of directors of the company in January 2015 in order to fill the vacancy arising from the resignation

of M Segal. HJ Borkum will retire as a director and, in accordance with the requirements of the Companies Act, the election by shareholders of Humphrey Borkum as a new director of the company will be proposed at the next annual general meeting of the company.

The emoluments of the executive and non-executive directors are set out in the annual financial statements and/or the human capital and remuneration report.

Directors' interest in shares

The interest of directors in the shares of the company at 30 June 2015, as recorded in the register was:

	30 June 2015	30 June 2014
Ordinary and "N" ordinary shares		
Held directly:		
PE Shub	1 105	1 105
DS Johnson	13 333	13 333
CEA Radowsky	263	263
The Zealot Trust**	77 933	77 933
	92 634	92 634
Held indirectly*:		
The Stewart and Pat Shub Family Trust	1 386 179	1 386 179
CEA Radowsky	261	261
PE Shub	36 075	36 075
	1 422 515	1 422 515

* The shares held indirectly by the Stewart and Pat Shub Family Trust ('the Trust'), CEA Radowsky and PE Shub represent the interest of such parties in this company by virtue of their investment in this company's holding company, African and Overseas Enterprises Limited. CEA Radowsky is also one of the beneficiaries of the Trust.

** The beneficiaries of the Zealot Trust include CEA Radowsky.

There has been no change in the directors' interest in shares between 30 June 2015 and the date of approval of the annual financial statements of the company.

Employee share incentive scheme

The Rex Trueform Share Trust ("the Share Trust") was created in 1997 and was issued with 500 000 "N" ordinary shares in the company to facilitate an employee share incentive scheme. Subsequent capitalisation share awards totalling 56 798 "N" ordinary shares were received and placed in reserve in the Share Trust.

The purpose of this scheme is to afford eligible full-time employees, including directors holding full-time salaried employment or office in the company or any of its subsidiaries or its holding company, the opportunity to acquire an interest in the share capital of the company.

Since inception of the Share Trust payment and delivery has been effected in respect of 497 636 "N" ordinary shares which were acquired by the Share Trust.

As at the beginning of the financial year under review, options in respect of 51 018 "N" ordinary shares held by the Share Trust had been granted to employees and exercised on a deferred delivery basis, and the Share Trust held 8 144 shares in reserve for future utilisation.

As at 30 June 2015 options have been exercised in respect of 51 018 "N" ordinary shares by directors of the company.

Full details of options granted and exercised are reflected in the notes to the annual financial statements.

Secretary

The company secretary's business and postal address is that of the company's registered office.

Events subsequent to the reporting date

No events material to the understanding of this integrated annual report, have occurred between the financial year-end and the date hereof.

AUDIT COMMITTEE REPORT

The audit committee ("the committee") is pleased to present its report to the shareholders of Rex Trueform Clothing Company Limited ("Rex Trueform" or "the company") for the financial year ended 30 June 2015.

Introduction

This report is issued in compliance with the requirements of the Companies Act and King III.

Audit committee mandate

The committee of Rex Trueform performs the audit committee functions for its subsidiary companies (collectively, "the group").

The committee is governed by formal terms of reference, delegated to it by the board of directors, which regulates the committee's functioning, processes and procedures.

Members of the audit committee and attendance at meetings

Refer to the corporate governance report for information about the member names, qualifications, period of service, and attendance at meetings during the 2015 financial year.

The committee meets at least twice annually. A formal agenda is prepared for each meeting, and comprehensive committee packs are provided containing information required in order to assist the committee in fulfilling its duties.

The external auditors, in their capacity as auditors to the company, attended and reported to all meetings of the committee. The group risk management and internal audit function is also represented. Executive directors and relevant senior management employed within the group attended meetings by invitation.

Role of the committee

Responsibilities include the following:

- oversee integrated reporting;
- ensure a combined assurance model is applied to provide a coordinated approach to all assurance activities;
- oversee the internal audit process;

- act as integral part of risk management process
- recommend the external auditor and oversee the external audit process; and
- comply with Companies Act regulations if not already addressed in the above responsibilities

Internal audit charter and the working relationship with the internal audit manager

A formal internal audit charter governs the internal auditing of the group. The committee has unlimited access to the internal audit manager employed within the group. The formal process of reporting to the committee is managed according to the internal audit charter.

Expertise and experience of financial director

As required by Paragraph 3.84(h) of the JSE Listings Requirements, as read with King III, the committee has considered the appropriateness of the expertise and experience of the financial director and the finance function.

In this regard, the committee is of the view that DS Johnson, the financial director, possesses the appropriate expertise and experience to fulfil his responsibilities in that position.

The committee furthermore considers that the expertise, resources and experience of the finance function are appropriate to the nature, complexity and size of the company operations.

External auditors appointment and independence

The committee confirmed the nomination of KPMG Inc. as the group's external auditor for the past year, and approved the terms of engagement and fees to be paid. KPMG was appointed as group external auditors in respect of the year under review and the designated partner is Mr I Jeewa.

The committee has nominated, for appointment at the annual general meeting, KPMG Inc. as the external auditor, the designated auditor being H du Plessis for the 2016 financial year.

Due consideration has been given to the independence of the external auditor and in this regard the committee is satisfied that KPMG Inc. is independent of the group and management, and is therefore able to express an independent opinion on the group's financial statements.

The external auditor is afforded unrestricted access to the group's records and to management. Any significant issues arising from the annual audit (if any) are brought to the committee's attention.

The nature and extent of any non-audit services which the external auditor provides to the company and Group have been agreed by the committee.

Financial statements, accounting practices, internal financial controls

Following the review by the committee of the annual financial statements for the year ended 30 June 2015, the committee is of the view that in all material respects they comply with the relevant provisions of the Companies Act and with International Financial Reporting Standards and fairly present the consolidated and separate financial

position at that date and the results of operations and cash flows for the year then ended.

The committee is of the opinion that internal financial controls are effective and accounting practices are appropriate which both form the basis for the preparation of reliable financial statements in respect of the year under review

Integrated annual report

The committee has also satisfied itself with the integrity of the remainder of the integrated annual report. Having achieved its objectives, the committee has recommended the annual financial statements and integrated annual report for the year ended 30 June 2015 for approval by the board. The board has subsequently approved the annual financial statements and integrated annual report, which will be open for discussion at the forthcoming annual general meeting.

On behalf of the committee



PM Naylor
Audit committee chairman

23 September 2015

ABRIDGED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2015

		GROUP	
		2015 R'000	2014 R'000
ASSETS			
Non-current assets		151 146	142 159
Property, plant and equipment		54 467	108 762
Investment property		72 539	5 440
Intangible assets		17 396	13 920
Other investments		576	524
Deferred tax asset		6 168	13 513
Current assets		174 235	151 717
Inventories		70 084	82 124
Amounts receivable from holding company		–	43
Trade and other receivables		20 978	13 110
Accrued operating lease asset		1 926	561
Forward exchange contracts		883	–
Income tax receivable		303	215
Cash and cash equivalents		80 061	55 664
Total assets		325 381	293 876
EQUITY AND LIABILITIES			
Capital and reserves		261 078	237 313
Share capital		1 777	1 777
Share premium		25 836	25 836
Treasury shares		(1 133)	(1 133)
Other reserves		1 051	1 081
Retained earnings		233 547	209 752
Non-current liabilities		20 916	15 110
Post-retirement liability		2 041	1 988
Accrued operating lease liability		17 084	12 833
Deferred tax liability		1 791	289
Current liabilities		43 387	41 453
Provisions		–	–
Trade and other payables		43 368	40 436
Forward exchange contracts		–	927
Income tax payable		19	90
Total equity and liabilities		325 381	293 876

ABRIDGED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2015

	GROUP	
	2015 R'000	2014 R'000
Revenue	536 626	501 207
Turnover	516 086	492 079
Cost of sales	(225 698)	(249 774)
Gross profit	290 388	242 305
Other income	17 029	5 585
Other operating costs	(277 483)	(265 192)
Operating profit/(loss)	29 934	(17 302)
Dividend income	18	16
Finance income	3 493	3 527
Finance costs	(163)	(201)
Profit/(loss) before tax	33 282	(13 960)
Income tax expense	(9 470)	3 929
Profit/(loss) for the period	23 812	(10 031)
Other comprehensive income		
Actuarial (loss)/gain on post-retirement defined benefit plan	(82)	93
Gain on available-for-sale instruments	52	–
Total comprehensive income for the year	23 782	(9 938)
Profit/(loss) attributable to:		
Ordinary and "N" ordinary shareholders	23 795	(10 048)
Preference shareholders	17	17
Profit/(loss) for the period	23 812	(10 031)
Total comprehensive income attributable to:		
Ordinary and "N" ordinary shareholders	23 765	(9 955)
Preference shareholders	17	17
Total comprehensive income for the period	23 782	(9 938)
Reconciliation of headline earnings/(loss)		
Profit/(loss) attributable to equity holders	23 795	(10 048)
Adjusted for:		
Profit from disposal of property, plant and equipment	(3 345)	(826)
Impairment loss on equipment and shopfittings	554	2 447
Headline earnings/(loss)	21 004	(8 427)
Basic earnings/(loss) per ordinary share (cents)	115.6	(48.8)
Diluted earnings/(loss) per ordinary share (cents)	115.5	(48.8)

ABRIDGED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2015

	Ordinary share capital R'000	Preference share capital R'000
GROUP		
Balance as at 30 June 2013	1 497	280
Total comprehensive income for the year		
Loss for the year	–	–
Other comprehensive income for the year		
Actuarial gain on post-retirement defined benefit plan	–	–
Total comprehensive income for the year	–	–
Contributions by and distributions to owners recognised directly in equity		
Preference dividends paid	–	–
Ordinary dividends paid	–	–
Share-based payment	–	–
Proceeds from delivery of employee share options	–	–
Total contributions by and distributions to owners recognised directly in equity	–	–
Balance as at 30 June 2014	1 497	280
Total comprehensive income for the year		
Profit for the year	–	–
Other comprehensive income for the year		
Actuarial loss on post-retirement defined benefit plan	–	–
Fair value adjustment of available-for-sale financial assets	–	–
Total comprehensive income for the year	–	–
Contributions by and distributions to owners recognised directly in equity		
Preference dividends paid	–	–
Total contributions by and distributions to owners recognised directly in equity	–	–
Balance as at 30 June 2015	1 497	280

Treasury shares R'000	Share premium R'000	Share-based payments reserve R'000	Other reserves R'000	Retained earnings R'000	Total R'000
(1 190)	25 836	560	420	232 350	259 753
–	–	–	–	(10 031)	(10 031)
–	–	–	93	–	93
–	–	–	93	(10 031)	(9 938)
–	–	–	–	(17)	(17)
–	–	–	–	(12 550)	(12 550)
–	–	8	–	–	8
57	–	–	–	–	57
57	–	8	–	(12 567)	(12 502)
(1 133)	25 836	568	513	209 752	237 313
–	–	–	–	23 812	23 812
–	–	–	(82)	–	(82)
–	–	–	52	–	52
–	–	–	(30)	23 812	23 782
–	–	–	–	(17)	(17)
–	–	–	–	(17)	(17)
(1 133)	25 836	568	483	233 547	261 078

ABRIDGED CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 June 2015

	GROUP	
	2015 R'000	2014 R'000
Operating profit before working capital changes	51 620	3 091
Working capital changes	4 855	9 137
Interest received	3 493	3 527
Interest paid	(163)	(201)
Dividends paid	(17)	(12 567)
Dividends received	18	16
Income tax paid	(782)	736
Net cash inflows from operating activities	59 024	3 739
Additions to property, plant, equipment and investment property	(37 070)	(42 704)
Additions to intangible assets	(3 823)	(5 170)
Proceeds from disposal of property, plant, equipment and investment property	6 266	60
Proceeds from disposal of trademark	–	1 000
Net cash outflows from investing activities	(34 627)	(46 814)
Proceeds from delivery of shares by share trust	–	57
Net cash inflows from financing activities	–	57
Net increase/(decrease) in cash and cash equivalents	24 397	(43 018)
Cash and cash equivalents at the beginning of the year	55 664	98 682
Cash and cash equivalents at the end of the year	80 061	55 664

SHAREHOLDERS' INFORMATION

Analysis of shareholders as at 30 June 2015

	Ordinary		"N" ordinary		Preference	
	Number of share-holders	% of share-holders	Number of share-holders	% of share-holders	Number of share-holders	% of share-holders
Public	134	97.2	238	95.6	27	87.2
Insurance companies, nominees and trusts	16	11.7	23	9.3	5	16.2
Individuals	103	74.7	196	78.7	21	67.8
Companies and close corporations	14	10.1	18	7.2	1	3.2
Mutual funds and pension funds	1	0.7	1	0.4	–	0.0
Non-public	4	2.8	11	4.4	4	12.8
African and Overseas Enterprise Limited	1	0.7	1	0.4	1	3.2
Brimstone Investment Corporation Limited	1	0.7	1	0.4	–	0.0
Rex Trueform Share Trust	–	0.0	1	0.4	–	0.0
Lion of Africa Insurance Company Limited	–	0.0	1	0.4	–	0.0
Ceejay Trust	1	0.7	2	0.8	–	0.0
L Wasserman	–	0.0	–	0.0	1	3.2
Old Sillery (Pty) Ltd	–	0.0	–	0.0	1	3.2
HAM Shotter	–	0.0	–	0.0	1	3.2
Directors	1	0.7	5	2.0	–	0.0
	138	100.0	249	100.0	31	100.0

	Number of shares	% of share capital	Number of shares	% of share capital	Number of shares	% of share capital
Public	298 790	10.3	2 629 969	14.8	59 982	42.8
Insurance companies, nominees and trusts	57 716	2.0	131 932	0.7	1 850	1.3
Individuals	116 219	4.0	605 943	3.4	55 132	39.4
Companies and close corporations	124 755	4.3	1 891 094	10.7	3 000	2.1
Mutual funds and pension funds	100	0.0	1 000	0.0	–	0.0
Non-public	2 607 015	89.7	15 105 537	85.2	80 018	57.2
African and Overseas Enterprise Limited	2 110 169	72.6	9 212 565	51.9	825	0.6
Ceejay Trust	254 463	8.8	3 095 343	17.5	–	0.0
Brimstone Investment Corporation Limited	241 962	8.3	1 537 254	8.7	–	0.0
Rex Trueform Share Trust	–	0.0	59 162	0.3	–	0.0
Lion of Africa Insurance Company Limited	–	0.0	1 109 000	6.3	–	0.0
L Wasserman	–	0.0	–	0.0	22 192	15.9
Old Sillery (Pty) Ltd	–	0.0	–	0.0	27 785	19.8
HAM Shotter	–	0.0	–	0.0	29 216	20.9
Directors	421	0.0	92 213	0.5	–	0.0
	2 905 805	100.0	17 735 506	100.0	140 000	100.0

Shareholders holding in excess of 4% of share capital at 30 June 2015

African and Overseas Enterprises Limited	2 110 169	72.6	9 212 565	51.9	825	0.6
Ceejay Trust	254 463	8.8	3 095 343	17.5	–	0.0
Brimstone Investment Corporation Limited	241 962	8.3	1 537 254	8.7	–	0.0
Transvaal Clothing Industries 1979 (Pty) Limited	96 443	3.3	1 300 687	7.3	–	0.0
Lion of Africa Insurance Company Limited	–	0.0	1 109 000	6.3	–	0.0
HAM Shotter	–	0.0	–	0.0	29 216	20.9
Old Sillery (Pty) Ltd	–	0.0	–	0.0	27 785	19.8
L Wasserman	–	0.0	–	0.0	22 192	15.9
L Lombard	–	0.0	–	0.0	13 870	9.9
JS Castle	–	0.0	–	0.0	9 199	6.6
MF Foster	–	0.0	–	0.0	8 700	6.1
A Bekker	–	0.0	–	0.0	5 825	4.2
	2 703 037	93.0	16 254 849	91.7	117 612	84.0

NOTICE OF ANNUAL GENERAL MEETING

Rex Trueform Clothing Company Limited
(Incorporated in the Republic of South Africa)
(Registration number 1937/009839/06)
JSE share codes: RTO – RTN – RTOP
ISIN: ZAE000006144 – ZAE000009700 – ZA000006151
("Rex Trueform" or "the company")

Notice is hereby given that the seventy-eighth annual general meeting of shareholders of Rex Trueform will be held in the boardroom, Rex Buildings, 263 Victoria Road, Salt River, Cape Town, on Tuesday, 17 November 2015 at 10:00 for the purpose of considering and adopting the annual financial statements and the director's report and the audit committee report contained in the integrated annual report; dealing with such business as may be transacted at an annual general meeting and specifically to consider, and if deemed fit, to pass with or without modification, the following ordinary and special resolutions. The record date for determining which shareholders are entitled (i) to receive notice of the annual general meeting is 25 September 2015 and (ii) to participate in and vote at the annual general meeting is 6 November 2015 in terms of section 62(3)(a) as read with section 59 of the Companies Act, (Act 71 of 2008) (the "Companies Act").

Ordinary resolution number 1

Approval of annual financial statements

"To consider and adopt the annual financial statements of the company and its subsidiaries, for the year ended 30 June 2015, together with the reports of the directors, audit committee and auditors contained therein and made available for inspection by shareholders with effect from 30 September 2015 at the registered office of the company and at the following web-address – www.rextrueform.com."

Ordinary resolution number 2

Approval of dividend

"To approve the declaration of a dividend of 61 cents per share for the year on the ordinary and "N" ordinary shares."

Ordinary resolution number 3

Re-election of directors

"To re-elect individually as directors of the company the following directors, who retire in terms of the company's Memorandum of Incorporation but who are eligible and offer themselves for re-election:

3.1 PN Naylor; and

3.2 RV Orlin."

The nomination committee of the company has considered and is satisfied with the continued independence and past performance of, and contribution made to the company by, PM Naylor and RV Orlin and has recommended that these directors be re-elected as directors of the company.

Abbreviated curricula vitae in respect of the above directors are provided in section 1 of Annexure A to this notice.

Ordinary resolution number 4

Election of HJ Borkum as a director

"To elect HJ Borkum as director of the company, who was appointed as a director of the company by the board of directors of the company in order to fill the vacancy arising from the resignation of M Segal and who retires but is eligible and offers himself for election."

The nomination committee of the company has considered and is satisfied with the continued independence and past performance of, and contribution made to the company by, HJ Borkum and has recommended that he be elected as a director of the company.

An abbreviated curriculum vitae in respect of HJ Borkum is provided in section 2 of Annexure A to this notice.

Ordinary resolution number 5

Election of audit committee members

"In accordance with section 94(2) of the Companies Act and on the recommendation of the board, to elect individually the following who are independent non-executive directors of the company, as members of the audit committee:

5.1 PM Naylor, subject to the passing of Resolution 3.1 above;

5.2 RV Orlin, subject to the passing of Resolution 3.2 above; and

5.3 HJ Borkum, subject to the passing of Resolution 4 above."

Abbreviated curricula vitae in respect of the above directors are provided in section 3 of Annexure A to this notice.

Ordinary resolution number 6

Election of social and ethics committee members

"On the recommendation of the board and as required in terms of the company's Memorandum of Incorporation, to elect individually the following who are directors of the company, as members of the social and ethics committee:

6.1 PM Naylor, subject to the passing of Resolution 3.1 above;

6.2 CEA Radowsky; and

6.3 DS Johnson."

Abbreviated curricula vitae in respect of the above directors are provided in section 4 of Annexure A to this notice.

Ordinary resolution number 7

Reappointment of auditors

"To Reappoint KPMG Inc. (and Mr H du Plessis as the designated partner) as the auditors of the company for the ensuing year."

The audit committee has nominated KPMG Inc. for appointment as auditors under section 90 of the Companies Act.

Ordinary resolution number 8

Non-binding advisory vote on remuneration policy

"That the shareholders endorse, by way of a non-binding advisory vote, the company's remuneration policy as detailed in the human capital and remuneration report set out on page 29 of the company's integrated annual report."

Ordinary resolution number 9

Signature of documents

"That any director of the company, or the company secretary of the company, be and is hereby authorised to do all such things and sign all such documents and take all such actions as they consider necessary to implement the resolutions set out in the notice convening the annual general meeting at which this ordinary resolution will be considered."

In order for the above ordinary resolutions to be adopted the support of more than 50% of the total number of votes exercised by shareholders, present in person or by proxy, is required.

Special resolution number 1

Financial assistance to related and inter-related parties

"To the extent required by the Companies Act, the board of directors of the company may, subject to compliance with the requirements of the company's Memorandum of Incorporation, the Companies Act and the Listings Requirements of the JSE Limited, authorise the company to provide direct or indirect financial assistance, as contemplated in section 45 of the Companies Act including by way of loans, guarantees, the provision of security or otherwise, to any of its present or future subsidiaries and/or any other company or corporation that is or becomes related or inter-related (as defined in the Companies Act) to the company for any purpose or in connection with any matter, such authority to endure for a period of not more than 2 years."

Reasons for and effect of special resolution number 1:

This authority is necessary to enable the company to provide financial assistance, in appropriate circumstances and if the need arises, in accordance with section 45 of the Companies Act. It is confirmed that the board of directors of the company may not authorise the provision of any financial assistance pursuant to this special resolution unless they are satisfied that the terms under which the financial assistance is proposed to be given are fair and reasonable to the company and that, immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test contemplated in the Companies Act. In the circumstances and in order to, inter alia, ensure that the company's subsidiaries and other related and inter-related companies and corporations have access to financing and/or financial backing from the company (as opposed to, inter alia, from banks), it is necessary to obtain the approval of shareholders, as set out in special resolution number 1. Therefore, the reason for, and effect of, special resolution number 1 is to permit the company to provide direct or indirect financial assistance (within the meaning attributed to that term in section 45 of the Companies Act) to the entities referred to in special resolution number 1 above.

Special resolution number 2

General authority to acquire shares

"To authorise the company and/or any subsidiary of the company by way of a general authority in accordance with the provisions of section 48(8)(a) of the Companies Act to acquire issued ordinary and/or "N" ordinary shares of the company ("the securities") upon such terms and conditions and in such numbers as the directors of the company may from time to time determine, but subject to the Memorandum of Incorporation of the company, the provisions of the Companies Act and the Listings Requirements of the JSE Limited ("JSE Listings Requirements"), where applicable, and provided that:

- a) the repurchase of securities will be effected through the main order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counterparty;
- b) this general authority shall only be valid until the company's next annual general meeting, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this special resolution;
- c) in determining the price at which the securities are acquired by the company in terms of this general authority, the maximum premium at which such securities may be acquired will be 10% (ten percent) of the weighted average of the market price at which such securities are traded on the JSE, as determined over the 5 (five) trading days immediately preceding the date of the acquisition of such securities by the company;
- d) the acquisitions of securities in any one financial year does not exceed 20% (twenty percent), or 10% (ten percent) where the acquisitions are effected by a subsidiary, in the aggregate of the company's combined issued share capital in the securities from the date of the grant of this general authority;
- e) the directors, after considering the effect of the maximum repurchase, are of the opinion that:
 - (i) the company and the group will be in a position to repay their debt in the ordinary course of business for a period of 12 (twelve) months from the company first acquiring securities under this general approval and subject to (f) below;
 - (ii) the consolidated assets of the company, being fairly valued in accordance with International Financial Reporting Standards, will be in excess of the consolidated liabilities of the company at the time of the company first acquiring securities under this general approval and subject to (f) below;
 - (iii) the ordinary capital and reserves of the company and the group will be adequate for a period of 12 (twelve) months from the company first acquiring securities under this general approval and subject to (f) below;
 - (iv) the available working capital will be adequate to continue the operations of the company and the group for a period of 12 (twelve) months from the company first acquiring securities under this general approval and subject to (f) below;

- f) the company or its subsidiaries will not repurchase securities during a prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements, unless there is a repurchase programme in place, the dates and quantities of securities to be repurchased during the prohibited period are fixed, and details thereof have been submitted to the JSE in writing prior to commencement of the prohibited period;
- g) where the company has cumulatively repurchased 3% (three percent) of the initial number of the relevant class of securities, an announcement will be made containing full details of the acquisition, and announcements shall likewise be made for each 3% (three percent) in aggregate of the initial number of that class acquired thereafter; and
- h) the company only appoints one agent to effect any repurchase(s) on its behalf."

Disclosures required in terms of section 11.26 of the JSE Listings Requirements

- a) The JSE Listings Requirements require the following disclosures, some of which are disclosed in the integrated annual report of which this notice forms part, as set out below:
 - major shareholders of the company – see page 59; and
 - share capital of the company – see pages 17 and 59.
- b) There have been no material changes in the affairs or financial position of the company and its subsidiaries since the date of signature of the audit report and the date of this notice.
- c) The directors whose names appear on pages 20 and 21 of the integrated annual report, of the company collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution number 2 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 this resolution contains all such information required by the Companies Act and the JSE Listings Requirements.

Reason for and effect of special resolution number 2

The reason and effect of special resolution number 2 is to authorise for the company and/or its subsidiaries by way of a general authority to acquire its own issued shares on such terms, conditions and for such amounts as may be determined from time to time by the directors of the company, subject to the limitations set out in special resolution number 2.

The directors of the company have no specific intention to effect the provisions of special resolution number 2 but will continually review the company's position, having regard to prevailing circumstances and market conditions, in considering whether to effect the provisions of special resolution number 2.

Special resolution number 3

Approval of non-executive directors' fees

"To approve the annual remuneration to be paid to the non-executive directors of the company for the period

of 1 July 2015 to 30 June 2017, details of which are as follows:

	R
Chairman of the board	649 158
Lead independent director	287 370
Director	269 052
Chairman of the audit committee	80 143
Member of the audit committee	61 252
Chairman of the retirement fund	91 592
Member of the risk committee	80 143
Chairman of the social and ethics committee	61 252
Member of the social and ethics committee	49 230"

Reason for and effect of special resolution number 3

In terms of section 66(8) of the Companies Act the company may, inter alia, remunerate its directors for their services as directors. Furthermore section 66(9) provides that such remuneration may only be paid by the company in accordance with a special resolution approved by shareholders within the previous two years.

The effect of this special resolution is that the non-executive directors will be entitled to receive the fees so approved on an annual basis for the period 1 July 2015 to 30 June 2017.

It is recorded that in terms of the company's remuneration policy, the remuneration of non-executive directors is reviewed on an annual basis.

In order for the above special resolutions to be adopted the support of at least 75% (seventy five percent) of the total number of votes exercised by shareholders, present in person or by proxy, is required to pass each resolution.

QUORUM

The quorum for:

- the annual general meeting to begin is sufficient persons present at the annual general meeting to exercise, in aggregate, at least 25% (twenty five percent) of all of the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the meeting; and
- a matter to begin to be considered at the annual general meeting is sufficient persons present at the annual general meeting to exercise, in aggregate, at least 25% (twenty five percent) of all of the voting rights that are entitled to be exercised on that matter at the time the matter is called on the agenda.

In addition, the annual general meeting may not begin, nor a matter begin to be considered, unless at least 3 (three) shareholders are present at the annual general meeting.

The date on which shareholders must be recorded as such in the register maintained by the transfer secretaries, Computershare Investor Services Proprietary Limited (Ground Floor, 70 Marshall Street, Johannesburg), for the purposes of being entitled to attend, participate in and vote at the annual general meeting is 6 November 2015.

VOTING AND PROXIES

All shareholders are encouraged to attend, speak and vote at the annual general meeting.

In terms of section 62(3)(e) of the Companies Act please note that:

- a shareholder who is entitled to attend and vote at the annual general meeting is entitled to appoint a proxy or two or more proxies to attend, participate in and vote at the annual general meeting in the place of the shareholder, by completing the form of proxy in accordance with the instructions set out therein; and
- a proxy need not be a shareholder of the company.

Kindly note that annual general meeting participants (including proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in the annual general meeting. In this regard, all participants in the annual general meeting (including proxies) will be required to provide identification satisfactory to the chairman of the annual general meeting. Forms of identification include valid identity documents, driver's licences and passports.

On a show of hands, every shareholder of the company present in person or represented by proxy shall have 1 (one) vote only. On a poll, every shareholder of the company present in person or represented by proxy shall have 200 (two hundred) votes for every ordinary share and 1 (one) vote for every "N" ordinary share held in the company by such shareholder.

A form of proxy is attached for the convenience of certificated and "own name" dematerialised shareholders holding shares in the company who cannot attend the annual general meeting but who wish to be represented thereat. Forms of proxy may also be obtained on request from the company's registered office. The completed forms of proxy must be deposited at, posted or faxed to the transfer secretaries at the address below, to be received by no later than 24 (twenty four) hours before the meeting, excluding Saturdays, Sundays and public holidays. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend and vote in person at the annual general meeting should the shareholder subsequently decide to do so.

Shareholders who have dematerialised their shares through a Central Securities Depository Participant ("CSDP") or broker, other than "own name" registered dematerialised shareholders, who wish to attend the annual general meeting, must request that their CSDP or broker issue them with a letter of representation.

Should shareholders who have dematerialised their shares wish to vote by proxy, they must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between the dematerialised shareholder and their CSDP or broker.

Dematerialised shareholders who have elected "own name" registration and who are unable to attend but wish to vote at the annual general meeting, should

complete and return the attached form of proxy and lodge it with the transfer secretaries of the company.

Electronic participation

Shareholders or their proxies may participate in the annual general meeting by way of telephone conference call. Shareholders or their proxies who wish to participate in the annual general meeting via the teleconference facility will be required to advise the company thereof by no later than 17:00 on 9 November 2015 by submitting, by email to the company secretary at legal@rextrueform.com, or by fax to be faxed to +27 21 460 9575, for the attention of the company secretary, relevant contact details including email address, cellular number and landline, as well as full details of the shareholder's title to the shares issued by the company and proof of identity, in the form of copies of identity documents and share certificates (in the case of certificated shareholders), and (in the case of dematerialised shareholders) written confirmation from the shareholder's CSDP confirming the shareholder's title to the dematerialised shares. Upon receipt of the required information, the shareholder concerned will be provided with a secure code and instructions to access the electronic communication during the general meeting. Any such access will be at the expense of the shareholder or proxy.

Shareholders who wish to participate in the annual general meeting by way of telephone conference call must note that they will not be able to vote during the annual general meeting. Such shareholders, should they wish to have their vote counted at the general meeting, must, to the extent applicable, (i) complete the form of proxy; or (ii) contact their CSDP or broker, in both instances, as set out above.

By order of the board.



AT Snitcher
Company Secretary

23 September 2015

Registered Office

Rex Buildings, 263 Victoria Road
Salt River, Cape Town, 7925
PO Box 1856, Cape Town, 8000
Fax: 021 460 9575

Transfer secretaries

Computershare Investor Services Proprietary Limited
Ground Floor, 70 Marshall Street
Johannesburg, 2001
PO Box 61051, Marshalltown, 2107
Fax: 011 688 5248

ANNEXURE A

1. Abridged curricula vitae of directors standing for re-election:

- 1.1 **PM Naylor (69) BSc (Eng)**

Patrick Naylor has served as an independent non-executive director of the company since 2003.

He is an experienced company director and trustee having served on the boards of numerous companies and trusts outside of this group.

He is a practicing partner in a firm of consulting civil engineers.

Patrick is chairman of the company's audit, social and ethics and remuneration committees and a member of the company's nomination committee.

He also serves as an independent non-executive director on the boards of the company's holding company, African and Overseas Enterprises Limited, and the group's main operating subsidiary, Queenspark Proprietary Limited, and on the board of Queenspark Distribution Centre Proprietary Limited.

- 1.2 **RV Orlin (73) BA (Econ) Wits**

Romain Orlin has served as an independent non-executive director of the company since March 2009.

He is an experienced company director and has been involved in the retail clothing industry in an executive capacity for many years.

Romain is a member of the audit, remuneration and nomination committees of the company.

He also serves as an independent non-executive director on the boards of the company's holding company, African and Overseas Enterprises Limited, and the group's main operating subsidiary, Queenspark Proprietary Limited, and on the board of Queenspark Distribution Centre Proprietary Limited.

2. Abridged curriculum vitae of **HJ Borkum (70)**, who is standing for election as a director of the company:

Humphrey Borkum is an experienced company director and is the immediate past chairman of the JSE Limited, of which he was the chairman and a non-executive director for over twelve years, and the past executive chairman of Merrill Lynch South Africa Proprietary Limited. Humphrey is also a director of a number of small, unlisted, family companies.

Humphrey was appointed to the board by the directors of the company in January 2015 order to fill the vacancy arising from the resignation of

Malcolm Segal, with Humphrey becoming an independent non-executive director of the company. Humphrey was thereafter appointed by the board of directors of the company to the audit committee of the company in order to fill the vacancy also arising from the resignation of Malcolm Segal and to the risk committee of the company.

3. Abridged curricula vitae of directors proposed for election to the audit committee:

- 3.1 **PM Naylor (69) BSc (Eng)**

Please note the abridged curriculum vitae contained in section 1.1 above in this regard.

- 3.2 **RV Orlin (73) BA (Econ) Wits**

Please note the abridged curriculum vitae contained in section 1.2 above in this regard.

- 3.3 **HJ Borkum (70)**

Please note the abridged curriculum vitae contained in section 2 above in this regard.

4. Abridged curricula vitae of directors proposed for election to the social and ethics committee.

- 4.1 **PM Naylor (69) BSc (Eng)**

Please note the abridged curriculum vitae contained in section 1.1 above in this regard.

- 4.2 **CEA Radowsky (48) BA**

Catherine Radowsky joined the group in January 1991. She was appointed as executive director of the company in March 1999 and as chief executive officer in August 2003.

She has an in-depth knowledge of all aspects of the company's operations and particularly the group's retail business.

Catherine also serves on the boards of the company's holding company, African and Overseas Enterprises Limited, and the group's main operating subsidiary, Queenspark Proprietary Limited, and on the board of Queenspark Distribution Centre Proprietary Limited.

- 4.3 **DS Johnson (47) BCompt (Hons), CA (SA)**

Damian Johnson joined the group in 2004 and was appointed as the financial director of the company in 2009.

Damian is a member of the risk committee and the social and ethics committee. He also serves as financial director on the board of the company's holding company, African and Overseas Enterprises Limited, and on the boards of Queenspark Proprietary Limited and Queenspark Distribution Centre Proprietary Limited.

FORM OF PROXY



REX TRUEFORM CLOTHING COMPANY LIMITED

(Incorporated in the Republic of South Africa) (Registration number 1937/009839/06)

JSE share codes: RTO – RTN – RTO

ISIN: ZAE000006144 – ZAE000009700 – ZAE000006151

("Rex Trueform" or "the company")

For use only by ordinary and 'N' ordinary certificated shareholders or dematerialised shareholders with "own name" registration, at the seventy-eighth annual general meeting of the company to be held in the boardroom, Rex Buildings, 263 Victoria Road, Salt River, Cape Town, on 17 November 2015 commencing at 10:00.

I/We (full name/s in block letters) _____

of (address) _____

being a shareholder/shareholders of Rex Trueform and holding _____ ordinary shares in the company,

and/or _____ 'N' ordinary shares in the company, do hereby appoint:

1. _____ of _____ or failing him/her

2. _____ of _____ or failing him/her

3. the chairman of the company or, failing him or her, the chairman of the annual general meeting,

as my/our proxy to participate in, speak for me/us and on my/our behalf and to vote, at the annual general meeting which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at any adjournment thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of the Rex Trueform ordinary shares and/ or 'N' ordinary shares registered in my/our name(s), in accordance with the following instructions:

	Ordinary shares*			'N' ordinary shares*		
	For	Against	Abstain	For	Against	Abstain
Ordinary resolutions						
1. Approval of annual financial statements						
2. Approval of dividend						
3. Re-election of directors						
3.1 PM Naylor						
3.2 RV Orlin						
4. Election of HJ Borkum as a director						
5. Election of audit committee members						
5.1 PM Naylor						
5.2 RV Orlin						
5.3 HJ Borkum						
6. Election of social and ethics committee members						
6.1 PM Naylor						
6.2 CEA Radowsky						
6.3 DS Johnson						
7. Re-appointment of auditors						
8. Non-binding advisory vote on remuneration policy						
9. Signature of documents						
Special resolutions						
1. Financial assistance to related and interrelated parties						
2. General authority to acquire shares						
3. Approval of non-executive directors' fees						

* Please indicate with an "X", or the number of shares applicable, in the appropriate spaces above how you wish your votes to be cast.

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

Signed at (place) _____ on (date) _____ 2015

Shareholder's signature _____

Please read the notes on the reverse side hereof

NOTES TO THE FORM OF PROXY

1. This form of proxy must only be used by certificated ordinary and 'N' ordinary shareholders or dematerialised ordinary and 'N' ordinary shareholders who hold dematerialised ordinary or 'N' ordinary shares with "own name" registration.
2. Dematerialised shareholders holding ordinary or 'N' ordinary shares other than with "own name" registration must:
 - 2.1. inform their Central Securities Depository Participant ("CSDP") or broker of their intention to attend the annual general meeting and request that their CSDP or broker issue them with the necessary letter of representation to attend the annual general meeting in person and vote; or
 - 2.2. provide their CSDP or broker with their voting instructions, should they not wish to attend the annual general meeting in person, but wish to be represented thereat.

These shareholders must not use this form of proxy.

3. Each shareholder is entitled to appoint one or more proxies (who need not be a shareholder(s) of the company) to attend, participate and, on a poll, vote in place of that shareholder at the annual general meeting.
4. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting "the chairman of the company or, failing him or her, the chairman of the annual general meeting". The person whose name stands first on the form of proxy and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
5. A shareholder's voting instructions to the proxy must be indicated by the insertion of an "X" or, alternatively, the number of shares such shareholder wishes to vote, in the appropriate spaces provided overleaf. Failure to comply with the above will be deemed to authorise the chairman of the company or, failing him or her, the chairman of the annual general meeting, if the chairman is the authorised proxy, to vote in favour of the resolutions at the annual general meeting, or any other proxy to vote or to abstain from voting at the annual general meeting, as he/she deems fit, in respect of all the shareholder's votes exercisable thereat.
6. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the company's transfer office or waived by the chairman of the annual general meeting.
7. The chairman of the annual general meeting may reject or accept any form of proxy which is completed and/or received other than in accordance with these instructions, provided that he is satisfied as to the manner in which a shareholder wishes to vote.
8. Any alterations or corrections to this form of proxy must be initialled by the signatory(ies).
9. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the annual general meeting and participating and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
10. A minor must be assisted by his/her parent/guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the company.
11. Where there are joint holders of any shares:
 - 11.1. any one holder may sign this form of proxy;
 - 11.2. the vote(s) of the senior shareholders (for that purpose seniority will be determined by the order in which the names of the shareholders appear in the company's register of shareholders) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint shareholder(s).

Forms of proxy must be lodged with the transfer secretaries at the address given below not later than 24 hours before the meeting, excluding Saturdays, Sundays and public holidays.

Registered office:

Rex Buildings, 263 Victoria Road,
Salt River, Cape Town, 7925
PO Box 1856, Cape Town, 8000
Fax No. 021 460 9575

Transfer secretaries:

Computershare Investor Services Proprietary Limited
Ground Floor, 70 Marshall Street, Johannesburg, 2001
PO Box 61051, Marshalltown, 2107
Fax: 011 688 5248

SHAREHOLDERS' CALENDAR

Financial year-end	30 June
Preliminary announcement 2015	7 September 2015
Integrated annual report 2015	30 September 2015
Annual general meeting	17 November 2015
Interim report (December 2015)	March 2016
Dividends	
Ordinary and "N" ordinary shares	
Declaration date (on or before)	Friday, 20 November 2015
Last day to trade cum dividend	Friday, 4 December 2015
Trade ex-dividend	Monday, 7 December 2015
Record date	Friday, 11 December 2015
Payment date	Monday, 14 December 2015
6% Cumulative preference shares	
Declared	Half-year to December 2015 – December 2015 Half-year to June 2016 – June 2016
Payable	Half-year to December 2015 – January 2016 Half-year to June 2016 – July 2016

ADMINISTRATION

Registered office

Rex Buildings
263 Victoria Road, Salt River, Cape Town, 7925
PO Box 1856, Cape Town, 8000
Tel: 021 460 9400
Fax: 021 460 9575

Company secretary

AT Snitcher (LLB)
Rex Buildings
263 Victoria Road, Salt River, Cape Town, 7925
PO Box 1856, Cape Town, 8000

Transfer secretaries

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

Tel: 011 370 5000
Fax: 011 688 5248

Sponsors

Java Capital Trustees and Sponsors Proprietary Limited
2nd Floor 6A, Sandown Valley Crescent, Sandton
Johannesburg, 2031
PO Box 2087, Parklands, 2121

Auditors

KPMG Inc.
MSC House,
1 Mediterranean Street, Foreshore, Cape Town, 8001

Principal banker

The Standard Bank of South Africa Limited

Attorneys

Michael Krawitz & Co.
25 Bompas Road, Dunkeld West, 2196

Website addresses

<http://www.rextrueform.com>
<http://www.queenspark.com>



