

ROOTED IN AGRICULTURE

Senwes

YEAR-END RESULTS APRIL 2020

FINANCIAL HIGHLIGHTS

Turnover

R4 803 million

2019: R2 687



78,7%

Net asset value

R15,1 per share

2019: R14,0



7,2%

Earning before interest, tax, depreciation and amortisation (EBITDA)

R627 million

2019: R533



17,6%

Total shareholder's return

5,5%

2019: 5,5%



0,0%

Profit attributable to equity holders of the parent company

R303 million

2019: R281



7,8%

Earnings per share

178,3 c/share

2019: 169,1



5,4%

Cash from operating activities

R545 million

2019: R575



5,2%



DIVIDEND DECLARATION

FINAL DIVIDEND PER SHARE: 30 cents

[2019: 30 cents]

Record date:
27 August 2020

Payment date:
3 September 2020

Dividend withholding tax will be applicable.

For Senwes share trading, visit www.zarx.co.za

ANNOUNCEMENTS

The Senwes Group successfully obtained a share of 57,7% in KLK Landbou Limited during the year. We will continue to harvest and exploit synergies and invest further in its core business units and create opportunities for the support platform and business enablers of its current portfolio.

Senwes continued to de-risk and grow our equipment portfolio by the addition of Falcon Agricultural Equipment during the year, to compliment the current Senwes Equipment footprint. The remaining 50% share of Grainovation was acquired during the year to exploit the full benefit and integration of the Market Access Channel.

OVERVIEW AND PROSPECTS

The agri-sector has seen a decrease in the prices of all commodities. Senwes has delivered a good performance in a very challenging year, with significantly lower summer grain planting levels as a result of the late rain. Due to the late planting, the quality of maize was not nearly as good as the long-term average quality of maize.

Over the past 12 to 18 months, the consolidation and restructuring of the agri-services industry were initiated. It impacted all role-players and presented opportunities to those who were prepared and had the strategic insight, relationships and balance sheet capacity to react to it. The Senwes Group believes that clarity on strategy, the ability to execute and manage our balance sheet capacity, will be the differentiators between role-players. We believe that our sector is at an important moment of change.

BUSINESS SEGMENTS

FINANCIAL SERVICES

OPERATING PROFIT BEFORE TAX, AFTER FINANCE COSTS

19,6% ▲

2020 R201m

2019 R168m

25 business units

The financial services segment continues to perform well, despite the challenges of lower commodity prices, client cash flow pressure compared to the previous year, and the lack of clarity on land ownership policies implemented by the government.

INPUT SUPPLY

OPERATING PROFIT BEFORE TAX, AFTER FINANCE COSTS

393,3% ▲

2020 R148m

2019 R30m

172 business units

The input supply segment perform better year on year, but the primary producer remains under financial pressure and consequently his capital expenditure is limited, which directly affected our equipment business.

MARKET ACCESS

OPERATING PROFIT BEFORE TAX, AFTER FINANCE COSTS

37,9% ▼

2020 R186m

2019 R300m

93 business units

The results are driven by volume and the lower result than the previous year concurs with the lower volumes in this segment, reflected throughout the grain value chain and had a negative impact on all concerned.



<http://senwes.co/results20>

Senwes Ltd (Registration number: 1997/005336/06)

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