

# **Interim Results** October 2023

Charting Tomorrow

### **Financial highlights**

#### Return on Turnover opening equity 2022: R6 692 million 2022: 11,8% **R7 902** million 12,8% Profit from normal Net asset value operating activi-2022: R20,58 per share ties (before corporate items) R25,54 2022: R665 million per share **R828 ↑** 24,5% million Profit after tax attributable to equity holders of the Normalised parent company headline earnings 2022: R392 million per share 2022: 249,4 cents per share **R525** million 301,6 **^** 20,9% cents per share

### **Dividend declaration**

	Senwes	Agribel Holding
Interim dividend per share:*	<b>50 cents</b> [2022: 36 cents]	<b>37 cents</b> [2022: 26 cents]
Record date:	13 Dec 2023	13 Dec 2023
Payment date:	18 Dec 2023	19 Dec 2023

\*Dividend withholding tax will be applicable.

For trading in Senwes and Agribel shares, visit www.senwes.com

#### **Overview**

The group delivered a satisfying interim result for the period ended 31 October 2023. The group was able to take advantage of favourable agricultural conditions in combination with the implementation of efficiency programmes, and minimised the impact of macro-economic challenges like higher interest rates and higher inflation.

#### **Prospects**

It is expected that the group will deliver satisfactory year-end results but anticipates below-average rainfall and higher temperatures due to the posing El Niño phenomenon taking effect in the next six months. This

might result in clients reducing operational expenditure and investment in agricultural machinery. Management will remain focused on reducing costs, implementing efficiency programmes, and allocating capital effectively.

#### Announcements

The acquisition of the fourth John Deere dealership in Eastern Germany entailed S&L Connect to acquire various assets from Porst Landtechnik GmbH to operate as a going concern, effective from 1 August 2023. Senwes onboarded two additional third-party credit books on 1 July 2023 to provide credit life insurance.

#### **Business segments Financial services**

#### Operating prof 22,5% after finance c

Improved results were realised within the financial services channel. The credit cluster experienced lower hectares financed due to the improved cash flow positions of most clients. Higher input costs had partially offset this effect. The capital allocation strategy contributed to

#### Input supply

#### 8.7% after finance costs

Market conditions remain favourable. which resulted in continued high sale volumes of new whole goods. The construction and forestry department achieved increased sales, but with lower margins. JDI delivered exceptional sales in the Swellendam, Bredasdorp and Cradock areas, with an increase in market share. S&L

#### Market access

Operating profit b 59,2% after finance costs

Contrary to the previous y significant volume of oilse received before April 202 season was more normalis therefore lower receipts c were recorded in the six n under review. However, th countered by an increase

#### Processing, conditioning and markets



This channel benefited results from Bastion, th sale of the Senwes See ty realising in the current larger volume of soil sa by NviroTek. Carpe Die reported a reduced pr

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Directors: JDM Minnaar (Chairman), SF Booysen (Vice-Chairman), F Strydom (Chief Executive Officer)\*, CR Klingenberg (Chief Financial Officer)\*, VJ Klein, NDP Liebenberg, GL Malherbe, JJ Minnaar, JPN Stander, WH van Zyl, JJ Viljoen and AG Waller. Company Secretary: EM Joynt\*. \*Executive

fit	before tax,
os	ts

## Operating profit before tax,

#### R98 m R80 m 2022 a lower average credit book, but

ensured higher returns on capital employed. The insurance cluster's improved results can be attributed to fees earned on the growth of the credit life insurance in the Senwes cell captive.

2023	R273 m			
2022	R299 m			
Connect's financial performance was				
negatively affected due to unstable				
economic conditions. The whole-				
sale cluster realised better results				
than the previous year, due to market				
share gain by Protek. Retail cluster performance was lower than the pre-				
vious year, due to negative consumer				
sentin				

year a intake, positively impacting har income. Storage income is hig	355 m
,	
23, thisdue to earlier receipts, highersed andrage stock levels and the mix ofof oilseedscommodities received. Incomemonthsthe sale of grain has increasedtis wasto a larger quantity of grain sole	gher ave- of he from d due

ofit before tax,	2023	R102 m
costs	2022	R63 m
d from improved ne profit from the ed proper- ent year and a amples received em Raisins rofit, caused by	an increase in expecte and lower raisin sale vo Dorper's performance better with an improve margin per skin receive negatively affected by skins sold.	olumes. SA e was slightly ed average ed although



http://senwes.co/Sfin23