PROGRESS

WITH

PURPOSE

Annual Financial

Statements 2024

Senwes

Contents

Statement of Responsibility by the Board of Directors

The directors are responsible for the preparation, integrity and reasonableness of the presentation of the separate and consolidated financial statements ("annual financial statements") of the company and its subsidiaries, associates and joint ventures. The annual financial statements set out on pages 2 to 93 have been prepared in accordance with IFRS Accounting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), its interpretations issued by the IFRS Interpretations Committee (IFRIC), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and the Companies Act of South Africa.

The directors are also responsible for the financial control and risk management of the company and its subsidiaries, which are reviewed regularly. These controls are designed to provide reasonable but not absolute assurance with regards to the reliability of the annual financial statements, to provide adequate safeguarding and maintenance of assets and to prevent and identify misrepresentations and losses. No material deficiency in the functioning of these controls, procedures and systems came to the attention of the board during the year under review.

The annual financial statements were prepared on a going concern basis. The directors have no reason to believe that the group or company will not be a going concern in the foreseeable future, based on results, operational trends, market environment, estimates and forecasts, risks, capital structure and available cash and financial resources.

The annual financial statements were audited by the independent auditor, PricewaterhouseCoopers Inc. The independent auditor had unrestricted access to all financial records, including all minutes of the board, board committees and management and shareholder meetings. The board believes that all representations made to the independent auditor during the audit were valid and proper.

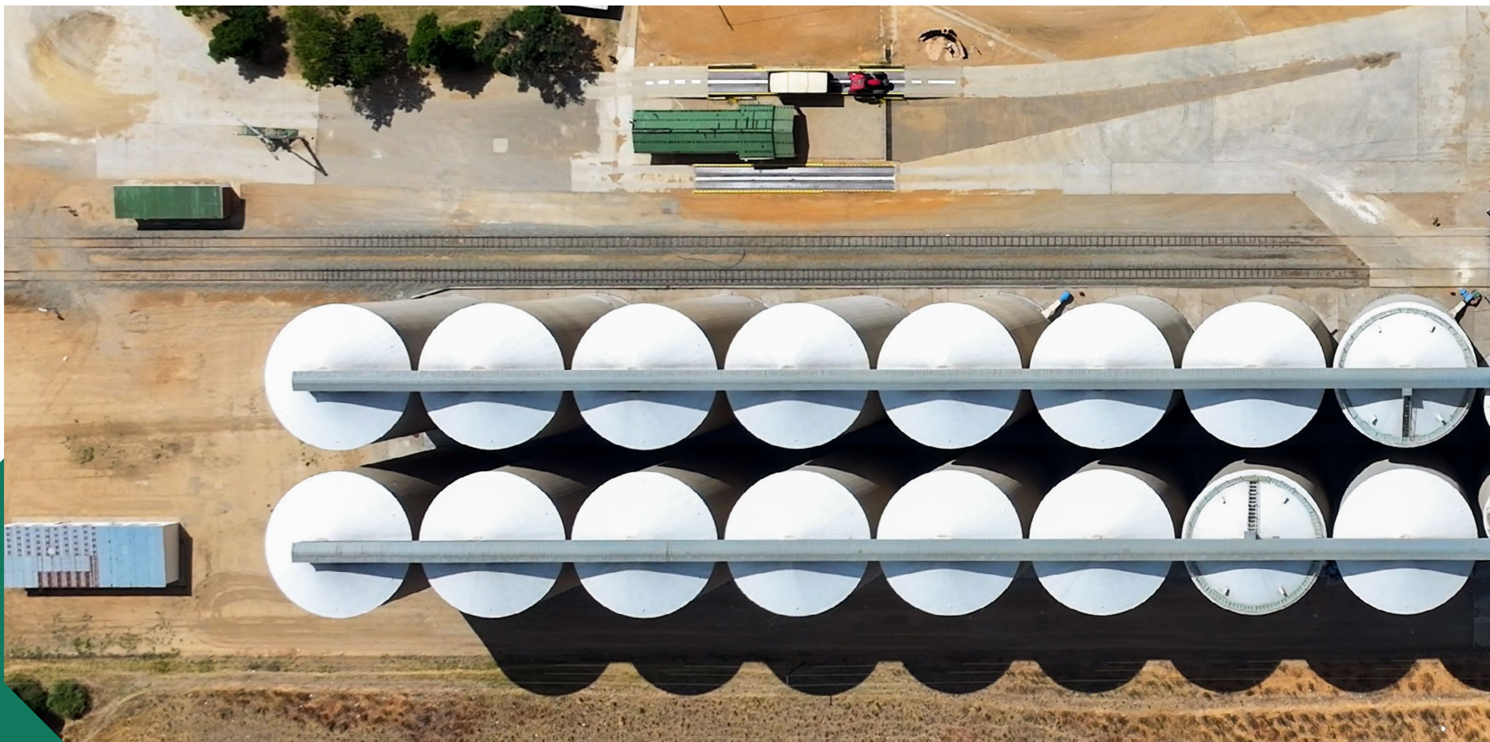
The annual financial statements for the year ended 30 April 2024, set out on pages 2 to 93, were approved and authorised by the board.

JDM Minnaar
Chairman
Klerksdorp
5 July 2024

F Strydom
Group Chief Executive Officer

CR Klingenberg
Group Chief Financial Officer

Publish date: 17 July 2024



Notice in terms of section 29 of the Companies Act, No 71 of 2008 (as amended) ("the Act")

These annual financial statements have been audited in accordance with the Act and have been prepared under the supervision of CR Klingenberg, CA(SA), Group Chief Financial Officer.

CR Klingenberg
Group Chief Financial Officer
Klerksdorp
5 July 2024

Certification by the Company Secretary

In accordance with section 88 of the Companies Act, where applicable, it is hereby certified that the company and its subsidiaries have lodged all such returns for the year ended 30 April 2024 as required of a public company in terms of the aforesaid Act, with the Registrar of Companies and Intellectual Property Commission (CIPC) and that such returns are true, correct and up to date.

EM Joynt
Company Secretary
Klerksdorp
5 July 2024

Report of the Senwes Audit Committee

We are pleased to present our report for the financial year ended 30 April 2024 in accordance with section 94(7)(f) of the Companies Act.

The manner in which the Audit Committee carried out its duties is referred to in the corporate governance report in respect of roles and responsibilities and mandate.

The committee consists of four non-executive directors, three of whom are independent, and meets at least three times per annum, as per the committee mandate and terms of reference.

Name of member	Meeting attendance	Changes	Independent
SF Booysen - B.Compt (Hons), D.Com, CA (SA)	5/5	None	✔
JJ Minnaar - B.Eng Agriculture (UP)	5/5	None	✕
JPN Stander - B.Agric Admin (Hons) (Agricultural Economics)	5/5	None	✔
AG Waller - B.Com (Hons), CA (SA)	5/5	None	✔

External auditor

The committee is satisfied that the external auditor, PricewaterhouseCoopers Inc. ("PwC"), is independent from the group, as determined in terms of the Companies Act, which includes consideration of compliance with criteria relating to independence or conflicts of interest as prescribed by the Independent Regulatory Board of Auditors.

The committee, in consultation with executive management, agreed to the engagement letter, terms, audit plan and budgeted audit fees for the 2024 financial year.

A formal written policy and procedures (incorporating an authority matrix) governs the process whereby the external auditor is considered for non-audit services. The committee approved the terms of the written policy for the provision of non-audit services by the external auditor and approved the nature and extent of non-audit services that the external auditor may provide.

Auditor rotation

During the previous period, the committee participated in the process to identify and appoint a new external auditor (pursuant to IRBA's mandatory audit firm rotation) culminating in its nominating for approval by the board the appointment of PwC as the group's external auditor with effect from the 2024 financial period.

The committee satisfied itself through enquiry that both PwC and the audit partner are independent as defined by the Companies Act and as per the standards stipulated in the audit profession.

Internal financial controls

The committee is of the opinion that the Senwes Group's system of internal financial controls is effective and forms a basis for the preparation of reliable financial statements. This opinion is based on:

* the results of the formal documented review of the design, implementation and effectiveness of the Senwes Group's system of internal financial controls conducted by the internal audit function during the 2024 financial year;
* the information and explanations given by management; and
* the discussions held with the external auditor on the results of its audit.

Financial statements (including accounting practices)

The committee reviewed the financial statements of the company and the Senwes Group and is satisfied that the results for the year ended 30 April 2024 have been prepared in accordance with the IFRS Accounting Standards and the requirements of the Companies Act of South Africa.

Financial function and Chief Financial Officer review

The committee is satisfied that the Chief Financial Officer of Senwes has appropriate expertise and experience.

The committee has considered and is satisfied with the appropriateness of the expertise and adequacy of resources of the Senwes Group's financial function and experience of the senior members of management responsible for the financial function.

Mandate delegated by the board

The committee fulfils an oversight role regarding the company's integrated annual report and the reporting process, including the system of internal financial control. It is responsible for ensuring that the company and the Senwes Group's internal audit function is independent and has the necessary resources, standing and authority within the organisation to enable it to effectively perform its duties. Furthermore, the committee oversees co-operation between the internal and external auditor and serves as a link between the board of directors and these functions. During the year under review, the committee and the chairman met with the external auditor and with the head of internal audit separately.

The committee is satisfied that it has complied with its statutory, governance and other responsibilities.

Internal Audit

The committee is responsible for overseeing Internal Audit, in particular in respect of:
* Satisfying itself of the competence of the internal auditors and adequacy of internal audit staffing;
* Approving the internal audit plan as well as the internal audit charter;
* Ensuring that the internal audit function is subject to a periodic independent quality review; and
* Reviewing the functioning of the internal audit programme and department to ensure co-ordination between the internal and external auditor.

The head of Internal Audit has direct access to the Audit Committee, primarily through its chairman.

Sustainability reporting

The committee considered the company's sustainability information as disclosed in the integrated annual report and assessed its consistency with operational and other information known to committee members, and for consistency with the annual financial statements. A report from the Risk Committee regarding the top 10 risks was presented to the Audit Committee for consideration.

The Audit Committee further discussed the sustainability information with management and is satisfied that the information is reliable and consistent with the financial results.

Recommendation of the annual financial statements for approval by the board

The committee recommended the annual financial statements to the board of directors for approval on 5 July 2024.

SF Booysen
Chairman: Audit Committee
Klerksdorp
5 July 2024

Independent auditor's report

To the Shareholders of Senwes Limited

Report on the audit of the consolidated and separate financial statements

Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Senwes Limited (the Company) and its subsidiaries (together the Group) as at 30 April 2024, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa*.*

What we have audited

Senwes Limited's consolidated and separate financial statements set out on pages 15 to 93 comprise:

- the consolidated and separate statements of financial position as at 30 April 2024;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended;and
- the notes to the financial statements, including material accounting policy information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated and separate financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We communicate the key audit matters that relate to the audit of the consolidated and separate financial statements of the current period in the table below.

PricewaterhouseCoopers Inc., 4 Lisbon Lane, Waterfall City, Jukskei View, 2090
Private Bag X36, Sunninghill, 2157, South Africa
T: +27 (0) 11 797 4000, F: +27 (0) 11 209 5800, www.pwc.co.za

Chief Executive Officer: L S Machaba
The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of directors' names is available for inspection.
Reg. no. 1998/012055/21, VAT reg.no. 4950174682.

Key audit matter	How our audit addressed the key audit matter
Provision for expected losses against term loans and production accounts (Consolidated and separate financial statements) As included in the balances in Note 9 and 11 to the financial statements, the term loans and production accounts amounted to R3.7bn (2023: R4.5bn) for the group and R44m (2023: R44m) for the company. The Group has recorded a R89m (2023: R95m) allowance for expected credit losses against term loans and production accounts, whereas the company has recorded an allowance of R23m (2023: R22m). The determination as to whether mortgage loans and production accounts are collectable, involves management determinable inputs, the most significant of which include: 1. Crop estimates and yields specific to the customers' region and commodity; 2. The number of hectares planted; 3. The expected realisation price, which is the SAFEX price adjusted by transport differentials that is determined by customer region and commodity; 4. The input costs which comprise seed, diesel and fertiliser which are specific to the customers' region and commodity and are determined by management's internal specialists and; 5. The estimation of the quality and expected realisation of securities held for the customers that have been handed over to legal. 6. The estimation of future expected losses which is based on historical trends (for term loans, actual data for the past 10 years is used to make the estimate and for production accounts, a loss factor was estimated relating to the 2024/25 production accounts already granted and taken up by customers). Management uses this information to determine a probability of default of the portfolio (PD) and a loss given default	Through discussion held with management, we obtained an understanding of the control environment, accounting policies and notes applied in the preparation of the financial statements. We further evaluated the methodology used by management, which forms the basis of their impairment losses and expected credit loss (ECL) model, against the requirements of IFRS 9 - Financial Instruments (IFRS 9). This was considered to be appropriate. In assessing the write-off performed prior to the ECL assessment, we performed the following procedures: ● We compared the outstanding balances of the debtors per the debtor's listing to the value of their securities held by the Group to assess whether management identified all the debtors with exposure in their calculation. No material differences were noted; ● We compared a sample of debtors balances to their respective credit limits per the Group's financial accounting system, as well as to their respective debtors' credit application forms, to evaluate whether credit limits were exceeded on the respective accounts. No material exceptions were identified in this regard; ● We compared the crop estimates and yields for the specific regions and commodities used by management to the information released by the National Crop Estimation Committee.We identified no matters requiring further consideration in this regard; ● We inspected a sample of underlying documentation (such as crop estimates, title deeds, shares held, notarial bonds, etc) to assess whether the securities held per customer were indeed legally enforceable securities held by the group. No exceptions were identified; ● We tested the reasonability of the value of the securities held (such as crop estimates, title deeds, shares held, notarial bonds, etc) on a sample basis by comparing these to external sources. No material differences were noted; and ● We tested the accuracy of the individual debtors' write-offs on a sample basis by

Key audit matter	How our audit addressed the key audit matter
(LGD), both of which have a significant impact on the determination of the allowance for expected credit losses recognised against the term and production loans and receivable amounts. As crops are close to harvest at year end, reliable estimations can be made based on estimated Safex prices and yields to determine the ability of customers to honour their debt. Although term loans and production accounts are regarded as separate asset groups on the basis of their different risk exposures, these assets are treated as one group in the assessment of credit risk for a particular customer. The risk that a particular customer will not be able to meet its obligations when they fall due will therefore affect the recoverability of all of the customer's accounts and outstanding balances. The respective risk of default for trade receivables from agricultural customers, lease receivables and term loans to agricultural customers are therefore determined on a customer-by-customer basis, regardless of which asset grouping they belong to. Once the customers have been allocated to a specific risk rating group, the ECL is then determined per asset group. The matter was considered to be of most significance in the current year audit of the consolidated and separate financial statements due to the level of judgement applied by management in determining the loss allowances, which are based on assumptions of the risk of default and expected loss rates. Management used judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's history, existing market conditions as well as forward- looking estimates at the end of each reporting period.	obtaining explanations from management and inspecting relevant evidence for their respective balance write-offs. We further recalculated the amounts written off. No material misstatements and no matters requiring further consideration were noted. In assessing the ECL on a collective basis, we assessed the appropriate application of the model by performing, inter alia, the following procedures: • We evaluated management's grouping on all of the term loans and production accounts based on credit risk characteristics, and the grouping based on the drivers of the credit risk. We noted no matters requiring further consideration. • We tested the reasonability of all of the forward-looking key assumptions applied by management by comparing forward-looking factors, including Safex prices, crop estimates and input cost prices applied by management, to a range of external sources' inputs of these forward-looking factors. We found the assumptions applied by management to fall within our range of external data obtained. • We applied additional independently determined adjustments to management's forward looking information in order to determine if it would result in a material difference in management's ECL calculation. We noted no material impact and no matters requiring further consideration; • We compared all the historical customers balances and write-off rates used within the ECL model to underlying information. No material differences were noted; and • We assessed the reasonability of the forward looking information used in the management overlay performed by comparing these to underlying documentation. No material differences were noted. • We tested the ageing of the debtor's listing by tracing a sample to underlying documents to assess whether it is appropriately included in the correct age bracket. No material differences were noted.

Key audit matter	How our audit addressed the key audit matter
	• We performed a stress test on the model, adjusting the range used by management to evaluate the impact on the ECL. Based on the outcome of our procedures, we did not note any aspect requiring further consideration. • We independently performed a sensitivity analysis and calculated an allowance for expected credit loss by recalculating the probability of default (PD) and the loss given default (LGD) factors using inputs and assumptions tested during the audit, and compared the ranges calculated in our sensitivity analysis to management's calculation. • We assessed the adequacy of the disclosures made on judgements and estimates made on the allowance for expected credit losses in terms of IFRS 9 and IFRS 7 - Financial instruments: disclosures. • We tested controls over the credit application process which includes the verification of securities obtained for finance provided. • We compared the current year ECL as a percentage of term loans and production accounts, to the range of historically calculated percentages, which are dependent on the agricultural factors affecting the debtors in that year or preceding years. Based on the outcome of our procedures, we found that the expected trends for the current year were considered reasonable in comparison to the trends of past experience. We further found that these were consistent with the overall credit allowance in the current year based on assets being grouped together when assessing the overall credit risk by the Group.

Independence

We are independent of the Group in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Senwes Annual Financial Statements 2024", which includes the Statutory Directors' Report, the Report of the Senwes Audit Committee and the Certification by the Company Secretary as required by the Companies Act of South Africa. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

pwc

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and / or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of Senwes Limited for 1 year.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: PDP Vermeulen
Registered Auditor
Johannesburg, South Africa
11 July 2024

Statutory Directors' Report

1. Main objectives

The main objectives of the group are as follows:

* To supply primary agricultural input products and services, including financial services and advice.
* To provide market access for agricultural produce.
* The processing and conditioning of agricultural produce and delivery to the market.

2. Change in nature of activities

There were no changes in the nature of the business of the group during the financial year.

3. Subsidiaries and other financial assets

Details of the company's interest in subsidiaries, associates, joint ventures and other financial assets are set out in notes 6 to 8 of the annual financial statements. During the current year, the group's foreign operated entity (Germany) SFL Holdings Group, acquired the assets and liabilities of Porst Landtechnik GmbH (refer to note 6.1 of the annual financial statements for further details).

4. Results

The net profit after tax of the group attributable to equity holders of the parent for the year under review amounted to R855 million (2023: R907 million). The summarised results are as follows:

	Group		Company	
	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Revenue	**14 684**	13 642	**1 880**	1 609
Operating profit	**1 596**	1 522	**750**	626
Profit after tax (attributable to equity holders of the parent)	**855**	907	**380**	385

Refer to note 1 of the financial statements for a full segmental analysis.

The summarised statements of financial position are as follows:

	Group		Company	
	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Total assets	**15 166**	13 223	**9 503**	8 724
Total interest-bearing debt	**6 641**	5 508	**5 912**	5 166

Refer to the report of the Chief Financial Officer in the integrated report for a comprehensive overview of the results of the operating units.

5. Dividends

The board declared a final dividend of 50 cents per share (2023: 40 cents per share). A special final dividend of 50 cents per share was also declared (2023: 56 cents per share). An interim dividend of 50 cents per share was paid in December 2023 (2023: 36 cents per share). Refer to note 25.2 for dividends paid and declared.

6. Directors

The board's pursuit of managing the group and the company in accordance with good corporate governance practices still applies. The board comprises 12 (2023: 13) members:

Shareholder	Board members
Agribel Holdings Ltd	6
Together with:	
Independent non-executive directors	4
Executive directors	2

Executive directors are appointed on the basis of service contracts for a period of three years or on a permanent basis. Particulars thereof are contained in the corporate governance report and note 26.6.

Non-executive directors are appointed for a period of three years, after which they are rotated or eligible for re-election at the AGM.

The following non-executive directors have a remaining term in office of less than one year:

Name	Position	First appointment	Retirement by rotation
JJ Viljoen	Non-executive director	12 October 2021	2024
AG Waller	Independent non-executive director	5 December 2014	2024 *
GL Malherbe	Non-executive director	12 October 2021	2024
JJ Minnaar	Non-executive director	26 August 2011	2024
JPN Stander	Independent non-executive director	22 August 2019	2024
SF Booysen	Independent non-executive director	11 October 2010	2024 *

The following non-executive directors have a remaining term in office of more than one year:

Name	Position	First appointment	Retirement by rotation
VJ Klein	Independent non-executive director	22 August 2019	2025
JDM Minnaar	Non-executive director	22 September 1999	2025
WH van Zyl	Non-executive director	31 August 2012	2026
NDP Liebenberg	Non-executive director	21 August 2008	2026

* Independence to be evaluated annually and reported on as they have been on the board for nine years or more.

A table reflecting direct and indirect shareholding is included in note 26.7 and indicates directors' shares in Senwes Ltd. Related party information in respect of material contracts and transactions with directors is disclosed in note 26.4 to 26.7. A register of directorships and interests is disclosed annually and circulated at the board meeting.

7. Statutory appointments and registered address

7.1. Company Secretary

EM Joynt

7.2. Public Officer

CR Klingenberg CA(SA)

7.3. Registered address

1 Charel de Klerk Street, Klerksdorp, 2570

7.4. Postal address

PO Box 31, Klerksdorp, 2570

7.5. Auditor

PricewaterhouseCoopers Inc.
4 Lisbon Lane, Midrand, 2090

8. Share capital

8.1. Issue of shares

During the year under review Senwes did not issue any shares (2023: no shares issued).

8.2. Buy-back of shares

During the 2024 financial year Senwes Capital (Pty) Ltd purchased 11 354 907 shares from the market to increase treasury stock (2023: Senwes Capital (Pty) Ltd purchased 710 861 Senwes shares from the market to increase treasury stock).

8.3. Unissued shares

The company's total unissued shares amount to 400 327 450 shares (2023: 400 327 450 shares).

9. Property, plant and equipment

The carrying value of property, plant and equipment increased by R156 million (2023: R446 million). New capital amounting to R265 million (2023: R245 million) was spent, R176 million (2023: R118 million) of which was spent to increase operating capacity and R89 million (2023: R127 million) to maintain operating capacity.

Silos with a carrying value of R364 million (2023: R365 million) and a security support value of R2,4 billion (2023: R2,4 billion) serve as security for the Nedbank facility disclosed in note 7.2.2 and 7.2.3.

10. Share incentive scheme

As at 30 April 2024, the total treasury shares amounted to 16 253 264 (2023: 5 769 672), which represent 9,0% (2023: 3,2%) of the total issued share capital. 5 418 043 (2023: 4 524 526) of these shares are allocated towards remaining participants of the equity-settled share-based payment scheme. Details of the vesting dates and pricing are disclosed in note 16.2 of the financial statements.

11. Shareholders

Details of the shareholder structure are set out in the corporate governance report.

12. Audit fees

Audit fees for the current year amounted to R18 million for the group and R5 million for the company (2023: R18 million (group) and R5 million (company)). Non-audit fees are less than R1 million when rounded (2023: Less than R1 million when rounded).

13. Contingent liabilities and guarantees

As at 30 April 2024, guarantees of R41 million (2023: R41 million) were held at Absa Bank in favour of John Deere, Eskom Holdings, SARS and Transnet.

A letter of comfort to the value of Rnil (2023: R80 million) was issued to Gavilon South Africa (Pty) Ltd and expired on 30 April 2023. A new letter of comfort was not issued.

A letter of comfort to the value of Rnil (2023: R1 million) was issued to Unitrans (Pty) Ltd and expired on 30 June 2023. A new letter of comfort was not issued.

A letter of comfort to the value of R60 million (€3 million) was issued in favour of SFL Group, to confirm that Senwes can fulfil certain obligations under the APA on the Porst transaction. The letter of comfort will be cancelled after the Porst transaction has been executed and all funds are paid over.

A letter of comfort to the value of R2 million (2023: Rnil) was issued to Deltec Energy Solutions (Pty) Ltd and shall endure until 30 June 2024.

A letter of comfort to the value of R1 million (2023: Rnil) was issued to Massbuild (Pty) Ltd t/a Builders Express, Builders Superstore, Builders Trade Depot and Builders Warehouse and shall endure until 31 July 2024.

A letter of comfort to the value of R2 million (2023: Rnil) was issued to Shiptech Petroleum (Pty) Ltd. This letter of comfort shall endure until 31 August 2024.

A letter of comfort to the value of R150 million (2023: Rnil) was issued to Engen Petroleum Ltd. This letter of comfort shall endure until cancelled by the respective parties.

A letter of comfort to the value of R2 million (2023: Rnil) was issued to SG Convenience (Pty) Ltd. This letter of comfort shall endure until cancelled by the respective parties.

14. Events after the reporting period

14.1. Wynlaboratorium CC ("Wynland Analytical")

During the year, the group engaged in negotiations to acquire the business of Wynland Analytical. A sale of business agreement has been signed on 30 May 2024, with negotiations still ongoing regarding certain suspensive conditions. The acquisition will operate as a dedicated division within the chemistry section of NviroTek Laboratories (Pty) Ltd.

14.2. Loan capitalisation (company)

On 5 July 2024, the board approved the capitalisation of the loan extended to Africum (Pty) Ltd ("Africum") by Senwes Ltd ("Senwes") amounting to R283 million. This capitalisation will result in Africum issuing additional shares to Senwes whereby Senwes will become the majority shareholder of Africum with 51% of the total issued shares. The remaining 49% of the shares will be held by Suidwes Investments (Pty) Ltd ("Suidwes Investments"). Suidwes Investments is also a 100% controlled indirect subsidiary of Senwes. The effective date of the capitalisation is 1 May 2024.

Except for the above, management is not aware of any events that have occurred from the statement of financial position date up to the date of this report that require adjustment or disclosure in these annual financial statements.

15. Date for authorisation and issue of financial statements

A mandate has been given to the chairman of the Audit Committee only, to approve any adjustments to the financial statements after the date of approval by the directors on 5 July 2024.

Consolidated and separate statements of financial position

as at 30 April 2024

		Group			Company	
	Notes	2024 R'm	* 2023 Restated R'm	* 1 May 2022 Restated R'm	2024 R'm	* 2023 Restated R'm
Assets						
Non-current assets						
Property, plant and equipment	2	**2 917**	2 761	2 315	**753**	786
Investment property	3	**2**	2	2	**1**	1
Right-of-use assets	4	**14**	30	29	**-**	1
Goodwill and intangible assets	5	**228**	255	161	**5**	4
Investment in subsidiaries	6.2	**-**	-	-	**770**	810
Investment in joint ventures and associates	8	**164**	101	110	**30**	30
Other financial assets	7.1.1	**6**	6	4	**-**	-
Long-term portion of other loans receivable	7.1.2	**-**	-	2	**376**	390
Loans and other receivables	9	**858**	1 103	1 300	**-**	-
Deferred tax assets	18.2	**137**	133	107	**-**	-
Total non-current assets		**4 326**	4 391	4 030	**1 935**	2 022
Current assets						
Inventories	10	**5 266**	3 615	1 941	**1 494**	953
Trade and other receivables	11	**4 498**	4 630	4 401	**679**	374
Other loans receivable	7.1.2	**-**	1	1	**4 542**	5 164
Insurance contract assets	7.2.6	**26**	12	-	**23**	9
Inventory held to satisfy firm sales	12	**187**	126	47	**187**	126
Derivative financial instruments	20.1	**289**	72	595	**288**	68
Income tax receivable	29	**36**	13	24	**-**	-
Cash and short-term deposits	7.1.4	**525**	361	87	**355**	6
Total current assets		**10 827**	8 830	7 096	**7 568**	6 700
Non-current assets held for sale	13.1, 13.2	**13**	2	19	**-**	2
Total assets		**15 166**	13 223	11 145	**9 503**	8 724
Equity and liabilities						
Equity						
Issued capital and share premium	14; 15.1	**68**	68	68	**68**	68
Treasury shares	15.2	**(282)**	(65)	(129)	**-**	-
Foreign currency translation reserve		**26**	29	-	**-**	-
Reserves	15.3, 15.4, 16.2	**12**	14	11	**43**	39
Retained earnings		**4 641**	4 045	3 366	**2 566**	2 450
Total own equity		**4 465**	4 091	3 316	**2 677**	2 557
Non-controlling interest	6.3	**509**	519	424	**-**	-
Total equity		**4 974**	4 610	3 740	**2 677**	2 557
Non-current liabilities						
Interest-bearing loans	7.2.3	**1 455**	1 440	1 409	**1 268**	1 342
Other financial liabilities	7.2.5	**114**	71	104	**88**	58
Lease liabilities	4	**6**	21	22	**-**	-
Deferred government grants	7.4	**9**	12	10	**-**	-
Deferred tax liability	18.2	**361**	282	251	**174**	124
Total non-current liabilities		**1 945**	1 826	1 796	**1 530**	1 524
Current liabilities						
Trade and other payables	17	**2 725**	1 986	1 140	**451**	300
Contract liabilities	7.3	**33**	27	20	**33**	26
Short-term portion of interest-bearing loans	7.2.2	**4 875**	3 658	3 979	**4 622**	3 615
Other loans payable	7.2.1	**144**	95	69	**22**	5
Derivative financial instruments	20.2	**80**	364	59	**79**	352
Income tax payable	29	**33**	52	23	**1**	23
Short-term incentive bonuses	16.1	**156**	190	143	**85**	105
Bank overdraft	7.2.4	**155**	286	89	**-**	204
Short-term portion of lease liabilities	4	**8**	13	11	**-**	-
Short-term portion of deferred government grants	7.4	**2**	2	2	**-**	-
Provisions	19	**36**	114	74	**3**	13
Total current liabilities		**8 247**	6 787	5 609	**5 296**	4 643
Total liabilities		**10 192**	8 613	7 405	**6 826**	6 167
Total equity and liabilities		**15 166**	13 223	11 145	**9 503**	8 724

* Refer to notes 34 and 35 for details regarding restatement of comparative information and new standard implementation.

Consolidated and separate statements of comprehensive income

for the year ended 30 April 2024

		Group		Company	
			* 2023		* 2023
		2024	Restated	2024	Restated
	Notes	R'm	R'm	R'm	R'm
Services rendered		**1 101**	1 154	**943**	901
Income from sale of goods		**13 126**	12 073	**535**	388
Revenue from contracts with customers		**14 227**	13 227	**1 478**	1 289
Insurance revenue	22.6	**46**	10	**59**	23
Finance income relating to the lending business	22.3	**411**	405	**343**	297
Revenue	1.2, 22.5	**14 684**	13 642	**1 880**	1 609
Cost of sales	22.1	**(10 290)**	(9 507)	**80**	36
Finance costs relating to the lending business	22.2	**(160)**	(185)	**(277)**	(285)
Gross profit		**4 234**	3 950	**1 683**	1 360
Other operating income	23	**248**	317	**70**	149
Gain on disposal of investment in joint venture	6.1	**-**	2	**-**	22
Distribution, sales and administrative expenses	22.1	**(2 836)**	(2 747)	**(953)**	(877)
Expected credit loss (expense)/income on financial assets	22.1	**(16)**	5	**(3)**	(10)
Insurance service expense		**(34)**	(5)	**(39)**	(10)
Reinsurance expense		**-**	-	**(8)**	(8)
Operating profit		**1 596**	1 522	**750**	626
Finance income	22.3	**80**	45	**66**	35
Finance costs	22.2	**(475)**	(266)	**(303)**	(137)
Share of profit from joint ventures and associates	8	**52**	26	**-**	-
Profit before tax from operations		**1 253**	1 327	**513**	524
Tax	18.1	**(331)**	(320)	**(133)**	(139)
Profit after tax		**922**	1 007	**380**	385
Profit after tax from:					
Continuing operations		**900**	1 001	**368**	383
Discontinued operations	13.1, 13.2	**22**	6	**12**	2
Other comprehensive income to be reclassified to profit or loss in subsequent periods, net of tax		**(11)**	53	**(8)**	21
Exchange differences on translation of foreign operations		**(3)**	32	**-**	-
Cash flow hedge movements		**(8)**	21	**(8)**	21
Other comprehensive income not to be reclassified to profit or loss in subsequent periods, net of tax		**-**	3	**-**	-
Fair value adjustment on other financial assets	7.1.1	**-**	3	**-**	-
Total comprehensive income for the year, net of tax		**911**	1 063	**372**	406
Profit after tax attributable to:					
Equity holders of the parent		**855**	907	**380**	385
Non-controlling interest	6.3	**67**	100	**-**	-
Total comprehensive income attributable to:					
Equity holders of the parent		**844**	960	**372**	406
Non-controlling interest	6.3	**67**	103	**-**	-

* Refer to notes 34 and 35 for details regarding restatement of comparative information and new standard implementation.

		2024 cents/ share	2023 cents/ share
Earnings per share			
Earnings per share	25.1.3	**501.8**	525.8
Diluted earnings per share	25.1.4	**486.6**	509.1

		2024 cents/ share	2023 cents/ share
Dividends for the year			
Dividends per share paid during the year	25.2	**146**	126
Final dividend previous year		**40**	34
Special dividend previous year		**56**	56
Interim dividend		**50**	36
Final dividend per share proposed	25.2	**50**	40
Special dividend per share proposed		**50**	56

Consolidated and separate statements of changes in equity

for the year ended 30 April 2024

	Notes	Issued share capital and share premium R'm	Treasury shares R'm	Share-based payment reserve R'm	Changes in ownership R'm	Other reserves R'm	Foreign currency translation reserve R'm	Retained earnings R'm	Non-controlling interest R'm	Total equity R'm
		14; 15.1	15.2	16.2	15.4	15.3			6.3	
Group										
Balance as at 30 April 2022		68	(129)	37	(17)	(9)	–	3 366	424	3 740
Total comprehensive income		–	–	–	–	24	29	907	103	1 063
Profit for the year		–	–	–	–	–	–	907	100	1 007
Other comprehensive income		–	–	–	–	24	29	–	3	56
Dividends	25.2	–	–	–	–	–	–	(225)	(11)	(236)
Change in ownership of subsidiaries *	6.3	–	–	–	(12)	–	–	–	(15)	(27)
Acquisition of subsidiary	6.3	–	–	–	–	–	–	–	18	18
Equity-settled share-based payment scheme - Vesting	16.2	–	23	(20)	–	–	–	(3)	–	–
Net treasury shares sold	15.2	–	41	–	–	–	–	(4)	–	37
Equity-settled share-based payment scheme - Expense	16.2	–	–	15	–	–	–	–	–	15
Recycling of reserves **		–	–	–	–	(4)	–	4	–	–
Balance as at 30 April 2023		**68**	**(65)**	**32**	**(29)**	**11**	**29**	**4 045**	**519**	**4 610**
Total comprehensive income		**-**	**-**	**-**	**-**	**(8)**	**(3)**	**855**	**67**	**911**
Profit for the year		**-**	**-**	**-**	**-**	**-**	**-**	**855**	**67**	**922**
Other comprehensive income		**-**	**-**	**-**	**-**	**(8)**	**(3)**	**-**	**-**	**(11)**
Dividends	25.2	**-**	**-**	**-**	**-**	**-**	**-**	**(259)**	**(5)**	**(264)**
Change in ownership of subsidiaries *	6.3	**-**	**-**	**-**	**(6)**	**-**	**-**	**-**	**(72)**	**(78)**
Equity-settled share-based payment scheme - Vesting	16.2	**-**	**12**	**(12)**	**-**	**-**	**-**	**-**	**-**	**-**
Net treasury shares purchased	15.2	**-**	**(229)**	**-**	**-**	**-**	**-**	**-**	**-**	**(229)**
Equity-settled share-based payment scheme - Expense	16.2	**-**	**-**	**24**	**-**	**-**	**-**	**-**	**-**	**24**
Balance as at 30 April 2024		**68**	**(282)**	**44**	**(35)**	**3**	**26**	**4 641**	**509**	**4 974**

* The change in ownership of subsidiaries relates to the transactions described in note 15.4.

** The recycling of reserves relate to the recycling of an equity reserve recognised from the equity accounting of Molemi Sele Management (Pty) Ltd. The investment was disposed of during the previous year.

	Notes	Issued share capital and share premium R'm	Treasury shares R'm	Share-based payment reserve R'm	Changes in ownership R'm	Other reserves R'm	Foreign currency translation reserve R'm	* Retained earnings R'm	Non-controlling interest R'm	Total equity R'm
Company										
Balance as at 30 April 2022		68	–	37	–	(14)	–	2 298	–	2 389
Total comprehensive income		–	–	–	–	21	–	385	–	406
Profit for the year		–	–	–	–	–	–	385	–	385
Other comprehensive income		–	–	–	–	21		–	–	21
Other movements		–	–	–	–	–	–	(2)	–	(2)
Dividends	25.2	–	–	–	–	–	–	(228)	–	(228)
Equity-settled share-based payment scheme - Vesting	16.2	–	–	(20)	–	–	–	(3)	–	(23)
Equity-settled share-based payment scheme - Expense	16.2	–	–	15	–	–	–	–	–	15
Balance as at 30 April 2023		**68**	**-**	**32**	**-**	**7**	**-**	**2 450**	**-**	**2 557**
Total comprehensive income		**-**	**-**	**-**	**-**	**(8)**	**-**	**380**	**-**	**372**
Profit for the year		**-**	**-**	**-**	**-**	**-**	**-**	**380**	**-**	**380**
Other comprehensive income		**-**	**-**	**-**	**-**	**(8)**		**-**	**-**	**(8)**
Dividends	25.2	**-**	**-**	**-**	**-**	**-**	**-**	**(264)**	**-**	**(264)**
Equity-settled share-based payment scheme - Vesting	16.2	**-**	**-**	**(12)**	**-**	**-**	**-**	**-**	**-**	**(12)**
Equity-settled share-based payment scheme - Expense	16.2	**-**	**-**	**24**	**-**	**-**	**-**	**-**	**-**	**24**
Balance as at 30 April 2024		**68**	**-**	**44**	**-**	**(1)**	**-**	**2 566**	**-**	**2 677**

Consolidated and separate statements of cash flows

for the year ended 30 April 2024

		Group		Company	
	Notes	2024 R'm	* 2023 Restated R'm	2024 R'm	* 2023 Restated R'm
Net cash flows (used in)/generated from operating activities		**(226)**	1 065	**(1 039)**	382
Cash from operating activities **	27	**2 061**	1 803	**905**	586
Finance income received from the non-lending business	22.3	**78**	45	**18**	21
Finance costs paid on the non-lending business	22.2	**(466)**	(256)	**(296)**	(128)
Tax paid	29	**(296)**	(298)	**(101)**	(81)
Dividends paid	25.2	**(264)**	(236)	**(264)**	(228)
Changes in working capital	28	**(1 339)**	7	**(1 301)**	212
Net cash flows (used in)/generated from investment activities		**(395)**	(550)	**673**	(467)
Purchase of property, plant and equipment	30	**(265)**	(245)	**(54)**	(82)
Purchase of intangible assets	5.2	**(19)**	(2)	**-**	-
Proceeds from the disposal of property, plant and equipment	31	**86**	78	**25**	17
Acquisition of subsidiaries	6.1	**(247)**	(425)	**-**	(132)
Acquisition of other financial assets		**-**	(7)	**-**	(7)
Disposal of investment in joint venture		**-**	23	**-**	23
Disposal of investment in subsidiary	6.1	**(1)**	-	**-**	-
Dividends received from investments in joint venture	8, 23	**1**	3	**1**	3
Dividends received from subsidiaries	23	**-**	-	**-**	3
Additional loans received from related parties	32	**49**	33	**22**	-
Repayment of loans from related parties	32	**-**	(7)	**(5)**	(21)
Additional loans advanced to related and third parties	32	**-**	(1)	**(105)**	(508)
Repayment of loans to related and third parties	32	**1**	-	**789**	237
Net cash flows before financing activities		**(621)**	515	**(366)**	(85)
Net cash flows generated from/(used in) financing activities		**913**	(449)	**919**	(103)
Treasury shares purchased	15.2	**(229)**	(12)	**-**	-
Repayment of interest-bearing loans	7.2.2, 7.2.3	**(78)**	(401)	**(74)**	(89)
Proceeds from interest-bearing loans	7.2.2, 7.2.3	**1 310**	-	**1 007**	-
Repayment of principal portion of lease liabilities	4	**(12)**	(14)	**-**	(1)
Additional share purchase in/capital contribution to subsidiaries	6.1, 6.2	**(78)**	(27)	**(14)**	(13)
Deferred government grants received	7.4	**-**	5	**-**	-
Net increase/(decrease) in cash and cash equivalents		**292**	66	**553**	(188)
Cash and cash equivalents at the beginning of the year	7.1.4, 7.2.4	**75**	(2)	**(198)**	(10)
Exchange rate translation		**3**	11	**-**	-
Cash and cash equivalents at the end of the year	7.1.4, 7.2.4	**370**	75	**355**	(198)

**** Additional information on operational cash flows:**		**251**	220	**66**	12
Finance costs paid disclosed as part of cost of sales	22.2	**(160)**	(185)	**(277)**	(285)
Finance income received disclosed as part of revenue	22.3	**411**	405	**343**	297

* Refer to notes 34 and 35 for details regarding restatement of comparative information and new standard implementation.

Notes to the financial statements

1. Segmental information

1.1 For management and control purposes, the group is divided into business units based on their products, services and clients and consist of the following reportable segments:

Financial Services and Advice	
(Agri Credit Solutions, Certisure Group, SS Wealth Planning, Molemi Sele Management *, Senwes Insurance Fund, Senwes Cell Captive and Digital Strategy)	Credit extension to agricultural producers and grain buyers. Agri Credit Solutions also renders agricultural services to its client base. Certisure includes commission received on short term, crop and life insurance premiums and administration fees. SS Wealth Planning facilitates wealth creation by means of a wide range of wealth planning and related services for clients. Molemi Sele held investments in agricultural companies and a cell captive. Digital Strategy aims to collect and manage data to extract intelligence and contribute value to the supply chain. The Senwes Insurance Fund acts as an insurer for entities within the Senwes Group, and the Senwes Cell Captive provides credit life insurance to agricultural producers.
Input Supply	
(Senwes Equipment, JD Implemente, Hinterland Group, Falcon, KLK Landbou Group (Retail and Fuel), Agrinet, Protek and SFL Holdings Group)	Sales at retail outlets (including fuel stations), direct sales of farming input requirements, car dealership sales, the importation, manufacturing and sale of mechanisation goods and spare parts, as well as the servicing of such farming and other mechanisation equipment, local and internationally. Wholesale supply of agricultural, fuel and industrial retail products to agricultural and other retail outlets. Buying, repackaging, distribution and selling of pesticides and fertiliser for the household and retail market.
Market Access	
(Senwes Grainlink, Grainovation and Silocerts)	Income received from the handling and storage of agricultural produce and the transportation of grain commodities. Commission earned on marketing of grain and revenue from the sale of grain. Electronic issuing and trading of silo certificates.
Processing, Conditioning and Markets	
(Senwes Seed *, Carpe Diem Raisins Group, KLK Feedlot *, Abattoirs and Auctioneering *, Botselo Mills, SA Dorper, Bastion Lime Group and NviroTek Laboratories)	Processing of seed. Buying, processing, packaging and sale of raisins. The feedlots aid in getting animals market-ready while the abattoirs and auctioneering sites handle the slaughtering and selling of lamb and beef carcasses. The mills produce a wide range of maize products and a specialised beer powder. SA Dorper handles the processing and exporting of Dorper skins and cattle hides. The Bastion Lime Group specialises in the production and marketing of high-quality lime and gypsum products for agricultural and industrial purposes. NviroTek Laboratories is an independent and accredited testing laboratory group with an analytical focus on chemistry, microbiology, hygiene monitoring, chromatography and biological analysis.
Corporate	
(Senwes Share Incentive Scheme Trust, Thobo Trust, Senwes Capital and RealFin Collective Investment Scheme)	Head office services, information technology, human resources, engineering and property assets, central administration, fleet management, secretarial services, legal services, corporate marketing, risk management, internal audit, strategic development, group finance, market intelligence, corporate finance and business engineering, treasury and governance.

Income tax is managed on a group basis and is not allocated to operating segments. Services rendered between related parties, as reflected in operating segments, are on an arm's length basis in a manner similar to transactions with third parties. The group executive committee monitors the operational results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segmental performance is evaluated, based on operating profit or loss, and is measured consistently against operating profit or loss in the consolidated financial statements.

* Discontinued during the previous year.

1.2 Segmental revenue and results

The Senwes Group operates in South Africa and Germany.

	Group			
	2024 R'm	* 2023 R'm	**2024 R'm**	* 2023 R'm
	Segmental revenue		Segmental profit/(loss)	
Financial Services and Advice *(Agri Credit Solutions, Certisure Group, SS Wealth Planning, Molemi Sele Management **, Senwes Insurance Fund, Senwes Cell Captive and Digital Strategy)*	**530**	486	**249**	195
Income from financing clients, insurance brokerage, insurance revenue and service level agreement income	**571**	508	**253**	194
AgriRewards	**(1)**	(1)	**(1)**	(1)
Intragroup sales	**(40)**	(21)	**-**	-
Finance costs	**-**	-	**(3)**	-
Profit from joint venture	**-**	-	**-**	2
Input Supply *(Senwes Equipment, JD Implemente, Hinterland Group, Falcon, KLK Landbou Group (Retail and Fuel), Agrinet, Protek and SFL Holdings Group)*	**11 465**	10 563	**431**	630
Income from sale of goods and services rendered ***	**11 492**	10 591	**549**	679
AgriRewards	**(10)**	(6)	**(10)**	(6)
Intragroup sales	**(17)**	(22)	**-**	-
Finance costs	**-**	-	**(108)**	(43)
Market Access *(Senwes Grainlink, Grainovation and Silocerts)*	**1 434**	1 319	**593**	526
Income from commodity trading, sale of goods and services rendered ****	**1 459**	1 340	**946**	740
AgriRewards	**(24)**	(21)	**(24)**	(21)
Intragroup sales	**(1)**	-	**-**	-
Finance costs	**-**	-	**(331)**	(195)
Profit from joint venture	**-**	-	**2**	2
Processing, Conditioning and Markets *(Senwes Seed **, Carpe Diem Raisins Group, KLK Feedlot **, Abattoirs and Auctioneering **, Botselo Mills, SA Dorper, Bastion Lime Group and NviroTek Laboratories)*	**1 250**	1 272	**122**	152
Income from sale of goods and services rendered	**1 250**	1 272	**89**	144
Finance costs	**-**	-	**(15)**	(14)
Profit from joint venture and associate	**-**	-	**48**	22
Normal operational activities	**14 679**	13 640	**1 395**	1 503
Corporate	**5**	2	**(142)**	(176)
Income from service level agreement and other corporate fees	**5**	1	**5**	1
Interest income from joint ventures and associate	**-**	1	**-**	1
Finance costs	**-**	-	**(18)**	(14)
Corporate costs	**-**	-	**(126)**	(148)
Consolidation, abnormal and sundry items	**-**	-	**(5)**	(16)
Profit from associate	**-**	-	**2**	-
Total revenue	**14 684**	13 642		
Profit before tax			**1 253**	1 327
Tax			**(331)**	(320)
Profit after tax (before non-controlling interest)			**922**	1 007
Non-controlling interest			**(67)**	(100)
Profit after tax (after non-controlling interest)			**855**	907

* Refer to note 34 for details regarding restatement of comparative information.

** Discontinued during the previous year.

*** Income from sale of goods and services rendered of R1,7 billion (2023:R1,1 billion) was derived from foreign operations in Germany during the current year. Refer to note 6.1.

**** More than 10% of revenue from services rendered was not derived from any specific business partner(s). (2023: More than 10% of revenue from services rendered was not derived from any specific business partner(s)).

The accounting treatment for transactions between segments aligns with that for transactions with third parties. These inter-segment transactions are eliminated in the segmental reports.

1.3 Net segmental assets

	Group					
	2024 R'm	* 2023 R'm	**2024 R'm**	* 2023 R'm	**2024 R'm**	2023 R'm
	Assets **		Liabilities		Net	
Financial Services and Advice	**3 959**	4 788	**(2 193)**	(2 421)	**1 766**	2 367
Input Supply	**6 460**	5 106	**(4 677)**	(3 479)	**1 783**	1 627
Market Access	**3 286**	2 120	**(2 072)**	(1 747)	**1 214**	373
Processing, Conditioning and Markets	**908**	775	**(612)**	(416)	**296**	359
Total operations	**14 613**	12 789	**(9 554)**	(8 063)	**5 059**	4 726
Corporate	**416**	301	**(277)**	(268)	**139**	33
Total segmental assets/(liabilities)	**15 029**	13 090	**(9 831)**	(8 331)	**5 198**	4 759
Deferred tax	**137**	133	**(361)**	(282)	**(224)**	(149)
Total	**15 166**	13 223	**(10 192)**	(8 613)	**4 974**	4 610

* Refer to note 34 for details regarding restatement of comparative information.

** Non-current assets (excl. financial instruments and deferred tax assets) of R534 million (2023: R483 million) relates to foreign operations in Germany and is included in the input supply segment above. Refer to note 6.1.

1.4 Segmental disclosable items

	Group					
	2024 R'm	2023 R'm	2024 R'm	2023 R'm	2024 R'm	* 2023 R'm
	Capital expenditure		Depreciation on PPE		Non-cash transactions **	
Financial Services and Advice	(2)	(7)	(3)	(3)	(3)	17
Input Supply	(150)	(113)	(114)	(68)	192	81
Market Access	(36)	(22)	(57)	(25)	19	(39)
Processing, Conditioning and Markets	(54)	(37)	(18)	(21)	4	5
Corporate	(23)	(66)	(26)	(57)	(11)	104
Total	**(265)**	(245)	**(218)**	(174)	**201**	168

* Refer to note 34 for details regarding restatement of comparative information.
** Non-cash transactions consist of provisions made.

2. Property, plant and equipment

	Group		Company	
	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Cost	**4 328**	4 025	**1 510**	1 477
Land	**177**	151	**16**	16
Silos	**425**	434	**105**	108
Buildings and improvements	**1 485**	1 374	**298**	296
Plant and equipment	**1 926**	1 796	**961**	942
Vehicles	**289**	248	**130**	115
Heavy vehicles	**26**	22	**-**	-
Accumulated depreciation and impairments	**(1 411)**	(1 264)	**(757)**	(691)
Land	**(35)**	(32)	**-**	-
Silos	**(71)**	(69)	**(68)**	(70)
Buildings and improvements	**(299)**	(283)	**(107)**	(98)
Plant and equipment	**(860)**	(757)	**(511)**	(461)
Vehicles	**(137)**	(117)	**(71)**	(62)
Heavy vehicles	**(9)**	(6)	**-**	-
Total carrying value	**2 917**	2 761	**753**	786

2.1. Registers of land and buildings are available for inspection at the registered offices of the relevant companies.
2.2. Certain assets are encumbered as set out in notes 7.2.2, 7.2.3 and 7.2.4.
2.3. The capital commitments of the group are set out in note 21.2.

2024 - Reconciliation of movements on property, plant and equipment

	Balance at the beginning of the year R'm	Business combinations [1] R'm	Purchases/ transfers [2] R'm	Disposals/re-classifications [3] R'm	Impairments/Reversals R'm	Depreciation R'm	Exchange rate translation R'm	Balance at the end of the year R'm
Group - 2024								
Land	119	25	2	(1)	(3)	-	-	142
Silos	365	-	1	(10)	(2)	-	-	354
Buildings and improvements	1 091	66	70	(19)	(2)	(19)	(1)	1 186
Plant and equipment	1 039	6	210	(26)	-	(162)	(1)	1 066
Vehicles	131	8	52	(5)	-	(34)	-	152
Heavy vehicles	16	-	5	(1)	-	(3)	-	17
Total	**2 761**	**105**	**340**	**(62)**	**(7)**	**(218)**	**(2)**	**2 917**
Company - 2024								
Land	16	-	-	-	-	-	-	16
Silos	38	-	1	-	(2)	-	-	37
Buildings and improvements	198	-	3	(1)	-	(9)	-	191
Plant and equipment	481	-	33	(2)	-	(62)	-	450
Vehicles	53	-	17	(1)	-	(10)	-	59
Total	**786**	**-**	**54**	**(4)**	**(2)**	**(81)**	**-**	**753**

[1] Relates to the acquisition of Porst Landtechnik GmbH. Refer to note 6.1 for more detail regarding the acquisition.
[2] Includes net transfers (to) and from inventory to the amount of R75 million.
[3] Includes transfers to intangible assets to the amount of R4 million (company: R2 million).

2023 – Reconciliation of movements on property, plant and equipment

	Balance at the beginning of the year R'm	Business combinations [1] R'm	Purchases/ transfers [2] R'm	Disposals/re-classifications R'm	Impairments/Reversals R'm	Depreciation R'm	Exchange rate translation R'm	Balance at the end of the year R'm
Group – 2023								
Land	91	12	14	(1)	(2)	–	5	119
Silos	358	–	1	6	–	–	–	365
Buildings and improvements	934	112	57	(18)	–	(15)	21	1 091
Plant and equipment	800	130	223	(5)	(5)	(136)	32	1 039
Vehicles	116	7	32	(5)	–	(20)	1	131
Heavy vehicles	16	–	6	(3)	–	(3)	–	16
Total	**2 315**	**261**	**333**	**(26)**	**(7)**	**(174)**	**59**	**2 761**

[1] Relates to the acquisition of SFL Holdings Group. Refer to note 6.1 for more detail regarding the acquisition.

[2] Includes net transfers (to) and from inventory to the amount of R88 million.

	Balance at the beginning of the year R'm	Business combinations R'm	Purchases/ transfers R'm	Disposals/re-classifications R'm	Impairments/Reversals R'm	Depreciation R'm	Exchange rate translation R'm	Balance at the end of the year R'm
Company – 2023								
Land	16	–	–	–	–	–	–	16
Silos	37	–	1	–	–	–	–	38
Buildings and improvements	203	–	5	(1)	–	(9)	–	198
Plant and equipment	489	–	60	(3)	(4)	(61)	–	481
Vehicles	47	–	16	–	–	(10)	–	53
Total	**792**	**–**	**82**	**(4)**	**(4)**	**(80)**	**–**	**786**

3. Investment property

	Group		Company	
	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Cost	**2**	2	**1**	1
Accumulated depreciation and impairments	**–**	–	**–**	–
Total carrying value	**2**	2	**1**	1

2024 – Reconciliation of movements on investment property

	Balance at the beginning of the year R'm	Business combinations R'm	Additions R'm	Transfers R'm	Depreciation R'm	Balance at the end of the year R'm
Group – 2024						
Land and buildings	**2**	**–**	**–**	**–**	**–**	**2**
Total	**2**	**–**	**–**	**–**	**–**	**2**
Company – 2024						
Land and buildings	**1**	**–**	**–**	**–**	**–**	**1**
Total	**1**	**–**	**–**	**–**	**–**	**1**

2023 – Reconciliation of movements on investment property

	Balance at the beginning of the year R'm	Business combinations R'm	Additions R'm	Transfers R'm	Depreciation R'm	Balance at the end of the year R'm
Group – 2023						
Land and buildings	2	–	–	–	–	2
Total	**2**	**–**	**–**	**–**	**–**	**2**
Company – 2023						
Land and buildings	1	–	–	–	–	1
Total	**1**	**–**	**–**	**–**	**–**	**1**

3.1. A register of investment property is available for inspection at the registered office of the relevant company.

3.2. The fair value of land and buildings is estimated at R9 million (2023: R9 million). The capitalisation method was used as the valuation method. Higher rates of return, occupation levels and lower expected market-related rental value will reduce fair value.

3.3. Investment property held on a company level has a useful life of 40 years.

4. Right-of-use assets and lease liabilities

	Group 2024 R'm	Group 2023 R'm	Company 2024 R'm	Company 2023 R'm
Cost	**41**	63	**-**	2
Buildings and improvements	**18**	40	**-**	2
Plant and equipment	**12**	11	**-**	-
Motor vehicles	**11**	12	**-**	-
Accumulated depreciation and impairments	**(27)**	(33)	**-**	(1)
Buildings and improvements	**(10)**	(20)	**-**	(1)
Plant and equipment	**(8)**	(5)	**-**	-
Motor vehicles	**(9)**	(8)	**-**	-
Total carrying value	**14**	30	**-**	1

The group has lease contracts for various items of buildings, plant and equipment and vehicles used in its operations.

The group also has certain leases of buildings with lease terms of 12 months or less and leases of low value. The group applies the "short-term lease" and "lease of low-value assets" recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

2024 - Reconciliation of movements on right-of-use assets

	Balance at the beginning of the year R'm	Business combinations R'm	Additions R'm	De-recognitions/ modifications R'm	Depreciation R'm	Balance at the end of the year R'm
Group - 2024						
Buildings and improvements	**20**	**-**	**4**	**(11)**	**(5)**	**8**
Plant and equipment	**6**	**-**	**-**	**-**	**(2)**	**4**
Motor vehicles	**4**	**-**	**-**	**-**	**(2)**	**2**
Total	**30**	**-**	**4**	**(11)**	**(9)**	**14**
Company - 2024						
Buildings and improvements	**1**	**-**	**-**	**-**	**(1)**	**-**
Total	**1**	**-**	**-**	**-**	**(1)**	**-**

2023 - Reconciliation of movements on right-of-use assets

	Balance at the beginning of the year R'm	Business combinations R'm	Additions R'm	De-recognitions/ modifications R'm	Depreciation R'm	Balance at the end of the year R'm
Group - 2023						
Buildings and improvements	14	-	13	-	(7)	20
Plant and equipment	9	-	2	(1)	(4)	6
Motor vehicles	6	-	-	-	(2)	4
Total	**29**	**-**	**15**	**(1)**	**(13)**	**30**
Company - 2023						
Buildings and improvements	1	-	-	-	-	1
Total	**1**	**-**	**-**	**-**	**-**	**1**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

2024 - Reconciliation of movements on lease liabilities

	Balance at the beginning of the year R'm	Business combinations R'm	Additions R'm	De-recognitions/ modifications R'm	Accretion of interest R'm	Payments R'm	Balance at the end of the year R'm
Group - 2024							
Buildings and improvements	**22**	**-**	**4**	**(12)**	**2**	**(8)**	**8**
Plant and equipment	**8**	**-**	**-**	**-**	**-**	**(4)**	**4**
Motor vehicles	**4**	**-**	**-**	**-**	**-**	**(2)**	**2**
Total	**34**	**-**	**4**	**(12)**	**2**	**(14)**	**14**
Current							**8**
Non-current							**6**
Company - 2024							
Buildings and improvements	*	**-**	**-**	**-**	*	*	*
Total	*	**-**	**-**	**-**	*	*	*
Current							*
Non-current							*

* Amount is less than R0,5 million.

2023 – Reconciliation of movements on lease liabilities

	Balance at the beginning of the year R'm	Business combinations R'm	Additions R'm	De-recognitions/ modifications R'm	Accretion of interest R'm	Payments R'm	Balance at the end of the year R'm
Group – 2023							
Buildings and improvements	17	–	13	–	2	(10)	22
Plant and equipment	10	–	2	–	1	(5)	8
Motor vehicles	6	–	–	–	–	(2)	4
Total	**33**	**–**	**15**	**–**	**3**	**(17)**	**34**
Current							13
Non-current							21
Company – 2023							
Buildings and improvements	1	–	–	–	*	(1)	*
Total	**1**	**–**	**–**	**–**	**–**	**(1)**	*
Current							*
Non-current							–

* Amount is less than R0,5 million.

The maturity analysis of lease liabilities are disclosed in note 24.1.3.

Refer to note 22.1 for the lease expenses relating to short-term leases, leases of low-value assets and variable lease payments (company) recognised in profit or loss. The group has no expense relating to variable lease payments not included in the measurement of lease liabilities.

The group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the group's business needs. Management exercises judgement in determining whether these extension and termination options are reasonably certain to be exercised. Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

	Group					
	2024 R'm			2023 R'm		
	Within five years	More than five years	Total	Within five years	More than five years	Total
Extension options expected not to be exercised	**–**	**–**	**–**	–	–	–
Termination options expected to be exercised	**–**	**–**	**–**	2	4	6
Total	**–**	**–**	**–**	2	4	6

5. Goodwill and intangible assets

		Group		Company	
	Notes	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Goodwill	5.1	**41**	73	**–**	–
Intangible assets	5.2	**187**	182	**5**	4
Total carrying value		**228**	255	**5**	4

5.1 Goodwill

	Group 2024 R'm	Group 2023 R'm	Company 2024 R'm	Company 2023 R'm
Carrying value at the beginning of year	**73**	43	**-**	-
Fair value at initial recognition	**112**	80	**-**	-
Accumulated impairment provision	**(39)**	(37)	**-**	-
Movements during the year:				
Goodwill acquired through business combination(s) *	**-**	27	**-**	-
Decrease due to impairments recognised **	**(32)**	(2)	**-**	-
Exchange rate translation	**-**	5	**-**	-
Carrying value at end of the year	**41**	73	**-**	-
Fair value at initial recognition (including exchange rate translation)	**112**	112	**-**	-
Accumulated impairment provision	**(71)**	(39)	**-**	-

* The goodwill acquired during the prior year relates to SFL Holdings Group. Refer to note 6.1 for further detail.

** The impairment loss was allocated to the corporate reportable segment in terms of the segmental results (note 1.2).

2024

Goodwill is tested for impairment on an annual basis during the last quarter of each financial year. The net asset value of Falcon Agricultural Equipment (Pty) Ltd ("Falcon") was compared to a consolidated value-in-use calculation of the Staalmeester and Falcon business units, due to the merger of these units. The calculations were performed using the price-earnings ("PE") ratio valuation method by applying an average PE ratio between 7,2 and 7,4 to a three year average trailing profit after tax.

The valuation was in excess of the net asset value, which includes goodwill of R34 million and no impairment charge was consequently recognised on the Falcon and Staalmeester goodwill.

The net asset value, which includes goodwill of R7 million, of the SENWK Group was compared to a value-in-use calculation of the respective businesses included in the group. The calculations were performed using the price-earnings ("PE") ratio valuation method by applying an adjusted PE ratio of 5,2 to the current year profit after tax.

The valuation was in excess of the net asset value and no impairment charge was consequently recognised on the SENWK goodwill.

The net asset value of SFL Holdings Group was compared to a value-in-use calculation of the businesses included in the group. The calculation was performed using the discounted cash flow ("DCF") valuation method by applying a weighted average cost of capital ("WACC") rate of 11,4%, over a 10 year period and a perpetual growth rate of 2%.

The net asset value of SFL was in excess of the valuation. Consequently, the goodwill recognised on the SFL Holdings Group was fully impaired (R32 million) due to an operating loss and a reassessment of future cash flow projections, which indicated a decline in the recoverable amount of the goodwill.

2023

The net asset value of Falcon Agricultural Equipment (Pty) Ltd ("Falcon") was compared to a consolidated value-in-use calculation of the Staalmeester and Falcon business units, due to the merger of these units. The calculations were performed using the price-earnings ("PE") ratio valuation method by applying an average PE ratio between 4,8 and 5,6 to an average forecasted profit after tax for the next three years.

The PE ratios were benchmarked against market averages and past transactions. The valuations were in excess of the respective net asset values, which included goodwill of R34 million and no impairment charge was consequently recognised on the Falcon and Staalmeester goodwill.

The net asset value of the SENWK Group was compared to a value-in-use calculation of the respective businesses included in the group. The calculations were performed using the price-earnings ("PE") ratio valuation method by applying an adjusted PE ratio of 4,62 to an average forecasted profit after tax for the next three years.

The valuation was in excess of the net asset value, which included goodwill of R7 million and no impairment charge was consequently recognised on the SENWK goodwill.

During the year, the goodwill recognised on the Grainovation business combination was fully impaired (R2 million) as a result of the low profitability of the company due to the business model change to transport brokerage rather than owning the fleet.

5.2 Intangible assets

	Group 2024 R'm	Group 2023 R'm	Company 2024 R'm	Company 2023 R'm
Cost	**328**	306	**70**	72
Intellectual property	**6**	6	**6**	6
Brand names, patents, trademarks and other rights	**57**	54	**-**	-
Computer software	**96**	76	**64**	66
Customer relationships	**76**	76	**-**	-
Supplier agreements	**90**	91	**-**	-
Accreditation	**3**	3	**-**	-
Accumulated amortisation and impairments	**(141)**	(124)	**(65)**	(68)
Intellectual property	**(2)**	(2)	**(3)**	(2)
Brand names, patents, trademarks and other rights	**(26)**	(26)	**-**	-
Computer software	**(70)**	(72)	**(62)**	(66)
Customer relationships	**(23)**	(15)	**-**	-
Supplier agreements	**(18)**	(7)	**-**	-
Accreditation	**(2)**	(2)	**-**	-
Total carrying value	**187**	182	**5**	4

2024 - Reconciliation of movements on intangible assets

	Balance at the beginning of the year R'm	Business combinations [1] R'm	Additions/ disposals [2] R'm	Amortisation R'm	Impairments [3] R'm	Exchange rate translation R'm	Balance at the end of the year R'm
Group - 2024							
Intellectual property	4	-	-	-	-	-	4
Brand names, patents, trademarks and other rights	28	-	5	(2)	-	-	31
Computer software	4	8	18	(3)	-	(1)	26
Customer relationships *	61	-	-	(7)	(1)	-	53
Supplier agreements *	84	-	-	(8)	(4)	-	72
Accreditation	1	-	-	-	-	-	1
Total	182	8	23	(20)	(5)	(1)	187

* The remaining amortisation period of significant finite intangible assets is 6 to 7 years for customer relationships and 8 years for supplier agreements. The carrying amount for these intangible assets is R53 million for customer relationships, and R61 million for supplier agreements.

[1] Refer to note 6.1.

[2] Includes transfers of computer software from property, plant and equipment to the value of R4 million (company: R2 million).

[3] A DCF valuation was performed on the SFL Holdings Group which indicated that the net asset value of the business is higher than the calculated recoverable amount. Refer to note 5.1 above for the valuation methodology applied. The remaining impairment loss of R5 million after goodwill has been fully impaired, was allocated to the intangible assets.

The recoverable amount of significant intangible assets with indefinite useful lives, allocated to a cash-generating unit, is calculated on an annual basis during the last quarter of each financial year. PE-BEE Agri (Pty) Ltd`s ("Protek") intangible assets with indefinite useful lives consist of trademarks of R16 million and supplier agreements of R11 million. The net asset value of Protek, on group level, was compared to a value in use valuation, based on the discounted cash flow ("DCF") methodology, incorporating various discounts and premiums. The valuation was performed using a weighted average cost of capital ("WACC") rate of 20,5% discounted over a 10 year projected cash flow period, a perpetual growth rate of 2% and a marketability discount of 6,3%. The projected cash flows were based on financial budgets approved by management. The key assumptions used reflect past experience and is consistent with external sources of information.

The valuation was benchmarked against PE (price-earnings) ratio multiples and EBITDA (earnings before interest, tax, depreciation and amortisation) ratio multiples of comparable entities in the market. The valuation amount was in excess of the net asset value and no impairment charge was consequently recognised on the intangible assets. Reasonably possible changes to key assumptions are not expected to cause the carrying amount to exceed the recoverable amount, based on the current headroom calculated.

Company - 2024							
Intellectual property	4	-	-	(1)	-	*	3
Computer software	-	-	2	-	-	-	2
Total	4	-	2	(1)	-	*	5

2023 - Reconciliation of movements on intangible assets

	Balance at the beginning of the year R'm	Business combinations [1] R'm	Additions R'm	Amortisation R'm	Impairments [2] R'm	Exchange rate translation R'm	Balance at the end of the year R'm
Group - 2023							
Intellectual property	5	-	-	(1)	-	-	4
Brand names, patents, trademarks and other rights	48	-	-	(1)	(19)	-	28
Computer software	4	-	2	(2)	-	-	4
Customer relationships *	48	17	-	(7)	-	3	61
Supplier agreements *	11	67	-	(6)	-	12	84
Accreditation	2	-	-	(1)	-	-	1
Total	118	84	2	(18)	(19)	15	182

* The remaining amortisation period of significant finite intangible assets is 7 to 8 years for customer relationships and 9 years for supplier agreements. The carrying amount for these intangible assets is R61 million for customer relationships, and R73 million for supplier agreements.

[1] Refer to note 6.1.

[2] The continued decline in financial performance of the input wholesale business, as a cash-generating unit, resulted in an intangible asset impairment of R19 million recognised during the previous year. The value in use recoverable amount was calculated on the discounted cash flow ("DCF") methodology, incorporating various discounts and premiums. The valuation was performed using a multi-period cost of equity percentage between 14,7% and 14,1% discounted over a ten year projected cash flow period, a perpetual growth rate of 5,0% and a marketability discount of 6,3%. The projected cash flows was based on financial budgets approved by management. The key assumptions used reflect past experience and is consistent with external sources of information. The impairment loss was allocated to the input supply reportable segment in terms of the segmental results (note 1.2).

The recoverable amount of significant intangible assets with indefinite useful lives, allocated to a cash-generating unit, is calculated on an annual basis during the last quarter of each financial year. PE-BEE Agri (Pty) Ltd`s ("Protek") intangible assets with indefinite useful lives consist of trademarks of R16 million and supplier agreements of R11 million. The net asset value of Protek, on group level, was compared to a value in use valuation, based on the discounted cash flow ("DCF") methodology, incorporating various discounts and premiums. The valuation was performed using a weighted average cost of capital ("WACC") rate of 20,5% discounted over a 10 year projected cash flow period, a perpetual growth rate of 2% and a marketability discount of 5,5%. The projected cash flows were based on financial budgets approved by management. The key assumptions used reflect past experience and is consistent with external sources of information.

The valuation was benchmarked against PE (price-earnings) ratio multiples and EBITDA (earnings before interest, tax, depreciation and amortisation) ratio multiples of comparable entities in the market. The valuation amount was in excess of the net asset value and no impairment charge was consequently recognised on the intangible assets. Reasonably possible changes to key assumptions are not expected to cause the carrying amount to exceed the recoverable amount, based on the current headroom calculated.

Company - 2023							
Intellectual property	5	-	-	-	(1)	-	4
Total	5	-	-	-	(1)	-	4

6. Investment in companies

6.1 Corporate transactions and restructuring

2024

Porst Landtechnik GmbH ("Porst")
During the year, S&L Connect GmbH ("S&L") acquired various assets and assumed liabilities from Porst to operate as a going concern within the existing S&L business. The transaction is effective from 1 August 2023.

This transaction marks the acquisition of the fourth John Deere dealer in East Germany where S&L has been granted the area of responsibility ("AOR") by John Deere. The acquisitions to date enable a more effective and successful takeover of the AOR as there is value encapsulated in the know-how of the transferring employees and the location of the properties acquired.

		Group
		R'm
Preliminary fair value of assets acquired and liabilities assumed *:	A..........................	**247**
Property, plant and equipment		105
Intangible assets		8
Trade and other receivables [2]		1
Inventory		145
Trade and other payables		(11)
Provisions		(1)
Consideration paid [1]	B..........................	**247**
Goodwill	C=(B-A)..............	**-**

* The net assets recognised are based on a preliminary assessment of fair value, while the group finalises the fair value measurement of assets acquired and liabilities assumed. Assessment of further separately identifiable assets and/or liabilities is also in progress. The assessment will be finalised within the 12-month measurement period as required by IFRS 3.

[1] The acquisition was funded using operating cash flows of R247 million which was provided to the SFL Group by way of an interest-bearing loan.

[2] The preliminary fair value of trade and other receivables acquired of R1 million does not include a provision for an amount which is not expected to be collected.

Since acquisition date, and for the 2024 financial year, additional revenue of R457 million and a loss before tax of R22 million were contributed to the consolidated statement of comprehensive income by Porst.

Carpe Diem Raisins (Pty) Ltd ("CDR")
During the year, KLK Landbou Ltd increased its shareholding in CDR by purchasing the remaining 20% shareholding from the non-controlling shareholders of CDR for R75 million, bringing the total shareholding to 100%. The effective date of the transaction being 29 May 2023. The transaction resulted in a reduction of the change in ownership reserve of R6 million in the statement of changes in equity.

KLK Landbou Ltd ("KLK")
During the year, Senwes increased its shareholding in KLK by purchasing an additional 0,5% of the non-controlling interest of KLK for R3 million, bringing the total shareholding to 58,3%. The transaction resulted in a reduction of the change in ownership reserve of less than R1 million when rounded.

Senwes Cell Captive
During the prior year, Senwes divested its share in the Molemi Sele Management (Pty) Ltd ("MSM") joint venture with NWK Ltd ("NWK") and Afgri Operations (Pty) Ltd ("Afgri") as partners. Senwes invested in a separate Guardrisk cell captive special purpose insurance company on 1 November 2022. Subsequently, the Senwes portion of the book previously included in the joint venture was transferred to the new cell captive which is 100% owned by Senwes. On 1 July 2023 Senwes expanded geographically by onboarding two additional third-party credit books into the Senwes Cell Captive structure to provide credit life insurance to their respective clients and producers.

SS Wealth Holdco (Pty) Ltd ("SS Wealth")
During the year, Senwes acquired a 50% share in SS Wealth. The investment was classified as an investment in a joint venture. The other party to the joint venture is WRS fiduciary and tax (Pty) Ltd ("WRS"). SS Wealth acquired 100% of the issued shares of SS Wealth Planning (Pty) Ltd ("SS Wealth Planning") from the Senwes group. SS Wealth Planning provides wealth planning services to farmers. The effective date of the transaction was 1 May 2023. The transaction resulted in a decrease in cash balances of R1 million due to the loss of control of SS Wealth Planning.

Share buy-back programme
On 29 June 2023, Senwes announced a share buy-back programme in which shares will be repurchased to the value of R68 million. The programme was amended by way of notice to shareholders on 18 October 2023. The amended programme duration was determined by a new repurchase consideration of R200 million being expended or 5,6% of the ordinary issued Senwes shares ("Senwes shares") being repurchased. Before the amendment, 438 202 shares had been repurchased to the value of R7 million at an average price of R16,25 per share. The amended programme concluded on 26 October 2023 when the full 5,6% of Senwes shares had been repurchased (10 085 728 shares in total to the value of R200 million as per the terms of the amended programme). The share price of the amended programme was set at R19,83 per share. The shares are currently being held as treasury shares within Senwes Capital. The remaining treasury share movement in the consolidated statement of changes in equity relates to other share buy-backs during the year.

2023

SFL Holdings GmbH ("SFL")

During the 2022 year, Senwes acquired the entire shareholding of SFL, a holding company incorporated in Germany. During the previous year, Senwes provided the funding to SFL to acquire various shares and assets in agricultural businesses (three John Deere dealerships, with six branches and sub-dealers) in Germany. As a result, Senwes gained control of the foreign operations and consolidated these operations. The acquisition is aligned to the Senwes strategic philosophy, specifically the strategic pillar of externalisation which brings further opportunities into alternative lower risk jurisdictions. A platform for growth will be created while increasing exposure to other major currencies and decreasing the exposure to the volatile Rand. The effective date of consolidation was 1 July 2022.

		Group
		R'm
Fair value of assets acquired and liabilities assumed :	A........................	**445**
Property, plant and equipment		261
Intangible assets		84
Trade and other receivables [2]		138
Inventory		312
Cash and cash equivalents		47
Other assets		3
Interest-bearing loans		(92)
Deferred tax liabilities		(7)
Trade and other payables		(283)
Non-controlling interest		(18)
Consideration paid [1]	B..........................	**472**
Goodwill [3]	C=(B-A).............	**27**

[1] The acquisition was funded using operating cash flows of R472 million which were paid to SFL and Senwes Grundstucks GmbH ("Grundstucks") in order to fund the acquisition of the businesses within the SFL Group. The funding from Senwes was structured as equity contributions of R140 million and loans of R332 million. Goodwill of R27 million was recognised as a result of the business combinations.

[2] The fair value of trade and other receivables acquired of R138 million include a provision of R1 million which is not expected to be collected.

[3] Goodwill arose in respect of, inter alia, the high profitability of the acquired business, synergies expected to arise after the group's acquisition of the business, and the workforce of the company which did not qualify for separate recognition.

Since acquisition date, and for the 2023 financial year, revenue of R1,1 billion and a profit after tax of R24 million were contributed to the consolidated statement of comprehensive income by the SFL Group. The revenue and profit contributed by the group for the 12-month accounting period, as though the acquisition had been as of the beginning of the 2023 reporting period, were R1,4 billion and R27 million, respectively.

Molemi Sele Management (Pty) Ltd ("MSM")

The three shareholders of MSM; Senwes Limited, NWK Limited and Afgri Operations Proprietary Limited, agreed that they will no longer continue with the joint venture partnership in MSM and its Guardrisk cell captive. During the previous year Senwes consequently divested from the MSM joint venture, effective 1 November 2022. The proceeds from the disposal amounted to R23 million and a profit on disposal of joint venture of R2 million (group) and R22 million (company) was respectively recognised.

Staalmeester (Pty) Ltd ("Staalmeester")

Senwes, through Senwes Equip Holdings (Pty) Ltd, acquired the remaining share (25%) in Staalmeester from the non-controlling shareholder for R10 million on 1 May 2022. The transaction resulted in the change in ownership reserve being increased by R3 million. Subsequently, Falcon Agricultural Equipment (Pty) Ltd ("Falcon") acquired the total business operations of Staalmeester with effect from 1 May 2022 in terms of a disposal agreement.

The consolidated business operations of both parties, which deal in the importing and manufacturing of bespoke agricultural equipment, will lead to further unlocking of synergies within the group and avoid any possible duplication of services and expenses.

The above mentioned transactions were accounted for as business combinations under common control and therefore excluded from the scope of IFRS 3.

PE-BEE (Pty) Ltd ("Protek")

During the previous year the group, through Africum (Pty) Ltd, increased its shareholding in Protek by acquiring an additional 9% of the non-controlling interest of Protek for R17 million, resulting in a shareholding of 60%. The effective date of the transaction was 1 September 2022. The transaction resulted in a change in ownership reserve of R10 million being decreased in the statement of changes in equity.

KLK Landbou Limited ("KLK")

During the previous year, KLK acquired the remaining 49% shareholding of Ramskop (Pty) Ltd ("Ramskop") from the non-controlling shareholders for R1. The effective date of the transaction was 28 February 2023. The transaction resulted in a change in ownership reserve of R5 million being decreased in the statement of changes in equity.

6.2 Investment in subsidiaries

	Notes	Total shares in issue	Interest %	Shares R'm	Provision for impairment on investment R'm	Total net investment R'm
Company - 2024						
JD Implemente (Pty) Ltd	6.3.1	**1 000**	**50**	**6**	**-**	**6**
KLK Landbou Ltd	6.3.2	**17 127 558**	**58.3**	**190**	**-**	**190**
Suidwes Holdings (Pty) Ltd		**53 291 256**	**100**	**113**	**-**	**113**
Hinterland Holdings (Pty) Ltd		**50 000 000**	**100**	**213**	**-**	**213**
Grainovation (Pty) Ltd		**1 000**	**100**	**28**	**-**	**28**
Senwes Equip Holdings (Pty) Ltd [1]		**100**	**100**	*****	**-**	**-**
Senwes Equip Holdings (Pty) Ltd - Discounted loans [2]		**-**	**-**	**-**	**-**	**1**
Senwes Capital (Pty) Ltd		**11 054**	**100**	**25**	**-**	**25**
Senwes Share Incentive Scheme Trust [3]	16.2	**-**	**100**	**60**	**-**	**60**
SENWK (Pty) Ltd		**180**	**100**	**29**	**-**	**29**
SFL Holdings GmbH [4]	6.3.5	**25 000**	**100**	**132**	**(46)**	**86**
SS Siloco (Pty) Ltd [5]		**100**	**100**	*****	**-**	*****
Agri Credit Solutions (Pty) Ltd [6]		**6**	**17**	**1**	**-**	**1**
Agri Credit Solutions (Pty) Ltd - IFRS 2 [6] **		**-**	**-**	**-**	**-**	**5**
Agrifriend Equipment (Pty) Ltd - IFRS 2 [7] **		**-**	**-**	**-**	**-**	**4**
Hinterland SA (Pty) Ltd - IFRS 2 [8] **		**-**	**-**	**-**	**-**	**4**
Hinterland Holdings (Pty) Ltd - IFRS 2 **		**-**	**-**	**-**	**-**	**2**
NviroTek Laboratories (Pty) Ltd - IFRS 2 [9] **	6.3.4	**-**	**-**	**-**	**-**	**1**
Falcon Agricultural Equipment (Pty) Ltd - IFRS 2 [10] **		**-**	**-**	**-**	**-**	**1**
Certisure Brokers (Pty) Ltd - IFRS 2 [11] **		**-**	**-**	**-**	**-**	**1**
Total carrying value				**797**	**(46)**	**770**

* Amount is less than R0,5 million.

** The IFRS 2 investments relate to subsidiary companies where employees participate in the Senwes share-based payment scheme. These investments are reclassified as amounts receivable as soon as vesting of the Senwes shares takes place.

[1] The share capital of Senwes Equip Holdings amounts to R100.

[2] The discounted loans to Senwes Equip Holdings originated due to the nature of these loans (refer to note 7.1.2), being interest free and repayment terms will only be negotiated after five years. A portion of these loans, R17 million at inception, was classified as investments. During the year, one of the loans has been settled and the investment written off.

[3] Senwes Share Incentive Scheme Trust was established as a vehicle for the equity-settled share-based payment scheme. During the year, additional capital contributions of R14 million was made to the Trust.

[4] Senwes holds a 100% share in SFL Holdings GmbH. Refer to note 6.1 for detail regarding the transaction.

[5] Senwes holds a 100% share in SS Siloco (Pty) Ltd ("SS Siloco"). The investment in SS Siloco amounts to R100.

[6] Senwes indirectly holds a 100% share in Agri Credit Solutions (Pty) Ltd ("ACS") through Suidwes Holdings (Pty) Ltd ("Suidwes Holdings"), which holds 83,3% in ACS, while Senwes holds the remaining 16,7%.

[7] Senwes indirectly holds a 100% share in Agrifriend Equipment (Pty) Ltd ("Agrifriend Equipment") through Africum (Pty) Ltd ("Africum") (10%) and Senwes Equipment (90%).

[8] Senwes indirectly holds a 100% share in Hinterland SA (Pty) Ltd ("Hinterland SA") through Agrinet (Pty) Ltd ("Agrinet") (85,6%) and Hinterland Holdings (Pty) Ltd (14,4%).

[9] Senwes indirectly holds a 82% share in NviroTek Laboratories (Pty) Ltd ("NviroTek") through Africum (Pty) Ltd ("Africum").

[10] Senwes indirectly holds a 100% share in Falcon Agricultural Equipment (Pty) Ltd ("Falcon") through Senwes Equip Holdings (Pty) Ltd.

[11] Senwes indirectly holds a 100% share in Certisure Brokers (Pty) Ltd ("Certisure") through SENWK (Pty) Ltd.

	Notes	Total shares in issue	Interest %	Shares R'm	Provision for impairment on investment R'm	Total net investment R'm
Company - 2023						
JD Implemente (Pty) Ltd	6.3.1	1 000	50	6	-	6
KLK Landbou Ltd	6.3.2	17 127 558	57.8	187	-	187
Suidwes Holdings (Pty) Ltd		53 291 256	100	113	-	113
Hinterland Holdings (Pty) Ltd		50 000 000	100	213	-	213
Grainovation (Pty) Ltd		1 000	100	28	-	28
Senwes Equip Holdings (Pty) Ltd [1]		100	100	-	-	-
Senwes Equip Holdings (Pty) Ltd - Discounted loans [2]		-	-	-	-	5
Senwes Agrowth (Pty) Ltd [3]		1 000	74	-	-	-
Senwes Capital (Pty) Ltd		11 054	100	25	-	25
Senwes Graanmakelaars (Pty) Ltd		100	100	-	-	-
Senwes Share Incentive Scheme Trust [4]	16.2	-	100	61	-	61
SENWK (Pty) Ltd [5]		180	100	29	-	29
SFL Holdings GmbH [6]	6.3.5	25 000	100	132	-	132
SS Siloco (Pty) Ltd [7]		100	100	*	-	*
Agri Credit Solutions (Pty) Ltd [8]		6	17	1	-	1
Agri Credit Solutions (Pty) Ltd - IFRS 2 [8] **		-	-	-	-	4
Agrifriend Equipment (Pty) Ltd - IFRS 2 [9] **		-	-	-	-	3
Hinterland SA (Pty) Ltd - IFRS 2 [10] **		-	-	-	-	2
Hinterland Holdings (Pty) Ltd - IFRS 2 **		-	-	-	-	1
Total carrying value				**795**	**-**	**810**

* Amount is less than R0,5 million.

** The IFRS 2 investments relate to subsidiary companies where employees participate in the Senwes share-based payment scheme. These investments are reclassified as amounts receivable as soon as vesting of the Senwes shares takes place.

[1] The share capital of Senwes Equip Holdings amounts to R100.

[2] The discounted loans to Senwes Equip Holdings originated due to the nature of these loans (refer to note 7.1.2), being interest free and repayment terms will only be negotiated after five years. A portion of these loans, R17 million at inception, was classified as investments.

[3] Senwes Agrowth (Pty) Ltd is the holding company of Tradevantage Grain (Pty) Ltd ("Tradevantage") and consists of equity and an investment of R100.

[4] Senwes Share Incentive Scheme Trust was established as a vehicle for the equity-settled share-based payment scheme. During the year, additional capital contributions of R13 million was made to the Trust.

[5] Senwes holds a 100% share in SENWK (Pty) Ltd ("SENWK"). Refer to note 6.1 for detail regarding the acquisition of SENWK during the prior year.

[6] Senwes holds a 100% share in SFL Holdings GmbH. Refer to note 6.1 for detail regarding the transaction.

[7] Senwes holds a 100% share in SS Siloco (Pty) Ltd ("SS Siloco"). The investment in SS Siloco amounts to R100.

[8] Senwes indirectly holds a 100% share in Agri Credit Solutions (Pty) Ltd ("ACS") through Suidwes Holdings (Pty) Ltd ("Suidwes Holdings"), which holds 83,3% in ACS, while Senwes holds the remaining 16,7%.

[9] Senwes indirectly holds a 100% share in Agrifriend Equipment (Pty) Ltd ("Agrifriend Equipment") through Africum Ltd ("Africum") (10%) and Senwes Equipment (90%).

[10] Senwes indirectly holds a 100% share in Hinterland SA (Pty) Ltd ("Hinterland SA") through Agrinet (Pty) Ltd ("Agrinet") (85,6%) and Hinterland Holdings (Pty) Ltd (14,4%).

[11] Senwes indirectly holds a 82% share in NviroTek Laboratories (Pty) Ltd ("NviroTek") through Africum Ltd ("Africum").

[12] Senwes indirectly holds a 100% share in Falcon Agricultural Equipment (Pty) Ltd ("Falcon") through Senwes Equip Holdings (Pty) Ltd.

[13] Senwes indirectly holds a 100% share in Certisure Brokers (Pty) Ltd ("Certisure") through SENWK (Pty) Ltd.

6.3 Financial information of subsidiaries

Only subsidiaries with significant non-controlling interest will be disclosed. The following is the financial information of the subsidiaries with significant non-controlling interest. A full list of subsidiaries is available for inspection at the registered office of the company.

	2024 R'm	2023 R'm
Summarised non-controlling interest balances:		
Non-controlling interest of subsidiaries that are individually significant and separately disclosed	**501**	510
Non-controlling interest of subsidiaries that are not individually significant	**-**	1
Non-controlling interest relating to group equity adjustments	**8**	8
Total non-controlling interest	**509**	519
Summarised non-controlling interest movement:		
Individually disclosed subsidiaries		
Non-controlling interest share in profit or loss	**68**	99
Non-controlling interest acquired in business combination	**-**	18
Dividends paid to non-controlling shareholders	**(5)**	(11)
Non-controlling interest relating to group profit or loss adjustments	**-**	1
Change in ownership	**(72)**	(15)
Exchange rate translation	**-**	3
Subsidiaries not individually significant to disclose		
Non-controlling interest share in profit or loss	**(1)**	-
Total non-controlling interest movement	**(10)**	95

6.3.1 JD Implemente (Pty) Ltd

Senwes has a 50% interest in JD Implemente (Pty) Ltd ("JDI"). JDI is accounted for as a subsidiary due to the fact that Senwes appoints the chairman of the board and where the shareholders disagree, the chairman has the casting vote. JDI's core business is the sale of mechanisation goods, spare parts and rendering of workshop services in the Eastern and Western Cape. The financial year-end is the same as Senwes' financial year-end. The registered office of the company is in Swellendam, South Africa.

The following is the summarised financial information:

	2024 R'm	2023 R'm
Financial position		
Non-current assets	**41**	36
Current assets, excluding bank and cash	**278**	192
Cash and cash equivalents	**3**	1
Trade payables	**(203)**	(135)
Current financial liabilities, excluding trade payables	**(1)**	(1)
Non-current liabilities	**(11)**	(13)
Equity attributable to subsidiary	**107**	80
Attributable to:		
Equity holders of the parent	**53**	40
Non-controlling interest	**54**	40
Financial results		
Revenue	**727**	493
Cost of sales	**(637)**	(414)
Other income	**10**	6
Depreciation	**(2)**	(2)
Expenses	**(57)**	(51)
Finance costs	**(3)**	(2)
Profit before tax	**38**	30
Tax	**(10)**	(8)
Profit after tax	**28**	22
Non-controlling interest share in profit or loss	**14**	11
Dividends paid to non-controlling shareholders	**-**	(3)
Summarised cash flows are as follows:		
(Used in)/generated from operating activities	**(1)**	4
Generated from/(used in) investing activities	**4**	(21)
Used in financing activities	**(1)**	(7)
Net increase/(decrease) in cash flows	**2**	(24)

6.3.2 KLK Landbou Ltd

Senwes has a 58,3% (2023: 57,8%) interest in KLK Landbou Ltd ("KLK"), and it is therefore accounted for as a subsidiary. KLK is a group of companies in the agricultural sector. The group's focus areas are agricultural retail, fuels and associated products, meat trading through abattoirs, various car dealerships, livestock, the processing and exporting of sheep skins and cattle hides and the trading, processing and packaging of raisins and raisin products in the Orange River area around Upington, mainly for the export market. The company has a February financial year-end. The financial figures of KLK are, however, consolidated for the same reporting period as Senwes' financial year. The registered office of the company is in Upington, South Africa.

The following is the summarised financial information:

	2024 R'm	2023 R'm
Financial position		
Non-current assets	**454**	415
Current assets, excluding bank and cash	**876**	810
Cash and cash equivalents	**29**	4
Trade payables	**(355)**	(251)
Current financial liabilities, excluding trade payables	**(169)**	(111)
Non-current liabilities	**(43)**	(68)
Non-controlling interest	**(74)**	(124)
Equity attributable to subsidiary	**718**	675
Attributable to:		
Equity holders of the parent	**419**	390
Non-controlling interest	**299**	285
Non-controlling interest relating to group equity adjustments	**(3)**	(3)
Financial results		
Revenue	**3 300**	3 537
Cost of sales	**(2 819)**	(2 868)
Other income	**41**	56
Depreciation	**(29)**	(34)
Expenses	**(392)**	(494)
Finance costs	**(9)**	(6)
Profit before tax	**92**	191
Tax	**(24)**	(48)
Non-controlling interest	**(15)**	(20)
Profit after tax	**53**	123
Non-controlling interest share in profit or loss	**21**	53
Non-controlling interest relating to group profit or loss adjustments	**-**	3
Dividends paid to non-controlling shareholders	**-**	(2)
Change in ownership	**(72)**	5
Summarised cash flows are as follows:		
Generated from/(used in) operating activities	**76**	(80)
Used in investing activities	**(176)**	(52)
Generated from/(used in) financing activities	**26**	(4)
Net decrease in cash flows	**(74)**	(136)

6.3.3 PE-BEE Agri (Pty) Ltd ("Protek")

Senwes holds a 60% share in Protek through its wholly owned subsidiary, Africum (Pty) Ltd ("Africum"). Protek's core business is the buying, repackaging, distribution and selling of pesticides and fertiliser for the household and retail market. The financial year-end is the same as Senwes' financial year-end. The registered office of the company is in Heidelberg, South Africa.

The following is the summarised financial information:

	2024 R'm	2023 R'm
Financial position		
Non-current assets	**17**	12
Current assets, excluding bank and cash	**86**	69
Cash and cash equivalents	**6**	8
Trade payables	**(24)**	(20)
Current financial liabilities, excluding trade payables	**(8)**	(5)
Non-current liabilities	**-**	(4)
Equity attributable to subsidiary	**77**	60
Attributable to:		
Equity holders of the parent	**46**	36
Non-controlling interest	**31**	24
Non-controlling interest relating to group equity adjustments	**10**	10
Financial results		
Revenue	**231**	203
Cost of sales	**(114)**	(107)
Other income	**1**	-
Depreciation	**(3)**	(2)
Expenses	**(75)**	(64)
Profit before tax	**40**	30
Tax	**(11)**	(8)
Profit after tax	**29**	22
Non-controlling interest share in profit or loss	**12**	11
Non-controlling interest relating to group profit or loss adjustments	**-**	(1)
Dividends paid to non-controlling shareholders	**(5)**	(6)
Change in ownership	**-**	(7)
Summarised cash flows are as follows:		
Generated from operating activities	**7**	19
Used in investing activities	**(5)**	-
Used in financing activities	**(4)**	(18)
Net (decrease)/increase in cash flows	**(2)**	1

6.3.4 NviroTek Laboratories (Pty) Ltd

Senwes holds an 82% share in NviroTek Laboratories (Pty) Ltd ("NviroTek") through its wholly owned subsidiary, Africum (Pty) Ltd ("Africum"). NviroTek's core business is providing laboratory services to the agricultural market. The financial year-end is the same as Senwes' financial year-end. The registered office of the company is the same as Senwes' registered office.

The following is the summarised financial information:

	2024 R'm	2023 R'm
Financial position		
Non-current assets	**53**	50
Current assets, excluding bank and cash	**21**	41
Cash and cash equivalents	**40**	3
Trade payables	**(7)**	(12)
Current financial liabilities, excluding trade payables	**(7)**	(1)
Equity attributable to subsidiary	**100**	81
Attributable to:		
Equity holders of the parent	**82**	66
Non-controlling interest	**18**	15
Non-controlling interest relating to group equity adjustments	**1**	1
Financial results		
Revenue	**93**	81
Cost of sales	**(16)**	(14)
Other income	**4**	9
Depreciation	**(4)**	(4)
Expenses	**(49)**	(53)
Profit before tax	**28**	19
Tax	**(7)**	(4)
Profit after tax	**21**	15
Non-controlling interest share in profit or loss	**3**	3
Non-controlling interest relating to group profit or loss adjustments	**-**	(1)
Summarised cash flows are as follows:		
Generated from operating activities	**40**	18
Used in investing activities	**(3)**	(9)
Used in financing activities	**-**	(7)
Net increase in cash flows	**37**	2

6.3.5 SFL Holdings Group

Senwes holds a 100% share in SFL Holdings GmbH ("SFL"). SFL indirectly holds investments in other companies through its wholly owned subsidiary S&L Connect GmbH ("S&L"). The details below are presented for entities where a non-controlling interest exists within the SFL Holdings Group. These companies are Agrar Technik Lissa GmbH ("ATL") and Landmaschinenvertrieb Bad Schmiedeberg GmbH ("LVBS"), with non-controlling interest of 40% and 49% respectively. The core business of the SFL Holdings Group is the sale of mechanisation goods, spare parts and rendering of workshop services. The companies included below have a December financial year-end. The financial figures of the companies are, however, consolidated for the same reporting period as Senwes' financial year.The registered office of SFL Holdings is in Sonnewalde, Germany.

The following is the summarised financial information:

	2024 R'm	2023 R'm
Financial position		
Non-current assets	**11**	16
Current assets, excluding bank and cash	**64**	52
Cash and cash equivalents	**17**	17
Trade payables	**(29)**	(23)
Non-current liabilities	**(11)**	(15)
Equity attributable to subsidiary	**52**	47
Attributable to:		
Equity holders of the parent	**27**	25
Non-controlling interest	**25**	22
Financial results		
Revenue	**195**	78
Cost of sales	**(163)**	(67)
Other income	**2**	-
Depreciation	**(2)**	(1)
Expenses	**(24)**	(7)
Profit before tax	**8**	3
Tax	**(1)**	(1)
Profit after tax	**7**	2
Non-controlling interest share in profit or loss	**3**	1
Exchange rate translation	**-**	3
Summarised cash flows are as follows:		
Generated from operating activities	**4**	1
Used in investing activities	**-**	(4)
Used in financing activities	**(4)**	-
Net decrease in cash flows	**-**	(3)

7. Other financial assets and liabilities

7.1 Financial assets

7.1.1 Other financial assets

	Group		Company	
	2024 R'm	2023 R'm	2024 R'm	* 2023 R'm
Financial assets at fair value through other comprehensive income **	**5**	5	**-**	-
Financial assets at amortised cost	**1**	1	**-**	-
Total other financial assets	**6**	6	**-**	-

** Consist of a 10,7% investment held in Oos-Transvaal Kalkverskaffers (Pty) Ltd.

Current	**-**	-	**-**	-
Non-current	**6**	6	**-**	-

* Refer to note 35.2 for details regarding the implementation of IFRS 17.

7.1.2 Other loans receivable

	Group		Company	
	2024	2023	2024	* 2023
Non-current assets	R'm	R'm	R'm	R'm
Non-current assets with related parties				
SFL Holdings GmbH [1]	**-**	-	**376**	366
Senwes Equip Holdings (Pty) Ltd [2]	**-**	-	**-**	24
Total non-current assets	**-**	-	**376**	390
Current assets				
Interest-bearing loans to related parties (local and foreign companies)				
SFL Holdings GmbH [1]	**-**	-	**254**	113
Oos-Transvaal Kalkverskaffers (Pty) Ltd [4]	**-**	1	**-**	-
Africum (Pty) Ltd [3]	**-**	-	**3 912**	4 669
Suidwes IT Solutions 2 (Pty) Ltd [4]	**-**	-	**2**	-
Total interest-bearing loans to related parties (local and foreign companies)	**-**	1	**4 168**	4 782
Non-interest-bearing loans to related parties				
Suidwes Investments (Pty) Ltd [5]	**-**	-	**348**	348
SS Siloco (Pty) Ltd [6]	**-**	-	**-**	10
Senwes Equip Holdings (Pty) Ltd [2]	**-**	-	**26**	24
Total non-interest-bearing loans to related parties	**-**	-	**374**	382
Total current assets	**-**	1	**4 542**	5 164
Balance at the end of the year	**-**	1	**4 918**	5 554

* Refer to note 34.2 for details regarding the restatement of comparitive information.

[1] The loans to SFL Holdings GmbH consist of a shareholders loan of R384 million and a bridging loan of R246 million. The shareholders loan is unsecured, bears interest at 4% above the yearly average three-month EURIBOR and 5% of the loan is payable in three annual instalments, after which 50% of the loan is payable in seven annual instalments, with the final 45% payable at the end of the ten year period. The bridging loan is unsecured, bears interest at 4% above the yearly average three-month EURIBOR and is repayable on demand. These loans have been subordinated in favor of other financiers.

[2] The two loans to Senwes Equip Holdings (Pty) Ltd are unsecured and interest-free (proportionately classified as a loan receivable and an investment in subsidiary, refer to note 6.2). These loans were granted to Senwes Equip Holdings (Pty) Ltd for the purpose of acquiring Staalmeester Agricultural Equipment (Pty) Ltd and Falcon Agricultural Equipment (Pty) Ltd, respectively. The R24 million loan which was granted for the purpose of acquiring Staalmeester Agricultural Equipment (Pty) Ltd was repaid in September 2023. The R26 million loan which was granted for the purpose of acquiring Falcon Agricultural Equipment (Pty) Ltd is repayable before 1 November 2024 and therefore classified as current.

[3] The loan to Africum (Pty) Ltd is unsecured, bears interest at a prime-linked rate and is repayable on demand.

[4] The loan to Oos-Transvaal Kalkverskaffers (Pty) Ltd is unsecured, bears interest at a prime-linked rate and has no fixed repayment terms.

[5] The term loan to Suidwes Investments (Pty) Ltd is secured, interest-free and is repayable on demand. The loan is secured by properties, debtors, inventory and investments with an estimated realisable value of R750 million.

[6] The loan to SS Siloco (Pty) Ltd is unsecured, interest-free and is repayable on demand.

Impairment of loans

Loans are evaluated to identify the presence of certain triggers, e.g. future cash flows discounted at market-related rates, to determine if there is a need for an impairment allowance. All financial assets are assessed for expected credit losses. Refer to note 7.1.3 for the classification of these assets. Also refer to notes 11.5 and 24.1.2 for more guidance on how expected credit losses may be calculated.

Investments in and loans to/from private companies

The register of shares and loans to/from private companies is available for inspection at the registered office of the company.

7.1.3 Expected credit losses

	Group							
	2024				2023			
	R'm Stage 1	R'm Stage 2	R'm Stage 3	R'm Total	R'm Stage 1	R'm Stage 2	R'm Stage 3	R'm Total
Gross other loans receivable	-	3	-	3	1	3	–	4
Allowance for expected credit losses	-	(3)	-	(3)	–	(3)	–	(3)
Opening balance	-	(3)	-	(3)	–	–	–	–
Increase/decrease in allowance for doubtful debts	-	-	-	-	–	(3)	–	(3)
Net other loans receivable	-	-	-	-	1	–	–	1

There were no movements between stages during the current or prior financial year. Significant changes in the gross carrying amount did not contribute to changes in the loss allowance.

	Company							
	2024				2023			
	R'm Stage 1	R'm Stage 2	R'm Stage 3	R'm Total	R'm Stage 1	R'm Stage 2	R'm Stage 3	R'm Total
Gross other loans receivable	4 918	-	-	4 918	5 554	–	–	5 554
Allowance for expected credit losses	-	-	-	-	–	–	–	–
Opening balance	-	-	-	-	–	–	–	–
Allowance reversal due to loans written off	-	-	-	-	–	–	–	–
Net other loans receivable	4 918	-	-	4 918	5 554	–	–	5 554

There were no movements between stages during the current financial year. Significant changes in the gross carrying amount did not contribute to changes in the loss allowance.

Refer to note 24.1.2 Credit risk, for details regarding classification of accounts into stages and events leading to transfers between stages.

7.1.4 Cash and short-term deposits

	Group		Company	
	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Cash and short-term deposits	**525**	361	**355**	6

7.2 Financial liabilities

7.2.1 Other loans payable

	Group		Company	
	2024 R'm	**2023 R'm**	**2024 R'm**	**2023 R'm**
Interest-bearing loans from related parties				
Bastion Lime (Pty) Ltd [1]	**127**	95	**-**	-
Africum (Pty) Ltd [2]	**-**	-	**-**	5
Agribel Holdings Ltd [3]	**10**	-	**-**	-
Oos-Transvaal Kalkverskaffers (Pty) Ltd [4]	**5**	-	**-**	-
Silocerts (Pty) Ltd [5]	**2**	-	**-**	-
Agri Credit Solutions (Pty) Ltd [6]	**-**	-	**8**	-
Hinterland Holdings (Pty) Ltd [7]	**-**	-	**8**	-
Agrifriend Equipment (Pty) Ltd [8]	**-**	-	**6**	-
Total interest-bearing loans from related parties	**144**	95	**22**	5

[1] The loan from Bastion Lime (Pty) Ltd is unsecured, bears interest at a prime-linked rate and has no fixed repayment terms.
[2] The loan from Africum (Pty) Ltd is unsecured, bears interest at a prime-linked rate and is repayable on demand.
[3] The loan from Agribel Holdings Ltd is unsecured, bears interest at a prime-linked rate and has no fixed repayment terms.
[4] The loan from Oos-Transvaal Kalkverskaffers (Pty) Ltd is unsecured, bears interest at a prime-linked rate and has no fixed repayment terms.
[5] The loan from Silocerts (Pty) Ltd is unsecured, bears interest at a prime-linked rate and has no fixed repayment terms.
[6] The loan from Agri Credit Solutions (Pty) Ltd is unsecured, bears interest at a prime-linked rate and has no fixed repayment terms.
[7] The loan from Hinterland Holdings (Pty) Ltd is unsecured, bears interest at a prime-linked rate and has no fixed repayment terms.
[8] The loan from Agrifriend Equipment (Pty) Ltd is unsecured, bears interest at a prime-linked rate and has no fixed repayment terms.

7.2.2 Current interest-bearing loans

	Group		Company	
	2024 R'm	*** 2023 R'm**	**2024 R'm**	*** 2023 R'm**
Short-term loans	**3 538**	2 780	**3 285**	2 737
Commodity finance	**1 337**	878	**1 337**	878
Total	**4 875**	3 658	**4 622**	3 615

The movement does not contain any non-cash movements. (2023: Non-cash flow movements include a R30 million increase due to the SFL Holdings Group business combination as well as a R5 million exchange rate translation movement).

* Refer to note 34.1 for details regarding restatement of comparative information.

Short-term loans
Absa Bank Ltd:
As continuing security for Senwes' current facilities with Absa Bank Ltd ("Absa"), all rights and interest to producer debtors and their underlying security have been ceded and pledged to Absa. In the event of a default, if the debt is not resolved within two business days, Absa reserves the right to take possession of the debtor's book. The Absa loan is renewable annually, and the current facilities bear interest at a sub-prime linked rate, capitalised on a monthly basis. The Hinterland Holdings (Pty) Ltd R500 million seasonal prime lending facility was included in the Senwes Group facility, with effect from 3 May 2022 and is secured by the following:

i - A limited guarantee by Hinterland Securities (Pty) Ltd for an amount of R500 million supported by a first continuing coverage mortgage bond for a minimum cumulative amount of R500 million over the properties owned by Hinterland Holdings (Pty) Ltd; Agri Credit Solutions (Pty) Ltd, Suidwes Investments (Pty) Ltd and Hinterland SA (Pty) Ltd.

ii - A limited guarantee by Hinterland Holdings (Pty) Ltd for an amount of R500 million supported by a cession of loan account and a general notarial bond for an amount of R250 million over movable assets.

iii - A limited guarantee by Hinterland SA (Pty) Ltd for an amount of R500 million supported by a cession of loan account and a general notarial bond for an amount of R250 million over movable assets.
iv - A limited guarantee by Hinterland Fuels (Pty) Ltd for an amount of R500 million supported by a cession of loan account.

Senwes has an Absa facility of R4,5 billion available, and at year end R3 210 million had been utilised (2023: R2 678 million).

Nedbank Ltd:
Senwes Ltd entered into a new term loan ("MTL 1a") of R1 billion on 31 May 2021. Interest is payable monthly in arrears for 71 months, with a bullet payment plus interest, in month 72. The loan is secured by a cession of first covering mortgage bonds over the Senwes silos, using a special purpose vehicle, Senwes Securities (Pty) Ltd, and bears interest at a sub-prime-linked interest rate.

Senwes Ltd entered into a new medium-term loan facility ("MTL 1b") of R465 million with Nedbank on 30 November 2021. The loan will amortise over 72 months, payable monthly in arrears, of which 35% amortising in the first 3 years and 65% amortising in the last 3 years. The loan is secured by a cession of first covering mortgage bonds over the Suidwes silos, using a special purpose vehicle, Suidwes Securities (Pty) Ltd, and bears interest at a sub-prime-linked interest rate.

R75 million (2023: R59 million) of these loans were classified as current at year-end.

A temporary overdraft facility of R500 million was granted to Senwes Ltd by Nedbank for a period of 12 months with full repayment being due at the earlier of 13 months from the first draw or 31 December 2024 ('the expiry date'), on which the facility reverts to Rnil.

As at 30 April 2024 this facility was not utilised by Senwes Ltd.

A new medium-term loan facility of R250 million was granted to Senwes Ltd by Nedbank, to finance capital expenditure with regards to solar equipment and silo upgrades. The loan is financed over 72 months, payable monthly in arrears, of which 35% amortising in the first 3 years and 65% amortising in the last 3 years.

As at 30 April 2024 this facility was not utilised by Senwes Ltd.

Short-term portion of KLK Landbou Ltd's interest-bearing borrowings:
Refer to note 7.2.3 for a description of the terms and conditions relating to the respective borrowings. The short-term portion amounts to R3 million (2023: R3 million).

Short-term portion of SFL Holdings GmbH's interest-bearing borrowings:
Refer to note 7.2.3 for a description of the terms and conditions relating to the respective borrowings. The short-term portion amounts to R249 million (2023: R37 million).

Short-term portion of PE-BEE Agri (Pty) Ltd's interest-bearing borrowings:
Refer to note 7.2.3 for a description of the terms and conditions relating to the respective borrowings. The short-term portion amounts to Rnil (2023: R3 million).

Short-term portion of JD Implemente (Pty) Ltd's interest-bearing borrowings:
Refer to note 7.2.3 for a description of the terms and conditions relating to the respective borrowings. The short-term portion amounts to R1 million (2023: Rnil).

Commodity finance:
The carrying value of the finance approximates the fair value of the underlying commodities. Commodities which are pledged as security are reflected in note 12. Commodity finance bears interest at a sub-prime-linked rate and is capitalised monthly.

7.2.3 Non-current interest-bearing loans

	Group		Company	
	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Interest-bearing loans	**1 455**	1 440	**1 268**	1 342

The cash flow movement is an inflow of R15 million (group) and R74 million (company). (2023: The cash flow movement is an outflow of R45 million (group) and R56 million (company). Non-cash flow items on group consist of a R62 million increase due to the SFL Holdings business combination as well as an exchange rate translation movement of R14 million).

The group has the following non-current interest-bearing loans:

Senwes Ltd (Nedbank)
Refer to note 7.2.2 for a description of the terms and conditions relating to the respective borrowings. The long-term portion amounts to R1 268 million (2023: R1 342 million).

JD Implemente (Pty) Ltd (Wesbank)
A loan of R2 million (2023: R2 million) is payable to the Tomlinson Family Trust. This loan is interest free, has no fixed repayment terms and is unsecured. The company also has a financing agreements with Wesbank to the amount of R1 million (2023: R2 million). The financing agreements bear interest at a prime-linked rate.

KLK Landbou Ltd (Wesbank)
The balance consists of an instalment sales agreement with Wesbank and a mortgage bond for the property of Carpe Diem Raisins with FNB. The instalment sales agreement from Wesbank Ltd bears interest at a prime-linked rate, is secured, and is repayable in monthly instalments which include interest. The mortgage bond with FNB bears interest at a prime-linked rate, is secured by a mortgage bond and repayable over 10 years. The long-term portion of the agreements amounts to R31 million (2023: R1 million).

SFL Holdings GmbH
This is borrowings on machinery purchases from John Deere Financial, DLL Group, Deutsche Leasing and Süd Leasing, and bears interest at a Euribor-linked rate (between 2,5% and 7,3%), is secured, and repayable in monthly instalments which include interest. The period of repayment varies between 12 to 48 months. The long-term portion of these loans is R153 million (2023: R93 million).

PE-BEE Agri (Pty) Ltd (Scientific Chemicals)
PE-BEE Agri (Pty) Ltd ("Protek") financed the purchase of registrations and trademarks from a supplier (Scientific Chemicals) in terms of a sales agreement which stipulates that the loan is interest-free and payable in two equal instalments of R3 million during December 2022 and December 2023. The loan was settled in December 2023.

7.2.4 Bank overdraft

	Group		Company	
	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Bank overdraft	**155**	286	**-**	204

Senwes Ltd
At company level, the overdraft includes a utilised facility of Rnil (2023: R204 million) from Absa Bank.
KLK Landbou Ltd
The bank overdraft of R155 million (2023: R82 million) at First Rand Bank and Absa Bank has a combined limit of R220 million (2023: R170 million), and is secured by a general notarial bond registered over movable assets, plant and equipment and inventory; cession of KLK Landbou Ltd's loan account, Carpe Diem Raisins (Pty) Ltd's debtors, and a short-term insurance policy. The facilities bear interest at a prime-linked rate.

7.2.5 Other financial liabilities

	Group		Company	
	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Non-current liabilities				
AgriRewards[1]	**114**	71	**88**	58
Total other financial liabilities	**114**	71	**88**	58

[1] AgriRewards is a deferred bonus scheme in terms of which Senwes allocates a portion of its profits on an annual basis to customers to reward them for their loyalty during the year.

The AgriRewards scheme was launched in August 2016. The scheme is not automatic and customers have to register to participate.

For the 2024 financial year, the following business activities qualified for AgriRewards: all grain deliveries at Senwes silos, grain procurement, interest-bearing transactions with Agri Credit Solutions, and new whole goods sales at Senwes Equipment.

Additionally, the following new business activities were introduced during the prior year: parts purchases at Senwes Equipment, purchases at Hinterland stores, shops and direct seed purchases, as well as credit life insurance, asset insurance and short-term insurance premiums with Certisure.

Senwes also introduced a "tier system" during the previous year. The system is based on the level of tonnes delivered at Senwes silos and as a consequence, where these loyal customers are doing business with a combination of the participating business activities, they earn additional bonuses.

During January 2023 the members of the scheme were afforded the opportunity to convert their AgriRewards to Senwes shares. 64,6% of the participating members decided to convert their AgriRewards, which resulted in the liability decreasing during the 2023 financial year.

During April 2024 the board approved a reward of R50/ton (2023: R50/ton) for grain deliveries, R5/ton (2023: R5/ton) for grain procurement, 0,35% of interest-bearing transactions (2023: 0,35%), 3% of turnover on new whole goods at Senwes Equipment (2023: 3%), 0,5%, 1,0% and 1,5% of Hinterland direct maize seed sales, shop sales and store sales respectively, and 0,5% of credit life insurance, crop insurance and asset insurance premiums, with an additional 0,5% per insurance segment if the client does business with all three insurance segments. The allocation is discounted to a present value using a ROE-linked rate.

The rewards are payable as follows:

Group		
Financial year awarded	Present value of award R'm	Payment date
2017	**4**	30 April 2033
2018	**9**	30 April 2034
2019	**4**	30 April 2035
2020	**7**	30 April 2036
2021	**10**	30 April 2037
2022	**11**	30 April 2038
2023	**33**	30 April 2039
2024	**36**	31 April 2040
	114	

7.2.6 Insurance contract net assets or liabilities

		Group		Company	
		2024	2023	2024	2023
Statement of financial position	**Notes**	R'm	R'm	R'm	R'm
Senwes Cell Captive	7.2.6.1	**26**	12	**26**	12
Senwes Insurance fund	7.2.6.2	**-**	–	**(3)**	(3)
Net insurance contract asset		**26**	12	**23**	9
Statement of comprehensive income					
Insurance revenue		**46**	10	**59**	23
Insurance service expense		**(34)**	(5)	**(39)**	(10)
Reinsurance service expense		**-**	–	**(8)**	(8)
Insurance finance income		**2**	–	**2**	–
Net insurance service result		**14**	5	**14**	5

7.2.6.1 Senwes Cell Captive

	Group		Company	
	2024	2023	2024	2023
	R'm	R'm	R'm	R'm
Insurance contract assets at the start of the period	**12**	–	**12**	–
Net insurance contract assets at the start of the period	**12**	–	**12**	–
Initial investment into cell captive	**-**	7	**-**	7
Capital contribution to cell captive	**-**	7	**-**	7
Insurance revenue	**46**	10	**46**	10
Insurance service expenses	**(34)**	(5)	**(34)**	(5)
Incurred claims and other expenses	**(34)**	(5)	**(34)**	(5)
Insurance finance income	**2**	–	**2**	–
Total changes in the statement of comprehensive income	**14**	5	**14**	5
Insurance contract assets at the end of the period	**26**	12	**26**	12
Net insurance contract assets at the end of the period	**26**	12	**26**	12

7.2.6.2 Senwes Insurance fund

	Company	
	2024	2023
	R'm	R'm
Statement of financial position		
Senwes Insurance fund *	**(3)**	(3)
Net insurance contract asset	**(3)**	(3)
Statement of other comprehensive income		
Insurance revenue	**13**	13
Insurance service expenses	**(5)**	(5)
Incurred claims and other expenses	**(5)**	(5)
Reinsurance expense	**(8)**	(8)
Net insurance service result	**-**	–

* Consists of prepaid expenses, liability for remaining coverage and an incurred claims liability.

No adjustment to future cash flows is made for the time value of money and the effect of financial risk as cash flows are expected to be paid in less than 12 months.

Refer to note 35.2 for more details regarding the implementation of IFRS 17 and its effect on the financial statements.

7.3 Contract liabilities

	Group		Company	
	2024	**2023**	**2024**	**2023**
	R'm	**R'm**	**R'm**	**R'm**
Storage of grain	**9**	4	**9**	4
Handling of grain	**24**	23	**24**	22
Total	**33**	27	**33**	26

Contract liabilities include advances received to deliver storage and handling of grain. All the contract liabilities are short term in nature. These liabilities will subsequently realise to grain storage income and grain handling income respectively under services rendered. The typical timing of payment corresponds with the delivery of grain and differs from the performance obligation of storage and handling of grain. The contract liability increase from the previous year is therefore due to more early deliveries of grain compared to the prior year. The revenue recognised in profit or loss that was included in the opening balance of the contract liability, amounts to R27 million (2023: R20 million) at group level.

7.4 Deferred government grants

KLK Landbou Ltd

Government grants have been received for the purchase of certain items of plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants. Deferred government grants are recognised according to the useful life of the assets to which they relate.

	Group	
	2024	**2023**
	R'm	**R'm**
Balance at the beginning of the year	**14**	12
Received during the year	**-**	5
Realised in profit or loss	**(3)**	(3)
Total	**11**	14
Current	**2**	2
Non-current	**9**	12

8. Investments in joint ventures and associates

All joint ventures and associates are accounted for by applying the equity method. During the year the group had the following investments in joint ventures and associates:

Joint Ventures

Bastion Lime (Pty) Ltd (Group)

The group has a 50% interest in Bastion Lime (Pty) Ltd Group ("Bastion"). The company's main business objective is the mining and distribution of agricultural lime. The financial year-end is the same as the Senwes Group financial year-end. The registered office of the company is the same as Senwes' registered office.

Molemi Sele Management (Pty) Ltd

The group had a 35,7% interest in Molemi Sele Management (Pty) Ltd ("MSM"). During the previous year Senwes disposed of its investment in MSM (refer to note 6.1). MSM is the owner of a cell within Guardrisk Life. The arrangement enables Guardrisk, a registered licensed cell captive insurer, to provide long-term insurance and to offer third party insurance policies to customers of the shareholders. The financial year-end is the same as the Senwes Group financial year-end. The registered office of the company was the same as Senwes' registered office before the disposal.

Silocerts (Pty) Ltd

The group has a 50% interest in Silocerts (Pty) Ltd ("ESC"). ESC deals with the electronic issuing and trading of silo certificates. The financial year-end is the same as the Senwes Group financial year-end. The principal place of business of ESC is in Johannesburg, Gauteng.

Wealth Holdco (Pty) Ltd

The group has a 50% interest in Wealth Holdco (Pty) Ltd ("Wealth Holdco"). Wealth Holdco owns a 100% share in an operating company named SS Wealth Planning (Pty) Ltd ("SS Wealth"). SS Wealth provides wealth planning services to farmers. The financial year-end is the same as the Senwes Group financial year-end. The registered office of the company is the same as Senwes' registered office.

Associates

RealFin Collective Investment Scheme

A hedge fund was established on a 50/50-basis with Absa Bank. Both parties contributed R25 million to the hedge fund upon the establishment of the fund. During the previous year, Absa Investments merged with Sanlam Investments, allowing them to create a combined asset management venture. The responsibilities of the new combined venture effectively remain the same as before. The plan is to grow the fund with external investors. In this partnership, Sanlam is responsible for the CAT IIA license and also provides access to potential investors. Senwes is responsible for research and trading advice as well as generating returns on the investment. Both parties are responsible for governance and risk management. The fund's principal place of business is South Africa. During the current year, Sanlam has divested its investment in the fund, resulting in the group's status as the sole investor in the fund.

Botselo Mills (Pty) Ltd

The group has a 34,9% share in Botselo Mills (Pty) Ltd ("Botselo Mills"). Botselo Mills deals with the production of a wide range of maize products as well as value added products. The financial year-end is the same as the Senwes Group financial year-end. The principal place of business of Botselo Mills is in Delareyville, North West.

The following is the consolidated summarised financial information of joint ventures and associates:

	2024 R'm	2023 R'm
Statement of financial position:		
Non-current assets	**281**	309
Current assets, excluding cash and cash equivalents	**403**	322
Cash and cash equivalents	**169**	153
Trade payables	**(287)**	(306)
Provisions	**(9)**	(5)
Other current financial liabilities	**-**	(4)
Non-current liabilities	**(95)**	(102)
Non-controlling interest	**(20)**	(19)
Equity	**442**	348
Proportion of the group's ownership in joint venture equity	**75**	56
Proportion of the group's ownership in associate equity	**118**	91
Proportion of other investor's ownership in joint venture and associate equity	**249**	201
The total revenue and profit of joint ventures and associates are as follows:		
Revenue	**2 084**	1 554
Cost of sales	**(1 662)**	(1 197)
Operating expenses, excluding depreciation and amortisation	**(227)**	(257)
Depreciation and amortisation	**(24)**	(26)
Other income	**25**	24
Investment income	**-**	1
Finance costs	**(20)**	(22)
Profit before tax	**176**	77
Tax	**(52)**	(13)
Profit after tax	**124**	64
Group's share of profit from joint ventures	**21**	16
Group's share of profit from associates	**31**	10
Other investor's share of profit from joint ventures and associates	**72**	38
Dividends received from joint venture	**(1)**	(3)
Summarised cash flows of joint ventures and associates are as follows:		
Generated from operating activities	**56**	118
Used in investing activities	**(36)**	(19)
Used in financing activities	**(6)**	(8)
Net increase in cash flows	**14**	91

	Group		Company	
	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Total carrying amount of joint ventures and associates	**164**	101	**30**	30

9. Loans and other receivables

Represent debtors for financing of term loans (note 9.1) granted over varying terms of up to 120 months. The underlying asset serves as security for the loans/agreements. Interest rates are market related and can be variable or fixed, depending on the specific agreement.

		Group		Company	
	Notes	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Gross investment in term loans		**1 655**	2 099	**12**	15
Less: Unearned finance income		**(499)**	(658)	**-**	-
Carrying amount		**1 156**	1 441	**12**	15
Less: Current portion	11	**(295)**	(333)	**(12)**	(15)
Total loans and other receivables before allowance for expected credit losses		**861**	1 108	**-**	-
Allowance for expected credit losses	9.1.4	**(3)**	(5)	**-**	-
Total loans and other receivables	9.1	**858**	1 103	**-**	-

9.1 Term loans

	Note	Group 2024 R'm	Group 2023 R'm	Company 2024 R'm	Company 2023 R'm
Within one year		**295**	333	**12**	15
After one year but not more than five years		**688**	835	**-**	-
More than five years		**173**	273	**-**	-
Carrying amount		**1 156**	1 441	**12**	15
Less: Current portion		**(295)**	(333)	**(12)**	(15)
Total term loans before allowance for expected credit losses		**861**	1 108	**-**	-
Allowance for expected credit losses	9.1.4	**(3)**	(5)	**-**	-
Total		**858**	1 103	**-**	-

9.1.1 Terms and conditions

Term loans are repayable over 2 to 10 years, secured mainly by first bonds over property. The interest rates are market related, depending on the specific agreement.

9.1.2 Allowance for impairment

The calculation method of the allowance for impairment of the loans receivable must be read in conjunction with note 11. Refer to note 11.5 since the allowance for impairments forms part of the portfolio impairment allowance.

9.1.3 Fair value

As indicated in note 9.1.2, the method of impairment allowance is disclosed in note 11 and the long-term loans receivable need to be read in conjunction with note 11. The amortised cost of the long-term loans are reflected in note 9.1, 2024: R858 million (2023: R1,1 billion), and approximates the fair value of these loans.

9.1.4 Expected credit losses

Group	2024 R'm Stage 1	2024 R'm Stage 2	2024 R'm Stage 3	2024 R'm Total	2023 R'm Stage 1	2023 R'm Stage 2	2023 R'm Stage 3	2023 R'm Total
Gross term loans	**688**	**429**	**39**	**1 156**	908	488	45	1 441
Allowance for expected credit losses	**(1)**	**(2)**	**-**	**(3)**	(3)	(2)	-	(5)
Opening balance	**(3)**	**(2)**	**-**	**(5)**	-	-	-	-
New assets originated or purchased	**2**	**-**	**-**	**2**	(3)	(2)	-	(5)
Net term loans	**687**	**427**	**39**	**1 153**	905	486	45	1 436
Movements in stages during the year:								
Stage 1 to Stage 2	**2**	**(2)**	**-**	**-**	2	(2)	-	-
Total movements	**2**	**(2)**	**-**	**-**	2	(2)	-	-

Company	2024 R'm Stage 1	2024 R'm Stage 2	2024 R'm Stage 3	2024 R'm Total	2023 R'm Stage 1	2023 R'm Stage 2	2023 R'm Stage 3	2023 R'm Total
Gross term loans	**-**	**-**	**12**	**12**	-	-	15	15
Allowance for expected credit losses	**-**	**-**	**-**	**-**	-	-	-	-
Opening balance	**-**	**-**	**-**	**-**	-	-	-	-
Amount written off	**-**	**-**	**-**	**-**	-	-	-	-
Net term loans	**-**	**-**	**12**	**12**	-	-	15	15

There were no movement in stages during the year.

Refer to note 24.1.2 Credit risk, for details regarding classification of accounts into stages and events leading to transfers between stages.

9.1.5 Collateral held

Term loans are mainly secured by first bonds over farms. The fair value of these farms are assessed based on their current market value if sold in an orderly transaction. This assessment includes factors such as market conditions, location and quality, any property improvements or buildings as well as the farm's income-generating potential. For mortgage term loans, the fair value represents the expected recovery amount for the lender if the farm is sold to cover the loan in case of debtor default. The fair value of collateral held is R4 billion (2023: R4 billion).

10. Inventory

	Notes	Group 2024 R'm	Group * 2023 R'm	Company 2024 R'm	Company * 2023 R'm
Merchandise and processed goods	10.1, 10.2	**3 268**	2 244	**-**	-
Consumables		**58**	44	**27**	27
Goods in transit		**23**	30	**-**	-
Grain commodities	10.3	**1 467**	926	**1 467**	926
Other commodities	10.6	**450**	371	**-**	-
Balance at the end of the year	10.4, 10.5	**5 266**	3 615	**1 494**	953

* Refer to note 34.1 for details regarding restatement of comparative information.

10.1 Included in merchandise is floor plan inventory of R305 million (2023: R572 million), which serves as security in terms of an agreement with the relevant supplier of farming equipment.

10.2 The merchandise inventory in the group of R3 268 million (2023: R2 244 million) include adjustments to net realisable value and provisions for obsolete stock to the value of R250 million (2023: R128 million).

10.3 Grain commodities represent grain purchased from producers. The price of such inventory is hedged on the South African Futures Exchange (Safex). Variance margins are also set off against these items. Consequently the carrying value is equal to the fair value thereof.

10.4 Grain inventory has been pledged as security for commodity finance granted by financiers to the value of R1 337 million (2023: R878 million). A portion of KLK Landbou Ltd's inventory balance has been pledged as security for bonds and finance granted by financiers, to the value of R146 million (2023: R146 million). Hinterland Holdings Group's inventory to the value of R250 million was pledged as security for the short-term facility with Absa Bank.

10.5 Inventory in the group is valued using the following methods:
- Weighted average cost price
- Purchase price
- Contract price for grain commodities, thereafter at fair value
- First in, first out (FIFO)

Inventory is valued at the lower of cost or net realisable value.

10.6 Other commodities consist of raisins and fuel inventory.

11. Trade and other receivables

	Notes	Group 2024 R'm	Group 2023 R'm	Company 2024 R'm	Company 2023 R'm
Trade receivables		**3 630**	3 834	**103**	13
Production accounts	11.1	**2 237**	2 814	**8**	7
Current accounts	11.2	**1 393**	1 020	**95**	6
Current portion of loans and other receivables	9.1	**295**	333	**12**	15
Grain debtors	11.3	**548**	300	**548**	300
Sundry receivables	11.4	**185**	307	**45**	76
Less: Allowance for expected credit losses	11.5	**(160)**	(144)	**(29)**	(30)
Balance at the end of the year		**4 498**	4 630	**679**	374

11.1 Production accounts mainly include the extension of credit to producers on a seasonal basis for purposes of procuring inputs and/or mechanisation purchases from or via the Senwes Group. These accounts bear interest at market-related rates.

These accounts consist of the following:

Summer production credit due	31 August
Winter production credit due	31 January
Animal production credit due	31 August

11.2 Current accounts consist of 30-day monthly accounts, silo cost accounts and other accounts for specific products.

These accounts bear interest at the following rates:

Monthly account:	Interest-free for first 30 days after statement, thereafter classified as arrears.
Silo cost account:	Interest-free period that varies from season to season (determined before every season), thereafter classified as arrears.
Deferred payment arrangement:	Interest-free period that varies according to various transactions and products, thereafter classified as arrears.

Interest on arrear accounts is levied at guideline rates as determined by the National Credit Act.

11.3 Grain debtors represent agricultural produce sold to third parties, storage and handling income, as well as deposits held for trading purposes (Safex) of R343 million (2023: R136 million). An allowance for impairment of R6 million (2023: R7 million) is included in the group balances. No agency grain debtors were encumbered at year-end (2023: Rnil).

The terms of these debtors are as follows:

Agency agreement	Receivable within 7 days after delivery, after which interest is charged at a prime-linked rate.
Ex silo financing	Interest at a prime-linked rate from date of invoice and receivable 30 days from date of statement.
Ex silo non-financing	Receivable within 48 hours, thereafter interest at a prime-linked rate.

11.4 Sundry receivables consist of accounts for corporate and statutory services.

11.5 The objective of the impairment requirements is to recognise expected credit losses in respect of financial assets – whether assessed on an individual or collective basis – considering all reasonable and supportive information, including that which is forward-looking.

The basis for impairment of a financial asset is dependent on whether the credit risk of the financial asset has increased significantly since initial recognition. Indicators of a significant increase in the credit risk since initial recognition include:

* Non-compliance with arrangements or agreements.
* Insolvencies or near-insolvencies.
* Apparent financial problems or poor key financial ratios.
* Other indicators such as drought or low commodity prices which will affect customer ability to settle outstanding debt.
* A debtor's credit risk is considered to have increased significantly if the account is in arrears. This will be reflected by a default in payment on the account.

The client is automatically in default if:

* The client fails to effect any payment on the payment day.
* The client fails to fulfil any other obligation in terms of the agreement properly and timeously.
* The client alienates or encumbers any assets over which a notarial bond is registered in favour of Senwes, or any other securities in favour of Senwes.
* The client passes away.
* The client applies the production credit for a purpose other than for which it was granted.
* The controlling equity in the client (where the client is a juristic person) or the majority of trustees of a trust change without the prior approval of Senwes.
* Any judgement against the client is not satisfied within 7 days or is not set aside within a reasonable time.
* The client commits any act of insolvency.
* The client is placed under provisional sequestration, liquidation or business rescue, or if any application therefore is delivered and the applicant's claim is not fully settled within seven days after issue thereof.

For trade and other receivables, other than term loans, as stated in note 9, the simplified approach in accordance with IFRS 9 Financial instruments is applied.

Impairment is determined on the following basis for trade and other receivables and loans below:

* *Production accounts*
  Payment period of these accounts is 12 months.
* *Deferred payment*
  Payment period varies but must be settled within 12 months.
* *Term loans*
  Represent debtors for financing of term loans granted over varying terms of up to 120 months.
  An allowance for impairment is made on the total net exposure over the lifetime of the loan in respect of term loans that are assessed for impairment individually or term loans owing by legal clients.
  In addition, interest income recognition reflects the impairment in respect of debts owing by legal clients whose debts are viewed as credit-impaired financial assets.
  The impairment allowance in respect of term loans falling within the portfolio impairment, reflect the lifetime expected credit losses.

The amount of the respective allowance for impairment losses is determined using the following formula:

Production credit and deferred payment arrangements (with no indicator of default):
Impairment = Total book x PD (consolidation default %) x Loss Given Default (LGD).

Term loans:
Impairment = Total book x probability of default (PD = Arrears, consolidation default % + loss default % + future loss default %) x Loss Given Default (LGD).

The relevant inputs for the respective categories of instruments are:
Individual impairment assessment and specifically impaired (legal clients): The inputs are determined for each debtor and reflect the actual risk (LGD) for possible bad debt determined by the legal department, taking into account all securities and the client's balance sheet. The factors that influence management's estimates and judgement include whether customers that have been handed over to the legal department for collection are specifically provided for, based on the exposure and the estimation of the quality and expected realisation of securities held for the specific customers.
Portfolio impairment (non-legal clients) – The group impairment % is calculated as follows: Impairment = Total book x PD (arrears default % + loss default % + future loss default %) x LGD. The factors that influence management's estimates and judgement for losses expected in the 12-month period include:
• Crop estimates and yields specific to the customers' region;
• The number of hectares planted;
• The expected realisation price, which is the Safex price adjusted by grade differences and transport differentials and which is determined by customer region;
• The input costs specific to the customers' region;
• The quality and expected realisation of securities held for customers; and
• The number of droughts expected in the next 10 years.

There were provisions utilised of R8 million for the write-off on trade and other receivables during the year (2023: R1 million). These amounts were written off subject to enforcement activity.

The impairment allowance on trade and other receivables is R160 million (2023: R144 million), the details of which are as follows:

	Group		Company	
	2024 R'm	**2023 R'm**	**2024 R'm**	**2023 R'm**
Specific impairment	**(40)**	(32)	**(28)**	(22)
Balance at the beginning of the year	**(32)**	(21)	**(22)**	(15)
Increase in allowance during the year	**(5)**	(11)	**(6)**	(7)
Transfer between portfolio and specific impairment	**(3)**	–	**–**	–
Portfolio impairment	**(120)**	(112)	**(1)**	(8)
Balance at the beginning of the year	**(112)**	(130)	**(8)**	(5)
Transfer between portfolio and specific impairment	**3**	–	**–**	–
(Increase)/decrease in allowance during the year	**(11)**	18	**7**	(3)
Total allowance for impairment	**(160)**	(144)	**(29)**	(30)

Expected credit loss ("ECL") movement analysis:

	Group							
	2024				2023			
	R'm Stage 1	R'm Stage 2	R'm Stage 3	R'm Total	R'm Stage 1	R'm Stage 2	R'm Stage 3	R'm Total
Allowance for expected credit losses	**(94)**	**(25)**	**(41)**	**(160)**	(71)	(27)	(46)	(144)
Opening balance	**(71)**	**(27)**	**(46)**	**(144)**	(62)	(54)	(35)	(151)
Increase in ECL *	**(23)**	**-**	**(2)**	**(25)**	(9)	–	(12)	(21)
Decrease in ECL *	**-**	**2**	**-**	**2**	–	27	–	27
Amount written off	**-**	**-**	**7**	**7**	–	–	1	1

	Company							
	2024				2023			
	R'm Stage 1	R'm Stage 2	R'm Stage 3	R'm Total	R'm Stage 1	R'm Stage 2	R'm Stage 3	R'm Total
Allowance for expected credit losses	**(6)**	**-**	**(23)**	**(29)**	(8)	–	(22)	(30)
Opening balance	**(8)**	**-**	**(22)**	**(30)**	(4)	–	(16)	(20)
Increase in ECL *	**-**	**-**	**(5)**	**(5)**	(4)	–	(7)	(11)
Decrease in ECL *	**2**	**-**	**-**	**2**	–	–	–	–
Amount written off	**-**	**-**	**4**	**4**	–	–	1	1

* The increase in ECL includes assets originated or purchased as well as the transfers between stages. The decrease in ECL includes payments and assets derecognised as well as the transfers between stages.

11.6 Trade and other receivables can be summarised as follows:

	Group					
	2024			2023		
	Current R'm	Debt in arrears R'm	Total R'm	Current R'm	Debt in arrears R'm	Total R'm
Trade receivables	**3 604**	**26**	**3 630**	3 798	36	3 834
Production accounts	**2 226**	**11**	**2 237**	2 797	18	2 815
Current accounts	**1 378**	**15**	**1 393**	1 001	18	1 019
Current portion of loans and other receivables	**253**	**42**	**295**	297	36	333
Grain debtors	**548**	**-**	**548**	300	–	300
Sundry receivables	**185**	**-**	**185**	307	–	307
Less: allowance for impairment	**(120)**	**(40)**	**(160)**	(112)	(32)	(144)
Total trade and other receivables	**4 470**	**28**	**4 498**	4 590	40	4 630

On company level, the amount of trade and other receivables in arears amount to R24 million (2023: R24 million).

11.6.1 Current receivables are accounts within current credit terms.
11.6.2 Debt in arrears is accounts outside current credit terms.
11.6.3 The allowance relating to debt in arrears is a specific allowance based on debtors handed over to the legal department.

11.7 As security for Senwes' short-term facilities with Absa Bank, all rights and interests in producer debtors and their underlying securities have been ceded and pledged to Absa Bank. The value of security ceded amounts to R3,6 billion (2023: R3,2 billion) as at year-end.

11.8 The carrying value read with the portfolio allowance approximates the fair value of trade and other receivables.

12. Inventory held to satisfy firm sales

	Group		Company	
	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Inventory held to satisfy firm sales	**187**	126	**187**	126

Inventory held to satisfy firm sales represents inventory purchased to satisfy firm sales to the off-taker in respect of agricultural produce, which is payable by third parties on delivery of such agricultural produce to them. The price of such inventory is hedged on the South African Futures Exchange (Safex). Inventory is measured at fair value, which is linked to the Safex price.

13. Discontinued operations

13.1 Discontinued operations: 2024

SS Siloco (Pty) Ltd ("SS Siloco") and Africum Mills (Pty) Ltd ("Africum Mills")

As part of the Suidwes Holdings (Pty) Ltd business combination transaction, the Competition Commission ("CC") issued a public order stipulating that the Senwes Group must dispose of certain silos and the mills, referred to as the divestiture business. Mazars was appointed as the independent trustee, tasked with disposing of the divestiture assets. Signed expression of interests were received from counterparties, and technical, financial and commercial due diligence investigations were performed by them. A formal binding offer and sale agreement were concluded during July 2024. The operations of SS Siloco and Africum Mills are therefore disclosed as discontinued for the current financial year and comparative period.

	Group	
	2024 R'm	2023 R'm
Services rendered	38	36
Revenue	38	36
Cost of sales	(3)	–
Gross profit	35	36
Other operating income	-	1
Distribution, sales and administrative expenses	(23)	(33)
Finance income	2	1
Profit before tax from operations	14	5
Tax	(4)	(1)
Profit after tax	10	4
Summarised cash flows are as follows:		
(Used in)/generated from operating activities	(18)	1
Generated from/(used in) investing activities	1	(1)
Generated from financing activities	17	–
Net increase in cash flows	-	–

The major asset class of the division classified as held for sale as at 30 April are as follows:

	2024 R'm	2023 R'm
Assets		
Property, plant and equipment	13	–
Total non-current assets held for sale	13	–
Reconciliation of movements in non-current assets held for sale:		
Opening balance	-	–
Property, plant and equipment classified as held for sale	13	–
Disposals during the year	-	–
Non-current assets held for sale at the end of the year	13	–

13.2 Discontinued operations: 2023

Senwes Seed (division)

During the prior year, Senwes as the legal and beneficial owner of its seed division within Senwes Ltd, offering seed processing services, concluded a sale of the Senwes Seed operations to a third party. The effective date of the transaction was 1 February 2023. The transfer of the property, as final step of the sale, was concluded during September 2023. The operations of the seed division within Senwes Ltd were therefore disclosed as discontinued for the prior financial year.

	Group and Company	
	2024 R'm	2023 R'm
Services rendered	-	18
Revenue	-	18
Cost of sales	-	(1)
Gross profit	-	17
Other operating income	12	–
Distribution, sales and administrative expenses	-	(15)
Profit before tax from operations	12	2
Tax	-	–
Profit after tax	12	2
Summarised cash flows are as follows:		
Generated from operating activities	-	4
Generated from/(used in) investing activities	12	(3)
Used in financing activities	-	(1)
Net increase in cash flows	12	–

The major asset class of the division classified as held for sale as at 30 April are as follows:

	2024 R'm	2023 R'm
Assets		
Property, plant and equipment	-	2
Total non-current assets held for sale	-	2
Reconciliation of movements in non-current assets held for sale:		
Opening balance	2	19
Property, plant and equipment classified as held for sale	-	–
Disposals during the year	(2)	(17)
Non-current assets held for sale at the end of the year	-	2

14. Issued capital

	Group		Company	
	2024	2023	2024	2023
	R'm	R'm	R'm	R'm
Authorised:				
581 116 758 (2024 and 2023) ordinary shares of 0,516 cents each	**3**	3	**3**	3
Issued:				
180 789 308 (2024 and 2023) ordinary shares of 0,516 cents each	**1**	1	**1**	1

Reconciliation of issued shares:	Group		Company	
	2024	2023	2024	2023
	Number of shares		Number of shares	
Shares issued *	**180 789 308**	180 789 308	**180 789 308**	180 789 308
Treasury shares purchased **	**(26 890 349)**	(15 208 071)	**-**	-
Treasury shares vested ***	**10 637 085**	9 438 399	**-**	-
Total issued shares	**164 536 044**	175 019 636	**180 789 308**	180 789 308

* During the year under review, no shares were issued or repurchased. (2023: no shares were issued or repurchased.)

** Senwes Capital (Pty) Ltd ("Senwes Capital"), a subsidiary of Senwes Ltd, repurchased 11 354 907 of the company's shares during the year under review (2023: Senwes Capital repurchased 710 861 shares). Senwes Capital also sold 902 881 shares (2023: 4 278 887 shares) during the year. This included sales to the Senwes Share Incentive Scheme Trust of 902 881 shares (2023: 783 606 shares). During 2023, Senwes Capital also sold 3 495 281 shares to AgriRewards members in terms of the AgriRewards conversion. Senwes Capital therefore held 10 835 221 shares in Senwes Ltd as at 30 April 2024 (2023: 383 195 shares).

The Senwes Share Incentive Scheme Trust purchased 902 881 shares (2023: 783 606 shares) from Senwes Capital and sold no shares (2023: 551 214 shares) to Senwes Capital. 327 371 shares (2023: 702 277 shares) were repurchased from scheme and market participants. The Senwes Share Incentive Scheme Trust held 5 418 043 shares (2023: 5 386 477 shares) as at 30 April 2024.

*** During the year 1 198 686 shares (2023: 2 136 338 shares) vested under the LTI-scheme.

15. Reserves

15.1 Share premium

	Group		Company	
	2024	2023	2024	2023
	R'm	R'm	R'm	R'm
Balance at the end of the year	**67**	67	**67**	67

15.2 Treasury shares

	Group	
	2024	2023
	R'm	R'm
Balance at the beginning of the year	**(65)**	(129)
Treasury shares vested *	**12**	23
Net treasury shares (purchased)/sold **	**(229)**	41
Balance at the end of the year	**(282)**	(65)

* During the year 1 198 686 shares (2023: 2 136 338 shares) vested from Senwes Share Incentive Scheme Trust to the qualifying members of the LTI scheme.
** Refer to note 14 for a description of the treasury shares purchased and sold during the current financial year. Treasury shares movement include a non-cash flow component of R12 million relating to the LTI share vesting of tranche 7. (2023: Treasury shares movement include a non-cash flow component of R4 million relating to the disposal of shares by Senwes Capital (Pty) Ltd, the LTI share vesting of tranche 6 of R23 million and the conversion of AgriRewards to Senwes shares of R49 million).

15.3 Other reserves

	Group		Company	
	2024	2023	2024	2023
	R'm	R'm	R'm	R'm
Balance at the end of the year	**3**	11	**(1)**	7

This reserve represents fair value changes on financial assets at fair value through other comprehensive income as indicated in note 7.1.1, and the cash flow hedge movement of a highly probable forecasted transaction.

15.4 Change in ownership

	Group	
	2024	2023
	R'm	R'm
Balance at the beginning of the year	**(29)**	(17)
Change in ownership of subsidiaries *	**(6)**	(12)
Balance at the end of the year	**(35)**	(29)

* Relates to the KLK Landbou (Pty) Ltd change in ownership transactions during the year (2023: Relates to the PE-BEE Agri (Pty) Ltd ("Protek"), Staalmeester Agricultural Equipment (Pty) Ltd and Ramskop (Pty) Ltd change in ownership transactions during the year), refer to note 6.1.

16. Employee benefits

16.1 Short-term incentive bonuses

	Group		Company	
	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Balance at the beginning of the year	**190**	143	**105**	88
Increase in provision during the year	**156**	190	**85**	105
Over-provision previous year	**-**	(2)	**-**	(5)
Utilised during the year	**(190)**	(141)	**(105)**	(83)
Balance at the end of the year	**156**	190	**85**	105

The group has a short-term incentive scheme for employees and an equity-settled share-based payment scheme for senior management. It is aligned with the objectives and remuneration philosophy of the group in that a portion of the remuneration is subject to risk. Provisions are created in accordance with the rules of the schemes.

The short-term incentive scheme is paid each year to qualifying employees. The calculation is based on the performance of the group, the division/entity in which the employee is employed as well as an individual evaluation of the performance of the employee.

16.2 Long-term incentive scheme

Senwes grants shares to its senior management. These shares are acquired and held in a trust for the last three years of the vesting period. The scheme is a forfeitable share award scheme, where shares are forfeited if future service and performance conditions are not met.

The fair value of the shares granted are determined by using the market value of the shares on grant date adjusted with the present value of dividends not entitled to. The grant date is the date on which the entity and the participant agree to a share-based payment arrangement.

The total group expense recognised for the year amounts to R24 million (2023: R15 million). The accumulated group equity-settled reserve amounts to R44 million (2023: R32 million). Refer to the table below for more details:

	Group		Company	
	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Opening balance	**32**	37	**32**	37
Vested during the year	**(12)**	(20)	**(12)**	(20)
Expense (group and company) and contribution recognised (company)	**24**	15	**24**	15
Initial shares granted	**24**	17	**24**	17
Increase in shares granted/new participants	**-**	2	**-**	2
Forfeited during the year	**-**	(4)	**-**	(4)
Equity-settled share-based payment reserve	**44**	32	**44**	32

Tranche	Number of shares per tranche granted	Fair value price per share on grant date	Vesting date
8	2 810 867	R11.65	30 June 2024
9	1 790 892	R14.00	30 June 2025
10	2 130 739	R17.00	30 June 2026
Total	**6 732 498**		

5 418 043 of the granted shares above are allocated towards remaining participants of the equity-settled share-based payment scheme.

The first seven tranches vested on 30 June 2017, 2018, 2019, 2020, 2021, 2022 and 2023. The performance conditions relating to vested tranches were not fully met. Respectively, 30%, 51%, 90%, 100%, 100%, 100% and 100% of these shares vested for employees still in service on date of vesting.

The next vesting will take place on 30 June 2024, subject to performance and other conditions being met.

17. Trade and other payables

	Group		Company	
	2024 R'm	2023 R'm	2024 R'm	* 2023 R'm
Trade payables	**2 346**	1 697	**296**	118
Members' funds	**11**	11	**-**	-
Audit fees	**6**	6	**3**	5
PAYE	**12**	10	**4**	3
Accruals and other payables	**226**	128	**81**	104
VAT	**18**	35	**12**	17
Grain transport accrual	**5**	4	**5**	4
SACTA levies	**3**	5	**3**	5
Accrued interest	**22**	21	**22**	21
Insurance accrual	**7**	9	**6**	5
Leave and thirteenth cheque accrual	**69**	60	**19**	18
Total trade and other payables	**2 725**	1 986	**451**	300

* Refer to note 35.2 for more details regarding the implementation of IFRS 17 and its effect on the financial statements.

Terms and conditions in respect of trade and other payables:
* Trade payables are payable on different terms from 30 days after date of statement and are not interest bearing.
* Sundry amounts payable have varying short-term payment dates.
* Leave and thirteenth cheques payable are accrued on a monthly basis.
* Trade and other payables at amortised cost approximate the fair value.

18. Income tax

18.1 Tax expense

	Group		Company	
	2024	*** 2023**	**2024**	*** 2023**
	R'm	**R'm**	**R'm**	**R'm**
SA normal tax	**248**	314	**82**	125
Foreign normal tax	**(5)**	16	**-**	-
Previous year adjustments	**-**	-	**(2)**	-
SA - Increase/(decrease) in net deferred tax liability	**105**	(5)	**53**	14
Foreign - Decrease in net deferred tax liability	**(17)**	(5)	**-**	-
Total tax expense	**331**	325	**133**	139

* Refer to note 34.2 for details regarding the restatement of comparative information.

18.2 Deferred tax asset/(liability)

	Group		Company	
	2024	*** 2023**	**2024**	*** 2023**
	R'm	**R'm**	**R'm**	**R'm**
The main temporary differences:				
Property, plant and equipment	**(266)**	(259)	**(71)**	(73)
Inventory provisions	**43**	26	**1**	4
Trade and other receivables	**13**	10	**6**	6
Other provisions	**63**	120	**28**	48
AgriRewards	**(129)**	(77)	**(91)**	(57)
Share incentive	**(10)**	(9)	**(10)**	(9)
Operational losses carried forward *	**76**	52	**-**	-
CGT losses carried forward **	**42**	46	**19**	11
Other ***	**(22)**	(24)	**(23)**	(21)
Investment in subsidiaries ****	**(34)**	(34)	**(33)**	(33)
Deferred tax liability	**(224)**	(149)	**(174)**	(124)

* The operational losses carried forward relate mainly to Hinterland SA (Pty) Ltd's ("Hinterland SA") and Africum (Pty) Ltd's ("Africum") assessed losses. The deferred tax asset of Africum pertaining to assessed losses was recognised in full, while Hinterland SA's asset is only a portion of the total (the total operational loss amounts to R156 million of which R86 million was recognised in the current financial year). For IFRS purposes an asset can be recognised to the extent that it is probable that the asset will be able to be utilised through future profits. No time limit on utilisations exists for recognition. The actual recognition was based on the budget and forecast of the following years. The situation will be monitored and if profits do not realise as expected in the following years, the asset will be reconsidered.

** At group level, on 30 April 2024, R18 million relate to Africum's CGT losses carried forward (2023: R29 million) and R19 million relate to Senwes Ltd's CGT losses carried forward (2023: R11 million).

*** Other items mainly consist of the deferred tax implication of the foreign loan revaluations (Group 2024: R20 million; Group 2023: R20 million, Company 2024: R19 million; Company 2023: R19 million). The loans from Senwes Ltd and Senwes Capital (Pty) Ltd to the German subsidiaries are exchange items and the exchange gains are deferred until realisation of the loans. The remaining balance pertains to the tax on the cash flow hedge, prepaid expenses and investment revaluations (Group 2024: R2 million; Group 2023: R4 million, Company 2024: R4 million; Company 2023: R2 million). The deferred tax movement on the cash flow hedge is included in other comprehensive income.

**** Consists of deferred tax on the Hinterland Holdings (Pty) Ltd ("Hinterland") investment and provisions carried over to Hinterland as part of the merger transaction.

The deferred tax asset and liability are disclosed in the statement of financial position as follows:

	Group		Company	
	2024	*** 2023**	**2024**	**2023**
	R'm	**R'm**	**R'm**	**R'm**
Deferred tax asset	**137**	133	**-**	-
at normal tax rate	**119**	98	**-**	-
at capital gains tax rate	**18**	35	**-**	-
Deferred tax liability	**(361)**	(282)	**(174)**	(124)
at normal tax rate	**(385)**	(293)	**(193)**	(135)
at capital gains tax rate	**24**	11	**19**	11
Deferred tax liability	**(224)**	(149)	**(174)**	(124)
Reconciliation of deferred tax asset/(liability) balance:				
Balance at the beginning of the year	**(149)**	(144)	**(124)**	(103)
Temporary differences - movements during the year	**(88)**	10	**(53)**	(14)
Previous year adjustment to deferred tax	**11**	-	**-**	-
Current year subsidiary acquisitions and PPA adjustments **	**-**	(7)	**-**	-
Exchange rate translation	**(1)**	(1)	**-**	-
Revaluations and other movements through equity	**3**	(7)	**3**	(7)
Deferred tax liability	**(224)**	(149)	**(174)**	(124)

* Refer to notes 34.2 and 34.5 for details regarding the restatement of comparative information.

** This relates to the acquisition of the SFL Holdings Group during the current and previous financial years.

18.3 Reconciliation of the tax rate

	Group		Company	
	2024	** 2023	2024	*** 2023
	%	%	%	%
Standard tax rate	**27.0**	27.0	**27.0**	27.0
Adjusted for:				
Non-taxable income (dividends, accounting profits, impairment reversals)	**-**	–	**(0.1)**	(0.4)
Other incentive allowances	**(0.1)**	(0.2)	**(0.1)**	(0.2)
Non-deductable expenses (capital expenditure, donations)	**0.7**	0.1	**0.5**	0.3
JV/associate profits or losses	**(1.1)**	(0.5)	**-**	–
Utilisation of losses previously not recognised	**-**	(2.4)	**-**	–
Recognition/derecognition of deferred tax assets	**(0.5)**	–	**-**	–
Effect of different tax rates in foreign countries	**0.4**	0.1	**-**	–
Other *	**-**	–	**0.2**	–
Effective tax rate	**26.4**	24.1	**27.5**	26.7

* Other consists of various insignificant items including permanent asset differences.
** The layout of the tax rate reconciliation has been amended to improve comparability between periods.
*** Refer to note 34.2 for details regarding the restatement of comparative information.

19. Provisions

	Notes	Group R'm	Company R'm
Balance as at 30 April 2022		74	65
Additions through business combinations	6.1	7	–
Increase/(decrease) in provisions during the year		31	(52)
Exchange rate translation		2	–
Balance as at 30 April 2023		**114**	**13**
Decrease in provisions during the year		**(78)**	**(10)**
Exchange rate translation		*	**-**
Balance as at 30 April 2024	19.1, 19.2, 19.3	**36**	**3**

* Amount is less than R0,5 million

The provisions balance as at 30 April 2024 includes the following:

19.1 Grain risks

The company and group are exposed to risks in the grain industry of R3 million, which include the physical risk of holding inventory. Estimates for these risks are based on potential shortfalls at current market prices. A provision is recognised due to the uncertainty regarding the amount due to potential market price fluctuations which impact the future cash flows generated from the sale of grain. Variations in the quality of grain also affect the price of the grain.

19.2 Legal risks

During the prior year a provision was recognised for a legal claim against Africum Commodities (Pty) Ltd. During the current year a settlement of R43 million was paid.

19.3 Disputed accounts

A provision of R10 million was recognised for municipal accounts that are currently being disputed. A provision is recognised due to the uncertainty that exists regarding the amount of the current obligation.

20. Derivative financial instruments

		Notes	Group 2024 R'm	Group 2023 R'm	Company 2024 R'm	Company 2023 R'm
20.1	**Current assets**	24.1.1.2; 24.1.1.3	**289**	72	**288**	68
	Forward purchase contracts *		**207**	17	**207**	17
	Foreign exchange contracts		**3**	4	**2**	–
	Safex futures *		**79**	51	**79**	51
20.2	**Current liabilities**	24.1.1.2; 24.1.1.3	**80**	364	**79**	352
	Forward purchase contracts *		**79**	353	**79**	352
	Foreign exchange contracts		**1**	11	**-**	–
	Safex futures *		**-**	–	**-**	–

* The net fair value gains recognised in profit or loss relating to all grain and oilseeds hedging derivative financial instruments and commodity fair value movements amounted to R339 million during the year (2023: R191 million). The fair value movements relating to commodity derivatives amounted to a loss of R1 854 million (2023: R193 million). The Safex futures balance represents the mark-to-market movement for the last day of the year, which settled on the first business day after year end.

Forward purchase contracts consist mainly of pre-season contracts. Pre-season contracts are contracts between Senwes Ltd and producers or agricultural companies, which is used to buy or sell grain in the future, therefore the term "forward". The net pre-season contracts at 30 April 2024 were priced lower than the closing Safex price, leading to a net asset recognised with exposure for Senwes Ltd. The movement year-on-year is due to the volatility of Safex prices during the current season, with most contracts priced lower than the current market price as at 30 April 2024. The tonnes contracted on a pre-season basis at 30 April 2024 amount to 465k tonnes (2023: 348k tonnes).

21. Capital obligations and contingent liabilities

21.1 Contingent liabilities and guarantees

As at 30 April 2024, guarantees of R41 million (2023: R41 million) were held at Absa Bank in favour of John Deere, Eskom Holdings, SARS and Transnet.

A letter of comfort to the value of Rnil (2023: R80 million) was issued to Gavilon South Africa (Pty) Ltd and expired on 30 April 2023. A new letter of comfort was not issued.

A letter of comfort to the value of Rnil (2023: R1 million) was issued to Unitrans (Pty) Ltd and expired on 30 June 2023. A new letter of comfort was not issued.

A letter of comfort to the value of R60 million (€3 million) was issued in favour of SFL Group, to confirm that Senwes can fulfil certain obligations under the APA on the Porst transaction. The letter of comfort will be cancelled after the Porst transaction has been executed and all funds are paid over.

A letter of comfort to the value of R2 million (2023: Rnil) was issued to Deltec Energy Solutions (Pty) Ltd and shall endure until 30 June 2024.

A letter of comfort to the value of R1 million (2023: Rnil) was issued to Massbuild (Pty) Ltd t/a Builders Express, Builders Superstore, Builders Trade Depot and Builders Warehouse and shall endure until 31 July 2024.

A letter of comfort to the value of R2 million (2023: Rnil) was issued to Shiptech Petroleum (Pty) Ltd. This letter of comfort shall endure until 31 August 2024.

A letter of comfort to the value of R150 million (2023: Rnil) was issued to Engen Petroleum Ltd. This letter of comfort shall endure until cancelled by the respective parties.

A letter of comfort to the value of R2 million (2023: Rnil) was issued to SG Convenience (Pty) Ltd. This letter of comfort shall endure until cancelled by the respective parties.

21.2 Commitments in respect of capital projects

	Group		Company	
	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Already contracted	**47**	50	**9**	8
Authorised by the board but not yet contracted	**1**	64	**1**	10
Total	**48**	114	**10**	18

22. Notes to the statement of comprehensive income

22.1 Distribution, sales and administrative expenses and disclosable items

		Group		Company	
	Notes	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Profit from operations is stated after the following:					
Employee costs (including directors' costs)	22.4, 26.5	**(1 528)**	(1 419)	**(443)**	(436)
(Increase)/decrease in allowance for expected credit loss on financial assets		**(16)**	5	**(3)**	(10)
Bad debt written off		**(14)**	(4)	**(6)**	(1)
Vehicle and distribution costs		**(91)**	(84)	**(23)**	(22)
Water and electricity		**(181)**	(166)	**(115)**	(105)
Depreciation	2, 4	**(227)**	(187)	**(82)**	(80)
Amortisation	5.2	**(20)**	(18)	**(1)**	–
Maintenance costs		**(113)**	(127)	**(52)**	(64)
Travelling expenses		**(35)**	(37)	**(11)**	(8)
Advertising costs		**(49)**	(36)	**(8)**	(9)
Bank charges		**(21)**	(26)	**-**	(6)
Lease expenses (low value and short term)		**(28)**	(28)	**(24)**	(23)
Property		**(12)**	(12)	**(16)**	(15)
Plant and equipment		**(16)**	(16)	**(8)**	(8)
Lease expenses (variable payments)		**-**	–	**(9)**	(7)
Foreign exchange loss		**(7)**	(10)	**-**	–
Increase/(decrease) in provision for grain risk	19.1	**10**	52	**10**	52
Impairment reversal/(impairment) of investment and loans to related parties		**12**	(13)	**(46)**	1
Cost of sales: Merchandise inventory provision part of cost of sales		**(120)**	(120)	**-**	–
Cost of sales: Purchases *		**(10 170)**	(9 387)	**80**	36

* Included in Cost of sales: Purchases are commodity fair value movements of R2 193 million (credit) (2023: R384 million (credit)), the fair value movements of inextricably linked commodity derivatives of R1 854 million (debit) (2023: R193 million (debit)), as well as the movement in grade- and quantity-related provisions of R10 million (credit) (2023: R32 million (credit)). Commodities are measured at fair value less costs to sell. Derivative financial instruments are likewise measured at fair value. The gains or losses arising from changes in the fair value of agricultural commodities and commodity contracts are presented on a net basis.

22.2 Finance costs

	Group		Company	
	2024 R'm	* 2023 R'm	2024 R'm	* 2023 R'm
Loans from commercial banks	**(117)**	(100)	**-**	–
Commodity finance	**(278)**	(118)	**(278)**	(118)
AgriRewards **	**(9)**	(10)	**(7)**	(9)
Other ***	**(71)**	(38)	**(18)**	(10)
Total finance costs classified as operating costs	**(475)**	(266)	**(303)**	(137)
Finance costs relating to the lending business	**(160)**	(185)	**(277)**	(285)
Total finance costs classified as cost of sales	**(160)**	(185)	**(277)**	(285)
Total finance costs	**(635)**	(451)	**(580)**	(422)

* Refer to notes 34.1 and 34.2 for details regarding restatement of comparative information.

** The AgriRewards interest is non-cash flow in nature, and relates to the discounting of the AgriRewards liability. Refer to note 7.2.5.

*** Other interest includes interest paid on loans payable to joint ventures and lease liability interest accrued.

22.3 Finance income

	Group		Company	
	2024 R'm	* 2023 R'm	2024 R'm	* 2023 R'm
Loans and other receivables	**163**	164	**2**	2
Trade receivables	**249**	242	**7**	5
Other loans to related parties	**-**	-	**334**	290
AgriRewards allocation **	**(1)**	(1)	**-**	-
Total finance income classified as revenue	**411**	405	**343**	297
Finance income ***	**78**	45	**66**	35
Interest related to insurance contracts	**2**	-	**-**	-
Total finance income other than revenue	**80**	45	**66**	35
Total finance income	**491**	450	**409**	332

* Refer to notes 34.2 for details regarding restatements of comparative information.
** The AgriRewards allocation is set off against the applicable revenue stream in terms of IFRS.
*** Includes non-cash flow interest accrued of R48 million (2023: R14 million) (company).

22.4 Employee costs (excluding directors' costs)

		Group		Company	
	Note	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Total remuneration		**1 345**	1 245	**382**	374
Remuneration and benefits		**1 217**	1 093	**301**	284
Short-term incentive bonus		**121**	149	**74**	87
Equity-settled share-based bonus *	16.2	**7**	3	**7**	3
Pension costs – defined contribution plan		**56**	40	**25**	24
Total		**1 401**	1 285	**407**	398

* Only senior managers qualify for the equity-settled share-based scheme.
The total key management personnel salaries included above and not included in total directors' remuneration in note 26.5 amounted to R11 million (2023: R4 million).

	Number	Number	Number	Number
Permanent employees	**4 756**	4 525	**1 225**	1 095
Temporary employees	**526**	554	**203**	234
Employees at the end of the year *	**5 282**	5 079	**1 428**	1 329

* Includes employees of the company and its subsidiaries only.

22.5 Revenue

22.5.1 Disaggregation of revenue

Senwes derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines and operates in South Africa and Germany.

The main revenue items per segment (group) include:

Financial Services and Advice: Interest revenue, commission received and credit initiation fees.
Input Supply: Interest revenue, income from sale of whole goods, pesticides and fertiliser as well as equipment servicing revenue.
Market Access: Interest revenue, storage and handling revenue (company), processing revenue and commission.
Processing, Conditioning and Markets: Revenue from laboratory services, revenue from sale of meat, raisins, cattle hides and sheep skins.

	Group 2024					
	Financial Services and Advice	Input Supply	Market Access	Processing, Conditioning and Markets	Corporate	Total
Services rendered	**80**	**124**	**892**	**-**	**5**	**1 101**
Income from sale of goods	**-**	**11 341**	**535**	**1 250**	**-**	**13 126**
Insurance revenue	**46**	**-**	**-**	**-**	**-**	**46**
Finance income relating to the lending business	**404**	**-**	**7**	**-**	**-**	**411**
Revenue total	**530**	**11 465**	**1 434**	**1 250**	**5**	**14 684**

	Group 2023					
	Financial Services and Advice	Input Supply	Market Access	Processing, Conditioning and Markets	Corporate	Total
Services rendered	78	133	925	16	2	1 154
Income from sale of goods	-	10 430	387	1 256	-	12 073
Insurance revenue	10	-	-	-	-	10
Finance income relating to the lending business	398	-	7	-	-	405
Revenue total	486	10 563	1 319	1 272	2	13 642

22.6 Insurance revenue

	Group		Company	
	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Insurance revenue from contracts measured under PAA (Premium Allocation Approach)				
Senwes Cell Captive	**46**	10	**46**	10
Senwes insurance fund	**-**	-	**13**	13
Total insurance revenue	**46**	10	**59**	23

23 Other operating income

	Group		Company	
	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Dividends received	**-**	-	**1**	6
Profit on disposal of property, plant and equipment	**39**	35	**21**	-
Rental income	**57**	59	**14**	17
Bad debt recoveries	**16**	4	**5**	-
Gains on corporate speculation	**4**	-	**4**	-
AgriRewards conversion profit	**-**	24	**-**	21
Gain on valuation of financial derivatives (FEC)	**2**	8	**-**	8
Foreign exchange profit on loan remeasurements	**3**	74	**2**	70
Foreign exchange profit on other financial instrument remeasurements	**1**	11	**-**	-
John Deere bonusses	**41**	28	**-**	-
Commission received	**6**	3	**-**	-
Rebates	**7**	5	**-**	-
Grants and sponsorships received	**4**	6	**-**	-
Insurance claims received	**9**	-	**-**	-
Cost recoveries	**-**	-	**10**	9
Director remuneration	**1**	1	**1**	1
Unclaimed funds	**14**	-	**1**	-
Other income	**44**	59	**11**	17
Total	**248**	317	**70**	149

24. Financial instruments and risk management

The group's overall risk management programme focuses on the unpredictability of financial markets, especially commodity derivative markets, and seeks to minimise potential adverse effects thereof on the group's financial performance.

The methods and assumptions used for the year are consistent with the previous year. Major risks have been identified and are managed as set out below.

24.1 Financial risks

24.1.1 Market risks

24.1.1.1 Commodity price risk

The value of the grain commodities and the fair value of pre-season forward purchase contracts on the statement of financial position are exposed to commodity price risk.

The group is engaged in economic hedging and uses derivative instruments to manage and hedge exposure to commodity price risk. In accordance with the group's risk management policy, only minimal unhedged market positions exist from time to time. The value of available commodities, the net value of futures and option contracts and the value of the net position of the pre-season contracts indicate an effective hedge.

The hedging instruments used consist of futures and option contracts. The net revaluation difference of the instruments used for hedging was taken into account against the value of the grain commodities and the fair value of pre-season contracts. The value of commodities on the statement of financial position reflects the market value thereof at year-end and the fair value of the futures contracts, option contracts and pre-season contracts is also included in the statement of financial position.

Positions that are not hedged on the Safex market leave Senwes with an exposure to price movements. This risk is exacerbated during low market liquidity and high market volatility. Senwes maintains a strict policy and limits are set at low levels with regard to open positions, whether speculative or operational in nature. The status of open positions are monitored daily and reported to appropriate senior management.

The following line items on the statement of financial position are affected by commodity price risk:

		Group		Company	
	Notes	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Grain commodities	10	**1 467**	926	**1 467**	926
Other commodities (raisins, livestock and fuel) *	10	**450**	371	**-**	-
Derivative financial instruments (assets)	20.1	**286**	68	**286**	68
Derivative financial instruments (liabilities)	20.2	**(79)**	(353)	**(79)**	(352)
Total		**2 124**	1 012	**1 674**	642

* KLK Landbou Limited ("KLK"), a subsidiary of the group, is primarily exposed to price risk of changes in commodities such as raisins, livestock and fuel prices. KLK does not anticipate a sharp drop in trade, livestock and fuel prices in the near future. No cover was taken for the risk. KLK reviews its trading, livestock and fuel prices on a regular basis for effective financial risk management.

The potential impact of changes in Safex prices on profit or loss before tax is illustrated below:

	Group and Company	
	2024 R'm	2023 R'm
Increase of R400/t in Safex prices	**(19)**	4
Increase of R250/t in Safex prices	**(14)**	6
Increase of R100/t in Safex prices	**(9)**	8
Decrease of R100/t in Safex prices	**(2)**	11
Decrease of R250/t in Safex prices	**3**	13
Decrease of R400/t in Safex prices	**8**	16

The hedging instruments used have the following effects on the group's financial position and performance:

	Group	
	2024 R'm	2023 R'm
Carrying amount (current asset/(liability))	**207**	(285)
Net position (tonnes)	**748 850**	518 550
Maturity date	**April 2024 - July 2025**	April 2023 - July 2024
Hedge ratio	**1:1**	1:1
Weighted average strike rate for outstanding hedging instruments (R/tonne)	**4 850**	3 542

The table below summarises the net position per grain type on Safex:

	Group			
	2024		2023	
	Position	Tonnes	Position	Tonnes
Soy beans	**876**	**43 800**	3 272	163 600
Sunflower	**246**	**12 300**	433	21 650
Wheat	**293**	**14 650**	520	26 000
White maize	**6 122**	**612 200**	2 189	218 900
Yellow maize	**650**	**65 000**	884	88 400
Barley	**18**	**900**	–	–
Total	**8 205**	**748 850**	7 298	518 550

24.1.1.2 Trading risk

Market risk with regards to trading relates to the potential losses in the trading portfolio due to market fluctuations such as interest rates, spread between current and future prices of commodities, volatility of these markets and changes in market liquidity. Risk limits are set to govern trading within the risk appetite of the group via forward purchase and sales contracts.

Forward purchase contracts represent contracts with producers for the procurement of physical commodities in the future. The forward sales contracts represent contracts with clients for the sale of physical commodities in the future.

24.1.1.3 Foreign exchange risk

The group has exposure to fluctuations in mainly the Rand/US dollar and Rand/Euro exchange rate in respect of imports, exports and loans. Foreign currency transactions are mainly concluded for the purchasing and selling of merchandise, processed goods and other commodities (raisins). Foreign exchange contracts are concluded for specific transactions to hedge against fluctuations in exchange rates. The group's exposure to the risk of changes in foreign exchange rates further relates to the group's foreign operating activities in Germany.

At year-end the group had the following assets, liabilities and forward exchange contracts denominated in foreign currency in the following amounts:

	Group		Company	
	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Loan receivable denominated in Euros	**654**	503	**630**	479
Trade receivables denominated in US dollars	**112**	195	**-**	-
Trade receivables denominated in Euros	**7**	5	**-**	-
Trade receivables denominated in GBP	**3**	3	**-**	-
Forward exchange contracts denominated in US dollars	**214**	433	**-**	-
Forward exchange contracts denominated in Euros	**111**	3	**104**	-
Forward exchange contracts denominated in NZ dollars	**105**	–	**-**	-
Trade and other payables denominated in US dollars	**96**	115	**-**	-
Trade and other payables denominated in Euros	**39**	31	**-**	-
Trade and other payables denominated in NZ dollars	**2**	1	**-**	-
Total	**1 343**	1 289	**734**	479

Foreign exchange sensitivity analysis

An assessment of the group's sensitivity to the exchange rate shows that should the rand strengthen by 10%, the group's profit before tax would decrease by R57 million (2023: R21 million decrease). A 10% weakening of the rand versus the exchange rate, would result in a profit (2023: profit) of the same amount.

24.1.1.4 Interest rate risk

Funding

The group is mainly naturally hedged against fluctuating interest rates to a large extent since interest-bearing debt is mainly utilised for assets earning interest at fluctuating rates.

		2024 Group		
Interest rate risk	**Notes**	**Assets R'm**	**Non-interest-earning assets R'm**	**Interest-earning assets R'm**
Property, plant and equipment	2, 13.1	**2 930**	**2 930**	**-**
Investment property	3	**2**	**2**	**-**
Right-of-use assets	4	**14**	**14**	**-**
Goodwill and intangible assets	5	**228**	**228**	**-**
Investment in joint ventures and associates	8	**164**	**164**	**-**
Other non-current assets	7.1.1, 18.2	**143**	**143**	**-**
Inventory	10	**5 266**	**5 266**	**-**
Insurance contract assets	7.2.6	**26**	**26**	**-**
Trade and other receivables (current)	11	**4 498**	**-**	**4 498**
Loans and other receivables (non-current)	7.1.2, 9	**858**	**-**	**858**
Inventory held to satisfy firm sales	12	**187**	**187**	**-**
Cash and short-term deposits	7.1.4	**525**	**-**	**525**
Other current assets	7.1.2, 20.1, 29	**325**	**-**	**325**
Total		**15 166**	**8 960**	**6 206**
Interest-bearing liabilities	4, 7.2.1, 7.2.2, 7.2.3, 7.2.4			**(6 641)**
Net exposure to interest rate risk (limited to Rnil)				**(435)**

		2023 Group		
Interest rate risk	**Notes**	**Assets R'm**	**Non-interest-earning assets R'm**	**Interest earning assets R'm**
Property, plant and equipment	2, 13.2	2 763	2 763	-
Investment property	3	2	2	-
Right-of-use assets	4	30	30	-
Goodwill and intangible assets	5	255	255	-
Investment in joint ventures and associates	8	101	101	-
Other non-current assets	7.1.1, 18.2	139	139	-
Inventory	10	3 615	3 615	-
Insurance contract assets	7.2.6	12	12	-
Trade and other receivables (current)	11	4 630	-	4 630
Loans and other receivables (non-current)	7.1.2, 9	1 103	-	1 103
Inventory held to satisfy firm sales	12	126	126	-
Cash and short-term deposits	7.1.4	361	-	361
Other current assets	7.1.2, 20.1	86	-	86
Total		13 223	7 043	6 180
Interest-bearing liabilities	4, 7.2.1, 7.2.2, 7.2.3, 7.2.4			(5 508)
Net exposure to interest rate risk (limited to Rnil)				-

		2024 Company		
Interest rate risk	**Notes**	**Assets R'm**	**Non-interest-earning assets R'm**	**Interest-earning assets R'm**
Property, plant and equipment	2, 13.1	**753**	**753**	**-**
Investment property	3	**1**	**1**	**-**
Goodwill and intangible assets	5	**5**	**5**	**-**
Investment in subsidiaries	6.2	**770**	**770**	**-**
Investment in joint ventures and associates	8	**30**	**30**	**-**
Inventory	10	**1 494**	**1 494**	**-**
Insurance contract assets	7.2.6	**23**	**23**	**-**
Trade and other receivables (current)	11	**679**	**-**	**679**
Loans and other receivables (non-current)	7.1.2, 9	**376**	**-**	**376**
Inventory held to satisfy firm sales	12	**187**	**187**	**-**
Cash and short-term deposits	7.1.4	**355**	**-**	**355**
Other current assets	7.1.2, 20.1	**4 830**	**-**	**4 830**
Total		**9 503**	**3 263**	**6 240**
Interest-bearing liabilities	4, 7.2.1, 7.2.2, 7.2.3, 7.2.4			**(5 912)**
Net exposure to interest rate risk (limited to Rnil)				**-**

Interest rate risk	Notes	2023 Company Assets R'm	Non-interest-earning assets R'm	Interest earning assets R'm
Property, plant and equipment	2, 13.1	788	788	–
Investment property	3	1	1	–
Right-of-use assets	4	1	1	–
Goodwill and intangible assets	5	4	4	–
Investment in subsidiaries	6.2	810	810	–
Investment in joint ventures and associates	8	30	30	–
Inventory	10	953	953	–
Insurance contract assets	7.2.6	9	9	–
Trade and other receivables (current)	11	374	–	374
Loans and other receivables (non-current)	7.1.2, 9	390	–	390
Inventory held to satisfy firm sales	12	126	126	–
Cash and short-term deposits	7.1.4	6	–	6
Other current assets	7.1.2, 20.1	5 232	–	5 232
Total		8 724	2 722	6 002
Interest-bearing liabilities	4, 7.2.1, 7.2.2, 7.2.3, 7.2.4			(5 166)
Net exposure to interest rate risk (limited to Rnil)				–

Interest costs are naturally hedged in instances where interest-earning assets exceed interest-bearing liabilities. Interest rates are hedged by means of financial instruments in times of high volatility or when interest-bearing liabilities significantly exceed interest-earning assets.

Sensitivity of interest rates

The potential impact of interest rate changes on finance costs is illustrated below:

	Group 2024 Increase/ (decrease) %	Group 2024 (Increase)/ decrease interest expenses before tax R'm	Group 2023 Increase/ (decrease) %	Group 2023 (Increase)/ decrease interest expenses before tax R'm
Commodity finance	**2%**	**(26.7)**	2%	(17.6)
	1%	**(13.4)**	1%	(8.8)
	(1%)	**13.4**	(1%)	8.8
	(2%)	**26.7**	(2%)	17.6
Short-term debt	**2%**	**(73.9)**	2%	(61.3)
	1%	**(36.9)**	1%	(30.7)
	(1%)	**36.9**	(1%)	30.7
	(2%)	**73.9**	(2%)	61.3
Long-term debt	**2%**	**(29.1)**	2%	(28.8)
	1%	**(14.5)**	1%	(14.4)
	(1%)	**14.5**	(1%)	14.4
	(2%)	**29.1**	(2%)	28.8

	Company 2024 Increase/ (decrease) %	Company 2024 (Increase)/ decrease interest expenses before tax R'm	Company 2023 Increase/ (decrease) %	Company 2023 (Increase)/ decrease interest expenses before tax R'm
Commodity finance	**2%**	**(26.7)**	2%	(17.6)
	1%	**(13.4)**	1%	(8.8)
	(1)%	**13.4**	(1)%	8.8
	(2)%	**26.7**	(2)%	17.6
Short-term debt	**2%**	**(65.7)**	2%	(58.8)
	1%	**(32.9)**	1%	(29.4)
	(1)%	**32.9**	(1)%	29.4
	(2)%	**65.7**	(2)%	58.8
Long-term debt	**2%**	**(25.3)**	2%	(26.8)
	1%	**(12.7)**	1%	(13.4)
	(1)%	**12.7**	(1)%	13.4
	(2)%	**25.3**	(2)%	26.8

24.1.2 Credit risk

Concentration risk

The potential credit concentration risk relates mainly to production and term loans. Production and term loans consist of a large number of clients, spread over different geographic areas and credit is extended in accordance with the credit policy of the group. Prudent credit evaluation processes are strictly adhered to.

The value at risk is calculated as follows:

Gross carry amount - Securities held = Gross exposure

Gross exposure - Partial net asset value = Net exposure to credit risk after net asset value

1. "Gross carry amount" is calculated by decreasing the total producer debtor balance by the security value held or ceded to Senwes as well as the appropriate allowance for expected credit losses.
   "Gross exposure" is calculated by decreasing the total gross carry amount by the securities held.
   "Net exposure" is calculated by decreasing the total gross exposure amount by the partial allocation of net asset value.
   "Security" may, without limiting the generality thereof, amongst others, assume the form of a special hypothec, a special notarial bond, right of retention, a lessor's hypothec, pledge, cession, surety, option or any other form of security.
2. Distribution (spread) is measured against best practices in the industry, given the concentration in respect of geography, stratification, categorisation and arrears. Sources for measurement of concentration risk are formulated by using various agricultural industry norms, market trends in large companies and own analyses. The spread will increase the value at risk should it be higher than the norm and will decrease the risk should it be lower than the norm.

   The risk is measured in respect of concentration in the different areas, namely arrears, categorisation, stratification (individual extent of the balance of the debtor account) and geography and are discussed in detail below.

Geography

Low concentration risk is applicable due to an extensively spread geographic area, mainly the Free State, North West and Northern Cape.

Stratification and arrears

	Group			
	2024		2023	
Stratification of the client base to the extent of credit extended	Exposure of book	Arrears	Exposure of book	Arrears
R1 – R500 000	**1.6%**	**3.4%**	1.3%	7.8%
R500 000 – R1 250 000	**2.5%**	**3.5%**	1.9%	3.5%
R1 250 000 – R3 000 000	**6.6%**	**2.6%**	7.5%	0.6%
R3 000 000 – R5 000 000	**14.6%**	**4.1%**	13.6%	0.7%
R5 000 000 – R12 500 000	**27.5%**	**10.1%**	24.9%	0.4%
Above R12 500 000	**45.1%**	**2.3%**	48.9%	0.1%
Legal clients	**2.0%**	**74.0%**	1.9%	80.6%
Total	**100.0%**		100.0%	

The total arrears for 2024 amounted to 2,3% (2023: 2,0%).

A fair distribution of client size and arrears is applicable and the size of the current book is in line with the risk appetite per segment of Senwes.

Stages of debt

	Group			
	2024			
Distribution of debtors by category	Trade debtors %	Gross carrying amount R'm	Gross exposure amount R'm	Net exposure to credit risk after net asset value R'm
Stage 1	**59%**	**2 195**	**602**	**814**
Stage 2	**39%**	**1 448**	**339**	**82**
Stage 3	**2%**	**76**	**60**	**60**
Total	**100%**	**3 718**	**1 001**	**955**

The gross carrying amount includes an amount of R62 million relating to the company, with a net exposure of R61 million.

Stages of debt

	Group			
	2023			
Distribution of debtors by category	Trade debtors %	Gross carrying amount R'm	Gross exposure amount R'm	Net exposure to credit risk after net asset value R'm
Stage 1	66%	3 004	924	584
Stage 2	32%	1 451	323	225
Stage 3	2%	89	67	67
Total	**100%**	**4 544**	**1 313**	**875**

The gross carrying amount includes an amount of R64 million relating to the company, with a net exposure of R59 million.

Credit risk for company arises from intercompany loans receivable and has been assessed in note 7.1.2.

The different stages are defined as follows:

Although not required by IFRS 9 Financial Instruments, Senwes categorises trade and other receivables as well, in order to evaluate financing provided in a holistic manner. Trade and other receivables and loans (collectively referred to as debtors) with significant financing components are classified into the following categories, in accordance with IFRS 9 Financial Instruments, for impairment purposes, taking into account factors mentioned in note 11.5, that reflect changes in credit risk since initial recognition:

Stage 1: The loss allowance measured at an amount equal to 12-month expected credit losses
Debtors where there has not been a significant increase in credit risk since initial recognition:
Portfolio impairment (non-legal clients) – A group impairment assessment: debtors are not individually assessed but debtors with similar credit risks and characteristics are grouped. The group is then assessed for impairment.

Stage 2: The loss allowance measured at an amount equal to lifetime expected credit losses
Debtors whose credit risk has increased significantly since initial recognition:
Portfolio impairment (non-legal) clients:
A group impairment assessment, debtors are not individually considered, debtors with similar credit risks and characteristics are grouped together. The group is then assessed for impairment. These debtors have not been handed over to the legal department for collection as yet, but there is an indicator of impairment. The two most significant indicators of impairment in the current financial year are arrears (non-compliance with debtor terms) and consolidation of loans in arrears. During the year stage 2 trade debtors increased to 39% from 32% in 2023 see note 24.1.2. Allowances for life time expected losses were made specifically for loans.

Stage 3: Financial assets that are purchased or originated credit impaired
Debtors whose credit risk has increased significantly since initial recognition:
Specifically impaired (legal clients): This will typically be the case where the debtor is already handed over to the legal department for recovery. The impairment represents the actual risk (LGD) for possible bad debt determined by the legal department, taking into account all securities and the client's balance sheet. The factors that influence management's estimates and judgement include whether customers that have been handed over to the legal department for collection, are specifically provided for based on the exposure and the estimation of the quality and expected realisation of securities held for the specific customers.

Counter-party risk
Absa and Nedbank as key financiers are regarded as excellent counter-parties and therefore fall within acceptable levels of counter-party risk. Counter-party risk relating to credit extension to clients is managed actively and is considered to be within acceptable levels. According to Moody's, both Nedbank and Absa have a long-term credit rating of Baa3, with a stable outlook.

24.1.3 Liquidity risk

The group monitors its liquidity risk by means of a cash flow planning and security model.

The group takes into account the maturity dates of its various assets and funds its activities by obtaining a balance between the optimal financing mechanism and the different financing products, which include bank overdrafts, short-term loans, commodity finance and other creditors. These are the remaining undiscounted cash flows. The different debt expiry dates are as follows:

	Group Financial liabilities - 2024				
	Carrying amount R'm	Total R'm	Due within 1 year R'm	Due within 1-5 years R'm	Due after 5 years R'm
Other financial liabilities	114	629	-	-	629
JD Implemente (Pty) Ltd loans	4	4	1	3	-
KLK Landbou Ltd loans	34	44	5	24	15
SFL Holdings GmbH loans	402	420	262	158	-
Commodity finance	1 337	1 337	1 337	-	-
Lease liabilities	14	15	9	6	-
Absa interest-bearing loans	3 210	3 210	3 210	-	-
Nedbank interest-bearing loans	1 343	1 729	206	1 523	-
Bank overdrafts	155	155	155	-	-
Trade and other payables and contract liabilities	2 758	2 758	2 758	-	-
Derivative financial instruments	80	80	80	-	-
Incentive bonuses	156	156	156	-	-
Provisions	36	36	36	-	-
Other loans payable	144	144	144	-	-
Income tax payable	33	33	33	-	-
Financial guarantees	-	41	-	41	-
Total liabilities, including interest payable	**9 820**	**10 791**	**8 392**	**1 755**	**644**

	Company Financial liabilities - 2024				
	Carrying amount R'm	Total R'm	Due within 1 year R'm	Due within 1-5 years R'm	Due after 5 years R'm
Other financial liabilities	88	472	-	-	472
Commodity finance	1 337	1 337	1 337	-	-
Absa interest-bearing loans	3 210	3 210	3 210	-	-
Nedbank interest-bearing loans	1 343	1 729	206	1 523	-
Bank overdrafts	-	-	-	-	-
Trade and other payables and contract liabilities	484	484	484	-	-
Derivative financial instruments	79	79	79	-	-
Incentive bonuses	85	85	85	-	-
Provisions	3	3	3	-	-
Income tax payable	1	1	1		
Other loans payable	22	22	22	-	-
Financial guarantees	-	41	-	41	-
Total liabilities, including interest payable	**6 652**	**7 463**	**5 427**	**1 564**	**472**

	Group Financial liabilities - 2023				
	Carrying amount R'm	Total R'm	Due within 1 year R'm	Due within 1-5 years R'm	Due after 5 years R'm
Other financial liabilities	71	397	–	–	397
JD Implemente (Pty) Ltd loans	4	4	–	2	2
KLK Landbou Ltd loans	4	5	4	1	–
PE-BEE Agri (Pty) Ltd loans	3	3	3	–	–
SFL Holdings GmbH loans	130	135	39	96	–
Commodity finance	878	878	878	–	–
Lease liabilities	34	38	15	23	–
Absa interest-bearing loans	2 678	2 838	2 838	–	–
Nedbank interest-bearing loans	1 401	1 898	189	1 709	–
Bank overdrafts	286	286	286	–	–
Trade and other payables and contract liabilities	2 013	2 013	2 013	–	–
Derivative financial instruments	364	364	364	–	–
Incentive bonuses	190	190	190	–	–
Provisions	114	114	114	–	–
Income tax payable	52	52	52		
Other loans payable	95	95	95	–	–
Financial guarantees	–	41	41	–	–
Total liabilities, including interest payable	**8 317**	**9 351**	**7 121**	**1 831**	**399**

	Company Financial liabilities - 2023				
	Carrying amount R'm	Total R'm	Due within 1 year R'm	Due within 1-5 years R'm	Due after 5 years R'm
Other financial liabilities	58	309	–	–	309
Commodity finance	878	878	878	–	–
Absa interest-bearing loans	2 678	2 838	2 838	–	–
Nedbank interest-bearing loans	1 401	1 898	189	1 709	–
Bank overdrafts	204	204	204	–	–
Trade and other payables and contract liabilities	326	326	326	–	–
Derivative financial instruments	352	352	352	–	–
Incentive bonuses	105	105	105	–	–
Provisions	13	13	13	–	–
Other loans payable	5	5	5	–	–
Financial guarantees	–	41	41	–	–
Income tax payable	23	23	23	–	–
Total liabilities, including interest payable	**6 043**	**6 992**	**4 974**	**1 709**	**309**

24.1.4 Capital maintenance guidelines

Capital includes equity attributable to the equity holders of the parent. The group maintains its own capital ratio within the following guidelines:

	Group	
	2024 Own capital ratio	2023 Own capital ratio
Capital maintenance		
Total assets	**15 166**	13 223
Equity	**4 974**	4 610
Liabilities	**10 192**	8 613
Total equity and liabilities	**15 166**	13 223
Calculated rate (%)	**33%**	35%
Set target band (%)	**35%-45%**	35%-45%

The own capital ratio of 33% is lower than the internal set target of between 35% and 45%. This is mainly due to high inventory levels at year-end. The ratio returned to acceptable levels after year-end.

The group is also subject to the following externally imposed capital requirements:

	Group	
	2024 R'm	2023 R'm
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**1 895**	1 753
Finance costs	**475**	266
Long term interest bearing loans	**1 455**	1 440
Long-term interest-bearing debt to EBITDA	**0.8**	0.8
Set target (times)	**3.0**	3.0
Calculated interest cover (times)	**4.0**	6.6
Set target (times)	**>2,5**	>2,5
Dividend cover	**3.2**	3.8
Set target (times)	**2**	2

24.2 Fair value

The following table summarises fair value measurements recognised in the statement of financial position or disclosed in the group's financial statements by class of asset or liability and categorised by level according to the significance of inputs used in making the measurements.

		Fair value as at 30 April 2024			
Recurring measurements	**Notes**	**Carrying amount as at 30 April 2024 R'm**	**Quoted prices in active markets for identical instruments Level 1 R'm**	**Significant other observable inputs Level 2 R'm**	**Significant unobservable inputs Level 3 R'm**
Assets					
Grain commodities	10	**1 467**	**1 467**	**-**	**-**
Inventory held to satisfy firm sales	12	**187**	**187**	**-**	**-**
Investment in financial assets at fair value through other comprehensive income	7.1.1	**5**	**-**	**-**	**5**
Investment in RealFin Collective Investment Scheme	8	**26**	**-**	**26**	**-**
Forward purchase contracts	20.1	**207**	**207**	**-**	**-**
Foreign exchange contracts	20.1	**3**	**3**	**-**	**-**
Safex futures	20.1	**79**	**79**	**-**	**-**
Total assets		**1 974**	**1 943**	**26**	**5**
Liabilities					
Commodity finance	7.2.2	**1 337**	**1 337**	**-**	**-**
Forward purchase contracts	20.2	**79**	**79**	**-**	**-**
Foreign exchange contracts	20.2	**1**	**1**	**-**	**-**
Total liabilities		**1 417**	**1 417**	**-**	**-**

Accounts receivable, loans receivable and loans payable at amortised cost approximate their fair value.

		Fair value as at 30 April 2023			
Recurring measurements	**Notes**	**Carrying amount as at 30 April 2023 R'm**	**Quoted prices in active markets for identical instruments Level 1 R'm**	**Significant other observable inputs Level 2 R'm**	**Significant unobservable inputs Level 3 R'm**
Assets					
Grain commodities	10	926	926	-	-
Inventory held to satisfy firm sales	12	126	126	-	-
Investment in financial assets at fair value through other comprehensive income	7.1.1	5	-	-	5
Investment in RealFin Collective Investment Scheme	8	25	-	25	-
Forward purchase contracts	20.1	17	17	-	-
Foreign exchange contracts	20.1	4	4	-	-
Safex futures	20.1	51	51	-	-
Total assets		**1 154**	**1 124**	**25**	**5**
Liabilities					
Commodity finance	7.2.2	878	878	-	-
Forward purchase contracts	20.2	353	353	-	-
Foreign exchange contracts	20.2	11	11	-	-
Total liabilities		**1 242**	**1 242**	**-**	**-**

Accounts receivable, loans receivable and loans payable at amortised cost approximate their fair value.

Techniques used to determine fair value measurements categorised in Level 1:

All items categorised in level 1 are revalued by applying the market value as determined by Safex (South African Futures Exchange) and the foreign exchange markets.

Techniques used to determine fair value measurements categorised in Level 2:

RealFin Collective Investment Scheme's inputs can indirectly be observed through the cash balances and financial position of the fund.

Techniques used to determine fair value measurements categorised in Level 3:

Investment held by Thobo Trust

This is shares held by Thobo Trust in Oos-Transvaal Kalkverskaffers (Pty) Ltd ("OTKV"). OTKV is a private company and a discounted cash flow calculation was used to determine the fair value.

24.3 Financial liabilities per category

	Group		Company	
	2024 R'm	**2023 R'm**	**2024 R'm**	**2023 R'm**
Financial liabilities carried at fair value	**80**	364	**79**	352
Financial liabilities carried amortised cost	**9 682**	7 853	**6 569**	5 655
Total other financial liabilities	**9 762**	8 217	**6 648**	6 007

25. Earnings per share and dividends

25.1 Earnings per share

The following calculations are based on a weighted average number of 170 325 819 shares (2023: 172 410 968 shares). The earnings were calculated on profit attributable to shareholders.

25.1.1 Earnings per share is based on a profit of R855 million (2023: R907 million) attributable to ordinary shares.

25.1.2 Normalised headline earnings per share is based on a profit of R825 million (2023: R962 million). Normalised headline earnings is headline earnings according to Circular 1/2023 issued by the South African Institute of Chartered Accountants, adjusted with the following:

1. Impairments/(reversals) of investments/loans of a capital nature;
2. Restructuring costs;
3. (Profit)/loss on foreign exchange on capital loans;
4. Expenses and cost impact not related to operational activities and which in nature are abnormal; and
5. Legal/consulting fees relating to business transactions (i.e. business combinations, disposals and major reorganisations).

25.1.3 Reconciliation between earnings and normalised headline earnings is as follows:

	Group	
	2024 R'm	**2023 R'm**
Earnings per statement of comprehensive income	**855**	907
Adjustments:		
Profit from sale of property, plant and equipment	**(39)**	(35)
Impairment of property, plant and equipment and intangible assets	**12**	27
Gain on disposal of investment in joint venture	**-**	(2)
Impairment of goodwill	**32**	2
Tax and NCI effect of adjustments	**(2)**	9
Headline earnings	**858**	908
Abnormal/once-off items:		
(Reversal of impairment)/Impairment of investments	**(12)**	10
Legal/consultation fees *	**1**	17
Other once-off items	**(30)**	47
Tax effect of adjustments	**8**	(20)
Normalised headline earnings	**825**	962
Earnings per share (cents)	**501.8**	525.8
Headline earnings per share (cents)	**503.9**	526.1
Normalised headline earnings per share (cents)	**484.3**	558.1
Earnings per share from continued operations (cents)	**495.6**	524.6

* Legal/consulting fees mainly consist of fees incurred in optimising certain operating activities and for merger and acquisition transactions.

25.1.4 Diluted normalised headline earnings per share is based on the diluted number of 175 639 469 shares (2023: 178 052 814 shares). The reconciliation between weighted average number of shares and diluted number of shares is:

	Group	
	2024 R'm	**2023 R'm**
Earnings per statement of comprehensive income	**855**	907
Diluted earnings	**855**	907
Weighted average number of shares	**170 325 819**	172 410 968
Weighted average equity-settled share-based scheme shares	**5 313 650**	5 641 846
Diluted shares	**175 639 469**	178 052 814
Diluted earnings per share (cents)	**486.6**	509.1
Diluted normalised headline earnings per share (cents)	**469.6**	540.4

25.2 Dividends paid and declared

	Group	
	2024 R'm	**2023 R'm**
Declared and paid during the year:		
Dividends on ordinary shares:		
Final dividend 2023: 40 cents (2022: 34 cents)	**73**	62
Special final dividend 2023 – 56 cents (2022 – 56 cents)	**101**	101
Interim dividend 2024: 50 cents (2023: 36 cents)	**90**	65
Total dividends paid (company)	**264**	228
Elimination of dividends paid to Senwes Capital and Senwes Share Incentive Scheme Trust	**(5)**	(3)
PE-BEE Agri (Pty) Ltd (Protek) dividends paid to non-controlling shareholders	**5**	6
SA Dorper (Pty) Ltd dividends paid to non-controlling shareholders	**-**	2
JD Implemente (Pty) Ltd dividends paid to non-controlling shareholders	**-**	3
Total dividends paid (group)	**264**	236

Dividends paid by the group exclude the dividend paid to Senwes Capital (Pty) Ltd and Senwes Share Incentive Scheme Trust of R5 million (2023: R3 million).

Proposed for approval at the annual general meeting (not recognised as a liability as at 30 April):		
Dividends on ordinary shares:		
Final dividend 2024: 50 cents (2023: 40 cents)	**90**	73
Special dividend 2024: 50 cents (2023: 56 cents)	**90**	101

26. Related party transactions

26.1 Subsidiaries

The financial statements include the financial results of the subsidiaries listed below. The table below reflects the total of related party transactions and balances per subsidiary.

		Company	
	% interest (group)	2024 R'm	2023 R'm
Transactions with related parties and outstanding balances			
Income			
Finance income			
Africum (Pty) Ltd	100%	**302**	252
Senwes Equip Holdings (Pty) Ltd	100%	**3**	–
SFL Holdings GmbH	100%	**–**	14
Total finance income		**305**	266
Sale of goods			
Hinterland Holdings (Pty) Ltd	100%	**1**	–
Total sale of goods		**1**	–
Service level agreement income			
Certisure Brokers (Pty) Ltd	100%	**4**	4
Agri Credit Solutions (Pty) Ltd	100%	**11**	9
Agrifriend Equipment (Pty) Ltd	100%	**22**	21
Grainovation (Pty) Ltd	100%	**1**	1
JD Implemente (Pty) Ltd	50%	**1**	1
Hinterland Holdings (Pty) Ltd	100%	**46**	46
Hinterland Fuels (Pty) Ltd	100%	**2**	1
SS Siloco (Pty) Ltd	100%	**17**	25
Hinterland SA (Pty) Ltd	100%	**7**	5
Falcon Agricultural Equipment (Pty) Ltd	100%	**4**	2
NviroTek Laboratories (Pty) Ltd	82%	**3**	2
Africum (Pty) Ltd	100%	**2**	–
Agribel Holdings Ltd	Parent	**1**	1
SFL Holdings GmbH	100%	**1**	1
Total service level agreement income		**122**	119
Other income			
Agrifriend Equipment (Pty) Ltd	100%	**1**	–
Agrinet (Pty) Ltd	100%	**2**	2
Hinterland Holdings (Pty) Ltd	100%	**2**	2
KLK Landbou (Pty) Ltd	58%	**1**	1
NviroTek Laboratories (Pty) Ltd	82%	**–**	2
Total other income		**6**	7
Total income		**434**	392
Expenses			
Finance cost			
Agri Credit Solutions (Pty) Ltd	100%	**(7)**	–
Agrifriend Equipment (Pty) Ltd	100%	**(5)**	–
Hinterland Holdings (Pty) Ltd	100%	**(8)**	–
Africum (Pty) Ltd	100%	**–**	(90)
Total finance cost		**(20)**	(90)
Purchase of goods			
Agrifriend Equipment (Pty) Ltd	100%	**(1)**	–
Grainovation (Pty) Ltd	100%	**(18)**	(6)
Hinterland Holdings (Pty) Ltd	100%	**(10)**	(9)
SS Siloco (Pty) Ltd	100%	**(6)**	(1)
Suidwes IT Solutions 2 (Pty) Ltd	100%	**(31)**	(27)
Total purchase of goods		**(66)**	(43)
Rent paid			
Agri Credit Solutions (Pty) Ltd	100%	**(3)**	(3)
Senwes Capital (Pty) Ltd	100%	**(11)**	(10)
Total rent paid		**(14)**	(13)
Other expenses			
Agri Credit Solutions (Pty) Ltd	100%	**(8)**	(6)
Hinterland Holdings (Pty) Ltd	100%	**(1)**	(1)
SFL Holdings GmbH	100%	**(3)**	–
Total other expenses		**(12)**	(7)
Total expenses		**(112)**	(153)

Balances with related parties and outstanding balances			
Accounts receivable/(payable)			
Agri Credit Solutions (Pty) Ltd	100%	**1**	(38)
Agrifriend Equipment (Pty) Ltd	100%	**3**	3
Agrinet (Pty) Ltd	100%	**1**	4
Senwes Capital (Pty) Ltd	100%	**-**	13
Hinterland Holdings (Pty) Ltd	100%	**8**	5
SS Siloco (Pty) Ltd	100%	**(2)**	29
Suidwes IT Solutions 2 (Pty) Ltd	100%	**-**	(11)
Hinterland SA (Pty) Ltd	100%	**-**	1
SFL Holdings GmbH	100%	**1**	1
Net accounts receivable/(payable)		**12**	7
Other loans receivable/(payable)			
Agri Credit Solutions (Pty) Ltd	100%	**(8)**	-
Agrifriend Equipment (Pty) Ltd	100%	**(6)**	-
Hinterland Holdings (Pty) Ltd	100%	**(8)**	-
SS Siloco (Pty) Ltd	100%	**-**	10
Suidwes IT Solutions 2 (Pty) Ltd	100%	**2**	-
Suidwes Investments (Pty) Ltd	100%	**348**	348
Africum (Pty) Ltd	100%	**3 912**	4 550
Senwes Equip Holdings (Pty) Ltd	100%	**26**	48
SFL Holdings GmbH	100%	**630**	479
Net other loans receivable/(payable)		**4 896**	5 435

26.2 Joint ventures

Details of transactions are listed in the table below.

		Group	
	% interest	2024 R'm	2023 R'm
Transactions with related parties and outstanding balances			
Income			
Service level agreement income			
Bastion Lime (Pty) Ltd	50%	**2**	2
Total service level agreement income		**2**	2
Other income			
Bastion Lime (Pty) Ltd	50%	**1**	-
Total other income		**1**	-
Total income		**3**	2
Expenses			
Purchase of goods			
Silocerts (Pty) Ltd **	50%	**(2)**	(1)
Total purchase of goods		**(2)**	(1)
Total expenses		**(2)**	(1)

** On company level, dividends of R1 million was received from Silocerts (Pty) Ltd.
For the interest rates and loan repayment terms, refer to note 7.

26.3 Significant shareholders

26.3.1 Parent company

Agribel Holdings Ltd's shareholding in Senwes was 68,7% (2023: 73,5%) during the 2024 financial year.

	Parent company			
	2024 R'm	2023 R'm	2024 R'm	2023 R'm
	Management fees received		Interest paid	
Agribel Holdings Ltd	**1**	1	**1**	1

Dividends paid to Agribel Holdings Ltd amounted to R190 million (2023: R167 million).

26.4 Trade with directors

Balances with directors

These comprise of production credit, mortgages and other accounts for which customers of the company qualify. Credit extension terms and interest rates in respect of loans are aligned with the company's credit policy. These amounts are included in trade and other receivables according to normal credit terms and conditions.

	Group		Company	
	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Related parties – trade and other accounts receivable	**51**	46	**-**	-

Transactions with directors

Due to the nature of the business, the directors form part of the normal client base of the group.

The transactions with directors comprise revenue from the sale of mechanisation whole goods and spares, handling, storage, sales and purchases of grain, interest and financing transactions.

	Group		Company	
	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Income	**870**	810	**686**	653
Purchases	**450**	323	**450**	323

26.5 Directors' remuneration (executive and non-executive)

	Note	Group and company 2024 R'm	Group and company 2023 R'm
Salaries *		**10**	11
Short-term incentive		**11**	13
Long-term incentive	16.2	**7**	6
Executive directors		**28**	30
Non-executive directors		**8**	8
Directors' remuneration: company		**36**	38
Directors' remuneration: subsidiaries **		**91**	96
Directors' remuneration: group		**127**	134

* Pension costs are included in salaries. These amounts will be less than R1 million when rounded and are therefore not disclosed in a separate line.
** Relates to directors of subsidiary companies even if employed by the company.

Non-executive directors' remuneration (company):

	2024							
Non-executive	Status	Date	Total directors' remuneration	Remuneration from Agribel Holdings Ltd *	Total directors' remuneration from Senwes company	Remuneration from Senwes	Travelling and accommo-dation expenses	Remuneration from subsidiaries
SF Booysen	In Office	Full Year	**1 112 433**	**-**	**1 112 433**	**1 092 754**	**19 679**	**-**
VJ Klein	In Office	Full Year	**830 003**	**-**	**574 865**	**564 848**	**10 017**	**255 138**
NDP Liebenberg	In Office	Full Year	**1 213 218**	**515 101**	**698 117**	**691 842**	**6 275**	**-**
JS Marais	Resigned	22/08/2023	**798 406**	**-**	**206 750**	**196 958**	**9 792**	**591 656**
JDM Minnaar	In Office	Full Year	**1 965 240**	**219 245**	**1 504 081**	**1 491 033**	**13 048**	**241 914**
JJ Minnaar	In Office	Full Year	**1 143 627**	**324 114**	**819 513**	**802 872**	**16 641**	**-**
JPN Stander	In Office	Full Year	**977 272**	**-**	**531 399**	**501 995**	**29 404**	**445 873**
WH van Zyl	In Office	Full Year	**776 892**	**211 718**	**565 174**	**557 527**	**7 647**	**-**
AG Waller	In Office	Full Year	**580 316**	**-**	**580 316**	**572 041**	**8 275**	**-**
GL Malherbe	In Office	Full Year	**750 277**	**211 718**	**538 559**	**525 355**	**13 204**	**-**
JJ Viljoen	In Office	Full Year	**737 073**	**211 718**	**525 355**	**525 355**	**-**	**-**
Total			**10 884 757**	**1 693 614**	**7 656 562**	**7 522 580**	**133 982**	**1 534 581**

* Remuneration received from Agribel Holdings Ltd includes VAT where a director is registered for VAT. Agribel Holdings Ltd is not a registered VAT vendor.

Executive directors' remuneration (company):

	2024			
Executive	Remuneration	Short-term incentive bonus	Long-term incentive *	Travelling and accommo-dation expenses
F Strydom	**7 013 229**	**8 163 474**	**6 448 453**	**81 503**
CR Klingenberg	**2 979 453**	**3 044 901**	**856 188**	**17 096**
Total	**9 992 682**	**11 208 375**	**7 304 641**	**98 599**

* The long-term incentive has not vested as yet and is subject to vesting conditions. The total share-based payment expense recognised for the 2024 financial year relates to three tranches which will vest, depending on vesting conditions being met, on a yearly basis from June 2024 to June 2026.

Equity-settled share-based payments (company):

	Shares not vested *	
	2024	2023
	Number	Number
F Strydom	**1 410 360**	1 494 607
CR Klingenberg	**174 394**	-
Total	**1 584 754**	1 494 607

* Included with the number of shares are grants which have not vested at year-end.

The total share-based payment expense recognised for the 2024 financial year, relating to executive directors, amounted to R7 million (2023: R7 million) and relates to three tranches (2023: three tranches) which will vest, depending on vesting conditions being met, on a yearly basis from June 2024 to June 2026.

Non-executive directors' remuneration (company):

	2023							
Non-executive	Status	Date	Total directors' remuneration	Remuneration from Agribel Holdings Ltd	Total directors' remuneration from Senwes company	Remuneration from Senwes	Travelling and accommo-dation expenses	Remuneration from subsidiaries
SF Booysen	In Office	Full Year	1 052 880	-	1 052 880	1 033 261	19 619	-
VJ Klein	In Office	Full Year	771 594	-	508 001	496 754	11 247	263 593
AJ Kruger	Resigned	24/08/2022	302 921	77 368	225 553	218 492	7 061	-
NDP Liebenberg	In Office	Full Year	1 151 150	489 859	661 291	655 832	5 459	-
JS Marais	In Office	Full Year	1 050 678	-	483 524	462 608	20 916	567 154
JDM Minnaar	In Office	Full Year	1 889 920	206 835	1 448 948	1 411 751	37 197	234 137
JJ Minnaar	In Office	Full Year	1 073 232	294 344	778 888	760 817	18 071	-
JPN Stander	In Office	Full Year	963 787	-	535 326	474 665	60 661	428 461
WH van Zyl	In Office	Full Year	737 064	199 734	537 330	527 174	10 156	-
AG Waller	In Office	Full Year	579 001	-	579 001	540 898	38 103	-
GL Malherbe	In Office	Full Year	712 001	199 734	512 267	496 754	15 513	-
JJ Viljoen	In Office	Full Year	693 629	196 875	496 754	496 754	-	-
Total			**10 977 857**	**1 664 749**	**7 819 763**	**7 575 760**	**244 003**	**1 493 345**

Executive directors' remuneration (company):

	2023			
Executive	Remuneration	Short-term incentive bonus	Long-term incentive *	Travelling and accommo-dation expenses
F Strydom	6 731 123	11 366 130	5 227 746	66 049
CF Kruger	2 790 851	-	947 914	24 196
D Bester **	1 151 570	1 175 471	341 982	4 093
CR Klingenberg	706 749	-	-	-
Total	**11 380 293**	**12 541 601**	**6 517 642**	**94 338**

* The long-term incentive has not vested as yet and is subject to vesting conditions. The total share-based payment expense recognised for the 2023 financial year relates to three tranches which will vest, depending on vesting conditions being met, on a yearly basis from June 2023 to June 2025.

** Remuneration disclosed for the period served as acting Group Chief Financial Officer. Refer to note 26.6.

26.6 Information on directors' terms of office

For information regarding the non-executive directors, refer to the statutory directors' report (page 12).

Executive directors

Director	Service contract expiry date	Position held
F Strydom	31 July 2025	Chief Executive Officer
CF Kruger	31 October 2022	Chief Financial Officer
D Bester	31 January 2023	Interim Chief Financial Officer
CR Klingenberg	Permanent	Chief Financial Officer

During the previous year, CF Kruger (former CFO) resigned from the company effective 31 October 2022. D Bester was appointed as the interim CFO for the period ended 31 January 2023, whereafter CR Klingenberg was appointed as the permanent CFO effective from 1 February 2023.

Directors' direct and indirect interests in the company:

	Company			
	2024		2023	
	Number of shares	% of total shares	Number of shares	% of total shares
Direct				
Non-executive directors	**104 261**	**0.05%**	137 182	0.08%
Executive directors	**2 915 701**	**1.61%**	2 383 758	1.32%
Indirect				
Non-executive directors	**56 106**	**0.03%**	102 180	0.06%
Executive directors	**-**	**0.00%**	–	0.00%
Total direct and indirect interest	**3 076 068**	**1.69%**	2 623 120	1.45%

26.7 Directors' direct and indirect interests in the company:

	2024		2023	
	Direct and indirect		Direct and indirect	
Name	Shares	%	Shares	%
Non-executive				
JS Marais	**-**	**0.00%**	22 500	0.01%
JDM Minnaar and related parties:	**8 982**	**0.00%**	55 056	0.03%
JDM Minnaar	7 019	0.00%	7 019	0.00%
Robyn Trust *	823	0.00%	823	0.00%
Lerna Boerdery CC *	1 140	0.00%	1 140	0.00%
JDM Boerdery (Pty) Ltd *	–	0.00%	46 074	0.03%
JJ Minnaar and related parties:	**42 215**	**0.02%**	42 215	0.02%
Uitsny Boerdery 999 (Pty) Ltd	42 215	0.02%	42 215	0.02%
WH van Zyl and related parties:	**54 143**	**0.03%**	54 143	0.03%
Thuso Grain (Pty) Ltd *	54 143	0.03%	54 143	0.03%
GL Malherbe and related parties:	**30 671**	**0.02%**	30 671	0.02%
GL Malherbe	10 911	0.01%	10 911	0.01%
Gert Malherbe Boerdery Trust *	19 760	0.01%	19 760	0.01%
NDP Liebenberg & related parties	**-**	**0.00%**	10 421	0.01%
Greenpak (Pty) Ltd *	–	0.00%	10 421	0.01%
JJ Viljoen and related parties	**24 356**	**0.01%**	24 356	0.01%
Boetie Viljoen (Edms) Bpk *	24 356	0.01%	24 356	0.01%
Executive				
F Strydom #	**2 915 701**	**1.61%**	2 383 758	1.32%
Subtotal of directors	**3 076 068**	**1.69%**	2 623 120	1.45%
Other shareholders	**177 713 240**	**98.31%**	178 166 188	98.55%
Total	**180 789 308**	**100.00%**	180 789 308	100.00%

* The directors do not necessarily have a controlling interest in the trusts, CCs and/or companies related to them.

Shares held in Senwes do not include the 1 410 360 shares granted in terms of the LTI scheme which have not yet vested. 531 943 shares vested during the year in terms of the LTI-scheme.

27. Reconciliation of profit before tax to cash from operating activities

	Group		Company	
	2024 R'm	* 2023 R'm	2024 R'm	2023 R'm
Profit before tax	**1 253**	1 327	**513**	524
Non-cash adjustments to reconcile profit before tax to net cash flows:	**808**	476	**392**	62
Foreign exchange loss/(profit)	**2**	(84)	**(1)**	(78)
Depreciation and amortisation	**247**	205	**83**	81
Non-cash movement in provisions	**201**	168	**33**	(11)
Finance costs	**475**	266	**303**	137
Finance income	**(80)**	(45)	**(66)**	(35)
(Reversal of impairment)/impairment of investments and loans	**(12)**	13	**46**	(1)
Profit from joint ventures and associates	**(52)**	(26)	**-**	–
(Profit)/loss on disposal of property, plant and equipment	**(39)**	(35)	**(21)**	4
Impairment of property, plant and equipment and goodwill	**44**	28	**2**	4
Gain on AgriRewards conversion	**-**	(24)	**-**	(21)
Other operating income: dividends received	**-**	–	**(1)**	(6)
Loss/(gain) on disposal of investment in joint venture	**1**	(2)	**-**	(22)
Deferred government grant movement through profit or loss	**(3)**	(3)	**-**	–
Equity-settled share-based payment expense	**24**	15	**14**	10
Cash from operating activities	**2 061**	1 803	**905**	586

* Refer to notes 34.3 for further disclosure with regards to the restatement of comparative information.

28. Change in working capital

	Group		Company	
	2024 R'm	* 2023 R'm	2024 R'm	* 2023 R'm
Increase in inventory	**(1 710)**	(1 406)	**(540)**	(746)
Decrease/(increase) in trade and other receivables	**330**	112	**(308)**	231
Increase in inventory held to satisfy firm sales	**(61)**	(79)	**(61)**	(79)
Increase/(decrease) in trade and other payables	**146**	1 373	**(399)**	799
Increase in contract liabilities	**6**	7	**7**	7
Decrease in provisions	**(50)**	–	**–**	–
Changes in working capital	**(1 339)**	7	**(1 301)**	212

* Refer to notes 34.1 and 34.3 for further disclosure with regards to the restatement of comparative information.

29. Tax paid

	Group		Company	
	2024 R'm	* 2023 R'm	2024 R'm	* 2023 R'm
Tax (payable)/receivable at the beginning of the period	**(39)**	1	**(23)**	21
Amounts debited in profit or loss	**(243)**	(330)	**(82)**	(125)
Tax movement not through profit or loss due to business combinations	**–**	(6)	**–**	–
Prior year adjustments	**(11)**	–	**3**	–
Exchange rate translation	**–**	(2)	**–**	–
Tax (receivable)/payable at the end of the period	**(3)**	39	**1**	23
Tax paid	**(296)**	(298)	**(101)**	(81)

* Refer to notes 34.2 for further disclosure with regards to the restatement of comparative information.

30. Acquisition of property, plant and equipment

	Group		Company	
	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Land	**(2)**	(14)	**–**	–
Silos	**(1)**	(1)	**(1)**	(1)
Buildings and improvements	**(70)**	(57)	**(3)**	(5)
Machinery and equipment	**(210)**	(223)	**(33)**	(60)
Vehicles	**(52)**	(32)	**(17)**	(16)
Heavy vehicles	**(5)**	(6)	**–**	–
Total acquisition of property, plant and equipment	**(340)**	(333)	**(54)**	(82)
Represented by:	**(340)**	(333)	**(54)**	(82)
Acquisition to increase operating capacity	**(176)**	(118)	**(24)**	(30)
Acquisition to maintain operating capacity	**(89)**	(127)	**(30)**	(52)
Net transfer (from)/to inventory	**(75)**	(88)	**–**	–
Transfer from investment property	**–**	–	**–**	–

2024: Net inventory transferred to/(from) property, plant and equipment (R75 million) during the year are not included in the acquisition of property, plant and equipment for cash flow purposes.
2023: Net inventory transferred to/(from) property, plant and equipment (R88 million) during the year are not included in the acquisition of property, plant and equipment for cash flow purposes.

31. Proceeds from disposal of property, plant and equipment

		Group		Company	
	Notes	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Carrying value of assets sold	2; 13.2	**64**	43	**6**	21
Assets transferred to non-current assets held for sale	13.1	**(13)**	–	**–**	–
Assets reclassified as intangible assets	5.2	**(4)**	–	**(2)**	–
Profit/(loss) from disposals		**39**	35	**21**	(4)
Proceeds from disposals		**86**	78	**25**	17

32. Other loans receivable/payable

		Group		Company	
	Notes	2024 R'm	2023 R'm	2024 R'm	2023 R'm
Loans from related parties					
Additional loans received from related parties	7.2.1	**49**	33	**22**	–
Repayment of loans from related parties	7.2.1	**–**	(7)	**(5)**	(21)
Movement in loans from related parties		**49**	26	**17**	(21)
Loans to related and third parties					
Additional loans advanced to related and third parties	7.1.2	**–**	(1)	**(105)**	(508)
Repayment of loans to related and third parties	7.1.2	**1**	–	**789**	237
Movement in loans to related and third parties		**1**	(1)	**684**	(271)

33. Unutilised funding facilities

An unutilised short-term facility of R2 billion (2023: R1,8 billion) is available for growth opportunities and unexpected events.

At year-end, Senwes had unpledged commodities and unencumbered assets of R154 million (2023: R72 million) and R8 billion (2023: R7 billion) respectively.

34. Restatement of comparative information

34.1 Grain inventory periodically disposed of to a financial services institution

In prior years, grain inventory periodically disposed of to a financial services institution by agreement was derecognised from the company's statement of financial position as control of the underlying grain inventory was deemed to have passed from the Company to the financial services institution. Management's judgement and estimates were informed by historical transactions concluded on a similar basis.

In the current financial year, management reassessed the accounting treatment of the call option in the agreement with the financial services institution. The agreement provided for an option to re- acquire all or part of the grain at a specified location and specified option date. Management concluded that the group will continue to recognise the grain inventory sold to the financial institution until the option date, with the cash received being recognised as a short-term liability in the statement of financial position. The Company amended the accounting treatment in the current financial period to align with industry practice, as per the guidance as set out in IFRS 15. Consequently, the comparative numbers have been restated accordingly.

The restatement has the following impact on comparative numbers:

	Notes	Group 2023 R'm	Company 2023 R'm
Statement of financial position			
Increase in inventory	10	**743**	743
Increase in total current assets		**743**	743
Increase in total assets		**743**	743
Increase in short-term portion of interest-bearing loans	7.2.2	**743**	743
Increase in total current liabilities		**743**	743
Increase in total liabilities		**743**	743
Net adjustment in total equity		**-**	-
Statement of comprehensive income			
Decrease in cost of sales	22.1	**19**	19
Increase in gross profit		**19**	19
Increase in operating profit		**19**	19
Increase in finance costs	22.2	**(19)**	(19)
Net adjustment in profit before tax from operations		**-**	-
Statement of cash flows			
Increase in cash from operating activities (inflow)	27	**19**	19
Decrease in changes in working capital (outflow)		**(743)**	(743)
Increase in finance costs paid on the non-lending business (outflow)	22.2	**(19)**	(19)
Net adjustment in net cash flows from operating activities		**(743)**	(743)
Decrease in repayment of interest-bearing loans (inflow)		**743**	743
Net adjustment in net cash flows from financing activities		**743**	743
Net adjustment in consolidated statement of cash flows		**-**	-

A third column in the statement of financial position, indicating the opening balance of the earliest prior period presented (1 May 2022), has not been included as there was no impact on equity or any other line item on this date.

34.2 Interest raised between group companies

During the prior year, interest was raised between two group companies, Africum (Pty) Ltd and Senwes Ltd, without a debt instrument being present. As a result, the interest charged between these companies has been restated in the comparative information.

The restatement has the following impact on comparative numbers:

	Notes	Group 2023 R'm	Company 2023 R'm
Statement of financial position			
Increase in deferred tax asset	18	**21**	-
Increase in total non-current assets		**21**	-
Decrease in income tax receivable		**-**	(8)
Increase in other loans receivable	7.1.2	**-**	114
Increase in total current assets		**-**	106
Increase in total assets		**21**	106
Increase in income tax payable		**21**	23
Increase in total current liabilities		**21**	23
Increase in total liabilities		**21**	23
Net adjustment in total equity		**-**	83
Statement of comprehensive income			
Decrease in finance costs	22.2	**-**	102
Increase in finance income	22.3	**-**	12
Increase in profit before tax from operations		**-**	114
Increase in tax	18	**-**	(31)
Net adjustment in profit before tax from continuing operations		**-**	83
Statement of cash flows			
Decrease in finance costs paid on the non-lending business (inflow)		**-**	114
Increase in net cash flows generated from operating activities		**-**	114
Increase in additional loans advanced to related and third parties (outflow)		**-**	(114)
Increase in net cash flows used in investing activities		**-**	(114)
Net adjustment in consolidated statement of cash flows		**-**	-

A third column in the statement of financial position, indicating the opening balance of the earliest prior period presented (1 May 2022), has not been included as there was no impact on equity or any other line item on this date.

34.3 Change in presentation of the statement of cash flows

Cash from current interest-bearing loans

During the year, the group restated its presentation of certain line items in the statement of cash flows. The change results in cash flows from current interest-bearing liabilities being presented as cash flows from financing activities. Prior to this change in presentation, the group presented these cash flows as part of changes in working capital. This change resulted in changes in working capital increasing by R1 099 million (inflow) and repayment of interest-bearing loans decreasing by the same amount (outflow).

The group believes this presentation is more appropriate as it aligns the nature of transactions and will aid financial analysis. This constitutes a restatement of amounts to ensure improved presentation and comparability.

Adjustment on non-cash movements

An adjustment was made to cash from operating activities and changes in working capital. The adjustment was made due to a non-cash working capital movement being excluded from both the trade and other receivables as well as the provisions line of the changes in working capital. This resulted in cash from operating activities being overstated by R73 million and changes in working capital being understated by the same amount.

The impact of these changes in presentation on the consolidated financial statements is limited to the statement of cash flows. The impact on each line item of the consolidated financial statements is as follows:

	Group 2023 R'm	Company 2023 R'm
Decrease in cash form operating activities (outflow)	**(73)**	–
Increase in changes in working capital (inflow)	**1 172**	776
Net cash flows generated from operating activities	**1 099**	776
Increase in repayment of interest-bearing loans (outflow)	**(1 099)**	(776)
Net cash flows used in financing activities	**(1 099)**	(776)
Net increase in cash and cash equivalents	**–**	–

34.4 Change in presentation of finance costs

During the year, the group adjusted its presentation of certain line items in the statement of comprehensive income and segmental results note. The change results in interest paid on commodity financing being allocated to the market access segment in total. Prior to this change in presentation, the interest was allocated proportionately to all segments.

The group believes this presentation is preferable as it aligns the nature of transactions and will aid financial analysis. This constitutes a reclassification of amounts to ensure improved presentation and comparability.

The impact of this voluntary change in presentation on the consolidated financial statements is limited to the statement of comprehensive income. The impact on each line item of the consolidated financial statements is as follows:

	Notes	Group 2023 R'm
Statement of comprehensive income		
Decrease in finance costs relating to the lending business	22.2	**9**
Increase in gross profit		**9**
Increase in operating profit		**9**
Increase in finance costs	22.2	**(9)**
Net adjustment in profit before tax from operations		**–**

34.5 Change in presentation of deferred and income tax balances

During the year, the group restated its presentation of deferred tax assets and liabilities in the statement of financial position, as well as income tax receivable and payable. The change ensures that the deferred tax assets and liabilities and income tax receivable and payable, as presented in the statement of financial position, is grouped on a per-company basis. Prior to this change in presentation, the group presented deferred tax assets and liabilities using a split based on the nature of the various temporary differences. Income tax receivable and payable was presented on a net basis for the group.

The group believes this presentation is more appropriate as it groups the assets and liabilities together which the group is able to net settle, as required by IAS 12.

The impact of this change in presentation on the consolidated financial statements is limited to the statement of financial position. The impact on each line item of the consolidated financial statements is as follows:

	Notes	Group 2023 R'm	Group 2022 R'm
Statement of financial position			
Increase in deferred tax asset	18	**35**	11
Increase in total non-current assets		**35**	11
Increase in income tax receivable		**13**	23
Increase in total current assets		**13**	23
Increase in total assets		**48**	34
Increase in deferred tax liability	18	**35**	11
Increase in total non-current liabilities		**35**	11
Increase in income tax payable		**13**	23
Increase in total current liabilities		**13**	23
Increase in total liabilities		**48**	34
Net adjustment in total equity		**–**	–

35. New standards

35.1 Standards issued but not yet effective

As at the reporting date, there were no standards issued but not yet effective which were deemed to have a material impact on the group in future periods.

35.2 New standards implemented

IFRS 17 Insurance contracts

During the current reporting period, the group implemented IFRS 17 to account for the cell captive investment and corporate insurance. The cell is owned by Senwes and administrated by Guardrisk Life, and underwrites risks within the credit life insurance domain. Senwes further provides corporate insurance to group entities. IFRS 17, which became effective for reporting periods ending on or after 1 January 2023, necessitated adjustments in the group's financial reporting practices. The implementation resulted in changes to the measurement and presentation of insurance contracts under the cell captive investment and corporate insurance. IFRS 17 has been applied retrospectively and the effect of the changes have been reflected in the financial statements as follows:

	Group	Company
	2023	2023
Statement of comprehensive income	R'm	R'm
Increase in insurance contract revenue	**10**	23
Increase in total revenue	**10**	23
Increase in gross profit	**10**	23
Decrease in other income	**(5)**	(5)
Increase in insurance service expenses	**(5)**	(10)
Increase in reinsurance expense	**-**	(8)
Increase in operating profit	**-**	–
Increase in insurance finance income	**-**	–
Increase in profit before tax from operations	**-**	–
Statement of financial position		
Decrease in other financial assets	**(12)**	(12)
Decrease in non-current assets	**(12)**	(12)
Increase in insurance contract assets	**12**	12
Increase in insurance contract liabilities	**-**	(3)
Increase in current assets	**12**	9
Decrease in total assets	**-**	(3)
Decrease in trade and other payables	–	(3)
Decrease in total equity and liabilities	**-**	(3)
Net adjustment on the statement of financial position	**-**	–

36. Events after reporting period

36.1 Wynlaboratorium CC ("Wynland Analytical")

During the year, the group engaged in negotiations to acquire the business of Wynland Analytical. A sale of business agreement has been signed on 30 May 2024, with negotiations still ongoing regarding certain suspensive conditions. The acquisition will operate as a dedicated division within the chemistry section of NviroTek Laboratories (Pty) Ltd.

36.2 Loan capitalisation (company)

On 5 July 2024, the board approved the capitalisation of the loan extended to Africum (Pty) Ltd ("Africum") by Senwes Ltd ("Senwes") amounting to R283 million. This capitalisation will result in Africum issuing additional shares to Senwes whereby Senwes will become the majority shareholder of Africum with 51% of the total issued shares. The remaining 49% of the shares will be held by Suidwes Investments (Pty) Ltd ("Suidwes Investments"). Suidwes Investments is also a 100% controlled indirect subsidiary of Senwes. The effective date of the capitalisation is 1 May 2024.

Except for the above, management is not aware of any events that have occurred from the statement of financial position date up to the date of this report that require adjustment or disclosure in these annual financial statements.

Accounting policy

1. Basis of presentation

The financial statements are prepared on the historical cost basis, except for derivative financial instruments, financial assets and commodity inventory measured at fair value. The carrying values of designated hedged assets and liabilities are adjusted to reflect changes in the fair values resulting from the hedged risks. The financial statements are presented in South African Rand terms and all values are rounded to the nearest million (R'm), except where stated otherwise.

1.1 Statement of compliance

The financial statements of Senwes and all its subsidiaries, joint ventures and associates (group) have been prepared in accordance and in compliance with the requirements of International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC) and with those requirements of the South African Companies Act, no 71 of 2008 (as amended), applicable to companies reporting under IFRS.

1.2 Change in accounting policy and disclosures

The accounting policy adopted in the preparation of the consolidated financial statements is consistent with the policy followed in the preparation of the group's annual financial statements for the previous financial year. During the current year, Senwes implemented IFRS 17 insurance contracts.

1.3 New standards, interpretations and amendments

New interpretations and amendments to standards adopted during the current financial year:

- **IFRS 17 Insurance Contracts**
  Revised standard that prescribes the recognition, measurement, presentation and disclosure of insurance contracts to replace IFRS 4, which was always intended to be an interim standard. IFRS 4 allowed national practice to be followed to account for insurance contracts, while IFRS 17 prescribes a common global standard. Effective from 1 January 2023 with early adoption available. During the year, Senwes adopted IFRS 17 to account for the credit life insurance product within the Guardrisk cell captive and for corporate insurance contracts.
- **IFRS 17 (Amendments)**
  Scope of IFRS 17 narrowed to exclude certain credit card contracts. Additional clarification on separation/aggregation of components of insurance contracts, accounting for contractual service margins, accounting for reinsurance contracts, onerous insurance contracts and presentation/disclosure in respect of insurance contracts. Introduction of accounting for insurance acquisition cash flows.
- **IAS 1 (Amendments)**
  Classification of liabilities as current or non-current:
  Previously, IAS 1 required that an entity must have an unconditional right to defer payment, but also required expectation of refinancing/roll-over of obligations to be taken into account in classifying a liability as current or non-current. These requirements were potentially contradictory. The standard is amended to now require that a liability must be classified based on an entity's right to defer payment that exists at the reporting date, irrespective of whether the entity expects to exercise that right or not. If the right to defer payment is conditional, the entity must meet the conditions at the reporting date (even if a lender will not test compliance on this date) to take such a right into account.

  Senwes evaluated the amendment regarding the classification of current versus non-current liabilities. This amendment does not significantly impact the company, as its previous classifications were already based on these principles.
- **IAS 1 and IFRS Practice Statement 2 (Amendments)**
  Disclosure of accounting policies:
  Requirement to disclose significant accounting policy information in the accounting policies. The amendments provide detailed guidance as to when accounting policy information would be material. The amendments also make it clear that accounting policy information must be entity-specific.

  The amendment was applied in the preparation of the accounting policy disclosures.
- **IAS 8 (Amendments)**
  Definition of accounting estimate inserted into the standard (monetary amounts in financial statements that are subject to measurement uncertainty). The amendment is intended to clarify the distinction between accounting estimates and accounting policies.

  The amendment is considered where changes in accounting estimates are evaluated.

- **IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments)**
  The initial recognition exemption is expanded to only apply when the transaction that gives rise to temporary differences at initial recognition does not give rise to equal taxable and deductible temporary differences.

  In the case of leases recognised under IFRS 16, the right of use asset and lease liability each gave rise to such a temporary difference. However, when viewed together, they did not. The initial recognition exemption was therefore amended also to state that it does not apply when, at the time of the transaction, equal taxable and deductible temporary differences arose. This means that deferred tax must be recognised in respect of leases accounted for under IFRS 16. As a result, deferred taxes were recognised for IFRS 16 leases.
- **IAS 1 (Amendments)**
  Non-current liabilities with covenants
  This amendment specifies which loan covenants an entity must consider to classify a liability as non-current at reporting date. (It amends the amendment to IAS 1 above). Unlike the earlier amendment, the amendment now requires an entity to disclose covenants that must be complied with after year-end rather than to treat year-end as if it was the covenant date. Classification of the liability as current or non-current therefore only depends on compliance with covenants that must be complied with on or before the reporting date.

  Senwes considered the amendment while assessing the classification of liabilities as either current or non-current.
- **IFRS 16 (Amendments)**
  Lease liability in a sale and leaseback
  The amendment applies to a seller/lessee in a sale and leaseback where the sale must be accounted for in terms of IFRS 15 (as revenue). The amendments require the seller/lessee to measure the lease liability in a manner that does not result in it recognising any gains or losses to the extent that they relate to the right of use of the asset that it retains (it is not appropriate to recognise gains or losses in respect of an asset not disposed of).

Standards already issued, but not yet effective upon the issuing of the group's financial statements, are listed below. This list contains standards and interpretations issued, which are expected to be applicable at a future date. The intention of the group is to adopt these standards, if applicable, when they become effective:

- **Sale/Contribution of Assets between Investor and its Associate/Joint Venture (Amendments to IFRS 10 and IAS 28)**
  The amendment provides clarification of the accounting treatment when an investor loses control over a subsidiary as a result of a transaction with a joint venture or associate. This will only affect Senwes should there be a loss of control of a subsidiary.
- **IFRS 18 Presentation and Disclosure in Financial Statements**
  IFRS 18 supersedes IAS 1. Compared to IAS 1, IFRS 18 affects: (a) presentation of the income statement (layout into operating/investing/financing categories and line items/totals presented), (b) presentation and disclosure of management-defined performance measures (MPMs) and (c) guidance on aggregation/grouping of items to improve transparency.
- **IFRS 19 Subsidiaries without Public Accountability: Disclosures**
  This standard allows subsidiaries that do not have public accountability and that has a parent that prepares consolidated financial statements in accordance with IFRS to provide reduced disclosure in its own financial statements.

The following standards are new or were also amended during the year, but are not likely to have a material impact on the group:

- Amendments to IAS 21 – Lack of exchangeability

2. Significant accounting policies

2.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of Senwes Limited, its subsidiaries, joint ventures and associates as at 30 April 2024.

Control is achieved when the group is exposed, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the group controls an investee if and only if the group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the group has less than a majority of the voting or similar rights of an investee, the group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The group's voting rights and potential voting rights.

The group reassesses whether or not it controls an investee if the facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the group gains control until the date the group ceases to control the subsidiary.

Subsidiaries are consolidated from the date of acquisition, being the date on which the group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the holding company, using consistent accounting policies. All intragroup balances, transactions, unrealised gains and losses resulting from intragroup transactions and dividends are eliminated.

The share of total comprehensive income of non-controlling interest within a subsidiary is attributed to the non-controlling interest, even if that results in a deficit balance.

For purchases of additional interests in subsidiaries from non-controlling interests without loss of control, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is added to, or deducted from, equity. For disposals of non-controlling interests, differences between any proceeds received and the relevant share of non-controlling interests are also recorded in equity.

Where the group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the cumulative translation differences recorded in equity;
- Derecognises the carrying amount of any non-controlling interest;
- Reclassifies the share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained; and
- Recognises in profit or loss any difference between the fair value and the net carrying amount of the subsidiary on date of loss of control.

Investments in subsidiaries at company level are shown at cost less any accumulated impairment losses. Where impairments occur, these are accounted for against the relevant class of assets. Upon consolidation, the impairment provisions relating to accumulated losses made will be written back.

Accounting for a cell captive arrangement:

The cell arrangement is not deemed to be a separate entity in terms of IFRS 10 and will not be consolidated by Senwes due to the lack of legal enforceability of the ring-fenced nature of the assets and liabilities of each cell upon liquidation.

The cell is accounted for under the provisions of IFRS 17 – Insurance contracts. Refer to note 2.21 for more details.

2.1.1 Joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The group's interests in joint ventures are accounted for by applying the equity method. In applying the equity method, account is taken of the group's share of accumulated retained earnings and movements in reserves from the effective dates on which the companies become joint ventures and up to the effective dates of disposal.

Under the equity method, the investment in joint ventures is initially recognised in the statement of financial position at cost. Subsequent to acquisition date the carrying amount of the investment is adjusted with changes in the group's share of net assets of the joint venture. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not amortised or separately tested for impairment. The share of the results of operations of joint ventures is reflected in profit or loss. This is the profit or loss attributable to equity holders of joint ventures and is therefore profit after tax and non-controlling interests in the subsidiaries of the joint ventures. Adjustments are made where the accounting period and accounting policies of joint ventures are not in line with those of the group. Where a change in other comprehensive income of joint ventures was recognised, the group recognises its share of any changes and discloses this, where applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the group and joint ventures are eliminated to the extent of the interest in joint ventures.

When downstream transactions provide evidence of a reduction in the net realisable value of the assets to be sold or contributed, or of an impairment loss of those assets, those losses shall be recognised in full by the investor. When upstream transactions provide evidence of a reduction in the net realisable value of the assets to be purchased or of an impairment loss of those assets, the investor shall recognise its share in those losses.

Where non-monetary assets are contributed to a joint venture in exchange for an equity interest in the joint venture, the profit or loss recognised shall be the portion of gain or loss attributable to the equity interests of the other venturer. The unrealised gains or losses shall be eliminated against the investment and shall not be presented as deferred gains or losses in the consolidated statement of financial position. Where such contribution lacks commercial substance, the gain or loss is regarded as unrealised and not recognised.

After application of the equity method, the group determines whether it is necessary to recognise an impairment loss on the group's investments in its joint ventures. The group determines at each reporting date whether there is any objective indicators that the investments in joint ventures are impaired. If this is the case the group calculates the amount of impairment as the difference between the recoverable amount of joint ventures and its carrying value and recognises the amount in profit or loss.

Upon loss of joint control over the joint venture, the group measures and recognises any remaining investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal, is recognised in profit or loss.

The company's investments in joint ventures are accounted for at cost.

2.1.2 Associates

The group's investments in its associates are accounted for using the equity method of accounting. An associate is an entity in which the group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

Acquisition of shares in investments is reflected as financial assets at fair value through other comprehensive income until significant influence is obtained in that investment, thereafter that investment is recognised as an associate.

Under the equity method, the investment in the associate is initially recognised in the statement of financial position at cost. Subsequent to acquisition date the carrying amount of the investment is adjusted with the post-acquisition changes in the group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is not amortised or separately tested for impairment. The share of the results of operations of associates is reflected in profit or loss. This is the profit or loss attributable to equity holders of associates and is therefore profit after tax and non-controlling interests in the subsidiaries of the associates. Adjustments are made where the accounting period and accounting policies of associates are not in line with those of the group. Where a change in other comprehensive income of associates was recognised, the group recognises its share of any changes and discloses this, where applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the group and associates are eliminated to the extent of the interest in associates.

After application of the equity method, the group determines whether it is necessary to recognise an impairment loss on the group's investment in its associates. The group determines at each reporting date whether there is any objective evidence that the investments in associates are impaired. If this is the case the group calculates the amount of impairment as the difference between the recoverable amount of associates and its carrying value and then recognises the amount in profit or loss.

Upon loss of significant influence over associates, the group measures and recognises any retaining investment at its fair value. Any difference between the carrying amount of associates upon loss of significant influence and the fair value of the retained investments and proceeds from disposal, is recognised in profit or loss.

The company's investments in associates are accounted for at cost.

2.1.3 Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss. It is then considered in the determination of goodwill.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of IFRS 9 Financial Instruments, it is measured in accordance with the appropriate IFRS. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Transactions under common control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

Where a business is obtained through common control, the assets and liabilities will be reflected at their carrying amount on acquisition date and not at fair value. No 'new' goodwill is recognised as a result of the common control transaction, except for existing goodwill relating to either of the combining entities. Any difference between the consideration paid/transferred and the equity 'acquired' is reflected within equity.

2.1.4 Fair value measurements

The group measures financial instruments, such as derivatives and certain inventory, such as grain commodity at fair value at each statement of financial position date. Also, fair values of financial instruments measured at amortised cost are disclosed in note 7.1.2, 7.2.1, 7.2.2, 7.2.3 and 7.2.5.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant who would use the asset in its highest and best use.

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.2 Foreign currencies

2.2.1 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the business operates (functional currency). The financial statements are presented in South African Rand, which is the company's and group's functional and presentation currency.

2.2.2 Foreign transactions

Transactions in foreign currencies are converted at spot rates applicable on the transaction dates. Monetary assets and/or liabilities in foreign currencies are converted to rand at spot rates applicable at the reporting date. Exchange differences arising on settlement or recovery of such transactions are recognised in profit or loss.

2.2.3 Foreign operations

The results and financial position of all group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different to the group's presentation currency, are translated into the presentation currency as follows:

- Assets and liabilities at the closing exchange rate at the reporting date;
- Income and expense items are translated at the average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- All resulting exchange differences are recognised in other comprehensive income.

On disposal of foreign operations, the component of other comprehensive income relating to that particular foreign operation is reclassified out of other comprehensive income. Goodwill and fair value adjustments arising from the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate at the reporting date.

2.3 Property, plant and equipment

Property, plant and equipment are held with a view to generate economic benefit from it for more than one period of use in the production or supply of goods or services or for administrative purposes and are not acquired for resale purposes.

All property, plant and equipment items are initially recognised at cost. Thereafter it is measured with reference to the cost of the asset less accumulated depreciation and accumulated impairments.

- The cost of property, plant and equipment includes the following: purchase price including import duties, non-refundable purchase taxes and costs directly attributable to bringing an asset to the location and condition necessary to operate as intended by management, less trade discounts and rebates.
- Property, plant and equipment with a cost of more than R7 000 are capitalised, while assets with a cost of less than R7 000 are written off against operating profit.
- Profits and losses on sale of property, plant and equipment are calculated on the basis of their carrying values and are accounted for in operating profit.
- With the replacement of part of an item of property, plant and equipment, the replaced part is derecognised. The replacement part shall be recognised according to the recognition criteria as an individual asset with specific useful life and depreciation.

The carrying values of property, plant and equipment are considered for impairment when the events or changes in circumstances indicate that the carrying values are no longer recoverable from its future use or realisation of the assets.

Depreciation is calculated on a fixed percentage basis (straight-line method) over the expected useful life at the following rates:

	%
Land	-
Silos	2,85
Buildings and improvements	2,5 - 10
Plant and equipment	7,5-33,3
Vehicles	20 - 33,3
Heavy vehicles	20 - 33,3

Depreciation begins when an asset is available for use, even if it is not yet brought into use. Each part of an item of property, plant and equipment with a cost which is significant in relation to the total cost of the item, is depreciated separately. Land is not depreciated as it is deemed to have an unlimited life.

The useful life method of depreciation and residual value of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate. The evaluations in respect of the useful life and residual value of assets can only be determined accurately when items of property, plant and equipment approach the end of their lives. Useful life and residual value evaluations can result in an increased or decreased depreciation expense. If the residual value of an asset equals its carrying amount, the asset's depreciation charge is nil, unless and until its residual value subsequently decreases to an amount below the asset's carrying amount.

2.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

An intangible asset is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Intellectual property
The group acquired intellectual property (IP) relating to an invention of laser-based volume measuring devices which the seller has developed on behalf of, and with the assistance of Senwes.

Brand names, patents, trademarks and other rights
The group acquired and recognised brand names, patents, trademarks and other rights in the business combinations of the Suidwes Group.

Computer software
The group acquires certain computer software assets that generates future economic benefits.

Customer relationships
The group acquired and recognised customer relationships in the business combinations of the Hinterland and Suidwes Groups.

Supplier agreements
The group acquired and recognised supplier agreements in the business combinations of the Suidwes Group and the SFL Holdings Group.

Accreditation
The group recognised a SANAS accreditation in the business combinations of the Suidwes Group.

A summary of the policies applied to the group's intangible assets, is as follows:

Intellectual property	
Useful life	Finite (10 years)
Amortisation method used	Amortised on a straight-line basis over the period of the patent
Internally generated or acquired	Acquired
Brand names, patents, trademarks and other rights	
Useful life	Indefinite (certain trademarks) and Finite (10 years)
Amortisation method used	Amortised on a straight-line basis over the useful life
Internally generated or acquired	Acquired
Computer software	
Useful life	Finite (3 to 10 years)
Amortisation method used	Amortised on a straight-line basis over the useful life
Internally generated or acquired	Acquired
Customer relationships	
Useful life	Finite (10 years)
Amortisation method used	Amortised on a straight-line basis over the useful life
Internally generated or acquired	Acquired
Supplier agreements	
Useful life	Indefinite and Finite (10 years)
Amortisation method used	Amortised on a straight-line basis over the useful life
Internally generated or acquired	Acquired
Accreditation	
Useful life	Finite (5 years)
Amortisation method used	Amortised on a straight-line basis over the useful life
Internally generated or acquired	Acquired

2.5 Investment property

Investment property is land and buildings held to earn rentals or for capital appreciation or both. Investment property is recognised as an asset when and only when it is probable that the future economic benefit associated with the investment property will be the business and the investment property cost can be measured reliably.

Investment properties are initially recognised at cost, including transaction costs. Depreciation is calculated using the straight-line method to reduce their cost to their residual values over their estimated useful life. Land is not depreciated. Investment properties depreciation methods, residual values and useful life are reviewed and adjusted if appropriate, at the end of each reporting period.

Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of comprehensive income in the period of derecognition.

Transfers are made to/(from) investment property only when there is a change in use. If owner-occupied property becomes an investment property, the company accounts for it in accordance with property, plant and equipment up to the date of change.

Under certain circumstances, it is difficult to distinguish between investment property and property occupied by the owner. In such circumstances, the criteria are to distinguish, based on the existing occupation and purpose of the property.

2.6 Leases

The group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Buildings and improvements 3 to 15 years
- Plant and machinery 3 to 15 years
- Motor vehicles and other equipment 3 to 5 years

If ownership of the leased asset transfers to the group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to accounting policy note 3.8 for the impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the group and payments of penalties for terminating the lease, if the lease term reflects the group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment, occurs.

In calculating the present value of lease payments, the group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The group applies the short-term lease recognition exemption to its short-term leases of land and buildings and plant and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of land and buildings and plant and equipment that are considered to be low-value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2.7 Inventory

Inventory represents assets held for resale in the normal course of business, to produce assets for sale, or for use in production processes, or the rendering of services. Included in cost of inventory are the cost price, production costs and any costs incurred in bringing the inventory to its current position and condition, ready for the intended purpose. Cost of inventory does not include interest, which is accounted for as an expense in the period when incurred.

Included in cost of production are costs directly attributable to units produced, direct costs such as direct wages and salaries, variable overheads, as well as the systematic allocation of fixed production overheads based on the normal capacity of the production facility.

Cost of inventory items is determined in accordance with the weighted average cost method, unless it is more appropriate to apply another basis on account of the characteristics, nature and use of the inventory. Cost of inventory is determined as follows:

Merchandise, processed goods, consumables and other commodities	- Weighted average cost price
Mechanisation whole goods and vehicles	- Purchases price
Grain commodities	- At fair value

Inventory is valued at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the normal course of business, less estimated costs necessary to conclude the sale.

2.8 Inventory held to satisfy firm sales

Inventory held to satisfy firm sales represent inventory purchases on behalf of third parties in respect of agricultural produce received from producers, which are payable by the third party on delivery of such agricultural produce to them. This includes sales in terms of sales contracts secured by inventory. Refer to note 12 for measurement.

2.9 Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the group operates and generates taxable income.

Current income tax shall be recognised outside profit and loss if the tax relates to items, in the same or different period, outside profit or loss. Therefore, if items are recognised in other comprehensive income, the current tax should be recognised in other comprehensive income and if items are recognised directly in equity, the current tax should be recognised directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establish provisions where appropriate.

Tax receivables and tax payables are offset if a legally enforceable right exists to set off the recognised amounts and if there is an intention to settle on a net basis.

Deferred tax

Provision is made for deferred tax using the liability method on temporary differences arising between the tax base of assets and liabilities and their carrying values for purposes of financial reporting, at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, applying the tax rate enacted at the reporting date. The liability for deferred tax or deferred tax assets is adjusted for any changes in the income tax rate.

Deferred tax assets arising from all deductible temporary differences are limited to the extent that probable future taxable income will be available against which the temporary differences can be charged.

The carrying amounts of deferred income tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable income will allow the deferred tax asset to be recovered.

Deferred tax shall be recognised outside profit and loss if the tax relates to items, in the same or different period, outside profit or loss. Therefore if items are recognised in other comprehensive income the deferred tax should be recognised in other comprehensive income, and if items are recognised directly in equity, the deferred tax should be recognised directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Value added tax
Revenue, expenses and assets are recognised net of the amount of value added tax except:

- Where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to the taxation authority, is included as part of receivables or payables in the statement of financial position.

2.10 Post–employment benefits

2.10.1 Retirement liability

The retirement liability comprises a defined contribution fund registered in terms of the Pension Funds Act, 1956, and the assets are administered separately by trustees. Funding is in terms of conditions of employment by means of contributions by the company, participating subsidiaries, as well as employees. Contributions are recognised in profit or loss in the period in which the employees rendered the related services. As the funds are defined contribution funds, any underfunding that may occur when the value of the assets decrease below that of the contributions, is absorbed by the employees by means of decreased benefits. The group therefore has no additional exposure in respect of the retirement liability.

2.11 Employee benefits

Short term
Short term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services.

These include normal benefits such as salaries, wages, paid leave, paid sick leave, profit-sharing and other bonuses as well as fringe benefits in respect of existing employees, and are charged to profit and loss in the period in which they occurred.

An accrual is raised for the expected costs of incentive bonuses where a legal or constructive obligation exists, an accurate estimate of the obligation can be made and the obligation is expected to be settled within twelve months after the end of the period in which the employees rendered the related services.

An accrual is raised for the undiscounted expected cost of the obligation where the obligation is due to be settled within twelve months after the end of the period in which the employees rendered the related employee services. The provision is for both normal leave days and long-service leave days accumulated, converted to a rand value at year-end, based on the cash equivalent thereof. The required adjustment is recognised in profit or loss.

An accrual is raised for normal thirteenth cheque bonuses accrued, as a pro rata-payout is made where resignation occurs prior to the employee's normal elected date of payout.

Long term
The distinction between short-term and other long-term employee benefits is based on the expected timing of settlement rather than the employee's entitlement to the benefits.

These include a leave accrual in respect of existing employees where leave is not expected to be settled wholly within 12 months. Long term leave is based on historical leave taken.

Termination benefits
An entity shall recognise a liability and expense for termination benefits at the earlier of when the entity can no longer withdraw the offer of those benefits and when the entity recognises the costs for a restructuring that involves the payment of termination benefits.

Share-based payments

Equity-settled share-based payments
The scheme will be a forfeitable share award scheme, where shares will be forfeited where future service and performance conditions are not met. The fair value of the shares granted are determined by using the market value of the shares on grant date adjusted with the present value of dividends not entitled to. The grant date is the date at which the entity and the participant agree to a share-based payment arrangement. The share-based payment expense will be recognised over the vesting period. The vesting period includes the service requirement attached to an award. The above expense will therefore be recognised and spread over the period from the grant date to the vesting date. The length of this period will vary from tranche to tranche.

Where the employees are employed by a subsidiary of the Senwes Group, this company would be the entity receiving the services, and would have to account for the transaction as an equity-settled share-based payment, with a corresponding increase in capital contributed by Senwes. Senwes would be the settling entity that needs to account for the transaction as equity-settled, as it settles the transaction in its own shares with an increase in its investment in the subsidiary. As the shares vest, the investment will be converted to an interest-bearing loan, interest will be charged at a market related rate.

2.12 Revenue recognition

Revenue includes income earned from the sale of goods, income from commodity trading, income from services rendered, commission income, interest and dividend income. Interest received as a result of credit extension is also stated as revenue but only to the extent that collection is reasonably assured. Revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services, net of any discounts, rebates and related taxes. The group assesses its revenue agreements in order to determine if it is acting as a principal or agent. Intragroup sales are eliminated on consolidation.

Revenue from contracts with customers

Services rendered

Storage and handling of grain

As a customer cannot benefit separately from either handling or storage on its own or together with other readily available resources, handling and storage constitute a single performance obligation.

This performance obligation is satisfied by Senwes over a period of time as the customer receives and consumes the benefit of being able to store the product at the silo.

As the customer pays for specific activities to be performed, an output-based method to measure the completion of the service is appropriate. This entails that revenue is recognised on the basis of the value of services transferred to date relative to the total service promised.

Revenue from handling is currently recognised on a fixed ratio-basis, which is derived from the costs and efforts of loading the product compared to withdrawing it from the silo.

Revenue from storage is recognised as the grain is stored over time.

Processing of grain

Senwes processes grain on behalf of a counter party. This process includes various actions, i.e.:
- Quality control of grain;
- Fumigation of seed;
- Processing to predetermined condition (including cleaning);
- Packing of processed seed;
- Protection of seed; and
- Storage of seed.

The primary performance obligation (cleaning) is performed at a point in time once the cleaning process has been completed, based on the following indicators:
- The client only benefits from the processing upon completion.
- Senwes only has a right to be paid once processing has been completed.
- Senwes only transfers physical possession of the product which value has been enhanced, back to the client once processing is completed.

Thus, the full revenue from the transaction price is recognised upon completion of the processing activity by Senwes.

Commission received

Commission is received on the procurement and sale of grain.

Revenue is recognised at the point in time when grain is delivered.

Servicing of equipment

The customer is charged for time spent, parts and consumables. If it is not possible to complete the service due to work beyond the initial scope, the client is liable for the charges for additional time spent and materials used to the point when the service ceases.

If the service does not take a significant period of time to perform, the revenue will be recognised when the service is completed. If the service does, however, take a significant amount of time, revenue will be recognised as the customer's asset is enhanced and Senwes obtains a right to receive payment.

Credit initiation fees

The client pays Senwes the initial fee to perform certain necessary work and to prepare loan documentation.

The performance obligation is fulfilled at a specific point in time, as opposed to over a period of time. This point in time is when all the procedures to put the loan agreement in place, have been completed.

Management fees
Senwes will enter into instalment agreements with clients and conclude the related security in respect of such agreements. Following the conclusion of this agreement Senwes may, subject to the approval of the counterparty, sell its rights and obligations from this transaction to the counterparty by assignment.

Senwes is appointed by the counterparty to administer the accounts and collect the amounts due to the counterparty, in the capacity as an agent, in respect of the transaction assigned.

This performance obligation is satisfied by Senwes over a period of time as the counterparty receives and consumes the benefit from the service as it is being performed.

The counterparty pays Senwes a monthly management fee based on a percentage of the average account balances administered for the duration of the month. The management fee constitutes the revenue stream.

Revenue is recognised on a monthly-basis, which is derived from the agreement between the parties.

Service level agreement income ("SLA")
Senwes performs certain administrative duties to its subsidiaries, joint ventures and associates.

The performance obligation is satisfied by Senwes over a period of time as the customer receives and consumes the benefit from the service as it is being performed.

As the customer pays for specific activities to be performed, an output-based method to measure the completion of the service is appropriate. This entails that revenue is recognised on the basis of the value of services transferred to date relative to the total service promised.

Revenue from SLA is currently recognised on a fixed monthly basis, which is derived from the SLA-agreement between the parties.

Precision farming income
Senwes make GPS signals available to customers for a specified period.

Revenue is recognised over the period of the agreement, which may be terminated by either party at one month's notice.

The customer simultaneously receives and consumes the benefit as the service obligation is performed by Senwes.

Laboratory services
Revenue is received on the supply of laboratory services to customers.

The performance obligation is fulfilled at a specific point in time, as opposed to over a period of time. This point in time is when all the procedures to render the service, have been completed.

Brokerage services
Revenue includes insurance commissions and fees for services rendered.

Revenues will generally be recognised at a point in time upon the effective date of the underlying policy (or policies), to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

Income from sale of goods

Sale of whole goods/parts without warranty
Senwes supplies specified equipment or parts to the customer. No warranty or guarantee is provided.

Revenue is recognised at a point in time when control of the asset is transferred to the customer.
The timing of revenue recognition depends on when the ability to direct the use and obtain the benefits from the asset transfers to the customer. This in turn depends on the terms of the sale (delivery terms, timing of the transfer of risk, etc.).

This may be demonstrated by and will depend on the circumstances as evidenced by a combination of the following:
- When the customer becomes liable to make payment for the equipment;
- When legal title to the equipment passes to the customer;
- When physical possession passes to the customer;
- When the significant risks and rewards of ownership pass to the customer; and
- When the customer has accepted the asset.

Sale of whole goods/parts with John Deere warranty
Revenue terms, conditions and recognition criteria are the same as above except for the warranty provided.
The warranty is provided by John Deere and administered by Senwes.
As the warranty obligation is on John Deere, Senwes does not recognise any provision for the costs involved with this liability.

Trade in fuel, meat, vehicles, raisins, cattle hides and sheep skins
Revenue relating to the sale of these products is measured at the transaction price, which is the amount of consideration that the group expects to be entitled to, in exchange for the products provided. Revenue from the sale of these goods is recognised when the goods are delivered and have been accepted by customers.

Sale of pesticides and fertiliser
Revenue relating to the sale of these products is measured at the transaction price, which is the amount of consideration that the group expects to be entitled to in exchange for the products provided. Revenue from the sale of these goods is recognised when the goods are delivered and have been accepted by customers.

Sale of management stock
Senwes stores grain on behalf of customers. As a result of the risks inherent in the handling and storage of grain, the mass of grain stored on behalf of customers is reduced on receipt thereof to make provision for physical and breakage losses. Grain in excess of that owned by customers in the silo, as a result of effective stock management, is referred to as management stock. The generation of management stock does not qualify as a performance obligation since these activities does not transfer any goods or services to customers, and is further not intended to be consideration (i.e. payment or reward) transferred by the customer to Senwes. Therefore, only when Senwes concludes an agreement to sell the management stock, revenue is recognised at a specific point in time as the performance obligation is fulfilled.

Revenue from other sources

Interest income
Interest income on all financial instruments measured at amortised cost is recorded using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the statement of profit or loss.

As finance is provided continuously, the service obligation is performed over a period of time and as the client receives the benefit from the services as it is being performed.

Interest accrues daily and is recognised on a monthly-basis.

Investment income

Dividends received
Dividends received from investments are recognised when the shareholders' right to receive payment is established.

Interest income other than revenue
Refer to the "Interest income" accounting policy above. Interest income other than revenue relates to interest income earned by the group which does not arise in the course of the group's ordinary activities.

Income from commodity trading
Agency agreement sales
The customer has the ability to direct the use of, and obtain substantially all the remaining benefits from the commodity from the date of delivery at the premises specified by the purchaser. At this stage the purchaser can determine whether and when to sell or store the commodities. This service condition includes the delivery of the grain and does not constitute a separate revenue stream.

Income is recognised at the time of delivery.

Ex-silo commodity sales
The purchaser has the ability to direct the use of, and obtain substantially all the remaining benefits from the commodity from the date of withdrawal. At this stage the purchaser can determine whether and when to sell or store the commodities.

Income is recognised at the time of withdrawal.

2.13 Financial instruments

2.13.1 Financial assets:

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the group has applied the practical expedient, the group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the group has applied the practical expedient, are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

2.13.1.1 Loans and receivables

The group measures loans and receivables at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

2.13.1.2 Financial assets at fair value through other comprehensive income

Upon initial recognition, the group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are not recycled to profit or loss upon derecognition. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The group elected to classify irrevocably its non-listed equity investments under this category.

Derecognition

Financial assets are derecognised when:

- The right to receive cash flow from investments expires; or
- The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  (a) the group has transferred substantially all the risks and rewards of the asset, or

  (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, it continues to recognise the transferred asset to the extent of the group's continuing involvement. In that case, the group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the group has retained.

2.13.2 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Financial liabilities are subsequently measured at amortised cost.

The group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

2.13.2.1 Interest-bearing loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

2.13.2.2 Commodity finance loans

Finance is obtained from banks where inventory serves as security. Senwes can enter into two types of commodity finance transactions:

• Non-executory contracts

A commodity finance loan is obtained on inventory where the delivery month on Safex is in the current month.

Commodity finance loans are initially recognised at the fair value of the inventory less location differential, including directly attributable transaction costs. After initial recognition, commodity finance loans are subsequently measured at amortised cost using the effective interest rate method. Interest expense is included in finance cost in profit or loss.

• Executory contracts

Commodity finance loan is obtained on inventory where the delivery month on Safex is in future months.

Commodity finance loans are initially recognised at the fair value of the inventory less location differential. After initial recognition, commodity finance loans are subsequently measured at fair value through profit and loss, taking into account the movement in the commodity markets. The fair value movements are included in profit or loss. Interest expense is included in finance cost in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.14 Derivative financial instruments

Financial instruments to which the group is a party are disclosed in note 24.

Hedge accounting

Derivative instruments (assets and/or liabilities) are used by the group in the management of business risks. They are initially recognised in the statement of financial position at cost (which is the fair value on that date) and are thereafter remeasured to fair value. The method of recognising the resultant profit or loss depends on the type of item being hedged. The group allocates certain financial instruments as:

- A hedge of the exposure to changes in fair value of a recognised asset or liability or, an unrecognised firm commitment (fair value hedge); or
- A hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge).

Changes in the fair value of derivative instruments which have been allocated, and which qualify as fair value hedges, that are highly effective, are accounted for in profit or loss together with any change in the fair value of the hedged asset or liability that is attributable to the hedged risk, and are therefore effectively set off against one another. Changes in the fair value of derivative instruments which have been allocated and qualify as cash flow hedges, that are also highly effective, are accounted in other comprehensive income. The ineffective portion of a cash flow hedge is recognised immediately in profit and loss. If the forward transaction results in the recognition of an asset or liability, the profit or loss that was deferred earlier to other comprehensive income, is transferred from other comprehensive income and included in the initial determination of the cost of the asset or liability. Otherwise, amounts deferred to other comprehensive income are transferred to profit or loss and classified as revenue or expenditure during the same period when the hedged fixed commitment or forward transaction has an influence on profit or loss.

Changes in the fair value of any derivative instrument that do not qualify for hedge accounting with reference to IFRS 9, are immediately recognised in profit or loss. If the hedging instrument lapses or is sold, or if the hedge no longer meets the criteria for hedge accounting, any cumulative profit or loss that exists at that point in other comprehensive income, is retained in other comprehensive income and recognised when the forward transaction is finally recognised in profit or loss. If it is expected that the forward transaction will no longer realise, the reported cumulative profit or loss is immediately transferred to profit or loss.

From the inception of the transaction, the group documents the relationship between the hedging instrument and the hedged item, as well as the risk management aim and strategy for entering into the hedging transaction. As part of this process, all derivative instruments are allocated as hedges to specific assets and liabilities or to specific fixed commitments or forward transactions. The group also documents valuations, both at the outset and continuously, in order to determine whether the derivative instrument being used in hedging transactions, is indeed highly effective to set off the changes in fair value or cash flows of the hedged items.

Commodity term contracts (futures)

The group participates in various future buying and selling contracts for the buying and selling of commodities. Although certain contracts are covered by the physical provision or delivery during normal business activities, future contracts are regarded as a financial instrument. In terms of IFRS 9, it is recorded at fair value through profit and loss, where the group has a long history of net finalisation (either with the other party or to participate in other off-setting contracts).

Refer to note 20. Derivative and financial instruments where these instruments are disclosed.

2.15 Cash and short-term deposits

Included in cash and short-term deposits, which form an integral part of cash management, are cash on hand and bank overdraft balances. Bank overdraft balances are stated as current liabilities. For the purposes of the statement of cash flows, cash and cash equivalents comprise of cash and short-term deposits as defined above, net of outstanding overdrafts.

2.16 Impairment of assets

All categories of assets are assessed for impairment at each reporting date.

2.16.1 Financial assets

The group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Refer to note 11.5 for the detailed framework regarding impairment of financial assets.

2.16.2 Non-financial assets

On each reporting date the group considers whether there are any indications of impairment of an asset. If such an indication exists, the group prepares an estimate of the recoverable amount of the asset. The recoverable amount of an asset or the cash generating unit, within which it and other assets operate, is the greater of the fair value less the cost of selling and the value in use of the asset. Where the carrying amount of an asset exceeds the recoverable amount, the impairment is determined and the carrying amount written off to the recoverable amount. Where the value in use is determined, the expected future cash flow is discounted at their present value by using a pre-tax discounting rate reflecting the current market assessments of the time value of money and specific risks associated with the asset. In determining fair value less costs to sell, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. Impairment losses of continuing operations are recognised in profit or loss.

If there is an indication that previously recognised impairment losses no longer exist or that they have decreased, an estimate is once again made of the recoverable amount of the asset in question excluding goodwill and if necessary, the impairment is written back to the statement of profit or loss. The write-back may not cause the carrying value to exceed the recoverable amount or the value it would have been if it was not previously impaired. After such a write-back, the depreciation expense in future periods is adjusted to apportion the adjusted carrying amount of the asset, less its residual value, systematically over the remaining useful life.

2.17 Deferred government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants have been received for the purchase of certain items of plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants. Deferred government grants are recognised according to the useful life of the assets to which it relates.

2.18 Provisions and contingent liabilities

Provisions

Provisions are liabilities of which the timing or amount is uncertain and can be distinguished from other creditors. Provisions are only recognised if:

- A currently constructive or legal obligation exists due to a past event;
- An outflow of economic benefits is probable in order to meet the commitment; and
- A reliable estimate of the amount can be made.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date. Provisions are disclosed in note 19.

Liabilities are current obligations arising from past events, which are expected to result in economic benefits flowing from the business, when met, and are accounted for directly after the occurrence of the event giving rise to the obligation. Liabilities form part of creditors in the statement of financial position.

Contingent liabilities

Contingent liabilities are potential obligations arising from past events, the existence of which will only be confirmed upon the occurrence or non-occurrence of one or more uncertain future events beyond the control of the business.

Contingent liabilities may also arise from a current obligation arising from past events but are not recognised because:

- It is improbable that an outflow of economic resources will occur; and/or
- The amount cannot be measured or estimated reliably.

Contingent liabilities are not recognised but are merely disclosed by way of a note in the financial statements (see note 21).

2.19 Non-current assets held-for-sale and discontinued operations

A discontinued operation is a component of an entity which has been sold or classified as held-for-sale and:

- Represents a separate important business component or geographical area of activities;
- Forms part of a single co-ordinated plan to sell a separate important business segment or geographical area of activities;
- Is a subsidiary acquired with the sole purpose of selling it.

An item is classified as held-for-sale if the carrying amount of such item will largely be recovered through a transaction of sale rather than through continued use. Non-current assets and disposal groups classified as held-for-sale are measured at the lower of their carrying value and fair value less cost to sell. In the statement of comprehensive income, the after tax profit or loss is reported separately from profit or loss from continuing operations. Property, plant and equipment, once classified as held-for-sale, are not depreciated.

2.20 Treasury shares

Own equity instruments that are reacquired are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in equity.

2.21 Insurance contracts

Senwes owns a cell in Guardrisk ("Senwes Cell Captive"), which provides credit life insurance to customers. Senwes also provides corporate insurance to group entities. Contracts under the cell captive and corporate insurance are accounted for in terms of IFRS 17.

The group applies the Premium Allocation Approach ("PAA") as permitted under IFRS 17 for the measurement of insurance contracts.

Insurance contracts are initially recognised when the group becomes a party to the contract and has a legal obligation to provide insurance coverage to policyholders. Initial recognition of insurance revenue and liabilities under PAA is generally consistent with the timing of receipt of premiums.

Insurance revenue is recognised over the coverage period, reflecting the pattern of transfer of insurance coverage.

For the cell captive, insurance contract assets and liabilities are recognised as the net asset value of the cell captive adjusted for any additional incurred claims liabilities recognised not included in the accounting of the cell. The net asset value of the cell includes premiums received from policy holders, service expenses and claims paid as well as any liabilities for remaining coverage and incurred claims liabilities.

For the Senwes corporate insurance contracts on company level, the insurance contract assets and liabilities consists of the liability for remaining coverage, incurred claims liability as well as prepaid expenses.

2.22 Dividend distributions

Dividend distributions to shareholders are recognised as a liability in the group's financial statements in the period in which the dividends are approved.

2.23 Cost of sales

Cost of Sales represents the direct costs attributable to the production of goods or services sold by the group during the reporting period. These costs include expenditures directly related to manufacturing or acquiring goods for resale and delivering services to customers.

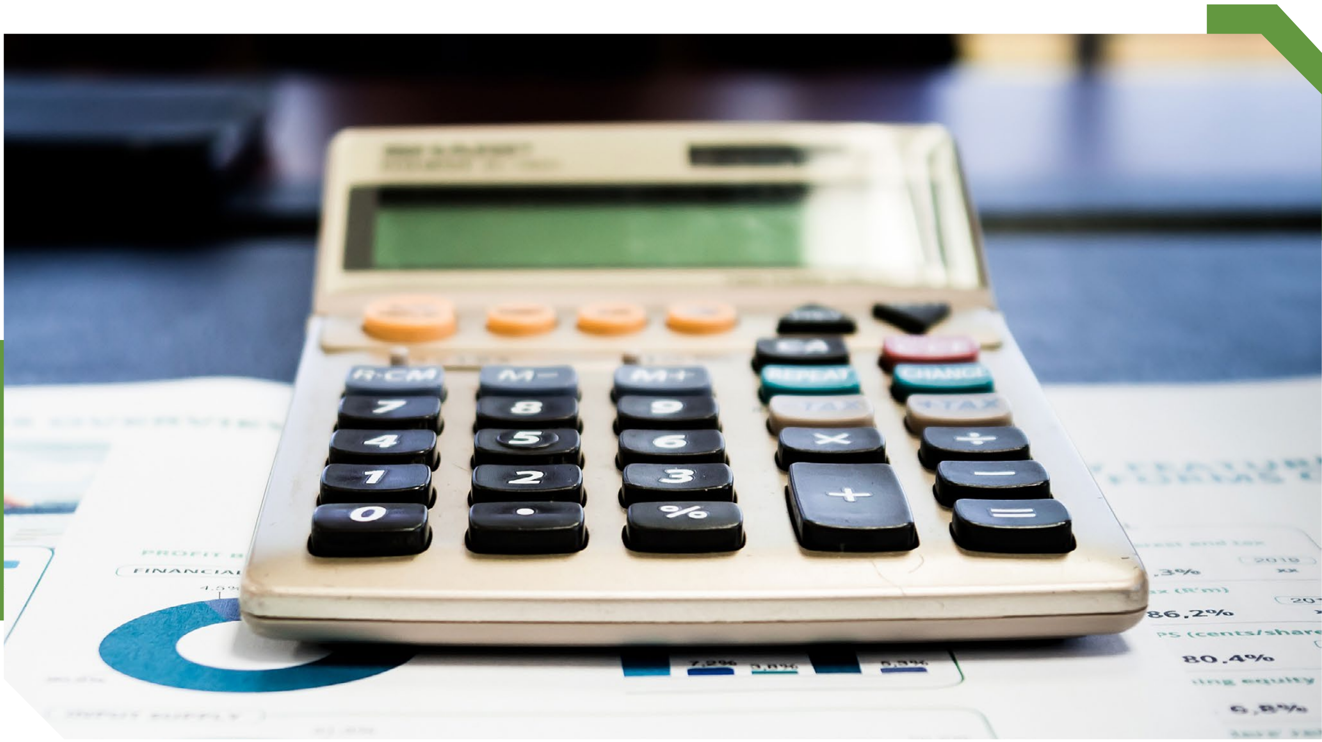
2.24 AgriRewards (Other financial liabilities)

The group operates a deferred bonus scheme called AgriRewards whereby cash payments are made after the expiry of 16 years since the allocation of the reward. This liability represents the present obligation from the scheme.

Agrirewards liabilities are initially recognised at fair value when the obligation arises. The fair value is determined by discounting the expected future payments using a Return on Equity (ROE)-linked rate.

Subsequent to initial recognition, the Agrirewards liabilities are measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.



2.25 Share capital

Share capital
Ordinary share capital represents the par value of ordinary shares issued.

Share premium
Share premium represents the excess consideration received by the company over the par value of ordinary shares issued.

Treasury shares
Ordinary shares in Senwes group which have been acquired by the group in terms of an approved share repurchase programme, held by the Senwes Share Incentive Trust or held by Senwes Capital, are classified as treasury shares. The cost of these shares are deducted from equity and the number of shares is deducted from the weighted average number of shares. Dividends received on treasury shares are eliminated on consolidation. When treasury shares are sold or reissued the amount received is recognised as an increase in equity and the resulting surplus or deficit over the cost of these shares on the transaction is transferred to or from retained earnings.

3. Significant accounting judgements, estimates and assumptions

The preparation of the group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reporting amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of income and expenses, assets and liabilities within the next financial year, are discussed below.

3.1 Equity-settled share-based payments

The expense is determined by using the market value, as traded on the OTC-market, of the shares on grant date, adjusted with the present value of dividends not entitled to. The share-based payment expense will be recognised over the vesting period. The vesting period includes the employment conditions and performance conditions (not market related) attached to an award. The expense will therefore be recognised, with corresponding increase in capital reserves in equity, and spread over the period from the grant date to the vesting date. The length of this period will vary from tranche to tranche. The accumulated expense recognised is the group's best estimate of the number of shares which will ultimately vest.

3.2 Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The key assumptions used for estimating the fair value of financial instruments are disclosed in note 24.5, Fair value measurements.

3.3 Impairment of financial assets

Refer to note 11.5 for the detailed framework regarding impairment of financial assets.

For decision framework on loans receivable, refer to note 7.1.2.

3.4 Inventory impairment provision

Inventory is valued at the lower of cost and net realisable values. A provision is raised against inventory according to the nature, condition and age and net realisable value of inventory. For the carrying value of provision for slow moving inventory refer to note 10.

Specific factors that could impact the net realisable values of inventory is also considered. These could include:

- Strengthening of the rand against the US dollar;
- Competitor prices;
- Market share; and
- Large volumes of inventory on hand.

3.5 Taxes

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the loss can be utilised. Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of taxable future profits together with future tax planning strategies. For the carrying value of deferred tax refer to note 18.2.

3.6 Provision for non-compliance with pre-season grain contracts

The calculations are based on the following key assumptions:

- Default rate on current deliveries extrapolated to the total extrapolated;
- A fixed recovery rate on defaults; and
- Compensating financial instruments.

3.7 Useful life and residual value of property, plant and equipment

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate. This review takes into account the location, condition and nature of the asset.

3.8 Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less cost to sell and its value in use. The fair value less cost to sell calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the assets. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the group is not yet committed to, or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

3.9 Leases

Determining the lease term of contracts with renewal and termination options – group as lessee

The group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The group has several lease contracts that include extension and termination options. The group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Refer to note 4 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

Corporate *Information*

Enquiries regarding this report
Carl Klingenberg, Group Chief Financial Officer
Telephone: 018 464 7476

Senwes Ltd
Registration number: 1997/005336/06

Country of incorporation and domicile
South Africa

Postal address
PO Box 31
Klerksdorp
2570

Trading of shares
Over-the-counter trading desk:
Attention: The Company Secretary
PO Box 31
Klerksdorp
2570
Telephone: 018 464 7145
Fax: 086 673 3041

Auditor
PricewaterhouseCoopers Inc.
4 Lisbon Lane
Waterfall City
Jukskei View
2090
Telephone: 011 797 4000

Registered office
1 Charel de Klerk Street
Klerksdorp
2570
Telephone: 018 464 7800
Email: info@senwes.co.za

Ethics hotline
080 464 7800

Investor relations
Attention: The Company Secretary
PO Box 31
Klerksdorp
2570
Telephone: 018 464 7104
Fax: 086 673 3041
Website: www.senwes.com

Financing partners
Absa Bank
Nedbank
Rand Merchant Bank
First National Bank
Investec Bank
Grindrod Bank
UniCredit Bank AG
Sparkassen Finance Group