

<https://www.iol.co.za/business-report/companies/vunani-capital-partners-substantially-raises-its-interim-dividend-8b718176-ce56-4f6b-b519-01b8fd8da966>

Vunani Capital Partners substantially raises its interim dividend



Vunani Capital Partners (VCP), the black-owned financial services company listed on the Equity Express Security Exchange, said yesterday that taxed profit increased strongly to R80.6 million in the six months to August 31 from R21.6m at the same time a year before.

A 38c per share interim dividend was declared, well up on last year's 3c interim payout.

Directors said the improvement was largely been due to a strong performance from the resources and energy division and the Africa-focused businesses.

CEO Mark Anderson said in a statement: "Although VCP is affected by challenging global and domestic economic conditions, the group has performed well, demonstrating a resilient investment portfolio and positive growth owed largely to the more than 50% increase in energy prices which impacted positively on earnings. We intend using this momentum for our next phase of investments."

Most of the group's investments are structured in a way that VCP has strategic and operational influence, and these entities are equity accounted.

The resources and energy segment, which comprises of Butsanani Energy Investment Holdings and Black Wattle Colliery, was the major contributor to earnings. VCP was able to capitalise on higher energy prices and operationally Black Wattle increased production, which positively affected earnings.

"Our transition into clean energy remains a top priority for us. We expect to make a number of announcements in this regard before the end of the financial year," said Anderson.

Further licences for the gaming segment were being sought across the continent.

The recent rise in semigration had resulted in residents moving from major metropolitan areas to coastal areas as well as to several well-serviced and secure inland areas supported by reasonably good residential infrastructure.

This had driven increased demand for housing and retail facilities in these areas and VCP had an opportunity to embark on a number of development projects in the residential and

convenient retail sector. These were expected to yield results in the next 12 to 24 months, said Anderson.