

Vunani Capital Partners Limited

(Incorporated in the Republic of South Africa)

(Registration number: 2019/431743/06)

EESE code: "EXVCP"

ISIN: ZAEEO0000062

("VCP" or "the Company")

### **Annual results published**

Shareholders are advised that the company's annual report including the audited financial statements for the year ended 28 February 2023 and the notice of annual general meeting have been published today, 19 June 2023.

### **HIGHLIGHTS**

<b>Revenue from operations</b>	<b>R15.7 million (2022: R18.0 million)</b>
<b>Equity accounted earnings</b>	<b>R170.9 million (2022: R39.5 million)</b>
<b>Profit from operations</b>	<b>R128.3 million (2022: R53.1 million)</b>
<b>Earnings per share</b>	<b>68.3 cents (2022: 32.3 cents)</b>
<b>Net asset value</b>	<b>164.1 cents (2022: 151.7 cents)</b>

The group generated revenue from operations of R15.7 million (2022: R18.0 million). The resources and energy sector continued as the group's top revenue contributor in a portfolio of investments in resources and energy, gaming, financial services, fintech, BEE investments, commodity trading and property. The resources and energy segment contributed 58% followed by commodity trading at 29.3% and lastly fintech at 12.7%.

VCP generated profit from operations of R128.3 million (2022: R53.1 million), a 142% increase when compared to the previous year and generated earnings per share of 68.3 cents (2022: 32.3 cents) while the net asset value per share increased by 8.2% to 164.1 cents (2022: 151.7 cents). Adverse fair value adjustments and impairments of R25.3 million (2022: positive R10.8 million) resulted from impairment losses from the group's investment in Workforce Holdings Limited.

The higher operating expenses of R31.4 million (2022: R17.5 million) reflect the increased activity at VCP. Management fees paid to Vunani Capital Proprietary Limited, a wholly owned subsidiary of Vunani Limited, increased as the incentive fee component of the management fee is related to the strong cash earnings generated by VCP in the first half of the financial year.

The decision to unbundle from Vunani Limited and list on EESE has worked exceptionally well for VCP and has allowed it to reach its strategic objective. As at 28 February 2023, 169 394 818 shares were in issue (2022: 165 541 441) and the stated capital increased by R9.2 million (2022: R5.9 million) as a result of new shares that were issued during the year.

Cash generation in the second half of the year was lower than anticipated due in particular to reduced coal exports by VCP's investment in Black Wattle Colliery. This was due to the underperformance of Transnet Freight Rail (TFR), the limited export allocation given to junior coal miners and softening of benchmark coal export prices. This together with VCP's investment commitments resulted in the board deciding not to declare a dividend. The board remains committed to paying at least one dividend per year.

In early January, VCP concluded a partnership with the Ditikeni Trust and made great progress with its energy diversification plan to invest in renewable energy with an investment made in Upgrade Energy Africa. Looking ahead, VCP will look to strengthen these types of partnerships which are accretive to the group's strategy.

The annual report and the full set of the audited group financial statements are available on the company's website: <https://vunanicapitalpartners.co.za/financial-results/> and on the EESE platform: <https://www.eese.co.za/ShareView.aspx?sharecode=EXVCP>

Should you have any queries please contact the company's administrators, Singular Financial Services, on 010 271 4320 or email, [ir@singular.co.za](mailto:ir@singular.co.za).

On behalf of the board

Mark Anderson

CEO

19 June 2023