



VUNANI

CAPITAL PARTNERS

INVESTOR PRESENTATION

Results For The Year Ended
28 February 2022

EVENTFUL YEAR FOR VCP

Listing



Listed on ESE on the 15th June 2021

Capital raised



at listing 4.4 million shares placed at R1.32 per share raising R5.9 million

Profit



Profit for the year to February 2022 of R53.1 million exceeded the profit forecast of R34.2 million in the pre-listing statement.

Dividend



Interim dividend of 3 cents paid in December 2021 and final 18 cents to be paid on 30 June (a 15.9% yield for investors who took up shares at listing)

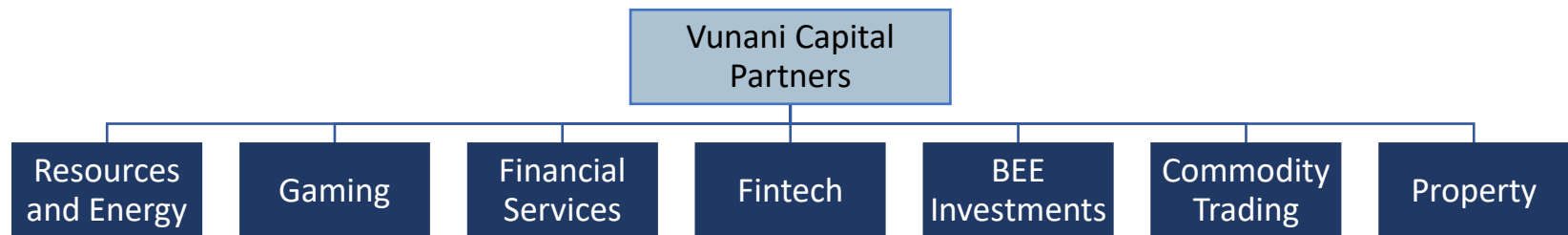
WHO WE ARE



Vunani Capital Partners comprises a portfolio of private equity assets unbundled out of Vunani Limited (JSE listed) in February 2021 to create two focused listed entities.



VCP's primary investment focus is through seven sectors:



FINANCIAL HIGHLIGHTS

TO 28 FEBRUARY 2022

Revenue from operations	R18.0 million
Equity accounted earnings	R39.5 million
Profit for the year	R53.1 million
Earnings per share	32.3 cents
Net asset value	151.7 cents
Final dividend per share	18.0 cents

NON-FINANCIAL HIGHLIGHTS

TO 28 FEBRUARY 2022

VUNANI

CAPITAL PARTNERS

Resources and energy	<ul style="list-style-type: none">• First coal produced from 50ktpm washing plant at RMC• BWC is benefiting from high coal prices• Good deals in renewables being considered
Gaming	<ul style="list-style-type: none">• 5 active operating licences now in place• Looking at applying for further licences• Multi-partner, multi-jurisdiction strategy being pursued
Fintech	<ul style="list-style-type: none">• 11 tech investments made to date• Good revenue growth experienced over Covid• Pull back of big tech values in the public markets is now impacting early stage tech
Property	<ul style="list-style-type: none">• Strong deal flow in residential sector• Two developments in Plett and Hilton approved• Focus on fee generation from development services
Commodity trading	<ul style="list-style-type: none">• Anatica partnership with a Turkish based group• Exports products in to 30 African & 14 Middle East countries• Great performance from new business in Tunis

VCP GOVERNANCE

Role	Responsibilities	Members
Board	<ul style="list-style-type: none"> Oversight and governance Approve investments over R30 million 	Lionel Jacobs (Chairman); Mark Anderson (CEO); Pride R Gwaze (CFO); Ethan Dube (Executive deputy chairman); Butana Khoza; Tafadzwa Mika; Gordon Nzalo, John Macey, Nambita Mazwi; Marcel Golding; Sithembiso Mthethwa
Investment committee	<ul style="list-style-type: none"> Approve investments over R3 million to R30 million and recommend investments to the board over R30 million 	John Macey (Chairman); Lionel Jacobs; Sithembiso Mthethwa; Ethan Dube; Mark Anderson; Andre Pieterse;
Executive team	<ul style="list-style-type: none"> Approve investments up to R3m 	Executive team
Day-to-day management	<ul style="list-style-type: none"> Responsibility for day-to-day management, board and shareholder reporting 	Mark Anderson (CEO); Pride Gwaze (CFO)
Investment services	<ul style="list-style-type: none"> Responsibility for sourcing, closing and monitoring/growing investments 	Led by Mark Anderson, Ethan Dube, Johan Rossouw and Millicent Zvarayi with support from Vunani Capital executives and Vunani Corporate Finance

FINANCIAL PERFORMANCE



FINANCIAL PERFORMANCE

Actual vs budget (PLS projections) to 28 February 2022

Figures in R'000s	Audited	PLS projections	% change
Year ended (1 March to 28 February 2022)	Feb-22	Feb-22	
Revenue	18 004	10 618	70%
Other income	908	-	
Dividend income	34	6 000	-99%
Net profit on disposal of assets	5 835	6 000	-3%
Equity accounted earnings (net of tax)	39 544	27 105	46%
Operating expenses	(17 513)	(15 600)	-12%
Fair value adjustments & impairments	10 765	-	
Results from operating activities	57 577	34 123	69%
Taxation	(4 520)	51	-8962%
Net profit	53 057	34 174	55%

The profit from operations of R53.1 million, which exceeds the profit forecast of R34.2 million in the pre-listing statement by over 50% due to a strong generation of earnings from a rise in coal prices.

FINANCIAL PERFORMANCE

Actual vs prior year

Figures in R'000s	Feb 2022	Feb 2021
Revenue	18 004	167
Other income	906	-
Investment revenue	34	-
Net profit on disposal of assets	5 835	-
Equity accounted earnings (net of tax)	39 544	27 269
Operating expenses	(17 513)	(1 202)
Results from operating activities	46 810	26 234
Fair value adjustments and impairments	10 765	(39 561)
Net finance income/(loss)	2	(20)
Profit before tax	57 577	(13 347)
Taxation	(4 520)	(345)
Profit from operations	53 057	(13 692)

The current year and prior performance is not comparable given that the unbundling was effective February 2021. The company operated for a shorter period in 2021.

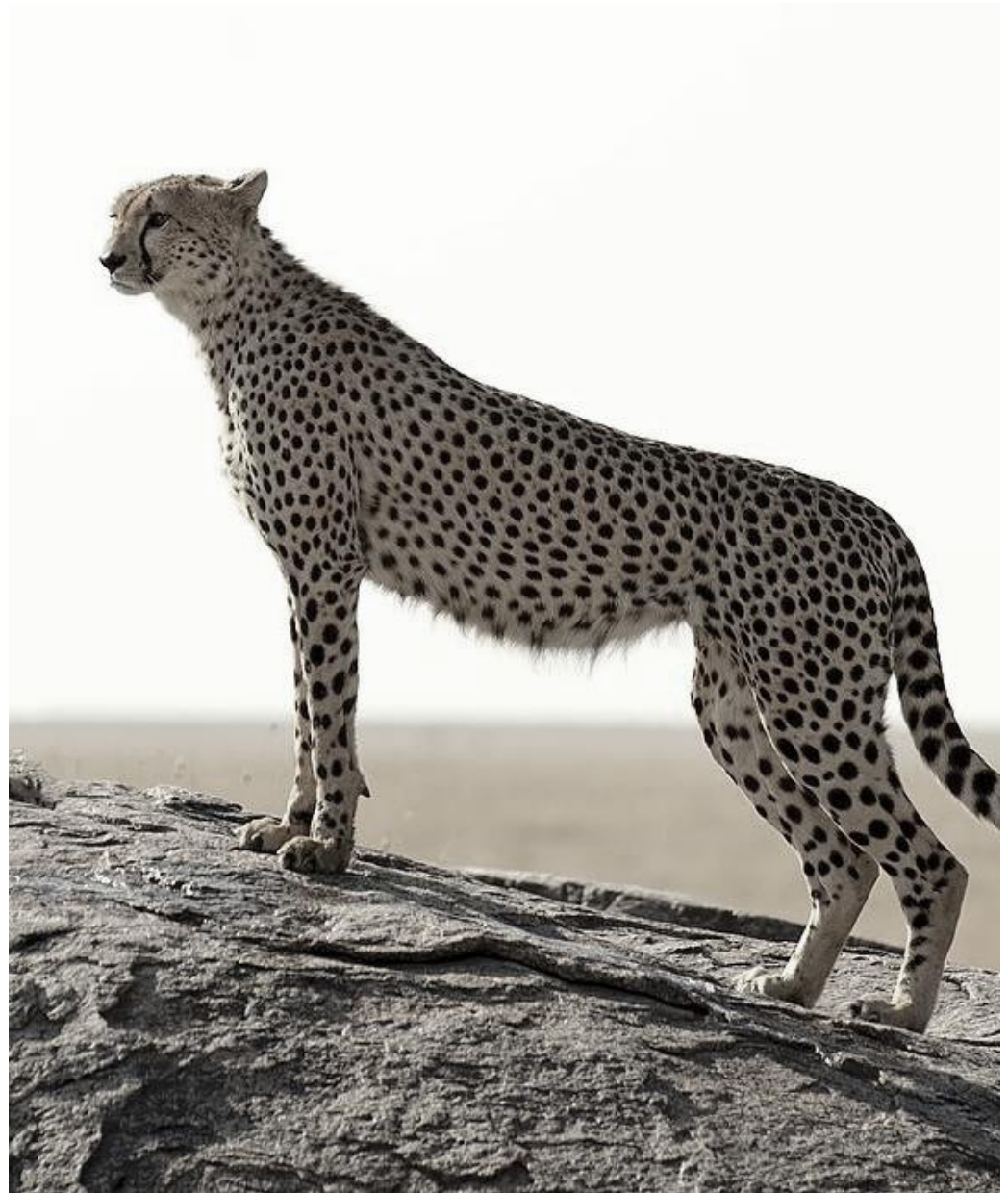
FINANCIAL PERFORMANCE

- Group **profit after tax of R53.1 million vs** forecast profit of *R34.2 million*.
- **Revenue from operations of R18.0 million** (*60% above budget*)
 - 73% of revenue generated from Resources and Energy sector,
 - [coal price increased] over year resulting in better earnings from this sector.
- **Earnings from associates** better than expected (*46% above budget*)
- **Strong performances** particularly from:
 - **Resources and Energy** **R11.1m**
 - **Gaming** **R4.2m**
 - **Fintech** **R13.8m**

STATEMENT OF FINANCIAL POSITION

- Majority of investments equity accounted ~ VCP's significant influence
 - *avoids mark-to-market volatility in group's earnings.*
- Investment in and loans to associates account for 80% of Total Assets.
- The strong earning have resulted in a 35% increase in **investments and loans** to associates.
- **Other investments** have increased due to acquisitions during the year as well as positive fair value adjustments on investments carried at fair value of R13.7 million.

INVESTMENT PORTFOLIO AND FOCUS AREAS



INVESTMENTS

INVESTMENT SUMMARY - FINANCIAL STATEMENTS VALUES

VUNANI

CAPITAL PARTNERS

Sector/Investment	Accounting treatment	VCP Holding	Audited 28 February 2022	Audited 28 February 2021	Net movement	Sector
RESOURCE & ENERGY						
<i>Butsanani Energy Investment Holdings</i>	Equity accounting	26%	R69 684 053	R72 107 694	-R2 423 641	Coal investment holding
<i>Black Wattle Colliery</i>	Equity accounting	38%	R32 521 723	R28 119 530	R4 402 193	Coal mining
<i>Ferrox Limited</i>	FVTPL	1%	R5 998 718	R5 626 212	R372 506	Iron ore resource
<i>Vunani Resources</i>	Associate	75%	R2 529 505	R265 605	R2 263 900	Coal trading
GAMING						
<i>Betbio Zambia</i>	Equity accounting	45%	R16 372 092	R17 193 527	-R821 435	Sports betting
<i>Nevzospan</i>	Loan	25%	R539 102	R539 102	R0	Sports betting
<i>PawaTech</i>	FVTPL	0.4%	R9 790 555	R0	R9 790 555	Gaming
FINANCIAL SERVICES						
<i>Phakamani Impact Capital</i>	Equity accounting	51%	R2 422 931	R1 873 591	R549 340	Enterprise development
<i>Purpose Vunani Asset Management</i>	Equity accounting	65%	R1 512 850	R171 513	R1 341 337	Asset Management
<i>Alliance Holdings</i>	Equity accounting	45%	R45	R1 992 012	-R1 991 967	Asset Management

INVESTMENTS

INVESTMENT SUMMARY - FINANCIAL STATEMENTS VALUES

VUNANI

CAPITAL PARTNERS

Sector/Investment	Accounting treatment	VCP Holding	Audited 28 February 2022	Audited 28 February 2021	Net movement	Sector
FINTECH						
<i>Vunani Fintech Fund</i>	Equity accounting	20%	R19 521 957	R5 673 111	R13 848 846	Financial technology
<i>PawaPay Holdings</i>	FVTPL	0.4%	R2 449 974	R0	R2 449 974	Fintech
BEE INVESTMENTS						
<i>Workforce Holdings</i>	Equity accounting	50%	R57 734 342	R50 575 382	R7 158 960	Staffing solutions
<i>African Legend Investment</i>	FVTPL	2%	R16 383 809	R8 587 361	R7 796 448	Investment holding
<i>Isilo Investments RF</i>	Equity accounting	51%	R134 732	R0	R134 732	Investment holding
COMMODITY TRADING						
<i>Anatrica SA</i>	Equity accounting	29%	R760 762	R760 762	R0	Commodities trading
PROPERTY						
<i>Vunani Properties</i>	Loan	70%	R5 972 027	R5 016 890	R955 137	Properties
<i>Ulricraft</i>	Loan	33%	R878 749	R0	R878 749	Properties
TOTAL INVESTMENTS			245 207 976	198 502 292	46 705 684	

DIRECTORS' VALUATION VS LISTING VALUES

INVESTMENT SUMMARY – UNAUDITED DIRECTORS' VALUATIONS

VUNANI

CAPITAL PARTNERS

Sector	Asset	Valuation methodology	28 February 2022	15 June 2021	R Change
Resources & Energy	Black Wattle Colliery	Discounted cash flow	117 371 399	28 118 771	89 252 628
	Butsanani Energy	Discounted cash flow	75 750 476	63 000 000	12 750 476
	Ferrox	Latest transaction	5 998 718	5 742 939	255 779
	Vunani Resources	Net asset value	2 529 508	1 212 745	1 316 764
Gaming	Betbio Zambia	Discounted cash flow	28 143 391	17 193 527	10 949 864
	PawaTech	Earnings multiple	9 790 555	6 048 000	3 742 555
Financial Services	Alliance Capital	Discounted cash flow	45	1 992 012	- 1 991 967
	Phakamani Impact Capital	Earnings multiple	14 939 102	13 941 184	997 918
	Purpose Asset Management	Discounted cash flow	4 022 979	171 513	3 851 466
Fintech	Vunani Fintech Fund	Net asset value	19 521 957	5 140 155	14 381 803
	PawaPay	Latest transaction	2 449 974	-	2 449 974
BEE Investments	African Legend	Net asset value	16 383 809	8 587 361	7 796 448
	Verbicept	Market multiples	64 166 160	56 276 258	7 889 902
	Isilo Investments	Equity accounting	134 732	78 116	56 616
Commodity Trading	Anatrica	Earnings multiple	14 789 875	5 131 363	9 658 513
Property	Vunani Properties	Net asset value	5 972 027	-	5 972 027
TOTAL			381 964 708	212 633 942	169 330 766
<i>Shares in issues</i>			<i>165 541 441</i>	<i>161 155 915</i>	<i>4 385 526</i>
<i>Price per share</i>			<i>2.31</i>	<i>1.32</i>	<i>0.99</i>

INVESTMENT FOCUS AREAS - FY23

SECTOR	PROSPECTS/FOCUS AREAS
Resources and energy	Finalise GP Pit deal (Black Wattle). Increase production by washing export quality coal (Butsanani). Expand into renewable energy.
Gaming	Expand gaming footprint in Africa by securing additional gaming licenses and establishing strong partnerships.
Financial Services	Identify potential acquisitions within the sector. Grow product base.
Fintech	Increasing deal pipeline with international VC funds.
BEE Investments	Seek value unlock for existing investments. Identify potential acquisitions.
Commodity Trading	Growing its sales of boron and expanding into other products.
Property	Close fee generating deals and look for equity participation. Conclude Plett and Hilton developments.

DIVIDEND



DIVIDEND DECLARATION

- A strong performance in the first year despite the tough operating environment.
- The board declared gross final dividend of 18 cps + 3 cps interim dividend paid earlier.
- The dividend will be paid on 30 June 2022.

ANNUAL GENERAL MEETING



- AGM will be held electronically: details and notices are available on:

Vunani Capital Partners website:

- <https://vunanicapitalpartners.co.za/financial-results/>

EESE platform:

- <https://www.eese.co.za/ShareView.aspx?sharecode=EXVCP>

Important dates:

- General Meeting to be held on **Wednesday, 27 July 2022 at 11:00**
- Results of AGM released on **Wednesday, 27 July 2022**