



VUNANI

CAPITAL PARTNERS

INVESTOR PRESENTATION

Results For The Year Ended
28 February 2023

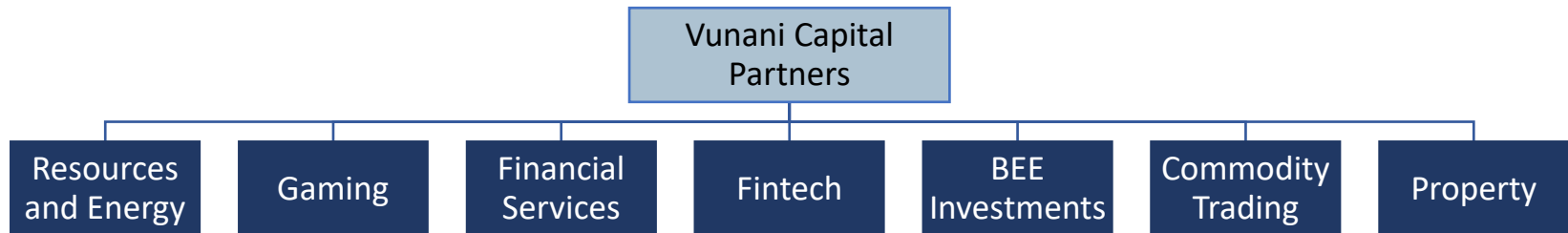
OUR INVESTMENT FOCUS



Vunani Capital Partners Limited 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:



STAND OUTS FOR THE YEAR

Profit



Profit for the year to February 2023 of R128.3 million compared to R53.1 million in prior year. Well ahead of the 2021 Pre-listing Statement profit forecast for February 2023 of R45.3m.

EPS



Basic earnings per share of 68.3 cents per share compared to 32.3 cents to February 2022.

NAV



NAV of 164.1 cents per share at 28 February 2023 (Feb 2022: 151.7 cps; 132 cps at listing). This was after dividends of 56 cents per share (R93.8m) declared and paid during the year.

Capital raised



Placed 3.85 million shares at an average of 239 cents per share and raised R9.2 million (June 2021 IPO: 4.4 million shares placed at R1.32 per share raising R5.9 million)

Resources and energy	<ul style="list-style-type: none"> • Concluded investment in Upgrade Energy Africa, a renewable energy developer focused mainly on utility scale solar and wind projects for 5% shareholding (with an option to take it to 26%) • A second investment has been approved in the renewable energy sector • Black Wattle finalised the acquisition of an 8m tonne resource from Seriti to extend LOM
Gaming	<ul style="list-style-type: none"> • 4 operating licences now in place • Gaming licences in Malawi and DRC launched and generating positive cash flows • Looking for additional licences in new markets
Financial services	<ul style="list-style-type: none"> • Established <i>en commandite</i> partnership fund with Ditikeni for its legacy assets and providing management services • Phakamani acquired a significant stake in MLA a learning and training academy
Property	<ul style="list-style-type: none"> • Closed four property developments in the Western Cape focused on the semigration theme • R20 million invested in land purchases • Pre-sales have commenced

FINANCIAL HIGHLIGHTS

	28 February 2023	28 February 2022
Revenue from operations	R15.7 million	R18.0 million
Equity accounted earnings	R170.9 million	R39.5 million
Profit for the year	R128.3 million	R53.1 million
Earnings per share	68.3 cents	32.3 cents
Net asset value	164.1 cents	151.7 cents
Total dividend paid	R93.8 million	R5.0 million

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

28 February 2023 vs 28 February 2022

Figures in R'000s	Feb 2023	Feb 2022
Revenue	15 697	18 004
Other income	1 288	906
Investment revenue	515	34
Net profit on disposal of assets	2 372	5 836
Equity accounted earnings (net of tax)	170 857	39 544
Operating expenses	(31 376)	(17 513)
Results from operating activities	159 353	46 810
Fair value adjustments and impairments	(25 308)	10 765
Net finance income/(loss)	1 884	2
Profit before tax	135 929	57 576
Taxation	(7 614)	(4 520)
Profit from operations	128 315	53 056

Current year performance is considerably better than prior year due to high energy prices which have benefited the resources and energy sector, as reflected in the increase in equity accounted earnings.

FINANCIAL PERFORMANCE

- **Group profit after tax of R128.3 million compared to R53.1 million**
(increase of 142%)
 - **Revenue from operations of R15.7 million compared to R18.0 million.**
 - 58% (2022: 73%) of revenue generated from resources and energy sector.
 - Started generating revenue from other sectors to avoid reliance on one sector.
- **Earnings from associates of R170.9 million compared to R39.5 million.**
 - Strong energy prices over the period resulted in better earnings from resources and energy, which underpins VCP's earnings
- **Strong performances** particularly from:
 - **Resources and energy** **R164.1m vs R11.1m**
 - **Gaming** **R7.2m vs R4.2m**
 - **Financial services** **R2.6m vs R2.1m**

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 74% of total assets.
- The strong earning have resulted in a net increase of 5% in **investments in and loans** to associates.
- Strong dividend generated from associates of R151.8 million compared to R5.3 million.
- **Other investments** have increased due to new investments in renewable energy of R5.3 million.

INVESTMENT PORTFOLIO AND FOCUS AREAS

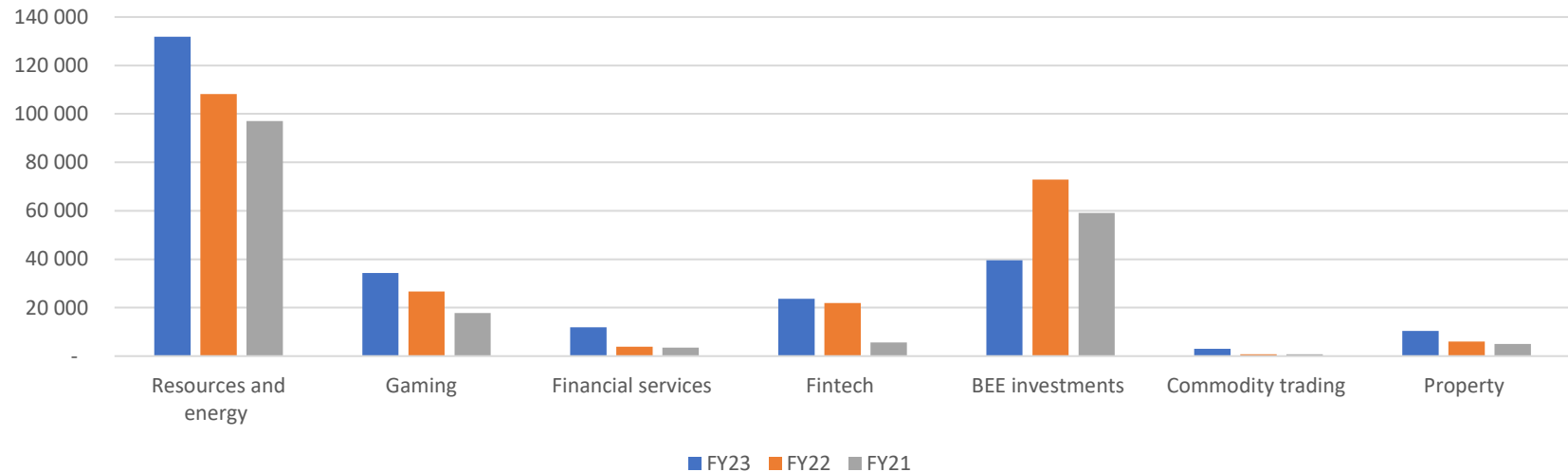


INVESTMENTS – SECTOR REVIEW

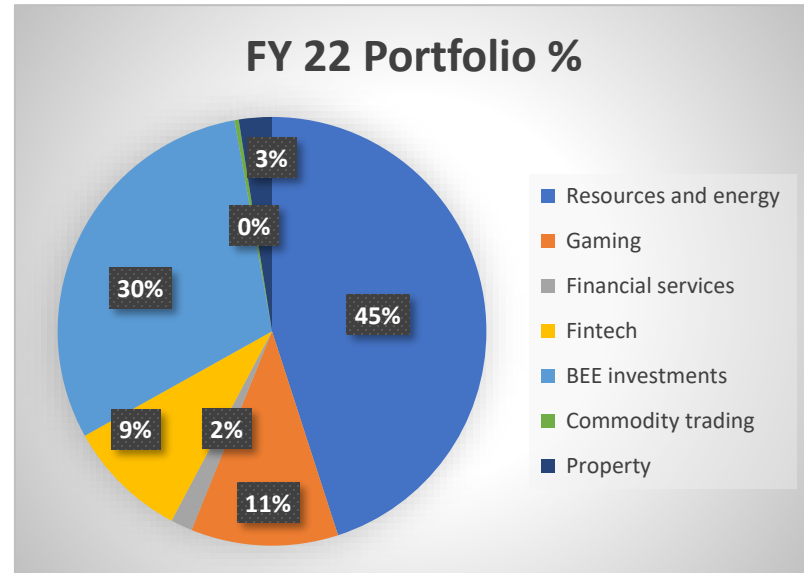
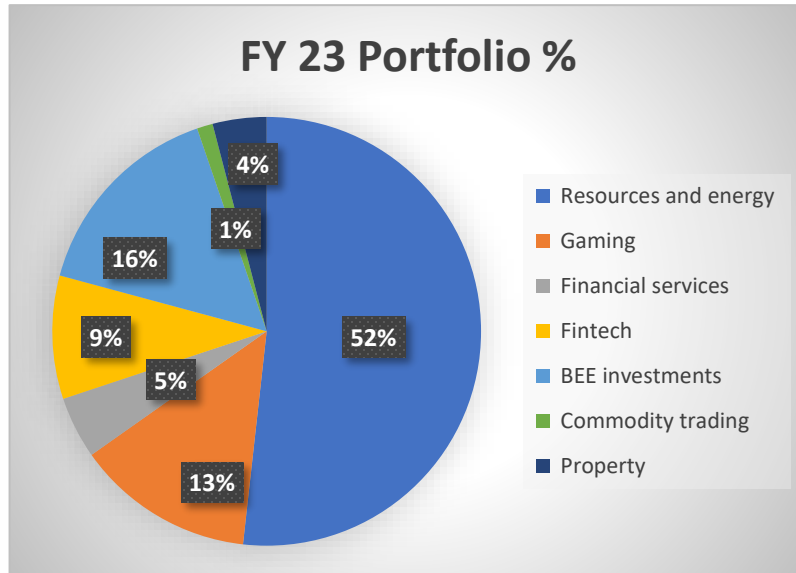
INVESTMENT SUMMARY - FINANCIAL STATEMENTS VALUES

SECTOR	FY23	FY22	FY21
Resources and energy	131 792	108 204	97 011
Gaming	34 263	26 702	17 733
Financial services	11 905	3 936	3 537
Fintech	23 682	21 972	5 673
BEE investments	39 574	72 822	59 163
Commodity trading	3 037	761	761
Property	10 350	5 972	5 017
Total	254 603	240 369	188 895

Investments 3 year financial review



INVESTMENT PORTFOLIO



- VCP has a portfolio of on-balance sheet investments in the seven sectors
- Majority of the investments are within the energy and resources sector, which has increased from 45% to 52% due to additional investments into renewable energy
- BEE investments have come down from 30% to 16% due to the impairment losses on the group's investment in Workforce, held via Verbicept.
- Property sector to make positive contributions with the commencement of the retail and residential projects

INVESTMENT FOCUS AREAS

The key focus areas for VCP in the short-medium-long term include:

- Focus on investment opportunities that have the potential to be cash generative in the short to medium-term
- Maintain focus on the seven themes, while being open to expanding into other segments.
- Build strategic partnerships.
- Leverage off the wider Vunani Group.
- Establish a balance between cash retention (for investment) and dividend distributions to VCP shareholders.

INVESTMENT FOCUS AREAS

SECTOR	PROSPECTS/FOCUS AREAS
Resources and energy	Diversify product base through new washing capacity at RMC Expand the renewable energy portfolio
Gaming	Expand gaming footprint in Africa by securing additional gaming licenses with our established partners
Financial services	Finalise the establishment of the second <i>en commandite</i> fund with Ditikeni. To be called the Ditikeni Vunani Transformation Fund Partnership (“Fund II”)
Fintech	Largely focused on supporting the existing portfolio of 11 investments and seeking value unlock opportunities
BEE investments	Seek value unlock for existing investments
Commodity trading	Expand territories, grow products on the platform and identify potential acquisitions that can add value
Property	Achieve required pre-sales and commence developments. Continue to look for opportunities to provide development management services for fees

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 **Tuesday, 25 July 2023 at 11:00**
- Results of AGM released on **Tuesday, 25 July 2023**