



# **ABAGOLD**

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## **INTERIM REPORT**

(UNAUDITED)

FOR THE SIX MONTHS  
ENDED 31 DECEMBER 2022

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FOR THE SIX MONTHS ENDED 31 DECEMBER 2022

## ABAGOLD LIMITED

### DIRECTORATE

#### Non-executive

HR van der Merwe ❖+  
(Chairman of the Board and nomination committee)

YJ Visser ❖❖❖+  
(Chairman of the risk committee)

JW Wilken ❖❖❖+  
(Chairman of the audit committee)

Anisha Archary \*  
(Chairman of the social & ethics committee)

CT Ralebitso ❖❖

K Gordon ❖❖

JN Hamman (retired 31 December 2022)

W Keast

#### Executive

TR Hedges \*  
(Managing Director)

E Manchest \*  
(Financial Director)

#### Company Secretary

P Kubheka \*

- ❖ = Member of audit committee
- ❖ = Member of risk committee
- ❖❖ = Member of remuneration committee
- +
- +
- +
- +
- \*

### ADMINISTRATION

#### Registered office

Abagold Limited  
Cnr of Church and Stil Streets  
Hermanus  
7200

PO Box 1291, Hermanus, 7200

Tel: +27 (0) 28 313 0253

Fax: +27 (0) 28 312 2194

Email: [info@abagold.co.za](mailto:info@abagold.co.za)

#### Auditors

BDO South Africa Incorporated

#### Bankers

The ABSA Group

#### Website and share trading

[www.abagold.com](http://www.abagold.com)

#### Company registration number

1995/070041/06

# Review of the interim results

## for the six months ended 31 December 2022

The momentum created in the previous fiscal year has been severely disrupted by two specific components affecting Abagold's business, namely significant increases in the frequency of load-shedding and the slow transition of the Chinese economy towards pre-COVID buoyancy, including the return of demand in this market. Although the world, excluding China, is operating more normally from a business and travel perspective, the global impact of the war in Ukraine and the consequent widespread inflationary pressure on most economies continue to disrupt business across so many markets and geographies. Abagold has demonstrated, in the past, its ability to adapt, change and reshape routes to market, and even the locations where it sells its range of abalone products, thus reducing the long-term impact on financial results and overall operations. This resilience culture will once again stand the business in good stead in navigating these complicated times and maintaining operational performance whilst achieving financial stability. Abagold can draw on the expertise of a well-established and experienced team, with a clear strategy in place, to ensure that the business is best able to leverage the hard work and the stable biological asset base so as to improve performance in the second half of the fiscal year. Nevertheless, this reporting period's business environment has delivered mixed results, which are reported in this review.

### FINANCIAL OVERVIEW

Group revenue for the six months to 31 December 2022 was R139 million, a decrease of 15% from that for the comparative six months of the previous year. The bulk of this decrease in revenue is attributable to the revenue decline from sales of abalone, where there was a decrease of 16,2% to R111 million compared with R133 million for the prior period. There has been significant pressure on abalone pricing since the same period last year, with pricing per kilogram down across all three formats: live, dried and canned. This position was further exacerbated by the continued restriction of tourist travel in and out of China and the fact that abalone stocks in the market remain significantly high, especially in the canned format. The sales and marketing team had to diversify its offering, that is, the format and size available, whilst adding additional customers to the base in order to sell available volume and to mitigate against a continued lack of traditional food-service sales in the still non-existent hospitality market. These steps included opening new geographies, channels and customer bases where the demand has improved and will provide long-term value with any general improvement in global demand. Abagold looks forward to the eventual return of the tourism market in China and surrounding areas – together with improvement in the traditional hospitality market – which will benefit the business in the second half.

The consolidated revenue numbers are favourably impacted by the improved volume of feed sales at Specialised Aquatic Feeds (SAF) in the first half, while the SAF team worked hard on a number of initiatives in new markets and on aquaculture expansion into the rest of Southern Africa.

The improved abalone growth achieved on all the farms in this period, as well as the balanced and more mature biological asset pipeline, creates flexibility in order to service the retail, dried, specialised and gifting markets, while the hospitality market remains constrained. This challenging situation meant that the business exported a lower volume of abalone than in the same period last year. The increased growth and below-expected harvest meant that the business took an informed decision to hold slightly higher stock on the farm during the first half in order to leverage the positive growth momentum achieved and expected improvement in the market in the second half.

Operating costs have come under renewed pressure beyond the current inflationary challenges, with the direct net impact of load-shedding in the first six months of the year being an upsetting R8 million. The team is managing the controllable cost in line with expected growth, tonnage held, harvesting, feed demand and processing volumes. Payroll costs, utilities and feed remain the largest cost components to the business and the ability to stabilise electricity cost and supply, whereas containing further increases below inflation, along with achieving further improvements in growth rates, will be critical to the sustainability of the business.

The inefficient and inconsistent electricity supply, the increased cost per kW, as well as the high levels of load-shedding in 2022 have had a massive impact on overall performance and are the reason for the Company's commitment to continue introducing alternative energy sources where possible. Significant progress has been made as regards innovation and technology implementations so as to achieve productivity and efficiency

# Review of the interim results (continued)

## for the six months ended 31 December 2022

improvements, and this is seen in the improved growth numbers for the period. As a result of many of these cost increases, the total production cost per kilogram increased again from the prior period by 10,9%, which, in the circumstances, remains competitive. This increase in cost is also linked to the larger average-sized abalone on the farm, which grow slower once they reach larger sizes. The biological pipeline integrity and profile remain well set to allow the business to respond proactively to any improvement in demand, with a focus on an ongoing improvement in the supply to customers of larger, higher-value animals in all formats.

The net profit before tax of R27 million for the six months includes unrealised fair value adjustments due to ZAR/USD exchange rate fluctuations, and was further impacted in this period by reduced revenue and increased costs and somewhat offset by a weakening rand in the period under review. The rand ended the half-year on ZAR17,02/USD compared with ZAR15,98/USD as at the end of December 2021. .

The table below sets out some key comparisons with prior periods:

	UNAUDITED 31 DEC 2022 6 months	UNAUDITED 31 DEC 2021 6 months	% change	AUDITED 30 JUN 2022 12 months
Turnover (Rm)	139	162	(15%)	305
Live equivalent tonnes sold	223	284	(21%)	501
Tonnes growth recorded	240	229	5%	451
Total expenses (Rm)	112	95	18%	173
Net profit before tax (Rm)	27	59	(54%)	7
Cash (utilised)/generated from operations (Rm)	(13)	7	(296%)	57

Cash generated from operations amounted to a cash outflow of R13 million compared with a R7 million inflow in the comparative period, with an increased investment in working capital as well in the current year. The cash generated from operations was negatively impacted by the costs and conditions communicated earlier in the report. It is expected that cash generated from operations will turn positive in the 3rd Quarter and improve further in the final quarter of the year, supported by a market improvement, increased production output, and the continued harvesting of larger, higher-priced abalone.

The Phase 1 start of operations at the Oman abalone farm led to reduced investment in equity accounted entities of R2 million compared with the R14 million in the prior period. In addition, Abagold spent R26 million on capital improvements, which was higher than the R10 million in the prior period, as the business continues to invest in new opportunities and critical capital projects that will sustain and improve operational performance. Capital investments, improvements and expansion are managed in line with available funding. Capex requirements are therefore being delayed during the second half of the year until the expected improved performance materialises for the business.

The balance sheet has come under some pressure, with an increase in the debt : equity level to 31% compared with 18% in the prior year. Despite this, adequate bank financing, in the form of overdraft and loan facilities, is available to manage financing operations with adequate headroom, while additional asset financing is planned for a large battery installation scheduled for 2023.

## OPERATIONAL REVIEW

### Hatchery and grow-out farms

The biological pipeline remains well balanced and this stable, well-managed foundation enables the business to more consistently supply larger-sized abalone in line with market preference. Total net growth recorded increased by 5% from 229 tonnes in the comparative period to 240 tonnes in this reporting period, reflecting the overall improved growth rates, linked to the focused farming methodology and innovation. The balance of the biological pipeline larger than 220g will help secure the recovery in revenue when trading conditions improve. In the period under review, the operational team experienced the benefits from improved operational efficiencies, investment,

# Review of the interim results (continued)

## for the six months ended 31 December 2022

and consistent farming methodologies that help deliver these results. Performance against key measures such as 'Growth per basket per month' as well as 'Percentage growth' and 'Cost/kg of growth' is improving in line with projected levels, thus helping to set the base for improved overall performance. The hatchery performance has now stabilised so as to consistently deliver the monthly spat requirements. The business will continue to overproduce spat, where possible, for reseeded at our associate, Port Nolloth Sea Farm Ranching, where these animals are 'planted' in the sea at Kleinzee on the West Coast. As a result of this, the ranching project remains on track to achieve reseeded schedules and has started to deliver harvests in line with expectations for the fiscal year.

The consistent growth across all size categories in the period, and indications that this growth will continue to be strong into the second half of the year, bode well for Abagold operations.

### **Sales and marketing**

Hong Kong- and Chinese-based hospitality industries continued operating at pandemic-reduced occupancy levels for most of this reporting period. However, the sales and marketing team has been able to deliver consistent monthly sales volumes to all markets being serviced by Abagold. Pricing weakened widely across all sizes and formats, although this price pressure was somewhat positively countered by the ZAR/USD exchange rate. The industry continues to experience inconsistent access to airfreight-logistics supply channels for live abalone, as the number of airlines and flights available for live abalone freight remains constrained.

The dried-abalone market entered the period with high demand and excellent pricing, but, as the demand in the market softened from the hospitality sector, the price came under tremendous pressure and the significant increase in post-capture auctions of poached abalone from South Africa played a significant role in this increased price pressure. Indications are that any return to normal tourism, travel and trading in China and Hong Kong will positively impact demand and price in the larger-sized dried market, where Abagold holds the premium position for South African abalone.

Competition from China, especially where smaller-size abalone in cans and in live formats are damaging the low-end market, underscores the success of the differentiated-product-range approach by Abagold, lifting South African abalone out of this low-end volume market and validating the decisions some years back to actively improve the overall size and weight of the Abagold offering. This fact and Abagold's product availability in all three formats are likely to support improved trading results in the second half of the year. The sales team remains bullish about the position of the Abagold brand, the premium 220g-plus offering, and the consistent quality of the product being produced and sold.

### **Innovation**

Innovation is proving, now more than ever, to be the trigger to allow the business to improve productivity and efficiency, while reducing costs at the same time. Abagold has now implemented and been working with centralised automatic weight sorting on all farms and, after working through some design improvements in the last few months, the team is now seeing excellent results with improved efficiency, productivity and accuracy in this discipline.

Abagold has installed 1,5MW of solar capacity on the farm in the last six months and will now embark on the installation of a large-scale, battery back-up system to help manage the risks and costs of load-shedding, while ensuring consistent power supply at all times.

Self-cleaning tanks operating in the hatchery have been instrumental in reducing personnel requirements without influencing performance. The technology linked to tracking and tracing baskets and tank locations through radio frequency technology (RFID) is now adding significant value to the business. There are several other technology improvements being tested and implemented across the farms, all playing a role in ensuring improved overall accuracy and delivering improved performance.

# Review of the interim results (continued)

## for the six months ended 31 December 2022

### **Oman**

Phase 1 of the abalone farm in Oman started operating and producing spat for the grow-out farm in April 2022. The international operations team is fully embedded in the region and is starting to deliver impressive growth and hatchery performance. The business is completing the evaluation of the performance in Phase 1 against a set of defined milestones and hopes to present the transition to the expanded Phase 2 farm by the end of 2023.

The operation is now fully staffed, and Oman Aquaculture Company, the joint venture operation, is excited about the potential this initiative brings.

### **Specialised Aquatic Feeds (SAF)**

SAF experienced an improved first half of the year, as reliance on the trout industry and the challenges experienced during 2022 in Lesotho are now something of the past. Feed volumes are up significantly, although raw-material-pricing inflation and the scarcity of certain products put the gross margin under pressure during the reporting period.

During this difficult period, the team maintained good control over costs while continuing to diversify the product range and initiate some exciting feed and product innovations. The financial results for SAF are consolidated into the Abagold corporate-group financials.

The team is working on some exciting initiatives, with the first portable abalone feed plant sent to Oman where it will produce feed on site in the next few months. Growth in pet foods, koi, tilapia and other finfish feeds and specialised brood stock feed for the abalone hatcheries is doing well, with volumes increasing.

The year-to-date (YTD) sales volume of 1 692 tonnes is a slight improvement on last year's volume. The business is confident that volumes will continue to improve in the second half and that profitability and consistent supply to a broader group of aquaculture customers, both locally and internationally, will deliver long-term stability and profitability.

SAF continues to receive positive feedback from abalone, trout, tilapia and koi customers on the quality and growth performance of the feeds produced. This shows that the progress made through continued improvements in feed quality and formulations is benefitting customers and validates the efforts of the team.

### **PROSPECTS**

The focus of the business remains on delivering and unlocking the full value of a mature pipeline and achieving consistent returns, leveraging above-average growth performance while managing costs. This commitment includes efficient and cost-effective operations while managing external disruptive factors such as market instability and load-shedding. Maintaining and improving the healthy and diverse customer base across multiple geographies and new markets in North America and China will be invaluable to Abagold in the future. The business needs to continue to focus on new and existing opportunities and initiatives. The upgrading of the Bergsig farm in 2022 and the addition of the new production unit on Sulamanzi will start to benefit the business in the second half of the 2023 fiscal year.

Port Nolloth Sea Farm Ranching is delivering consistent product harvest this fiscal year. As and when there are surplus juvenile abalone to sell to Port Nolloth, the company will transact with it to continue a flow of these abalone to the ranching area.

Abagold plans to install a large-scale battery system to work in conjunction with the solar installation and the generators in order to facilitate the effective management of the unreliable energy system, and this integrated system should be operational by the beginning of June. This financial commitment aligns with the focus on evaluating all components of renewable energy, including wind, battery, solar and wave energy conversion, if possible, so as to supplement the power requirements and protect the business.

# Review of the interim results (continued)

for the six months ended 31 December 2022

It is expected that improved pricing and demand should impact the second half significantly, turning around a negative (CGFO) performance to positive in the second period. Together with an improved economic outlook in China once the country returns to normal trading and functioning, this should bode well for the overall performance of the business.

## DIVIDEND

### Declaration of dividend

In view of the uncertain times in which Abagold is currently operating, linked directly to the abalone market and the capital investment demands of the energy situation and other business requirements described in this report, the Board regrets to announce that there will be no dividend for the interim reporting period of the 2023 financial year.

Management and the Board of Abagold remain committed to enhancing shareholder value with a consistent dividend policy, but also believe that all shareholders will understand the decision in these extraordinary times.

Signed on behalf of the Board of Directors at Hermanus on 9 February 2023.



**HR van der Merwe**  
Chairman



**TR Hedges**  
Managing Director

# Condensed consolidated statement of financial position at 31 December 2022

	UNAUDITED 31 DECEMBER		AUDITED 30 JUNE	
	2022 R'000	% change	2021 R'000	2022 R'000
<b>ASSETS</b>				
<b>Non-current assets</b>	<b>303 641</b>		<b>269 878</b>	<b>285 357</b>
Property plant and equipment	197 043	10%	179 754	182 002
Biological assets	70 875	57%	45 055	59 677
Trademarks	50	(39%)	81	65
Right-of-use of asset	2 914	(8%)	3 179	2 913
Goodwill	7 979	0%	7 979	7 979
Loan receivable	1 543	1 398%	103	1 830
Equity accounted investments	23 237	(31%)	33 727	30 891
<b>Current assets</b>	<b>236 563</b>		<b>273 795</b>	<b>198 507</b>
Current portion of biological assets	180 036	(14%)	209 746	146 372
Inventories	33 183	7%	31 095	30 449
Trade and other receivables	22 815	(30%)	32 503	14 061
Cash and cash equivalents	529	17%	451	7 625
<b>Total assets</b>	<b>540 204</b>	<b>(1%)</b>	<b>543 673</b>	<b>483 864</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>	<b>299 757</b>		<b>330 095</b>	<b>289 949</b>
Share capital	21 637	-	21 637	21 637
Share premium	87 498	-	87 498	87 498
Retained earnings	191 132	(10%)	213 017	174 518
Dividends paid	(7 027)	-	-	-
Non-controlling interest	6 517	(18%)	7 943	6 296
<b>Total equity</b>	<b>299 757</b>	<b>(9%)</b>	<b>330 095</b>	<b>289 949</b>
<b>Non-current liabilities</b>	<b>163 448</b>		<b>143 811</b>	<b>132 162</b>
Deferred income tax	94 382	(5%)	98 996	85 063
Lease liability	6 828	5%	6 479	6 557
Deferred income grant	7 441	(11%)	8 340	7 891
Long-term borrowings	54 797	83%	29 996	27 583
Trade and other payables	-	-	-	5 068
<b>Current liabilities</b>	<b>76 999</b>		<b>69 767</b>	<b>61 753</b>
Current portion of deferred income grant	900	-	900	900
Current portion of long-term borrowings	6 280	160%	2 411	18 952
Current portion of lease liability	836	(22%)	1 065	1 107
Trade and other payables	37 271	26%	29 474	33 186
Derivative financial instruments	370	(95%)	7 061	7 608
Bank overdraft	31 342	9%	28 856	-
<b>Total liabilities</b>	<b>240 447</b>	<b>13%</b>	<b>213 578</b>	<b>193 915</b>
<b>Total equity and liabilities</b>	<b>540 204</b>	<b>(1%)</b>	<b>543 673</b>	<b>483 864</b>

# Condensed consolidated statement of comprehensive income

for the six months ended 31 December 2022

	UNAUDITED 31 DECEMBER			AUDITED 30 JUNE
	2022 6 months R'000	% change	2021 6 months R'000	2022 12 months R'000
Revenue	138 501	(15%)	162 225	305 014
Finance income	152		14	179
Other income	2 525	(20%)	3 148	5 292
Fair value of sold abalone	(92 617)	(15%)	(108 741)	(248 124)
Fair value (losses)/gains in financial instruments	(2 843)	(69%)	(9 183)	(11 108)
Fair value gain on biological assets	144 559	0%	143 854	207 644
Impairment of Property plant and equipment	-	-	-	(3 753)
Production costs	(39 131)	40%	(27 990)	(35 349)
Consumption of raw material	(28 316)	3%	(27 486)	(49 748)
Export cost	(13 560)	39%	(9 770)	(18 290)
Employee benefit expenses	(40 983)	4%	(39 261)	(75 700)
Depreciation and amortisation	(10 689)	40%	(7 648)	(20 391)
Other operating expenses	(18 546)	3%	(17 964)	(35 626)
<b>Profit from operations</b>	<b>39 051</b>	<b>(36%)</b>	<b>61 198</b>	<b>20 040</b>
Finance costs	(2 873)	36%	(2 108)	(5 938)
Share of loss of equity accounted investments	(9 456)	776%	(1 080)	(7 339)
<b>Profit before income tax</b>	<b>26 722</b>	<b>(54%)</b>	<b>58 010</b>	<b>6 763</b>
Income tax	(9 885)	(41%)	(16 659)	(2 045)
<b>Profit for the year from continuing operations</b>	<b>16 836</b>	<b>(59%)</b>	<b>41 351</b>	<b>4 718</b>
Other comprehensive income	-	-	-	-
<b>Profit for the period</b>	<b>16 836</b>	<b>(59%)</b>	<b>41 351</b>	<b>4 718</b>
<b>Total comprehensive income for the period:</b>				
<b>Owners of Abagold Limited</b>	<b>17 208</b>		<b>41 096</b>	<b>5 518</b>
<b>Attributable to non-controlling interest</b>	<b>(371)</b>		<b>255</b>	<b>(800)</b>
<b>Total comprehensive income for the period</b>	<b>16 836</b>	<b>(59%)</b>	<b>41 351</b>	<b>4 718</b>

## Condensed consolidated statement of changes in owners' equity for the six months ended 31 December 2022

	UNAUDITED 31 DECEMBER			AUDITED 30 JUNE
	2022 6 months R'000	% change	2021 6 months R'000	2022 12 months R'000
<b>Balance at the beginning of the period</b>	<b>289 948</b>	<b>0%</b>	<b>288 744</b>	<b>288 744</b>
Total comprehensive income for the year	17 208	(58%)	41 096	5 518
Attributable to non-controlling interest	(371)	(246%)	255	(800)
Dividends paid	(7 027)		-	(3 514)
<b>Equity at the end of the period</b>	<b>299 757</b>	<b>(9%)</b>	<b>330 095</b>	<b>289 948</b>

# Condensed consolidated statement of cash flow

for the six months ended 31 December 2022

	UNAUDITED 31 DECEMBER		AUDITED 30 JUNE	
	2022 6 months R'000	% change	2021 6 months R'000	2022 12 months R'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(16 043)</b>		<b>2 308</b>	<b>49 659</b>
Cash received from clients	132 464	(13%)	152 133	305 862
Cash paid to suppliers and employees	(157 282)	0%	(145 305)	(248 634)
<b>Cash (utilised)/generated from operations</b>	<b>(13 400)</b>	<b>(296%)</b>	<b>6 827</b>	<b>57 228</b>
Interest paid	(2 643)	(42%)	(4 520)	(7 569)
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>	<b>(28 100)</b>		<b>(24 154)</b>	<b>(45 744)</b>
Purchases of property, plant and equipment	(25 732)	154%	(10 147)	(27 955)
Proceeds from disposal of property, plant and equipment	-		-	75
Loan repaid by associate	-		-	(544)
Loan granted for enterprise development	-		-	(606)
Investment in equity accounted entities	(2 368)	(83%)	(14 007)	(16 713)
Purchases of trademarks	-		-	(1)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>5 704</b>		<b>(26 287)</b>	<b>(16 018)</b>
(Decrease)/increase in long-term borrowings	13 567	(153%)	(25 788)	50 309
Decrease in long-term borrowings	-		-	(47 813)
Repayment/advance of convertible loan	-		-	(15 000)
Lease payments	(836)		(499)	-
Dividend paid to shareholders	(7 027)		-	(3 514)
Net cash flow for the period	(38 439)	(20%)	(48 133)	(12 103)
Cash and cash equivalents – beginning of the period	7 625	(61%)	19 728	19 728
<b>Cash and cash equivalents – end of the period</b>	<b>(30 814)</b>	<b>(8%)</b>	<b>(28 405)</b>	<b>7 625</b>

# Notes to the interim results

## for the six months ended 31 December 2022

### 1. CORPORATE INFORMATION

Abagold Limited (the “Company”) is a company incorporated and domiciled in South Africa. The Company owns 70% of Specialised Aquatic Feeds (Proprietary) Limited which produces and sells formulated feeds.

### 2. ACCOUNTING POLICIES AND BASIS OF PREPARATION

#### Basis of preparation

The interim financial statements are presented in Rands, rounded off to the nearest thousand.

The financial statements are prepared in accordance with and comply with the requirements of International Financial Reporting Standards (IFRS). In addition, the financial statements comply with IAS 34 (Interim Financial Reporting) and relevant sections of the South African Companies Act of 2008, as amended. The accounting policies and basis of presentation have been applied consistently with the previous period.

Interim condensed financial statements do not include all the information and the disclosures required in the audited annual financial statements, and should be read in conjunction with the Company’s audited annual financial statements as at 30 June 2022. The 30 June 2022 figures are included for ease of reference and comparison.

#### Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company’s annual financial statements for the year ended 30 June 2022.

### 3. EARNINGS PER SHARE

	UNAUDITED 31 DECEMBER		AUDITED 30 JUNE
	2022 R'000	2021 R'000	2022 R'000
<b>Basic earnings – profit/(loss) attributable to ordinary shareholders</b>	<b>16 836</b>	<b>41 351</b>	<b>4 718</b>
Interest saving on conversion of convertible loan	-	739	-
<b>Diluted earnings – profit/(loss) attributable to ordinary shareholders</b>	<b>16 836</b>	<b>42 090</b>	<b>4 718</b>
<b>Weighted average number of ordinary shares (in thousands)</b>	<b>140 548</b>	<b>140 548</b>	<b>140 548</b>
Potential shares on conversion of loan (in thousands)	-	7 187	-
<b>Weighted number of diluted ordinary shares (in thousands)</b>	<b>140 548</b>	<b>147 735</b>	<b>140 548</b>
<b>Basic earnings – profit per share (in cents per share)</b>	<b>11,98</b>	<b>29,42</b>	<b>3,36</b>
<b>Diluted earnings – profit per share (in cents per share)</b>	<b>11,98</b>	<b>28,49</b>	<b>3,36</b>

Note: In the prior year the convertible loan was settled in full, which was 7 months before the scheduled maturity date.

There are no instruments in issue that could have a dilutive effect and therefore the diluted earnings per share equals the earnings per share.

There are no material adjustments to earnings required in determining the headline earnings and therefore the headline earnings per share equals the basic earnings per share.

### 4. SIGNIFICANT POST BALANCE SHEET EVENTS

There were no significant post balance sheet events.

