



## FINANCIAL RESULTS 2015



# SUIDWES 2015

Reports available on website:

Corporate Management Report

Sustainability Report

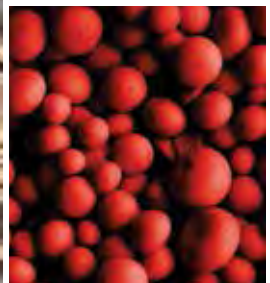
Administrative information

[www.suidwes.co.za](http://www.suidwes.co.za)

# CONTENTS

## CONTENTS

Five Year Financial Overview .....	1
Chairman's Report .....	3
Managing Director's Report .....	5
Consolidated and Separate Income Statement .....	9
Consolidated and Separate Statement of Comprehensive Income .....	10
Consolidated and Separate Statement of Financial Position .....	11
Separate Statement of Change in Equity .....	12
Consolidated Statement of Change in Equity .....	13
Consolidated and Separate Cash Flow Statement .....	14
Segment Information .....	15
Photo: Directors .....	17
Photo: Executive Management .....	18



# SUIDWES HOLDINGS (RF) PROPRIETARY LIMITED

## FIVE YEAR FINANCIAL OVERVIEW

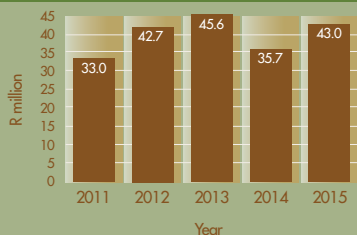
	2015 R ' 000	2014 R ' 000	2013 R ' 000	2012 R ' 000	2011 R ' 000
<b>INCOME STATEMENT</b>					
Revenue	2,848,836	2,887,304	1,895,377	2,047,995	1,600,261
<b>Operating profit</b>	<b>138,069</b>	<b>98,708</b>	<b>167,836</b>	<b>140,539</b>	<b>111,238</b>
Finance costs	(36,908)	(38,935)	(43,592)	(34,547)	(31,115)
<b>Profit after finance costs</b>	<b>101,161</b>	<b>59,773</b>	<b>124,244</b>	<b>105,992</b>	<b>80,123</b>
Income from equity accounted investments	(5,166)	6,250	7,960	6,482	8,006
Loss on sale of assets of disposal group classified as held for sale	(91)	-	-	-	-
<b>Profit before tax and Incentive Rebates</b>	<b>95,904</b>	<b>66,023</b>	<b>132,204</b>	<b>112,474</b>	<b>88,129</b>
<b>Net incentive rebates</b>	<b>(35,778)</b>	<b>(13,931)</b>	<b>(34,500)</b>	-	-
Gross incentive rebates	(49,888)	(18,218)	(41,791)	-	-
Fair value discounting	14,110	4,287	7,291	-	-
<b>Profit before tax after Incentive Rebates</b>	<b>60,126</b>	<b>52,092</b>	<b>97,704</b>	<b>112,474</b>	<b>88,129</b>
Tax	(15,760)	(7,863)	(13,620)	(29,522)	(22,610)
<b>Profit for the year</b>	<b>44,366</b>	<b>44,229</b>	<b>84,084</b>	<b>82,952</b>	<b>65,519</b>
Attributable to:					
Shareholders of parent	43,050	35,690	45,665	42,622	33,005
Non-controlling interest	1,316	8,539	38,419	40,330	32,514
	<b>44,366</b>	<b>44,229</b>	<b>84,084</b>	<b>82,952</b>	<b>65,519</b>
<b>STATEMENT OF FINANCIAL POSITION</b>					
Ordinary shareholders' interest	493,406	456,631	318,767	273,101	243,973
Non-controlling interest in equity	13,915	2,712	300,761	263,055	231,155
<b>Total equity</b>	<b>507,321</b>	<b>459,343</b>	<b>619,528</b>	<b>536,156</b>	<b>475,128</b>
Total liabilities	1,163,266	761,753	1,626,868	1,031,349	842,716
<b>Total assets</b>	<b>1,670,587</b>	<b>1,221,096</b>	<b>2,246,396</b>	<b>1,567,505</b>	<b>1,317,844</b>
<b>RATIOS</b>					
Equity to total assets	30,40%	37,60%	27,60%	34,20%	36,10%
Interest-bearing liabilities to total assets	38,80%	23,10%	49,20%	49,20%	38,20%
Interest-free liabilities to total assets	30,80%	39,30%	23,20%	16,60%	25,70%
	<b>100,00%</b>	<b>100,00%</b>	<b>100,00%</b>	<b>100,00%</b>	<b>100,00%</b>
<b>Earnings on ordinary shareholders' interest</b>	<b>20,4%</b>	<b>16,9%</b>	<b>32,0%</b>	<b>17,5%</b>	<b>14,6%</b>
<b>Return on assets before Incentive rebates</b>	<b>5,7%</b>	<b>5,4%</b>	<b>5,9%</b>	<b>7,2%</b>	<b>6,7%</b>
<b>Earnings per share (cents)</b>	<b>71,5</b>	<b>58,8</b>	<b>65,6</b>	<b>68,9</b>	<b>54,5</b>
Dividends per share (cents) - interim	10,00	10,00	-	15,00	13,00
Dividends per share (cents) - final	-	-	-	-	-
Total dividends per share (cents)	10,00	10,00	0,00	15,00	13,00
<b>Net asset value per share (cents)</b>	<b>842,7</b>	<b>763,0</b>	<b>516,7</b>	<b>449,9</b>	<b>390,4</b>
<b>Interest cover (times)</b>	<b>3,7</b>	<b>2,5</b>	<b>3,9</b>	<b>4,1</b>	<b>3,6</b>
<b>Dividend cover (times)</b>	<b>7,2</b>	<b>6,0</b>	<b>-</b>	<b>4,7</b>	<b>4,2</b>



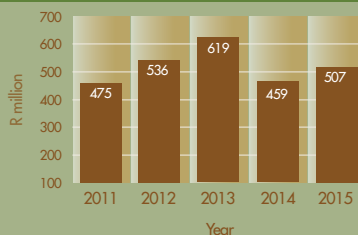
# SUIDWES HOLDINGS (RF) PROPRIETARY LIMITED

## FIVE YEAR FINANCIAL OVERVIEW (CONTINUED)

Profit attributable to shareholders of the Parent Company



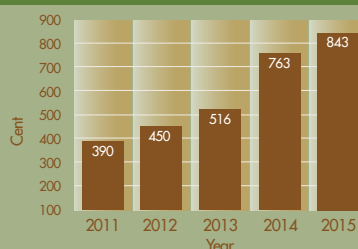
Total equity



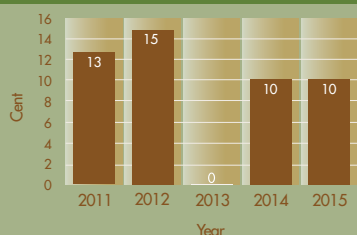
Earnings per share



Net asset value per share



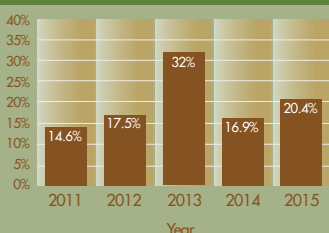
Dividends per share



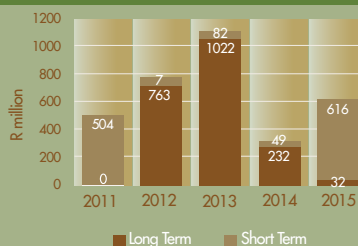
Equity to total assets



Earnings on ordinary shareholders' interest



Interest bearing loans



## CHAIRMAN'S REPORT



PS Vercueil  
Chairman

The landscape to which we had been accustomed in South Africa was changed irrevocably over the last 12 months by populist headlines, such as 'economic freedom', 'a better life for all', and 'land for the landless'. Encouraged by political declarations, this led to unrealistic expectations that culminated into unrealistic wage demands, protests about service delivery and illegal land occupations.

In particular, agriculture was identified as one of the industries that should receive attention, mainly because land ownership is such an emotional matter amongst the general voting public. It was subsequently not unexpected that the political campaign against agriculture intensified. However, the suggestion that 50% of land be given to workers and the setting of land ceilings

were not anticipated.

These two suggestions are not practicable, as they directly contradict all economic principles and trends. In order to farm sustainably, economies of scale must be pursued. Limiting the size of, or dividing productive units, will suppress growth, lead to uneconomical units and cause a decline in productivity. Eventually, it will lead to disinvestment in agriculture, which will have negative consequences for the national provision of food in both the medium and long term.

Agricultural businesses agree that transformation will take place, but that it must be economically achievable. Sustainable production practices are of the utmost importance. The government is not, however, succeeding in providing the necessary support to the new farmers who are the beneficiaries of farms obtained under the land-reform plan. There is no doubt that clear and well-founded land reform initiatives can only work if farmers and agricultural businesses become involved in these plans.

Organised agriculture has already, through its structures, presented the government with alternative proposals to implement transformation in a meaningful and economically sustainable manner. Suidwes is represented on all these structures and will, where necessary, apply its influence to achieve a workable solution for its shareholders, clients and staff. However, farmers must exhibit solidarity and support their leaders regarding the suggestions that are under discussion. Devising a plan that will work, over the long term, is in the

interest of us all.

The above-mentioned matters will also promote business cooperation and agriculture is likely to experience further mergers and acquisitions. The entry of local and international companies who want to invest in agriculture, presents excellent opportunities for agricultural companies that want to position themselves to utilise these opportunities.

The Suidwes Group's diversification strategy is on course and the company is in the process of expanding its footprint across the country and Africa in a responsible manner.

The Incentive Scheme for bona fide farmers has been in operation for three years and is welcomed widely, especially by young farmers who don't own shares in any agricultural company.

As a result of the Group's good financial results, the rebate to clients improved by 174%, to R50m this year.

The Group also paid a dividend of 10c per share.

The board of directors of the Suidwes Group considers the principles of good corporate management, as set out in the King III report, to be a priority. To this end, the Suidwes Group has independent directors and it is Group policy that the subsidiaries of the Group are managed independently. Agrinet is therefore structured as an independent company with an independent board of directors and management team. Three independent

directors form the majority of the board of directors, with Dr David Mabunda as the chairperson.

The continuing drought over the area served by Suidwes has started to take its toll on our clients and a lack of reserve moisture in the soil is cause for concern in the coming season. However, Suidwes is on record as supporting its clients by providing drought-relief and debt-restructuring packages as far as possible. We can only pray and trust that the area will be blessed by early spring rain, in order for us to look forward to a normal season.

I wish to take this opportunity to thank my co-directors, the executive management, staff and clients of the company for their cooperation over the past year. Furthermore, I wish to honour Him, the giver of all things.



PS Vercueil  
Chairman of the board of directors  
8 July 2015

## MANAGING DIRECTOR'S REPORT



LJ Smit  
Managing Director

Despite challenging 12 months, Suidwes Group achieved its best-ever profit by closing the year with a profit, before tax and the Incentive Scheme rebate, of R110m. This is 56.5% higher than the previous year.

What makes this achievement remarkable is the fact that the Suidwes area has been subjected to challenging climate conditions for the past four years, in that it only received about two thirds of the long-term average rainfall. Despite the dry season during the year of this report, a timely weather system gave rise to a harvest of about 1.8 million tons of grain and oil seeds in Suidwes' traditional operational area. Of this, about 1.2 million tons were received, stored and marketed by Suidwes.

The higher intake and the company's growth and diversification strategy were the most

important reasons for the improvement in the results. It led to the Incentive Scheme rebate improving this year, by 174% from the previous year, to R50m. Together with the dividend of 10c per share, it means that the Group provided its shareholders and clients with value amounting to R55,911m during the period under review – at a time that the region had an urgent need for this injection.

### Grain

In the past financial year the Grain division's profit before tax amounted to R85,785m, compared to R25,332m for the previous year. The improvement in the 2014/2015 financial result was due to the higher realised income from the storage and handling of grain and the marketing of the purchased grain stock to buyers. The higher than expected maize harvests in the area served by Suidwes had a positive impact on the financial results of the division's handling and storage section, compared to the previous year, given the greater volume of grain that was received and stored and the longer storage period, by both sellers and buyers of the grain.

Furthermore, the profitability of the division's Marketing department and the Brokerage was positively affected by the rise in commodity prices in the market. This was the result of the artificial shortage that resulted from producers holding back grain and the higher volume of intra-month transactions, which realised higher than expected gross margins. The greater focus on marketing the grain to buyers led to 90,34% of the total purchased grain of Africum Commodities being sold directly to buyers, while only 9,66% was supplied to SAFEX. The rebate structure regarding remuneration for handling clients' grain contributed further to extending the market share of the division.



## Financing

The factoring of debtors to the Land Bank enabled Suidwes to increase the size of its financing business to three times its volume and to achieve a record profit in this department. The revolving credit product enables Suidwes to compete with the overdraft facilities offered by commercial banks and, for the first time, large independent farmers are acquiring their financing directly from Suidwes. The main benefit is that it provides access to a client that did not usually conduct business with Suidwes, to whom all the other services and products can be offered.

The financing division realised a profit of R30,239m, which is about 41% above budget and 95% better than the previous financial year. Before the factoring of the debtors' book to the Land Bank (refer to the 2012/2013 financial year) the division realised a profit of about R24,905m – 21% less than the past financial year.

In addition to lowering the division's credit risk, the Land Bank transaction places this division in a position to make a bigger contribution to the profitability of the Suidwes Group as a whole.

Suidwesfin Proprietary Limited (Raddix Wealth Proprietary Limited) closed the year with a record profit of R3,128m. This is not only 65% above budget, but also represents growth of 48% year on year.

## Retail

The first half of the financial year proceeded smoothly for the Retail division, but the drought in the middle of summer had a negative effect on the business, because

producers started buying conservatively. In general, however, it was a much more favourable year for the Retail business, and investment in upgrading the branches and expansion of the ranges started producing positive results, with a 25% increase in store sales. The better season and access to the Triomf agency lead to a 22% increase in store sales. This improved the margin composition of the business considerably, leading to the improved results along with several cost-saving initiatives.


The retail business closed the year with a profit of R7,261m, compared to a loss of R10,165m in the previous financial year. The focus was on marketing, including such successful initiatives as the Young Farmers' day, Emerging Farmers' day, Ladies' Club, and GameX for game farmers.

Because the present drought will have a negative effect on producers' harvests, management expects that the year ahead will be challenging. Good progress has been made to diversify the income stream and this should reduce Suidwes' total dependence on agriculture.

The establishment of a low-cost marketing model in the Mpumalanga area has started to contribute to the division's profits. The possibility of expanding similar models is under investigation.

## Mechanisation

Mechanisation experienced another difficult year and though the performance of the division improved a great deal from the previous year, it still closed the year on a loss. The effect of the drought was to limit activities relating to the sale of tractors and equipment. Sales of workshop services, along with repairs to equipment, did not



perform as well as expected either.

The turnover of the division was 11.2% weaker than the previous year, but by reducing operating expenses by a further 20.9%, a much smaller loss than the previous year can be reported. However, New Holland agents are experiencing challenging times everywhere, and several areas have been given up by struggling dealers. No businesses are available to fill these gaps.

Urgent action is required by the principal to enable the dealers to operate profitably and protect the market share of New Holland agricultural equipment in South Africa.

### **Sudan Project**

The project, involving the Middle Eastern company Jenaan Investments and Suidwes, is in its second year. In spite of the foreign conditions and unique challenges, it is a great success. More than 80,000 ha has been established under irrigation infrastructure by Jenaan, while Terratek International, with the aid of precision farming, manages the farming operation.

The company has already been established as a well-known and respected brand in the Middle East and it was recently approached by other companies to render services. If everything proceeds according to plan, the business in Sudan and Egypt will expand dramatically over the next 12 months.

### **Triomf Trading**

The business did not perform to expectations this year, mainly because of increasing price competition. In addition to the 50% share in Triomf Trading, Suidwes also owns the largest agency of Triomf in the North West

and Mpumalanga provinces and western Free State.

Incorporating Triomf Trading into Triomf Fertilizer is currently considered. This should shorten the chain slightly and lead to a price benefit and Suidwes will still have access to the brand via the agency.

### **NviroTek Laboratories**

Despite a challenging market environment, characterised by increased competition and continuing negative sentiments in the grain business, the company performed well. During the past year NviroTek established a strategic priority by purchasing and equipping new premises.

The operating profit of 28% is better than that of the previous year. The laboratory business grew in areas beyond traditional soil analyses for dry-land grain cultivation. A greater turnover, as well as savings, particularly on staff costs, raised the operating profit for the laboratory to 141% of the budgeted amount.

In order to maintain a competitive advantage, international methods for quantifying soil health was verified, so that it can be offered as a supplementary service to producers. Furthermore, methods to provide services to the environmental industry were implemented, thereby reducing exposure to the present markets.

### **Marketing**

A focused marketing action, involving sponsorship of the first sports teams of about 20 schools in Suidwes' traditional operational area and donation of purchase vouchers to schools, was received positively by the community. This long term sponsorship

ensures that all schools receive the same benefit in a coordinated manner.

When the new financial year commenced agricultural conditions were poor and the macro economic environment negative. The soil profile in our operational area was bone dry and farmers will have to receive good rain at the right time if they are to sow. Early indications are that a strong El Nino, which would prevail deep into 2016, is developing. If this comes to pass, the prospects are not good. Another poor season will cause serious risk for many debtors, as their ability to service their debt has already proven to be problematic.

The general economy is not performing well. Social and political unrest, regular load shedding and a weak Rand pushed consumer confidence down to a 14-year low in the second quarter.

Considering the factors listed above, we expect a very difficult year.

The conservative approach that has been in place the past three years, will be maintained by a moratorium on new appointments and cost cutting. Strict cost management will be applied as a priority in all divisions and subsidiaries.

People are the heartbeat of the business and therefore I thank all the shareholders, clients, directors, managers and staff who were involved, in one way or another, in the success of Suidwes.



LJ Smit  
Managing Director and  
Group Executive Officer  
8 July 2015

# SUIDWES HOLDINGS (RF) PROPRIETARY LIMITED

## CONSOLIDATED AND SEPARATE INCOME STATEMENT

**For the year ended 30 April 2015**

	Group		Company	
	2015 R'000	2014 R'000	2015 R'000	2014 R'000
<b>Revenue</b>	<b>2,848,836</b>	<b>2,887,304</b>	<b>10,169</b>	<b>7,800</b>
Sales	2,588,119	2,655,586	-	-
Cost of sales	(2,143,645)	(2,254,612)	-	-
<b>Gross profit</b>	<b>444,474</b>	<b>400,974</b>	-	-
Other operating income	217,702	167,604	2,961	502
Investment income	43,015	64,114	7,208	7,298
Operating expenses	(567,122)	(533,984)	(5,886)	(3,475)
<b>Operating profit</b>	<b>138,069</b>	<b>98,708</b>	<b>4,283</b>	<b>4,325</b>
Finance cost	(36,908)	(38,935)	(768)	(194)
Loss on sale of assets of disposal classified as held for sale	(91)	-	-	-
<b>Profit after finance cost</b>	<b>101,070</b>	<b>59,773</b>	<b>3,515</b>	<b>4,131</b>
Income from equity accounted investments	(5,166)	6,250	-	-
<b>Profit before tax and Incentive Rebates</b>	<b>95,904</b>	<b>66,023</b>	<b>3,515</b>	<b>4,131</b>
<b>Net incentive rebates</b>	<b>(35,778)</b>	<b>(13,931)</b>	<b>14,110</b>	<b>4,287</b>
Gross incentive rebates	(49,888)	(18,218)	-	-
Fair value discounting	14,110	4,287	14,110	4,287
<b>Profit before tax after Incentive Rebates</b>	<b>60,126</b>	<b>52,092</b>	<b>17,625</b>	<b>8,418</b>
Tax	(15,760)	(7,863)	(1,985)	(201)
<b>Profit for the year</b>	<b>44,366</b>	<b>44,229</b>	<b>15,640</b>	<b>8,217</b>
<b>Attributable to:</b>				
Owners of parent	43,050	35,690	15,640	8,217
Non-controlling interest	1,316	8,539	-	-
	<b>44,366</b>	<b>44,229</b>	<b>15,640</b>	<b>8,217</b>
<b>Earnings per share attributable to the equity shareholders of parent</b>				
Basic and diluted earnings per share - cents	71,50	58,82	25,18	13,54
<b>Dividends per share</b>				
Interim - cents	10,00	10,00	10,00	10,00
Final - cents	-	-	-	-



# SUIDWES HOLDINGS (RF) PROPRIETARY LIMITED

## CONSOLIDATED AND SEPARATE STATEMENT OF COMPREHENSIVE INCOME

**For the year ended 30 April 2015**

	Group		Company	
	2015 R'000	2014 R'000	2015 R'000	2014 R'000
<b>Profit for the year</b>	<b>44,366</b>	<b>44,229</b>	<b>15,640</b>	<b>8,217</b>
<b>Other comprehensive income</b>				
Fair value adjustment for the year on available-for-sale financial assets	-	-	22,102	111,502
<b>Other comprehensive income net of tax</b>	<b>-</b>	<b>-</b>	<b>22,102</b>	<b>111,502</b>
<b>Total comprehensive income for the year</b>	<b>44,366</b>	<b>44,229</b>	<b>37,742</b>	<b>119,719</b>
<b>Attributable to:</b>				
Owners of parent	43,050	35,690	37,742	119,719
Non-controlling interest	1,316	8,539	-	-
	<b>44,366</b>	<b>44,229</b>	<b>37,742</b>	<b>119,719</b>

# SUIDWES HOLDINGS (RF) PROPRIETARY LIMITED

## CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION

**As at 30 April 2015**

	Group		Company	
	2015 R'000	2014 R'000	2015 R'000	2014 R'000
<b>ASSETS</b>				
<b>Non-current assets</b>	<b>465,945</b>	<b>430,387</b>	<b>478,402</b>	<b>450,666</b>
Property, plant and equipment	333,890	321,920	63	-
Intangible assets	22,499	21,953	-	-
Investments in subsidiaries	-	-	476,570	449,401
Investments in joint venture	26,791	15,203	-	-
Investments in associated companies	5,626	6,149	-	-
Other financial assets	35,423	8,987	-	-
Instalment sale financing and loans	13,425	23,964	-	-
Trade receivables financed by banks	2,805	4,148	-	-
Deferred tax assets	25,486	28,063	1,769	1,265
<b>Current Assets</b>	<b>1,204,642</b>	<b>787,768</b>	<b>38,125</b>	<b>17,181</b>
Inventories	467,710	414,044	-	-
Trade and other receivables	265,474	234,213	20,055	6,066
Current loans to group entities	-	-	12	5,038
Other financial assets	88,379	34,494	-	-
Trade receivables financed by banks	663	2,050	-	-
Current income tax assets	5,391	5,326	-	-
Instalment sale financing and loans	10,900	8,838	-	-
Cash and cash equivalents	366,125	88,803	18,058	6,077
Assets of disposal group classified as held for sale	-	2,941	-	-
<b>Total Assets</b>	<b>1,670,587</b>	<b>1,221,096</b>	<b>516,527</b>	<b>467,847</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
<b>Equity attributable to owners of the parent</b>				
Share capital	602	602	602	602
Share premium	50,327	50,264	50,329	50,329
Reserves	15	15	326,941	304,839
Retained earnings	442,462	405,750	26,692	17,075
<b>Ordinary shareholders' interest</b>	<b>493,406</b>	<b>456,631</b>	<b>404,564</b>	<b>372,845</b>
Non-controlling interest	13,915	2,712	-	-
<b>Total equity</b>	<b>507,321</b>	<b>459,343</b>	<b>404,564</b>	<b>372,845</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>	<b>141,662</b>	<b>314,481</b>	<b>108,047</b>	<b>90,990</b>
Other financial liabilities	78,689	245,920	11,539	4,920
Finance lease obligation	5,740	9,172	-	-
Deferred tax liabilities	40,617	39,762	93,626	86,070
Provisions	13,859	15,479	2,882	-
Borrowings from banks to finance trade receivables	2,757	4,148	-	-
<b>Current liabilities</b>	<b>1,021,604</b>	<b>447,272</b>	<b>3,916</b>	<b>4,012</b>
Current loans from group entities	-	-	206	-
Other financial liabilities	648,190	119,931	-	-
Current income tax liabilities	-	713	-	745
Finance lease obligation	2,919	3,193	-	-
Trade and other payables	329,279	279,910	-	2
Provisions	31,322	15,592	3,094	3,094
Shareholders for dividends	8,803	15,739	616	171
Borrowings from banks to finance trade receivables	1,091	2,761	-	-
Bank overdraft	-	9,433	-	-
<b>Total liabilities</b>	<b>1,163,266</b>	<b>761,753</b>	<b>111,963</b>	<b>95,002</b>
<b>Total equity and liabilities</b>	<b>1,670,587</b>	<b>1,221,096</b>	<b>516,527</b>	<b>467,847</b>

# SUIDWES HOLDINGS (RF) PROPRIETARY LIMITED

## SEPARATE STATEMENT OF CHANGE IN EQUITY

<b>For the year ended 30 April 2015</b>	<b>Share capital</b>	<b>Pref- erence shares</b>	<b>Share premium</b>	<b>Total Share capital</b>	<b>Re- valuation reserve</b>	<b>Retained earnings</b>	<b>Total</b>	<b>Noncon- trolling interest</b>	<b>Total equity</b>
	<b>R '000</b>	<b>R '000</b>	<b>R '000</b>	<b>R '000</b>	<b>R '000</b>	<b>R '000</b>	<b>R '000</b>	<b>R '000</b>	<b>R '000</b>
<b>Balance as at 1 May 2013 previously reported</b>	607	-	51,358	51,965	193,337	9,751	255,053	-	255,053
Prior year error	-	-	-	-	-	5,130	5,130	-	5,130
<b>Balance as at 1 May 2013 restated</b>	607	-	51,358	51,965	193,337	14,881	260,183	-	260,183
<b>Comprehensive income</b>	-	-	-	-	-	8,217	8,217	-	8,217
Profit for the year	-	-	-	-	-	8,217	8,217	-	8,217
<b>Other comprehensive income</b>	-	-	-	-	111,502	-	111,502	-	111,502
Fair value adjustment on available-for-sale assets	-	-	-	-	111,502	-	111,502	-	111,502
<b>Transactions with owners</b>	(5)	11,175	(1,029)	10,141	-	(6,023)	4,118	-	4,118
Issue of shares	4	11,175	942	12,121	-	-	12,121	-	12,121
Purchase of own/ treasury shares	(9)	-	(1,971)	(1,980)	-	-	(1,980)	-	(1,980)
Dividends paid	-	-	-	-	-	(6,023)	(6,023)	-	(6,023)
<b>Total contributions by and distribution to owners</b>	(5)	11,175	(1,029)	10,141	-	(6,023)	4,118	-	4,118
Prior year error	-	(11,175)	-	(11,175)	-	-	(11,175)	-	(11,175)
<b>Balance as at 1 May 2014 restated</b>	602	-	50,329	50,931	304,839	17,075	372,845	-	372,845
<b>Comprehensive income</b>	-	-	-	-	-	15,640	15,640	-	15,640
Profit for the year	-	-	-	-	-	15,640	15,640	-	15,640
<b>Other comprehensive income</b>	-	-	-	-	22,102	-	22,102	-	22,102
Fair value adjustment on available-for-sale assets	-	-	-	-	22,102	-	22,102	-	22,102
<b>Transactions with owners</b>	-	-	-	-	-	(6,023)	(6,023)	-	(6,023)
Dividends paid	-	-	-	-	-	(6,023)	(6,023)	-	(6,023)
<b>Total contributions by and distribution to owners</b>	-	-	-	-	-	(6,023)	-	-	-
<b>Balance as at 30 April 2015</b>	602	-	50,329	50,931	326,941	26,692	404,564	-	404,564

# SUIDWES HOLDINGS (RF) PROPRIETARY LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 April 2015	Share capital	Preference shares	Share premium	Total Share capital	Revaluation reserve	Retained earnings	Total	Noncontrolling interest	Total equity
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
<b>Balance as at 1 May 2013 previously reported</b>	607	-	51,265	51 872	8	261,757	313,637	300,761	614,398
Prior year error	-	-	-	-	-	5,130	5,130	-	5,130
<b>Balance as at 1 May 2013 restated</b>	607	-	51,265	51 872	8	266,887	318,767	300,761	619,528
<b>Comprehensive income</b>	-	-	-	-	-	35,690	35,690	8,539	44,229
Profit for the year	-	-	-	-	-	35,690	35,690	8,539	44,229
<b>Transactions with owners</b>	(5)	11,175	(1 001)	10 169	7	103,173	113,349	(306,588)	(193,239)
Issue of shares	4	11,175	942	12 121	-	-	12,121	-	12,121
Purchase of own/ treasury shares	(9)	-	(1,971)	(1 980)	-	-	(1,980)	(197,386)	(199,366)
Shares obtained and cancelled	-	-	28	28	-	-	28	-	28
Changes in ownership	-	-	-	-	7	109,195	109,202	(109,202)	-
Dividends paid	-	-	-	-	-	(6,022)	(6,022)	-	(6,022)
<b>Total contributions by and distribution to owners</b>	(5)	11,175	(1,001)	10 169	7	103,173	113,349	(306,588)	(193,239)
<b>Balance as at 1 May 2014 previously reported</b>	602	11,175	50,264	62 041	15	405,750	467,806	2,712	470,518
Prior year error	-	(11,175)	-	(11,175)	-	-	(11,175)	-	(11,175)
<b>Balance as at 1 May 2014 restated</b>	602	-	50,264	50,866	15	405,750	456,631	2,712	459,343
<b>Comprehensive income</b>	-	-	-	-	-	43,050	43,050	1,316	44,366
Profit for the year	-	-	-	-	-	43,050	43,050	1,316	44,366
<b>Transactions with owners</b>	-	-	63	63	-	(6,338)	(6,275)	9,887	3,612
Issue of shares	-	-	-	-	-	-	-	9,720	9,720
Purchase of own/ treasury shares	-	-	-	-	-	-	-	-	-
Shares obtained and cancelled	-	-	63	63	-	(63)	-	-	-
Changes in ownership	-	-	-	-	-	(245)	(245)	167	(78)
Dividends paid	-	-	-	-	-	(6,030)	(6,030)	-	(6,030)
<b>Total contributions by and distribution to owners</b>	-	-	63	63	-	6,338	(6,275)	9,887	3,612
<b>Balance as at 30 April 2015</b>	602	-	50,327	50,929	15	442,462	493,406	13,915	507,321



# SUIDWES HOLDINGS (RF) PROPRIETARY LIMITED

## CONSOLIDATED AND SEPARATE CASH FLOW STATEMENT

For the year ended 30 April 2015

	Groep		Maatskappy	
	2015 R'000	2014 R'000	2015 R'000	2014 R'000
<b>Cash flows generated from/(utilised in) operating activities</b>	<b>35,651</b>	<b>(82,401)</b>	<b>(8,331)</b>	<b>790</b>
Cash flows generated from/(utilised in) operations	38,965	(89,552)	(14,027)	(7,060)
Interest received	43,010	64,110	1,132	1,222
Dividends received	4	4	6,077	6,077
Interest paid	(36,063)	(37,950)	(768)	(194)
Cash flows generated from assets of disposal group classified as held for sale	2,850	(43)	-	-
Tax received/(paid)	(13,115)	(18,970)	(745)	745
<b>Cash flows generated from/(utilised in) investing activities</b>	<b>(121,651)</b>	<b>9,767</b>	<b>5,163</b>	<b>(4,327)</b>
Purchase of property, plant and equipment	(37,831)	(38,801)	(68)	-
Proceeds on sale of property, plant and equipment	5,990	3,804	-	-
Capitalisation of intangible assets	(846)	(100)	-	-
Movement in equity accounted investments	(991)	-	-	-
Proceeds on sale of investments	4,905	91,504	-	-
Purchase of other financial assets	(80,258)	(25,585)	-	-
Movement in trade receivables financed by banks	2,731	(6,198)	-	-
Increase in long-term loans granted	-	(464)	-	-
Loans granted to equity accounted investments	(15,351)	(14,393)	-	-
Decrease/(Increase) in loans to Group companies	-	-	5,025	(4,327)
Increase in loans from Group companies	-	-	206	-
<b>Cash flows generated from/(utilised in) financing activities</b>	<b>372,755</b>	<b>142,383</b>	<b>15,149</b>	<b>9,614</b>
Purchase of own/treasury shares	-	(198,422)	(1)	(1,034)
Issue of shares	9,720	-	-	-
(Increase)/Decrease in other financial liabilities	375,136	(738,110)	20,728	16,500
Decrease in instalment sale financing	8,476	1,065,885	-	-
Increase/(Decrease) in finance lease obligation	(4,550)	3,517	-	-
Increase/(Decrease) in borrowings from banks to finance trade receivables	(3,061)	6,909	-	-
Increase/(Decrease) in shareholders for dividends	(12,966)	2,604	(5,578)	(5,852)
<b>Total cash movement for the year</b>	<b>286,755</b>	<b>69,749</b>	<b>11,981</b>	<b>6,077</b>
Cash and cash equivalents - beginning of the year	79,370	9,621	6,077	-
<b>Cash and cash equivalents - end of the year</b>	<b>366,125</b>	<b>79,370</b>	<b>18,058</b>	<b>6,077</b>

## **SUIDWES HOLDINGS (RF) PROPRIETARY LIMITED**

### **SEGMENT INFORMATION**

The operating segments are determined on the basis of reports and information evaluated by the executive committee, which is responsible for strategic decision making. The committee evaluates the business from a product and services perspective.

The executive committee evaluates the achievements of the operating segments on the basis of profit before tax. Some overhead costs are not allocated to the segments because these costs are managed on a centralised basis.

The amounts provided to the executive committee with respect to assets are measured in accordance with the financial statements. Assets are allocated to segments based on the different operations.

Investments in equity, which are classified as financial assets available for sale, are deemed part of the Financing and Investments segment.

The amounts provided to the executive committee with respect to total liabilities are measured in a manner consistent with the financial statements. These liabilities are allocated to segments according to the different activities.

An analysis of the revenue of each segment is as follows:

#### **Grain**

Income received from the handling and storage of agricultural products and the total revenue of grain sold, including commission earned for grain marketing.

#### **Retail**

Sales at the retail outlets, direct sales and farming inputs and general commercial merchandise, agricultural machinery and equipment, parts and repair services.

Wholesale sales by Agrinet and Triomf Trading.

#### **Financing and investments**

Credit extension to farmers and grain buyers. This income includes commission received from an insurance broker service to the short-term, long-term and crop insurance market, as well as income from investment activities.

#### **Technology**

Agricultural services, information technology, laboratory and network services.

#### **Corporate**

Head Office services, human resources, secretarial services, corporate marketing, internal audit and directors.

The extent of intersegmental sales is insignificant in relation to total sales and is therefore not disclosed separately. An analysis of geographical segments is not provided, because the geographical distribution (as defined in terms of IFRS) is not significant.

The segment information provided to the executive committee with regard to the operating segments, is as follows:

**For the year  
ended  
30 April 2015**

	Grain	Retail	Finance and Invest- ments	Techno- logy	Corporate	Consolidation	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Revenue	268,051	2,503,679	86,536	50,149	212,064	(271,643)	2,848,836
Finance cost	(10,370)	(23,311)	(9,356)	(508)	(40,398)	47,035	(36,908)
Depreciation and impairment	(6,043)	(11,852)	(131)	(1,974)	(2,421)	-	(22,421)
Amortisation	-	(16)	-	(107)	(3)	-	(126)
Income from equity accounted investments	-	(4,996)	(274)	104	-	-	(5,166)
Profit/(loss) before tax	85,786	(185)	56,839	7,501	(89,815)	-	60,126
Total assets	269,085	861,442	(155,451)	32,487	1,683,802	(1,020,778)	1,670,587
Total liabilities	(146,407)	(645,208)	(118,110)	(13,728)	(348,354)	108,541	(1,163,266)
Capital expenditure	4,170	12,072	355	13,110	8,158	(34)	37,831

**For the year  
ended  
30 April 2014**

	Grain	Retail	Finance and Invest- ments	Techno- logy	Corporate	Consolidation	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Revenue	134,931	2,667,950	100,609	59,839	70,990	(147,015)	2,887,304
Finance cost	(9,595)	(28,983)	(28,253)	(838)	(28,148)	56,882	(38,935)
Depreciation and impairment	(5,376)	(12,268)	(174)	(2,024)	(3,050)	-	(22,892)
Amortisation	-	(224)	-	(1,762)	-	-	(1,986)
Income from equity accounted investments	-	7,182	(1,027)	95	-	-	6,250
Profit/(loss) before tax	25,330	(4,113)	56,868	3,630	(29,623)	-	52,092
Total assets	251,802	720,677	144,637	16,322	1,484,874	(1,397,216)	1,221,096
Total liabilities	(198,448)	(527,193)	(97,064)	(15,565)	(419,108)	495,625	(761,753)
Capital expenditure	7,550	21,609	1,138	1,910	6,594	-	38,801



- 1 Mr LJ Smit (Managing Director / Group CEO)
  - 2 Mr FE Marx
  - 3 Mr GL Malherbe
  - 4 Mr JJ Viljoen (Deputy Chairperson)
  - 5 Mr G Potgieter (Financial Director / Group CFO)
  - 6 Mr JJ le Roux
  - 7 Mr PS Vercueil (Chairperson of the board)
  - 8 Mr PF Delport (Chairperson of the Social, Ethics and Remuneration Committee)
  - 9 Ms B Mathews (Chairperson of the Audit, Risk and IT Committee)
- Mr JHT Delport absent from photo





1  
2  
3  
4  
5  
6

- 1 Mr LJ Smit (Managing Director / Group CEO)
- 2 Mr PJM Nelissen (Group COO and CEO: Retail)
- 3 Mr G Potgieter (Financial Director / Group CFO)
- 4 Mr M Ehlers (CEO: Financing)
- 5 Mr D Linde (Group Secretary / Group CLO)
- 6 Mr AJ S Jordaan (CEO: Grain)

# SUNDWESI