



The African Seed Company

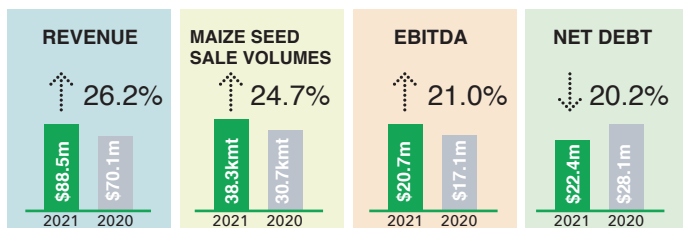


**SEED CO INTERNATIONAL LIMITED ABRIDGED GROUP AUDITED RESULTS
FOR THE YEAR ENDED 31 MARCH 2021**

THE HOME OF BUMPER HARVESTS



It starts with the right seed

HIGHLIGHTS

ABRIDGED GROUP INCOME STATEMENT

	Audited year ended	
	Mar 2021	Mar 2020*
	US\$m	US\$m
Continuing operations		
Revenue	88.5	70.1
Cost of sales	(44.8)	(35.8)
Gross profit	43.8	34.3
Other income	1.9	6.1
Operating expenses	(27.6)	(26.6)
Operating profit	18.1	13.9
Net finance costs	(2.5)	(2.9)
Share of loss from associate & JVs	(0.3)	(0.5)
Profit before tax from continuing operations	15.3	10.4
Income tax expense	(4.0)	(3.1)
Profit after tax from continuing operations	11.3	7.4
Discontinued operations		
Loss from discontinued operations	(0.2)	(1.3)
Profit for the year	11.1	6.1
BEPS - cents	2.85	1.63
DEPS - cents	2.85	1.63
restated*		

ABRIDGED GROUP STATEMENT OF OTHER COMPREHENSIVE INCOME

	Audited year ended	
	Mar 2021	Mar 2020
	US\$m	US\$m
Profit for the year	11.1	6.1
Exchange differences	(6.8)	(16.3)
Revaluation net of tax	6.2	1.2
Total comprehensive income/(loss) for the year	10.5	(9.0)

ABRIDGED GROUP STATEMENT OF CHANGES IN EQUITY

	Audited year ended	
	Mar 2021	Mar 2020
	US\$m	US\$m
Opening shareholders' equity	73.0	82.6
Profit for the year	11.1	6.1
Other comprehensive income/(loss)	(0.6)	(15.1)
Share based payments	0.3	0.4
Non-controlling interest	-	0.4
Dividend paid	(0.0)	(1.4)
Closing shareholders' equity	83.7	73.0

ABRIDGED GROUP STATEMENT OF FINANCIAL POSITION

	Audited as at	
	Mar 2021	Mar 2020
	US\$m	US\$m
Assets	137.2	127.7
Property, plant & equipment (PPE)	39.6	36.5
Intangible assets	5.1	5.3
Right-of-use assets	0.9	1.0
Investments in associate & JVs	4.8	1.1
Deferred tax asset	0.6	0.8
Inventories and biological assets	18.1	19.9
Receivables	58.3	52.0
Cash and cash equivalents	9.8	11.0
Equity and liabilities	137.2	127.7
Shareholders' equity	83.7	73.0
Loans and borrowings	32.2	39.1
Lease liabilities	0.9	1.1
Deferred tax liability	3.1	2.1
Payables and provisions	17.3	12.4

ABRIDGED GROUP STATEMENT OF CASH FLOWS

	Audited year ended	
	Mar 2021	Mar 2020
	US\$m	US\$m
Operating activities	14.7	8.9
Profit before tax	14.7	8.9
continuing operations	15.3	10.4
discontinued operations	(0.6)	(1.5)
Reconciling items to net cash flows	7.1	7.5
Working capital changes	(5.2)	(19.9)
Tax paid	(3.4)	(1.8)
Operating cash flows	13.2	(5.2)
Investing activities		
PPE disposal proceeds	0.3	0.4
Subsidiaries' disposal proceeds	0.7	-
Associates' disposal proceeds	-	0.0
Purchase of PPE	(3.5)	(7.4)
Investments in JVs	(2.4)	(0.7)
Discontinued operations	(0.0)	-
Interest received	0.4	0.6
Investing cash flows	(4.4)	(7.1)
Financing activities		
Non-controlling interest	-	0.4
Proceeds from borrowings	12.9	18.6
Repayments of borrowings	(19.2)	(13.0)
Repayment of lease liabilities	(0.5)	(0.5)
Dividend paid	(0.0)	(1.4)
Interest paid	(2.9)	(3.4)
Financing cash flows	(9.8)	0.6
Net cash flows during the year	(1.1)	(11.6)
Exchange rate changes effects	(0.1)	(1.8)
Opening cash and cash equivalents	11.0	24.5
Closing cash and cash equivalents	9.8	11.0

SUPPLEMENTARY INFORMATION

1. Corporate information

Seed Co International Limited is a Company which is incorporated and domiciled in Botswana and listed on the Botswana Stock Exchange (BSE) and the Victoria Falls Stock Exchange (VFEX). The Company has subsidiaries, an associate and joint ventures located in Botswana, Democratic Republic of Congo (DRC), Ghana, Kenya, Malawi, Mozambique, Nigeria, Rwanda, South Africa, Tanzania, and Zambia. Its operations in Angola, Ethiopia and parts of West Africa are at a developmental stage.

2. Basis of preparation

The basis of preparation of these financial statements is International Financial Reporting Standards (IFRS).

3. Accounting policies

The principal accounting policies of the Group have been consistently followed in all material respects from prior year.

	Audited year ended	
	Mar 2021	Mar 2020
	US\$'m	US\$'m
4. Capital expenditure (CAPEX)	3.5	7.4
5. Depreciation & amortisation	2.6	3.2
6. Commitments for CAPEX	4.8	7.9
7. Contingent liabilities	0.2	0.2

8. Directorate

Messrs N. Armstrong and S. Ruwisi retired from the Board during the year and were replaced by R. de Wet and K. Moswela.

9. Dividend

The Board recommended a dividend of 0.97 cents/share payable in cash or scrip.

10. Audit opinion

The Group auditors, Ernst & Young issued an unqualified opinion on the on the Group's annual financial statements which is available for inspection at the Company's registered office.

11. Approval of financial statements

The underlying financial statements from which this abridged set was extracted were approved by the Board on 10 June 2021 and duly signed by the Chairman and Chief Executive Officer (CEO) on its behalf.



D. E. B. Long
Chairman
29 June 2021



M. Nzwere
CEO
29 June 2021

COMMENTARY

Overview

The financial year under review was marked by the advent and rapid spread of COVID-19 both globally and regionally. Thankfully, the Group was spared the worst effects of the pandemic due to its essential business status as an agricultural entity in its multiple jurisdictions. The Group's selling season witnessed above average rainfall across most countries which drove seed demand together with firm maize commodity prices and stakeholders' support towards food security in the wake of the pandemic.

Financial performance

Strong sales volume and revenue growth was achieved due to heightened seed demand on the back of favourable weather conditions; attractive maize grain prices and government, quasi-government and non-government food security initiatives.

Gross margin remained unchanged while other income declined significantly as the massive exchange gains recorded in prior year did not recur. Overheads rose because of distribution costs linked to the growing sales.

The Group's much improved cash generation resulted in a reduction in borrowings and associated finance costs. Associate and joint venture' contribution remained negative mainly attributable to product shortages.

The Group's profit performance improved markedly spurred by robust revenue growth and interest cost savings.

Financial position

Non-current assets increased due to CAPEX focused on future rental cost savings and enhancing seed production efficiencies as well as capitalisation of an associate. Receivables grew on account of increased sales though at a much slower rate due to impressive collections. Included in receivables is \$17.1m due from related parties of which \$7.5m was settled post year end. The Group's gearing ratio declined due to the aforementioned borrowings reduction.

Outlook

Food security is expected to remain high on the agenda as long as the pandemic endures. However, the regional bumper harvest expected from the ongoing harvest season may weaken maize grain prices though the potential impact on next season's seed demand is still unknown.

By Order of the Board



E. M. Kalaote
Company Secretary
29 June 2021



The African Seed Company

SEED CO INTERNATIONAL LIMITED

(A public company incorporated in Botswana under company unique identification number BW0000 2529282)