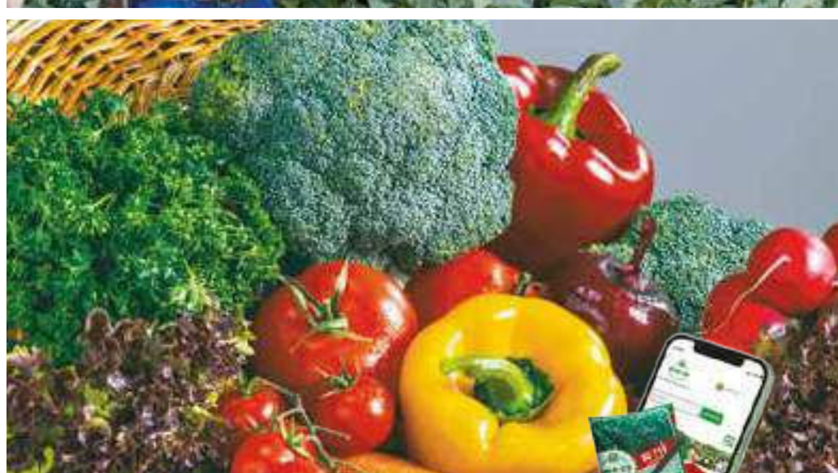
SEED CO INTERNATIONAL LIMITED

2023 ANNUAL REPORT



THE HOME OF BUMPER HARVESTS

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Performance Highlights

Strategic Review

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Farmers' favourite!

SEED CO'S new climate smart maize varieties

Farewell Chairman of the African Seed Company

Great strides for Research and development on drought resistant maize varieties

Seed Co Malawi opens new shop

A good day of golf with the GCEO

"Just like in building the African Seed Company, the most important shot in golf is the next one."

Seed Co Tomato Variety - Jackpot F1

SEED CO MILESTONES

Seed Co International, one of Africa's leading certified seed companies, was founded in Botswana on July 7, 2000. The Company is an associate of Seed Co Limited, a company founded in 1940 and resident in Zimbabwe. On August 9, 2018, Seed Co Limited's shareholders approved the partial split and separate listing of Seed Co International with Seed Co Limited retaining an associate stake in the Company. Seed Co has grown on the African continent by breeding, producing, and marketing hybrid field and vegetable crop seeds. The Group runs the largest single out-grower scheme in the seed business and has one of the most extensive networks of farmers, infrastructure, resources, geographical reach, and know-how in Africa.

1940 Seed Maize Association (SMA) is founded

1949 Rattray and Arnold produce the first hybrid for sale

1957 The Crop Seed Association (CSA) formed

1960 SR52 (1st commercial hybrid) released

1970 Rattray Arnold Research station purchased

1983 CSA & SMA merged to form Seed Co-operative

1991 Kadoma Research Station was acquired

1996 The Group is listed on the Zimbabwe Stock Exchange

1997 Acquisition of Semoc – Mozambique

1998 Seed Co Zambia established

2000 Seed Co Malawi established

2002 Seed Co Kenya established

2004 Quton acquired

2010 Seed Co Tanzania established

2015 The successful conclusion of an equity partnership with Limagrain

2018 Unbundling & Separate listing of Seed Co International

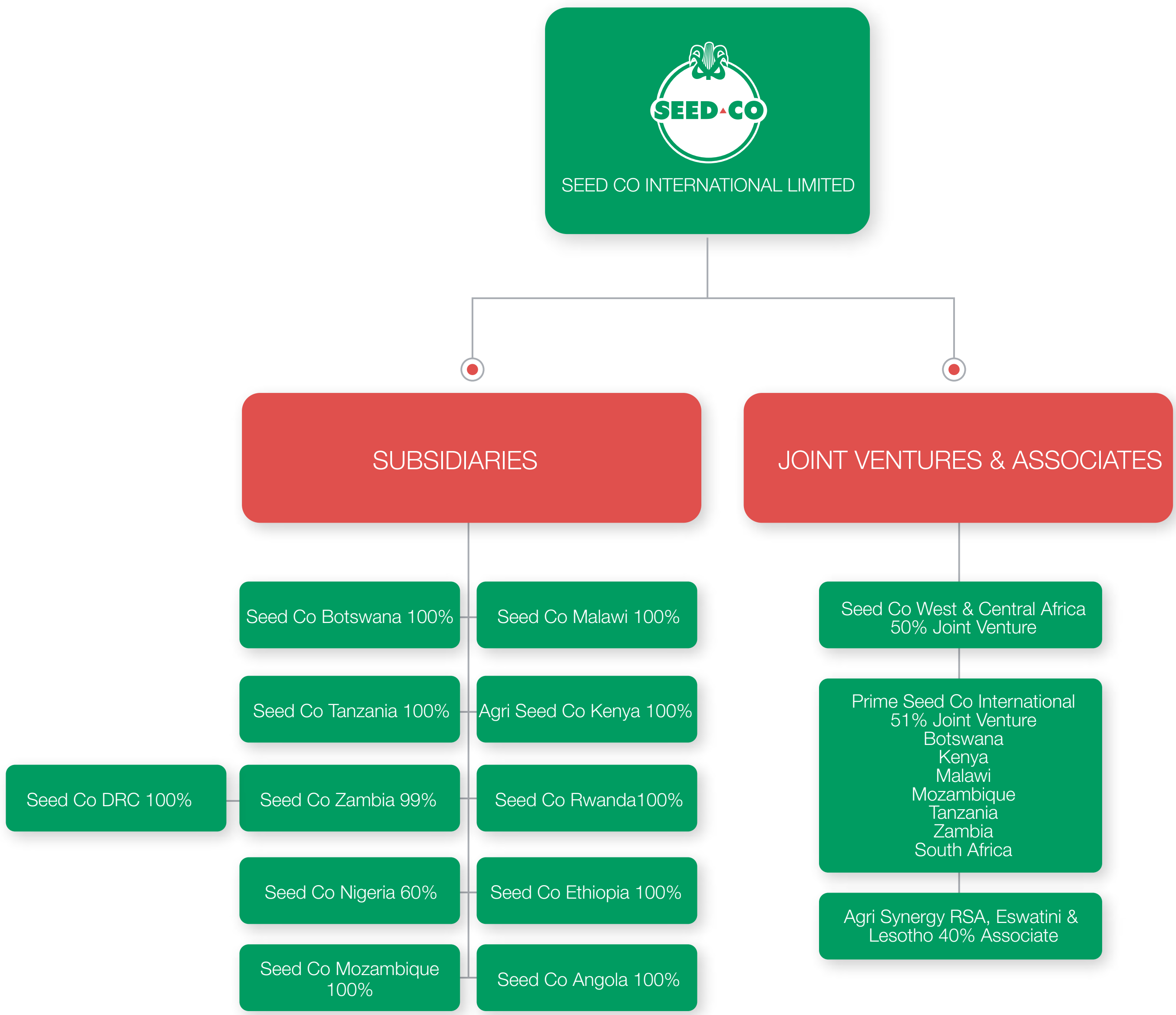
2020 Alliance Seeds acquisition in South Africa

2022 US$13 million maize seed conditioning plant commissioned in Zimbabwe

Seed Co Tomato Variety - PIETRAROSSA F1

SEED CO INTERNATIONAL LIMITED AT GLANCE

Seed Co is the leading certified seed Group authorised to market seed varieties developed by itself ("proprietary intellectual property"), and other associated seed breeders ("licensed intellectual property") in over fifteen (15) African countries. The Group is involved in the breeding, multiplication and distribution of hybrid maize and vegetable seeds as well as open-pollinated varieties of cereal crops such as soya beans, sorghum, wheat, beans, sugar beans, cowpeas, sorghum, groundnuts, and vegetables.



Prime Seed Co International is a 50% joint venture specialising in vegetable seeds offering profitable solutions to horticulture farmers – currently operating in 7 countries.

Seed Co West & Central is a 50% joint venture specialising in field crop seeds targeting the Francophone West Africa zone and some parts of Central Africa.

Group Ownership
Seed Co International Limited is a public listed company with primary listing on the Botswana Stock Exchange (BSE) and secondary listing on the Victoria Falls Stock Exchange (VFEX). Significant shareholding is held by Vilmorin & Cie (32.36%), Seed Co Limited (27.48%) and the rest by various shareholders. There is no single individual or entity with ultimate control over the company.

Seed Co Tomato Variety - OASIS F1

OUR BRANDS

We produce and market a wide variety of maize, cereal crop, and vegetable seeds.

300 Series

400 Series

500 Series

600 Series

700 Series

OUR PRODUCTS

Hybrid maize

Soyabean

Wheat

Sorghum

Groundnuts

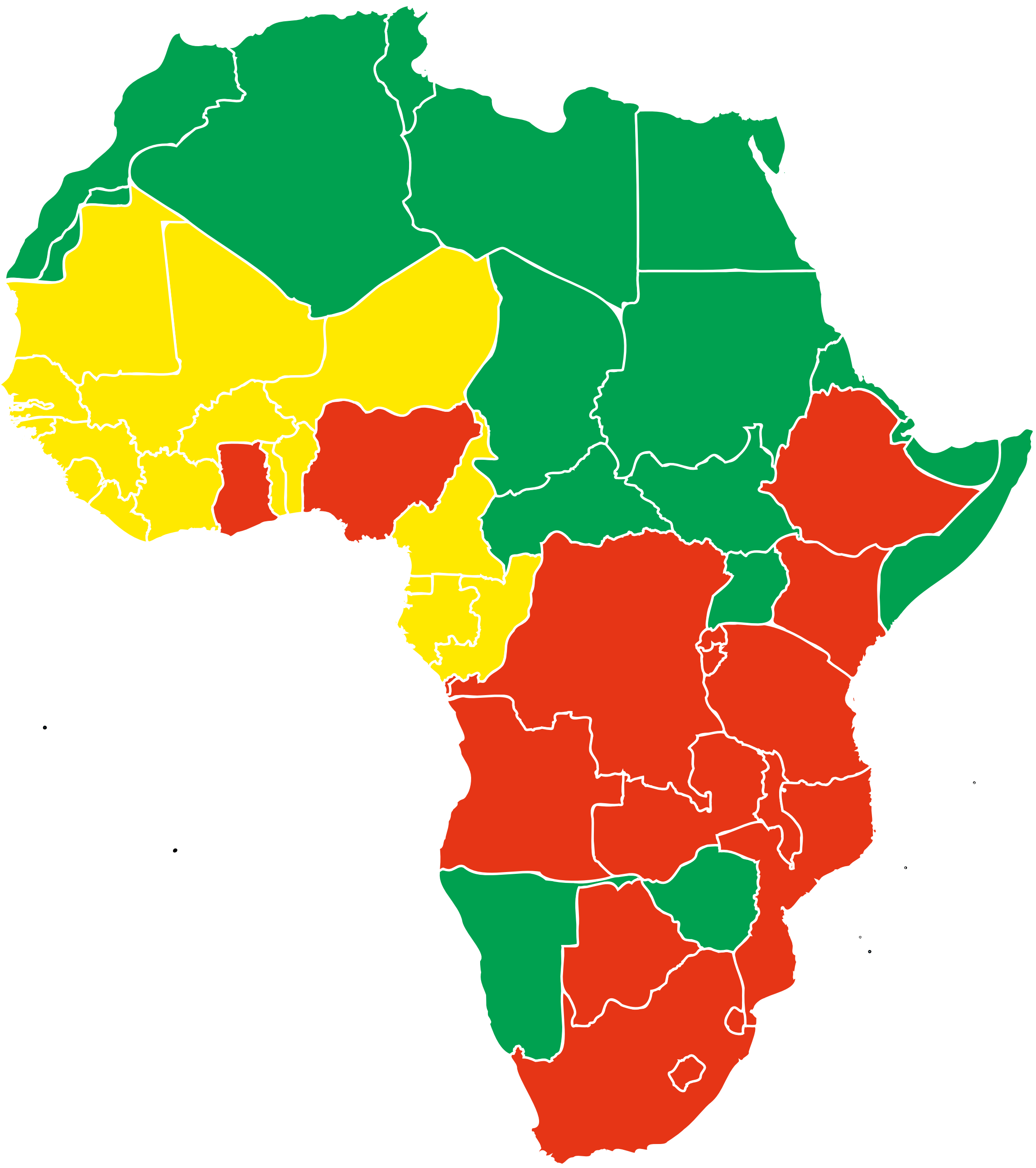
Vegetables

Cotton

Rice

OUR FOOTPRINT

Seed Co International Limited operates and manages growers, warehouses, research stations and depots all over Africa.



Key

Seed Co International Limited countries of operation

Seed Co West & Central Africa Joint Venture countries of operation

CORPORATE MEMBERSHIPS AND CERTIFICATIONS

Memberships

Botswana

Business Botswana.

Kenya

Seed Traders Association of Kenya - STAK.

Cereals Growers Association of Kenya.

Tanzania

Seed Traders Association of Tanzania.

Malawi

Seed Trade Association of Malawi

Zambia

Zambia Institute of Marketing.

Africa Seed Traders Association.

Association of Manufacturers.

Seed Traders Association of Zambia.

National Farmers Union.

Rain Forestry Association.

Corporate Awards

Zambia

Best Compliance Company – Tax.

Best Customer Service organisation of the Year.

Seed Co Tomato Variety - CHIBLI F1

BUSINESS VALUE CHAIN

OVERVIEW

Our teams in our areas of operation combine their local knowledge with our assets and expertise in tailoring solutions that create value for farmers. Seed Co owns and controls 100% of research and development, quality control, product development and processing. The business partners local farmers for production and local retailers for distribution. The Group also supervises the entire production stage to ensure the certification standards and the purity of the seed is maintained. Seed Co is fully responsible and liable to regulators for the quality of the seed and its reputation is always at stake.

Research & Development

Germplasm creation.
Varietal development.
Basic seed production.
(99-100% genetic purity)
Variety maintenance.
Variety purification.

Without the intellectual property developed by R&D there is no seed and there is no Seed Co.

Quality Control

Genetic Purity.Soil emergence test.Vigour tests.Germination tests.Defects tests.Moisture tests.Pathology examinations. Pre and post processing quality tests.In trade quality tests.

To guarantee the certification seal and assure farmers get seeds that perform to the certification standards.

Product Development

Agronomy services Farmer engagement.Promoting use of improved seeds.Best farming practices information sharing. Demonstration plots.Field days.

Raising awareness and educating farmers on hybrid varieties.

Production

In partnership with Growers. Multiplication of seed (ploughing, planting and care and harvesting.

Parent seed is supplied every season by Seed Co and dedicated Agronomists/Seed Inspectors are assigned to growers.

Pure parent seed and technical assistance is provided to contracted growers to produce certified seeds.

Manufacturing/Processing

Seed conditioning,
Seed cleaning.
Seed grading.
Seed treatment.
Seed packaging.

No seed is processed if it does not meet minimum quality standards.

Distribution

Seed placement with agro dealers, retailers, cooperative etc.

No seed is delivered to distributors if it does not meet minimum quality standards.

Stakeholders

Farmers, communities, employees, shareholders, Government departments, statutory and independent regulatory bodies, agriculture colleges & other agricultural focussed development partners.

Collaborating with stakeholders to promote use of improved certified seeds.

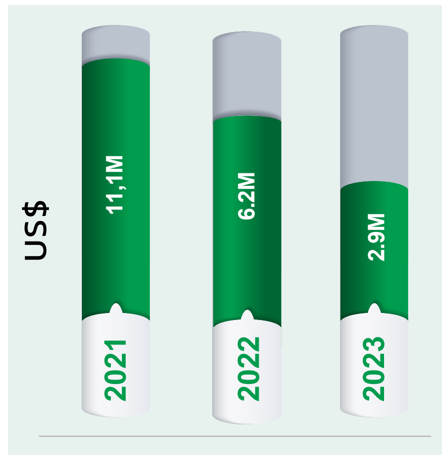
Seed Co Tomato Variety - ALAMBRA F1

PERFORMANCE HIGHLIGHTS

FINANCIAL HIGHLIGHTS

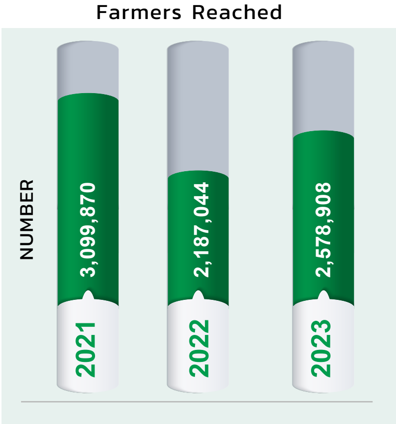
Revenue

Profit After Tax

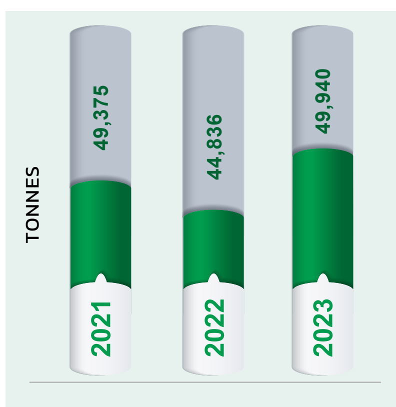


OPERATIONAL HIGHLIGHTS

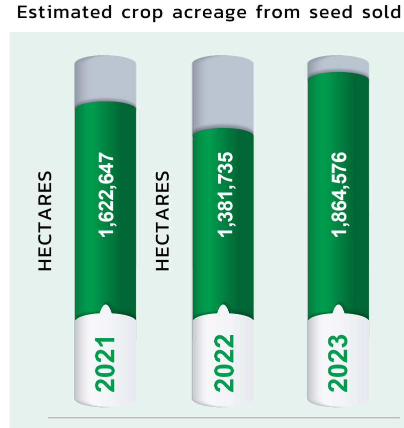
Farmers Reached



Seeds Sold



Estimated crop acreage from seed sold



SUSTAINABILITY HIGHLIGHTS

	Units	2021	2022	2023
Municipal Water	Cubic metres	7,472	7,920	10,976
Electricity)	kWh	38,595	40,323	36,850

Seed Co Onion Variety - ELAD

Chairman's Letter

> I extend my heartfelt appreciation to our esteemed staff, dedicated management team, and board members for their resolute commitment to the organization, even in the face of numerous external challenges.

We are conscious of the impact our hybrids have on the ecosystem as well as the sustainability of the agricultural value chain.

Dear Stakeholders

On behalf of the Board, I am honoured to present to all our stakeholders the results of the Group for the year ended 31 March 2023 ("FY23"). This has been a challenging year for the Group contending with the effects of climate change and economic difficulties in most or our regional markets. The war in Ukraine continued to fuel global and regional inflation, currency devaluations and rising interest rates as authorities try to rein in inflation. The aggregated result was contracted Group profitability despite a commendable demonstration of brand resilience that delivered volume and turnover growth against all odds.

Operating Environment

Debt crises and climate change compounded by imported global inflation continue to militate against economic stability and progress in our various markets. Markets like Kenya, Malawi, Nigeria, and Zambia saw their currencies weakening significantly during the past year. The direct impact to our business has been production challenges in East Africa and Southern Africa due to drought and incidences of flooding, respectively. In addition, currency fluctuations resulted in pricing difficulties and unmitigable exchange losses given the low-income profile of most of our customers, the smallholder farmers.

We are, however, seeing the dividends of our investment over the years in our brand and intellectual property as farmers and development partners continue to trust and prefer our climate-smart seed solutions.

Financial Performance

Group turnover at $103.5m was 17% above prior year ($88.5m) benefitting from increased volumes in Tanzania, Kenya, and Zambia which helped to neutralise the effects of decreased volumes in Mozambique and Nigeria. The Group achieved a $5.7m PBT and $2.9m PAT for the year and these were 40% and 50% lower, respectively. This was mainly because of a $6m negative swing in foreign currency movements that resulted in $4.5m exchange losses compared to $2.5m exchange gains last year. Reduced profitability also impacted the Group's financial position as measured by equity declining by 10% and the net debt level weakening to 31% of equity from 23% at prior year closing.

Production and Quality

In the face of climate change, the Group leveraged its multi-geography and country production hubs to ensure adequate seed was available for sale during the year. Markets like Kenya that were impacted by drought were adequately supplied by sister business units in other countries. The Group proactively plans its production relying on weather forecasts, diverse production hubs and consistently incorporates contingent stocks in production planning helping to avoid shortages.

In response to the growing demand for our products, we are ramping up our investments in production, processing, and quality assurance capacity across the Group, with particular focus in Tanzania.

Research and Development

I am pleased to report that our commercial and upcoming products maintained strong performance in field trials across various crop species. Numerous varieties spanning different crops were registered at national levels and subsequently added onto SA and COMESA regional catalogues.

As part of showcasing and providing agronomic advice to our farmers, the Group conducted several field days with remarkable success. We value these interfaces and direct feedback moments with our key stakeholder, the farmer. Testimony to our customer centric and solution-oriented breeding thrust, our existing and upcoming products continue to receive preference on the market and positive reviews.

We continue to tap into our rich genetic bank built over the years to meticulously make combinations in our breeding programs to come up with the finest seed solutions that are affordable, drought resistant and tolerant to emerging diseases as well as pests.

Seed Co Cabbage Variety - RED SKY F1

Business Development

Business development work is continuing in the new frontier markets of Angola, DRC, Ethiopia, Mozambique, and Nigeria as well as Francophone West and Central Africa regions. Security concerns are, however, delaying progress in establishing and growing business in these new territories, but we remain committed and buoyed by the untapped opportunities.

Prospects

The global landscape continues to be marked by supply shocks and imported inflation, compounded by a range of economic complexities that persist across our regional markets, posing considerable challenges to our business on a regional scale. It is crucial to acknowledge that the demand for food exhibits relative income inelasticity, rendering the demand for agricultural products less susceptible to economic slowdowns.

We maintain our belief that governments and development partners will uphold their commitment to prioritizing primary food production as a countermeasure against the adverse repercussions of economic hardships. Primary food self-sufficiency is at the core of both our strategic and sustainable objectives as a business, and we are always ready to play a pivotal role in the endeavour to achieve this goal that helps to improve livelihoods and catalyse other economic activities.

While early regional weather projections for the upcoming season might not be encouraging, the Group possesses a diverse array of sub-normal and drought-resistant seed varieties, well-equipped to satisfy market demands as shaped by weather developments.

We wish to point out to our stakeholders that Seed Co's pivotal position at the inception of the food supply chain within Africa positions the Group to capitalize on the elevated investment emphasis directed toward the continent's agriculture sector, which seeks to cater to the escalating needs of both the regional and global populace. This focus on primary food production in Africa is driven by a medley of factors, including evolving demographic trends, diminishing arable land worldwide, and the all-encompassing influence of climate change.

Responsible and sustainable business

The Group has a strong and deliberate approach to the management of economic, environmental, social and governance (ESG) impacts and opportunities to deliver sustainable value to our stakeholders. Great attention is being paid towards resource conservation, carbon footprint, biodiversity conservation, and overall adverse climate change mitigation.

Furthermore, in our commitment as conscientious members of society, we firmly uphold the notion of creating enduring and constructive impacts by fostering the growth and empowerment of our communities, thereby promoting sustainable development. We are resolute in our approach to addressing prevalent challenges by means of corporate social investments strategically devised to alleviate socio-economic disparities within our communities. During the year under review, our business continued to contribute positively to the following socio-economic activities:

- Improved food security;
- Enhanced agricultural productivity;
- Empowering the contracted growers of our seed;
- Knowledge sharing and capacity building;
- Employment generation and empowerment of local communities; and
- Fiscal revenue generation by being a responsible and compliant corporate citizen in all our markets.

Human Capital

The Group has consistently embraced an ethos centred on our human capital resource, our employees. We are committed to attracting and retaining the best talent as we are cognisant that the best and satisfied talent is the bedrock of our science-based business. To this end, various enticing incentives have been put into action, encompassing subsidized housing initiatives, educational advancement programmes, and comprehensive well-being initiatives for our employees.. To preserve invaluable institutional knowledge while ensuring business continuity and the infusion of new ideas, a comprehensive succession planning framework has been established, encompassing internships and graduate training initiatives.

Appreciations

I extend my heartfelt appreciation to our esteemed staff, dedicated management team, and board members for their resolute commitment to the organization, even in the face of numerous external challenges. It is through your invaluable efforts that the business has maintained a steadfast path of growth. My gratitude also extends to our external partners including farmers, governments, development collaborators, and our shareholders. Your trust and support have been instrumental in our mission to provide accessible and advantageous seed solutions to every farmer on our beloved continent.

Colleagues and stakeholders, this year my tenure as your chairman is coming to an end as I am preparing to retire during the upcoming AGM, marking the culmination of a fulfilling chapter. The past year has served as my swansong. Reflecting on the journey I have shared with Seed Co, I am struck by the challenges, invigorating experiences, and deep fulfilment that have enriched every step. Leading and collaborating with what I believe to be an unparalleled team in the seed sector, both within Africa and on a global scale, has been a unique privilege. This path has been a humbling one, where my role as a Non-Executive Director and subsequently as Non-Executive Chairman has allowed me to make what I hope have been meaningful contributions to the Group's expansion and progress across Africa.

I hold my fellow Board members in the highest regard for their exceptional partnership throughout this journey. As I depart, my earnest desire is for the Group to uphold and embody our core principle – "The African Seed Company" – as it embarks on strategic mission to strengthen and extend its presence, serving the needs of every farmer across the African continent.

D.E.B. Long
Chairman

Seed Co Cabbage Variety - DAPHNE SAVOY F1

Chief Executive Officer's Review

Morgan Nzwere
Group Chief Executive

> "it is heartening to note that the business achieved commendable performances in all territories.
>
> The African Seed Company mantra has played out well with work being done across the continent with promising results."

Overview

The Group experienced mixed fortunes during the past financial year highlighted by record sales volume and turnover but reduced profitability after contending with the following headwinds:

- Drought in East Africa for the second year running;
- Delayed rains and flooding in Malawi, Mozambique, and Zambia;
- Mid-season drought in Botswana;
- Foreign currency shortages in most regional markets
- Significant exchange losses in Nigeria, Kenya, Malawi, and Zambia;
- Delayed, reduced, and reconfigured Government input programs in Malawi and Zambia; and
- Rising input and finance costs fuelled by the adverse effects of the war in Ukraine.

Group Financial Review

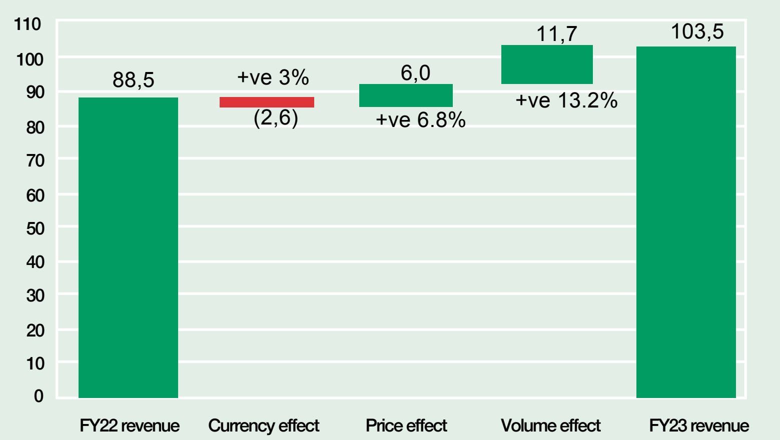
Income Statement

Revenue

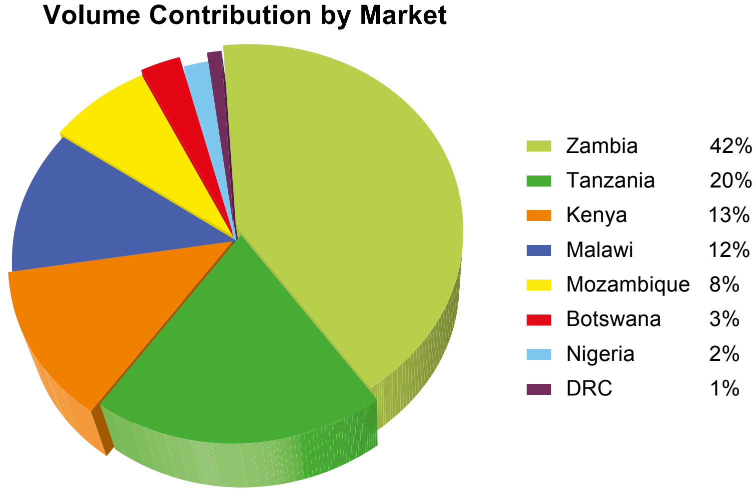
Stellar revenue and volume performance was achieved in most markets, and this is testament of the Group's strong brand, high-performing products, and significant business development investment over the years. Group turnover increased by 17% to $103.5m driven by 11% growth in volumes sold.

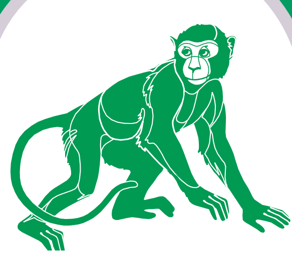
Value tracking price adjustments sensitive to depleted affordability capacity of smallholder farmers also helped turnover growth though this was not adequate to cushion the Group against exchange losses.

SCI FY22-FY23 revenue evolution [US$'M]



Volume Contribution by Market





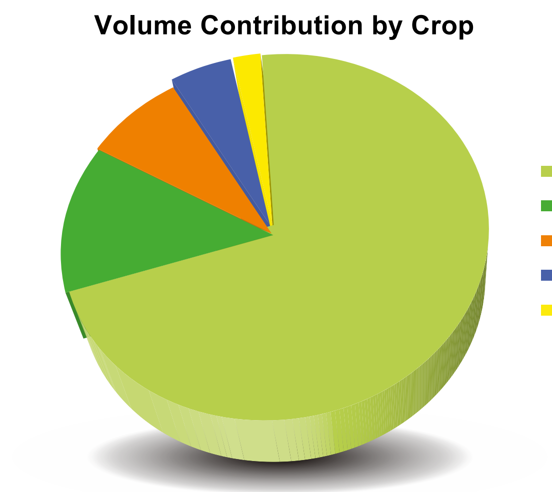
Maize hybrids SC419, SC555, SC657, SC659 and SC665 commercialised

Seed Co Pepper Variety - HERCULES F1

CHIEF EXECUTIVE OFFICER'S REVIEW

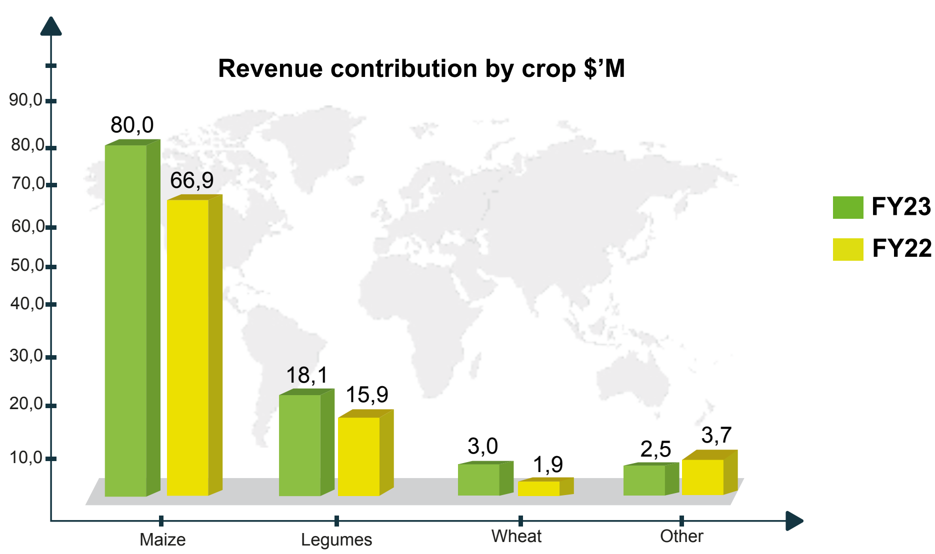
Zambia; followed by Tanzania contributed the most volume driven by local market recovery and the continuation of the growth trajectory respectively. In terms of volumes growth, Tanzania, Zambia, and Kenya led the upside while Malawi, Nigeria, Mozambique, and Botswana registered declines.

The chart below shows the revenue contribution by crop:



Commendable volume growth was achieved in maize, wheat, and soya growth while cowpeas, beans and groundnuts declined.

Revenue contribution by crop is depicted by the chart below:



In line with volume contribution, maize with 20% turnover growth contributed the most revenue followed by legumes whose turnover increased by 14%. Wheat which is currently only being sold in Zambia ranked 3rd in revenue contribution despite achieving the highest growth in both volume (59%) and turnover (56%).

Other income

Net exchange impact reversed $6m into negative driven by exchange losses mainly in Kenya, Malawi, Nigeria, and Zambia contributing to the overall negative other income of $2.5m compared to prior year positive contribution of $4.9m.

Operating expenses

Overheads increased by 6% in line with business growth in East Africa as well as business development in Mozambique.

Seed Co Pepper Variety - SPRINGBOK F1

CHIEF EXECUTIVE OFFICER'S REVIEW

Finance Costs

Net finance costs increased by $0.7m compared to prior year due to rising local interest rates and the prolonged funding of delayed government debt settlement.

Joint Venture & Associate Operations

Associate and joint venture's loss contribution increased largely on account of exchange losses across all entities, restructuring costs in the vegetable JV, reduced business in the West & Central Africa JV, and margin shrinkage in the South African associate.

Profit for the year

Overall, Group profit after tax declined 60% to $2.9m. Profitability was adversely impacted by huge exchange losses, pressure on margins as the gross profit margin eased from 45% to 44.4%, inflation and business growth induced increase in overheads, increased loss contribution by joint ventures and the associate and the increase in finance costs.

GROUP FINANCIAL POSITION

Property, plant, and equipment

Non-current assets decreased due to translation losses caused by depreciating regional currencies despite spending $4.2m in capital expenditure.

Inventories and biological assets

The carrying value and volume of inventory increased compared to prior year. The increase is attributable to new stock produced at current inflation impacted cost of production and reduced sales in Malawi and Nigeria after producing anticipating normal sales.

Trade and other Receivables

Receivables increased mainly due to the growth in turnover this year. Included in receivables is $5.5m due from related- parties i.e., a reduction from $5.9m owed in prior year. Notwithstanding the overall increase in debtors at the close of the financial year, the Group witnessed significant improvements in debt settlement by various governments.

Equity

The decline in equity was because of increased foreign currency translation losses as regional currencies tumbled.

Net debt

The Group's net debt-to-equity ratio increased from 23% to 31% because of lower profitability and the impact of exchange losses on the equity position.

Seed supply

Seed supply from production was more than adequate in Southern Africa while shortages were experienced in East Africa particularly Kenya due to drought. In terms of seed available for sale, the Group managed to move seed across countries to plug production shortages and satisfy market demand.

Research & Development

Intellectual property generated from a strong R&D innovation pipeline continues to be the bedrock of the business. To this end, our R&D, which anchors our ESG innovation pillar, is designed to churn out seed solutions that contribute to creating a sustainable and profitable agricultural landscape that addresses climate challenges, supports farmers, and provides sustenance for both people and livestock. This involves offering improved seed varieties, along with agronomic training and support to ensure the efficient use of arable land and farming resources.

The Group continues to renew its product pipeline in line with climate change. Our goal is to make both small- and large-scale farming ventures profitable while positively impacting vital economic value chains. Specifically, we aim to introduce a minimum of 5 new and enhanced maize hybrid varieties annually, along with at least one improved variety from other crop categories.

Given our growing African footprint, we are taking advantage of regional harmonization to fast track the official release and recognition of new seed varieties across markets. The following varietal registrations were achieved with the regional blocks:

- 9 maize and 7 soyabean varieties successfully listed on SADC catalogue;
- 5 maize and 3 soyabean varieties successfully listed on the COMESA catalogue; and
- 1 wheat variety was successfully listed on the COMESA catalogue.

Further, we are making progress in the efforts to find a solution to fall army worm and cob rot tolerant maize germplasm. The Group is also continuing with research on new crops like rice, potato, and a variety of vegetable species to widen the product basket.

Seed Co Tomato Variety - Jackpot F1

CHIEF EXECUTIVE OFFICER'S REVIEW

Operations

Zambia

Zambia achieved notable turnover and volume growth during the period under review. Turnover increased by 40% to $49.1m from $35.1m in prior year driven by:

- 26% volume growth in local and export markets 30,122mt from 23,902mt in prior year.
- Better product mix comprising more high value products;
- Price adjustments; and
- Translation gains from a stronger average kwacha exchange rate for the financial year.

The excellent turnover performance was however more than weighed down by the following factors which almost halved the profit after tax from $4.7m in prior year to $2.2m:

- $5.1m adverse foreign currency impact swing as the business suffered $3.6m exchange losses (compared to $1.5m exchange gains prior year) due to a higher net foreign currency denominated liability position while the kwacha depreciated significantly right at closing of the financial year;
- Growth in overheads by 26% which was however in line with the growth in volume sold.

Tanzania

The Tanzanian business continued its phenomenal growth and profitability trajectory in the past few years. Turnover grew by 37% to $26.2m from $19.1m prior year while volume sold increased by almost the same margin to 11,846m from 8,706mt prior year.

The business maintained stable margins and kept its financial position free of borrowings supported by a cash-based business model. In addition, Tanzania managed to contain the rate of its overheads growth at 25% well below the 37% growth in turnover.

The clinical business execution as described above resulted in the business growing its profit by 29% to $4.4m from $3.4m prior year.

Kenya

The business made remarkable turnover and volume rebound albeit coming off a very low base in prior year after suffering product shortages. Turnover increased by 22% to $13.6m from $11.2m prior year as the volume grew by 18% to 6,305mt.

Kenya's business recovery was however dented by the following factors which caused a sharp decline in profit after tax from $1m prior year to $0.1m:

- A jump in exchange losses from $0.2m in prior year to $1.1m as the shilling closed the financial year significantly weaker; and
- Depressed margins from relying on imported seed after suffering production challenges due to drought. The gross profit for the period under review was 32% compared to 41% in prior year.

Malawi

The business unit achieved 16% reduced turnover i.e., $13m compared to $15.5m in prior year owing to a combination of:

- translation losses following the 25% devaluation of the kwacha;
- pricing challenges and the shortage of the premium SC719 maize variety that led to massive gross profit margin shrinkage from 51% in prior year to 35% despite selling only 1% lower than 7,871mt sold in prior year.

A combination of reduced turnover, margin shrinkage, marginally higher overheads due to credit losses, and higher finance costs to fund higher stock holdings, forced the business to make a loss after tax of $1.3m compared to $1.7m profit in prior year.

Seed Co Carrot Variety - HEKLA F1

CHIEF EXECUTIVE OFFICER'S REVIEW

Mozambique

Business slowed down as development partner tenders for seed were lower and this resulted in turnover declining by 32% from the peak prior year performance of $11.1m to $7.5m in the period under review. Non repeat tender business contributed to the 18% volume drop to 3,864mt from 4,738mt prior year while increased volume contribution by lower value products also contributed to the reduction in turnover.

Despite turnover reducing, overheads increased by 28% as part of the efforts to develop this business resulting in profit after tax decline from $0.8m in prior year to $0.4m.

While Mozambique remains a country with immense development partner aid funded opportunities given its vulnerability to natural calamities, the business is however working to develop a sustainable open market business.

Botswana

The business registered 5% turnover growth to $6m helped by better pricing despite volumes declining from 2,420mt in prior year to 2,211mt. A combination of turnover growth, improved margins, and growth in income from non-seed sales contributed to the increase in profit after tax from $0.9m in prior year to $1.2m.

Nigeria

Turnover was lower at $1.2m down from $1.5m in year as volumes declined to 845mt from 1,147mt prior year due to product unavailability with imported seed encountering logistical delays.

In line with the decline in turnover but further compounded by exchange losses from a weakening naira, the SBU's bottom line declined to marginally above breakeven level from $0.2m profit achieved prior year.

Local seed production improved during the reporting period and the business unit has adequate stocks for anticipated sales in the next financial year.

Vegetables 51% Joint Venture (Prime Seed Co International)

The joint venture achieved growth in turnover to $6.2m up from $5.9m in prior year helped by the addition of a new vegetable seed business unit in Mozambique. The business however suffered an increased loss of $0.9m compared to $0.4m in prior year due to once-off restructuring costs in Kenya, reduced business and profitability in South Africa occasioned by exchange losses and product shortages, and higher finance costs overall.

RSA-eSwatini-Lesotho 40% Associate (AgriSynergy)

The associate grew turnover to $19.6m from $17.8m in prior year on the back of increased volume. The business however suffered a loss of $1.6m compared to $1.5m in prior year loss due to non-recurrence of other income as well the decline in gross profit margin from 40% to 23%. Margins were eroded by the product portfolio mix which was skewed towards imports.

Business Development files

1.WECA% Joint Venture (Seed Co West & Central Africa)

This is still a nascent market under development with immense opportunities given the size of the territory and the low level of hybrid seed adoption. This past year, the joint venture returned a loss due to non-repeat of Government sales, exchange losses and inflation.

2.DRC

Competition for the largely tender business is increasing in DRC. Whilst we are strong on the less developed open market, we lost out on tenders to new entrants competing on pricing. We believe in the quality of our products as well as the value proposition to the farmer and we are confident of recovering lost business and growing business on the open market.

Seed Co Lettuce Variety - SAULA (ICEBURG)

CHIEF EXECUTIVE OFFICER'S REVIEW

3.Angola

No meaningful sales were registered during the reporting period. Business development led by agronomy work is continuing in this market targeting open market channels to reduce reliance on erratic Government input programs. There are good prospects for maize, soya, and rice in this market whose seed system is still dominated by farm saved and open-pollinated varieties.

Outlook

The continuation of global supply disruptions and the influx of imported inflation continue to compound the existing challenges posed by climate change in Africa. Despite these complexities, the Group maintains a positive outlook, placing emphasis on bolstering primary food production to counteract global shocks.

In the face of challenging global and regional circumstances, the Group's market positioning is strong. The growth in turnover and volume observed this past year serves as a testament to the Group's robust market position and strong brand reputation. Work is already underway to recover profitability with measures instituted to restructure the business model and optimize the balance sheet to contain escalating cost of operations and hedge against currency vulnerabilities.

In the near term, early indications from weather forecasts for the upcoming cropping season are moderate to unfavourable. In response, the Group is strategically planning its varietal placement to align with these predicted rainfall forecasts.

In the medium to long term, promising growth opportunities are anticipated to continue emanating from the East African region as well as Mozambique. In addition, the Group eagerly anticipates a seamless entry into the Ethiopian market, facilitated by the successful acquisition of an unconditional business license.

Acknowledgement

The Group has demonstrated noteworthy growth in terms of revenue, attributed to the expansion of market share in our emerging markets such as Tanzania and Kenya, as well as the successful recovery of our market share in the more established markets like Zambia. While this achievement is certainly commendable, it hasn't been without its unique set of challenges that have affected our profitability.

I am deeply appreciative of the consistent trust and confidence displayed in our brand and the value of our intellectual property by our customers. This is a clear reflection of the invaluable intellectual assets and institutional knowledge embedded within our organization, as well as the enduring partnerships we uphold with all our esteemed stakeholders. The principles embodied by the African Seed Company have been effectively put into action, resulting in promising outcomes across the entire continent.

I further extend my appreciation to our dedicated team, our Board of Directors, and stakeholders for their vital roles in Seed Co's journey on the continent. Your commitment fuels our progress, and I look forward to our continued success.

M. Nzwere
Group Chief Executive

Seed Co Peas Variety - CASCADIA

GROUP LEADERSHIP

BOARD OF DIRECTORS AND PROFILES

David E. B. Long

Independent Non -Executive Group Chairman

Tenure: 5 years
Key Skills: Law
Qualifications
MBA, Bachelor of Law, Chartered Institute of Arbitrators, Fellow of the Institute of Directors.
Other Commitments
Director: Tsebo Zimbabwe, Twine & Cordage (Pvt) Ltd, Beit Trust Representative in Africa.

Pearson Gowero

Independent Non -Executive Group Deputy Chairman

Tenure: 5 years
Key Skills: Economics
Qualifications
MBA, BSc (Hon) degree in Economics
Other Commitments:
Director: Zambeef Products PLC, NMZ Holdings Ltd and NMB Bank Ltd

Morgan Nzwere

Group Chief Executive Officer

Tenure: 13 years
Key Skills: Accounting and Finance
Qualifications:
MBL (UNISA), Advanced Management Programme 181 (Harvard), Strategy Master Academy at the University of Cape Town Business School. Chartered Accountant.
Other Commitments:
Director: FBC Bank and TSL Limited.

John Matorofa

Group Chief Finance Officer

Tenure: 16 years
Key Skills: Accounting and Finance
Qualifications:
B.Acc. (Hon) (UZ), MBA (UK), Senior Executive Leadership Program (London
Other Commitments
None

Fermin Azanza

Non - Executive Director

Tenure: 5 years
Key Skills: Agribusiness, Research & Development
Qualifications:
PhD Plant Breeding & Genetics (University of Illinois Urbana-Champaign), MSc. Plant Breeding (Mediterranean Agronomic Institute of Zaragoza) & BSc Biology (University of Navara)
Other Commitments:
Head of Research Field Crops (Limagrain); Soltis SAS, Genective, AgReliant,

Chance Kabaghe

Non - Executive Director

Tenure: 5 years
Key Skills: Agribusiness, Insurance & FMCG
Qualifications:
BA Agricultural Economics (University of Zambia) and MSc Agricultural Economics (London University [WYE College])
Other Commitments:
Choice Nuts Limited, Choice Insurance, Seed Co Zambia, Ace Limited, Multi Agricultural International, Harmonious Haven and Freshpikt Limited

GROUP LEADERSHIP

BOARD OF DIRECTORS AND PROFILES

Regis Fournier

Non-Executive Director
Tenure: 2 years
Key Skills: Agronomy and Business Administration.
Qualifications:
BSc Agronomy (Montpellier) MSc Agronomy.
Other Commitments:
CEO of Limagrain Field Seeds

Patrick Spadin

Non-Executive Director
Tenure: 5 years
Key Skills: Agronomy and Business Administration
Qualifications:
MBA, MSc Agronomy, BSc
Other Commitments:
Head of Development (M&A) & Strategic Intelligence at Limagrain.

Frederick Savin

Non-Executive Director
Tenure: 5 years
Key Skills: Agricultural Engineering & Business Administration
Qualifications: MSc, BSc Agricultural Engineering
Other Commitments:
AgriSynergy and Limagrain Zaad South Africa

Remina C D Chitengu

Non - Executive Director
Tenure: 5 years
Key Skills: Accounting and Finance
Qualifications:
B.Comm (Hon) Finance (NUST), ACIMA.
Other Commitments
Commercial Executive and Director at Unki Mines and Generation Medical Aid

Kushatha Moswela

Non- Executive Director
Tenure: 3 years
Key Skills: Insurance & Finance
Qualifications:
BSc. (Hons) Actuarial Science and MSc Actuarial Science (University of Kent).
Other Commitments:
Old Mutual Short-Term Insurance Botswana, Pula Medical Aid Fund

Philippus Rudolph De-Wet

Non - Executive Director
Tenure: 3 years
Key Skills: Engineering, Tourism & Banking Qualifications:
BSc. Architecture (University of Pretoria)
Other Commitments: Stanbic Bank Botswana and Botswana Wildlife Producers Association

Andrew Barron

Non-Executive Director
Tenure: 5 years
Key Skills: Agribusiness & Real Estate
Qualifications: BSc Agricultural Economics
Other Commitments:
Mbadzi Estates, Press Corporation PLC, Mpico PLC, Seed Co Malawi, Mpico Malls Limited, Team Planet Limited and Plantation House Investments

GROUP LEADERSHIP

SENIOR MANAGEMENT

Morgan Nzwere	Group Chief Executive
John Matorofa	Group Finance Director
Grace Bwanali	Managing Director - Zambia
Boyd Luwe	Managing Director – Malawi
Kolade Dada	Country Head (Nigeria)
Wellington Wasike	General Manager (Kenya)
Clive Mugadza	Regional Managing Director – East Africa & Great Lakes Region
Calvin Fambisayi	Head of Business Development
Edgar Rupende	Head of Production and Processing
Eric Kalaote	Company Secretary
Sam Ruwisi	Head of Treasury and General Manager
Patrick Mutandwa	Head of Human Resources
Andrew Ndombo	Head of Internal Audit
Dr Gorden Mabuyaye	Head of Research and Development
Dr. Takemore Chagomoka	Regional Manager West & Central Africa
Simon Munakamwe	Country Head (Mozambique)
Tineyi Chatiza	Group Secretary

GOVERNANCE

Corporate Governance

The corporate governance practices of Seed Co International are designed to steer a spirited evolution of culture and high ethical standards. The collective leadership responsibility for the Group enhances reputation , builds trust and ultimately leads to the creation and protection of value for all stakeholders across our markets. Our corporate governance framework provides role clarity, delineated roles, and areas of accountability, ensuring strategic alignment across the Group and efficient and informed decision-making at appropriate levels.

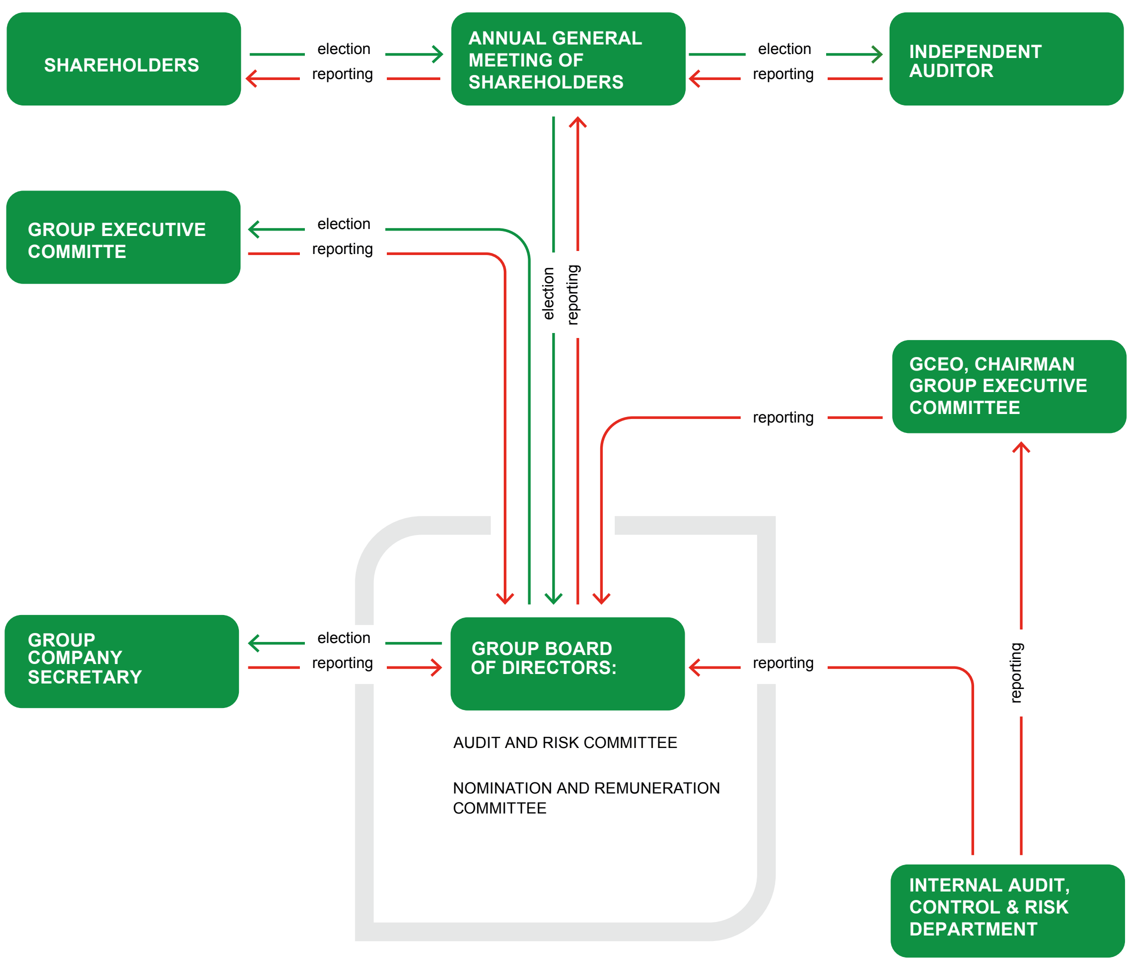
Corporate Governance Framework

Seed Co International is governed by applicable laws, listing rules, and the King Report on Corporate Governance™ 2016 (King IV Code). Our corporate governance framework is designed to balance the interests of shareholders, the Board of Directors, management, employees, and stakeholders. The framework is built on the principles of honesty, integrity, and accountability, ensuring that the Board exercises effective and ethical leadership, and conducts its affairs as a good corporate citizen while making appropriate decisions for long-term sustainability and value creation.

The Board retains overall responsibility for the concept of integrated thinking as encapsulated in King IV Code), which underpins corporate citizenship, stakeholder inclusivity, sustainable development, and integrated reporting. The Board is confident that the Group's governance framework, including all its related Board structures, administrative and compliance processes contribute to ongoing value creation by driving the following principles:

- Equitable and fair treatment of every shareholder,
- Professionalism and leadership of the Board of Directors,
- Accountability of the Board of Directors and Executive Bodies,
- Corporate Social Responsibility and Sustainable Reporting objectives,
- Transparent and timely disclosure, and
- Combating corruption.

Governance Framework



Board Responsibility

The Board of Directors is responsible for the general management of all Seed Co International operations, excluding matters reserved for the Annual General Meeting of Shareholders. They play a crucial role in designing and developing the corporate governance framework for the protection and exercise of shareholder rights and supervision of the Group Executive Committee. The Board of Directors set the fundamental principles of business conduct and nurturing corporate culture. The Board's authority and formation process, as well as procedures for convening and holding Board meetings, are determined by the Articles of Association, the Board Charter and Corporate Governance Manual.

Delegation of Authority

The Board of Directors has a framework for delegating authority which ensures the roles and responsibilities of the Group CEO are formalised and performance is evaluated against a specified criteria annually. The Group CEO and Executive Management develop and recommend to the Board, the Group's long-term strategy, annual business plans and budgets for stakeholder value creation. The Group CEO and Executive Management are directly responsible for the execution of strategies, managing operations and performance.

Balance of Power

Seed Co International operates a unitary Board, encompassing the balance of power principles. The Board is mostly made up of Non-Executive Directors and Independent Directors. The Group Executive Directors are involved in the day-to-day business activities of the Group and are responsible for ensuring that decisions of the Board are implemented in accordance with mandates given by the Board. All Seed Co International Limited subsidiaries have a functioning Board and the subsidiary Managing Directors run the day-to-day operations of their business reporting to the Group Chief Executive Officer. The Board ensures that there is an appropriate balance of power and authority at the Board level such that no one individual or block of individuals dominates the Board's decision making or its Board or Committee meetings.

Non-Executive Chairman

The roles of the Chairman and Chief Executive Officer ("CEO") are separate from the Chairman being independent. The Chairman of the Board of Directors organises the Board's work, convenes and chairs meetings, and chairs general meetings of Shareholders. The key responsibilities of the Chairman of the Board of Directors are to ensure high level of trust at Board meetings and constructive cooperation between Board members and management.

Group Chief Executive

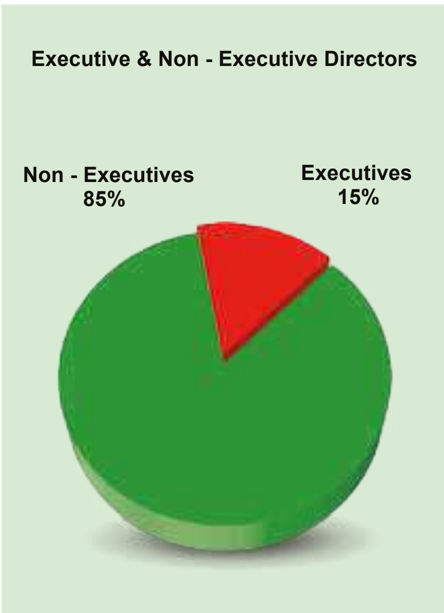
The Group CEO leads the Executive Team and attends to the day-to-day operational functions of the business. In conjunction with the Board, the Group CEO ensures proper succession planning for Executive and Senior Management across the Group and associate companies as well as performance appraisals for Executive and Senior Management. The Group's performance and its conformance with compliance imperatives is monitored and reported to the Board by the Group CEO who formulates and oversees the implementation of Group policies.

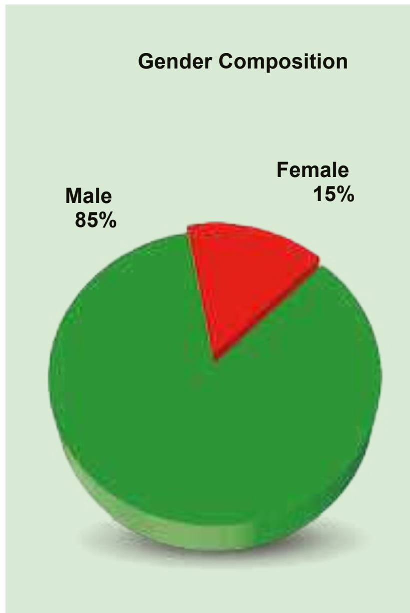
Election of Directors

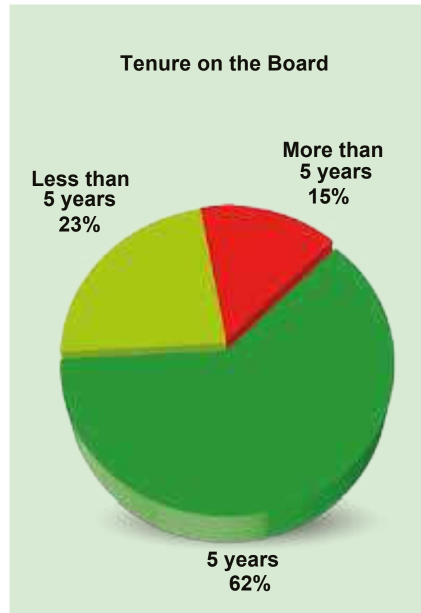
Members of the Board are elected at the Annual General Meeting of Shareholders for 3 years. The Board of Directors may recommend that the General Meeting of Shareholders amends the Articles of Association by changing the number of Board Members. The new board may only be elected after the relevant amendments to the Articles of Association are approved and state registration completed. Until a new Board of Directors with the new number of members is elected, the decision-making rights and processes of the then active Board remains unchanged, with the Board making its recommendations as to nominate Board members including independent directors. The current size of the Board of Directors is best aligned with Seed Co International's goals and objectives, and its appropriate independence mix ensures that decision making considers the interests of various stakeholders and enhances the quality of executive and managerial decisions. The current Board of Directors comprises Independent Directors higher than the minimum requirement set out in the Listing Rules and the Corporate Governance Code, which enables highly professional, independent judgements on matters on the agenda.

Board Composition

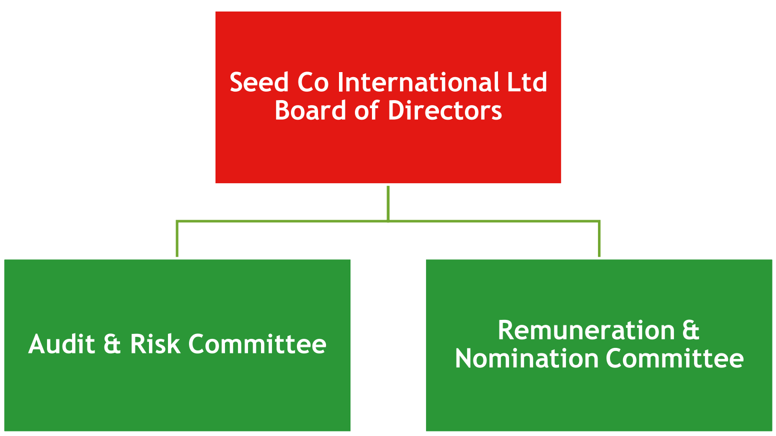
The Seed Co International's Board consists of thirteen (13) Directors of whom eleven (11) are Non-Executive Directors, and two (2) Executive Directors. The current Board's diversity of professional expertise and demographics makes it highly effective regarding the Group's strategies. The Board ensures that, in appointing successive Board members, the Board reflects, whenever possible, a diverse set of professionals and personal backgrounds.







Board Structure



Board Committees and Meeting Attendance

The Board has Committees to assist with fulfilling its responsibilities in accordance with provisions of the Corporate Governance Manual and King IV. The Board has therefore delegated certain functions to the Audit and Risk Committee, Remuneration and Nomination Committee, Advisory and Production Committee. The Board is nonetheless acknowledging that the delegation of authority to its committees does not detract and is not an abdication of the Board members' responsibilities. The Committees have Terms of Reference which are reviewed annually by the Board. These outline the Committee's roles and responsibilities, functions, the scope of authority and composition.

Board Committee	Committee Members	Terms of Reference
Audit and Risk Committee	Remina D Chitengu - Chairperson Patrick Spadin Andrew Barron	The committee's primary purpose is to provide independent oversight over the effectiveness of internal control systems and assist the Board in ensuring and monitoring the integrity of the Group's Annual Financial Statements and related external reports. The committee further oversees the effectiveness of the Group's external and internal assurance functions and services that contribute to ensuring the integrity of the Group's corporate reporting. **Summary of responsibilities** • Financial reporting integrity. • Monitor external auditors. • Risk and internal control.
Remuneration and Nomination Committee	Pearson Gowero -Chairperson David Long Regis Fournier	The Committee's primary purpose is to assist the Board in the nomination, election, and appointment of Directors in accordance with Board policies and the succession strategy, ensuring that the process is transparent and delivers to expectations. The committee is also responsible for executive management succession working with the Group Chief Executive Officer. **Summary of responsibilities** • Remuneration policy. • Annual remuneration including bonus and LTIP awards. • Set annual performance objectives. • Succession planning.

Committee Meeting Attendance

Director	Board Meetings	Audit and Risk Committee	Remuneration and Nomination Committee
	(4)	(4)	(4)
1. David E.B. Long	4	-	4
2. Pearson Gowero	4	-	4
3. Morgan Nzwere	4	4	4
4. John Matorofa	4	4	-
5. Fermin Azanza	4	4	-
6. Chance Kabaghe	4	-	-
7. Regis Fournier	3	-	3
8. Patrick Spadin	4	4	-
9. Frederick Savin	4	-	-
10. Remina D. Chitengu	4	4	-
11. Kusatha Moswela	4	-	-
12. Michael S Ndoro	3	-	3
13. Rudi De Wet	4	-	-
14. Andrew Barron	4	4	-

COMPLIANCE WITH KING IV CODE OF CORPORATE GOVERNANCE

The Board is committed to complying with the requirements of King IV and this is in line with the BSE Listings Requirements. The Board had responsibility and oversight over the application of and compliance with the principles of King IV as disclosed in the checklist below:

Principle #	Governance Outcome	Principle	Application
1	Ethical Leadership	The governing body should lead ethically and effectively	The Board complies with this principle guided by the Group's Governance Manual with includes a Code of Ethics.
2	Organisational ethics	The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture	The Board complied with this principle. The Code of Conduct is incorporated into the Governance Manual. All staff members sign the Code of Conduct, and Seed Co's policies and contracts embody provision from the Code of Conduct.
3	Responsible corporate citizenship	The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen	The Board complies with this principle. The Board reviews the list of laws, policies etc. annually, to ensure that Seed Co is complying with the relevant legislation, policies etc. and the monitoring of the implementation of this principle is the primary responsibility of the Audit & Risk Committee. Further, the Group's Environment, Social & Governance (ESG) Policy provides oversight of the Group's activities relating to responsible corporate citizenship.
4	Strategy and performance	The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process	The Board complies with this principle. The Board has overall responsibility for organisational performance. The Board reviews and approves the Strategic Plan and Annual Performance Plan (budgets) for the Group. Management is delegated to implement the strategy and policies. The Board has oversight of strategy implementation through quarterly and annual reviews. The Audit & Risk Committee is delegated to interrogate the financial strategy, financial reporting, risk, ESG and IT governance.
5	Reporting	The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance and its short, medium, and long-term prospects.	The Board complies with this principle. The Board, assisted by its committees, oversees that various reports are compliant with financial, legal, and regulatory reporting standards and requirements to ensure the reports meet reasonable and legitimate stakeholder expectations. The Board ensures that an Integrated Report issued is in line with the Botswana Companies Act, the BSE Listings Requirements, and King IV.
6	Defined role and responsibilities of the governing body	The governing body should serve as the focal point and custodian of corporate governance in the organisation.	The Board complies with this principle. The Board, assisted by its committees, has overall responsibility for corporate governance across the Group and all its SBUs. The Board has a charter in the form of the Governance Manual that defines the Board's role, responsibilities, and accountability. The delegated Committees report to the Board at every Board meeting. The Governance Manual incorporating the Board and Committees' Terms of Reference are reviewed annually.
7	Balanced composition of the governing body	The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties.	The Board complies with this principle. The Board, assisted by the Remuneration & Nomination Committee, considers, on a regular basis through the Board Evaluation process, the composition, balance of skills, experience, diversity, and independence of the Board to establish their effectiveness to discharge their duties as Board members.
8	Committees of the governing body	The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties.	The Board complies with this principle. The Board has delegated certain functions to its committees with specific terms of reference in line with the Governance Manual, King IV, and relevant legislation. Each committee comprises an experienced Non-Executive Chairman, majority Non-Executive Directors and where necessary, majority Independent Non-Executive Directors. In determining the composition of committees, the Board considers the skills and experience of its members, applicable regulations, and the committee mandate.
9	Governing board evaluation	The governing body should ensure that the evaluation of its own performance and that of its committees, its chair, and its individual members, support continued improvement in its performance and effectiveness.	The Board complies with this principle. The Board conducts a self-evaluation exercise annually and this evaluation comprises the evaluation of the full Board and its committees, the evaluation of the chairperson and individual director peer evaluation. The Group Secretary performance is also evaluated to ensure that there is an arm's length relationship between the Board and the Secretary, in that the objectivity and independence of the Secretary is not unduly influenced.

10	Management appointment and delegation	The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities	The Board mainly complies with this principle. The Board appoints the Group CEO, and the Audit Committee assists in the appointment of the Group CFO. The Board, assisted by the Remuneration & Nomination Committee, ensures that formal succession plans for the Board, Group CEO, Group CFO, and other senior executive appointments are developed and implemented. The Governance Manual defines reserved powers in line with regulations and best practice.
11	Risk governance	The governing body should govern risk in a way that supports the organisation in setting and achieving strategic objectives.	The Board complies with the principle. The Board's responsibility for risk governance is expressed in the Governance Manual. Risk and assurance oversight is delegated to the Audit and Risk Committee, but the Board still maintains responsibility for this function. Management is delegated to continuously identify, assess, mitigate, and manage risks within the existing operating environment. Risks are disclosed in the Annual Report.
12	Technology and information governance	The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.	The Board complies with this principle. The Board assumes the responsibility for the governance of IT and is a standing item on the Board and Audit & Risk Committee Agenda. The Audit & Risk Committee oversees and monitors the implementation of the IT Governance & Security Framework and Enterprise Architecture, including Disaster Recovery.
13	Compliance governance	The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen	The Board complies with this principle. The Board is assisted by the Audit & Risk Committee to oversee compliance with legislation, regulations, industry standards, and policies. Compliance falls within the risk matrix and forms part of ongoing business risk management process.
14	Remuneration governance	The governing body should ensure that the organisation remunerates fairly, responsibly, and transparently to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.	The Board complies with this principle. The Board, assisted by the Remuneration & Nomination Committee, ensures that the Group adopts remuneration policies and practices that are aligned with the Group's short and long-term strategy, align stakeholder interests, incentivize performance, promote sound risk management, create sustainable value for the Group.
15	Assurance	The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports.	The Board complies with this principle. The Board, assisted by the Audit & Risk Committee, ensures that the Group applies a combined assurance model to provide a coordinated approach to all assurance activities. It reviews the plans and work outputs of the external and internal auditors and assesses their adequacy to address all significant financial risks facing the business. The independence of the external and internal auditors is assessed annually.
16	Stakeholder relations	In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests, and expectations of material stakeholders in the best interests of the organisation over time.	The Board complies with this principle. Stakeholder engagement activities are guided by the Board which delegates the management of relationships with specific stakeholder groups to Management. The Group Secretary acts as a primary point of contact for institutional investors, other shareholders, and all stakeholders, especially regarding issues of corporate governance and investor relations. The Board encourages proactive engagement with shareholders, including engagement at the AGM. Directors attend AGMs to help in responding to shareholder queries. The designated partner of the audit firm also attends the AGM.
17	Responsibility of institutional shareholders	The governing body of an institutional investor organisation should ensure that responsible investment is practiced by the organisation to promote good governance and the creation of value by the companies in which it invests	Seed Co is not an institutional investor. This principle is therefore not applicable to the Group.

Board Induction

Newly appointed Directors to the Board undergo an induction programme. This begins with welcoming the Directors and introducing them to other Board Members, other key personnel, including the CEO and executives of each functional area of the Group. The Directors are then familiarised with the culture of the company, their role and responsibilities as a board member, the strategic plan and financial position of the Group, and the governance manual. This is followed by identifying training and development needs to ensure the Board member can contribute effectively to the Group. Where relevant, meetings with key stakeholders are organised. Regular reviews are then done with the Board chair to check understanding, identify issues and encourage development.

Board Evaluation

In line with the King IV , which recommends a formal evaluation process of the Board. The Group uses a peer review system which starts with the Chairman, then the rest of the Board Members using a structured questionnaire that focuses on governance practices, cohesion, strategy stewardship and management oversight.

Board Communication Systems with Stakeholders

Seed Co International Limited is committed to transparent, inclusive, and objective communication with stakeholders. The Group provides platforms for direct communication with external stakeholders that includes the Annual General Meeting, media briefing, press statements and direct meetings.

Annual General Meeting

Board members and the External Audit Partner attend Annual General Meetings of the Group to respond to shareholder's questions. The Annual General Meeting Notice is available at the end of this report.

Share Dealings

Directors, management, and all Group staff are not permitted to deal directly or indirectly in the shares of the Group during:

- The period from the end of the interim or annual reporting periods to the announcement of the interim and annual report results,
- Any period when they are aware of any negotiations or details which may affect the share price or,
- Any period when they have information, the effects of which might affect the share price.

Directors' Declarations

Board members are obliged to disclose in writing any personal or financial interest as required. Such declarations cover interests within or outside the Group which may interfere or conflict with their duties. The Board is in the process of updating the corporate governance manual to include any director's interest in a transaction and potential involvement in the decision-making process.

Conflict of Interest

Real or perceived conflicts in the Board is managed in accordance with the conflict of interest and directors' declaration requirements. Any possible conflict of interest is declared in the manner prescribed by law and in terms of the Company's Constitution ("the Constitution"), as soon as a director becomes aware of the conflict, and in any event before the consideration of the matter to which the conflict relates, at any Board meeting. The director concerned does not participate in a discussion or vote on the subject matter of interest and will leave the meeting immediately after making the requisite disclosure.

STATEMENT OF DIRECTORS RESPONSIBILITY

The Directors of Seed Co International are responsible for maintaining adequate accounting records for the preparation of financial statements at present fair and accurate information. The financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") and in a manner required by the Botswana Companies Act, Cap 42:01. In discharging this responsibility, the Company maintains a system of internal controls designed to provide reasonable assurance that the assets are safeguarded and that transactions are executed and recorded in accordance with International Financial Reporting Standards and in the manner required by the Botswana Companies Act, Cap 42:01.

The Directors are satisfied that the Company has a sound financial position and adequate resources to continue in operational existence for the foreseeable future. Accordingly, they are satisfied that it is appropriate to adopt the going concern basis in preparing the financial statements.

D.E.B Long
Chairman

M. Nzwere
Chief Executive Officer

BUSINESS ETHICS AND COMPLIANCE

Business Ethics

The Board is responsible for ethical conduct and adherence with socio-economic values expected of a responsible business. The Group is currently updating its Corporate Governance Manual by including a Code of Ethics which will be applied across the Group.

Statement of Compliance with Laws and Regulations

The Board is committed to compliance with legal and regulatory requirements applicable in our areas of operations and recognises its accountability and responsibilities to all stakeholders. The Board has, consequently, approved a compliance programme which wholly forms the Group's risk management framework. Management is responsible for the design, implementation, and monitoring of compliance structures of business. During the period under review, the Board is not aware of any breaches of any material regulatory requirements or having failed to meet any statutory obligations.

Compliance Monitoring

Each business has its own regulatory universe which is assessed against defined risk criteria and informs the compliance monitoring plan for the relevant business. Our compliance monitoring forms are designed to ensure that business is conducted in compliance with all relevant laws and regulations. Key regulatory items are monitored more frequently and reported to the Risk and Compliance Committee quarterly.

Management strives to ensure compliance is a business culture. This culture is further entrenched through ongoing training and awareness of regulatory modules which are designed and administered by the compliance team. The compliance function forms part of the Group combined assurance model which covers management control, risk control, and compliance oversight in addition to independent assurance.

Anti-Corruption

Seed Co International has zero tolerance for corruption in any form, including bribery, extortion or any inducement to engage in illegal activities. We enforce anti-corruption in all operations through various policies such as the finance policy, ethics policy and the independently managed whistleblowing policy. These policies reflect the business's values, culture and behaviours expected from every employee. The whistle blower policy is independently managed by a third party, Deloitte Anonymous Tip-Off. The system allows employees and external stakeholders to anonymously report any unethical practices, bribery or corruption relating to our business. In addition, independent quality assurance teams play a role in mitigating the risks of corruption across the business.

Additional Anti-Corruption Measures:

- The Group does not approve any recruitment of new employees, without having gone through an interview, with a representative from the Human Resource Department. Vacancies are filled internally first before considering external candidates.
- Seed Co prohibits staff members from selling seeds.
- Fraud risk assessment are conducted on all departments on an annual basis to assess possibilities and weaknesses that could expose the business to corruption.
- The security department has the responsibility of managing and investigating corruption.
- The business promotes an open door approach for reporting corruption.

During the year under review, the business conducted an anti-corruption awareness campaign which included distribution of whistle-blowing posters from Deloitte. We evaluated our performance using monthly reports from the anonymous tip-offs system, internal and external audits findings, and corruption or fraud risk assessments. The outcomes gave us an assumption that the business is effectively managing the risk of corruption.

RISK MANAGEMENT

The Board sets the direction for the way risk management is approached and addressed. The Audit and Risk Committee oversees and directs the Group's implementation of effective risk management and compliance strategies. The risk management process comprises a formalised system for identifying and assessing strategic and operational risks.

Approach to Risk Identification and Management

A Risk-Based Internal Audit approach is followed where audit assignments are prioritised based on the risk level. Business Functions are required to develop risk registers for their areas. On a quarterly basis, the Board reviews risks faced by the business and measures implemented. The Internal Audit function is tasked with the mandate of monitoring and reporting risks identified to the Board through the Audit and Risk Committee.

Financial Risk

The Group is exposed to market risk, interest rate risk, foreign currency risk, credit risk and liquidity risk. The Group's senior management oversees the implementation of measures approved by the Audit and Risk Committee to mitigate any identified risks. More details are contained on pages 96 to 98 of the financial statements.

Business and Operational Risks

The Group is exposed to business and operational risks which are managed through various systems, policies, and procedures. Some of the risks may be within or outside the Group's control. The Group conducts a regular risk assessment and below are the top risks identified and managed during the period under review:

Principal Risk	Context	Impact	Mitigation Measures
Credit Risk	This is the risk of default on a debt that may arise from a borrower failing to make payments for goods sold to them. The Group's risk exposure is that it may not recover amounts advanced, mainly to seed growers, which amount is normally recovered from deliveries of seed by the growers. Consignment stock is supplied to agro dealer who should pay the proceeds of sales to the group once the stock is sold. Agro dealers may collect cash in respect of consignment stock and fail to remit it to the group. This may lead to disruption of cash flows, and increased collection costs as well as failure by the Group to service its facilities with financial institutions.	Disruption of cash flows. Increased collection costs. Delays in retiring facilities with financial institutions.	Bank Guarantees, Collateral security, Creditworthiness vetting, Credit Limits, Cash Sales.
Climate Change	The risk emanates from manifestations of climate change such as increased temperatures, frequent droughts, and floods which in turn lead to crop failures or reduced crop yields. The Group is exposed to low demand for seed due to adverse weather conditions which can lead to reduced seed supplies.	Reduced crop production and low seed demand.	Grower Transformation Initiative to support growers with irrigation facilities, Breeding varieties that adapt to climate change.
Competition	The risk is associated with the fact that there are many competing companies on the seed market, each of which seeks to take the Group's market share.	Reduced sales of the Groups products leading to poor financial performance. This threatens the very existence of the Group.	Demonstration plots, Advertising, Quality Product offering, Strong Brand Image, Research and Development.
Cybersecurity	The risk refers to the threat of financial loss, disruption, or damage to the reputation of the Group resulting from the failure of its information technology systems. Hackers might disrupt the computer system such that the company may fail to process data and to conduct its business.	Financial loss and reputational damage Denial of services.	Penetration tests Intrusion detection tests Firewalls Disaster recovery plans.

SEED CO IN THE ENVIRONMENT AND COMMUNITY SUSTAINABILITY

Seed Co is committed to sustainable ethical business practices, the protection of the environment, and economic development while improving the livelihoods of all its stakeholders, including but not limited to employees, farmers, consumers, and communities. To this end, the DNA of our seed-to-feed business is to innovate and make available climate-smart high-yielding seed solutions, agronomic support, and training for the efficient utilization of arable land and other farming inputs to sustainably make both small- and large-scale farming profitable enterprises that feed both people and livestock with catalytic effects on critical economic value chains.

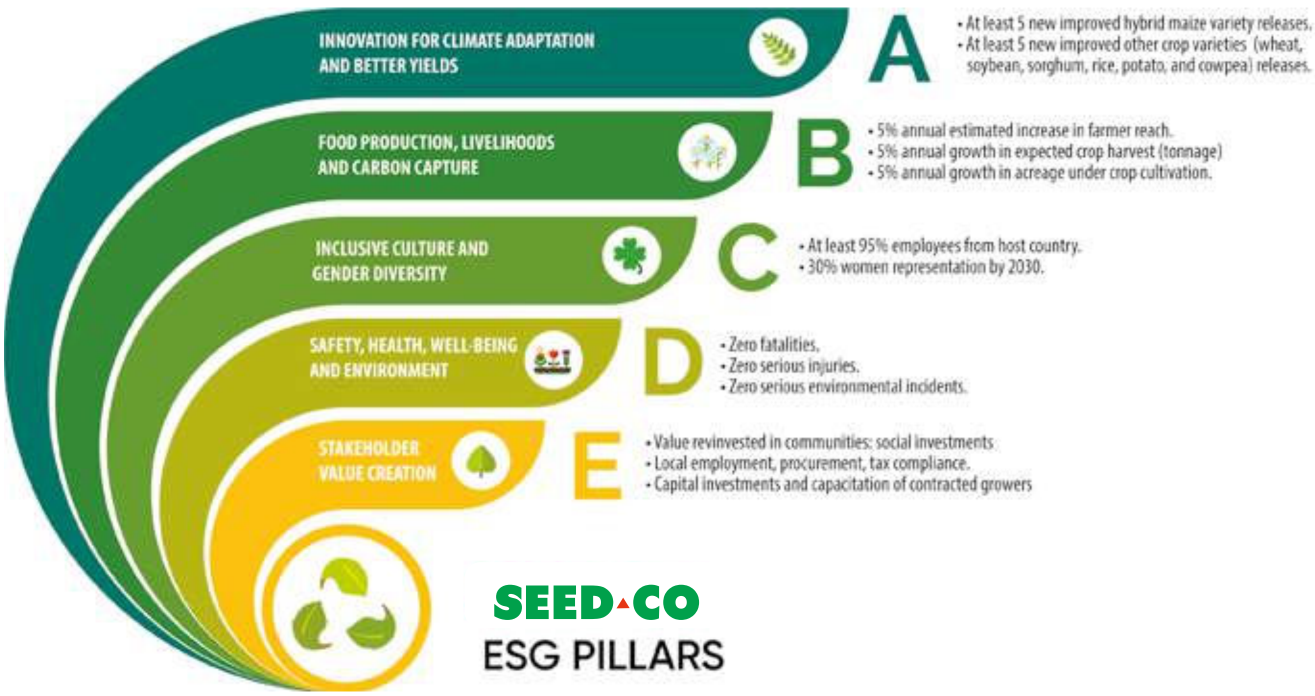
We are committed to sound environmental stewardship. We aim to responsibly use the natural resources our business depends on, care for the environment in our operational and surrounding areas and limit the impact of our operations on our host communities. We do this by promoting farming practices that work with nature rather than against nature to mitigate climate change through among other things use of cover crops, crop rotation, composting, and mixed farming to improve soil biodiversity.

We acknowledge that agriculture has the greatest potential for cooling the planet, draws down carbon from the atmosphere and improve water cycle.

Through impacting good agronomic practices, Seed Co International contributes positively to the following:

- Feeding the world.
- Revitalizing local economies: small-scale farming represents an opportunity to boost local economies.
- Mitigating climate change by increasing soil carbon stocks.
- Improving yields and farming impact through drought, pest, and disease tolerant seed varieties.

Seed Co.'s 5 Strategic ESG Pillars



A. Innovation for Climate Adaptation and Better Yields

Our Research and Development division plays a critical role in developing superior hybrids, early maturing varieties and disease-tolerant crop seeds that are high yielding under optimum input use in stress environments. Uneven rainfall patterns and crop diseases have been threatening food security in Africa. We produce seed varieties that have tremendous adaptation capabilities to climate change and crop development. The process of breeding, delivery and adoption of new seed varieties ends with approvals for sale and meeting various climatic conditions

The Innovation Pillar is the topmost priority pillar of Seed Co's ESG framework, and it cuts across the other 4 Strategic ESG pillars. It is designed to demonstrate the Group's comprehensive approach to sustainable agriculture, contributing to a more resilient and environmentally conscious food system while also fostering economic development. The commitment to continuous improvement through the release of new crop varieties showcases a dedication to ongoing innovation in the agricultural sector contributing to food sufficiency and upliftment of livelihoods.

Key features of Seed Co's ESG innovation pillar include:

i) **Climate-Smart Crop Varieties:** The focus on developing high-yielding seed solutions that are adapted to climate challenges is critical. These varieties are designed to withstand changing environmental conditions, such as drought, heat, and pest pressures, ensuring greater resilience for farmers.

ii) **Agronomic Support and Training:** Providing farmers with the necessary knowledge and skills to effectively cultivate these new crop varieties is essential. Agronomic support and training ensure that farmers can optimize their land use, minimize resource wastage, and enhance crop productivity.

iii) **Efficient Resource Utilization:** The initiative emphasizes efficient utilization of arable land and other farming inputs, which can lead to reduced environmental impact and increased profitability for farmers. This involves adopting sustainable practices like precision agriculture, water-efficient irrigation, and responsible fertilizer usage.

iv) **Profitable Farming Enterprises:** By promoting the adoption of improved crop varieties and sustainable practices, the initiative aims to make both small- and large-scale farming profitable. This can contribute to poverty reduction, rural development, and overall economic growth.

v) **Diversification of Crop Varieties:** The commitment to releasing multiple improved maize hybrid varieties and new improved varieties from other crop categories each year indicates a focus on genetic diversity. Diversifying crop varieties can help mitigate risks associated with disease outbreaks, pests, and environmental changes.

vi) **Catalytic Effects on Economic Value Chains:** The impact of this initiative goes beyond just farming. By enhancing crop productivity and profitability, it can positively influence various economic value chains related to agriculture, food processing, distribution, and more.

vii) **Sustainable Food Production:** The emphasis on feeding both people and livestock aligns with the goal of providing a secure and sustainable food supply to meet the needs of a growing global population.

viii) **ESG Integration:** This initiative clearly integrates ESG principles by addressing environmental (climate-smart solutions), social (support for farmers and rural communities), and governance (efficient resource management) aspects.

GOAL TRACKER

- ✓ Released 13 new maize hybrids SC301, SC303, SC419, SC423, SC437, SC529, SC647,SC649, SC657, SC659, SC661, SC727, SC733;
- ✓ A high plant density tolerant soyabean variety, SC SZ04, was officially released in Zimbabwe.
- ✓ SC PV02, new bean stem maggot tolerant variety released in Zimbabwe
- ✓ SC POT102 (Soly007), a true potato seed variety was released in Zimbabwe under license from Solynta, a Dutch company

B.Food Production, Livelihood Enrichment and Carbon Capture

Seed Co International is an important player contributing to food security through continuous availing of seed varieties that are highly adaptive to high stress environments and resistant to diseases. We continue to invest significantly in research and development to produce crop seeds that are adaptive to a changing climate to guarantee food security. We partner and collaborate with our growers and farmers to promote good agricultural practices that enhance yields while greening the environment and thus drawing carbon from the atmosphere. Seed Co International also partners with small scale farmers and rural communities to contribute significantly to livelihood enrichment.

GOAL TRACKER

- ✓ This goal was attained to a large extent, despite the instances of intermittent rainfall patterns in both East and Southern Africa. This was seen through the adverse impact on seed uptake, planting and ultimately expected yields

C.Inclusive Culture and Gender Diversity

At Seed Co International, we recognise the importance of diversity and inclusion in stimulating creating and innovation while attracting the best talent. We seek to create an environment where diversified views and opinions are acceptable and where people of varying gender, race and cultures can thrive. We aim to give opportunities to locals while increasing the ratio of women to men in the Company.

GOAL TRACKER

- ✓ The policy to employ a super majority of locals from our operating communities continue to be maintained
- ✓ The female gender employment target is on course of being achieved

D.Safety, Health, Well-Being, and Environment

The safety and wellbeing of our employees and the protection of the environment in which we depend on are central aspects of our business. We are committed to the protection of employees, visitors and local communities by providing safe working conditions through preventative maintenance, monitoring and inspections. We make great effort to play our role in environmental stewardship and biodiversity management. In this regard, we work with government departments.

GOAL TRACKER

- ✓ No work-related fatalities and serious injuries were recorded during the reporting period
- ✓ No reportable environmental issues or regulatory fines were recorded during the financial year
- ✓ The Group continues to impact best agronomic practices to farmers, and these include crop rotation, soil and water conservation, use of cover crops, planting trees and appropriate application and discard of chemicals

E.Stakeholder Value Creation

Seed Co thrives on partnerships and collaboration with various stakeholders. We are an open and inclusive business actively listening to stakeholder interests which help us deliver quality results. The Group partners with Government and Non-governmental organisations (NGOs), growers, farmers, millers, agro processors, and other stakeholdersto get an appreciation of their interests and concerns. These engagements enable us to develop solutions that add value to both our stakeholders and the business.

GOAL TRACKER

- ✓ The policy to plough back most of the value created in our host countries continue to be maintained through local employment bias, local procurement bias, long-term fixed capital investments, the capacitation of our contracted growers (inputs and infrastructure financing), tax compliance and socio-economic developmental investments in the various communities we operate and distribute our products.

STAKEHOLDER ENGAGEMENT

Seed Co International prides itself on being the most collaborative and trusted seed player in the sector, building long-term partnerships and earning the trust of stakeholders. We foster a culture of collaboration, partnering with farmers, distributors and retailers among others. It is of paramount importance that we consider the needs of all those who have a stake in Seed Co as this helps us ensure that all stakeholders are confident and trust our products. The engagement process enables us to understand if stakeholders share our core values and beliefs before they are brought on board. Engagement with stakeholders helps us build sustainable relations that enhance customer-centric solutions.

Stakeholder Engagement identification.

We identify our stakeholders through the acknowledgement of those individuals or groups with a stake or interest in the Group. We build shared values in all our interactions, particularly suppliers, producers, distributors, and employees. Our stakeholders mostly fall within two categories as below:

Internal Stakeholders	External Stakeholders	
• **Management.**	• **Local communities.**	• **Distributors/Retailers.**
• **Employees.**	• **Local Communities.**	• **Government and Regulators.**
	• **Customers (Farmers).**	• **Suppliers.**
	• **Shareholders and Potential investors.**	

Engaging Stakeholders

Stakeholder engagement is a deliberate process at Seed Co International, through engagement we seek to ensure meaningful consultation with stakeholders through various strategies. During the year the following initiatives were implemented:

- We put in place a strategic stakeholder engagement process with those individuals or groups who have a stake in Seed Co International.
- Implemented farmer promotion programmes to drive customer loyalty.
- We host corporate events such as golf day for relationship building.
- Provided products knowledge training to equip our farmers thereby benefitting both the client and the business.

During the reporting period our stakeholder issues and responses were as follows:

Stakeholder	Issued raised by the stakeholder.	Our Response/Action	Engagement Channel	Frequency
Employees	• Safety during General Elections. • School fees support for employees' children. • Employee welfare in terms of access to grain products	• Restrictions on inter town movement, pre and during election period. • Partnered with Stanbic Bank for company guaranteed loans to employees. • Issue of maize grain to employees.	Employee circulars and Staff Meetings.	Monthly.
Suppliers	• Challenges in importing raw materials. • Availability and quality of packaging materials.	• Raw material management and facilitating easy flow of raw materials across the border. • Identified an alternative local supplier of packaging that meets the set standards.	Emails, Phone and verbal. Emails.	Quarterly. Monthly. Weekly.
Growers	• Concerns over pricing of seed by growers due to inflation • Risk of losing seed from grower contract breach.	• Pricing renegotiation with Growers. • Review and adjustment of contracts to accommodate grower demands.	Physical direct contact meeting.	Bi Annual Quarterly
Distributors/ Retailers	• Seed availability. • Seed storage and deterioration.	• Addressed shortages. • Educating distributors on good storage practices to minimise seed deterioration at their outlets.	Physical Meeting. Emails, Phone and verbal	Weekly Monthly Quarterly
Customers (Farmers)	• Seed quality.	• Revamping of Quality Assurance (QA) unit, and laboratory.	Emails, Phone and Verbal.	On-going.
Government and Regulators	• Seed quality and compliance with the National Seed Council (NASC) requirements.	• Renovation and upgrade of the Quality Assurance services. License Renewal	Meetings with stakeholders and field inspectors.	Quarterly Annual
Shareholders and Potential Investors	• Clarity on dividend policy	• Dictated by the economic environment	AGMs, Analyst Briefing, Ad-hoc.	Quarterly and Annual.
Local Communities	• The provision of quality seed and advice on farming.	• Local community engagement through our sales representatives.	Local community meetings.	On-going

Collective Bargaining.

Seed Co International acknowledges employees' right to freedom of association and collective bargaining. These practices improve workplace communication and ensure high staff retention. However, these practices can also create divisions, teams, or syndicates.

The Group manages Freedom of Association and Collective Bargaining in various ways that includes considering human rights (ILO Human Rights), Group HR (Human Resource) Policies and the Labour Laws in the countries we operate. Seed Co International Limited is committed to protecting the constitutional right of freedom of association for its employees. More so, the Group has taken various actions to manage Freedom of Association and Collective Bargaining and related Impacts through the creation of Worker's Committees. These have helped create harmonious industrial relations.

Conditions of service for employees not covered by collective bargaining agreements are determined by the labour regulations, best practices, and market trends. The Group continues to provide support to Workers Committees and affiliations to National Employment Councils to support employees' right to exercise freedom of association and collective bargaining.

MATERIALITY

Materiality assessment is a central aspect of our sustainability practices. It enables us to determine the significant environmental, social and economic risks and opportunities for our business and stakeholders. In this report, we applied GRI Standards to identify topics where significant impacts are notable. Material topics reflect Seed Co International's most significant impacts on the economic, environment, and people, including impacts on human rights.

Materiality Process

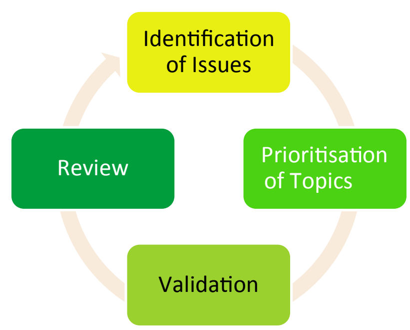
Our materiality process is made up of four phases: 1. Identification of stakeholder issues 2. Prioritisation of topics 3. Validation 4. Review, these stages are further explained below. During the reporting period, the materiality assessment was conducted through a survey of senior executives within the Group.

Identification of Issues – the business identified its significant impacts from issues raised by stakeholders. The issues were matched with sustainability performance indicators provided in the GRI Standards.

Prioritisation of topics – the identified topics were shared with senior management for ranking on their perceived level of importance and impact to the business and external stakeholders.

Validation of topics - the rankings provided by the senior management was validated for consistency with business operations through the removal of outliers and inconsistent rankings.

Review- the final list is further reviewed within each reporting period to assess if the topics align with the changing business landscape and stakeholder interests, topics can be removed or added during this process.



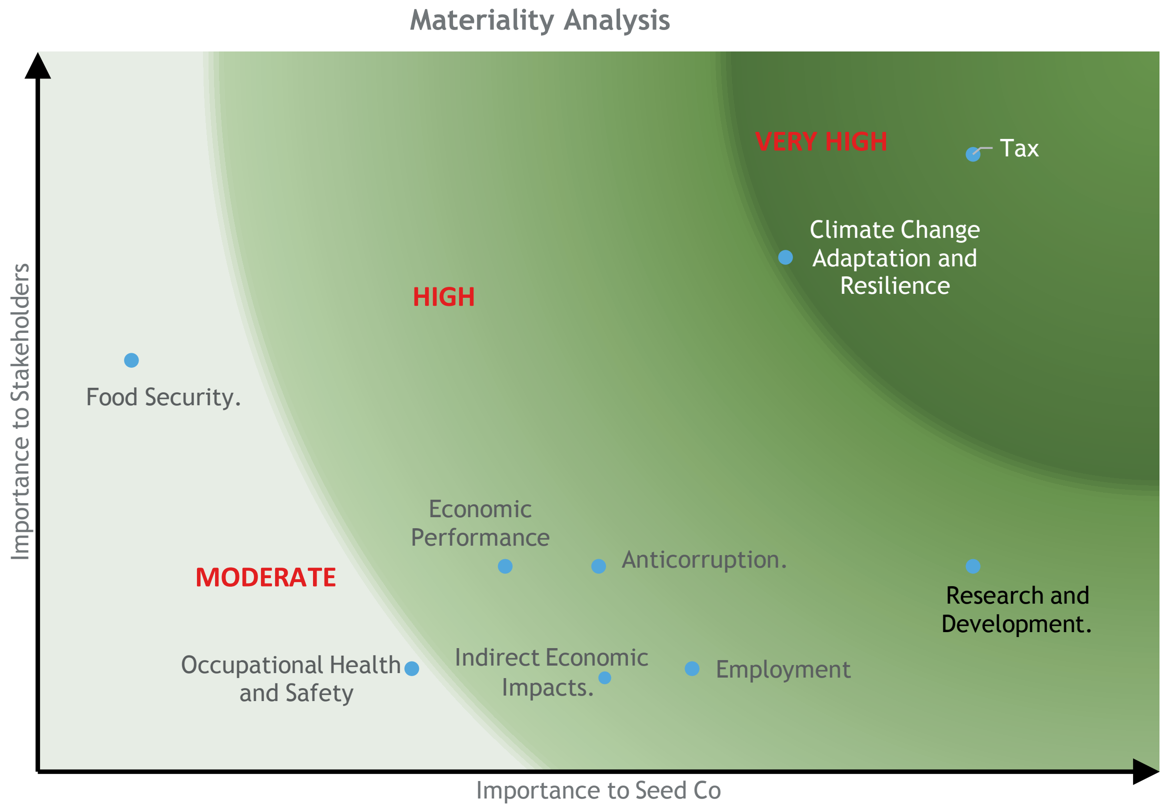
Material Topics

During the materiality identification process, 25 topics were recognised as significant to the business and stakeholders. These topics were categorised into the following three pillars:

ENVIRONMENTAL	SOCIAL	ECONOMIC
• Climate Change Adaptation and Resilience. • Water. • Responsible Agriculture and Land use. • Raw Materials. • Waste. • Responsible Sourcing. • Energy. • Biodiversity.	• Anticorruption. • Employment. • Food Security. • Occupational Health and Safety. • Local Communities. • Training and Education. • Security Practices. • Freedom of Association and Collective Bargaining. • Child Labour.	• Tax. • Research and Development. • Economic Performance. • Indirect Economic Impacts. • Procurement Practices.

Materiality Matrix

The materiality matrix below present topics identified as most significant to the business and stakeholders. The matrix below presents the top 10 material topics:



The Materiality Matrix above show three categories: 'Very High', 'High' and 'Moderate'. The 'Very High' category represents the topics with significant risk to the business hence requiring urgent action or priority to minimise negative impacts. Topics categorised as 'High' represent those with high risk requiring measures to reduce the effects. 'Moderate' topics are considered to be under control or those requiring limited attention or action. During the reporting period, climate change adaptation and resilience and tax emerged as the most significant impact areas for the business.

SUPPORTING FARMER COMMUNITIES

Seed Co remains committed to empowering communities and partnering with local growers (seed farmers) as part of our strategic growth objectives and socio-economic development contributions. As such, the Group proactively build a heritage of good corporate citizenship by investing in development projects and community relations.

Grower Support

Seed Co identifies, contracts, and capacitates farmers to become specialised seed growers/producers. Selected farmers are supported with all critical inputs, including farm implements and irrigation infrastructure, as well as full crop-cycle agronomy services.

Agronomy Support Services

The Group employs and provides qualified agronomists to support end-to-end farmer education that ensures sustainable farm productivity in the following areas:

- Soil management.
- Land preparation.
- Weed and pest control.
- Post-harvest management to preserve yields.

Seed Co also works with Government and other development partners in promoting sustainable farming technologies. Below are outputs of our contribution to food crop productivity through our innovative seed solutions and agronomy support to farmers:

Food crop farming productivity impact	Units	2023	2022	2021
Sales Volumes	Mt	49,940	44,836	49,375
Total Farmers reached	Count	1,325,450	1,282,181	1,318,907
Estimated crop acreage from seed sold	Ha	1,864,576	1,381,735	1,622,647

RESPONSIBLE OPERATIONS

RAW MATERIALS

Raw materials are essential in the manufacturing of Seed Co International primary products. Our production processes create varied impacts on the environment and society. As such, Seed Co International remains committed to efficient use of raw materials and responsible production processes. Grain seeds are the main raw material for our business and their production creates extensive pressure on land and waste. We seek to use raw materials in a way that creates less strain on the environment.

Management Approach

The Group utilises standard operating procedures to manage material usage which include:

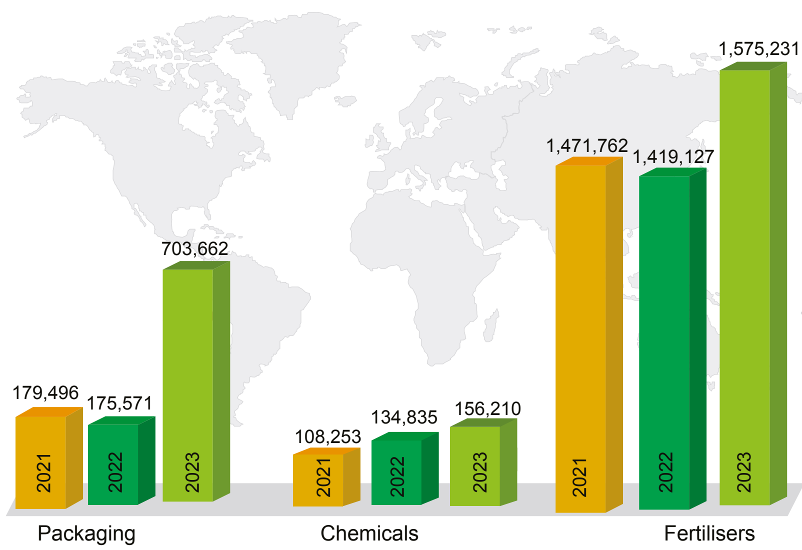
- ensuring that total material wastage does not exceed 1% of the total materials used,
- ensuring the acceptable range of cleaning loss is not exceeded,
- testing material samples for quality before procurement to prevent contamination, and
- all raw materials used should be environmentally friendly or have minimal or unavoidable pollution to the environment.

The business ensures that employees are well trained to avoid wastage and monitor quality.

Tracking Effectiveness

Seed Co International use internal and external audits, performance scorecards and budgets for raw material management effectiveness. During the reporting period, no quality issues regard packaging material were raised. The material wastage of the organization is within the prescribed range. Lastly, continuous training of employees on the effective use of machinery to minimise wastage proved effective.

Material Used



WATER

Water is an essential resource in our operations. We use water for irrigation and research development processes. Our upstream and downstream value chains are the most water intensive segments of our business while the processing stage is ultimately dry. The use of water in our business depletes water resources leading to competition for water. The seepage of wastewater and effluent from our operations affect ecosystems, contaminates underground and surface water bodies as wastewater can contain dissolved inorganic fertilisers and agrochemicals.

Management Approach

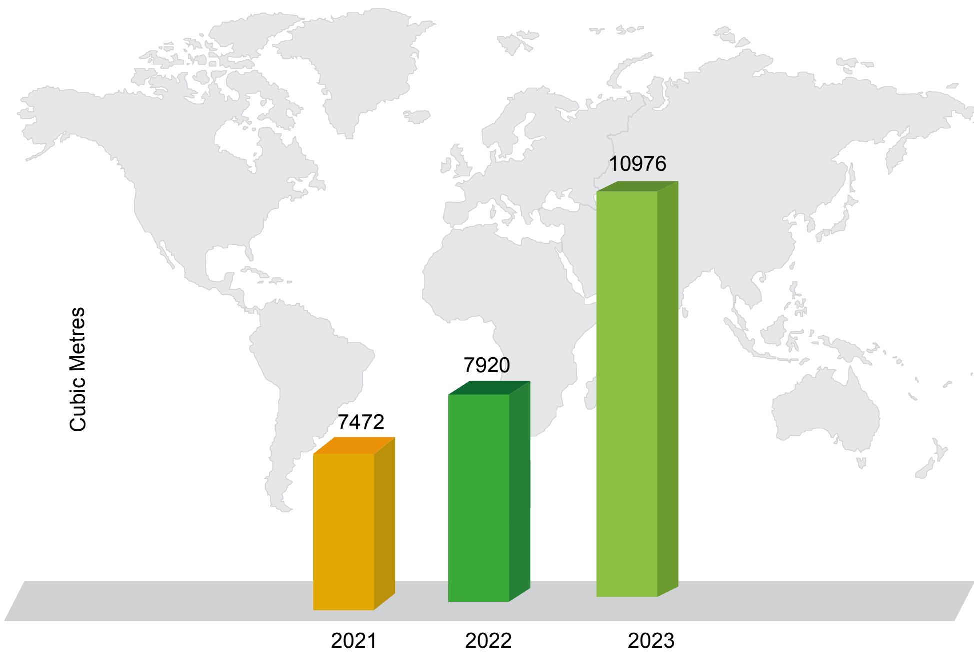
The management of water at Seed Co International follows water utilisation quotas and extraction permit as approved by the water regulators. These systems guide us on the water usage limits for our business, we also adhere to national guidelines on the management of water bodies and aquatic systems as prescribed by regulators and various government ministries. The business seeks to conserve water resources for future generations through sustainable utilisation and replenishment.

Water management targets:

- Ensure dams are always full.
- Sustainable number of boreholes for drilled domestic use.
- Maintain diversity among aquatic fauna and flora.

The following actions have been put in place by management to conserve water:

- Planting of trees to minimize soil erosion and promote ground cover,
- Avoid stream bank cultivation to minimize siltation,
- Minimize use of chemicals for pest and disease control to restrict contamination of water bodies,
- Create awareness among the community on water conservation,
- Repair and maintenance of irrigation infrastructure, drainage system and waterways, and
- Restriction on fishing activities by seeking clearance from management.



Data: Kenya, Malawi, South Africa, Botswana, Tanzania and Zambia.

Evaluating our Performance

The business assesses its performance through internal audits developed to ensure compliance with national guidelines. We engage regulators and Community Leaders on water conservation and utilisation. The Group observed intensive deforestation and siltation as a common feature in surrounding communities which contribute to crop failure and drying of water bodies. Continuous engagement with stakeholders led to the formation of water management and utilization committees which allocate water rights to various users.

ENERGY

The business relies on various forms of energy in its operations. Petrol and diesel are used in motor vehicles and back-up generators, coal is used to fire the water heater for the seed drying plants, and electricity is used to power all plants and equipment including office operations. Liquefied petroleum gas is used for cooking staff meals. The business provides fuel such as petrol and diesel for seed growers and research operations (running plant and equipment on grower and research farms). Energy use has significant cost implications and environmental impacts, making its management critical.

Management Approach

Seed Co International developed and implemented an energy management strategy to bring about efficient energy use and its related impacts. Energy use budgets are set for individual plants and equipment, and energy is procured based on a monthly consumption budget. On the other hand, energy use beyond the budget is approved by a high-level manager, this assists in keeping energy costs within specified budgets. Recording and quantifying the amount of energy used by Seed Co International informs the Group of the amount of energy use on an annual basis. The Group monitors and tracks energy consumption figures and trend analyses to establish non-renewable energy use and reduction targets. Furthermore, cleaner energy options are now being implemented at operational levels such as solar powered water pumps. Awareness has been raised among employees' communities and stakeholders, on the cleaner energy strategies for Seed Co International.

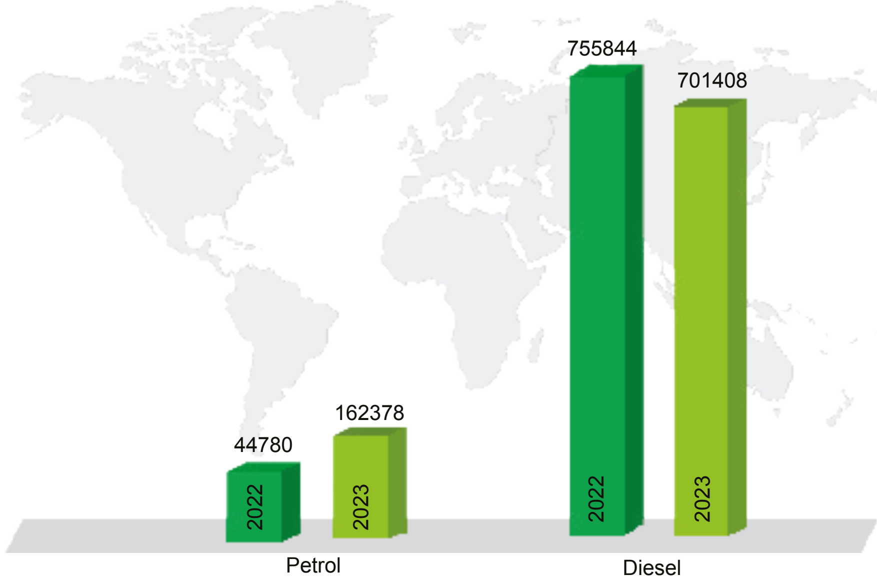
The business is developing and implementing an energy management strategy that embraces cleaner energy (solar). This strategy will promote cleaner energy production. The Group set a goal to gradually shift from the use of non-renewable energy to cleaner energy production through the development and implementation of an energy management strategy.

Internal Electricity Consumption

Electricity	Unit	2021	2022	2023
Non-Renewable Energy Source1	kWh	14,849	15,211	17,849
Renewable Energy Source2	kWh	23,746	25,112	28,125
Total Electricity	kWh	38,595	40,323	45,974

1 Data: Kenya, Malawi, Botswana, Tanzania, and Zambia
2 Data: Kenya, Malawi, Botswana, Tanzania, South Africa, and Zambia

Fuel Consumption (Internal and grower supports)



Data: Kenya, Malawi, South Africa, Botswana, Tanzania and Zambia.

PRODUCTION WASTE MANAGEMENT

Various types of wastes are produced during seed production and seed processing activities. The most common being paper, plastics, chemical containers, and computer cartridges. We generate waste such as chuff and maize cobs which are sold or used as fuel internally. Waste creates significant challenges such as waste dumps which takes up land. Inappropriate management of waste (dumping and burning) increases environmental problems such as land, water, and air pollution.

Management Approach

We are committed to the management of all wastes in an environmentally friendly manner to minimise negative impacts. Seed Co International developed waste management procedures guiding the controlling and reduction of negative impacts from waste. Currently, waste management initiatives, begin with segregation at the point of waste generation. Waste collectors were engaged to collect the waste for recycling while employees were trained on waste management procedures. The business manages waste through recycling, reuse initiatives and selling to recycling companies. The Group continuously monitor and record the amount of waste generated to track progress in waste management.

RESPONSIBLE AGRICULTURE AND LAND USE

Agriculture is a critical economic activity in Africa contributing to food security and socio-economic development. Agricultural practices often bring with them negative impacts on the environment which directly threaten sources of livelihood and productivity of the land. Seed Co International appreciates the importance of good agricultural practices and land use. Any forms of mismanagement of land use directly affects both our business and society.

Policies and Procedures

Seed Co International Limited established policies regarding the promotion of responsible agriculture practices and land use. These policies take into consideration the Rainforest Alliance Certification requirements and the Seed-Co International Limited Safety Health and Environment (SHE) Policy. The responsible agriculture practices were developed with due consideration of local laws and international best practices.

Management Approach

The policies established by our business promote the following good agricultural practices:

- use of high-yielding crop varieties to limit land clearance for farming,
- crop rotation, tree planting,
- use of cover crops and organic matter,
- use of contour ridges, and
- avoidance of stream-bank cultivation.

Evaluation of Good Agricultural Practices

We evaluate our performance mostly through internal audits, internal SHE Audits and Rainforest Alliance audits using key performance indicators on the protection of soils (erosion), forests (deforestation), and water bodies (rivers & dams). The Group assesses the level of soil erosion and siltation, re-afforestation/tree planting and contour/waterway – drainage system management.

Our evaluation is that the business has been effective in promoting good agricultural practices given the tree planting activities and waterway, drainage and contour maintenance and rehabilitation. This can also be seen in the orchards and gum plantations established at our Research Stations.

Lessons Learnt

The Group learnt that uncontrolled tree cutting, and poor soil conservation procedures are the major contributors to desertification and soil erosion. This explains why the Group put in place preventative measures to ensure the conservation of land resources. Farm managers are now receiving more training on the importance of Good Agricultural Practices. Engagements with the various stakeholders has been instrumental in assisting Seed-Co International in carrying out some of the land and soil conservation activities.

EMISSIONS

Our operations generate air polluting emissions mostly from seed driers where coal and cobs are used to fire up the driers and the use of electricity and fuels. The business has backup power generators which use diesel during times of blackouts. We have a fleet of vehicles for products distribution and staff member transportation, which generate significant amounts of emissions. The business is vested in reducing its impacts on climate change and air pollution from its emissions.

Management Approach

We have various systems and policies to reduce our environmental impact. However, air pollution and emissions are mostly managed through the Safety, Health, Environment and Quality Policies. Our key actions during the reporting period included:

- Routine maintenance of boilers and generators to maintain emission levels at an acceptable level.
- The Group developed and implemented initiatives for reducing and eliminating emissions to the atmosphere i.e., cleaner energy options and stack/chimney scrubbers to capture pollutants like particulate matter.

Evaluation of Performance

The Group monitors atmospheric emissions from water heaters and generators on a quarterly basis. The emissions tests conducted were compliant with regulations. During the reporting period, all our emissions were in the blue category considered environmentally safe. Internal Audits are used by the Group to assess the effectiveness of actions taken to manage the topic.

As part of our commitment to protecting the environment through preventing emissions that pollute the air, the Group seeks to gradually shift from pollutant-based energy to cleaner energy production. We are formulating and implementing an emissions management strategy for the Group. Fulfilment of the emissions strategy requirements will act as the Group's key performance indicator.

CLIMATE CHANGE

Climate change presents both risks and opportunities for Seed Co International. Extreme weather events, and drought disrupt farming operations while seeds developed to adapt to changes in rainfall patterns create business opportunities.The Group optimises on the development, production, and commercialisation of "Climate Smart" field crop and vegetable seeds. We have and continue to develop products that are high yielding, ultra-early maturing, disease and pest resistant, efficient water use, heat, and drought tolerant varieties.

Our climate adaptation initiatives increased productivity per unit area in different agricultural regions. Group diversification of the product basket ranges from field crops to vegetables, cereals, and oilseeds to legumes to ensure widespread adaptation to prevent crop failure risk. Seed Co International promotes traditional small grains such as sorghum, pearl millet, finger millet and cowpeas which are drought resistant crops. These initiatives influence household and national seed food security despite adverse climatic conditions.

Climate Change Mitigation and Resilience

The business monitors and studies climate change phenomena to develop strategies that effectively mitigate climate change effects. These studies have played a key role in products diversification and providing farmers with information and products adaptive to the changing weather patterns. We promote water harvesting and conservation technologies such as minimum tillage, tied ridging, and zero tillage to mitigate climate change impacts. The business increased investment in Research and Development, infrastructure and distribution networks, and agronomy and extension services to promote climate smart technologies for farmers. Seed Co international ensures that each market segment is provided with suitable varieties and adequate seed quantities.

Key lessons

The Group learnt various lessons in relation to its climate change adaptation approaches. Seed Co International will diversify its products basket to spread the risk caused due to variety breakdown because of new diseases or pest strains. The Group will continue to invest in crop seeds that adapt to climate change. Seed Co International receive farmers and market feedback on areas for improvement through consultations, end-users' comments and reviews of crop seeds uptake and acceptance.

GREENHOUSE GAS EMISSIONS

The Group calculates its carbon footprint by converting its energy consumption into carbon dioxide (CO2e) emission equivalency using internationally accepted conversion factors.

Scope 1: Direct Emissions

These are direct Greenhouse Gas (GHG) emissions from operations that are primarily owned or controlled by Seed Co International. These are emissions from fuel consumed by generators and vehicles. We applied emission factors obtained from the United Kingdom (UK) Government GHG Conversion Factors to convert liquid bio-fuel usage as presented below:

Scope 1 Emissions	2021	2022	2023
Diesel (Kg CO_2e litres)	1,115,022	2,072,398	2,326,134
Petrol (Kg CO_2e Litres)	117,549	94,646	198,312
Total Scope 1 Emissions (Kg CO_2e)	1,232,571	2,167,044	2,542,295

Scope 2: Indirect Emissions

These are emissions from the consumption of energy generated and supplied by a third party in which Seed Co has no direct control. Our Scope 2 emissions were calculated using emission factors obtained from the Southern African Power Pool 2015 using Operating Margin factors and the Global Warming Potential rates from the Intergovernmental Panel on Climate Change (IPCC) as presented below:

Scope 2 Emissions	2021	2022	2023
Electricity (Kg CO_2e KwH)	24,369	25,770	26,154

BIODIVERSITY

The variety of plants and animal life is directly linked to our business. Biodiversity is key for pollination, pest control, soil fertility, habitat protection, and prevention of natural resource conflicts which are key benefits for our growers and farmers. Biodiversity loss threatens the structure and functions of the ecosystem. When a part of the ecosystem is lost, the balance is disturbed. Increased farm population (overpopulation) increases strain on biodiversity services with regards to resource carrying capacity, waste management and natural energy requirements. This leads to environmental problems which affect soil fertility and farm productivity. Seed Co International recognises the need to maintain biodiversity by farmers, growers, and other stakeholders to manage our impacts.

Managing Biodiversity

Our business activities such as land use, chemical pesticide spraying, and farmer induced fires interfere with biodiversity which can lead to significant ecological imbalance. The Group took various measures to manage biodiversity and its related impacts. This is evidenced by how Seed Co International developed, implemented, and maintained a Biodiversity Conservation Policy and Strategy. These documents provide guidance and restrictions for our varied stakeholders on what they can do to manage their impacts. Key measures outlined in these policies include the prohibition and control of the harvesting of natural resources by the Group through farm management and the security department. This helped sustain nutrient cycles and life support systems (ecosystem) at a local scale. Seed Co International and communities collaborate on conserving biodiversity around business facilities through periodic monitoring, preventing continuous loss of biodiversity.

Evaluation of Biodiversity management performance

Seed Co International Limited monitors natural resources use through internal audits. The goal is to conserve biodiversity around of our facilities. The Group reports and monitors the use of natural resources and biodiversity on an annual basis.

RESPONSIBLE SOURCING

Responsible Sourcing is fundamental to Seed Co International as it takes into account social and environmental considerations in our supply chain management. The Group allowed investment to flow to compliant companies with low environmental impacts, jobs have been created, a safe working environment ensured, and growth assured for key companies.

We also recognise how responsible sourcing create negative impacts:

- Smaller non-complaint companies failing to grow,
- Companies taking short-cuts to seem more environmentally friendly,
- Use of larger companies stifling growth of smaller non-compliant companies, and
- Companies are having to spend more money to be more environmentally friendly and socially responsible.

Actions for managing Responsible Sourcing

The Group took measures to address actual negative impacts from suppliers. These actions involve the return of all non-complaint goods, negatively rating suppliers not adhering to the 5 rights of procurement and removing them from the suppliers list. Similarly, actions have been taken to incentivise compliant companies. Some of these actions include, maintaining and keeping good relations with companies with positive impacts, prioritising companies with a good rating and signing long term contracts.

Seed Co International took the following measures to prevent potential negative impacts:

- thorough supplier evaluations,
- promotion of the use of ISO certified companies and other prescribed certifications,
- regular review of suppliers on environmental and social impacts, and
- Implementing a supplier rating system.

Processes to Monitor Responsible Suppliers

Seed Co International seeks to procure sustainably produced best quality goods and services from contracted suppliers. We conduct regular supplier evaluations and random spot checks through internal audit and the loss control department to monitor supplier performance and review contracts. The Group use quality assessment to evaluate performance. The actions taken have been positive as evidenced by majority of suppliers complying with our supply chain policies.

How we performed

The Group experienced significant progress toward achieving its goals. The quality of the products and services is on the rise and the use of companies with good track records is at 100%. Seed Co International does not compromise on quality hence the use of reputable companies with the capacity to deliver supplies effectively and timeously on time at the right quality. The feedback we receive from our customers and stakeholders helped us improve and implement policies that ensures we operate responsible business value chains.

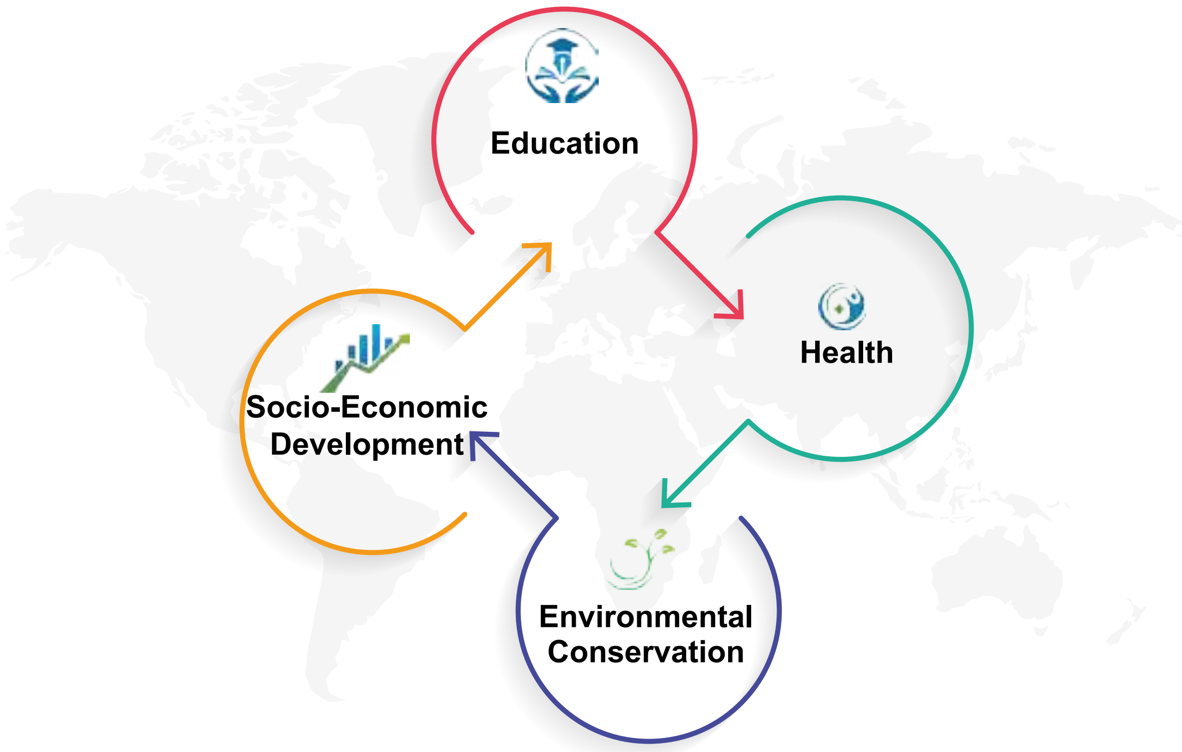
OUR COMMUNITY IMPACTS

Local communities are important to Seed Co International as they provide the valuable social capital for the success of our business. The Group recognises the importance of its shared vision with local communities and seeks to give back in return for all the benefits it gains from the people surrounding its operations. The business has a function responsible for managing all community related aspects.

Our Approach to Community Development

Seed Co initiatives and projects are a deliberate process informed by stakeholder engagement policies. The Group works with the government and non-governmental organisations to ascertain community needs. The organisation works closely with the communities to understand issues that impact them. From their concerns, Seed Co International comes up with policies and procedures for community development.

Seed Co International community development projects play a critical role in alleviating the social challenges faced by local communities. Our approach is aimed at providing resources to lighten the social burden of our society. The Group focuses mostly on education, environmental stewardship, and health and socio-economic development as its main positive impacts to society under its Corporate Social Responsibility (CSR) pillars.



Education

Our educational support contributes to community stability by promoting financial self-dependence which in turn reduces poverty and crime levels in communities. Our goal is to make education more accessible, continuing with the bursary initiatives for students based on merit and providing internships to tertiary graduates.

Socio-Economic Development

Seed Co International believes that Sports are an integral social and fitness system which is the reason behind sponsoring national teams such as the Young Sables. We targeted to support 20 Non-Governmental Organisations (NGOs) and national sporting teams.

Environmental Conservation

Seed Co also works to promote joint environmental conservation activities by helping to reduce the effects of climate change. Seed Co International partnered with environmental regulators during the year to educate communities on the importance of conservation and reducing carbon emissions. Our goal was to raise awareness on climate change.

Health

Seed Co International support health Initiatives through donating food stuffs. The Group targeted supporting 3 hospitals.

Policies and Commitments

The Seed Co International CSR policy was established to guide local community development efforts. This policy sets out our commitment to drive and improve education in local communities, work with government and non-governmental organisations to identify community partnership needs and improve these areas in the Arts and Sports Industry in partnership with relevant organisations. The policy covers commitments to environmental conservation, promoting good health and wellness in communities and ending poverty and hunger, which comprises Sustainable development goals 1 and 2 respectively.

We recognise that there are instances where donations might be misused or fail to reach the envisioned beneficiaries as such we have put in place measures to manage such instances:

- Seed Co International Limited ensures zero private handover of Group donations. All community project handovers are done with all intended beneficiaries present to avoid any misuse of sponsored items.
- The Group requires that recipients acknowledge receipt in writing.
- Follow ups on distributions.
- Continuous assessment of set project through regular reporting and
- Follow up with the local communities.

Evaluating performance

The Group evaluates local community development efforts by:

- Allocating Budget vs Actual spending,
- Media Coverage and sentiment – Share of voice,
- Performance Appraisals and Social Impact level - Feedback from the community.

An assessment of the effectiveness of actions taken to manage the topic shows progress was made on set goals. These are measured and amended monthly through management reporting. Moreover, quarterly, and yearly reports were made to ascertain progress with feedback from management on issues reported.

During the period under review, our community investments were as follows:

Theme	Purpose	Donations	Beneficiaries	Country	Value US$
Education	Motivating excellence in education. (awards to top-performing students, teachers and institutions)	Boardroom furniture donation to local school. Scholarships for school children Scholarships for school children	St Mannocks Primary School (10 Students) Various Universities in Zimbabwe (5 Students) St Mannocks Primary School (10 Students)	Zimbabwe Zimbabwe Zimbabwe	$4,500 $7,000 $3,000
Health	Supporting Government efforts to manage the spread of diseases	Cholera, HIV, AIDS & STIs awareness in collaboration with Providence Health Services	Lumanda Farm-Mandebvu Community	Zimbabwe	$500
Health	Environmental best practices in line with sustainability goals	Tree planting by Agronomists in various provinces	Farmers in various provinces	Zimbabwe	$500
Emergency and Disasters	Supporting and enhancing the resilience of flood victims in farming areas	Mealie Meal	Flood Victims	Zambia	R1500
Food Security	Enhance farmer knowledge on using the right seeds to ensure food security in local communities. Improve food security at household level	Seed donation of over 1 tonne and agronomy knowledge to community farming projects. Mealie meal donations to less privileged care organisations	Community based agricultural cooperatives. Mutemwa Leprosy Centre Idawokwako Old People's Home	Zimbabwe Zimbabwe Zimbabwe	$3,500 $2,000 $2,000

CONTRIBUTING TO SUSTAINABLE DEVELOPMENT GOALS

The combination of our innovative and profitable farming-oriented business model, our ESG strategic Pillars and Corporate Social Responsibility (CSR) activities contribute directly to specific Sustainable Development Goals (SDGs). Based on our analyses we believe we have made significant contributions to the following SDGs:

SDG	SDG Description	Contributions
	End poverty in all its forms everywhere.	Our business in anchored on providing innovative seed solutions that are climate-smart and high-yielding to deliver the best possible harvest cost efficiently for our largely small-scale farmer customers. This fosters profitable entrepreneurial agriculture by enabling our customers to be produce beyond subsistence and earn income from surplus produce that can uplift their economic livelihoods. Primary food production plays a critical catalytic role in many economic activities that uplift communities from poverty. We provided opportunities for local communities to improve their economic livelihoods, namely our contracted seed growers and our certified seed customers. In addition to the seed we sold, we held demo and field days in all our markets to train farmers free of charge on best farming practices to mitigate climate change and alleviate hunger.
	End hunger, achieve food security and improved nutrition and promote sustainable agriculture.	Our thoroughly researched and multi-geography adapted climate-smart and high-yielding affordable seed solutions capacitates farmers produce surplus food that can be sold to and help eradicate hunger. We supported communities with maize seeds to help improve socio-economic livelihoods while also alleviating hunger. Over US$12,000 of seeds were donated in Nigeria alone. We supported our contracted seed growers and grain producing farming customers with technical support.
	Ensure healthy lives and promote well-being for all at all ages.	Our contribution to primary agriculture directly and indirectly produces food crops with the requisite nutrients and generate income for our farming communities that promote the good health and well-being of societies. In addition, we continue to support government efforts to increase awareness on HIV and Malaria prevention and control.
	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	Our contribution to making farming a profitable enterprise for our largely small-scale farmers enables them to generate income towards the education of their children. In addition, the business is stimulating excellence in education by awarding top-performing students, teachers, and institutions. We also provide internship opportunities to tertiary graduates in the various countries we operate.

SUPPORTING FARMER COMMUNITIES

Seed Co International remains committed to empowering communities and partnering with local growers (seed farmers) as part of our strategic growth objectives and socio-economic development contributions. As such, the Group proactively build a heritage of good corporate citizenship by investing in development projects and community relations.

Grower Support

Seed Co International identifies, contracts, and capacitates farmers to become specialised seed growers/producers. Selected farmers are supported with all critical inputs, including farm implements and irrigation infrastructure, as well as full crop-cycle agronomy services.

Grower Support

Seed Co International employs and provides qualified agronomists to support end-to-end farmer education that ensures sustainable farm productivity in the following areas:

- Soil management.
- Land preparation.
- Weed and pest control.
- Post-harvest management to preserve yields.

Seed Co International also works with Government and other development partners in promoting sustainable farming technologies. Below are outputs of our contribution to food crop productivity through our innovative seed solutions and agronomy support to farmers:

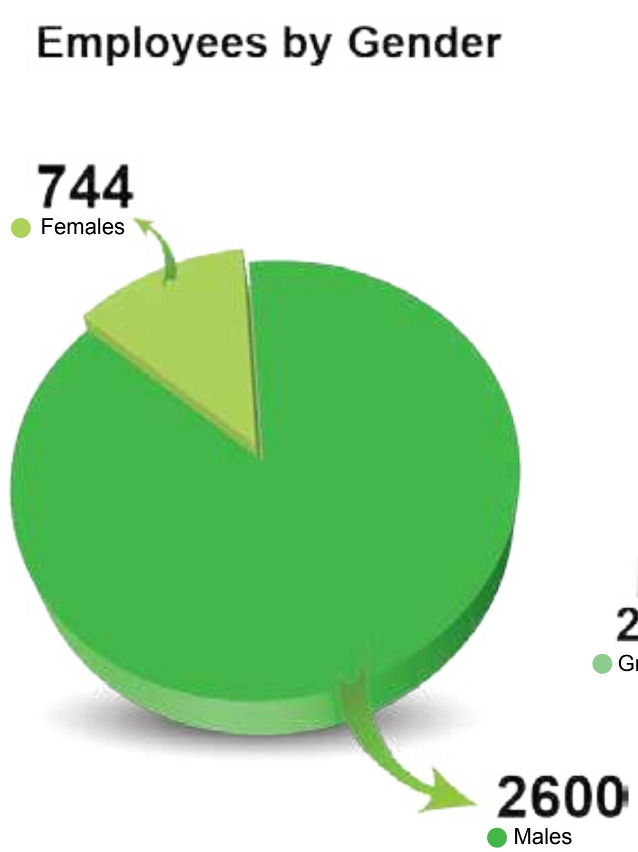
Food crop farming productivity impact	2022	2023
Tons sold	44,836	49,940
Estimate hectares planted based on seed sold (ha)	1,381,735	1,864,576
Grain production potential based on seed sold (tons)	2,433,145	3,647,191
Total farmers reached (Count)	2,187,044	2,816,369

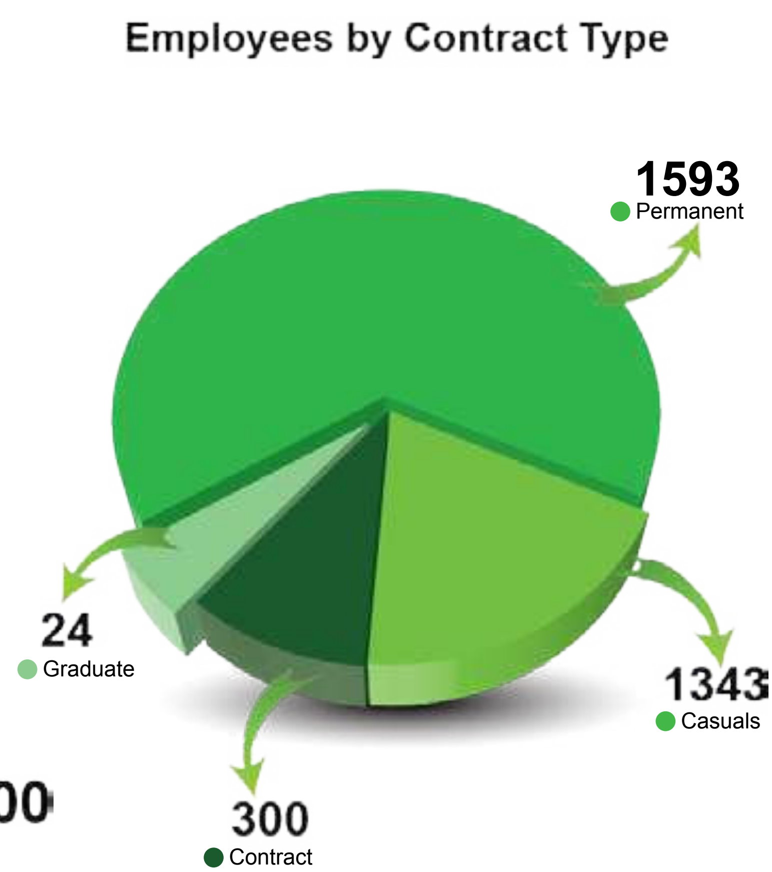
EMPLOYEES

Seed Co International is committed to being the employer of choice and offer equal opportunity, regardless of race, gender or religion. All our employees are guaranteed maintenance of dignity, respect, equality and independence. We also believe that employment creation is pivotal to Seed Co International operations and community development. Employees play a critical role in business growth, innovations and building shared values with our stakeholders.

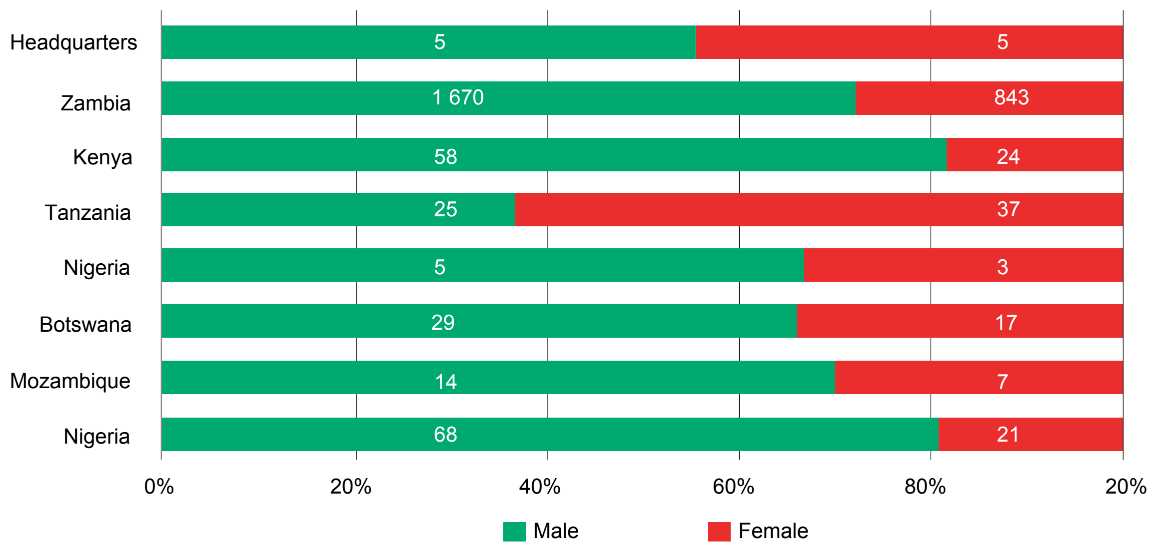
Management Approach

The Group has policies and commitments regarding the management of employment practices in line with the labour laws. Our Human Capital Policies and practices are designed to create conducive work environment for employees to deliver optimum performance and career fulfilment. Below is employee base by gender and contract type:





Employee Country by Gender



Seasonal staff and Graduate Trainees

Seed Co International employs seasonal staff on a need basis for seed processing, packaging and dispatches from employment agencies. The business also provides opportunities for graduate traineeship. This category of staff is not considered full employees by the company. During the year under review, the figures were as follows:

Category	Unit	2023	2022
Casual	Head Count	1,897	1,585
Graduate Trainees	Head Count	20	18
Total (Head Count)		1,917	1,603

Benefits provided to full time employees

The Group offers the following benefits to full time employees only:

- 100% medical cover for the employee and 4 dependents.
- Pension scheme.
- Social policy cover - wedding or birth policy.
- Group Life Assurance.

Occupational Health and Safety.

Seed Co International is prone to occupational health and safety risks among employees. Health-related risk involves the gradual or instant damage of normal body function from continuously operating in unsafe conditions. These health risks may include Noise-Induced Hearing Loss (NHIL), Musculoskeletal Disorders (MSDs) and Respiratory ailments among others. We prioritise the protection of employee health and safety as a basic human right.

Managing Occupational Health and Safety

The Group has Occupational Health, Safety and Environment (OHSE) Policies. These policies and procedures consider national legal requirements for OHS management within the workplace. We have mechanisms for the identification and management of health and safety hazards for employees, contractors, and visitors to ensure there is zero incidences. In case on an incident, investigation procedures are initiated to correct any deviations and prevent future recurrences. The success of our safety programs and plans hinges on the fact that we integrate occupational health and safety management in business planning and employee engagement.

Hazard Identification and Risk Assessment (HIRA)

The Group uses HIRA to evaluate any situation that may have the potential to cause harm. Our OHSE Policy requires that management identify, assess, and control hazards to achieve zero harm. To ensure uniform hazard identification and risk assessment, procedures are documented and made available to all the relevant personnel. The HIRA process identifies and classifies OHSE risks into low, medium, or high to enable elimination, substitution and implementing administrative controls. During the period under review, the following hazards were identified:

Work related hazards with potential risk of high consequence of injury

Hazard	Actions taken or underway to eliminate the hazard
Manual lifting and handling	Use of mechanised equipment for lifting, training on proper lighting technique and use of lifting machinery.
Electricity usage	Fire equipment servicing, training on hazards associated with electricity, signage.
Driving	Defensive driving training, scheduled vehicle servicing, vehicle policy and procedures, and vehicle tracking system.
Energised equipment and rotating machinery	Training on hazardous energy, Personal Protective Equipment. Servicing of equipment and machinery.

Work related hazards with potential risk of ill health

Hazard	Actions taken or underway to eliminate the hazard
Hazardous chemical handling and use	Chemical registers with MSDS, medical surveillance for chemical handlers, and training on chemical handling and use.
Noise equipment	Noise survey, provision of protective equipment earplugs.
Grain dust	Dust survey, provision of masks.
Manual lifting and handling	Use of mechanised equipment for lifting, training on proper lighting technique and use of lifting machinery.

Reporting work-related hazards

The Group requires employees to report near-misses, safety and high fatality incidents. Incidences are investigated and corrective action taken. Where employees consider a working condition or environment unsafe, they are encouraged to stop work and report to their supervisors and management for the unsafe condition to be rectified.

Incidents Investigation

The OHSE management at Seed Co International requires that all health and safety incidents resulting in employee injury be investigated. The SHE incident management procedures are implemented on all serious injuries. Line Managers and Supervisors of departments investigate medical treatment cases, while senior management investigates cases resulting in Lost Time Injuries (LTI) and fatalities for corrective and preventive action.

Evaluation of Performance

During the year under review, the Group made significant investments to manage hazards in the workplace. Occupational health and safety awareness campaigns were conducted by the SHE Department to increase hazard and risk consciousness with the goal of reducing injuries and related costs. The following were implemented:

- Continuous monitoring of operations through OHSE audits and inspections.
- Strict plant and equipment servicing.
- Adhering to equipment maintenance schedule.
- Equipment inspection by External and Governments approved Inspectors.
- Hazard identification and risk assessments.
- Employee awareness on OHSE issues.

The business remained compliant with Safety Health Environment (SHE) regulations and statutes, and this reduced the risk of litigation from regulators.

DIVERSITY AND INCLUSION

Seed Co International operations are centred upon diversity and inclusion. The Group consists of people from a range of different social and ethnic backgrounds and of different groups, gender, sexual orientation, and religion. The business provides equal opportunities without discrimination. We recognise that more still needs to be done to balance gender ratios and diversity. As such, we continue to encourage female employees to take up challenging and management roles whenever the opportunity arises as contained in our recruitment policy.

EMPLOYEE TRAINING AND DEVELOPMENT

Employee training and development is a continuous and never-ending program at Seed Co International. Through our training and education programs, we observed an increased job satisfaction and morale of employees, improved productivity by realignment of skills, while loyalty and staff tenure improved. Consequently, the Group experienced staff turnover with some employees leaving after training or taking time from daily operations. However, there are always high expectations for promotion or salary rise after training.

Managing Training and Development

The Group's Personnel Development Policy (PDP) guides all employee training and development. All personnel training costs are 50% funded by the Group on completion of approved training programmes. The Group provides skills development, and the cost is always perceived as an investment.

To ensure training does not disrupt daily work, Seed Co International resorted to online training. Training activities are segmented by each department to prevent disruption of operations. More so, the Group ensured costs are properly budgeted for, correct on boarding and mentorship provided. The business provides continuous positive feedback and recognition of trained staff through career progression and advancement.

Seed Co International tracks effectiveness of employee training and development through post training evaluations, staff retention indices, quality of output, customer and employee feedback, and training needs. The Group always endeavours to improve employee productivity through skills development. Seed Co International targets 90% staff retention and internal growth which is measured by assessing staff turnover, productivity, and profitability.

ECONOMIC CONTRIBUTIONS

Economic performance is fundamental to Seed Co International Limited operations. The Group's economic impacts were mostly associated with employment, paying suppliers on time, dividend payment to shareholders, tax payments and raw material procurement.

Managing Economic Performance

We manage our economic performance through established finance and accounting procedures. Our goal is profit maximisation supported by production and sales volume targets. During the reporting period, we implemented the following initiatives:

- Constant review of prices in line with exchange rate movements and market fundamentals.
- Cost containment.
- Increase in exports to retain value.
- Bulk and advance payment of inputs to hedge against inflation.
- Budgeting and regular performance assessments.

The business seeks to achieve zero penalties from the revenue authorities by meeting all returns and payment deadlines. This is achieved by:

- Ensuring that the Group is compliant with tax obligations,
- Making sure all suppliers are tax compliant,
- Submitting all the returns on or before the due date,
- Reviewing monthly tax reconciliations,
- Claiming tax refunds on tax compliant invoices only, and
- Deducting and remitting withholding tax on all suppliers who are not tax compliant.

The business had no fines imposed on it or refunds turned down. The Group continuously monitor and review its tax management practices ensuring tax returns and payments are done timeously and accurately.

Stakeholder Engagement on Tax Matters

Seed Co International makes use of various processes for collecting and considering the views and concerns of stakeholders, including external stakeholders on tax issues. The Group ensures that suppliers get their withholding tax certificates on time. It also provides employees with PAYE tax tables and enlightens them on how the PAYE has been computed. In addition, the Group timeously sends VAT Returns and provides supporting documentation whenever they have been requested.

Tax Payments

PURPOSE	2021 (US$)	2022 (US$)	2023 (US$)
Corporate tax paid	3,369,599	3,601,473	3,749,108
Value Added Tax (VAT) paid	568,878	707,383	526,477
Import Duty paid	354,827	587,635	503,116
PAYE paid	2,176,767	2,937,404	2,469,509
Withholding Tax paid	1,546,353	1,052,234	1,675,552
Fines paid	9,445	9,233	6,819
Grand Total	8,025,869	8,895,362	8,930,581
Total taxes to revenue%	9%	10%	9%

Data: South Africa, Botswana, Kenya, Malawi, Tanzania, Nigeria and Zambia.

PROCUREMENT PRACTICES

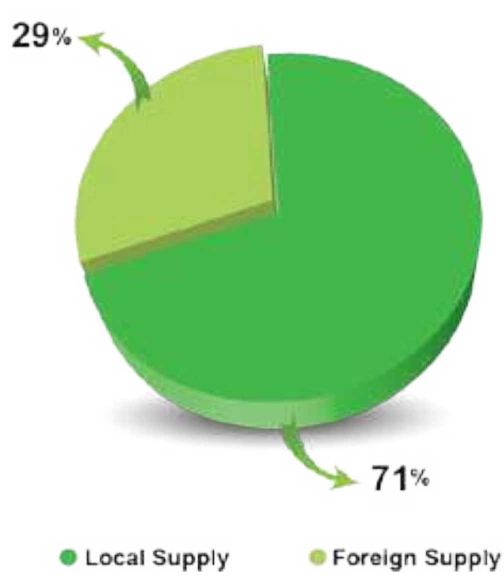
The Group's main objective is to create value by securing quality products at the most affordable price (value for money) and always ensure availability of products and services (convenience). We operate a competitive procurement practice that ensure we achieve our goals and targets. Our goal is to ensure at least 70% local procurement is met.

Managing Procurement Practices

The following actions were implemented:

- Prepayments for critical suppliers to avoid unnecessary price adjustments.
- Centralised bulk buying to avoid unnecessary procurement and enhance cost containment drives.
- Quality checks on packaging materials before procurement to avoid buying defective products.
- Inspecting samples requested from suppliers before procurement approval.

The Group carries out internal and external audits to track effectiveness of procurement systems and their related impacts. Seed Co International learnt that it was economical to buy in bulk and secure inputs in advance to avoid rushed purchases which tend to be more expensive. Further, the exclusion of some traditional suppliers proved effective as new suppliers were offering competitive, reliable, and quality products. During the period under review, we engaged new suppliers of fertilisers, chemicals and packaging materials who offered competitive prices than traditional suppliers.



Data: Kenya, Malawi, Mozambique, Tanzania, Nigeria, Botswana and Zambia.

FINANCIAL REPORTS

REPORT OF THE DIRECTORS

TO THE SHAREHOLDERS

1.Your Directors have pleasure in presenting the 23rd Directors' Report of your Company along with the financial statements for the financial year ended 31 March 2023.

2. SHARE CAPITAL

The issued and fully paid share capital of nil par value increased during the year as follows:

Issued and fully paid at 31 March 2022	393 647 814
New Shares Issued	-
Add: share options issues	-
Issued and full paid for at 31 March 2023	393 647 814

At 31 March 2023, a total of 25,900,659 (2022: 26,158,902) shares were committed to the share option scheme as shown below:

Already committed to unexpected options	6 73 9 789
Exercised to date	2 121 700
Total shares committed to the share option scheme	19 161 870 28 023 359

At 31 March 2023 options for a total of 6,739,789 (2022: 4,968,635) had not been exercised or forfeited and the movement in share options is as shown below:

Granted but unexercised options at 1 April 2022	4 968 635
New options Granted during the year	2 112 477
Options exercised	-
Options forfeited	(341 323)
Unexpected options at 31 March 2023	6 739 789

3. ACCOUNTING POLICIES:

The consolidated financial statements have been prepared both in accordance with International Financial Reporting Standards (IFRS) and in compliance with provisions of the Companies Act (Chapter 42:01) and the relevant regulations there-under.

4. THE GROUP'S FULL YEAR RESULTS:

During the year under review, your Company recorded a consolidated turnover of $105.3m which was higher than prior year's $88.5m turnover and a profit of $2.9m compared with prior year of $7.1m in FY22.

For further information, kindly refer to Chief Executive's review of operations, forming part of this Annual Report.

5. NUMBER OF MEETINGS OF THE BOARD

The Board met four times in financial year as illustrated in the Governance statement that forms part of this Annual Report.

6. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors hereby confirm that:

(i). In the preparation of the financial statements for year ended 31 March 2023, the applicable accounting standards have been followed along with proper explanation relating to any material departures;

(ii). The Directors have selected accounting policies as detailed in Note 2 to the financial statements in this Annual Report and

applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the Company's state of affairs at 31 March 2023 and of the profit of the Group for that period.

(iii). The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Botswana Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(iv). The Directors have prepared the financial statements for the year ended 31 March 2023 on a 'going concern' basis.

(v). The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and have been operating efficiently.

(vi). The Directors have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

7. DIRECTORS DECLARATIONS AND CONFLICT OF INTEREST

The Directors of the Company have submitted the declaration of Independence and any conflict of interest as required by the Botswana Companies Act at every meeting.

8. DIVIDEND

The Board resolved to declare a dividend of 0.25 cents a share.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees and Investments are given in the notes to the Financial Statements.

10. COMMITMENTS FOR CAPITAL EXPENDITURE

Group capital expenditure for the year to 31 March 2023 totalled $4 161 362 (2022: $4 226 855) Capital expenditure for the year to 31 March 2024 is planned at $10, 517,925 (2023: $6 904 698).

11. BUSINESS RISK MANAGEMENT

The Group takes a proactive approach to risk management. The Board has considered the continued impact of war in Ukraine on the business and took appropriate mitigation measures as shown on page 30 of the Annual Report. This is in addition to the major risks that the Board constantly manages on page 31 that may materially affect our business, financial condition, or results of our operations.

The Audit and Risk Board Committee is mandated to have oversight of all the risks facing the Group and its terms of reference on Risk management are:

(a) To lay down a framework for identification, measurement, analysis, evaluation, prioritization, mitigation & reporting of various risks in line with the Risk Management Policy of the Company.

(b) To review the strategies, policies, frameworks, models, and procedures that lead to the identification, measurement, reporting and mitigation of various risks.

(c) To implement risk mitigation plans in the interest of the Company

(d) To help the Board define the risk appetite of the organization and to ensure that the risk is not higher than the risk appetite determined by the Board.

(e) To safeguard Company's properties, interests, and interest of all stakeholders.

(f) To evolve the culture, processes and structures that are directed towards the effective management of potential opportunities and adverse effects, which the business and operations of the Company are exposed to.

(g) To optimize a balance between the cost of managing risk and the anticipated benefits.

(h) To monitor the effectiveness of risk management functions throughout the organization. Ensure that infrastructure, resources, and systems are in place for risk management and are adequate to maintain a satisfactory level of risk management discipline.

(i) To create awareness among the employees to assess risks on a continuous basis and to ensure that risk awareness culture is pervasive throughout the organization.

(j) To review issues raised by Internal Audit that impact the risk management framework.

(k) To review and approve risk disclosure statements.

(l) The Company has a robust Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

(m) The business risk framework defines the risk identification and its management approach across the enterprise at various levels including documentation and reporting. The framework helps in identifying risks trend, exposure, and potential impact analysis on a Company's business.

12. CORPORATE SOCIAL RESPONSIBILITY

The Group has a Corporate Social Responsibility (CSR) Policy to guide all the CSR activities across all operations.

13. ANNUAL EVALUATION OF PEFORMANCE OF THE BOARD

As detailed in the Governance Statement in this Annual Report, the Board's functioning was evaluated on various aspects, including inter alia degree of fulfilment of key responsibilities, Board structure and composition, effectiveness of Board processes, information, and functioning.

Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings and guidance/support to the management outside Board/ Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members.

Areas on which the Committees of the Board were assessed included degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings. The performance evaluation was carried out by the entire Board.

14. SUBSIDIARY COMPANIES

The performance of the various subsidiaries of the Group is detailed in the CEO’s review of operations and that of the key geographical segments are included in note 27.1 of the Annual Report.

15. INTERNAL CONTROL SYSTEM

The Company has an internal financial control system commensurate with the size and scale of its operations and the same has been operating effectively. The Internal Audit function evaluates the efficacy and adequacy of internal control system, accounting procedures and policies adopted by the Company for efficient conduct of its business, adherence to Company's policies, safeguarding of Company's assets, prevention and detection of frauds and errors and timely preparation of reliable financial information etc. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

16. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The details of key management that govern the various operations of the Group are detailed on page 81 of this Annual Report.

17. GROUP SECRETARY EVALUATON

Following annual Board performance evaluations for the reporting period, the Board was satisfied with the performance of the Group Secretary [Tineyi Chatiza (FCCA, AIBZ, BBS (Hons)]. The Board is satisfied with the appropriateness of the Group Secretary's expertise, experience, independence, and the existence of no conflict of interests for an arm's length relationship between the Board and the Group Company Secretary. The Board further assessed the competence and expertise of the incoming Group Secretary and is satisfied that he has the appropriate qualifications, experience, and competence to carry out the duties on behalf of a public company. The Group Secretary is not a director of the Company and is deemed by the Board to be suitably independent.

18. GROUP FINANCE DIRECTOR EVALUATION

The Audit Committee is mandated to evaluate annually the performance of the Group Finance Director. Following interim and final performance evaluations during the reporting period, conducted within the framework of the Seed Co Group Senior Executive Performance Evaluation model in conjunction with the Remuneration & Nominations Committee, the Audit Committee was satisfied with the Group Finance Director's performance as well as the appropriateness the Finance Director's expertise and experience.

19. AUDITORS

Shareholders will be asked to re-appoint Ernst & Young, Chartered Accountants (Botswana) as auditors for the financial year ended 31 March 2024.

20. DIRECTORATE CHANGES

Michael Ndoro resigned from the Board during the year on 22 March 2023.

Members will be asked to approve the payment of directors' fees in respect of the year ended 31 March 2023 amounting to US$291,101 (2022: US$272,397)

For and on behalf of the Board of Directors,

E. M. Kalaote

Company Secretary

DIRECTORS' STATEMENT OF RESPONSIBILITY AND APPROVAL OF THE FINANCIAL STATEMENTS

Statement of responsibility

The Board of Directors ("the Board" or "the Directors") of Seed Co International Limited ("the Company") is responsible for the preparation and fair presentation of the consolidated and separate financial statements of the Company and its subsidiaries ("the Group") in accordance with IFRSs. This responsibility includes the maintenance of true and fair financial records.

The Directors are also responsible for such internal controls as they determine are necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. This responsibility includes the design, implementation, maintenance and monitoring of these systems of internal controls. The Group and the Company maintain such systems which are designed to provide reasonable assurance that the records accurately reflect its transactions and provide protection against serious misuse or loss of the Group's and the Company's assets. Nothing has come to the attention of the Directors to indicate any significant breakdown in the functioning of these systems during the period under review.

The preparation of the financial statements and the process thereto was done under the supervision of Mr. J Matorofa (BICA member no 20180169) and under the guidance of the Directors of the Company, who are vested with the governance and responsibility for these financial statements as is provided for in terms of the common law, Companies Act [Chapter 42:01] and other legislative and regulatory requirements. In preparing the consolidated and separate financial statements, the management is responsible for assessing the Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so. Having performed such assessment, the management believes that the Group and/or the Company has adequate resources in place to continue in operation for at least up to the end of the next financial year.

The Directors are responsible for overseeing the Group's and Company's financial reporting process.

The consolidated and separate financial statements have been audited by an independent audit firm who reports to the members of the Company, was given unrestricted access to all financial records and related data including minutes of meetings of the Directors and members. The Board believes that all representations made to the independent auditors during their audit were valid and appropriate.

Approval of Group and Company financial statements

Against this background, the Board of Directors accepts responsibility for the Group and Company financial statements on pages 11 to 83, which were approved by the Board, signed on its behalf by the signatories below and simultaneously authorized for issue on 9 June 2023 under a specific authority of the Board.

D.E.B Long
Chairman

M. Nzwere
Chief Executive Officer

The consolidated financial statements were prepared under the supervision of Mr. J Matorofa (BICA member no 20180169)

J Matorofa
Chief Finance Officer
9 June 2023

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Independent Auditor's Report

To the Shareholders of Seed Co International Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Seed Co International Limited and its subsidiaries (the Group) and company set out on pages 59 to 99 which comprise the consolidated and separate statements of financial position as at 31 March 2023, and the consolidated and separate income statements, the consolidated and separate statements of other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of Seed Co International Limited as at 31 March 2023, and of its consolidated and separate financial performance and of its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act (CAP 42:01).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements section of our report. We are independent of the group and company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with other ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Botswana, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

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The Key Audit Matter applies equally to the audit of the consolidated and separate financial statements.

Key Audit Matter	How the matter was addressed in the audit
Credit impairment of trade and other receivables (Consolidated and separate financial statements) As at 31 March 2023, the Group and Company recognised net trade and other receivables amounting to USD 48.8 million (2022: USD47.0 million) and USD 1.1 million (2022: USD0.78 million) respectively net of allowances for impairment (estimation of credit losses) of USD 6.0 million (2022: USD12.1 million) and USD0.2 million (2022: USD5.9 million) respectively. The estimation of credit losses is inherently uncertain and is subject to significant judgements and estimates. Furthermore, models used to determine credit impairments require certain inputs and assumptions that are not fully observable for the determination of expected credit losses (ECL) on trade, and other receivables as required by IFRS 9. The continued significance of the balance and the environmental factors including changes in macro-economic fundamentals across the multiple African regions in which the group operates in the current year meant that this required significant audit focus. Specifically, our attention was focused on: • Considering the estimation uncertainty surrounding the forward-looking information, increased by the ongoing volatility in geographical sectors in which the group operates in light of the changing economic and operating environment induced by inflation and exchanges rate fluctuations, and other various scenarios that may have an impact on the recoverability of the trade and other receivable balances. This necessitated the involvement of our internal experts and increased robust discussions with management and increased focus on the variables in the scenarios. • The Group uses different models in each geographic region. The status of subsequent settlement determined whether an impairment provision was required thus necessitating an increase in procedures and effort to assess the subsequent settlements and collections. Given the combination of inherent subjectivity in the preparation of the expected credit loss models, and the judgement and estimates involved in determining the inputs into the models, we considered the calculation of the expected credit loss allowance in accordance with IFRS 9 -Financial Instruments as applicable to the trade and other receivable balances to be a key audit matter in our audit of the consolidated and separate financial statements	Our audit procedures included, amongst others: ➢ We obtained an understanding of management's process over credit origination, monitoring and remediation and assessed the appropriateness of the accounting policies and impairment methodologies with reference to the requirements of IFRS 9 and evaluated the design and the operating effectiveness of the key controls over the process of credit assessment, classification and impairment assessment. ➢ We assessed the appropriateness of the models and methodologies against generally accepted industry principles. ➢ With the assistance of our internal experts, we assessed the ECL models developed by management and the assumptions applied in the calculation of allowances for impairment by assessing the reasonableness of the underpinning assumptions, inputs and formulae used. This included a combination of evaluating the appropriateness of model design and model used. ➢ Our assessment also included the evaluation of the macroeconomic environment by considering trends in the economy, trends in the collection patterns as part of the working capital assessments by management and comparing with information developed by management as model inputs for each jurisdiction. ➢ We evaluated the appropriateness of the forecast information developed by management for each jurisdiction by comparing it against historical data in relation to support measures and considering other macroeconomic factors of the various jurisdictions which we have benchmarked against external evidence. ➢ To evaluate the data quality, we compared the ECL calculation data points to source

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The disclosures associated with respect to the application of IFRS 9 in determining the allowance for expected credit losses are disclosed in: • Note 2 "Significant accounting policies" • Note 4 "Significant accounting judgements, estimates and assumptions" • Note 16 "Trade and other receivables" • Note 28 "Financial Instruments"	system reports including testing, on a sample basis, that cash received was allocated to the appropriate receivables related invoices including extended samples for outstanding balances as at year end and tracing them to subsequent payments ➢ We reperformed the staging test distribution for a sample of trade and other receivables to assess the accuracy of the staging applied in the models against the criteria indicated by management. ➢ We assessed the appropriateness of the default rates, recovery rates and formulae used in the best case, worst case and base case scenarios considered by management. ➢ We discussed with management and assessed the exposure to concentration risk management actions taken by management, including management mitigative actions. ➢ We assessed the adequacy of the disclosures regarding the allowance for impairment of trade and other receivables in the consolidated and separate financial statements to determine whether they were in accordance with IFRS 9- Financial Instruments.

Other Information

Other information consists of the information included in the 83-page document titled "Seed Co International Limited Consolidated and Separate Financial Statements 31 March 2023", which includes the Directors' Statement of Responsibility and Approval of the Financial Statements, Company Information and the Directors' Report as required by the Companies Act (CAP 42:01). Other information does not include the consolidated or the separate financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material

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misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation of the consolidated and separate financial statements which give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Companies Act (CAP 42:01), and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the group and company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and/or company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group and company audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Ernst & Young
Firm of Certified Auditors
Practising Member: Thomas Chitambo (CAP 0011 2023)
Gaborone

30 June 2023

SEED CO INTERNATIONAL LIMITED
INCOME STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

		GROUP		COMPANY	
		2023	2022	2023	2022
	Note	US$	US$	US$	US$
Revenue from contracts with customers	5	**103 525 681**	**88 464 945**	**3 977 097**	**3 324 369**
Cost of sales	14,2	(57 516 428)	(48 666 019)	-	-
Gross profit		**46 009 253**	**39 798 926**	**3 977 097**	**3 324 369**
Other income	6,1	(2 544 325)	4 896 702	5 174 988	8 843 521
Operating expenses	6,2	**(32 855 661)**	**(30 937 262)**	**(8 994 197)**	**(9 711 785)**
Sales and marketing costs		(9 717 019)	(8 488 337)	(99 071)	(24 984)
General and administrative costs		(17 994 731)	(17 869 110)	(5 776 283)	(6 711 962)
Research costs		(3 132 496)	(3 590 574)	(2 926 786)	(2 854 569)
Credit losses	16,3	(2 011 415)	(989 241)	(192 057)	(120 270)
Operating profit		**10 609 267**	**13 758 366**	**157 888**	**2 456 105**
Finance income	6,3	449 923	308 619	682 339	470 006
Finance costs	6,4	(4 255 691)	(3 380 017)	(1 754 879)	(1 236 159)
Share of loss/impairment from associate and joint ventures	13,2	(1 095 417)	(239 401)	(742 858)	(378 937)
Profit/(Loss) before tax		**5 708 082**	**10 447 567**	**(1 657 510)**	**1 311 015**
Income tax expense	7,1	(2 796 561)	(3 351 491)	-	-
Profit/(Loss) for the year		**2 911 521**	**7 096 076**	**(1 657 510)**	**1 311 015**
Attributable to:					
Equity holders of the parent		2 881 938	6 980 812	(1 657 510)	1 311 015
Non-controlling interests	21,2	29 583	115 264	-	-
		2 911 521	**7 096 076**	**(1 657 510)**	**1 311 015**
Earnings per share - cents	8,1				
Basic, profit for the year attributable to equity holders of the parent		0,73	1,80		
Diluted, profit for the year attributable to equity holders of the parent		0,73	1,80		

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

		GROUP		COMPANY	
		2023	2022	2023	2022
	Note	US$	US$	US$	US$
Profit/(Loss) for the year		2 911 521	7 096 076	(1 657 510)	1 311 015
Other comprehensive income/(loss)					
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods (net of tax):					
Exchange differences on translation of foreign operations		(11 796 264)	5 139 824	-	-
Share of other comprehensive (loss)/income of associate and joint ventures	13,1	(1 534 398)	678 417	-	-
Net other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods		**(13 330 662)**	**5 818 241**	**-**	**-**
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods (net of tax):					
Revaluation of property, plant and equipment	9,1	211 335	-	-	-
Deferred tax on revaluation of property, plant and equipment	7,4	117 927	-	-	-
Share of other comprehensive (loss)/income of joint ventures	13,1	-	18 093	-	-
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods		**329 262**	**18 093**	**-**	**-**
Other comprehensive (loss)/income for the year, net of tax		**(13 001 400)**	**5 836 334**	**-**	**-**
Total comprehensive (loss)/income for the year		**(10 089 879)**	**12 932 410**	**(1 657 510)**	**1 311 015**
Attributable to:					
Equity holders of the parent		(10 283 517)	12 928 124	(1 657 510)	1 311 015
Non-controlling interests	21,4	193 638	4 286	-	-
		(10 089 879)	**12 932 410**	**(1 657 510)**	**1 311 015**

SEED CO INTERNATIONAL LIMITED
STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	GROUP 2023 US$	GROUP 2022 US$	COMPANY 2023 US$	COMPANY 2022 US$
ASSETS					
Non-current assets					
Property, plant and equipment (PPE)	9,3	38 831 844	44 701 720	242 091	271 936
Intangible assets	10,3	4 522 000	4 788 000	4 522 000	4 788 000
Right-of-use assets	11,1	1 500 080	903 101	-	-
Investments in subsidiaries	12,1	-	-	33 032 158	32 795 158
Investment in associate and joint ventures	13,1	4 125 875	6 755 689	5 505 091	6 247 948
Amount due from group entities	17,1	2 341 265	994 670	999 600	994 670
Deferred tax asset	7,5	667 002	513 476	-	-
		51 988 066	**58 656 656**	**44 300 940**	**45 097 712**
Current assets					
Inventories	14,1	28 578 243	22 960 579	-	-
Biological assets	15,1	4 594 520	2 680 113	-	-
Trade and other receivables	16,1	48 833 276	47 028 524	1 052 745	778 948
Amount due from group entities	17,1	2 982 502	4 931 607	22 345 645	22 328 327
Current tax asset		715 364	1 412 088	-	-
Cash and cash equivalents	18,1	19 196 798	19 911 047	379 362	5 884 471
		104 900 703	**98 923 958**	**23 777 752**	**28 991 746**
Total assets		**156 888 769**	**157 580 614**	**68 078 692**	**74 089 458**
EQUITY AND LIABILITIES					
Equity					
Stated capital	19,3	39 506 439	39 506 439	39 506 439	39 506 439
Share based payments reserve	20,1	641 289	506 121	641 289	506 121
Asset revaluation reserve		19 960 648	19 868 745	90 699	90 699
Foreign currency translation reserve		(67 397 263)	(53 905 840)	-	-
Retained earnings		92 303 512	89 182 974	343 400	2 000 910
Equity attributable to equity holders of the parent		**85 014 625**	**95 158 439**	**40 581 827**	**42 104 169**
Non-controlling interests	21,3	1 287 480	959 156	-	-
		86 302 105	**96 117 595**	**40 581 827**	**42 104 169**
Non-current liabilities					
Long-term loans and borrowings	22,1	9 090 909	11 363 636	-	-
Long term lease liabilities	11,2	788 152	692 565	-	-
Deferred tax liability	7,4	1 915 119	3 307 532	15 559	15 559
		11 794 180	**15 363 733**	**15 559**	**15 559**
Current liabilities					
Short-term loans and borrowings	22,1	37 069 282	30 779 296	17 991 852	22 822 504
Short term lease liabilities	11,2	355 848	249 254	-	-
Trade and other payables	23,1	9 909 360	6 334 965	4 083 738	1 433 647
Amount due to group entities	24,1	9 983 676	6 466 010	4 979 946	7 239 791
Employee benefits	25,1	1 189 504	1 289 828	425 770	473 788
Income tax payable		284 814	979 933	-	-
		58 792 484	**46 099 286**	**27 481 306**	**31 969 730**
Total liabilities		**70 586 664**	**61 463 019**	**27 496 865**	**31 985 289**
Total equity and liabilities		**156 888 769**	**157 580 614**	**68 078 692**	**74 089 458**

SEED CO INTERNATIONAL LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

GROUP	Note	Stated capital	Share based payments reserve	Asset revaluation reserve	Foreign currency translation reserve (FCTR)	Retained earnings	Attributable to equity holders of the parent	Non-controlling interests	Total equity
					US$				
As at 1 April 2021		36 462 929	361 966	20 171 252	(59 835 059)	85 581 654	**82 742 742**	982 085	**83 724 827**
Profit for the year		-	-	-	-	6 980 812	**6 980 812**	115 264	**7 096 076**
Other comprehensive income/(loss)		-	-	18 093	5 929 219	-	**5 947 312**	(110 978)	**5 836 334**
Total comprehensive income		-	-	18 093	5 929 219	6 980 812	**12 928 124**	4 286	**12 932 410**
Issue of share capital (scrip dividend)	19,3	3 043 510	-	-	-	-	**3 043 510**	-	**3 043 510**
Share based payments	20,2	-	144 155	-	-	-	**144 155**	-	**144 155**
Realisation of revaluation reserve		-	-	(320 600)	-	320 600	**-**	-	**-**
Dividend paid		-	-	-	-	(3 700 092)	**(3 700 092)**	(27 215)	**(3 727 307)**
As at 31 March 2022		**39 506 439**	**506 121**	**19 868 745**	**(53 905 840)**	**89 182 974**	**95 158 439**	**959 156**	**96 117 595**
Profit for the year		-	-	-	-	2 881 939	**2 881 939**	29 582	**2 911 521**
Other comprehensive income/(loss)		-	-	325 970	(13 491 423)	-	**(13 165 453)**	164 054	**(13 001 400)**
Total comprehensive income/(loss)		-	-	325 970	(13 491 423)	2 881 939	**(10 283 514)**	193 635	**(10 089 879)**
Equity contribution by minorities in a subsidiary		-	-	-	-	-	**-**	158 000	**158 000**
Share based payments	20,2	-	135 168	-	-	-	**135 168**	-	**135 168**
Realisation of revaluation reserve		-	-	(234 067)	-	234 067	**-**	-	**-**
Reversal of prior year depreciation on revaluation		-	-	-	-	4 532	**4 532**	-	**4 532**
Dividend paid		-	-	-	-	-	**-**	(23 311)	**(23 311)**
As at 31 March 2023		**39 506 439**	**641 289**	**19 960 648**	**(67 397 263)**	**92 303 512**	**85 014 625**	**1 287 480**	**86 302 105**

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

COMPANY	Note	Stated capital	Share based payments reserve	Asset revaluation reserve	FCTR	Retained earnings	Total equity
				US$			
As at 1 April 2021		36 462 929	361 966	95 967	-	4 384 719	**41 305 581**
Profit for the year		-	-	-	-	1 311 015	**1 311 015**
Other comprehensive income		-	-	-	-	-	**-**
Total comprehensive profit		-	-	-	-	1 311 015	**1 311 015**
Issue of share capital (scrip dividend)	8,3	3 043 510	-	-	-	-	**3 043 510**
Share based payments	20,2	-	144 155	-	-	-	**144 155**
Realisation of revaluation reserve through use		-	-	(5 268)	-	5 268	**-**
Dividend paid		-	-	-	-	(3 700 092)	**(3 700 092)**
As at 31 March 2022		**39 506 439**	**506 121**	**90 699**	**-**	**2 000 910**	**42 104 169**
Loss for the year		-	-	-	-	(1 657 510)	**(1 657 510)**
Other comprehensive income/(loss)		-	-	-	-	-	**-**
Total comprehensive income		-	-	-	-	(1 657 510)	**(1 657 510)**
Share based payments	20,2	-	135 168	-	-	-	**135 168**
As at 31 March 2023		**39 506 439**	**641 289**	**90 699**	**-**	**343 400**	**40 581 827**

The current year dividend distribution by the Company was nil.

Nature & purpose of reserves

Share based payment reserve

The share based payment reserve is used to recognise the value of equity settled share transactions provided to executive directors & senior management as part of their remuneration.

Asset revaluation reserve

The asset revaluation reserve is used to record increases in the fair value of property, plant & equipment & decreases to the extent that such decreases relates to an increase on the same asset previously recognised in equity.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations.

Retained earnings

Retained earnings relate to the cumulative profits of the Group & Company from which dividends can be distributed to shareholders.

SEED CO INTERNATIONAL LIMITED
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

		GROUP		COMPANY	
		2023	2022	2023	2022
Operating activities	**Note**	**US$**	**US$**	**US$**	**US$**
Profit/(loss) before tax		***5 708 082***	***10 447 567***	***(1 657 510)***	***1 311 015***
Adjustments to reconcile profit/(loss) before tax to net cash flows:					
Depreciation of PPE	9,2	2 628 349	2 511 048	32 303	23 117
Amortisation of intangible assets	10,2	266 000	266 000	266 000	266 000
Depreciation of right-of-use assets	11,1	327 597	354 306	-	-
Profit on disposal of PPE	6.1.1	(95 400)	(105 287)	-	-
Loss on lease termination	6.1.2	-	3 477	-	-
Dividend income	6,1	-	-	(2 307 812)	(6 373 393)
Credit losses	16,3	2 011 415	989 241	192 057	120 270
Share based payment expense	20,2	135 168	144 155	135 168	144 155
Finance income	6.3	(449 923)	(308 619)	(682 339)	(470 006)
Finance cost	6.4	4 255 691	3 380 017	1 754 879	1 236 159
Share of loss from associate and JVs	13,2	1 095 417	239 401	742 858	378 937
Operating cash flows before working capital changes		**15 881 339**	**17 921 306**	**(1 524 396)**	**(3 363 746)**
Working capital changes:					
Increase in inventories		(8 494 184)	(5 046 506)	-	-
Increase in biological assets		(2 827 865)	(1 355 031)	-	-
(Increase)/decrease in trade and other receivables		(9 579 407)	(5 937 772)	(465 856)	932 337
(Increase)/decrease in amounts owed by group entities		(9 892 545)	13 753 394	(22 247)	11 390 346
Increase/(decrease) in trade and other payables		5 258 311	(946 966)	2 650 091	1 094 855
Increase/(decrease) in amounts owed to group entities		13 842 443	(4 967 044)	(2 259 845)	(2 716 448)
Increase/(decrease) in employee benefits		23 494	(744 682)	(48 018)	(49 203)
Cash generated from operations		4 211 586	12 676 699	(1 670 271)	7 288 141
Income tax paid	7,6	(3 749 108)	(3 601 473)	-	-
Net cash flows from operating activities		**462 478**	**9 075 226**	**(1 670 271)**	**7 288 141**
Investing activities					
Proceeds from disposal of PPE	6.1.1	163 804	245 054	-	-
Purchase of PPE	9,1	(4 161 362)	(4 226 855)	(2 458)	(2 797)
Investments in subsidiaries	12,2	-	-	(237 000)	-
Dividends received	6,1	-	-	2 307 812	6 373 393
Interest received	6.3	449 923	308 620	682 339	470 006
Net cash flows from investing activities		**(3 547 635)**	**(3 673 181)**	**2 750 693**	**6 840 602**
Financing activities					
Equity contribution by minorities in a subsdiary		158 000	-	-	-
Proceeds from loans and borrowings	22,2	30 431 546	47 619 986	8 849 765	25 799 226
Repayment of loans and borrowings	22,2	(21 663 130)	(38 178 716)	(13 680 416)	(32 272 689)
Payment of lease liability - principal	11,2	(593 844)	(314 062)	-	-
Dividend paid		(23 311)	(683 797)	-	(656 582)
Interest paid	6.4	(4 255 690)	(3 380 017)	(1 754 879)	(1 236 159)
Net cash flows from financing activities		**4 053 571**	**5 063 394**	**(6 585 530)**	**(8 366 204)**
Net increase/(decrease) in cash and cash equivalents		968 414	10 465 439	(5 505 108)	5 762 539
Exchange rate changes effects on cash and cash equivalents		(1 682 663)	(375 868)	-	-
Cash and cash equivalents at beginning of year	18,1	19 911 047	9 821 476	5 884 470	121 932
Cash and cash equivalents at end of year	18,1	**19 196 798**	**19 911 047**	**379 362**	**5 884 471**

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1 GROUP INFORMATION

1,1 The holding company

Seed Co International Limited (also referred to as "the Company" or "the Group") is primarily listed on the Botswana Stock Exchange (BSE) and secondarily listed on the Victoria Falls Stock Exchange (VFEX) and has multiple shareholders. There is no individual or entity with ultimate control over the Company.

The Group's principal activities are the processing of agricultural seed on a commercial basis.

1,2 Entities with significant influence over the Group

1.2.1 Vilmorin & Cie, domiciled in France, holds 32.36% of the issued ordinary shares in the Company (2022: 32.36%) listed on the BSE.

1.2.2 Seed Co Limited, domiciled in Zimbabwe, holds 27.48% of the ordinary shares in the Company (2022: 27.48%) listed on the VFEX.

1.2.3 A shareholders' agreement exists between Vilmorin & Cie and Seed Co Limited. This agreement governs the co-shareholder relationship between the two as the major shareholders of the Company, in particular as to representation on the Board, and approval of certain material decisions by directors appointed by those shareholders.

1,3 Subsidiaries

The consolidated financial statements of the Group include the results of the following investments in subsidiaries:

			2023	2022
Name	**Principal activities**	**Country of incorporation and principal place of business**	**Group's % of equity interest**	
SCZ International Limited (t/a Seed Co Zambia)	Field seeds trade	Zambia	99%	99%
Seed Co (Malawi) Ltd (t/a Seed Co Malawi)	Field seeds trade	Malawi	100%	100%
Seed Co Tanzania Limited (t/a Seed Co Tanzania)	Field seeds trade	Tanzania	100%	100%
Agri-Seed Co Limited (t/a Seed Co Kenya)	Field seeds trade	Kenya	100%	100%
Seed Co International Rwanda Limited (t/a Seed Co Rwanda)*	Field seeds trade	Rwanda	100%	100%
Agri-Seed Co Nigeria Limited (t/a Seed Co Nigeria)	Field seeds trade	Nigeria	60%	60%
Seed Co Enterprise (Pty) Ltd (t/a Seed Co Enterprises)	Corporate services	South Africa	100%	100%
Seed Co (Pty) Limited (t/a Seed Co Botswana)	Field seeds trade	Botswana	100%	100%
Seed Co RDC SARL (t/a Seed Co DRC)	Field seeds trade	DRC	99%	99%
Seed Co International Mozambique LDA (t/a Seed Co Mozambique)	Field seeds trade	Mozambique	100%	100%
Bumper Harvest Seed Farm PLC (t/a Seed Co Ethiopia)	Field seeds trade	Ethiopia	100%	100%
Pty Co Angola - Producao de Sementes (SU) S.A. (t/a Seed Co Angola)	Field seeds trade	Angola	100%	N/A

The subsidiary in Rwanda is dormant.

1.3.1 The remaining minority shareholding in Seed Co Zambia is held by Seed Co Limited domiciled in Zimbabwe.

1.3.2 The remaining minority shareholding in Agri-Seed Co Nigeria is held by SARO AgroSciences Limited domiciled in Nigeria.

1.3.3 Seed Co DRC is a wholly owned subsidiary of Seed Co Zambia and is therefore indirectly controlled by Seed Co International Limited.

1.3.4 Field seeds comprise maize, wheat, soybean and sorghum seeds among other crops.

1,4 Associate

The consolidated financial statements of the Group include the results of the following investments in associates:

			2023	2022
Name	**Principal activities**	**Country of incorporation and principal place of business**	**Group's % of equity interest**	
AgriSynergy (Pty) Ltd	Investment holding	South Africa	40%	40%

1.4.1 The majority shareholding in AgriSynergy is held by Vilmorin Nederland Holdings B.V. (VNH) domiciled in the Netherlands. The AgriSynergy Board of Directors consists of five (5) directors; two (2) representing the Group and three (3) representing VNH.

1.4.2 AgriSynergy owns a controlling 51% in Limagrain Zaad South Africa (Pty) Ltd t/a LGZSA, a company domiciled in South Africa specialising in the research and production of field seeds for commercial purposes. The remaining 49% shareholding in LGZSA is owned by Klein Karoo Saad Bemarking (Pty) Ltd t/a KKSB domiciled in South Africa. The LGZSA Board of Directors consists of five (5) directors; one (1) representing the Group, two (2) representing KKSB two (2) representing VNH and one (1) executive.

1,5 Joint ventures

The consolidated financial statements of the Group include the results of the following joint arrangements in which the Group is a joint venturer:

			2023	2022
Name	**Principal activities**	**Country of incorporation and principal place of business**	**Group's % of equity interest**	
Seed Co West & Central Africa Limited (SCWCA)	Field seeds trade	Ghana	50%	50%
Prime Seed Co International Limited (PSCIL)	Investment holding	Botswana	51%	51%
PSCIL's subsidiaries are:			**PSCIL's equity interest**	
Prime Seed Co Zambia	Vegetable seed trade	Zambia	100%	100%
Prime Seed Co Malawi	Vegetable seed trade	Malawi	100%	100%
Prime Seed Co Tanzania	Vegetable seed trade	Tanzania	100%	100%
Prime Seed Co Kenya	Vegetable seed trade	Kenya	100%	100%
Prime Seed Co Mozambique	Vegetable seed trade	Mozambique	100%	100%
Alliance Seeds	Vegetable seed trade	South Africa	80%	80%

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1.5.1 The Group's joint venture partner holding the remaining 50% shareholding in SCWCA is VNH. The SCWCA Board of Directors consists of five (5) directors, two (2) representing the Group, two (2) representing VNH and one (1) independent director.

1.5.2 The Group's joint venture partner holding the remaining 49% shareholding in PSCIL is VNH. VNH's shareholding is on behalf of H.M. Clause, a vegetable seed company domiciled in France. The Prime Seed Co International Board of Directors consists of six (6) directors, three (3) representing the Group and three (3) representing H.M. Clause.

1.6 Related parties

Related parties comprise the following entities and persons:

1.6.1 Related entities

Name	**Nature of relationship**	**Country of incorporation and principal place of business**
Vilmorin & Cie	Shareholder with significant influence	France
Seed Co Limited	Shareholder with significant influence	Zimbabwe
SARO	Co-shareholder in a subsidiary	Nigeria
Vilmorin Nederland Holdings	Joint venture partner	Netherlands
HM Clause	Joint venture partner	France
All the subsidiaries as mentioned in Note 1.3	Subsidiaries	Zambia, Malawi, Tanzania, Kenya, Botswana, Rwanda, Nigeria, DRC, Mozambique, Ethiopia, Angola
AgriSynergy	Associate	South Africa
Limagrain Zaad South Africa	Associate's subsidiary	South Africa
Seed Co West & Central Africa	Joint venture	Ghana
Prime Seed Co International and its subsidiaries as mentioned in Note 1.5	Joint venture	Botswana, Zambia, Malawi, Tanzania, Kenya, Mozambique and South Africa
Quton Zimbabwe	Seed Co Limited's associate	Zimbabwe
Prime Seed Co Zimbabwe	Seed Co Limited's joint venture	Zimbabwe

1.6.2 Related persons

Related persons consist of the Group's Directors and Senior Management staff.

1.6.3 Related parties' transactions and balances are disclosed in Note 26.

2 SIGNIFICANT ACCOUNTING POLICIES

2,1 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The financial statements are based on statutory records that are maintained on the historical cost convention, except for property, plant and equipment which is measured at fair value.

The consolidated and separate financial statements are presented in United States Dollars (USD) which is also the Company's functional currency.

The consolidated and separate financial statements provide comparative information in respect of the previous period.

Rounding diclosure in terms of IAS 1.51(e):

Amounts presented in the financial statements have been rounded to the nearest USD, unless otherwise indicated.

2,2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 March 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group’s voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2,3 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the CGU retained.

2,4 Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2,5 Property, Plant and Equipment

Construction in progress

Construction in progress is stated at cost net of accumulated impairment losses, if any. Such cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour, borrowing costs for long-term construction projects if the recognition criteria are met and any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management. All other repair and maintenance costs are recognised in profit or loss as incurred.

Motor vehicle and computers and office equipment

Motor vehicle and computers and office equipment are stated at cost less accumulated depreciation and impairment losses.

Land and buildings and plant and machinery

Land and buildings and plant and machinery are measured at fair value less accumulated depreciation and impairment losses recognised at the date of revaluation. Valuations are performed with sufficient frequency, usually within a period of five years, to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.

A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in profit or loss except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus.

An annual transfer from the asset revaluation surplus to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

Depreciation

Depreciation is not provided on freehold land and capital projects under development. Depreciation on other asset classes is calculated on a straight-line basis, up to the estimated residual values, over the estimated useful lives of the assets, as follows:

Buildings	40 - 60 years
Motor vehicles	5 - 7 years
Plant and machinery	5 - 10 years
Computers and office equipment	3 - 10 years

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The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Impairment of property, plant & equipment
The impairment accounting policy for non-financial assets (Note 2.11 below) similarly applies to property, plant and equipment.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

2,6 Intangible assets
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimate The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Costs relating to research and development of new seed products are written off as incurred since the distinction between the two is indeterminable in practice.

The Group owns breeding rights. These rights were granted for a period of 20 years under the Protocol for Protection of New Varieties of Plants (Plant Breeder's Rights) in the Southern African Development Community (SADC) Region with the option of renewal at the end of the 20-year period for another period of up to 5 years. As a result, those rights are assessed as having a finite useful life.

Asset type	Breeding rights
Useful life	Finite (20 years)
Amortisation method	Amortised on a straight line basis over the period of the rights
Internally generated or acquired	Acquired

2,7 Biological assets
Biological assets comprise of plants not yet harvested that are used to produce seeds.

At initial recognition, biological assets are valued at cost and subsequently measured at cost less accumulated depreciation and impairment losses since their fair value cannot be measured due to to the unavailability of quoted market prices in an active market and alternative fair value measurements are unreliable.

In practice, however, biological assets are not depreciated due to their short life cycle which varies from three to nine months.

Biological assets are also subject to impairment like other non-financial assets (Note 2.11 below).

Financial risk management strategies related to Group's agricultural activities:
The Group employs the following strategies to mitigate financial risks associated with its agricultural operations, specifically the production of crop seeds both in-house and contracted production:
Price Risk Management: The Group faces price volatility for their products due to factors such as inflation, exchange rate movements, competition, and market trends. To manage price risk, the Group uses various strategies such as indexing prices to the United States dollar, constant price reviews, and competitive advantage of superior intellectual property.

Production Risk Management: The Group is exposed to production risks such as adverse weather conditions, pests, diseases, and other unforeseen events that can affect seed crop yields. The Group mitigates these risks through geography and crop diversification, crop rotation, climate-smart seed crop varieties developed for disease, pest, and drought as well as flooding tolerance, and implementing best agricultural practices. Diversification involves growing multiple seed crops within the same and across different geographies to spread the risk across different seeds.

Financial Risk Hedging: The Group's operations often require significant investments in inputs, equipment, and infrastructure. Financial risk hedging strategies, such as fixed-rate loans, forward contracts as well bulk and advance inputs procurement help to manage various financial risks.

Foreign Exchange Risk Management: The Group operates in multi-countries and engages in cross-border trade and therefore faces foreign exchange risks due to fluctuations in currency exchange rates. These risks can impact the profitability of export or import activities. To manage foreign exchange risk, the Group utilizes strategies such as unitary currency (USD) for cross-border transactions forward contracts or natural hedging. These approaches help to reduce the impact of currency fluctuations.

Liquidity Risk Management: The Group agricultural operations often involve cyclical cash flows due to the seasonal nature of production and the time lag between planting, harvesting, and selling seed crops. The Group endeavours to proactively manage liquidity risk to ensure sufficient funds are available to meet operational expenses and financial obligations during lean periods. Liquidity risk is managed through centralised and decentralised cash flow management practices, maintaining adequate working capital and contingency reserves internally generated as well as from borrowing facilities.

2,8 Fair value measurement
The Group measures land and buildings as well as plant and machinery at fair value at balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using assumptions that market participants would use when pricing the asset or liability assuming that market participants act in their economic best interest.

The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in an active market for identical assets or liabilities.
Level 2 – Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.
Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group Finance Director determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement.

External valuers are involved for valuation of significant assets and significant liabilities. Involvement of external valuers is decided upon by the Group Finance Director after discussion with and approval by the Group's Audit Committee. Selection criteria include market knowledge, reputation, independence and professional accreditation.

Where available, the Group Finance Director also compares the fair value changes computed by external valuers with relevant external sources to determine whether the change is reasonable. As and when valuations are carried out, the Group Finance Director presents the valuation results to the Audit Committee and the Group's independent external auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above. Fair-value related disclosures for property, plant and equipment that are measured at fair value are summarised in Note 9.

2,9 Foreign currency translation

The Group's consolidated financial statements are presented in USD, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date with the resulting differences arising on settlement or translation of monetary items recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income (OCI) or profit or loss are also recognised in OCI or profit or loss, respectively).

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into USD at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at average exchange rates prevailing the financial period. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

2,10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2,11 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or cash generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGU to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at 31 March and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGUs is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Further disclosures relating to impairment of non-financial assets are provided in Notes 9; 10; 12 and 13.

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2,12 Pensions and other post-employment benefits

Retirement benefits are provided for Group employees through self-administered defined contribution funds in the respective countries. The cost of retirement benefits for the defined contribution fund is equivalent to the actual amount of the contribution for private pension funds and the legislated contributions for government pension funds. The cost of all retirement benefit contributions is expensed in profit or loss as incurred.

3A CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group applied for the first time, certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2022 (unless otherwise stated). The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

3A.1 Reference to the Conceptual Framework – *Amendments to IFRS 3*

In May 2020, the IASB issued Amendments to IFRS 3 *Business Combinations - Reference to the Conceptual Framework* . The amendments are intended to replace a reference to the *Framework for the Preparation and Presentation of Financial Statements* , issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.

The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 *Levies* , if incurred separately.

At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

The Group adopted these amendments, with no material impact, that became effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively.

3A.2 Property, Plant and Equipment: Proceeds before Intended Use – *Amendments to IAS 16*

In May 2020, the IASB issued Property, Plant and Equipment — Proceeds before Intended Use, which prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The Group adopted this amendment, with no material impact, that became effective for annual reporting periods beginning on or after 1 January 2022 with retrospective application to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

3A.3 Onerous Contracts – Costs of Fulfilling a Contract – *Amendments to IAS 37*

In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The Group adopted these amendments, with no material impact, that became effective for annual reporting periods beginning on or after 1 January 2022.

3A.4 IFRS 1 *First-time Adoption of International Financial Reporting Standards* – Subsidiary as a first-time adopter

As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued an amendment to IFRS 1 *First-time Adoption of International Financial Reporting Standards* . The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

The Group did not adopt this amendment, that became effective for annual reporting periods beginning on or after 1 January 2022, since it is not applicable to the Group.

3A.5 IFRS 9 *Financial Instruments* – Fees in the '10 per cent' test for derecognition of financial liabilities

As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received by the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The Group adopted this amendment, with no material impact in the absence of affected transactions i.e. modified or exchange liabilities, that became effective for annual reporting periods or beginning on or after 1 January 2022.

3A.6 IFRS 9 Agriculture – *Taxation in fair value measurements*

As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued amendment to IAS 41 *Agriculture* . The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.
The Group adopted this amendment, with no material impact, that is effective from the beginning of the first annual reporting period beginning on or after 1 January 2022.

3B STANDARDS ISSUED BUT NOT YET EFFECTIVE

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

3B.1 Amendments to IFRS 17 - *Insurance Contracts*

In May 2017 with amendments in June 2020 and December 2021, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) which was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach); and
- A simplified approach (the premium allocation approach) mainly for short-duration contracts.

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Group.

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3B.2 Amendments to IAS 1 and IFRS Practice Statement 2 -*Disclosure of Accounting Policies*

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 *Making Materiality Judgements* , in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The Group is currently assessing the impact of the amendments to determine necessary changes and/or updates to the Group's accounting policy disclosures.

3B.3 Amendments to IAS 1: *Classification of Liabilities as Current or Non-current*

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right; and
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The Group is assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

3B.4 Amendment to IAS 1 – *Non current liabilities with covenants*

This amendment published in October 2022 clarifies clarifies that only covenants with which an entity is required to comply on or before the reporting date affect the classification of a liability as current or non-current, with additional guidance to explain how an entity should disclose information in the notes to understand the risk that non-current liabilities with covenants could become repayable within twelve months.

This amendment to IAS 1 is applicable for annual periods beginning on or after 1 January 2024.

The Group is currently assessing the impact of the amendment preparing for adoption when the amendment becomes effective.

3B.5 Amendments to IAS 8 - *Definition of Accounting Estimates*

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

The amendments are not expected to have a material impact on the Group.

3B.6 Amendment to IFRS 16 – *Leases on sale and leaseback*

This amendment published in September 2022 includes requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted. Technically, this narrow scope amendment requires a seller-lessee in a sale and leaseback transaction to determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of a gain or loss relating to the right of use retained by the seller-lessee. The new requirement does not prevent the seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease.

The amendment to IFRS 16 is applicable for annual periods beginning on or after 1 January 2024, with earlier application permitted.

The amendment is unlikely to impact the Group material, given that sale and lease-back transactions are outside the Group ordinary business.

3B.7 Amendment to IAS 12 – *Deferred tax related to assets and liabilities arising from a single transaction*

This amendment published in May 2021 clarifies that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply prospectively.

The Group will adopt this amendment prospectively for affected transactions when the amendment is due for mandatory adoption.

3B.8 IAS 7 and IFRS 7 Financial Instruments: Disclosures -*Supplier Finance Arrangements:*

The amendments published on 25 May 2023 describe the characteristics of an arrangement for which an entity is required to provide supplier finance information, and seek to supplements existing disclosure requirements by requiring an entity to disclose specific information about its supplier finance arrangements that enables users of financial statements:

- to assess how supplier finance arrangements affect an entity's liabilities and cash flows; and
- to understand the effect of supplier finance arrangements on an entity's exposure to liquidity risk and how the entity might be affected if the arrangements were no longer available to it.

In addition, the amendments complement current requirements in IFRSs by adding to IAS 7 additional disclosure requirements about:

- the terms and conditions of the supplier finance arrangements;
- for the arrangements, as at the beginning and end of the reporting period:
  a) the carrying amounts of financial liabilities that are part of the arrangement and the associated line item presented;
  b) the carrying amount of financial liabilities disclosed under a) for which suppliers have already received payment from the finance providers;
  c) the range of payment due dates (for example, 30 to 40 days after the invoice date) of financial liabilities disclosed under a) and comparable trade payables that are not part of a supplier finance arrangement; and
- the type and effect of non-cash changes in the carrying amounts of the financial liabilities that are part of the arrangement.

Further, the amendments add supplier finance arrangements as an example within the liquidity risk disclosure requirements in IFRS 7.

These amendments to IAS 7 and IFRS 7 are applicable for annual periods beginning on or after 1 January 2024, with earlier adoption permitted, and the amendments to IFRS 7 are due for adoption when applying the amendments to IAS 7.

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The Group is currently assessing the impact of the amendments preparing for mandatory adoption when the amendments are due for mandatory adoption.

4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Group's accounting policies, management has made various judgements. Those which management has assessed to have the most significant effect on the amounts recognised in the consolidated financial statements have been discussed below and in the individual Notes of the related financial statement line items.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are also described in the individual Notes of the related financial statement line items. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

4,1 Going concern

While the global events and conditions including the Russia-Ukraine may have an impact on the entity (further disclosed in Note 32), management has determined that there is no material uncertainty that casts doubt on the entity's ability to continue as a going concern. Management therefore considered the going concern basis appropriate.

4,2 Revaluation of property, plant and equipment

In assessing the carrying amounts of property, plant and equipment management has considered the condition of the assets and their life span on an item by item basis in determining fair values. Refer to Note 9 for more information on the estimates and assumptions used to determine the fair value and the carrying amount of property, plant and equipment.

4,3 Share based payments

The Group measures the cost of equity-settled transactions with employees by references to the fair value of equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate inputs to the valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The value of the share options granted is determined using the Black Scholes model. Significant inputs and key assumptions used to determine fair value are further disclosed in Note 20.

4,4 Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective company's domicile. As the Group assesses the probability for litigation and subsequent cash outflow with respect to taxes as reasonably possible but not probable, a contingent liability has been disclosed in Note 30.2.

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer to Note 7 for more information on taxation.

4,5 Provision for expected credit losses of trade and other receivables

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward looking information. For instance, if forecast economic conditions (e.g. gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables and contract assets is disclosed in Note 16.

4,6 Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g. construction of significant leasehold improvements or significant customisation to the leased asset).

The Group included the renewal period as part of the lease term for leases with shorter non-cancellable period (i.e. three to five years). The Group typically exercises its option to renew for these leases because there will be a significant negative effect on operations if a replacement asset is not readily available.

The renewal periods for leases with longer non-cancellable periods (i.e. 10 to 15 years) are not included as part of the lease term as these are not reasonably certain to be exercised.

Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

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5 REVENUE FROM CONTRACTS WITH CUSTOMERS

Recognition of revenue from core business

The Group is in the business of selling seeds to retailers, farmers and government entities. Revenue from contracts with customers is recognised when control of the seeds are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those seeds. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the seeds before transferring them to the customer.

Revenue from sale of seed is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the seed. The normal credit term is 90 to 180 days from delivery.

The Group considers that there are no other promises in the contracts that are separate performance obligations to which a portion of the transaction price needs to be allocated.

Revenue is measured at the amount of the transaction price that is allocated to the performance obligation taking into account the effects of variable consideration and the existence of significant financing component.

Variable consideration

Rights of return

Certain contracts provide a customer with a right to return the seeds within a specified period. The seed selling season is generally concluded within the financial year and returns are finalised by financial year end therefore the Group does not generally need to estimate the volume of seeds that will not be returned to predict the amount of variable consideration to which the Group will be entitled.

The requirements in IFRS 15 on constraining estimates of variable consideration are largely not applicable for the following reasons:

- Minimal impact of market volatility, legal and regulatory changes on seed returns/pricing;
- Weather conditions known by financial year end therefore most returns would have taken place by then if any;
- The Group has extensive experience with similar contracts;
- The Group does not offer a broad range of price concessions or highly varied payment terms;
- Contracts do not have a large number and broad range of possible consideration amounts; and
- The uncertainty about the consideration amount (if any though unlikely) can be resolved quickly.

There are no right of return assets and refund liabilities in the Group’s and Company' financial statements.

Volume rebates

The Group provides retrospective volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. Third party distributors/stockists who onward sell large seed volumes are paid a commission by the entity at the end of the selling season and all that is normally completed within the financial year therefore the Group does not generally need to estimate the variable consideration for the expected future rebates and does not recognise refund liabilities for the expected future rebates.

Revenue recognition from services

The Company provides management services to its wholly owned subsidiaries and its commonly owned affiliate, Seed Co Limited, which include strategic planning, financial analysis, and operational support from centralized shared services. Revenue from management fees is recognized over time and accrued accordingly in accordance with cost-plus management services contracts between the Company and the specified related-party entities. he Company applies the following policies for recognizing revenue from management fees:

-the control of management services is transferred over time as the customer simultaneously receives and consumes the benefits provided.

-revenue is measured based on cost-plus transfer pricing model, which represents the cost incurred by the Company plus an arm’s length benchmarked mark-up, being the consideration expected to be received in exchange for the management services.

Significant financing component

Generally, the Group receives payments from its customers within twelve months of the date of delivery. Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

However, in exceptional cases if settlement is delayed post one year, interest is negotiated with the customer and accrued on the account.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

The Group and Company do not have any contract assets

Trade receivables

A trade receivable represents the Group’s right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised until the transfer of goods or performance of contracted services. Revenue is recognised against a contract liability when the Group performs under the contract.

Prepaid receipts from customers are a contract liability.

Assets and liabilities arising from rights of return

Right of return assets

Right of return asset represents the Group’s right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period per the above accounting policy on variable consideration.

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		Note	GROUP 2023 US$	GROUP 2022 US$	COMPANY 2023 US$	COMPANY 2022 US$
5,1	**Type of good or service**					
	Maize seed		80 004 801	67 219 310	-	-
	Soybean seed		12 776 343	8 718 783	-	-
	Other seeds (includes wheat, sorghum, barley, rice, groundnuts, cowpeas and beans)		10 744 537	12 526 852	-	-
	Management services	26.1.7	-	-	3 977 097	3 324 369
			103 525 681	**88 464 945**	**3 977 097**	**3 324 369**
			-	-	-	-
5,2	**Geographical markets**					
	Southern Africa		12 433 819	15 411 326	3 977 097	3 324 369
	Central Africa		51 929 309	41 610 618	-	-
	East Africa		37 979 335	29 917 673	-	-
	West Africa		1 183 218	1 525 328	-	-
		27,1	**103 525 681**	**88 464 945**	**3 977 097**	**3 324 369**
5,3	**Timing of revenue recognition**					
	Goods transferred at a point in time		103 525 681	88 464 945	-	-
	Services transferred over time		-	-	3 977 097	3 324 369
			103 525 681	**88 464 945**	**3 977 097**	**3 324 369**
6	**INCOME AND EXPENSES**					
6,1	**Other income**	**Note**				
	Dividends received	26.1.3	-	-	2 307 812	6 373 393
	Royalty income	26.1.5	-	-	3 655 357	2 689 143
	Management fees received	26.1.7	1 409 670	900 000	-	-
	Profit on disposal of property, plant and equipment	6.1.1	95 400	105 287	-	-
	Loss on lease termination	6.1.2	-	(3 477)	-	-
	Doubtful debts recoveries	16,3	6 469	1 698 293	-	-
	Profit from non-seed/commodity sales		-	301 397	-	-
	Profit from fertilizer sales		639 930	207 193	-	-
	Net exchange (losses)/gains		(4 860 194)	1 456 024	(344 399)	(230 813)
	Guarantee income		392 000	94 428	392 000	-
	Sundry (expenses)/income (includes previous year's over-accruals reversed)		(227 600)	137 557	(835 782)	11 798
			(2 544 325)	**4 896 702**	**5 174 988**	**8 843 521**

		Note	GROUP 2023 US$	GROUP 2022 US$	COMPANY 2023 US$	COMPANY 2022 US$
6.1.1	**Profit on disposal of property, plant and equipment**					
	Proceeds from disposal		163 804	245 054	-	-
	Net carrying amount	9.1 & 9.2	(68 404)	(139 767)	-	-
	Total		**95 400**	**105 287**	**-**	**-**
6.1.2	**Loss on lease termination**					
	Lease liability derecognised		-	96 381	-	-
	Right-of-use asset derecognised		-	(99 858)	-	-
	Total		**-**	**(3 477)**	**-**	**-**
	Lease liability derecognised	11,2	-	96 381	-	-
	Right-of-use asset derecognised	11,1	-	(99 858)	-	-
	Total		**-**	**(3 477)**	**-**	**-**
6,2	**Operating expenses**					
	Included in operating expenses are : -					
	Employee benefits		10 621 319	13 628 974	2 182 142	2 851 077
6.2.1	Short-term employee benefits		9 939 270	12 663 432	1 988 551	2 485 762
6.2.2	Post-employment benefits		629 355	820 037	140 897	221 160
6.2.3	Other long-term employee benefits		52 694	144 155	52 694	144 155
6.2.4	Termination benefits		-	1 350	-	-
	Directors' fees	26.1.11	327 933	374 803	291 101	272 397
	Depreciation and amortisation	9.2; 10.2 & 11.1	3 221 946	3 131 354	298 303	289 117
	Audit fees		287 654	376 489	123 887	125 279

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6.2.1 Short-term employee benefits include salaries and wages, bonuses, leave pay, medical aid contributions and allowances. Short-term employee benefits are expected to be settled wholly before twelve months after the end of the annual reporting period during which employee services are rendered, but do not include termination benefits.

6.2.2 Post-employment benefits include contributions to defined contribution pension/retirement schemes and group life cover.

6.2.3 Other long term employee benefits mainly relate to Share Appreciation Rights Scheme (Note 20).

		GROUP		COMPANY	
		2023	2022	2023	2022
6,3 Finance income	**Note**	**US$**	**US$**	**US$**	**US$**
Interest income from cash and cash equivalents		1 278	27 595	-	-
Interest income from related parties	26.1.9	109 586	148 577	619 853	416 504
Interest income from trade and other receivables		339 059	132 447	62 486	53 502
Total interest income computed using the Effective Interest Rate basis		**449 923**	**308 619**	**682 339**	**470 006**
6,4 Finance cost					
Interest expense on borrowings		3 836 170	3 239 049	1 327 400	1 070 557
Interest expense on related party liabilities	26.1.10	321 600	-	427 479	165 602
Interest expense on trade and other payables		6 161	34 656	-	-
Total interest expense computed using the Effective Interest Rate basis		**4 163 931**	**3 273 705**	**1 754 879**	**1 236 159**
Interest expense on lease liabilities	11.2	91 760	106 312	-	-
Total finance cost		**4 255 691**	**3 380 017**	**1 754 879**	**1 236 159**

7 TAXATION

Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not on the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Value Added Tax (VAT)

Expenses and assets are recognised net of the amount of VAT, except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; or
- When receivables and payables are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

		GROUP		COMPANY	
		2023	2022	2023	2022
7,1 The major components of income tax expense are:	**Note**	**US$**	**US$**	**US$**	**US$**
Current income tax		3 911 270	2 895 652	-	-
Adjustments in respect of current income tax of previous years	7,2	(201 111)	262 016	-	-
Deferred tax	7,2	(913 598)	193 823	-	-
	7,3	**2 796 561**	**3 351 491**	**-**	**-**

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7,2 Deferred tax expense relates to the following:

	Note	Group 2023	Group 2022	Company 2023	Company 2022
Temporary differences	7.4 & 7.5	(913 598)	193 823	-	-
		(913 598)	**193 823**	**-**	**-**

	GROUP		COMPANY	
	2023	2022	2023	2022
7,3 Reconciliation of the total tax charge:	US$	US$	US$	US$
Accounting profit/(loss) before tax	**5 708 082**	**10 447 567**	**(1 657 510)**	**1 311 015**
At the Company's statutory tax rate of 15% (2022: 15%)	856 212	1 567 135	(248 627)	196 652
Share of result from associate and joint venture	16 658	(20 930)	-	-
Effect of different tax rates in other countries	812 567	1 164 116	-	-
Adjustments in respect of current income tax of previous years	(201 111)	262 016	-	-
Income exempted from tax	(109 284)	(563 683)	(243 268)	(956 009)
Utilisation of previously unrecognised tax losses	-	(8 895)	-	-
Non-deductible expenses for tax purposes^	1 421 519	951 732	491 895	759 357
At the effective income tax rate of 49% (2022: 32%)	**2 796 561**	**3 351 491**	**-**	**-**

^Non-deductible Group expenses mainly arise from prior year unrealized exchange gains in Seed Co Zambia and current year unrealized exchange losses across the Group as well as depreciation, bank charges and bad debts and other non-deductible provisions.
In the Company non-deductible expenses are mainly attributable to its losses/expenses that are unlikely to be utilised before they expire.

7,4 Deferred tax liability reconciliation	Note	Group 2023	Group 2022	Company 2023	Company 2022
Balance at the beginning of the year		3 307 532	3 068 652	15 559	15 559
Revaluation (through OCI)		117 927	-	-	-
Movement due to temporary differences*	7,2	(842 632)	114 850	-	-
Exchange differences		(667 708)	124 030	-	-
Balance at the end of the year		**1 915 119**	**3 307 532**	**15 559**	**15 559**

7,5 Deferred tax asset reconciliation	**Note**	Group 2023	Group 2022	Company 2023	Company 2022
Balance at the beginning of the year		513 476	592 748	-	-
Movement due to temporary differences*	7,2	188 893	(78 973)	-	-
Movement due to origination of tax losses		2 262	-	-	-
Exchange differences		(37 629)	(299)	-	-
Balance at the end of the year		**667 002**	**513 476**	**-**	**-**

7,6 Deferred tax liability make-up	2023	2022
Temporary difference on property, plant and equipment	1 429 598	2 190 480
Temporary difference on right of use assets	2 686	2 672
Temporary difference on provisions	282 913	597 858
Temporary on unrealized exchange losses	199 922	516 522
Total	**1 915 119**	**3 307 532**

7,7 Deferred tax asset make-up	2023	2022
Temporary difference on property, plant and equipment	(163 257)	(418 547)
Temporary difference on right of use assets	20 509	17 159
Temporary difference on provisions	457 952	576 292
Temporary on unrealized exchange movements	157 723	116 902
Temporary differences on unrealised profit in inventory	192 005	169 825
Temporary differences due to origination of tax losses	2 071	51 844
Total	**667 002**	**513 476**

GROUP
Deferred tax assets relate to provisions in Seed Co Enterprise, Seed Co Tanzania and Agri Seed Co Kenya. Deferred tax assets have been recognized in respect of the losses associated with the provisions as they will be used to offset taxable profits in future. All three companies have positive taxable income forecasts for the future. In addition, a deferred tax asset was recognised for unrealised profit in inventories sold between Group entities still on hand at the reporting date. The deferred tax will unwind on sale of these inventories to third parties in the next financial period.

COMPANY
Because of the nature of the business of the Company and its status as an International Financial Services Centre (IFSC) Company, its main income which is dividend from its investments does not form part of its taxable income as per IFSC legislation in Botswana. Accordingly the Company has not made a taxable profit in the past. Management therefore ceased to account for a deferred tax asset in respect of such losses as taxable profits may not be generated over the next 5 years by when the losses expire.

7,6 The income tax paid by the Group per the statement of cash flows is made up of actual cash outflow from subsidiaries. For Group reporting purposes, this was recomputed in local currency per each subsidiary as opening tax liabilities plus tax charge for the year minus closing tax liabilities. The resulting local currency amounts were translated to the Group's reporting currency at the respective average exchange rates and added together to arrive at the Group's income tax paid per the statement of cash flows.

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8 EARNINGS PER SHARE (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

			GROUP	
			2023	2022
8,1	The following table reflects the income and share data used in the basic and diluted EPS computations:	Note	US$	US$
	Profit attributable to ordinary equity holders of the parent for basic earnings		**2 881 938**	**6 980 812**
	Effect of dilution		-	-
	Profit attributable to ordinary equity holders of the parent adjusted for the effect of dilution		**2 881 938**	**6 980 812**
	Weighted average number of ordinary shares for basic earnings per share	8,2	**393 647 814**	**388 268 655**
	Equity settled share appreciation rights with dilutive impact		-	-
	Weighted average number of ordinary shares adjusted for the effect of dilution		**393 647 814**	**388 268 655**

8,2 Reconciliation on how the weighted average number of ordinary shares for basic earnings per share is derived is shown below:

	Note	Date	Number of shares	Number of days	Weighting
Balance at		**31-Mar-21**	381 452 827	365	381 452 827
Issues during the year (Note 19.1)	19,1	08-Sep-21	12 194 987	204	6 815 828
Balance at		**31-Mar-22**	**393 647 814**	**365**	**388 268 655**
Issues during the year (Note 19.1)	19,1		-	-	-
Balance at		**31-Mar-23**	**393 647 814**	**365**	**393 647 814**

8,3 There were no new share issues this year while prior year share issues arose from a scrip dividend.

8,4 There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

9 PROPERTY, PLANT AND EQUIPMENT

Set out below are the carrying amounts of property, plant and equipment and the movements during the period:

	GROUP	Note	Land and buildings	Plant and machinery	Motor vehicles	Computers and office equipment	Total
9.1G	**Cost or valuation**				US$		
	At 1 April 2021		33 127 247	8 550 997	6 052 939	1 674 416	49 405 599
	Additions		955 016	1 073 441	1 681 560	516 838	4 226 855
	Disposals	6.1.1	-	(116 013)	(821 278)	(28 258)	(965 549)
	Exchange adjustments		3 028 947	566 702	249 313	139 187	3 984 149
	At 31 March 2022		**37 111 210**	**10 075 127**	**7 162 534**	**2 302 183**	**56 651 054**
	Additions		379 742	1 389 307	1 993 983	398 330	4 161 362
	Revaluation		211 335	-	-	-	211 335
	Disposals	6.1.1	-	-	(567 882)	(20 095)	(587 977)
	Exchange adjustments		(6 320 439)	(1 592 859)	(1 040 840)	(326 355)	(9 280 493)
	At 31 March 2023		**31 381 848**	**9 871 575**	**7 547 795**	**2 354 063**	**51 155 281**
9.2G	**Depreciation and impairment**						
	At 1 April 2021		1 224 650	3 908 301	3 528 546	1 104 670	9 766 167
	Depreciation charge for the year		528 110	668 573	1 048 495	265 870	2 511 048
	Disposals	6.1.1	-	(44 370)	(758 528)	(22 884)	(825 782)
	Exchange adjustments		5 558	285 440	102 622	104 281	497 901
	At 31 March 2022		**1 758 318**	**4 817 944**	**3 921 135**	**1 451 937**	**11 949 334**
	Depreciation charge for the year		383 259	679 139	1 241 019	324 932	2 628 349
	Disposals	6.1.1	-	-	(500 347)	(19 226)	(519 573)
	Exchange adjustments		(320 061)	(653 962)	(466 887)	(200 130)	(1 641 040)
	At 31 March 2023		**1 728 942**	**4 843 121**	**4 194 920**	**1 557 513**	**12 324 496**
9.3G	**Net carrying amount**						
	At 31 March 2023		**29 652 906**	**5 028 454**	**3 352 875**	**797 608**	**38 831 844**
	At 31 March 2022		**35 352 892**	**5 257 183**	**3 241 399**	**850 246**	**44 701 720**
9.4G	Carrying amount if the assets had been measured under the cost model:						
	At 31 March 2023		**24 836 293**	**5 002 789**	**3 352 875**	**797 608**	**33 989 565**
	At 31 March 2022		**27 147 274**	**4 369 022**	**3 241 399**	**850 246**	**35 607 941**

Fully depreciated assets that were still in use at the reporting date amounted to US$ 4 374 608 (2022: US$1 890 540)

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	COMPANY	Note	Land and buildings	Plant and machinery	Motor vehicles	Computers and office equipment	Total
					US$		
9.1C	**Cost or valuation**						
	At 1 April 2021		288 809	112 132	132 884	19 096	552 921
	Additions		-	-	-	2 797	2 797
	At 31 March 2022		**288 809**	**112 132**	**132 884**	**21 893**	**555 718**
	Additions		-	-	-	2 458	2 458
	At 31 March 2023		**288 809**	**112 132**	**132 884**	**24 351**	**558 176**
9.2C	**Depreciation and impairment**						
	At 1 April 2021		36 089	111 550	96 368	16 658	260 665
	Depreciation charge for the year		5 776	-	15 652	1 689	23 117
	At 31 March 2022		**41 865**	**111 550**	**112 020**	**18 347**	**283 782**
	Depreciation charge for the year		10 034	-	20 607	1 662	32 303
	At 31 March 2023		**51 899**	**111 550**	**132 627**	**20 009**	**316 085**
9.3C	**Net carrying amount**						
	At 31 March 2023		**236 910**	**582**	**257**	**4 342**	**242 091**
	At 31 March 2022		**246 944**	**582**	**20 864**	**3 546**	**271 936**
9.4C	Carrying amount if the assets had been measured under the cost model:						
	At 31 March 2023		**26 965**	**582**	**261**	**4 922**	**32 729**
	At 31 March 2022		**-**	**-**	**-**	**-**	**-**

9,5 There were nil (2022: nil) borrowing costs capitalised during the year:

9,6 Refer to Note 30.4 for collateral pledged as security for liabilities.

9,7 Description of significant unobservable inputs to valuation

GROUP	**Land and buildings**	**Plant and machinery**
Valuation method/technique	Market comparable	Depreciated replacement cost
Significant unobservable valuation input	Price per square metre	Replacement cost
Range	US$0.20 - US$248	N/A
Sensitivity of the input to fair value	Significant increases/(decreases) in estimated price per square metre in isolation would result in a significantly higher/(lower) fair value on a linear basis.	Significant increases (decreases) in estimated market price in isolation would result in a significantly higher (lower) fair value.
COMPANY	**Land and buildings**	
Valuation method/technique	Market comparable	Depreciated replacement cost
Significant unobservable valuation input	Price per sqm	Replacement cost
Range	BWP 2,027 - BWP 2,550	N/A
Sensitivity of the input to fair value	Significant increases/(decreases) in estimated price per square metre in isolation would result in a significantly higher/(lower) fair value on a linear basis.	Significant increases (decreases) in estimated market price in isolation would result in a significantly higher (lower) fair value.

Land and buildings were revalued on 31 March 2021 by independent professional valuers across the Group while Seed Co Zambia performed an independent desktop revalution on land and buildings on 31 March 2023.

9,8 Fair value measurement hierarchy

GROUP	**Level 3**	**Total**
Land and buildings		
At 31 March 2023	29 652 906	**29 652 906**
At 31 March 2022	35 352 892	**35 352 892**
Plant and machinery		
At 31 March 2023	5 028 454	**5 028 454**
At 31 March 2022	5 257 183	**5 257 183**

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COMPANY	**Level 3**	**Total**
Land and buildings		
At 31 March 2023	236 910	**236 910**
At 31 March 2022	246 944	**246 944**
Plant and machinery		
At 31 March 2023	582	**582**
At 31 March 2022	582	**582**

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10 INTANGIBLE ASSETS

Set out below are the carrying amounts of intangible assets and the movements during the period:

		GROUP		COMPANY	
		Breeding rights	Total	Breeding rights	Total
10,1	**Cost**		US$		
	At 1 April 2021	5 320 000	5 320 000	5 320 000	5 320 000
	Additions	-	-	-	-
	At 31 March 2022	**5 320 000**	**5 320 000**	**5 320 000**	**5 320 000**
	At 31 March 2023	**5 320 000**	**5 320 000**	**5 320 000**	**5 320 000**
10,2	**Amortisation and impairment**		US$		
	At 1 April 2021	266 000	266 000	266 000	266 000
	Amortisation charge for the year	266 000	266 000	266 000	266 000
	At 31 March 2022	**532 000**	**532 000**	**532 000**	**532 000**
	Amortisation charge for the year	266 000	266 000	266 000	266 000
	Impairment	-	-	-	-
	Exchange differences	-	-	-	-
	At 31 March 2023	**798 000**	**798 000**	**798 000**	**798 000**
10,3	**Net carrying amount**				
	At 31 March 2023	**4 522 000**	**4 522 000**	**4 522 000**	**4 522 000**
	At 31 March 2022	**4 788 000**	**4 788 000**	**4 788 000**	**4 788 000**

10,4 Refer to Note 30.4 for collateral pledged as security for liabilities

11 LEASES

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

11,1 Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment like other non-financial assets (Note 2.11).

The Group leases warehouses for storage and distribution of seeds and the average useful life of the leased assets is 5 years and 3 months.

Set out below are the carrying amounts of right-of-use assets and the movements during the period:

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GROUP	**Note**	**Land and buildings US$**
At 1 April 2021		907 466
Additions		478 659
Depreciation		(354 306)
Terminations	6.1.2	(99 858)
Exchange differences		(28 860)
At 31 March 2022		**903 101**
Additions		790 234
Depreciation		(327 597)
Terminations		-
Exchange differences		134 342
At 31 March 2023		**1 500 080**

11,2 Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. The Group does not enter into lease contracts with variable lease payments.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Set out below are the carrying amounts of lease liabilities and the movements during the period:

		GROUP	
	Note	**2023 US$**	**2022 US$**
At 1 April		941 819	905 015
Additions		790 234	478 659
Accretion of interest	6,4	91 760	106 312
Terminations	6.1.2	-	(96 381)
Payments		(685 604)	(420 374)
Exchange differences		5 791	(31 412)
At 31 March		**1 144 000**	**941 819**
Non-current		788 152	692 565
Current		355 848	249 254
		1 144 000	**941 819**

11,3 The maturity analysis of lease liabilities is as shown below: 28.2.3

GROUP	**On demand**	**< 3 months**	**3-12 months US$**	**1-5 years**	**Total**
At 31 March 2023	-	58 169	759 317	447 748	**1 265 234**
At 31 March 2022	13 131	88 785	123 475	851 109	**1 076 500**

	GROUP	
	2023	**2022**
11,4 The following are the amounts recognised in profit or loss:	**US$**	**US$**
Depreciation expense of right-of-use assets	327 597	354 306
Interest expense on lease liabilities	91 760	106 312
Expense relating to short-term leases	121 238	60 656
Expense relating to leases of low-value assets	-	-
Total amount recognised in profit or loss	**540 595**	**521 274**
11,5 Other amounts relating to right-of-use assets and lease liabilities:		
Cash outflows for leases	685 604	420 374

11,6 Undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term are not applicable as the Group does not expect any extension options not to be exercised and termination options to be exercised.

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12 INVESTMENTS IN SUBSIDIARIES

The investments are unquoted and are accounted for on a cost basis in the Company's separate financial statements and fully eliminated in the consolidated Group financial statements.

The subsidiaries operate in an environment where there are presently no restrictions on remittance of dividends. Fair value, when necessary, is established on the basis of net cash flows to be received by the parent company over the medium term, as there is no active market for all these shares.

All subsidiaries have a financial year end of 31 March and follow uniform accounting policies as that of the Group for like transactions and events in similar circumstances.

Additional details of the Company's subsidiaries are available in Note 1.3.

Details of amounts due from and due to subsidiaries are available in Notes 17 and 24 respectively.

		COMPANY	
		2023	**2022**
12,1	Investments in subsidiaries were as follows:	**US$**	**US$**
12,1	Seed Co Enterprise	1 714 060	1 714 060
	Seed Co Botswana	510 277	510 277
	Seed Co Zambia	9 394 287	9 394 287
	Seed Co Malawi	13 293 737	13 293 737
	Seed Co Tanzania	1 300 000	1 300 000
	Agri-Seed Co Kenya	3 777 000	3 777 000
	Agri-Seed Co Nigeria	2 839 842	2 602 842
	Seed Co Mozambique	2 955	2 955
	Seed Co Ethiopia	200 000	200 000
		33 032 158	**32 795 158**

Investments in Seed Co DRC and Seed Co Rwanda are fully impaired while the recently established Seed Co Angola has not yet received equity injection from the Company.

12,2	During the year, the changes to the investments in subsidiaries were as follows:		
	Seed Co Enterprise**	-	684 547
	Agri-Seed Co Nigeria*	237 000	-
		237 000	**684 547**

* 2023: Investments in Seed Co Nigeria was done to support own seed production by the business unit.
** 2022: The investment in Seed Co Enterprise was done to recapitalise the entity by converting debt to equity.

13 INVESTMENTS IN ASSOCIATE AND JOINT VENTURES

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries (Note 2.2).

The investments in associate and joint ventures are unquoted and accounted for on a cost basis in the Company's separate financial statements and accounted for under the equity method in the Group consolidated financial statements to the extent of the Group's interest in the associate or joint venture.

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associates or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group's share of the results of operations of the associates and joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associates or joint venture are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit or loss of its associates and joint venture is shown on the face of the statement of profit or loss after operating profit.

The financial statements of the associates and joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investments in its associates and joint venture. At each reporting date, the Group determines whether there is objective evidence that the investments in the associates and joint venture are impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss in the statement of profit or loss.

The Group's interests in associates and a joint venture are described in Notes 1.4 and 1.5 respectively and details of amounts due from and due to associate and joint ventures are available in Notes 17 and 24 respectively.

		ASSOCIATE	JOINT VENTURES		
13,1 Carrying amount of the investments in associate and joint ventures	**Note**	**AgriSynergy**	**Prime Seed Co International**	**Seed Co West & Central Africa**	**Total**
			US$		
GROUP					
At 1 April 2021		3 778 898	1 029 682	-	4 808 580
Investment (through conversion of JV's receivable)		-	1 490 000	-	1 490 000
Share of (loss)/profit	13,2	(162 792)	(216 038)	115 483	(263 347)
Share of other comprehensive loss	13,2	637 451	37 298	2 254	677 003
Impairment loss	13.1.1	-	(24 760)	68 213	43 453
through P&L - included in share of loss from joint venture on IS		-	(26 174)	50 120	23 946
through OCI - included in share of OCI from joint venture on SOCI		-	1 414	18 093	19 507
At 31 March 2022		**4 253 557**	**2 316 182**	**185 950**	**6 755 689**
Investment (through conversion of JV's receivable)		-	-	-	-
Share of loss	13,2	(349 753)	(442 042)	(200 218)	(992 013)
Share of other comprehensive income	13,2	(1 538 873)	(113 196)	117 672	(1 534 398)
Impairment loss	13.1.1	-	-	(103 404)	(103 404)
through P&L - included in share of loss from joint venture on IS		-	-	(103 404)	(103 404)
through OCI - included in share of OCI from joint venture on SOCI		-	-	-	-
At 31 March 2023		**2 364 931**	**1 760 944**	**-**	**4 125 875**
COMPANY					
At 1 April 2021		3 931 766	1 205 119	-	5 136 885
Investment (through conversion of JV's receivable)		-	1 490 000	-	1 490 000
Impairment loss (through P&L - included in share of loss from joint venture on IS)	13.1.1	-	(378 937)	-	(378 937)
At 31 March 2022		**3 931 766**	**2 316 182**	**-**	**6 247 948**
Investment - cash		-	-	-	-
Impairment loss	13.1.1	(27 918)	(714 940)	-	(742 858)
At 31 March 2023		**3 903 848**	**1 601 242**	**-**	**5 505 091**

13.1.1 The impairment resulted from:

Seed Co West & Central Africa: share of the extent of negative net asset value in current year.

AgriSynergy and Prime Seed Co International: the carrying values of the investments exceeding their net asset values.

	ASSOCIATE		JOINT VENTURES				GROUP	
13,2 Summarised income statements:	**AgriSynergy**		**Prime Seed Co International**		**Seed Co West & Central Africa**			
Group's equity interest	40%	40%	51%	51%	50%	50%		
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
				US$				
Revenue	19 592 007	17 762 948	6 182 019	5 892 465	282 511	1 133 902		
Cost of sales	(14 984 841)	(10 726 852)	(3 808 314)	(3 581 139)	(74 780)	(210 949)		
Gross profit	**4 607 166**	**7 036 096**	**2 373 705**	**2 311 326**	**207 731**	**922 953**		
Other income/(expenses)	29 392	5 919 396	(181 441)	(16 836)	(294 283)	(224 650)		
Operating expenses	(5 438 328)	(14 777 732)	(2 891 089)	(2 575 191)	(332 944)	(462 658)		
Operating (loss)/profit	**(801 770)**	**(1 822 240)**	**(698 825)**	**(280 701)**	**(419 496)**	**235 645**		
Finance income	-	163 021	93 549	54 803	-	-		
Finance cost	(593 110)	(721 658)	(168 535)	(59 291)	(33 699)	(1 968)		
(Loss)/Profit before tax	**(1 394 880)**	**(2 380 877)**	**(773 811)**	**(285 189)**	**(453 195)**	**233 677**		
Income tax expense	(229 623)	867 361	(84 084)	(90 596)	52 759	(2 712)		
(Loss)/Profit for the year	**(1 624 503)**	**(1 513 516)**	**(857 895)**	**(375 785)**	**(400 436)**	**230 965**		
equity holders of the parent	(874 381)	(406 980)	(866 750)	(423 603)	(400 436)	230 965		
non-controlling interest	(750 121)	(1 106 536)	8 854	47 818	-	-		
FCT gain/(loss)	(3 847 181)	2 759 809	(221 954)	81 975	235 347	4 507		
Total comprehensive (loss)/income	**(5 471 684)**	**1 246 293**	**(1 079 849)**	**(293 810)**	**(165 089)**	**235 472**		
equity holders of the parent	(4 721 563)	1 186 647	(1 088 703)	(350 469)	(165 089)	235 472		
non-controlling interest	(750 121)	59 646	8 854	56 659	-	-		
Share of (loss)/profit	(349 752)	(162 792)	(442 043)	(216 038)	(200 218)	115 483	**(992 013)**	**(263 347)**
Share of OC income/(loss)	(1 538 873)	637 451	(113 196)	37 298	117 674	2 254	**(1 534 398)**	**677 003**
13,3 Summarised balance sheets:								
Non-current assets	13 946 774	16 822 112	1 006 901	1 242 947	14 252	38 993		
Current assets	14 986 489	19 628 643	7 127 705	6 952 782	427 447	1 223 072		
Non-controlling interest	(8 229 705)	(8 229 705)	(260 856)	(310 549)	-	-		
Non-current liabilities	(753 306)	(568 917)	(93 550)	(174 999)	(130)	(335)		
Current liabilities	(10 613 884)	(14 329 861)	(4 327 363)	(3 168 648)	(782 223)	(1 223 554)		
Net assets	**9 336 368**	**13 322 272**	**3 452 837**	**4 541 533**	**(340 654)**	**38 176**		
Recomputed share of net assets	3 734 547	5 328 909	1 760 947	2 316 182	(170 327)	19 088	5 325 167	7 664 179
Currency, fair value and impairment adjustments	(1 369 615)	(1 075 352)	(3)	-	170 327	166 862	(1 199 291)	(908 490)
Carrying amount of investment	**2 364 932**	**4 253 557**	**1 760 944**	**2 316 182**	**-**	**185 950**	**4 125 875**	**6 755 689**

13,4 Other material financial information:

Cash and cash equivalents	321 291	2 152 572	685 780	355 720	8 709	32 428
Current financial liabilities	6 005 019	9 816 230	55 679	57 388	764 297	1 211 800
Non-current financial liabilities	753 306	568 917	93 550	174 999	130	335
Depreciation and amortisation	975 074	1 311 474	210 167	199 335	20 728	46 952
Interest income	-	-	93 549	54 803	-	-
Interest expense	593 110	578 244	168 535	59 291	33 699	1 968
Income tax (expense)/income	(229 623)	1 006 132	(84 084)	(90 596)	52 759	2 712

13,5 Commitments and contingents

There were no significant contractual capital commitments as well as contingencies reported by the associates and joint venture which require disclosure at the reporting date.

14 INVENTORIES

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- Raw materials: purchase cost on a weighted average cost basis
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

		GROUP		COMPANY	
		2023	2022	2023	2022
14,1 Inventories	**Note**	**US$**	**US$**	**US$**	**US$**
Parent and commercial seed		24 574 025	19 742 848	-	-
Spares and general consumables		4 004 218	3 217 731	-	-
		28 578 243	**22 960 579**	**-**	**-**
		-	-	-	-
14,2 Inventory recognized as an expense during the year:					
Opening balance of inventory		22 960 579	17 028 588	-	-
Production, purchases and value-addition processes		66 010 612	53 712 524	-	-
Closing balance of inventory	14,1	(28 578 243)	(22 960 579)	-	-
Exchange differences		(2 876 520)	885 486	-	-
Cost of sales		**57 516 428**	**48 666 019**	**-**	**-**
		-	-	-	-
14,3 Inventory write-downs included in cost of sales		-	349 352	-	-

14,4 Refer to Note 30.4 for collateral pledged as security for liabilities

15 BIOLOGICAL ASSETS

Biological assets comprise of plants not yet harvested that are used to produce seeds.

Set out below are the carrying amounts of biological assets and the movements during the period:

	GROUP	
	2023	2022
15,1 Reconciliation of biological assets	**US$**	**US$**
At 1 April	2 680 113	1 036 786
Increases due to new plantings	6 521 013	3 423 986
Harvested plants transferred to inventories	(3 693 148)	(2 068 955)
Exchange differences	(913 458)	288 296
At 31 March	**4 594 520**	**2 680 113**

15,2 Proprietary seed production	**2023**	**2022**
The following quantities constituted in-house seed production by the Group during the year:	**Metric Tonnes**	
Maize	1 264	3 444
Soybean	1 089	715
Wheat	1 044	2 033
Total production during the financial year	**3 398**	**6 192**

15,3 Estimated yield from current in-house production (Booked as biological assets at year end)	**2023**	**2022**
The Group is expecting the following yields from crop seeds that were in production at year end:	**Metric Tonnes**	
Maize	2 734	2 176
Soybean	859	918
Wheat	1 200	1 700
Total estimated yield at 31 March	**4 793**	**4 794**

15,4 Commitments to the in-house development of biological assets	**2023**	**2022**
	US$	**US$**
At year-end, the Group's commitments for in-house seed production for the next financial year amounted to:	**2 614 660**	**4 140 592**

NB: Only Seed Co Zambia is producing part of its seed requirements in-house and the rest of the Group relies on third-party growers for their seed requirements.

15,5 Refer to Note 30.4 for collateral pledged as security for liabilities

16 TRADE AND OTHER RECEIVABLES

Financial assets

A financial asset is any asset that is:

- cash;
- an equity instrument of another entity;
- a contractual right
  - to receive cash or another financial asset from another entity; or
  - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or

- a contract that will or may be settled in the entity's own equity instruments and is:
  - a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments;
  - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments;
  - puttable instruments classified as equity or certain liabilities arising on liquidation classified as equity instruments.

The Group's financial assets risk management policies and objectives are disclosed in Note 28.2.

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined (Note 5).

The Group's financial assets include trade receivables (Note 16.1), amounts due from related parties (Note 17) and cash and cash equivalents (Note 18). Trade receivables are defined in Note 5

Subsequent measurement

For purposes of subsequent measurement, the Group's financial assets are classified as financial assets at amortised cost (debt instruments).

Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when the rights to receive cash flows from the asset have expired.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all its debt instruments at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, related party balance, staff loans and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in profit or loss. Interest income (recorded as finance income in profit or loss) continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Receivables, together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other income in profit or loss.

Receivables relating to advances made to growers contracted for seed production

The Group assists its growers contracted for seed production with inputs and in some instances working capital free of interest. To qualify to be contracted as a grower, growers are vetted for credit risk and capacity to deliver, they must have suitable infrastructure like irrigation equipment, contracted seed production is inspected at each and every stage by the Group. Advances to contracted growers, including parent seed and chemicals, are made pre-planting and collected at harvest and this occurs within 3 to 6 months. Grower advances are collected on delivery of seed i.e. set off against the purchase price of seed and this mitigates credit risk.

Further disclosures relating to impairment of financial assets are provided in Notes 16.2 and 16.3.

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		GROUP		COMPANY	
		2023	**2022**	**2023**	**2022**
16,1 Trade and other receivables	**Note**	**US$**	**US$**	**US$**	**US$**
Trade receivables	16,2	41 830 477	47 593 368	-	5 944 969
Prepayments	16.1.1	2 733 662	1 837 513	6 066	6 484
Seed grower advances	16.1.2	6 793 942	6 693 108	-	-
Other receivables	16.1.3	3 527 093	3 019 579	1 238 736	777 449
Allowance for credit losses	16.2 & 16.3	(6 051 898)	(12 115 044)	(192 057)	(5 949 954)
		48 833 276	**47 028 524**	**1 052 745**	**778 948**

16.1.1 Prepayments relate to amounts paid in advance for which the related goods will be received within twelve (12) months. Prepayments are not financial assets.
16.1.2 Seed grower advances relate to production inputs advanced to contracted seed producers for which the seed will be delivered within twelve (12) months.
16.1.3 Other receivables include staff loans and VAT claims outstanding.
16.1.4 Various regional government receivables make up 30% (2022: 32%) of the total trade receivables.

16,2 Provisioning matrices

			Days past due			
GROUP	**Current**	**< 30 days**	**30 - 60 days**	**60 - 90 days**	**> 90 days**	**31 March 2023**
ECL rate on:			%			
Trade receivables	0%	0%	0%	0%	48%	
Amounts due from related entities	0%	0%	0%	0%	9%	
Seed grower advances	0%	0%	0%	0%	6%	
Estimated gross carrying amount at default of:			**US$**			
Trade receivables	11 247 764	5 435 128	3 467 784	9 320 811	12 358 990	**41 830 477**
Amounts due from related entities (Note 17.1)	1 173 370	822 640	402 611	261 731	2 913 545	**5 573 897**
Seed grower advances	1 013 792	710 153	1 225 348	2 116 513	1 728 136	**6 793 942**
Other receivables	1 187 953	80 215	146 636	118 898	1 993 391	**3 527 093**
ECL on:			**US$**			
Trade receivables	4 735	7 720	1 162	9 867	5 930 757	**5 954 241**
Amounts due from related entities (Note 17.1)	-	-	-	-	250 130	**250 130**
Seed grower advances	-	-	-	-	97 657	**97 657**

			Days past due			
	Current	**< 30 days**	**30 - 60 days**	**60 - 90 days**	**> 90 days**	**31 March 2022**
ECL rate on:			%			
Trade receivables	0%	1%	2%	0%	40%	
Amounts due from related entities	0%	0%	0%	0%	2%	
Seed grower advances	0%	0%	0%	0%	3%	
Other receivables	0%	0%	0%	0%	0%	
Estimated gross carrying amount at default of:			**US$**			
Trade receivables	8 477 827	2 949 055	4 845 182	1 689 832	29 631 472	**47 593 368**
Amounts due from related entities (Note 17.1)	2 145 979	322 447	11 757	398 620	3 126 217	**6 005 020**
Seed grower advances	1 374 912	439 855	863 445	490 795	3 524 101	**6 693 108**
Other receivables	1 105 303	15 910	90 840	333 016	1 474 510	**3 019 579**
ECL on:			**US$**			
Trade receivables	33 010	19 783	88 854	2 687	11 867 507	**12 011 841**
Amounts due from related entities (Note 17.1)	185	1 106	1	4	77 447	**78 743**
Seed grower advances	-	-	-	-	98 219	**98 219**
Other receivables	-	-	-	-	4 984	**4 984**

			US$			
COMPANY	**Current**	**< 30 days**	**30 - 60 days**	**60 - 90 days**	**> 90 days**	**31 March 2023**
ECL rate on:			%			
Trade receivables	0%	0%	0%	0%	0%	
Amounts due from related entities	0%	0%	0%	0%	1%	
Seed grower advances	0%	0%	0%	0%	0%	
Estimated gross carrying amount at default of:			**US$**			
Amounts due from related entities (Note 17.1)	3 855 202	42 451	17 485	467 209	19 154 955	**23 537 302**
ECL on:			**US$**			
Amounts due from related entities (Note 17.1)	-	-	-	-	192 057	**192 057**

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17 AMOUNTS DUE FROM GROUP ENTITIES

		GROUP		COMPANY	
		2023	2022	2023	2022
17,1 Amounts due from Group entities	**Note**	**US$**	**US$**	**US$**	**US$**
Subsidiaries: -					
Seed Co Enterprise		-	-	-	154 028
Seed Co Zambia		-	-	5 390 681	5 235 874
Seed Co DRC		-	-	116 670	50 935
Seed Co Malawi		-	-	6 098 322	4 629 167
Seed Co Tanzania		-	-	566 920	697 376
Agri Seed Co Kenya		-	-	3 227 186	3 567 213
Seed Co Rwanda		-	-	-	171 689
Agri Seed Co Nigeria		-	-	68 582	14 927
Seed Co Angola		-	-	147 542	-
Seed Co Mozambique		-	-	6 162 621	6 184 725
Seed Co Ethiopia		-	-	212 725	212 725
Sub-total		**-**	**-**	**21 991 249**	**20 919 788**
Significant shareholder and its JV and associates					
Seed Co Limited Zimbabwe		20 170	60 563	-	23 173
Prime Seed Co Zimbabwe		255 721	256 826	-	749
Quton Zimbabwe		1 982	6 211	-	4 229
Sub-total		**277 873**	**323 600**	**-**	**28 151**
Joint ventures and their subsidiaries					
Prime Seed Co International		610 033	147 983	407 421	4 930
Prime Seed Co Zambia		329 893	365 072	-	-
Prime Seed Co Malawi		185 075	173 402	-	-
Prime Seed Co Tanzania		1 070 952	753 234	-	-
Prime Seed Co Kenya		101 926	492 736	-	-
Prime Seed Co Mozambique		312 060	-	-	-
Seed Co West & Central Africa		1 447 316	1 266 646	903 748	781 945
Sub-total		**4 057 255**	**3 199 073**	**1 311 169**	**786 875**
Associate and its subsidiary					
AgriSynergy		234 884	2 194 973	234 884	1 759 872
Limagrain Zaad South Africa		994 003	277 492	-	-
Sub-total		**1 228 887**	**2 472 465**	**234 884**	**1 759 872**
Owned by a co-shareholder in an associate					
Quton Tanzania		9 882	9 882	-	-
Gross carrying amount	16.2 & 26.2.1	**5 573 897**	**6 005 020**	**23 537 302**	**23 494 686**
Allowance for credit losses	16,2	(250 130)	(78 743)	(192 057)	(171 689)
Net carrying amount		**5 323 767**	**5 926 277**	**23 345 245**	**23 322 997**
Non-current		2 341 265	994 670	999 600	994 670
Current		2 982 502	4 931 607	22 345 645	22 328 327
		5 323 767	**5 926 277**	**23 345 245**	**23 322 997**

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		GROUP		COMPANY	
		2023	2022	2023	2022
17,2	**Foreign currency sensitivity**	US$	US$	US$	US$
	Local currency weakening against US$ by 10%	1 276 342	746 315	-	-
	Local currency strengthening against US$ by 10%	(1 276 342)	(746 315)	-	-

18 CASH AND CASH EQUIVALENTS

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statements of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group and the Company, and earn interest at the respective short-term deposit rates, which bear interest ranging between 0% and 6%.

			GROUP		COMPANY	
			2023	2022	2023	2022
18,1		Note	US$	US$	US$	US$
	Cash at banks and on hand		18 947 788	19 628 895	379 362	5 884 471
	Short-term deposits		249 010	282 152	-	-
			19 196 798	**19 911 047**	**379 362**	**5 884 471**
18,2	Refer to Note 30.4 for collateral pledged as security for liabilities					
18,3	**Foreign currency sensitivity**					
	Local currency weakening against US$ by 10%	28.2.1b)	144 651	270 744	-	-
	Local currency strengthening against US$ by 10%		(144 651)	(270 744)	-	-

19 STATED CAPITAL

		Note	Number	Number	Number	Number
19,1	**Issued and fully paid up shares (at no par value)**					
	At 1 April		393 647 814	381 452 827	393 647 814	381 452 827
	Issue of shares		-	12 194 987	-	12 194 987
	Exercise of share options	20,4	-	-	-	-
	At 31 March		**393 647 814**	**393 647 814**	**393 647 814**	**393 647 814**
19,2	Authorised number of shares (at no par value)*		-	-	-	-

**Prior year incorrectly stated 500,000,000 as authorized number of shares. Botswana company statutes do not provide for authorized shares*

			GROUP		COMPANY	
			2023	2022	2023	2022
19,3	**Issued and fully paid up capital**		US$	US$	US$	US$
	At 1 April		39 506 439	36 462 929	39 506 439	36 462 929
	Issue of shares		-	3 043 510	-	3 043 510
	Exercise of share options	20,4	-	-	-	-
	At 31 March		**39 506 439**	**39 506 439**	**39 506 439**	**39 506 439**

20 SHARE BASED PAYMENTS

Senior executives of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised in employee benefits expense together with a corresponding increase in equity (share based payment reserves) over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options, if any, is reflected as additional share dilution in the computation of diluted earnings per share.

Under the Senior Management Plan (SMP), share options of the parent are granted to senior management of the parent at the discretion of the Remuneration Committee. The exercise price of the share options is equal to the market price of the underlying shares on the date of grant. The share options vest if the beneficiary remains employed within the Group at least three years after the grant date (service condition) and the market value of the shares on that date exceeds the exercise price (market condition).

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The fair value of the share options is estimated at the grant date using the Black-Scholes option pricing model, taking into account the terms and conditions on which the share options were granted. However, the above market condition is only considered in determining the number of instruments that will ultimately vest.

The share options can be exercised up to seven years after the three-year vesting period and therefore, the contractual term of each option granted is ten years. This scheme was introduced in the 2019 financial year. The Group accounts for the SMP as an equity-settled plan.

		GROUP		COMPANY	
		2023	**2022**	**2023**	**2022**
		US$	**US$**	**US$**	**US$**
20,1	Carrying amount of the share based payment reserve:	641 289	506 121	641 289	506 121
20,2	Expense recognised for employee services rendered during the year:	135 168	144 155	135 168	144 155
		Number	**Number**	**Number**	**Number**
20,3	Share options vested during the year	-	-	-	-

20,4 The table below illustrates the number and weighted average exercise prices (WAEP) of, and movements in share options for the Group and Company

	2023		2022	
	Number	**WAEP (US$)**	**Number**	**WAEP (US$)**
Outstanding at 1 April	**4 968 634**	**0,42**	**3 960 967**	**0,47**
Granted during the year	2 112 477	0,24	1 007 667	0,20
Forfeited during the year	(341 323)	0,25	-	-
Exercised during the year	-	-	-	-
Outstanding at 31 March	**6 739 788**	**0,37**	**4 968 634**	**0,42**
Exercisable at 31 March	2 912 574	0,55	1 425 707	0,55
Remaining contractual life	**Number**	**WAEP (US$)**	**Number**	**WAEP (US$)**
0 to 1 year (2022: 0 to 2 years)	2 912 574	0,55	1 762 428	0,56
0 to 2 years (2022: 1 to 3 years)	881 487	0,25	1 227 500	0,52
1 to 3 years (2022: 2 to 4 years)	833 250	0,20	971 038	0,25
2 to 4 years	2 112 477	0,24	1 007 667	0,20
	6 739 788	**0,37**	**4 968 634**	**0,42**

20,5 The following tables list the inputs to the models used for the share options for the Group and Company:

	2023	**2022**
Weighted average fair values at the measurement date	0,24	0,20
Dividend yield (%)	-	4,88%
Expected volatility (%)*	26,72%	45,30%
Risk–free interest rate (%)**	7,41%	6,78%
Expected life of SARs (years)	1,45	1,35
Weighted average share price (US$)	0,22	0,22

Share-based payment valuation date (1 April 2022) assumptions:
*Volatility was computed as the simple average of the volalities of the Company's share price on the BSE and VFEX in the preceeding year.
**The yield-to-maturity on the 10-year Botswana Government bond was applied (http://www.worldgovernmentbonds.com/country/botswana/)

21 MATERIAL PARTLY OWNED SUBSIDIARIES

		Seed Co Zambia		Agri Seed Co Nigeria		GROUP	
21,1	Country of incorporation	Zambia		Nigeria			
		2023	**2022**	**2023**	**2022**	**2023**	**2022**
	Proportion of equity interest held by non-controlling interests:	1%	1%	40%	40%		
				US$			
21,2	Profit allocated to material non-controlling interests	22 116	46 870	7 467	68 394	**29 583**	**115 264**
21,3	Accumulated balances of material non-controlling interests	**344 943**	**404 675**	**942 537**	**554 481**	**1 287 480**	**959 156**
21,4	**Summarised income statements**						
	Revenue	**49 124 212**	**35 074 602**	**1 183 217**	**1 525 328**		
	Cost of sales	(29 514 493)	(21 979 036)	(762 391)	(955 995)		
	Gross profit	**19 609 719**	**13 095 566**	**420 826**	**569 333**		
	Other income	(3 464 359)	3 196 283	148 190	40 948		
	Operating expenses	(12 126 405)	(9 626 827)	(489 272)	(334 475)		
	Operating profit	**4 018 955**	**6 665 022**	**79 744**	**275 806**		
	Finance income	76 198	26 957	-	-		
	Finance costs	(1 402 729)	(1 465 033)	(78 289)	(75 451)		
	Profit before tax	**2 692 424**	**5 226 946**	**1 455**	**200 355**		
	Income tax	(480 805)	(539 979)	17 212	(29 371)		
	Profit for the year	**2 211 619**	**4 686 967**	**18 667**	**170 984**		
	Other comprehensive profit/(loss)	(5 946 297)	6 700 878	558 794	(444 966)		
	Total comprehensive income/(loss)	**(3 734 678)**	**11 387 845**	**577 461**	**(273 982)**		
	Attributable to non-controlling interests	(37 347)	113 878	230 984	(109 593)	**193 638**	**4 286**
	Dividends paid to non-controlling interests	23 311	27 215	-	-	**23 311**	**27 215**

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21,5 Summarised statements of financial position

Non-current assets	22 070 520	24 252 461	1 114 637	279 127		
Current assets	43 005 323	36 373 210	4 391 299	2 850 833		
Non-current liabilities	(9 947 056)	(12 616 417)	(393 433)	-		
Current liabilities	(20 634 527)	(7 541 766)	(2 756 159)	(1 743 758)		
Total equity	**34 494 260**	**40 467 488**	**2 356 344**	**1 386 202**		
Attributable to:						
Equity holders of the parent	34 149 317	40 062 813	1 413 807	831 721	**35 563 124**	**40 894 534**
Non-controlling interest	344 943	404 675	942 537	554 481	**1 287 480**	**959 156**
					-	-

21,6 Summarised cash flow information

Operating	109 807	(4 331 261)	(970 100)	(285 849)
Investing	(2 747 535)	(2 391 231)	(51 788)	(65 263)
Financing	5 805 868	7 628 631	801 676	(75 451)
Net cash inflow/(outflow)	**3 168 140**	**906 139**	**(220 212)**	**(426 563)**

22 SHORT-TERM LOANS AND BORROWINGS

Financial liabilities:

A financial liability is any liability that is:

- a contractual obligation:
  - to deliver cash or another financial asset to another entity; or
  - to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- a contract that will or may be settled in the entity's own equity instruments and is
  - a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments or
  - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include: instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments; puttable instruments classified as equity or certain liabilities arising on liquidation classified as equity instruments.

The Group's financial liabilities risk management policies and objectives are disclosed in Note 28.2.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition as loans and borrowings or payables as appropriate.

All financial liabilities are recognised initially at fair value and net of directly attributable transaction costs.

The Group’s financial liabilities include lease liabilities (Note 11.2), loans and borrowings (Note 22.1), trade payables (Note 23) and amounts due from group entities (Note 24).

Subsequent measurement

For purposes of subsequent measurement, the Group’s financial assets are classified as financial assets at amortised cost (debt instruments).

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

This category generally applies to interest-bearing loans and borrowings (Note 22.1).

The Group's and Company's exposure to liquidity risks, related to financial liabilities is disclosed in Note 28.2.1a).

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

		GROUP		**COMPANY**	
		2023	**2022**	**2023**	**2022**
22,1 LOANS AND BORROWINGS	**Note**	**US$**	**US$**	**US$**	**US$**
Revolving Credit Line Facility	22,8	16 390 851	17 840 173	16 390 850	17 840 173
General Short Term Banking Facility	22,9	1 601 002	5 682 147	1 601 002	4 982 331
Long Term Loan Facility	22,10	11 363 636	12 500 000	-	-
Working Capital Facility (a)	22,11	5 899 717	-	-	-
Working Capital Facility (b)	22,12	1 159 611	-	-	-
Working Capital Facility (c)	22,13	3 237 400	6 120 612	-	-
Working Capital Facility (d)	22,14	2 412 304	-	-	-
Working Capital Facility (e)	22,15	3 007 108	-	-	-
Working Capital Facility (f)	22,14	1 088 562	-	-	-
		46 160 191	**42 142 932**	**17 991 852**	**22 822 504**
Non-current		9 090 909	11 363 636	-	-
Current		37 069 282	30 779 296	17 991 852	22 822 504
		46 160 191	**42 142 932**	**17 991 852**	**22 822 504**

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		Note	GROUP 2023 US$	GROUP 2022 US$	COMPANY 2023 US$	COMPANY 2022 US$
22,2	**Loans and borrowings reconciliation:**					
	At 1 April		42 142 932	32 223 938	22 822 504	29 295 967
	Proceeds from loans and borrowings		30 431 546	47 619 986	8 849 765	25 799 226
	Interest charged		4 255 691	3 380 017	1 754 879	1 236 159
	Repayments of loans and borrowings		(21 663 130)	(38 178 716)	(13 680 417)	(32 272 689)
	Interest paid		(4 255 691)	(3 380 017)	(1 754 879)	(1 236 159)
	Exchange difference		(4 751 157)	477 724	-	-
	At 31 March		**46 160 191**	**42 142 932**	**17 991 852**	**22 822 504**

22,3 The maturity analysis of loans and borrowings are shown below: 28.2.3

	On demand	< 3 months	3-12 months	1-5 years	Total
GROUP			US$		
At 31 March 2023	2 002 709	4 883 058	28 433 024	13 149 409	**48 468 200**
At 31 March 2022	734 807	3 213 321	27 176 951	13 125 000	**44 250 079**
COMPANY			US$		
At 31 March 2023	-	-	18 891 446	-	**18 891 446**
At 31 March 2022	-	-	23 963 629	-	**23 963 629**

		Note	GROUP 2023 US$	GROUP 2022 US$	COMPANY 2023 US$	COMPANY 2022 US$
22,4	**Interest rate sensitivity**	28.2.1a)				
	Increase in interest rates by 50 basis points		(230 801)	(210 715)	(89 959)	(114 113)
	Decrease in interest rates by 50 basis points		230 801	210 715	89 959	114 113
22,5	**Foreign currency sensitivity**	28.2.1b)				
	Local currency weakening against US$ by 10%		(1 136 364)	(1 250 000)	-	-
	Local currency strengthening against US$ by 10%		1 136 364	1 250 000	-	-
22,6	**Undrawn committed borrowing facilities**					
	Total facilities available/limit		64 029 561	60 822 683	22 185 824	35 500 000
	Facilities utilised at year end		(46 160 191)	(42 142 932)	(17 991 852)	(22 822 504)
	Unutilised borrowing capacity		**17 869 370**	**18 679 751**	**4 193 972**	**12 677 496**

	22,7 Onshore subsidiary working capital facilities	USD equivalent Facility limit	Local Currency Facility limit	Local Currency Interest rate
	Zambia	15 644 197	ZMW 333 612 500	16% - 18% pa
	Malawi	12 610 978	MWK 12 940 000 000	18% pa
	Nigeria	1 088 561	NGN 500 575 000	21% pa

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	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
22,8 Revolving Credit Line Facility				
US$ equivalent	16 390 851	17 840 173	16 390 850	17 840 173
Limit (US$)	19 000 000	19 000 000	19 000 000	19 000 000
Purpose: Working Capital Funding				
Tenure (360 days)				
Interest rate: 3.5% + SOFR* (2022: 5%)				
22,9 General Short Term Banking Facility				
US$ equivalent	1 601 002	5 682 147	1 601 002	4 982 331
Limit (US$)	3 185 824	22 467 597	3 185 824	16 500 000
Purpose: Working Capital Funding				
Tenure (360 days)				
Interest rate: 3.5% + SOFR (2022: Prime + 0.25%)				
22,10 Long Term Loan Facility				
US$ equivalent	11 363 636	12 500 000	-	-
Limit (US$)	12 500 000	12 500 000	-	-
Purpose: Production farm project				
Tenure (7 years)				
Interest rate: 5.5% (2022: 5.5%)				
22,11 Working Capital Facility (a)				
US$ equivalent	5 899 717	-	-	-
Limit (US$)	9 644 197	-	-	-
Purpose: Working Capital Funding				
Tenure (364 days)				
Interest rate: 18% (2022: 21% but no draw down)				
22,12 Working Capital Facility (b)				
US$ equivalent	1 159 611	-	-	-
Limit (US$)	6 000 000	-	-	-
Purpose: Working Capital Funding				
Tenure (364 days)				
Interest rate: 16% (2022: No facility)				
22,13 Working Capital Facility (c)				
US$ equivalent	3 237 400	6 120 612	-	-
Limit (US$)	4 716 935	6 855 086	-	-
Purpose: Working Capital Funding				
Tenure (180 days)				
Interest rate: 18% (2022: 17%)				
22,14 Working Capital Facility (d)				
US$ equivalent	2 412 304	-	-	-
Limit (US$)	2 436 433	-	-	-
Purpose: Working Capital Funding				
Tenure (180 days)				
Interest rate: 18% (2022: No facility)				
22,15 Working Capital Facility (e)				
US$ equivalent	3 007 108	-	-	-
Limit (US$)	5 457 610	-	-	-
Purpose: Working Capital Funding				
Tenure (180 days)				
Interest rate: 18% (2022: No facility)				
22,16 Working Capital Facility (f)				
US$ equivalent	1 088 562	-	-	-
Limit (US$)	1 088 562	-	-	-
Purpose: Working Capital Funding				
Tenure (180 days)				
Interest rate: 21% (2022: No facility)				

*SOFR: Secured Overnight Financing Rate is a secured overnight interest rate. SOFR is a reference rate established as an alternative to LIBOR.

22,17 Refer to Note 30.4 for collateral pledged as security for liabilities

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			GROUP		COMPANY	
23	**TRADE AND OTHER PAYABLES**		**2023**	**2022**	**2023**	**2022**
23,1	**Trade and other payables**	**Note**	**US$**	**US$**	**US$**	**US$**
	Trade payables		4 337 854	2 866 561	433 536	-
	Accruals and other creditors		5 571 506	3 468 404	3 650 202	1 433 647
			9 909 360	**6 334 965**	**4 083 738**	**1 433 647**

23,2	The maturity analysis of trade and other payables are shown below.	28.2.3					
			On demand	**< 3 months**	**3-12 months**	**1-5 years**	**Total**
	GROUP				**US$**		
	At 31 March 2023		1 229 826	2 623 096	6 056 438	-	**9 909 360**
	At 31 March 2022		653 864	3 523 067	2 158 034	-	**6 334 965**
	COMPANY				**US$**		
	At 31 March 2023		-	433 535	3 650 203	-	**4 083 738**
	At 31 March 2022		-	1 433 647	-	-	**1 433 647**

			GROUP		COMPANY	
			2023	**2022**	**2023**	**2022**
23,3	**Foreign currency sensitivity**	28.2.1b)	**US$**	**US$**	**US$**	**US$**
	Local currency weakening against US$ by 10%		(48 504)	(13 766)	-	-
	Local currency strengthening against US$ by 10%		48 504	13 766	-	-

			GROUP		COMPANY	
24	**AMOUNTS DUE TO GROUP ENTITIES**		**2023**	**2022**	**2023**	**2022**
24,1	**Amounts due to Group entities**		**US$**	**US$**	**US$**	**US$**
	Subsidiaries: -					
	Seed Co Enterprise		-	-	227 184	42 631
	Seed Co Botswana		-	-	1 504 043	1 340 441
	Seed Co Malawi		-	-	-	314 695
	Sub-total					
	Significant shareholder and its JV and associates					
	Seed Co Limited Zimbabwe		9 574 572	5 106 094	3 248 719	4 417 112
	Prime Seed Co Zimbabwe		398 665	195 560	-	-
	Sub-total					
	Prime Seed Co International		-	1 124 912	-	1 124 912
	Prime Seed Co Zambia		10 439	-	-	-
	Prime Seed Co Tanzania		-	4 283	-	-
	Prime Seed Co Kenya		-	35 161	-	-
	Grand total	26.2.2	**9 983 676**	**6 466 010**	**4 979 946**	**7 239 791**

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		Note	On demand	< 3 months	3-12 months	1-5 years	Total
24,2	The maturity analysis of amounts due to related entities are shown below:	28.2.3					
	GROUP				US$		
	At 31 March 2023		1 229 825	2 623 096	6 130 755	-	**9 983 676**
	At 31 March 2022		952 258	44 729	5 469 023	-	**6 466 010**
	COMPANY				US$		
	At 31 March 2023		-	433 536	4 546 410	-	**4 979 946**
	At 31 March 2023		-	-	7 239 791	-	**7 239 791**
24,3	**Foreign currency sensitivity**	28.2.1b)					
	Local currency weakening against US$ by 10%			(3 124 200)	(1 850 855)	(3 067 071)	**(8 042 126)**
	Local currency strengthening against US$ by 10%			3 124 200	1 850 855	3 067 071	**8 042 126**

25 EMPLOYEE BENEFITS

Employee benefits and are recognised and accrued when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of an accrual to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating t an accrual is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, accruals are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Accruals include severance pay (terminal benefits in accordance with employment conditions or governing laws), leave pay (leave accrued in accordance with the conditions of employment) and bonus (performance related as sanctioned by the Group's Remuneration Committee).

			GROUP		COMPANY	
			2023	2022	2023	2022
25,1	**Employee benefits**	Note	US$	US$	US$	US$
	Severance pay	25,3	38 217	620	-	-
	Leave pay	25,4	510 334	472 719	227 796	159 677
	Bonus	25,5	640 953	816 489	197 974	314 111
			1 189 504	**1 289 828**	**425 770**	**473 788**

		GROUP		COMPANY	
		2023	2022	2023	2022
25,2	**Employee benefits reconciliation**	US$	US$	US$	US$
	At 1 April	1 289 828	2 568 499	473 788	522 992
	Arising during the year	1 136 942	1 629 999	261 671	698 093
	Utilised during the year	(1 150 614)	(2 970 357)	(309 689)	(747 297)
	Exchange differences	(86 652)	61 687	-	-
	At 31 March	**1 189 504**	**1 289 828**	**425 770**	**473 788**
25,3	**Severance pay accruals reconciliation**				
	At 1 April	620	45 793	-	-
	Arising during the year	167 385	243 219	-	-
	Utilised during the year	(121 642)	(296 406)	-	-
	Exchange differences	(8 146)	8 014	-	-
	At 31 March	**38 217**	**620**	**-**	**-**
25,4	**Leave pay accruals reconciliation**				
	At 1 April	472 719	426 716	159 677	112 449
	Arising during the year	148 184	86 299	68 119	47 228
	Utilised during the year	(66 258)	(52 075)	-	-
	Exchange differences	(44 311)	11 779	-	-
	At 31 March	**510 334**	**472 719**	**227 796**	**159 677**
25,5	**Bonus accruals reconciliation**				
	At 1 April	816 489	2 095 990	314 111	410 543
	Arising during the year	821 373	1 300 480	193 552	650 865
	Utilised during the year	(962 715)	(2 621 876)	(309 689)	(747 297)
	Exchange differences	(34 194)	41 895	-	-
	At 31 March	**640 953**	**816 489**	**197 974**	**314 111**

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26 RELATED PARTIES' TRANSACTIONS AND BALANCES

26,1 Related party transactions

GROUP	Note	Sales of goods to	Purchase of goods from	Dividends received from	Dividends paid to	Royalties earned from	Royalties incurred to	Management fees earned from	Management fees incurred to	Interest earned from	Interest incurred to
		26.1.1	26.1.2	26.1.3	26.1.4	26.1.5	26.1.6	26.1.7	26.1.8	26.1.9	26.1.10
2023						US$					
Material shareholder and its JV and Associate: -											
Seed Co Limited Zimbabwe		240	7 798 211	-	23 311	-	2 642 455	1 409 670	-	-	321 600
Prime Seed Co Zimbabwe		-	641 314	-	-	-	-	-	-	-	-
Sub-total		**240**	**8 439 525**	**-**	**23 311**	**-**	**2 642 455**	**1 409 670**	**-**	**-**	**321 600**
Joint ventures and subsidiaries: -											
Prime Seed Co International		-	-	-	-	-	-	-	-	75 682	-
Prime Seed Co Zambia		-	12 674	-	-	-	-	-	-	-	-
Seed Co West & Central Africa		-	-	-	-	-	-	-	-	44 091	-
Sub-total		**-**	**12 674**	**-**	**-**	**-**	**-**	**-**	**-**	**119 773**	**-**
Associate: -											
Limagrain Zaad South Africa		1 119 874	-	-	-	-	-	-	-	-	-
Sub-total		**1 119 874**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand total		**1 120 114**	**8 452 199**	**-**	**23 311**	**-**	**2 642 455**	**1 409 670**	**-**	**119 773**	**321 600**
	Note	**26.1.1**	**26.1.2**	**26.1.3**	**26.1.4**	**26.1.5**	**26.1.6**	**26.1.7**	**26.1.8**	**26.1.9**	**26.1.10**
GROUP		**Sales of goods to**	**Purchase of goods from**	**Dividends received from**	**Dividends paid to**	**Royalties earned from**	**Royalties incurred to**	**Management fees earned from**	**Management fees incurred to**	**Interest earned from**	**Interest incurred to**
2022						US$					
Material shareholder and its JV and Associate: -											
Seed Co Limited Zimbabwe		35 405	4 685 583	-	-	-	2 545 380	900 000	-	-	-
Prime Seed Co Zimbabwe		218 408	-	-	-	-	-	-	-	-	-
Quton Zimbabwe		1 906	-	-	-	-	-	-	-	-	-
Sub-total		**255 720**	**4 685 583**	**-**	**-**	**-**	**2 545 380**	**900 000**	**-**	**-**	**-**
Joint ventures and subsidiaries: -											
Prime Seed Co International		-	-	-	-	-	-	-	-	21 680	-
Prime Seed Co South Africa (Alliance Seeds)		-	2 023	-	-	-	-	-	-	8 552	-
Prime Seed Co Zambia		351 076	-	-	-	-	-	-	-	-	-
Prime Seed Co Malawi		3 695	-	-	-	-	-	-	-	-	-
Prime Seed Co Kenya		5 476	-	-	-	-	-	-	-	-	-
Sub-total		**360 247**	**2 023**	**-**	**-**	**-**	**-**	**-**	**-**	**30 232**	**-**
Associate and its joint venture											
AgriSynergy		-	-	-	-	-	-	-	-	117 420	-
Limagrain Zaad South Africa		266 854	-	-	-	-	-	-	-	-	-
Sub-total		**266 854**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**117 420**	**-**
Co-shareholder											
SARO		166 225	-	-	-	-	-	-	-	925	-
Grand total		**1 049 045**	**4 687 607**	**-**	**-**	**-**	**2 545 380**	**900 000**	**-**	**148 577**	**-**

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COMPANY	Note	Sales of goods to	Purchase of goods from	Dividends received from	Dividends paid to	Royalties earned from	Royalties incurred to	Management fees earned from	Management fees incurred to	Interest earned from	Interest incurred to
		26.1.1	26.1.2	26.1.3	26.1.4	26.1.5	26.1.6	26.1.7	26.1.8	26.1.9	26.1.10
2023						US$					
Subsidiaries: -											
Seed Co Enterprise		-	-	-	-	-	-	-	1 487 187	-	-
Seed Co Botswana		-	-	-	-	-	-	157 067	-	-	105 878
Seed Co Zambia		-	-	2 307 812	-	1 522 764	-	1 173 672	-	151 439	-
Seed Co DRC		-	-	-	-	65 712	-	-	-	-	-
Seed Co Malawi		-	-	-	-	421 408	-	481 285	-	197 714	-
Seed Co Tanzania		-	-	-	-	897 313	-	481 816	-	-	-
Agri Seed Co Kenya		-	-	-	-	617 941	-	273 587	-	122 726	-
Seed Co Mozambique		-	-	-	-	130 219	-	-	-	28 201	-
Sub-total		**-**	**-**	**2 307 812**	**-**	**3 655 357**	**-**	**2 567 427**	**1 487 187**	**500 080**	**105 878**
Material shareholder: -											
Seed Co Limited Zimbabwe		**-**	**-**	**-**	**-**	**-**	**2 642 455**	**1 409 670**	**-**	**-**	**321 600**
Joint venture: -											
Prime Seed Co International		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**75 682**	**-**
Co-shareholder: -											
SARO		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**44 091**	**-**
		-	**-**	**2 307 812**	**-**	**3 655 357**	**2 642 455**	**3 977 097**	**1 487 187**	**619 853**	**427 478**
				-		-		-		-	-

COMPANY	Note	Sales of goods to	Purchase of goods from	Dividends received from	Dividends paid to	Royalties earned from	Royalties incurred to	Management fees earned from	Management fees incurred to	Interest earned from	Interest incurred to
		26.1.1	26.1.2	26.1.3	26.1.4	26.1.5	26.1.6	26.1.7	26.1.8	26.1.9	26.1.10
2022						US$					
Subsidiaries: -											
Seed Co Enterprise		-	-	-	-	-	-	-	1 626 849	-	-
Seed Co Botswana		-	-	-	-	-	-	157 067	-	-	165 602
Seed Co Zambia		-	-	2 694 330	-	914 671	-	1 173 672	-	82 140	-
Seed Co DRC		-	-	-	-	50 935	-	-	-	-	-
Seed Co Malawi		-	-	1 638 063	-	673 616	-	381 418	-	89 416	-
Seed Co Tanzania		-	-	1 606 000	-	686 725	-	437 360	-	6 248	-
Agri Seed Co Kenya		-	-	435 000	-	262 381	-	274 852	-	90 124	-
Seed Co Mozambique		-	-	-	-	100 815	-	-	-	-	-
Sub-total		**-**	**-**	**6 373 393**	**-**	**2 689 143**	**-**	**2 424 369**	**1 626 849**	**267 928**	**165 602**
Material shareholder: -											
Seed Co Limited Zimbabwe		**-**	**-**	**-**	**-**	**-**	**2 545 380**	**900 000**	**-**	**-**	**-**
Joint venture and its subsidiary: -											
Prime Seed Co International		-	-	-	-	-	-	-	-	21 680	-
Prime Seed Co South Africa (Alliance Seeds)		-	-	-	-	-	-	-	-	8 551	-
Seed Co West & Central Africa		-	-	-	-	-	-	-	-	925	-
Sub-total		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**31 156**	**-**
Associate: -											
AgriSynergy		-	-	-	-	-	-	-	-	117 420	-
		-	**-**	**6 373 393**	**-**	**2 689 143**	**2 545 380**	**3 324 369**	**1 626 849**	**416 504**	**165 602**

		Note	GROUP 2023 US$	GROUP 2022 US$	COMPANY 2023 US$	COMPANY 2022 US$
26.1.11	**Directors' and executive management emoluments**					
	Short term benefits		1 095 370	1 808 967	618 987	894 128
	Post employment benefits		425 770	473 788	425 770	473 788
	Share-based incentive scheme		94 618	100 909	94 618	100 909
	Directors' fees		327 933	374 803	291 101	272 397
			1 943 691	**2 758 467**	**1 430 476**	**1 741 222**

Short-term benefits include salaries, bonuses, allowances and Company contributions towards pension and medical aid.

		Note	GROUP 2023 US$	GROUP 2022 US$	COMPANY 2023 US$	COMPANY 2022 US$
26,2	**Related party balances**					
26.2.1	**Due from related parties**					
	Due from related entities^	17,1	5 573 897	6 005 020	23 537 302	23 494 686
	Due from related persons*		302 329	529 484	302 329	137 552
			5 876 226	**6 534 504**	**23 839 631**	**23 632 238**

^Unsecured transactions with related-parties are made on transfer-pricing benchmarked terms with settlement periods of up to one year.
*The Company has arranged an Executive Loan Facility of which current limit at year-end is USD 500,000 out of which secured advances are made for 3 to 5 year terms with repayments made out of payroll.

		Note	GROUP 2023 US$	GROUP 2022 US$	COMPANY 2023 US$	COMPANY 2022 US$
	ECL provisions relating to related parties		**250 130**	**78 743**	**192 057**	**171 689**
26.2.2	**Due to related parties**					
	Due to related entities^	24,1	**9 983 676**	**6 466 010**	**4 979 946**	**7 239 791**

^Unsecured transactions with related-parties are made on transfer-pricing benchmarked terms with settlement periods of up to one year.

27 SEGMENTAL INFORMATION

The operating businesses are managed separately according to the country that they operate in, with each segment representing a strategic business unit that operates in the same geographical area. For management purposes, the Group is organised into business units based on their geographical locations and four reportable operating segments as follows:

Reportable segments	Countries aggregated
Southern Africa	Botswana, Mozambique and South Africa.
Central Africa	Angola, Democratic Republic of Congo (DRC), Malawi and Zambia.
East Africa	Ethiopia, Kenya, Rwanda and Tanzania.
West Africa	Nigeria.

The Group Executives monitor the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss after tax and is measured consistently with profit or loss after tax in the consolidated financial statements.

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The operating segments as stated above have been aggregated to form the above reportable operating segments. The aggregation criteria assists the Group Executives to evaluate the nature and financial effects of the business activities and the economic environments in which it operates. The aggregated operating segments have largely similar products offerings; class of customers and are based in areas of the African continent which have generally similar economic environments and climate conditions.

The reporting segments follow uniform accounting policies and have the same year end. Transactions between reported segments follow the same basis of accounting as those followed within the Group. Transfer prices between operating segments are on an arm's length basis.

There is no change from prior periods in the measurement methods used to determine reported segment profit or loss.

Inter-segment transactions and balances and unrealized profits between segments are eliminated upon consolidation and reflected in the 'adjustments and eliminations' column below

27,1 **Summarised income statements**	**Southern Africa**	**Central Africa**	**East Africa**	**West Africa**	**Adjustments and eliminations**	**GROUP**
for the year ended 31 March 2023			**US$**			
Revenue	**13 548 832**	**63 543 508**	**39 782 260**	**1 183 217**	**(14 532 136)**	**103 525 681**
External	12 433 820	51 929 309	37 979 335	1 183 217	-	**103 525 681**
Inter-segment	1 115 012	11 614 199	1 802 925	-	(14 532 136)	**-**
Cost of sales	(9 457 198)	(38 856 781)	(22 899 948)	(762 391)	14 459 890	**(57 516 428)**
Gross profit	**4 091 634**	**24 686 727**	**16 882 312**	**420 826**	**(72 246)**	**46 009 253**
Other income	11 652 670	(3 041 471)	305 650	148 190	(11 609 364)	**(2 544 325)**
Operating expenses	**(13 678 074)**	**(18 060 324)**	**(8 637 706)**	**(489 272)**	**8 009 715**	**(32 855 661)**
General and administrative costs	(1 169 533)	(5 181 156)	(3 054 495)	(237 206)	-	(9 642 390)
Sales and marketing costs	(8 625 544)	(7 080 985)	(3 231 840)	(68 058)	4 018 663	(14 987 763)
Depreciation and amortisation	(459 305)	(1 756 223)	(791 440)	(74 629)	-	(3 081 597)
Research costs	(3 192 499)	(2 105 278)	(1 489 318)	(94 949)	3 749 548	(3 132 496)
Credit losses	(231 193)	(1 936 683)	(70 614)	(14 431)	241 505	(2 011 415)
Operating profit/(loss)	**2 066 230**	**3 584 932**	**8 550 256**	**79 744**	**(3 671 895)**	**10 609 267**
Finance income	787 365	76 858	201 610	-	(615 910)	**449 923**
Finance costs	(1 798 399)	(2 689 106)	(305 807)	(78 289)	615 910	**(4 255 691)**
Share of loss from associate and joint ventures	(742 858)	-	-	-	(352 559)	**(1 095 417)**
Profit/(Loss) before tax from continuing operations	**312 338**	**972 684**	**8 446 059**	**1 455**	**(4 024 454)**	**5 708 082**
Income tax expense	(392 228)	51 548	(2 495 273)	17 212	22 180	**(2 796 561)**
Profit/(Loss) for the year	**(79 890)**	**1 024 232**	**5 950 786**	**18 667**	**(4 002 274)**	**2 911 521**

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	Southern Africa	Central Africa	East Africa	West Africa	Adjustments and eliminations	GROUP
for the year ended 31 March 2022			US$			
Revenue	**16 841 444**	**51 551 845**	**30 270 473**	**1 525 328**	**(11 724 145)**	**88 464 945**
External	15 411 327	41 610 618	29 917 673	1 525 328	-	**88 464 946**
Inter-segment	1 430 117	9 941 227	352 800	-	(11 724 145)	**(1)**
Cost of sales	(12 646 006)	(30 108 233)	(16 467 982)	(955 995)	11 512 197	**(48 666 019)**
Gross profit	**4 195 438**	**21 443 612**	**13 802 491**	**569 333**	**(211 948)**	**39 798 926**
Other income	14 381 899	3 489 064	98 545	40 948	(13 113 754)	**4 896 702**
Operating expenses	**(14 143 979)**	**(15 694 913)**	**(7 662 558)**	**(334 475)**	**6 898 663**	**(30 937 262)**
General and administrative costs	(767 069)	(4 882 045)	(2 662 848)	(113 625)	-	(8 425 588)
Sales and marketing costs	(9 357 843)	(6 720 021)	(2 627 486)	(88 134)	3 992 979	(14 800 504)
Depreciation and amortisation	(473 203)	(1 604 851)	(990 552)	(62 749)	-	(3 131 354)
Research costs	(3 124 715)	(2 104 336)	(1 197 241)	(69 967)	2 905 685	(3 590 574)
Credit losses	(421 150)	(383 660)	(184 430)	-	-	(989 241)
Operating profit	**4 433 358**	**9 237 763**	**6 238 478**	**275 806**	**(6 427 039)**	**13 758 366**
Finance income	653 757	37 373	80 583	-	(463 094)	**308 619**
Finance costs	(1 319 735)	(2 182 664)	(265 262)	(75 451)	463 095	**(3 380 017)**
Share of profit/(loss) from associate and joint ventures	(378 937)	-	-	-	139 536	**(239 401)**
Profit/(Loss) before tax from continuing operations	**3 388 443**	**7 092 472**	**6 053 799**	**200 355**	**(6 287 502)**	**10 447 567**
Income tax expense	(421 024)	(975 565)	(1 993 726)	(29 371)	68 195	**(3 351 491)**
Profit/(Loss) for the year	**2 967 419**	**6 116 907**	**4 060 073**	**170 984**	**(6 219 307)**	**7 096 076**

27,2 Summarised statements of financial position

	Southern Africa	Central Africa	East Africa	West Africa	Adjustments and eliminations	GROUP
At 31 March 2023			US$			
Non-current assets	44 874 339	32 822 552	5 057 046	1 114 637	(31 880 508)	**51 988 066**
Current assets	44 740 209	65 055 830	27 618 915	4 391 299	(36 905 550)	**104 900 703**
Non-current liabilities	(126 522)	(10 937 422)	(336 801)	(393 435)	-	**(11 794 180)**
Current liabilities	(39 551 723)	(38 746 048)	(13 705 461)	(2 753 845)	35 964 593	**(58 792 484)**
Total equity	**49 936 303**	**48 194 912**	**18 633 699**	**2 358 656**	**(32 821 465)**	**86 302 105**
At 31 March 2022			US$			
Non-current assets	46 053 433	38 051 263	5 398 602	279 126	(31 125 768)	**58 656 656**
Current assets	46 955 110	58 043 489	18 903 550	2 850 832	(27 829 023)	**98 923 958**
Non-current liabilities	(207 252)	(14 594 738)	(561 743)	-	-	**(15 363 733)**
Current liabilities	(41 749 791)	(22 270 327)	(9 970 104)	(1 743 759)	29 634 695	**(46 099 286)**
Total equity	**51 051 500**	**59 229 687**	**13 770 305**	**1 386 199**	**(29 320 096)**	**96 117 595**

	Southern Africa	Central Africa	East Africa	West Africa	Adjustments and eliminations	GROUP
Other material non-cash items						
for the year ended 31 March 2023						
Profit on disposal of property, plant and equipment	-	79 492	15 376	532	-	**95 400**
for the year ended 31 March 2022						
Profit on disposal of property, plant and equipment	-	23 014	80 391	1 882	-	**105 287**

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28 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The Group's and Company's financial assets (Note 16) arise directly from their operations.

The main purpose of the Group's and Company's financial liabilities is to finance the Group's and Company's operations.

The Group's and Company's policy prohibits trading in financial instruments.

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

28,1 Fair values

The fair value of the financial assets and liabilities is estimated to be the amount at which the instrument could be exchanged in a transaction between willing parties, other than in a forced or liquidation sale.

The carrying amount of all financial instruments measured at amortised cost shown on the statements of financial position approximate their fair values largely due to the short-term maturities of these instruments.

28,2 Financial instruments risk management objectives and policies

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks while the Audit Committee reviews and approves policies for managing each of these risks which are summarised below:

28.2.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk.

Financial instruments affected by market risk include receivables; cash and cash equivalents; payables and loans and borrowings.

The following assumptions have been made in the sensitivity analyses:

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2023 and 2022.
- There is no impact on equity besides the increase/decrease in retained earnings due to change in profit or loss.

28.2.1a) Interest rate risk

Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

The Group manages its interest rate risk by having most of its borrowings in US Dollar denominated short-term facilities priced at a prime linked interest rate. This rate is generally stable with minimal movements in the rate based on the Federal Reserve Bank's policy objectives.

Federal Reserve Mid-Range Policy Rate (FDTRMID)

The LIBOR was decommissioned in December 2021, and was replaced by a risk-free benchmark rate as deemed appropriate in each jurisdiction. Given the foregoing, the Group agreed with its main lenders to adopt the Federal Reserve Mid-Range Policy Rate (FDTRMID) and the Secured Overnight Financing Rate (SOFR) for all its US Dollar lending instruments.

Interest rate sensitivity

Note 22.4 demonstrates the sensitivity of the the Group's and Company's profit before tax is to a reasonably possible change in interest rates on that portion of loans and borrowings affected with all other variables held constant.

28.2.1b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (monetary assets or liabilities are denominated in a foreign currency).

The Group operates in several countries in Africa and is exposed to foreign exchange risk arising from the volatility of some of the respective local functional currencies primarily against the US Dollar, which is the Group's and Company's presentation currency.

The Group manages its foreign currency risk by balancing its foreign denominated assets and liabilities so that any negative movements in one are compensated by positive movements in the other.

Foreign currency rate sensitivity

Notes 16.5, 17.2, 18.3, 22.5, 23.3 and 24.3 demonstrates the sensitivity to a reasonably possible change in US dollar exchange rate against the various currencies across the Group, with all other variables held constant, on the Group's and Company's profit before tax. The Group's and Company's equity will be impacted in the same manner but net of tax.

A 10% change is considered as a reasonably possible change in US$ exchange rate against the respective currencies by the Group Board. The impact on the Group's and Company's profit before tax is due to changes in the value of monetary assets and liabilities induced by exchange rate movements.

The Company is exposed to the fluctuation of the ZAR and BWP against the US$ as some of its monetary assets and liabilities are denominated in those currencies.

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28.2.2 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its deposits in the custody of financial institutions.

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by bank guarantees. There was no significant change in the current period on the quality of the bank guarantees in place. No loss allowances are made against bank guaranteed receivables as bank generally make good the outstanding amount within a reasonably short period of time in the rare cases where bank guaranteed customers default. The Group does not hold any collateral. The maximum exposure to credit risk is equal to the carrying amount as per the statements of financial position.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e. geographical region and customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product, inflation and interest rates) are expected to deteriorate over the next year which can lead to an increased number of defaults in the agricultural sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Generally, trade receivables are written-off if past due for more than two (2) years except for intercompany debtors and sovereign Government debt.

The Group's customers are located in several jurisdictions which are largely independent markets therefore its customer base is reasonably dispersed without one single customer individually contributing to a significant portion of the Group's total sales. The Group therefore evaluates the concentration of risk with respect to trade receivables as low with the exception of exposure to various regional governments as disclosed in Note 16.1.4.

Information about the credit risk exposure on the Group's and Company's trade receivables using provision matrices are set out in Note 16.2.

Cash and cash equivalents and other financial assets

Credit risk from balances with the government and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. Counterparty limits are reviewed by the Group's Audit Committee on a regular basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The maximum exposure to credit risk is equal to the carrying amount as per the statements of financial position.

The Group evaluates the concentration of risk with respect to bank deposits as low since the Group's cash and cash equivalents balances are spread across the various banks in the countries the Group's operates.

28.2.3 Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter in meeting commitments associated with financial liabilities because of the possibility that the Group or the Company may be required to pay its liabilities earlier than expected. The liquidity risk arises if the Group or the Company defaults in its loan commitments or in meeting other conditions of the financial liabilities.

Notes 11.3, 23.2 and 24.2 summarise the maturity profile of the Group's and Company's financial liabilities based on contractual undiscounted payments:

The Group and Company ensure timely payments of all loan commitments, which are mainly in the form of bank overdrafts, and are reviewed every twelve (12) months. Timely arrangements are made with the banks to review facilities before they expire to avoid default.

The Group and Company are principally funded through centrally arranged facilities through the Company, Seed Co International Limited. As part of its treasury functions, Seed Co International Limited has short-term financing from main bankers in place.

The Group and Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficiently available and debt maturing within six (6) months can be rolled over with existing lenders.

28.2.4 Cash management

As part of cash management, Group cash positions are monitored on a daily basis, with a view on optimizing returns. Furthermore, the Group continues to explore opportunities to maximise yields on any surplus returns.

SEED CO INTERNATIONAL LIMITED
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

29 CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes stated capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital. The Group's policy is to keep its gearing ratio below 50%. The Group's net debt definition comprises loans and borrowings less cash and cash equivalents.

In order to achieve this overall objective, the Group's capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches of the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 2022.

		GROUP		COMPANY	
Set out below is the computation of the Group and Company's gearing ratios:		2023	2022	2023	2022
	Note	US$	US$	US$	US$
Loans and borrowings	22,1	46 160 191	42 142 932	17 991 852	22 822 504
Cash and cash equivalents	18,1	(19 196 798)	(19 911 047)	(379 362)	(5 884 471)
Net debt		**26 963 393**	**22 231 885**	**17 612 490**	**16 938 033**
Capital		85 014 625	95 158 439	40 581 827	42 104 169
Gearing		**32%**	**23%**	**43%**	**40%**

		GROUP		COMPANY	
		2023	2022	2023	2022
30 COMMITMENTS AND CONTINGENCIES	Note	US$	US$	US$	US$
Commitments	30.1.1	10 517 925	6 904 698	15 000	10 000
Contingent liabilities	30,2	162 632	165 661	-	-

30,1 Commitments

30.1.1 Capital expenditure commitments

The Board approved Management's capital expenditure plans for the Group and the Company though these were not yet contracted for at the reporting date.

30.1.2 Seed production

The Group, through its subsidiaries in Zambia, Malawi, Tanzania, Kenya and Nigeria, contracts growers to produce seed on its behalf every year. The seed production process takes approximately six (6) months. This gives the business the right to obtain the economic benefits from use of the farmer's land earmarked for seed production. The Group compensates the growers on seed delivery as agreed in the contract. Grower contracts are negotiated every year depending on the Group's seed volume requirements. The number and composition of growers varies every year depending on the Group's seed volume requirements and past grower performance. The farmer has the right to convert for their use the portion of land previously used for the Group's seed production upon harvest.

30,2 Contingent liabilities

Seed Co Tanzania had unresolved Tanzania Revenue Authority (TRA) tax assessments on Withholding Tax (WHT) and Skills and Development Levy (SDL), with a possible loss of TZS 384,666,000 (2022: TZS 384,666,000). Seed Co Tanzania won this case against the TRA at the Tax Tribunal but the TRA has since appealed against Seed Co Tanzania at the Court of Appeal where the case has not yet been heard. The contigent liability relating to this case is fully provided for by Seed Co Tanzania.

30,3 Guarantees

Stanbic Bank Botswana guaranteed the Botswana Unified Revenue Service (BURS) US $26 817 (BWP 351 091) for VAT deferral accounts in favour of Seed Co Botswana.

30,4

Collateral pledged as security for loans and borrowings	Balance sheet classification	Currency	Facility limit	Tenure	Maturity	Facility structure
- Mortgage bond over immovable property - Security cession of insurance policy over immovable property	Non-current	USD	12 500 000	7 years	Fixed	Project finance
- Guarantees from subsdiaries - Registered deeds of hypothecation over movable assets	Current	USD	19 000 000	365 days	Subject to annual review	Revolving credit facility
- Guarantees from subsidiaries and parent company - Third party debenture over movable assets and bond over Kitale premises	Current	USD	3 185 824	150 days	Fixed	Development finance
- Parent company guarantee - Mortgage bond over immovable property [ZMK 333 612 500]	Current	USD	15 644 197	365 days	Subject to annual review	Working capital facility
- Parent company guarantee [MWK 129 400 000] - Mortgage bond over immovable property and lien over stocks and debtors	Current	USD	12 610 978	180 days	Fixed	Working capital facility
- Lien over stocks [NGN 500 512 500]	Current	USD	1 088 424	180 days	Fixed	Working capital facility

SEED CO INTERNATIONAL LIMITED
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31 EVENTS AFTER THE REPORTING DATE

	GROUP		COMPANY	
	2023	2022	2023	2022
31,1 Post-year end dividend declarations	cents/share	cents/share	cents/share	cents/share
Approved by Board post year-end on 9 June 2023 from the financial year ended 31 March (dividend per share):	0,25	-	0,25	-
	USD	USD	USD	USD
Approved by Board post year-end on 9 June 2023 from the financial year ended 31 March (dividend amount):	970 507	-	970 507	-

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws of Botswana, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. Dividends declared after the reporting date are not recognised as a liability in the statements of financial position.

Proposed dividends on ordinary shares are subject to approval at the annual general meeting to be held before the end of September 2023 and are not recognised as a liability as at 31 March.

32 IMPACT OF THE RUSSIA-UKRAINE WAR

32,2 RUSSIA-UKRAINE WAR

The most notable twin business risks for the Group manifesting from the crisis in Europe are as follows:

- Rising cost of doing business across the value chain due to escalating costs of imported key production inputs (fuel, chemicals and commodities) and general cost of living leading to wage pressure. In response central banks have been hiking interest rates thereby raising the cost of borrowing.
- Supply chain bottlenecks causing shortages of the aforementioned inputs constraining seed production activities.

The conflict has however presented an opportunity for increased agricultural activity particularly in Africa to fill the food supply gap created by Russia and Ukraine. The Group is better positioned to benefit from the potential increase in seed demand as countries on the continent seek food self-sufficiency. Additionally, selling prices tend to move in line with the imported global inflation. Where possible, the Group procures inputs in advance to lock prices and continues to lobby authorities to prioritise funding towards food production.

TOP 20 SHAREHOLDERS

RANK	NAME	#SHARES	%	STATUS
1	VILMORIN & CIE	127,399,703	32.36%	Non public
2	SEED CO LIMITED	108,172,208	27.48%	Non public
3	OLD MUTUAL ZIMBABWE	37,079,430	9.42%	Public
4	NATIONAL SOCIAL SECURITY AUTHORITY OF ZIMBABWE	26,822,300	6.81%	Public
5	STANBIC NOMINEES	20,369,027	5.17%	Public
6	MINING INDUSTRY PENSION FUND OF ZIMBABWE	7,182,511	1.82%	Public
7	SBSA NLLMF LP	6,740,722	1.71%	Public
8	SCB NOMINEES	6,020,502	1.53%	Public
9	BURKET ASSOCIATES LIMITED NNR	4,351,829	1.11%	Public
10	CAPERAL LIMITED NNR	2,852,304	0.72%	Public
11	SEEDCO EMPLOYEES TRUST COMPANY	1,630,793	0.41%	Non public
12	DELTA BEVERAGES PENSION FUND	1,835,087	0.47%	Public
13	DEKALB GENETICS CORPORATION	1,490,625	0.38%	Public
14	COMMUNICATION AND ALLIED INDUSTRIES PENSION FUND OF ZIMBABWE	1,463,177	0.37%	Public
15	ZESA STAFF PENSION FUND	1,175,181	0.30%	Public
16	HIPPO VALLEY ESTATES PENSION FUND	939,122	0.24%	Public
17	PUBLIC SERVICE OF ZIMBABWE PENSION FUND	903,241	0.23%	Public
18	ZIMBABWE ELECTRICITY INDUSTRY PENSION FUND	810,952	0.21%	Public
19	DANBURY FARMS (PVT) LTD	778,540	0.20%	Public
20	SEED CO EMPLOYEES, DIRECTORS & THEIR DEPENDANTS	1,001,180	0.25%	Non public
21	OTHER	34,629,396	8.80%	Public
	TOTAL	**393,647,830**	**100%**	

SHAREHOLDER SPREAD		%	NUMBER
	PUBLIC	39.49%	14,351
	NON-PUBLIC	60.51%	47
	TOTAL	**100.00%**	**14,398**

CORPORATE INFORMATION

Head Office
Seed Co International Limited
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Johannesburg
South Africa

Registered Office
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Gaborone
Botswana

Auditors
Ernst & Young
2nd Floor Plot 22,
Khama Crescent
PO Box 41015
Gaborone
Botswana

Sustainability Advisors
Institute for Sustainability Africa
22 Walter Hill Ave, Eastlea,
Harare,
Zimbabwe

Transfer Secretaries
Central Securities Depository Botswana
4th Floor Fairscape Precint
Plot 70667
Fairgrounds
Gaborone
Botswana

ANNUAL GENERAL MEETING NOTICE TO SHAREHOLDERS

Notice is hereby given that the **23rd Annual General Meeting** of Members of Seed Co International Limited ("the Company") will be held Virtually on **Wednesday the 20th of September 2023 at 12:30 GMT+2 (Botswana).** The Annual General Meeting will be hosted online via the Escrow Group platform.

Members will be asked to consider, and if deemed fit, to pass with or without modification, the resolutions set out below: -

ORDINARY BUSINESS: - As ordinary resolutions:

1. **Approval of the Audited Financial Statements and Reports**
   To receive, consider and adopt the Annual Financial Statements and Reports of the Directors and Auditors for the year ended 31 March 2023.

2. **Appointment of Directors**
   a) To note the retirement of Mr. Michael S. Ndoro during the year.

   b) To note the retirement of Mr. David E. B. Long at the end of the AGM and is not seeking re-election.

   c) To note the retirement of Mr. Chance Kabaghe by rotation in terms of section 21.9.1of the Articles of Association and being eligible offers himself for re-election.

   d) To note the retirement of Mr. Frederic Savin by rotation in terms of section 21.9.1of the Articles of Association and being eligible offers himself for re-election.

   e) To note the retirement of Mr. Philippus R. de Wet by rotation in terms of section 21.9.1 of the Company's Constitution and being eligible offers himself for re-election.

   f) To note the retirement of Ms. Kushatha Moswela by rotation in terms of section 21.9.1 of the Company's Constitution and being eligible offers herself for re-election.

   NB: Motions for the election of directors will be moved individually.

3. **Approval of Directors' fees**
   To approve the Directors' fees for the year ended 31 March 2023 amounting to $291,101.

4. **Approval of Auditors' fees and reappointment**
   To approve the remuneration of the auditors amounting to $123,887 for the past annual audit and re-appoint Ernst & Young, Chartered Accountants (Botswana) as auditors for the current year.

5. **Dividend ratification**
   To note and ratify the declared dividend of 0.25 US cents per share payable out of the Company's distributable reserves from the financial year ended 31 March 2023.

Registration of the AGM
The Annual General Meeting will be held virtually. Members can participate using the following link **https://escrowagm.com/eagmZim/Login.aspx.** Please contact **Lesley Muzamba** for assistance with registration for the annual general meeting, email: **lesley@escrowgroup.org**

Annual Report
The Company's Annual Report is now available on the Company's website, **www.seedcogroup.com,** copies of the Annual Report have also been sent to Shareholders whose emails are on record.

By Order of the Board

Eric Kalaote
Company Secretary
29 August 2023

Notes
A member entitled to attend and vote at the meeting may appoint one or more proxies to attend, vote and speak in their stead. The proxy need not be a member of the company. To be effective, the form of the proxy must be lodged at the company's office at least 48 hours before the meeting.

SEED CO

The African Seed Company

FORM OF PROXY

FOR THE 23rd ANNUAL GENERAL MEETING OF SEED CO INTERNATIONAL LIMITED

I /We,____(full names) of ________________________________

____ (full address) being the registered holder/s of

________________________ ordinary shares in SEED CO INTERNATIONAL LIMITED, do hereby appoint:

____ (full names) of ________________________________

____ (full address) or failing him/her the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the ANNUAL GENERAL MEETING of the Company to be held on the 20 SEPTEMBER 2023 at 1230 HRS and at any adjournment thereof.

I/We instruct my/our proxy or proxies to vote in the following way:
(Please mark the appropriate box with an "X" next to each resolution)

	ORDINARY BUSINESS	For	Against	Abstain
1	THAT the Annual Financial Statements and Reports of the Directors and Auditors for the year ended 31 March 2023 be adopted.			
2	THAT Mr. C Kabaghe be re-elected as a Director of the Company in terms of the Articles of Association.			
3	THAT Mr. F. Savin be re-elected as a Director of the Company in terms of the Articles of Association.			
4	THAT Mr. P. R. de Wet be re-elected as a Director of the Company in terms of the Articles of Association.			
5	THAT Ms. K. Moswela be re-elected as a Director of the Company in terms of the Articles of Association.			
6	THAT the remuneration of the Directors be confirmed.			
7	THAT the remuneration of the Auditors, Ernst & Young Botswana, for the past audit be confirmed.			
8	THAT Messrs. Ernst & Young Botswana be re-appointed as Auditors of the Company for the following year until the conclusion of the next Annual General Meeting.			
9	To confirm the declared dividend of 0.25 US cents per share payable out of the Company's distributable reserves from the financial year ended 31 March 2023.			

Details of the above resolutions are set out in the Notice of the Annual General Meeting.

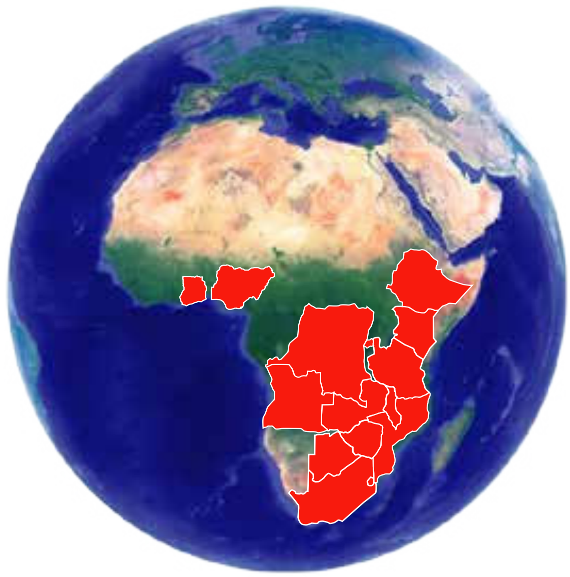
Signed this______________________day of____________________2023.

____

SIGNATURE OF SHAREHOLDER

NOTES:

1. A member entitled to attend and vote at the meeting may appoint one or more proxies to attend, vote and speak in their stead.
1. The proxy need not be a member of the Company and unless otherwise instructed, the proxy will vote as he/she thinks fit.
2. To be effective, the form of the proxy must be lodged at the Company's office at least 48 hours before the meeting.
2. The proxy form must be signed and dated for it to be valid. Any alterations or corrections to this form must be initialed.
1. Anyone signing this proxy form in a representative capacity must be authorized to do so. Please stamp this form with your company or organization's stamp and enclose proof of authorization.
2. The proxy can be emailed to: **tineyi.chatiza@seedcogroup.com** or **maria@corpservebotswana.com** or **patricia@escrowgroup.org**
3. The return of this proxy form will not prevent you from attending the meeting and voting in person. However, should this happen, the proxy will be revoked.



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