



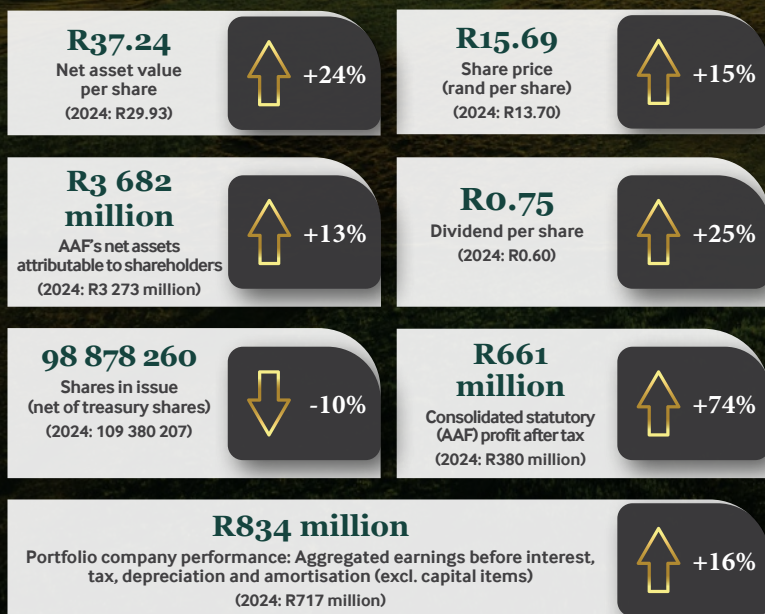
AAF

**Summarised consolidated
financial results**
for the year ended 28 February

2025

Key metrics

Financial highlights



Introduction

Acorn Agri & Food (AAF) is a purpose-driven investment vehicle committed to strengthening food security across Southern Africa. As a fully empowered entity offering 100% black ownership recognition, we invest in businesses that support primary producers and contribute to the stability, affordability, and sustainability of the region's food supply. Managed by Acorn Venture Partners (AVP), a black-owned and B-BBEE-accredited fund manager, AAF is guided by the vision of *Growing the Future*.

In the past year, we continued to reshape and refine our portfolio through strategic acquisitions and disposals aligned with our long-term vision of a purpose-driven core portfolio supporting our mission. These included acquiring a 36% stake in RSA Group, exiting non-core assets such as Lesotho Milling, Ouberg Farm and Boltfast, and bolstering capacity at Overberg Meat without additional capital risk.

Our proactive capital management strategy facilitated the purchase and repurchase of approximately 22 million shares during the year, representing 19% of AAF's issued share capital. These efforts, alongside exceptional portfolio company profitability and performance and key debt restructurings in unlocking capital, contributed to a 24% increase in net asset value per share to R37.24 and a consolidated profit after tax of R661 million for the year ended 28 February 2025.

Portfolio performance

AAF's portfolio companies delivered strong results for the year, reflecting the resilience and strategic positioning of our investments in a challenging operating environment. Portfolio earnings before interest, tax, depreciation, and amortisation (EBITDA – including earnings from our associate RSA Group) grew by 16% to R834 million (2024: R717 million). Earnings attributable only to AAF shareholders rose by 62% to R310 million (2024: R192 million), underscoring the success of our capital allocation and active portfolio management strategies. Importantly, all portfolio companies reported cash-positive results, with dividend income and discretionary management fees increasing by 5% to R174 million (2024: R166 million).

Moov Fuel's rebranding to Moov Energy marked a pivotal shift in its long-term strategy. Moov achieved a net profit for the year of R97 million, largely due to the strategic optimisation of its Supply and Trade division. The introduction of a management incentive scheme saw AAF's economic interest in Moov Energy adjust to 73.46%, while voting rights remained unchanged at 69%. During the year Moov Energy reduced its investment in Bachmus by 3%, selling to a Namibian shareholder in order to meet local shareholding requirements for Namibian tenders. The new shareholding structure resulted in a loss of control and the implementation of a joint control structure. Bachmus, now operating under the Caltex country licence in Namibia, also launched a Retail Fuel division to complement its commercial and bunkering revenue streams.

Kyron Group continued its strong performance with EBITDA rising 11% to R211 million, driven primarily by its Animal Health division. Almost our largest portfolio company with a valuation of R1.1 billion, Kyron is exceeding expectations and playing a central role in our growth trajectory.

Overberg Agri rebounded after a very difficult prior year harvest with a profit after tax of R89 million for the year despite another difficult harvest relating to barley. Overberg Agri has shown growth across all business divisions, despite low commodity prices placing pressure on producer spend patterns, and has created excitement around new business opportunities within its core competencies in new territories.

ACG Fruit. Strategic cost management, farmland optimisation, and yield-focused initiatives enabled a EBITDA of R53 million and a net profit after tax of R20 million compared to a loss of R11 million in the prior year. Grape production came in at 2.3 million cartons, even after the disposal of Ouberg Farm, while citrus volumes were constrained at 785 279 cartons due to prior frost and heat stress. ACG Fruit supported profitability through effective cash flow management and crop diversification, and further improved its financial position through a debt refinancing arrangement with Overberg Agri. The refinancing and restructuring of Berekisanang Empowerment Farm's debt with the IDC post year-end also marked a key milestone.

We at AAF are excited about our newest associate investment in **RSA Group** and are already seeing the benefits of this acquisition. By leveraging our shared customer base and capitalising on complementary skills within our Portfolio, relating to the export of fruit and providing enhanced combined solutions for producers, covering the entire value chain from input to sale. Our share of RSA Group earnings since acquisition is R20 million. RSA Group was negatively impacted by product availability during the very wet season in the Northern part of the country with volumes being low and prices high in a depressed consumer environment negatively impacting the results. RSA Group expanded its footprint with the establishment of RSA Matlosana.

These strategic improvements, across both new and existing investments, continue to position our portfolio for long-term growth and sustainable value creation.

Events after the reporting period

AAF Invest has disposed of Boltfast (Pty) Ltd, effective 1 April 2025 for a purchase consideration of R62 million.

Portfolio fair value analysis

The net asset value per share of our portfolio amounted to R37.24, exceeding the share price of R15.69 as at 28 February 2025.

Rand NAV analysis for FY2025

	Weighting %	2025 R'm	2024 R'm	Movement %
Investments				
– Overberg Agri Group	30.7%	1 132	965	17.3%
– Kyron Group	30.7%	1 130	846	33.5%
– Moov Energy Group	17.3%	636	600	6.1%
– Other investments	26.3%	968	798	21.3%
Cash and cash equivalents	2.4%	89	53	66.5%
Accounts receivable and loan receivables	0.7%	27	22	23.3%
Other	(8.1%)	(300)	(11)	2 628.3%
NAV to ordinary shareholders	100	3 682	3 273	
Number of issued shares (excl. treasury)		98 878 260	109 380 207	
NAV per share		37.24	29.93	

The fair value of our investments of Overberg Agri, Kyron Group, Moov Energy, Bachmus Oil & Fuel, P&B Lime Works, Overberg Wealth & Risk Management and Overberg Meat was determined using a five-year discounted cash flow model. RSA Group's fair value was determined using a market EV/EBITDA multiple. The recent interest rate cuts and improving macro-economic factors have decreased the average WACC rate applied within the valuations which was offset by a lower long-term inflationary outlook.

Montagu Snacks, Boltfast and ACG Fruit Group were valued using a fair value less cost to sell approach, underpinned by external property valuations where applicable.

Capital allocation

AAF's disciplined capital allocation strategy is a cornerstone of our long-term value creation approach. In December 2024, we concluded our most significant share purchase and repurchase programme to date, acquiring approximately 18 million shares (22 million during the financial year) using a combination of external funding and available cash. This initiative not only enhanced liquidity for shareholders seeking an exit but also unlocked substantial value for continuing shareholders by reducing the number of shares in issue and increasing the net asset value per share.

Following this programme, our capital allocation priorities have shifted toward strengthening the balance sheet by repaying external debt, improving liquidity, and ensuring we have the capacity to strategically deploy capital for growth opportunities whether through bolt-on acquisitions or new investments. We remain committed to rewarding shareholder trust with tangible returns, including a growing dividend per share in the years ahead as evidenced by a 25% increase in dividend per share relating to this reporting period.

Our financial strategy continues to focus on the effective redeployment of capital. This involves unlocking value by disposing of non-core or underperforming assets and extracting surplus cash from portfolio companies. These actions are based on rigorous assessments of each company's capital requirements and growth prospects. The capital unlocked through these initiatives is reinvested according to our capital allocation framework, ensuring it supports our core mission of *Growing the Future* through investments that drive food security, financial sustainability, and long-term shareholder value.

Dividends

We endeavour to pay an annual dividend to shareholders. Due to our performance over the past year and available cash, we declared a dividend of 75 cents (2024: 60 cents) per share for the year, payable on 1 July 2025 to shareholders on register at 17 June 2025.

Outlook

South Africa's economic outlook for 2025 is one of cautious optimism underpinned by structural reform momentum and tempered by domestic policy uncertainties and external geopolitical challenges. Successfully implementing structural reforms, particularly in energy and infrastructure, and maintaining policy coherence within the coalition government, will be critical to fostering sustainable economic growth.

The Government of National Unity has improved political stability and boosted confidence. However, recent tensions

and growing instability have led to renewed uncertainty resulting in delays in fiscal planning and persistent budget deficits. Key reforms in energy and logistics are progressing, aiming to alleviate long-standing infrastructure bottlenecks.

Externally, geopolitical tensions particularly with the US pose risks to trade, while global grain prices are expected to remain relatively stable despite short-term volatility. Domestically, inflation has moderated, supporting the Reserve Bank's decision to hold interest rates steady at 7.5%. GDP growth is projected between 1.5% and 2.0%, constrained by energy challenges, cautious investment, and public debt levels. Overall, sustained policy coherence and reform implementation will be critical to unlocking growth and resilience.

Appreciation

We are saying goodbye to Nelius Smith, chairperson of the Audit Committee, who retires at our next AGM. Nelius has been an inspiration to us all, and his unwavering faith, commitment to excellence and attention to detail will be missed. As Board members, we were guided and inspired by his knowledge and wisdom. As friends, we had the benefit of sharing openly with him and enjoying his passion for making a difference. Nelius, thank you for the big imprint you left at AAF and for making us a better organisation.

We thank our portfolio companies and management teams for their hard work and leadership through a difficult year. We appreciate our Board members, whose insight and efforts were instrumental in the Company's success over the past year and whose guidance we will rely on in the coming year.

On behalf of the Board, we express our appreciation to our stakeholders, including employees, analyst team, shareholders, partners, valued customers, and suppliers. The success of AAF is a team effort. We would not be AAF without you. Our constant endeavour is to create value for you and serve you to the best of our abilities.

Douw de Kock
Chairperson

Pierre Malan
Chief Executive Officer

External assurance

The annual financial statements were prepared following IFRS Accounting Standards (IFRS) and the Companies Act, 71 of 2008 (as amended) (the Companies Act). They were externally assured by the Company's external auditor, PricewaterhouseCoopers Inc. (PwC), who expressed an unmodified opinion thereon. The financial information in the annual report is extracted from the audited annual financial statements.

Extracts from the statement of financial position

as at 28 February 2025

	28 February 2025 R'm	29 February 2024 R'm
Assets		
Non-current assets	3 623	3 068
Current assets		
Loans to group companies	96	207
Other current assets	51	55
Total assets	3 770	3 330
Equity and liabilities		
Equity	3 682	3 273
Non-current liabilities	3	–
Current liabilities	85	56
Total equity and liabilities	3 770	3 330

Extracts from the statement of profit or loss

for the year ended 28 February 2025

	2025 R'm	2024 R'm
Fair value gains on investments at FVPL	615	292
Dividend income	71	65
Investment Income	686	357
Revenue	25	79
Administration and operating costs	(60)	(47)
Operating profit before capital items	652	390
Capital items	–	(1)
Net financing costs	–	–
Profit before taxation	652	389
Taxation	9	(9)
Profit for the year	661	380

Extracts from the statement of cash flows

for the year ended 28 February 2025

	2025 R'm	2024 R'm
Cash flows from operating activities	(50)	34
Changes in working capital	(15)	1
Other	(35)	33
Cash flows from investing activities	252	238
Acquisition of property, plant and equipment	(1)	–
Loans to Group companies repaid	253	238
Cash flows from financing activities	(207)	(225)
Dividends paid	(71)	(65)
Repurchase of shares	(179)	(173)
Other	43	13
Net cash increase for the year	(5)	47
Net cash, cash equivalents and bank overdrafts at the beginning of the year	52	5
Net cash, cash equivalents and bank overdrafts at the end of the year	47	52



AAF

Our investments

We invest in companies that support food security

24%

Increase for Net Asset Value per share

Overberg Agri (100%)

Fair Value of our investment: R1 027 million
Supplier of agricultural inputs and services, grain and business partner of choice

OVERBERG

R10.39

Overberg Wealth and Risk Management (70%)

Fair value of our investment: R105 million
Provides insurance to farmers, private individuals, businesses and other related institutions

OVERBERG
WEALTH & RISK MANAGEMENT

R1.06

Food security legend

- Affordability
- Availability
- Quality and Safety
- Sustainability and Adaptation

Kyron Group (100%)

Fair value of our investment: R1 130 million
Leading animal health business

KYRON

R11.43

Overberg Meat (100%)

Fair value of our investment: R46 million
Supplier of best quality, Overberg certified free-range meat products

OVERBERG MEAT

R0.46

Moov Energy (73%)

Fair value of our investment: R537 million
Supplies and delivers the highest-quality fuel, lubricant and liquefied petroleum gas (LPG) products

moov

R5.43

Montagu Snacks (100%)

Fair value of our investment: R31 million
A trusted South African brand, known for our more-ish array of dried fruit and nuts

Montagu
TRUSTED QUALITY SNACKS

R0.31

Bachmus Oil & Fuel (35%)

Fair value of our investment: R99 million
Supplier of lubricants, oils and hydraulics for multiple applications in the industrial, mining, marine, agriculture, automotive, manufacturing, energy and construction industries

BACHMUS

R1.00

ACG Fruit (100%)

Fair value of our investment: R446 million
Primary producer of table grapes and citrus in Limpopo, Northern Cape and Western Cape for export markets

ACG Fruit

R4.52

P&B Lime Works (74%)

Fair value of our investment: R148 million
Supplier of agricultural lime products, building and construction lime and other products, including water-related lime products and road-building lime

P & B
P & B LIME WORKS
P & B KALKWERKE

R1.50

RSA Group (36%)

Fair value of our investment: R236 million
Specialises in sales and marketing of fresh fruit and vegetables on behalf of farmers in all marketing channels: markets, export, retail and e-commerce

rsa
GROUP

R2.39

Boltfast (75%)

Fair value of our investment: R61 million
Supplier of fastener solutions to industries throughout Africa

BOLTFAST
THE FASTENER SOLUTION

R0.62



Corporate items (Cash and cash equivalents, Accounts receivable, Debt and loan receivables and Other) equate to (R1.87) per share.

Percentages display economic interest.

For more information regarding the valuations and valuation methodology, refer to the section Overview of investments held through profit and loss in the 2025 annual report.