OMNIA

70 YEARS OF INNOVATION

UNAUDITED FINANCIAL RESULTS

for the six months ended 30 September 2023

INNOVATING TO ENHANCE LIFE,
TOGETHER CREATING A GREENER FUTURE

SINCE 1953

Strategic delivery and salient features

Environmental, social and governance (ESG) features

Fatalities

Zero

(HY2023: zero)

Recordable case rate (RCR)

number of recordable cases or injuries relative to 200 000 working/exposure hours

0.11

(HY2023: 0.20)

Lost-time injury incidents[1]

injuries leading to a person's ability to perform their regular duties for at least one full shift

3

(HY2023: 6)

Fire, explosion and releases (FER)

0.31

(HY2023: 0.96)

B-BBEE rating

Level 2 maintained

(HY2023: Level 2)

Global Credit Rating

upgraded to long term: A+, affirmed short term: A1 both with stable outlook

(HY2023: A, short term: A1 with a positive outlook)

Greenhouse gas (GHG) emissions

65 046 tonnes of CO_2e

(HY2023: 78 143 tonnes CO_2e)

Energy use efficiency (net per tonne of product manufactured)

0.28 gigajoules/per tonne

(HY2023: 0.35 gigajoules/per tonne of product manufactured)

Renewable energy use (solar generation (output))

5 348MWh

(HY2023: 63MWh)

Water-use efficiency (per tonne of product manufactured)

0.41 kilolitres per tonne

(HY2023: 0.46 kilolitres per tonne of product manufactured)

Water recycled or reused

101ML

(HY2023: 27ML)

Used oil collected

13ML

(HY2023: 8ML)

[1] Excluding fatalities, deemed not to return to work. No fatalities occurred in HY2024.

Financial indicators

Revenue

↓ 14% R10 448 million

(HY2023: R12 164 million)

Ex Zim: Decreased to R10 188 million (HY2023: R11 566 million)

Operating profit

↓ 15% R684 million

(HY2023: R802 million)

Ex Zim: Decreased to R699 million (HY2023: R1 066 million)

Operating margin

↓ 1% 6.5%

(HY2023: 6.6%)

Ex Zim: Decreased to 6.9% (HY2023: 9.2%)

EBITDA (excluding impairments)

↓ 16% R968 million

(HY2023: R1 151 million)

Ex Zim: Decreased to R983 million (HY2023: R1 412 million)

Earnings per share

↓ 6% 285 cents

(HY2023: 304 cents)

Adjusted EPS[1] decreased to 293 cents (HY2023: 410 cents)

Headline earnings per share

↓ 4% 282 cents

(HY2023: 295 cents)

Adjusted HEPS[1] decreased to 290 cents (HY2023: 401 cents)

Net asset value

↑ 5%

R10 259 million (HY2023: R9 809 million)

Net working capital

↓ 22%

R4 057 million (HY2023: R5 207 million)

Net cash[2]

↑ >100%

R1 636 million (HY2023: R140 million)

[1] Non-IFRS measure, refer to additional information on adjusted measures on page 2.

[2] Excluding lease liabilities.

Report overview

Omnia's results for the half-year period ending 30 September 2023 are characterised by the extremely challenging commodity environment, where prices continued to decline with a recovery in the latter part of the reporting period, following two years of higher prices. As a consequence, revenue and profitability declined relative to the comparative period. However, our Agriculture segment showed resilience in line with our expectation. The local and international Mining divisions contributed strong results supported by good execution, particularly from our operations in Indonesia and Canada. The Mining segment is well positioned to drive growth and diversification of our business. These results reflect the benefits of the shifts in our operating model and the diligent execution of our strategy. Against these complex market and macro-economic dynamics, our operations and capital were effectively managed to deliver a strong cash position of R1 636 million.

We established a strategic new green technology partnership with Hypex Bio Explosives Technology (Hypex Bio), strengthening our ability to develop sustainable products and technologies in the blasting industry. We remain committed to sustainable innovation and the responsible use of chemicals for the health, safety and well-being of our planet and its people. In line with our commitment to ESG, this partnership is a testament to our purpose of creating a greener and safer future for all.

Discontinuation of additional earnings measures

Effective from 1 April 2023, the functional currency of Omnia Zimbabwe changed from ZWL to USD, which is the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions of the entity going forward. This change removes the requirement to apply *IAS 29 Financial Reporting in Hyperinflationary Economies* for the period 30 September 2023 and therefore removes the necessity of adjusted earnings measures as the Zimbabwe operations will no longer have a disproportionate and volatile accounting impact. These earnings measures will be discontinued from our 2025 financial reporting period.

Safety

The well-being of our employees is our highest priority, and we recognise that maintaining a safe work environment is paramount to our ongoing success. During the period, the Group-wide RCR of 0.11 improved from 0.20 in HY2023. This is a strong indicator of our proactive initiatives aimed to enhance both personnel and process safety across all our operations.

We are pleased to report that Mining and Chemicals have maintained a zero RCR following this achievement in FY2023. We continue to foster a safety culture and uphold rigorous safety protocols at all our facilities.

These include training and education to ensure that all employees understand our safety protocols and procedures, and encourage the reporting of near-miss incidents and accidents to identify potential hazards and take preventive measures. We are also managing employee well-being particularly as we enter our busy planting season in Agriculture. A positive safety culture fosters accountability, where everyone understands that safety is a collective effort, and that every employee has a role to play in maintaining a safe work environment. Our goal is to ensure zero harm.

Macro-environment

The global economic landscape has been characterised by ongoing weak economic growth, high inflation, volatile and declining commodity prices as well as fluctuating exchange rates. In addition, the underperformance of local utilities and deteriorating infrastructure resulted in disruptions in the transportation of raw materials and other production inputs. These issues impacted on both the South African economy and our operations, most notably our Chemicals segment, resulting in subdued consumer and business confidence particularly within the manufacturing sector.

Commodity prices declined further following two years of higher prices and remained volatile for much of the first half of the 2023 calendar year. This was attributable to various factors, including shifts in global supply and demand dynamics, changes in market sentiment, global logistics challenges, and fluctuations in key input costs. The volatility in the global economic landscape is expected to continue to impact commodity prices.

Business overview

Notwithstanding the macro-economic challenges noted above, we ensured uninterrupted supply to our customers which was supported by several optimisation initiatives enhancing our integrated supply chain and manufacturing capability. To ensure our agility to respond to these ongoing challenging market dynamics, we deployed capital to strengthen these capabilities, made progress in diversifying our business portfolio, made considerable strides on our cost-saving initiatives and focused on effectively managing our operations.

The extremely challenging commodity environment, characterised by a continued decline and volatility, reduced revenue and profitability.

Revenue[1] declined 11.9% to R10 188 million (HY2023: R11 566 million) with a disproportionate impact on gross profit which was largely attributable to the significant decline in commodity prices during the first half of HY2024, compared to the sustained higher prices during the comparative period, with the most pronounced impact experienced in the Agriculture segment. This was partially offset by strong sales volumes and the depreciation of the Rand.

Adjusted headline earnings per share[2] decreased by 27.7% to 290 cents (HY2023: 401 cents), and adjusted earnings per share[2] decreased by 28.5% to 293 cents (HY2023: 410 cents). Working capital decreased by R1 150 million to R4 057 million (HY2023: R5 207 million). This decline can be attributed to a combination of factors, including a conscious strategy to prudently adjust inventory levels in response to the declining commodity price environment. This strategy represented a delicate balance, as the Group opted to safeguard the balance sheet by reducing inventory levels to mitigate price risk exposure on inventory while continuing to provide security of supply to our customers.

A disciplined focus on costs, prudent capital expenditure and stringent working capital management have enabled us to maintain a robust financial position with a positive net cash balance (excluding lease liabilities) of R1 636 million (HY2023: R140 million).

[1] Excluding Zimbabwe

[2] Non-IFRS measures, further detail on page 2, Discontinuation of additional earnings measure

Report overview continued

The Agriculture segment performed resiliently in line with our expectations. In South Africa, strong volumes were supported by favourable agronomic conditions and the replenishment of soil nutrients. Our commitment to meeting customer demands during the upcoming summer planting season remains firm. The rest of Africa showed solid year-on-year growth with a strong performance in Zambia. The international AgriBio business was impacted by slower sales to two major customers. We further invested in the distribution capabilities of the AgriBio business and have secured strategic trial-phase contracts with major distributors.

Our Mining segment contributed strong results supported by the diligent execution of its strategy. This performance was driven by growth in southern and West Africa, expansion of the International business and a robust performance in Mining Chemicals. The international expansion in Indonesia and Canada, recovery in the utilisation of used oil in the Mining RSA division and the shift in product mix by Mining Chemicals contributed to the improvement in operating profit.

The Chemicals segment performance was most impacted by the macro-economic challenges and the declining manufacturing sector. This was further exacerbated by several adverse factors, including supplier constraints.

Our results reflect the benefit of the shifts in our operating model and the diligent execution of our strategy.

Capital allocation and growth

In line with our capital allocation framework, we continue to deploy capital prudently and explore organic and inorganic growth opportunities in key markets that complement our core business and capabilities. We focus on strengthening our competitive position by pursuing greener technologies and expanding geographically. Our capital investments are aligned to delivering on our ESG priorities, deploying capital to lower the environmental impact of our operations and ultimately supporting our 2030 sustainability goals and growth objectives.

We continue to evaluate capital invested to ensure that it is aligned with our strategy and yields competitive returns above our hurdle rates. All growth opportunities will be executed through a disciplined capital allocation process to optimise risk-adjusted returns.

Environmental stewardship

We completed the second phase of our renewable energy plant project at our Sasolburg complex in October 2023, augmenting our plant's total production capacity to over 10MWh at peak performance. This expansion, combined with our ability to generate electricity from surplus process steam produced by the nitric acid plants, is anticipated to drive the site toward increased use of renewable energy, potentially covering between 25% and 50% of its annual electricity needs. In the Mining segment, Losberg and Dryden solar plants are operational, generating 250kW each. Our renewable energy use across the Group has increased from 63MWh in HY2023 to 5 348MWh.

Our carbon emissions have reduced by 17% to 65 046 tonnes CO_2e, this is attributed to the efficient operation of our EnviNox emission abatement systems. Our energy consumption has decreased, while water usage decreased due to the implementation of the reverse osmosis plant. In line with our commitment to continuously promote water stewardship, water recycled has exceeded the FY2020 baseline by over 100% (13% of the total water used).

As we advance, in line with our purpose of creating a greener future, and recognising the escalating importance of ESG factors in the corporate landscape, we reaffirm our commitment to further enhance our sustainability initiatives and minimise our environmental impact.

Hypex Bio strategic partnership

In October 2023 we secured a strategic partnership through BME, with Swedish-based Hypex Bio through the purchase of a minority stake for R184 million. This strategic partnership which includes exclusive distribution rights across major mining markets complements BME, offering access to cutting-edge technology and a global customer network, enhancing BME's global expansion efforts.

Hypex Bio is a global leader in innovative and sustainable explosives solutions, having developed a groundbreaking emulsion with hydrogen peroxide for significant environmental benefits. Their technology is the first commercially viable non-nitrate explosive emulsion in the market, with the potential to transform the explosives supply industry. The partnership recognises the increasing demand for low-carbon technologies in mining. Hydrogen peroxide technology can reduce carbon emissions by 90% from blasting practices. Many global mining companies have published their ongoing carbon reduction commitments. This partnership with Hypex Bio will allow BME to be recognised as a collaborative partner by introducing leading technology that addresses environmental imperatives. We therefore anticipate a sustained and rising demand for this product.

Share repurchase programme

On 18 July 2023, we obtained shareholder approval for a share repurchase programme, authorising Omnia to buy back up to 10% of outstanding share capital. Shares repurchased under this programme are subsequently cancelled and during the period 838 711 shares were repurchased for R47 million.

Growth

In South Africa, our focus on growing the core leverages our integrated supply chain and manufacturing capabilities which provide us with flexibility and a competitive advantage. This allows us to capitalise on opportunities which arise under these volatile market conditions whilst ensuring supply to our customers. We continue to invest in protecting and strengthening our operational resilience.

We have invested in renewable energy solutions at our plants and are exploring additional water efficiency initiatives so that we are able to reduce the impact of supply risk in the short-term whilst enhancing our sustainability and efficiency in a manner that will generate enduring benefits over the longer-term. Our strong financial position allows us to make these investments.

Our customer value proposition is enhanced through continuously innovating our product and service offerings across both our Agriculture and Mining segments.

Our international businesses made significant progress and gained momentum in their expansion efforts. In the AgriBio business, we secured strategic trial-phase contracts with major distributors, indicating promising growth prospects in the medium term. We continue exploring commercial distribution initiatives in Brazil to expand into under-serviced regions and peripheral markets. In the US, business development partnerships are underway with distributors. Additionally, we are now well placed to enter the European market, with registrations of current products now complete.

In Indonesia, our Multi Nitrotama Kimia (MNK) joint venture has been successfully launched, and we continue to onboard ceded contracts into the partnership. The joint venture has secured three new contracts and is presently bidding for contracts with top-tier copper and gold mines.

In Canada, the business is operational, and production volumes are steadily increasing. We anticipate the commissioning of the emulsion plant by the third quarter of FY2024, with full production scheduled for the fourth quarter of FY2024. The Nairn facility is progressing well with the installation and testing of the AXXIS™ electronic plant completed and the commissioning of the non-electric detonator assembly line anticipated in the third quarter of FY2024, marking a significant milestone in our growth journey.

In Australia, our Mining business is progressing in mobilising efforts for organic growth. Capital projects have been initiated to build infrastructure and pursue business opportunities.

South African Revenue Service (SARS) international tax audit update

On 30 September 2022, SARS partially allowed the Group's objection to the additional tax assessments raised in respect of the 2014 to 2016 years of assessment based on a transfer pricing adjustment, resulting in a nominal reduction in the additional tax assessments raised. The Group disagrees with SARS' findings and lodged an appeal against the revised assessments indicating the Group's willingness to partake in alternative dispute resolution (ADR) proceedings. On 17 February 2023, SARS confirmed that the matter was appropriate for ADR, suspending the appeal until the ADR process is concluded. In the interim, the parties have been attempting to resolve the matter, failing which the appeal process is to resume. The Group remains committed to resolve this matter.

Outlook

The macro-environment is expected to remain challenging and uncertain as geopolitical tensions continue. We expect that there will be ongoing volatility in commodity prices and potential risk to global growth. In South Africa, we expect infrastructure challenges including road, rail and electricity to continue. As we continue navigating through this complex and challenging environment, we remain focused on executing our long-term strategy to deliver growth and an improved return on capital. We are implementing decisive measures to ensure that we are positioned to deliver on our operational and strategic priorities, and capture upside from potential market recovery.

We will continue to focus on the safe, efficient and effective running of our operations to realise the full potential of our existing assets. Our efforts remain focused on maintaining operational stability and cost savings initiatives which are key margin levers. These near-term priorities will improve the resilience of our business and enhance our margins through the cycle.

Our integrated supply chain and manufacturing capability, supported by enhanced planning and a diversified supply chain, provides us with a competitive advantage to continue to provide security of supply to our customers alongside the sustained delivery of value-added service.

In line with seasonal demand, we expect to deliver a stronger second half in the Agriculture segment off the back of growing volumes and profitability. To address the challenging macro-environment and move towards our medium-term margin guidance range we are executing decisive measures to meet our operational and strategic priorities including the implementation of cost saving initiatives, enhancing efficiency, and improving cash utilisation.

Our attractive AgriBio business is well positioned to unlock further value as we grow and scale distribution and we expect to deliver continued volume growth and profitability. Their successful delivery and ramp-up will also deliver higher margins and further diversification of our business model in the medium term.

Mining segment is strategically positioned for long-term growth, including capitalising on new projects in Southern African Development Community (SADC) countries and reinforcing our primary markets in West Africa, Canada, Indonesia, and Australia. We anticipate volume growth as we reap the benefits of our international expansion efforts, while delivering on our targeted medium-term margin guidance.

The Chemicals segment remains focused to strategically position the business for sustained growth and profitability. We are investing in distribution capabilities and continue to drive efficiencies across manufacturing sites.

Capital discipline, especially working capital management remains a critical focus area. We are committed to maintaining a strong financial position and a sustainable annual dividend payout.

By strategically investing in the mining and agriculture sectors, Omnia continues to capitalise on the increasing demand for minerals and food security, which positions it well for sustainable growth in the long term.

With many of the world's leading economies expediting their decarbonisation initiatives and the global population to expand further, our paramount aim is to fortify the growth of our business in response to this growing imperative. Our current solutions and future growth options favourably positions us to deliver enhanced returns and sustainable long-term value for all stakeholders.

Investors are referred to www.omnia.co.za/reports-and-results/financial-results/FY2024 where a detailed analysis of the Group's financial results, including a statement of comprehensive income and a statement of financial position, can be found.

Shareholders are reminded that should they wish to make use of the Group's electronic communication notification system to receive all shareholder-entitled communication electronically as opposed to delivery through physical mail, and have not already done so; this option can still be elected by advising the Group's transfer secretaries at the following email address ecomms@jseinvestorservices.co.za or contact the call centre on +27 86 154 6572. Other related queries can be sent to omnialR@omnia.co.za.

Financial results

Condensed consolidated statement of comprehensive income

for the period ended 30 September 2023

Rm	**Unaudited 6 months 30 Sep 2023**	Unaudited 6 months 30 Sep 2022	% change	Audited 12 months 31 Mar 2023
Revenue	**10 448**	12 164	(14)	26 572
Cost of sales	**(8 292)**	(9 220)	10	(21 354)
Gross profit	**2 156**	2 944	(27)	5 218
Distribution expenses	**(696)**	(763)	9	(1 507)
Administrative expenses	**(826)**	(756)	(9)	(1 478)
Other operating income	**94**	298	(68)	283
Other operating expenses	**(64)**	(435)	85	(381)
Impairment losses on non-financial assets	**–**	(6)	100	(13)
Net impairment (losses)/reversal on financial assets	**(4)**	(5)	20	5
Share of net profit/(loss) of investments: equity method	**24**	(4)	>100	22
Operating profit before the items below	**684**	1 273	(46)	2 149
Net impact of hyperinflation and foreign exchange movements	**–**	(471)	100	(160)
Net foreign exchange movements in Zimbabwe operations	**–**	(814)	100	(434)
Monetary adjustment for hyperinflation in Zimbabwe	**–**	343	100	274
Net impact of disposal of Zimbabwe investment in joint venture	**–**	–	–	(90)
Operating profit	**684**	802	(15)	1 899
Finance income	**99**	41	>100	98
Finance expense	**(88)**	(72)	(22)	(179)
Profit before income tax	**695**	771	(10)	1 818
Income tax expense	**(208)**	(239)	13	(666)
Profit for the period	**487**	532	(8)	1 152
Other comprehensive income				
Currency translation differences – Zimbabwe	**(6)**	107	(>100)	38
Currency translation differences – excluding Zimbabwe	**150**	515	(71)	421
Reclassification of currency translation differences of Zimbabwe joint venture	**–**	–	–	60
Other comprehensive income for the period	**144**	622	(77)	519
Total comprehensive income for the period	**631**	1 154	(45)	1 671

Financial results continued

Condensed consolidated statement of comprehensive income continued

for the period ended 30 September 2023

Rm	**Unaudited 6 months 30 Sep 2023**	Unaudited 6 months 30 Sep 2022	% change	Audited 12 months 31 Mar 2023
Profit for the period attributable to:				
Owners of Omnia Holdings Limited	**484**	540	(10)	1 169
Non-controlling interest	**3**	(8)	>100	(17)
	487	532	(8)	1 152
Total comprehensive income for the period attributable to:				
Owners of Omnia Holdings Limited	**630**	1 162	(46)	1 687
Non-controlling interest	**1**	(8)	>100	(16)
	631	1 154	(45)	1 671
Earnings per share attributable to the equity holders of Omnia Holdings Limited				
Basic earnings per share (cents)	**285**	304	(6)	692
Diluted earnings per share (cents)[1]	**285**	304	(6)	692

[1] For all periods shown, the diluted earnings per share is limited to the basic earnings per share due to the diluted earnings per share calculation being anti-dilutive in nature.

Financial results continued

Condensed consolidated statement of financial position

as at 30 September 2023

Rm	**Unaudited 6 months 30 Sep 2023**	Unaudited 6 months 30 Sep 2022	Audited 12 months 31 Mar 2023
Assets			
Non-current assets	**5 560**	5 473	5 300
Property, plant and equipment	**4 612**	4 565	4 566
Right-of-use assets	**402**	412	384
Goodwill and intangible assets	**126**	211	159
Investments accounted for using the equity method	**252**	5	2
Financial assets at fair value through profit or loss	**4**	4	4
Trade and other receivables	**–**	–	11
Deferred income tax	**164**	276	174
Current assets	**12 190**	14 674	11 535
Inventories	**4 679**	8 094	4 651
Trade and other receivables	**4 827**	4 937	4 444
Derivative financial instruments	**33**	283	13
Income tax	**316**	284	273
Cash and cash equivalents	**2 317**	1 076	2 127
Restricted receivable	**18**	–	27
Assets held for sale	**–**	108	–
Total assets	**17 750**	20 255	16 835
Equity			
Capital and reserves attributable to the owners of Omnia Holdings Limited	**10 278**	9 821	10 275
Share capital	**3 031**	3 094	3 029
Reserves	**1 177**	1 141	1 031
Retained earnings	**6 070**	5 586	6 215
Non-controlling interest	**(19)**	(12)	(20)
Total equity	**10 259**	9 809	10 255

Condensed consolidated statement of financial position continued

as at 30 September 2023

Rm	**Unaudited 6 months 30 Sep 2023**	Unaudited 6 months 30 Sep 2022	Audited 12 months 31 Mar 2023
Liabilities			
Non-current liabilities	**901**	847	929
Deferred income tax	**380**	428	472
Interest-bearing borrowings	**72**	7	36
Lease liabilities	**384**	351	355
Provisions	**65**	61	66
Current liabilities	**6 590**	9 599	5 651
Interest-bearing borrowings	**333**	813	7
Lease liabilities	**66**	108	75
Bank overdrafts	**276**	116	266
Derivative financial instruments	**41**	211	77
Income tax	**392**	419	390
Contract liabilities	**727**	211	444
Provisions	**41**	36	45
Trade payables – supply chain financing	**349**	519	54
Trade and other payables	**4 365**	7 166	4 293
Total liabilities	**7 491**	10 446	6 580
Total equity and liabilities	**17 750**	20 255	16 835
Additional information			
Net working capital[1]	**4 057**	5 207	4 240
Net cash/(debt) including lease liabilities[2]	**1 186**	(319)	1 388
Net cash (excluding lease liabilities)[2]	**1 636**	140	1 818
Net asset value per share (Rand)	**64**	60	63
Capital expenditure			
Depreciation	**251**	280	565
Amortisation	**34**	63	109
Capital expenditure incurred	**263**	175	396

[1] Includes trade payables – supply chain financing.

[2] Excludes trade payables – supply chain financing.

Financial results continued

Condensed consolidated statement of cash flows

for the period ended 30 September 2023

Rm	**Unaudited 6 months 30 Sep 2023**	Unaudited 6 months 30 Sep 2022	Audited 12 months 31 Mar 2023
Net cash inflow/(outflow) from operating activities	**1 148**	(693)	2 269
Cash generated from/(utilised in) operations	**1 445**	(126)	2 991
Interest paid	**(59)**	(53)	(136)
Interest received	**77**	9	107
Income taxes paid	**(315)**	(523)	(693)
Net cash outflow from investing activities	**(362)**	(115)	(245)
Purchase of property, plant and equipment	**(263)**	(175)	(391)
Proceeds on disposal of property, plant and equipment and intangible assets	**33**	61	80
Additions to intangible assets	**–**	(1)	(5)
Investment in joint venture and associate	**(135)**	–	–
Restricted cash receivable	**–**	–	(27)
Proceeds on disposal of joint venture	**3**	–	5
Proceeds from the disposal of Umongo	**–**	–	93
Net cash outflow from financing activities	**(643)**	(808)	(2 746)
Purchase of treasury shares	**(44)**	(58)	(146)
Proceeds from interest-bearing borrowings raised	**362**	4 263	8 819
Repayment of interest-bearing borrowings	**(4)**	(3 477)	(8 833)
Repayment of trade payables (supply chain financing)	**(289)**	(157)	(1 164)
Repayment of lease liabilities	**(39)**	(36)	(79)
Dividends paid	**(629)**	(1 343)	(1 343)
Net increase/(decrease) in cash and cash equivalents	**143**	(1 616)	(722)
Net cash and cash equivalents at the beginning of period	**1 861**	2 404	2 404
Effect of foreign currency movement	**37**	172	179
Net cash and cash equivalents at the end of period	**2 041**	960	1 861

Financial results continued

Condensed consolidated statement of changes in equity

for the period ended 30 September 2023

Rm	Share capital	Treasury shares	Other reserves	Retained earnings	Non-controlling interests	Total
	Attributable to the owners of Omnia Holdings Limited					
At 31 March 2022 (audited)	3 534	(389)	488	6 389	(4)	10 018
Profit/(loss) for the period	–	–	–	540	(8)	532
Other comprehensive income	–	–	622	–	–	622
Total	3 534	(389)	1 110	6 929	(12)	11 172
Transactions with shareholders						
Shares acquired as part of a share-based payment scheme	–	(58)	–	–	–	(58)
Share-based payment transactions	7	–	31	–	–	38
Dividends paid	–	–	–	(1 343)	–	(1 343)
At 30 September 2022 (unaudited)	3 541	(447)	1 141	5 586	(12)	9 809
Profit for the period	–	–	–	629	(9)	620
Other comprehensive expense	–	–	(104)	–	1	(103)
Total	3 541	(447)	1 037	6 215	(20)	10 326
Transactions with shareholders						
Shares acquired as part of a share-based payment scheme	(7)	(88)		–	–	(95)
Share-based payment transactions	–	30	(6)	–	–	24
At 31 March 2023 (audited)	**3 534**	**(505)**	**1 031**	**6 215**	**(20)**	**10 255**
Profit for the period	**–**	**–**	**–**	**484**	**3**	**487**
Other comprehensive income	**–**	**–**	**145**	**–**	**(2)**	**143**
Total	**3 534**	**(505)**	**1 176**	**6 699**	**(19)**	**10 885**
Transactions with shareholders						
Shares repurchased and cancelled	**(171)**	**124**			**–**	**(47)**
Net shares sold as part of the share-based payment scheme	**–**	**14**	**–**	**–**	**–**	**14**
Share-based payment transactions and vesting	**–**	**35**	**1**	**–**	**–**	**36**
Dividends paid	**–**	**–**	**–**	**(629)**	**–**	**(629)**
At 30 September 2023 (unaudited)	**3 363**	**(332)**	**1 177**	**6 070**	**(19)**	**10 259**

Financial results continued

Reconciliation of headline earnings

for the period ended 30 September 2023

Rm	**Unaudited 6 months 30 Sep 2023**	Unaudited 6 months 30 Sep 2022	Audited 12 months 31 Mar 2023
Basic earnings attributable to the owners of Omnia Holdings Limited			
Total profit from operations – attributable to the owners of Omnia Holdings Limited	**484**	540	1 169
Less: Dividends distributed to participants of the share incentive schemes on unvested shares	**(24)**	(45)	(45)
Basic earnings attributable to the owners of Omnia Holdings Limited	**460**	495	1 124
Adjusted for:			
Insurance income for replacement of property, plant and equipment	**(1)**	–	–
(Profit)/loss on disposal of property, plant and equipment	**(5)**	(26)	(24)
Tax effect	**1**	5	5
Net impact of sale of Zimbabwe investment in joint venture	**–**	–	90
Impairment of intangible assets and fixed assets	**–**	6	13
Tax effect	**–**	–	(2)
Headline earnings	**455**	480	1 206
Add: Dividends distributed to participants of the share incentive schemes on unvested shares	**24**	45	45
Diluted headline earnings	**479**	525	1 251

Number of shares 000's	**Unaudited 6 months 30 Sep 2023**	Unaudited 6 months 30 Sep 2022	Audited 12 months 31 Mar 2023
Weighted average number of shares in issue	**161 390**	162 659	162 529
Weighted average number of diluted shares in issue	**166 656**	167 734	167 748
Number of shares in issue (excluding treasury shares)	**161 502**	162 357	161 305
Headline earnings per share (cents)	**282**	295	742
Diluted headline earnings per share (cents)[1]	**282**	295	742

[1] For all periods shown, the diluted earnings per share is limited to the basic earnings per share due to the diluted earnings per share calculation being anti-dilutive in nature.

Financial results continued

Reconciliation of headline earnings continued

for the period ended 30 September 2023

Rm	**Unaudited 6 months 30 Sep 2023**	Unaudited 6 months 30 Sep 2022	Audited 12 months 31 Mar 2023
Non-IFRS measures – adjusted earnings and headline earnings			
The Group has presented its earnings on an adjusted basis by excluding the Zimbabwe operations for the current and prior year periods. The Zimbabwe operations consist of Omnia Zimbabwe and the Acol joint venture (up to date of disposal), which includes the hyperinflation net monetary adjustments attributable to IAS 29 which has a material impact on the results of the Group.			
Reconciliation of adjusted headline earnings			
Headline earnings	**455**	480	1 206
Adjustments	**13**	172	(4)
Omnia Zimbabwe operations inclusive of net impact of hyperinflation on foreign exchange losses in the comparative periods (net of tax)	**13**	172	15
Share of net profit of investments in Acol: equity method	**–**	–	(19)
Adjusted headline earnings	**468**	652	1 202
Reconciliation of adjusted basic earnings			
Basic earnings	**460**	495	1 124
Adjustments	**13**	172	86
Omnia Zimbabwe operations inclusive of net impact of hyperinflation on foreign exchange losses in the comparative periods (net of tax)	**13**	172	15
Share of net profit of investments in Acol: equity method	**–**	–	(19)
Net impact of sale of Zimbabwe investment in joint venture	**–**	–	90
Adjusted basic earnings	**473**	667	1 210
Adjusted basic earnings per share (cents)[2]	**293**	410	744
Adjusted diluted earnings per share (cents)[1 2]	**293**	410	744
Adjusted headline earnings per share (cents)[2]	**290**	401	739
Adjusted diluted headline earnings per share (cents)*[1]	**290**	401	739

[1] For all periods shown, the diluted earnings per share is limited to the basic and headline earnings per share due to the diluted earnings per share calculation being anti-dilutive in nature.
[2] Adjusted earnings measure.

The impact of hyperinflation on our operations in Zimbabwe necessitated the introduction of an adjusted earnings measure to determine operational performance and provide stakeholders with better clarity on the Group's underlying performance. The adjusted earnings measure, which is proforma financial information, was introduced in our 30 September 2022 results and has been reported on for 31 March 2023. The pro forma information is the responsibility of the board of directors of the Group and has been prepared for illustrative purposes only, and because of its nature may not fairly present the Group's financial position, changes in equity or results of the operations. Comparatives have been included for comparability. As previously explained in these unaudited financial results, this earnings metric will be discontinued from our 2025 financial reporting period.

Segmental information

The Group's chief operating decision maker has been identified as the executive committee, consisting of the chief executive officer, the finance director, managing directors of the Group's operating segments and executives of other Group functions. The executive committee is responsible for allocating resources, assessing the performance of operating segments and making strategic decisions.

Operating segments have not been aggregated and are all individually reported as reportable segments. Operating segments have been grouped in terms of the three industries in which the Group trades, namely Agriculture, Mining and Chemicals. The executive committee primarily reviews revenue, operating profit, operating margins, profit before tax, EBITDA (excluding impairments on non-financial assets), net working capital, net controlled assets and return on net controlled assets on a segment level.

The executive committee reviews the Group's performance from both a product and a geographical perspective and has identified the following operating segments within the Group which are described below:

Agriculture RSA

Agriculture RSA: As part of its innovative Nutriology® proposition, this division manufactures and trades in granular, liquid and speciality fertilizers, humates and other biostimulants, as well as value-added services and solutions. The South African customer base includes commercial and small-scale farmers, co-operatives and other corporate customers. The business also supplies raw material and manufactured goods to Agriculture International, Mining and Chemicals.

Agriculture International

Agriculture International: This division produces and trades in granular, liquid and speciality fertilizers, biostimulants including humates, fulvates and kelp products. A full range of trace elements, biostimulants and plant health products are sold globally to improve crop health, yields and soil health in a sustainable and environmentally conscious way. Products, value-added services and solutions are delivered to a broad customer base through the company-owned operations in select African countries, Australia, Brazil and the United States as well as international exports.

Mining RSA

Mining RSA: This division comprises the BME business in South Africa. The business focuses on blasting agents – bulk emulsion and blended bulk explosives – complemented by the AXXIS™ electronic detonator system and modern software crucial to cost-efficient, safe and environmentally friendly mining operations. BME leverages its blasting products, equipment, accessories, technical services and digital solutions to add value to customers' blasting operations. A part of Mining RSA's revenue relates to recovering costs for services and technology. This division also provides raw material and other supplies to Mining International.

Mining International

Mining International: This division relates to the BME businesses outside of South Africa (supplying similar products and services to Mining RSA) and includes the Mining Chemicals business. The territories in which this division operates include the SADC, West Africa, Australia, Canada, and Indonesia.

Protea Chemicals

Protea Chemicals: This division is a well-known manufacturer and distributor of specialty, functional and effect chemicals, polymers and other services and solutions serving both South African and export customers. Sectors into which the business supplies a range of specialty, technical and product application support and SHEQ-related services include water, agricultural, industrial and life sciences.

Head office

Head office: This includes certain acquisition-related costs, amortisation of intangible assets arising from acquisitions, employee share-based payment expenses and once-off costs.

Segmental information continued

Segmental analysis of revenue

for the period ended 30 September 2023

Rm	**Gross revenue Unaudited 6 months 30 Sep 2023**	Gross revenue Unaudited 6 months 30 Sep 2022	Gross revenue Audited 12 months 31 Mar 2023	**Net revenue[1] Unaudited 6 months 30 Sep 2023**	Net revenue[1] Unaudited 6 months 30 Sep 2022	Net revenue[1] Audited 12 months 31 Mar 2023
Agriculture RSA	**5 617**	7 586	16 310	**3 728**	4 678	11 053
Agriculture International (excluding Zimbabwe)	**1 847**	1 879	5 045	**1 303**	1 138	3 641
Total Agriculture (excluding Zimbabwe)	**7 464**	9 465	21 355	**5 031**	5 816	14 694
Agriculture International (Zimbabwe)[2]	**260**	598	717	**260**	489	717
Net impact of devaluation in Zimbabwe[2]	**–**	–	–		109	(118)
Total Agriculture	**7 724**	10 063	22 072	**5 291**	6 414	15 293
Mining RSA	**2 607**	2 870	5 671	**1 986**	2 088	4 196
Mining International	**2 184**	2 547	4 942	**2 083**	2 226	4 337
Total Mining	**4 791**	5 417	10 613	**4 069**	4 314	8 533
Protea Chemicals	**1 211**	1 650	3 125	**1 088**	1 436	2 746
Total Chemicals	**1 211**	1 650	3 125	**1 088**	1 436	2 746
Total	**13 726**	17 130	35 810	**10 448**	12 164	26 572

1 Net revenue excludes intercompany transactions eliminated on consolidation.

2 See page 38 for results from the Group's Zimbabwean operation accounted for under *IAS 29 Financial Reporting in Hyperinflationary Economies* for the comparative periods.

Segmental analysis of revenue by performance obligation

for the period ended 30 September 2023

Rm	**Net revenue Unaudited 6 months 30 Sep 2023**	Net revenue Unaudited 6 months 30 Sep 2022	Net revenue Audited 12 months 31 Mar 2023
Product	**9 794**	11 751	25 299
Transport	**382**	223	791
Services	**272**	190	482
Revenue per performance obligation	**10 448**	12 164	26 572

Segmental information continued

Segmental analysis of revenue by performance by segment

for the period ended 30 September 2023

Rm	Product	Transport	Services	Net revenue
Period ended 30 September 2023				
Agriculture RSA	**3 401**	**284**	**43**	**3 728**
Agriculture International	**1 552**	**1**	**10**	**1 563**
Total Agriculture	**4 953**	**285**	**53**	**5 291**
Mining RSA	**1 838**	**40**	**108**	**1 986**
Mining International	**1 923**	**49**	**111**	**2 083**
Total Mining	**3 761**	**89**	**219**	**4 069**
Protea Chemicals	**1 080**	**8**	**–**	**1 088**
Total Chemicals	**1 080**	**8**	**–**	**1 088**
Total	**9 794**	**382**	**272**	**10 448**
Period ended 30 September 2022				
Agriculture RSA	4 519	124	35	4 678
Agriculture International	1 728	2	6	1 736
Total Agriculture	6 247	126	41	6 414
Mining RSA	1 989	34	65	2 088
Mining International	2 079	63	84	2 226
Total Mining	4 068	97	149	4 314
Protea Chemicals	1 436	–	–	1 436
Total Chemicals	1 436	–	–	1 436
Total	11 751	223	190	12 164
Year ended 31 March 2023				
Agriculture RSA	10 371	596	86	11 053
Agriculture International	4 225	4	11	4 240
Total Agriculture	14 596	600	97	15 293
Mining RSA	3 927	66	203	4 196
Mining International	4 034	121	182	4 337
Total Mining	7 961	187	385	8 533
Protea Chemicals	2 742	4	–	2 746
Total Chemicals	2 742	4	–	2 746
Total	25 299	791	482	26 572

Segmental information continued

Segmental analysis of revenue by performance by geographical segment

for the period ended 30 September 2023

Rm	Product	Transport	Services	Revenue
Period ended 30 September 2023				
Agriculture				
– South Africa	**3 366**	**283**	**43**	**3 692**
– Rest of Africa	**1 281**	**2**	**–**	**1 283**
– Rest of the world	**306**	**–**	**10**	**316**
Total Agriculture	**4 953**	**285**	**53**	**5 291**
Mining				
– South Africa	**2 167**	**39**	**108**	**2 314**
– Rest of Africa	**1 496**	**50**	**102**	**1 648**
– Rest of the world	**98**	**–**	**9**	**107**
Total Mining	**3 761**	**89**	**219**	**4 069**
Chemicals				
– South Africa	**1 008**	**5**	**–**	**1 013**
– Rest of Africa	**72**	**3**	**–**	**75**
Total Chemicals	**1 080**	**8**	**–**	**1 088**
Total	**9 794**	**382**	**272**	**10 448**
Year ended 30 September 2022				
Agriculture				
– South Africa	4 527	123	35	4 685
– Rest of Africa	1 411	3	–	1 414
– Rest of the world	309	–	6	315
Total Agriculture	6 247	126	41	6 414
Mining				
– South Africa	2 718	72	74	2 864
– Rest of Africa	1 316	25	75	1 416
– Rest of the world	34	–	–	34
Total Mining	4 068	97	149	4 314

Segmental information continued

Segmental analysis of revenue by performance by geographical segment continued

for the period ended 30 September 2023

Rm	Product	Transport	Services	Revenue
Chemicals				
– South Africa	1 373	–	–	1 373
– Rest of Africa	63	–	–	63
Total Chemicals	1 436	–	–	1 436
Total	11 751	223	190	12 164
Year ended 31 March 2023				
Agriculture				
– South Africa	**10 313**	**315**	**86**	**10 714**
– Rest of Africa	**3 773**	**284**	**–**	**4 057**
– Rest of the world	**510**	**1**	**11**	**522**
Total Agriculture	**14 596**	**600**	**97**	**15 293**
Mining				
– South Africa	**4 951**	**91**	**204**	**5 246**
– Rest of Africa	**2 819**	**96**	**166**	**3 081**
– Rest of the world	**191**	**–**	**15**	**206**
Total Mining	**7 961**	**187**	**385**	**8 533**
Chemicals				
– South Africa	**2 573**	**4**	**–**	**2 577**
– Rest of Africa	**169**	**–**	**–**	**169**
Total Chemicals	**2 742**	**4**	**–**	**2 746**
Total	**25 299**	**791**	**482**	**26 572**

Segmental information continued

Segmental analysis of profit or loss

for the period ended 30 September 2023

Rm	**Operating profit/(loss) Unaudited 6 months 30 Sep 2023**	Operating profit/(loss) Unaudited 6 months 30 Sep 2022	Operating profit/(loss) Audited 12 months 31 Mar 2023
Agriculture RSA	**164**	468	917
Agriculture International	**184**	190	331
Total Agriculture (excluding Zimbabwe)	**348**	658	1 248
Agriculture International (Zimbabwe)[1]	**(15)**	207	147
Net impact of devaluation in Zimbabwe[1]	**—**	(471)	(160)
Total Agriculture	**333**	394	1 235
Mining RSA	**206**	177	373
Mining International	**247**	182	417
Total Mining	**453**	359	790
Protea Chemicals	**5**	104	132
Total Chemicals	**5**	104	132
Head Office and elimination[2]	**(107)**	(55)	(258)
	—		
Total	**684**	802	1 899

[1] See page 38 for results from the Group's Zimbabwean operation accounted for under *IAS 29 Financial Reporting in Hyperinflationary Economies* for the comparative periods.

[2] Head office and elimination includes acquisition-related costs, amortisation of intangible assets from the acquisition, employee share-based payment expenses and certain other once-off costs.

	Profit/(loss) before tax Unaudited 6 months 30 Sep 2023	Profit /(loss) before tax Unaudited 6 months 30 Sep 2022	Profit/(loss) before tax Audited 12 months 31 Mar 2023	**EBITDA Unaudited 6 months 30 Sep 2023**	EBITDA Unaudited 6 months 30 Sep 2022	EBITDA Audited 12 months 31 Mar 2023
	147	467	912	**309**	643	1 257
	230	202	361	**197**	201	354
	377	669	1 273	**506**	844	1 611
	(16)	204	144	**(15)**	210	151
	—	(471)	(160)	**—**	(471)	(160)
	361	402	1 257	**491**	583	1 602
	205	175	369	**265**	233	499
	221	181	401	**270**	210	479
	426	356	770	**535**	443	978
	2	102	124	**28**	160	220
	2	102	124	**28**	160	220
	(94)	(89)	(333)	**(86)**	(35)	(215)
	—			**—**		
	695	771	1 818	**968**	1 151	2 585

Segmental information continued

Segmental analysis of the statement of financial position

as at 30 September 2023

	Net working capital[1] Unaudited 6 months 30 Sep 2023 Rm	Net working capital[1] Unaudited 6 months 30 Sep 2022 Rm	Net working capital[1] Audited 12 months 31 Mar 2023 Rm
Agriculture RSA	**406**	1 166	739
Agriculture International (excluding Zimbabwe)	**1 639**	1 485	1 392
Agriculture International (Zimbabwe)[3]	**289**	289	152
Total Agriculture	**2 334**	2 940	2 283
Mining RSA	**608**	644	567
Mining International	**781**	1 002	1 035
Total Mining	**1 389**	1 646	1 602
Protea Chemicals	**471**	675	508
Total Chemicals	**471**	675	508
Head Office and elimination[4]	**(137)**	(54)	(153)
Total	**4 057**	5 207	4 240
Consolidated (excluding net assets held for sale)	**4 057**	5 207	4 240
Net assets held for sale	**–**	–	—

[1] Net working capital includes supply chain financing.

[2] Net controlled assets are total assets (including trapped cash) less income and deferred taxation and non-interest-bearing liabilities and are measures of the Group's capital invested.

[3] See page 38 for results from the Group's Zimbabwean operation accounted for under IAS 29 *Financial Reporting in Hyperinflationary Economies* for the comparative periods.

[4] Head office and elimination includes acquisition-related balances and employee share-based payment balances.

Net-controlled assets[2] Unaudited 6 months 30 Sep 2023 Rm	Net-controlled assets[2] Unaudited 6 months 30 Sep 2022 Rm	Net-controlled assets[2] Audited 12 months 31 Mar 2023 Rm	Return on net-controlled assets Unaudited 6 months 30 Sep 2023 %	Return on net-controlled assets Unaudited 6 months 30 Sep 2022 %	Return on net-controlled assets Audited 12 months 31 Mar 2023 %
3 757	4 560	4 121	**8.7**	20.5	22.2
1 891	1 726	1 661	**19.4**	22.0	19.9
303	300	165	**(9.9)**	(>100)	(7.9)
5 951	6 586	5 947	**11.2**	12.0	20.8
1 393	1 422	1 331	**29.6**	24.9	28.0
1 354	1 285	1 307	**36.4**	28.3	31.9
2 747	2 707	2 638	**33.0**	26.5	30.0
683	949	731	**1.5**	21.9	18.0
683	949	731	**1.5**	21.9	18.0
65	173	59	**(>100)**	(63.6)	(>100)
9 446	10 415	9 375	**14.5**	15.4	20.3
9 446	10 400	9 375	**14.5**	15.4	20.3
–	15	—	**–**	–	—

Segmental information continued

Agriculture segment

	Net revenue Unaudited 6 months 30 Sep 2023 Rm	Net revenue Unaudited 6 months 30 Sep 2022 Rm
Agriculture RSA	**3 728**	4 678
Agriculture International (excluding Zimbabwe)	**1 303**	1 138
Total Agriculture (excluding Zimbabwe)	**5 031**	5 816
Agriculture International (Zimbabwe)	**260**	489
Net impact of devaluation in Zimbabwe	**—**	109
Total Agriculture	**5 291**	6 414

The Agriculture segment (excluding Zimbabwe) demonstrated a resilient financial performance for the half-year despite operating in a highly challenging environment which was characterised by a continued decline and volatility in commodity prices relative to elevated prices in the comparative period. This was exacerbated by climate change impacts, and global supply chain disruptions. In South Africa, infrastructure challenges as well as ongoing power outages added to this complex operating environment.

Our ongoing commitment to implementing our strategy, which prioritises value-add solutions for customers and expanding distribution channels in both existing and new markets, contributed to the overall performance. Notably, our enhanced planning and diversified supply chain supported by the integrated manufacturing capability in our business, enabled us to prioritise security of supply to our customers across the markets we serve.

Volumes were supported by favourable agronomic conditions and the replenishment of soil nutrients in South Africa. The rest of Africa showed solid year-on-year growth with a strong performance in Zambia. Internationally, we invested in distribution at our AgriBio business and experienced delays at two major customers within the division resulting in slower sales in the first half of FY2024.

Net revenue Audited 12 months 31 Mar 2023 Rm	**Operating profit/ (loss) Unaudited 6 months 30 Sep 2023 Rm**	Operating profit/(loss) Unaudited 6 months 30 Sep 2022 Rm	Operating profit/(loss) Audited 12 months 31 Mar 2023 Rm	**Operating margin Unaudited 6 months 30 Sep 2023 %**	Operating margin Unaudited 6 months 30 Sep 2022 %	Operating margin Audited 12 months 31 Mar 2023 %
11 053	**164**	468	917	**4.4**	10.0	8.3
3 641	**184**	190	331	**14.1**	16.7	9.1
14 694	**348**	658	1 248	**6.9**	11.3	8.5
717	**(15)**	207	147	**(5.8)**	42.3	20.5
(118)	**—**	(471)	(160)	**—**	(>100)	135.9
15 293	**333**	394	1 235	**6.3**	6.1	8.1

This segment experienced a 13.5% decrease in revenue amounting to R5 031 million (HY2023: R5 816 million) primarily attributable to the declining and lower commodity prices, relative to elevated prices in the comparative period. Furthermore, there were lower volumes in the international AgriBio business. Operating profit decreased by 47.1% to R348 million (HY2023: R658 million), and operating margins decreased to 6.9% (HY2023: 11.3%).

Net working capital decreased by 20.6% to R2 334 million (HY2023: R2 940 million). This decline was attributed to a combination of factors, including a conscious strategy aimed at prudently adjusting inventory levels in response to the declining and volatile commodity price environment while ensuring security of supply to our customers.

An RCR of 0.16 (HY2023: 0.24) was recorded for the period. Safety and ESG remain business imperatives, with enhanced efforts placed on safety and environmental awareness across all our operations. There were nine recordable incidents during the period across our global Agriculture operations. To enhance safety measures, we implemented several interventions, focusing on process safety, driver safety, and emphasising visible felt leadership. These initiatives aimed to promote a safety-oriented culture within our business and contributed favourably to the reduction in RCR and FER.

Segmental information continued

Agriculture segment continued

Agriculture RSA's net revenue decreased by 20.3% to R3 728 million (HY2023: R4 678 million) as higher volumes were offset by lower and declining commodity prices. Operating margins decreased by 64.9% resulting in an operating profit for the period of R164 million (HY2023: R468 million) due to lower commodity prices.

Production volumes and utilisation increased, while optimisation initiatives supported overall profitability.

Agriculture International's (excluding Zimbabwe) net revenue increased by 14.5% to R1 303 million (HY2023: R1 138 million). Operating profit for the period decreased by 3.4% to R184 million (HY2023: R190 million) driven by ongoing business development costs for the AgriBio business and margin pressure in the SADC region.

The international AgriBio business was impacted by a delayed season in Brazil and slower sales to two major customers which overshadowed the strong growth achieved in Australia. This developing business region consequently saw operating profit decreased by 16.2% to R88 million compared to R105 million in HY2023, resulting in an operating margin of 27.9% compared to 32.3% in HY2023.

Our priority remains to expand our global distribution of AgriBio products into new markets. As a result the business continues to invest in our distribution capabilities and has identified several opportunities for optimisation. Notably, progress has been achieved in expanding the distribution network in the United States. We have also successfully secured strategic trial-phase contracts with major distributors in the United States, Saudi Arabia and Southeast Asia, indicating promising growth prospects in the medium term. Furthermore, we have secured product registrations in select markets of interest and are in the process of entering the European market. A new testing facility has been constructed in Morwell, Australia, demonstrating the business's continuous focus on pursuing opportunities to expand our product offering. Ideally these products can be sold independently or utilised as raw material inputs for wholesale purposes.

Agriculture Zimbabwe continued to be managed on a prudent basis. Net revenue decreased by 56.5% to R260 million (HY2023: R598 million). Operating loss decreased by 94.3% to a loss of R15 million (HY2023: loss of R264 million) driven predominantly by the cessation of hyperinflation accounting.

Outlook

We anticipate that the macro-environment will remain challenging, given the ongoing geopolitical tension, climate variability and sustained volatility in commodity prices. To address these challenges, we are implementing decisive measures to position ourselves for success in meeting our operational and strategic priorities. This includes the implementation of cost saving initiatives, enhancing efficiency, and improving cash utilisation.

The manufacturing and supply chain function will prioritise product and service delivery to customers while focusing on prudent inventory management. The ammonia supply chain is integral to achieving these goals, and we will focus on managing key suppliers to mitigate risks and maintain security of supply for our customers alongside the continued delivery of value-added services and support.

In line with seasonal demand, we anticipate a stronger performance in the Agriculture segment during the second half of the year. To address the challenging macro-environment and move towards our medium-term guidance range we are executing decisive measures to meet our operational and strategic priorities.

We expect overall demand to remain stable in South Africa while in the international business, management is investing in growth prospects. In Africa, our focus remains on protecting this market and growing our distribution in key regions and segments, as well as expanding product and service offerings to fully leverage the success of the retail offering and Nutriology® model. These growth initiatives include the expansion of AgTech solutions and AgriBio products.

The AgriBio business is poised for volume recovery driven by increased distribution in global markets. We will persist in expanding our wholesale distribution network and extending our customer offerings in existing and new territories.

We are committed to actively pursuing our ESG goals, emphasising enhancing energy efficiency and promoting both nutrient and water-use efficiency. We strive to unlock synergies and enhance efficiency throughout our value chains, focusing on procurement, logistics, and collaboration with industry stakeholders.

Segmental information continued

Mining segment

	Net revenue Unaudited 6 months 30 Sep 2023 Rm	Net revenue Unaudited 6 months 30 Sep 2022 Rm
Mining RSA	**1 986**	2 088
Mining International	**2 083**	2 226
Total Mining	**4 069**	4 314

The Mining segment delivered a strong operating performance driven by growth in southern and West Africa, expansion of the international business and a robust performance in Mining Chemicals. During the HY2024 period, the business faced ongoing challenges including a decline in ammonia prices, currency fluctuations, unusually high rainfall in Zambia, and an uncertain geopolitical landscape in West Africa. Notwithstanding these challenges, we remained committed to executing on our strategy to grow internationally, ensure cost savings throughout the business and to prioritise the security of supply to our customers.

Revenue decreased year on year by 5.7% to R4 069 million (HY2023: R4 314 million) due to lower commodity prices which was offset by higher volumes in BME and product mix changes in Mining Chemicals.

Operating profit increased by 26.1% to R453 million (HY2023: R359 million) primarily attributed to the performance of the international mining business and cost benefits arising from a recovery in using used oil within the Mining RSA business. Operating margins increased to 11.1% (HY2023: 8.3%) driven by focused cost initiatives and improved profitability in Mining International. The Mining Chemicals division continued to strongly progress in the mining market and solvent extraction applications.

BME successfully maintained a RCR of 0.0 for HY2024 (HY2023: 0.16). This can be attributed to continued efforts to improve near-miss reporting and driving our "Safety for Life" campaign. We continuously find ways to improve our safety processes, always striving towards zero harm.

Net revenue Audited 12 months 31 Mar 2023 Rm	**Operating profit Unaudited 6 months 30 Sep 2023 Rm**	Operating profit Unaudited 6 months 30 Sep 2022 Rm	Operating profit Audited 12 months 31 Mar 2023 Rm	**Operating margin Unaudited 6 months 30 Sep 2023 %**	Operating margin Unaudited 6 months 30 Sep 2022 %	Operating margin Audited 12 months 31 Mar 2023 %
4 196	**206**	177	373	**10.4**	8.5	8.9
4 337	**247**	182	417	**11.8**	8.2	9.6
8 533	**453**	359	790	**11.1**	8.3	9.3

Mining RSA's net revenue decreased by 4.9% to R1 986 million (HY2023: R2 088 million). Operating profit for the period grew by 16.4% to R206 million (HY2023: R177 million). The South African business performed well despite lower mining sector activity and ongoing challenges by the local rail utility which was compounded by socio-political instability and ongoing load-shedding. Revenue was lower due to lower commodity prices which was partially offset by volume growth. Operating profit improved on the back of cost savings as well as production efficiencies. This was facilitated by our expanded presence and strengthened relationships with suppliers.

Mining International's net revenue decreased by 6.4% to R2 083 million (HY2023: R2 226 million). Operating profit for the period increased by 35.5% to R247 million (HY2023: R182 million) primarily due to the rise in contribution from our partnerships in Indonesia and Canada as well as the recovery in the West Africa region. Overall volumes increased year on year due to higher contributions in West Africa and Canada which offset the SADC region, where volumes were adversely affected by extensive rainfall in Zambia.

Promising new business development has been unlocked in Botswana, Namibia, Lesotho, and the Democratic Republic of the Congo. While socio-political tension in West Africa persists, mining operations continue with caution. BME continues to monitor the West African hub and support model to optimise costs. Volatility and security concerns remain in certain regions in West Africa.

Mining segment continued

In Indonesia, our investment into the MNK joint venture has been successfully concluded effective 31 May 2023, and we are onboarding ceded contracts into the partnership. The joint venture has also secured three new contracts and is presently bidding for contracts with top-tier copper and gold mines.

In Canada, our business is now operational, and production volumes are steadily increasing. We anticipate the commissioning of the emulsion plant by the third quarter of FY2024, with full production scheduled for the fourth quarter of FY2024. The Nairn facility is progressing well with the installation and testing of the AXXIS™ electronic plant completed and the commissioning of the non-electric detonator assembly line anticipated in the third quarter of FY2024, marking a significant milestone in our growth journey.

In Australia, we are making steady progress in mobilising efforts for organic growth. Several capital projects have been initiated to build infrastructure and pursue business opportunities.

In October 2023, we secured a strategic partnership with Swedish-based Hypex Bio by purchasing a minority stake for R184 million. Hypex Bio is a leader in innovative and sustainable explosives solutions, having developed a groundbreaking emulsion with hydrogen peroxide for significant environmental benefits. Their technology is the first commercially viable non-nitrate explosive emulsion in the market, with the potential to transform the explosives supply industry.

The partnership recognises the increasing demand for low-carbon technologies in mining and aligns with the industry's drive for decarbonisation. Hydrogen peroxide technology can reduce carbon emissions by 90% in blasting practices. This strategic partnership complements BME, offering access to cutting-edge technology and a global customer network, enhancing BME's global expansion efforts. Many global mining companies have published their ongoing carbon reduction commitments and this partnership with Hypex Bio will allow BME to be recognised as a collaborative partner by introducing leading technology that addresses environmental imperatives. We therefore anticipate a rising demand for this product. Preparations for hydrogen peroxide trials in late 2024 are currently underway with BME securing distribution rights for a number of regions.

Mining Chemicals delivered another strong performance due to shifts in product mix. Gross profit and operating margins increased year on year. This performance is largely attributed to effective margin management, increased market share, and optimisation strategies in sectors like vanadium and solvent extraction.

The business maintained a 0.0 RCR for the period underscoring its dedication to strict adherence to safety standards.

Mining Chemicals continues to actively expand its market segments which include base metals, precious metals, and ammonia derivative sales. Initiatives are underway to unlock the business's growth potential by leveraging BME's global infrastructure and reach.

Outlook

Despite the challenging macro-economic landscape, the Mining segment is strategically positioned for long-term growth through BME and Mining Chemicals. Our objectives include capitalising on new projects in SADC and reinforcing our primary markets in West Africa, Canada, Indonesia, and Australia by investing in infrastructure and making deliberate capital allocations to support these territories.

Our approach to the West African business entails driving optimisation and operational efficiency to ensure sustainable returns. Collaborating with regional partners, like those in Indonesia and Canada, will grant us access to new markets, facilitating expansion into high-growth regions and international diversification. We therefore anticipate continued volume growth as we reap the benefits of our international expansion efforts while delivering on our targeted medium-term margin guidance.

Mining is committed to global growth through innovative and sustainable solutions, focusing on robust cost management and process optimisation. Our partnership with Hypex Bio, and other potential alliances will set us on a trajectory for growth and address the increasingly prominent ESG imperatives through technological advancements.

Mining Chemicals' strategic expansion into emerging markets and commitment to 'Green' minerals align with the global demand for battery minerals and the imperative to reduce carbon emissions. The projected mining demand for battery minerals and the global push for emissions reduction continue to drive a pipeline of new mining projects that directly align with Mining Chemicals' business model, with an improvement in volumes expected over the medium term.

In South Africa, addressing supply chain security remains a priority. We aim to uphold operational excellence and deliver tangible value through cutting-edge technology, products, and services, emphasising on safety and efficiency.

To navigate the current macro-economic challenges, we will maintain resilient supply chain processes, diversification, innovation, and stakeholder management strategies. Our focus for the second half of FY2024 is enhancing technical services, differentiating technology offerings, and leveraging digital solutions to alleviate pressure points in the mining value chain, allowing our customers to achieve more with less.

Segmental information continued

Chemicals segment

	Net revenue Unaudited 6 months 30 Sep 2023 Rm	Net revenue Unaudited 6 months 30 Sep 2022 Rm
Protea Chemicals	**1 088**	1 436
Total Chemicals	**1 088**	1 436

The Chemicals segment faced a notably challenging operating environment characterised by a declining manufacturing sector, ongoing power shortages and challenges with road and rail freight infrastructure in South Africa. Weaker consumer spending, subdued business investment and slow recovery in the global economy resulted in decreased demand for chemical products. Consequently, the decline experienced by the segment in the second half of FY2023 persisted into the first half of FY2024.This was further exacerbated by several adverse factors, including inventory adjustments and supply constraints for vital chemicals, such as chlorine derivatives, which significantly impacted the segment's overall performance.

Protea Chemicals' net revenue decreased by 24.3% to R1 088 million (HY2023: R1 436 million) due to lower volumes across the strategic business sectors (SBS's) and the lack of key raw materials and product availability. This position was compounded by prolonged unplanned interruption at a large supplier, which resulted in severe interruption of product off-take and molecule supply. The ongoing financial strain on consumers led manufacturers to maintain low levels of stock thereby exerting significant pressure on the segment's gross profit due to challenges related to both volume and pricing in the market. Operating profit for the year decreased by 95.1% to R5 million (HY2023: R104 million). This was due to several factors including headwinds in the manufacturing sector, a decline in product prices and inventory adjustments. Net working capital decreased by 30.2% to R471 million (HY2023: R675 million) due to lower volumes, strategic management action to optimise working capital and procurement processes.

Management interventions focused on safety and the "See Something, Say Something, Do Something" campaign, delivered improvements in the RCR which has been maintained at 0.0 since FY2023 (HY2023: 0.15).

Net revenue Audited 12 months 31 Mar 2023 Rm	**Operating profit Unaudited 6 months 30 Sep 2023 Rm**	Operating profit Unaudited 6 months 30 Sep 2022 Rm	Operating profit Audited 12 months 31 Mar 2023 Rm	**Operating margin Unaudited 6 months 30 Sep 2023 %**	Operating margin Unaudited 6 months 30 Sep 2022 %	Operating margin Audited 12 months 31 Mar 2023 %
2 746	**5**	104	132	**0.5**	7.2	4.8
2 746	**5**	104	132	**0.5**	7.2	4.8

The implementation of the SBS model designed to drive expertise-based unique customer and principal relationships continued to make progress. Furthermore, emphasis remains on building a portfolio of high-performance specialty and environmentally friendly products and solutions to supplement traditional chemistries. This will enable the business to shift towards an improved value proposition for customers who are operating in the context of heightened ESG and inflationary pressures.

Outlook

In response to the challenging operating environment, the Chemicals segment remains focused to strategically position the business for sustained growth and profitability. We are investing in distribution capabilities and continue to drive efficiencies and throughput across our facilities.

Our strategic imperatives include several initiatives to maximise operational efficiencies across manufacturing sites throughout South Africa. This includes rationalising stock-keeping units across the business by reducing low-volume items and exploring new principals.

The segment will focus on positioning itself for business growth by gaining market share, improving margins and managing working capital. In line with the Group's target to enhance margins, initiatives include focusing on top-line sales and creating efficiencies within the operations. In the medium term, our strategic focus will be to supply green and environmentally friendly alternative chemistries and solutions across the sectors.

Capital structure

The funding facilities negotiated in August 2021 remained in place and were utilised by the Group during HY2024. The Group reviewed these facilities to optimise them in line with business strategy, working capital and capital requirements. Agreements for new facilities and refinancing of existing facilities were finalised post period end.

The Group has complied with the financial covenants of the borrowing facilities it utilised during HY2024.

The financial covenants in place for the relevant facilities utilised during HY2024 are as follows:
- Net debt: EBITDA from continuing operations – 31 March <2.0
- Net debt: EBITDA from continuing operations – 30 September <2.5
- Interest cover ratio >4.0

On 30 September 2023, the Group's interest cover ratio was 41.2 times and the net debt: EBITDA from continuing operations was (1.87)[1] times. (The financial covenants are calculated on a rolling 12-month period.)

Retaining optionality in the current environment allows Omnia to allocate capital to both organic and inorganic opportunities as and when they are identified, in line with its strategy. The board carefully considers capital allocation decisions to ensure that they are value accretive, provide the right diversification that is complementary to Omnia's core businesses and strengthen the overall positioning of the Group.

While Omnia believes it prudent to maintain a strong financial position in the current economic environment, it is not Omnia's intention to maintain an ungeared position in the long term.

In line with prior years, the board has decided not to declare an interim dividend. The overall cash position will be assessed at year-end and the appropriate capital distribution will be in line with Omnia's aim to maintain a headline earnings per share cover ratio of between 1.5 – 2.5.

[1] This represents a net cash position.

Other financial disclosure

SARS audit

On 17 June 2021, the Group received a Finalisation of Audit letter issued by SARS, indicating a possible upward adjustment to taxable income following the conclusion of a transfer pricing audit relating to the company's 2014 to 2016 years of assessment. The Finalisation of Audit letter issued by SARS, additional assessments resulting in a cumulative additional tax liability of approximately R415 million, and understatement penalties of R165 million were levied.

In July 2021, the Group submitted a request for the deferment of payment to SARS in respect of its 2014 to 2016 years of assessment. The request was partially granted in November 2021, with a payment of R207 million being made by the Group on 2 December 2021 and the balance being deferred until the matter is resolved. The payment made to SARS may earn interest at prescribed rates under certain circumstances.

An objection to the 2014 to 2016 assessments raised by SARS was submitted on 15 November 2021 following extensive engagement with transfer pricing specialists. Following the submission of a request for substantiating documentation on 26 January 2022 and a further request for an extension to respond to the Group's objection on 29 April 2022, SARS partially allowed Omnia's objection and issued revised assessments in respect of the Group's 2014 to 2016 years of assessment on 30 September 2022. Per the revised assessments, the additional tax liability and understatement penalties were reduced to approximately R414 million (2023: R414 million) and R135 million (2023: R135 million) respectively. The revised assessments continue to attract interest at a rate prescribed by SARS (calculated monthly) and amounted to approximately R418 million (2023: R389 million) at 30 September 2023.

The Group disagrees with SARS' revised assessments and on 9 December 2022, filed a notice of appeal to the Tax Court against SARS' revised assessments and notified SARS of the Group's willingness to partake in ADR proceedings. On 17 February 2023, SARS notified Omnia that the matter was appropriate for ADR. The appeal process is currently suspended pending the outcome of the ADR process. In parallel, the Group has also invoked the mutual agreement procedure under the double taxation agreements between the Republic of South Africa and relevant African jurisdictions, aimed at resolving double taxation that may arise in respect of these jurisdictions as a result of the revised assessments issued by SARS.

In the interim, the Group and its advisers have been engaging with SARS in an attempt to reach an amicable conclusion to settle this matter. This continues to be the most probable outcome of the matter and thus forms the basis of the provision raised in this regard in terms of *IFRIC 23 Uncertainty over Income Tax Treatments*.

If such engagement is unsuccessful, the ADR process will be terminated and the appeal process will resume.

The Group and its advisers believe that any resolution would most likely be substantially less than the additional tax liability assessed by SARS.

Other financial disclosure continued

Monetary (loss)/gain on hyperinflation

Effective 1 April 2023 the functional currency of Omnia Zimbabwe changed from ZWL to USD following detailed considerations of the relevant facts and circumstances. This change removes the requirement to apply *IAS 29 Reporting in Hyperinflationary Economies* and as such separate disclosure of our Zimbabwean subsidiary's contribution to the Group's statement of comprehensive income and the Group's statement of financial position for the period ended 30 September 2023 has not been included below.

The application of hyperinflation accounting had a significant impact on the comparative results of the Group. The net impact of hyperinflation and foreign exchange (losses)/profits for the period ended 30 September 2022 was a loss of R471 million (FY2023: R160 million loss) which was recognised as required by *IAS 29 Financial Reporting in Hyperinflationary Economies.*

In these comparative periods, the Zimbabwean subsidiary's contribution to the Group's statement of comprehensive income and the Group's statement of financial position is as follows:

Rm	**Unaudited 6 months 30 Sep 2022**	Audited 12 months 31 Mar 2023
Statement of comprehensive income		
Revenue	**598**	599
Expenses	**(391)**	(452)
Operating profit	**207**	147
Net impact of hyperinflation and foreign exchange losses	**(471)**	(160)
Interest expense	**(2)**	(3)
Loss before tax	**(266)**	(16)
Tax income	**94**	1
Loss for the period	**(172)**	(15)
Statement of financial position		
Property, plant and equipment	**11**	13
Inventory	**252**	30
Monetary asset	**48**	142
Monetary liabilities	**(546)**	(313)
Deferred tax asset	**55**	34
Equity	**180**	93

Employee share schemes

Omnia Performance Share Scheme

The Group's remuneration and nominations committee approved an employee share scheme to align the interests of its employees with those of the company's shareholders and to attract and retain employees. The share scheme was set up to remunerate employees through the issue of performance shares, retention shares, remuneration shares, sign-on shares and deferred bonus shares. Each of the different share awards contain specific performance conditions and vesting periods.

New performance shares were awarded to employees in the current period with a fair value of R95 million (HY2023: R106 million and FY2023: R117 million), which will be expensed over a period of three to five years.

Omnia Broad-Based Employee Share Scheme

The Omnia Broad-Based Employee Share Scheme intends to create ownership of Omnia for all eligible employees employed within Omnia as of 1 July 2021. Employees eligible to participate in the scheme are intended to benefit from the growth in value of the Omnia share price during the execution of the Group strategy. Employees who receive of performance shares as per the Omnia Performance Share Scheme (comprising executives and senior management) will not be eligible to participate in this scheme.

Shares assigned to employees will be housed in the Omnia Broad-Based Employee Share Trust, with a three-year vesting period. This will be expensed over the vesting period with the corresponding entry in share-based payment reserves. No additional shares have been purchased in the current period. Allocations to new staff members with a fair value of R6 million have been made in the current financial year with a vesting period of three years.

In respect of the above share schemes dividends of R24 million (HY2023: R45 million and FY2023: R45 million) have been distributed to the participants of which R9 million (HY2023: 24 million and FY2023: R24 million) related to prescribed officers during the period.

Fair value measurements

Derivative financial assets and liabilities are classified at fair value through profit or loss and are initially recognised at the fair value of the consideration given or received. These assets and liabilities are subsequently remeasured at fair value. Transaction costs, where applicable, are expensed in profit or loss. Gains or losses arising from changes in the fair value of derivatives are recognised in other operating income or other operating expenses in profit or loss in the period in which they arise. Financial assets and liabilities are derecognised when the respective right or obligation to cash flows has expired, has been settled or the Group has transferred all the risks and rewards of ownership substantially.

During the current period, derivative financial assets of R33 million (HY2023: R283 million) and derivative financial liabilities of R41 million (HY2023: R211 million) were classified as level 2 of the fair value hierarchy. All significant inputs required to fair value derivative instruments are observable market data and therefore are included in level 2 of the fair value hierarchy.

The contingent consideration arising following the purchase of an investment in a joint venture is a level 3 financial instrument. The total value of this liability carried at fair value is R90 million as at 30 September 2023.

The carrying value of all other financial assets and liabilities is measured at amortised cost which approximates the fair value due to the short-term nature thereof.

Investment in joint venture

Omnia Holdings' mining subsidiary, BME Indonesia, signed a conditional sale and purchase of shares agreement (CSPA) in March 2023 with PT. MNK, an Indonesian market leader in explosives to purchase a 49% shareholding in a newly incorporated limited liability company, Multi National Kemitraan (joint venture). The investment was subject to various conditions precedent which were met on 31 May 2023 (effective date). The shareholders' agreement results in both parties exercising control as each party is equally represented on the board, which results in unanimous consent being required for decision making. The investment into the newly incorporated limited liability company is equity accounted for as an investment in a joint venture.

The fair value of the purchase consideration is dependent on multiple customer contracts being ceded to the joint venture by MNK. As contracts are ceded to the joint venture by MNK, BME Indonesia pays the related purchase consideration for its 49% shareholding as specified in the CSPA.

On the effective date a total consideration of USD6.5 million was paid taking into account customer contracts ceded by the effective date. The total expected consideration to be paid and fair value of assets to be transferred once all contracts have been ceded approximates USD12 million.

To determine the fair value of the consideration to be paid for the investment, management assessed the probability of contracts being ceded to the joint venture as well as the expected timing of the cession of the related contract.

Based on the expected timing of the cession and the probability of the cession taking place management determined the fair value of the consideration by discounting the expected payment to the effective date of the transaction.

The total provisional fair value of the purchase consideration of the investment is calculated as follows:

Rm	**31 May 2023**
Initial consideration for contracts ceded by the effective date	**127**
Fair value of the consideration to be paid when remaining customer contracts are ceded	**75**
Fair value of assets to be ceded upon related customer contract being ceded	**35**
Total fair value of investment in joint venture	**237**

The initial accounting for the acquisition of the investment in the joint venture has been provisionally determined at the end of the reporting period based on management's best estimate of the likely values. The necessary market valuations and other related assessments have not yet been completed.

Related parties

The Group entered into transactions and has balances with joint ventures, joint operations and directors as follows:

Rm	**Unaudited 6 months 30 Sep 2023**	Unaudited 6 months 30 Sep 2022	Audited 12 months 31 Mar 2023
Compensation paid to key employees and personnel[1]	**93**	84	110
Sale of goods	**9**	16	23
Purchase of goods	**18**	2	18
Finance income	**1**	1	2
Trade and other receivables	**–**	—	49
Trade and other payables	**41**	2	37
Borrowings	**71**	20	33

[1] This includes all vested shares released to participants and compensation paid to non-executive directors.

Contingent liabilities

Legal proceedings

The Group is currently involved in various legal proceedings and is, in consultation with its legal counsel, assessing the potential outcome of these proceedings on an ongoing basis. As proceedings progress, management makes provisions in respect of legal proceedings where appropriate. Litigations, current or pending, are not likely to have a material adverse effect on the Group.

Tax investigations

The Group is currently subject to tax investigations by revenue authorities across several jurisdictions. The Group is in the process of providing relevant information requested by the respective revenue authorities and assessing the potential outcome of the investigations. As these investigations progress and where considered appropriate, management provides for any expected tax and related expenditure that may result from the investigations.

Events after the reporting period

Equity investment in Hypex Bio Explosives Technology AB

On 9 October 2023 Omnia purchased B class shares equivalent to 9.96% of the total shareholding in Hypex Bio for a total purchase consideration of SEK 105 million (R184 million). Hypex Bio is a leader in innovative and sustainable explosives solutions, having developed a groundbreaking emulsion with hydrogen peroxide for significant environmental benefits. Their technology is the first commercially viable non-nitrate explosive emulsion in the market, with the potentially transforming the explosives supply industry.

Tax on foreign currency transactions in Zimbabwe

Omnia Zimbabwe is contesting an income tax assessment received from the Zimbabwean Revenue Authority (ZIMRA) on 28 April 2023, which was revised by ZIMRA to USD3.9 million on 7 November 2023. The matter in dispute concerns the alleged obligation for companies to pay income tax in respect of foreign currency transactions in foreign currency as opposed to local currency (ZWL). Omnia is of the view that, prior to October 2022 when the legislation (which was previously set out in a Public Notice 26 of 2019 and Public Notice 49 of 2020) was formally enacted, the company had been lawfully computing and effecting payment of income taxes in local currency in full discharge of its obligations. Expert advice has been obtained to corroborate Omnia's interpretation of the legislation, and in the absence of a legal basis upon which to base the tax assessment, the company is unable to quantify the potential impact of the above at this point in time.

New borrowing facilities

On 3 November 2023 Omnia's new funding facilities came into effect. The R4.5 billion sustainability-linked package includes a R1.0 billion revolving credit facility and R3.5 billion equivalent in multi-currency general banking facilities (GBF) both with more favourable interest rates, cost and covenant conditions. The GBF increase of R1.4 billion from the previous facilities relates to introducing of the concept of peak and non-peak periods, which allow for the GBF facilities to be increased during peak working capital periods to accommodate higher investments in working capital. The defined peak period is between September and January each year.

Basis of preparation

The condensed interim financial statements for the period ended 30 September 2023 (interim results) have been prepared in accordance with *IAS 34 Interim Financial Reporting*, International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and financial pronouncements as issued by the Financial Reporting Standards Council, presentation and disclosures as required by the JSE Listings Requirements and the Companies Act of South Africa, Act 71 of 2008, as amended.

The interim results do not include all the notes of the type normally included in the annual financial statements. Accordingly, the interim results are to be read in conjunction with the annual financial statements for the year ended 31 March 2023 and any public announcements made by Omnia. The accounting policies adopted are in terms of IFRS and are consistent with those of the previous financial year and corresponding interim reporting period.

The preparation of these interim results was supervised by the finance director, S Serfontein CA(SA). The board takes full responsibility for the preparation of the interim results and the results have not been reviewed or audited by the Group's auditors.

Board of directors

The board believes this report is a balanced and appropriate representation of the financial and operational performance and approved it on 20 November 2023.

T Eboka
Chair

T Gobalsamy
Chief executive officer

S Serfontein
Finance director

20 November 2023

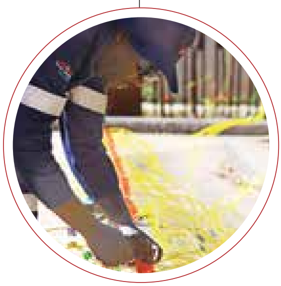
Background information

Omnia is a diversified Group that conducts research and development, manufactures and supplies chemicals and specialised services and solutions for the Agriculture, Mining and Chemicals application industries.

Differentiation is ensured through innovation combined with intellectual capital, whereby Omnia adds value for customers at various stages of the supply and service chain.

With its purpose of innovating to enhance life, together creating a greener future, the Group's solutions for its customers promote the responsible handling and use of chemicals for health, safety and a lower environmental impact, with a progressive shift towards cleaner technologies.

Agriculture



Mining

Chemicals

Company information

Executive directors
T Gobalsamy (chief executive officer)
S Serfontein (finance director)

Non-executive directors
T Eboka (chair), Prof N Binedell
R Bowen (British), G Cavaleros
S Mncwango, T Mokgosi-Mwantembe
W Plaizier (Dutch), R van Dijk

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M Nana

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Forward-looking statements

Throughout this report there are certain statements made that are "forward-looking statements". Any statements preceded or followed by, or that include the words "forecasts", "believes", "expects", "intends", "plans", "predictions", "will", "may", "should", "could", "anticipates", "estimates", "seeks", "continues", or similar expressions or the negative thereof, are forward-looking statements.

By their nature, forward-looking statements are speculative and allude to known and unknown risks, opportunities, macro-economic issues and any factors that could cause the actual results, performance or achievements of the Group to be materially different from the future results, performance or achievements expressed or implied by such forward-looking statements.

Forward-looking statements are not guarantees of future performance and reflect the Group's view at the date of publication of this report. The Group is not obliged to publicly update or revise these forward-looking statements for events or circumstances occurring after the date of publication of this report. Any forward-looking statement contained herein based on current trends and/or activities of the Group should not be taken as a representation that such trends or activities will continue in the future. No statement in this document is intended to be a profit forecast or to imply that the earnings of the Group for the current year or future years will necessarily match or exceed the historical or published earnings of the Group.

Forward-looking statements should not be relied on because they involve uncertainties and known and unknown risks which risk factors are described throughout the commentary in this report, and include economic, business and political conditions in South Africa and elsewhere.

www.omnia.co.za

OMNIA HOLDINGS LIMITED
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("Omnia" or "the Group")