

**BUKA INVESTMENTS LIMITED**

(Incorporated in the Republic of South Africa)

(Registration number 2003/025374/06)

JSE code: BKI

ISIN: ZAE000309118

("Buka" or "the Company")

**UNAUDITED CONDENSED FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 31 AUGUST 2023****CONDENSED STATEMENT OF COMPREHENSIVE INCOME**

	<b>Unaudited 6 months 31 August 2023 R'000</b>	<b>Unaudited 6 months 31 August 2022 R'000</b>	<b>Audited 12 months 28 February 2023 R'000</b>
Listing and sponsorship transaction costs	(221)	(463)	(1 203)
Other operating expenses	(1 487)	(907)	(1 921)
<b>Operating loss</b>	<b>(1 708)</b>	<b>(1 370)</b>	<b>(3 124)</b>
Investment income	84	79	194
Loss before taxation	(1 624)	(1 291)	(2 930)
Taxation	-	361	(947)
<b>Loss for the period</b>	<b>(1 624)</b>	<b>(930)</b>	<b>(3 877)</b>
<b>Total comprehensive loss for the period</b>	<b>(1 624)</b>	<b>(930)</b>	<b>(3 877)</b>
Weighted and fully diluted average shares in issue	13 840 392	13 840 392	13 840 392
<b>Loss per share attributable to equity holders of the Company (Note 1):</b>			
Basic and diluted loss per share (cents)	(11.73)	(6.72)	(28.01)
Headline and diluted headline loss per share (cents)	(11.73)	(6.72)	(28.01)

## CONDENSED STATEMENT OF FINANCIAL POSITION

	Unaudited 31 August 2023 R'000	Unaudited 31 August 2022 R'000	Audited 28 February 2023 R'000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Deferred tax	-	1 308	-
<b>Current Assets</b>			
Trade and other receivables	458	92	248
Cash and cash equivalents	1 407	5 060	3 273
	<b>1 865</b>	<b>5 152</b>	<b>3 521</b>
<b>Total Assets</b>	<b>1 865</b>	<b>6 460</b>	<b>3 521</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Stated capital	113 732	113 732	113 732
Accumulated loss	(112 679)	(108 109)	(111 055)
<b>Total Equity</b>	<b>1 053</b>	<b>5 623</b>	<b>2 677</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	812	837	844
<b>Total Liabilities</b>	<b>812</b>	<b>837</b>	<b>844</b>
<b>Total Equity and Liabilities</b>	<b>1 865</b>	<b>6 460</b>	<b>3 521</b>
Number of ordinary shares in issue at year end	13 840 392	13 840 392	13 840 392
Net asset value per share (cents)	7.61	40.63	19.34
Net tangible asset value per share (cents)	7.61	40.63	19.34

## CONDENSED STATEMENT OF CHANGES IN EQUITY

	Stated capital R'000	Accumulated Loss R'000	Total equity R'000
<b>Balance at 28 February 2023</b>	<b>113 732</b>	<b>(111 055)</b>	<b>2 677</b>
Total comprehensive loss for the period	-	(1 624)	(1 624)
<b>Balance at 31 August 2023</b>	<b>113 732</b>	<b>(112 679)</b>	<b>1 053</b>

## CONDENSED STATEMENT OF CASH FLOWS

	Unaudited 31 August 2023 R'000	Unaudited 31 August 2022 R'000	Audited 28 February 2023 R'000
<b>Cash flows (used in) / from operating activities</b>			
Cash (used in) / generated from operations	(1 949)	4 980	3 077
Interest income	83	79	195
<b>Net cash flows (used in) / from operating activities</b>	<b>(1 866)</b>	<b>5 059</b>	<b>3 272</b>
<b>Total cash movement for the period</b>	<b>(1 866)</b>	<b>5 059</b>	<b>3 272</b>
Cash and cash equivalents at beginning of the period	3 273	1	1
<b>Cash and cash equivalents at end of the period</b>	<b>1 407</b>	<b>5 060</b>	<b>3 273</b>

## SEGMENTAL REPORTING

IFRS 8 requires an entity to report financial and descriptive information about its reportable segments, which are operating segments or aggregations of operating segments that meet specific criteria. Operating segments are components of an entity about which separate financial information is available that is evaluated regularly by the chief operating decision maker. Buka is currently a listed cash shell with no separate reportable segments.

## NOTES TO THE FINANCIAL INFORMATION

### 1. Reconciliation of headline loss

	Unaudited 31 August 2023 R'000	Unaudited 31 August 2022 R'000	Audited 28 February 2023 R'000
<b>Reconciliation of headline loss</b>			
Loss attributable to ordinary shareholders	(1 624)	(930)	(3 877)
<b>Headline loss attributable to ordinary shareholders</b>	<b>(1 624)</b>	<b>(930)</b>	<b>(3 877)</b>
Weighted and fully diluted average shares in issue	13 840 392	13 840 392	13 840 392
Basic and diluted basic loss per share (cents)	(11.73)	(6.72)	(28.01)
Headline and diluted headline loss per share (cents)	(11.73)	(6.72)	(28.01)

### OVERVIEW

The directors of Buka herewith present the Company's interim financial results for the six months ended 31 August 2023 ("the interim period").

On 24 February 2023 the Company made an announcement to shareholders with reference to the original acquisition announcement dated 15 July 2022 by Buka of Caralli Leather Works (Pty) Ltd and Socrati Footwear (Pty) Ltd (collectively "the Socrati Group") from B&B Media (Pty) Ltd ("B&B Media") and Moltera Group (Pty) Ltd ("the Transaction").

B&B Media, a material shareholder in Buka, as well as a fully Black-owned, family business, acquired a well-established South African shoe manufacturer in Pietermaritzburg, Eddels Shoes (Pty) Limited ("Eddels") during February 2023. B&B Media then requested the Buka board to place the Transaction on hold to allow sufficient time to thoroughly assess the synergies between the Socrati Group and Eddels. Consequently, the board of directors of Buka considered the request and agreed not to proceed with the Transaction at that time.

As a result of placing the Transaction on hold, Buka has failed to comply with section 3.26 of the JSE Listings Requirements which requires a cash shell, within six months after classification as such, to enter into an agreement and make an announcement relating to the acquisition of viable assets that satisfy the conditions for listing in terms of the JSE Listings Requirements. Consequently, the JSE suspended Buka's listing with effect from 24 February 2023.

The Board of Directors in conjunction with its advisors have now formulated and are in the process of finalising a strategy to reverse viable assets into the Buka listed shell that complies to the JSE Listings Requirements. The final transaction will be subject to JSE and shareholders' approvals. It is expected that the final transaction will be announced to shareholders within the next four months.

The Board of Directors remains confident that the combination of the business acumen of the major shareholder and Buka's listing presence, will allow Buka to grow into a sizable, listed fashion business.

### BASIS OF PREPARATION

The unaudited Company condensed interim financial results, included in this announcement, have been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards ("IFRS"), and have been prepared in accordance with the presentation and disclosure requirements of IAS 34 Interim Financial Reporting, the Financial

Pronouncements as issued by the Financial Reporting Standards Council, the Listings Requirements of the JSE Limited, and the requirements of the Companies Act.

The unaudited Company condensed interim financial results are prepared in accordance with the going concern principle under the historical cost basis as modified by the fair value accounting of certain assets and liabilities where required or permitted by IFRS.

The accounting policies and method of measurement and recognition applied in preparation of the unaudited Company condensed interim financial results are consistent with those applied to the Company summary financial results for the period ended 28 February 2023.

These unaudited Company condensed interim financial results incorporate the financial results of the Company.

The preparation of the unaudited Company condensed interim financial results was supervised by Buka's CFO, Werner Grobbelaar. The directors take full responsibility for the preparation of the unaudited Company condensed interim financial results.

## **NEW STANDARDS AND INTERPRETATIONS**

The Company did not adopt any new standards and interpretations in the interim period that had a material impact.

## **FINANCIAL RESULTS**

The Company incurred a loss of R1 624 000 (2022: loss of R930 000) for the period under review, mainly as a result of an increase in audit and directors' fees. A significant portion of the increase was due to the work undertaken to assess the viability of the proposed Transaction. This work assisted in re-evaluating the Transaction and should result in a significant savings when the announcement of the Revised Transaction happens in about four months' time.

The Company remains committed to being compliant with regards to the JSE Listings Requirements and the King IV Report.

## **STATEMENT OF GOING CONCERN**

The unaudited Company condensed interim financial results have been prepared based on accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments, will occur in the ordinary course of business.

## **SHARE CAPITAL**

There were no changes to authorised or issued share capital during the interim period under review.

## **DIVIDEND POLICY**

The Company will not pay an interim dividend for the 2023 period under review.

## **CONTINGENCIES AND COMMITMENTS**

There were no contingencies or commitments for capital expenditure at 31 August 2023.

## **FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS**

The Company's financial risk management objectives and policies for the period under review are consistent with those disclosed in the annual financial statements for the year ended 28 February 2023.

The carrying amount of all significant financial instruments for the period under review approximates their fair value.

## RELATED PARTY BALANCES AND TRANSACTIONS:

### Relationships

Majority shareholder B&B Media (Pty) Ltd

B&B Media (Pty) Ltd is a major shareholder of Buka. B&B Media (Pty) Ltd is also the major shareholder of Socrati Footwear (Pty) Ltd.

	Unaudited 31 August 2023	Unaudited 31 August 2022	Audited 28 February 2023
<b>Amounts included in trade receivables (trade payables) regarding related parties</b>			
Socrati Footwear (Pty) Ltd	(64)	-	(56)
B&B Media (Pty) Ltd	(315)	(10)	(11)

The sales to and purchases from related parties were transactions made on terms equivalent to those that prevail in arm's length transactions.

<b>Directors' emoluments</b>	<b>31 August 2023</b>	<b>31 August 2022</b>	<b>28 February 2023</b>
<b>Executive</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
A Bux	240	40	280
W Grobbelaar	90	15	105
	330	55	385
<b>Non-Executive</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
T Sadik	146	92	220
PA Inbona	119	77	179
P Tladi	112	-	30
E Colyn	112	15	110
N Magubane	-	15	92
	489	199	631

## BOARD COMPOSITION

There were no changes to the board during the interim period under review.

## SUBSEQUENT EVENTS AND PROSPECTS

Statements contained in this announcement, regarding the prospects of the Company, have not been reviewed or audited by the Company's external auditors.

As stated in the Overview paragraph, the Board of Directors in conjunction with its advisors have now formulated and is in the process to finalise its strategy to reverse viable assets into the Buka listed shell that complies to the JSE Listings Requirements. The final transaction will be subject

to JSE and shareholders' approvals. It is expected that the final transaction will be announced to shareholders within the next four months.

## **APPRECIATION**

The new board of directors would like to thank the shareholders and directors of Buka for their valued contribution during the interim period under review.

By order of the Board  
29 September 2023

Abdurrahim Bux  
Chief Executive Officer

## **CORPORATE INFORMATION**

Non-executive directors: MT Sadik\* (Chairman), PAFR Inbona\*, E Colyn, P Tladi\*  
\* Independent

Executive directors: A Bux, W Grobbelaar

Registration number: 2003/025374/06

Registered address: 2 Federation Road, Parktown, 2193, Gauteng, South Africa

Postal address: PO Box 2908, Houghton, 2044, Gauteng, South Africa

Company secretary: Ligcabo SA

Telephone: +27 (0)11 483 1144

Transfer secretaries: CTE Registry Services (Pty) Limited

Designated Adviser: Exchange Sponsors (2008) (Pty) Limited