



**CROOKES  
BROTHERS**

---

**UNAUDITED CONSOLIDATED  
INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023**

# Commentary

## Seasonality of crops at interim period

It should be noted that the consistent application of IFRS principles as they relate to biological asset valuations, combined with the impact of seasonality, particularly in the deciduous fruit and macadamia nut divisions, distorts the presentation of actual operating performance. As a result, the board cautions against using interim earnings to project full year earnings without proper analysis, particularly of the biological asset valuations.

The board emphasises that financial results for the six months ended 30 September 2023 should be used prudently and extrapolating them to reach projected full-year earnings for the year ending 31 March 2024 may produce a misleading result.

## Disposal of the deciduous fruit division

Control of the group's deciduous fruit division was officially taken over by the buyer on 18 September 2023 and the completion of the transaction is expected by early December 2023. The proceeds from this disposal will largely be deployed to reduce the Company's financial gearing.

The deciduous fruit division has been accounted for as a discontinued operation for the period ended 30 September 2023.

## Financial performance

Following a very challenging operating environment in 2023, the group has delivered a significant turnaround in performance for the six months to 30 September 2023, compared to the previous period last year.

Revenue from continuing operations increased by 17% to R490.8 million (2022: R419.1 million).

As anticipated, we are starting to experience a welcome reduction in fertiliser and other agricultural input costs, following the runaway cost inflation experienced in the past two years brought about by geo-political events beyond the group's control.

The reduction in the fair value of biological assets from continuing operations was R42.2 million (2022: reduction of R81.2 million).

It is pleasing to report an operating profit from continuing operations of R108.1 million (2022: R8.8 million), a R99.3 million improvement.

Higher banana prices, that benefited our associates Lebombo Growers and Quinta Da Bela Vista, resulted in a R3.9 million share of profit from these associates (2022: loss of R3.4 million).

Finance costs increased to R28.9 million (2022: R16.7 million). Interest on bank borrowings increased to R20.6 million (2022: R11.3 million), mostly as a result of the significant increases in interest rates during the period.

The group is pleased to report a total profit for the period of R76.6 million (2022: loss of R25.6 million).

Basic earnings per share is 326.8 cents (2022: basic loss per share: 192.1 cents).

Headline earnings per share is 321.2 cents (2022: headline loss per share: 193.7 cents).

## Divisional performance

### Sugar cane

Revenue from sugar cane increased by 30% to R385.6 million (2022: R297.5 million).

The increase in revenue is attributed to stronger prices in all of the geographic locations that the group operates in, as well as the timing of the harvest which was earlier than usual.

High regional and world market sugar prices and a weaker exchange rate has boosted sugar prices in all countries of operation.

Operating profit after biological assets increased by R79.7 million to R166.9 million (2022: R87.2 million).

### Bananas

Revenue from bananas increased by 26% to R70.4 million (2022: R55.8 million).

The calendar year started on a negative note with Cyclone Freddy causing widespread destruction and damage across the Lowveld area of Mpumalanga and Eswatini as well as southern Mozambique. The early season water and cold temperature stress had a negative impact on the bunch mass of the fruit harvested early in the financial year, with a large percentage of mis-formed bunches. Bronzing and inter-finger rust, caused by the wet weather, also had a major negative impact on our fruit quality and resulted in higher wastage.

We were not the only growers impacted by this weather phenomenon. The volume of fruit supplied by all growers in the Lowveld area, including neighbouring Mozambique, was severely reduced. This significant reduction in supply, coupled with a relatively stable demand, had the positive impact of increasing the overall market price per carton in line with the highs of prior years.

Operating profit after biological assets was R7.6 million (2022: operating loss of R12.1 million).



## Commentary continued

### Macadamias

Revenue from macadamias decreased by 67% to R13.1 million (2022: R40.2 million).

World US Dollar macadamia nut prices per kg are still severely depressed and price realisations in the kernel market were well below expectations for our 2023 nut harvest.

The reversal of the year-end valuation of hanging macadamias had less of an impact in this period compared to the corresponding prior period due to the lower crop of 633 tons at 31 March 2023, which was subsequently harvested and sold during this six-month period.

These factors, when combined, resulted in an improvement of R9.2 million in the operating loss after biological assets of R33.9 million (2022: R43.1 million).

### Property

Revenue from the property division decreased by 36% to R9.5 million (2022: R14.8 million).

The prior period included our first land sale in the Renishaw Coastal Precinct for R8.9 million.

The KZN property market is currently facing the same headwinds experienced throughout South Africa in both the residential and commercial space mostly due to high interest rates and the negative sentiment associated with loadshedding.

The property division is reporting an operating loss of R3.9 million (2022: operating profit of R4.1 million).

An improvement in sentiment is evident in the second half of the financial year with residential sales in the Renishaw Hills division showing an uptick, and increasing interest from potential buyers in the land parcels for sale in the Renishaw Coastal Precinct.

### Other operations

Revenue from other operations increased by 10% to R12.0 million (2022: R10.9 million).

The Crocworld tourism division is experiencing a positive uptick in visitors to the park.

The resultant effect is an operating loss of R1 million (2022: R0.8 million), though this is expected to turn around in the second half of the year due to the December holiday period typically being more profitable.

### Capital expenditure

Capital expenditure for the period amounted to R14.1 million (2022: R39.0 million).

Following a challenging 2022/23 financial year, the group has prioritised preserving free-cash flow, with the current year's emphasis solely on capital items necessary for planting, harvesting and critical replacements.

### Liquidity and financing activities

Strong operating earnings from our sugar cane and banana divisions improved cash generated from operations, which increased by R83 million to R111.9 million (2022: R28.9 million).

Bank facilities previously secured and put in place, were adequate to cover the group's working capital requirements during the period. Cash paid to service interest on borrowings increased by R12.3 million to R27.1 million (2022: R14.8 million).

Net cash generated from operating activities increased to R90.4 million (2022: R12.5 million).

Net debt (total interest-bearing borrowings, net of cash balances) increased by 10% to R249.0 million (2022: R225.9 million).

### Outlook

The outlook for the sugar cane and banana divisions for the second half of the year remains positive.

Competition Commission and shareholder approval has been received for the sale of the group's deciduous fruit division. With the sale now being unconditional, the proceeds of R200 million are expected to flow to the group before the end of the calendar year. As published in the Circular issued to shareholders, the funds realised from the sale will enable the group to reduce its level of debt.

The macadamia division continues to be an area of focus. Early indications are that the 2024 nut crop is looking encouraging and expected to deliver a much improved harvest compared to the previous year. Macadamia nut prices are expected to recover from current levels.

The promotional activity targeted around the Renishaw Coastal Precinct continues to attract interest and attention which is expected to translate into a number of property parcels being sold over the next 12 months.

The slimmer, less complex and more focussed business, together with the cost reduction initiatives already underway is expected to deliver improved sustainable returns to shareholders.



# Commentary continued

## Basis of preparation

The unaudited consolidated interim financial statements have been prepared in accordance with the Framework concepts recognition and measurement criteria of IFRS, South African financial reporting requirements, and as a minimum, contain the information required by IAS 34 Interim Financial Reporting, and comply with the Listings Requirements of the JSE Limited and the Companies Act No. 71 of 2008 of South Africa requirements applicable to condensed financial statements.

The financial statements have been prepared under the supervision of Nigel Naidoo CA (SA), Chief Financial Officer. The financial information has been prepared on the historical cost basis except for the valuation of biological assets, investment property, certain financial instruments and share-based payments, which are measured at fair value.

## Accounting policies

The accounting policies adopted, and methods of computation used in the preparation of the unaudited condensed consolidation interim results are in terms of IFRS and are consistent with those of the annual financial statements for the year ended 31 March 2023. Non-trading items are a non-IFRS measure and consist of items that are usually capital in nature or not of an operational nature. In most cases non-trading items are those items excluded from headline earnings in accordance with the SAICA Circular 1/2023.

## Going concern

There were no material changes in the affairs or financial position of the group or its subsidiary companies since the end of the current reporting period. Based on the forecast cash flows of the group and company in conjunction with secured funding lines from financial institutions, the directors believe that the group and company have adequate resources to continue in operation for the foreseeable future. The unaudited consolidated interim financial statements have therefore been prepared on a going-concern basis.

## Changes to the board

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

## Events after the reporting period

Subsequent to the end of the current reporting period, the R15 million revolving credit Akwandze loan was refinanced in favour of the group's Mawecro subsidiary.

There were no other major changes in the affairs or financial position of the group or its subsidiary companies since the end of the current reporting period.

## Cash dividend declaration

The board resolved not to declare an interim dividend for the six-month period ended 30 September 2023 (2022: Nil).

For and on behalf of the board.



**Larry Riddle**  
Chairman



**Kennett Sinclair**  
Chief Executive Officer



**Ziyanda Ngwenya**  
Company secretary

Durban  
29 November 2023



# Condensed consolidated Statement of profit or loss

for the six months ended 30 September 2023

	Notes	Unaudited Six months to 30 September 2023 R'000	Unaudited Six months to 30 September 2022* R'000	Audited 12 months to 31 March 2023 R'000
<b>Continuing operations</b>				
<b>Revenue</b>	1	<b>490 758</b>	419 124	615 730
<b>Operating profit/(loss) before biological assets</b>		<b>150 275</b>	90 080	(137 204)
Change in fair value of biological assets	6	(42 187)	(81 242)	(11 356)
<b>Operating profit/(loss) after biological assets</b>		<b>108 088</b>	8 838	(148 560)
Non-trading items	2	481	346	(5 200)
Share of profit/(loss) of joint venture and associate companies		3 923	(3 431)	1 993
Investment income		2 950	1 905	5 544
Finance costs	3	(28 986)	(16 738)	(44 553)
<b>Profit/(loss) before tax</b>		<b>86 456</b>	(9 080)	(190 776)
Tax expense		(23 271)	2 294	13 348
<b>Profit/(loss) for the period from continuing operations</b>		<b>63 185</b>	(6 786)	(177 428)
<b>Discontinued operations</b>				
<b>Profit/(loss) for the period from discontinued operations</b>	4	<b>13 382</b>	(18 766)	(22 147)
<b>Profit/(loss) for the period</b>		<b>76 567</b>	(25 552)	(199 575)
<b>Attributable to:</b>				
Owners of the company		<b>49 879</b>	(29 329)	(196 134)
From continuing operations		<b>35 528</b>	(11 844)	(174 677)
From discontinued operations		<b>14 351</b>	(17 485)	(21 457)
Non-controlling interests		<b>26 688</b>	3 777	(3 441)
From continuing operations		<b>27 657</b>	5 058	(2 751)
From discontinued operations		<b>(969)</b>	(1 281)	(690)
		<b>76 567</b>	(25 552)	(199 575)
<b>Basic earnings/(loss) per share</b>				
From continuing operations	(cents)	<b>232.8</b>	(77.6)	(1 144.3)
From discontinued operations	(cents)	<b>94.0</b>	(114.5)	(140.6)
Total	(cents)	<b>326.8</b>	(192.1)	(1 284.9)
<b>Diluted earnings/(loss) per share</b>				
From continuing operations	(cents)	<b>232.8</b>	(77.6)	(1 144.3)
From discontinued operations	(cents)	<b>94.0</b>	(114.5)	(140.6)
Total	(cents)	<b>326.8</b>	(192.1)	(1 284.9)

\* Re-presented for the impact of IFRS 5: Non-current Assets Held for Sale and Discontinued Operations. Refer to note 4.



# Headline earnings reconciliation

for the six months ended 30 September 2023

	Unaudited Six months to 30 September 2023 R'000	Unaudited Six months to 30 September 2022* R'000	Audited 12 months to 31 March 2023 R'000
<b>Reconciliation of headline earnings</b>			
Profit/(loss) for the period attributable to owners of the company	49 879	(29 329)	(196 134)
From continuing operations	35 528	(11 844)	(174 677)
From discontinued operations	14 351	(17 485)	(21 457)
Adjusted for:			
Gain on disposal of property, plant and equipment	(1 162)	(122)	(599)
Loss arising on impairment of property, plant and equipment	–	–	93 373
(Gain)/loss arising on changes in fair value of investment property	–	(204)	8
Gain arising on disposal of associate and joint venture property, plant and equipment	–	–	(358)
Total tax effects of the adjustments	314	88	(4 491)
<b>Headline earnings/(loss)</b>	<b>49 031</b>	<b>(29 567)</b>	<b>(108 201)</b>
Continuing operations	35 238	(12 081)	(86 744)
Discontinued operations	13 793	(17 486)	(21 457)
<b>Basic headline earnings/(loss) per share</b>			
From continuing operations (cents)	230.9	(79.1)	(568.3)
From discontinued operations (cents)	90.4	(114.6)	(140.6)
Total (cents)	321.2	(193.7)	(708.8)
<b>Diluted headline earnings/(loss) per share</b>			
From continuing operations (cents)	230.9	(79.1)	(568.3)
From discontinued operations (cents)	90.4	(114.6)	(140.6)
Total (cents)	321.2	(193.7)	(708.8)
<b>Number of shares</b>			
In issue	15 264 317	15 264 317	15 264 317
Weighted average (basic)	15 264 317	15 264 317	15 264 317
Diluted weighted average	15 264 317	15 264 317	15 264 317

\* Re-presented for the impact of IFRS 5: Non-current Assets Held for Sale and Discontinued Operations. Refer to note 4.



# Condensed consolidated Statement of comprehensive income

for the six months ended 30 September 2023

Notes	Unaudited Six months to 30 September 2023 R'000	Unaudited Six months to 30 September 2022* R'000	Audited 12 months to 31 March 2023 R'000
<b>Profit/(loss) for the period</b>	<b>76 567</b>	(25 552)	(199 575)
<b>Items that will not be reclassified subsequently to profit or loss:</b>			
Remeasurement of post-employment medical aid obligation	–	–	61
Fair value loss arising on equity investments designated as FVTOCI	–	–	(3 811)
<b>Items that will be reclassified subsequently to profit or loss:</b>			
Exchange differences on translating foreign operations	8.1 20 952	106 055	69 227
<b>Other comprehensive income, net of income tax</b>	<b>20 952</b>	106 055	65 477
<b>Total comprehensive income/(loss) for the period</b>	<b>97 519</b>	80 503	(134 098)
<b>Attributable to:</b>			
Owners of the company	<b>70 831</b>	76 726	(130 657)
From continuing operations	<b>56 480</b>	94 211	(109 200)
From discontinued operations	<b>14 351</b>	(17 485)	(21 457)
Non-controlling interests	<b>26 688</b>	3 777	(3 441)
From continuing operations	<b>27 657</b>	5 058	(2 751)
From discontinued operations	<b>(969)</b>	(1 281)	(690)
	<b>97 519</b>	80 503	(134 098)

\* Re-presented for the impact of IFRS 5: Non-current Assets Held for Sale and Discontinued Operations. Refer to note 4.



# Condensed consolidated Statement of financial position

as at 30 September 2023

	Notes	Unaudited 30 September 2023 R'000	Unaudited 30 September 2022 R'000	Audited 31 March 2023 R'000
<b>Assets</b>				
<b>Non-current assets</b>				
		<b>1 092 466</b>	1 316 714	1 062 101
Property, plant and equipment	5	625 387	872 982	618 969
Right-of-use assets		149 013	151 821	150 229
Investment property		116 798	117 217	114 118
Deferred tax assets		75 099	39 394	56 764
Financial assets		13 433	25 174	14 482
Investments in joint venture and associates		112 736	110 126	107 539
<b>Current assets</b>				
		<b>936 341</b>	667 079	828 538
Biological assets	6	246 228	221 177	303 358
Inventories		145 294	145 847	140 705
Trade and other receivables		268 205	217 835	159 383
Current tax assets		2 216	17 632	13 846
Financial assets		2 311	5 630	2 210
Retirement benefit surplus		1 838	1 961	1 838
Cash and bank balances		122 652	56 997	55 231
Assets classified as held for sale	4.1	788 744 147 597	667 079 –	676 571 151 967
<b>Total assets</b>				
		<b>2 028 807</b>	1 983 793	1 890 639
<b>Equity and liabilities</b>				
<b>Capital and reserves</b>				
		<b>1 105 938</b>	1 220 213	1 008 644
Share capital and premium		226 271	226 271	226 271
Investment revaluation reserve		(2 860)	951	(2 860)
Foreign currency translation reserve	8.1	18 375	34 251	(2 577)
Treasury shares		(7 257)	(7 032)	(7 032)
Share-based payment reserve		8 154	5 556	8 154
Retained earnings		775 443	891 876	725 566
Equity attributable to owners of the company		<b>1 018 126</b>	1 151 873	947 522
Non-controlling interests		87 812	68 340	61 122
<b>Non-current liabilities</b>				
		<b>518 053</b>	585 802	502 252
Deferred tax liabilities		124 841	121 350	119 753
Borrowings – interest-bearing	9.1	112 288	186 432	102 918
Other financial liabilities		70 501	71 711	68 915
Obligations to return leased farmland		43 276	40 212	44 290
Lease liabilities		164 358	163 195	163 587
Post-employment medical aid obligation		2 789	2 902	2 789
<b>Current liabilities</b>				
		<b>404 816</b>	177 778	379 743
Trade and other payables and provisions		97 778	69 723	96 278
Current tax liabilities		34 366	175	188
Borrowings – interest-bearing	9.1	259 372	96 485	270 793
Other financial liabilities		4 492	4 517	4 360
Lease liabilities		8 808	6 878	8 124
<b>Total equity and liabilities</b>				
		<b>2 028 807</b>	1 983 793	1 890 639



# Condensed consolidated Statement of cash flows

for the six months ended 30 September 2023

	Notes	Unaudited Six months to 30 September 2023 R'000	Unaudited Six months to 30 September 2022* R'000	Audited 12 months to 31 March 2023 R'000
<b>Operating activities</b>				
<b>Operating profit/(loss) for the period</b>		<b>125 651</b>	(16 925)	(173 554)
From continuing operations		<b>108 088</b>	8 838	(148 560)
From discontinued operations		<b>17 563</b>	(25 763)	(24 994)
<b>Adjustment for non-cash items:</b>				
Depreciation and impairments		<b>33 474</b>	34 243	164 125
Change in fair value of biological assets	6	<b>60 264</b>	99 389	11 427
Other non-cash items		<b>(2 495)</b>	7 070	1 685
<b>Operating cash flows before changes in working capital</b>		<b>216 894</b>	123 777	3 683
Net outflow from changes in working capital		<b>(104 993)</b>	(94 875)	(16 144)
<b>Cash generated from/(utilised in) operations</b>		<b>111 901</b>	28 902	(12 461)
Interest received		<b>1 633</b>	693	7 098
Interest paid		<b>(27 050)</b>	(14 831)	(38 904)
Income taxes paid/(received)		<b>3 937</b>	(2 260)	(1 778)
<b>Net cash generated by/(utilised in) operating activities</b>		<b>90 421</b>	12 504	(46 045)
<b>Investing activities</b>				
Proceeds from financial assets		<b>92</b>	1 000	1
Receipts from unsecured loans		<b>–</b>	5 000	5 000
Receipts from secured loans		<b>1 387</b>	–	2 038
Proceeds on disposal of property, plant and equipment		<b>558</b>	424	1 723
Investment in property, plant and equipment		<b>(14 055)</b>	(38 981)	(77 346)
Proceeds on disposal of investment property		<b>–</b>	–	2 139
Investment in investment property		<b>(474)</b>	(70)	(298)
Funds advanced to joint venture and associate companies		<b>(495)</b>	(436)	(518)
Funds repaid by joint venture and associate companies		<b>263</b>	–	2 926
Dividend received from associate		<b>–</b>	–	3 538
Other net investing activities		<b>–</b>	–	22
<b>Net cash utilised in investing activities</b>		<b>(12 724)</b>	(33 063)	(60 775)
<b>Financing activities</b>				
Proceeds from loans and borrowings		<b>13 594</b>	46 301	103 305
Repayment of loans and borrowings		<b>(21 643)</b>	(15 000)	(16 500)
Proceeds from general banking facilities		<b>63 700</b>	90 000	227 500
Repayment of general banking facilities		<b>(63 700)</b>	(80 000)	(184 500)
Receipts from other financial liabilities		<b>2 270</b>	3 744	3 744
Repayment of other financial liabilities		<b>–</b>	(1 761)	(1 761)
Payment of lease liability		<b>(4 201)</b>	(3 301)	(7 310)
Purchase of treasury shares		<b>(225)</b>	(5 253)	(5 253)
<b>Net cash (utilised in)/generated by financing activities</b>		<b>(10 205)</b>	34 730	119 225
<b>Net increase in cash and cash equivalents</b>		<b>67 492</b>	14 171	12 405
Cash and cash equivalents at beginning of the period		<b>55 231</b>	42 826	42 826
<b>Cash and cash equivalents at end of the period</b>		<b>122 723</b>	56 997	55 231

\* Re-presented for the impact of IFRS 5: Non-current Assets Held for Sale and Discontinued Operations. Refer to note 4.



# Condensed consolidated Statement of changes in equity

for the six months ended 30 September 2023

	Unaudited Six months to 30 September 2023 R'000	Unaudited Six months to 30 September 2022 R'000	Audited 12 months to 31 March 2023 R'000
<b>Balance at beginning of period</b>	<b>1 008 644</b>	1 144 963	1 144 963
Treasury shares purchased	(225)	(5 253)	(5 253)
Movements in share-based payment reserve	–	–	3 032
Other comprehensive income/(loss) for the period	<b>97 519</b>	80 503	(134 098)
Dividends declared and paid	–	–	–
<b>Balance at end of period</b>	<b>1 105 938</b>	1 220 213	1 008 644



# Condensed consolidated Segmental analysis

for the six months ended 30 September 2023

	Unaudited Six months to 30 September 2023 R'000	Unaudited Six months to 30 September 2022* R'000	Audited 12 months to 31 March 2023 R'000
<b>Revenue</b>			
<b>Continuing operations</b>	<b>490 758</b>	419 124	615 730
Sugar cane	385 638	297 518	404 584
Bananas	70 428	55 757	121 176
Macadamias	13 134	40 186	35 521
Property	9 512	14 805	31 741
Other operations	12 046	10 858	22 708
<b>Discontinued operations</b>	<b>47 163</b>	35 062	65 617
Deciduous fruit	47 142	35 050	65 594
Other operations	21	12	23
	<b>537 921</b>	454 186	681 347
<b>Operating profit/(loss) before biological assets</b>			
<b>Continuing operations</b>	<b>150 275</b>	90 080	(137 204)
Sugar cane	197 761	122 802	56 597
Bananas	6 201	(10 365)	(9 243)
Macadamias	(21 243)	869	(125 923)
Property	(3 888)	4 053	1 784
Other operations	(999)	(735)	(1 400)
Corporate expenses	(27 557)	(26 544)	(59 019)
<b>Discontinued operations</b>	<b>35 640</b>	(7 616)	(24 923)
Deciduous fruit	35 630	(7 548)	(24 947)
Other operations	10	(68)	24
	<b>185 915</b>	82 464	(162 127)
<b>Change in fair value of biological assets</b>			
<b>Continuing operations</b>	<b>(42 187)</b>	(81 242)	(11 356)
Sugar cane	(30 863)	(35 585)	32 246
Bananas	1 361	(1 733)	(2 970)
Macadamias	(12 685)	(43 924)	(40 632)
<b>Discontinued operations</b>	<b>(18 077)</b>	(18 147)	(71)
Deciduous fruit	(18 077)	(18 147)	(71)
	<b>(60 264)</b>	(99 389)	(11 427)

\* Re-presented for the impact of IFRS 5: Non-current Assets Held for Sale and Discontinued Operations. Refer to note 4.



# Condensed consolidated Segmental analysis continued

for the six months ended 30 September 2023

	Unaudited Six months to 30 September 2023 R'000	Unaudited Six months to 30 September 2022* R'000	Audited 12 months to 31 March 2023 R'000
<b>Operating profit/(loss) after biological assets</b>			
<b>Continuing operations</b>	<b>108 088</b>	8 838	(148 560)
Sugar cane	166 898	87 217	88 843
Bananas	7 562	(12 098)	(12 213)
Macadamias	(33 928)	(43 055)	(166 555)
Property	(3 888)	4 053	1 784
Other operations	(999)	(735)	(1 400)
Corporate expenses	(27 557)	(26 544)	(59 019)
<b>Discontinued operations</b>	<b>17 563</b>	(25 763)	(24 994)
Deciduous fruit	17 553	(25 695)	(25 018)
Other operations	10	(68)	24
	<b>125 651</b>	(16 925)	(173 554)
<b>Segmental assets</b>			
Sugar cane	657 614	670 906	637 519
Deciduous fruit	114 753	229 994	72 410
Bananas	269 931	248 820	270 906
Macadamias	361 137	456 560	341 701
Property	316 740	276 614	319 832
Other operations	21 934	21 053	21 771
Head office	139 101	79 846	74 533
Assets classified as held for sale	147 597	–	151 967
	<b>2 028 807</b>	1 983 793	1 890 639
<b>Segmental liabilities</b>			
Sugar cane	315 927	267 078	286 269
Deciduous fruit	29 773	27 214	23 428
Bananas	146 364	117 819	143 578
Macadamias	104 796	86 989	94 040
Property	184 313	156 880	189 641
Other operations	1 174	1 177	2 038
Head office	140 522	106 423	143 001
	<b>922 869</b>	763 580	881 995

\* Re-presented for the impact of IFRS 5: Non-current Assets Held for Sale and Discontinued Operations. Refer to note 4.



# Notes to the unaudited consolidated interim financial statements

for the six months ended 30 September 2023

	Unaudited Six months to 30 September 2023 R'000	Unaudited Six months to 30 September 2022* R'000	Audited 12 months to 31 March 2023 R'000
<b>1. Revenue</b>			
The following is an analysis of revenue for the period:			
<b>By reportable segment</b>			
<b>Continuing operations</b>			
Sugar cane	385 638	297 518	404 584
Bananas	70 428	55 757	121 176
Macadamias	13 134	40 186	35 521
Property	9 512	14 805	31 741
Other operations	12 046	10 858	22 708
Lease rental	4 184	4 863	8 798
Utility services related to property development	4 183	3 138	6 929
Tourism	3 679	2 857	6 981
	<b>490 758</b>	419 124	615 730
<b>Discontinued operations</b>			
Deciduous fruit	47 142	35 050	65 594
Other operations			
Lease rental	21	12	23
	<b>47 163</b>	35 062	65 617
<b>Total revenue</b>	<b>537 921</b>	454 186	681 347
<b>Timing of revenue recognition<sup>^</sup></b>			
At a point in time	529 533	446 173	665 597
Over time	4 183	3 138	6 929
	<b>533 716</b>	449 311	672 526
<b>By geographic segment</b>			
South Africa	345 792	287 627	464 418
Foreign countries			
Eswatini	141 858	95 648	143 601
Zambia	37 215	30 725	37 807
Mozambique	13 134	40 186	35 521
	<b>537 999</b>	454 186	681 347

<sup>^</sup> Revenue relating to lease rental income has been excluded as it is not recognised in terms of IFRS 15 but rather 16.

\* Re-presented for the impact of IFRS 5: Non-current Assets Held for Sale and Discontinued Operations. Refer to note 4.



# Notes to the unaudited consolidated interim financial statements continued

for the six months ended 30 September 2023

## 1. Revenue continued

	Unaudited Six months to 30 September 2023 R'000	Unaudited Six months to 30 September 2022* R'000	Audited 12 months to 31 March 2023 R'000
<b>By customer percentage</b>			
<b>Continuing operations</b>			
<b>Sugar cane</b>			
– RCL Foods, Sugar and Milling	38%	37%	33%
– Illovo Sugar	34%	29%	27%
<b>Bananas</b>			
– Lebombo Growers	12%	12%	18%
– Various	1%	–	–
<b>Macadamias</b>			
– Various	2%	9%	5%
<b>Property</b>			
– Various	2%	3%	5%
<b>Other operations</b>			
– Various	2%	2%	3%
<b>Discontinued operations</b>			
<b>Deciduous fruit</b>			
– Two-A-Day	8%	6%	7%
– Western Cape Fruit Processors	1%	2%	2%
<b>Other operations</b>			
– Various	–	–	–
	<b>100%</b>	100%	100%

\* Re-presented for the impact of IFRS 5: Non-current Assets Held for Sale and Discontinued Operations. Refer to note 4.



# Notes to the unaudited consolidated interim financial statements continued

for the six months ended 30 September 2023

	Unaudited Six months to 30 September 2023 R'000	Unaudited Six months to 30 September 2022* R'000	Audited 12 months to 31 March 2023 R'000
<b>2. Non-trading items</b>			
Non-trading items cover those amounts that are not considered to be of an operating/trading nature.			
<b>Gains/(losses) on disposals of property, plant and equipment</b>			
Net gains/(losses) on disposal – general items	1 246	347	992
<b>Provisions</b>			
Provision for employee relocations and land restoration	–	–	(6 050)
<b>Expected credit losses (ECL)</b>			
Financial assets	–	–	(6 191)
	<b>1 246</b>	347	(11 249)
<b>Attributable to:</b>			
Continuing operations	481	346	(5 200)
Discontinued operations	765	1	(6 049)
	<b>1 246</b>	347	(11 249)
<b>3. Finance costs</b>			
Interest on bank overdraft and borrowings	20 646	11 262	27 364
Interest on revisionary sale and transfer obligations	1 639	2 213	3 531
Interest on lease liabilities	6 653	6 554	13 452
Other interest expense	48	–	206
	<b>28 986</b>	20 029	44 553
Less: Borrowing costs capitalised to qualifying asset	–	(3 291)	–
	<b>28 986</b>	16 738	44 553
<b>Attributable to:</b>			
Continuing operations	28 986	16 738	44 553
Discontinued operations	–	–	–
	<b>28 986</b>	16 738	44 553

\* Re-presented for the impact of IFRS 5: Non-current Assets Held for Sale and Discontinued Operations. Refer to note 4.



# Notes to the unaudited consolidated interim financial statements continued

for the six months ended 30 September 2023

## 4. Discontinued operations

During the prior reporting period, the directors resolved to dispose of the group's remaining deciduous farms in the Western Cape. The disposal includes the sale of all related property, plant and equipment, as well as the shares held in the Two-A-Day group.

An agreement for the disposal of the deciduous fruit farms in the Grabouw region of the Western Cape was concluded for R200 million. The proceeds will be settled by the purchaser on transfer of the properties, which is anticipated in the second half of the 2024 financial year.

Additionally, the group's shareholding in the deciduous operation Bellcro Farming will be disposed of to the outside shareholders effective 1 October 2023.

The proceeds on the disposals are expected to exceed the carrying amounts of the associated assets, and accordingly no impairment loss has been recognised on the classification of these assets as held for sale.

The above disposals constitute the disposal of a material reportable segment of the group, therefore the results have been disclosed as a discontinued operation in the statement of profit or loss and cash flows for the year.

The comparative statement of profit or loss and cash flows from discontinued operations have been restated to disaggregate those operations classified as discontinued.

	Unaudited Six months to 30 September 2023 R'000	Unaudited Six months to 30 September 2022 R'000	Audited 12 months to 31 March 2023 R'000
<b>Statement of profit or loss</b>			
Revenue	47 163	35 062	65 617
Operating profit/(loss) before biological assets	35 640	(7 616)	(24 923)
Change in fair value of biological assets	(18 077)	(18 147)	(71)
Operating profit/(loss) after biological assets	17 563	(25 763)	(24 994)
Non-trading items	765	1	(6 049)
Investment income	4	3	12
Profit/(loss) before tax	18 332	(25 759)	(31 031)
Tax expense	(4 950)	6 993	8 884
Profit/(loss) for the period from discontinued operations	13 382	(18 766)	(22 147)
<b>Statement of cash flows</b>			
Net cash (utilised in)/generated by operating activities	(19 267)	4 251	17 977
Net cash used in investing activities	-	(5 687)	(11 637)
<b>4.1 Assets classified as held for sale</b>			
<b>Statement of financial position</b>			
Property, plant and equipment	143 313	-	151 881
Financial assets: Equity investment	86	-	86
Deferred tax assets	704	-	-
Inventories	251	-	-
Trade and other receivables	2 964	-	-
Current tax assets	208	-	-
Cash and bank balances	71	-	-
	147 597	-	151 967

## 5. Property, plant and equipment

The group applies the depreciated historic cost model, in that property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated, however, leasehold land/land rights are amortised over the remaining period of the group's leases in the jurisdictions they operate in.

The net book value/depreciated historic cost of the group's freehold and leased land during the current reporting period totalled R73.6 million (2022: R76.9 million).

A valuation conducted over the group's land in the 2023 financial year by an independent valuator determined the market value of the group's land to be R1.74 billion (2022: R1.67 billion).



# Notes to the unaudited consolidated interim financial statements continued

for the six months ended 30 September 2023

	Unaudited Six months to 30 September 2023 R'000	Unaudited Six months to 30 September 2022 R'000	Audited 12 months to 31 March 2023 R'000	Audited 12 months to 31 March 2022* R'000
<b>6. Biological assets</b>				
<b>Fair value</b>				
Sugar cane	216 914	185 371	245 572	213 628
Deciduous fruit	–	–	18 077	18 147
Bananas	23 345	23 222	21 984	24 955
Macadamias	5 969	12 584	17 725	49 358
	<b>246 228</b>	<b>221 177</b>	<b>303 358</b>	<b>306 088</b>
<b>Analysis of fair values of growing crops:</b>				
<b>Fair value at beginning of year</b>	<b>303 358</b>	<b>306 088</b>	<b>306 088</b>	<b>286 509</b>
<b>(Losses)/gains arising from changes attributable to volume and price:</b>	<b>(60 264)</b>	<b>(99 389)</b>	<b>(11 427)</b>	<b>13 005</b>
<b>Continuing operations</b>				
<b>Sugar cane</b>				
– (Loss)/gain arising from physical growth/yield	(73 987)	(47 944)	2 067	(4 725)
– Gain/(loss) arising from area under crop to be harvested	–	–	12 621	(9 972)
– Gain arising from price changes	43 124	12 359	17 558	15 995
<b>Bananas</b>				
– (Loss)/gain arising from physical growth/yield	(761)	1 995	905	398
– Gain arising from area under crop to be harvested	–	–	2 182	552
– Gain/(loss) arising from price changes	2 122	(3 728)	(6 057)	4 605
<b>Macadamias</b>				
– (Loss)/gain arising from physical growth/yield	(8 098)	(34 052)	(16 118)	17 540
– Loss arising from price changes	(4 587)	(9 872)	(24 514)	(11 810)
<b>Discontinued operations</b>				
<b>Deciduous fruit</b>				
– (Loss)/gain arising from physical growth/yield	(18 077)	(18 147)	696	1 338
– Gain arising from area under crop to be harvested	–	–	79	866
– Loss arising from price changes	–	–	(846)	(1 782)
Effect of foreign currency exchange differences	3 134	14 478	8 697	6 574
<b>Fair value at end of period</b>	<b>246 228</b>	<b>221 177</b>	<b>303 358</b>	<b>306 088</b>

\* 31 March 2022 disclosed for comparative purposes only.

In terms of IAS 41: Agriculture, growing crops, comprising sugar cane, deciduous fruit, bananas and macadamias are accounted for as biological assets and are measured and recognised at fair value. Changes in the fair value are included in profit or loss.

The fair value of growing crops is determined based on current market prices less estimated selling costs.



# Notes to the unaudited consolidated interim financial statements continued

for the six months ended 30 September 2023

	Unaudited Six months to 30 September 2023	Unaudited Six months to 30 September 2022	Audited 12 months to 31 March 2023
<b>7. Exchange rates</b>			
US Dollar/Rand closing	18.94	18.02	17.80
US Dollar/Rand average	18.67	16.31	17.00
Rand/Metical closing	3.41	3.58	3.62
Rand/Metical average	3.46	3.95	3.80
Rand/Kwacha closing	1.11	0.87	1.20
Rand/Kwacha average	1.03	1.02	1.02
	<b>R'000</b>	R'000	R'000
<b>8. Reserves</b>			
<b>8.1 Foreign currency translation reserve</b>			
Balance at beginning of year	(2 577)	(71 804)	(71 804)
Exchange differences on translation of subsidiaries	20 952	106 055	69 227
<b>Balance at end of period</b>	<b>18 375</b>	34 251	(2 577)

The foreign currency translation reserve represents an accumulation of foreign currency translation differences, arising from the group's translation and consolidation of its Mozambique and Zambia subsidiaries.

The group translates these subsidiaries statements of financial position and profit or loss, at the spot and average rates respectively, based on their functional currencies of Meticals (MZN) and Kwacha (ZMW), versus the group's reporting currency of Rands (ZAR).

Refer to note 7 for the prevailing foreign exchange rates that impact the group.

During the current reporting period, the ZAR weakened against most major currencies, especially the USD, MZN and ZMW.

As a consequence, an equity increase of R21 million was recognised in the foreign currency translation reserve during the current reporting period (2023: R106 million).

This equity increase represents an increased ZAR translated value of the group's investment in its Mozambique and Zambia subsidiary, and is recorded in other comprehensive income, with no impact on profit or loss or headline earnings.



# Notes to the unaudited consolidated interim financial statements continued

for the six months ended 30 September 2023

Security	Unaudited Six months to 30 September 2023 R'000	Unaudited Six months to 30 September 2022 R'000	Audited 12 months to 31 March 2023 R'000
<b>9. Borrowings – interest-bearing</b>			
<b>9.1 Loans and demand facilities: amortised cost</b>			
Demand facility – Rand Merchant Bank	Secured 83 000	90 000	83 000
Bridging facility – Rand Merchant Bank	Secured 40 000	–	40 000
Property development facility – Investec Bank	Secured 19 296	–	24 579
Revolving credit loan – Akwandze Agricultural Finance	Secured 26 054	–	24 517
Term-loans – Akwandze Agricultural Finance	Secured 8 000	10 000	10 000
Term-loan – Grindrod Bank Limited	Secured 79 918	79 918	79 918
Term-loan – AgDevCo Limited	Secured 96 471	82 670	90 741
Term-loan – First National Bank Eswatini	Secured 18 921	20 329	20 956
	<b>371 660</b>	<b>282 917</b>	<b>373 711</b>
Included in the financial statements as:			
Non-current	<b>112 288</b>	186 432	102 918
Current	<b>259 372</b>	96 485	270 793
	<b>371 660</b>	<b>282 917</b>	<b>373 711</b>
<b>9.2 Total interest-bearing borrowings at amortised cost</b>			
Loans, bank overdrafts and facilities	<b>371 660</b>	282 917	373 711
<b>9.3 Net debt</b>			
Loans, bank overdrafts and facilities	<b>371 660</b>	282 917	373 711
Less: Cash and bank balances	<b>(122 652)</b>	(56 997)	(55 231)
	<b>249 008</b>	<b>225 920</b>	<b>318 480</b>
<b>9.4 Total short-term banking facilities</b>			
	<b>Type</b>	<b>Interest</b>	
Rand Merchant Bank	Demand	Prime minus 0.65%	100 000
Rand Merchant Bank	Bridging	Prime plus 1.15%	40 000
Investec Bank	Demand	Prime minus 0.5%	47 352
First National Bank Eswatini	Overdraft	Prime	25 000
			<b>212 352</b>
			125 000
			212 352
<b>9.5 Total long-term banking facilities</b>			
	<b>Type</b>	<b>Interest</b>	
Grindrod Bank Limited	Term	Prime	80 000
AgDevCo Limited (USD denominated)	Term	8%	151 261
First National Bank Eswatini	Term	Prime plus 1.5%	40 000
			<b>271 261</b>
			264 025
			262 410
<b>9.6 Net undrawn short-term banking facilities</b>			
	<b>Type</b>	<b>Interest</b>	
Rand Merchant Bank	Demand	Prime minus 0.65%	17 000
Investec Bank	Demand	Prime minus 0.5%	28 056
First National Bank Eswatini	Overdraft	Prime	25 000
			<b>70 056</b>
			10 000
			–
			25 000
			35 000
			64 773
<b>9.7 Net undrawn long-term banking facilities</b>			
	<b>Type</b>	<b>Interest</b>	
Grindrod Bank Limited	Term	Prime	82
AgDevCo Limited	Term	8%	66 177
First National Bank Eswatini	Term	Prime plus 1.5%	20 000
			<b>86 259</b>
			82
			63 011
			20 000
			83 093
			71 751



# Notes to the unaudited consolidated interim financial statements continued

for the six months ended 30 September 2023

## 9. Borrowings – interest-bearing continued

### 9.8 Financial covenants

The following group subsidiary is subject to lender-imposed financial covenants, effective for the current reporting period.

	Requirement	FNB Target times	Unaudited Six months to 30 September 2023 Actual times	Unaudited Six months to 30 September 2022 Actual times	Audited 12 months to 31 March 2023 Actual times
<b>Crookes Plantations Limited</b>					
Net Interest-Bearing Debt to EBITDA Ratio	≤	2.50	<b>0.40</b>	0.48	0.80
EBITDA Interest Cover Ratio	≥	4.00	<b>53.20</b>	55.00	9.30
Debt Service Cover Ratio	>	1.30	<b>15.30</b>	25.00	6.10

Crookes Plantations Limited has passed all financial covenants for the current and previous reporting and measurement periods. Murrimo Macadamias Limitada (MML) is subjected to lender-imposed financial covenants for measurement periods ending 31 March.

At the 31 March 2023 measurement period, MML had breached the financial covenants resulting in the AgDevCo loan being classified as current.

AgDevCo has subsequently, issued MML with a temporary waive of the financial covenant breach until 31 December 2023, effective from 31 March 2023. The AgDevCo loan has therefore been classified as non-current.

## 10. Fair value disclosure

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The following table provides an analysis of financial instruments that are measured at fair value:

	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total R'000
<b>Unaudited six months to 30 September 2023</b>				
Investment property	–	<b>116 798</b>	–	<b>116 798</b>
Financial assets: equity investments*	–	–	<b>900</b>	<b>900</b>
Biological assets	–	–	<b>246 228</b>	<b>246 228</b>
Property, plant and equipment – market value disclosure	–	–	<b>1 742 200</b>	<b>1 742 200</b>
	–	<b>116 798</b>	<b>1 989 328</b>	<b>2 106 126</b>
<b>Unaudited six months to 30 September 2022</b>				
Investment property	–	117 217	–	117 217
Financial assets: equity investments	–	–	6 073	6 073
Biological assets	–	–	221 177	221 177
Property, plant and equipment – market value disclosure	–	–	1 670 000	1 670 000
	–	117 217	1 897 250	2 014 467
<b>Audited 12 months to 31 March 2023</b>				
Investment property	–	114 118	–	114 118
Financial assets: equity investments*	–	–	900	900
Biological assets	–	–	303 358	303 358
Property, plant and equipment – market value disclosure	–	–	1 742 200	1 742 200
	–	114 118	2 046 458	2 160 576

\* Includes balances disclosed as held for sale. Refer to note 4.



# Notes to the unaudited consolidated interim financial statements continued

for the six months ended 30 September 2023

## 10. Fair value disclosure continued

The above assets are measured at fair value on a recurring basis.

There have been no material transfers between level 1 and 2 of any financial assets in the current financial reporting period.

The following table gives information about how the fair values of these assets are determined (in particular, the valuation technique(s) and inputs used):

Assets	Unaudited fair value as at 30 September 2023 R'000	Unaudited fair value as at 30 September 2022 R'000	Audited fair value as at 31 March 2023 R'000	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable inputs to fair value	Relationship of unobservable inputs to fair value
Investment property	116 798	117 217	114 118	Level 2	Comparable sales method. Relevant selling price per square metre with respect to similar residential units or number of bedrooms.	None.	None.
Financial assets: equity investments	900	6 073	900	Level 3	Fair value approximates cost.	None.	None.
Biological assets	246 228	221 177	303 358	Level 3	Recoverable value. Current estimated market prices for the following season, less the estimated costs of harvesting, transport, packing and point-of-sale costs.	Refer to sensitivity analysis below for significant unobservable inputs.	In arriving at the fair value, the estimated price is applied against the expected area to harvest, together with the estimated yields and average maturity of the crop. The higher the estimated market price less the estimated costs, the higher the value of the biological assets.
Property, plant and equipment – market value disclosure	1 742 200	1 670 000	1 742 200	Level 3	Independent external property valuation.	Value per hectare determined per expert valuation.	A 10% change in the value per hectare will result in a change to market value disclosed by R174.2 million.

### Level 3 measurements

#### Biological assets measurement

The group's growing crops are measured at fair value which is determined using estimated unobservable inputs and is categorised as level 3 under the fair value hierarchy. The unobservable inputs are disclosed in the fair value hierarchy.

Changes in the fair value of biological assets are included in profit or loss, with a decrease of R60.3 million (2022: decrease of R99.4 million) being recognised in profit or loss in the current period. A reconciliation of the change in fair value for the period is included in note 6.



# Notes to the unaudited consolidated interim financial statements continued

for the six months ended 30 September 2023

## 10. Fair value disclosure continued

Sensitivity analysis biological assets	Significant unobservable inputs	Range of unobservable inputs	Sensitivity of the input to fair value	
			%	R'000
Unaudited six months to 30 September 2023 Sugar cane	Price per ton	RSA: R7 385 Eswatini: R6 160 Zambia: R6 714	10%	25 286
	Direct costs per ton	RSA: R1 120 Eswatini: R868 Zambia: R621	10%	(3 595)
	Tons per hectare (Yield)	RSA: 90 Eswatini: 86.55 Zambia: 139.3	10%	21 691
	Extraction rate	RV: 13.2% Sucrose: 13.7% ERC: 12.2%	0.5%	8 160
Bananas	Price per carton	RSA: R110.49 Eswatini: R104.41	10%	3 433
	Direct costs per carton	RSA: R34.46 Eswatini: R39.08	10%	(1 099)
	Tons per hectare (Yield)	RSA: 57.8 Eswatini: 57.8	10%	2 335
Macadamias	Price per ton	R37 815	10%	808
	Direct costs per ton	R9 889	10%	(211)
	Tons per hectare (Yield)	2.05	10%	597
Unaudited six months to 30 September 2022 Sugar cane	Price per ton	RSA: R5 887 Eswatini: R4 968 Zambia: R7 548	10%	22 332
	Direct costs per ton	RSA: R1 046 Eswatini: R939 Zambia: R747	10%	(3 795)
	Tons per hectare (Yield)	RSA: 101.5 Eswatini: 94.11 Zambia: 134.1	10%	18 537
	Extraction rate	RV: 13.2% Sucrose: 14.01% ERC: 12.1%	0.5%	6 976
Bananas	Price per carton	RSA: R105.54 Eswatini: R104.46	10%	3 263
	Direct costs per carton	RSA: R30.14 Eswatini: R34.27	10%	(941)
	Tons per hectare (Yield)	RSA: 60.8 Eswatini: 58.0	10%	2 322
Macadamias	Price per ton	R72 012	10%	1 411
	Direct costs per ton	R7 788	10%	(153)
	Tons per hectare (Yield)	2.00	10%	1 258



# Notes to the unaudited consolidated interim financial statements continued

for the six months ended 30 September 2023

## 10. Fair value disclosure continued

Sensitivity analysis biological assets	Significant unobservable inputs	Range of unobservable inputs	Sensitivity of the input to fair value	
			%	R'000
Audited 12 months to 31 March 2023				
Sugar cane				
	Price per ton	RSA: R6 004 Eswatini: R5 223 Zambia: R6 229	10%	29 458
	Direct costs per ton	RSA: R1 040 Eswatini: R912 Zambia: R621	10%	(4 901)
	Tons per hectare (Yield)	RSA: 101.50 Eswatini: 100.40 Zambia: 135.90	10%	24 558
	Extraction rate	RV: 13.2% Sucrose: 13.5% ERC: 12%	0.5%	9 292
Deciduous fruit				
	Price per kg	R3.58	10%	2 386
	Direct costs per kg	R0.85	10%	(578)
	Tons per hectare (Yield)	64	10%	1 808
	Packout %:			
	Class 1 to juice	43.7%	10%	(2 852)
	Class 1 to class 3	43.7%	10%	(4 400)
Bananas				
	Price per carton	RSA: R102.76 Eswatini: R105.96	10%	3 352
	Direct costs per carton	RSA: R35.22 Eswatini: R37.37	10%	(1 154)
	Tons per hectare (Yield)	RSA: 58.6 Eswatini: 60.1	10%	2 198
Macadamias				
	Price per ton	R39 129	10%	2 286
	Direct costs per ton	R8 801	10%	(514)
	Tons per hectare (Yield)	1.11	10%	1 772

A 10% sensitivity rate is used when reporting the fair value of the group's biological assets insofar as its fluctuations relating to unobservable inputs.

Although a 10% sensitivity is not always reflective of extreme year-on-year movements in unobservable inputs that occur due to macro economic, geopolitical and climatic events outside of the group's control.

The impact of a change in each of the biological asset unobservable inputs up or (down) would give rise to a positive or (negative) effect on pre-tax profit or loss.

### Financial assets: equity investments measurement

	Note	Unaudited Six months to 30 September 2023 R'000	Unaudited Six months to 30 September 2022 R'000	Audited 12 months to 31 March 2023 R'000
<b>Equity investments: at FVTOCI</b>				
Elgin Co-operative Fruitgrowers	1	166	166	166
Villiersdorp Co-operative*	2	661	610	661
Other farming co-operatives and agribusinesses	2	5	9	5
Two-A-Day Group*	3	68	68	68
Two-A-Day Vacation Station	4	–	5 220	–
		<b>900</b>	6 073	900

\* Includes balances disclosed as held for sale.



# Notes to the unaudited consolidated interim financial statements continued

for the six months ended 30 September 2023

## 10. Fair value disclosure continued

### Management judgements

1. The directors have assessed the fair value of this investment against the net asset value and share price extracted from the latest available audited financial information for this company.
2. These investments which are linked to the group's deciduous farms, are required to be sold back to the co-op at cost should the group exit its shareholding. Given that the exit price of the shares in the co-op is at cost, the directors assessment of fair value is R665 709 (2022: R618 308).
3. TAD functions as the packhouse and marketing facility for a number of fruitgrowers in the Grabouw/Elgin region and has invested significantly in packing and storage infrastructure, and marketing and logistics facilities over many years, paid for by the members as a deduction from deciduous revenues.

These shares do not carry any right to dividends, and have to be sold back to TAD at cost should the group exit its shareholding in TAD.

Given that the exit price of the share in the co-op is at cost, the directors assessment of fair value in TAD is R67 509 (2022: R67 509). See note 1 above for the same judgements applied by the directors in the valuation of this investment.

4. The group holds shares in an unlisted investment for purposes of an employee benefit scheme, in partnership with TAD. Due to the deciduous operations being held for sale and no future contributions expected, the directors fully impaired the investment during the prior year.

	Unaudited Six months to 30 September 2023 R'000	Unaudited Six months to 30 September 2022 R'000	Audited 12 months to 31 March 2023 R'000
--	---	---	--

## 11. Related party transactions

Information regarding significant transactions with related parties is presented below.

Transactions are carried out on an arm's-length basis.

### Silverlands Mozambique Holdings Limited (Joint venture)

Management fees	495	467	2 309
Interest income	514	519	1 010
Current account	(20 325)	(6 854)	(17 167)
Loan to joint venture	22 266	25 465	20 993

### Lebombo Growers (Pty) Ltd (Associate)

Banana marketing and transport costs paid	(26 045)	(28 725)	(57 606)
Dividend income	-	-	3 538
Current account	(321)	(4 825)	(3 000)
Banana pool accrual	10 413	6 169	10 923



# Corporate information

## Crookes Brothers Limited

Incorporated in the Republic of South Africa  
Registration number 1913/000290/06  
Share code: CKS  
ISIN: ZAE000001434

## Registered office and postal address

2nd Floor, Ridge 6, 20 Ncondo Place, Umhlanga Ridge, 4319  
PO Box 611, Mount Edgecombe, KwaZulu-Natal, 4300

## Directors

LW Riddle \*(Chairman), KA Sinclair (CEO), N Naidoo (CFO)  
RGF Chance\*, TJ Crookes\*, TK Denton\*\*, F Mall\*, G Vaughan-Smith\*\*, ST Xaba\*

\*Non-executive director

#British

## Attorneys

Livingston Leandy Inc.

## Auditors

BDO South Africa Inc.

## Bankers

FirstRand Bank Limited

## Sponsor

Questco Corporate Advisory (Pty) Ltd

## Transfer secretaries

Computershare Investor Services (Pty) Ltd

## Website

[www.cbl.co.za](http://www.cbl.co.za)





**CROOKES  
BROTHERS**

[WWW.CBL.CO.ZA](http://WWW.CBL.CO.ZA)