SUMMARISED UNAUDITED INTERIM GROUP RESULTS

for the six months ended 29 February 2024

Revenue from continuing operations
R2.117 billion
(2023: R2.019 billion) ↑ 5%

HEPS from continuing operations
61c per share
(2023: 29c per share) ↑ 110%

Profit before tax from continuing operations
R141 million
(2023: R83 million) ↑ 70%

Net asset value per share
R13.86 per share
(31 August 2023: R13.91 per share)

NATURE OF BUSINESS

enX Group Limited (**"enX"** or the **"Group"**) is a manufacturer and distributor of quality branded lubricants and power equipment and a distributor of quality branded chemicals.

- enX Lubricants ("**Lubricants**"):
  - African Group Lubricants (**"AG Lubricants"**) produces and markets oil lubricants and greases in South Africa and sub-Saharan Africa and is the sole distributor of ExxonMobil lubricants (excluding marine and aviation) and Quaker Houghton International's advanced fluids solutions and services (excluding metalworking).
- enX Power ("**Power**"):
  - New Way Power designs, manufacturers, installs, rents and maintains diesel generators and distributes a range of industrial engines. They also offer cleaner power through solar hybrid and grid alternatives.
- enX Chemicals ("**Chemicals**"):
  - West African International ("**WAG**") imports, stores and distributes polymers, rubber and speciality chemicals as well as conveyor belting, steel cord and conveyor belting fabric into Southern Africa.
- **Discontinued operations**
  - Eqstra Fleet management ("**Eqstra**"), which previously made up the Fleet segment, provides a full spectrum of commercial and passenger vehicle leasing services including fleet management, outsourcing solutions, maintenance, warranty management, remarketing and vehicle tracking solutions. Included in Eqstra, is **Kynite**, a Software-as-a-Service ("**SaaS**") solution which digitises the full spectrum of vehicle services, with external customers now making use of this offering. Both Eqstra and Kynite were classified as a disposal group held for sale in terms of IFRS 5 with effect from 31 August 2023.

FINANCIAL RESULTS

Overview

The results for the six months ended 29 February 2024 reflect excellent performances despite the continuing challenging economic conditions.

Cash was returned to shareholders in the form of a special distribution of R1.00 per enX ordinary share paid on 27 November 2023. Net debt to equity, including the disposal group held for sale, increased to 57% (31 August 2023: 39%) as debt was used to finance the growth in Eqstra's leasing book. The Group's net asset value per share was R13.86 per share (31 August 2023: R13.91 per share).

Revenue from continuing operations increased 5% to R2.117 billion (2023: R2.019 billion) mainly supported by increased volumes of polyethylene and speciality chemicals and components products together with increased generator sales and related services primarily to large data-centre customers. While volumes of toll-blending were up considerably, average selling prices were down due to the pass through of lower base oil pricing.

Operating profit from continuing operations before net finance costs, our share of profit from our associate and impairments, increased 63% to R124 million (2023: R76 million) supported by better margins particularly in Lubricants and Chemicals.

Profit before tax from continuing operations increased 70% to R141 million (2023: R83 million).

Headline earnings per share from continuing operations was 61 cents per share (2023: 29 cents per share), an increase of 110%.

Capital expenditure

Capital expenditure, excluding the acquisition of leased assets was R16 million (2023: R98 million), the majority being improvements made to AG Lubricant's and New Way's property, plant and equipment.

Funding

The Group's total net interest-bearing liabilities (including disposal group held for sale net interest-bearing liabilities and total leased liabilities) was R1.459 million (31 August 2023: R1.008 billion), the increase arising mainly from growth in Eqstra's leasing book and the R182 million distribution.

Eqstra

During September 2023, management extended the maturity of Eqstra's two credit facilities by 24 months. The Revolving Credit Facility (**"RCF"**) set to mature in December 2023, was extended to December 2025 and the term loan of R726 million due to mature in December 2024 was extended to December 2026.

Thereafter, the RCF was increased by an additional R200 million, bringing the total size of the RCF to R936 million which is fully drawn. This was arranged to finance the acquisition of vehicles for Eqstra's growing leasing book.

All financial covenants for the measurement periods covered by the report have been met.

enX Trading

enX Trading's credit facilities were repaid and cancelled during March 2023. This was financed by dedicated credit facilities raised in WAG, AG Lubricants, Ingwe and New Way Power, which were previously funded by enX Trading. Each entity now has their own maintenance covenants to comply with.

During the current period, AG Lubricants' borrowing base facility was increased from R150 million to R200 million, while New Way's indirect facilities were increased from R50 million to R86 million. WAG has trading facilities of R260 million.

We believe these dedicated facilities will provide adequate liquidity for these businesses to continue to trade and grow. The covenants of these dedicated credit facilities for the measurement periods covered by the report have been met.

Cash flows

Net cash flow before financing amounted to an outflow of R239 million (2023: R149 million), with cash being utilised to increase working capital and replace and grow the leasing book. Included in working capital outflows of R667 million (2023: R384 million) is the net book value of leasing assets reclassified into inventories amounting to R217 million (2023: R242 million) and the acquisition of leasing assets of R864 million (R2023: R466 million).

OPERATIONAL OVERVIEW

Lubricants

AG Lubricants revenue increased marginally to R850 million (2023: R844 million). Volumes from toll-blending were considerably higher but average selling prices were down due to the pass through of lower base-oil pricing. Operating expenses relative to turnover decreased with increasing throughput through the plant. An amount of R19 million (after tax: R13 million) in respect of a provision for the non-achievement of contractual commitments required by a DRC mining customer, which have now been achieved, was released in the period. The achievement of these contractual commitments was highly uncertain on 31 August 2023, hence the provision for a potential liability. Profit before tax was R48 million (2023: R24 million), a significant increase relative to the prior period. The prior period's profitability was negatively impacted by a charge of around R19 million arising from the derecognition of the Right of Use Asset and related lease obligation as a result of the blending plant being acquired by the Group in December 2022.

Our share of the profit from our associate, Zestcor, was R14 million (2023: R10 million), which continues to trade well.

Power

New Way Power revenue increased 10% to R333 million (2023: R302 million) primarily due to increased generator sales and related services to large data-centre customers. In addition, with persistent load-shedding in the first quarter, there was continued demand for generators and parts accompanied by related maintenance services. Sale of photovoltaic systems slowed with some saturation of the market. Rental of generators for both short-term events and longer-term purposes was at a similar level as the comparative period. Profit before tax was R46 million (2023: R29 million),a 59% increase.

Chemicals

WAG's revenue increased by 5% to R939 million (2022: R892 million) impacted by growth in polyethylene and speciality chemicals and component products. Profit before tax was R45 million (2023: R28 million), an increase of 61%.

Discontinued operations

Current year

Shareholders are referred to the SENS announcement dated 12 December 2023 announcing the disposal of Eqstra to Nedbank Group Limited **("the Transaction")**, wherein definitive transaction agreements (**"Transaction Agreements"**) were concluded between the parties. The Transaction constitutes a disposal of all or a greater part of enX's assets or undertaking as contemplated in section 112 (read with section 115) of the Companies Act No 71 of 2008 (**"Companies Act"**), an affected transaction as contemplated in section 117 of the Companies Act being regulated by the Transaction Regulation Panel (**"TRP"**) and a category 1 disposal in terms of section 9 of the JSE Listing Requirements. In terms of the Transaction Agreement's, enX would dispose of its equity ownership in Eqstra for its net asset value plus R16 million less certain agreed transaction related costs on the effective date. R100 million of the gross proceeds will be applied to an escrow deposit which is required for a period of three years post the closing date as restricted cash collateral for any claims that may arise in relation to uninsured warranties and indemnities. The long stop date of the Transaction is 12 September 2024. The Transaction was approved by enX shareholders by way of a special resolution at a special General Meeting on 3 April 2024 and all the suspensive conditions to the Transaction have been fulfilled as announced on SENS on 19 April 2024. Accordingly, the effective date of the transaction is 30 April 2024. The Company expects the Transaction to be implemented during June 2024.

Eqstra's revenue was R942 million (2023: R898 million), reflecting an increase of 5%. Leased units were 11,905 units (2023: 11,210 units) with net book value of leased assets growing to R3.063 billion (2023: R2.368 billion), a period-on-period increase of 29% which is indicative of Eqstra's strong new business flow and availability of new vehicles. Revenue growth from value added products remains robust, while margins earned on the sale of used vehicles have remained elevated although lower than the prior year.

In terms of IFRS 5, Eqstra has been reported as a disposal group held for sale and discontinued operation from 31 August 2023, the date that the conditions were met to be classified as such. Eqstra was required to cease depreciation and amortisation from that date and assess the carrying value of the held for sale assets relative to the transaction value. Consequently, depreciation and amortisation from 1 September 2023 amounting to R274 million (after tax R200 million) was not recorded in the current period. On a like-for-like basis, profit before tax was lower at R66 million (2023: R83 million) as a result of lower used vehicle sales and margins. The assets held for sale were impaired by R200 million relative to the transaction value which equates to the after tax depreciation and amortisation not charged in the period.

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited as at 29 February 2024 R'000	Unaudited as at 28 February 2023 R'000	Audited as at 31 August 2023 R'000
ASSETS			
Non-current assets	**394 161**	2 950 257	376 250
Property, plant and equipment	**175 171**	212 290	177 493
Leasing assets	**–**	2 368 472	–
Intangible assets	**43 555**	96 168	48 811
Investment in associate	**121 137**	119 351	114 607
Unlisted investments and receivables	**2 196**	136 181	2 475
Deferred taxation	**52 102**	17 795	32 864
Current assets	**2 372 687**	2 268 687	2 146 411
Trade, other receivables and derivatives	**685 698**	936 397	841 142
Inventories	**1 011 233**	879 473	866 725
Unlisted investments and receivables	**135 240**	–	135 240
Taxation receivable	**297**	51 198	324
Bank and cash balances	**540 219**	401 619	302 980
Disposal group held for sale	**3 407 154**	–	3 049 317
Total assets	**6 174 002**	5 218 944	5 571 978
EQUITY AND LIABILITIES			
Total shareholders' interests	**2 549 036**	2 408 483	2 582 916
Stated capital	**2 313 686**	2 495 999	2 495 999
Other reserves	**(713 160)**	(716 612)	(714 022)
Accumulated profits	**912 319**	571 331	740 986
Equity attributable to equity holders of the parent	**2 512 845**	2 350 718	2 522 963
Non-controlling interests	**36 191**	57 765	59 953
Non-current liabilities	**104 264**	1 025 664	108 489
Interest-bearing liabilities	**28 650**	726 366	37 061
Lease liabilities	**12 228**	8 753	11 696
Cash settled and option liabilites	**63 078**	66 929	59 732
Deferred taxation	**308**	223 616	–
Current liabilities	**1 218 113**	1 784 797	1 231 936
Interest-bearing liabilities	**290 747**	737 654	228 216
Lease liabilities	**3 258**	3 212	4 620
Trade, other payables, provisions and derivatives	**881 922**	1 017 004	961 867
Cash settled and option liabilites	**21 167**	–	11 900
Taxation payable	**21 019**	26 927	25 333
Liabilities associated with disposal group held for sale	**2 302 589**	–	1 648 637
Total equity and liabilities	**6 174 002**	5 218 944	5 571 978
Supplementary information:			
Number of shares in issue	**182 312 650**	182 312 650	182 312 650
Number of shares in issue (net of treasury shares)	**181 366 763**	181 366 763	181 366 763
Net asset value per share (cents)	**1 386**	1 296	1 391
Net tangible asset value per share (cents)	**1 361**	1 243	1 364

SPECIAL DISTRIBUTIONS

The special distribution out of contributed tax capital of R1.00 per share was paid to enX ordinary shareholders on 27 November 2023.

OUTLOOK

The most significant macro risks to the Group wide performance are potential social and financial market volatility given the possible outcomes of the national elections and the impact of higher global interest rates for an extended period of time. The consequences, particularly to supply chains, of geopolitical events may affect the Group, as well as the general deterioration of South Africa's critical infrastructure.

Conditions within the AG Lubricant and WAG business are expected to remain stable.

Together with saturation in the market, levels of growth in New Way Power are dependent on the extent and duration of load-shedding in presenting opportunities. While there is a robust order book for the sale of generators to data-centre customers for the next nine months, profits have reduced in months where the frequency of load shedding is low.

We expect to implement the Eqstra Transaction during June 2024.

GOING CONCERN AND SUBSEQUENT EVENTS

Funding and Liquidity

Longer lead times arising from supply chain constraints, both locally and abroad, has increased net working capital requirements but liquidity in all our businesses remains robust with well managed working capital.

Based on our assessment of the prospects and cash flows for each business as at the date of signing we believe that the credit facilities and surplus cash we have in place provides sufficient liquidity for the businesses to continue trading and support growth for the foreseeable future.

Subsequent Events

There have been no material events subsequent to period end that have been taken into account in the financial statements, except for the following:

- The disposal of Eqstra to Nedbank was approved by the enX shareholders by way of a special resolution at a special General Meeting on 3 April 2024. All suspensive conditions to the Transaction have been fulfilled and the Transaction is now unconditional. The Transaction Regulation Panel has issued a compliance certificate in respect of the Transaction in terms of section 121(b)(i) of the Companies Act and the Transaction may now be implemented.
- On 1 April 2024 the escrow funds of around R135 million that related to the EIE SA transaction were released and became unrestricted. There were no warranty or indemnity claims lodged by the buyer. Around R20 million of interest received was accrued on these funds for the benefit of enX during the two year escrow period.

Except for the above, there have been no other material events subsequent to period end that have been taken into account in the preparation of the results.

CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern and provide acceptable returns for shareholders through maintaining an optimal capital structure. The Group defines capital as equity funding provided by shareholders and debt funding from external parties.

Shareholder funding comprises permanent paid-up capital, revenue reserves and other reserves, being revaluation reserves (if any) and foreign currency translation reserves. The board's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business.

The board of directors monitors its cost of capital, which the Group defines as the weighted average cost of capital, taking into account the Group's internally calculated cost of equity and cost of debt. The board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound equity position.

The Group's debt capacity and gearing levels are determined by its cash flow profile and are measured through applicable ratios such as net debt to EBITDA, gearing and interest cover. To maintain or adjust the capital structure, in the absence of significant investment opportunities, the Group may make distributions. The board has over a period of three years implemented a strategy of each business procuring stand-alone unguaranteed credit facilities. This strategy is fully implemented and finalised.

There were no changes in the Group's approach to capital management during the year. Neither the company nor any of its subsidiaries are subject to externally imposed capital requirements.

BASIS OF PREPARATION

The summarised unaudited interim financial results for the six months ended 29 February 2024 have been prepared in accordance with IFRS and complies with IAS 34 Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Board, the Financial Pronouncements as issued by the Financial Reporting Standards Council, the requirements of the Companies Act and the Listing Requirements of the JSE Limited. The accounting policies used in the preparation of the condensed unaudited interim financial results for the six months ended 29 February 2024 are consistent with those applied in the audited financial statements for the year ended 31 August 2023.

During the period, the Group adopted those standards, and interpretations in issue and effective for the period. The adoption of these new and amended standards and interpretations has not had a significant impact on the Group's adopted accounting policies.

These results have been compiled under the supervision of Robert Lumb CA(SA), the Chief Financial Officer. The condensed interim financial results have not been reviewed or reported on by the Group auditors.

SUMMARISED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Unaudited for the six months ended 29 February 2024 R'000	Restated* Unaudited for the six months ended 28 February 2023 R'000	Audited for the year ended 31 August 2023 R'000
Continuing operations			
Revenue	**2 116 791**	2 018 929	4 194 783
Cost of sales	**(1 806 259)**	(1 762 814)	(3 636 394)
Gross profit	**310 532**	256 115	558 389
Expected credit (loss)/release	**(4 206)**	3 680	6 162
Operating expenses	**(182 278)**	(183 817)	(316 825)
Operating profit before items listed below	**124 048**	75 978	247 726
Impairment of goodwill, intangible assets and property, plant and equipment	**(14)**	–	(1 821)
Operating profit before net finance costs and earnings from associate	**124 034**	75 978	245 905
Net finance costs	**2 733**	(2 493)	(4 087)
Interest income	**22 553**	16 034	31 187
Interest expense	**(19 820)**	(18 527)	(35 274)
Share of profit/(loss) from associate	**13 930**	9 933	18 509
Profit before taxation	**140 697**	83 418	260 327
Taxation	**(19 448)**	(22 190)	(69 482)
Profit after taxation	**121 249**	61 228	190 845
Attributable to:			
Equity holders of the parent	**111 060**	52 501	163 672
Non-controlling interests	**10 189**	8 727	27 173
Profit after taxation	**121 249**	61 228	190 845
Discontinued operations			
Profit for the year from discontinued operations	**44 822**	73 706	132 190
Net profit after taxation ("PAT")	**166 071**	134 934	323 035
Attributable to:			
Equity holders of the parent	**155 882**	126 207	295 862
Continuing operations	**111 060**	52 501	163 672
Discontinued operations	**44 822**	73 706	132 190
Non-controlling interests	**10 189**	8 727	27 173
Net profit after taxation	**166 071**	134 934	323 035
Other comprehensive income net of taxation:			
Net profit after taxation	**166 071**	134 934	323 035
Items that may be reclassified subsequently to profit or loss:			
– Foreign currency translation reserve	**11 178**	8 588	11 178
Total comprehensive income	**177 249**	143 522	334 213
Attributable to:			
Equity holders of the parent	**167 060**	134 795	307 040
Non-controlling interests	**10 189**	8 727	27 173
Total comprehensive income	**177 249**	143 522	334 213
Earnings per share from continuing operations			
Basic earnings per share (cents)	**61**	29	90
Diluted earnings per share (cents)	**61**	29	90
Headline earnings per share (cents)	**61**	29	94
Earnings per share from discontinued operations			
Basic loss per share (cents)	**25**	41	73
Diluted loss per share (cents)	**25**	41	73
Headline earnings per share (cents)	**135**	41	70

* *Shareholders are referred to the SENS announcement dated 12 December 2023 announcing the disposal of Eqstra to Nedbank Group Limited ("Nedbank"), wherein definite transaction agreements have been concluded between the parties. In terms of IFRS 5, Eqstra has been reported as a disposal group held for sale and discontinued operation from 31 August 2023. Therefore, the statement of profit or loss and other comprehensive income for the six months ended 28 February 2023 has been represented in accordance with IFRS 5 to take into account the disposal.*

HEADLINE EARNINGS AND EBIT RECONCILIATION

	Unaudited for the six months ended 29 February 2024 R'000	Restated Unaudited for the six months ended 28 February 2023 R'000	Audited for the year ended 31 August 2023 R'000
Net profit after taxation attributable to equity holders of the parent	**155 882**	126 207	295 862
Adjusted for:			
Profit on disposal of property, plant and equipment	**(196)**	(104)	7 814
Impairment of goodwill, intangible assets and property, plant and equipment	**199 872**	–	(946)
Profit on purchase of investment	**–**	–	(1 471)
Taxation effect on adjustments	**49**	28	(3 348)
Headline earnings attributable to ordinary shareholders	**355 607**	126 131	297 911
Reconciliation of headline earnings – continuing operations			
Net profit after taxation attributable to equity holders of the parent	**111 060**	52 501	163 672
Adjusted for:			
(Profit)/loss on disposal of property, plant and equipment	**(212)**	(104)	7 950
Impairment of goodwill, intangible assets and property, plant and equipment	**14**	–	1 821
Taxation effect on adjustments	**53**	28	(2 638)
Headline earnings attributable to ordinary shareholders – continuing operations	**110 915**	52 425	170 805
Reconciliation of headline earnings – discontinued operations			
Net loss after taxation attributable to equity holders of the parent	**44 822**	73 706	132 190
Adjusted for:			
Loss/(profit) on disposal of property, plant and equipment	**16**	–	(136)
Impairment of goodwill, intangible assets and property, plant and equipment	**199 858**	–	(2 767)
Profit on purchase of investment	**–**	–	(1 471)
Taxation effect on adjustments	**(4)**	–	(710)
Headline earnings attributable to ordinary shareholders – discontinued operations	**244 692**	73 706	127 106

DIRECTORS

Executive directors: A Hannington (Chief Executive Officer), R Lumb (Chief Financial Officer)
Non-executive directors: P Baloyi (Chairman), Z Matthews*, R Mokhobo ^, N Simamane*
(* Independent, ^ Lead independent)

Effective 22 April 2024, Mr Warren Chapman resigned as a non-executive of the Company and accordingly, as Chairman of the Remuneration Committee and as a Member of the Nomination Committee.

For and on behalf of the Board

A Hannington
Chief Executive Officer

R Lumb
Chief Financial Officer

15 May 2024

SUMMARISED CONSOLIDATED SEGMENTAL ANALYSIS

	POWER			FLEET			LUBRICANTS			CHEMICALS			GROUP, FINANCING AND CONSOLIDATION			TOTAL		
	Unaudited for the six months ended 29 February 2024 R'000	Unaudited for the six months ended 28 February 2023 R'000	Audited for the year ended 31 August 2023 R'000	Unaudited for the six months ended 29 February 2024 R'000	Restated[3] Unaudited for the six months ended 28 February 2023 R'000	Audited for the year ended 31 August 2023 R'000	Unaudited for the six months ended 29 February 2024 R'000	Restated[4] Unaudited for the six months ended 28 February 2023 R'000	Audited for the year ended 31 August 2023 R'000	Unaudited for the six months ended 29 February 2024 R'000	Restated[4] Unaudited for the six months ended 28 February 2023 R'000	Audited for the year ended 31 August 2023 R'000	Unaudited for the six months ended 29 February 2024 R'000	Restated[3] Unaudited for the six months ended 28 February 2023 R'000	Audited for the year ended 31 August 2023 R'000	Unaudited for the six months ended 29 February 2024 R'000	Restated[3] Unaudited for the six months ended 28 February 2023 R'000	Audited for the year ended 31 August 2023 R'000
Revenue[1]	**333 062**	301 680	682 742	**–**	–	–	**850 352**	844 224	1 685 798	**939 472**	891 869	1 870 080	**(6 095)**	(18 844)	(43 837)	**2 116 791**	2 018 929	4 194 783
– South Africa	**333 062**	301 680	682 742	**–**	–	–	**690 664**	720 225	1 374 701	**939 472**	891 869	1 856 361	**–**	2	–	**1 963 198**	1 913 776	3 913 804
– Rest of world	**–**	–	–	**–**	–	–	**157 095**	115 365	293 968	**–**	–	–	**–**	–	–	**157 095**	115 365	293 968
– Intercompany	**–**	–	–	**–**	–	–	**2 593**	8 634	17 129	**–**	–	13 719	**(6 095)**	(18 846)	(43 837)	**(3 502)**	(10 212)	(12 989)
EBITDA	**50 131**	36 511	109 977	**–**	–	–	**65 980**	52 492	140 078	**54 065**	36 591	101 394	**(27 866)**	(27 177)	(56 220)	**142 310**	98 417	295 229
Depreciation and amortisation[2]	**(6 331)**	(4 635)	(12 455)	**–**	–	–	**(10 456)**	(16 245)	(33 878)	**(1 470)**	(1 477)	(2 936)	**(19)**	(82)	(55)	**(18 276)**	(22 439)	(49 324)
EBIT[5]	**43 800**	31 876	97 522	**–**	–	–	**55 524**	36 247	106 200	**52 595**	35 114	98 458	**(27 885)**	(27 259)	(56 275)	**124 034**	75 978	245 905
– South Africa	**43 800**	31 876	97 522	**–**	–	–	**52 518**	12 616	76 958	**52 595**	35 114	98 458	**(27 885)**	(27 259)	(56 275)	**121 028**	52 347	216 663
– Rest of world	**–**	–	–	**–**	–	–	**3 006**	23 631	29 242	**–**	–	–	**–**	–	–	**3 006**	23 631	29 242
Net finance costs	**2 314**	(2 578)	3 600	**–**	–	–	**(7 240)**	(12 260)	(28 978)	**(7 256)**	(7 485)	(13 892)	**14 915**	19 830	35 183	**2 733**	(2 493)	(4 087)
Interest income	**2 668**	1 565	4 059	**–**	–	–	**4 748**	355	778	**756**	4 923	7 416	**14 381**	9 191	18 934	**22 553**	16 034	31 187
Interest expense	**(354)**	(4 143)	(459)	**–**	–	–	**(11 988)**	(12 615)	(29 756)	**(8 012)**	(12 408)	(21 308)	**534**	10 639	16 249	**(19 820)**	(18 527)	(35 274)
Share of profit from associate	**–**	–	–	**–**	–	–	**13 930**	9 933	18 509	**–**	–	–	**–**	–	–	**13 930**	9 933	18 509
Profit/(loss) before taxation	**46 114**	29 298	101 122	**–**	–	–	**62 214**	33 920	95 731	**45 339**	27 629	84 566	**(12 970)**	(7 429)	(21 092)	**140 697**	83 418	260 327
Taxation	**(3 392)**	(7 408)	(15 943)	**–**	–	–	**(7 016)**	(10 836)	(25 712)	**(12 242)**	(7 227)	(13 065)	**3 202**	3 281	(14 762)	**(19 448)**	(22 190)	(69 482)
Profit/(loss) after taxation	**42 722**	21 890	85 179	**–**	–	–	**55 198**	23 084	70 019	**33 097**	20 402	71 501	**(9 768)**	(4 148)	(35 854)	**121 249**	61 228	190 845
Total assets	**419 765**	334 489	350 777	**–**	2 807 796	–	**1 082 167**	969 785	994 458	**763 843**	725 577	853 714	**3 908 227**	381 297	3 373 029	**6 174 002**	5 218 944	5 571 978
– Intangible assets	**243**	275	225	**–**	21 279	–	**43 312**	74 614	48 586	**–**	–	–	**–**	–	–	**43 555**	96 168	48 811
– Leasing assets	**–**	–	–	**–**	2 368 472	–	**–**	–	–	**–**	–	–	**–**	–	–	**–**	2 368 472	–
– Investment in associate	**–**	–	–	**–**	–	–	**121 137**	119 351	114 607	**–**	–	–	**–**	–	–	**121 137**	119 351	114 607
– Inventories	**255 589**	186 400	202 036	**–**	43 074	–	**315 660**	309 029	332 843	**439 984**	340 970	331 846	**–**	–	–	**1 011 233**	879 473	866 725
– Trade, other receivables, provisions and derivative financial assets	**49 752**	39 472	61 938	**–**	197 180	–	**273 674**	316 383	252 143	**334 709**	364 146	508 833	**162 803**	19 216	153 468	**820 938**	936 397	976 382
– Other assets	**114 181**	108 342	86 578	**–**	177 791	–	**328 384**	150 408	246 279	**(10 850)**	20 461	13 035	**338 270**	362 081	170 244	**769 985**	819 083	516 136
Disposal group held for sale	**–**	–	–	**–**	–	–	**–**	–	–	**–**	–	–	**3 407 154**	–	3 049 317	**3 407 154**	–	3 049 317
Total liabilities	**165 414**	166 151	124 150	**–**	1 749 727	–	**569 389**	461 465	529 206	**478 614**	481 953	598 283	**2 411 549**	(48 835)	1 737 423	**3 624 966**	2 810 461	2 989 062
– Interest-bearing liabilities and overdraft	**–**	–	–	**–**	1 269 622	–	**182 850**	91 787	100 838	**136 548**	218 550	164 438	**(1)**	(115 939)	1	**319 397**	1 464 020	265 277
– Trade and other payables and provisions	**157 301**	159 114	117 478	**–**	253 232	–	**369 033**	337 829	406 990	**334 575**	259 789	425 777	**42 180**	7 040	23 522	**903 089**	1 017 004	973 767
– Other liabilities	**8 113**	7 037	6 672	**–**	226 873	–	**17 506**	31 849	21 378	**7 491**	3 614	8 068	**66 781**	60 064	65 263	**99 891**	329 437	101 381
Liabilities associated with disposal group held for sale	**–**	–	–	**–**	–	–	**–**	–	–	**–**	–	–	**2 302 589**	–	1 648 637	**2 302 589**	–	1 648 637
Capital expenditure net of proceeds	**5 514**	2 259	9 376	**–**	475 634	–	**4 800**	89 553	104 656	**89**	41	98	**87**	–	–	**10 490**	567 487	114 130
Number of employees	**208**	192	204	**–**	320	–	**143**	128	128	**46**	42	46	**8**	8	8	**405**	690	386
GEOGRAPHICAL SEGMENTATION																		
Total assets	**419 765**	334 489	350 777	**–**	2 807 796	–	**1 082 167**	969 785	994 458	**763 843**	725 577	853 714	**3 908 227**	381 297	3 373 029	**6 174 002**	5 218 944	5 571 978
– South Africa	**419 765**	334 489	350 777	**–**	2 310 968	–	**911 329**	851 443	806 668	**763 843**	725 577	853 714	**3 908 227**	381 297	3 373 029	**6 003 164**	4 603 774	5 384 188
– Rest of world	**–**	–	–	**–**	496 828	–	**170 838**	118 342	187 790	**–**	–	–	**–**	–	–	**170 838**	615 170	187 790
Total liabilities	**165 414**	166 151	124 150	**–**	1 749 727	–	**569 389**	461 465	529 206	**478 614**	481 953	598 283	**2 411 549**	(48 835)	1 737 423	**3 624 966**	2 810 461	2 989 062
– South Africa	**165 414**	166 151	124 150	**–**	1 570 045	–	**484 111**	417 409	423 478	**478 614**	481 953	598 283	**2 411 549**	(48 835)	1 737 423	**3 539 688**	2 586 723	2 883 334
– Rest of world	**–**	–	–	**–**	179 682	–	**85 278**	44 056	105 728	**–**	–	–	**–**	–	–	**85 278**	223 738	105 728

(1) *In the half year ending 29 February 2024, enX derived a substantial portion of its revenue from a single customer which accounted for 14,3% (31 Aug 2023 11,7%) of the total revenue. The group is actively pursuing diversification in its customer base and seeking new business opportunities to mitigate the risk associated with dependency on a single customer.*
(2) *Total depreciation and amortisation includes depreciation disclosed as part of cost of sales.*
(3) *Shareholders are referred to the SENS announcement dated 12 December 2023 announcing the disposal of Eqstra to Nedbank Group Limited ("Nedbank"), wherein definite transaction agreements have been concluded between the parties. In terms of IFRS 5, Eqstra has been reported as a disposal group held for sale and discontinued operation from 31 August 2023. Therefore, the statement of profit or loss and other comprehensive income for the six months ended 28 February 2023 has been represented in accordance with IFRS 5 to take into account the disposal. The comparative numbers in the segment have been restated and exclude Eqstra.*
(4) *As a result of the proposed disposal of Eqstra during the year ended 31 August 2023, the group has changed its internal organisation and the composition of its operating segments, which resulted in a change in reportable segments. The petrochemicals segment has now been disclosed as the Lubricants and Chemicals segments. Accordingly, the group has restated the previously reported segment information for the period ended 28 February 2023.*
(5) *Earnings/(loss) before interest and taxation include impairments of goodwill, intangible assets and property of R0,1 million (2023: R1,8 million)*

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Unaudited for the six months ended 29 February 2024 R'000	Unaudited for the six months ended 28 February 2023 R'000	Audited for the year ended 31 August 2023 R'000
Stated capital	**2 313 686**	2 495 999	2 495 999
Balance at beginning of the period	**2 495 999**	2 495 999	2 495 999
Capital distribution	**(182 313)**	–	–
Other reserves	**(713 160)**	(716 612)	(714 022)
Balance at beginning of the period	**(714 022)**	(725 200)	(725 200)
Foreign currency translation reserve	**862**	8 588	11 178
Accumulated profits	**912 319**	571 331	740 986
Balance at beginning of the period	**740 986**	445 124	445 124
Reclassification to non-controlling interests	**15 451**	–	–
Total comprehensive income for the period	**155 882**	126 207	295 862
Non-controlling interests	**36 191**	57 765	59 953
Balance at beginning of the period	**59 953**	49 038	49 038
Reclassification to non-controlling interests	**(15 451)**	–	–
Repurchase of non-controlling interest	**(14 500)**	–	(3 671)
Total comprehensive income for the period	**10 189**	8 727	27 173
Dividends paid	**(4 000)**	–	(12 587)
Balance at end of the period	**2 549 036**	2 408 483	2 582 916

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited for the six months ended 29 February 2024 R'000	Unaudited for the six months ended 28 February 2023 R'000	Audited for the year ended 31 August 2023 R'000
Cash flows from operating activities	**(231 027)**	(64 095)	24 564
Cash generated from operations before working capital movements	**574 413**	427 207	1 151 928
Working capital movements	**(667 143)**	(384 096)	(867 778)
Interest received	**17 184**	23 214	28 561
Interest paid	**(100 447)**	(79 119)	(161 149)
Taxation paid	**(55 034)**	(51 301)	(126 998)
Cash flows from investing activities	**(8 062)**	(84 924)	(109 263)
Capital expenditure	**(16 192)**	(97 819)	(119 983)
Proceeds on disposal of assets	**730**	3 645	737
Dividend received from associate	**7 400**	9 250	22 570
Dividends paid to minority shareholders	**–**	–	(12 587)
Cash flows from financing activities	**412 633**	(503 553)	(561 100)
Proceeds from interest-bearing liabilities	**1 748 685**	1 594 435	3 490 202
Repayment of interest-bearing liabilities	**(1 133 456)**	(1 816 423)	(3 766 631)
Payments on transactions with non-controlling interest	**(14 500)**	–	(2 200)
Repayment of lease liabilities	**(5 783)**	(7 904)	(8 810)
Capital distribution	**(182 313)**	(273 661)	(273 661)
Net decrease in cash and cash equivalents	**173 544**	(652 572)	(645 799)
Effect of exchange rate changes on cash and cash equivalents	**(242)**	104	2 798
Cash and cash equivalents at beginning of the period	**411 086**	1 054 087	1 054 087
Cash and cash equivalents at end of the period	**584 388**	401 619	411 086
Bank and cash balances – continuing operations	**540 219**	401 619	302 980
Amount included in assets held for sale	**44 169**	–	108 106
Total group cash and cash equivalents	**584 388**	401 619	411 086

NOTES

		Unaudited for the six months ended 29 February 2024 R'000	Unaudited for the six months ended 28 February 2023 R'000	Audited for the year ended 31 August 2023 R'000
1.	**Discontinued operations**			
	Consolidated discontinued statement of comprehensive income			
	Revenue	**942 339**	897 716	1 755 347
	Cost of sales	**(240 639)**	(249 271)	(881 071)
	Gross profit	**701 700**	648 445	874 276
	Expected credit (losses)/release	**(4 031)**	(3 463)	26 910
	Operating expenses	**(287 904)**	(505 169)	(613 322)
	Operating profit before items listed below	**409 765**	139 813	287 864
	Impairment of goodwill, intangible assets and property, plant and equipment	**(199 858)**	–	2 767
	Profit on purchase of investment	**–**	–	1 471
	Operating profit before net finance costs and earnings from associate	**209 907**	139 813	292 102
	Net finance cost	**(78 373)**	(56 316)	(115 283)
	Interest income	**2 254**	7 180	(125 875)
	Interest expense	**(80 627)**	(63 496)	10 592
	Net profit before tax	**131 534**	83 497	176 819
	Taxation	**(86 712)**	(9 791)	(44 629)
	Net profit after taxation from discontinued operations	**44 822**	73 706	132 190
	Cash flows from discontinued operations			
	Net cash flows from operating actives	**(281 488)**	3 246	(123 107)
	Net cash flows from investing activities	**(5 432)**	(4 213)	(6 019)
	Net cash flows from financing activities	**223 641**	(435 694)	(254 708)
	Net cash outflows	**(63 279)**	(436 661)	(383 834)
2.	**Interest-bearing borrowings and overdraft**			
	Bank debt and overdraft – South Africa	**319 397**	1 464 020	265 277
		319 397	1 464 020	265 277
	Comprising:			
	Non-current	**28 650**	726 366	37 061
	Current	**290 747**	737 654	228 216
		319 397	1 464 020	265 277
3.	**Net finance costs**			
	Interest income	**24 807**	23 214	41 779
	Interest expenses	**(99 643)**	(81 195)	(155 641)
	Interest on lease liability	**(804)**	(828)	(5 508)
		(75 640)	(58 809)	(119 370)
	Continuing operations	**2 733**	(2 493)	(4 087)
	Discontinuing operations	**(78 373)**	(56 316)	(115 283)
		(75 640)	(58 809)	(119 370)
4.	**Revenue**			
	Revenue recognised at a point in time			
	Sale of capital goods	**250 535**	218 978	491 569
	Sale of goods, consumables and parts	**1 800 240**	1 741 143	3 554 823
	Sale of used goods	**256 361**	255 927	474 929
	Total revenue recognised at a point in time	**2 307 136**	2 216 048	4 521 321
	Revenue recognised over time			
	Leasing rentals	**483 480**	403 730	856 263
	Maintenance and service revenue	**154 498**	177 132	380 681
	Value added products	**75 418**	84 887	176 642
	Other revenue	**38 598**	34 848	15 223
	Total revenue recognised over time	**751 994**	700 597	1 428 809
	Total revenue	**3 059 130**	2 916 645	5 950 130
	Continuing operations	**2 116 791**	2 018 929	4 194 783
	Discontinuing operations	**942 339**	897 716	1 755 347
		3 059 130	2 916 645	5 950 130

5. **Fair value hierarchy disclosures**

Valuation methodology

Level 1 – Valuations with reference to quoted prices in an active market:

Financial instruments valued with reference to unadjusted quoted prices for identical assets or liabilities in active markets where the quoted price is readily available and the price represents actual and regularly occurring market transactions on an arm's length basis. There are no level 1 financial instruments in the current period.

Level 2 – Valuations based on observable and unobservable inputs include:

Financial instruments valued using inputs other than quoted prices as described above for level 1 but which are observable for the asset or liability, either directly or indirectly, such as a quoted price for similar assets or liabilities in an active market; a quoted price for identical or similar assets or liabilities in inactive markets; a valuation model using observable inputs; and a valuation model using inputs derived from/corroborated by observable market data.

The net market value of all forward exchange contracts at year-end was calculated by comparing the forward exchange contract rates to the equivalent half year market foreign exchange rates.

Level 3 – Valuations based on unobservable inputs include:

Financial instruments are valued using significant inputs which are not based on observable market data.

Unlisted investments are valued based on operational performance of the entities which is considered to be appropriate taking into account that the investments are very insignificant to the Group.

The table below shows the Group's financial asset and liabilities that are recognised and subsequently measured at fair value, analysed by valuation technique.

29 February 2024	Level 2 R'000	Level 3 R'000	Fair value R'000
Financial assets			
Unlisted investments and receivables	**–**	**2 196**	**2 196**
Designated as fair value through profit and loss			
– Derivative financial assets	**4 863**	**–**	**4 863**
– Proceeds receivable	**–**	**135 240**	**135 240**
	4 863	**137 436**	**142 299**
Financial liabilities			
Designated as fair value through profit or loss			
– Cash settled liability relating to the SAR schemes	**27 262**	**–**	**27 262**
– Abakhulu liability	**56 983**	**–**	**56 983**
	84 245	**–**	**84 245**

6. **Disposal group held for sale**

Shareholders are referred to the SENS announcement dated 12 December 2023 announcing the disposal of Eqstra to Nedbank Group Limited ("Nedbank"), wherein definite transaction agreements have been concluded between the parties. In terms of IFRS5, Eqstra has been reported as a disposal group held for sale and discontinued operation from 31 August 2023, the date that the conditions were met to be classified as such.

	Unaudited as at 29 February 2024 R'000	Audited as at 31 August 2023 R'000
Assets		
Property, plant and equipment	**54 911**	49 087
Leasing assets	**3 062 517**	2 615 003
Intangible assets	**23 174**	19 606
Other investments and loans	**111**	840
Deferred taxation	**3 147**	874
Trade and other receivables	**188 519**	212 709
Inventories	**29 708**	42 087
Taxation receivable	**898**	1 005
Bank and cash balances	**44 169**	108 106
Total assets	**3 407 154**	3 049 317
Liabilities		
Interest-bearing liabilities	**1 705 411**	1 144 302
Lease liabilities	**3 288**	5 238
Deferred taxation	**234 188**	172 229
Trade, other payables and provisions	**345 118**	323 015
Taxation payable	**14 584**	3 853
Total liabilities	**2 302 589**	1 648 637
Net disposal group held for sale	**1 104 565**	1 400 680