

BRIKOR LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1998/013247/06)
JSE Share code: BIK ISIN: ZAE000101945
("Brikor" or the "Company" or the "Group")

FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 31 AUGUST 2022 -
Short-form announcement

FINANCIAL HIGHLIGHTS

	31 August 2022 R'm	31 August 2021 R'm	Change %
Revenue	167,7	152,3	10,1
EBITDA	7,3	14,6	(50,00)
EPS (cps)	0,1	1,1	(90,9)
HPS (cps)	0,0	1,1	(100,0)
NAV (cps)	13,7	14,4	(4,9)
NTAV (cps)	10,3	11,0	(6,4)

Note: No dividends have been declared for the six months ended 31 August 2022 or 31 August 2021.

Revenue increased to R167,7 million (H1 F2022: R152,3 million) for the reporting period, with the Group realising a loss before earnings from its associate of R1,7 million (H1 F2022: profit of R4,8 million). The investment in associate contributed positive returns of R2,3 million (H1 F2022: R4,3 million) to the profit for the reporting period.

Overall, gross profit decreased by 29,9% to R23,0 million (H1 F2022: R32,9 million) with the gross profit percentage decreasing to 13,7% (H1 F2022: 21,6%).

The Group realised an operating profit before interest, taxation and earnings from associate of R1,3 million (H1 F2022: R9,3 million). The Bricks segment realised an operating profit before interest and taxation R12,1 million (H1 F2022: R11,2 million), whilst the Coal segment realised an operating loss before interest and taxation of R10,8 million (H1 F2022: R1,8 million).

Other income, administrative expenses, distribution and other expenses remained in line with the previous reporting period.

No major capital investments were made during the current reporting period.

BRICKS SEGMENT

Revenue in the Bricks segment increased by 11,1% to R113,7 million (H1 F2022: R102,3 million). The Bricks segment continued to perform at exceptional levels during the reporting period. The increased revenue is mainly due to an increase in DIY projects,

additions and alterations as well as an increase in the informal building sector. Adequate planning, sufficient inventory levels and efficiencies in the production process have also contributed to the good performance.

Gross profit in the Bricks segment decreased by 8,8% to R24,4 million (H1 F2022: R26,8 million) with the gross profit percentage decreasing to 21,5% (H1 2022: 26,2%). Gross profit decreased mainly as a result of the increase in carbon tax levies and diesel used in the production process. Diesel used in the Bricks segment increased by 60% in comparison to August 2021, with other costs remaining fairly consistent. Continued power interruptions and loadshedding added additional strain on production and increased overtime was required to curb further production losses.

COAL SEGMENT

Revenue in the Coal segment increased by 8,0% to R54 million (H1 F2022: R50 million). Demand for local coal increased and sales prices stabilised during October/November 2021, however, during this period the mine experienced excessive rainfall which had a direct impact on production and availability of saleable coal. The Coal segment was only able to benefit from the increased demand and sales prices from May 2022 as production stabilised and inventory levels increased.

Gross profit in the Coal segment, however, decreased significantly to a gross loss of R1,4 million (H1 2022: gross profit R6,1 million). The decrease in the gross profit is directly attributable to increased cost of production. As a result of the excessive rainfall and production constraints experienced in the Coal segment for the period October 2021 to April 2022, management took the decision to buy in additional raw materials to be screened and washed whilst production was being increased. The Coal segment returned to full production in May 2022, resulting in increased yields as well as increased saleable stock.

In addition to the above, diesel used in the Coal segment increased by 69% in comparison to the six-month period ended 31 August 2021.

SHORT-FORM STATEMENT

This short-form announcement is the responsibility of the directors. It is only a summary of the information contained in the full announcement and does not contain full or complete details.

Any investment decision should be based on the full announcement accessible from Wednesday, 23 November 2022 via the JSE link and also available on the Company's website at <http://brikor.net/wp-content/uploads/2022/11/INT22.pdf>.

Copies of the full announcement may also be requested by contacting Joaret Botha by email at joaret@brikor.net and are available for inspection at the Company's registered office at no

charge, weekdays during office hours.

The JSE link is as follows:

<https://senspdf.jse.co.za/documents/2022/jse/isse/bik/INT22.pdf>.

23 November 2022

Nigel

Designated adviser

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