

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 2023 -
Short-form announcement

FINANCIAL HIGHLIGHTS

	31 August 2023 R'm	31 August 2022 R'm	Change %
Revenue	190,1	167,7	13,4
EBITDA	40,4	7,3	>100,0
EPS (cps)	2,5	0,1	>100,0
HPS (cps)	2,7	0,0	100,0
NAV (cps)	15,4	12,9	19,4
NTAV (cps)	12,6	9,8	28,6

Note: No dividends have been declared for the six months ended 31 August 2023 or 31 August 2022.

Revenue increased to R190,1 million (H1 F2023: R167,7 million) for the reporting period, with the Group realising a profit before earnings from its associate of R13,1 million (H1 F2023: loss of R1,7 million). The investment in associate contributed positive returns of R7,2 million (H1 F2023: R2,3 million) to the profit for the reporting period.

Overall, gross profit increased by 126,2% to R52,1 million (H1 F2023: R23,0 million) with the gross profit percentage increasing to 27,4% (H1 F2023: 13,7%).

The Group realised an operating profit before interest, taxation and earnings from associate of R26,8 million (H1 F2023: R1,3 million). The Bricks segment realised an operating profit before interest and taxation R17,1 million (H1 F2023: R12,1 million), whilst the Coal segment realised an operating profit before interest and taxation of R9,8 million (H1 F2023: operating loss before interest and taxation of R10,8 million).

Other income, administrative expenses, distribution and other expenses increased by 16,6% in comparison to the previous corresponding reporting period. The increase in administrative expenses was attributable to professional, legal and secretarial fees incurred in respect of the acquisition of securities by Nikkel Trading 392 (Pty) Ltd and subsequent offer to minority shareholders as well as the contract mining and coal off-take agreement.

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

BRICKS SEGMENT

Revenue in the Bricks segment increased by 16,6% to R132,5 million (H1 F2023: R113,7 million). The Bricks segment continued to perform at exceptional levels during the reporting period. The increase in revenue was a direct result of Brikor's exceptional sales team combined with the availability and quality of saleable products. Adequate planning, sufficient inventory levels and continued focus on efficiencies in the production process have also contributed to the availability of saleable product and the resultant increase in revenue.

Gross profit in the Bricks segment increased by 67,1% to R40,8 million (H1 F2023: R24,4 million) with the gross profit percentage increasing to 30,8% (H1 2023: 21,5%). Gross profit increased as a direct result of the increase in revenue, whilst production and operating costs remained stable.

COAL SEGMENT

Revenue in the Coal segment increased by 6,6% to R57,6 million (H1 F2023: R54,0 million). The increase in revenue was mainly as a result of an inflationary increase in selling prices with sales quantities being in line with the previous reporting period.

Gross profit in the Coal segment increased significantly to R11,4 million (H1 2023: gross loss of R1,4 million). During the reporting period, the Group entered into a mining consulting service agreement in order to improve its current mining operations. The stripping activities performed during this period exposed a significant portion of coal which resulted in an increase in work in progress. The increased work in progress resulted in a credit to cost of sales which, together with the increase in revenue, yielded higher gross profits for the Coal segment.

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 Monday, 20 November 2023 via the JSE link and also available on the Company's website at <https://brikor.net/wp-content/uploads/2023/11/INT23.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/2023/jse/isse/bik/INT23.pdf>.

20 November 2023

Nigel

Designated adviser

Exchange Sponsors