



SSK

2024

**JAARVERSLAG
ANNUAL REPORT**

Uitnodiging

U word hartlik uitgenooi na die Algemene Jaarvergadering van SSK op Vrydag, 19 Julie 2024 om 10h30 in die Pero Dias Konferensiesaal, Diaz Strand Hotel, Voorbaai, Mosselbaai. Ligte verversings sal vanaf 10h00 bedien word. U word genooi om na afloop van die vergadering saam met ons middagete te geniet.

Invitation

You are cordially invited to the Annual General Meeting of SSK to be held on Friday, 19 July 2024 at 10h30 in the Pero Dias Conference Centre, Diaz Strand Hotel, Voorbaai, Mossel Bay. Light refreshments will be served from 10h00. You are invited to join us for lunch after the meeting.

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KENNISGEWING AAN LEDE: ALGEMENE JAARVERGADERING EN SAKELYS NOTICE TO MEMBERS: ANNUAL GENERAL MEETING AND AGENDA

Kennis geskied hiermee dat die Algemene Jaarvergadering van SSK op Vrydag, 19 Julie 2024 om 10h30 in die Pero Dias Konferensiesaal, Diaz Strand Hotel, Voorbaai, Mosselbaai gehou sal word. Ligte verversings sal vanaf 10h00 bedien word. U word genooi om na afloop van die vergadering saam met ons middagete te geniet.

Notice is hereby given that the Annual General Meeting of SSK will be held on Friday, 19 July 2024 at 10h30 in the Pero Dias Conference Centre, Diaz Strand Hotel, Voorbaai, Mossel Bay. Light refreshments will be served from 10h00. You are invited to join us for lunch after the meeting.

SAKELYS / AGENDA

- 1 Opening
- 2 Verwelkoming deur Voorsitter / Welcoming by Chairperson
- 3 Konstituering / Constitution
- 4 Roubeklag / Motion of Condolence
- 5 Goedkeuring van die Notule van die Algemene Jaarvergadering 2023
Approval of the Minutes of the Annual General Meeting 2023
- 6 Hantering en Goedkeuring van Finansiële State
Consideration and Approval of Financial Statements
- 7 Aanstelling van Ouditeure / Appointment of Auditors
- 8 Verkiesing van Direkteure / Election of Directors
- 9 Bespreking van Algemene Sake / Discussion of General Matters
- 10 Gewone en Spesiale Besluite / Ordinary and Special Resolutions



J E de V van Veen
Sekretaris / Secretary

KOÖPERASIE BESONDERHEDE DETAILS OF THE CO-OPERATIVE

Raad van Direkteure / Board of Directors

D H van Papendorp	–	Voorsitter / Chairperson
S W Viljoen	–	Ondervoorsitter / Vice-Chairperson
J H Barry		J M Joubert
M G Lourens		G J Muller
M J Odendaal		J de V Reinecke
A J Steyn		M S Streicher
P S Uys		

Bestuur / Management

F N Swanepoel	–	Hoof Uitvoerende Beampte
	–	Chief Executive Officer
J E de V van Veen	–	Hoofbestuurder: Finansies en Administrasie
	–	Chief Financial Officer: Administration and Finance
F A Loots	–	Hoofbestuurder: Kommersieel
	–	Chief Operating Officer: Commercial
P J B Malan	–	Hoofbestuurder: Graandienste
	–	Chief Operating Officer: Grain Services

Sekretaris / Secretary

J E de V van Veen

Geregistreeerde Adres / Registered Address

Voortrekstraat 34 / 34 Voortrek Street
Swellendam
6740

Posadres / Postal Address

Posbus 12 / P.O. Box 12
Swellendam
6740

Bankiers / Bankers

Eerste Nasionale Bank / First National Bank
Voortrekstraat 33 / 33 Voortrek Street
Swellendam
6740

Nedbank
Voortrekstraat 29 / 29 Voortrek Street
Swellendam
6740

Ouditeur / Auditor

PricewaterhouseCoopers Geink. / Inc.
Posbus 62 / P.O. Box 62
Worcester
6849

SENTRAAL-SUID KOÖPERASIE BPK EN SY FILIALE VERKLARING VAN VERANTWOORDELIKHEDE DEUR DIE RAAD VAN DIREKTEURE

Die Direkteure is verantwoordelik vir die instandhouding van toereikende rekeningkundige rekords en die voorbereiding, integriteit en redelike aanbieding van die afsonderlike en gekonsolideerde finansiële state van Sentraal-Suid Koöperasie Beperk. Die afsonderlike en gekonsolideerde finansiële state is opgestel in ooreenstemming met die 'IFRS for SME's Accounting Standard' en op die wyse soos vereis deur die Koöperasiewet en sluit bedrae in wat op die oordeel en ramings van bestuur gegrond is. Die afsonderlike en gekonsolideerde finansiële state is gegrond op toepaslike rekeningkundige beleid wat in ooreenstemming is met die 'IFRS for SME's Accounting Standard' en met dié van die vorige jaar, tensy anders gemeld.

Die Direkteure is ook uiteindelik verantwoordelik vir die Groep se stelsel van interne finansiële beheer. Hierdie kontroles is ontwerp om redelike, maar nie absolute, gerusstelling te bied oor die betroubaarheid van die afsonderlike en gekonsolideerde finansiële state, die toereikende beskerming en verantwoording van bates, en om verliese te voorkom en op te spoor. Dit sluit ook in die implimentering van kontroles en sekuriteitsmaatreëls ter handhawing van die integriteit van die Groep se webwerf en elektroniese verspreiding van die afsonderlike en gekonsolideerde finansiële state. Geen aangeleenthede het onder die aandag van die Direkteure gekom wat 'n wesenlike ineenstorting in die funksionering van hierdie kontroles, prosedures en stelsels gedurende die jaar onder oorsig aandui nie.

Die lopendesaaik grondslag is met die opstel van die afsonderlike en gekonsolideerde finansiële state gevolg. Die direkteure het geen rede om te glo dat die Groep nie in die afsienbare toekoms 'n lopende saak sal wees nie, gegrond op vooruitskattings en beskikbare kontant- en finansieringsbronne.


Die afsonderlike en gekonsolideerde finansiële state is geouditeer deur die onafhanklike ouditeure, PricewaterhouseCoopers Geïnk., wat onbeperkte toegang gegee is tot alle finansiële rekords en verwante data, met inbegrip van notules van alle Lede-, Direksie- en Direksiekomiteevergaderings. Die direkteure meen dat alle verklarings wat gedurende hul audit aan die onafhanklike ouditeure gemaak is, geldig en toepaslik was.

PricewaterhouseCoopers Geïnk. se ouditeursverslag word aangebied op bladsy 8.


Die afsonderlike en gekonsolideerde finansiële state, soos opgesom, en aanvullende skedules, soos uiteengesit op bladsye 10 tot 32, is deur die Direkteure goedgekeur:



D H van Papendorp – *Voorsitter*
28 Junie 2024



S W Viljoen – *Ondervoorsitter*



Goedkeuring van finansiële state

Die afsonderlike en gekonsolideerde finansiële state en aanvullende skedules, soos uiteengesit op bladsye 10 tot 32, word hiermee in terme van Artikel 48 van die Koöperasiewet, 2005 (Wet No. 14 van 2005) soos gewysig deur die Koöperatiewe Wysigingswet, 2013 (Wet No. 6 van 2013), deur die algemene jaarvergadering aanvaar en deur die voorsitter onderteken ter bevestiging daarvan.

Voorsitter – Mosselbaai

Aantekening

Die direkteure bied die opgesomde afsonderlike en gekonsolideerde finansiële state van Sentraal-Suid Koöperasie Beperk op 29 Februarie 2024 aan. Die opgesomde afsonderlike en gekonsolideerde finansiële state is opgestel vanuit die volledige geouditeerde afsonderlike en gekonsolideerde finansiële state vir die jaar geëindig 29 Februarie 2024, soos goedgekeur deur die Direkteure op 20 Junie 2024.

Die opgesomde afsonderlike en gekonsolideerde finansiële state bevat nie alle openbaarmakings soos vereis deur die *IFRS for SME's Accounting Standard* en die vereistes van die Koöperasiewet van Suid-Afrika nie. Die lees van die opgesomde afsonderlike gekonsolideerde finansiële state kan gevolglik nie as plaasvervanger vir die lees van die geouditeerde afsonderlike en gekonsolideerde finansiële state van Sentraal-Suid Koöperasie Beperk gesien word nie.

Die volledige geouditeerde afsonderlike en gekonsolideerde finansiële state is op aanvraag beskikbaar vir inspeksie deur lede by die kantore van Sentraal-Suid Koöperasie Beperk, Posbus 12, Voortrekstraat 34, Swellendam, 6740.

SENTRAAL-SUID CO-OPERATIVE LTD AND ITS SUBSIDIARIES

DECLARATION OF RESPONSIBILITIES

BY THE BOARD OF DIRECTORS

The directors are responsible for the maintenance of sufficient accounting records and the preparation, integrity and fair presentation of the separate and consolidated financial statements of Sentraal-Suid Co-operative Limited. The separate and consolidated financial statements have been prepared in accordance with the *IFRS for SME's Accounting Standard*, and in the manner required by the Co-operatives Act, and include amounts that are based on Management's judgement and estimates. The separate and consolidated financial statements are based on appropriate accounting policy in accordance with the *IFRS for SME's Accounting Standard* and with that of the prior year, except where otherwise noted.

The directors are also ultimately responsible for the Group's system of internal financial controls. These controls are designed to provide reasonable, but not absolute, assurance regarding the reliability of the separate and consolidated financial statements, adequate protection of and accountability for assets and the prevention and detection of losses. This also includes the implementation of controls and security measurements to maintain the integrity of the Group's website and electronic distribution of the separate and consolidated financial statements. No matters came to the attention of the Directors to indicate a significant collapse in the functioning of these controls, procedures and systems during the year under review.

The going concern basis has been adopted in the preparation of the separate and consolidated financial statements. Based on forecasts and available cash and financing sources, the Directors have no reason to believe that the Group will not be a going concern in the foreseeable future.


The separate and consolidated financial statements have been audited by the independent auditors, PricewaterhouseCoopers Inc., who were given unrestricted access to all financial records and related data, including minutes of all meetings of Shareholders, the Board and Board Committees. The Directors believe all representations made to the independent auditors during the audit were valid and appropriate.

The audit report of PricewaterhouseCoopers Inc. is presented on page 9.

The separate and consolidated financial statements, as summarised, and ancillary schedules, as presented on pages 10 to 32, have been approved by the Board of Directors.



D H van Papendorp – *Chairperson*
28 June 2024



SW Viljoen – *Vice-Chairperson*



Approval of the financial statements

The summary separate and consolidated financial statements, as presented on pages 10 to 32, are herewith approved in terms of section 48 of the Co-operatives Act, 2005 (Act No. 14 of 2005) as amended by the Co-operatives Amendment Act, 2013 (Act No. 6 of 2013), by the Annual General Meeting and signed by the Chairperson as confirmation thereof.

Chairperson – Mossel Bay

Note

The Directors present the summary separate and consolidated financial statements of Sentraal-Suid Co-operative Limited for the year ended 29 February 2024. The summary separate and consolidated financial statements had been compiled from the full set of audited separate and consolidated financial statements for the year ended 29 February 2024, as approved by the Board of Directors on 20 June 2024.

The summary separate and consolidated financial statements do not contain all the disclosures required by the *IFRS for SME's Accounting Standard* and the requirements of the Co-operatives Act of South Africa. Reading the summary separate and consolidated financial statements, therefore, is not a substitute for reading the audited separate and consolidated financial statements of Sentraal-Suid Co-operative Limited.

The complete audited separate and consolidated financial statements are available to Members for inspection, upon request, at the offices of Sentraal-Suid Co-operative Limited, P.O. Box 12, 34 Voortrek Street, Swellendam, 6740.

ONAFHANKLIKE OUDITEURE SE VERSLAG OOR DIE OPGESOMDE GEKONSOLIDEERDE EN AFSONDERLIKE FINANSIËLE STATE AAN DIE LEDE VAN SENTRAAL-SUID KOÖPERASIE BEPERK

Mening

Die opgesomde gekonsolideerde en afsonderlike finansiële state van Sentraal-Suid Koöperasie Beperk en sy filiale, soos uiteengesit op bladsye 20 tot 32, wat bestaan uit die opgesomde gekonsolideerde en afsonderlike state van finansiële posisie soos op 29 Februarie 2024, die opgesomde gekonsolideerde en afsonderlike state van omvattende inkomste en kontantvloeie vir die jaar geëindig, en verwante aantekeninge, is opgestel vanuit die geouditeerde gekonsolideerde en afsonderlike finansiële state van Sentraal-Suid Koöperasie Beperk vir die jaar geëindig 29 Februarie 2024.

Na ons mening, is die meegaande opgesomde gekonsolideerde en afsonderlike finansiële state konsekwent, in alle wesenlike opsigte, met die geouditeerde gekonsolideerde en afsonderlike finansiële state, ooreenkomstig die grondslag wat beskryf is in Aantekening 1.

Opgesomde gekonsolideerde en afsonderlike finansiële state

Die opgesomde gekonsolideerde en afsonderlike finansiële state bevat nie alle openbaarmaking soos vereis deur die 'IFRS for SME's Accounting Standard' en die vereistes van die Koöperasiewet van Suid-Afrika soos van toepassing op finansiële state nie. Die lees van die opgesomde gekonsolideerde en afsonderlike finansiële state en die ouditeur se verslag daarop kan gevolglik nie as plaasvervanger vir die lees van die geouditeerde gekonsolideerde en afsonderlike finansiële state en die ouditeur se verslag daarop gesien word nie. Die opgesomde gekonsolideerde en afsonderlike finansiële state en die geouditeerde gekonsolideerde en afsonderlike finansiële state reflekteer nie die effek van gebeure na die ouditverslag datum van die geouditeerde gekonsolideerde en afsonderlike finansiële state nie.

Die geouditeerde gekonsolideerde en afsonderlike finansiële state en ons verslag daarop

Ons het 'n ongekwalifiseerde ouditmening uitgespreek op die geouditeerde gekonsolideerde en afsonderlike finansiële state in ons verslag gedateer 20 Junie 2024.

Direkteure se verantwoordelikheid vir die opgesomde gekonsolideerde en afsonderlike finansiële state

Die direkteure is verantwoordelik vir die opstel van die opgesomde gekonsolideerde en afsonderlike finansiële state ooreenkomstig die grondslag wat beskryf is in Aantekening 1.

Ouditeur se verantwoordelikheid

Ons verantwoordelikheid is om 'n mening uit te spreek of die opgesomde gekonsolideerde en afsonderlike finansiële state konsekwent is, in alle wesenlike opsigte, met die geouditeerde gekonsolideerde en afsonderlike finansiële state, gebaseer op ons prosedures, wat ooreenkomstig die 'International Standard on Auditing (ISA) 810 (Revised)', "Engagements to Report on Summary Financial Statements", uitgevoer is.



PricewaterhouseCoopers Geïnk.

Direkteur: P J Eksteen

Geregistreerde Ouditeur

Worcester

28 Junie 2024

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS TO THE MEMBERS OF SENTRAAL-SUID CO-OPERATIVE LIMITED

Opinion

The summary consolidated and separate financial statements of Sentraal-Suid Co-Operative Limited and its subsidiaries, set out on pages 20 to 32, which comprise the summary consolidated and separate statement of financial position as at 29 February 2024, the summary consolidated and separate statements of comprehensive income and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Sentraal-Suid Co-Operative Limited for the year ended 29 February 2024.

In our opinion, the accompanying summary consolidated and separate financial statements are consistent, in all material respects, with the audited consolidated and separate financial statements, in accordance with the basis of preparation as set out in Note 1.

Summary consolidated and separate financial statements

The summary consolidated and separate financial statements do not contain all the disclosures required by IFRS for SME's Accounting Standards and the requirements of the Co-Operative Act of South Africa as applicable to financial statements. Reading the summary consolidated and separate financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated and separate financial statements and the auditor's report thereon. The summary consolidated and separate financial statements and the audited consolidated and separate financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated and separate financial statements.

The audited consolidated and separate financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated and separate financial statements in our report dated 20 June 2024.

Director's responsibility for the summary consolidated financial statements

The directors are responsible for the preparation of the summary consolidated and separate financial statements in accordance with the basis of preparation as set out in Note 1.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary consolidated and separate financial statements are consistent, in all material respects, with the audited consolidated and separate financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.



PricewaterhouseCoopers Inc.

Director: P J Eksteen

Registered Auditor

Worcester

28 June 2024

DIREKTEURSVERSLAG

vir die jaar geëindig 29 Februarie 2024

Die Direkteure se jaarverslag, wat deel vorm van die geouditeerde finansiële state van die Groep en die Koöperasie ("SSK") vir die jaar geëindig 29 Februarie 2024, word hieronder aangebied.

1. Aard van besigheid

Die Koöperasie doen grotendeels besigheid in die Suid-Kaap, Overberg, Tuinroete, Karoo en Langkloof. Die hoofdoelstellings en aktiwiteite van die Koöperasie het oorwegend gedurende die jaar onder oorsig onveranderd gebly, en behels die volgende:

- verskaffing van boerderybenodigdhede, meganisasie, ingenieursdienste en dienste aan sy Lede en ander klante;
- verwerking van graansaad;
- hantering, opberging en bemaking van produsente se graanprodukte deur silo's;
- verskaffing van versekeringsmakelaarsdienste;
- lewering van dienste soos kredietverskaffing en landboubestuur dienste; en
- vervaardiging van veevoer.

Daarbenewens is die Koöperasie, direk en indirek, betrokke by filiale en gesamentlike ondernemings soos uiteengesit in 5 en 7 hierna.

2. Lede

Elf Lede het ons aan die dood ontval. Ons innige meegevoel word aan hul naasbestaandes betuig.

Die Ledetal het soos volg gewissel:

Ledetal aan begin van jaar		1797
Min: Afgestorwe Lede	11	
Lede wat boerdery gestaak het	44	55
		<hr/>
		1742
Plus: Toetredings		88
Ledetal aan einde van jaar		<hr/>
		1830

3. Finansiële resultate

Die waarde van sake gedoen gedurende die jaar het R4 703 366 110 (2023 – R4 226 730 487) vir die Koöperasie en R8 749 806 877 (2023 – R8 451 049 839) vir die Groep beloop. Dit het tot 'n wins voor belasting vir die jaar van R111 384 018 (2023 – R125 054 899) vir die Koöperasie en R386 747 939 (2023 – R278 542 875) vir die Groep aanleiding gegee.

Die wins voor belasting en Ledebonusse het R191 384 018 (2023 – R195 054 899) vir die Koöperasie en R466 747 939 (2023 – R348 542 875) vir die Groep behoop.

Verdere besonderhede van die Groep se finansiële resultate word in die finansiële state behandel.

4. Aanwending van surplus

Dit is steeds die Koöperasie se beleid om bonusse toe te deel ooreenkomstig 'n distribusieskema ingevolge Artikel 25 van die Statuut.

Die Koöperasie het gedurende die jaar 'n bonus van R80 000 000 (2023 – R70 000 000) vir die 2024 finansiële jaar verklaar. Die wins voor en ná hierdie bonusse was soos volg:

	2024 R	2023 R
Wins voor Ledebonusse	191 384 018	195 054 899
Totale Ledebonusse verklaar	(80 000 000)	(70 000 000)
Uitgestel	(64 000 000)	(56 000 000)
Kontant	(16 000 000)	(14 000 000)
Wins voor belasting	111 384 018	125 054 899

In die huidige jaar is langtermyn Ledefondse van R12 628 922 (2020 gehef) (2023 – R21 159 490 (2018 en 2019 gehef)) uitbetaal.

5. Filiale

Die Koöperasie het beleggings in die volgende filiale:

Direk	Belang 2024	Belang 2023	Hoofdoelstelling
a) Eureka Mills (Edms) Bpk	68%	68%	Vervaardiging van meel en verwante produkte.
b) Hessequa Abattoir (Edms) Bpk	52.78%	52.78%	Bedryf 'n slagpale in die Riversdal omgewing.
c) Sentraal-Suid Beleggings (Edms) Bpk	100%	100%	Beleggingsmaatskappy met verwante aktiwiteite.
d) Southern Oil (Edms) Bpk	60%	60%	Ekstraksie van olie uit hoofsaaklik canola-saad en die raffinerie en bemarking van 'n gedifferensieerde reeks olies en proteïenprodukte.
e) Swellen Mark (Edms) Bpk	–	100%	Die maatskappy is gederegistreer gedurende die jaar

Direk	Belang 2024	Belang 2023	Hoofdoelstelling
f) Technifarm (Edms) Bpk	51%	50%	Presisie-boerderydienste en verkoop van plaastoerusting.
g) Tuinroete Agri (Edms) Bpk	100%	100%	Belegging en verhuring van eiendom.
h) Walts Malting (Edms) Bpk	100%	100%	Die maatskappy was dormant op jaareinde.
i) SSK Petro Retail (Edms) Bpk	74%	74%	Brandstofvulstasie met verwante aktiwiteite.
Indirek			
j) Southern Oil (Edms) Bpk	Tuinroete Agri (Edms) Bpk besit: 0.45%	Tuinroete Agri (Edms) Bpk besit: 0.45%	Ekstraksie van olie uit hoofsaaklik canola-saad en die raffinerings en bemarking van 'n gedifferensieerde reeks olies en proteïenprodukte.
k) LBK Agri (Edms) Bpk	Tuinroete Agri (Edms) Bpk besit: 100%	Tuinroete Agri (Edms) Bpk besit: 100%	Die maatskappy was dormant op jaareinde.
l) Óleo do Sul Limitada	Southern Oil (Edms) Bpk besit: 99%	Southern Oil (Edms) Bpk besit: 99%	Ekstraksie van olie uit hoofsaaklik kokosneute en die raffinerings en bemarking van 'n gedifferensieerde reeks olies en proteïenprodukte.
m) Blinkbeleg Vyftien (Edms) Bpk	Sentraal-Suid Beleggings (Edms) Bpk besit: 100%	Sentraal-Suid Beleggings (Edms) Bpk besit: 100%	Die maatskappy was dormant op jaareinde.
n) Riparian Investment Consortium 1 (Edms) Bpk	Sentraal-Suid Beleggings (Edms) Bpk besit: 100%	Sentraal-Suid Beleggings (Edms) Bpk besit: 100%	Die maatskappy was dormant op jaareinde.

6. Finansiële bates beskikbaar vir verkoop

Finansiële bates beskikbaar vir verkoop het toegeneem met R1 645 000 (2023 – R1 788 386 afgeneem) vir die Koöperasie en toegeneem met R1 598 862 (2023 – R1 669 506 afgeneem) vir die Groep, weens die billike waarde-aanpassing ingevolge die '*IFRS for SME's Accounting Standard*'. Die verandering is direk in die staat van ander omvattende inkomste verantwoord.

7. Belegging in gesamentlike ondernemings

Softlutions (Edms) Bpk

Die Koöperasie besit 'n 75% (2023 – 75%) belang in dié maatskappy wat deur gesamentlike besluitneming bestuur word. Die maatskappy lewer sagteware-ontwikkeling en verwante dienste.

Procuo Grain (Edms) Bpk

Sentraal-Suid Koöperasie Bpk besit 'n 50% (2023 – 50%) belang in dié maatskappy wat deur gesamentlike besluitneming bestuur word. Die maatskappy is in besit van 'n strategies geleë, Safexgeregistreerde silokompleks in Randfontein met die primêre fokus op graanopberging en waardetoevoeging vir sy aandeelhouers.

8. Aandelekapitaal

352 000 (2023 – 332 000) aandele is vanjaar uitgereik, terwyl 220 000 (2023 – 188 000) aandele ingetrek is, waarvan die ingetrekke aandele deels opbetaalde aandele bedrae.

9. Direkteure

Besonderhede van die Koöperasie se Direkteure, Sekretaris en geregistreerde kantoor verskyn by die Koöperasiebesonderhede op bladsy 3.

Direkteursvergoeding het die volgende beloop:

	2024	2023
	R	R
Besoldiging - Nie-uitvoerende Direkteure	2 576 663	2 342 196
Honorarium	1 898 072	1 788 946
Toelaes	678 591	553 250

10. Wesenlike gebeure na jaareinde

Op 31 Maart 2024 het die Kompetisie Tribunaal van Suid-Afrika goedkeuring verleen vir die voornemende besigheidsamevoeging tussen Sentraal-Suid Koöperasie Bpk en Humansdorpse Landbou Koöperasie Bpk. As deel van die terme van hierdie besigheidsamevoeging sal die vaste eiendom van die Humansdorpse Landbou Koöperasie Bpk en sy filiale deur Tuinroete Agri (Edms) Bpk oorgekoop word, met oordrag van die vaste eiendom wat gedurende die jaar geëindig 28 Februarie 2025 sal plaasvind.

Op 6 Junie 2024 het die direksie van Hessequa Abattoir (Edms) Bpk kennis gegee van hul voorneme om die bedrywighede van die filiaal as slagpale te staak. Na staking van die bedrywighede sal die filiaal in die toekoms as 'n beleggingsmaatskappy met verwante aktiwiteite bestuur word. Die finansiële impak van hierdie besluit kon nie vooraf geraam word nie.

Buiten bogenoemde was daar na die beste wete van die Direkteure geen wesentliche fout, omstandigheid, gebeurtenis of aangeleentheid wat tussen die rapporteringsdatum en die datum van die goedkeuring van die finansiële state ontstaan of plaasgevind het, wat die beoordeling van die Koöperasie se finansiële state behoort te beïnvloed nie.



11. Waardering en dank

Die Raad van Direkteure wens om sy waardering uit te spreek teenoor Lede wat die Koöperasie lojaal ondersteun het. Sonder hul ondersteuning sou die sukses wat behaal is nie moontlik wees nie. Die Bestuur en Personeel verdien die Raad se innige dank vir hul aandeel in suksesse wat behaal is. Lof en eer aan ons Hemelse Vader wat ons op verskeie terreine onverdiensielik seën.

12. Ouditeure

PricewaterhouseCoopers Geïnk. sal voortgaan om as ouditeur op te tree ooreenkomstig Artikel 50 van die Koöperasiewet, 2005 (Wet No. 14 van 2005), soos gewysig deur die Koöperatiewe Wysigingswet, 2013 (Wet No. 6 van 2013).



DIRECTORS' REPORT

for the year ended 29 February 2024

The Directors' report, which forms part of the audited financial statements of the Group and the Co-operative ("SSK") for the year ended 29 February 2024, is presented below:

1. Nature of business

The Co-operative operates mainly in the Southern Cape, Overberg, Garden Route, Karoo and Langkloof. The main objectives and activities of the Co-operative remained largely unchanged during the year under review, namely:

- supply of agricultural inputs, mechanisation, engineering and services to its Members and other clients;
- processing of grain seed;
- handling, storage and marketing of producers' grain products by means of silos;
- supplying insurance broker services;
- supplying services such as credit provision and agricultural management; and
- production of livestock feed.

In addition, the Co-operative is directly and indirectly involved in subsidiaries and joint ventures, as set out in 5 and 7 below.

2. Members

Eleven Members have passed away. Our sincere condolences to their next of kin.

The number of Members changed as follows:

Membership at the beginning of the year		1797
Less: Deceased Members	11	
Members who stopped farming	44	55
		<hr/>
		1742
Plus: New Members		88
Membership at the end of the year		<hr/>
		1830

3. Financial results

The value of business conducted during the year amounted to R4 703 366 110 (2023 – R4 226 730 487) for the Co-operative and R8 749 806 877 (2023 – R8 451 049 839) for the Group. A profit before tax for the year of R111 384 018 (2023 – R125 054 899) for the Co-operative and R386 747 939 (2023 – R278 542 875) for the Group was realised.

The profit before tax and Member bonuses was R191 384 018 (2023 – R195 054 899) for the Co-operative and R466 747 939 (2023 – R348 542 875) for the Group.

Further details of the Group’s financial results are disclosed in the financial statements.

4. Appropriation of surplus

It is still the Co-operative’s policy to award bonuses in accordance with a distribution scheme under Section 25 of the Articles.

The Co-operative has declared a bonus of R80 000 000 (2023 – R70 000 000) for the 2024 financial year. The profit before and after these bonuses was as follows:

	2024 R	2023 R
Profit before Member bonuses	191 384 018	195 054 899
Total Member bonuses declared	(80 000 000)	(70 000 000)
Deferred	(64 000 000)	(56 000 000)
Cash	(16 000 000)	(14 000 000)
Profit before tax	<u>111 384 018</u>	<u>125 054 899</u>

In the current year, accrued Members’ funds of R12 628 922 (accrued in 2020) had been paid out (2023 – R21 159 490 (accrued in 2018 and 2019)).

5. Subsidiaries

The Co-operative has investments in the following subsidiaries:

Direct	Interest 2024	Interest 2023	Main Objectives
a) Eureka Mills (Pty) Ltd	68%	68%	Production of flour and related products.
b) Hessequa Abattoir (Pty) Ltd	52.78%	52.78%	Operating an abattoir in Riversdale.
c) Sentraal-Suid Beleggings (Pty) Ltd	100%	100%	Investment company with related activities.
d) Southern Oil (Pty) Ltd	60%	60%	Extraction of oil, mainly from canola seed, and the refinement and marketing of a differentiated series of oils and protein products.

Direct	Interest 2024	Interest 2023	Main Objectives
e) Swellen Mark (Pty) Ltd	–	100%	This company was deregistered during the year.
f) Technifarm (Pty) Ltd	51%	50%	Precision farming services and sale of farming equipment.
g) Tuinroete Agri (Pty) Ltd	100%	100%	Investment in, and letting of property.
h) Walts Malting (Pty) Ltd	100%	100%	This company was dormant at year end.
i) SSK Petro Retail (Pty) Ltd	74%	74%	Fuel station with related activities.
Indirect			
j) Southern Oil (Pty) Ltd	Tuinroete Agri (Pty) Ltd owns: 0.45% 0.45%		Extraction of oil, mainly from canola seed, and the refinement and marketing of a differentiated series of oils and protein products.
k) LBK Agri (Pty) Ltd	Tuinroete Agri (Pty) Ltd owns: 100% 100%		This company was dormant at year end.
l) Óleo do Sul Limitada	Southern Oil (Pty) Ltd owns: 99% 99%		Extraction of oil, mainly from coconuts, and the refinement and marketing of a differentiated series of oils and protein products.
m) Blinkbeleg Vyftien (Pty) Ltd	Sentraal-Suid Beleggings (Pty) Ltd owns: 100% 100%		This company was dormant at year end.
n) Riparian Investments Consortium 1 (Pty) Ltd	Sentraal-Suid Beleggings (Pty) Ltd owns: 100% 100%		This company was dormant at year end.

6. Financial assets available for sale

Financial assets available for sale have increased by R1 645 000 (2023 – R1 788 386 decrease) for the Co-operative and increased R1 598 862 (2023 – R1 669 506 decrease) for the Group, due to the fair value adjustment in terms of accounting statement *IFRS for SMEs Accounting Standard*. The profit/(loss) has been directly accounted for in the statement of comprehensive income.

7. Investment in joint venture

Softlutions (Pty) Ltd

The Co-operative owns a 75% (2023 – 75%) interest in this company which is managed by joint decision-making. The company delivers software development and related services.

Procuero Grain (Pty) Ltd

Sentraal-Suid Co-operative Ltd owns a 50% (2023 – 50%) interest in this company which is managed by joint decision-making. The company owns and operates a strategically located Safex-registered silo complex in Randfontein, with the primary focus on grain storage and adding value to its shareholders.

8. Share capital

352 000 (2023 –332 000) shares were issued this year, while 220 000 (2023 –188 000) shares were cancelled, some of which were partially paid-up shares.

9. Directors

Details of the Co-operative's Directors, Secretary and registered office appear in the section with the details of the Co-operative on page 3.

Directors' remuneration was as follows:

	2024 R	2023 R
Remuneration – Non-executive Directors	2 576 663	2 342 196
Honorarium	1 898 072	1 788 946
Grants	678 591	553 250

10. Material events after year end

On 31 March 2024, the Competition Tribunal of South Africa granted approval for the prospective business combination between Sentraal-Suid Co-operative Ltd and Humansdorpse Landbou Co-operative Ltd. As part of the terms of this business combination the immovable property of the Humansdorpse Landbou Co-operative Ltd and its subsidiaries will be acquired by Tuinroete Agri (Pty) Ltd, with transfer of the immovable property taking place during the year ending 28 February 2025.

On 6 June 2024, the board of directors of Hessequa Abattoir (Pty) Ltd gave notice of their intention to cease operations of the subsidiary, as an abattoir. After cessation of operations, the subsidiary will in future be managed as an investment company with related activities. The financial impact of this decision could not be estimated in advance.



Apart from the above, to the best of the Directors' knowledge, there was no material error, circumstance, event or matter that arose or occurred between the reporting date and the date of the approval of the financial statements, which could affect the assessment of the Co-operative's financial statements.

11. Appreciation and acknowledgement

The Board of Directors wishes to express its appreciation to Members who have loyally supported the Co-operative. Without their support the success that was achieved would not have been possible. The Management and Staff deserve the Board's sincere thanks for their share in the successes achieved. Praise and glory to our Heavenly Father who has blessed us without merit in various undertakings.

12. Auditors

PricewaterhouseCoopers Incorporated will continue to act as auditors in accordance with Section 50 of the Co-operatives Act, 2005 (Act No. 14 of 2005), as amended by the Co-operatives Amendment Act, 2013 (Act No. 6 of 2013).



SENTRAAL-SUID KOÖPERASIE BPK EN SY FILIALE
OPGESOMDE STATE VAN FINANSIËLE POSISIE
soos op 29 Februarie 2024

GROEP		KOÖPERASIE	
2024 R'000	2023 R'000	2024 R'000	2023 R'000

BATES

Nie-bedryfsbates

Eiendom, aanleg en toerusting	1 176 300	967 251	571 572	463 301
Ontasbare bates	7 123	19 195	–	–
Belegging in filiale	–	–	203 869	210 479
Belegging in gesamentlike onderneming	3 998	4 132	3 998	4 132
Finansiële bates beskikbaar vir verkoop	78 215	65 732	71 448	59 360
Ander finansiële bates	217 517	189 160	208 351	176 388
Uitgestelde belastingbate	2 248	1 864	–	–
	1 485 401	1 247 335	1 059 238	913 660

Bedryfsbates

Voorraad	2 201 662	2 292 958	489 679	437 847
Handels- en ander debiteure	1 676 059	1 593 707	1 156 297	1 121 622
Korttermynlenings	212 700	27 328	216 761	34 464
Kontant en kontantekwivalente	54 517	77 927	16 066	18 857
Afgeleide finansiële instrumente	91 941	95 309	1 351	682
Inkomstebelasting	12 604	17 839	–	1 604
	4 249 483	4 105 068	1 880 154	1 615 076
Totale bates	5 734 884	5 352 403	2 939 392	2 528 736

SENTRAAL-SUID KOÖPERASIE BPK EN SY FILIALE OPGESOMDE STATE VAN FINANSIËLE POSISIE soos op 29 Februarie 2024 (vervolg)

GROEP		KOÖPERASIE	
2024 R'000	2023 R'000	2024 R'000	2023 R'000

EKWITEIT EN AANSPREEKLIKHEDE

Kapitaal en reserwes

Reserwes	1 632 835	1 430 789	1 078 884	995 308
Aandelekapitaal	7 245	7 106	7 261	7 118
Ledefondse	190 550	139 541	190 653	139 738
Ledebelang	1 830 630	1 577 436	1 276 798	1 142 164
Nie-beherende belang	469 060	399 650	–	–
Totale ekwiteit	2 299 690	1 977 086	1 276 798	1 142 164

Nie-bedryfslaste

Langtermynlenings	295 885	210 457	203 355	117 731
Uitgestelde belastingaanspreeklikheid	49 030	47 503	8 151	11 879
Na-aftrede mediese voordele	2 680	2 693	2 288	2 300
	347 595	260 653	213 794	131 910

Bedryfslaste

Handels- en ander krediteure	664 338	648 019	501 902	498 641
Voorsienings	184 643	91 061	24 972	20 006
Korttermynlenings	1 735 344	2 200 727	591 175	693 872
Afgeleide finansiële instrumente	20 874	23 955	502	–
Bankoortrekking	480 749	150 822	329 227	42 143
Inkomstebelasting	1 651	80	1 022	–
	3 087 599	3 114 664	1 448 800	1 254 662
Totale ekwiteit en aanspreeklikhede	5 734 884	5 352 403	2 939 392	2 528 736

SENTRAAL-SUID CO-OPERATIVE LTD AND ITS SUBSIDIARIES
SUMMARY STATEMENTS OF FINANCIAL POSITION
as at 29 February 2024

	GROUP		CO-OPERATIVE	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
ASSETS				
Non-current assets				
Property, plant and equipment	1 176 300	967 251	571 572	463 301
Intangible assets	7 123	19 195	–	–
Investment in subsidiaries	–	–	203 869	210 479
Investment in joint venture	3 998	4 132	3 998	4 132
Financial assets available for sale	78 215	65 732	71 448	59 360
Other financial assets	217 517	189 160	208 351	176 388
Deferred tax asset	2 248	1 864	–	–
	<u>1 485 401</u>	<u>1 247 335</u>	<u>1 059 238</u>	<u>913 660</u>
Current assets				
Inventory	2 201 662	2 292 958	489 679	437 847
Trade and other receivables	1 676 059	1 593 707	1 156 297	1 121 622
Short-term loans	212 700	27 328	216 761	34 464
Cash and cash equivalents	54 517	77 927	16 066	18 857
Derivatives	91 941	95 309	1 351	682
Income tax	12 604	17 839	–	1 604
	<u>4 249 483</u>	<u>4 105 068</u>	<u>1 880 154</u>	<u>1 615 076</u>
Total assets	<u><u>5 734 884</u></u>	<u><u>5 352 403</u></u>	<u><u>2 939 392</u></u>	<u><u>2 528 736</u></u>

SENTRAAL-SUID CO-OPERATIVE LTD AND ITS SUBSIDIARIES
SUMMARY STATEMENTS OF FINANCIAL POSITION
as at 29 February 2024 (continued)

	GROUP		CO-OPERATIVE	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
EQUITY AND LIABILITIES				
Capital and reserves				
Reserves	1 632 835	1 430 789	1 078 884	995 308
Share capital	7 245	7 106	7 261	7 118
Members' funds	190 550	139 541	190 653	139 738
Members' interest	1 830 630	1 577 436	1 276 798	1 142 164
Non-controlling interest	469 060	399 650	–	–
Total equity	2 299 690	1 977 086	1 276 798	1 142 164
Non-current liabilities				
Long-term loans	295 885	210 457	203 355	117 731
Deferred tax liabilities	49 030	47 503	8 151	11 879
Post-retirement medical benefits	2 680	2 693	2 288	2 300
	347 595	260 653	213 794	131 910
Current liabilities				
Trade and other creditors	664 338	648 019	501 902	498 641
Provisions	184 643	91 061	24 972	20 006
Short-term loans	1 735 344	2 200 727	591 175	693 872
Derivatives	20 874	23 955	502	–
Bank overdraft	480 749	150 822	329 227	42 143
Income tax	1 651	80	1 022	–
	3 087 599	3 114 664	1 448 800	1 254 662
Total equity and liabilities	5 734 884	5 352 403	2 939 392	2 528 736

**SENTRAAL-SUID KOÖPERASIE BPK EN SY FILIALE
OPGESOMDE STATE VAN OMVATTENDE INKOMSTE
vir die jaar geëindig 29 Februarie 2024**

	GROEP		KOÖPERASIE	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Inkomste	7 158 273	7 018 892	3 111 833	2 794 572
Koste van verkope	(5 813 382)	(5 343 773)	(2 519 010)	(2 287 669)
Ledebonusse verklaar	(80 000)	(70 000)	(80 000)	(70 000)
Bruto wins	1 264 891	1 605 119	512 823	436 903
Ander inkomste	176 991	152 038	176 946	160 432
Ander winste / (verliese) – netto	86 839	(495 110)	1 978	757
Administratiewe en bedryfsuitgawes	(929 419)	(828 532)	(465 288)	(413 517)
Bedryfswins	599 302	433 515	226 459	184 575
Finansieringsinkomste	11 783	3 765	10 991	11 681
Finansieringskoste	(224 203)	(161 439)	(125 932)	(73 903)
Wins voor ekwiteitsverdienste	386 882	275 841	111 518	122 353
Ekwiteitswins / (verlies) in gesamentlike onderneming	(134)	2 702	(134)	2 702
Wins voor belasting	386 748	278 543	111 384	125 055
Belasting	(109 076)	(82 401)	(29 803)	(22 004)
Wins vir die jaar	277 672	196 142	81 581	103 051

SENTRAAL-SUID KOÖPERASIE BPK EN SY FILIALE OPGESOMDE STATE VAN OMVATTENDE INKOMSTE vir die jaar geëindig 29 Februarie 2024 (vervolg)

GROEP		KOÖPERASIE	
2024 R'000	2023 R'000	2024 R'000	2023 R'000

Ander omvattende inkomste

Items wat nie herklassifiseer sal word na wins en verlies nie

Waardasie-aanpassing op na-aftrede mediese voordele	10	(240)	10	(240)
Uitgestelde belasting op waardasie-aanpassing op na-aftrede mediese voordele	2	44	2	44
Wisselkoersverskille op die omskakeling van buitelandse bedrywighede	(3 450)	(1 850)	–	–

Items wat herklassifiseer sal word na wins en verlies

Billike waarde-aanpassing van finansiële bates beskikbaar vir verkoop	1 599	(1 669)	1 645	(1 788)
Uitgestelde belasting op billike waarde-aanpassing	394	479	338	506
Totale omvattende inkomste vir die jaar	276 227	192 906	83 576	101 573

Wins toeskryfbaar aan:

Lede	204 104	143 432	81 581	103 051
Nie-beherende belang	73 568	52 709	–	–
	277 672	196 141	81 581	103 051

Totale omvattende inkomste toeskryfbaar aan:

Lede	202 659	140 197	83 576	101 573
Nie-beherende belang	73 568	52 709	–	–
	276 227	192 906	83 576	101 573

SENTRAAL-SUID CO-OPERATIVE LTD AND ITS SUBSIDIARIES
SUMMARY STATEMENTS OF COMPREHENSIVE INCOME
for the year ended 29 February 2024

	GROUP		CO-OPERATIVE	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Income	7 158 273	7 018 892	3 111 833	2 794 572
Cost of sales	(5 813 382)	(5 343 773)	(2 519 010)	(2 287 669)
Bonuses declared	(80 000)	(70 000)	(80 000)	(70 000)
Gross profit	1 264 891	1 605 119	512 823	436 903
Other income	176 991	152 038	176 946	160 432
Other profits / (losses) – net	86 839	(495 110)	1 978	757
Administrative and operating expenses	(929 419)	(828 532)	(465 288)	(413 517)
Operating profit	599 302	433 515	226 459	184 575
Finance income	11 783	3 765	10 991	11 681
Finance costs	(224 203)	(161 439)	(125 932)	(73 903)
Profit before equity earnings	386 882	275 841	111 518	122 353
Equity profit / (loss) in joint venture	(134)	2 702	(134)	2 702
Profit before tax	386 748	278 543	111 384	125 055
Tax	(109 076)	(82 401)	(29 803)	(22 004)
Profit for the year	277 672	196 142	81 581	103 051

SENTRAAL-SUID CO-OPERATIVE LTD AND ITS SUBSIDIARIES
SUMMARY STATEMENTS OF COMPREHENSIVE INCOME
for the year ended 29 February 2024 (continued)

GROUP		CO-OPERATIVE	
2024 R'000	2023 R'000	2024 R'000	2023 R'000

Other comprehensive income

Items that will not be reclassified to profit and loss

Actuarial adjustment to post-retirement medical benefits	10	(240)	10	(240)
Deferred tax on actuarial adjustment to post-retirement medical benefits	2	44	2	44
Exchange rate differences on the conversion of foreign operations	(3 450)	(1 850)	–	–

Items that will be reclassified to profit and loss

Fair value adjustment to financial assets available for sale	1 599	(1 669)	1 645	(1 788)
Deferred tax on fair value adjustments	394	479	338	506

Total comprehensive income for the year (net of tax)

	276 227	192 906	83 576	101 573
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Profit attributable to:

Members	204 104	143 432	81 581	103 051
Non-controlling interest	73 568	52 709	–	–
	277 672	196 141	81 581	103 051

Total comprehensive income attributable to:

Members	202 659	140 197	83 576	101 573
Non-controlling interest	73 568	52 709	–	–
	276 227	192 906	83 576	101 573

SENTRAAL-SUID KOÖPERASIE BPK EN SY FILIALE OPGESOMDE STATE VAN KONTANTVLOEIE vir die jaar geëindig 29 Februarie 2024

	GROEP		KOÖPERASIE	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Kontantvloei uit bedryfsaktiwiteite				
Kontant (aangewend in)/gegeneer deur bedrywighede	700 868	(233 758)	77 149	(149 412)
Rente ontvang	146 169	93 876	146 169	93 876
Rente betaal	(224 203)	(161 439)	(125 932)	(73 903)
Belasting betaal	(100 732)	(91 751)	(30 564)	(23 271)
Netto kontant (aangewend in)/gegeneer deur bedryfsaktiwiteite	522 102	(393 072)	66 822	(152 709)
Kontantvloei uit beleggingsaktiwiteite				
Toevoeging tot eiendom, aanleg en toerusting	(297 490)	(230 541)	(147 952)	(117 926)
Opbrengs met verkoop van eiendom, aanleg en toerusting	10 216	3 708	1 684	1 702
Lenings aan filiale terugontvang	–	–	3 120	257 308
Lenings aan filiale toegestaan	–	–	(1 927)	(831)
Verkryging van finansiële bates beskikbaar vir verkoop	(19 113)	(14 390)	(18 673)	(14 247)
Opbrengs met verkoop van finansiële bates beskikbaar vir verkoop	8 230	–	8 230	–
Lenings aan gesamentlike ondernemings terugontvang	2 406	–	2 406	–
Lenings aan gesamentlike ondernemings toegestaan	(455)	(6 118)	(455)	(6 118)
Langtermynlenings terugontvang	2 456	1 864	–	–
Langtermynlenings toegestaan	(650)	(1 684)	–	–
Korttermynbelegging terugontvang	–	37 356	–	8 748
Korttermynbelegging toegestaan	(200 082)	(56)	(200 000)	–
Verkryging van belegging in filiaal	(141)	–	(141)	–
Rente ontvang	11 782	3 765	10 991	11 681
Dividende ontvang	4 839	2 395	16 035	53 128
Netto kontant (aangewend in)/gegeneer deur beleggingsaktiwiteite	(478 002)	(203 701)	(326 683)	193 445

**SENTRAAL-SUID KOÖPERASIE BPK EN SY FILIALE
OPGESOMDE STATE VAN KONTANTVLOEIE
vir die jaar geëindig 29 Februarie 2024 (vervolg)**

	GROEP		KOÖPERASIE	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Kontantvloei uit finansieringsaktiwiteite				
Langtermynlenings terugbetaal	(2 273)	(25 996)	–	(23 440)
Langtermynlenings aangegaan	76 979	135 208	75 379	–
Korttermynlenings terugbetaal	(627 773)	–	(92 452)	(60 857)
Korttermynlenings aangegaan	173 112	426 997	–	31 312
Aandele ingetrek	(215)	(184)	(214)	(184)
Aandele uitgereik	348	332	352	332
Aandele opbetaal uit omsetbonus	6	29	6	29
Terugkoop van aandele	(660)	(29 126)	–	–
Ledefonds uitbetaal	(12 991)	(21 235)	(13 085)	(21 135)
Dividende betaal aan nie-beherende belang	(3 970)	(4 192)	–	–
Netto kontant (aangewend in)/gegeneer deur finansieringsaktiwiteite	(397 437)	481 833	(30 014)	(73 943)
Afname in kontant en kontantekwivalente	(353 337)	(114 940)	(289 875)	(33 207)
Kontant en kontantekwivalente aan begin van jaar	(72 895)	42 045	(23 286)	9 921
Kontant en kontantekwivalente aan einde van jaar	(426 232)	(72 895)	(313 161)	(23 286)

SENTRAAAL-SUID CO-OPERATIVE LTD AND ITS SUBSIDIARIES

SUMMARY STATEMENTS OF CASHFLOWS

for the year ended 29 February 2024

	GROUP		CO-OPERATIVE	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Cash flow from operating activities				
Cash (utilised in)/generated from activities	700 868	(233 758)	77 149	(149 412)
Interest received	146 169	93 876	146 169	93 876
Interest paid	(224 203)	(161 439)	(125 932)	(73 903)
Taxation paid	(100 732)	(91 751)	(30 564)	(23 271)
Net cash (utilised in)/generated from operating activities	522 102	(393 072)	66 822	(152 709)
Cash flow from investment activities				
Addition to property, plant and equipment	(297 490)	(230 541)	(147 952)	(117 926)
Proceeds on sale of property, plant and equipment	10 216	3 708	1 684	1 702
Loans to subsidiaries received	–	–	3 120	257 308
Loans granted to subsidiaries	–	–	(1 927)	(831)
Acquiring financial assets available for sale	(19 113)	(14 390)	(18 673)	(14 247)
Proceeds on sale of financial assets available for sale	8 230	–	8 230	–
Loan received from joint venture	2 406	–	2 406	–
Loan granted to joint venture	(455)	(6 118)	(455)	(6 118)
Long-term loans received	2 456	1 864	–	–
Long-term loans granted	(650)	(1 684)	–	–
Short-term Investments received	–	37 356	–	8 748
Short-term Investments granted	(200 082)	(56)	(200 000)	–
Acquiring interest in subsidiary	(141)	–	(141)	–
Interest received	11 782	3 765	10 991	11 681
Dividends received	4 839	2 395	16 035	53 128
Net cash (utilised in)/generated from investment activities	(478 002)	(203 701)	(326 683)	193 445

SENTRAAL-SUID CO-OPERATIVE LTD AND ITS SUBSIDIARIES
SUMMARY STATEMENTS OF CASHFLOWS
for the year ended 29 February 2024 (continued)

	GROUP		CO-OPERATIVE	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Cash flow from financing activities				
Long-term loans repaid	(2 273)	(25 996)	–	(23 440)
Long-term loans obtained	76 979	135 208	75 379	–
Short-term loans repaid	(627 773)	–	(92 452)	(60 857)
Short-term loans obtained	173 112	426 997	–	31 312
Shares cancelled	(215)	(184)	(214)	(184)
Shares issued	348	332	352	332
Shares paid up by Member bonuses	6	29	6	29
Repurchase of shares	(660)	(29 126)	–	–
Members' funds repaid	(12 991)	(21 235)	(13 085)	(21 135)
Dividends paid to non-controlling interest	(3 970)	(4 192)	–	–
Net cash (utilised in)/generated from financing activities	(397 437)	481 833	(30 014)	(73 943)
Decrease in cash and cash equivalents	(353 337)	(114 940)	(289 875)	(33 207)
Cash and cash equivalents at beginning of year	(72 895)	42 045	(23 286)	9 921
Cash and cash equivalents at end of year	(426 232)	(72 895)	(313 161)	(23 286)



AANTEKENING 1

Basis van voorbereiding

Die opgesomde afsonderlike en gekonsolideerde finansiële state is opgestel vanuit die volledige geouditeerde afsonderlike en gekonsolideerde finansiële state vir die jaar geëindig 29 Februarie 2024.

Hierdie opgesomde afsonderlike en gekonsolideerde finansiële state vervat die afsonderlike en gekonsolideerde state van finansiële posisie en afsonderlike en gekonsolideerde state van omvattende inkomste en kontantvloeie soos vervat in die geouditeerde afsonderlike en gekonsolideerde finansiële state, sonder enige aansuiwerings of samevoegings.

NOTE 1

Basis of preparation

The summary separate and consolidated financial statements have been compiled from the full set of audited separate and consolidated financial statements for the year ended 29 February 2024.

The summary separate and consolidated financial statements, which comprise the separate and consolidated statements of financial position and separate and consolidated statements of comprehensive income and cash flows, are derived from the audited separate and consolidated financial statements, without any changes or off-setting.

SENTRAAL-SUID KOÖPERASIE BPK EN SY FILIALE FINANSIËLE BESTUURSOORSIG 2024

AGTERGROND

Na die 2020 Covid-19 pandemie is gereeld gemeld dat ons ons moet voorberei op die 'nuwe normaal'. Min het ons geweet hoe ongewoon hierdie 'nuwe normaal' sou wees. Op internasionale front blyk die era van verdraagsaamheid blitsig tot 'n einde te kom, met konfrontasie wat op staats- en interne fronte die hoogty vier. Die voortslepende oorlog tussen Rusland en Oekraïne word weinig oor verslag gedoen op nuusplatforms en het plek gemaak vir die kookpot van globale onenigheid. Die Israeliese en Palestynse twis en die rekord aantal verkiesings wat wêreldwyd in 2024 beslis word kry al die lugtyd. Die verkiesings word beslis tussen al hoe meer radikale politieke partye oor die wye spektrum.

Ontwikkelende lande raak al hoe meer keelvol vir die instruktiewe rol wat die ontwikkelde lande, verteenwoordig deur die G7, speel. Baie van hierdie ontwikkelende lande skaar hul nou by die BRICS groepering, soveel so dat die BRICS+ (wat nog addisionele lande insluit bo- en behalwe die stigterslande) by die mees onlangse BRICS beraad aanvaar is. Hierdie groepering begin al hoe meer stem dik maak namate hul finansiële spiere groei en is daar groot bekommernis by die groter moonthede oor die impak wat hierdie gesamentlike groepering sal kan hê sou daar drasties opgetree word teen een van hierdie groepering se lede. Sedert die tweede wêreld oorlog was die planeet nog nie weer so naby aan 'n grootskaalse konflik soos nou nie, en die trajek is kommerwekkend. Nasionalisme bly hard te baklei teen idealisme, met min agting wat gegee word aan realisme.

Verbasend genoeg het insetpryse hul dalende tendens voortgesit, soos wat die markte gewoon geraak het aan hierdie 'nuwe normaal'. Die resies om hulpbron-ryk Afrika korporatief te beset is in volle swang met China en Rusland wat hier die voortou neem, tot die VSA en Europa se groot frustrasie.

Die loods en die gevolglike massiewe sukses van kunsmatige intelligensie het in die laaste jaar alle aspekte van ons lewens, beide professioneel en persoonlik betree. Daar heers groot kommer dat die werknemers en besighede van vandag nie genoeg tyd het om hul aan te pas alvorens die rol wat baie van hul vervul, nie meer benodig gaan word nie. Elektriese voertuie, hernubare energie en outomatisering kry die leeudeel van investering uit kapitale markte. Terselfdertyd word krediet afgewurg in verbruikers se kele, met aanbod wat hier so omvangryk raak, dat ongedissiplineerde verbruikers hier in die strik trap. Mens wonder hoe volhoubaar hierdie tendens is en hoe lank die verbruiker gaan voortgaan om bloot te werk om skuld te diens alvorens hul oorgee. Die markte sal 'n regstelling wat hierdeur veroorsaak sal word beswaarlik kan bekostig.

Die Rand het 'n stabiele jaar beleef en is marginaal sterker as 'n jaar gelede. Dit opsigself is verbasend gegewe die deurlopende slegte nuus wat uit Suid-Afrika voortvloei. Politieke onmin, voortslepende korrupsie, swak funksionerende staatsinstellings, beurtkrag en Suid-Afrika se onvermoë om te kapitaliseer op die massiewe investering wat in Afrika plaasvind, is teleurstellend.



Rentekoerse het vir die hele finansiële jaar onveranderd gebly, met die huidige primakoers ten tyde van hierdie skrywe (Junie 2024) op 11.75%. Die Rand verhandel tans teen R17.96/\$1 (R18.75/\$1 laasjaar hierdie tyd). Op politieke front is die Suid-Afrikaanse verkiesing sopas afgehandel met die ANC wat 'n geskiedkundige nederlaag gelei het. Die Umkhonto WeSizwe party, onder leiding van oud-President Jacob Zuma het die regerende party 'n bloedneus gegee deur amper 15% van hul stemme af te rokkel. Dit het die ANC met net meer as 40% van die stemme gelaat. Hierdie uitslag dwing die ANC om 'n regering van nasionale eenheid op die been te bring en koalisis wat 10 jaar gelede as onmoontlik beskryf sou word, word nou gevorm. Of die politieke wil daar is om dit te laat werk, is onwaarskynlik, met die mense van Suid-Afrika wat, soos gewoonlik, die prys hiervoor sal moet betaal. Mens wonder of die Reënboognasie nie baie beter oor die weg sou kom sonder die inmenging van politieke partye nie.

Die Suid-Afrikaanse landbousektor het 'n gemengde jaar beleef met uiters droë toestande wat die someraanplantings in die Noorde gekenmerk het. Dit het gelei tot massiewe stygings in veral mieliepryse, wat dienooreenkomstig die melkbedryf se voerkoste drasties verhoog het. Goeie reënval in die Wes-, Oos- en Noord-Kaap het welkome verligting gebring en dam oorlope het uiteindelik weer hul rol vervull. Die voorgestelde wysiging van die Grondwet om vir die onteiening van grond sonder vergoeding voorsiening te maak, bring steeds onsekerheid in 'n sektor wat dit nie nodig het nie. Landbou se bydrae tot werkskepping is steeds wesenlik en mens kan bloot wonder wat die potensiaal kan wees as hierdie onsekerhede uit die weggeruim word. Die Rand bied steeds geleenthede vir uitvoerders om goeie pryse te realiseer in die buiteland en alhoewel invoere se pryse steeds toeneem blyk die droogte in die Noorde afwaartse druk te plaas op nuwe en tweedehandse heelgoedere pryse. Infrastruktuur agteruitgang maak steeds opslae, met veral die hawens wat sukkel om vars produkte effektief te hanteer.

SSK se bedieningsgebied het 'n jaar van goeie reën en gunstige natuurtoestande beleef. Gevolglik is rekord-opbrengste wydverspreid gerealiseer. Oormaat reën in oestyd het egter 'n demper op die 2023 graanoes geplaas met kwaliteitsprobleme, veral met gars, wat 'n negatiewe finansiële impak gehad het. Veeboere kon bespaar aan voerkoste met goeie weidings na die voldoende reën. Hierdie was broodnodig gegewe die afwaartse druk wat op vleispryse ervaar is. Suiwelboere het goeie pryse vir hul melk gerealiseer, maar die volgehoue hoë mielieprys het diegene wat afhanklik is van vervaardigde voer, erge kostedruk ervaar. Die 2024-plantseisoen is afgehandel en daar het wydverspreide reën oor die Suid-Kaap en Tuinroete geval, beide voor en tydens planttyd. Die grondvoginhoud en damvlakke is ten tyde van hierdie skrywe oor die breër bedieningsgebied baie gesond. Ons sien uit na 'n geseënde landboujaar.

Vooruitsigte dui tans op laer plaaslike koringpryse, terwyl canola-pryse internasionaal tekens van verhoging toon. Moutgarsaanplantings blyk ook te normaliseer na die daling in hektare geplant van twee jaar gelede.

Vooruitsigte vir van die ander landbousektore is soos volg:

- Die suiwelbedryf ervaar deurlopende konsolidasie, met 'n kommerwekkende tendens in die Suid-Kaap van kleiner melkery wat staak. Die koeie word ook nie ten volle in plaaslike kuddes opgeneem



nie en word in groot hoeveelhede na die Oos-Kaap verskuif. Kostebestuur bly steeds die fokus van alle melkboere en sal moet voortgaan om volhoubaarheid te verseker. Goeie weidings en kuilvoervoorraad sal hopelik welkome verligting bring. Alle oë is egter op die Bek-en-Klouseer uitbraak in Humansdorp en kan die potensiele impak hiervan op die bedryf nie misgekyk word nie. Entstowwe bly onbeskikbaar en lei tot groot frustrasie van suiwelboere.

- Die vrugtebedryf het goeie oeste ervaar, en die swak Rand bied geleentheid om premies vir uitvoere te realiseer. Uiters gesonde damvlakke sal help om die opbrengste vir die volgende seisoen te onderlê. Internasionale pryse van vrugte het stabiel gebly, met aanvaarbare premies wat vir uitstekende kwaliteit verdien is.
- Die wynbedryf het goeie oeste behaal, maar die druk op kontantvloeï is ver van verby, met kelders wat steeds sukkel om die effek van die pandemie op hul wynverkope te verwerk. Sprake van verlengde betaaltermes van kelders word alledaags gedeel.
- Die volstruisbedryf het 'n goeie jaar beleef, met goeie pryse wat vir kwaliteit velle en vere verdien word. Die veerprijs het effe teruggesak, maar is steeds op goeie vlakke. Hoë voerkoste bly steeds 'n probleem, maar goeie natuurtoestande help diegene wat hul eie voer produseer. Die lusernprijs het ook wesenlik gedaal, wat verligting op hierdie front bied. Vleisprijs was meestal stabiel.
- Vleisprijs, veral skaap en bees, het verder teruggesak, en vele abattoirs het hul deure gesluit in die afgelope jaar. Die enigste verligting vir veeboere is die laer voerkoste, a.g.v. goeie weidings. Verbruikersbesteding bly onder druk en goedkoper proteïenbronne word ingespan om sente om te draai.
- Die wol- en bokhaarbedryf het 'n bevredigende jaar gehad. Die mark vir natuurlike vesel bly hoogs sensitief tot die internasionale verbruiker se besteebare inkomste.
- Die groentebedryf se pryse het weinig verligting gebring, alhoewel groentesaadproduksie meer wydverspreid plaasvind. Uitstekende winste word hier gerealiseer, alhoewel op beperkte skaal. Daar blyk ruimte vir uitbreiding hier te wees.

SSK het 'n uitstekende finansiële jaar beleef, met weereens rekord waarde van sake gedoen, omset, bruto wins, bedryfswins en Ledebonusse wat gerealiseer is. Die netto wins was laer as in 2023, maar as die impak van die eenmalige dividend vanaf SwellenMark se verkoop van hul winkelsentrum uitgelaat word, het dit ook toegeneem. Direkte bestellings het hul groei voortgesit, gegewe die gunstige natuurtoestande wat deur die graangroei-eisoeën ervaar is. Alhoewel rekord graanoeste ervaar is, het kwaliteitsuitdagings gelei daartoe dat oorhoofse oorlaatskuldvlakke meerendeels onveranderd gebly het. Oninbare skulde het afgeneem, asook die voorsiening vir oninbare skulde. Dit is verblydend, en is SSK dankbaar vir uitstekende vlakke, gegewe die grootte van die debiteureboek. SSK se kredietbestuurspan is gefokus daarop om dinamies planne te beraam om in elkeen van die Lede se unieke finansieringsbehoefes te voorsien. Gegewe SSK se lae oorlaatkoste, relatief tot ons konkurrente, is daar egter gevalle waar oorlaatskuld verkies word alvorens skuldkonsolidasie nagestreef word, en word graan selektief bemark. Planne word beraam om hierdie tendense te bekamp.



SSK het 'n rekordjaar op Groepsvlak ervaar, met SOILL wat uitstekende resultate in 'n hoogs kompeterende mark gerealiseer het. Uitdagings wat betref die groter canola-oes is aangespreek deur grootskaalse produksie kapasiteitsuitbreidings in beide Swellendam en Moorreesburg. SOILL oorweeg die uitvoer van surplus canola voor oestyd ten einde druk op opbergings- asook produksiekapasiteit te verminder.

Tuinroete Agri, wat as 'n eiendomsverhuringsonderneming funksioneer, het sy winsgewendheid verder verbeter en 'n rekord netto wins opgelewer. Ooreenkomste is gesluit waardeur hierdie onderneming die vaste eiendom van die Humansdorpse Landbou Koöperasie gekoop het. Die oordragte van hierdie eiendomme is ten tyde van hierdie skrywe in proses. Al hierdie eindomme word verhuur aan die verkoper teen markverwante hure. Technifarm en Eureka Meulens het beide rekordresultate opgelewer. Sentraal-Suid Beleggings en SSK Petro Retail het met bevredigende netto winste afgesluit. Hessequa Abattoir het 'n uiters uitdagende jaar beleef en is die besluit na jaareinde geneem deur hul direksie om die abattoir te sluit. Potensiële huurders of kopers word gesoek vir die abattoir. Procuo Grain het 'n marginale verlies gerealiseer. Softlutions het 'n netto verlies gerealiseer. Vooruitsigte vir 2025 is beter met die verkoop van die Grainworx sagteware aan SSK. Die ander filiale van SSK was op jaareinde dormant. SSK se finansiële posisie is kerngesond en die finansiële prestasie uitstekend onder uitdagende omstandighede. Daar kon ook weereens met gemak voldoende finansiering vir SSK en sy Lede se bedrywighede verkry word.

Die bedryfsafdelings het uitstekende resultate gelever en was almal winsgewend, met slegs Handel wat 'n marginale daling in netto wins ervaar het. Meer besonderhede hieroor word in die aantekeninge later in die oorsig verskaf.

Ledetalle het gegroei en toon dat die koöperatiewe ondernemingsvorm aanklank vind by al hoe meer produsente. Die voordele van lidmaatskap lok al hoe meer produsente vanuit die grense van SSK se bedieningsgebied. SSK se swart aandeelhouing het stabiel gebly, met byna 70% van die Lede wat uit voorheen benadeelde groeperings afkomstig is.

Op 'n tegnologiese vlak is SSK steeds op koers met 'n goed deurdagte langtermyninligting- en tegnologiestrategie. Die rekenkundige en bedryfsagteware funksioneer uitstekend en is gebruikersvriendelik. Die implementering van die Qlik sagteware lei tot verbeterde bestuursinligting en word reeds met groot sukses in die onderneming gebruik. Die data wat tot beskikking gestel word vir Lede en besigheidsvennote is eenvoudig, pasgemaak en toeganklik. SSK beskik ook oor 'n goeie balans van interne kennis en ondervinding, asook eksterne kundige diensverskaffers. Die netwerk, telefoonstelsel, e-possisteem, toegangsbeheer en bediener-infrastruktuur is wêreldklas en word deurlopend verder verbeter en vernuwe.

2024 was 'n geseënde jaar vir SSK en sy Lede. Die Personeel se toewyding aan ons Lede en kliënte is tasbaar en die rekord prestasies van baie van die bedryfsafdelings is 'n uitstekende bewys hiervan. SSK poog voortdurend om die behoeftes van ons Lede te identifiseer, te verstaan en daaraan met uitnemendheid te voldoen.

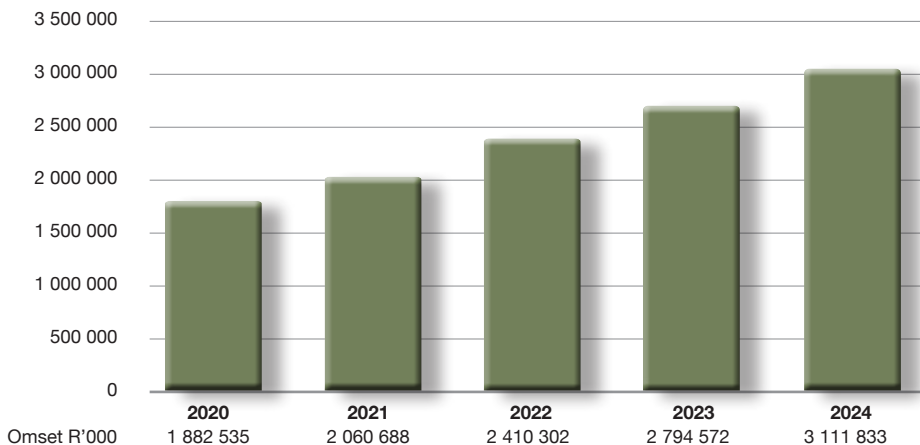
SSK se finansiële en operasionele prestasie was merkwaardig en ons is nederig dankbaar vir die omstandighede wat dit moontlik gemaak het. Tot voordeel van beide Lede en die organisasie, is die finansiële posisie wesenlik versterk.

Ons kan terugkyk op die 2024 finansiële jaar met baie dankbaarheid vir die resultate wat behaal is. Die Direksie, Bestuur en Personeel het deur uitdagende omstandighede hierdie jaar dit reggekry om ons Lede en kliëntebasis te versterk en uit te bou. Die motivering en ywer waarmee hul dagtake aangepak is, is 'n sprekende illustrasie van die lojale en toegewyde span wat SSK hul werktuiste maak. SSK se Lede, Direksie, Bestuur en Personeel het hard saamgewerk om hierdie resultate moontlik te maak onder uitdagende omstandighede. Ons wil almal vir hul bydrae hiertoe bedank. Hierdie resultate is egter nie net die resultaat van een jaar se opofferings nie en erkenning word gegee aan almal wat gehelp het om te bou aan die basis waarvan ons hierdie jaar begin het. Werk Saam, Wen Saam! SSK se Direksie, Bestuur en Personeel bly toegewyd tot die ondersteuning van die Lede en hul onderskeie boerderye en is dankbaar vir die ondersteuning wat SSK se Lede aan die organisasie bied. Alle eer aan ons Hemelse Vader vir die seëninge wat onverdienslik uit Sy hande ontvang is.

TOTALE OMSET

Die totale omset met Lede en klante het toegeneem vanaf R 2 794 572 366 in die 2023 finansiële jaar tot R 3 111 832 624 in die 2024 finansiële jaar – 'n toename van 11.35%. Die toename is verblydend en is die gevolg van gunstige weersomstandighede in die bedieningsgebied en die gevolglike hoër volumes landbou-insette, wat veral in die graanbedryf ervaar is. 'n Rekord graan-oes kon behaal word, alhoewel daar uitdagings met kwaliteit ervaar is. Die waarde van sake gedoen het met 11.28% gestyg vanaf R4 226 730 487 in 2023 tot R4 703 366 110 in 2024.

TOTALE OMSET



NETTO INKOMSTE / VERDELING VAN SURPLUS

Die Koöperasie se bedrywighede het 'n netto inkomste voor belasting, maar na Ledebonusse, vir die jaar van R111 384 018 (2023 – R125 054 899) tot gevolg gehad. Ingesluit in die 2023 syfers is 'n likwidasiedividend van R38 023 271 ontvang vanaf SwellenMark (Edms) Bpk na afloop van die verkoop van die winkelsentrum.

Inkomstebelasting beloop R32 150 583 (2023 – R19 694 962) met 'n regstelling ten opsigte van die 2023 jaar van 'n addisionele R 1 040 428 wat aanvullend tot die 2024 syfer getoon word. Die afname in die voorsiening vir uitgestelde belasting beloop R3 387 820 (2023 – R2 308 595 toename). Die netto inkomste na belasting, maar voor bonusse, beloop dus R 161 580 827 (2023 – R173 051 341). Die surplus word soos volg verdeel:

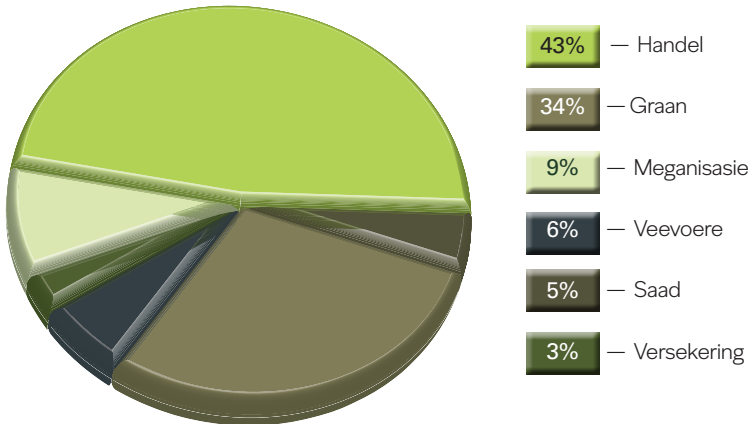
Ledebonusse	R80 000 000
Uitgestel	R64 000 000
Kontant	R16 000 000
Reserwes	R81 580 827

BEDRYFSREKENINGE

	2024				2023			
	Omset R	Bruto wins/(verlies) R	Bruto wins %	Netto wins	Omset R	Bruto wins/ (verlies) R	Bruto wins %	Netto wins
Meganisasie	387 710 689	53 477 758	14%	7 748 577	338 732 863	44 277 155	13%	4 683 897
Versekering	19 918 881	19 920 742	100%	5 921 091	17 897 639	17 897 639	100%	4 397 415
Handel	1 658 774 715	264 068 966	16%	65 336 967	1 619 147 088	245 311 541	15%	69 275 142
Saad	164 326 362	29 551 292	18%	18 177 724	128 835 086	26 663 388	21%	9 271 249
Graan	689 138 234	207 277 955	30%	42 921 594	449 603 038	150 609 614	33%	25 013 527
Veevoere	219 273 628	36 969 995	17%	2 495 988	263 893 111	33 086 678	13%	1 953 331
Administrasie	2 020 359	1 018 717	Nvt	19 074 886	1 753 665	4 143 151	Nvt	58 456 779
Interne koste	(29 330 245)	(19 462 505)	Nvt	–	(25 290 123)	(15 086 053)	Nvt	–
Netto wins na belasting voor Ledebonusse				161 580 827				173 051 341
Ledebonusse verklaar				(80 000 000)				(70 000 000)
Totaal	3 111 832 623	592 822 920	19%	81 580 827	2 794 572 367	506 903 112	18%	103 051 340

BRUTO WINS PER DOELSTELLING

Die verhouding van bruto wins per doelstelling tot die totale bruto wins voor Ledebonusse ten bedrae van R592 822 919 (2023 – R506 903 112) is soos volg:



TOTALE UITGAWES

Totale uitgawes (administratiewe en bedryfsuitgawes) het in die jaar onder oorsig met 12.52% gestyg. Dit is in ooreenstemming met die begrote syfers en is grotendeels gedryf deur die verhoogde koste verbonde aan bankkoste (eenmalige fasiliteitsfooie verteenwoordig die meerderheid van die toename), besker-mende klere, bedryfshuur, herstelwerk en onderhoud, personeelkoste, regskoste (grotendeels gedryf deur die kostes verbonde aan die Humansdorpse Landbou Koöperasie transaksie), rekenaaruitgawes, wa-ter en elektrisiteit, verpakkingsmateriaal (wat grotendeels deur die aankoop van silosakke gedryfis), verse-kering, voorsiening van waardeling van 'n filiaal (Hessequa Abattoir), en waardevermindering. 'n Eenmalige uitgawe ten bedrae van R13 132 136 vir verliese weens bedrog vorm deel van die 2023 uitgawes. Daar was afnames in bestuursdienste, graanberokingskoste, skoonmaakskoste en slegte skulde.

DEBITEURE

Oorlaatskuld het marginaal toegeneem tot R273 434 360 (2023 – R263 124 387). Die toename kan toegeskryf word aan swakker graankwaliteit wat gerealiseer het vanweë oormat reën in veral oestyd. Daar is vanjaar debiteure ten bedrae van R1 272 275 (2023 – R3 604 261) as oninbaar afgeskryf. Die totale voorsiening vir twyfelagtige skuld was op jaareinde R6 433 337 (2023 – R7 425 844). Die afskrywings van handelsdebiteure is grotendeels toeskryfbaar aan een wesenslike debiteur ten bedrae van R1 231 398 wat as oninbaar geklassifiseer is.

WAARDETOEVOEGING TOT BELANGHEBBENDES

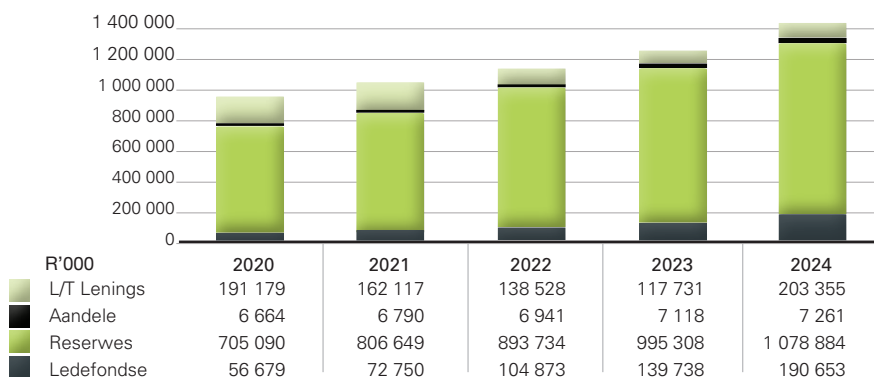
		2024 R	2023 R	
Omset		3 111 833 624	2 794 572 366	
Netto kosprys van produkte en dienste		2 366 459 880	2 167 326 269	
Waarde toegevoeg		745 373 744	627 246 097	
Soos volg aangewend:	%			%
Werknemers	32,09	239 190 834	211 887 196	33,78
Lone/Salarisse	28,21	210 239 678	186 451 860	29,73
Aansporingsbonusse	3,89	28 961 479	25 195 336	4,02
Na-aftrede mediese koste	0,00	(10 323)	240 000	0,04
Kapitaalverskaffers	19,04	141 932 243	87 902 575	14,01
Rente	16,90	125 932 243	73 902 575	11,78
Bonusse uitbetaal	2,15	16 000 000	14 000 000	2,23
Toevoeging van bates	19,85	147 952 294	117 926 246	18,80
Waardevermindering	5,15	38 420 256	28 715 180	4,58
Herbelê in besigheid	19,87	148 074 926	158 855 741	25,32
Reserwes	11,28	84 074 926	102 855 741	16,40
Bonusse uitgestel	8,59	64 000 000	56 000 000	8,93
Inkomstebelasting	4,00	29 803 191	22 003 558	3,51
Na-aftrede mediese koste	0,00	(2 072)	(44 400)	(0,01)
Waarde toegevoeg	100,00	745 373 744	627 246 097	100,00

BELANGRIKE FINANSIËLE VERHOUDINGS

Die volgende verhoudings is belangrike maatstawwe waarmee die finansiële toestand gemeet kan word:

	2024	2023
Netto winsgewendheid (na Ledebonusse)	2,62%	3,69%
Opbrengs op ekwiteit (na Ledebonusse)	6,39%	9,02%
Skuld : Ekwiteit	1,30	1,21
Rentedraende skuld : Ekwiteit	0,88	0,75
Bedryfskapitaal	1,30	1,29

KAPITAALBRONNE



FILIALE

Die prestasie van die filiaalmaatskappye (direkte en indirekte belang) en gesamentlike ondernemings vir die jaar onder oorsig, is soos volg:

	Omset	2024 Bruto wins	Netto wins/ (verlies)
Eureka Mills (Edms) Bpk	99 449 635	23 421 256	4 969 685
Hessequa Abattoir (Edms) Bpk	150 912 761	10 745 238	(3 984 758)
Procuco Grain (Edms) Bpk	17 520 898	11 122 978	(267 490)
Riparian Investments Consortium 1 (Edms) Bpk	–	–	(8 281)
Sentraal-Suid Beleggings (Edms) Bpk	946 161	946 161	577 751
Softlutions (Edms) Bpk	6 600 400	6 600 400	(3 139 631)
Southern Oil (Edms) Bpk	3 803 554 909	699 271 123	185 630 990
SSK Petro Retail (Edms) Bpk	61 941 908	4 533 753	75 706
Swellen Mark (Edms) Bpk	–	–	–
Technifarm (Edms) Bpk	24 065 327	11 525 398	5 665 096
Tuinroete Agri (Edms) Bpk	21 029 940	16 175 591	14 698 425
Walts Malting (Edms) Bpk	76 818	76 818	(168 338)
	Omset	2023 Bruto wins	Netto wins/ (verlies)
Eureka Mills (Edms) Bpk	74 818 880	17 301 216	2 919 330
Hessequa Abattoir (Edms) Bpk	243 674 263	17 034 272	(391 586)
Procuco Grain (Edms) Bpk	22 164 450	20 376 856	5 403 860
Riparian Investments Consortium 1 (Edms) Bpk	–	–	(15 524)
Sentraal-Suid Beleggings (Edms) Bpk	948 028	948 028	548 136
Softlutions (Edms) Bpk	6 021 990	6 021 990	(4 280 642)
Southern Oil (Edms) Bpk	3 975 074 723	1 125 687 567	134 123 954
SSK Petro Retail (Edms) Bpk	63 950 237	4 198 188	(7 380)
Swellen Mark (Edms) Bpk	8 201	8 201	24 562
Technifarm (Edms) Bpk	18 424 834	7 612 865	3 044 797
Tuinroete Agri (Edms) Bpk	16 023 525	11 358 523	9 363 676
Walts Malting (Edms) Bpk	72 700	72 700	(125 669)

GRAAN

Die 2023 oesjaar het afgeskop met 154 534 hektaar aangeplant teenoor die 2022 oesjaar se 119 641 hektaar wat 'n toename van 29% verteenwoordig.

Daar was 'n 43% toename in koring hektare, grootliks in die Oostelike gedeelte van SSK se bedieningsgebied, 'n 23% toename in canola hektare gedryf deur veral toenames in die Swellendam, Karringmelksrivier en Heidelberg gebiede, tesame met 'n 15% afname in gars hektare met die Protem, Swellendam en Karringmelksrivier gebiede wat hier die grootste afnames getoon het.

Planttyd het gepaardgegaan met bo-normale reënval in SSK se bedieningsgebied en die tendens was dieselfde deur die ontwikkelingsfase van gewasse tot en met strooptyd.

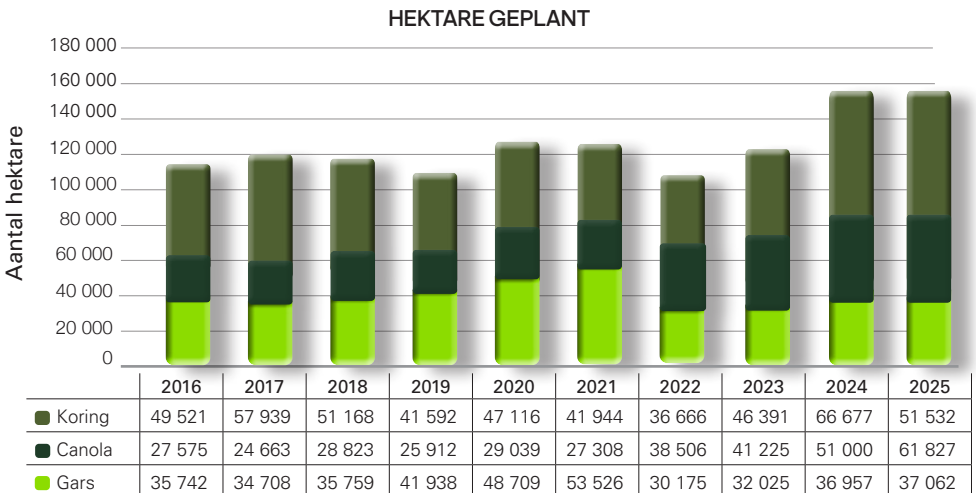
Die eerste graan lewerings het die eerste week in Oktober 2023 in aanvang geneem en deurentyd met oes inname was die algemene stroop toestande nat. Dit het daartoe gelei dat SSK meer as die normale hoeveelheid nat graan moes droog.

Weens die nat oes toestande het SSK Silo's graan ontvang tot einde Januarie 2024 waar inname gewoonweg voltooi sou wees teen einde Desember.

Die gevolg van die oormaat reën in die ontwikkeling fase van die graan het daartoe bygedra dat 'n groot komponent van die moutgars oes as voergraad gerealiseer het, weens gebarste pitte.

Daarteenoor was die kwaliteit van canola, koring en hawer egter bo verwagting goed ten spyte van die hoeveelheid reën wat die gewasse ontvang het.

Hektare in SSK-bedieningsgebied geplant.



SSK het voorberei vir 'n buitengewone groot oesjaar en het derhalwe daarvoor beplan deur addisionele silosak depots met die gepaardgaande toerusting te vestig by Heidelberg, Riversdal en Herold Silo's. Protem Silo is uitgebrei met 16 000 ton vaste, deurlugte opbergingskapasiteit en Krombeksrivier is ook uitgebrei met 'n verdere 6 000 ton kapasiteit wat insluit 'n addisionele aflaaipunt.

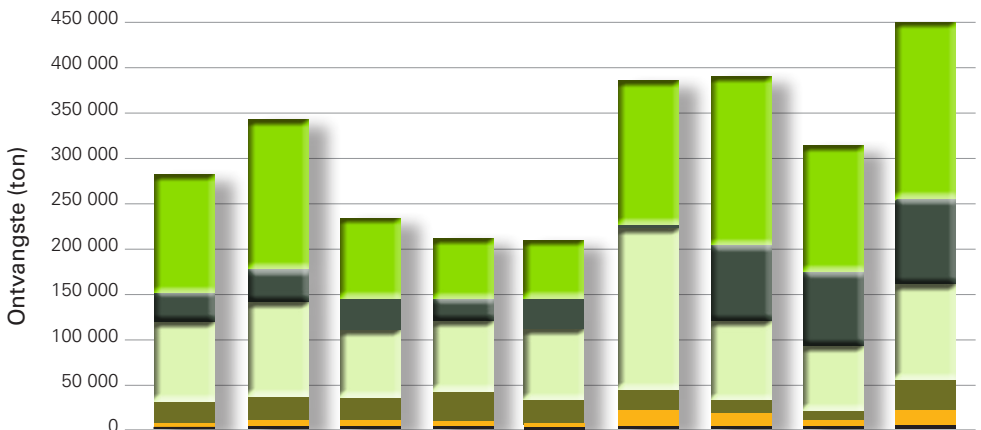
Swellendam silosak depot is verbeter met 'n vaste aflaaipunt en die canola skoonmakers by Swellendam se kapasiteit is ook aansienlik verbeter ten einde inname vinniger te laat geskied.

Die waarde wat SSK toegevoeg het aan sy infrastruktuur het bygedra dat ons die groter oes beter kon inneem en hierdeur ook vir ons produsente verbeterde aflaaitempo en alternatiewe leweringspunte kon bied.

SSK se silo-kapasiteit is ten volle benut met die 2023 oes wat insluit vaste opberging strukture en silosak depots.

Graanontvangste in SSK-silo's

GRAANONTVANGSTES



	2016	2017	2018	2019	2020	2021	2022	2023	2024
Koring	136 322	168 944	94 543	72 898	66 784	139 796	195 230	145 185	195 507
Canola	35 814	39 198	35 238	29 689	35 859	66 053	91 178	87 218	105 132
Gars	85 946	110 365	78 612	85 884	84 502	159 014	94 762	72 632	120 960
Mielies	26 124	30 621	31 981	39 648	34 134	23 202	17 243	20 768	15 042
Hawer	7 407	8 849	4 969	6 041	2 815	17 281	12 589	3 513	10 862
Korog	833	1 114	554	360	199	439	273	54	148



SAAD

Die Saad-afdeling het hierdie jaar 'n uitsonderlike finansiële prestasie getoon, met noemenswaardige groei ondanks 'n stadige aanvang van saadverkope as gevolg van beperkte saad-besikbaarheid veral wat betref canola-saad. Die produksie, verwerking en sertifisering van saad het sonder enige probleme verloop, wat die vertroue in die stelsels en prosesse versterk het. Verder het nuwe saadverspreiders die verwerkingsaanlegte begin gebruik, wat 'n teken is van die afdeling se kwaliteit produk lewering en markaanvaarding.

Die Saad-afdeling se verbintenis tot langtermyn volhoubaarheid in saadkwaliteit en die konsekwente verskaffing van voldoende en tydige saad aan ons kliënte bly deurslaggewend. Ons is voortdurend daarop gefokus om uitmuntende diens en diverse opsies aan kliënte te bied, wat die groei buite SSK se tradisionele bedieningsgebied verder dryf.

Die resultate en groei bevestig weereens ons posisie as 'n voorkeur saadverskaffer, nie net vir ons Lede nie, maar ook vir 'n groeiende aantal eksterne klante.

TOEKOMSBLIK

Die SSK-bedieningsgebied word gekenmerk deur pragtige landskappe wat oor dekades reeds die lewensaar vir ons plaaslike ekonomie en gemeenskappe is. Lede van SSK het 'n onontbeerlike invloed op voedselsekureit en ekonomiese stabiliteit van ons streek. Produsente is die ruggraat van ons gemeenskap en dra by tot die groei van ons ekonomie deur die voorsiening van 'n verskeidenheid van produkte.

Tog, te midde van hierdie prestasies, staan produsente voor ongekende uitdagings. Internasionale gebeure soos ekonomiese wisselvalligheid en klimaatverandering het direkte en diepgaande invloede op hul daaglikse bedrywighe en die vermoë om winsgewend te bly. Die afgelope jaar het ons gesien hoe globale gebeure 'n noemenswaardige impak op ons plaaslike produsente gehad het. Die oorlog in Oos-Europa het die beskikbaarheid en pryse van kommoditeite dramaties beïnvloed. Dit het gelei tot skerp stygings in die koste van kunsmis en brandstof, wat krities is vir plaasbedrywighe. Hierdie verhoogde insetkoste plaas druk op produsente se winsmarges en vereis dat hulle nuwe maniere moet vind om koste te bespaar en hul bedrywighe te optimaliseer.

Verder het wisselvallige wisselkoerse en probleme wat erbaar was by ons hawes ook 'n negatiewe invloed gehad op Lede. Hierdie wisselvallige omgewing vereis 'n diepgaande begrip van internasionale mark-dinamika en die vermoë om strategies op hierdie skommeling te reageer.

Ondanks hierdie uitdagings, bied die toekoms baie opwindende geleenthede vir SSK en sy Lede. Die goeie reën tydens die somer het tot gevolg gehad dat die nuwe seisoen afgeskop het met ideale planttoestande. 'n Steeds groeiende tendens in die aantal hektare wat in SSK se area geplant word, het 'n positiewe effek, nie net op SSK en sy Lede nie, maar op die hele voorsieningsketting.



lets waaroor SSK baie opgewonde is, is die transaksie met Humansdorpse Koöperasie. Hierdie is 'n ongelooflike groeigeleentheid vir SSK. Die uiteindelijke samevoeging van hierdie twee koöperatiewe besighede, en gevolglike benutting van die geïdentifiseerde sinergieë, sal tot voordeel strek van beide besighede se Lede.

SSK se Direksie en Bestuur erken met groot nederigheid ons afhanklikheid teenoor ons Hemelse Vader vir die meer as 90 jaar van welvaart en ook wat die toekoms betref. SSK sien uit na nog 'n jaar van Werk Saam, Wen Saam. Sonder u as Lid en belanghebbende sal ons dit nie kan doen nie, daarom sien ons daarna uit om saam met u die toekoms aan te pak.

SENTRAAL-SUID CO-OPERATIVE LTD AND ITS SUBSIDIARIES FINANCIAL MANAGEMENT REVIEW 2024

BACKGROUND

After the 2020 Covid-19 pandemic, it was often said that we must prepare for the 'new normal'. Little did we know how unusual this 'new normal' would be. On the international front, the era of tolerance seems to be rapidly coming to an end, with confrontation running rampant on state and internal fronts. The ongoing war between Russia and Ukraine is barely being reported on news platforms and has given way to the boiling pot of global discord. The Israeli-Palestinian conflict and the record number of elections to be decided worldwide in 2024 get all the airtime. The elections are being decided between increasingly radical political parties across the spectrum.

Developing countries are increasingly fed up with the instructive role played by the developed countries, represented by the G7. Many of these developing countries now align themselves with the BRICS grouping, so much so that the BRICS+ (which includes additional countries on top of the founding countries) was accepted at the most recent BRICS summit. This grouping is increasingly raising its voice as their financial muscles grow and there is great concern among the superpowers about the impact that this joint grouping will have if drastic action is taken against one of their members. Since the second world war, the planet has not been as close to a large-scale conflict as it is now, and the trajectory is alarming. Nationalism continues to fight hard against idealism, with little notice taken of realism.

Surprisingly, input prices continued their downward trend, as the markets got used to this 'new normal'. The race to corporately occupy resource-rich Africa is in full swing with China and Russia taking the lead, much to the frustration of the US and Europe.

The launch and resulting massive success of artificial intelligence has entered all aspects of our lives, both professional and personal, in the last year. There is great concern that today's employees and businesses do not have enough time to adapt before the role that many of them fulfill will no longer be needed. Electric vehicles, renewable energy and automation are getting the lion's share of investment from capital markets. At the same time, credit is being forced down consumers' throats, with supply becoming so extensive here, that undisciplined consumers are falling into the debt trap. One wonders how sustainable this trend is and how long the consumer will continue to work to simply service debt before they give up. The markets will hardly be able to afford a correction that will be caused by this.

The Rand experienced a stable year and is marginally stronger than a year ago. This in itself is surprising given the continuous bad news emanating from South Africa. Political discord, ongoing corruption, poorly functioning state institutions, load shedding and South Africa's inability to capitalize on the massive investment taking place in Africa is disappointing.

Interest rates have remained unchanged for the entire financial year, with the current prime rate at the time of writing (June 2024) at 11.75%. The Rand is currently trading at R17.96/\$1 (R18.75/\$1 last year at this time). On the political front, the South African election has just concluded with the ANC suffering a historic



defeat. The Umkhonto WeSizwe party, led by ex-President Jacob Zuma, gave the ruling party a bloody nose by hijacking almost 15% of their votes. This left the ANC with just over 40% of the vote. This result forces the ANC to set up a government of national unity and coalitions that would have been described as impossible 10 years ago. Whether the political will is there to make it work is unlikely, with the people of South Africa who, as usual, will have to pay the price for this. One wonders if the Rainbow Nation would not get along much better without the interference of political parties.

The South African agricultural sector experienced a mixed year with extremely dry conditions that characterized the summer plantings in the North. This led to massive increases in maize prices in particular, which accordingly drastically increased the dairy industry's feed costs. Good rainfall in the Western, Eastern and Northern Cape brought welcome relief and dam spillways finally fulfilled their role again! The proposed amendment to the Constitution to provide for the expropriation of land without compensation continues to bring uncertainty in a sector that does not need it. Agriculture's contribution to job creation is still substantial and one can only wonder what the potential could be if these uncertainties are removed. The Rand still offers opportunities for exporters to realise good prices abroad and although import prices continue to increase, the drought in the North seems to be putting downward pressure on new and second-hand tractor and implement prices. Infrastructure deterioration continues to make headlines, with the ports in particular struggling to handle fresh produce effectively.

SSK's service area experienced a year of good rain and favourable climatic conditions. As a result, record yields were widely realised. However, excess rain at time of harvest put a damper on the 2023 grain harvest with quality problems, especially with barley, having a negative financial impact. Livestock farmers could save on feed costs with good pastures after the sufficient rains. This was much needed given the downward pressure experienced on meat prices. Dairy farmers have realized good prices for their milk, but the continued high price of maize has put severe cost pressure on those dependent on manufactured feed. The 2024 planting season has concluded and there has been widespread rain across the Southern Cape and Garden Route, both before and during planting time. The soil moisture content and dam levels are very healthy at the time of writing this, across the wider service area. We look forward to a blessed agricultural year.

Outlooks currently point to lower domestic wheat prices, while canola prices show signs of increasing internationally. Malt barley plantings also appear to be normalising after the drop in hectares planted two years ago.

Prospects for some of the other agricultural sectors are as follows:

- The dairy industry is experiencing ongoing consolidation, with a worrying trend in the Southern Cape of smaller dairies closing down. The cows are also not fully incorporated into local herds and are moved in large quantities to the Eastern Cape. Cost management remains the focus of all dairy farmers and will need to continue to ensure sustainability. Good pastures and silage supply will hopefully bring welcome



relief. However, all eyes are on the foot-and-mouth disease outbreak in Humansdorp and the potential impact of this on the industry cannot be overlooked. Vaccines remain unavailable and lead to great frustration for dairy farmers.

- The fruit industry has experienced good harvests, and the weak Rand provides an opportunity to realise premiums for exports. Extremely healthy dam levels will help underpin the yields for the next season. International prices of fruit remained stable, with acceptable premiums earned for excellent quality.
- The wine industry has achieved good harvests, but the pressure on cash flow is far from over, with cellars still struggling to process the effect of the pandemic on their wine sales. Talks of extended payment terms from cellars are common.
- The ostrich industry experienced a good year, with good prices earned for quality hides and feathers. Feather prices have retreated, but are still at good levels. High feed costs are still a problem, but good climatic conditions help those who produce their own feed. The alfalfa price has also fallen substantially, providing relief on this front. Meat prices were mostly stable.
- Meat prices, especially sheep and beef, have fallen further, and many abattoirs have closed their doors in the past year. The only relief for livestock farmers is the lower feed costs, due to good pastures. Consumer spending remains under pressure and cheaper protein sources are being sought by consumers.
- The wool and mohair industry had a satisfactory year. The natural fibre market remains highly sensitive to the international consumers' disposable income.
- The vegetable industry's prices have brought little relief, although vegetable seed production is taking place more widely. Excellent profits are realised here, albeit on a limited scale. There seems to be room for expansion here.

SSK experienced an excellent financial year, once again attaining a record value of business done, turnover, gross profit, operating profit and Member bonuses. The net profit was lower than in 2023, but if the impact of the once-off dividend from SwellenMark's sale of their shopping centre is excluded, it had also increased. Direct orders continued its growth, given the favourable natural conditions experienced throughout the grain growing season. Although record grain harvests were experienced, quality challenges meant that overall carry-over debt levels remained largely unchanged. Bad debts decreased, as did the provision for bad debts. This is gratifying, and SSK is grateful for this, given the size of the receivables book. SSK's credit management team is focused on dynamically devising plans to meet each of the Members' unique financing needs. However, given SSK's low carry-over debt interest rates, relative to our competitors, there are cases where carry-over debt is preferred before debt consolidation is pursued, and grain is selectively marketed. Plans are being devised to combat these trends.

SSK experienced a record year at group level, with SOILL realising excellent results in a highly competitive market. Challenges regarding the larger canola crop have been addressed through large-scale production capacity expansions in both Swellendam and Moorreesburg. SOILL is considering the export of surplus canola before harvest time in order to reduce pressure on storage as well as production capacity.



Tuinroete Agri, which operates as a property rental company, further improved its profitability and produced a record net profit. Agreements were concluded whereby this company purchased the real estate from the Humansdorp's Agricultural Cooperative. The transfers of these properties are in process at the time of writing. All these properties are leased to the seller at market-related rentals. Technifarm and Eureka Mills both produced record results. Sentraal-Suid Beleggings and SSK Petro Retail concluded the year with satisfactory net profits. Hessequa Abattoir experienced an extremely challenging year and the decision was taken after year-end by their board, to close the abattoir. Potential tenants or buyers are being sought for the abattoir. Procuco Grain realized a marginal loss. Softlutions realized a net loss. Prospects for 2025 are better with the sale of the Grainworx software to SSK. The other subsidiaries of SSK were dormant at year-end. SSK's financial position is fundamentally sound and the financial performance excellent under challenging circumstances. Sufficient financing for SSK and its Members' operations could also be obtained with ease.

The operating divisions delivered excellent results and were all profitable, with only Retail experiencing a marginal drop in net profit. More detail on this is provided in the notes later in the overview.

Membership numbers have grown and show that the cooperative business form appeals to more and more producers. The benefits of membership attract more and more producers from outside the boundaries of SSK's service area. SSK's black shareholding has remained stable, with almost 7% of Members coming from previously disadvantaged groups.

On a technological level, SSK is still on track with a well-thought-out long-term information and technology strategy. The accounting and operating software functions excellently and is user-friendly. The implementation of the Qlik software leads to improved management information and is already being used with great success in the business. The data made available to Members and business partners is simple, tailored and accessible. SSK also has a good balance of internal knowledge and experience, as well as external expert service providers. The network, telephone system, e-mail system, access control and server infrastructure are world-class and are continuously further improved and renewed.

2024 was a blessed year for SSK and its members. The staff's dedication to our Members and customers is palpable and the record achievements of many of the operating departments are excellent proof of this. SSK continuously strives to identify, understand and meet the needs of our Members with excellence.

SSK's financial and operational performance has been remarkable and we are humbly grateful for the circumstances that made it possible. To the benefit of both Members and the organisation, the financial position has been substantially strengthened.

We can look back on the 2024 financial year with gratitude for the results achieved. The Board, Management and Staff managed to strengthen and expand our Members and customer base through

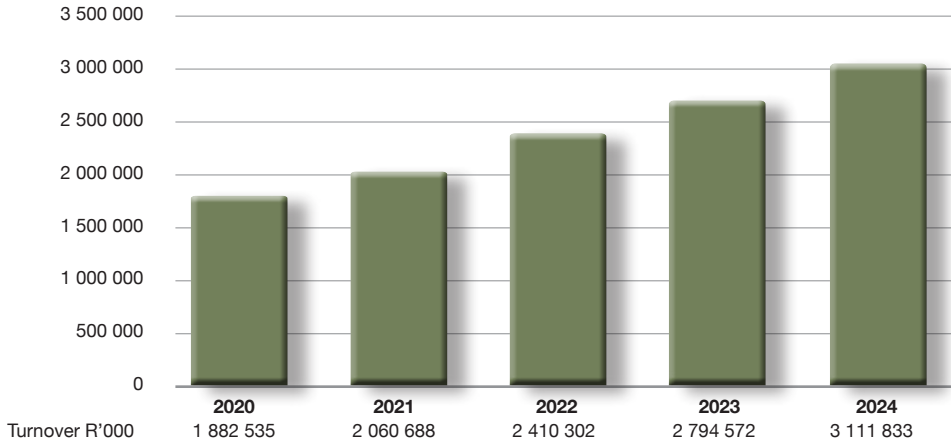


challenging circumstances this year. The motivation and zeal with which they tackled their daily tasks is a telling illustration of the loyal and dedicated team who make SSK their workplace. SSK’s Members, Board, Management and Staff worked hard to make these results possible. We would like to thank everyone for their contribution to this. However, these results are not just the result of one year’s sacrifices and recognition is given to everyone who helped to build on the base from which we started this year. Work together, win together! SSK’s Board, Management and Staff remain committed to supporting the Members and their respective farms and are grateful for the support that SSK’s Members provide to the organisation. All glory to our Heavenly Father for the blessings received undeservedly from His hands.

TOTAL TURNOVER

The total turnover with Members and customers increased from R 2 794 572 366 in the 2023 financial year to R 3 111 832 624 in the 2024 financial year – an increase of 11.35%. The increase is gratifying and is the result of favorable weather conditions in the service area and the resulting higher volumes of agricultural inputs, which were experienced in the grain industry. A record grain harvest was achieved, although challenges were experienced with grain quality. The value of business conducted increased by 11.28%, from R4 226 730 487 in 2023 to R4 703 366 110 in 2024.

TOTAL TURNOVER



NET INCOME / APPROPRIATION OF SURPLUS

The Co-operative's operations resulted in a net income before tax for the year of R111 384 018 (2023 – R125 054 899). Included in the 2023 figures was a liquidation dividend of R38 023 271 received from SwellenMark (Pty) Ltd following the sale of the shopping centre.

Income tax amounted to R32 150 583 (2023 – R19 694 962) with a correction in respect of the 2023 year of an amount of R1 040 428 which is shown in addition to the 2024 figure. The decrease in deferred tax provision amounted to R3 387 820 (2023 – R2 308 595 increase). The net income after tax, but before Member bonuses, amounted to R161 580 827 (2023 – R173 051 341). The surplus was allocated as follows:

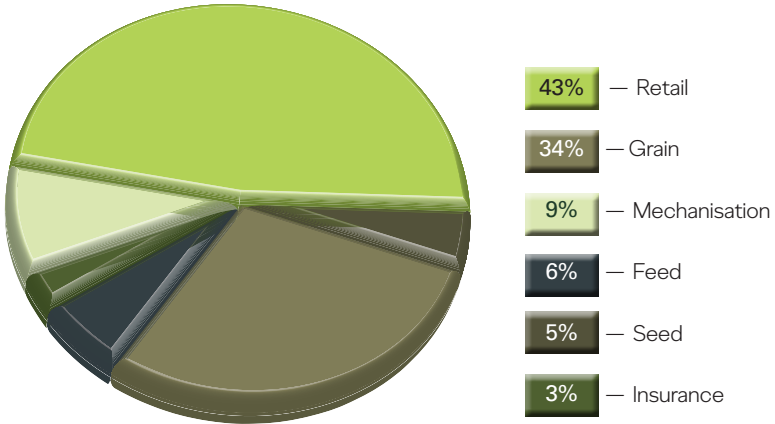
Member bonuses	R80 000 000
Deferred	R64 000 000
Cash	R16 000 000
Reserves	R81 580 827

OPERATIONAL ACCOUNTS

	2024				2023			
	Turnover R	Gross profit R	Gross profit %	Net profit	Turnover R	Gross profit R	Gross profit %	Net profit
Mechanisation	387 710 689	53 477 758	14%	7 748 577	338 732 863	44 277 155	13%	4 683 897
Insurance	19 918 881	19 920 742	100%	5 921 091	17 897 639	17 897 639	100%	4 397 415
Retail	1 658 774 715	264 068 966	16%	65 336 967	1 619 147 088	245 311 541	15%	69 275 142
Seed	164 326 362	29 551 292	18%	18 177 724	128 835 086	26 663 388	21%	9 271 249
Grain	689 138 234	207 277 955	30%	42 921 594	449 603 038	150 609 614	33%	25 013 527
Animal Feeds	219 273 628	36 969 995	17%	2 495 988	263 893 111	33 086 678	13%	1 953 331
Administration	2 020 359	1 018 717	N/a	19 074 886	1 753 665	4 143 151	N/a	58 456 779
Internal costs	(29 330 245)	(19 462 505)	N/a	–	(25 290 123)	(15 086 053)	N/a	–
Net profit after tax before Member bonuses				161 580 827				173 051 341
Member bonuses declared				(80 000 000)				(70 000 000)
Net profit	3 111 832 623	592 822 920	19%	81 580 827	2 794 572 367	506 903 112	18%	103 051 340

GROSS PROFIT PER DIVISION

The ratio of gross profit per division to the total gross profit in the amount of R592 822 919 (2023 – R506 903 112) was as follows:



TOTAL EXPENDITURE

Total expenditure (administrative and operational) has increased by 12.52% during the year under review. This is in line with budgeted figures, with the majority of the increases originating from the increased cost in banking costs (once-off facility fees represent the majority of the increase), protective clothing, operating leases, repairs and maintenance, personnel costs, legal costs (largely driven by the costs associated with the Humansdorp Agricultural Co-operative transaction), computer expenses, water and electricity, packaging materials (largely driven by the purchase of silo bags), insurance, provision of impairment of a subsidiary (Hessequa Abattoir) and depreciation.

A once-off expenditure amounting to R13 132 136 for losses due to fraud forms part of the 2023 expenditure. There were decreases in management services, grain fumigation costs, cleaning costs and bad debts.

DEBTORS

Carry-over debt increased slightly to R273 434 360 (2023 – R263 124 387). The increase can be attributed to worse than expected grain quality, due to excessive rain during harvest time. Debtors amounting to R1 272 275 (2023 – R3 604 261) have been written off as irrecoverable. The total provision for doubtful debts was R6 433 337 (2023 – R7 425 844) at year end. The write-offs of trade receivables are largely attributable to one material debtor amounting to R1 231 398 which had been classified as irrecoverable.

VALUE ADDED TO STAKEHOLDERS

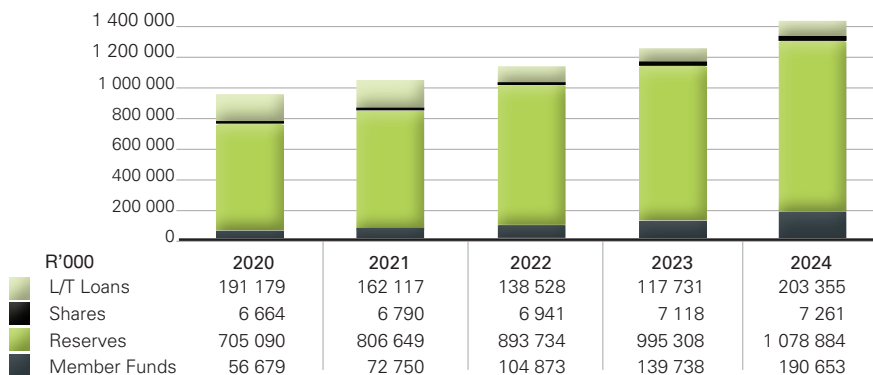
		2024 R	2023 R	
Turnover		3 111 833 624	2 794 572 366	
Net cost price of products and services		2 366 459 880	2 167 326 269	
Value added		745 373 744	627 246 097	
Utilised as follows:	%			%
Employees	32,09	239 190 834	211 887 196	33,78
Wages/Salaries	28,21	210 239 678	186 451 860	29,73
Incentive bonuses	3,89	28 961 479	25 195 336	4,02
Post-retirement medical cost	0,00	(10 323)	240 000	0,04
Capital providers	19,04	141 932 243	87 902 575	14,01
Interest	16,90	125 932 243	73 902 575	11,78
Bonuses paid out	2,15	16 000 000	14 000 000	2,23
Addition of assets	19,85	147 952 294	117 926 246	18,80
Depreciation	5,15	38 420 256	28 715 180	4,58
Re-invest in business	19,87	148 074 926	158 855 741	25,32
Reserves	11,28	84 074 926	102 855 741	16,40
Deferred bonuses	8,59	64 000 000	56 000 000	8,93
Income tax	4,00	29 803 191	22 003 558	3,51
Post-retirement medical cost	0,00	(2 072)	(44 400)	(0,01)
Value added	100,00	745 373 744	627 246 097	100,00

IMPORTANT FINANCIAL RATIOS

The following ratios are important measurements with which the financial condition can be measured:

	2024	2023
Net profitability (After Member Bonuses)	2,62%	3,69%
Return on equity (After Member Bonuses)	6,39%	9,02%
Debt : Equity	1,30	1,21
Interest-bearing debt : Equity	0,88	0,75
Current ratio	1,30	1,29

CAPITAL SOURCES



SUBSIDIARIES

The performance of the subsidiary companies (direct and indirect interest) and joint ventures for the year under review was as follows:

	Turnover	2024 Gross profit	Net profit/ (loss)
Eureka Mills (Pty) Ltd	99 449 635	23 421 256	4 969 685
Hessequa Abattoir (Pty) Ltd	150 912 761	10 745 238	(3 984 758)
Procuco Grain (Pty) Ltd	17 520 898	11 122 978	(267 490)
Riparian Investments Consortium 1 (Pty) Ltd	–	–	(8 281)
Sentraal-Suid Beleggings (Pty) Ltd	946 161	946 161	577 751
Softlutions (Pty) Ltd	6 600 400	6 600 400	(3 139 631)
Southern Oil (Pty) Ltd	3 803 554 909	699 271 123	185 630 990
SSK Petro Retail (Pty) Ltd	61 941 908	4 533 753	75 706
Swellen Mark (Pty) Ltd	–	–	–
Technifarm (Pty) Ltd	24 065 327	11 525 398	5 665 096
Tuinroete Agri (Pty) Ltd	21 029 940	16 175 591	14 698 425
Walts Malting (Pty) Ltd	76 818	76 818	(168 338)
	Turnover	2023 Gross profit	Net profit/ (loss)
Eureka Mills (Pty) Ltd	74 818 880	17 301 216	2 919 330
Hessequa Abattoir (Pty) Ltd	243 674 263	17 034 272	(391 586)
Procuco Grain (Pty) Ltd	22 164 450	20 376 856	5 403 860
Riparian Investments Consortium 1 (Pty) Ltd	–	–	(15 524)
Sentraal-Suid Beleggings (Pty) Ltd	948 028	948 028	548 136
Softlutions (Pty) Ltd	6 021 990	6 021 990	(4 280 642)
Southern Oil (Pty) Ltd	3 975 074 723	1 125 687 567	134 123 954
SSK Petro Retail (Pty) Ltd	63 950 237	4 198 188	(7 380)
Swellen Mark (Pty) Ltd	8 201	8 201	24 562
Technifarm (Pty) Ltd	18 424 834	7 612 865	3 044 797
Tuinroete Agri (Pty) Ltd	16 023 525	11 358 523	9 363 676
Walts Malting (Pty) Ltd	72 700	72 700	(125 669)

GRAIN

The 2023 harvest year kicked off with 154 534 hectares planted compared to the 2022 harvest year's 119 641 hectares, which represents an increase of 29%.

There was a 43% increase in wheat hectares, largely in the Eastern part of SSK's service area, a 23% increase in canola hectares driven by increases in particular in the Swellendam, Karringmelksrivier and Heidelberg areas, together with a 15% decrease in barley hectares. The Proteem, Swellendam and Karringmelksrivier areas showing the biggest declines here.

Planting was accompanied by above-normal rainfall in SSK's service area and the trend was the same throughout the development phase of crops up to and including harvesting time.

The first grain deliveries started in the first week of October 2023 and throughout the harvest the general harvesting conditions were wet. This resulted in SSK having to dry more than the normal amount of grain with higher moisture content.

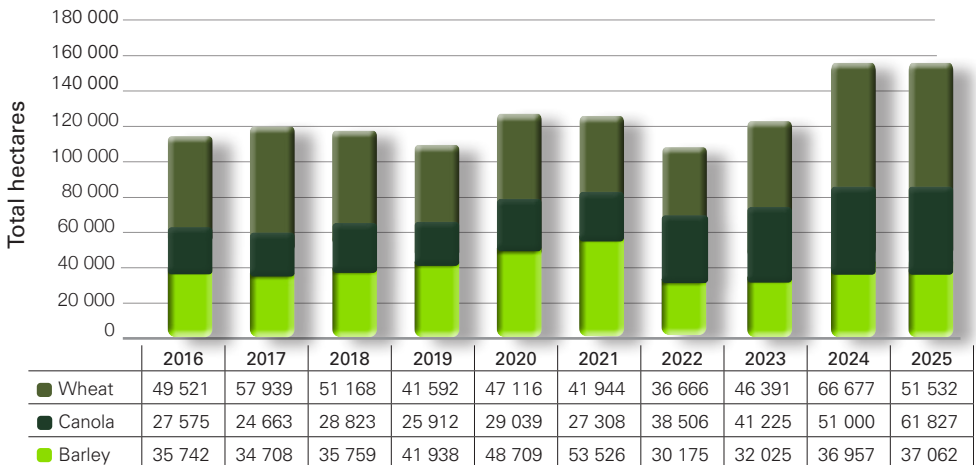
Due to the wet harvest conditions, SSK Silo's received grain until the end of January 2024 where the intake would normally have been completed by the end of December.

The result of the excess rain in the development phase of the grain contributed to the fact that a large component of the barley harvest was graded as feed grade, due to cracked kernels.

In contrast, however, the quality of canola, wheat and oats was better than expected, despite the amount of rain the crops received.

Hectares sowed/planted in SSK's service area.

HECTARES PLANTED



SSK prepared for an exceptionally large harvest and therefore planned for it by establishing additional silo bag depots, together with the associated equipment, at Heidelberg, Riversdale and Herold Silo's.

Protem Silo has been expanded with 16 000 tons of fixed aerated storage capacity and Krombeksrivier has also been expanded with a further 6 000 tons of capacity which includes an additional offloading point.

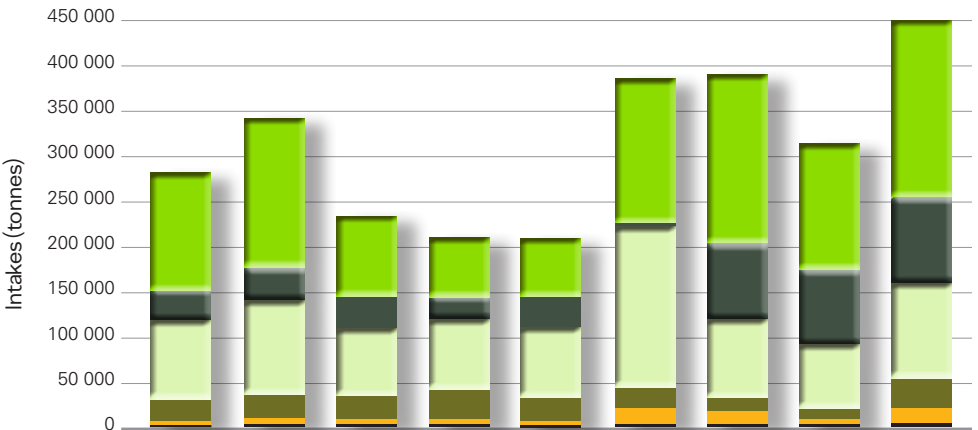
Swellendam silo bag depot was improved with a fixed offloading point. The capacity of the canola cleaners at Swellendam was also significantly improved in order to make intake faster.

The value that SSK has added to its infrastructure has contributed to us being able to take in the larger harvest, faster and better, thereby offering our producers improved offloading speed and alternative delivery points.

SSK's silo capacity has been fully utilised with the 2023 harvest, which includes both fixed storage structures and silo bag depots.

Grain intakes in SSK's silos.

GRAIN INTAKES



	2016	2017	2018	2019	2020	2021	2022	2023	2024
Wheat	136 322	168 944	94 543	72 898	66 784	139 796	195 230	145 185	195 507
Canola	35 814	39 198	35 238	29 689	35 859	66 053	91 178	87 218	105 132
Barley	85 946	110 365	78 612	85 884	84 502	159 014	94 762	72 632	120 960
Maize	26 124	30 621	31 981	39 648	34 134	23 202	17 243	20 768	15 042
Oats	7 407	8 849	4 969	6 041	2 815	17 281	12 589	3 513	10 862
Triticale	833	1 114	554	360	199	439	273	54	148



SEED

The Seed division has shown an exceptional financial performance this year, with notable growth despite a slow start to seed sales due to limited seed availability, especially canola seed. The production, processing and certification of seed progressed without any problems, which strengthened the confidence in the systems and processes. Furthermore, new seed distributors have started using the processing plants, which is a sign of the division's quality product delivery and market acceptance.

The Seed division's commitment to long-term sustainability in seed quality and the consistent supply of sufficient and timely seed to our customers remains crucial. We are constantly focused on providing excellent service and diverse options to customers, further driving growth beyond SSK's traditional service area.

The results and growth once again confirm our position as a preferred seed supplier, not only for our Members, but also for a growing number of external customers.

FUTURE VIEW

The SSK area is characterized by beautiful landscapes that have been the lifeblood of our local economy and communities for decades. Members of SSK have an indispensable influence on food security and economic stability of our region. Producers are the backbone of our community and contribute to the growth of our economy by providing a variety of products.

Yet, amid these achievements, producers face unprecedented challenges. International events such as economic volatility and climate change have direct and profound influences on their daily operations and ability to remain profitable. In the past year, we have seen how global events have had a significant impact on our local producers. The war in Eastern Europe dramatically affected the availability and prices of commodities. This has led to sharp increases in the cost of fertilizers and fuel, which are critical to farm operations. These increased input costs, put pressure on producers' profit margins and required of them to find new ways to save costs and optimize their operations.

Furthermore, fluctuating exchange rates and problems experienced at our ports also had a negative impact on Members. This volatile environment requires a deep understanding of international market dynamics and the ability to strategically respond to these fluctuations.

Despite these challenges, the future holds many exciting opportunities for SSK and its Members. The good rains during the Summer meant that the new season kicked off with ideal planting conditions. An ever-growing trend in the number of hectares planted in SSK's area has a positive effect not only on SSK and its Members, but on the entire supply chain.

SSK is very excited about the transaction with Humansdorp's Co-operative. This is an incredible growth opportunity for SSK. The eventual merger of these two co-operative businesses, and consequent utilization of the identified synergies, will benefit both businesses' Members.



SSK's Board of Directors and Management acknowledge with great humility our dependence on our Heavenly Father for the more than 90 years of prosperity and also regarding the future. SSK looks forward to another year of Working Together, Winning Together. Without you as a Member and stakeholder we will not be able to do this, therefore we look forward to embracing the future with you.





SSK het 'n wesentliche belang in die volgende entiteite:

SSK has a material interest in the following entities:

