MONTEAGLE
GROUP

MARSHALL MONTEAGLE PLC
REPORT & ACCOUNTS 2023

Striving For Optimum Performance

Marshall Monteagle PLC

MARSHALL MONTEAGLE PLC

ANNUAL REPORT
AND CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2023

Marshall Monteagle PLC

Annual Report and Consolidated Financial Statements
For the year ended 31 March 2023

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Directors

R.C. KERR, *Non-Executive Chairman* † *

Rory Kerr joined the Board in 2010 and was appointed Non-Executive Chairman on 15 May 2020. He resides in Dublin and is qualified as a South African attorney, notary and conveyancer, as well as an English solicitor and an Irish solicitor (non-practising). Since 1 May 2015, Rory has been a consultant to the legal services practice of the Maitland Group of which he was a principal and a partner in the legal services practice from 1982 to 30 April 2015. As of 1 February 2022, Maitland Group was acquired by Stonehage Fleming Advisory ("Stonehage") and Rory continues to provide consultancy services to Stonehage. Rory has been a director of a number of public and private companies and investment funds including from 1982 to 2010, Marshall Monteagle Holdings SA and its predecessors. Rory has acted as a trustee of Employee Share Incentive Plans of certain publicly listed companies and continues to act as a director of a publicly held investment company and of a number of private companies as well as a trustee or a protector of a number of family trusts.

D.C. MARSHALL, *Executive Director and Chief Executive*

David Marshall has been a Director and Chief Executive of the Company since 2009. He resides in South Africa, where he has extensive interests in listed trading, financial and property companies. In 1982 he was a founder director of the Company's predecessor which became Marshall Monteagle Holdings SA of which he was also appointed Chief Executive in 1996 and remained on its board until 2010 when it was succeeded and replaced by Marshall Monteagle PLC. In recent years, he has taken a leading role in the reorganisation and development of medium sized listed companies in the UK and overseas. He is also chairman of London Finance & Investment Group PLC and Western Selection PLC.

E. J. BEALE, *Executive Director and Financial Director*

Edward Beale was appointed to the Board on 27 February 2013. He is a member, previously chairman, of the Corporate Governance Expert Group of the UK based Quoted Companies Alliance. He is a non-executive director of London Finance & Investment Group PLC, Western Selection PLC, and Heartstone Inns Limited. He was a member of the Accounting Standards Board, the body responsible for setting accounting standards for the UK for six years to August 2014. He is a Chartered Accountant and a non executive director of City Group PLC, the Company Secretary.

B.C.B. NEWMAN, *Non-Executive Director* † *

Ben Newman is a Private Wealth Director of IQ-EQ (Jersey) Limited ("IQ-EQ") and was appointed to the Board of the Company on 1 August 2013. On 15 May 2020, Ben Newman was appointed as Chairman of the Remuneration Committee. Ben joined IQ-EQ in 2008 and he has over 30 years' experience in the private wealth industry and treasury management. Ben is a graduate of Oxford Brookes University and holds a diploma in International Trust Management, with distinction. Ben is also a member of the Society of Trust and Estate Practitioners.

D.J. DOUGLAS, *Non-Executive Director* † *

Dean Douglas joined the Board on 16 August 2019 and on 15 May 2020 he was appointed as Chairman of the Audit Committee. He is a Director of Private Wealth at IQ-EQ and joined IQ-EQ in 2002 having moved to Jersey from Cape Town, South Africa in 1995. He has over 27 years' experience in the private wealth industry. Dean is FCCA qualified and a full member of the ACCA since 2003. Dean is also a member of the Society of Trust and Estate Practitioners.

† Member of the Audit Committee

* Member of the Remuneration Committee

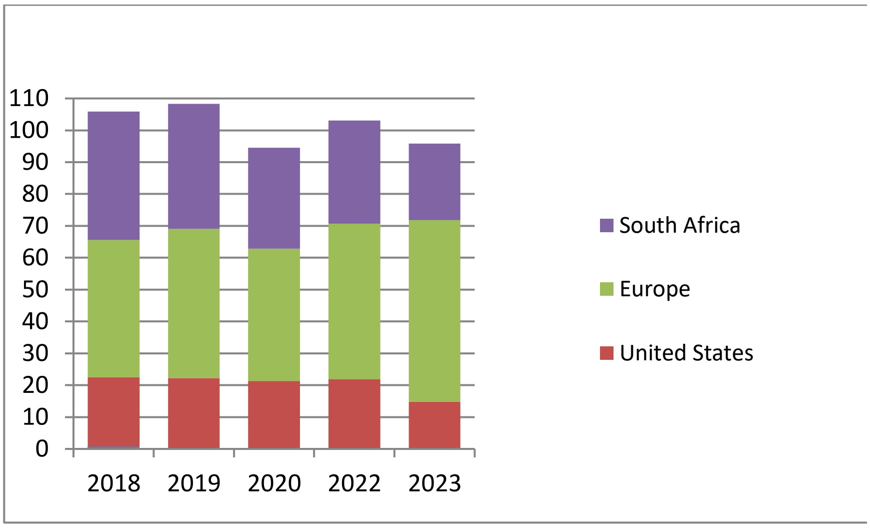
GROUP RESULTS IN BRIEF

	Group	
	12 months to 31 Mar 2023 US$000	18 months to 31 Mar 2022 US$000
Revenue on continuing operations	**125,327**	201,123
Profit before tax and non-controlling interests	**863**	8,142
Profit before tax and non-controlling interests on continuing operations	**863**	9,179
Profit after tax and non-controlling interests	**200**	4,589
Net assets per share attributable to shareholders	**US$2.38**	US$2.53
Basic earnings per share	**US$0.6c**	US$12.8c
Basic earnings per share on continuing operations	**US$0.6c**	US$16.3c
Final dividend per share	**US$1.9c**	US$1.9c
Interim dividend per share	**US$1.9c**	US$1.9c
Second interim dividend per share	**-**	US$1.9c
	US$3.8c	US$5.7c

ANALYSIS OF ASSETS, NET OF CURRENT LIABILITIES

before long term finance and non-controlling interests

	31 Mar 2023 US$m	31 Mar 2022 US$m
Europe	**57.0**	48.8
United States	**14.8**	21.9
	71.8	70.7
South Africa	**24.0**	32.4
	95.8	103.1



	30 Sept 2018	30 Sept 2019	30 Sept 2020	31 Mar 2022	**31 Mar 2023**
Financed by:	US$m	US$m	US$m	US$m	**US$m**
Shareholders' equity	80.6	85.0	83.3	90.7	**85.4**
Non-controlling interests	10.4	10.5	4.1	5.4	**4.0**
Long term finance	14.9	12.8	7.1	7.0	**6.4**
	105.9	108.3	94.5	103.1	**95.8**

FINANCIAL CALENDAR

Financial period-end:	31 March 2023
Summarised audited results announcement:	21 June 2023

SHARE INFORMATION

The Company has 35,857,512 (2022: 35,857,512) shares in issue which are listed on the JSE Limited ("JSE") and the share price as at 19 June 2023, the latest practicable date prior to the publication of this Annual Report, was ZAR 23.90

Marshall Monteagle PLC ("the Company") is an Investment Company but does not meet the definition of an "investment entity" under International Financial Reporting Standards ("IFRS"). It is listed on the JSE Limited ("JSE") and has a wide and diversified range of investments. The Company and its subsidiaries (collectively referred to as "the Group") is a multinational enterprise that as well as investments in industrial and commercial properties and listed equities provides procurement, logistics and trading in various hard and soft commodities, industrial raw materials, consumer food and non-food products which fall broadly into the following categories:

- Portfolio of stock market investments in blue chip international listed companies;
- Portfolio of Industrial Properties in the United States of America and South Africa; and
- Financing and Trading operations on an international basis.

The Company's objective is to invest for the long term and to generate reliable profits, cash flow and dividends for its shareholders, thereby achieving capital growth for the benefit of all stakeholders. The performance of the investments is monitored and regularly reviewed by the board of directors of the Company ("Board" or "Directors").

The trading environment for the Group's businesses has been very difficult owing to the lingering effects of theCovid-19 pandemic which, of course, has affected local economies and businesses around the world, the war in Ukraine, the energy crisis and inflation, all of which has contributed to these difficulties. All Group companies have had to adjust to this new and challenging environment and our employees and staff in South Africa and abroad have worked very hard to achieve the results of the current period.

As in the prior 18 month period, this past financial year which ended on 31 March 2023 has continued to see significant and increased challenges for the Group as well as new opportunities. These include the option and choices for groups of staff from managerial to operational, financial and administrative personnel to meet remotely via Microsoft Teams, Zoom or otherwise. As in the earlier period of Covid, this has continued to lead to increased efficiencies at a reduced cost, as well as to enhance awareness of the consequences of climate change and of the importance and value for all of preserving our planet. The war in Ukraine and increased inflation have also continued to highlight the need for companies to be able to adapt to change quickly with minimal disruption to operations. Throughout this period the Group has continued.to rise admirably to this challenge.

Notwithstanding, the effects of Covid, the war in Ukraine, the energy crisis, inflation and the risk of recession in certain economies that affect us, aspects of the global outlook is looking positive, and the Group has performed well despite all the challenges faced, particularly in the early days of the pandemic. Now with the systems put in place, we will be better able to face any future challenges.

The difficulties experienced highlighted the importance of ensuring that Marshall Monteagle maintains a good financial buffer, with the ongoing war in Ukraine and rise in inflation reinforcing the need for a strong and prudent investment policy. The Company has both and will continue to re-enforce these areas in the future to ensure that the outlook for Group remains positive.

During the year the Directors visited Durban, South Africa to view operations on the ground and meet with the employees of the trading companies, as well as visit the properties held in Durban. The Directors were very encouraged by what they saw and by the dedication and enthusiasm of the employees they met. While meeting in person has been valuable, the Directors are cognisant of the effect of international travel on the Group's carbon footprint and therefore will continue to utilise the use of remote meetings going forwards as well as in person meetings when appropriate.

I remain encouraged and inspired by the way in which staff and employees have adapted to new challenges to ensure the continued smooth running of the Group. I would like to thank every employee and staff member of the Group for their hard work and dedication over this period. I remain proud to be the Chairman of a Group where such outstanding spirit continues to be shown throughout all areas of the business.

R. C. Kerr, Chairman

Introduction

Covid-19 caused a major but temporary reduction in stock market valuations, with the war in Ukraine causing further disruption to global markets through March 2023. This reduction in market value has been reversing prior to publication of this Annual Report. Covid-19 has also had a lingering impact on the trading businesses in which we have invested to varying extents, as explained more fully below.

Despite these headwinds the Group's balance sheet remains very strong, reinforced by positive trading cash inflows, and the payment of dividend is being maintained. At 31 March 2023, cash balances were US$23,225,000 (2022 - US$17,092,000).

The success of the Group's businesses is dependent on the efforts of our staff and support from other stakeholders. We would like to thank our employees in particular, and all other stakeholders, for the flexibility and adaptability that they have demonstrated over the past year. Without their efforts our businesses could not operate and we will continue to support our staff in all ways possible.

Results of operations

Bullet points below compare the results for the 12 month period to 31 March 2023 against annualised 2022 results derived by dividing the results for the 18 months ended 31 March 2022 by 1.5.

- Net assets per share attributable to shareholders are US$2.38 (2022 – US$2.53). Net assets per share have decreased primarily as a result of the decline in the value of the South African Rand and losses in some South African subsidiaries. Net assets outside Africa, net of proposed dividends, stand at US$73.5m, equal to US$2.05 per share (2022 - US$2.02); the balance of US$11.1m, equal to US$0.31per share, is held in South Africa (2022 - US$0.49 per share).
- Revenue on continuing operations on annualised basis decreased by 7% (decrease of 38% compared to the 18 month period to 31 Mar 2022) to US$125,327,000 (2022 – US$201,123,000). In constant currency terms revenue remains at the same level.
- Group profit before tax on annualised basis decreased by 86% (decreased on 91% compared to 18 month profit before tax to 31 March 2022) to US$863,000 and in constant currency terms by 90% to US$611,000. This was due to lower profits on trading and investment portfolios and lower property revaluations.
- Headline loss of US$4.4 cents per share were 164% lower on an annualised basis (156% compared to headline profit for the 18 month period to 31 March 22) when compared with earnings of US$7.9 cents per share in Mar 2022.
- Basic earnings of US$0.6 cents per share were 93% lower on an annualised basis (95% lower compared to 18 month period to 31 March 22) when compared with earnings of US$12.8 cents per share in Mar 2022.
- A final dividend of US$1.9 cents per share was paid on 29 July 2022 and an interim dividends of US$1.9 cents per share each were paid on 27 January 2023 bringing total dividends for the period to US$3.8 cents (Sept 2022 – US$5.7 cents). Taking into account the financial statements and the liquidity of the Company, the Directors are comfortable to declare a final dividend of $1.9 cents per share will be paid to the shareholders on 28 July 2023 to those shareholders on the register at the close of business on 14 July 2023.

Investment Portfolio

We hold a portfolio of quality listed international equities that are expected to outperform the market in the long term. We continue to actively trade these equities to take advantage of the ongoing volatility of stock markets. We have released net additional funds from the portfolio of US$197,000 over the year; with the decreased investment value of US$300,000 and the negative effect of foreign exchange of US$290,000, this has resulted in a lower market value at the year-end of US$32,461,000 (2022 – US$33,247,000). Within this, the value of our listed investments have increased by US$532,000 to US$29,044,000 (2022- US$28,998,000) and unlisted investments have decreased by US$832,000 to US$3,417,000 (US$4,249,000). Following the invasion of Ukraine by Russia the investment policy excludes investment in shares of Russian entities and entities trading with Russia other than incidentally.

Property Portfolio

Rental income from our large multi-tenanted industrial property in San Diego, USA has continued to grow. The Group's South African commercial and light industrial property portfolio has delivered a satisfactory return despite a struggling local economy The US property remains fully let and vacancies in the South African properties remain very low. The Group's property portfolio was revalued at US$29,016,000 a decrease of US$777,000. While property values in both USA and South Africa have increased in local currency terms, overall values have decreased as a result of the reduction in value of the South African Rand, compared with March 2022.

Import and Distribution

Our international import and distribution businesses originally focused on sourcing and supplying multiple retailers with own label fast moving consumer goods (FMCG). These businesses subsequently diversified into metals and minerals trading and now have further diversified into food ingredients and other inputs to manufacturers. The import and distribution businesses supply goods to multiple retailers, wholesalers and manufacturers throughout Southern and Central Africa and South America. Direct comparisons with prior period are difficult because the comparative period was 18 months and because of seasonality on some product lines. Inflationary pressures on food prices compounded by the significant decline in value of the South African Rand has impacted on FMCG sales in South Africa and South America. This has been partially offset by good growth in manufacturing inputs. Buffer stocks have been unwound as delivery chains have returned to normal operations following Covid-19 induced disruption.

The performance of our Tool & Machinery import and distribution business in South Africa reflects economic conditions in South Africa which continued to retract over this period. Building and home improvement sectors in South Africa have slowed, negatively affecting performance. Due to the energy supply situation in South Africa consumers are investing in alternative energy products which is taking spend away from other categories. We have prioritised our investment into generators and alternative energy products mitigating the effect of a slowdown in traditional categories.

Losses in some South African trading subsidiaries combined with the write off of deferred tax assets held at the end of the prior year in respect of tax losses have resulted in a relatively high tax charge for the Group.

The working capital requirements of these trading businesses are funded from the Group's cash reserves. The Group's cash balances remain high and will support substantial growth in this segment of the business.

R.C. Kerr
Chairman

D.C. Marshall
Chief Executive

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2023	Notes	**12 months to 31 Mar 2023 US$000**	18 months to 31 Mar 2022 US$000
Continuing operations			
Group revenue	3	**125,327**	201,123
Other income	4	**4,242**	14,112
		129,569	215,235
Change in inventories of finished goods		**(10,055)**	17,861
Cost of finished goods, raw materials and consumables		**(84,919)**	(172,089)
Employee benefit expenses		**(7,819)**	(11,953)
Depreciation expenses	11/12	**(519)**	(795)
Other expenses	5	**(23,254)**	(35,697)
Finance expense		**(2,140)**	(3,383)
Profit before tax		**863**	9,179
Taxation	6	**(1,046)**	(2,490)
(Loss)/Profit for the year on continuing operations		**(183)**	6,689
Profit from disposal of discontinued operations	7	**-**	676
Realised exchange differences on disposed foreign entities		**-**	(1,775)
Loss after tax on discontinued operations	7	**-**	(159)
(Loss)/Profit for the year		**(183)**	5,431
Profit attributable to owners of the parent		**200**	4,589
(Loss)/Profit attributable to non-controlling interests		**(383)**	842
Basic and fully diluted earnings per share on continuing operations (US cents)	8	**0.6c**	16.3c
Other Comprehensive (Expense)/Income on continuing operations: -			
Items that may be reclassified subsequently to profit or loss: -			
Exchange differences on translation into US Dollars of the financial statements of foreign entities	19	**(5,079)**	3,762
Realised exchange differences on translation into US Dollars of the financial statements of disposed foreign entities	19	**-**	1,775
Total of items that may be reclassified		**(5,079)**	5,537
Items that will not be reclassified subsequently to profit or loss: -			
Commercial property revaluation movements	11	**(64)**	(150)
Less changes to tax on commercial property revaluations		**17**	99
		(47)	(51)
Total Other Comprehensive (Loss)/Income		**(5,126)**	5,486
Total Comprehensive (Loss)/Income		**(5,309)**	10,917
Total Comprehensive (Loss)/Income attributable to owners of the parent		**(3,966)**	9,488
Total Comprehensive (Loss)/Income attributable to non-controlling interests		**(1,343)**	1,429

The notes on pages 12 to 42 form part of these Consolidated Financial Statements.

Consolidated Statement of Changes in Equity

	Called up share capital	Share premium	Other reserves	Retained earnings	Total shareholders' interests	Non-controlling interests	Group Total
12 months ended 31 March 2023	US$000 (Note 18)	US$000	US$000 (Note 19)	US$000	US$000	US$000	US$000
Loss after tax	**-**	**-**	**-**	**200**	**200**	**(383)**	**(183)**
Other Comprehensive Loss – foreign exchange	**-**	**-**	**(4,142)**	**-**	**(4,142)**	**(937)**	**(5,079)**
Other Comprehensive Loss - revaluation	**-**	**-**	**(24)**	**-**	**(24)**	**(23)**	**(47)**
Total Comprehensive Loss			**(4,166)**	**200**	**(3,966)**	**(1,343)**	**(5,309)**
Transactions with shareholders							
Acquisition of additional shares in subsidiaries	**-**	**-**	**-**	**-**	**-**	**(61)**	**(61)**
Dividends paid (note 9)	**-**	**-**	**-**	**(1,362)**	**(1,362)**	**(8)**	**(1,370)**
Balances at start of period	**8,964**	**23,606**	**6,575**	**51,553**	**90,698**	**5,390**	**96,088**
Transfer of revaluation of portfolio investments and investment properties from other reserves to retained earnings (note 20)	**-**	**-**	**(13,792)**	**13,792**	**-**	**-**	**-**
Balances at end of period	**8,964**	**23,606**	**(11,383)**	**64,183**	**85,370**	**3,978**	**89,348**
18 months ended 31 March 2022							
Profit after tax	-	-	1,865	2,724	4,589	842	5,431
Other Comprehensive Income – foreign exchange	-	-	4,925	-	4,925	612	5,537
Other Comprehensive Income - revaluation	-	-	(26)	-	(26)	(25)	(51)
Total Comprehensive Income	-	-	6,764	2,724	9,488	1,429	10,917
Transactions with shareholders							
Disposal of subsidiary (note 7)	-	-	1,440	(1,440)	-	-	-
Dividends paid (note 9)	-	-	-	(2,044)	(2,044)	(205)	(2,249)
Balances at start of period	8,964	23,606	(1,629)	52,313	83,254	4,166	87,420
Balances at end of period	8,964	23,606	6,575	51,553	90,698	5,390	96,088

The notes on pages 12 to 42 form part of these Consolidated Financial Statements.

Consolidated Statement of Financial Position

at 31 March		**31 Mar 2023**	31 Mar 2022
Assets	Notes	**US$000**	US$000
Non-current assets			
Investment property	10	**29,016**	29,793
Property, plant and equipment	11	**5,629**	6,882
Right of use asset	12	**347**	416
Deferred taxation	17	**153**	870
Accounts receivable in more than one year		**151**	274
Investments	13	**32,461**	33,247
		67,757	71,482
Current assets			
Inventories	14	**16,932**	32,083
Accounts receivable	15a	**22,076**	28,091
Other current assets	15b	**498**	434
Tax recoverable		**654**	531
Cash and cash equivalents	21	**23,225**	17,092
		63,385	78,231
Total assets		**131,142**	149,713
Current liabilities			
Bank overdrafts	16a/21	**(9,418)**	(11,059)
Accounts payable	16a	**(18,881)**	(25,645)
Lease liabilities	12	**(77)**	(194)
Other financial liabilities	16b	**-**	(1,233)
Tax payable		**(48)**	(248)
		(28,424)	(38,379)
Net current assets		**34,961**	39,852
Non-current liabilities			
Financial liabilities	16	**(6,171)**	(6,711)
Lease liabilities	12	**(255)**	(289)
Deferred taxation	17	**(6,944)**	(8,246)
Total non-current liabilities		**(13,370)**	(15,246)
		89,348	96,088
Capital and reserves			
Called up share capital	18	**8,964**	8,964
Share premium account		**23,606**	23,606
Other reserves	19	**(11,383)**	6,575
Retained earnings		**64,183**	51,553
Equity attributable to owners of the parent		**85,370**	90,698
Non-controlling interests		**3,978**	5,390
Total Equity		**89,348**	96,088

The Consolidated Financial Statements on pages 8 to 11 were approved and authorised for issue by the Board of Directors on 21 June 2023 and signed on its behalf by:

R.C. Kerr
Chairman

D.C. Marshall
Chief Executive

The notes on pages 12 to 42 form part of these Consolidated Financial Statements.

Consolidated Statement of Cash Flows

for the year ended 31 March 2023	Notes	31 Mar 2023 US$000	31 Mar 2022 US$000
Operating Activities			
(Loss)/Profit for the year		**(183)**	5,431
Adjustments:			
Taxation		**1,046**	2,490
Depreciation		**519**	795
Share of associated company's results		**-**	159
Interest paid		**2,140**	3,383
Loss on disposal of subsidiary		**-**	1,775
Profit on disposal of associates		**-**	(676)
Net fair value adjustments on investment property	4	**(1,461)**	(4,459)
Dividend income	4	**(1,152)**	(1,621)
Interest income	4	**(345)**	(432)
Net gain on disposal of investments	4	**(505)**	(6,913)
Other expense		**3,734**	450
		3,793	382
Changes in working capital			
Decrease /(Increase) in inventories		**9,684**	(17,903)
Decrease/(Increase) in receivables		**1,732**	(3,682)
(Decrease)/Increase in payables		**(4,273)**	8,045
Cash accumulated/(used) in operations		**10,936**	(13,158)
Interest paid		**(2,111)**	(3,326)
Taxation paid		**(1,749)**	(1,782)
Cash inflow/(outflow) from operating activities		**7,076**	(18,266)
Investment activities			
Purchase of and improvements to tangible non-current assets	10/11	**(373)**	(1,533)
Proceeds of disposal of tangible non-current assets		**243**	18
Acquisition of investments		**(60,770)**	(79,944)
Proceeds of disposal of investments		**61,473**	81,055
Proceeds of disposal of subsidiary	7	**-**	1,000
Acquisition of additional shares in subsidiaries		**(61)**	-
Proceeds of disposal of associates		**-**	1,163
Dividends received	4	**1,152**	1,707
Interest received		**345**	432
Cash inflow from investment activities		**2,009**	3,898
Cash inflow /(outflow) before financing		**9,085**	(14,368)
Financing activities			
Repayment of long-term loans		**(302)**	(128)
Lease payments	12	**(273)**	(371)
Dividends paid to Group shareholders		**(1,362)**	(2,044)
Dividends paid to non-controlling interests of subsidiaries		**(8)**	(205)
Cash outflow from financing activities		**(1,945)**	(2,748)
Increase /(Decrease) in cash and cash equivalents		**7,140**	(17,116)
Cash and cash equivalents at 1 April/1 October	21	**6,033**	22,324
Effect of foreign exchange rate changes		**634**	825
Cash and cash equivalents at 31 March	21	**13,807**	6,033

The notes on pages 12 to 42 form part of these Consolidated Financial Statements.

1. GENERAL

The Company is incorporated as a public limited company in Jersey, Channel Islands. In view of the international nature of the Group's operations, and as permitted by Jersey law, the amounts shown in these Consolidated Financial Statements are rounded to the nearest thousand and presented in United States dollars (US$), which is the functional currency of the Group because it is the currency used for the selection, and assessment of performance, of investments.

The Group changed its financial reporting date to 31 March in the previous period. The comparative period presented in these consolidated financial statements is for the 18 month period to 31 March 2022.

2. ACCOUNTING POLICIES

a) Basis of preparation

These Consolidated Financial Statements, which give a true and fair view, have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), the SAICA Financial Reporting Guides as issued by the Financial Reporting Standards Council and the Financial Pronouncements as issued by the Financial Reporting Council, JSE Listings Requirements and in accordance with Article 105 of the Companies (Jersey) Law, 1991.

The consolidated financial statements have been prepared on the historical cost basis except for the revaluation of certain commercial and investment properties and financial instruments which are measured at fair value. The principal accounting policies of the Group, which are set out below, comply with IFRS in all respects and with Jersey legal requirements. These policies have been consistently applied.

Going Concern
The Directors have established that: there have been no significant events that are not in the ordinary course of business since the reporting date; all borrowing facilities are still in place; the substantial liquid resources held in cash and in the share portfolios are still available; and that there has been no major capital expenditure nor acquisitions since the reporting date. The forecasts and projections of the entities in the Group, taking account of (i) reasonably possible declines in revenue; (ii) rate of inflation and rising costs; (iii) the Group's bank covenants and liquidity headroom taking into account expected dividends, shows that the Company and other Group entities would be able to operate with appropriate liquidity and be able to meet their liabilities as they fall due. The Group will also be in a position to meet all its obligations for at least twelve months from the approval of these consolidated financial statements. The Directors therefore believe that the going concern basis is appropriate for the Group.

Changes in accounting policy
Some accounting pronouncements which have become effective from 1 January 2022 and have therefore been adopted do not have a significant impact on the Group's financial results or position.

New standards and interpretations
At the date of authorisation of these consolidated financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Group. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Group's consolidated financial statements (note 29).

b) Estimates and Judgements

The Group is required, in conformity with IFRS, to make estimates and judgements that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and judgements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis for making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related results. The estimates, judgements and underlying assumptions are reviewed on a regular basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and in future periods if applicable.

2. ACCOUNTING POLICIES (continued)

b) Estimates and Judgements (continued)

The critical judgements that the directors have made in the process of applying the Group's accounting policies mainly also involve estimations (which are dealt with separately below).
The main critical judgements, not involving estimation, which has significant effect on the amounts recognised in the consolidated financial statements, are: the use of United States dollars (US$) as functional and presentational currency as explained in note 1 above; and the consideration of whether there is sufficient control for investment companies to be accounted for as subsidiaries (notes 2(c) and 28).

The most significant estimates relate to: the valuation of properties (notes 2(g) and 26), residual value and useful lives of tangible assets (notes 10 and 2(h)), valuation of unlisted investments (notes 13 and 2(i), valuation of inventories (notes 14 and 2 (j)) and recognition of deferred tax assets based on recoverability (notes 17 and 2(k)).

c) Basis of Consolidation

Subsidiaries included in these consolidated financial statements are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred assets. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group, and the consequent adjustments are made during the consolidation process.

When the group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Financial Position. When the group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, the carrying amount of any non-controlling interests in the former controlled entity is derecognised directly in the Consolidated Statement of Changes in Equity.

d) Revenue

The main revenue streams are import, export and distribution of manufacturing inputs, tools, food and household consumer products. For product lines where no stock is carried, the Group purchases goods from manufacturers/suppliers to the specification set by our customer and retains ownership of those goods from point of purchase to point of delivery. Prices are fixed and are determined on a contract by contract basis. Where stock is carried by the Group, prices are based off regularly updated price lists.

Revenue from contracts with customers -
Revenue is recognised upon transfer of promised goods to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods.

Rebates and discounts are set off against Revenue on the statement of profit and loss. They are recorded in profit and loss immediately when all conditions related to the rebate and discount are met. These are initially based on expectations and updated when determined.

2. ACCOUNTING POLICIES (continued)

d) Revenue (continued)

Contracts contain one performance obligation being a supply of goods to customers. The shipping element of contracts with customers is not distinct and does not create a separate performance obligation. Revenue from sale of goods to customers is recognised when the performance obligation is satisfied at a point in time i.e. when goods are delivered to the location specified by the customer which is the date when control of the goods passes. For international trade that might be the port of loading or discharge, or delivery to the customer's premises. Deliveries to domestic customers are normally to the customer's premises.
Payment terms are typically 60 to 120 days from the date of delivery.

Rental income on properties is recognised on a straight-line basis over the lease term (note 2(m)).

e) Administration costs and Costs of finished goods, raw materials and consumables

Expenses, including costs of finished goods, raw materials and consumables, administration expenses, staff costs and other expenses, are accounted for on an accruals basis and are recognised in Profit or Loss on the transaction date. Costs of raw materials, finished goods and consumables are included in inventory on the Consolidated Statement of Financial Position and expensed when sold.

f) Interest and Dividends

Interest arising on financial instruments measured at amortised cost is recognised on an accruals basis in other income/other expenses and calculated using the effective interest rate

Dividends are recognised when the shareholder's right to receive payment has been established and recorded gross of any withholding tax within other income.

g) Investment Properties

Investment properties are those held to earn rental income and for capital growth. These properties are initially recognised at cost and subsequently measured at fair value. These properties are independently valued on an open market basis at regular intervals. Open market value is defined as the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. Open market value is considered to approximate to fair value. Changes in fair value are recorded in profit and loss. All maintenance and running costs are charged in operating costs in the year that they occur.

h) Property, plant and equipment

Property, plant and equipment is comprised of plant, equipment, vehicles and commercial property.

An item of Property, plant and equipment is recognised as an asset, if it is probable that future economic benefits associated with the asset will flow to the entity and the cost of the item can be measured reliably. Similarly, it is derecognised on disposal or when no future economic benefit is expected from its use or disposal.

Commercial properties are held for use in the production and supply of goods or services and/or for administrative purposes. They are recognised at cost and carried at fair value under the revaluation model, based on annual valuations by external independent valuers. Improvement costs are capitalised. Increases in the carrying amounts arising on revaluation are recognised, net of tax, in other comprehensive income and accumulated in Other reserves in shareholders' equity.

To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss.

Residual values of commercial buildings are reviewed annually, and where these have been assessed to be greater than carrying value the depreciation charge on these properties has been determined to be nil. Where residual values are less than carrying values, the difference is recognised as depreciation over the useful life of the property on a straight-line basis. Useful lives are reassessed annually. Land is not depreciated. On disposal of revalued assets, amounts in Other reserves relating to that asset are transferred to Retained earnings.

2. ACCOUNTING POLICIES (continued)

h) Property, plant and equipment (continued)

Depreciation Rate: Commercial property - buildings	2%-5%

Plant, equipment, and vehicles are initially measured at cost and subsequently carried at cost less depreciation and impairment. The carrying amounts of the Group's plant, equipment and vehicles are reviewed for impairment at each reporting date. If there is any indication that an asset is impaired, a test is done and if determined to be impaired, the carrying value is reduced.
Depreciation is calculated on the straight-line method at the following annual rates:

Plant	10%-20%
Equipment	9%-100%
Vehicles	13%-20%

Depreciation has been calculated on the straight-line basis to write off the cost, less any expected residual value, of non-current assets over their useful lives. On disposal, gains or losses are included in profit or loss. Residual values and useful lives are reassessed annually.

i) Investments
Investments held by the Group comprise listed and unlisted equities.
Listed equities held by the Group that are traded in an active market are stated at market bid prices (which are considered to be their fair value). Unlisted shares are stated at fair value as explained in more detail in note 13.

In accordance with IFRS 9 these financial assets fall within the financial instrument at fair value through profit or loss category. Changes in the fair values of these financial assets are recorded in Other income/expenses through profit or loss. Gains and losses realised on the sale of these financial assets will be recorded in the profit and loss to the extent of the difference between sale price and fair value previously reported.

j) Inventories
Inventories (non-perishable products such as food, food ingredients, household consumer products, metals and minerals, and tools) are measured at the lower of cost and net realisable value. The value of raw materials and finished goods comprises all of the costs of purchase, conversion and other costs incurred in bringing the inventory to their present location and condition. The costs are assigned to individual items of inventory on the basis of first-in, first-out (FIFO). Net realisable value is the estimated selling price in the ordinary course of business, less the estimated completion and selling costs incurred to make the sale. Obsolete and redundant inventories are identified on a regular basis and are written down to their estimated realisable values.

k) Taxation
The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity in which case it is recognised in Other Comprehensive Income or directly in equity, respectively.

Current Income Tax
Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the reporting date in the countries where the Company and its subsidiaries and associates operate and generate taxable income, and any adjustment to tax payable in respect of previous years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2. ACCOUNTING POLICIES (continued)

l) Taxation (continued)

Deferred Tax
Deferred tax is recognised using the liability method, providing for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements for financial reporting purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of an asset or liability; a transaction (other than a business combination) that at the time of the transaction affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply to temporary differences when they reverse.

A deferred tax asset is recognised for unused tax losses arising on deductible temporary differences only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

m) Leases
Leases are classified as operating leases when they do not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.
The Group as a lessor of investment properties recognises operating lease income on a straight-line basis, based on a pattern reflecting a constant periodic rate of return on the net investment in the lease. Operating lease receivables are recognised in the Statement of Financial Position at the undiscounted cost of the cash flows due under the lease.

The Group as a lessee recognises a right of use asset and a lease liability in the Statement of Financial Position. The right of use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group and estimate of any costs to dismantle and remove the asset at the end of the lease.

The Group depreciates the right of use assets on a straight-line basis from the lease commencement date to the end of the lease term.
The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the Group's incremental borrowing rate. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs.

Lease payments included in the measurement of the lease liability are made up of fixed payments, payments arising from options to renew or extend which are reasonably certain to be exercised and amounts expected to be payable under a residual value guarantee.

n) Employee Costs
The costs of short-term employee benefits are recognised as an expense in the period in which the service is rendered.

The policy of the Group is to provide retirement benefits through defined contribution schemes, for which the Group has no further liability. Current contributions to pension funds are charged in operating costs in the period to which they relate.

o) Foreign Currencies and Operations
All exchange gains and losses on settlement of foreign currency transactions or the translation of monetary assets and liabilities at reporting date exchange rates are included in profit or loss.

On consolidation, income and expenditure of subsidiaries expressed in a currency other than US$ is translated at average monthly rates of exchange for the period, unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions.

2. ACCOUNTING POLICIES (continued)

o) Foreign Currencies and Operations (continued)

Assets and liabilities denominated in foreign currencies at the reporting date are translated at the rates of exchange at the reporting date.

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows: • assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet • income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates, and • all resulting exchange differences are recognised in other comprehensive income.

Differences on translation arising in changes in the US$ value of overseas results and net assets held at the beginning of the accounting period to that at the end of the period are included in Other Comprehensive Income and are recognised in the currency translation reserve in equity.

When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss from the Foreign Currency Translation reserve, as part of the gain or loss on sale.

The rates used are:		Consolidated Statement of Profit or Loss and Other Comprehensive Income		Statement of Financial Position	
		12 Months to 31 Mar 2023	18 Months to 31 Mar 2022	**31 Mar 2023**	31 Mar 2022
South Africa -	USD/ZAR=	**17.114**	15.026	**17.742**	14.612
Europe -	€/USD=	**1.034**	1.170	**1.086**	1.113
United Kingdom -	£/USD=	**1.202**	1.359	**1.236**	1.316

p) Cash and Cash Equivalents

For the purpose of the Consolidated Statement of Cash Flows, cash and cash equivalents comprise cash in hand, deposits held at call with banks, and investments in money market instruments net of bank overdrafts. Where a right of offset exists, account balances are aggregated.

Cash and cash equivalents are initially recorded at fair value and subsequently held at amortised cost; accounts receivable, excluding operating lease receivables, which are covered under note 2(m), are initially valued at fair value and subsequently held at amortised cost, using the effective interest method less any adjustments required as a result of impairment.

q) Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.
Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.
A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial Assets
Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into one of the following categories: amortised cost; fair value through profit or loss (FVTPL), or fair value through other comprehensive income (FVOCI).

In the periods presented the Group does not have any financial assets categorised as FVOCI.
The principal financial assets are the portfolio investments (note 2(i)), cash and cash equivalents, and accounts receivable.

2. ACCOUNTING POLICIES (continued)

q) Financial Instruments (continued)

Other financial assets, with the exception of foreign exchange contracts which are measured at fair value, are held at amortised cost as they represent contractual commitments to receive payments of principal and interest on specified dates and the Group's business model is to hold these financial assets in order to collect the contractual cash flows.

The carrying amounts of trade receivables, that do not have a significant financing component, are reviewed under the expected credit loss model and the simplified approach is used (note 15).

Financial Liabilities
Financial liabilities and Other financial liabilities are classified according to the substance of the contractual agreements entered into. The principal financial liabilities are bank loans and accounts payable, which are initially valued at fair value, and subsequently measured at amortised cost, using the effective interest method. The value of non-current financial liabilities is calculated by discounting their future cash flows at the market rate that reflects current interest rates. Where the effects of discounting are immaterial, no discounting is applied.

Derivative Financial Instruments
Derivative financial instruments, which have been entered into to hedge future cash flows but which for accounting purposes are not designated as hedging instruments, consisting of forward foreign exchange contracts, are initially measured at fair value on the contract date, and are re-measured to fair value at subsequent reporting dates using market prices.

Derivatives are classified as financial assets or liabilities at fair value through profit or loss. Fair value is determined by market value quotes received from independent financial institutions. Changes in the fair value of derivative financial instruments are recognised in profit or loss as they arise.

r) Segmental Reporting

The Chief Operating Decision Maker, which is the Board, is of the opinion that the Group is engaged in three segments through its investment in the subsidiaries (note 3). The financial information used by the Chief Operating Decision Maker to manage the Group presents the business as three segments.

Segment information is measured on the same basis as that used in the preparation

s) Earnings per share

Basic earnings/loss per share - Basic earnings/loss per share is calculated by dividing the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account: the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares. We do not have dilutive instrumetns in issue.

Headline earnings per share report the Group's income from operations, trading, and investments only. It therefore excludes certain one-time or exceptional items such as asset sales, discontinued operations, restructuring charges and write-downs.

3. SEGMENTAL REPORTING

For management purposes the Group is organised on a worldwide basis into the following main business segments grouped by similar businesses and services:

Import and distribution	Trade in non-perishable products, such as food, food ingredients, household consumer products, metal and minerals, manufacturing inputs and tools; primarily imports to South Africa and Latin America, and exports from South Africa.
Property	Investment properties in USA. and South Africa.
Other activities	Mainly transactions relating to the share portfolios, profits on disposals of tangible non-current assets, local head office costs and interest.

There are no sales between entities in different business segments and businesses carrying out similar trades and services are grouped in the same segments.

3. SEGMENTAL REPORTING (continued)

Segmental analysis of results	12 months to 31 Mar 2023 Revenue US$000	12 months to 31 Mar 2023 Profit/(loss) US$000	18 months to 31 Mar 2022 Revenue US$000	18 months to 31 Mar 2022 Profit/(loss) US$000
Import and distribution	**121,806**	**(19)**	195,951	2,787
Property	**3,521**	**1,131**	5,172	1,505
	125,327	**1,112**	201,123	4,292
Other activities:				
Other expenses		**(2,258)**		(4,464)
Fair value adjustment on investments		**(300)**		(1,378)
Other income		**4,449**		14,112
Finance expense		**(2,140)**		(3,383)
Profit on continuing operations before tax		**863**		9,179
Discontinued operations				
Loss on disposal		**-**		(878)
Import and distribution- loss from discontinued operations	**-**	**-**	-	(159)
	125,327		201,123	
Profit for the year before tax on continuing and discontinued operations		**863**		8,142

Continuing diversification of products and customers has led to no customers representing 10% or more of the Group sales.

Group revenue disaggregated by product type	12 months to 31 Mar 2023 US$000	18 months to 31 Mar 2022 US$000
Import & Distribution		
FMCG - Africa	**27,019**	44,036
FMCG - South America	**10,124**	23,393
FMCG - Total	**37,143**	67,429
Manufacturing inputs - Africa	**25,760**	31,270
Manufacturing inputs - Other	**31,057**	46,123
Manufacturing inputs - Total	**56,817**	77,393
Tool and Machinery	**27,846**	51,129
Total Import and Distribution	**121,806**	195,951
Property	**3,521**	5,172
Total	**125,327**	201,123

Segment assets consist of investment properties, property, plant and equipment, inventories and receivables and exclude investments, cash and tax balances. Segment liabilities are operating liabilities and exclude items such as taxation and borrowings. Unallocated assets and liabilities are investments, holding company assets and liabilities, cash balances, taxation and borrowings. Capital expenditure comprises improvements and additions to investment properties and property, plant and equipment. The increase in import and distribution net assets reflects the increase in turnover of these businesses and increases in buffer stocks held to minimise disruption to trade.

3. SEGMENTAL REPORTING (continued)

Segmental analysis of net assets 31 March 2023	**Assets US$000**	**Liabilities US$00**	**Net assets US$000**	**Capital Expenditure US$000**	**Depreciation/ amortisation US$000**
Import and distribution	**43,716**	**(18,269)**	**25,447**	**353**	**(463)**
Property	**30,495**	**(601)**	**29,894**	**20**	**(56)**
Unallocated (including investments, cash, tax and debt)	**56,931**	**(22,924)**	**34,007**	**-**	**-**
Consolidated total	**131,142**	**(41,794)**	**89,348**	**373**	**(519)**
31 March 2022					
Import and distribution	65,508	(25,984)	39,524	1,506	(703)
Property	31,491	(593)	30,898	27	(92)
Unallocated (including investments, cash, tax and debt)	52,714	(27,048)	25,666	-	-
Consolidated total	149,713	(53,625)	96,088	1,533	(795)

Secondary reporting format – geographical segments

The Group operates in the following geographic areas:

Europe	Location for part of the Group's import and distribution business, the non-trading parent company and most of the Group's investment portfolio.
United States	Location for part of the Group's property portfolio and some of the Group's investment portfolio.
South Africa	Location for part of the Group's import and distribution business and part of the Group's property portfolio.

Assets and Liabilities are shown by the geographical area in which the assets are located. Non-current assets exclude investments and deferred tax.

Segmental analysis at 31 March 2023	**Group revenue US$000**	**Non-Current assets US$000**	**Total Assets US$000**	**Total Liabilities US$000**
Europe	**48,954**	**82**	**66,269**	**(9,300)**
United States	**1,662**	**19,825**	**20,225**	**(10,595)**
Total outside South Africa	**50,616**	**19,907**	**86,494**	**(19,895)**
South Africa	**74,711**	**15,236**	**44,648**	**(21,899)**
Total	**125,327**	**35,143**	**131,142**	**(41,794)**

Segmental analysis at 31 March 2022	Group revenue US$000	Non-current assets US$000	Total Assets US$000	Total Liabilities US$000
Europe	85,277	93	63,441	(14,688)
United States	2,372	18,401	28,158	(11,557)
Total outside South Africa	87,649	18,494	91,599	(26,245)
South Africa	113,474	18,871	58,114	(27,380)
Total	201,123	37,365	149,713	(53,625)

4. OTHER INCOME

	12 months to 31 Mar 2023 US$000	18 months to 31 Mar 2022 US$000
Net fair value adjustments on investment property (see note 10)	**1,461**	4,459
Dividend income	**1,152**	1,621
Interest income	**345**	432
Unclaimed dividends provision released	**449**	-
Other income	**330**	464
Legal claim	**-**	223
Net gain on disposal of investments	**505**	6,913
Total other income	**4,242**	14,112

5. OTHER EXPENSES

	12 months to 31 Mar 2023 US$000	18 months to 31 Mar 2022 US$000
Freight and distribution	**(9,857)**	(11,739)
Legal and professional fees	**(1,091)**	(1,982)
Impact of fraud *	**-**	(1,400)
Net fair value adjustment on investments	**(300)**	(1,378)
Exchange losses	**(717)**	(1,214)
Marketing and sales expenses	**(1,639)**	(3,456)
Premises	**(34)**	(65)
Plant, equipment and vehicles	**(870)**	(699)
Loss on disposal of non-current tangible assets	**(22)**	(33)
Impairment	**(1)**	(266)
Audit related	**(468)**	(777)
Administration and other expenses **	**(8,255)**	(12,688)
Total other expenses	**(23,254)**	(35,697)

*In the prior period, one of our investment companies was the victim of a serious cyber-attack resulting in a major fraud in the period and losses of US$1.4m have been recorded. Controls designed to prevent and mitigate such frauds did not function correctly, partly due to human error, exacerbated by covid related changes to working practices and the effects of illness to key staff. Controls have been strengthened to reduce the risk of similar losses in the future. Group diversification and asset allocation decisions have been reviewed and amended to further reduce risk.

**Admin and other expenses consist of various immaterial balances and therefore are not further split in the note.

6. TAXATION

	12 months to 31 Mar 2023 US$000	18 months to 31 Mar 2022 US$000
Corporate tax		
Current year	**1,301**	1,701
Prior years	**1**	95
Deferred taxation (Note 17)	**(256)**	694
	1,046	2,490
Taxation on profit of disposal of associate	**-**	221
	1,046	2,711

This equates to an effective tax rate on profit before tax of 121% (2022 – 27.1%).

6. TAXATION (continued)

Corporation tax is paid at 27% (reduced from 28%) in South Africa, 19% in UK and at 21% Federal and 8.84% State tax in US.

UK - From 1 April 2023, there is no longer a single Corporation Tax rate for non-ring fence profits. 19% - Small profits rate (companies with profits under £50,000). 25% - Main rate (companies with profits over £250,000).

The reconciliation of the expected tax charge of Group companies to the actual tax charge is as follows:

	12 months to 31 Mar 2023 US$000	18 months to 31 Mar 2022 US$000
Profit before taxation	**863**	9,179
Weighted average standard statutory tax rate [1]	**27%**	22%
Expected tax charge at standard statutory rates [2]	**236**	2,004
Withholding taxes	**194**	201
Effect of non-standard rates of tax [3]	**66**	209
Tax losses unutilised [4]	**648**	6
Deferred tax on assessed losses written off [5]	**456**	-
(Over)/Under provisions in prior years	**(548)**	92
Change in tax rate	**-**	(31)
Other differences	**(6)**	9
	1,046	2,490

1. The weighted average standard statutory tax rate is the expected tax charge divided by the profit before tax.
2. The expected tax charge is the applicable standard tax rates in each national jurisdiction multiplied by the profit or loss before tax in each national jurisdiction. There have been no significant changes in the tax rates in any of the jurisdictions in which the Group operate.
3. Certain items of income or expenditure are subject to tax at rates which differ from the standard rates in the jurisdiction.
4. Tax losses are recognised only to the extent it is probable that future taxable profit will be available against which the benefits can be realised.
5. The Group had historic unutilised losses brought forward which in management's opinion, these losses may not be able to be utilised in the future and therefore a decision was made to write them off.

The above reconciling items are expected to reoccur every year.

7. DISCONTINUED OPERATIONS

a) Global Coffee Exports Limited

In November 2020, the Group sold, to a private equity company, a controlling stake (68%) in Monteagle Merchant Group Ltd, the holding company owning 100% of Global Coffee Exports Ltd, a company involved in importing, processing, and distributing coffee in South Africa, for US$1,500,000. Subsequently, in February 2022 the remaining 32% holding (which was held as an investment) was sold for $772,000. As Monteagle Merchant Group Ltd was an unlisted investment at the time of sale the transaction has been accounted for in accordance with the accounting policy (2(i)) for such investments and is not shown here as a disposal of discontinued operations.

In accordance with the terms of the share purchase agreements US$291,000 (2022 - US$812,000) of the total sale considerations remain outstanding as a current loan with no fixed repayment dates bearing interest at a variable rate, currently 6.25% p.a.

b) Monteagle Logistics Limited

Effective 28 January 2022, the group sold its 50% stake in its associate Monteagle Logistics Limited for ZAR 17m (US$1,138,000) before tax. The group made a gain on disposal before tax of $897,000.

8. EARNINGS/LOSS AND HEADLINE EARNINGS/LOSS PER SHARE

Earnings per share and headline earnings per share are based on the result attributable to shareholders of the Group and on the weighted average of shares in issue of 35,857,512 (2022 – 35,857,512). There are no dilutive instruments in issue.

	12 months to 31 Mar 2023	18 months to 31 Mar 2022
Basic earnings per share on continuing operations	**US$0.6c**	US$16.3c
Basic loss per share on discontinued operations	**-**	US$(3.5)c
Basic and fully diluted earnings per share	**US$0.6c**	US$12.8c
Headline basic (loss)/earnings per share on continuing operations	**US$(4.4)c**	US$8.3c
Headline basic loss per share on discontinued operations	**-**	US$(0.4)c
Headline basic and fully diluted (loss)/earnings per share on continuing and discontinued operations	**US$(4.4)c**	US$7.9c
	US$'000	US$'000
Basic earnings on continuing and discontinued operations	**200**	4,589
Share of loss on discontinued operations	**-**	1,258
Basic earnings on continuing operations	**200**	5,847

Reconciliation between basic and headline earnings	**Gross US$000**	**Tax US$000**	**12 months to 31 Mar 2023 Net US$000**
Basic earnings on continuing and discontinued operations			**200**
Adjusted for: -			
Fair value adjustments on investment property revaluation	**(1,461)**	**(264)**	**(1,725)**
Loss on disposal of investment properties	**22**	**(7)**	**15**
Net impairment of non-current asset	**1**	**-**	**1**
Net gain on termination of leases	**(57)**	**-**	**(57)**
Net loss on disposal of non-current tangible assets	**(1)**	**-**	**(1)**
Headline loss			**(1,567)**

Reconciliation between basic and headline earnings	Gross US$000	Tax US$000	18 months to 31 Mar 2022 Net US$000
Basic earnings on continuing and discontinued operations			4,589
Adjusted for: -			
Fair value adjustments on investment property revaluation	(4,459)	1,306	(3,153)
Net profit on disposal of an associate	(897)	221	(676)
Foreign currency translation reserve recycled to profit or loss	1,504	-	1,775
Net impairment of non-current asset	266	-	266
Net loss on disposal of non-current tangible assets	33	-	33
Headline earnings			2,834

9. DIVIDENDS

	12 months to 31 Mar 2023 US$000	18 months to 31 Mar 2022 US$000
Interim dividends paid		
First interim: US$1.9 cents per share (2022 – US$1.9c)	**681**	681
Second interim: US$Nil (2022 - US$1.9 cents per share)	**-**	681
Final dividend in respect of prior year		
US$1.9 cents per share (2022 – US$1.9c)	**681**	682
Total dividends paid in the period US$3.8 cents (2022 – US$5.7c)	**1,362**	2,044

A final dividend of US$1.9 cents per share for the period ended 31 March 2023 (Mar 2022 - US$1.9 cents) has been proposed (note 30).

10. INVESTMENT PROPERTIES

	31 Mar 2023 US$000	31 Mar 2022 US$000
Brought forward		
At fair value	**29,793**	23,952
Translation adjustment	**(2,009)**	1,364
	27,784	23,316
Fair value adjustments	**1,461**	4,459
Translation adjustment	**(1)**	10
Improvement expenditure	**4**	8
Disposals	**(232)**	-
Balance carried forward – at fair value	**29,016**	29,793
Analysis of net book value:		
United States	**19,825**	18,401
South Africa	**9,191**	11,392
	29,016	29,793

Amounts recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income for investment properties:	**12 months to 31 Mar 2023**	18 months to 31 Mar 2022
Rental Income	**3,521**	5,172
Direct operating expenses from property that generated rental income	**(2,390)**	(3,667)
	1,131	1,505
Fair value recognised in other income	**1,461**	4,459
	2,592	5,964

The bases for valuation of properties are set out in note 26. A deduction from the valuation amount is made for the lease receivables recognised in accounts receivable (note 15(b)).

All properties were rent producing. Certain investment properties, valued at US$19,825,000 (2022 – US$18,401,000) were mortgaged at 31 March 2023 to secure long-term finance (see note 16).

10. INVESTMENT PROPERTIES (continued)

As lessor, on 31 March 2023 the Group has projected future rental income of:

	31 Mar 2023 US$000	31 Mar 2022 US$000
Within one year	**1,940**	2,419
One to two years	**1,029**	1,634
Two to three years	**763**	832
Three to four years	**519**	337
Four to five years	**202**	274
Later than five years	**100**	341

There are options to renew the lease agreements if agreed by both parties. Escalation clauses are included within the lease agreements. There are no contingent rentals or options to purchase.

The fire insurance policy on one of the investment properties in South Africa, with value of US$3,848,000, has not yet been renewed due to the reluctance of insurance companies to insure old buildings in Durban city centre. The directors are actively engaging with the municipality and insurers to resolve the matter. Specialists in providing fire sprinkler solutions for Commercial Property have been engaged to design, install and maintain a fire sprinkler system. The system is scheduled to be fully operational by the end of 2023 and should greatly assist with obtaining fire insurance cover for the property. This has had no material effect on the value of the property.

11. PROPERTY, PLANT AND EQUIPMENT

				Commercial Property		
	Plant US$000	**Equipment US$000**	**Vehicles US$000**	**Land US$000**	**Buildings US$000**	**Total US$000**
12 months ended 31 March 2023						
Brought forward						
At cost or valuation	**1,085**	**1,770**	**827**	**2,020**	**3,182**	**8,884**
Translation adjustment	**(190)**	**(303)**	**(147)**	**(281)**	**(623)**	**(1,544)**
	895	**1,467**	**680**	**1,739**	**2,559**	**7,340**
Revaluations					**(64)**	**(64)**
Impairment	**-**	**(1)**	**-**	**-**	**-**	**(1)**
Translation adjustment	**-**	**-**	**-**	**-**	**2**	**2**
Transfer	**75**	**-**	**-**	**-**	**-**	**75**
Additions	**86**	**58**	**209**	**-**	**16**	**369**
Disposals	**-**	**(97)**	**(116)**	**-**		**(213)**
Balances carried forward	**1,056**	**1,427**	**773**	**1,739**	**2,513**	**7,508**
Depreciation						
Brought forward	**(434)**	**(1,083)**	**(485)**	**-**	**-**	**(2,002)**
Translation adjustment	**75**	**184**	**87**	**-**	**-**	**346**
	(359)	**(899)**	**(398)**	**-**	**-**	**(1,656)**
Charge for the year	**(80)**	**(187)**	**(74)**	**-**	**-**	**(341)**
Transfer	**(75)**	**-**	**-**	**-**	**-**	**(75)**
Translation adjustment	**3**	**6**	**3**	**-**	**-**	**12**
Disposals	**-**	**96**	**85**	**-**	**-**	**181**
Balances carried forward	**(511)**	**(984)**	**(384)**	**-**	**-**	**(1,879)**
Net book value 31 March 2023	**545**	**443**	**389**	**1,739**	**2,513**	**5,629**

11. PROPERTY, PLANT AND EQUIPMENT (continued)

	Plant US$000	Equipment US$000	At cost Vehicles US$000	At valuation Commercial Property Land US$000	Buildings US$000	Total US$000
18 months ended 31 Mar 2022						
Brought forward						
At cost or valuation	537	1,326	647	1,767	2,576	6,853
Translation adjustment	74	178	92	190	413	947
	611	1,504	739	1,957	2,989	7,800
Revaluations	-	-	-	-	(150)	(150)
Impairment	-	(2)	-	-	-	(2)
Translation adjustment	-	-	-	-	(4)	(4)
Additions	540	420	155	63	347	1,525
Disposals	(66)	(152)	(67)	-	-	(285)
Balances carried forward	1,085	1,770	827	2,020	3,182	8,884
Depreciation						
Brought forward	(325)	(820)	(380)	-	-	(1,525)
Translation adjustment	(44)	(112)	(53)	-	-	(209)
	(369)	(932)	(433)	-	-	(1,734)
Charge for the year	(120)	(265)	(103)	-	-	(488)
Translation adjustment	(3)	(7)	(3)	-	-	(13)
Disposals	58	121	54	-	-	233
Balances carried forward	(434)	(1,083)	(485)	-	-	(2,002)
Net book value 31 March 2022	651	687	342	2,020	3,182	6,882

Revaluations of commercial property include negative fair value adjustment of US$64,000 (2022 - US$150,000) recognised in other comprehensive income.

Analysis of net book value:	**31 Mar 2023 US$000**	31 Mar 2022 US$000
South Africa		
Commercial property	**4,252**	5,121
Plant, equipment and vehicles	**1,295**	1,668
	5,547	6,789
Other jurisdictions – Commercial property and equipment	**82**	93
Total	**5,629**	6,882

Details of commercial property valuation methods and inputs are provided in note 26.

Commercial properties with a carrying value of US$3,220,000 (2022 – US$3,966,000) were mortgaged at 31 March 2023 to secure long-term finance (see note 16).

The carrying value of the revalued commercial property under the cost model would have been US$1,748,000 (2022 – US$1,409,000).

12. LEASES (group as a lessee)

The group leases office buildings, motor vehicles and office equipment.
Details pertaining to leasing arrangements, where the group is lessee are presented below:

Right of use asset	**31 Mar 2023 US$000**	31 Mar 2022 US$000
Brought forward:		
Buildings and office equipment	**843**	597
Translation adjustment	**(149)**	85
	694	682
Additions	**471**	197
Disposals	**(294)**	(36)
Balances carried forward	**871**	843
Depreciation		
Brought forward	**(427)**	(118)
Translation adjustment	**75**	(17)
	(352)	(135)
Charges for the period	**(178)**	(307)
Translation adjustment	**6**	(9)
Disposals	**-**	24
Balances carried forward	**(524)**	(427)
Net book value		
Buildings and office equipment	**347**	416
Lease Liabilities		
Current	**(77)**	(194)
Non-Current	**(255)**	(289)
Total Lease Liabilities	**(332)**	(483)
Interest expense on lease liabilities	**29**	57
Maturity Analysis		
Within one year	**(107)**	(230)
Two to five years	**(305)**	(327)
More than five years	**-**	-
Less finance charge	**80**	74
	(332)	(483)

The total cash outflow for leases in the year was US$273,000 (2022 – US$348,000)

13. INVESTMENTS

	12 months to 31 Mar 2023 US$000	18 months to 31 Mar 2022 US$000
Listed investments		
Balance brought forward	**28,998**	25,570
Translation adjustment	**(289)**	18
	28,709	25,588
Additions	**60,771**	77,739
Disposals	**(55,607)**	(73,451)
Fair value adjustments	**532**	3,136
Fair value adjustments realised on disposal	**(5,361)**	(4,014)
Balance carried forward	**29,044**	28,998
Unlisted investment		
Balance brought forward	**4,249**	2,542
Additions	**-**	2,903
Disposals	**-**	(696)
Fair value adjustments	**(832)**	(500)
Balance carried forward	**3,417**	4,249
Net book value	**32,461**	33,247

Geographical analysis	**31 Mar 2023 US$000**	31 Mar 2022 US$000
Investments listed in:		
UK	**7,418**	8,431
USA	**11,451**	10,765
Europe	**5,018**	5,153
Switzerland	**2,183**	3,008
South Africa	**2,974**	1,641
	29,044	28,998
Unlisted in Europe	**3,417**	4,249
	32,461	33,247

A portion of the parent company's listed portfolio investments, with a value of US$23,371,000 (2022 – US$22,222,000) is pledged to secure an overdraft facility of US$12,364,000 (2022 – US$13,167,000), of which US$1,553,000 (2022 – US$4,210,000) is drawn at the reporting date (see note 15).

The Group owns 1,641,309 Ordinary Shares in Heartstone Inns Ltd (14.7%) (2022 – 1,641,309 Ordinary shares). This unlisted investment is carried at fair value of US$1,725,000 (2022 - US$2,557,000) which is calculated based on the latest internal share trading scheme price of $1.05 at 31 March 2023 (2022 - based on net asset value less 10% discount, US$1.73) The properties, owned by Heartstone Inns, were last revalued at 31 December 2021 and management believes there have been no significant changes to those property valuations since. Further information about Heartstone Inns is available from its website: www.heartstoneinns.co.uk.

The Group owns 363 shares n GTNS2 Ltd (2022 – 363 shares). This investment is carried at fair value of US$1,692,000 which is calculated based on the value per share of $4,661 for the November 2021 rights issue (which is the most recent fundraising) and the 363 shares held. GTNS2 is the holding company for the Getronics Group, a digital support services business. The value of this business depends on the ability of Getronics to retain and attract new customers for its services, and to price those services profitably. Further information about Getronics is available from its website: www.getronics.com.

Additional details regarding the fair value of financial instruments are included in notes 24 and 25.

14. INVENTORIES

	31 Mar 2023 US$000	31 Mar 2022 US$000
Finished goods	**16,932**	32,083
	16,932	32,083

There were no provisions against obsolete inventories at 31 March 2023 (2022 – no provisions).
Inventory with a total value of US$11,015,000(2022 - US$13,951,000) is pledged to First Rand Bank Limited as security for loans and pledged to Gerber Finance Inc. for receivables finance (see note 15). General notarial bonds exist in favour of: FNB Corporate, a division of First Rand Bank Limited to the value of US$845,000 (2022 - US$1,026,000) and to eCapital Asset Based Lending to the value of the remainder of inventories pledged US$10,170,000 (2022 – US$12,925,000).

15. ACCOUNTS RECEIVABLE AND OTHER CURRENT ASSETS

		31 Mar 2023 US$000	31 Mar 2022 US$000
a)	Accounts receivable		
	At amortised cost		
	Trade debtors	**19,592**	23,626
	Provision for bad debts (see note 27)	**(501)**	(551)
	Other loan	**511**	812
	Prepayments	**842**	919
	Other debtors	**1,632**	3,285
		22,076	28,091
b)	Other current assets		
	At amortised cost		
	Accrued operating lease income on investment properties	**370**	434
	At fair value through profit or loss		
	Forward foreign exchange contacts	**128**	-
		498	434

Trade and other debtors with value of US$7,531,000 (2022 – US$13,022,000) are pledged to FNB Corporate (a division of First Rand Bank Limited) and trade debtors with value of US$5,474,000 (2022 – US$4,931,000) are pledged to FNB Corporate (a division of First Rand Bank Limited), eCapital Asset Based Lending and QTM Holdings Proprietary Limited. (see note 16).

16. ACCOUNTS PAYABLE AND OTHER FINANCIAL LIABILITIES

		31 Mar 2023 US$000	31 Mar 2022 US$000
Current:			
a)	Accounts payable		
	At amortised cost		
	Trade creditors	**15,996**	20,407
	Other creditors	**355**	2,403
	Short-term portions of secured loans	**707**	737
	Unsecured loan: - Europe – (US Dollar) - This loan is unsecured and interest bearing at a rate of 3.75% (2022: 3.75%).	**652**	652
	Unsecured loan: - South Africa – (US Dollar) - This loan is unsecured, interest bearing at a rate of 12% (2022: 12%) and there are no fixed terms of repayment.	**25**	**-**
	Accruals*	**1,146**	1,433
		18,881	25,632
	Accrued operating lease costs on investment properties	**-**	13
		18,881	25,645
	Bank overdrafts	**9,418**	11,059
		28,299	36,704

*Accruals consist of a number of immaterial accruals across the group.

16. ACCOUNTS PAYABLE AND OTHER FINANCIAL LIABILITIES (continued)

	31 Mar 2023 US$000	31 Mar 2022 US$000
b) Other financial liabilities		
At fair value through profit or loss		
Forward foreign exchange contracts	**-**	1,233
	-	1,233

US$5,575,000 (2022 – US$6,392,000) of the Group's trade creditors relate to amounts owing to eCapital Asset Based Lending. This facility is secured by trade debtors and inventories, interest bearing at 2.5% over US prime rate (2022 – 2.5% over US prime rate) and has 180 days repament terms.

	31 Mar 2023 US$000	31 Mar 2022 US$000
Non-current:		
Secured loans: - South Africa – (South African Rand)	**948**	1,350
- United States – (US Dollar)	**5,223**	5,361
	6,171	6,711

Financing liabilities reconciliation	**Bank Overdraft US$000**	**Financing liabilities US$000**	**Total US$000**
12 months ended 31 Mar 2023			
Balance brought forward	**11,059**	**6,711**	**17,770**
Cash movements			
Cash flows (excluding bank overdraft)	**-**	**(301)**	**(301)**
Bank overdraft movement	**(499)**	**-**	**(499)**
Non-cash movements			
Foreign exchange adjustments	**(1,142)**	**(239)**	**(1,381)**
Balance carried forward	**9,418**	**6,171**	**15,589**

	Bank Overdraft US$000	Financing liabilities US$000	Total US$000
18 months ended 31 Mar 2022			
Balance brought forward	7,392	6,679	14,071
Cash movements			
Cash flows (excluding bank overdraft)	-	(128)	(128)
Bank overdraft movement	3,593	-	3,593
Non-cash movements			
Foreign exchange adjustments	74	160	234
Balance carried forward	11,059	6,711	17,770

Long-term finance in the United States and South Africa is repayable by instalments and secured by mortgages on investment and commercial properties with a value of US$19,825,000 and US$3,220,000 respectively (see notes 10 and 11). Certain of these mortgages include standard terms regarding the assignment of lease, rent and payments under insurance policies.
The repayment terms vary from no fixed terms to 60 months.

The principal rates of interest on loans are commercial rates - United States – fixed rate of 3.66% and South Africa – variable between Prime +1% and Prime -0.5%

17. DEFERRED TAXATION

	31 Mar 2023 US$000	31 Mar 2022 US$000
Deferred tax assets:		
Timing differences arising from: -		
Lease liabilities	**18**	5
Accruals	**136**	452
Losses recoverable	**14**	505
Other	**62**	68
	230	1,030
Deferred tax liabilities		
Timing differences arising from: -		
Investment property valuations	**(6,325)**	(6,942)
Commercial property valuations	**(467)**	(627)
Fair value adjustments to investments	**(111)**	(682)
Lease receivables	**(99)**	(101)
Other	**(18)**	(54)
	(7,020)	(8,406)

	31 Mar 2023 US$000	31 Mar 2022 US$000
Reconciliation of movement		
Disclosed as asset	**870**	749
Disclosed as liability	**(8,246)**	(7,315)
Balance brought forward	**(7,376)**	(6,566)
Translation adjustment	**298**	(217)
Deferred taxation (credited)/ charged to profit (see below)	**270**	(692)
Deferred tax charged to Other Comprehensive Income: -		
Increase in surplus on revaluation of commercial properties	**17**	99
Balance as at 31 March	**(6,791)**	(7,376)
Disclosed as asset	**153**	870
Disclosed as liability	**(6,944)**	(8,246)

	31 Mar 2023 US$000	31 Mar 2022 US$000
Deferred taxation charged to Profit or Loss arises from:		
Increase in uplifts on revaluation of investment properties	**(312)**	(1,305)
Release of prior year overprovision on revaluation of investment property	**620**	-
Increase in available losses recoverable	**-**	62
Write off of losses recoverable	**(456)**	-
Decrease in fair value adjustments to investments	**682**	344
(Decrease)/Increase in accruals	**(175)**	91
Expense in advance	**(87)**	62
Other	**(2)**	52
	270	(694)

18. SHARE CAPITAL

	Number	US$000
Authorised		
Ordinary shares of US$25 cents each	**40,000,000**	**10,000**
Issued and fully paid at 31 March 2023 and 2022	**35,857,512**	**8,964**

Each ordinary share carries one vote. There are no encumbrances on the issued ordinary shares and the unissued ordinary shares are under the control of the Directors, as authorised at the Annual General Meeting.
The Company has no unlisted shares.

19. OTHER RESERVES

The following table show a breakdown of the Consolidated Statement of Financial Position line item "Other reserves" and the movement in the reserves during the year.

2022-2023	**Property Revaluation**	**Fair value of investments**	**Foreign currency translation**	**Total**
Other comprehensive income/(expense)	**US$000**	**US$000**	**US$000**	**US$000**
Commercial property revaluations, net	**(47)**	**-**	**-**	**(47)**
Translation of comprehensive income from average rates of exchange to those at the reporting date	**-**	**-**	**92**	**92**
Translation differences arising on the conversion of opening balances	**-**	**-**	**(5,171)**	**(5,171)**
Less non-controlling interests	**23**	**-**	**937**	**960**
Other Comprehensive Income, net of non-controlling interests	**(24)**	**-**	**(4,142)**	**(4,166)**
Total movement	**(24)**	**-**	**(4,142)**	**(4,166)**
Balance brought forward 1 April 2022	**12,507**	**7,986**	**(13,918)**	**6,575**
Transfer of revaluation of portfolio investments and investment properties from other reserves to retained earnings (note 20)	**(11,305)**	**(7,986)**	**5,499**	**(13,792)**
Balance carried forward 31 March 2023	**1,178**	**-**	**(12,561)**	**(11,383)**

2020-2022	Property Revaluation	Fair value of investments	Foreign currency translation	Total
Other comprehensive income/(expense)	US$000	US$000	US$000	US$000
Commercial property revaluations	(51)	-	-	(51)
Translation of comprehensive income from average rates of exchange to those at the reporting date	-	-	18	18
Translation differences arising on the conversion of opening balances	-	-	3,744	3,744
Realised exchange differences on disposed foreign entities	-	-	1,775	1,775
Less non-controlling interests share of translation differences	25	-	(612)	(587)
Other Comprehensive Income, net of non-controlling interests	(26)	-	4,925	4,899
Transfers from retained earnings				
Unrealised gains on investments	-	(1,378)	-	(1,378)
Investment property revaluations	4,459	-	-	4,459
Deferred taxation on revaluations	(1,309)	-	-	(1,309)
Other	19	74	-	93
	3,143	(1,304)	4,925	6,764
Disposal of subsidiary	-	1,440	-	1,440
Total movement	3,143	136	4,925	8,204
Balance brought forward 1 October 2020	9,364	7,850	(18,843)	(1,629)
Balance carried forward 31 March 2022	12,507	7,986	(13,918)	6,575

20. RESERVES

The following describes the nature and purpose of each reserve within shareholders' equity: -

Reserve	Description and purpose
Share capital	Amount subscribed for share capital at nominal value.
Share premium	The amount subscribed for share capital in excess of nominal value.
Other reserves	Cumulative fair value adjustments to commercial property and exchange arising on the translation of foreign entities. Distribution of these reserves to members is determined on the degree of realisation of the underlying transactions.
Retained earnings	Cumulative net gains and losses recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, excluding Fair Value adjustments to commercial property and exchange arising on the translation of foreign entities.

Unrealised profits and losses on investment properties and equity investments have been reclassified from Other Reserves to Retained Earnings with effect from 1 April 2022. The reclassification has not impacted the Consolidated Statement of Profit or Loss and Other Comprehensive Income because the unrealised profits and losses on investment properties and equity investments were correctly recorded in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. It's impractical to reclassify the comparative amounts as this is only a change in presentation affecting future years.

Capital management
Capital is defined as the Company's ordinary share capital and reserves as detailed above.

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue or repurchase shares. No changes were made to the objectives, policies or processes for managing share capital during the period ended 31 March 2023.

The Company requires its subsidiaries to pay dividends to support the Company's dividend policy. Other than this, the Company does not actively manage its share capital and reserves, instead its focus is on overseeing the management of its investments.

21. NOTES TO THE CASH FLOW STATEMENT

(a) Analysis of net funds

	2022 US$000	Exchange movements US$000	Cash Flow movement US$000	**2023** **US$000**
Cash at bank and in hand	17,092	(508)	141	**16,725**
Money market funds	-	-	6,500	**6,500**
	17,092	(508)	6,641	**23,225**
Bank overdrafts (note 16)	(11,059)	1,142	499	**(9,418)**
	6,033	634	7,140	**13,807**

(b) Analysis of funds by currency

	2022 US$000	Exchange movements US$000	Cash flow movement US$000	**2023** **US$000**
United States Dollars	11,367	-	10,612	**21,979**
Swiss Francs	(113)	(1)	173	**59**
Australian Dollars	19	(2)	-	**17**
South African Rands	(2,931)	524	(1,843)	**(4,250)**
Euros	(748)	18	537	**(193)**
Pounds Sterling	(1,561)	95	(2,339)	**(3,805)**
	6,033	634	7,140	**13,807**

22. RELATED PARTIES

	12 months to 31 Mar 2023 US$000	18 months to 31 Mar 2022 US$000
Related party fees (other than Director's fees) paid to		
City Group PLC	**368**	607
Stonehage	**-**	41
IQ-EQ	**166**	148
	534	796
Amounts included in Accounts payable		
City Group PLC	**110**	116

Related party fees (other than Directors' fees)
Mr. D.C. Marshall and Mr. E.J. Beale are Directors of City Group PLC, the Company Secretary, to which fees of US$368,000 (2022 – US$607,000) were paid. At the reporting date, US$110,322 was due to City Group (2022 – US$116,029). Fees are agreed at arm's length and settlement is due on receipt of invoice. Neither Mr D.C. Marshall nor Mr E.J. Beale receive any fees from City Group PLC.

Mr. R.C. Kerr is a consultant to Stonehage , to which fees of US$Nil were paid in the year (2022 – US$41,383). At the reporting date, there were no balances due to or from Stonehage (2022 – nil). Fees are agreed at arm's length and settlement is due on receipt of invoice.

Mr. B.C.B. Newman and Mr. D.J. Douglas are directors of IQ-EQ, to which professional administration fees of US$166,000 were paid for the year (2022 - US$148,000). At the reporting date, there were no balances due to IQ-EQ (2022 – US$Nil). Fees are agreed at arm's length and settlement is within 30 days of invoice.

Other than as disclosed above, no Director, or party who is considered key management, had an interested in any contract between the Directors, the Company and any other related party that subsisted during or at the end of the financial period. Related party transactions are identified and evaluated from a register regularly updated by the Company Secretary.

Directors' fees
The key management team, including non-executive Directors, of 5 (2022 – 5) consisting of Messrs E.J Beale, R.C. Kerr, D.C. Marshall, B.C.B. Newman and D.J. Douglas, received total remuneration for the year consisting of short-term benefits of US$718,000 (30 Sept 2022 – US$983,000) as detailed in the Directors' report on page 47.

The related companies within the Group are detailed in Note 28.

23. GROUP COMMITMENTS AND CONTINGENT LIABILITIES

At 31 March 2023, the Group had commitments as lessee, as set out in note 12 and a contingent liability in respect of litigation as detailed in note 30.

24. FINANCIAL INSTRUMENTS

IFRS 13 requires disclosure of fair value measurements under the following hierarchy:

Financial assets and liabilities are classified in their entirety into one of the three levels determined on the basis of the lowest input that is significant to the fair value measurement.

Listed prices (unadjusted) in active markets for identical assets or liabilities – Level 1

Values other than listed prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) – Level 2

Values for the asset or liability that are not based on observable market data (that is unobservable inputs) – Level 3.

The categories of financial instruments used by the Company are:	Fair Value Hierarchy Level	**31 Mar 2023**	31 Mar 2022
Financial assets		**US$000**	US$000
At fair value through Profit or Loss			
Investments – listed	1	**29,044**	28,998
Investments – unlisted (note 13)	3	**3,417**	4,249
Forward foreign exchange contracts in Other financial assets	2	**128**	-
At amortised cost			
Accounts receivable – non-current	n/a	**151**	274
Accounts receivable - current	n/a	**21,234**	27,172
Cash at bank in Cash and cash equivalents	n/a	**16,725**	17,092
Money market funds in Cash and cash equivalents	n/a	**6,500**	-
Financial liabilities			
At amortised cost			
Trade and other payables – current –	n/a	**18,881**	25,632
Bank loans - non-current secured	n/a	**6,171**	6,711
Bank overdrafts	n/a	**9,418**	11,059
At fair value through Profit or Loss			
Forward foreign exchange contracts in Other financial liabilities	2	**-**	1,233

The fair value of forward foreign exchange contracts is determined by market value quotes received from independent financial institutions.

The carrying value of bank loans payable in more than one year and loans receivable in more than one year approximates to their fair values. This is due to the loans all attracting market related interest rates, and thus the effect of discounting (using a market rate interest rate) when applying the effective interest rate method would result in no real difference between the fair value determined and the carrying value of the bank loans.

25. RISK MANAGEMENT

Credit risk management
Credit risk is the risk of financial loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligations. Concentrations of credit risk consist principally of trade receivables and temporary cash investments and the Group's maximum exposure is shown in note 27. All of the listed portfolio investments are in highly liquid stocks and there is no concentration of investment in any one company. Customers are subject to credit verification procedures and balances are monitored on an on-going basis. The ageing profile of trade receivables is shown in note 27 and indicates that the Group's risk exposure to expected credit loss is not material. Cash and cash equivalents represent surplus funds on current bank accounts and short-term money market deposits. These funds are held by financial institutions of high quality and standing, with high credit ratings such as HSBC (AA-), Credit Suisse (BBB+) and First National Bank (BB-). At the year-end the Directors do not consider there to be any significant concentration of credit risk for which adequate provision has not been made.

Interest rate risk profile
Exposure to interest rate risk arises in the normal course of the Group's business and applies mainly to cash deposits and financing. The Group's objective is to achieve the best rates available, adopting a policy of ensuring that its exposure to changes in interest rates on surplus funds is short-term. The principal rates on long term borrowings for the year were variable at 7.25% to 12.25% in South Africa and fixed at 3.66% in the United States (2022 – South Africa 6.5% to 8.7% and United States 3.66%). The Group secures short-term finance at variable rates on the best commercial terms, in South Africa based on Prime Rate, which ranges between 7.75% to 11.25% during the financial period and in Europe at 3.75% (2022 – 7% to 7.75% and 3.75%).

There are no investments in fixed interest stock and the majority of the Company's investment portfolio consists of equity investments, for which an interest rate profile is not relevant. Interest is not charged on trade and other receivables nor incurred on trade and other payables.

It is impossible to predict how interest rates will vary in the future although in the near-term higher interest rates are likely. An interest rate change of 3.5% would be reasonably possible based on the fluctuation of South Africa's interest rate in the past (from 7.75% to 11.25%). Based on the variable interest loans held in South Africa, a change of 3.5% would result in a change in the net charge and the profit or loss in the current year of approximately US$33,200 (2022 – US$13,500). Changes to equity and assets will be immaterial.

Currency risk
The Group currency risk arising on the portion of purchases transacted in foreign currencies is monitored on an ongoing basis with forward cover being arranged for significant transactions. The contracts for forward cover provide an economic hedge but the Group is not able to apply hedge accounting.

The values of the Group interests in South Africa, detailed in note 3, are exposed to fluctuations in exchange rates. Exchange rates used in the preparation of these accounts are included in note 2 (o)). It is impossible to predict how exchange rates will vary in the future. A 18% movement in the exchange rates used to translate those interests in South Africa at the reporting date would be reasonably possible and would reduce or increase asset values and shareholders' funds by US$1,996,000 and increase or decrease profit for the year by US$325,000. This percentage has been calculated based on the exchange rate movement ZAR/USD during the Company's financial year.

Market pricing risk
The Company maintains a spread of listed investments over various sectors and monitors performance continuously as described above. The majority of the financial assets (listed investments) are in companies with good market liquidity.

The fair values of the listed investments within the portfolios are determined by the prices available from the markets on which the investments involved are traded.

It is impossible to predict how markets will perform in the future. The Group have accepted the 11% movement in the S&P500 Index over the period as indication of possible future fluctuations in the market value of the listed and unlisted investments. A 11% decrease in the value of the listed investments, detailed in note 13, would result in the fair values of investments decreasing by US$3,195,000 (2022 – US$10,439,000) and a corresponding decrease in profits recorded in retained earnings. A 11% increase would, on the same basis, increase fair values and increase profits recorded in retained earnings.

25. RISK MANAGEMENT (continued)

The value of unlisted investments in Heartstone Inns is stated at fair value which is calculated based on the latest internal share scheme. The value of the investment in GTNS2 is based on the latest share issue price as there have been no more recent transactions in its shares (note 13). A change in these values by 11% would change the fair value of the investments and the profit or loss of the Group by US$376,000 (Sept 2022 – US$1,530,000).

Reviews for indications of permanent impairment are carried out at least annually. The Directors believe that the exposure to market price risk from these activities is acceptable in the Company's circumstances.

The sensitivities provided above for credit, interest, currency and market pricing risk highlight current and forward looking risks and so no prior period comparatives have been disclosed.

Liquidity risk
The Group monitors the risk of a shortage of funds by considering the maturity of both its financial investments and financial assets and projected cash flows from operations. The objective is to maintain a balance between a continuity of funding and flexibility through the use of bank overdrafts, loans and inter-company funding.

	31 Mar 2023 US$000	31 Mar 2022 US$000
Liabilities falling due:		
Bank overdrafts	**9,418**	11,059
Within twelve months – financial liabilities	**18,958**	25,826
Between one and five years – financial liabilities	**5,478**	468
Over five years- financial liabilities	**948**	6,243
	34,802	48,345

There are no material differences between the discounted liabilities as above and their contractual amounts and they are repayable over the above periods.

Adequate liquid assets and facilities are available to the Group to meet these liabilities as they fall due.

	31 Mar 2023 US$000	31 Mar 2022 US$000
Liquid assets:		
Cash and cash equivalents	**23,225**	17,092
Listed investments	**29,044**	28,998
Accounts receivable and other current assets	**22,574**	33,273
	74,843	79,363

26. INVESTMENT AND COMMERCIAL PROPERTY VALUATION INPUTS

There has been no change in the valuation techniques used during the year. In determining the valuations, the valuer referred to current market conditions, recent sales and rental transactions of similar properties in similar geographical locations. In estimating the fair value of the properties, the highest and best use of the property is their current use.

Investment properties
The Group considers the valuation of all of its investment properties to fall within Level 3 of the fair value hierarchy, as defined by IFRS13. All properties are completed investment properties, none are under development. The investment properties were valued at 31 March 2023; in the United States by D. Asaro, Senior Vice President of Kidder Mathews, in San Diego; and in South Africa by Mills Fitchet Magnus Penny & Lyndon Storer. All are suitably independent valuers, experienced in the location and category of the property being valued, at current market values, on an open market basis. In determining the valuations as at 31 March 2023, different approaches were used. The approach used in the properties in USA is based on the projected net annual income after deducting a 10% vacancy and reserve factor. The adjusted net operating income is then capitalised at a capital rate of 6%. Two different approaches were used for the properties in South Africa. One has been to project income for a 5 or 10-year period (based on contractual arrangements) from which forecasted expenses are deducted to arrive at the net annual income which is discounted to present value. The sum of these discounted yearly values is added to the residual value which is the anticipated selling price of the property at commencement of year 6 or 11 also discounted to present value. The other approach used has been to estimate the gross annual income taking into account the lease agreement, to deduct normal expenses and then capitalise the net income at an appropriate investment rate.

Commercial properties
The Group considers the valuation of all of its commercial properties to fall within Level 3 of the fair value hierarchy. The valuations are based on various unobservable inputs, including older evidence and recent sales of similar properties. The commercial properties were valued on 31 March 2023 by independent valuer Mills Fitchet Magnus Penny & Wolffs. They are suitably independent valuers, experienced in the location and category of the property being valued, at current market values, on an open market basis. The sensitivity of these valuations is dependent on fluctuations in the availability of similar properties at the point of valuation and changes in the specific inputs are detailed below.

Any assumptions made by the valuer are reviewed by the board for their reasonableness. The principal assumptions are:

Description	Unobservable input rates	Range of inputs (probability weighted average)		Effect on fair value of an increase in the unobservable input rate
		2023	2022	
a) South Africa				
Investment properties	Discount %	**14.2**	14.1	Decrease
	Reversionary capitalisation %	**9.2**	9.1	Decrease
	Capitalisation %	**10.25**	10.0	Decrease
	Expense growth %	**6.0**	6.0	Decrease
	Rental growth %	**6.0**	6.0	Increase
Commercial properties	Net rent (USD per square metre)	**3.6**	4.8	Increase
	Capitalisation rate %	**9**	8.7	Decrease
	Open Market selling price (USD per square metre)	**487**	606	Increase
b) United States				
Investment Properties	Vacancy rate %	**10.3**	10.0	Decrease
	Capitalisation rate %	**6.0**	6.0	Decrease

27. EXPECTED CREDIT LOSS

Customers are subject to credit verification procedures and balances are monitored on an on-going basis. The Group applies the simplified approach for providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime loss provision for all trade receivables. These life-time expected credit losses are estimated using provision matrices for each type of business. The provision matrices have been developed by making use of past default experience of debtors but are flexed to incorporate forward looking information, experience between the period end date and the date accounts are prepared, and general conditions of the industries at the reporting date. The expected loss rates will vary year on year depending on changes in the default rates experienced in each ageing category.

The movement in expected credit losses over the period was as follows:

	2023	2022
	US$000	US$000
At start of the period	**551**	323
Translation adjustment	**(89)**	44
Increase of loss allowance recognised in the Profit or loss in the period	**732**	387
Receivables written off during the year	**(693)**	(203)
At end of the period	**501**	551
Trade debtors	**19,592**	23,626
Provision as a percentage of trade debtors	**2.5%**	2.3%

The table below sets out the expected credit loss provisions made compared to the amounts receivable by type of business.

	Trade Debtors		**Expected Credit Losses**			
	2023	2022	**2023**	2022	**2023**	2022
	US$000	US$000	**US$000**	US$000	**Rate**	Rate
Import and Distribution excluding Tool and Machinery	**13,541**	16,384	**154**	91	**1.1%**	0.6%
Tool & Machinery	**5,849**	6,886	**323**	384	**5.5%**	5.6%
Property	**202**	356	**24**	76	**11.8%**	21.3%
Total	**19,592**	23,626	**501**	551	**2.5%**	2.3%

Historically, losses from import and distribution income streams of the Group, other than tool and machinery, have been exceptionally low. The current change in economic conditions, including the war in Ukraine, has resulted in increase of the current year loss allowance. Tool and Machinery credit loss provisions reflect the diversified customer base including a large number of small independent retailers. Provisions are relatively higher in the property businesses due to the nature of their tenants, but still small in absolute terms.

27. EXPECTED CREDIT LOSS (continued)

Import and Distribution

The provision matrix below is for South African import and distribution receivables excluding tool and machinery. There is no history of credit losses and there are no expected credit losses in the other parts of the Group's import and distribution business excluding tool and machinery.

South Africa excluding Tool and Machinery	<30 days	30-60 days	61-90 days	>90 days	Total
Mar 2023	**US$000**	**US$000**	**US$000**	**US$000**	**US$000**
Expected loss rate	**1.6%**	**4.5%**	**7.9%**	**0.6%**	**2.3%**
Gross carrying amount	**2,711**	**1,148**	**593**	**1,781**	**6,233**
Expected loss allowance	**44**	**52**	**47**	**11**	**154**
Mar 2022					
Expected loss rate	0.40%	1.07%	1.97%	2.97%	0.83%
Gross carrying amount	6,513	2,859	1,407	232	11,011
Expected loss allowance	25	31	28	7	91

Tool & Machinery

Tool & Machinery customers have continued to trade and purchase from us despite the tougher economic conditions . Supplies have continued to be obtained with limited disruption enabling the business to continue to fulfil customer orders and support their businesses.

The provision matrix for the Tool & Machinery business stream is:

Tool & Machinery	Current	<30 days	30-60 days	61-90 days	>90 days	Total
Mar 2023	**US$000**	**US$000**	**US$000**	**US$000**	**US$000**	**US$000**
Expected loss rate	**1.4%**	**6.6%**	**7.9%**	**7.5%**	**15.6%**	**5.5%**
Gross receivable	**2,451**	**1,354**	**720**	**799**	**525**	**5,849**
Expected loss allowance	**34**	**90**	**57**	**60**	**82**	**323**
Mar 2022						
Expected loss rate	1.5%	4.6%	11%	29.9%	9.4%	5.6%
Gross receivable	3,243	1,677	662	303	1,001	6,886
Expected loss allowance	48	78	73	91	94	384

Property

Tenants of the Property business are very diversified. Industry conditions have been assessed on a tenant by tenant basis.

27. EXPECTED CREDIT LOSS (continued)

The financial standing of tenants is analysed into 3 categories. An "A" grade tenant is a listed company or subsidiary of a listed company. A "B" grade tenant is a large to medium size company and a "C" grade tenant covers the range of small companies to individuals. The risk of loss is assessed individually for each tenant, and these are then combined to arrive at expected loss rates.

The provision matrix for the Property business stream is:

Property	**Gross receivable**		**Expected loss rate**	
	Mar 2023	Mar 2022	**Mar 2023**	Mar 2022
Type/grade of Tenant	**US$000**	US$000	**US$000**	US$000
A	**2**	2	**13%**	14%
B	**3**	3	**13%**	14%
C	**197**	351	**12%**	21%
Total	**202**	356	**11%**	21%

The reduction in expected loss rate for grade C tenants reflects their continuing trading post covid-19.

28. SUBSIDIARIES

The following companies, which are the active subsidiaries of Marshall Monteagle PLC, have been included in the Consolidated Financial Statements of the Group, being those companies in which the Group, directly or indirectly, has an interest and is able to exercise control over the operations. These entities have year ends coterminous with that of the Company. The percentage of voting rights held is the same as the ownership percentage and is unchanged over the year

Principal activity – Import and distribution companies
Wholly owned

Europe	Monteagle International Limited
	Monteagle International (UK) Limited
South Africa	Monteagle Consumer Group Limited
Switzerland	Monteagle International AG
Owned 50.1%	
South Africa	L&G Tool and Machinery Distributors Limited

Principal activity – Property holding companies
Wholly owned

South Africa	Monteagle Property Holdings Proprietary Limited
United States	Monteagle Inc

Principal activity – Investment holding and intermediate Group holding companies
Wholly owned

Europe	Monteagle Property Holdings Jersey
	Monteagle Tool & Machinery Holdings Jersey
South Africa	Monteagle Merchant Group Southern Holdings Limited
	Monteagle Merchant Group Southern Holdings 2 Limited

29. INTERNATIONAL FINANCIAL REPORTING STANDARDS

a) Standards and Interpretations effective since 1 April 2022

The following new and revised standards were adopted in these consolidated financial statements. The impact of the adoption of these standards was not significant.

IFRS 7	Financial Instruments: Disclosures, Interest rate benchmark reform #2
IFRS 9	Financial Instruments - Interest rate benchmark reform #2
IFRS 3	Business Combinations – Conceptual framework
IAS 16	Property, Plant and Equipment – Proceeds before intended use

b) Standards in issue, not yet effective

At the date of issue of these consolidated financial statements, the following Standards and Interpretations, which may have impact on the consolidated financial statements, were in issue, but not yet effective.

IFRS/ IFRIC/ IAS	Title	Effective for annual periods beginning on or after
IAS 1	Presentation of Financial Statements – Classification of liabilities as Current or Non-current	1 January 2023
IAS 12	Income Taxes – Annual improvements	1 January 2023
IFRS 16	Leases – Leases on sale and leaseback	1 January 2024
IAS 1	Presentation of Financial Statements – Non current liabilities with covenants	1 January 2024

The Directors have considered the impact of the adoption of these standards and have determined that the impact will not be material.

30. EVENTS AFTER THE REPORTING DATE

The Directors have approved the payment of a final dividend of US$1.9 cents, (2022 – final dividend of US$1.9 cents) making a total of US$3.8 cents (2022 – US$5.7 cents) for the period. Details and salient dates of the final dividend were published on 21 June 2023.

Certain companies within the Group have been involved in legal proceedings against former employees and former consultants. Proceedings are on-going in South Africa involving a claim from a former consultant and the Group's counter claim for financial damages from him. A claim is also being pursued in Jersey against the same former consultant where financial damages are also claimed by both parties. A directions hearing has been held with regards to the claim brought in Jersey and it is expected that the discovery process shall be completed by December 2023 with the trial to commence in Q3 of 2024 if no settlement has been agreed. The discovery process in South Africa will mirror the discovery process in Jersey, but the trial date is not expected to be before 2025 due to congestion in the courts. It is too early to determine the outcome of the proceedings, whether there will be a liability, and, if there is a liability, what its quantum will be.

The Directors submit their report for the year ended 31 March 2023.

PRINCIPAL ACTIVITIES

The Company is incorporated as a public limited company in Jersey, Channel Islands. It operates in accordance with Jersey Law and its Memorandum and Articles of Association.

Its activities in Jersey comprise the central supervision and control of the Group's investments in its operating subsidiaries and the supervision of property investments and a general investment portfolio. The US dollar is the currency used for investment decision making and the monitoring of the performance of investments. The Company's shares are listed on the JSE Limited. The Group's objective is to invest for the long term and to generate reliable profits, cash flow and dividends for our shareholders, thereby achieving capital growth for the benefit of all stakeholders.

The Group owns a commercial property in the United States of America. In South Africa, the Group owns and manages multi-tenanted rent producing properties. In South Africa, and Europe it operates trading businesses involved in the importation and distribution of hand tools, machinery and non-perishable food products, and trading in a selection of raw materials.

OPERATING REVIEW

The Group profit on continuing and discontinued operations, after tax and non-controlling interests, was US$200,000 compared to US$4,589,000 for the previous year. Earnings per share were US$0.6 cents (2022–US$12.8 cents). A detailed review of the Group's operations is set out in the Business Review on pages 6 and 7. A detailed analysis of the Group's operations is set out in note 3 on pages 18 to 20.

DIVIDENDS

A final dividend of $1.9 cents per share for the period ended 31 March 2022 was paid on 29 July 2022 to those shareholders on the register at the close of business on 22 July 2022.
An interim dividend of US$1.9 cents (2022 – US$1.9 cents) was declared and paid on 27 January 2023.

DIRECTORS

A list of the Directors of the Company and short biographies for them is shown on page 2.

In accordance with the Company's Articles of Association, Mr. B.C.B Newman and Mr. D.J. Douglas retire and, being eligible, offer themselves for re-election at the Annual General Meeting.

The interest in the shares of the Company of the Directors who held office during the year were as follows:

	31 Mar 2023		31 Mar 2022	
	Beneficial	**Non-Beneficial**	Beneficial	Non-Beneficial
D.C. Marshall	**-**	**17,230,846**	-	17,230,846
E.J. Beale	**-**	**-**	-	-
R.C. Kerr	**20,000**	**-**	20,000	-
D.J. Douglas	-	-	-	-
B.C.B. Newman	-	-	-	-

The non-beneficial holdings arise, wholly or partly, because the individual concerned was also a director or trustee of entities that hold shares in the Company.

DIRECTORS (continued)

Since the reporting date and at the date of this report there have been no changes in the above holdings. None of the shares held by Directors has been encumbered or pledged as security or by way of guarantee or collateral.

The appointment of each Director is subject to terms and conditions set out in letters of appointment.

The remuneration paid to, or receivable by, the Directors for the current year and the previous year, is as follows: -

12 months to Mar 2023 Parent Company		**Fees**	**Salaries**	**Annual Bonus**	**Benefits**	**Total**
		US$000	**US$000**	**US$000**	**US$000**	**US$000**
D.C. Marshall	*Executive*	**50**	**187**	**8**	**5**	**250**
E.J. Beale	*Executive*	**50**	**151**	**75**	**3**	**279**
R.C. Kerr	*Non-Executive*	**61**	**-**	**-**	**-**	**61**
D.J. Douglas	*Non-Executive*	**64**	**-**	**-**	**-**	**64**
B.C.B. Newman	*Non-Executive*	**64**	**-**	**-**	**-**	**64**
Total		**289**	**338**	**83**	**8**	**718**

18 months to Mar 2022 Parent Company		Fees	Salaries	Annual Bonus	Benefits	Total
		US$000	US$000	US$000	US$000	US$000
D.C. Marshall	*Executive*	73	300	20	8	401
E.J. Beale	*Executive*	73	253	-	19	345
R.C. Kerr	*Non-Executive*	89	-	-	-	89
D.J. Douglas	*Non-Executive*	74	-	-	-	74
B.C.B. Newman	*Non-Executive*	74	-	-	-	74
Total		383	553	20	27	983

No other payments or benefits were paid to, or receivable by, the Directors. All fees paid to companies with which any of the Directors are connected are disclosed in note 22 on page 34.

COMPANY SECRETARY

In accordance with the JSE Listings Requirements, the Board has conducted an annual assessment through a review of the services provided, and the individuals providing those services, to satisfy itself (i) on the competence, qualifications and experience of City Group PLC, the Company Secretary; and (ii) that there is an arm's length relationship between the Board and the Company Secretary and that the Company Secretary is not a director. City Group PLC and the Company have Directors in common, as set out in note 22 to these accounts. The Board is satisfied that any potential conflict can be managed.

MAJOR SHAREHOLDERS

At the date of this report, the following holdings represented 5% and over of the issued share capital of the Company:

	Shares	**%**
Lynchwood Nominees Limited	21,901,358	60.4
Corwil Investments Holdings (Proprietary) Limited	2,056,724	5.7
Mr. J.P. Lobbenberg	1,812,452	5.1

The Company has not been notified of any other shareholdings that exceeded the threshold of 5%, in the capital of the Company. There is no ultimate controlling party.

ANALYSIS OF SHAREHOLDINGS

Details of the Directors' interests can be found on page 43. At the date of this report, the disclosure of public and non-public holdings was as follows:

	Shareholders	Shares	%
Director – Direct Ownership	1	20,000	0.1
Family Member of Director – Direct Ownership	1	4,670,512	13.0
Director, Associate or Family Member – Indirect Ownership	2	17,739,417	49.5
Non-public shareholdings	**4**	**22,429,929**	**62.6**
Public shareholdings	**977**	**13,427,583**	**37.4**
	981	**35,857,512**	**100**

SHARE CAPITAL

There have been no changes in the issued share capital during the period and the Company does not have a share incentive scheme. There were no repurchases of the Company's shares during the period under review.

There were no issues of shares for cash during the period under review. The Board is putting a Special Resolution (resolution number 7) to its shareholders at the forthcoming Annual General Meeting which will grant the Company a general authority for the repurchase by the Company, or any of its subsidiaries, of shares issued by the Company. If the resolution is passed, this authority will be valid until the earlier of the next Annual General Meeting of the Company or the variation or revocation of the general authority by special resolution at any subsequent general meeting of the Company, provided that the general authority shall not exceed beyond fifteen months from the date of this Annual General Meeting. The effect of any repurchases under the special resolution will be to reduce the number of shares in issue. In terms of the JSE Listings Requirements any general repurchase by the Company must, inter alia, be limited to a maximum of 20% of the Company's issued share capital in any one financial year of that class at the time the authority is granted.

In accordance with JSE Listings Requirements, the Directors state that:

- The intention of the Directors is to utilise the general authority to repurchase shares in the Company if at some future date the cash resources of the Company are in excess of its requirements, or there are other good grounds for doing so. In this regard the Directors will take account of, inter alia, an appropriate capital structure for the Company, the long-term cash needs of the Company and the interests of the Company;
- In determining the method by which the Company intends to repurchase its shares, the maximum number of shares to be repurchased, and the date on which such repurchase will take place, the Directors of the Company will only make the repurchase if they are of the opinion that:
  - the Company and its subsidiaries will, after the repurchase of the shares, be able to pay their debts as they become due in the ordinary course of business for the next twelve months;
  - the consolidated assets of the Company and its subsidiaries, fairly valued in accordance with IFRS and recognised and measured in accordance with the accounting policies used in the latest audited financial statements will, after the repurchase, be in excess of the consolidated liabilities of the Company and its subsidiaries for the next twelve months after the date of this notice of the Annual General Meeting;
  - the issued share capital and reserves of the Company and its subsidiaries will, after the repurchase of the shares, be adequate for ordinary business purposes of the Company or any acquiring subsidiary for the next twelve months; and
  - the working capital available to the Company and its, or any acquiring subsidiaries, will, after the repurchase, be sufficient for ordinary business requirements for the next twelve months.

The JSE Listings Requirements require the following disclosure, some of which is already stated elsewhere in this Annual Report to which the notice of Annual General Meeting forms part:

- general information in respect of Directors and management (page 2), major shareholders (page 44), Directors' interests in securities (page 43) and the share capital of the Company (page 31);
- there has been no material change to the financial or trading position of the Company since the signature of the audit report and up to the date of the notice of Annual General Meeting;
- the Company nor its subsidiaries is involved in any legal or arbitration proceedings, save as described in note 30 to the accounts, nor are any proceedings pending or threatened of which the Company or its subsidiaries is aware that may have, or have had, in the previous 12 months, a material effect on the Group's financial position; and
- the Directors, whose names are given on page 2 of the Annual Report to which the notice is attached, collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts that have been made, and that the notice contains all the information required by law and the JSE Listings Requirements.

AUDITOR

A resolution to re-appoint Grant Thornton Limited as Auditor, who have indicated their willingness to continue as Auditor, will be proposed at the annual general meeting in accordance with Section 113(3) of the Companies (Jersey) Law 1991.

By order of the Board,

CITY GROUP PLC
Company Secretary

21 June 2023

Corporate Governance and Directors' Responsibilities

The Board recognises that good corporate governance facilitates effective leadership and long-term success. The Board is committed to the application of corporate governance best practices and it subscribes to the values of good corporate governance as set out in The King IV Report on Corporate Governance for South Africa, 2016 ("King IV").

Having reviewed the Group's compliance with the requirements of King IV, the Board is of the opinion that the Group complies with the principles embodied in King IV. Where appropriate, given the nature of the Group and the financial and human resources currently available to the Group, King IV recommended practices are followed.

The Company complies with the provisions of the Companies (Jersey) Law 1991 (Jersey being the Country of incorporation) and is operating in conformity with its Memorandum of Incorporation and constitutional documents.

Mr. R.C. Kerr is the Non-Executive Chairman of the Company. The other Non-Executive Directors are Mr. B.C.B Newman and Mr. D.J. Douglas. Mr D.C. Marshall is the Chief Executive Officer of the Company and Mr E.J. Beale is the Financial Director.

The nomination of Directors is a matter for the entire Board and the Board as a whole oversees the recruitment process. There is, therefore, no nomination committee. When nominating new Directors, the Board is cognisant of its needs in terms of different skills, experience and field of knowledge as well as gender, race, culture and age diversity, in accordance with the Company's Board Appointment and Diversity policies. Due to the size of the Board, delegation of such matters is not deemed appropriate, however this decision is reviewed on an annual basis. The Board Appointment policy evidences a clear balance of power and authority at Board of Directors' level, to ensure that no one Director has unfettered powers of decision-making.

Directors are appointed through a formal and transparent process, which includes the identification of suitable candidates by the Board and performance and background checks being undertaken prior to each nomination. Curriculum vitae are obtained and circulated to all Board members. Interviews are conducted with potential candidates.

The Board will continue with proactive management of talent and the development of new skills to respond to changing market needs. At every Annual General Meeting one third of the Directors, or if their number is not three or a multiple of three, the number nearest to one third, are required to retire from office; but if any Director has at the start of the Annual General Meeting been in office for three years or more since their last appointment or re-appointment, they are required to retire at that Annual General Meeting. By following such practices, the process to nominate, elect and appoint members to the Board results in a Board fully equipped to discharge its responsibilities.

Board performance evaluation is a formal process that is internally facilitated with each board member completing a performance evaluation questionnaire each year. The Company Secretary oversees the evaluation process, and the Board is satisfied that the evaluation process improves its performance and effectiveness. Through the Company's performance evaluation practices, the Board is able to evaluate and evolve its performance to ensure that it remains effective.

The Company is satisfied that its Board composition reflects the appropriate mix of knowledge, skills, experience, diversity and independence.

The Board met on six occasions during the year under review and attendance at those meetings is tabled below:

Director	Possible attendance	Attended
D.C. Marshall	6	6
E.J. Beale	6	6
R.C. Kerr	6	6
B.C.B Newman	6	6
D.J. Douglas	6	6

Appropriate reporting lines and delegations of authorities are in place between the Board and management. Formal delegations of authority have been made pursuant to the charter documents for the Board and its committees. The Company has Executive Directors that serve as the chief link between management and the Board. Each operational subsidiary is responsible for resourcing its key management functions, with the relevant Executive Directors providing oversight and guidance. Such practices allow the Group to resource positions and delegate responsibilities effectively whilst retaining the Group's decentralised structure.

Group strategy is prepared by the Board with input from executive management and is reviewed by the Board on a regular basis. The Group's core purpose is to maximise returns for its shareholders through sustainable means, whilst being mindful of the interests and expectations of stakeholders. The Board has oversight of each trading subsidiary's performance, further safeguarding the Group's general viability. Furthermore, prior approval from Group management is required before any significant changes are made to a subsidiary's trading operations, further confirming the Board's oversight and governance of the Group.

The Board reviews its charter documents annually and is satisfied that it has fulfilled its responsibilities in accordance with its charter and the Companies (Jersey) Law relating to its incorporation for the reporting period. The Board oversees the management and governance of the Group, providing effective, entrepreneurial and prudent management that can deliver the long-term success of the Group.

The Board encourages proactive engagement with stakeholders, including engagement at the Annual General Meeting of the Company. The Company Secretary also has a dedicated email address for stakeholders to engage with the Company and responses to stakeholder queries are provided in a timely manner. Due to the composition of the Company's stakeholder base, stakeholder relations are managed without recourse to written policies and procedures.

The Company's stakeholders are kept fully informed with regards to the Group's performance and are able to assess the Group's prospects. Financial reports, announcements and policies as published by the Company are uploaded to the Company Secretary's website for consideration by the Group's stakeholders.

The Board as a whole has a working understanding of the effect of applicable laws, rules, codes and standards applicable to the Group and its businesses. However, the diversity of Group operations means that each individual Director does not have a working understanding of every applicable regulation. Operating subsidiaries are responsible for the implementation and execution of their own compliance management. Material compliance matters are kept under review by subsidiary company management and reported to the Board.

The Board meets regularly and through its executive Directors retains full and effective control over the Group. Directors undertake individual continuing professional development programmes to remain up to date in their areas of expertise and annual formal evaluations of the performance of the Board and its committees ensure effective leadership. By monitoring effectiveness through annual reviews and questionnaires, the Board ensures that it is able to lead effectively.

Ethics permeates everything that an organisation and its employees do and the Board is committed to ethical leadership. Due to the size, decentralised nature and entrepreneurial management style of the Group, each operating subsidiary is responsible for managing ethics within a framework set by the Board.

South African legislation, in accordance with King IV and the JSE Listing Requirements, requires South African companies to establish a social and ethics committee. Having regard to its annual turnover, the size of its workforce and the nature and extent of its activities, the Board has allocated oversight of, and reporting on, social and ethical matters such as organisational ethics, corporate citizenship, sustainable development and stakeholder relationships to the Remuneration Committee.

During the year, the Remuneration Committee considered social and ethical matters two times and all members were in attendance at each meeting. The responsibilities of the Remuneration Committee with regards to social and ethical matters are:

- To provide oversight of the Group's activities with regards to social and ethical matters, including corporate citizenship, organisational ethics, stakeholder relationships and sustainable development.
- To report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- To make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

The Remuneration Committee reviewed reports from the social & ethics committees at each meeting as well as monitoring and providing feedback on the social and ethics policies and activities reported to it by the Group's principal subsidiaries. These practices enable the Group to govern ethics in a way that supports the establishment of an ethical culture without disrupting the entrepreneurial nature of the Group.

The Board encourages ethical behaviour throughout the Group's operations which should ensure automatic compliance with sensible regulations.

Policies such as the Company's Board Appointment and Diversity policies and the implementation in respect thereof, provide an ethical approach to Board appointments and composition taking cognisance of the Board's needs in terms of gender, race, age, culture, skills, experience and other factors. Copies of the Company's policies are available on the Company Secretary's website: http://www.city-group.com/marshall-monteagle-plc/

Corporate citizenship issues are devolved to the management of the individual operating businesses of the Group, with the Board considering any matters regarding corporate citizenship that are material to the Group's affairs. Material matters relating to corporate citizenship are kept under review by subsidiary company management and reported to the Board.

Material risks are kept under review by subsidiary company management and reported to the Executive Directors. Details of principal financial risks that the Group is exposed to and how these risks are mitigated can be found on pages 50-51. At least once a year the Audit Committee reviews the Company's risk management processes. By having oversight of the Group's material risks through subsidiary reporting, the Board is able to manage the Company's risk appetite effectively and in line with the Group's strategic objectives.

The decentralised structure and diverse nature of the Group makes common policies and centralised management of technology and information inappropriate. Technology and information matters are devolved to the management of the individual operating businesses within the Group. Material technology and information risks are kept under review by subsidiary company management and reported to the executive Directors. Technology and information risk management processes relating to financial reporting are reviewed by the Audit Committee at least once a year.

The Company's external auditor provides assurance on the summarised financial information. Such assurance arrangements are appropriate, based on the size and complexity of the Group. The Group does not have a separate internal audit function due to the decentralised structure of the Group and the diversity of operations. Each year, the Audit Committee reconsiders the need for an internal audit function.

Board committees:

Audit Committee

The Audit Committee comprises three independent Non-Executive Directors, Mr. D.J. Douglas (Committee Chairman), Mr. B.C.B. Newman and Mr. R.C. Kerr. The Financial Director and the external auditor, who have unrestricted access to the Chairman of the Committee, attend by invitation and management or independent third parties are invited to attend as appropriate. The Committee is responsible for, inter alia, reviewing the interim results and annual financial statements and associated announcements as well as understanding management's accounting processes and policies and the external auditor's involvement in these processes.

The Audit Committee met six times in the year. All Committee members were present at each meeting.

The specific responsibilities of the Committee include:

Internal control - reviewing the adequacy and effectiveness of management information and internal controls of the Company to support the Board in the discharge of its responsibilities and provide for the maintenance of proper accounting records and the reliability of financial information. Such a system of control can provide only reasonable and not absolute assurance against material misstatement or loss. Procedures are established which are designed to provide an effective system of internal financial control including the segregation of duties and management authorisation and review. In addition, the Company safeguards its interests in the Group by appointing directors to the boards of the subsidiary and associated companies.

Financial reporting - reviewing the accounting policies adopted, and any changes made, and the measures introduced by management to enhance the accuracy and fair presentation of all matters proposed for inclusion in the annual accounts, and any other reports prepared with reference to the affairs of the Company for external distribution or publication, including those required by any regulatory or supervisory authority.

External audit – recommending the appointment of external auditors for approval by the shareholders, reviewing their performance and monitoring their independence. The Committee also sets the principles for recommending the use of external auditors for non-audit purposes.

Internal Audit - The Group does not have a separate internal audit function due to the decentralised structure of the Group and diversity of operations, but the Committee exercises formal oversight through review of any matters brought to its attention by the Group auditor and others, and informal oversight by regular discussions with the Group Executive

Directors, key management personnel of subsidiaries, and staff of City Group PLC. A director of the Company sits on the board of each operating subsidiary. The establishment of an internal audit function is considered annually.

Financial Director – evaluating the performance of the Financial Director during the year under review and confirmed to the Board that it had satisfied itself with the appropriateness of the expertise and experience of the Financial Director

Liquidity and solvency assessment – reviewing a liquidity and solvency test and considering all reasonable financial circumstances of the Company at the time. This will include considering whether the assets of the Company, as fairly valued, equal or exceed the liabilities of the Company, as fairly valued, and whether the Company will be able to pay its debts as they become due in the ordinary course of business for a period of 12 months after the date on which the test is considered or, in the case of a distribution, 12 months following that distribution.

Sustainability reporting – this has been considered and due to the de-centralised nature of the Group, sustainability issues are devolved to the management of the individual operating businesses of the Group.

With regards to the above, the activities of the Committee included:

- review of accounting policies, significant estimates and of judgement, and the extent of disclosures in the accounts;
- review financial reporting procedures and ensuring sufficient access to all financial information, from the Group as a whole, to enable effective preparation of the financial statements;
- review of the scope, independence and objectivity of the external auditor;
- reviewing and approving the fees proposed by the external auditor;
- confirming that to the best of the Committee's knowledge and belief, the appointment of the external auditor complies with the Jersey and South African companies acts, as amended, and with all other legislation relating to the appointment of external auditors;
- receiving confirmation from the external auditor that paragraph 22.15(h) of the JSE Listing Requirements has been complied with;
- reviewing the nature and extent of non-audit services provided by the external auditor to ensure that the fees for such services do not become so significant as to call into question their independence;
- pre-approval of the nature and extent of non-audit services;
- confirming that nothing has come to the attention of the Committee to indicate that there has been a material breakdown in the systems of internal control during the year other than the fraud noted elsewhere;
- the Committee is satisfied with the appropriateness of the expertise and experience of the Financial Director and his performance during the year;
- the Group's financial reporting procedures are appropriate, and those procedures are operating; and
- at the date of this report, no valid complaints have been received relating to the accounting practices of the Company or to the content or auditing of the Company's financial statements, or to any related matter.

Risk Factors

The Group is exposed to the following principal operational risks:

Reliance on key individuals - the Group's international trading operations, especially the smaller ones, are dependent on a limited number of key individuals. Should the Group lose their services for any reason, performance could be impacted in the short term. As the trading operations grow, the increasing size of their management teams reduces the dependence on key individuals.

Valuation of quoted investments - the Group has a substantial proportion of its net assets invested in global equities and while individual stock risk is diluted through the diversification in the portfolio, the Group is exposed to market risk which can lead to substantial co-ordinated reductions in the market values of the stocks in which the Group is invested. As a long-term investor with a liquid financial position the Group is able to ride out short term reductions of this nature. However, it remains exposed to long term reductions in market prices.

Property valuations - the Group owns a diversified portfolio of properties in South Africa and a multi-tenanted light industrial property in San Diego, California. The Group is exposed to risks resulting from major changes in property vacancy rates and valuations, including the risk that asset backing falls and is no longer sufficient to secure borrowing facilities. The Group as a whole remains lightly geared and regularly reviews the headroom between its borrowing levels and the value of properties used to secure such borrowings.

Exchange Rates - The Group remains exposed to exchange rate risks on the valuation of its stock market and property investments and the working capital of its international trading subsidiaries. This risk is reduced through diversification and borrowings denominated in foreign currencies.

Changes in regulatory environment - many of the Group's trading operations and a large number of its properties are based in South Africa and exchange controls apply in South Africa. There is a risk that future changes to South African exchange controls may restrict the extent to which these businesses can operate or may restrict the extent to which funds generated in South Africa may be remitted to Group companies based elsewhere. Other changes in regulations, such as lockdowns, tariffs, sanctions and trade embargoes, and how they are applied, may have a material impact on the business environment and adversely affect the Group's operations or cash flow.

Global pandemic risk – the 2020 Covid-19 pandemic had a significant impact on global economies and healthcare and the Group's operations and the safety of its staff in South Africa and overseas were similarly affected. Although, with the vaccines, countries have now been able to open up, new variants or pandemics could still pose a potential risk for the future particularly if countries are again required to take non-medical intervention including lock downs or travel restrictions.

Trade Related – Legacy Covid-19 related disruptions to our supply chains through restrictions on movement and transportation, business closures and the risk of increases in unemployment and the impact on our suppliers, inflation and changes in demand from our customers may result in significantly reduced revenues.

The businesses of all companies, including global blue-chip companies, have been affected by Covid-19 and further outbreaks or other pandemics, may cause prolonged outbreaks of such viruses globally, and could result in further lockdowns and movement restrictions being put in place.

In addition, the Group's trading subsidiaries are exposed to a number of operational risks including consumer demand, commodity prices, bad debts, inflation, reputation and data risks. Such risks are monitored, mitigated and controlled through tailored structures and processes at the individual operating subsidiary level. The exposure of the Group is further mitigated by its investment diversification.

Remuneration Committee

The Remuneration Committee comprises three Non-Executive Directors, Mr. B.C. Newman (Chairman), Mr R.C. Kerr and Mr. D.J. Douglas. The Committee, at its discretion, invite to its meetings such other Directors and external advisers as it deems appropriate. The Committee determines and agrees with the Board the framework or broad policy for the remuneration of the Company's Chairman, Chief Executive, Executive Directors, Company Secretary and such other members of the executive management as it is designated to consider from time to time. The remuneration of Non-Executive Directors is a matter for the Chairman and executive members of the Board. No Director or manager is involved in any decisions as to their own remuneration. The Remuneration Committee met two times in the year. All Committee members were present at each meeting.

Remuneration Policy and Remuneration Implementation Report

The Remuneration Policy and the Remuneration Implementation Report have been prepared in accordance with the JSE Listings Requirements. Separate resolutions will be proposed at the Annual General Meeting of the Company to approve the Company's Remuneration Policy and the Remuneration Implementation Report.

Remuneration Policy Report

In accordance with principle 14 of King IV Report on Corporate Governance for South Africa 2016, the Company's Remuneration Policy (the "**Policy**") aims to ensure that the Group remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term. The objectives of the Policy are:

1. To attract, motivate, reward and retain human capital;
2. Promote the achievement of strategic objectives within the organisation's risk appetite;
3. Promote positive outcomes; and
4. Promote an ethical culture and responsible corporate citizenship.

Through the Policy, members of the board are provided with the appropriate incentives to encourage enhanced performance and are, in a reasonable manner, rewarded for their individual contributions to the success of the company.

The Policy ensures that remuneration of executive directors is fair and reasonable in the context of overall employee remuneration in the organisation by aligning base pay to what is considered market standard as well as linking personal remuneration to company performance.

At present, the Policy is to remunerate directors by way of a fixed fee for their services. Fixed fees are set at a level to attract, motivate and retain talented individuals. A bonus may be paid to any individual director, as and when it is considered warranted to do so and approved by the Remuneration Committee. The maximum quantum payable to directors is approved by the Board following recommendations from the Remuneration Committee.

Increases will not be higher than inflation unless this can be justified having regard to the performance of the Company or additional responsibilities taken on by directors.

The Board oversees the implementation and execution of the Policy and ensures that the objectives of the Policy are achieved.

In the event that either the Policy or the Implementation Report, or both are voted against by shareholders exercising 25% or more of the voting rights exercised, the Company will include in its voting results announcement the following:

i. An invitation to dissenting shareholders to engage with the Company; and
ii. Details of the manner and timing of such engagement.

Remuneration Implementation Report

The purpose of the Remuneration Implementation Report is to set out the actual payments made to Directors in the financial year being reported on. Details of the remuneration paid to, or receivable by each Board member, for the reporting period is shown on the Directors' Report on page 44.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and the Consolidated Financial Statements in accordance with applicable law and regulations.

The Companies (Jersey) Law 1991 requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), the SAICA Financial Reporting Guides as issued by the Financial Reporting Standards Council and the Financial Pronouncements as issued by the Financial Reporting Council, JSE Listings Requirements and in accordance with Article 105 of the Companies (Jersey) Law, 1991. Under the Companies (Jersey) Law 1991 the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the profit or loss of the Company for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company or the Group will continue in business.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the Group's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the preparation and presentation of financial statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRSs. A fair presentation also requires the Directors to:

- consistently select and apply appropriate accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information; and
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991 and amendments thereto. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware, and each Director has taken all reasonable steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of the information.

GOING CONCERN

The Directors have established that: there have been no significant events that are not in the ordinary course of business since the reporting date; all borrowing facilities are still in place; the substantial liquid resources held in cash and in the share portfolios are still available; and that there has been no major capital expenditure nor acquisitions since the reporting date. The forecasts and projections of the entities in the Group, taking account of (i) reasonably possible declines in revenue; (ii) rate of inflation and rising costs; (iii) the Group’s bank covenants and liquidity headroom taking into account expected dividends, shows that the Company and other Group entities would be able to operate with appropriate liquidity and be able to meet their liabilities as they fall due. The Group will also be in a position to meet all its obligations for at least twelve months from the approval of these consolidated financial statements. The Directors therefore believe that the going concern basis is appropriate for the Group.

STATEMENT BY CHIEF EXECUTIVE OFFICER AND FINANCIAL DIRECTOR

In compliance with paragraph 3.84(k) of the JSE Listing Requirements, the directors, whose names are stated below, hereby confirm that:

• the annual financial statements set out on pages 8 to 11, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;

• no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;

• internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer; and

• the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function within the combined assurance model pursuant to principle 15 of the King IV Code. Where we are not satisfied, we have disclosed to the audit and risk committee and the auditors the deficiencies in the design and operational effectiveness of the internal financial controls and any fraud that involves directors and have taken the necessary remedial action.

D.C Marshall
Chief Executive

E.J. Beale
Finance Director

Opinion

We have audited the consolidated financial statements of Marshall Monteagle PLC (the "Parent Company") and its subsidiaries (the "Group") for the year ended 31 March 2023, which comprise the Consolidated Statement of Profit or Loss, and Other Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 March 2023, and of the Group's loss for the year then ended;
- are in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB); and
- comply with the Companies (Jersey) Law 1991.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Guernsey, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in our audit
Revenue recognition (excluding other income) **US$ 125.33 million (for the 18-month period ended 31 March 2022: US$ 201.12 million)** Under ISA 240 there is a presumed risk that revenue may be misstated due to the improper recognition of revenue Revenue is a material area of the consolidated financial statements and with various trading subsidiaries, revenue recognition is comprised of multiple revenue streams in various industries. Revenue is a key factor in determining the performance of the Group and includes consideration received for the import, export and distribution of metal and minerals, tools, food, household consumer products and rental income. As a result, this could be subject to manipulation to enhance the performance of the Group.	**Audit procedures performed:** As all group revenue is generated by and recognised within subsidiaries of the Group our audit testing was centred around directing and reviewing the audit work performed by the component auditors. Working with the component auditors we ensured that they: • Updated our understanding of management's processes, policies, methodologies and controls in relation to the recognition of revenue and confirmed their understanding by performing walkthrough tests on the design and implementation of key controls; • Compared the revenue recognition policies adopted, to ensure they were in line with the Group policies; and • Undertook sufficient and appropriate audit testing to address the completeness, accuracy and occurrence of revenue recorded. In addition to our review of the work performed by the component auditors, we:

<table>
<tr><th>The key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>As a result of our audit risk assessment, including our review of the business and control environment, we identified revenue recognition as a significant risk and a key audit matter and designed and implemented appropriate responses to address this risk.

Refer to note 3 of the Consolidated Financial Statements.</td><td>• Compared the revenue recognition policies adopted by the Group against the requirements of IFRS 15; and
• Reviewed the associated disclosures within the Consolidated Financial Statements to determine their compliance with IFRS.

Key observations

We have not identified any significant matters to report to those charged with governance in relation to the recognition of revenue.</td></tr>
<tr><td>Valuation of investment property held at fair value and commercial property held at market value under a revaluation policy

Investment property: US$ 29.02 million (2022: US$ 29.79 million)

Commercial property: US$ 4.25 million (2022: US$ 5.20 million)

The Group owns a diversified portfolio of properties in South Africa and a multi-tenanted light industrial property in San Diego, California. The properties owned within the Group are held at fair value, which requires specialist expertise and the use of significant estimates and judgements giving rise to a higher risk of misstatement.

Furthermore, the Group is exposed to risks resulting from major changes in property valuations. If the valuation of property is used to secure borrowing facilities, a fall in price may prevent further borrowing facilities from being secured.

Refer to notes 10, 11 and 26 of the Consolidated Financial Statements.</td><td>Audit procedures performed:

As all investment and commercial properties are held within subsidiaries of the Group, our audit testing focussed on directing and reviewing the audit work performed by the component auditors. Working with the component auditors we ensured that they:

• Updated our understanding of management's processes, policies, methodologies, and controls in relation to the valuation and measurement of investment and commercial properties and confirmed their understanding by performing walkthrough tests on the design and implementation of key controls;
• Performed sufficient and appropriate audit testing to address the risk that the valuation of the properties could be misstated; and
• Assessed and challenged the key inputs, estimates and judgements made by management in deriving the estimated property valuations.

In addition to our review of the work performed by the component auditors, we performed the following additional procedures:

• We assessed Management's valuation of the investment property that is disclosed as property, plant and equipment within the respective subsidiary's individual financial statements (prepared under US GAAP) and reclassified to investment property, in accordance with IFRS, within the Group's Consolidated Financial Statements. Our assessment included challenging Management on the key estimates and judgements made in determining the valuation and comparing the inputs used to publicly available information; and
• Reviewed the associated disclosures within the Consolidated Financial Statements to determine their compliance with IFRS.

Key observations</td></tr>
</table>

<table>
<tr><th>The key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td></td><td>We have not identified any significant matters to report to those charged with governance in relation to the fair value measurement of investment and commercial property.</td></tr>
<tr><td>Valuation of inventory

US$ 16.93 million (2022: US$ 32.08 million)

The Group has a material proportion of its net assets held as inventories, within several components. Inventories are likely to be held in a number of locations and issues may exist with regard to goods in transit and should be valued at the lower of cost or net realisable value ("NRV"). The calculation of NRV involves estimation and therefore the judgement as to whether NRV is less than cost can be subjective.

Refer to note 14 of the Consolidated Financial Statements.</td><td>Audit procedures performed:

All inventory held by the Group is located and recognised within the subsidiaries of the Group. Therefore, our audit testing focussed on directing and reviewing the audit work performed by the component auditors. Working with the component auditors we ensured that they:

• Updated our understanding of management's processes, policies, methodologies and controls in relation to the valuation and measurement of inventory and confirmed their understanding by performing walkthrough tests on the design and implementation of key controls;
• Compared the inventory valuation accounting policy adopted, to ensure it was in line with the Group's policy;
• Performed sufficient and appropriate audit testing to address the risk that the valuation of inventory could be misstated; and
• Attended year-end inventory counts and performed procedures to identify obsolete or impaired inventory items.

In addition to our review of the work performed by the component auditors, we:

• Compared the inventory accounting policy adopted by the Group against the requirements of IFRS; and
• Determined if the associated disclosures within the Consolidated Financial Statements are in accordance with IFRS.

Key observations

We have not identified any significant matters to report to those charged with governance in relation to the valuation of inventory.</td></tr>
<tr><td>Valuation of unlisted investments

US$ 3.417 million (2022: US$ 4.249 million)

The Group owns a small, but material, portfolio of unlisted investments. The valuation of the unlisted investments is subject to significant judgement in the valuation methods used and significant estimation uncertainty surrounding the key inputs to the selected valuation methods.

Refer to note 13 of the Consolidated Financial Statements.</td><td>Audit procedures performed:

As all unlisted investment balances are held by the parent company and not within subsidiaries, we performed the following audit procedures during our audit of the Group:

• Updated our understanding of management's processes, policies, methodologies and controls in relation to the valuation of unlisted investments and confirmed our understanding by performing</td></tr>
</table>

The key audit matter	How the matter was addressed in our audit
	walkthrough tests on the design and implementation of key controls; • We obtained and inspected the valuations of unlisted investments performed by management and supporting data to assess whether the data used is appropriate and relevant. Discussed these with management to evaluate whether the fair value of the unlisted investments is reasonably stated, challenging the assumptions made by management; • We agreed significant valuation inputs (Net asset value per share and value per share from the most recent fundraising) to supporting documents provided by management and test the arithmetical accuracy of the calculations; and • For all investments, we obtained confirmation directly from the investees confirming the existence, rights and ownership of the Parent Company's investments **Key observations** We have not identified any significant matters to report to those charged with governance in relation to the fair value measurement of unlisted investments.
Accuracy and completeness of the Group's financial statement consolidation Due to the number of components and sub-components within the Group, the frequency of intercompany transactions/balances between these components, foreign currency components and the use of a large excel spreadsheet to undertake the consolidation, there is a risk of errors occurring during the consolidation process.	**Audit procedures performed:** Our audit work comprised of the following key procedures: • We agreed each subsidiary/component's reported transactions and balances within the consolidation spreadsheet to audited individual financial statements where available, or other Management accounts or financial information; • Assessed the accuracy and completeness of the consolidation worksheet including the analysis of the elimination of intercompany transactions; • Assessed the consolidation adjustments made in the consolidation spreadsheet to ensure they have been appropriately and accurately reflected; • Assessed the consolidation adjustments recorded to those in prior years and our expectations from information obtained during the audit to ensure the consolidation adjustments are complete; and • Agreed the consolidation worksheet to the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
	Key observations We have not identified any significant matters to report to those charged with governance in relation to the consolidation.

Other information in the Annual Report

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated financial statements

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs as issued by the IASB and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Company's and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence

obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with section 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies (Jersey) Law, 1991 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Company; or
- the consolidated financial statements are not in agreement with the accounting records; or
- we have not obtained all the information and explanations, which to the best of our knowledge and belief, are necessary for the purposes of our audit.

Wynand Pretorius
For and on behalf of Grant Thornton Limited
Chartered Accountants
St Peter Port
Guernsey

Date:

GROUP OFFICES

REGISTERED OFFICE
2nd Floor, Gaspé House,
66-72 Esplanade
St Helier
Jersey JE1 1GH

COMPANY SECRETARY
City Group PLC
1 Ely Place
London, EC1N 6RY

Tel: +44 20 7796 9060
E-mail: monteagle@city-group.com

SOUTH AFRICA
11 Sunbury Park, La Lucia Ridge Office Estate,
La Lucia, 4051
(PO Box 4126, The Square 4021)
Tel: + 27 31 566 7600

REGISTRARS

JERSEY
Computershare Investor Services (Jersey) Limited
13 Castle Street
St. Helier
Jersey JE1 1ES

Tel: + 44 (0)1534 281 820

SOUTH AFRICA
Computershare Investor Services (Proprietary) Limited
15 Biermann Avenue
Rosebank
2196 South Africa
(PO Box 61051) Marshalltown 2107
Tel: +27 11 370 5000

BANKERS

Credit Suisse (Switzerland) Ltd.
Bahnhofstrasse 17
6300 Zug
Switzerland

First National Bank Limited
Shop 116,
1-3 Sunset Crescent
Kwa Zulu Natal, 4320, South Africa

HSBC Bank Plc
City of London Commercial Centre,
28 Borough High Street,
London, SE1 1YB

INDEPENDENT AUDITOR

Grant Thornton Limited
St James Place
St James Street
St Peter Port
Guernsey
GY1 2NZ

SPONSOR

Questco Corporate Advisory Proprietary Limited
Ground Floor
Block C, Investment Place
10th Road, Hyde Park
Johannesburg 2196
South Africa

NOTICE is hereby given that the Annual General Meeting of Marshall Monteagle PLC (the "**Company**") will be held at its registered office at 2nd Floor, Gaspé House, 66-72 Esplanade, St Helier, Jersey, JE1 1GH on Friday 15 September 2023 at 9:00am (UK time) 10:00 am (SA time) for the purposes set out below.

The minimum percentage of voting rights that is required for resolutions 1 to 6 (inclusive) to be passed is 50% plus one vote of all votes cast on the resolution.

1. To receive and adopt the Report of the Directors and Audited Accounts for the period ended 31 March 2023.

2. To approve the Remuneration Policy in the form set out on pages 51 and 52 in the Company's Annual Report and Accounts for the year ended 31st March 2023.

3. To approve the Remuneration Implementation Report in the form set out on pages 51 and 52 in the Company's Annual Report and Accounts for the year ended 31 March 2023.

4. To re-elect Mr. B.C.B. Newman as a Director.

5. To re-elect Mr. D.J. Douglas as a Director.

6. To re-appoint Grant Thornton Limited as Auditor in accordance with Section 113(3) of the Companies (Jersey) Law 1991.

The minimum percentage of voting rights that is required for resolutions 7 to 8 to be passed is 75% plus one vote of all votes cast on the resolution.

7. In accordance with the Listings Requirements of JSE Limited, to grant the Directors of the Company general authority to issue ordinary shares of US$0.25 each for cash as and when suitable situations arise, subject to the following limitations:

- that this general authority shall be valid until the Company's next Annual General Meeting, provided that it shall not extend beyond fifteen months from the date of the passing of this ordinary resolution (whichever period is shorter).

- any such issue will only be made to public shareholders as defined in the JSE Listings Requirements and not to related parties;

- the equity securities which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;

- the general issue of shares for cash in the aggregate in any one financial year may not exceed 15% of the Company's issued share capital of that class (being 5,378,627 ordinary shares at the date of the notice of Annual General Meeting).

- any securities issued under this general authority during the period which the general authority is valid, must be deducted from the number of securities referred to above;

- in the event of a sub-division or consolidation of issued shares during the period of the general authority, the existing authority must be adjusted accordingly to represent the same allocation ratio;

- that in determining the price at which an issue of shares will be made in terms of this general authority, the maximum discount permitted will be 10% of the weighted average traded price of the shares in question, as determined over the 30 days prior to the date that the price of the issue is determined or agreed between the Company and the party subscribing for the securities; and

- after the Company has issued shares for cash which represent, on a cumulative basis within a financial year, 5% (five percent) or more of the number of shares in issue prior to that issue, the Company shall publish an announcement containing full details of the issue (including the number of shares issued, the average discount to the weighted average traded price of the shares over the 30 business days prior to the date that the price of the issue is agreed in writing between the Company and the party subscribing for the shares and the effect of the issue on net asset value, net tangible asset value, earnings and headline earnings per share), or any other announcements that may be required in such regard in terms of the Listings Requirements of the JSE which may be applicable from time to time.

8. To approve the repurchase by the Company or any of its subsidiaries from time to time of the issued ordinary shares of the Company, upon such terms and conditions and in such amounts as the Directors of the Company (or the directors of the subsidiary company as the case may be) may from time to time determine, but subject to the Memorandum of Incorporation of the Company or any of its subsidiaries, as the case may be, the provisions of the Companies (Jersey) Law 1991 as amended, the JSE Listings Requirements as presently constituted and which may be amended from time to time, and provided that:

- any such repurchase of shares shall be affected through the order book operated by the JSE trading system or other manner approved by the JSE and done without prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited);

- this general authority shall only be valid until the Company's next Annual General Meeting, provided that it shall not extend beyond fifteen months from the date of passing of this special resolution, (whichever period is shorter);

- a paid press announcement containing full details of the repurchases will be published as soon as the Company and/or its subsidiaries has/have repurchased shares constituting, on a cumulative basis, 3% of the number of shares of the class of shares repurchased in issue at the time of granting of this general authority, and each time the Company acquires a further 3% of such shares thereafter;

- repurchases by the Company and its subsidiaries of shares in the share capital of the Company may not, in aggregate, exceed in any one financial year 20% (or 10% where such repurchases relate to the repurchase by a subsidiary) of the Company's issued share capital of the class of shares repurchased from the date of the grant of this general authority;

- at any point in time, the Company will only appoint one agent to affect any repurchase(s) on its behalf;

- in determining the price at which the Company's shares are repurchased by the Company or its subsidiaries in terms of this general authority, the maximum price at which such shares may be repurchased may not be greater than 10% above the weighted average of the market price at which such shares are traded on the JSE, as determined over the five business days immediately preceding the date of the repurchase of such shares by the Company or its subsidiaries;

- The Directors resolve: that they authorised the repurchase, that the Company passed the solvency and liquidity test and that since the test was done there have been no material changes to the financial position of the Group; and

- The Company may not repurchase shares during a prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements unless it has in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and full details of such repurchase has been submitted to the JSE in writing. The Company must instruct an independent third party, which makes its investment decisions in relation to the Company's securities independently of, and uninfluenced by the Company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE.

Further information about this resolution can be found in the Directors' Report on page 45.

Further information which is required in terms of the JSE Listings Requirements can be found as follows:

- Major shareholders – page 44 of the 2023 Annual Report and Accounts;
- Company's share capital – page 31 of the 2023 Annual Report and Accounts;
- Directors' responsibility statement – page 53 of the 2023 Annual Report and Accounts; and
- Material change – page 46 of the 2023 Annual Report and Accounts

Important dates to note:

Record date for receipt of notice purposes	Thursday, 15 June 2023
2023 Annual Report and Accounts and AGM Notice posted on	Wednesday, 28 June 2023
Last day to trade in order to be eligible to participate in and vote at the Annual General Meeting	Tuesday, 5 September 2023
Record date for voting purposes “voting record date”	Friday, 8 September 2023
Last day to lodge forms of proxy for the Annual General Meeting	Wednesday, 13 September 2023
Annual General Meeting at 09:00am (UK Time) 10:00am (SA Time)	**Friday, 15 September 2023**
Results of Annual General Meeting released on SENS	Friday, 15 September 2023

2nd Floor, Gaspe House,
66-72 Esplanade,
St. Helier,
Jersey, JE1 1GH

21 June 2023

By order of the Board,

CITY GROUP PLC
Company Secretary

Notes:

(i) A shareholder entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of the shareholder, and a proxy need not also be a shareholder. Any company being a shareholder of the Company may execute a proxy form under the hand of a duly authorised officer.

(ii) A proxy form is enclosed with this document. If you are certificated or own-name dematerialised shareholder, you are requested to complete and return the proxy form whether or not you intend to attend the Annual General Meeting.

(iii) Shareholders are encouraged to appoint the Chairman or some other person who will be attending the meeting as their proxy (by submitting their Form of Proxy by post or by email to #JERegistryRMs@computershare.co.je for shareholders on the Jersey register and Proxy@Computershare.co.za for shareholders on the South African register as soon as possible.

(iv) To be effective, the proxy form, duly completed, must arrive at the registered office of the Company not less than forty-eight hours before the time fixed for the meeting, being 9:00am (UK time) 10:00 am (SA time) on 13th September 2023. Proxy forms sent to the office of a transfer agent for forwarding to the Company, at shareholders' risk, must be received by the transfer agent not less than forty-eight hours before the time fixed for the meeting, being 9:00am (UK time) 10:00 am (SA time) on 13th September 2023 at the following respective addresses:

Jersey/United Kingdom Shareholders: Computershare Investor Services (Jersey) Limited	South African Shareholders: Computershare Investor Services (Proprietary) Limited
13 Castle Street St. Helier Jersey JE1 1ES	15 Biermann Avenue Rosebank 2196 South Africa (PO Box 61051) Marshalltown 2107

(iv) Shareholders who have dematerialised their ordinary shares through a Central Securities Depository Participant ("CSDP") or broker, other than own-name registered dematerialised shareholders, and who wish to attend the Annual General Meeting must request their CSDP or broker to issue them with a Letter of Representation. Alternatively, dematerialised shareholders other than own name registered dematerialised shareholders, who wish to be represented, must provide their CSDP or broker with their voting instructions in terms of the custody agreement between them and their CSDP or broker in the manner and within the timeframe stipulated by their CSDP or broker.

(v) Any shareholder of the Company may authorise any person to act as its representative at the Annual General Meeting by a properly executed Letter of Representation to be produced at the Annual General Meeting.

CHANGE OF ADDRESS

Shareholders are requested to advise the Jersey transfer agents, Computershare Investor Services (Jersey) Limited, or the South African transfer agents, Computershare Investor Services (Proprietary) Limited, of any change of address. The addresses of the Registrars can be found on page 61.

MARSHALL MONTEAGLE PLC

Registered Office:
2nd Floor, Gaspé House, 66-72 Esplanade, St Helier, Jersey JE1 1GH
(Registered no. 102785)
(the "**Company**")

Proxy Form for Annual General Meeting

Proxy form for the Annual General Meeting of shareholders to be held at the Company's registered office at 2nd Floor, Gaspé House, 66-72 Esplanade, St Helier, Jersey JE1 1GH on Friday 15th September 2023 at 9:00am (UK time) 10:00 am (SA time) and at any adjournment thereof.

The undersigned being the holder of ______________________ shares in the Company hereby appoints as their proxy at the above mentioned meeting ______________________or the chairman of the meeting to whom they give all powers to represent them at the said meeting, to take part in all deliberations and to vote in their name according to the instructions set out below and to perform all acts necessary to give effect to the resolutions contained in the agenda as follows:-

No.	Resolution	For	Against	Abstention
1.	To receive and adopt the Report of the Directors and Audited Accounts for the year ended 31 March 2023.			
2.	To approve the Remuneration Policy in the form set out in the Company's 2023 Annual Report and Accounts for the year ended 31 March 2023.			
3.	To approve the Remuneration Implementation Report in the form set out in the Company's 2023 Annual Report and Accounts.			
4.	To re-elect Mr B.C.B. Newman as a Director.			
5.	To re-elect Mr. D.J. Douglas as a Director.			
6.	To re-appoint Grant Thornton Limited as auditor and to authorise the Directors to determine their remuneration.			
7.	To grant the Directors general authority to issue shares for cash.			
8.	To grant the Company or any of its subsidiaries general authority to acquire its own shares.			

Name of registered shareholder ……………………………………………………………………………………

Address ………

Signature ………

Notes

(i) A shareholder may appoint a proxy who need not be a shareholder of the Company. Any corporation being a shareholder of the Company may execute the proxy form under the hand of a duly authorised officer or attorney.

(ii) To be effective, the proxy form, duly completed, must arrive at the registered office of the Company at 2nd Floor, Gaspé House, 66-72 Esplanade, St Helier, Jersey JE1 1GH not less than forty-eight hours before the time fixed for the meeting being 9:00am (UK time) 10:00 am (SA time) on 13th September 2023. Proxy forms sent to the office of a transfer agent for forwarding to the Company at shareholders' risk must be received by the transfer agent not less than forty-eight hours before the time fixed for the meeting being 9:00am (UK time) 10:00 am (SA time) on 13th September 2023, at the following respective addresses:

Jersey/United Kingdom Shareholders: Computershare Investor Services (Jersey) Limited:	South African Shareholders: Computershare Investor Services (Proprietary) Limited
13 Castle Street St. Helier Jersey JE1 1ES	15 Biermann Avenue Rosebank 2196 South Africa (PO Box 61051) Marshalltown 2107

(iii) Shareholders should indicate with a cross (X) in the space provided above how they wish their votes to be cast. In the absence of specific instructions their proxy may vote as he thinks fit.

(iv) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority is determined by the order in which the names stand in the Register of Members in respect of joint holdings.

(v) Shareholders who have dematerialised their ordinary shares through a Central Securities Depository Participant ("**CSDP**") or broker, other than own-name registered dematerialised shareholders, and who wish to attend the Annual General meeting must ask their CSDP or broker to issue them with a Letter of Representation. Alternatively, dematerialised shareholders other than own name registered dematerialised shareholders, who wish to be represented, must provide their CSDP or broker with their voting instructions in terms of the custody agreement between them and their CSDP or broker in the manner and within the timeframe stipulated by their CSDP or broker.

(vi) Any shareholder of the Company may authorise any person to act as its representative at the Annual General Meeting by a properly executed Letter of Representation to be produced at the Annual General Meeting.

MONTEAGLE
GROUP