



African
FINANCIALS

Seed Co International Earnings Flash

H1 2024 revenue up 23% to US\$31m

DECEMBER 2023



Hartland-Peel
Africa Equity Research
(Established 1990)

Address:
Web site:
E-mail:
Telephone:
Mobile:

1 High Silver, Loughton, Essex IG10 4EL, UK
www.hartland-peel.com
christopher.hartland-peel@hartland-peel.com
+44 (0) 20 35 36 35 84
+44 (0) 7780 70 5000

BOTSWANA **SEED CO INTERNATIONAL**

6 MONTH EARNINGS RELEASE

Prepared by: Christopher W. Hartland-Peel

Date: December 18, 2023

COMPANY INFORMATION

Listed	Botswana	
Market capitalisation	US\$101m	
Main shareholder(s)	Vilmorin & Cie (France)	32.4%
	Seed Co (Zimbabwe)	27.5%
Year end	March	
Sector	Agricultural seeds	
FX rate to US\$	Pula 13.61	

SHARE INFORMATION

P/E:12 month trailing	30.7 times	
Dividend yield	1.0%	
Dividend cover	3.35	
Return on assets	(5.0%) H1 annualised	
Leverage	2.0 times	
ROE	(10.0%) H1 annualised	
Price/Book	1.17 times	
Share price	Pula	3.50
Dec 14, 2023	US\$	\$0.26

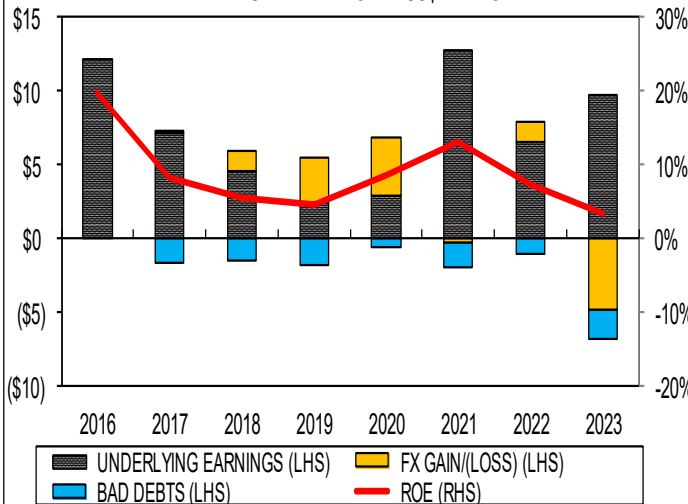
Sept 2023 Interim Earnings Release. Highlights:

1. A major SSA ex SA and ex-Zimbabwe agricultural seed producer. Strong seasonality of sales to H2 as this period is the planting season.
2. H1 2024 revenue up 23% at US\$31m vs US\$25m with strong growth in East Africa.
3. Maize volumes up 18%, total volumes up 16%.
4. H1 2024 loss US\$3.9m vs US\$4.3m loss.
5. H1 2024 FX losses not disclosed.
6. No interim dividend.
7. Seed Co is a capital intensive company with an H1 2024 sales/total assets ratio of 0.40 times.
8. H1 2024 trade debtors & seed grower advances US\$49m vs US\$54m.
9. H1 2024 inventories US\$44m vs US\$33m.
10. Operating margins 4% vs negative 10%.

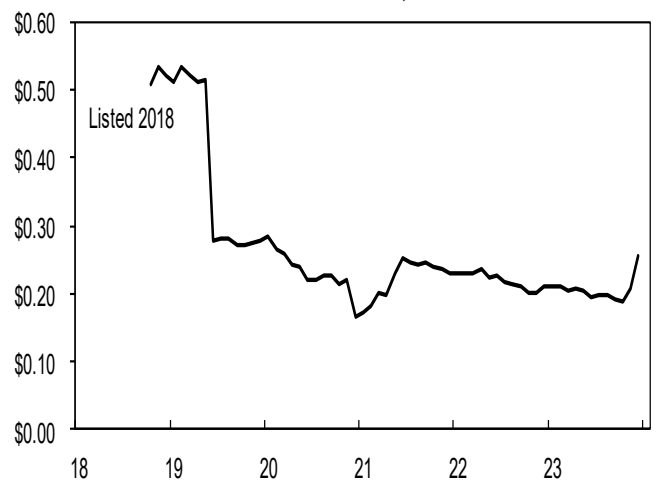
Investor Issues

1. The group is restructuring¹ in Kenya and suffered reduced business in South Africa and is hedging currency exposure.
2. The group also plans to expand in Mozambique and is planning to enter Ethiopia.
3. Low trading volume of shares and stock illiquid.
4. Disclosure needs improving to show long-term debt, current assets and current liabilities.
5. Capital commitments US\$9.5m. No details.

SEED CO INTERNATIONAL: 2016-23
ATTRIBUTABLE INCOME: US\$ MILLION



SEED CO INTERNATIONAL
SHARE PRICE: US\$



Sources: All information, graphs, tables and data have been sourced from company annual/interim reports, share prices from the Botswana Stock Exchange, and FX rates from the Financial Times.

¹ Source: 2023 annual report



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support@africanfinancials.com

+44 203 239 7762



African-IR.com