



---

# INTERIM RESULTS

31 AUGUST 2016

# VUNANI

---

LIMITED

---

# TABLE OF CONTENTS

Result highlights	3
Group structure and segmental overview	5
Financial performance	13
Strategy & prospects	18
Questions	20



---

## RESULT HIGHLIGHTS

---

# HIGHLIGHTS TO AUGUST 2016

- Revenue increased by 28% to R75.0 million compared to R58.6 million to 30 June 2015.
- Profit from continuing operations R15.4 million compared to R3.8 million to 30 June 2015.
- EPS
  - 31 August 2016: 13.4c
  - 30 June 2015: 3.1c
- HEPS
  - 31 August 2016: 11.5c
  - 30 June 2015: 3.0c

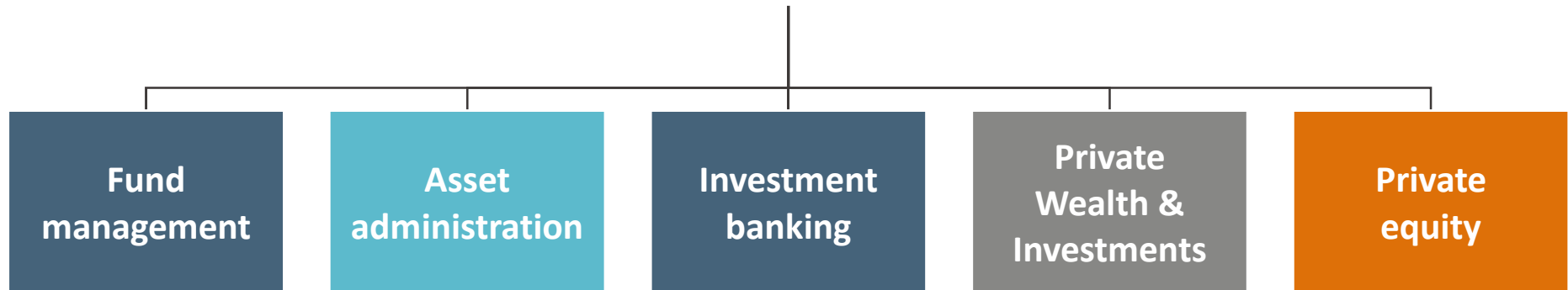


---

# GROUP STRUCTURE AND SEGMENTAL OVERVIEW

# GROUP STRUCTURE

VUNANI  
LIMITED



## FUND MANAGEMENT

- Institutional fund management focus.
- Investments included in this segment:
  - Vunani FM – R15.7b AUM at 31 Aug 2016 (Feb 16: R14.1b)
  - Purpose Vunani – \$22.5m AUM at 31 Aug 2016 (Feb 16: \$17.8m)
- Segment results
  - Revenue of R33.0m (June 15: R21.7m)
  - Segment profit of R5.0m (June 15: R0.05m)

### ASSET ADMINISTRATION

- Assets under administration of R6.2b (29 Feb 2016: R7.8b)
- Good progress on new mandates with recognised players in the market.
- Segment results
  - Equity accounted earnings for the period of R3.9m (R2.0m for two months post acquisition to June 2015)
  - Segment profit R2.1m (June 15: R2.4m)



## INVESTMENT BANKING

- Institutional securities broking
  - The focus continues to be on revenue growth through the expansion of product offering and the existing client base.
- Segmental result
  - Revenue of R33.4m (June 15: R25.2m)
  - Segment profit of R2.5m (June 15: R2.5m)

### INVESTMENT BANKING (continued)

- **Advisory services**

- The business has seen improved deal flow and has a strong pipeline.
- The advisory team collaborates closely with the securities business.

- **Segment results**

- Revenue of R3.0m (June 15: R0.1m)
- Segment loss of R0.4m (June 15: R1.9m)

### PRIVATE WEALTH AND INVESTMENTS

- Segment restructured during the period to focus on providing wealth and investment asset management to high net worth individuals.
- Segment results
  - Revenue of R2.3m (June 15: R6.0m)
  - Segment profit R1.1m (June 15: loss of R0.8m)

### PRIVATE EQUITY

- Private equity initiatives explored with well established partners including Anglo American, Bidvest and Mion Holdings.
- Segment results
  - Segment profit R5.1m (June 15: R1.4m)

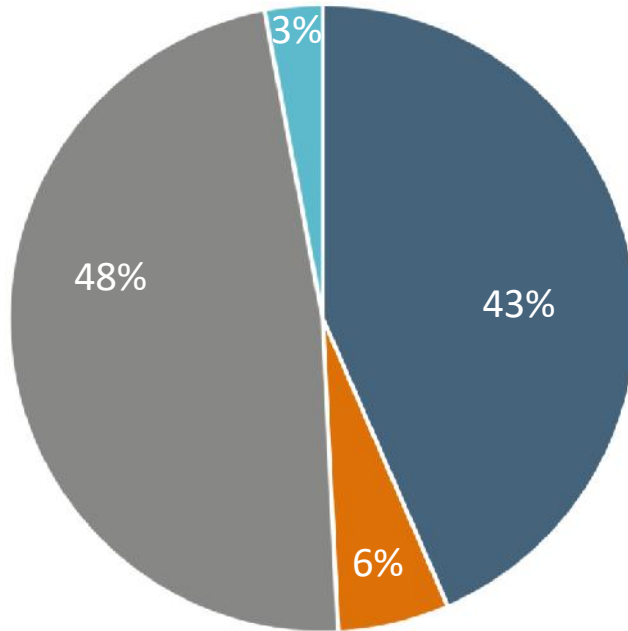


---

# FINANCIAL PERFORMANCE

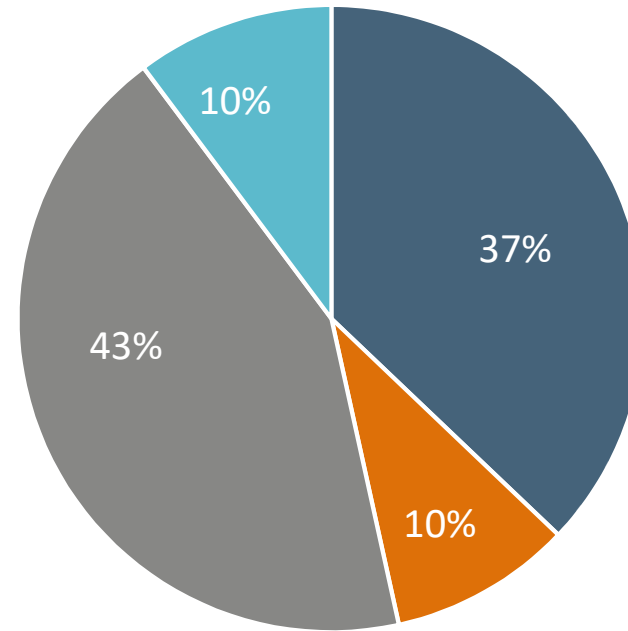
# REVENUE

MAR - AUG 2016



- Fund management
- Private equity
- Investment banking
- Private wealth and investments

JAN - JUN 15



- Fund management
- Private equity
- Investment banking
- Private wealth and investments

---

# STATEMENT OF COMPREHENSIVE INCOME

VUNANI  
LIMITED

- Other income
  - Historically, included amortisation of deferred income, but this has been fully amortised
  
- Investment income
  - JSE – R1.1m
  - BSi – R0.4m
  
- Fair value adjustments
  - Favourable fair value adjustments of R2.5m (June 15: R5.2m)

---

# STATEMENT OF COMPREHENSIVE INCOME

## (CONT.)

- **Equity accounted earnings**
  - Includes Vunani's share of post-tax earnings for Fairheads and Workforce.
    - Fairheads – R3.9m (June 15: R2.5m)
    - Workforce – R9.4m (June 15: R nil)
- **Operating expenses**
  - Increased by 8% compared to June 15
  - Major costs include:
    - Staff costs – 60% of total costs
    - Communications and information costs – 11% of total costs
    - Professional fees – 6% of total costs
    - Operating expenses – 6% of total costs



---

# STATEMENT OF FINANCIAL POSITION

- **Non-current assets held for sale**
  - Workforce
  - BSi
  
- **Scrip dividend with cash alternative (R6.8m)**
  - 4.3m shares issued
  - Cash payment of R0.5m



---

# STRATEGY & PROSPECTS

- Growing focus areas and deepen product offerings on the existing platform.
- Manage margins and costs.
- Intergroup collaboration critical.
- Focus efforts on organic growth within the existing businesses.
- Employ high-calibre quality management and staff
- Unlock value in private equity deals.
- Expand asset management offering to neighbouring countries.



---

**QUESTIONS**



**THANK YOU**

## JOHANNESBURG

Vunani Capital  
Vunani House, Vunani Office Park  
151 Katherine Street, Sandown  
Sandton 2196  
Office: +27 (0) 11 263 9500  
Email: [info@vunanilimited.co.za](mailto:info@vunanilimited.co.za)

## CAPE TOWN

Vunani Capital  
No. 9 Long Street– 3<sup>rd</sup> Floor  
Cnr Long & Riebeek Streets  
Cape Town, South Africa 8001  
Telephone: +27 (0) 21 481 6200  
Email: [info@vunanilimited.co.za](mailto:info@vunanilimited.co.za)

Vunani Fund Managers  
6th Floor, Letterstedt House  
Newlands on Main  
Newlands, 7700  
Telephone: (021) 670-4900  
Email: [info@vunanifm.co.za](mailto:info@vunanifm.co.za)

## HARARE, ZIMBABWE

Purpose Vunani Asset Management  
45 Lawson Avenue  
Milton Park  
Harare, Zimbabwe  
Telephone: (+263) 04 791 094 / (+263)  
04 796 646  
E-mail: [info@purpose.co.zw](mailto:info@purpose.co.zw)



---

# CONTACT US