

HULISANI LIMITED

Incorporated in the Republic of South Africa
(Registration number: 2015/363903/06)
JSE Share code: HUL
ISIN: ZAE000212072
("Hulisani" or "the Group" or "the Company")



UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 AUGUST 2021

Hulisani is pleased to announce its interim results for the period ended 31 August 2021. Shareholders are advised that the Company's unaudited condensed interim financial results for the six months ended 31 August 2021 were published on SENS on 15 November 2021 ("Full Announcement").

1. STRATEGIC AND OPERATIONAL HIGHLIGHTS

During the period under review, we continued our focus on keeping costs under control. Our assets have continued to demonstrate strong performance and are cash generative. We are pleased to report positive cash flow in line with our business strategy and are equally pleased to report an improvement in our earnings for the six months ended 31 August 2021.

2. SALIENT FEATURES

- Revenue of R32 million (2020: R31 million) increased 3% year-on-year.
- Operating expenses for the period under review decreased to R29 million from R38 million last year.
- Earnings per share and Headline Earnings per share increased by more than 100% to 49 cents per share, from the 4 cents per share in the prior year.

3. FINANCIAL REVIEW

Revenue of R32 million (2020: R31 million) increased 3% year-on-year. The increase in revenue is related to the return to more optimal production at Rustmo, following the cleaning of solar panels reported at year-end.

Operating expenses for the period under review decreased to R29 million from R38 million last year. This is in line with our strategy to contain costs.

Fair value gains increased 81% to R26 million following an increase in the projected utilisation rates of our power plants resulting in improved revenue projections. This was coupled with a favourable market-to-market movement in the Fair Value Assets.

Earnings per share and Headline Earnings per share increased by more than 100% to 49 cents per share, from the 4 cents per share in the prior year.

Net cash from investing activities for the Group amounted to R14 million for the current period compared to R24 million last year, while net cash movement for the period amounted to a cash outflow of R3 million, largely due to the payment of our maiden dividend during the current period.

4. OUTLOOK

We maintain our positive outlook on the South African energy sector. Notwithstanding uncertainty in the economy, energy remains a key growth sector in the South African economy.

Following the announcement by the president in June 2021 that the minimum threshold for embedded generation of power would be lifted from 1MW currently to 100MW to allow IPPs to build power plants without the need to go through the NERSA licensing process, the Minister of Mineral Resources and Energy unveiled 25 new preferred bidders in the fifth bid window of the Renewable Energy Independent Power Producer Procurement Programme. This is a further positive development in the sector and an indication of increased momentum.

5. SHORT FORM ANNOUNCEMENT

This short-form announcement is the responsibility of the directors of the Company. It contains only a summary of the information in the Full Announcement and does not contain full or complete details. The Full Announcement can be found at:

<https://senspdf.jse.co.za/documents/2021/JSE/ISSE/HULE/1H21INT.pdf>

Copies of the Full Announcement are also available for viewing on the Company's website at <https://hulisani.co.za/investment-opportunities-hulisani> or in person, at the Company's registered office or the office of the sponsor, at no charge, during office hours, or may be requested from info@hulisani.co.za

Any investment decisions by investors and/or shareholders should be based on consideration of the Full Announcement, as a whole.

15 November 2021
Johannesburg

Sponsor



Questco Corporate Advisory Proprietary Limited