

REVIEWED CONDENSED CONSOLIDATED ANNUAL RESULTS, DIVIDEND DECLARATION AND NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31 AUGUST 2024

FINANCIAL HIGHLIGHTS

REVENUE	R 2 059,5	MILLION	+ 8,3%
HEADLINE EARNINGS	R 74,3	MILLION	+ 5,2%
HEADLINE EARNINGS PER SHARE (CENTS)	353,1	CENTS	+ 7,1%
DIVIDEND PROPOSED	R 29,6	MILLION	
DIVIDEND PER SHARE (CENTS)	135,7	CENTS	+ 8,3%
NET ASSET VALUE PER SHARE (CENTS)	7 414,4	CENTS	+ 3,3%

	% Change	Year ended 31-Aug 2024 R000	Year ended 31-Aug 2023 R000
CONDENSED GROUP STATEMENT OF COMPREHENSIVE INCOME			
Revenue	8,3%	2 059 500	1 901 931
Net operating income		114 738	116 769
Depreciation – property, plant and equipment		2 519	2 397
Depreciation – right-of-use assets		18 690	19 041
Finance charges – right-of-use assets		3 704	4 817
Interest paid		1 825	2 133
Income before taxation		88 000	88 381
Taxation		13 745	17 426
Income after taxation		74 255	70 955
Share of associate company income		44	32
Net income for the year		74 299	70 987
Attributable to:			
Equity holders of the company	4,7%	73 925	70 578
Non-controlling interest		374	409
		74 299	70 987
Headline earnings reconciliation:			
Determination of attributable earnings and headline earnings:			
Basic earnings		73 925	70 578
Profit on disposal of property, plant and equipment and impairment of trademarks, associate equity accounted		465	(26)
Total tax effects of adjustment		(137)	7
Headline earnings	5,2%	74 253	70 559

	Year ended 31-Aug 2024 R000	Year ended 31-Aug 2023 R000
% Change		

OTHER GROUP INFORMATION

Dividend – proposed / paid	29 570	28 231
Earnings per share (cents)	351,5	329,9
Headline earnings per share (cents)	353,1	329,8
Diluted earnings per share (cents)	351,5	329,9
Dividend per share (cents)	135,7	125,3
Dividend cover (times)	2,5	2,5
Interest cover (times)	61,5	53,6
Shares in issue (total issued)	21 793 785	22 525 541
Shares in issue (less treasury shares)	20 660 686	21 392 442
Shares in issue (weighted)	21 028 705	21 392 442

Net asset value per share (cents)	7 414,4	7 179,9
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Intangible assets

Goodwill and amortisation

Balance at beginning of year	34 401	33 860
Translation of foreign operations	67	541
Balance at end of year	34 468	34 401

Patents and trademarks

Balance at beginning of year	28 644	28 611
Reversal of impairment during year	(579)	33
Balance at end of year	28 065	28 644

Total intangible assets	62 533	63 045
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	Year ended 31-Aug 2024 R000	Year ended 31-Aug 2023 R000
CONDENSED GROUP STATEMENT OF FINANCIAL POSITION		
ASSETS		
Non-current assets	128 552	143 803
Property, plant and equipment	20 596	20 830
Right-of-use assets	24 594	41 072
Intangible assets	62 533	63 045
Investment in associate	975	933
Deferred taxation	19 854	17 923
Current assets	1 643 262	1 614 046
Inventory	514 357	472 775
Stock in transit	135 996	80 661
Trade and other receivables	541 096	536 344
Cash and cash equivalents	451 813	524 266
Total assets	1 771 814	1 757 849
EQUITY AND LIABILITIES		
Total equity	1 541 282	1 544 970
Ordinary shareholders' funds	1 531 859	1 535 950
Non-controlling interest	9 423	9 020
Non-current liabilities	7 832	34 193
Lease liabilities	7 832	34 193
Current liabilities	222 700	178 686
Bank overdraft	64	54
Lease liabilities	28 026	23 757
Trade and other payables	194 610	154 875
Total equity and liabilities	1 771 814	1 757 849

CONDENSED GROUP STATEMENT OF CHANGES IN EQUITY

	Year ended 31-Aug 2024 R000	Year ended 31-Aug 2023 R000
Balance as at 1 September	1 535 950	1 451 236
Total attributable income for the year	73 925	70 578
Dividend paid	(28 225)	(33 924)
Shares repurchased	(20 519)	(3 092)
Movement in foreign currency translation reserve	(29 272)	51 152
Balance as at 31 August	1 531 859	1 535 950

CONDENSED GROUP STATEMENT OF CASH FLOWS

	Year ended 31-Aug 2024 R000	Year ended 31-Aug 2023 R000
Net cash (outflow)/inflow from operating activities	(13 708)	198 602
Cash generated from operations	2 369	230 553
Investment income	27 266	16 979
Interest paid	(1 825)	(2 133)
Dividend paid	(28 225)	(33 924)
Normal tax on companies	(13 293)	(12 873)
Cash flows from investing activities	(2 220)	(1 762)
Purchase of tangible fixed assets	(2 324)	(2 755)
Proceeds on disposal of fixed assets	104	993
Cash flows from financing activities	(48 527)	(29 759)
Repayment of lease liabilities	(28 008)	(26 667)
Acquisition of share capital	(20 519)	(3 092)
Net (decrease)/ increase in cash and cash equivalents	(64 455)	167 081
Cash and cash equivalents at the beginning of the year	524 212	338 267
Effect on exchange rate changes on the balance of cash held in foreign currencies	(8 008)	18 864
Cash and cash equivalents at end of the year	451 749	524 212

NOTES TO THE REVIEWED CONDENSED CONSOLIDATED RESULTS

Note 1: Basis of Preparation

The financial information contained in this report is extracted from reviewed information, but is itself not audited. This announcement does not include the information required pursuant to paragraph 16A(i) of IAS34. This condensed report is available on our website (<http://www.nuworld.co.za>), or at our offices upon request. The Directors take full responsibility for the preparation of this report and the financial information contained therein. The condensed consolidated financial statements were reviewed by RSM South Africa Inc., who expressed an unmodified review conclusion. A copy of the auditor's review report is available for inspection at the Company's registered office.

The condensed consolidated financial statements are presented in Rand rounded to the nearest thousand ('000).

The condensed consolidated financial statements have been prepared under the supervision of Graham Hindle CA (SA) in his capacity as Financial Director.

Note 2: Accounting policies

The condensed consolidated financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements for abridged reports and the requirements of the Companies Act of South Africa. The Listings Requirements require preliminary reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS Accounting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting. The accounting policies applied in the preparation of the condensed consolidated financial statements are in terms of IFRS and are consistent with those applied in the previous consolidated annual financial statements.

Note 3: Segmental information

	Year ended 31-Aug 2024 R000	Year ended 31-Aug 2023 R000
% Change		
Geographical revenue		
South Africa	1 257 204	1 258 998
Offshore subsidiaries	802 296	642 933
8,3%	2 059 500	1 901 931
Geographical income		
South Africa	29 143	31 962
Offshore subsidiaries	44 782	38 616
4,7%	73 925	70 578

Note 4: Revenue from contracts with customers

	Year ended 31-Aug 2024 R000	Year ended 31-Aug 2023 R000
Revenue from contracts with customers		
Sale of goods	2 202 486	2 065 823
Rebate and trade discounts	(142 986)	(163 892)
	2 059 500	1 901 931
Regions		
South Africa	1 307 030	1 399 154
Offshore	895 456	666 669
	2 202 486	2 065 823
Categories		
Consumer electronics	1 235 177	1 102 730
Electrical appliances	740 213	724 878
Other	227 096	238 215
	2 202 486	2 065 823

Note 5: Other comprehensive income

Other comprehensive income:		
Net income for the year	74 299	70 987
Exchange differences on translating foreign operations	(29 243)	51 224
Comprehensive net income for the year	45 056	122 211
Total comprehensive income attributable to:		
Non-controlling interest	403	481
Equity holders of the company	44 653	121 730
	45 056	122 211

The year-end translation ZAR rate appreciated by 5,0% against the USD in FY 2024, compared to the ZAR depreciation of 10,3% to the USD in FY 2023. This resulted in the exchange differences on translating foreign operations of (R29,2) million in FY 2024 and R51,2 million in FY 2023.

The full year transaction ZAR: USD rate depreciated by 16,0% to 18,33 in FY 2024 (13,4% in FY 2023).

Note 6: Repurchase of shares

The Company repurchased 731 756 shares in FY 2024 for a total consideration of R20 519 428 under its general authority to repurchase shares, approved at the previous annual general meeting held on 7 February 2024.

COMMENTARY

Introduction and review

Nu-World is a company incorporated and domiciled in South Africa with subsidiaries in Australia, Brazil, United Arab Emirates, and Hong Kong. The main business of Nu-World and its subsidiaries includes the importing, assembling, marketing and distribution of branded consumer goods.

The Board presents the Nu-World condensed consolidated results for the twelve months ended 31 August 2024. The Group's results to 31 August 2024 were satisfactory considering the ongoing distressed South African economy and slowly recovering Global economy.

In SA, revenue remained constant with the prior year, although operating margins declined marginally due to increased operating costs, both fixed and variable. H2 2024 showed strong improvement in profitability.

Offshore operations increased revenue by 24,8% attributable to improved penetration of markets together with widening of our customer base.

Auditor's conclusion

The condensed consolidated financial statements for the year ended 31 August 2024 have been reviewed by RSM South Africa Inc., who expressed an unmodified review conclusion. A copy of the auditor's review report is available for inspection at the Company's registered office.

Operating review

South Africa

General business conditions remained challenging with consumer goods, sales volumes and profitability remaining under pressure for the entire FY 2024, however the Group managed to improve both profitability and sales volume for H2 2024. According to statistics published, durable goods sales in general improved for the first time since mid-2021.

The South African economy remains under pressure which has weighed negatively on consumer's disposable income and discretionary spending. High interest rates and high inflation have added to the negativity of consumers with less funds available for discretionary spending. Notwithstanding the general negativity in the SA economy, the Group managed to improve penetration in the market for their brands and products, particularly in H2 2024.

There was positive moves in consumer electronic sales with television and audio sales showing good signs of recovery.

The seasonal categories, both winter and summer, performed well during FY 2024, increasing sales and profitability substantially.

Other traditional categories started to show some improvement towards the end of H2 2024.

Offshore operations

Australia

Yale Prima managed to increase its topline sales substantially, although gross margins and profitability came under pressure due to higher operating costs and expenditure. The new management team have been fully integrated with the existing management team and are now in a position to drive the company positively forward. The Australian operation is pushing to further widen its customer base and enter into new markets.

Other Offshore Markets

The other offshore markets increased sales and profitability during FY 2024.

The Group is on an expansion program to increase existing markets and to firm up on new market opportunities. The increased management team are performing well resulting in positive financial results.

FINANCIAL PERFORMANCE

STATEMENT OF COMPREHENSIVE INCOME

Group revenue increased by 8,3% to R 2 059,5 million (August 2023 – R 1 901,9 million).

Attributable income to equity holders of the company increased by 4,7% to R 73,9 million (August 2023 – R 70,6 million).

Despite gross margins improving in the local market, the South African profits came under pressure due to increased operating expenditure. Gross margins in the offshore markets came under pressure despite the increased sales volumes. Overall Group gross profits improved.

STATEMENT OF FINANCIAL POSITION

The balance sheet remains strong with total equity of R 1 531,9 million (August 2023 – R 1 536,0 million).

Inventory levels of R 514,4 million increased by 8,9% from August 2023 (R 472,8 million). Stock in transit increased to R 136,0 million in August 2024 as the group gears up for peak season and Black Friday.

Directors and management remain focused on improving working capital management and stock turn rates.

Trade and other receivable of R 541,1 million increased by 1,0% from prior year (August 2023 – R 536,3 million).

Cash and cash equivalents of R 451,8 million decreased by 13,8% from August 2023 (R 524,3 million) mainly due to the increase in working capital requirements of R65,9 million.

Net asset value per share has increased by 3,3% to 7 414,4 cents (August 2023 – 7 179,9 cents).

BOARD OF DIRECTORS

Mr R Kinross and D Piaray resigned as non-executive directors during the year under review.

Mr M S Goldberg resigned as executive Chairman and was appointed as non-executive Chairman during the year under review.

CORPORATE ACTIVITIES

There were no corporate activities during the year under review.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ASPECTS

The Group complies with the Code on Corporate Governance Practices and Conduct as contained in the King IV Report on Corporate Governance. Nu-World is committed to operating in a way that is environmentally friendly, socially responsible, and ethically sound.

Nu-World is committed to transparent and integrated reporting in the spirit of King IV and the Global Reporting Initiative.

Nu-World continues its community support and corporate social investment.

DECLARATION OF FINAL DIVIDEND

Notice is hereby given that a final gross dividend of 135,7 cents per share was declared on 24 October 2024, payable to shareholders recorded in the register of Nu-World at the close of business on the record date appearing below. The dividend is payable out of cash reserves.

- Dividends have been declared out of profits available for distribution.
- Local Dividends Withholding Tax rate is 20%.
- The gross dividend amount is 135,7 cents per ordinary share.
- The net cash dividend amount is therefore 108,56 cents per ordinary share.
- The Company has 21 793 785 ordinary shares in issue as at the declaration.
- The Company's income tax reference number is 9100/085/71/2.

The salient dates pertaining to the final dividend are as follows:

Declaration announcement:	Thursday, 24 October 2024
Last date to trade "cum" dividend	Tuesday, 10 December 2024
Date trading commences "ex" dividend	Wednesday, 11 December 2024
Record date	Friday, 13 December 2024
Date of payment	Tuesday, 17 December 2024

Ordinary share certificates may not be dematerialised or rematerialised between Wednesday, 11 December 2024 and Friday, 13 December 2024, both days inclusive.

Where applicable, dividends in respect of certificated shares will be transferred electronically to shareholders' bank accounts on the payment date. Ordinary shareholders who hold dematerialised shares will have their accounts at their CSDP or broker credited on Tuesday, 17 December 2024.

ANNUAL REPORT AND NOTICE OF ANNUAL GENERAL MEETING (AGM)

The 2024 Integrated Annual Report and the notice of AGM will be issued on or prior to 29 November 2024.

The annual general meeting will take place at 10h00 on Wednesday, 12 February 2025, at the registered office of the Company. Shareholders are referred to the salient dates and venue below:

MEETING VENUE	The Boardroom Nu-World Holdings Limited, 682 Pretoria Main Road, Wynberg, Sandton
RECORD DATE – to determine which shareholders are entitled to receive the Notice of AGM	Friday, 22 November 2024
PUBLICATION/POSTING DATE	Friday, 29 November 2024
LAST DATE TO TRADE – last day to trade to determine eligible shareholders that may attend, speak and vote at the AGM	Tuesday, 28 January 2025
RECORD DATE – record date to determine eligible shareholders that may attend, speak and vote at the AGM	Friday, 31 January 2025
MEETING DEADLINE DATE (for administrative purposes, forms of proxy for the meeting to be lodged by 10h00)	Monday, 10 February 2025
MEETING DATE	Wednesday, 12 February 2025
PUBLICATION OF RESULTS ON SENS	Wednesday, 12 February 2025
WEBSITE LINK	http://www.nuworld.co.za

SUBSEQUENT EVENTS

No events material to the understanding of this report have occurred during the period between 31 August 2024 and the date of this report.

On behalf of the Board

J.A. Goldberg
Chief Executive Officer
24 October 2024

G.R. Hindle
Financial Director

COMPANY INFORMATION

Nu-World Holdings Limited

Registration number 1968/002490/06

(Incorporated in the Republic of South Africa)

("Nu-World" or "the Company" or "the Group")

Registered office

682 Pretoria Main Road,
Wynberg,
Sandton, 2199
Republic of South Africa
Tel +27 (11) 321 2111
Fax +27 (11) 440 9920

Transfer secretaries

Computershare Investor Services (Pty) Ltd
Rosebank Towers, 15 Biermann Avenue,
Rosebank, 2196

Company secretary

B.H. Haikney

Sponsor

Questco Corporate Advisory
Ground Floor, Block C, Investment Place, 10th Road
Hyde Park, 2196

Auditors

RSM South Africa Inc.
Executive City, Cross Street and Charmaine Avenue
President Ridge, Randburg, 2194

Directors

J.A. Goldberg (Chief Executive Officer)
G.R. Hindle (Financial Director)

Non-executive directors

M.S. Goldberg (Chairman)

J.M. Judin (Lead) (Independent)

F.J. Davidson (Independent)

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