



ABAGOLD

INTERIM REPORT
31 DECEMBER 2024

INTERIM REPORT (UNAUDITED)

FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

ABAGOLD LIMITED

DIRECTORATE

Non-executive

HR van der Merwe

* +

(Chairman of the Board and nomination committee)

YJ Visser

◆ ◆ * +

(Chairman of the risk committee)

JW Wilken

◆ ◆ * +

(Chairman of the audit committee and remuneration committee)

A Archary

* *

(Chairman of the social & ethics committee)

CT Ralebitso

◆ ◆

F Davids

◆ ◆

S Faure

Executive

TR Hedges

*

(Managing Director)

E Manchest

*

(Financial Director)

M Hugo

(Alternate Director)

Company Secretary

P Kubheka

*

◆	=	Member of audit committee
◆	=	Member of risk committee
* +	=	Member of remuneration committee
+	=	Member of nomination committee
*	=	Member of social and ethics committee

ADMINISTRATION

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Abagold Limited

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Auditors

BDO South Africa Incorporated

Bankers

The ABSA Group

Website and share trading

www.abagold.com

Company

registration number

1995/070041/06

Review of the interim results

for the six months ended 31 December 2024

The first half of the fiscal year has delivered a mixed set of results, in both production and sales. The challenges of 2024, especially with the continued inconsistent demand for abalone across most markets, were further impacted by the almost 18% drop in average selling price of South African abalone across all formats. Unfortunately, this price decrease was largely self-inflicted collectively by the South African abalone farms, who were all trying to retain market share, sell excess volume, and justify net asset valuations, while not recognising the inelasticity of the pricing and demand of the abalone product. The situation is exacerbated by the continued low Chinese consumer confidence, reflecting the state of the Chinese economy.

On a more positive note, with the apparent end to rampant loadshedding, the operations team, together with the rest of Abagold, has been able to extract excellent growth numbers at significant reductions in the cost of production. By comparing the cost metric of 'Cost per kilogram of growth' to the comparative period, a reduction in direct cost of 13% reflects the excellent job done by everyone at Abagold.

The abalone sales and marketing team managed both the product mix and the markets as best as possible, considering all the headwinds and challenges they faced, and this is reflected in the total volume sold in the period being 10% more than the comparative period. The significant drop in the abalone selling price has resulted in a 20% decline in abalone revenue, along with a change in the mix and size of products sold. Abagold has therefore maintained its market share in the face of very aggressive activity and an illogical approach by South African competitors. These results can be seen as a reasonable outcome, considering how the business was compelled to apply a defensive strategy in order to successfully protect market share against now larger consolidated competitors.

Although the world, excluding China, shows signs of economic recovery from both a business and travel perspective, the global uncertainty brought about by components such as recent political leadership changes in the USA, continued global conflicts, the potential of prolonged high US Dollar interest rates, and inflationary risks in Europe and the USA, will all play a role in negatively impacting global risk sentiment. Abagold has demonstrated in the past its ability to adapt, change and reshape routes to market, product offerings and even the locations and channels where it sells its range of abalone products. In so doing, the business has been able to cushion the long-term impact on financial results, and remains well prepared for any recovery.

The canned product recall communicated this time last year has still not been settled with the can manufacturer, but Abagold and other players in our industry are now doubling their efforts to achieve a reasonable settlement in the next few months, and management is hopeful that this effort will be rewarded accordingly.

The Abagold culture of resilience and durability has once again been tested in this reporting period and we are pleased that we have managed to sustain both the volume of sales as well as protect the size distribution and quality of our biological assets to enable a full recovery as soon as conditions improve.

The team engages consistently with all our customers to limit market fall-out or concern from pricing changes experienced in the marketplace. At the same time, Abagold is maintaining operational performance excellence and has managed to limit any long-term financial impact on the business. Abagold draws on a well-established and experienced team, with a clear strategy in place, to ensure that the business is best able to leverage all opportunities to deliver consistent performance in the second half of FY25 and to complete a robust set of results for the full financial year.

Review of the interim results

for the six months ended 31 December 2024

FINANCIAL OVERVIEW

Group revenue for the six months to 31 December 2024 was R165 million, a decrease of 10% from the comparative six months in the previous year. This decline in revenue is attributable to the decrease in revenue from abalone sales linked to severe pricing pressure. The reduced abalone US dollar (USD) pricing realised is explained earlier in this report, and was somewhat offset by the significant increase in volume and revenue from Specialised Aquatic Feed (SAF) during the same period.

Operating costs have been well managed in an inflationary environment, remaining flat in the reporting period. The team is managing the controllable cost in line with expected growth, tonnage held, harvesting, feed demand and processing volumes. Payroll costs, utilities and feed remain the largest cost components to the business, and the ability to stabilise electricity cost and supply while containing further increases below inflation, along with achieving further improvements in growth rates, remain critical to the sustainability of the business.

The net profit before tax reflects a positive result for the six months and includes unrealised fair value adjustments impacted positively from ZAR/USD exchange rate fluctuations and improved abalone growth, contributing to a net profit before tax of R15,9 million for the period under review. The Rand has been trading within a range and ended the half year at ZAR18,30/USD. Excluding the fair value adjustments and unrealised forex exchange movements, the Abagold standalone abridged EBITDA profit before tax is R17,3 million compared with R26,6 million in the prior period.

The table below sets out some key comparisons with prior periods:

	UNAUDITED 31 DEC 2024 6 months	UNAUDITED 31 DEC 2023 6 months	% change	AUDITED 30 JUN 2024 12 months
Turnover (Rm)	165	184	(10%)	340
Live equivalent tonnes sold	264	240	10%	433
Feed tonnes sold	2 757	2 323	19%	4 810
Tonnes abalone growth recorded	267	263	2%	537
Total expenses (Rm)	118	115	2%	217
Net profit/(loss) before tax (Rm)	16	(15)	207%	(46)
Cash/generated (utilised) from operations (Rm)	14	16	(12%)	17

Cash generated from operations (CGFO) has remained consistent, reflecting an inflow of cash of R13,7 million compared to a R16,2 million inflow in the comparative period, reflecting an improved working capital management despite the decline in revenue. The CGFO number was positively impacted by the cost reductions and efficiencies; however, the significant drop in South African abalone pricing across the three formats has had a negative impact on CGFO. It is expected that CGFO will remain constrained, with continued pricing pressure. Market conditions are expected to remain tough, but the operational growth and cost management discipline should provide some relief over the next six months and will help deliver an acceptable set of full year results for the business.

The Oman Phase 1 farming operation has been able to fund the majority of the operational costs, with a combination of improved financial support from both the joint venture (JV) partners and the bank. During the period under review, further contribution from equity accounted components, mainly due to Oman, delivered a loss of R2,4 million compared to a

Review of the interim results

for the six months ended 31 December 2024

R11,2 million loss in the comparative period. The Board will be evaluating the full proposed business model for Oman and make a final decision on how best to enhance the investment in Oman and extract value in 2025.

In addition, Abagold spent R5,8 million on capital items, which was lower than the R9,3 million in the prior period. The business continues to invest in new opportunities and critical capital and maintenance projects that will sustain and improve the operational performance over the long term. Capital investments, improvements and expansion are managed in line with available funding. Capex requirements will again be managed during the second half of the year in line with available funding and overall performance.

With the commitment and investment into battery technology to balance the energy requirements of the business between renewables (solar and battery), Eskom and generator power as well as the ongoing investment in Oman, the balance sheet remains under pressure with the debt:equity level high at 68% (including the full value of the battery finance), compared to 51% in the prior year. Despite this pressure, sufficient bank financing, in the form of overdraft and loan facilities, are in place to manage operations, with manageable headroom available.

OPERATIONS

Hatchery and grow-out farms

Hatchery performance has continued on its trajectory of excellence, delivering consistently high-quality spat, and reducing costs significantly through innovation, while meeting all the requirements of the grow-out operations in the reporting period. The business continues to produce excess spat, which are now used exclusively for reseedling at our ranching projects in Namibia and Port Nolloth. As a result of the success of our initial foray into ranching, the business is expanding its involvement, with over 10 tonnes of juvenile abalone planted out in the first six months of FY25. Both of our ranching projects remain on track to achieve future harvest schedules, and the Port Nolloth site is delivering harvest volumes, size and quality in line with expectations for the fiscal year.

The biological pipeline is well balanced and well managed, and lays the foundation for the business to consistently supply a wide range of sizes of abalone, meeting the varying demand and requirements of the evolving and changing market. Total net growth recorded increased by 1,6%, from 263 tonnes in the comparative period last year to 267 tonnes in this reporting period, despite the increase in the average size of the pipeline, which invariably leads to slower growth rates. This clearly reflects the improved growth rates of larger abalone brought about by applying improved and focused farming methodology and constantly leveraging technological innovation. The balance of animals on the farm larger than 200g will help to ensure continued revenue performance in the remainder of the year. In the period under review, the operational and technical teams' hard work in managing costs effectively, ensuring more efficient use of resources and a focused approach to extracting all efficiencies possible is showing benefits. The positive results can be seen in the significant reduction in the cost/kg of growth measure. The recent investments into maintaining and improving infrastructure, consistent farming methodologies, energy efficiency and renewable energy will continue to contribute to improved results.

Performance against key measures such as 'Growth per basket per month', 'Percentage growth' and 'Cost/kg of growth' are all improving against historic levels, and the results from the genetic selection programme are now contributing positively to improved growth on the farm.

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Sales and marketing

Following on from a difficult FY24, Abagold experienced a slight increase in demand, but it was the drop in USD pricing that hurt the business most in comparison with the comparable period. As such, the business delivered sales volumes totalling 264 tonnes of 'live equivalent' abalone in the first half, an increase of 10% on the same period last year. However, total abalone sales revenue was directly impacted by the market conditions and pricing, and ended at R107 million. This was a significant decrease in revenue compared with the comparative period last year, and reflected the noteworthy price decrease and the slight change in product mix. The volumes sold across the three formats, live, dried and canned, were distributed equally, so the impact of the self-inflicted price decrease by South African farms across all formats remains the primary reason why revenue is down so significantly in the past six months. Even though global economic conditions remain uncertain, and the industry continues to be impacted by the inflationary and global conflict pressures, the average USD selling price needs to recover to acceptable levels to ensure improved results.

Abagold produces and promotes its abalone across a multitude of geographies, and this provides a measure of risk diversification and buffer to the business, while the rest of the local industry were fighting each other for market share. With this balanced approach, the team ensured that the Abagold brand maintained its presence and market share in the live, dried and canned markets, even while some of these markets have shown significant volume losses in the reporting period. Compared with the historical demand curve, the market still rewards larger-sized South African abalone in the canned formats, with dried oversupply needing to be alleviated before it makes financial sense to increase volume deliveries into this market in the second half of the year. The continued focus on farming practices, size profile management, quality and sales planning and forecasting remains some of Abagold's differentiators and will continue to enable the business to survive in tough times.

Live abalone demand and pricing have bottomed out in most of the markets after the price decline in May to August this year, and are now delivering consistent monthly revenue on a wide range of sizes and from multiple customers in more than nine territories. Abagold's live product quality has been endorsed as the most consistent quality delivered this year during the extended warm water period in the high demand season. The Abagold live product is highly sought after, due to the consistent quality and supply to both new and traditional long-term customers in multiple geographies.

The marketing and sales team continue to focus on entering, establishing and expanding into new territories and countries, reducing the overall dependence on Hong Kong to below 50% of sales during this period under review. The expansion directly into China stalled during the delayed economic recovery in the region and, although China's challenges continue, refocused efforts into China remain critical to long-term success. Abagold is committed to investing and growing our brand, which has been developed over more than 25 years.

Energy efficiency and renewables

The investment made by Abagold into a suite of renewable energy sources, including both solar and a fully owned 5,7 MW battery have helped the business to reduce overall energy costs and somewhat cushion the statutory electricity tariff increases passed on by Eskom. The solar impact, at a fixed cost, through the Power Producers Agreement is now operating efficiently across all three farms, and the battery is being used to reduce the average cost of electricity through electricity tariff arbitrage. Management is evaluating a further expansion in solar power installations, and this will be reviewed in the second half of the current fiscal year.

An indication of the progress made in managing energy efficiency is reflected in the total energy usage versus the corresponding period, which decreased by 6,9% in total MW consumption, due to the improved mix of energy supply and

Review of the interim results

for the six months ended 31 December 2024

no loadshedding. The financial benefit reflects a truly impressive 18,7% improvement in the Rand cost of electricity, assisted by the absence of loadshedding during the current reporting period, which also has a significant impact on the level of maintenance and wear and tear experienced on our generator fleet.

Oman

Phase 1 of the abalone farm in Oman has now been producing spat successfully in the hatchery and growing the abalone on the farming unit since August 2022. The Oman operations team is now fully established in Mirbat. Although they have struggled to achieve some of the targeted growth rates over the past twelve months, management is focusing on planned improvements and proposed changes that will yield results to inform the decision on further expansion. Furthermore, the business is conducting ranching trials, which it hopes to convert into commercially viable operations in the near future. The programme will follow the experience of South Africa, and the juvenile abalone from the operation in Mirbat will be planted in the sea for harvest three to four years later. The collaboration with the Omani Ministry of Fisheries and Environment is assisting the progress of this initiative and helping with the seaweed collection and feeding permits required for the farm.

Specialised Aquatic Feeds (SAF)

Specialised Aquatic Feeds (SAF) started the financial year strongly with a significant increase in both total revenue and volumes. The strategy to align with the growing pet food market is providing the expected positive results and has allowed SAF to be less dependent on any one industry or customer. Efficiency improvements and good production management allowed SAF to deliver a profitable half-year performance. The FY25 plan for SAF to become a sustainable operation is now well on track to deliver these results. The SAF team remains committed and positive and has acted responsibly throughout the year, while adjusting to the fast-changing environment and global conditions.

This commitment in the first half resulted in sales of 2,757 tonnes, an increase of 18,6% year on year. Total revenue of R69,3 million (including inter-group sales) was also 18,6% higher than the comparative period. The slightly improved gross profit margin for the year on some of the newer products and the change in mix resulted in a net profit before tax of R1,6 million (prior period: R0,6 million), with positive cash generated from operations of R4,4 million for the half year.

SAF remains a critical and strategic partner to Abagold, and during the reporting period the business repurchased the minority stake held by Viking Aquaculture, making SAF once again a 100% held subsidiary. The business will continue to improve efficiencies in operations and product improvements to enhance abalone growth on the Abagold farms, while servicing the new range of customers across the product range of pet foods, tilapia, catfish, koi, snail and pigeon markets nationally and into Africa.

Abagold farm management appreciates the continued improvements and innovation on the abalone feed produced by SAF which is delivering impressive growth performance, especially on the larger-sized abalone. SAF has made significant investments into automated packaging lines for smaller pet food retail bags as well as adding bulk and rack storage to accommodate the increased volume in the warehouse. Forecasting accuracy, improved raw material procurement and managing of both finished goods and raw materials in the warehouse system are the key focus areas for SAF in 2025.

Management is of the view that SAF has turned the corner and will continue to grow as efficiency improves and demand increases.

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for the six months ended 31 December 2024

PROSPECTS

The focus of the business is on retaining the customer base, maintaining strategic partnerships with our long-time sales partners, and encouraging the South African abalone industry to be responsible by starting to raise USD prices in the market as demand recovers and new markets open up. The industry should leverage the competition commission exemption to collaborate on pricing and thereby correct the pricing errors of 2024. The business is well positioned to leverage the full value of the mature biological pipeline and to start delivering consistent returns once more. The recent focus on cost controls and efficiency improvements across the business will remain a firm commitment from management.

Port Nolloth Sea Farm Ranching is delivering consistent product harvest, and the plantings in Namibia will continue in the year ahead. Therefore, whenever there are surplus juvenile abalone available to plant in Namibia or to sell to Port Nolloth, the company will continue a flow of juvenile abalone to the ranching areas, securing future supply of large, ranched abalone.

The business's commitments include efficient and cost-effective operational performance, while managing external disruptive factors, such as market demand volatility, pricing instability, competition, environmental challenges and diverse energy supply. Maintaining and improving the diverse customer base across multiple geographies and opening new markets in North America and China will be invaluable to Abagold in the future. The business aims to achieve the Oman targeted growth performance and initiate the ranching operation, which will assist any future expansion of the investment in Oman. There are some potential expansion opportunities in South Africa, but management will approach these conservatively while ensuring that the long-term sustainability of the business remains secure.

It is critical that improved pricing is achieved, and consistent demand is a vital component of this improvement too. Achieving a positive financial result with improved 'cash generated from operations' will be critical for the business. Together with an improved economic outlook globally, this should bode well for the overall performance of the business.

DIVIDEND

Due to the uncertain times in which Abagold is currently operating, linked directly to the abalone market and pricing, together with other business requirements for long-term sustainability described in this report, the Board regrets to announce that there will be no dividend for the interim reporting period of the 2025 financial year.

The management and board of Abagold remain committed to enhance shareholder value with a credible, consistent, and effective dividend policy, but also believe that all shareholders will understand the decision in these extraordinary times.

Signed on behalf of the Board of Directors at Hermanus on 14 February 2025.



HR van der Merwe
Chairman



TR Hedges
Managing Director

Condensed consolidated statement of financial position at 31 December 2024

	UNAUDITED 31 DECEMBER			AUDITED 30 JUNE
	2024 R'000	% change	Restated * 2023 R'000	2024 R'000
ASSETS				
Non-current assets	294 372		323 312	294 460
Property plant and equipment	232 457	(5%)	245 575	239 863
Biological assets	38 476	(20%)	48 310	30 084
Trademarks	30	18%	25	26
Right-of-use of asset	2 384	(10%)	2 649	2 384
Goodwill	7 979	(0%)	7 979	7 979
Loan receivable	4 708	50%	3 140	3 601
Equity accounted investments	8 338	(47%)	15 634	10 523
Current assets	254 650		226 976	253 466
Current portion of biological assets	210 751	19%	176 514	188 970
Inventories	35 030	34%	26 215	37 058
Trade and other receivables	8 361	(63%)	22 513	20 274
Derivative financial instruments	-	100%	1 723	3 935
Cash and cash equivalents	508	4519%	11	3 229
Total assets	549 022		550 288	547 926
EQUITY AND LIABILITIES				
Equity	243 130		262 420	238 200
Share capital	21 637	-	21 637	21 637
Share premium	87 498	-	87 498	87 498
Retained earnings	133 995	(9%)	146 642	122 538
Non-controlling interest	-	(100%)	6 643	6 527
Total equity	243 130	(7%)	262 420	238 200
Non-current liabilities	199 146		193 268	202 997
Deferred income tax	88 724	(6%)	94 642	84 071
Lease liability	7 312	2%	7 169	6 650
Deferred income grant	5 641	(14%)	6 541	6 092
Long-term borrowings	96 504	15%	83 629	105 219
Trade and other payables	965	(25%)	1 287	965
Current liabilities	106 746		94 600	106 729
Current portion of deferred income grant	900		900	900
Current portion of long-term borrowings	36 568	59%	22 982	20 668
Current portion of lease liability	629	1%	625	1 291
Trade and other payables	20 532	(50%)	41 063	41 647
Derivative financial instruments	3 700	-	-	-
Bank overdraft	44 417	53%	29 030	42 223
Total liabilities	305 892	6%	287 868	309 726
Total equity and liabilities	549 022		550 288	547 926

* Refer to the restatement note.

Condensed consolidated statement of financial position at 31 December 2024

	UNAUDITED 31 DECEMBER			AUDITED 30 JUNE
	2024 6 months R'000	% change	2023 6 months R'000	2024 12 months R'000
Revenue	165 323	(10%)	184 048	340 192
Finance income	-	-	-	3
Other income	3 523	(33%)	5 264	5 778
Fair value of sold abalone	(86 396)	(21%)	(108 966)	(221 113)
Fair value (losses)/gains in financial instruments	(2 337)	(151%)	4 540	8 946
Fair value gains on biological assets	119 550	21%	98 520	189 481
Impairment of inventory	-	(100%)	(10 415)	-
Production costs	(36 424)	(6%)	(38 634)	(51 559)
Consumption of raw material	(50 382)	8%	(46 783)	(90 473)
Export cost	(13 043)	(13%)	(14 991)	(28 785)
Employee benefit expenses	(41 119)	(7%)	(44 415)	(88 018)
Depreciation and amortisation	(13 102)	18%	(11 094)	(23 907)
Other operating expenses	(17 267)	(3%)	(17 724)	(37 064)
Stock write-off for product recall	-	-	-	(7 914)
Impairment of loan receivable	-	-	-	(1 910)
Profit/(loss) from operations	28 334		650	(6 343)
Finance costs	(9 988)	123%	(4 486)	(16 888)
Share of loss of equity accounted investments	(2 436)	(78%)	(11 153)	(22 319)
Profit/(loss) before income tax	15 909	203%	(16 289)	(45 550)
Income tax	(5 012)	(474%)	1 341	6 634
Profit/(loss) for the year from continuing operations	10 898	177%	(14 948)	(38 916)
Other comprehensive income	-		-	-
Profit/(loss) for the period	10 898	177%	(14 948)	(38 916)
Total comprehensive income/(loss) for the period:				
Owners of Abagold Limited	10 898	178%	(14 822)	(39 352)
Non-controlling interest	-	-	(126)	438
Total comprehensive income/(loss) for the period	10 898	177%	(14 948)	(38 916)

Condensed consolidated statement of financial position at 31 December 2024

	UNAUDITED 31 DECEMBER			AUDITED 30 JUNE
	2024 6 months R'000	% change	Restated* 2023 6 months R'000	2024 12 months R'000
Balance at the beginning of the period	238 200	(13,8%)	277 114	277 114
Total comprehensive income/(loss) for the period	10 898	178%	(14 822)	(39 352)
Share buyback	(5 970)	-	-	-
Profit relating to non-controlling interest	-	(100%)	126	438
Equity at the end of the period	243 129	(7%)	262 420	238 200

* Refer to restatement note.

Condensed consolidated statement of financial position at 31 December 2024

	UNAUDITED 31 DECEMBER			AUDITED 30 JUNE
	2024 6 months R'000	% change	2023 6 months R'000	2023 12 months R'000
CASH FLOW FROM OPERATING ACTIVITIES	3 692		11 673	1 774
Cash received from clients	187 234	(13%)	214 196	347 465
Cash paid to suppliers and employees	(173 554)	(12%)	(198 037)	(330 091)
Cash generated from operations	13 680	15%	16 159	17 374
Finance costs	(9 988)	123%	(4 486)	(15 600)
CASH FLOW FROM INVESTMENT ACTIVITIES	(12 196)		(9 214)	(22 338)
Purchases of property, plant and equipment	(5 804)	(38%)	(9 290)	(12 672)
Proceeds from disposal of property, plant and equipment	174	129%	76	179
Investment in equity accounted entities	(616)		-	(8 595)
Share buy back	(5 950)		-	-
Other investments	-		-	(1 250)
CASH FLOW FROM FINANCING ACTIVITIES	3 589		1 503	14 186
Advance in long-term borrowings	12 843	47%	8 760	42 364
Repayment of long-term borrowings	(9 254)	27%	(7 257)	(25 149)
Loans with associates	-		-	(3 029)
Net cash flow for the period	(4 915)	(224%)	3 962	(6 378)
Cash and cash equivalents – beginning of the period	(38 994)	18%	(32 981)	(32 616)
Cash and cash equivalents – end of the period	(43 909)		(29 019)	(38 994)

Notes to the interim results

for the six months ended 31 December 2024

1. CORPORATE INFORMATION

Abagold Limited (the “Company”) is a company incorporated and domiciled in South Africa. The Company owns 100% (2023: 70%) of Specialised Aquatic Feeds (Proprietary) Limited which produces and sells formulated feeds, and 100% of Mean Sea Level (Pty) Ltd, a supplier of renewable energy.

2. ACCOUNTING POLICIES AND BASIS OF PREPARATION

Basis of preparation

The interim financial statements are presented in Rands, rounded off to the nearest thousand.

The financial statements are prepared in accordance with and comply with the requirements of International Financial Reporting Standards (IFRS). In addition, the financial statements comply with IAS 34 (Interim Financial Reporting) and relevant sections of the South African Companies Act of 2008, as amended. The accounting policies and basis of presentation have been applied consistently with the previous period.

Interim condensed financial statements do not include all the information and the disclosures required in the audited annual financial statements, and should be read in conjunction with the Company's audited annual financial statements as at 30 June 2024. The 30 June 2024 figures are included for ease of reference and comparison.

Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 June 2024.

3. EARNINGS PER SHARE

	UNAUDITED 31 DECEMBER		AUDITED 30 JUNE
	2024 R'000	Restated * 2023 6 months R'000	2024 R'000
Basic and diluted earnings – profit/(loss) attributable to ordinary shareholders	10 898	(14 822)	(38 916)
Weighted average number of ordinary shares (in thousands)	140 548	140 548	140 548
Potential shares due to conversion of the AE Ordinary Shares	7 654	1 536	7 654
Weighted number of diluted ordinary shares (in thousands)	148 202	142 084	148 202
Basic earnings/(loss) per share (in cents per share)	7,75	(10,55)	(27,69)
Diluted earnings/(loss) per share (in cents per share)	7,35	(10,55)	(27,69)

* Refer to restatement note.

Note: On 31 March 2023, Abagold issued 15,6 million AE Ordinary Shares to the Employee Share Ownership Trust, which has Abagold employees as the beneficiaries.

Notes to the interim results

for the six months ended 31 December 2024

4. RESTATEMENT NOTE

Certain comparative figures have been restated, however these changes are not material.

In 2024, Abagold consolidated the Abagold Empowerment Trust for the first time after being introduced in 2023. The restatement impacted the opening “Total equity” for the comparatives which included an “Empowerment Trust Share Reserve” of R429 000 and which was re-classified as a “Share based payments liability”.

5. SIGNIFICANT POST BALANCE SHEET EVENTS

There were no significant post balance sheet events.

