

AUDITED RESULTS
For the year ended 31 March 2019



OMNIA

Trusted Performance Innovative Solutions
BETTER WORLD

FINANCIAL FEATURES



REVENUE UP 7% TO
R18 628 MILLION



OPERATING PROFIT DOWN
98% TO **R24 MILLION**



LOSS BEFORE TAX
OF **R414 MILLION**



LOSS AFTER TAX
OF **R407 MILLION**



BASIC EARNINGS PER
SHARE OF **(609 LOSS)**
CENTS



HEADLINE EARNINGS
PER SHARE OF **(112 LOSS)**
CENTS



ORO AGRI
ACQUISITION
EFFECTIVE FROM
1 MAY 2018



NITROPHOSPHATE
PLANT AT SASOLBURG
COMMISSIONED
24 MARCH 2019



BBBEE RATING
LEVEL 3



GROUP
RECORDABLE CASE
RATE OF **0.36**

SUMMARY CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2019

Rm	Audited 2019	Audited 2018	%
Revenue	18 628	17 372	7
Cost of sales	(14 495)	(13 462)	(8)
Gross profit	4 133	3 910	6
Distribution expenses	(2 140)	(1 815)	(18)
Administrative expenses	(1 500)	(1 233)*	(22)
Other operating income	325	461	(30)
Other operating expenses	(384)	(213)	(80)
Impairment losses on non-financial assets	(340)	–	>(100)
Impairment losses on financial assets	(97)	–*	>(100)
Share of net profit of investments: equity method	27	46	(41)
Operating profit	24	1 156	(98)
Net finance expenses	(438)	(270)	(62)
(Loss)/profit before taxation	(414)	886	>(100)
Income tax credit/(expense)	7	(222)	>100
(Loss)/profit for the year	(407)	664	>(100)
Attributable to:			
Owners of Omnia Holdings Limited	(414)	666	>(100)
Non-controlling interest	7	(2)	>(100)
(Loss)/profit for the year	(407)	664	>(100)
Earnings per share from profit attributable to owners of Omnia Holdings Limited			
Basic earnings per share (cents)	(609)	985	>(100)
Diluted earnings per share (cents)	(609)	927	>(100)
Headline earnings per share (cents)	(112)	991	>(100)
Diluted headline earnings per share (cents)	(112)	933	>(100)

* Impairment of financial assets under IAS 39 of R114 million in FY2018 is included in administrative expenses.

SUMMARY CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2019

Rm	Audited 2019	Audited 2018	%
(Loss)/profit for the year	(407)	664	>(100)
Other comprehensive income, net of tax			
Currency translation differences	193	(491)	>(100)
Total comprehensive income for the year attributable to:	(214)	173	>(100)
Owners of Omnia Holdings Limited	(232)	175	>(100)
Non-controlling interest	18	(2)	>(100)

SUMMARY CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2019

Rm	Audited 2019	Audited 2018	%
ASSETS			
Non-current assets	8 140	6 181	32
Property, plant and equipment	5 425	4 588	18
Goodwill and intangible assets	2 488	1 363	83
Investment accounted for using the equity method	49	71	(31)
Trade and other receivables	106	128	(17)
Deferred income tax assets	72	31	>100
Current assets	8 507	9 221	(8)
Inventories	3 883	4 190	(7)
Trade and other receivables	3 838	3 686	4
Derivative financial instruments	59	103	(43)
Income tax assets	83	131	(37)
Cash and cash equivalents	644	1 111	(42)
Total assets	16 647	15 402	8
EQUITY			
Capital and reserves attributable to the owners of Omnia Holdings Limited	7 123	7 488	(5)
Stated capital	1 604	1 597	4
Treasury shares	(123)	(123)	–
Other reserves	1 048	812	29
Retained earnings	4 594	5 202	(12)
Non-controlling interest	102	(5)	>100
Total equity	7 225	7 483	(3)

Rm	Audited 2019	Audited 2018	%
LIABILITIES			
Non-current liabilities	1 091	1 924	(43)
Deferred income tax liabilities	733	666	10
Trade and other payables	313	190	65
Interest-bearing borrowings	45	1 068	(96)
Current liabilities	8 331	5 995	39
Trade and other liabilities	3 300	3 378	(2)
Derivative financial instruments	29	32	(9)
Interest-bearing borrowings	2 745	15	>100
Bank overdrafts	2 257	2 570	(12)
Total liabilities	9 422	7 919	19
Total equity and liabilities	16 647	15 402	8
Net interest-bearing borrowings (Rm)	4 403	2 542	73
Net asset value per share (Rand)	105	108	(3)
Capital expenditure (Rm)			
Depreciation	418	384	9
Amortisation	197	62	>100
Capital expenditure incurred	1 120	887	26
Authorised but not contracted for	180	409	(56)
Authorised and contracted for	147	403	(64)

SUMMARY CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2019

Rm	Audited 2019	Audited 2018
Net cash inflow/(outflow) from operating activities	311	(767)
Cash generated from/(utilised by) operations	998	(133)
Interest paid	(561)	(335)
Interest received	43	42
Income taxes paid	(169)	(341)
Net cash outflow from investing activities	(2 059)	(1 452)
Purchase of property, plant and equipment	(977)	(721)
Proceeds on disposal of property, plant and equipment	2	13
Additions to goodwill and intangible assets	(143)	(166)
Acquisition of business	(941)	(578)
Net cash inflow from financing activities	1 463	601
Movement in treasury shares	–	(3)
Repayment of interest-bearing borrowings	(111)	(29)
Interest-bearing borrowings raised	1 727	940
Acquisition of non-controlling interest	–	(45)
Dividends paid	(153)	(262)
Net decrease in cash and cash equivalents	(285)	(1 618)
Net cash and cash equivalents at beginning of year	(1 459)	262
Exchange rate movements	131	(103)
Net cash and cash equivalents at end of year	(1 613)	(1 459)

RECONCILIATION OF HEADLINE EARNINGS

FOR THE YEAR ENDED 31 MARCH 2019

Rm	Audited 2019	Audited 2018
(Loss)/profit for the year attributable to owners of Omnia Holdings Limited	(414)	666
(Profit)/loss on disposal of property, plant and equipment	(2)	7
Impairment of property, plant and equipment	16	–
Impairment of goodwill	324	–
Insurance proceeds for replacement of property, plant and equipment	–	(3)
Headline earnings	(76)	670

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2019

Rm	Attributable to the owners of Omnia Holdings Limited					Non- controlling interest	Total
	Stated capital	Treasury shares	Other reserves	Retained earnings			
At 31 March 2017	1 500	(120)	1 367	4 798		(3)	7 542
<i>Recognised income and expenses for the year</i>							
Profit for the year	–	–	–	666		(2)	664
Currency translation difference	–	–	(491)	–		–	(491)
<i>Transactions with shareholders</i>							
Ordinary shares issued	97	–	(97)	–		–	–
Ordinary dividends paid	–	–	–	(262)		–	(262)
Movement in treasury shares	–	(3)	4	–		–	1
Share-based payment – value of services provided	–	–	29	–		–	29
At 31 March 2018	1 597	(123)	812	5 202		(5)	7 483
<i>Implementation of new standards</i>							
Change in accounting policy IFRS 9 (net of tax)	–	–	–	(41)		–	(41)
At 1 April 2018	1 597	(123)	812	5 161		(5)	7 442
<i>Recognised income and expenses for the year</i>							
Loss for the year	–	–	–	(414)		7	(407)
Currency translation difference	–	–	182	–		11	193
<i>Transactions with shareholders</i>							
Acquisition of business	–	–	–	–		89	89
Ordinary shares issued	7	–	(7)	–		–	–
Ordinary dividends paid	–	–	–	(153)		–	(153)
Share-based payment – value of services provided	–	–	61	–		–	61
At 31 March 2019	1 604	(123)	1 048	4 594		102	7 225

ADDITIONAL INFORMATION

FOR THE YEAR ENDED 31 MARCH 2019

	Audited 2019	Audited 2018
Weighted average number of shares in issue ('000)	67 975	67 607
Weighted average number of diluted shares in issue ('000)	71 745*	71 848
Number of shares in issue ('000) (excluding treasury shares)	68 005	67 948

* Due to the net loss incurred by the Group, all dilutive potential ordinary shares are anti-dilutive.

NOTES

BASIS OF PREPARATION

The summary Annual Financial Statements for the year ended 31 March 2019 (financial results) have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and financial pronouncements as issued by the Financial Reporting Standards Council presentation and disclosures as required by IAS 34 Interim Financial Reporting, the JSE Listings Requirements and the Companies Act of South Africa, Act 71 of 2008, as amended. The preparation of these financial results was supervised by the Group finance director, T Gobalsamy CA(SA).

The financial results have been prepared using accounting policies that comply with IFRS and which are consistent with those applied in the preparation of the financial statements for the year ended 31 March 2018, unless otherwise stated. The accounting standards, amendments to issued accounting standards and interpretations, which are not yet effective as at 31 March 2019, have not been adopted by the Group. The directors take full responsibility for the preparation of the financial results and the financial information has been correctly extracted from the underlying Annual Financial Statements.

In determining the appropriate basis of preparation of the financial statements, the directors are required to consider whether the Group and company can continue to operate for the foreseeable future.

At the date of approving of these financial statements, the Group's operating focus, the availability of continued borrowing facilities and the Group's actions to reduce debt levels through the rights issue has resulted in the directors concluding that the going concern assumption is an appropriate basis of preparation for these financial statements.

AUDIT OPINION

The Group's auditors, PricewaterhouseCoopers Inc. (PwC), have issued their opinion on the Group's Annual Financial Statements for the year ended 31 March 2019. The audit was conducted in accordance with International Standards on Auditing. PwC has issued an unmodified audit opinion. These financial results have been derived from the audited Group Annual Financial Statements and are consistent in all material respects with the audited Group annual financial statements but are not audited. Any reference to future financial performance included in this announcement has not been reviewed or reported on by PwC. Refer to page 35 of this report for the independent auditor's report on the summary Annual Financial Statements.

SEGMENTAL INFORMATION

The Group's chief operating decision-maker has been identified as the executive committee consisting of the group managing director, the finance director, managing directors from each of the Group's operating segments and the executive for business initiatives. The executive committee is responsible for allocating resources, assessing the performance of operating segments and making strategic decisions. The executive committee reviews the Group's performance from both a product and a geographical perspective and has identified the following eight operating segments within the Group:



AGRICULTURE DIVISION

Agriculture RSA: This segment produces and trades in granular, liquid and speciality fertilizers and humates and value-added services and solutions to a broad customer base including commercial and small-scale farmers, co-operatives and wholesalers in South Africa. This business also supplies the Agriculture International, Mining RSA and Mining International businesses.

Agriculture International: This segment produces and trades in granular, liquid and speciality fertilizers and humates and value-added services and solutions to a broad customer base outside South Africa.

Agriculture Trading: This segment relates to the wholesale and trading of agriculture commodities throughout Africa. The Agriculture Trading model will be reviewed and realigned to improve the return on net working capital, the generation of cash and to better leverage the Group's market position.

Agriculture Biological: This segment is involved in the research and development, production, distribution and sales of a unique range of patented agriculture biological (AgriBio) products. The key product ranges include bio-stimulants, adjuvants, crop protection products, liquid foliar fertilizers and soil conditioners for large-scale agriculture applications, including all row, stone fruit, pasture and other crop types, as well as smaller pasture, lawn and garden applications.



MINING DIVISION

Mining RSA: This segment comprises the Bulk Mining Explosives (BME) and Protea Mining Chemicals businesses in South Africa. The businesses focus on blasting agents – bulk emulsion and blended bulk explosives – complemented by an innovative electronic detonator system and modern software that are crucial to cost-efficient and safe rock breaking, non-electric detonators and other blasting products, equipment, accessories, services and solutions. A large part of Mining RSA's revenue relates to the recovery of costs for resources on mines. These businesses also supply the Mining International business.

Mining International: This segment relates to the BME and Protea Mining Chemicals businesses outside of South Africa. The businesses focus on blasting agents – bulk emulsion and blended bulk explosives – complemented by an innovative electronic detonator system and modern software that are crucial to cost-efficient and safe rock breaking, non-electric detonators and other blasting products, equipment, accessories, services and solutions.



CHEMICALS DIVISION

Protea Chemicals: Protea Chemicals is a long-established and well-known manufacturer and distributor of specialty, functional and effect chemicals, polymers and other services and solutions. This reportable segment relates to the larger South African part of the business and smaller international part of the business. Among the services and solutions provided are technical support in all sectors (water, nutrition and personal care) and an offshore delivery of methanol to oil rigs called FPSO.

Chemicals Petroleum: This segment supplies lubricant additives, base oils, process oils and chemicals.



HEAD OFFICE AND ELIMINATIONS

OMNIA

Head office services include acquisition activities and the effect of amortisation of intangible assets required in Umongo Petroleum and Oro Agri and financing activities for the Group.

Operating segments have not been aggregated and are all individually reported as reportable segments. Operating segments have been grouped in terms of the three industries which the Group operates in, being Agriculture, Mining and Chemicals. The executive committee primarily reviews revenue, operating profit and profit before tax to assess the performance of each operating segment and also receives information about each operating segment's net working capital and net controlled assets on a monthly basis.

In the current financial year, tough economic conditions, higher debt levels and a focus on working capital levels required the executive committee to analyse information differently for clarity and decision making. Changes relate to balance sheet information on net controlled assets. Comparative information was restated so that the executive committee could view the relative performance and position of operating segments. This restatement to the comparative information has also been presented hereafter.

NOTES CONTINUED

SEGMENTAL ANALYSIS OF INCOME STATEMENT

for the year ended 31 March 2019

Rm	Gross revenue 2019	Gross revenue 2018	Net revenue ¹ 2019	Net revenue 2018	Operating profit 2019	Operating profit 2018	Profit before taxation 2019	Profit before taxation 2018
Total Agriculture	9 414	9 154	8 240	8 078	370	574	158	419
Agriculture RSA	5 661	5 349	4 487	4 273	93	295	(58)	177
Agriculture International	2 081	2 592	2 081	2 592	169	263	131	232
Agriculture Trading	961	1 213	961	1 213	3	16	(3)	10
Agriculture Biological	711	–	711	–	105	–	88	–
Total Mining	5 105	5 142	4 885	5 139	169	343	98	279
Mining RSA	2 104	2 253	2 104	2 250	21	76	(16)	43
Mining International	3 001	2 889	2 781	2 889	148	267	114	236
Total Chemicals	5 301	4 359	5 301	4 355	10	163	(34)	111
Chemicals	4 108	4 004	4 108	4 000	(68)	148	(102)	109
Chemicals Petroleum	1 193	355	1 193	355	78	15	68	2
Head office and elimination²	–	–	–	–	(525)	76	(636)	77
Reconciling items³	(164)	67	202	(200)	–	–	–	–
Total	19 656	18 772	18 628	17 372	24	1 156	(414)	886

¹ Net revenue excludes intercompany transactions eliminated on consolidation.

² Head office and elimination includes acquisition-related costs, amortisation of intangible assets from the acquisition, employee share-based payment expenses, interest allocated to the carrying value of the intangible assets of Umongo Petroleum and Oro Agri and certain once-off costs.

³ Reconciling items arise because of the difference between the way in which executive management analyses the financial information and IFRS requirements.

NOTES CONTINUED

SEGMENTAL ANALYSIS BALANCE SHEET

as at 31 March 2019

Rm	Net working capital 2019	Net working capital 2018	Net controlled assets 2019	Net controlled assets 2018
Total Agriculture	2 539	2 463	6 631	5 781
Agriculture RSA	965	1 486	4 508	4 414
Agriculture International	1 053	849	1 318	1 239
Agriculture Trading	217	128	217	128
Agriculture Biological	304	–	588	–
Total Mining	1 196	1 261	2 231	2 247
Mining RSA	363	332	1 148	1 096
Mining International	833	929	1 083	1 151
Total Chemicals	1 154	1 164	1 570	1 617
Protea Chemicals	876	811	1 275	1 250
Chemicals Petroleum	278	353	295	367
Head office and elimination⁴	(483)	(238)	1 905	1 189
Reconciling items⁵	(142)	(129)	–	–
Total	4 264	4 521	12 337	10 834

⁴ Head office and elimination includes acquisition-related balances and employee share-based payment balances.

⁵ Reconciling items arise because of the difference between the way in which executive management analyses the financial information and IFRS requirements.

EXECUTIVE SUMMARY

CAPITAL RESTRUCTURE

- On 30 May 2019 the Group announced a R2 billion rights issue
- The proceeds of rights issue will reduce debt. This will result in a sustainable debt structure going forward.
- The board is of the view that this capital restructure, together with a well thought through turnaround strategy, will stand the business in good stead once implemented

PERFORMANCE

The Group made a loss of R407 million for the 2019 financial year compared to a profit of R664 million for the same period in the prior year.

The main factors affecting the operational performance in the three main divisions were as follows:

- **Agriculture division** – Lower profits were largely driven by exchange rate volatility, market and price pressures (low prices for key agriculture commodities, in Africa and globally), economic challenges in Zimbabwe and an unstable political climate. Further pressure on regional demand as a consequence of various droughts and unfavourable weather patterns have disrupted planting patterns. Other factors include high inflation and other costs required to address local challenges (labour, energy, taxes) compared to inexpensive imports with no import protection in place
- **Mining division** – Lower profits were driven by uncertainty regarding the outcome of the Mining Charter and slow reinvestment in the market. Furthermore, increased competition and oversupply, leading to local margin pressure as well as price pressure on mining supplies as a direct result of cost-cutting activities in the mining sector, has put this business under severe pressure. Cost competitiveness of mining in core regions, coupled with uncertainty, is resulting in low growth locally when compared to other countries
- **Chemicals division** – Lower profits were driven by a decrease in commodity prices and a decline in demand, resulting from a general slowdown in the sector. Low oil prices filtered through into reduced pricing on oil-based products. The South African manufacturing sector stagnation has suppressed chemical demand and even though this business has now been rightsized to implement a new strategy, the effectiveness of this strategy on the business performance will only become apparent in the next financial year

Overall the Group's operating margin was 0.1% for the year, down from 6.7% in the prior year. Following the adjustment of the once-off items in the current year's results, as set out below, the current year operating margin is 2.3%:

- A further impairment of a problematic debtor in Angola of R44 million, now fully provided for
- Protea Chemicals incurred R35 million to restructure its business. As a result, annual costs of R75 million have been removed from the business on an ongoing basis, however this full benefit will only be realised in FY2020. Phase two of the process has commenced which will result in additional annual savings and improved quality of business as part of its newly developed strategy. Notwithstanding these actions, management included an impairment of the entire goodwill balance of R324 million due to historical performance
- The Emerging Farmers programme, in a year of drought, continues to be under stress linked to the financial pressure experienced by farmers. To this end a further provision has been made for expected losses. Management action has been implemented to reduce the risks within this business and to reduce the exposure of the Group
- Both businesses in Zimbabwe, Fertilizer Zimbabwe and Acol Chemicals, have been impacted by an intentional slowdown in business due to the liquidity constraints in the country. In addition, their financial results have been reduced (by c.R95 million) to approximately one quarter of their nominal value following the introduction of an alternative currency in Zimbabwe namely the RTGS dollar (real time gross settlement) through the impact of the accounting treatment on the change in functional currency
- Net share-based payment charges of R54 million relates to the Group's share schemes. The Group's 12 year BBBEE share scheme, Sakhile 1, increased with a non-cash share-based payment charge of R80 million
- Transaction costs linked to the acquisition of Oro Agri of R28 million

EXECUTIVE SUMMARY CONTINUED

The Group completed the acquisition of Oro Agri effective 1 May 2018. Overall, this business performed slightly below expectation due to global trade wars and the drought experienced in Brazil. Oro Agri is a rapidly growing business, and the Group has invested in a production and research facility in Europe which will assist in future growth.

BALANCE SHEET

- R4 403 million (2018: R2 542 million) of net interest-bearing borrowings at 31 March 2019, an increase from the prior year due to debt funding of working capital and financing of the nitrophosphate plant
- Credit rating issued in October 2018 remained unchanged at A- (Long Term) and A1- (Short Term) with a stable outlook, however, the Group has recently been placed on a rating watchlist

OPERATIONAL

- Level 3 BBBEE rating remained unchanged
- Reportable case rate was 0.36 (2018: 0.47) at year end
- Completion of the nitrophosphate plant ahead of schedule on 24 March 2019

DIVIDENDS

- Interim dividend declared of 75 cents per share down 63% (2018: 200 cents)
- No final dividend (2018: 150 cents)

MARKET CONTEXT

The current financial year experienced adverse market conditions, marked by droughts and late rains, a volatile rand currency, changes in the local and international mining industry, and overall difficult global trading conditions.

South Africa found itself in an economic recession in 2018. The 2018 recession spanned the first half of the financial year, recovering in the second half with overall annual growth at 0.8% driven by the growth of the finance, and business services industries. However, the core markets within which Omnia trades, agriculture and mining, were worst impacted, creating a highly cost-conscious customer with low liquidity.

The agriculture sector had a difficult year, registering a contraction of 4.8%. A slowdown in the production of field crops and horticultural products stunted growth in the first two quarters.

Globally, agriculture commodities remain in a cycle of lower prices, placing pressure on input supplier margins and volumes. In African markets, the low agriculture commodity prices impacted on farmers' ability to settle their debt and also made farmers more susceptible to using inexpensive input supplies. Overall Omnia's trade in the international markets is subject to economic and currency developments, apart from specific industry sector challenges similar to that of South Africa. Omnia's international agriculture businesses are well established in the countries where it has a physical presence (Zambia, Zimbabwe, Mozambique, Brazil, and Australia) while the southern African region is supported by sales directly from manufacturing facilities in South Africa.

The Zimbabwean budget deficit increased in 2018, worsening liquidity shortages. The introduction of an electronic clearance system (RTGS) and so called 'Bond' notes and coins introduced a new local currency. The Zimbabwean Reserve Bank established an inter-bank foreign exchange market for RTGS on 20 February 2019. While official rates were published from that date, access to those official rates remains a challenge in Zimbabwe. This has resulted in a rapid inflationary increase as people stocked up on basic commodities such as fuel and food. The liquidity issues in Zimbabwe remain a major concern for the next year and the situation in the country is expected to remain fluid; subsequent to 31 March 2019 the rate continued to deteriorate.

In Australia, the weakening Australian dollar had a positive impact on agriculture product exports from Australia to other countries. The expected increase of agriculture exports from Brazil to China, replacing volumes previously supplied by the USA, did not materialise as expected due to the drought experienced in Brazil.

South African mining production contracted by 1.6% compared to 2018 despite growth experienced in the rest of the world. In the mining sector, there was positive news with the finalisation of the Mining Charter and improving commodity prices, however, reinvestment for mining remains slow as mining in other countries is more attractive (South African mines are not competitive and government regulation is onerous). As a result, the low investment is evident by the fact that only 1% of global exploration is spent on exploration in South Africa, while 6% is spent on exploration in both Canada and Australia. The mining sector in Africa continues to move forward in terms of new mining developments and expansion of existing operations. In Australia, miners are benefiting from the weaker currency, resulting in increasing margins with products priced in US dollars.

FINANCIAL REVIEW

INCOME STATEMENT

Group revenue increased by 7% to R18 628 million (2018: R17 372 million) due to the first-time inclusion of Oro Agri of R711 million and a full year of Umongo Petroleum of R1 193 million (2018: R355 million for four months). Excluding the acquisitions, revenue was down by 2%, the majority of which relates to Agriculture International and Agriculture Trading. This was caused by market and price pressures, economic challenges in Zimbabwe (which led to a decision to curtail trade to mitigate risk), global drought, a poor political climate and overall depressed market conditions. Agriculture Trading focused on improving the margin in the business.

Gross profit increased by 6% to R4 133 million (2018: R3 910 million). Excluding the acquisitions, gross profit decreased by 8%. The gross profit margin percentage decreased to 22.2% (2018: 22.5%) and excluding new acquisitions, would be 21.2%. Margin pressure was felt throughout the business. Gross profit was further negatively impacted by the deliberate slowdown of business in Zimbabwe.

Distribution expenses increased by 18% to R2 140 million (2018: R1 815 million). Excluding the impact of the acquisitions, distribution expenses for the year increased by 4.6% largely attributable to higher fuel prices.

Administrative expenses of R1 500 million (2018: R1 233 million) is 22% higher compared to the prior year or 5.2% lower, excluding the impact of the inclusion of the acquisitions and once-off costs. The increase in administrative expenses was driven by a top-up share-based payment charge and resulted in a net adjustment of R54 million for the Group's share incentive schemes, R35 million attributable to the Protea Chemical's restructuring costs, R28 million attributable to Oro Agri transaction costs and R26 million attributable to expansion costs in Mining International for USA and Canada, as well as expected credit losses of R97 million being shown separately on the face of the income statement in the current year as required by IFRS 9.

Net other income/(expenses) of R59 million expense (2018: R248 million income) included the following items: R135 million attributable to the amortisation of intangibles relating to the acquisitions of Oro Agri (R89 million) and Umongo Petroleum (R46 million), R97 million attributable to income from the reversal of the earn out provision for Umongo Petroleum and R96 million attributable to an insurance claim in Mozambique resulting from the recent cyclone. Foreign exchange losses for the year amounted to R130 million (2018: R102 million profit), mostly due to Zimbabwe in the current year.

Impairment of non-financial assets of R340 million (2018: Rnil) relates to the impairment of goodwill (R324 million) and other assets (R16 million) in Protea Chemicals.

Impairment of financial assets of R97 million (2018: Rnil) relate to expected credit losses on financial assets under IFRS 9. In 2018 R114 million under IAS 39 was recorded under administrative expenses.

Operating profit of R24 million (2018: R1 156 million) decreased by 98%, resulting in an operating margin of 0.1% (2018: 6.7%). The **Agriculture division** reported a R370 million operating profit (2018: R574 million profit). The decrease was driven by higher raw material costs, diesel and other transport costs, a change in functional currency in Fertilizer Zimbabwe that had a net impact of R85 million and a deliberate downscale in sales volumes to mitigate this risk. Agriculture RSA was further negatively impacted by a slowdown in the Mining segment resulting in lower sales and therefore production recoveries. A focus on inventory reduction further impacted production recoveries. Oro Agri contributed R105 million in operating profit for the 11 months consolidated. The **Mining division** returned a lower operating profit of R169 million (2018: R343 million profit) because of lower gross profit contribution from ammonia-based products, margin pressure from customers, foreign exchange losses, and Microsoft Dynamics AX implementation costs. The **Chemicals division's** operating profit of R10 million (2018: R163 million profit) was driven by margin pressure from their previous growth strategy, loss-making product lines, restructuring costs and other once-off costs.

Net finance expenses of R438 million (2018: R270 million) are 62% higher than the comparative period due to debt funding of working capital and the inclusion of working capital from the Group's two acquisitions. The construction of the nitrophosphate plant, which was completed in March 2019, was also financed with debt, however, interest of R80 million (2018: R23 million) has been capitalised to the cost of the asset. The Oro Agri acquisition was funded through US dollar denominated cash reserves previously used to reduce overdraft facilities.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) net of the impairments was 39% lower at R979 million (2018: R1 602 million).

Income tax expense of R7 million credit for the year is significantly lower than the previous year. The effective tax rate in the prior period was 25.1% and the effective tax rate for the current financial year is 1.7%. The current financial year includes tax incentives accounted for from the South African Revenue Service of R55 million linked to the construction of the nitrophosphate plant that was commissioned on 24 March 2019.

Other comprehensive income, net of tax was higher than the prior year due to the weakening of the rand to the US dollar. The movement in the foreign currency translation reserve relates to the translation of the US dollar denominated subsidiaries from one financial reporting period to the next. The South African rand weakened by 22% against the US dollar from R11.85 at 31 March 2018 to R14.50 at 31 March 2019.

Headline earnings per share of (112 loss) cents (2018: 991 cents earnings) was lower year on year.

BALANCE SHEET

Total assets increased by 8% or R1 245 million to R16 647 million (2018: R15 402 million). The increase in non-current assets of R1 959 million to R8 140 million (2018: R6 181 million) is largely attributable to goodwill of R339 million and intangible assets of R934 million arising from the acquisition of Oro Agri. The intangible assets identified in the purchase price allocation included product registrations, distribution contracts, customer relationships and brands with useful lives of 10 to 12 years that will be amortised over these time periods. Capital expenditure of R1 120 million (2018: R887 million) was incurred based on planned capital projects including R497 million (2018: R196 million) incurred on the construction of the nitrophosphate plant and R143 million (2018: R166 million) of intangible assets, of which R87 million (2018: R150 million) relates to the implementation of the Microsoft Dynamics AX ERP system and related IT projects. R74 million was spent on the establishment of the Oro Agri European hub, including a manufacturing facility and laboratories; and R14 million was spent on the Morwell factory solid K-humate® manufacturing facility in Australia. Capital expenditure is nearing the end of the capital reinvestment cycle and is expected to reduce going forward.

The decrease in **current assets** of R714 million to R8 507 million (2018: R9 221 million) was largely attributable to the R307 million decrease in inventories, net of the R85 million increase due to the addition of Oro Agri not included in the previous year. The Agriculture RSA division decreased inventory by R207 million and the Chemicals Petroleum division's inventory balance decreased by R122 million, partly due to a delay in a base oil shipment. Cash and cash equivalents decreased by 42% as cash was utilised in various jurisdictions to reduce debt.

Current liabilities increased by 39% or R2 336 million to R8 331 million (2018: R5 995 million). Current term debt increased to R2 745 million (2018: R15 million). At 31 March 2019, the Group did not have the ability to defer repayment for more than 12 months and to this end all related borrowings were disclosed as short term.

Non-current liabilities decreased by R833 million to R1 091 million (2018: R1 924 million). Interest-bearing borrowings decreased to R45 million (2018: R1 068 million) as a result of the reclassification of interest-bearing borrowings at 31 March 2019.

FINANCIAL REVIEW CONTINUED

Interest-bearing borrowings, net of cash and cash equivalents increased to R4 403 million (2018: R2 542 million) at year end.

Non-controlling interest increased to R102 million (2018: R5 million debit). The movement relates to the acquisition of Oro Agri Brazil in which the Group acquired a 75% share, resulting in a 25% non-controlling interest being recognised from acquisition.

CASHFLOW STATEMENT

Cash inflow/(outflow) from operating activities for the year of R311 million inflow (2018: R767 million outflow) was largely attributable to cash generated in the Agriculture RSA, Chemicals Petroleum and Mining segments.

Cash outflow from investing activities of R2 059 million (2018: R1 452 million) was higher due to the increase in expenditure attributable to the construction of the nitrophosphate plant of R497 million (2018: R196 million) and R143 million (2018: R166 million) acquisition of intangible assets as well as R941 million (2018: Rnil) for the acquisition of Oro Agri.

Cash inflow from financing activities of R1 463 million (2018: R601 million) was higher due to an increase in long-term interest-bearing borrowings of R1 727 million raised to fund capital expenditure and other working capital requirements. This was subsequently reclassified as short term.

SEGMENTAL REVIEW



AGRICULTURE SEGMENT

Omnia's Agriculture division comprising Agriculture RSA, Agriculture International, Agriculture Trading and Agriculture Biological and is the market leader in its field in South Africa and southern Africa and is rapidly expanding its global footprint through the Agriculture Biological business.

The Agriculture division's net revenue increased by 2% to R8 240 million (2018: R8 078 million) or decreased by 7% excluding Agriculture Biological's revenue of R711 million. Operating profit decreased by 36% to R370 million (2018: R574 million) or by 54% excluding Agriculture Biological, predominantly due to challenges in economic activity, regulation, currency fluctuations, cost pressures and weather patterns.

Agriculture RSA's net revenue increased to R4 487 million (2018: R4 273 million) or by 5%. The business managed to retain its customer base, however, due to the financial pressure on farmers, as well as the competitive pressure by importers and blenders, the usual margin for Omnia's value-added products was not achieved. Agriculture RSA was further negatively impacted by a slowdown in the Mining segment resulting in lower sales and therefore production recoveries into that area. Inflated prices for phosphoric acid continue to be paid which puts further pressure on margins, however, with the nitrophosphate plant in the process of ramping up, the Group will have a competitive advantage in the future. A focus on reducing inventory levels after achieving lower than planned sales volumes in season, resulted in low production recoveries during the post season period.

Agriculture International's net revenue decreased by 20% to R2 081 million (2018: R2 592 million) and operating profit decreased by 36% to R169 million (2018: R263 million). The decline in the Agriculture International business is as a result of management's decision to limit exposure in Zimbabwe following a further deterioration in the liquidity in that country. This also translated into excess inventory as product was rerouted. Zimbabwe experienced increased economic challenges during the year which led to a high inflation economic environment coupled with liquidity problems. A functional currency change in our Zimbabwe operations resulted in a further reduction of R85 million in operating profit. South America experienced political and currency volatility, long droughts and severe heat waves which resulted in low agri-commodity prices and Zambia experienced general credit pressure which made investment opportunities less attractive, but Fertilizer Zambia improved slightly due to an increase in sales to parastatal clients.

The decline in the **Agriculture Trading** business is due to a reduction in sales following a strategy to focus on a higher margin business.

Agriculture Biological is growing rapidly as planned, supported by the acquisition of Oro Agri. The Group has faced some headwinds in various markets, however, the investment in Oro Agri has contributed to the international growth strategy. Even in the tough South African conditions where most of the businesses in the sector deteriorated, Oro Agri South Africa showed healthy growth.



MINING SEGMENT

The Mining segment services the mining industry through BME and Protea Mining Chemicals.

The Mining segment's net revenue decreased by 5% to R4 885 million (2018: R5 139 million). Operating profit decreased by 51% or R174 million to R169 million (2018: R343 million). BME faced some significant market challenges. Having completed the Microsoft Dynamics AX roll-out, more focus on cost-effective operations and improved financial information will benefit the business. High fuel costs, complicated regulatory landscapes, increased employee costs and volatile currencies have all contributed to the decline in operating profits. The **Mining RSA** segment had a slight reduction in volumes driven by mining demand but did not lose any significant customers and has been awarded new business, specifically in iron ore in the Northern Cape.

SEGMENTAL REVIEW CONTINUED

Mining International experienced a drop in operating profit of 45% to R148 million (2018: R267 million). Once-off costs include the now full impairment of the problematic debtor in Angola of R44 million and the international setup costs of new operations of R26 million. Protea Mining Chemicals faced fundamental changes after the loss of a key customer in the Uranium sector in Namibia. Management adjusted the business plan to replace the lost business and diversify the earning streams both in terms of customers, products, services and geography. An increase in precious metal sales and strong growth in the cobalt precipitation market contributed significantly to the current year sales.

The development of the AXXIS™ GIII detonator has been largely completed and will launch during FY2020, it is expected to drive global growth for the Mining segment.



CHEMICALS SEGMENT

The Chemicals segment comprises Protea Chemicals and Umongo Petroleum.

The Chemicals segment's net revenue increased by 22% to R5 301 million (2018: R4 355 million) or by 3% excluding Chemicals Petroleum's revenue of R1 193 million (2018: R355 million for four months).

Operating profit decreased significantly to R10 million (2018: R163 million). This includes a R16 million impairment of the EcoGypsum plant, restructure cost of R35 million and unforeseen once-off additional repairs and maintenance costs of R13 million.

Protea Chemicals previously followed a growth strategy which resulted in unprofitable product lines and a loss of focus on key suppliers and customers. As a result of this unsuccessful strategy during the current financial year, the business was restructured which will result in a reduction of expenses and a new leadership team with a new strategy.

Chemicals Petroleum experienced a slowdown in the market towards year end as a result of an increase in crude oil prices due to an increase in the US dollar:rand exchange rate.



HEAD OFFICE AND ELIMINATIONS

OMNIA

The operating loss of R525 million in head office consists of R28 million transaction costs for the Oro Agri acquisition, amortisation of R135 million relating to the acquisitions, a net non-cash share-based payment charge of R54 million relating to the Group's share schemes, R324 million impairment of goodwill (Protea Chemicals) offset by R97 million reversal of the Umongo Petroleum earn out, with the balance being attributable to unallocated head office costs.

PROSPECTS

STRATEGY

The Group's strategy in the short-term will deliver an improvement in the quality of the business through a focus on improving marketing efforts and reach, backwards integration in production of phosphates and operating model efficiency and realise benefits from responsible global growth supported by the integration of the acquisitions. The Group will be lowering operating leverage by rationalising costs.

The Omnia purpose - to provide "Trusted performance and Innovative solutions [across the value chain] that leaves the World Better" – was designed to address the market changes that Omnia is facing. Omnia also designed this purpose as it takes the Group to a reality where it will leverage the knowledge and skills acquired from the existing customer base and through acquisitions into new international markets, thereby ensuring its continued sustainability (Axioteq™, AXXIS™, and Oro Agri are critical to support this).

However, in implementing this purpose it is vital to dedicate sufficient focus and resources to align Omnia's sales teams and marketing mechanisms, as well as to formalise and commercialise the developed solutions. This forms part of Omnia's focus on being an outward-focussed business that understands the needs of its customers and creating an offensive strategy against key competitors especially in areas of higher net-back sales. Until markets in sub-Saharan Africa turn around, cost-efficient global growth, supported by sound business cases, will be prioritised over local investments.

Certain operations within the Group are loss-making and as such the Group's strategy in the future will focus firstly to improve the quality of the business by reviewing each business on a return on net controlled assets basis, reduce cost and implement an optimised corporate structure and operating model, before attention is turned to potential future growth strategies.



AGRICULTURE DIVISION

Locally, **Agriculture RSA** will focus on maximising the throughput of Omnia's production facilities and effectively marketing the suite of technology-based services and solutions available. Given the mature local traditional fertilizer market and declining nature of many international commoditised fertilizer markets, Omnia's strategic pursuit of serving local and international markets with a diversified and specialised product range, as well as customer partnering, secures its future. Oro Agri and Fertilizer International (K-humate and specialities) will continue to drive their expansion through increased production capacity and Oro Agri distribution channels into various countries.

The recent changes in the climate conditions in South Africa, and to some extent southern Africa, have emphasised the importance of responsible and effective water consumption. In addition, enormous focus is given to health and responsible environmental practices in farming and production, mainly driven through concepts of water use efficiency (WUE) and nutrient use efficiency (NUE). Technology is playing a major role in many aspects of the global economy and will in time form an integral part of the "second green revolution" that is expected to result in an increase in agriculture production to sustain the growing population. Food producers will need to turn increasingly towards modern agriculture systems, products and technology that Omnia provides through its various service and solutions offerings including AgriBio product and service offerings, if they are to meet rising expectations and demands in an environment of scarcity of resources in a sustainable manner.

PROSPECTS CONTINUED

The new nitrophosphate plant commenced operation on 24 March 2019 and will reduce the cost of phosphates (P) by substituting in part expensive phosphoric acid and mono-ammonium phosphate (MAP) with less expensive phosphate rock. In addition, the plant will produce calcium nitrate liquid (CN), which will reduce the production cost of calcium nitrate by eliminating the cost of lime, a key input into the products produced for the Mining division as well as speciality fertilizer. The investment into nitrophosphate production is expected to result in a saving of *circa* R110 million in FY2020 at 50% capacity and a *circa* R170 million annual saving thereafter at 85% capacity, *ceteris paribus*. The reduction of input costs attributable to the nitrophosphate plant will provide the Group with a competitive advantage over imported products from a price, market differentiation and working capital perspective. The s12I tax allowance benefit on the plant is calculated at R55 million for FY2019 and R14 million for FY2020.

Omnia is the largest South African nitric acid manufacturer which enjoys a competitive advantage as a result of prior investment in world-class nitrogenoxide (N₂O) abatement technology (EnviNO_x) and other upgrades to its manufacturing facilities to meet world class standards. Omnia therefore has negligible exposure to carbon tax on emissions and has spare capacity that allows for growth when the regional market turns, while younger plants result in efficient conversion and lower cost per tonne produced.

Internationally, Oro Agri has been integrated well. The businesses have a clear and well communicated strategy, which balances the focus between business growth and leveraging existing resources with a strong people development emphasis to deliver on the objectives. Global market growth will be achieved through expanding Oro Agri's patented biological control and adjuvants to targeted new markets, launching newly patented products from the Oro Agri product development pipeline, and leveraging the combined Oro Agri and existing distribution channels to sell new microbial bio-stimulant and biocontrol products. The business will also aggressively grow K-humate and related bio-stimulant sales from Omnia Australia through Oro Agri's marketing channels (retailers through existing and new wholesale channels and to manufacturers and formulators).

The strategic rationale for the Oro Agri acquisition remains strong, the registration and commercialisation of new products being on track, and the business performing broadly in line with expectations. The synergies created are driving the success of the overall Fertilizer International business unit.

The trading business will be realigned with the intention of integrating back offices, leveraging economies of scale with the Group's existing businesses and providing a separate channel to market to ensure production throughput for the Sasolburg plant. The strategy is to avoid taking major stock positions and to trade on a cash positive basis. This will facilitate better management of the overall supply chain of the division and contribute to reduced working capital for the Group. Volume targets have been reduced and the focus is on achieving improved margins. The emphasis will be on better structured deals which are backed by financial instruments to improve the cash to cash cycle. Opportunities for expanding the trading footprint into West Africa are being investigated, with a prime focus on high-margin products, such as specialities and the Oro Agri range, by leveraging the Mining division's existing infrastructure and experience in the region.



MINING DIVISION

Limited growth in the local and African mining sector determined a primary strategy of setting-up subsidiaries in new markets (USA, Australia and Indonesia) and a secondary strategy of working through distributors. Investment in advanced technology will become increasingly central to miners' quest for efficiency gains and cost control, resulting in new exploration methods, streamlined operations and a more transparent industry. The global shift towards a low-carbon economy with reduced environmental impact will result in increasing scrutiny of mining practices, tightening the environmental standards that raise costs for miners, and prioritisation of green strategies.

The demand for battery metals (including lithium, cobalt and nickel) will continue to increase driven by the battery revolution setting their place as a commodity for the future. Both coal production and consumption growth will shift to the east, as countries such as India, Indonesia and Vietnam increase coal production as a source of power generation. Globally, governments are tightening environmental regulations and investing in clean energy. This bodes well for Omnia's positioning in technology and specific chemicals in the mining chemicals business. This developing field will require continued investment in research and development to stay ahead of the curve.

The outlook for the mining sector in South Africa remains suppressed due to the economic downturn, political and regulatory pressures and a lack of investment due to uncertainty, coupled with concerns about labour and power costs and availability. Recent improvements in commodity markets and prices are positive however, the sustainability thereof remains uncertain. The drive for mining productivity improvement is expected to increase the demand for Omnia's blasting emulsions, initiation systems and associated software and accessory products and services. Trading in the mining sector in South Africa is anticipated to remain challenging in the foreseeable future.

Mining RSA and Mining International were previously structured for growth. Their past success was as a result of their ability to mobilise quickly and to provide stable and environmentally friendly emulsions and initiation systems, coupled with great service. The Mining division has commenced a process to eliminate overheads that relate to earnings streams that do not deliver an appropriate return on net-controlled assets while rightsizing in line with the muted short-term growth opportunities. A review of the service offering at each customer and the alignment of operations where there is a misalignment between contracted services and mine requirements will further improve operating margins.

The Mining division has invested in its international expansion with delayed results due to the time required to obtain the necessary licences to operate. The international expansion strategy is being reviewed to reduce complexity and to ensure cost effectiveness and scalability. Increasing competitiveness in the explosives market is driven by imports and planned new facilities in the southern African region. Cost cutting initiatives at mining houses have led to the pressure on supply prices and a review of their supplier base, overall. The Group is confident that the long-standing and strong relationships in its customer markets, as well as its unique AXXIS™ technology, will ensure stability of volumes at stabilising margins.

AXXIS™ GIII, which will be launched in FY2020, is built on the latest technology, which represents a change in terms of utility and safety for users as well as being adaptable to further developments in technology and digital solutions. Modular automated assembly lines allow for flexible and scalable production.

Protea Mining Chemicals has developed into a much more diverse business and is now an example of a business that is able to provide commercialised solutions across the value chain as envisaged in the Group strategy. The business remains small but is focused and agile.



CHEMICALS DIVISION

The global demand for specialty chemicals is driven by the high usage in industrial and institutional cleaners, construction chemicals, agrochemicals, electronic chemicals, polymers and plastic additives, and surfactants. As new environmental standards and product specifications are being accepted across industries, the use of specialty chemicals will rise, as will the associated legislative requirements.

PROSPECTS CONTINUED

The chemicals industry is a key sector of the South African economy but continues to be weighed down by a sluggish economy where the demand from the manufacturing and mining industries remain weak. The future of South African manufacturing lies in the country's ability to become a stable business destination, globally competitive and develop locally produced products. South Africa is also vulnerable to low-wage, high-productivity nations such as China, India and Brazil, where highly-skilled individuals can do the same work for much less and the input tariffs of electricity are much lower.

In light of the market trends and the South African outlook for the chemicals industry, Protea Chemicals will leverage its current distribution network, research and development capability and reputation to penetrate further into the African and international markets to safeguard this division's long-term profitability. However, this is after a turnaround of their current profitability.

In the past, Protea Chemicals was unable to effectively differentiate in the market and mostly leveraged their extensive distribution channel and size. This resulted in suboptimal operating margins and return on net-controlled assets. The business is now being developed to create commercial solutions across the value chain, solving the needs of customers by providing the correct chemicals from strategic supplier relationships in a safe and environmentally responsible way. The focus going forward will be on providing a reduced range of specialised products and solutions, excellent customer service, lower working capital, and improving return on assets managed.

Over the past year, the business has been internally focused on restructuring the business at a cost of R35 million. The objective to reduce costs by R75 million has been achieved but will only be realised in FY2020. A better performance is expected by focusing sales on higher margin specialty products, and by cutting loss-making businesses which erode margins.

The business has developed a new strategy to ensure focus on return on net-controlled assets at acceptable operating margins, as opposed to chasing growth. The business has postponed any global expansion plans until adequate financial planning and modelling is in place to ensure the expansions are sound and profitable. This also includes a review of the operating model suitability to expand cost effectively while managing the associated risks.

The Umongo Petroleum business has added a bulk volume base oil, additive and lubricant business to the Group and provides new opportunities to grow its customer base in South Africa and sub-Saharan Africa. There is scope to improve the South African market share by targeting new multinational customer markets with high volumes of lubricants. This forms the initial core growth focus. Africa is a growth market for petrochemicals, driven by developments in infrastructure, growth in industry and a rising vehicle ownership.

CAPITAL RESTRUCTURE

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of net interest-bearing borrowings over adjusted EBITDA. The Group aims to keep this ratio at 2 to 3 times in the medium term and below 2 times in the long term, measured at year-end.

Rm	2019 Rm	2018 Rm
Net interest-bearing borrowings	4 403	2 542
Adjusted EBITDA*	1 137	1 464
Ratio	3.9	1.7

* Adjusted for impairment of non-financial assets and unrealised losses

The Group leveraged its balance sheet in its 2017, 2018 and 2019 financial years as part of a strategic growth initiative which included:

- expansion through the acquisitions of Umongo Petroleum (December 2018) and Oro Agri (May 2019) and venturing into new jurisdictions
- investment in the new nitrophosphate plant
- investment in Microsoft Dynamics AX and related infrastructure

In the 2019 financial year, the Group was adversely impacted by droughts, late rains, a volatile rand, a material slowdown in the local and international mining industry and overall difficult trading conditions resulting in a loss of R407 million. Increased working capital requirements following the recent acquisition, were funded through a combination of borrowings and overdraft facilities.

The net loss after tax together with the increase in the Group's debt levels, were not in line with the Group's principal debt providers' expectations or covenant requirements. The Group proactively engaged with its lenders. By 31 March 2019, the lenders had waived all potential rights of default on existing loan facilities (disclosed as current interest-bearing borrowings and bank overdrafts on the balance sheet) on condition that new debt terms be agreed before 25 June 2019.

The Group has now secured a 12-month R6.8 billion bridge facility from its principal lenders. The bridge comprises a 12-month loan of R5 billion and committed liquidity facilities of R1.8 billion. This bridge facility allows the Group to settle all existing borrowings and overdraft facilities at 24 June 2019.

While the bridge facility provides the Group with the liquidity it requires in the short term, the Group's debt levels remain high. In order to ensure its long-term sustainability, the Group has announced a rights issue of R2 billion as an immediate resolution to strengthen the capital structure. Proceeds from the rights issue will be used to partly repay the bridge facility. The rights offer will reduce debt levels to be within the Group's targeted range, thereby affording the Group access to undrawn facilities and reducing the Group's cost of capital.

The remainder of the bridge facility after reduction by the proceeds of the rights issue is expected to be refinanced into a structured term loan and working capital debt package.

CHANGES IN ACCOUNTING POLICIES

IFRS 15 establishes a comprehensive '5 step' framework for determining whether, how much and when revenue is recognised. It replaced IAS 18 *Revenue*, IAS 11 *Construction Contracts* and related interpretations. Under IFRS 15, revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control – at a point in time or over time – requires judgement.

The Group has adopted IFRS 15 using the modified retrospective method, with the effect of initially applying this standard at the date of initial application being 1 April 2018. Under this transition method, the Group applies IFRS 15 retrospectively only to contracts that are not completed contracts at the date of initial application, with no restatement of the comparative period information.

IFRS 15 did not impact the Group's results in the current year. The accounting policies and additional disclosure requirements of IFRS 15 are set out in detail in the note in the annual financial statements.

The Group identified its material performance obligations from contracts with customers to be products, transport and services.

DIVISIONAL ANALYSIS PER PERFORMANCE OBLIGATION

Analysis of revenue per performance obligation per segment	Product Rm	Transport Rm	Services Rm	Net revenue* Rm
Year ended 31 March 2019				
Agriculture RSA	4 300	365	6	4 671
Agriculture International	1 892	–	8	1 900
Agriculture Trading	950	–	–	950
Agriculture Biological	711	–	–	711
Total Agriculture	7 853	365	14	8 232
Mining RSA	2 308	151	207	2 666
Mining International	2 151	44	276	2 471
Total Mining	4 459	195	483	5 137
Chemicals	4 005	–	61	4 066
Chemicals Petroleum	1 193	–	–	1 193
Total Chemicals	5 198	–	61	5 259
Total	17 510	560	558	18 628

* Revenue amounts reported under IFRS in this note differ from revenue reported to the chief operating decision maker as disclosed in the segment report.

The significant considerations and assessments undertaken by the Group are summarised below:

- Determining whether certain services are a distinct performance obligation: Agriculture RSA, Agriculture International, Mining RSA and Mining International segments

The Agriculture segments separate some commercial service offerings and sell those services through a separate company Axioteq™. However, included in the sale of each product is a value-add service offering that is part of the value proposition to the customer and core to these segments' product sales. The Agriculture segment differentiate products and bring a holistic solution to customers through these value-add service offerings. The segments are strategically focusing on commercialising these value-add service offerings separately to expand the serviceable market.

On applying IFRS 15, the value-add services are a critical component of the product sold to the customer. The value-add services ensure the correct application of the correct product to minimise farming risk, maximise water use efficiency and nutrient use efficiency and optimise yield. In terms of IFRS 15, the value-add service offering and the sale of the product are highly integrated and interdependent. As Agriculture RSA is strategically focusing on commercialising the value-add service offerings these

value-add services are not sold separately or offered with competitors' products and are, therefore, not distinct. As such, value-added service offerings are recognised as a single performance obligation with the product sales.

The Mining RSA and Mining International segments sell distinct blasting services with explosive products. These services are commercial services and are sold separately to customers and invoiced separately. Customers may perform blasting on their own or choose to engage the business in performing the blasting services for them. It is at the customer's discretion and based on the customers' requirements.

On applying IFRS 15, as the customer has discretion in choosing whether to procure blasting services from the Mining RSA and Mining International segment. These services are not an integral part of the explosives sold and can be separated from the product. They are therefore distinct and recognised as a separate performance obligation.

b) Determining whether transport services are a distinct performance obligation: All segments

The Agriculture and Chemicals group of segments provide transport for the delivery of products to the customer based on whether the customer requests this service. Transport is therefore provided entirely at the discretion of the customer. Certain customers collect the products from Group entities or arrange for third-party transport for delivery.

On applying IFRS 15, as the customer has discretion in choosing whether to use transport offered by the Agriculture and Chemicals group of segments, this service is neither an integral part of nor interdependent on the product sold and has been assessed as a separate performance obligation. Transport revenue is invoiced separately and recognised when the delivery service has been completed.

The Mining RSA and Mining International segments sell and deliver explosives to customers. Transport of explosives requires specialised vehicles and the customer does not have the discretion of requesting or providing alternative transport.

On applying IFRS 15, due to the nature of the product sold, the sale of products is dependent on specialised transport in order to transfer control to the customer. The sale of explosives and the related specialised transport service provided by the Mining segment was determined to be a single performance obligation.

c) Agent vs principal considerations: Agriculture International, Agriculture Trading and Mining International

Group entities in the Agriculture International, Agriculture Trading and Mining International segments sometimes enter into back-to-back agreements with suppliers and customers. These agreements are often structured in a way that the Group entity doesn't take physical control of the inventory and it is transferred directly from the supplier to the customer. The Group entity determines the margin and invoices the customer separately.

The Group entity's agreement with the customer is for the supply of products. That product may be sourced from any supplier and the Group entity chooses the supplier with the best rate from which to source that product. The agreement with the customer is largely independent of the agreement with the customer.

Each Group entity is able to specifically identify the goods transferred to the customer. Each Group entity is also able to demonstrate that it controls the goods transferred as it meets the following indicators of control:

- The Group entity has the primary obligation to deliver the product according to the agreement with the customer
- The Group entity, even though it may not take physical possession of the product, is responsible for the inventory risk and bears the risks of return from the customer
- The Group entity has full discretion in establishing and charging the price of the product

The Group entities display characteristics of a principal in back-to-back agreements. When the Group entity or supplier effectively transfers control to the customer, the Group entity recognises revenue at the gross amount of consideration receivable from the customer.

CHANGES IN ACCOUNTING POLICIES CONTINUED

IFRS 9 introduces new classification categories for financial instruments. Under IFRS 9, financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics, while the classification of financial liabilities remains largely the same as under IAS 39. The table below details the classification of the Group's financial assets and financial liabilities under IFRS 9 as well as the previous classification under IAS 39. The classification of financial assets and financial liabilities under IFRS 9 did not have an impact on the measurement in the Group results.

Financial assets	IAS 39 classification	IFRS 9 classification
Trade receivables	Loans and receivables	Amortised cost
Loans receivable from emerging farmers	Loans and receivables	Amortised cost
Derivative instruments	Fair value through profit/loss	Fair value through profit/loss
Cash and cash equivalents	Loans and receivables	Amortised cost

Financial liabilities	IAS 39 classification	IFRS 9 classification
Interest-bearing borrowings	Amortised cost	Amortised cost
Trade payables	Amortised cost	Amortised cost
Derivative instruments	Fair value through profit/loss	Fair value through profit/loss
Bank overdraft	Amortised cost	Amortised cost

Trade receivables and loans receivable from emerging farmers are classified at amortised cost. At the date of initial application, the Group's business model was to hold these receivables for collection of contractual cash flows, and the cash flows represent solely payments of the principal amount and, in the case of emerging farmers, interest on the principal amount.

Derecognition and impairment

Derecognition: The requirements for the derecognition of financial assets and liabilities are carried forward from IAS 39. There is no expected impact on the financial statements.

Impairment: IFRS 9 introduces an 'expected credit loss' model for the measurement of the impairment of financial assets, so it is no longer necessary for a credit event to have occurred before a credit loss is recognised. Before the adoption of IFRS 9, the Group calculated the allowance for credit losses using the incurred loss model. Under the incurred loss model, the provision for impairment of trade receivables is made when there is objective evidence that the Group will not collect the amount as per the original term of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments were considered indicators that a trade receivable should be impaired.

Under IFRS 9, the 'expected credit loss' or ECL model is used to measure the impairment of financial assets, so it is no longer necessary for a credit event to have occurred before a credit loss is recognised. The Group has elected the simplified approach in measuring ECL for trade receivables resulting in calculating ECLs on a lifetime basis. In determining the ECL, the receivables are grouped based on similar risks. ECLs are calculated by applying a historic loss ratio to the aged balance of trade receivables at each reporting date. In instances where there was no evidence of historical impairments, management used their knowledge of the business to determine the potential impairment. The historic loss ratio is also adjusted for forward-looking information to determine the lifetime ECL for the portfolio of trade receivables, taking into consideration the potential growth or decline in the industry, inflation and stability of the sector.

The Group's impairment of trade receivables using the incurred loss model under IAS 39 for the year ended 31 March 2018 was R299 million. The ECLs for this period under IFRS 9 were calculated to be R315 million.

The additional R16 million ECLs and related deferred tax of R14 million (based on an effective rate of 25.1%) were recorded as a net reduction of R12 million in retained earnings at 1 April 2018 according to the modified retrospective approach.

The total impact on trade receivables is as follows:

Trade receivables (Rm)	2018
Gross trade receivables	3 277
Impairment under IAS 39	(299)
Impairment adjusted 1 April 2018	(16)
Net trade receivables	2 962

Emerging farmer receivables are classified at amortised cost and the impairment provision is determined based on the 3-stage approach to expected credit losses. The simplified approach is not available as this receivable represents draw-downs on a loan facility available to emerging farmers and not a receivable because of a sale to a customer. Applying the expected credit risk model resulted in the recognition of a loss allowance of R40 million on 1 April 2018 (2018: R43 million) The additional expected credit loss and related deferred tax of R11 million (tax rate of 28%) were recorded as a net reduction of R29 million in retained earnings at 1 April 2018 according to the modified retrospective approach.

The total impact on emerging farmers is as follows:

Emerging farmers (Rm)	2018
Emerging farmers receivables	108
Impairment under IAS 39	(43)
Impairment adjusted 1 April 2018	(40)
Net emerging farmers	25

The total impact on retained earnings is as follows:

Retained earnings (Rm)	2018
Retained earnings at 31 March	5 202
Adjustment to retained earnings on adoption of IFRS 9 – trade receivables	(16)
Adjustment to retained earnings on adoption of IFRS 9 – emerging farmers	(40)
Deferred tax	15
Retained earnings at 1 April	5 161

ADDITIONAL DISCLOSURE

CONTINGENT LIABILITIES

Legal proceedings

The Group is currently involved in various legal proceedings and is in consultation with its legal counsel, assessing the potential outcome of these proceedings on an ongoing basis. As proceedings progress, management makes provision in respect of legal proceedings, where appropriate. Litigations, current or pending, are not likely to have a material adverse effect on the Group.

Guarantees

Certain Group companies have guaranteed the fulfilment of various subsidiaries' obligations in terms of contractual agreements. The Group has guaranteed the borrowing facilities and banking arrangements of certain of its subsidiaries.

ACQUISITION OF BUSINESS

Omnia has, through its wholly-owned subsidiaries, acquired 100% of the ordinary shares of Oro Agri SEZC Limited and its subsidiaries, collectively referred to herein as Oro Agri, as of 1 May 2018. Oro Agri has been consolidated into the Group's financial results from this date and forms part of the Agriculture segment. The Group has determined the acquisition to be an acquisition of a business as defined in IFRS 3 Business Combinations.

Oro Agri is an international company involved in the research and development, production, distribution and sales of a unique range of patented agriculture biological (AgriBio) products. The key product ranges include bio stimulants, adjuvants, crop protection products, liquid foliar fertilizers and soil conditioners. Clients include farmers with large-scale agriculture applications, including all row, stone fruit, pasture and other crop types, as well as smaller pasture, lawn and garden applications.

For the 11 months ended 31 March 2019, Oro Agri contributed revenue of R711 million and an operating profit of R105 million to the Group's results. If the acquisition had occurred on 1 April 2018, management estimates that the consolidated revenue would have been R18 674 million and the consolidated operating loss for the year would have been R13 million. Oro Agri's operating result excludes amortisation of the various intangible assets identified as part of the purchase price allocation.

In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, arose on the date of acquisition and would have been the same if the acquisition had occurred on 1 April 2018.

ACCOUNTING FOR THE ACQUISITION OF ORO AGRÍ

	USDm	Rm
Cash	54	671
Deferred consideration – paid on 31 October 2018	31	380
Deferred consideration – payable on 30 April 2020	15	186
Fair value of consideration transferred	100	1 237
Fair value of tangible assets and liabilities	24	296
Fair value of intangible assets acquired in the business combination	56	694
– Technology and product registration	67	825
– Distribution network	1	7
– Brand	7	93
– Deferred tax on the above	(19)	(231)
Fair value of contingent liabilities and related indemnification assets	–	(3)
Contingent liability – leakage costs*	(1)	(12)
Indemnification asset – leakage costs*	1	16
Contingent liability – other costs	–	(2)
Indemnification asset – other costs	1	6
Contingent liability – permitted deductions	(5)	(64)
Indemnification asset – permitted deductions	4	53
Fair value of assets and liabilities acquired	80	987
Indirect non-controlling interest	(7)	(89)
Goodwill**	27	339

* Leakage costs refers to the terminology in the sales and purchase agreement to describe those costs paid from the business between signature date and the effective date and the cash purchase price is adjusted in accordance with the agreed formula in the agreement.

** Goodwill is calculated by subtracting the fair value of assets and liabilities acquired from the fair value of consideration transferred and adding back the indirect non-controlling interest.

i) Deferred consideration

The remainder of the sales price of USD46 million consists of deferred consideration of USD29 million and USD2 million paid on 31 October 2018. This consideration was reduced to recover post-acquisition leakage costs and other costs respectively. The remaining USD15 million relating to the retention mechanism to cover any unknown and additional liabilities, is payable on 30 April 2020. This amount has been discounted at the estimated borrowing rate of 3%. In addition, this consideration may be reduced to recover any post-acquisition leakage costs incurred up to and including 30 April 2020.

ADDITIONAL DISCLOSURE CONTINUED

ii) Intangible assets

Excess consideration after taking into account the fair value of the tangible assets and liabilities of Oro Agri were allocated to the following intangible assets using the valuation techniques detailed below:

- For the **technology and product registrations**, a discounted cash flow method was used. The estimated useful life for product registrations is 10 years. The discount rate of the product registrations was based on an assessment of the risk profile of the product registrations relative to the risk profile of the overall business of which the asset was part. Overall weighted average cost of capital (WACC) was adjusted by adding a 1.0% premium and this adjusted discount rate was applied to product registrations
- For the **distribution networks**, a distributor method was used. Based on the attrition assumptions, the term of each agreement, the probability of renewal of each agreement and discussions with management, the estimated useful life of the distribution network is 12 years. The overall WACC was adjusted by adding a premium of 2.0% and this adjusted discount rate was applied to the distribution agreements. WACC was calculated based on estimates of required after tax equity rates of return
- For the **brand**, the relief-from-royalty method was used. The estimated useful life for product registrations is 10 years. The historical longevity of the brand supports this representation as the Oro Agri brand has been in existence since 2009. The discount rate of the brand was based on an assessment of the risk profile of the brand relative to the riskiness of the overall business of which the asset was part. Overall WACC was adjusted by adding a 2.0% premium and this adjusted discount rate was applied to the brand

iii) Contingent liabilities and indemnification assets

The Group identified and recognised contingent liabilities (leakage and permitted deductions) relating to Federal and State Income Tax in the USA as part of the fair value of the assets and liabilities of Oro Agri at the date of acquisition.

The sellers of Oro Agri have agreed to indemnify the Group for any leakage costs for 24 months after the date of acquisition. The indemnification asset has been recognised as part of the fair value of the assets and probable liabilities at the date of acquisition. The maximum indemnification asset that can be claimed from the sellers is R186 million being the total of the deferred consideration payable in April 2020.

iv) Indirect non-controlling interest

Indirect non-controlling interests relate to non-controlling interests in Oro Agri Brazil, a subsidiary of the Oro Agri Group. The Group measured non-controlling interests at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

v) Goodwill

Goodwill is presented after subsuming the workforce in place as the workforce acquired does not qualify for separate recognition and is not deductible for tax purposes.

vi) Acquisition-related costs

The Group incurred total acquisition-related costs of approximately R41 million on legal and consulting fees and due diligence costs. Certain of these costs have already been incurred in the previous financial year and a further R28 million was incurred in the current financial year. These costs have been included as administrative expenses in the income statement.

CASH FLOWS ON ACQUISITION OF ORO AGRICULTURE

During the period, the Group obtained control of Oro Agri. The cash paid to 31 March 2019 on the acquisition of the Oro Agri is disclosed below:

	USDm	Rm
Property, plant and equipment	11	139
Intangible assets	75	934
Investments	1	6
Deferred tax*	–	3
Inventories	6	78
Trade and other receivables	21	243
Cash and cash equivalents	7	90
Loans and borrowings	(13)	(158)
Deferred tax liabilities – tangible assets*	–	(5)
Deferred tax liabilities – intangible assets	(19)	(231)
Trade and other payables	(9)	(109)
Contingent liability – leakage	(1)	(12)
Indemnification asset – leakage	1	16
Contingent liability – other costs*	–	(2)
Indemnification asset – other costs	1	6
Contingent liability – permitted deductions	(5)	(64)
Indemnification asset – permitted deductions	4	53
Total fair value of identifiable net assets acquired	80	987
Less indirect non-controlling interest	(7)	(89)
Plus Goodwill	27	339
Total consideration paid	100	1 237
Less cash and cash equivalents of subsidiary	(7)	(90)
Less deferred consideration	(15)	(186)
Less foreign exchange gains	–	(20)
Cash paid to obtain control of the Oro Agri Group	78	941

* Less than USD1 million

ADDITIONAL DISCLOSURE CONTINUED

ZIMBABWE FUNCTIONAL CURRENCY

During 2019, the reported profits and net asset value of the Group have been negatively impacted by the change in functional currency in respect of the Group's businesses in Zimbabwe. The continued US dollar shortages experienced in Zimbabwe have led to the increased use of electronic transactions. This is facilitated through the real time gross settlement (RTGS) system, a mechanism for the settlement of non-cash transactions, which resulted in the use of RTGS as the term for currency held in bank accounts. The heightened use of this mechanism gave rise to parallel market activities and multiple pricing mechanisms where Bond Notes and RTGS traded at a discount to the official US dollar exchange rate.

On 20 February 2019, the Reserve Bank of Zimbabwe (RBZ) announced that RTGS would be recognised as an official currency and that a formal inter-bank foreign exchange market would be established to formalise trading in RTGS balances with other currencies. In line with industry consensus on this matter, management applied a change in the functional currency of the businesses in Zimbabwe from 1 October 2018, being the date the RBZ directed all banks to ringfence Nostro foreign currency accounts (FCAs) by separating them into two categories, namely Nostro FCAs and RTGS FCAs.

At 1 October 2018 management estimated a RTGS exchange rate of 1:1 to the US dollar and this rate was used to translate the results and net asset value of the business. The rate was estimated based on assessing various inputs such as operating expenses, capital expenditure, settlement of debtors and creditors and selling prices. In the absence of an official exchange rate, the Old Mutual Implied Rate was subsequently used to translate transactions in US dollars to RTGS. The US dollar:Old Mutual Implied rate at 31 March 2019 was 1:5. The Group translates the RTGS operations from its Zimbabwean subsidiary and joint venture into rands for consolidation and equity accounting respectively.

The Group's subsidiary in Zimbabwe imports inventory in US dollars from intercompany and third party suppliers for sale in the local market in Zimbabwe. Legacy funding that forms part of the Group's net investment in the Zimbabwean subsidiary is also denominated in US dollars. As such the Group has significant US dollar creditors and payables at year end resulting in significant volatility in profits and net asset value from the movement in exchange rates.

The impact of the Zimbabwean operations' change in functional currency on the Group's results is disclosed below:

Rm	Before functional currency change 2019	Reported 2019
Property, plant and equipment	46	9
Inventories	419	183
Trade and other receivables	106	99
Cash and cash equivalents	278	61
Trade and other payables	(373)	(438)
Investments accounted for using the equity method	82	42
IFRS net asset value	559	(43)
Profit for the year – subsidiary	76	(7)
Share of net profit of investments: equity method	39	27
Profit for the year	115	20

After reporting date, the USD:Old Mutual Implied Rate weakened further to 1:10. Using this exchange rate, the results from operations from Zimbabwean operations would be a loss of R160 million (Reported 2019: R20 million profit) and IFRS net asset value would be a net liability of R22 million (Reported 2019: R43 million net liability).

PROTEA CHEMICALS IMPAIRMENT

During the year, Protea Chemicals was restructured to unlock and realise the value potential in that segment. Irrespective, it was deemed appropriate, considering historical performance and the long standing historical nature of goodwill that accumulated from various transactions in the past, to impair the entire goodwill balance of R324 million.

POST BALANCE SHEET EVENTS

The Mining business continues to experience pressure on volumes and margins across the various commodities and geographies in which the business operates. Subsequent to year end mining strikes continued to impact on volumes and some of the strikes have not concluded. This decrease in volumes has impacted Mining RSA, and as this business supplies to Mining International. This has further impacted the international business. In order to mitigate this volume and margin pressure, the Group has decided to restructure both the Mining RSA and Mining International divisions. Various strategic initiatives will be put in place and a saving in staff costs will be achieved by rightsizing the business, which will commence in June 2019. The Group will assess all businesses on a return on net-controlled assets basis taking into account operational territories and other actions required to grow returns. A saving of R70 million has been targeted to be achieved.

BOARD OF DIRECTORS

CHANGES TO THE BOARD AND COMPANY SECRETARY FOR THE YEAR

The following changes have been made to the composition of the board and company secretary:

- T Mokgosi-Mwantembe was appointed as a non-executive director effective 1 June 2018
- W Plaizier was appointed as an independent non-executive director with effect from 11 February 2019
- T Gobalsamy was appointed to the board as an independent non-executive director on 10 September 2018 and as the Group finance director effective 1 March 2019
- WG Koonin resigned as Group finance director effective 28 February 2019
- RB Humphris retired as chair effective 6 June 2019 but remains as a non-executive director
- R Havenstein was appointed as chair effective 6 June 2019
- M Nana was appointed as Group company secretary effective 2 July 2018



Ralph Havenstein
Chair

25 June 2019



AJ de Lange
Group managing director



T Gobalsamy
Group finance director

AUDITORS' REPORT

To the Shareholders of Omnia Holdings Limited

OPINION

The summary consolidated financial statements of Omnia Holdings Limited, set out on pages 1 to 10 of the summarised financial statements, which comprise the summary consolidated balance sheet as at 31 March 2019, the summary consolidated income statement, the summary consolidated statement of other comprehensive income, the summary consolidated cash flow statement and the summary consolidated statement of changes in equity for the year then ended, and related notes, are derived from the audited consolidated financial statements of Omnia Holdings Limited for the year ended 31 March 2019.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the JSE Limited's (JSE) requirements for summary financial statements, as set out in the basis of preparation note to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND OUR REPORT THEREON

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 25 June 2019. That report also includes communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period.

DIRECTOR'S RESPONSIBILITY FOR THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the JSE's requirements for summary financial statements, set out in basis of preparation note to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.

Director: T Rae
Registered Auditor

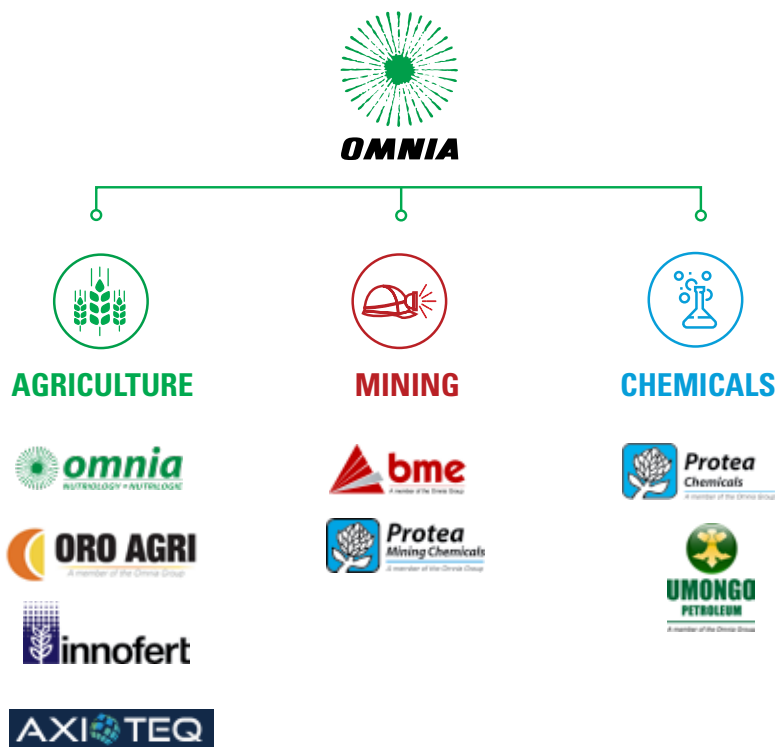
Johannesburg

25 June 2019

BACKGROUND INFORMATION

Omnia is a diversified chemicals Group that supplies chemicals and specialised services and solutions for the agriculture, mining and chemical application industries. Using technical innovation combined with intellectual capital, Omnia adds value for customers at every stage of the supply and service chain. With its vision of leaving a **Better World**, the Group's solutions promote the responsible use of chemicals for health, safety and a lower environmental impact, with an increasing shift towards cleaner technologies.

Omnia's corporate office is based in Johannesburg, South Africa and its main production facility in Sasolburg, some 70 kilometres south of Johannesburg. At 31 March 2019 the Group has a physical presence in 48 countries and operations extending into the African continent, including South Africa, with additional focused operations in Australasia, Brazil and China.



Executive directors: AJ de Lange (Group managing director), T Gobalsamy (Group finance director)

Non-executive directors: R Havenstein (Chair), RB Humphris, Prof N Binedell, RC Bowen (British), FD Butler, L de Beer, TNM Eboka, SW Mncwango, T Mokgosi-Mwantembe, W Plaizier

Group company secretary: M Nana

CONTACT INFORMATION

OMNIA HOLDINGS LIMITED

a company registered and domiciled in the Republic of South Africa

Registration number: 1967/003680/06

JSE code: OMN ISIN: ZAE000005153

www.omnia.co.za

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OMNIA

OMNIA HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

Registration number 1967/003680/06

JSE code OMN • ISIN ZAE000005153

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