



Bisichi

Half-year Report

Released : 30/08/2024 07:00

30 August 2024

BISICHI PLC

Interim Results for the period ended 30 June 2024

For the six months ending 30th June 2024:

- EBITDA [1]: £7.35million (2023: £1.42million)
- Adjusted EBITDA [2]: £6.65million (2023: £2.17million)
- Profit before tax £5.0million (2023: £0.3million)
- EPS (basic): 18.33p (2023: Loss: 3.18p)
- The increase in group earnings in the first half of the year can be attributed to a significant improvement in mining production and lower mining costs at Black Wattle Colliery, the Group's South African mining operation.
- Total mining production from Black Wattle of 708,000 metric tonnes compared to 354,000 metric tonnes in the first half of 2023, and 453,000 in the second half of that year.
- Lower coal prices achievable by Sisonke Coal Processing, the Group's South African coal processing operation, as well as continued constraints on the South African rail network, adversely impacted Group revenue achieved during the period of £23.5million (H1 2023: £25.9million).
- An interim dividend of 3p (H1 2023: 3p) declared.

END

For further information, please call:

Andrew Heller/Garrett Casey Bisichi PLC 020 7415 5030

[1] Earnings before Interest, taxation, depreciation and amortisation.

[2] Operating profit before depreciation, fair value adjustments and exchange movements.

Bisichi PLC

Half year review – 30 June 2024

We are pleased to report that for the six month period ended 30 June 2024, your company made a profit before interest, tax, depreciation and amortisation (EBITDA) of £7.35million (H1 2023: £1.42 million) and an operating profit before depreciation, fair value adjustments and exchange movements (Adjusted EBITDA) of £6.65million (H1 2023: £2.17million). The higher earnings for the Group, compared to the first six months of 2023, are mainly attributable to the significant improvement in mining production and lower mining costs at our South African coal mining asset, Black Wattle Colliery. This had offset the lower prices for our coal sold by Sisonke Coal Processing, the Group's South African coal processing operation.

At Black Wattle, improved mining conditions at our new mining area had a significant positive impact on profitability during the period. For the majority of 2023, geological issues reduced the production from our opencast mining area as well as increasing related mining and blasting costs. In order to mitigate these issues, in the third quarter of 2023 the mine opened a lower cost second mining area. Since the

commencement of this new mining area, we have seen a significant improvement in mining production, and during the first six months of the year, we are pleased to report that the Group achieved production of 708,000 metric tonnes, compared to 354,000 metric tonnes in the first half of 2023 and 453,000 in the second half of the year.

Improved coal production from Black Wattle had a knock-on effect on overall levels of coal processed at Sisonke Coal Processing throughout the period, during which the Group sold 618,000 metric tonnes compared to 473,000 metric tonnes in the first half of 2023 and 1.03million metric tonnes overall in 2023.

As previously announced, constraints which were beyond our control, in transporting coal for export on the South African rail network, significantly impacted the Group's export sales during 2023. Transnet, the South African state rail operator and the wider South African coal industry, are working hard collectively to implement measures to increase rail capacity. During the period, the Group's rail exports increased to 109,000 metric tonnes, compared to 59,000 metric tonnes in the first half of 2023 and 75,000 metric tonnes in the second half of the year. We continue to monitor the progress being made by Transnet and remain optimistic that the measures being implemented will have a positive impact on the value achieved from our South African operations.

During the period, the improved rail exports were offset by lower prices of Free on Board (FOB) coal from Richards Bay Coal Terminal (API4 price). During the first half of 2024, the weekly API4 price averaged US\$101 compared to US\$128 in the first half of 2023, and US\$112 in the second half of the year. Prices achievable in the domestic market were also lower during the period, compared to the first half of 2023, due to the knock-on impact of continued constraints in railing coal by export and lower overall international coal prices. The decrease in the Group's mining revenue during the period to £22.8million (H1 2023: £25.1million) can mainly be attributable to the lower prices achievable for our coal, offsetting the higher overall quantity of coal sold.

Looking forward into the second half of 2024, we will continue to see the benefits from the new mining area at Black Wattle. In addition, we have seen a stabilisation in coal prices in both the export and domestic market. We remain confident in the Group's ability to achieve significant value from our South African operations.

In the UK, rental revenue from our retail property portfolio remained stable in the first half of 2024. Overall, the Group billed revenue from our directly owned property portfolio of £0.54million (H1 2023: £0.54million) during the first half of the year. The Group continues to hold its joint venture development investment in

West Ealing, with London & Associated Properties PLC and Metroprop Real Estate Ltd. The planning consent for 56 flats and four retail units has been fully implemented. In June 2024 the joint venture secured an offer of funding, agreed a price for a Registered Provider to purchase the affordable element of the scheme and agreed a construction cost with a contractor. The contractor went into administration in July 2024, before we commenced construction, and we are now in the process of retendering the construction contract. The lender and the Registered Provider have both indicated that once a new contractor is selected they will be available to restart the process. We are scheduled to complete the tendering process in November, with a view to starting on site in early 2025.

Our joint venture with London and Associated Properties PLC, Dragon Retail Properties Limited ("Dragon"), executed a new 3-year loan with Santander UK plc, the existing lender, for £0.74 million in July 2024 with an LTV of 50% at a margin of 3.5% above the Bank of England base rate. This loan is secured on Dragon's property portfolio.

During the period, the Group's total non-current and current listed equity investments held at fair value through profit and loss increased to £15.9million (H1 2023: £13.5million). The Group achieved gains on investments during the period of £0.92million (H1 2023: Loss £0.6million) as well as dividend income from investments during the period of £0.16million (H1 2023: £0.28million). As at 30th June 2024, the fair value of the Group's listed equity related investment portfolios comprised:

- 64% of investments in listed equities with a market capitalisation of greater than £10billion;
- 25% of investments in listed equities with a market capitalisation of greater than £1bn and less than £10billion;
- 1% of investments in listed equities with a market capitalisation of less than £1bn; and
- 10% of an investment in a listed equity related investment fund.

The listed equities and listed equity related investment fund are primarily involved or invested in extractive and energy related business activities, including entities involved in the extraction of commodities needed for the clean energy transition.

As previously announced, we are delighted to welcome Clement Robin Parish to the Board of Bisichi as an Independent Non-executive Director. Robin's appointment took effect from 1st July 2024 and his valuable experience in management, mining and the investment trading industry, makes him an excellent addition to the Board. Robin's knowledge and experience will bring a new perspective to the Group's strategy of growing the company's existing and future spread of business interests and investments.

Finally, your directors intend to pay an interim dividend of 3p (2023: 3p) per share. The dividend will be payable on Friday 7 February 2025 to shareholders registered at the close of business on 10 January 2025.

In light of the reduced coal price and the significant rail challenges explained above, on behalf of the Board and shareholders, I would like to thank all of our staff and partners in our South African operations for their hard work and significant contribution to the results achieved during this period.

Andrew Heller

29 August 2024

Bisichi PLC
Consolidated income statement
For the six months ended 30 June 2024

		Unaudited 6 months ended 30 June 2024	Unaudited 6 months ended 30 June 2023	Audited Year ended 31 December 2023
	Notes	£000	£000	£000
Group revenue	1	23,480	25,883	49,253
Operating costs		(18,428)	(24,668)	(48,257)
Operating profit on trading activities		5,052	1,215	996
Decrease in value of investment properties		-	-	145
Gain/(Loss) on investments held at fair value		920	(553)	759
Operating profit	1	5,972	662	1,900
Share of loss in joint ventures		(250)	(10)	(39)
Profit before interest and taxation		5,722	652	1,861
Interest receivable		64	124	222
Interest payable		(776)	(477)	(1,473)
Profit before taxation	1	5,010	299	610
Income tax	2	(1,321)	(165)	(300)
(Loss)/Profit for the period		3,689	134	310
Attributable to:				
Equity holders of the company		1,957	(339)	259
Non-controlling interest		1,732	473	51
(Loss)/Profit for the period		3,689	134	310
Loss/Earnings per share - basic	3	18.33p	(3.18p)	2.43p
Loss/Earnings per share - diluted	3	18.33p	(3.18p)	2.43p

Bisichi PLC
Consolidated statement of comprehensive income
For the six months ended 30 June 2024

	Unaudited 6 months ended 30 June 2024 £000	Unaudited 6 months ended 30 June 2023 £000	Audited Year ended 31 December 2023 £000
(Loss)/Profit for the period	3,689	134	310
Other comprehensive income/(expenses):			
Exchange differences on translation of foreign operations	175	(874)	(675)

Taxation	-	-	-
Other comprehensive (loss)/income for the period, net of tax	175	(874)	(675)
Total comprehensive (loss)/income for the period	3,864	(740)	(365)
Attributable to:			
Equity shareholders	2,059	(938)	(210)
Non-controlling interest	1,805	198	(155)
Total comprehensive (loss)/income for the period	3,864	(740)	(365)

Bisichi PLC
Consolidated Balance Sheet
as at 30 June 2024

	Unaudited 30 June 2024 £000	Unaudited 30 June 2023 £000	Audited 31 December 2023 £000
Assets			
Non-current-assets			
Value of investment properties	10,648	10,465	10,610
Fair value of head leases	170	170	208
Investment property	10,818	10,635	10,818
Mining reserves, plant and equipment	22,661	14,195	18,896
Investments in joint ventures	1,006	1,031	1,002
Deferred tax assets	-	183	318
Other investments at fair value through profit and loss ("FVPL")	15,181	12,740	14,258
Total non-current assets	49,666	38,784	45,292
Current assets			
Inventories	3,432	4,502	2,579
Trade and other receivables	8,295	5,651	7,934
Investments in listed securities held at FVPL	768	779	734
Cash and cash equivalents	1,784	6,468	3,242
Total current assets	14,279	17,400	14,489
Total assets	63,945	56,184	59,781
Liabilities			
Current liabilities			
Borrowings	(6,385)	(3,556)	(7,461)
Trade and other payables	(13,042)	(9,153)	(11,589)
Current tax liabilities	(4,750)	(4,321)	(5,191)
Total current liabilities	(24,177)	(17,030)	(24,241)
Non-current liabilities			
Borrowings	(18)	(3,924)	(22)
Provision for rehabilitation	(1,635)	(1,475)	(1,614)
Finance lease liabilities	(271)	(215)	(310)
Deferred tax liabilities	(813)	-	-
Total non-current liabilities	(2,737)	(5,614)	(1,946)
Total liabilities	(26,914)	(22,644)	(26,187)
Net assets	37,031	33,540	33,594
Equity			
Share capital	1,068	1,068	1,068
Share premium	258	258	258
Translation reserve	(2,926)	(3,158)	(3,028)
Other reserves	1,112	1,112	1,112
Retained earnings	34,110	32,303	32,580
Total equity attributable to equity shareholders	33,622	31,583	31,990
Non-controlling interest	3,409	1,957	1,604
Total equity	37,031	33,540	33,594

Bisichi PLC
Consolidated Cash Flow Statement
For the six months ended 30 June 2024

	Unaudited 30 June 2024	Unaudited 30 June 2023	Audited 31 December 2023
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	£000	£000	£000
Cash flows from operating activities			
Operating profit	5,972	662	1,900
Depreciation	1,628	764	1,493
Unrealised (gain)/loss on investments	(920)	553	(759)
Unrealised loss on investment properties	-	-	(145)
Exchange adjustments	(27)	188	158
Movement in working capital	(318)	(3,947)	133
Net interest paid	(712)	(353)	(1,139)
Income tax (paid)/received	(721)	(327)	137
Cash flow from operating activities	4,902	(2,460)	1,778
Cash flows from investing activities	(5,215)	(1,649)	(6,701)
Cash flows from financing activities	(43)	(513)	(2,874)
Net increase/(decrease) in cash and cash equivalents	(356)	(4,622)	(7,797)
Cash and cash equivalents at 1 January	(292)	7,365	7,365
Exchange adjustment	(5)	177	140
Cash and cash equivalents at end of period	(653)	2,920	(292)

Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise the following balance sheet amounts:

Cash and cash equivalents	1,784	6,468	3,242
Bank overdrafts	(2,437)	(3,548)	(3,534)
Cash and cash equivalents at end of period	(653)	2,920	(292)

Bisichi PLC

Consolidated statement of changes in shareholders' equity

For the six months ended 30 June 2024

	Share capital £'000	Share premium £'000	Translation reserve £'000	Available for sale reserves £'000	Other reserves £'000	Retained earnings £'000	Total £'000	Non-controlling Interest £'000	Total Equity £'000
Balance at 1 January 2023	1,068	258	(2,559)	-	1,112	33,923	33,802	1,759	35,561
Profit for the period	-	-	-	-	-	(339)	(339)	473	134
Other comprehensive income and expense	-	-	(599)	-	-	-	(599)	(275)	(874)
Total comprehensive income for the period	-	-	(599)	-	-	(339)	(938)	198	(740)
Dividend	-	-	-	-	-	(1,281)	(1,281)	-	(1,281)
Balance at 30 June 2023	1,068	258	(3,158)	-	1,112	32,303	31,583	1,957	33,540
Balance at 1 January 2023	1,068	258	(2,559)	-	1,112	33,923	33,802	1,759	35,561
Profit for the year	-	-	-	-	-	259	259	51	310
Other comprehensive income and expense	-	-	(469)	-	-	-	(469)	(206)	(675)
Total comprehensive income for the year	-	-	(469)	-	-	259	(210)	(155)	(365)
Dividend	-	-	-	-	-	(1,602)	(1,602)	-	(1,602)
Share options cancelled	-	-	-	-	-	-	-	-	-
Share options issued	-	-	-	-	-	-	-	-	-
Balance at 31 December 2023	1,068	258	(3,028)	-	1,112	32,580	31,990	1,604	33,594

Profit for the year	-	-	-	-	-	1,957	1,957	1,732	3,689
Other comprehensive income and expense	-	-	102	-	-	-	102	73	175
Total comprehensive income for the period	-	-	102	-	-	1,957	2,059	1,805	3,864
Dividend	-	-	-	-	-	(427)	(427)	-	(427)
Balance at 30 June 2024	1,068	258	(2,926)	-	1,112	34,110	33,622	3,409	37,031

ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS:

The results for the six months ended 30 June 2024 have been prepared in accordance with International Financial Reporting Standards (IFRS). The principal accounting policies applied are the same as those set out in the Financial Statements for the year ended 31 December 2023, and which will form the basis of the 2024 Annual report.

1. Segmental analysis

For management purposes, the Group is organised into two operating Divisions, Mining and Property. These Divisions are the primary basis on which the Group reports its segment information. This is consistent with the way the Group is managed and with the format of the Group's internal financial reporting.

	Unaudited 30 June 2024 £000	Unaudited 30 June 2023 £000	Audited 31 December 2023 £000
Revenue			
Mining	22,777	25,060	47,424
Property	541	543	1,268
Other	162	280	561
	23,480	25,883	49,253
Operating profit/(loss)			
Mining	4,658	715	(271)
Property	233	221	856
Other	1,081	(274)	1,315
	5,972	662	1,900
Share of profit in joint ventures	(250)	(10)	(39)
Interest receivable	64	124	222
Interest payable	(776)	(477)	(1,473)
Profit/(Loss) before taxation	5,010	299	610

2. Taxation

	Unaudited 30 June 2024 £000	Unaudited 30 June 2023 £000	Audited 31 December 2023 £000
Based on the results for the period:			
Corporation tax at 27% (2023: 27%)	228	6,425	1,318
Deferred taxation	1,093	(469)	(1,018)
	1,321	5,956	300

3. Earnings/ (loss) per share

Both the basic and diluted earnings per share calculations are based on a profit of £1,957,000 (2023: loss of £339,000). The basic earnings per share has been calculated on a weighted average of 10,676,839 (2023: 10,676,839) ordinary shares being in issue during the year. The diluted earnings per share has been calculated on the weighted average number of shares in issue of 10,676,839 (2023: 10,676,839) plus the dilutive potential ordinary shares arising from share options of nil (2023: nil) totalling 10,676,839 (2023: 10,676,839).

4. Investment properties

Investment properties are held at fair value at each reporting period. Management evaluate on an ongoing basis the impact of the current economic performance of the UK Retail market on the future performance of the group's existing UK property portfolio. The Directors have placed a valuation on the properties which is not materially different to the value as at 31 December 2023. Therefore no change in fair value of investment properties has been made during the period. Investment properties are therefore included at a Director's valuation which is considered to be the fair value as at 30 June 2024. Please refer to page 85 to 87 of the 2023 Annual report and Accounts for details on the valuation of investment and development properties as at 31 December 2023.

5. Related Parties

The related parties and the nature of costs recharged are as disclosed in the Group's annual financial statements for the year ended 31 December 2023. The Group paid management fees of £100,000 (30 June 2023: £100,000 December 2023: £200,000) to London & Associated Properties PLC, an associated company.

6. Financial information

The above financial information does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The figures for the year ended 31st December 2023 are based upon the latest statutory accounts, which have been delivered to the Registrar of Companies; the report of the auditors on those accounts was unqualified and did not contain a statement under Section 498(2) or (3) of the Companies Act 2006.

As required by the Disclosure and Transparency Rules of the UK's Financial Conduct Authority, the interim financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and in accordance with both IAS 34 'Interim Financial Reporting' as adopted by the United Kingdom and the disclosure requirements of the Listing Rules.

The half year results have not been audited or subject to review by the company's auditors.

The annual financial statements of Bisichi PLC are prepared in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006. The same accounting policies are used for the six months ended 30 June 2024 as were used for the year ended 31 December 2023.

The assessment of new standards, amendments and interpretations issued but not effective, are not anticipated to have a material impact on the financial statements.

The largest areas of estimation and uncertainty in the interim financial statements are in respect of:

- Life of mine and reserves;
- Depreciation;
- Provision for rehabilitation (relating to environmental rehabilitation of mining areas);
- Impairment; and
- The valuation of investment and development properties

Property, plant and equipment representing the group's mining assets in South Africa are reviewed for impairment where there is evidence of a material impairment. The impairment test indicated significant headroom as at 31 December 2023 and no impairment was considered appropriate. The directors have used similar key assumptions and estimates as outlined on page 73 of the 2023 Annual report and Accounts, and no impairment was considered appropriate as at 30 June 2024.

Other areas of estimation and uncertainty are referred to in the Group's annual financial statements. There have been no significant changes to the basis of accounting of key estimates and judgements as disclosed in the annual report as at 31 December 2023.

The Group's contingent liabilities and bank guarantees are referred to in the Group's 2023 annual financial statements. Black Wattle Colliery (Pty) Ltd continues to be involved in a tax dispute in South Africa related to Vat. The dispute arose during the year ended 31 December 2020 and is related to events which occurred prior to the years ended 31 December 2020. The interpretation of laws and regulations in South Africa where the Group operates can be complex and can lead to challenges from or disputes with regulatory authorities. Such situations often take significant time to resolve. Where there is a dispute and where a reliable estimate of the potential liability cannot be made, or where the Group, based on legal advice, considers that it is improbable that there will be an outflow of economic resources, no provision is recognised. Further details of the contingent tax liability can be found on page 107 of the 2023 Annual report and Accounts.

The interim financial statements have been prepared on the going concern basis. Cashflow forecasts demonstrate that the group has adequate resources to continue in operational existence for the foreseeable future and is well placed to manage its business risks.

7. Dividend

The final dividend in respect of 2023, totalling £427,074 was approved by the shareholders at the Annual General Meeting held on the 18th June 2024 and was paid on the 26th July 2024. The final dividends in respect of 2023 are included as a liability in these interim financial statements. A proposed interim dividend for the year ended 31 December 2024 totalling £320,305 (2023: £320,305) was approved by the Board of Directors on 29 August 2024 and has not been included as a liability in these Interim Financial Statements.

8. Principal risks and uncertainties

The Group has an established risk management process which works within the corporate governance framework as set out in the 2023 Annual Report and Accounts. Risks and uncertainties identified by the Group are set out on page 20 to 23 of the 2023 Annual Report & Accounts and are reviewed on an ongoing basis. There have been no significant changes in the first half of 2024 to the principle risks and uncertainties as set out in the 2023 Annual Report & Accounts.

Risks faced by the business are assessed by the Board on an ongoing basis. Strategies for mitigating the risks have been defined and specific measures for achieving these are already underway. These include the measures outlined in the Chairman's Statement, Mining Review and Financial Review & Performance sections of the 2023 Annual report and Accounts.

The principal risks as stated in the 2023 Annual Report & Accounts reflect the challenging environment in which the business operates and are considered under the following broad headings:

Mining:

- Coal price and volume risk
- Mining risk
- Currency risk
- New reserves and mining permissions
- Power supply risk
- Flooding risk
- Environmental risk
- Health & safety risk
- Climate change risk
- Labour risk
- Socio-economic, political instability & regulatory environment risk
- Cashflow

Property:

- Property valuation risk

9. Board approval

These interim results were approved by the Board of Bisichi PLC on 29 August 2024.

DIRECTORS RESPONSIBILITY STATEMENT AND REPORT ON PRINCIPAL RISKS AND UNCERTAINTIES

Responsibility Statement

We confirm to the best of our knowledge:

- (a) the condensed set of financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU;
- (b) the interim management report includes a fair review of the information required by:

(1) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

(2) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during the period; and any changes in the related party transactions described in the last annual report that could do so.

This report contains forward-looking statements. These statements are based on current estimates and projections of management and currently available information. Future statements are not guarantees of the future developments and results outlined therein. Rather, future developments and results are dependent on a number of factors; they involve various risks and uncertainties and are based upon assumptions that may not prove to be accurate. Risks and uncertainties identified by the Group are set out on page 20 to 23 of the 2023 Annual Report & Accounts. We do not assume any obligation to update the forward-looking statements contained in this report.

Andrew Heller
Executive Chairman & Managing Director
29 August 2024

DIRECTORS AND ADVISERS

Directors	Andrew R Heller MA, ACA (Executive Chairman & Managing Director) Robert Grobler PR Cert Eng (Mining Director) Garrett Casey CA (SA) (Finance Director) Christopher A Joll MA (Non-executive) (ceased to be a director on 18 April 2024) Clement Robin Parish (Non-executive) (appointed on 1st July 2024) John A Sibbald BL (Non-executive) John Wong ACA, CFA (Non-executive) John Heller LLB MBA (Non-executive)
Secretary & Registered office	Garrett Casey CA (SA) 12 Little Portland Street London W1W 8BJ
Black Wattle Colliery - Directors	Andrew Heller (Managing Director) Garrett Casey (Finance Director) Ethan Dube (Commercial Director) Robert Grobler (Mining Director) Millicent Zvarayi
Registrars and transfer office	Link Group Central Square 29 Wellington Street Leeds LS14DL UK Telephone: 0371 664 0300 International Telephone: +44 (0) 371 664 0300 (Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. We are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales) Website: www.linkgroup.eu E-mail: shareholderenquiries@linkgroup.co.uk
Company registration number	00112155 (Incorporated in England and Wales)
Web site	www.bisichi.co.uk
E-mail	admin@bisichi.co.uk