

AEEI grows from strength to strength

Firm's profit rises from R587m to R8.371bn

Cape Argus, 23 May 2018, Adri Senekal de Wet and Joseph Booysen



LOOKING AHEAD: African Equity Empowerment Investments group chief executive, Khalid Abdulla, speaks at the firm's interim financial results presentation in Cape Town yesterday. AFRICAN Equity Empowerment Investments (AEEI), listed on the JSE, said it delivered exceptionally strong growth, with cash in hand up by 756% during the six months to February 28.

At the release of the company's interim results in Cape Town yesterday, Khalid Abdulla, the group chief executive of AEEI, promised investors even more good news to come in the future.

AEEI said it planned to expand into new markets in the next year or so, which is set to give the country a welcome employment boost by creating hundreds of jobs. AEEI employs up to 700 people, and has operational investments in food and fishing, technology, health and beauty, events and tourism, and bio-technology, and strategic investments in SAAB, Sygnia, Pioneer Foods and BT.

AEEI is a diversified investment and empowerment company, which continues to attract strong investor confidence. Its group profile includes operational investments in the JSE-listed Premier Fishing & Brands Limited, Premfresh Seafoods and Talhado.

Addressing analysts and shareholders at the Investment Analyst Society presentation, Abdulla sent a strong message to the market. "It is heartening to see the group's dedication and commitment to perform.

“For the past few years when presenting, I have referred to our Vision 2020 Strategy – it is now clearly apparent that our goals and target are being met and in most cases, exceeded,” he said.

AEEI also owns espAfrika, which hosts the Cape Town International Jazz Festival every year.

EspAfrica continued on a sustainable growth path, and are planning to host more events in Africa. “That is obviously good for us; we wanted to have more than one or two events and we are growing.

“We will probably grow further into the African continent also over the next few years. Job-creation is important – I reckon over the next year or two we will probably create about 200 new jobs,” Abdulla said.

AEEI’s revenue increased by 33% to R604 million, which was mainly due to significant revenue growth achieved from AEEI’s holding in the technology division.

Abdulla said operating profit increased substantially by 1 326%, from R587m to R8.371 billion, because of consistent organic and acquisitive growth, and efficiencies achieved in all its divisions, while the successful, separate listing of AYO also contributed significantly.

AEEI’s non-executive board chairman, Reverend Dr Vukile Mehana, said: “I again congratulate Khalid, his team and all who are involved in driving AEEI forward.”

Abdulla said the group’s interim dividend declaration of 3.3 cents a share to shareholders, a 65% increase from 2 cents paid last year, and that AEEI had also paid a total dividend of 7.50 cents a share for the financial year ended August 31 last year.

“The group remains on a positive trajectory and is buoyant about its future prospects,” he said.