

AEEI scores 31% rise in revenue

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JSE-listed African Equity Empowerment Investments (AEEI) on Thursday announced a 31 percent increase in revenue from R604 million to R792m. Photo: Armand Hough/African News Agency (ANA)

CAPE TOWN – JSE-listed African Equity Empowerment Investments (AEEI) on Thursday announced a 31 percent increase in revenue from R604 million to R792m.

This was revealed by the company in its interim results for the six months to February, where it stated that profit after tax for the period increased by 246 percent from R158m to R546m.

The group attributed its performance to strong contributions from all its divisions, with a combination of organic and acquisitive growth, especially in the fishing and brands and technology divisions.

AEEI said in its statement: “The consistent increase in earnings and asset growth during a period of ongoing economic volatility demonstrates the Group’s efficient and effective business model during challenging market conditions.”

The group’s headline earnings per share increased by 37 percent from 28.32 cents to 38.67c, while earnings per share rose by 238 percent from 28.32c to 95.77c for the period under review.

“AEEI’s strategy to increase its asset base and broaden its portfolio is evident in the 32 percent growth in total assets from R7.3bn to R9.7bn. This is mainly due to the growth in the fishing and technology divisions. Net asset value for the Group increased by 8 percent from R4.9 billion to R5.3bn,” the group said.

Group chief executive of AEEI Khalid Abdulla said: “It is reassuring to see the Group’s dedication and commitment to perform. For the past few years, we have consistently referred to our ‘Vision 2020 Vision’ strategy and it is apparent that our goals and targets are being met and in most instances, exceeded.”

With the solid financial performance derived from the underlying businesses, net cash generated from operating activities for the period increased to R123m.

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Abdulla said he believed that the minority equity stakes in the group’s strategic investments had all shown improvements in its investment value since the date of the acquisitions, while the companies demonstrated consistent growth in earnings and earn regular dividends for AEEI.

The group declared an interim dividend of 11c per share.

AEEI is a diversified investment and empowerment company and currently employs thousands of people across South Africa. AEEI is 73.7 percent black-owned, of which 38 percent constitutes female ownership.

The group said its commitment to B-BBEE and accelerated transformation, application of good corporate governance, transparent reporting, ethical business practices and its drive to further increase shareholder value, made it a pioneer for other businesses to follow.

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