SEED·CO

The African Seed Company

2021 Annual Report

THE HOME OF BUMPER HARVESTS

It starts with the right seed

About the Seed Co Annual Report

Seed Co International Limited, which is listed on the Botswana Stock Exchange (BSE) and Zimbabwe Stock Exchange (ZSE), is the leading producer and marketer of certified crop seeds in Africa. We believe that our annual report can help our stakeholders make better informed decisions about our business.

This report, which is our primary report to stakeholders, covers the period 1 April 2020 to 31 March 2021. The scope of this report includes the Seed Co group's operations, projects and the key functions over which we exercise control.

For ease of reference we have used Seed Co or the group to represent the company and its group entities. All our subsidiaries, business divisions and products are referred to by their branded names. With respect to comparability, all items are reported on a like-for-like basis with no major restatements. Any restatements are noted and explained.

Reporting frameworks

Our report conforms to the requirements of local and international reporting frameworks, including those of the Victoria Falls Stock Exchange Listings Requirements. We have used the International Integrated Reporting Framework to guide us in structuring our report to show the connectivity between material information on our strategy, governance, performance and prospects and how our strategy affects and is affected by environmental, social and financial matters. We have been guided by the Global Reporting Initiative's (GRI) 3.1 indicators.

Welcome to the home of bumper harvests

Our Vision

To dominate the Agro industry in Africa.

Our Mission

We breed seed, feed and lead in Africa.

Our Brands

Specially bred for Africa hence assuring farmers highest yield.

Core Values

- Farmer Centricity: Putting customers at the centre
- People Our Pride: Results through people with passion
- Knowledge: Information advantage
- Teamwork: Work and win together
- Quality Focused: Drive for quality and value
- Innovation: Learning and applying

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The Seed Co International Limited Annual Report comprises of:

- Audited consolidated and company financial statements of Seed Co International Limited set out on pages 44 to 79 which comprise the group and company statements of financial position as at 31 March 2021.
- The Annual Report includes notes to the financial statements, including a summary of significant accounting policies.
- Seed Co International Limited AGM Notice and Proxy Form

Overview

Our teams across Africa combine their local knowledge with our assets and expertise, tailoring solutions that create value for farmers.

Research and development

Your Company possess a strong in-house R&D base, keeping pace with world class scientific progress. Being Africa's largest seed Company, the focus centres on the combined use of conventional breeding techniques and biotechnology, to consistently improve and stabilize the yield for maximum potential.

Production

An important component of seed production is ensuring the desired genetic identity of the subsequent generation. Key practice is maintaining genetic purity. Most of our annual crops are established each season under optimum conditions and processed with state-of-the-art technologies.

Processing

Seed processing is a vital part of the total technology involved in making available high quality seed. It assures the end users, seeds of high quality. In Agriculture, the term seed processing includes cleaning, drying, seed treatment, packaging and storage.

Sale and Marketing

Seed sales and marketing aims to satisfy the farmer's demand for reliable supply of a range of seed varieties with assured quality at an acceptable price. Operational activities include sales and distribution, marketing service activities, advertising, promotions and market research.

Support Services

Seed Co explores the ever changing role of agricultural extension services especially to the smallholder farmer in Africa. Focus is to equip farmers with knowledge and skills to run their farms as a sustainable business. Starting with the right seed and helping farmers apply good agronomic practises is key to raising incomes and livelihoods.

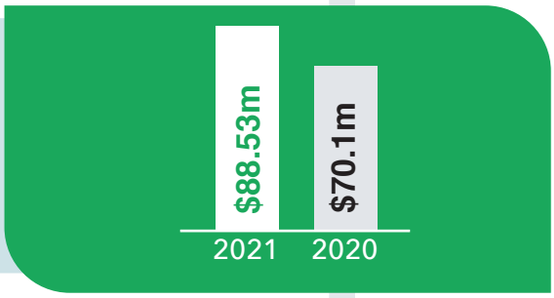
Product Development

Product development is the complete process of delivering a new product or improving an existing one for customers. The department coordinates complex activities of the Company which requires careful attention to detail. Ongoing product management ensures the product is subject to continuous upgrades and improvement.

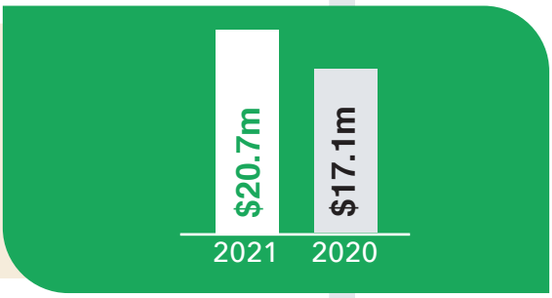
Performance Highlights

Strong sales volume and revenue growth was achieved due to heightened seed demand on the back of favourable weather conditions.

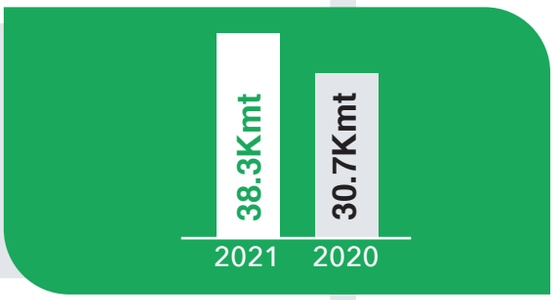
REVENUE ↑ 26%



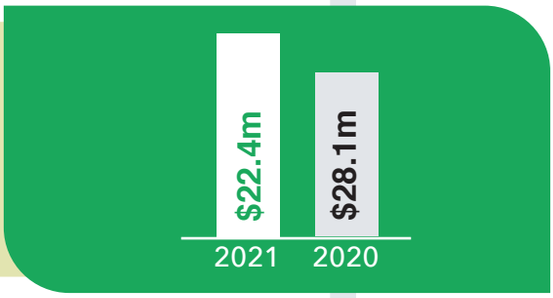
EBITDA ↑ 20.9%



MAIZE SEED SALES VOLUMES ↑ 24.7%



NET DEBT ↓ 20.2%



Chairman's Letter

"I would like to take this opportunity to express my sincere gratitude to my fellow Board Members for the wise counsel, guidance and support to Management and staff."

D.E.B Long - Chairman

Dear Stakeholders

I have the pleasure to present the annual report for the financial year ended 31 March 2021. The year was characterised by the COVID-19 pandemic which disrupted economic and business activities globally. The global response to the pandemic included national lockdowns and health guidelines which restricted movement of people and commercial activities. Despite these developments, the Group accomplished phenomenal results.

Operating Environment

The agricultural season experienced average to above average rainfall across regions, presenting opportunities for good crop yields. The business environment was characterised by disruptions and macroeconomic challenges in some countries which prompted us to activate business continuity plans to strengthen our resilience and respond to COVID-19 effects; Zimbabwe, Nigeria and Ethiopia however presented opportunities for business development.

Financial Performance

The Group posted turnover of USD$89m which was 26% above prior year (USD$70m) driven by 35% volumes growth. PBT of USD$15m increased by 47% while PAT of USD$11m was almost double last year. The Group maintained a strong financial position to sustain growth and operations.

Production and Quality

The Group maintained an adequate 3-year cover stock of parent seed. The total maize seed that was available of 66 623mt was adequate to meet demand and to leave a surplus for the next season. Seed production for other crops remained in a satisfactory position. Despite COVID-19 impacts on the last farming season, we expect a strong production from good rainfalls experienced across regions. Seed quality test for the year produced satisfactory results to anchor our brands.

Research and Development

The Group continues to develop new seed varieties resilient and adaptive to climate change. New maize, wheat, sorghum, pearl millet, rice and sunflower seed varieties were tested while some were piloted for production. Upgrading and modernization of our research facilities were strategic to enhance our research and development capabilities.

Business Development

I am pleased to report that the Group continues to build on growth opportunities in Ethiopia, Nigeria, Ghana, Mozambique, Francophone West Africa, and DRC. Business development however remains focused on developing more of our newer markets while optimising markets like Zambia, and Tanzania.

Chairman's Letter

Future Prospects

Despite the COVID-19 pandemic, the Group is optimistic in regard to business development opportunities in new markets. Our Group-wide online shops in Zimbabwe, Zambia and Malawi will enhance customer shopping and convenience. Our continued investment in infrastructure and new seed variety development provide opportunities for future growth prospects in post pandemic economic recovery.

Artificial Seed Dryer

The state-of-the-art Artificial Seed Maize Dryer with a capacity of 5,000 tonnes per season at Stapleford, Zimbabwe is now 100% complete. This confidence building investment in agriculture was effected at a cost of USD$12.7 million and has a number of advantages which include:

- Quality of seed maize is significantly improved through elimination of pest challenges since seed maize harvesting is done at 35% moisture content.
- Farmers can double crop per unit area by utilising land for a winter crop after harvesting seed maize.
- Cost of producing seed maize by seed growers is reduced since activities such as on-farm cob sorting, shelling, hand picking, and bagging are eliminated.
- Seed maize is made available to the market early for commercial farmers to purchase and plant, thereby attaining higher yields.
- Enhancement of the Group's Balance Sheet.

Responsible Business

The Group remains committed to upholding responsible business practices and values across operations. Corporate sustainability will now strengthen the Group's integrated management of economic, environmental, social and governance (ESG) impacts and opportunities in our value chains.

COVID-19 Impacts and Response

The COVID-19 pandemic disrupted some of our business operations and supply chains. While the Group recorded COVID-19 cases, I am pleased to report that there were no fatalities. Due to the COVID-19 pandemic the business activated its Business Continuity Framework across all its markets to protect employees, customers, and other stakeholders. Shift working patterns were adopted across all our factories with enhanced safety and health measures being put into place.

Human Capital

Our staff remain strategic to value creation and growth of the business. The Group invest in and support good working conditions, staff welfare and skills development. It was pleasing that we had an accident free and no-work related fatalities during the year. Our staff complements have remained more or less the same as the prior year. We remain proud of our employees who have been appointed into seed research development working groups in Africa and the global world. Our talent retention and development policies have seen almost 98% of all promotions done in the year under review being from within the Group. This is evidence of our effective succession planning and ensuring that opportunities are spread across the entire Group employee cohort.

Sustainable Development

As a responsible citizen, we strongly believe in the transformation and empowerment of our communities. We respond to needs through corporate social investments designed to provide indirect economic impacts. During the year, the Group donated various items and supported government efforts in the fight against COVID-19 pandemic impacts as well as meeting social welfare and community needs.

Appreciations

I should like to take this opportunity to express my sincere gratitude to my fellow Board Members for their wise counsel, guidance and support to Management and staff. My thanks go to Morgan Nzwere and his Executive Team for their sterling leadership and for inspiring a shared vision among staff. Most of all, sincere appreciation goes to our strategic partners who include customers, shareholders, suppliers and regulators for their support and contribution to the sustaining of our shared values and the pursuit of sustainable success.

D.E.B Long
Chairman
14 June 2021

Chief Executive Officer's Review

"I would like to thank Team Seed Co for a stellar performance in achieving the positive results during this challenging time and note my high regard of the Board's unwavering support and stewardship on all the initiatives we undertook during the year."

Morgan Nzwere - Group Chief Executive

Overview

The past financial year was marred by the Global COVID-19 Pandemic whose effects on livelihoods in the Group's operating markets was somewhat cushioned by above average rains which buoyed crop cultivation and output. The good rains and focus on food security amidst the Pandemic stimulated seed demand across markets and the volume surge helped to absorb the effect of depreciating local currencies.

Group Financial Review

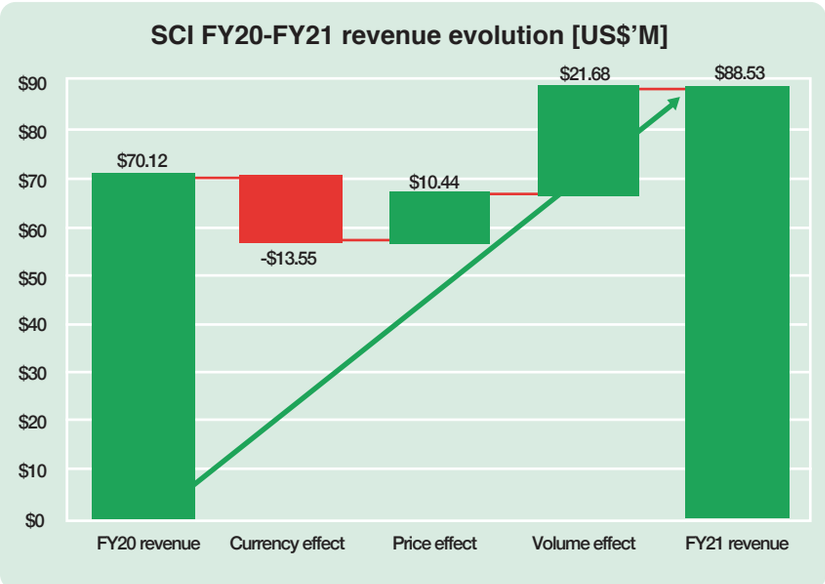
Income Statement

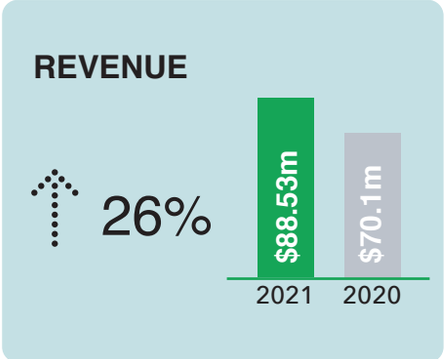
Revenue

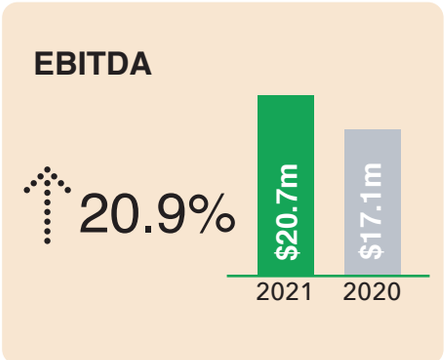
A combination of above average rainfall in in all key markets, and the increased focus on primary food production by governments and development partners, drove product demand in all markets resulting in volumes growing by 34%. Revenue grew in tandem by 26% slightly behind volume growth due to depreciation of local currencies against the reporting currency.

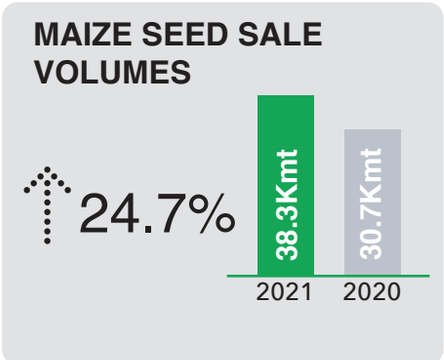
The revenue evolution is shown in figure 1 below

Figure 1 Revenue Evolution from Prior year





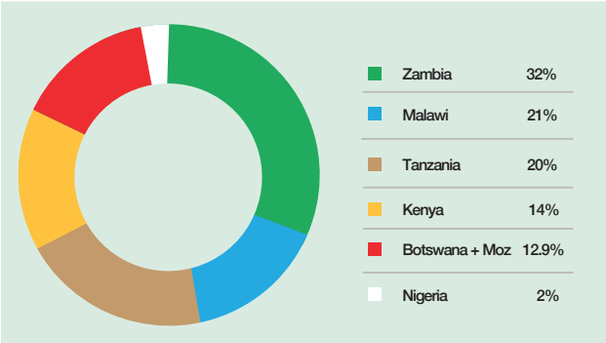




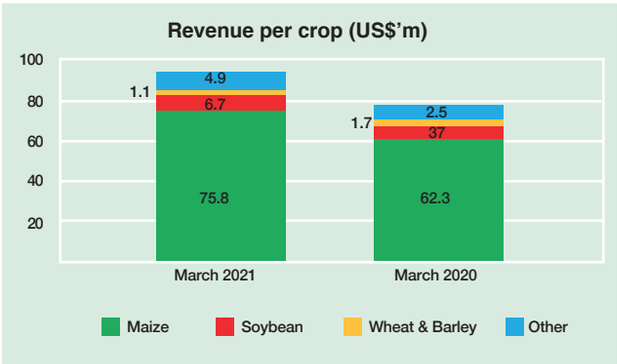
CHIEF EXECUTIVE OFFICER'S REVIEW

The revenue contribution of the various markets is shown in Figure 2 below.

In terms of volumes, performance was phenomenal with Nigeria, Malawi, Kenya, Zambia, and Tanzania surpassing last year by 233%, 105%, 57%, 23% and 20% respectively.



Volume contribution remains largely anchored by maize sales as illustrated below. There was however a significant improvement in soybean sales this year.



Other income

Reduced exchange gains in Zambia as net foreign denominated assets declined and reduced fertilizer & chemicals trade in Botswana resulted in a significant reduction in other income.

Operating expenses

Investment in marketing and sales to drive volumes and market share especially in Malawi increased the overall operating expenditure by 4% amidst tight cost control across the Group as part of the Business Continuity Plan in response to the Pandemic.

Finance costs

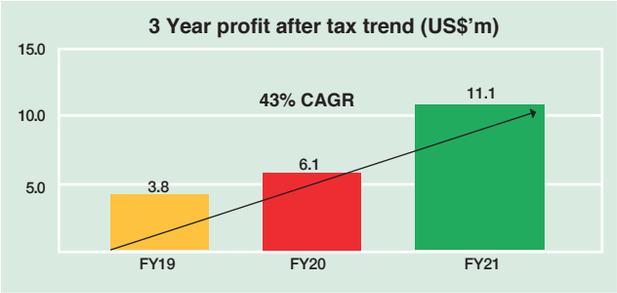
Careful deployment of working capital during the Pandemic and improved settlement of receivables kept facilities at optimal levels resulting in reduced finance costs.

Joint Venture Operations

The loss contribution from joint ventures and associates reduced as the vegetable business narrowed its losses significantly as the venture scaled up operations solidifying its nascent establishment.

Profit for the year

Group Profit surged by 82% driven by the phenomenal volume performance and an austerity Business Continuity Plan to mitigate the effects of the Pandemic.



Statement of financial position

Property, plant and equipment

The increase in non-current assets was due to the acquisition of a processing plant in Nigeria and the equipping of the recently acquired Mkushi Farms in Zambia as well as some revaluations which helped to mitigate the exchange losses.

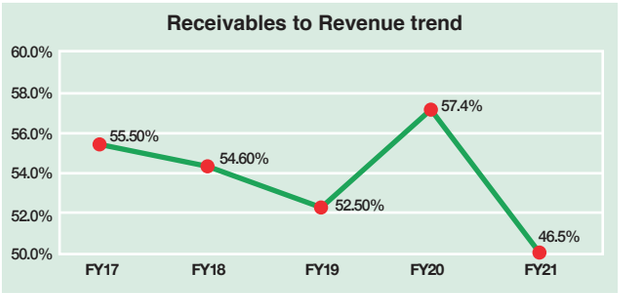
Inventories and biological assets

Overall, good sales performance Group wide saw inventories closing the year 10% lower than prior year and biological assets at same level as prior year.

Trade and other receivables

Better collections resulted in receivables closing the year at almost prior year levels despite the excellent volume performance.

The trend in trade receivables at year end as a percentage of turnover over the years is as shown in the chart below:



Amounts due from related parties increased by 50% as compared to prior year. However, the intercompany debt reduced significantly post balance sheet with a $7.5m repayment from Zimbabwe.

Equity

The increase in equity is mainly attributable to the increased profit reported this year.

Net debt

The net debt decreased due to cautious deployment of working capital and capital expenditure, better collections and as well as the benefits of activating the Group Business Continuity Plan.

CHIEF EXECUTIVE OFFICER'S REVIEW

Seed supply

Despite the challenges posed by COVID-19 restrictions, the Group generally had adequate stocks last season. Seed production for the ensuing season is underway and adequate stocks for the anticipated demand are expected on the back of better rains. Agriculture remains designated as an essential and critical area and operations have been allowed to continue with limited interruptions.

Research & development

Seed Co's thrust is to stay abreast of climate evolution by continuously innovating and introducing products adaptable to current and predicted climate trends. Last financial year, the Group released the following new products in the various markets it operates:

- SC419 and SC667 registered in Nigeria
- SC W9101 and SC Select wheat varieties registered in Zambia
- SC 419, SC441 and SC439 being tested in Kenya for launch in FY22

The testing program for both hybrid and OPV rice in Southern and West Africa is progressing well with some products showing good signs of adaptability.

Operations

Zambia

The good rains generally received in the country buoyed product demand resulting in overall sales volumes increasing by almost 26% as compared to prior year. However, the continued kwacha devaluation diluted overall increase in turnover to 10% despite the volume surge.

The decision by the Government to denominate its input purchases in local currency reduced Seed Co Zambia's net foreign denominated assets cancelling out exchange gains that the business unit used to enjoy previously.

While the Government made efforts to pay outstanding debts by settling current debts through Letters of Credit, continued delays in paying long overdue debts resulted in the business carrying high levels of debt for the greater part of the year incurring higher finance costs as compared to prior year.

The business is starting to reap the infrastructure benefits of its recently acquired Mkushi Farms in the form of reduced production costs as well as timely and quality in-house seed production of both summer and winter cereals.

Annual Profit After Tax eased 10% to $6m with significant improvement in the quality of the earnings in the absence of notable exchange gains.

Malawi

The business achieved a turnover of $19,4m which was 79% higher than prior year driven by the new and bigger Government inputs program. Sales volumes were 81% ahead of prior year as the business leveraged its capacity, local market development efforts over the years and Group synergies to satisfy the huge Government order.

PAT achieved of $3,5m was more than double prior year due to a combination of volume growth and margin management.

Tanzania

The business continued with its growth trajectory by registering revenue growth of 4% to $17.8m benefitting from:

- increasing brand awareness and loyalty
- above average rainfall
- continued opening up of new areas in this vast country

The business achieved a growth in Profit After Tax from $2.5m in prior year to $3.2m this year.

Kenya

Turnover and volumes rebounded to $12.6m from $8.5m and 6,145mt from 3,855mt prior year respectively, due to a combination of

- good rains in both the 1st and 2nd season;
- aggressive sales and marketing leveraging technology;
- exports to Rwanda.

The good performance turned the fortunes of Seed Co Kenya from a $0.2m loss position last year to deliver a Profit After Tax of $0.9m.

Botswana and Mozambique

This segment (previously CCU) now excludes South Africa, Lesotho, Namibia, and Swaziland following the creation of the Limagrain Zaad South Africa LGZSA joint venture. The segment now only comprises Botswana and the notably growing Mozambique which managed to offset the market share loss to the LGZSA joint venture.

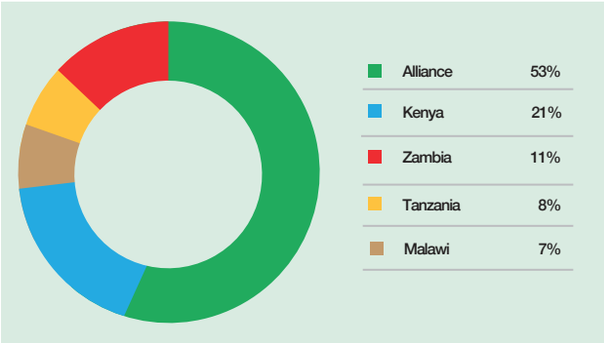
The reconstituted segment turnover and volume were $9.9m (compared to $9.2m for then CCU segment last year) and 3,746mt (2% higher the CCU in prior year). This performance delivered $0.7m Profit After Tax compared to a loss of 1.9m that was incurred by the then CCU segment last year.

CHIEF EXECUTIVE OFFICER'S REVIEW

Vegetables 50% Joint Venture (Prime Seed Co International)

The joint venture achieved $5.2M combined turnover compared to $3.5M prior year as the business is now fully established in 5 markets. The RSA business unit contributed 53% of the revenue followed by Kenya (21%), Zambia (11%), Tanzania (8%) and Malawi (7%) in that order. All SBUs within the vegetable segment registered growth in sales and notable improvement in the contribution of high value hybrids to turnover. Exchange losses and business scale-up overheads in the new markets other than RSA resulted in a consolidated net loss of $0.3M.

The Revenue contribution is as shown below:



The significant turnover growth helped to narrow losses from $0,9m last year to $0.2m this year.

Business Development files

1. Nigeria

Turnover nearly doubled to $2.1k from last year as volumes trebled to 1,514mt due to better rains and strong institutional demand.

On the back of the topline outturn, the SBU's bottom line rebounded to a profit of $0.4m from a loss of $0.3m last year.

2.Ghana and Francophone West Africa

Commercial activities now in full swing for the West & Central Africa joint venture with Limagrain that legally became effective on 1 October 2020. A marginal Profit After Tax of $0.1m was achieved by the new venture which is pursuing business activities in Francophone West Africa as well as Central Africa from its Ghanaian base.

A global distributor agreement with a major player in this West African region is nearing conclusion and this is expected to provide a wider route to market in this big regional market.

3.Angola

The setting up of a local subsidiary in Angola is in advanced stages. However, turnover during the reporting period was significantly reduced by Government's budgetary constraints that saw it suspending inputs support.

4.DRC

The in-country volume sold was up by 48% from prior year on account of growing popularity of Seed Co products to the extent that some parties are counterfeiting the products and some customers are crossing into Zambia to purchase the seed directly. Seed Co has established an outlet by the Kasumbasela Boarder post to take advantage of this growing demand.

5. Rwanda

This market is now being serviced out of Kenya.

6. Mozambique

The demand for Seed Co products continues to grow in this market with significant volumes being supplied from both Malawi and Zimbabwe. A notable 1,801mt volume was sold in FY21.

Outlook

- The Group will continue to leverage its essential service status in all its markets to continue being a vital cog in the primary food production value chain.
- Seed Co will continue implementing measures to ensure business continuity amid the challenges brought by Covid-19.
- Market development initiatives will continue in East Africa and the adjacent markets of Angola, DRC, and Mozambique as well as in West, Central and North Africa.
- The Group is expected to remain on the growth trajectory with adequate production of inventory and competitive product performance in all markets.

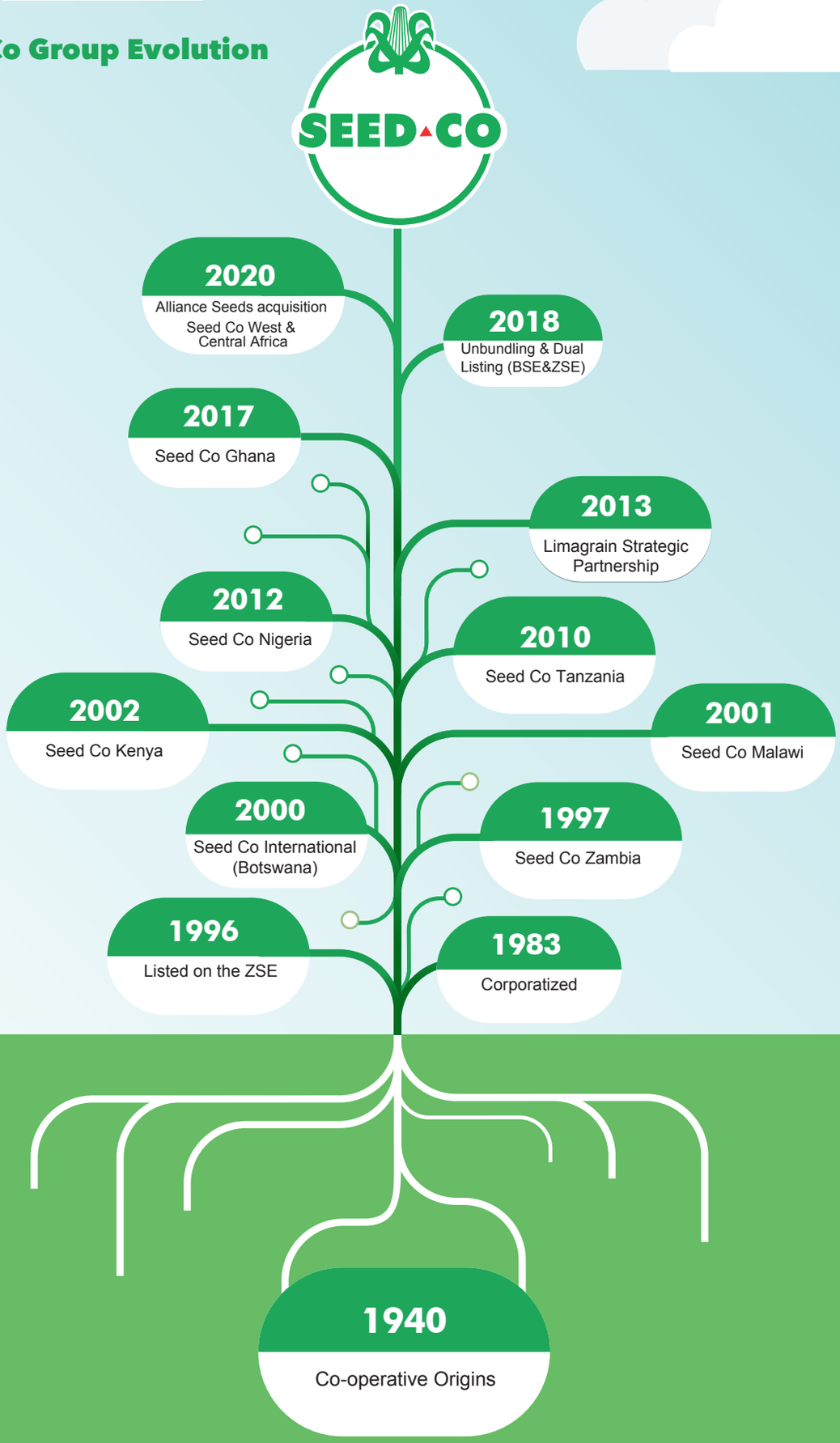
Acknowledgement

I would like to thank Team Seed Co for a stellar performance in achieving the positive results during this challenging time and note my high regard of the Board's unwavering support and stewardship on all the initiatives we undertook during the year.

The Group remains strategically positioned to satisfy customer expectations in existing markets and scale-up the business in both new territories and product lines.

M Nzwere
Group Chief Executive
14 June 2021

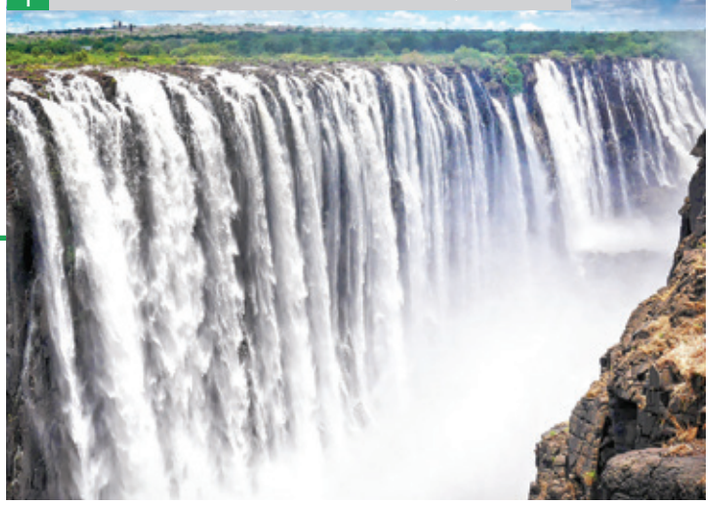
Seed Co Group Evolution



Victoria Falls Stock Exchange

Official opening of the VFEX on 26 October 2020 in the town of Victoria Falls, Zimbabwe

Located in the resort town of Victoria Falls, Zimbabwe



The trading currency on VFEX is USD

The Victoria Falls Stock Exchange (VFEX), is a wholly owned subsidiary of the ZSE established to kick start the Offshore Financial Services Centre (OFSC) earmarked for the special economic zone in Victoria Falls;

The trading currency on VFEX is USD

Key incentives applicable to VFEX include: Capital raised by a company listed on the Victoria Falls Stock Exchange may be held in an approved local or offshore account with an internationally recognised banking institution; Allowance to use offshore settlement for trades done; Tax incentives for shareholders of shares listed on VFEX – 5% dividend withholding tax (foreign investors only) and exemption from capital gains withholding.

Ability to raise capital in hard currency; Ability to use different securities to raise capital – debt, equity, ETF and REITS. Tax incentives for shareholders; Lower trading fees which may lead to improved liquidity; Enhanced profile within and outside Zimbabwe; Lower exchange control risk.

Dividends will have to be in USD or any other convertible currency.

The Victoria Falls Stock Exchange Limited ("VFEX") is pleased to announce the listing of Seed Co International Limited's ("Seed Co International") shares with effect from 26 October 2020.

Seed Co International becomes the first issuer to list on the Main Board of VFEX.

Seed Co International will trade under the symbol: SCIL.VX and ISIN BW 000 000 200 5

Investors are advised to contact the VFEX registered securities dealers for further guidance.

Research and development

Zimbabwe - Rattray Arnold Research Station staff in the Lab developing new seed varieties

Zimbabwe - Rattray Arnold Research Station staff in the Lab

Zimbabwe - Doctor Zikale on state of the art seed hydrocycler

A commitment towards research and innovation has led us to launch new products consistently over the years. We are providing the farmers with the improved seeds, backed by breeding and biotech innovation that will help to meet the increasingly dynamic consumer demands.

Scientific progress, especially in the genetic sphere, has allowed us to make rapid and useful progress to improve plants. The results of varietal creation now allow us to offer more productive varieties that are better adapted to the climates and other characteristics of particular regions, more resistant to disease and pests, while preserving and improving nutritional qualities.

We have invested in blending traditional breeding with cutting-edge biotechnology, with the set up of biotech laboratories. In the lab we have developed methodologies like candidate gene strategy, association mapping, and other procedures to develop superior hybrids and varieties that are high-yielding under optimum input use and stress environments.

Some of the new technologies we have deployed includes Doubled haploid (DH) breeding, Marker Aided Selection (MAS), Marker Assisted Recurrent Selection (MARS), Rapid Generation Advance (RGA), Inbred pool-heterotic bins, Multi-parent synthetics (MPS) and Multi-parent Advanced Generation Inter-cross populations (MAGIC).

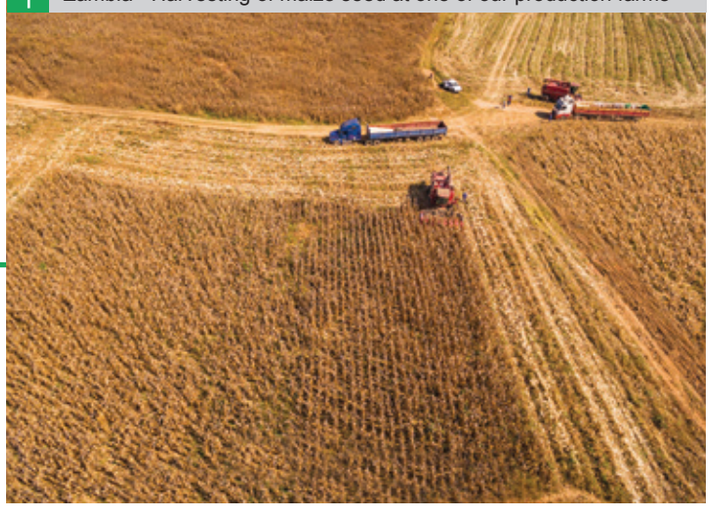
Seed Co owns a vast pool of germplasm and acts as a fuel for the Company's futuristic innovations for the product development to meet the aspirations of the farmers.

Production

Zimbabwe - Wheat seed production farm

Zimbabwe - Head Agronomists with impressive SC719 maize seed

Zambia - Harvesting of maize seed at one of our production farms



Successful seed production requires the application of good farming practices along with careful management of the crop. Although this book focuses on the production and use of the crops for seed, it must be assumed that good farming practices are followed. This chapter describes how agronomic practices relate to seed production in general and the special practices necessary for seed production in particular.

Good quality and certified seed at all times is very important at Seed Co. In farming, seed is a critical input to enhance production and productivity. Seed is the first input required for crop farming. When good quality seeds are planted, chances are that yield will be higher. Evidence and experience from farmers have shown that planting good quality seed has many advantages which include:

Increases yield significantly and in some cases could double yield. If yield is increased significantly, there will be more food, and farmers will make more money from selling surplus.

Good quality seed reduces the amount of weeds on the farm. With good quality seeds farmers are more likely to have uniform crops growing together which makes it easier for farmers to undertake other cultural practices such as thinning, weeding, fertilizer application, harvesting and many more.

Our seed varieties are grown to protect the farmer from crop diseases. This is possible because some diseases are introduced by seeds that are already infected.

Processing

The recently built Artificial Seed Drying Plant in Zimbabwe

Zimbabwe - Artificial Seed Drying Plant ready for work

Operator working on Seed packaging machines in Zimbabwe

Seed processing is a vital part of the total technology involved in making available high quality seed. At Seed Co processing includes cleaning, drying, seed treatment, packaging and storage.

The process is divided into two main categories: seed cleaning and seed treating. Seed cleaning involves the use of equipment to make various size and density separations of material so that the healthy seed is separated from the trash and bad seed. Depending on the customers needs, this can be an in-depth process involving various machines to achieve the required degree of separation. We understand that often times the needs are driven by customers. Our diverse Seed Processing line allows us to cater directly to those needs. Seed treating or seed dressing is most commonly for seed purposed for replanting. This process involves taking the cleaned seed and coating them in a chemical, usually antimicrobial or fungicidal, to make the seed more robust for the field.

After harvesting, seeds are brought to the seed processing unit from the field are frequently at high moisture content. Seed drying processing is the vital one to bring the seeds to a safe moisture content level by drying the seeds and also to reduce undesirable materials to the maximum possible

The Artificial Seed Drying Plant technology that Seed Co has installing in Zimbabwe is benefiting the process greatly minimizing importation of seed as has been the case in the past. It is also expected that the current plant utilization (seed cleaning, treating & packing) will increase from 60% to 80% i.e. from volumes of 15,000mt to 20,000mt out of a maximum plant capacity of 25,000mt of maize seed. Above all, this latest technology will put Seed Co at par with other leading global seed players who have employed such technology elsewhere.

Sales and Marketing

Instore marketing of seed products at a farm supply store in Zambia

Marketing of seeds to farmers along sea coast in Tanzania

Large format billboard advertising in Botswana

We continue to undertake marketing and branding initiatives to connect with farmers and to educate them about superior quality seeds available at Seed Co, allowing them to choose the finest seeds to improve yield

Seed Co has carved a niche for itself and its success can be attributed to the consistent efforts of our goal oriented marketing team. We not only aim to meet the aspirations of farmers and consumers by developing need based products, we also work cohesively to attain and exceed marketing objectives.

At the home of bumper harvests we are not just satisfied with offering innovative crop solutions, but remain enthused to provide maximum support to our end- users after the launch of our product. Our best practices and constant commitment to deliver promising products helps to establish our position in existing markets while foraying into new territories, thereby unlocking opportunities for growth. After all, growth is supposed to be about “more”, more new products, more categories and more markets. And focused growth keeps the company on the right track, regardless of economic environments.

To enable our aspirations, we rely on our marketing initiatives and brand building efforts to further improve our reach, enhance our distribution network and increase our brand awareness among consumers, farmers as well as dealers across Africa.

We consider our distributors and retailers an integral part of the value chain. Through our marketing initiatives, we educate distributors and retailers about the benefits of each product, share technical and environmental knowledge, which is in turn passed on to farmers. It has not only improved our brand stewardship, it also drives us to build a sustainable business.

Support Services

Maize farmer enjoys the benefit of Support Services to acheive a succesful crop in Zimbabwe

Seed Co Field day in Sokode, Togo

Seed Co Field day in Segue, Mali

We are a Farmer Centric Organization, whilst continuously investing in research & development to develop high quality seeds resulting in high yields we continuously engage with the farmers to help create value by partnering with them on product development initiatives and also by conducting various awareness programmes to help increase their farm productivity.

We invite the local farmers to our demo plots to compare our products against the leading commercial products in each crop and record their feedback on our pipeline products. All the observations recorded across locations towards yield potential, stability, reactions towards biotic & abiotic stress and the feedback is thoroughly considered before launching the new product.

Field days are a platform to strengthen the confidence and trust of farmers on our brand, we conduct farmer education programmes across geographies and make them aware of our new and high-yielding products. We engage with them and introduce them to our wide product portfolio.

Our agronomists educate farmers about our products and agronomy practices to be followed in specific geographies.

Our team participates and sponsors in various agricultural festivals across Africa at district and state levels. These festivals are organised in collaboration with the various State Department of Agriculture, State Agricultural Universities and Agriculture institutions.

Through these initiatives, we endeavor to provide knowledge on new technologies and better farming techniques to the farmers.

Product Development

One of Seed Co Malawi meetings with local farmers on seed varieties

Seed Co Nigeria commercial farmers meeting

PD Data collection - Farmer interview in Diebougou, Burkina Faso

Product development is the complete process of delivering a new product or improving an existing one for customers. The department coordinates complex activities of the Company which requires careful attention to detail. Ongoing product management ensures the product is subject to continuous upgrades and improvement.

Seed Co's PD function has managed to establish a reliable & extensive pan-Africa trial network to better understand the needs of our farmers. Understanding and validating farmer experiences scientifically within their own environments and contexts helps us to better target product offering to meet our farmers' needs and thus create shareholder value.

The PD function is investing in a platform for large-scale engagement of farmers using crowd-sourcing techniques to generate as much data as possible, including geospatial data to recommend varieties for the diverse agro-ecological zones and contexts. To ensure better product placement, PD is currently working with sales & marketing and R&D to redefine market segments. Synergies amongst internal value chain partners guarantees availability of seed of new varieties for new launches across strategic business units. Annually, the PD function conducts group-wide crop tours in which all relevant functions participate, giving participants an opportunity to benchmark and exchange best practice.

Supply Chain Operations

Nigeria seed distribution centres across the country

Malawi - Remote seed distributor

Tanzania - Farm supply dealers selling Seed Co seed

Focusing on developing a seed road map, discussions were organized on how teams could better organize seed delivery for each country. This exercise helped participants draw up proper and consistent seed road maps including plans for certified, breeder and foundation seed production and supply, so as to meet the needs of farmers and the market.

Mastering how we work with our partners and suppliers to drive compliance and seamless availability of our seeds to farmers. We have strengthened our in-house procedures to build a strong framework that has resulted in timely supply of seed across our diverse geographies.

Vegetables

Zambia - Cabbage crop on display at a field day

Malawi - High quality tomatoes produced by our seeds

Zambia - Another successful watermelon field by Seed Co

We are committed to supplying high quality seeds with high purity and germination rates; all trialled under local conditions. Our commitment to our quality standards ensures that we provide vegetable seeds that perform, and full technical support to our customers.

Our Vegetables business covers many species across leafy and fruity plant categories. Across all these markets, there is an overall trend of rising expectations in terms of both quality and seasonal availability. We help growers meet the requirements of their customers – whether consumers, retailers or processors – while improving their productivity and sustainability.

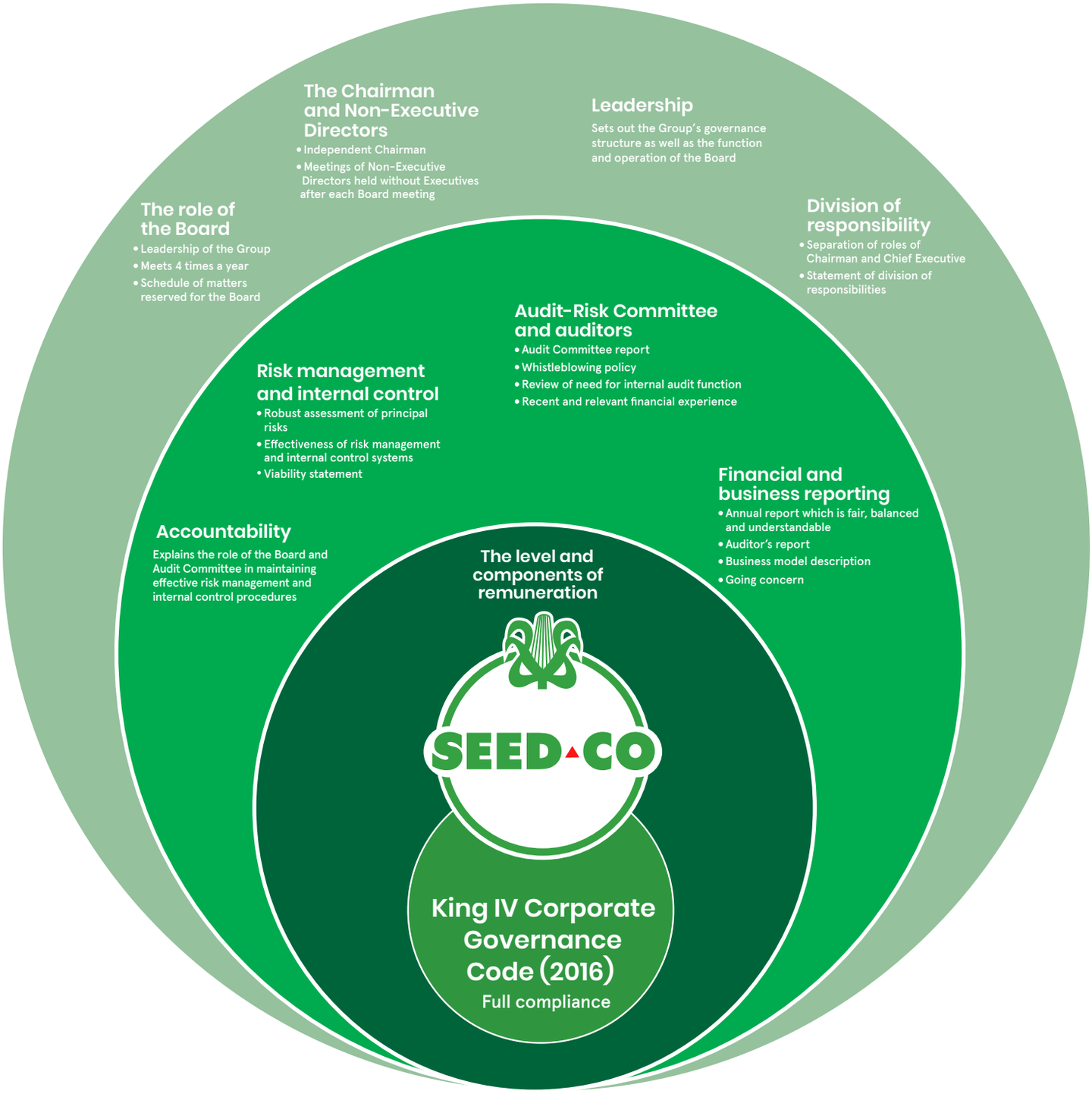
At Seed Co, we continue to be the most collaborative and trusted seed player in the sector, building long-term partnerships and earning trust of the stakeholders. We are sincerely fostering a culture of collaboration, partnering with farmers, distributors and retailers.

As we make efforts with HM Clause to scale up our research and innovation capabilities, we are also deepening our understanding of farmers' requirement and circumstances. We also conducting seasonal surveys at country level to understand farmers needs and satisfaction on our brands. This direction supports our focus to improve seed development, helping farmers enhance their output.

Our network of distributors and retailers form an integral part of our value chain. Our marketing teams promote our brand stewardship, educating the distributors and retailers about each product benefit, imparting technical, safety and environmental knowledge to pass the benefits to the farmers. This has helped enhance our brand with commitment to drive a sustainable agrarian economy.

SEED CO GOVERNANCE AT A GLANCE

Full compliance



SEED CO GOVERNANCE AT A GLANCE

Relations with Shareholders & Stakeholders

The SCI Board considers regular contact with our shareholders to be an important aspect of corporate governance. Investor Relations Management is the responsibility of the Group Chief Executive assisted by Group Secretary.

During the year, the Chief Executive conducted meetings with institutional investors, comprising both current and potential shareholders as well as equity market analysts. Meetings involved either group or individual presentations. The Chief Executive also attended SBU field days and tours which provide an opportunity to see our biological assets, understand management strategy, and to meet the SBU senior leadership team. Feedback from these meetings is provided to the SCI Board.

Directors are usually present at the AGM and available to answer questions from shareholders. Our AGM includes a presentation from the Group Chief Executive and Group CFO on our business activities.

Live audio webcasts with replay facilities are available for the annual and half year results presentations to analysts as this is usually recorded by Media Houses. A live-streamed video webcast will be available for the 2021, and subsequent, analyst results presentation.

During the year, we have undertaken a number of engagement activities with shareholders and stakeholders however some activities have been cancelled due to the COVID-19 pandemic.

- Seed Sector conferences
- Trading updates
- Analyst Briefing
- Consultations
- Field days
- Field tours
- Live webcasts
- Publication Announcements
- Annual General Meeting

GOVERNANCE STATEMENT

OUR LEADERSHIP AND CORPORATE GOVERNANCE – ENDURING SUCCESS AND BUMPER HARVESTS 81 YEARS LATER

As the guardian of ethical governance with collective responsibility for setting an ethical tone at the top, the Seed Co International Limited Board continues to steer this spirited evolution of culture and governance, ensuring that high ethical standards and governance practices are channelled into all levels of the organisation to enhance our reputation, build trust, and, ultimately, lead to the creation and protection of value for all stakeholders across all our African markets. The Seed Co culture that has been built over the last 81 years, including the values embedded in our business have enabled the Board to focus on steering the Group through the initial tough trading conditions affecting the agriculture sector during the COVID-19 pandemic lockdown period. The Board swiftly activated and ensured the implementation of the Group Business Continuity plan , in the knowledge that the ethical culture, high standards of governance, and integrity across the Group would hold firm. In addition, our governance framework contributed to the efficient functioning of our governance structures, allowing the Board and Executive Management to focus on the significant challenges and agile decision-making required to respond appropriately to the COVID-19 pandemic. As governments across the world grappled with the pandemic and moved swiftly to implement strict measures and lockdown regulations to slow the spread of the virus, swift action was required to mitigate the impacts across our value chain which saw initially weekly Business Continuity Meetings across the group and eventually monthly meetings once the BCP was fully embedded and became a fully functioning tool in how conducted business. The governance framework, which continues to provides role clarity and clearly delineated roles and areas of accountability, facilitated a well-coordinated response to COVID-19, ensuring strategic alignment across the Group and efficient and informed decision-making at the appropriate levels.

OUR APPROACH TO CORPORATE GOVERNANCE

The Board is committed to strong and ethical leadership, and to consistent action within a governance framework that is built on the principles of honesty, integrity, and accountability. The corporate governance structure of the Group is regularly reviewed to ensure that the Board exercises effective and ethical leadership, conducts its affairs as a good corporate citizen and takes appropriate decisions to ensure the long-term sustainability and value creation of the business.

The Board retains overall responsibility for the concept of integrated thinking as encapsulated in the King Report on Corporate Governance™ 2016 (King IV™), which underpins corporate citizenship, stakeholder inclusivity, sustainable development, and integrated reporting.

The Board is confident that the Group's governance framework, including all its related Board structures and administrative and compliance processes, contributes to ongoing value creation by driving:

Our corporate governance framework relies on the following principles:

1. Equitable and fair treatment of every shareholder
2. Professionalism and leadership of the Board of Directors
3. Accountability of the Board of Directors and Executive Bodies
4. Corporate social responsibility and sustainable reporting objectives
5. Transparent and timely disclosure
6. Combating corruption

The Board supports the materiality approach, which emphasises integrated reporting based on issues, risks and opportunities that can have a material impact on the sustainable performance of the business over the short, medium, and long term. Details of the material issues and related risks identified and managed by the Group.

GROUP CORPORATE GOVERNANCE FRAMEWORK

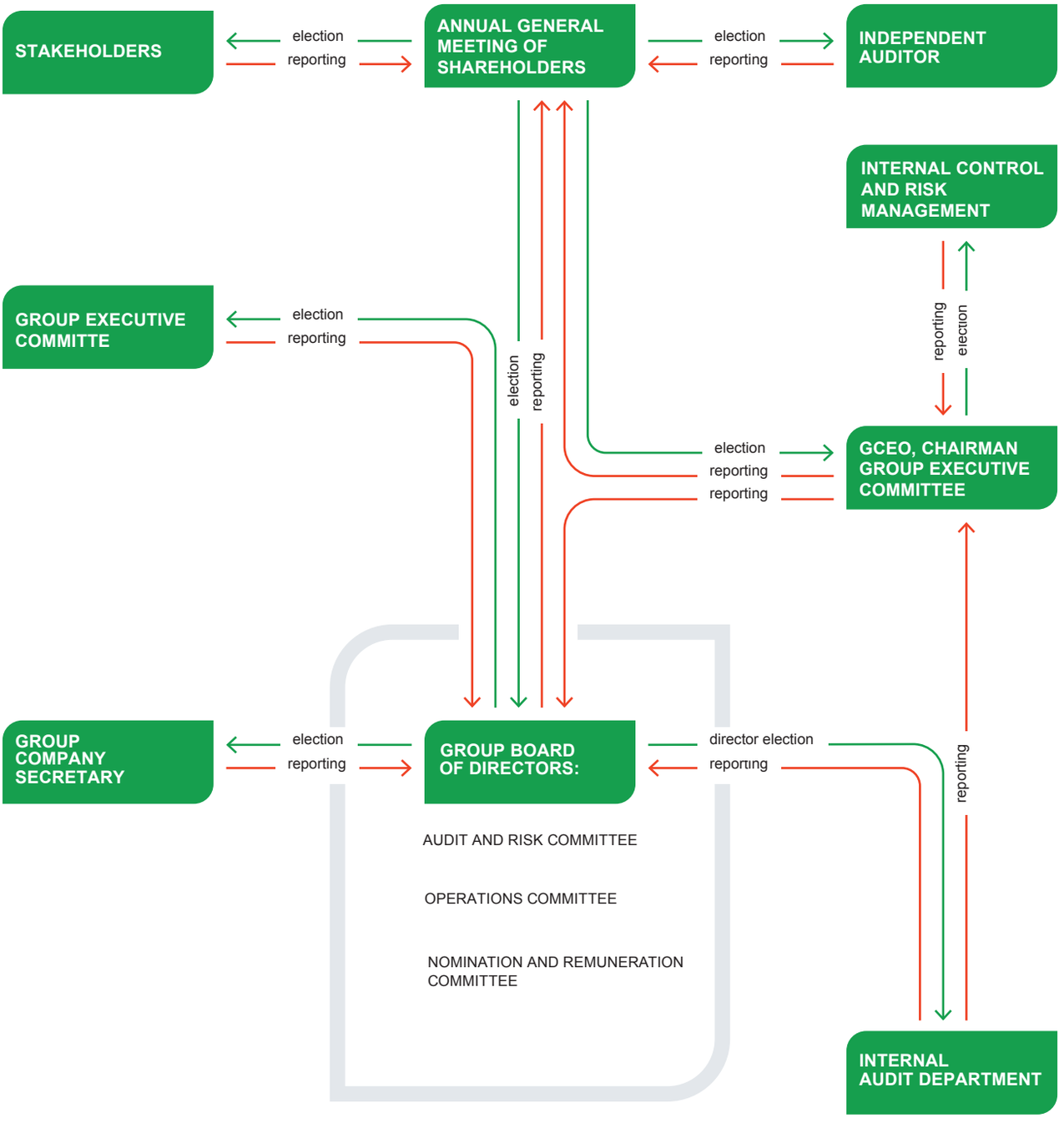
In its corporate governance practice, Seed Co is governed by applicable laws, listing rules, and recommendations of the King IV Corporate Governance Code. Seed Co's corporate governance framework is designed to balance the interests of our shareholders, the Board of Directors, management, and employees, as well as other stakeholders involved in it's activities. The approach, key principles and mechanisms underpinning Seed Co's efforts to build a robust corporate governance framework are based on the applicable laws, including the King IV Corporate Governance Code.

The Seed Co International Board remains committed to the practice of good corporate governance and subscribes to the following:

- The Republic of Botswana Companies Act and various companies acts from the markets our brand is visible
- The Botswana Stock Exchange Listings Requirements
- King Code IV on Good Corporate Governance
- The International Financial Reporting Standards
- The Global Reporting Initiative's (GRI) Sustainability Reporting - guidelines on economic, environmental, and social performance.
- Organisation for Economic Cooperation and Development (OECD 1999) Principles of Corporate Governance

GOVERNANCE STATEMENT

Governance framework



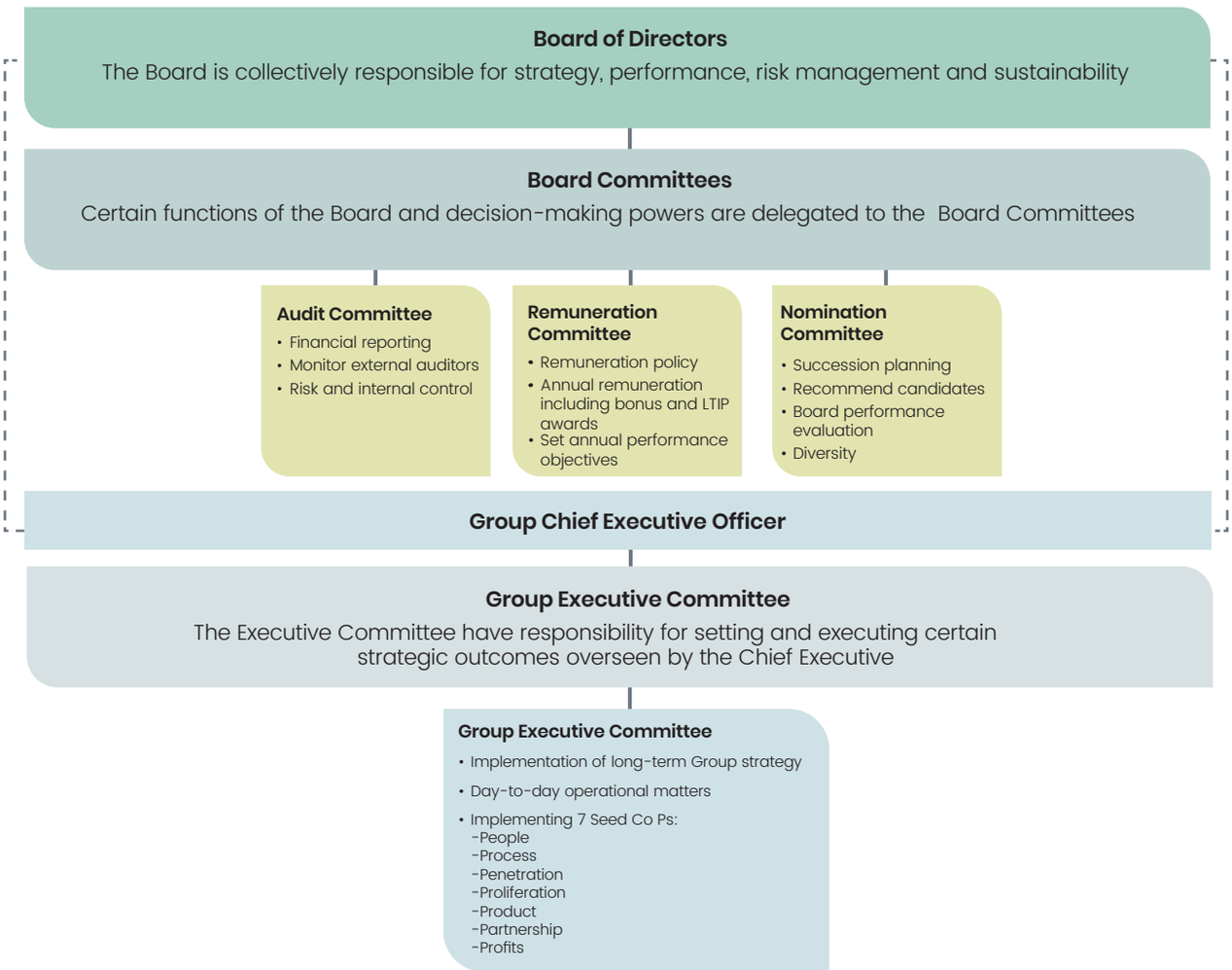
GOVERNANCE STATEMENT

Risk and Compliance

The Board sets the direction for the manner in which risk management is approached and addressed in the Group. The Audit and Risk Committee, oversees and directs the Group's implementation of an effective risk management and compliance framework plan. The risk management process comprises a formalised system to identify and assess risk, both at a strategic and an operational level. Further details on the entire risk management process in the Group is provided in the Risk Management section of this report on **page 32** The Board is committed to the Group's compliance to conducting business in accordance with the legal and regulatory requirements applicable in the countries in which the Group operates and recognises its accountability and responsibilities to all stakeholders.

The Board has, consequently, approved a compliance programme which wholly forms the Group's risk management framework. Management is responsible for the design, implementation, and monitoring of compliance structures as well as for integrating regulatory compliance into business processes. Each business has its own unique regulatory universe which is assessed against defined risk criteria and informs the compliance monitoring plan for the relevant business. Compliance monitoring forms an essential component of the compliance process and is designed to examine business activities to enable management and the Board to ensure that business is conducted in compliance with relevant regulatory requirements. Key regulatory items are monitored more frequently and reported to the Risk and Compliance Committee every quarter. Management continually strives to integrate compliance as a key component of organisational culture. This culture is further entrenched through ongoing training and awareness of regulatory modules which are designed and administered by the compliance team. The compliance function forms part of the Group combined assurance model which covers the three lines of defence, namely, management control, risk control, and compliance oversight functions, as well as independent assurance. The Board is not aware of the Group having breached any material regulatory requirements or having failed to meet any statutory obligations during the year under review.

Seed Co Corporate Governance Structure



GOVERNANCE STATEMENT

Board of Directors

Composition and structure

The Board of Directors is responsible for the general management of all Seed Co's operations, excluding matters reserved to the Annual General Meeting of Shareholders. The Board of Directors plays a crucial role in designing and developing the corporate governance framework, ensures the protection and exercise of shareholders rights, and supervises the Group Executive Committee. The Board of Directors has continued to set the fundamental principles of business conduct and is responsible for nurturing the Group's business and social culture in all our markets across Africa. The Board's authority and formation process, as well as procedures for convening and holding Board meetings are determined by the Constitution and the Board Charter of the Board which all comprise the Group's Corporate Governance Manual.

According to the Group's Constitution, the Board of Directors has 13 members. Members of the Board are elected at the Annual General Meeting of Shareholders for a 3 year period until the next Annual General Meeting of Shareholders. The Board of Directors may recommend that the General Meeting of

Shareholders amend the Constitution by changing the number of Board Members and may only be elected after the relevant amendments to the Constitution are approved by the General Meeting of Shareholders and their state registration is completed. Until a new Board of Directors with the new number of members is elected, the decision-making rights and process of the then active Board remain unchanged, with the Board making its recommendations as to nominee Board members including independent directors. The current size of the Board of Directors is best aligned with Seed Co's goals and objectives, and its appropriate independence mix ensures that decision making considers the interests of various stakeholders and enhances the quality of executive and managerial decisions. The current Board of Directors comprises seven (7) Independent Directors, beyond the minimum requirement set out in the Listing Rules and the Corporate Governance Code, which enables highly professional, independent judgements on matters on the agenda.

BOARD OF DIRECTORS' PERFORMANCE

At its meetings in 2021, the Board focused on corporate governance, financial and business operations, operations of controlled entities, approval of interested-party transactions, as well as aspects of priority business lines. The Board has a unitary structure, comprising an Independent Non-Executive Chairman, Independent Directors, the Group Chief Executive Officer, and Group Chief Financial Officer and an appropriate number of non-executive directors, with a majority being Non-Executive Directors. Our Board's diverse knowledge, skills, experience, and independence enable varied and objective perspectives to be brought into Board discussions and decision-making. All Non-Executive Directors remain classified as independent following the independence assessment conducted this year. To support shareholder value creation and ensure robust protection of shareholder rights and interests, Seed Co continued to focus on its strategy and business priorities, and improve its corporate governance and social responsibility framework, seeking to achieve excellence in governance so as to mitigate investment risks. In the year under review, Seed Co paid significant attention to innovative development and the use of new technology as part of its operational excellence drive for the research and development of new products. Seed Co's dedicated programme covered initiatives to step up operational efficiency, cut operating costs, and improve, business continuity, safety, and health performance across the business's footprint. A smart strategy and an in-depth analysis of market developments helped propel Seed Col to an entirely new level of efficiency, reaffirming its status as the truly Pan African Seed Company. Seed Co continuously improves its corporate governance framework and adopts global best practice, keeping in mind their significant impact on the Company's sustainable development and valuation.

DIRECTORATE CHANGES

Neil Armstrong retired from the Board as Director of the company with effect from 31 August 2020.

Sam Ruwisi the General Manager for Seed Co Botswana who hold fort on the Board of Seed Co International Limited stepped down on the 31 August 2020 to continue as an Executive of the business managing Group Treasury and Seed Co Botswana.

Rudi De Wet and **Kushatha Moswela** were appointed as Non-Executive Directors to replace Neil Armstrong and Sam Ruwisi.

Chairman

The roles of the Chairman and Chief Executive Officer ("CEO") are separate with the Chairman being independent. The Chairman of the Board of Directors organises the Board's work, convenes and chairs meetings, and chairs the General Meetings of Shareholders. The key responsibilities of the Chairman of the Board of Directors are to ensure high levels of trust at Board meetings and constructive cooperation between the Board members and corporate management.

The Board of Directors has been chaired by David Long, who in line with global best practice is a Senior Independent Director. David's external Non-Executive Directorships enable the Seed Co's Board of Directors to better keep abreast of global best practice in corporate governance.

As at year-end 31 March 2021, the Seed Co International Board comprised:

GOVERNANCE STATEMENT

Board of Directors

DEB Long
Independent Non-Executive Chairman
MBA, LLB - Age 69

M Nzwere
Group CEO Executive Director
MBL, B Acc, CA (Z) - Age 55

J Matorofa
Group CFO Executive Director
MBA, B Acc, CA (Z), CA(SA) - Age 53

D Jacquemond
Non-Executive Director
CA - Age 64

F Azanza
Non-Executive Director
PhD, MSc, BSc - Age 54

AG Barron
Non-Executive Director
BSc - Age 62

RCD Chitengu
Independent Non-Executive Director
ACIMA, B.Comm - Age 50

R De Wet
Independent Non-Executive Director
B Arch - Age 58

P Gowero
Independent Non-Executive Director
MBA, BSc - Age 63

C Kabaghe
Non-Executive Director
MSc, BSc - Age 67

MS Ndoro
Independent Non-Executive Director
BSc - Age 56

K Moswela
Non-Executive Director
MSc, BSc - Age 42

F Savin
Non-Executive Director
MSc, BSc - Age 60

P Spadin
Non-Executive Director
MBA, MSc, BSc - Age 55

GOVERNANCE STATEMENT

Group Chief Executive Officer
The Seed Co Board has established a framework for delegation of authority and ensured that the role and function of the Group CEO has been formalised, and that the Group CEO's performance is evaluated against specified criteria on an annual basis. In the year under review the Group CEO and Executive Management developed and recommended to the Board a long-term strategy and vision together with the Board's annual business plans and budgets that support this strategy in order to generate satisfactory levels of shareholder value. The Group CEO working hand in hand with Executive Management has established the organisational structure for the company which is necessary to enable execution of its strategy whilst ensuring that the business continues to operate and perform effectively.

In conjunction with the Board, the Group CEO ensures proper succession planning for Executive and Senior Managers across the Group and associate companies as well as performance appraisals for Executive and Senior Management. Seed Co's talent pool has continued to be used to replace staff resigning from the Group thereby ensuring an excellent business continuity framework. The company's performance and its conformance with compliance imperatives is monitored and reported to the Board by the Group CEO who formulates and oversees the implementation of company policies.

In addition, the Group CEO sets the tone at Executive and Senior management level in providing ethical leadership and creating an ethical environment and maintaining a positive and ethical work climate that is conducive to attracting, retaining, and motivating a diverse group of quality employees.

With the assistance of the Audit and Risk Committee as well as the Company Secretary, the CEO ensures that the company complies with all relevant laws and corporate governance principles and applies all recommended best practices.

Board Committees
The Board has set up Committees to assist with fulfilling its responsibilities in accordance with the provisions of the Corporate Governance Manual and King IV. The Board has therefore delegated certain functions to the Audit and Risk Committee, Remuneration and Nomination Committee, and Advisory and Production Committee. The Board is nonetheless acknowledging that the delegation of authority to its committees does not detract and is not an abdication of the Board members' responsibilities. The Committees have Terms of Reference which are reviewed annually by the Board. These sets out the Committee's roles and responsibilities, functions, scope of authority and composition.

Audit and Risk Committee
(RCD Chitengu – Chairman, MS Ndoro and D Jacquemond)
The committee's primary purpose is to provide independent oversight of the effectiveness of the internal financial controls and the system of internal controls to assist the Board in ensuring and monitoring the integrity of the Group's Annual Financial Statements and related external reports. The committee further oversees the effectiveness of the Group's external and internal assurance functions and services that contribute to ensuring the integrity of the Group's financial and integrated reporting.


RCD Chitengu
Chairman


M S Ndoro


D Jacquemond

Remuneration and Nomination Committee
(P Gowero – Chairman, DEB Long and M.S Ndoro)
The Committee primary purposes is to assist the Board with the nomination, election, and appointment of Directors in accordance with Board policies and the succession strategy, ensuring that the process is transparent and delivers to expectations. The committee is also responsible for executive management succession working with the Group Chief Executive Officer.


P Gowero
Chairman


DEB Long


M S Ndoro

Balance of Power
Seed Co International has a unitary Board, comprising a balance of power, with a majority of Non-Executive Directors, currently the majority of Non-Executive Directors are all independent.

The Company's Group Executive Directors are involved in the day-today business activities of the company and are responsible for ensuring that the decisions of the Board are implemented in accordance with the mandates given by the Board. All Seed Co International subsidiaries have a functioning Board and the subsidiary Managing Directors run the day-to-day operations of their business reporting into the Group Chief Executive Officer. The Board has ensured that there is an appropriate balance of power and authority at Board level such that no one individual or block of individuals dominates the Board's decision making OR its Board or Committee meetings.

The Non-Executive Directors are individuals of chosen of their calibre and credibility and have the necessary skills and experience to bring independent judgement on issues of strategy, performance, resources, standards of conduct and evaluation of performance.

Board Evaluation
In line with King IV Code of Corporate Governance which recommends that a formal evaluation process of the Board. The Group undertook its own formal Board Evaluation Exercise which was thoroughly participated and enjoyed by all Directors. The findings from the 2020 Board Evaluation reflected that the Board was meeting all of the requirements expected of a listed entity and as set out in King IV.

The main areas identified for further improvement related to:

- Simplifying the Group's governance structure and reporting without compromising on the high levels of governance and compliance
- Redesigning the subsidiary board structures to facilitate further effectiveness
- Realignment of the Group's strategy and performance against strategy.

The Board have since engaged on the ways in which these focus areas will be addressed and will continue to engage on additional steps to be implemented in order to further build on the Board effectiveness foundation.

GOVERNANCE STATEMENT

Meeting attendance

Member	Board	Audit and Risk Committee	Remuneration and Nomination Committee
Number of meetings held	4	4	4
DEB Long	4/4		4/4
MS Ndoro	4/4	4/4	4/4
M Nzwere**	4/4	4/4*	4/4*
AG Barron	4/4		
RCD Chitengu	4/4	4/4	
A Colombo	4/4		
N Armstrong	2/4		
P Gowero	4/4		4/4
D Jacquemond	4/4	4/4	
C Kabaghe	4/4		
J Matorofa**	4/4	4/4*	
S Ruwisi**	2/4		
F Azanza	4/4		
P Spadin	4/4		
F R De Wet	2/4		

Attended on Invitation * Executive Director** New Non-Executive Directors***

Terrence Chimanya
FCIS/FCG, MSc, LLB (Hons)

Company Secretary
Our Group Company Secretary, Terrence Chimanya – FCIS/FCG, MSc, LLB (Hons), continued to provide the Seed Co Group Boards and its committees with guidance and advice on governance, legal and compliance matters. While not a member of the Board, the Group Company Secretary is responsible for engaging with the Group Board Chairman and Committee Chairs on meeting agendas, ensuring compliance with Board and Committee procedures, terms of reference, and relevant legislation and regulations. The Board during the just ended year recently concluded its annual Board Evaluations and are satisfied that an arm's length relationship exists between it and the Group Company Secretary. The Board has assessed the competence and expertise of the Group Company Secretary and is satisfied that he has the appropriate qualifications, experience, and competence to carry out the duties on behalf of a public company. In accordance with the governance practices relating to company secretaries as advocated in King IV™, the Group Company Secretary is not a director of the Company and is deemed by the Board to be suitably independent.

Ethics Performance

Directors' Interests
The Seed Co International Board consists of fourteen (14) Directors, five of whom are Independent Non-Executive Directors, two Executive Directors and seven Non-Executive Directors. The Group Chairman, David Long, oversees the Board's functioning whilst the Group CEO, Morgan Nzwere leads the Executive Team and attends to the day-to-day operational functions of the business. Please refer to Directors' remuneration and benefits to the annual financial statements for further information on Directors' interests.

Directors' Declarations and Conflict of Interest
Board members are obliged to disclose in writing any personal financial interest in terms of section Botswana Companies Act and any other interests they have within or outside the company and the Group that may be of interest to the company or that may interfere or conflict with the performance of their duties. The Board is in the process of updating its corporate governance manual which include a policy which details the manner in which a director's interest in a transaction must be determined and the interested director's involvement in the decision-making process, which will be rolled out in FY 2019 - 2020. Real or perceived conflicts in the Board will be managed in accordance with the pre-determined policy used to assess a director's interest in transactions. Any possible conflict of interest is declared in the manner prescribed by law and in terms of the company's memorandum of incorporation, as soon as a director becomes aware of the conflict, and in any event prior to the consideration of the matter to which the conflict relates, at any Board meeting. The director concerned does not participate in a discussion or vote on the subject matter and will leave the meeting immediately after making the requisite disclosure.

Code of Ethics
The Board is responsible for the strategic direction of the Company and sets the values that the company adheres to and is currently in the process of updating its Corporate Governance Manual to also include a code of ethics which will be adopted and applied throughout the company. The current Board's diversity of professional expertise and demographics makes it highly effective with regard to Seed Co's current strategies. The Board will ensure that, in appointing successive Board members, the Board will continue to reflect, whenever possible, a diverse set of professional and personal backgrounds.

Investor Relations and Communication with Stakeholders
Seed Co International is committed to transparent, inclusive, and objective communication with our stakeholders. Our Group Legal and Corporate Affairs Department is responsible for communication with institutional shareholders, the investing community whilst our Group PR manages all our media activities.

Annual General Meetings
Board Members, External Audit Partner attend Annual General Meetings of the Company to respond to the shareholders questions. The Notice of the Seed Co International 21st Annual General Meeting is available on page 82 of this report.

REPORT OF THE DIRECTORS

TO THE SHAREHOLDERS

1.Your Directors have pleasure in presenting the Twenty– first Directors' Report of your Company along with the financial statements for the financial year ended 31st March, 2021.

2. SHARE CAPITAL

The authorised share capital of the company remained unchanged at 500 000 000 shares of no par value.

The issued and fully paid share capital increased during the year as follows:

Issued and fully paid at 31 March 2020	**380 816 577**
Add: Share option issues	636 250
Issued and fully paid at 31 March 2021	**381 452 827**

At 31 March 2021, 118 547 173 (2020: 119 183 423) unissued shares were under the control of the Directors of which a total of 26 158 902 (2020: 24 784 039) were committed to the share option scheme as shown below:

Total unissued shares	**118 547 173**
Already committed to unexercised options	3 960 968
Set aside for future options	21 561 684
Balance of uncommitted shares	**93 024 521**

Share Options

At 31 March 2021 options for a total of 3 960 967 (2020: 4 011 675) had not been exercised or forfeited and the movement in share options is as shown below:

Unexercised options at 31 March 2020	4 011 675
New options granted during the year	980 202
Options exercised during the year	(636 250)
Option forfeited during the year	(394 660)
Unexercised options at 31 March 2021	**3 960 967**

3. ACCOUNTING POLICIES:

The consolidated financial statements have been prepared both in accordance with International Financial Reporting Standards (IFRS) and in compliance with provisions of the Companies Act (Chapter 42 :01) and the relevant regulations there-under.

4. THE GROUP'S FULL YEAR RESULTS:

During the year under review, your Company recorded a Consolidated turnover of $88,5m compared with prior year of $70.1m and a profit of $11,1m compared with prior year of $6,1m.

For further information, kindly refer to Chief Executive's review of operations, forming a part of this Annual Report.

5. NUMBER OF MEETINGS OF THE BOARD

The Board met four times in financial year as illustrated in the Governance statement that forms part of this annual report.

6. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors hereby confirm that:

i. In the preparation of the financial statements for year ended 31st March, 2021, the applicable accounting standards have been followed along with proper explanation relating to any material departures;

ii. The Directors have selected accounting policies as detailed in Note 2 to the financial statements in this annual report and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at 31st March, 2021 and of the profit of the Group for that period.

iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Botswana Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. The Directors have prepared the financial statements for the year ended 31st March, 2021 on a 'going concern' basis.

v. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and have been operating efficiently.

vi. The Directors have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

REPORT OF THE DIRECTORS

7. DIRECTORS DECLARATIONS AND CONFLICT OF INTEREST

The Directors of the Company have submitted the declaration of Independence and any conflict of interest as required by the Botswana Companies Act at every meeting.

8. DIVIDEND

A dividend of **0.97 cents per share** has been proposed by the directors and is being recommended for approval by the shareholders at the next AGM.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees and Investments are given in the notes to the Financial Statements.

10. COMMITMENTS FOR CAPITAL EXPENDITURE

Group capital expenditure for the year to 31 March 2021 totalled US$3 467 859 (2020: US$7 367 727) Capital expenditure for the year to 31 March 2022 is planned at US$4 802 173 (2020: US$7 872 563).

11. BUSINESS RISK MANAGEMENT

The Group takes a proactive approach to risk management. The Board has considered all the COVID-19 induced risks on the business and took appropriate mitigation measures as shown on page 30 of the annual report. This is in addition to the major risks that the Board constantly manages on page 31 that may materially affect our business, financial condition or results of our operations.

The Audit and Risk Board Committee is mandated to have oversight of all the risks facing the Group and its terms of reference on Risk management are :

a) To lay down a framework for identification, measurement, analysis, evaluation, prioritization, mitigation & reporting of various risks in line with the Risk Management Policy of the Company.

b) To review the strategies, policies, frameworks, models and procedures that lead to the identification, measurement, reporting and mitigation of various risks.

c) To implement risk mitigation plans in the interest of the Company

d) To help the Board define the risk appetite of the organization and to ensure that the risk is not higher than the risk appetite determined by the Board.

e) To safeguard Company's properties, interests, and interest of all stakeholders.

f) To evolve the culture, processes and structures that are directed towards the effective management of potential opportunities and adverse effects, which the business and operations of the Company are exposed to.

g) To optimize a balance between the cost of managing risk and the anticipated benefits.

h) To monitor the effectiveness of risk management functions throughout the organization. Ensure that infrastructure, resources and systems are in place for risk management and are adequate to maintain a satisfactory level of risk management discipline.

i) To create awareness among the employees to assess risks on a continuous basis and to ensure that risk awareness culture is pervasive throughout the organization.

j) To review issues raised by Internal Audit that impact the risk management framework.

k) To review and approve risk disclosure statements.

l) The Company has a robust Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

m) The business risk framework defines the risk identification and its management approach across the enterprise at various levels including documentation and reporting. The framework helps in identifying risks trend, exposure and potential impact analysis on a Company's business.

12. CORPORATE SOCIAL RESPONSIBILITY

The Board has a Corporate Social Responsibility (CSR) Policy to guide all the CSR activities across all the Group's operations.

13. ANNUAL EVALUATION OF PEFORMANCE OF THE BOARD

As detailed in the Governance Statement in this annual report, the Board's functioning was evaluated on various aspects, including inter alia degree of fulfilment of key responsibilities, Board structure and composition, effectiveness of Board processes, information and functioning.

Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings and guidance/support to the management outside Board/ Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members.

Areas on which the Committees of the Board were assessed included degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings. The performance evaluation was carried out by the entire Board.

REPORT OF THE DIRECTORS

14. SUBSIDIARY COMPANIES

The performance of the various subsidiaries of the Group is detailed in the CEO's review of operations and that of the key geographical segments are included in note 28.1 of the annual report.

15. INTERNAL CONTROL SYSTEM

The Company has an internal financial control system commensurate with the size and scale of its operations and the same has been operating effectively. The Internal Auditor evaluates the efficacy and adequacy of internal control system, accounting procedures and policies adopted by the Company for efficient conduct of its business, adherence to Company's policies, safeguarding of Company's assets, prevention and detection of frauds and errors and timely preparation of reliable financial information etc. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

16. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The details of key management that govern the various operations of the Group are detailed on page 81 of this annual report.

17. AUDITORS

Shareholders will be asked to re-appoint Ernst & Young, Chartered Accountants (Botswana) as auditors for the current year.

18. DIRECTORATE CHANGES

Neil Armstrong retired from the Board on 31 August 2020 while Sam Ruwisi, the General Manager for Seed Co Botswana ,stepped down and these two were replaced by Rudi De Wet and Kushatha Moswela.

Members will be asked to approve the payment of directors' fees in respect of the year ended 31 March 2021 amounting to 2021: US$298 066 (2020: US$200 088).

For and on behalf of the Board of Directors

T.N. Chimanya
Company Secretary
14 June 2021

SEED CO GROUP VALUE-CHAIN COVID-19 INDUCED RISKS AND MITIGATING MEASURES

Value Chain Function	Risk	Mitigants
Human Resources	a) COVID-19 infections b) Leadership vacuum due to COVID-19 c) Lockdown extensions d) Labour mobility restrictions	• Raising Safety & Health awareness amongst employees through inter-alia: -strict observation of country measures. -disinfecting workstations and availing personal protective equipment (PPE) to staff -Introducing small-sized shifts to enable social distancing at the workplace • Succession planning & leadership development • Capacity remote working (working from home) & staff rotation • Procure essential service movement permits for critical staff
Research & Development, Product Development And Quality Assurance	a) Failure to inspect and advance breeding & trial programs b) Failure to collect samples for quality assurance c) Closure of Government laboratories d) Failure to plant	• Procure essential service movement permits for critical staff • Use digital platforms to communicate with field staff and collect data remotely • Use authorized essential service couriers to collect and deliver samples • Lobby for the continued operation of Government laboratory services as part of essential service delivery • Plan for possible late planting and irrigation
Production & Processing	a) Shut supply chains (closed borders & suppliers) b) Failure to satisfy grower contracts c) Failure to process (inputs, labour & logistics)	• Advance ordering & supply chain substitution where possible to secure critical supplies • Advance exporting & import document processing • Secure funding early for inputs and seed deliveries • Assisting seed growers to also implement business continuity measures to mitigate disruption of seed production activities • Organize small-sized rotational shifts for seed processing factory workers
Marketing	a) End market affected by COVID-19 b) Recession c) Trade channels inaccessible d) No direct access to farmers e) Digital marketing gap	• Participate in CSR programmes targeted at COVID-19 • Farmer education on prevention & good hygiene practices through radio, tv, print and social media • Thought leadership – offer advice to Governments on seed distribution logistics under COVID-19 • Introduce small packs to address affordability • Introduce Seed Co online shops • Introduce telesales • Agronomy webinars, radio, tv, print and social media campaigns to continue offering agronomy services to farmers • Maintain corporate & brand visibility through traditional & social media • Rollout digital marketing
Information Communication Technology	a) Cyber risk b) Systems downtime c) Business application remote access failure d) Data Centre access failure	• Enhance cyber security risk awareness • Implement firewalls and revamp endpoint antivirus rules • Increase server resources to allow failover • Implement dual backup internet links for shorter recovery • Revamping IT systems and security to enable remote working and communication with customers and other key stakeholders • Enforce data back-up on cloud • Invest in cloud-based data centres
Legal & Compliance	a) Force majeure b) Regulatory risk c) Workplace COVID-19 infections and legal suits	• Legal to review contracts in line with the pandemic • Stay abreast with regulatory changes taking place due to COVID-19 • Adopt e-document filing and sharing methods • Review and endeavour to comply with labour laws • Implement robust safety and health measures • Procure necessary indemnities within legal confines
Finance	a) FX risk and value erosion b) Liquidity crisis c) Credit risk d) Fall in product demand	• Review pricing models to balance affordability and value preservation • Enhance foreign currency management through limiting forex exposures and hedging structures • Reprioritize and defer capital expenditure as may be necessary • Procure working capital facilities early • Engage suppliers for COVID-19 sensitive credit terms • Negotiate early settlements with debtors • Relook at value-chain cost structure to reduce and/or eliminate non-critical expenditure • Aggressive credit control to mitigate defaults • Optimize production plans and stocking levels in line with anticipated demand • Reconfigure business model (free & defer expenditure) in response to demand shock

RISK MANAGEMENT

Principal risk	Context	Impact	Mitigation measures
Foreign Exchange Risk	The risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the group's operating activities (when revenue or expenses are denominated in a different currency).	Reduction in the real value of earnings when the currency of the markets we operate depreciate.	Regular review of the mix of local and foreign facilities , enter into USD denominated sales contracts where possible.
Interest Rate Risk	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The group's exposure to the risk of changes in the market interest rates relate primarily to the group long term debt obligations with floating interest rates.	High interest cost resulting in reduced earnings.	-Paying off long term loans where possible -Negotiating lower interest rates -Borrowing from markets where there are lower interest rates
Inventory Risk	The group's inventory risk relates to seed stocks where the stocks are prone to damage/degradation during the stockholding period	Write-off of stocks resulting in reduced profits	Thorough review of the sales projections to determine appropriate levels of production to avoid over-stocking.
Credit Risk	The risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables). The group entities have significant transactions with the governments in the countries of operation. The propensity for the governments to honour terms of payment is rather on the low side and hence high levels of receivables on their account.	Where customers default on their payment commitment to us, the financial condition, results of operations and cashflows could be materially and adversely affected.	-Rigorous vetting of customers before extending credit. -Regular review of receivables to ensure adherence to payment terms -Enter into factoring arrangements on Government debt especially with those in financial crisis
Adverse Weather & Climate Change	This affects the availability, quality and price of agricultural commodities	Weather changes affect the demand of seed in the various maturity groups	Breeding early maturing seed varieties especially for those markets with shorter wet seasons
Changes in Agricultural Commodity Prices	Commodities like soya beans, wheat, cotton and fertilizers have volatile prices as they are sensitive to international changes in the supply and demand	Fluctuations in these commodity prices directly affect the cost of seed production	Fixing prices for seed purchases at the beginning of each farming season
Economic and Political Instability	The Group has substantial assets located in various African Countries and any policy changes in these countries materially affect our operations	Political instability severely affects our small scale farmers who are our main custom-ers.Policy changes affect the key economic parameters like interest and exchange rates	Diversify the country risks by growing the Group operations in many markets / countries
Increasing Competition	Competitors may price their products below the Group's prices and this will have an effect on the demand for these products.	Reduced sales volumes especially in those markets that are price sensitive	Continuous investment in research and development to produce seed products that outdo the competition and strengthen the distribution network.

CORPORATE SOCIAL RESPONSIBILITY

CSR

CSR can be much more than a charitable deed – it can be a source of opportunity, innovation, and competitive advantage."

As social awareness becomes an ever increasing issue for the general public, companies that embrace corporate social responsibility have shown massive gains in terms of trust, brand authority, and even revenue.

When consumers positively talk about your company, it also presents great opportunities for PR material that can be used for future promotion of your brand.

James Mtiesa, Agronomy and Extension Officer, Centre at the handover ceremony of the donation to M'dapepuza Association in Malawi

Seed Co donating face masks and blankets towards COVID-19 in Botswana

Donation for the COVID-19 relief fund with the Minister of Agriculture in Botswana

Raphael Makaka, Regional Manager addressing participants at a field day in Lilongwe.

Group photo after presentation of a donation to Malawi College of Health Sciences by Rotary Club

Cyber Hygiene Zambia walk donation

Sponsorship of the young Sables uniforms and sports kit in Zimbabwe

Boyd Luwe, Seed Co Malawi MD attending a dinner with Hon. Felix Mlusu, Minister of Finance.

Local Zambian Football teams are dressed in donated Seed Co branded uniforms for tournament

Sponsorship of Seed Co Branded musical concert in Southern Zambia that attracts over 5000 people whose major occupation is farming in the area.

Donation presentation to the Kidney Foundation by Rotary Club of Bwaila.

Victor Luhanga, production manager addressing growers at a grower training session in Kasungu.

CORPORATE SOCIAL RESPONSIBILTY

INTRODUCTION

The world is in a very different place than when we reported just a quarter ago. As we face a global health crisis of truly historic proportions, at Seed Co we have all had to make significant changes to the way we live, the way we work and interact with our stakeholders. Crucially, businesses have had to adapt to operating under strict regulations and new health and safety protocols.

Significant work continues to be undertaken to address the impacts of the COVID-19 pandemic in our own operations and in the communities in which we operate across Africa. The devastating weather pattens in some parts of Southern Africa, the locusts invasion in East Africa, followed by the COVID-19 pandemic, have brought into sharp focus the complexities of operating in this rapidly changing world. Never has there been more emphasis on the importance of operating in an ethical and responsible manner.

At Seed Co we are pleased to report that we have continued with our corporate social responsibility work and believe that we have exceeded our target corporate social investment contributions as well as our impact in changing the societies we operate in. We will continue on our responsible journey, with an increased focus on those more challenging communities across Africa where further work and innovation is required. During the year, we also furthered our work to reframe a more realistic context-based CSR approach in line with the approved Group Corporate Social Responsibility. In 2020, Seed Co celebrated the 80th anniversary of the flagship contribution to the farming and agribusiness arena. As we head towards our 81st birthday we remain resolute that our work that we do as part of CSR will continue to be showcased as we change and touch the lives of the less fortunate members in our society at large.

ZIMBABWE

Our Seed Co Corporate Social Responsibility initiatives are largely driven by our Group CSR policy.

EDUCATION

We have continued to support education across Zimbabwe and this year three (3) UZ students were added to the Seed Co bursary list. They are all enrolled at UZ doing their first year. The department continued to ensure that tuition was paid in time for the bursary beneficiaries. COVID-19 restrictions interrupted their learnings; however, the students resumed their classes in March 2021. In primary and secondary education, the Group has continued to support various students attending various levels and to date we have 20 students that are sponsored.

Beneficiary	Programme	Institution	CSR initiative
20 Students	Primary and Secondary levels	St Manocks Primary and Secondary schools	Tuition fees
John Nyama	Audit and Risk Management	University of Zimbabwe	Tuition fees
Monica Makelo	Accounting and Finance	University of Zimbabwe	Tuition fees
Shadreck Nyangera	Plant Production Science and Technology	University of Zimbabwe	Tuition fees

SOCIO ECONOMIC DEVELOPMENT

In compliance with the Group CSR policy, the Group has been engaged in initiatives aimed at eradication of poverty working to ensure beneficiaries become more self-reliant. We have worked closely with the Agronomy and Extension Services following up on all community-based organisations that received seed donations from the Group to ensure that they realised self-sufficiency models of living. Below are some of the Non-Governmental Organisations we have supported to become self-sufficient.

CORPORATE SOCIAL RESPONSIBILTY

CBO	Area	Seed allocation (kg)
Mashambanzou care trust	Harare	50
SOS Orphanage	Harare	50
Hope faith, life vision Murewa	Murewa	50
Shungu dzevana trust	Harare	50
Cancerserve	Harare	50
Island Hospice and Healthcare	Harare	50
Harare Children's home	Harare	10
Rose of Sharon	Harare	10
Kambuzuma Children's Homes	Harare	10
Nyararai Children's Trust	Harare	10
St Marnock High School	Harare	25
Roman Catholic Church	Harare	25
Methodist Church	Harare	25
Anglican Church	Harare	25
Reformed Dutch Church Zimbabwe	Harare	25
Celebration Widows Outreach Ministries	Harare	25
Covenant Care	Harare	25
Mutemwa Leprosy care centre	Mutoko	50
Mother of peace	Mutoko	50
Jairos Jiri home	Harare	50
Zimcare trust	Harare	100
Old People's Home	Harare	25
Musasa Project	Harare	50

HEALTH INITIATIVES

The Group has continued to promote good health in communities by providing mealie meal which comes from reject seed within our factories:

Beneficiary	CSR initiative
Seed Co BFC Collaboration	30 tonne mealie meal donation – COVID-19 affected families
Growers	Face Masks distribution
St Manorcks Secondary	Face masks and Sanitizers donation
Albino community	160 Sunscreen lotions
	80 face masks
Kambuzuma Children's Home	200 kgs per month
Rose of Sharon	200 kgs mealie meal per month
Nyararai Children's trust	100kgs mealie meal per month
Harare Children's home	400 kgs mealie meal per month
Mt Hampden Orphanage	200 kgs mealie meal per month
Rusape Hospital	$300 000 towards road accident victims

CORPORATE SOCIAL RESPONSIBILTY

As the provision of mealie meal is not sustainable as this is not part of our core business, we have initiated collaborative working approach with several other donors to assist the orphanages we used to supply mealie meal as below:

Orphanage	Donor	Items Donated
Harare Children's home	National Foods Zimbabwe	300 kgs mealie meal every month
Rose of Sharon	National Foods Zimbabwe	300 kgs mealie meal every month 10kgs salt every month
Kambuzuma Children's Home	National Foods Zimbabwe	Monthly food hamper
	Petsia Investments	200kgs mealie meal –January
Nyararai Children's trust	Petsia Investments	200kgs mealie meal – January

AGRICULTURAL INITIATIVES

The Group has continued working with the Ministry of Agriculture and Command Agriculture and this year also donated rain gauges to be distributed to various communities. The donations will help farming communities and continue developing our relationships with these critical stakeholders.

Institution	Donation
Ministry of Agriculture	2 500 Rain gauges

SPORTING SPONSORSHIP

The Group has continued with the sponsorship of the young Sables and had for the FY21-22 committed to sponsorship of uniforms as illustrated on the pictures below.

ZAMBIA

Seed Co Zambia supported the group led by Captain Thokozile Muwamba and Cyber Hygiene Zambia that walked from the Capital city Lusaka to Livingstone creating awareness about the dangers of cyber bullying, fake news, and internet abuse in Zambia. As a business, the Group saw it fit to support this cause as a player in the cyber space where the business is advertising products and would like to encourage a healthy working and social cyber environment as more and more business, schools and communities are beginning to operate in this space.

This also gave the SBU a chance to showcase its products by hosting the group at a demonstration plot along the way and providing them with maize cobs and refreshments, this was an opportunity to include the brand and its products in all the media coverage that this activity was drawing in the country.

STATEMENT ON CYBER HYGIENE ZAMBIA FACEBOOK PAGE!!!

Cyber hygiene is a collective responsibility and Seed Co is on board. We received a very warm welcome from Seed Co who sponsored our stay in Choma, at their Makoli Zimba demo plot. We were received by Mr. Shamane Alex, Regional Manager South and West, Mr. Donald Njekwa and Mr. John Mufunza, Assistant Sales Agronomists. We got a tour of the plot and explanation on different seed varieties - for more information visit their website:www.seedcogroup.com/zm

MALAWI

Seed Co Malawi donated MK0.5m in December 2020 to the Kidney Foundation and MK0.6m to Malawi College of Health Sciences through Rotary Club of Bwaila. The handover ceremonies to the Kidney Foundation and Malawi College of Health Sciences were done in April 2021 and were extensively covered both in the print, television, and social media.

Seed Co Malawi Commercial department undertook a number of field days across the country in April and these events were well covered in print, television, and social media. Seed Co further donated MK0.6m to M'dapepuka Association based in Dowa as part of the costs of registration of the Association into a Cooperative with the Ministry of Trade; The Association has a membership of 102 farmers that buy Seed Co maize varieties every year.

As a cooperative, they can now access funding facilities from financial institutions guaranteed by Government and a guaranteed market for their produce to ADMARC;

BOTSWANA

- As a way of partnering with the country in the fight against COVID-19 the SBU donated face masks towards communities affected by COVID-19 through the Ministry of Agriculture.
- The SBU further donated blankets to the Ministry of Agriculture during the period under review towards COVID-19 victims.

CORPORATE SOCIAL RESPONSIBILTY

KENYA

As the SBU continued to spearhead CSR activities within the country they are also getting requests and are usually responsive as and when approached.

TANZANIA

Throughout the COVID-19 pandemic, the SBU and its partners, customers and communities have been resilient and inspiring in the face of unprecedented challenges especially when the country leadership at some point completely denied the existence of COVID-19.

The SBU activities in FY20 and FY21 to date were therefore guided by the Group CSR Policy, Business Continuity Policy and focused on ensuring the safety of its employees and stakeholders. Safety and health became paramount at all times in how the SBU conducted business.

This approach was established toward the beginning of the pandemic, and we continually provide updates on our pandemic-related effort. Ongoing long term strategic partnerships with Agro- dealers, has continued with Seed Co donating masks and sanitisers in the communities we operate in. This is both transformational and empowering to the Agro- dealers as the loyalty to Seed Co brand is immeasurable.

In the COVID-19 pandemic, the SBU noted that the risks to healthcare workers are appreciably greater than those encountered in normal practice. In addition to the risk of contracting the infection, other costs include physical and mental exhaustion, and considerable emotional pain. The widespread use of militaristic language in the coverage of the pandemic has further fostered the image of frontline staff acting heroically in the 'battle' against the virus.

The SBU has therefore

- Created partnerships with various stakeholders in the donation of masks and sanitisers to children's homes, hospitals, and clinics.
- Donated grain to elderly people's homes and other non-governmental agencies.

The SBU is further proposing that in Q1-Q2they are going to be pursuing the following initiatives current upon approval from Cluster Head.

- Donation of desks at Kiminini primary school-A school next to our Kitale factory
- In liaison with Kenya Red Cross-Donate maize grain to the under-Privileged

Conclusion

In conclusion the Group continues to encourage all the SBUs to get involved in corporate Social Responsibility initiatives in the various communities that Seed Co is operating in across our African markets. The main intention of asking SBUs to engage in CSR is to improve the transparency of the Group's ' activities across Africa. The goal is twofold: on one hand, CSR initiatives by SBUs aim to enable the Group brand visibility as well as measure the impact of their activities on the environment, on society and on the economy (the famous triple-bottom-line). In this way, the Group can get accurate and insightful data which will help it improve its processes and have a more positive impact in society at large. Engaging in CSR initiatives allows the SBUs create a clear sustainable path in how we do business including to externally communicate with our stakeholders what are our goals regarding sustainable development and looking after the environment and communities we operate in. These initiatives will in turn help when decisions from stakeholders are crucial when it comes to investing in a business, buying our products, and writing positive (or negative) reviews.

Building a better working world

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Independent Auditor's Report

To the Shareholders of Seed Co International Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Seed Co International Limited and its subsidiaries (the Group) and company set out on pages 46 to 81, which comprise the consolidated and separate statements of financial position as at 31 March 2021, and the consolidated and separate income statements, the consolidated and separate statements of other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of Seed Co International Limited as at 31 March 2021, and of its consolidated and separate financial performance and of its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act (CAP 42:01).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements section of our report. We are independent of the group and company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with other ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Botswana. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

The Key Audit Matter applies equally to the audit of the consolidated and separate financial statements.

Resident Partner: B Nkwapi (Managing Partner)
A full list of Partners is available from this office
and the Register of Companies
Independent member of Ernst & Young Global Limited.

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Key Audit Matter	How the matter was addressed in the audit
Credit impairment of trade and other receivables As at 31 March 2021, the Group and Company recognised net trade and other receivables amounting to USD40.1 million (2020: USD39.6million) and USD2.0 million (2020: USD4.0 million) respectively net of allowances for impairment (estimation of credit losses) of USD12.6 million (2020: USD12.2 million) and USD6.0million (USD5.7 million) respectively. The determination of expected credit losses (ECL) on trade, and other receivables as required by IFRS 9: Financial Instruments, requires significant management judgement and assumptions across the multiple African regions in which the Group operates. The credit risk concentration profile for the Group's trade receivables at the end of the reporting period was 23% (2020: 39%) in respect of Government related balances. The timing and ultimate full settlement of the Government receivables remained a key area of management judgement and uncertainty. The significance of the balance and the environmental factors in the current year meant that this required significant audit focus and effort. These factors included the continued budget pressures on the treasuries of the respective Governments as well as policy variations as a result of COVID-19 induced pressure on financial resources Specifically, our attention was focused on: • The probability weighted ECL was determined by considering various scenarios that may have an impact on the recoverability of the Government receivables. This necessitated the involvement of our internal IFRS technical experts and increased discussions with management and increased attention to the variables in the scenarios. • There are different models for each geographic region. Differential focus was required for Botswana and Zambia. In respect of Botswana, the status of subsequent settlement determined whether an impairment provision was required thus necessitating an increase in procedures and effort to assess the settlements. Then in Zambia this was due to the significance of the credit exposure in the sovereign credit downgrade in Zambia requiring focus on the assumptions used by management in respect of Zambia.	Our audit procedures included, amongst others: ➢ We obtained an understanding of management's process over credit origination, monitoring and remediation and assessed the appropriateness of the accounting policies and impairment methodologies with reference to the requirements of IFRS 9: Financial Instruments. ➢ With the assistance of our internal IFRS experts, we assessed the ECL models developed by management and the assumptions applied in the calculation of allowances for impairment by assessing the reasonableness of the underpinning assumptions, inputs and formulae used. This included a combination of evaluating the appropriateness of model design and model used. We evaluated the concentration risk of Government receivables by performing the following procedures: ➢ Discussed with management and assessed the exposure to concentration risk and concentration risk management actions taken by management, including management mitigative actions; ➢ To evaluate data quality, we compared the ECL calculation data points to source system reports including testing, on a sample basis, that cash received was allocated to the appropriate Government related invoices; ➢ We inspected minutes of the management executive forums for evidence of executive review and assessment of the ECL provisions as well as Government collection patterns as part of the working capital assessments by management. ➢ We held robust discussions with management to understand the ECL balance changes experienced in the geographical locations in which the Group operates particularly due to the impact of COVID 19 and our understanding of the operations as gained through our audit.

Evaluating management's assumptions and judgements was complex in some instances and required significant audit effort in others. Accordingly, we have identified the ECL on trade and other receivables to be a key audit matter. The disclosures associated with respect to the application of IFRS 9 in determining the allowance for expected credit losses are disclosed in: • Note 2.3 "Summary of significant accounting policies" • Note 3 "Significant accounting judgements, estimates and assumptions" • Note 17 "Trade and other receivables" • Note 29 "Financial Instruments"	➢ We further assessed the reasonability of the ECL provision for the Botswana region by testing extended samples for outstanding balances as at year end and tracing them to subsequent payments. ➢ We compared the Zambia country risk premium and the rating-based default spread noted by external rating agencies to inputs used by management in the ECL model and assessed how government credit downgrade was incorporated into the ECL model calculations by management. ➢ We assessed the appropriateness of the default rates and formulae used in the best case, worst case and base case scenarios considered by management. ➢ We assessed the adequacy of the disclosures regarding the allowance for impairment of trade and other receivables in the consolidated and separate financial statements to determine whether they were in accordance with IFRS 9: Financial Instruments.

Other Information

Other information comprises the information included on page 3 to 5 of the document titled "Seed Co International Limited Consolidated and Separate Financial Statements 31 March 2021", which includes the Directors' Statement of Responsibility and Approval of Financial Statements and the Directors' Report as required by the Companies Act (CAP 42:01), which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. The directors are responsible for the other information. Other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation of the consolidated and separate financial statements which give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Companies Act (CAP 42:01), and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the group and company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and/or company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group and company audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Ernst & Young
Practising Member: Thomas Chitambo
Partner
Certified Auditor
Membership number: 20030022
Gaborone

30 June 2021

DIRECTORS' STATEMENT OF RESPONSIBILITY AND APPROVAL OF THE FINANCIAL STATEMENTS

Statement of responsibility

The Board of Directors ("the Board" or "the Directors") of Seed Co International Limited ("the Company") is responsible for the preparation and fair presentation of the consolidated and separate financial statements of the Company and its subsidiaries ("the Group") in accordance with IFRSs. This responsibility includes the maintenance of true and fair financial records.

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. This responsibility includes the design, implementation, maintenance and monitoring of these systems of internal controls. The Group and the Company maintain such systems which are designed to provide reasonable assurance that the records accurately reflect its transactions and provide protection against serious misuse or loss of the Group's and the Company's assets. Nothing has come to the attention of the Directors to indicate any significant breakdown in the functioning of these systems during the period under review.

The preparation of the financial statements and the process thereto was done under the supervision of Mr. J Matorofa (BICA member no 20180169) and under the guidance of the Directors of the Company, who are vested with the governance and responsibility for these financial statements as is provided for in terms of the common law, Companies Act [Chapter 42:01] and other legislative and regulatory requirements. In preparing the consolidated and separate financial statements, the management is responsible for assessing the Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so. Having performed such assessment, the management believes that the Group and/or the Company has adequate resources in place to continue in operation for at least up to the end of the next financial year.

The Directors are responsible for overseeing the Group's and Company's financial reporting process.

The consolidated and separate financial statements have been audited by an independent audit firm who reports to the members of the Company, was given unrestricted access to all financial records and related data including minutes of meetings of the Directors and members. The Board believes that all representations made to the independent auditors during their audit were valid and appropriate.

Approval of Group and Company financial statements

Against this background, the Board of Directors accepts responsibility for the Group and Company financial statements on pages 41 to 88, which were approved by the Board, signed on its behalf by the signatories below and simultaneously authorized for issue on 12 June 2021 under a specific authority of the Board.

J Matorofa
Group Chief Finance Officer
12 June 2021

INCOME STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

		GROUP		COMPANY	
		2021	Restated* 2020	2021	2020
Continuing operations	**Note**	**US$**	**US$**	**US$**	**US$**
Revenue from contracts with customers	5	**88,526,187**	**70,123,717**	**3,309,911**	**6,390,458**
Cost of sales	15.2	(44,766,992)	(35,774,599)	(269,585)	(2,946,659)
Gross profit		**43,759,195**	**34,349,118**	**3,040,326**	**3,443,799**
Other income	6.1	1,918,460	6,140,707	6,327,165	3,224,058
Operating expenses	6.2	**(27,578,691)**	**(26,636,846)**	**(9,372,525)**	**(8,562,028)**
Sales and marketing costs		(8,115,690)	(7,909,991)	(54,065)	(108,719)
General and administrative costs		(14,804,895)	(15,240,971)	(5,687,646)	(7,065,623)
Research costs		(3,123,857)	(2,847,250)	(3,291,982)	(1,387,686)
Credit losses	17.3	(1,534,249)	(638,634)	(338,832)	-
Operating profit/(loss)		**18,098,964**	**13,852,979**	**(5,034)**	**(1,894,171)**
Finance income	6.3	426,800	491,268	1,121,077	1,772,054
Finance costs	6.4	(2,912,770)	(3,410,098)	(1,716,678)	(2,335,337)
Share of loss from associate and joint ventures	14.1	(315,622)	(495,947)	(479,142)	-
Profit/(Loss) before tax from continuing operations		**15,297,372**	**10,438,202**	**(1,079,777)**	**(2,457,454)**
Income tax expense	7.1	(3,978,351)	(3,053,958)	-	-
Profit/(Loss) for the year from continuing operations		**11,319,021**	**7,384,244**	**(1,079,777)**	**(2,457,454)**
Discontinued operations					
Loss after tax for the year from discontinued operations	8.2	(218,492)	(1,313,048)	-	-
Profit/(Loss) for the year		**11,100,529**	**6,071,196**	**(1,079,777)**	**(2,457,454)**
Attributable to:					
Equity holders of the parent		10,875,583	6,195,337	(1,079,777)	(2,457,454)
Non-controlling interests	22.2	224,946	(124,141)	-	-
		11,100,529	**6,071,196**	**(1,079,777)**	**(2,457,454)**
Earnings per share - cents	9.1				
Basic, profit for the year attributable to equity holders of the parent		2.85	1.63		
Diluted, profit for the year attributable to equity holders of the parent		2.85	1.63		
Earnings per share for continuing operations - cents	9.1				
Basic, profit for the year attributable to equity holders of the parent		2.91	1.98		
Basic, profit for the year attributable to equity holders of the parent		2.91	1.98		

*Details about restatement of comparatives are disclosed in notes 3B and 8.6.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

		GROUP		COMPANY	
		2021	2020	2021	2020
	Note	**US$**	**US$**	**US$**	**US$**
Profit/(Loss) for the year		11,100,529	6,071,196	(1,079,777)	(2,457,454)
Other comprehensive income/(loss)					
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):					
Exchange differences on translation of foreign operations		(7,355,577)	(16,211,131)	-	-
Reclassified to profit and loss on disposal of subsidiaries	8.2	412,743	-	-	-
Share of other comprehensive income/(loss) of a joint venture	14.1	96,882	(102,990)	-	-
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods		**(6,845,952)**	**(16,314,121)**	**-**	**-**
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax):					
Revaluation of property, plant and equipment	10.1	7,029,936	1,340,841	(25,327)	-
Impairment on revalued property, plant and equipment		-	-	-	-
Deferred tax on revaluation of property, plant and equipment	7.5	(824,615)	(134,084)	3,799	-
Share of other comprehensive income/(loss) of a joint venture		8,237	-	-	-
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods		**6,213,558**	**1,206,757**	**(21,528)**	**-**
Other comprehensive loss for the year, net of tax		**(632,394)**	**(15,107,364)**	**(21,528)**	**-**
Total comprehensive income/(loss) for the year		**10,468,135**	**(9,036,168)**	**(1,101,305)**	**(2,457,454)**
Attributable to:					
Equity holders of the parent		10,506,928	(8,687,396)	(1,101,305)	(2,457,454)
Non-controlling interests	22.4	(38,793)	(348,772)		-
		10,468,135	**(9,036,168)**	**(1,101,305)**	**(2,457,454)**

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2021

		GROUP		COMPANY	
		2021	2020*	2021	2020*
	Note	US$	US$	US$	US$
ASSETS					
Non-current assets					
Property, plant and equipment (PPE)	10.3	39,639,432	36,466,592	292,256	489,624
Intangible assets	11.3	5,054,000	5,320,000	5,054,000	5,320,000
Right-of-use assets	12.1	907,466	1,037,872	-	-
Investments in subsidiaries	13.1	-	-	32,110,611	35,419,490
Investment in associates and joint venture	14.1	4,808,580	1,087,317	5,136,885	1,684,261
Deferred tax asset	7.5	592,748	842,679	-	-
		51,002,226	**44,754,460**	**42,593,752**	**42,913,375**
Current assets			39,561,754		
Inventories	15.1	17,028,588	18,861,108	-	882,940
Biological assets	16.1	1,036,786	1,066,293	-	-
Trade and other receivables	17.1	40,145,627		1,831,556	4,005,554
Amount due from group entities	17.1	17,653,354	11,757,777	36,887,891	30,383,207
Current tax asset*		530,263	682,285	-	68,031
Cash and cash equivalents	19.1	9,821,476	11,028,557	121,932	2,654,163
		86,216,094	**82,957,774**	**38,841,379**	**37,993,895**
Total assets		**137,218,320**	**127,712,234**	**81,435,131**	**80,907,270**
EQUITY AND LIABILITIES					
Equity					
Stated capital	20.3	36,462,929	36,249,970	36,462,929	36,249,970
Share based payments reserve	21.1	361,966	321,885	361,966	321,885
Asset revaluation reserve		20,171,252	14,235,873	95,967	129,902
Foreign currency translation reserve		(59,835,059)	(53,297,813)	-	-
Retained earnings		85,581,654	74,472,859	4,384,719	5,452,089
Equity attributable to equity holders of the parent		**82,742,742**	**71,982,774**	**41,305,581**	**42,153,846**
Non-controlling interests	22.3	982,085	1,046,474		-
		83,724,827	**73,029,248**	**41,305,581**	**42,153,846**
Non-current liabilities					
Long-term loans and borrowings	23.1	-	1,666,667	-	1,666,667
Long term lease liabilities	12.2	567,251	619,587	-	-
Deferred tax liability	7.4	3,068,652	2,102,293	15,559	19,358
		3,635,903	**4,388,547**	**15,559**	**1,686,025**
Current liabilities					
Short-term loans and borrowings	23.1	32,223,938	37,435,560	29,295,967	32,360,801
Short term lease liabilities	12.2	337,764	464,369	-	
Trade and other payables	24.1	7,486,385	8,773,123	338,793	913,985
Amount due to group entities	25.1	6,569,106	1,273,998	9,956,239	3,458,235
Provisions for employee benefits	26.1	2,568,499	2,001,884	522,992	334,378
Income tax payable		671,898	345,505	-	-
		49,857,590	**50,294,439**	**40,113,991**	**37,067,399**
Total liabilities		**53,493,493**	**54,682,986**	**40,129,550**	**38,753,424**
Total equity and liabilities		**137,218,320**	**127,712,234**	**81,435,131**	**80,907,270**

* Current tax asset was reclassified from trade and other receivables where it was previously disclosed in the past. This was done to separate receivables arising from the normal course of business from those relating to tax. A third balance sheet at 31 March 2019 was not disclosed since the reclassification did not have a material impact then.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

GROUP	Note	Stated capital	Share based payments reserve	Asset revaluation reserve	Foreign currency translation reserve (FCTR)	Retained earnings	Attributable to equity holders of the parent	Non-controlling interests	Total equity
					US$				
As at 1 April 2019		35,848,041	330,704	13,412,621	(37,525,498)	69,876,969	**81,942,837**	700,241	**82,643,078**
Profit/(loss) for the year		-	-	-	-	6,195,337	**6,195,337**	(124,141)	**6,071,196**
Other comprehensive income/(loss)		-	-	1,206,757	(16,089,490)	-	**(14,882,733)**	(224,631)	**(15,107,364)**
Total comprehensive income/(loss)		-	-	1,206,757	(16,089,490)	6,195,337	**(8,687,396)**	(348,772)	**(9,036,168)**
Exercise of share options	20.3 & 21.4	401,929	(401,929)	-	-	-	**-**	-	**-**
Share based payments	21.2	-	393,110	-	-	-	**393,110**	-	**393,110**
Realisation of revaluation reserve		-	-	(276,861)	-	276,861	**-**	-	**-**
Recognition of non-controlling interest			-	(106,644)	317,175	(507,932)	**(297,401)**	297,401	**-**
Capital injection by non-controlling interest		-	-	-	-	-	**-**	397,604	**397,604**
Dividend paid		-	-	-	-	(1,368,376)	**(1,368,376)**	-	**(1,368,376)**
As at 31 March 2020		**36,249,970**	**321,885**	**14,235,873**	**(53,297,813)**	**74,472,859**	**71,982,774**	**1,046,474**	**73,029,248**
Profit for the year		-	-	-	-	10,875,583	**10,875,583**	224,946	**11,100,529**
Other comprehensive income/(loss)		-	-	6,168,591	(6,537,246)	-	**(368,655)**	(263,739)	**(632,394)**
Total comprehensive income/(loss)		-	-	6,168,591	(6,537,246)	10,875,583	**10,506,928**	(38,793)	**10,468,135**
Issue of share capital	20.3	-	-	-	-	-	**-**	-	**-**
Exercise of share options	20.3 & 21.4	212,959	(212,959)	-	-	-	**-**	-	**-**
Share based payments	21.2	-	253,040	-	-	-	**253,040**	-	**253,040**
Realisation of revaluation reserve		-	-	(233,212)	-	233,212	**-**	-	**-**
Capital injection by non-controlling interest		-	-	-	-	-	**-**	-	**-**
Dividend paid		-	-	-	-	-	**-**	(25,596)	**(25,596)**
As at 31 March 2021		**36,462,929**	**361,966**	**20,171,252**	**(59,835,059)**	**85,581,654**	**82,742,742**	**982,085**	**83,724,827**

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

COMPANY	Note	Stated capital	Share based payments reserve	Asset revaluation reserve	FCTR	Retained earnings	Total equity
				US$			
As at 1 April 2019		35,848,041	330,704	129,902	-	9,161,336	**45,469,983**
Loss for the year		-	-	-	-	(2,457,454)	**(2,457,454)**
Total comprehensive income/(loss)		-	-	-	-	(2,457,454)	**(2,457,454)**
Exercise of share options	20.3 & 21.4	401,929	(401,929)	-	-	-	**-**
Share based payments	21.2	-	393,110	-	-	-	**393,110**
Dividend paid		-	-	-	-	(1,251,793)	**(1,251,793)**
As at 31 March 2020		**36,249,970**	**321,885**	**129,902**	**-**	**5,452,089**	**42,153,846**
Loss for the year		-	-	-	-	(1,079,777)	**(1,079,777)**
Other comprehensive income/(loss)		-	-	(21,528)	-	-	**(21,528)**
Total comprehensive income/(loss)		-	-	(21,528)	-	(1,079,777)	**(1,101,305)**
Exercise of share options	20.3 & 21.4	212,959	(212,959)	-	-	-	**-**
Share based payments	21.2	-	253,040	-	-	-	**253,040**
Realisation of revaluation reserve through use		-	-	(12,407)	-	12,407	**-**
Dividend paid		-	-	-	-	-	**-**
As at 31 March 2021		**36,462,929**	**361,966**	**95,967**	**-**	**4,384,719**	**41,305,581**

Nature and purpose of reserves

Share based payment reserve

The share based payment reserve is used to recognise the value of equity settled share transactions provided to executive directors and senior management as part of their remuneration.

Asset revaluation reserve

The asset revaluation reserve is used to record increases in the fair value of property, plant and equipment and decreases to the extent that such decreases relates to an increase on the same asset previously recognised in equity.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

Retained earnings

Retained earnings relate to the cumulative profits of the Group and Company from which dividends can be distributed to shareholders.

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

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		GROUP		COMPANY	
		2021	2020	2021	2020
Operating activities	**Note**	**US$**	**US$**	**US$**	**US$**
Profit before tax from continuing operations		15,297,372	10,438,202	(1,079,777)	(2,457,454)
Loss before tax from discontinued operations	8.1	(575,024)	(1,492,599)	-	-
Profit/(loss) before tax		***14,722,348***	***8,945,603***	***(1,079,777)***	***(2,457,454)***
Adjustments to reconcile profit/(loss) before tax to net cash flows:					
Depreciation of PPE	10.2	1,797,880	2,718,274	35,759	61,874
Amortisation of intangible assets	11.2	266,000	-	266,000	-
Depreciation of right-of-use assets	12.1	527,918	527,041	-	-
Impairment of investments in subsidiaries	13.4	-	-	-	1,885,408
(Profit)/Loss on disposal of PPE	6.1	(84,786)	(79,734)	5,012	(8,069)
Gain on lease termination	6.1	(31,657)	-	-	-
Loss on disposal of subsidiaries	6.1	-	-	1,281,530	-
Profit on disposal of associates	6.1	-	(6,000)	-	(6,000)
Dividend income	6.1	-	-	(4,524,661)	(2,766,883)
Credit losses	17.3	1,534,249	638,634	338,832	-
Share based payment expense	21.2	253,040	393,110	253,040	393,110
Finance income	6.3 & 8.1	(429,904)	(570,637)	(1,121,077)	(1,772,054)
Finance cost	6.4 & 8.1	2,913,301	3,416,617	1,716,678	2,335,337
Share of loss from associate and JVs	14.1 & 14.2	315,622	495,947	479,142	-
Operating cash flows before working capital changes		**21,784,011**	**16,478,855**	**(2,349,522)**	**(2,334,731)**
Working capital changes:					
(Increase)/decrease in inventories		(797,173)	(5,063,535)	882,941	133,833
Increase in biological assets		(182,338)	(374,234)	-	-
(Increase)/decrease in trade and other receivables		(5,711,423)	(14,495,021)	1,903,197	(1,540,144)
(Increase)/decrease in amounts owed by group entities		(10,414,989)	4,488,951	(6,589,248)	4,194,325
Decrease in other current financial assets		-	292,963	-	-
(Decrease)/Increase in trade and other payables		(773,324)	1,877,507	(575,192)	510,280
Increase/(decrease) in amounts owed to group entities		12,052,225	(7,243,520)	6,582,568	(7,683,805)
Increase/(decrease) in provisions		613,301	641,382	188,613	(394,866)
Cash generated from operations		16,570,290	(3,396,652)	43,357	(7,115,108)
Income tax paid	7.6	(3,369,599)	(1,840,062)	-	-
Net cash flows from operating activities		**13,200,691**	**(5,236,714)**	**43,357**	**(7,115,108)**
Investing activities					
Proceeds from disposal of PPE	6.1.1	346,185	395,827	131,270	279,292
Proceeds from disposal of subsidiaries	8.2 & 13.3	672,900	-	672,900	-
Proceeds from disposal of associates	14.4	-	6,000	-	6,000
Purchase of PPE	10.1	(3,467,859)	(7,367,727)	-	(18,196)
Purchase of intangible assets	11.1	-	-	-	(5,320,000)
Investments in subsidiaries	13.2	-	-	(202,955)	(3,942,005)
Investment in associate and JV	14.1	(2,374,362)	(655,817)	(2,374,362)	(655,817)
Discontinued operations	8.3	(26,019)	-	-	-
Dividends received	6.1	-	-	4,524,661	2,766,883
Interest received	6.3 & 8.1	429,903	570,637	1,121,077	1,772,054
Net cash flows from investing activities		**(4,419,252)**	**(7,051,080)**	**3,872,591**	**(5,111,789)**
Financing activities					
Capital injection by non-controlling shareholder		-	397,604	-	-
Proceeds from loans and borrowings	23.2	12,873,257	18,593,577	9,544,080	15,891,156
Repayment of loans and borrowings	23.2	(19,234,967)	(13,042,862)	(14,275,581)	(12,661,076)
Repayment of lease liabilities	12.2	(542,185)	(521,376)	-	
Dividend paid		(25,596)	(1,368,376)	-	(1,251,793)
Interest paid	6.4 & 8.1	(2,913,300)	(3,416,617)	(1,716,678)	(2,335,337)
Net cash flows from financing activities		**(9,842,791)**	**641,950**	**(6,448,179)**	**(357,050)**
Net decrease in cash and cash equivalents		(1,061,352)	(11,645,844)	(2,532,231)	(12,583,947)
Exchange rate changes effects on cash and cash equivalents		(145,729)	(1,803,632)	-	-
Cash and cash equivalents at beginning of year	19.1	11,028,557	24,478,033	2,654,163	15,238,110
Cash and cash equivalents at end of year	19.1	**9,821,476**	**11,028,557**	**121,932**	**2,654,163**

NOTES TO THE FINANCIAL STATEMENTS

1 GROUP INFORMATION

1.1 The holding company

Seed Co International Limited (also referred to as "the Company" or "the Group") is primarily listed on the Botswana Stock Exchange (BSE) and secondarily listed on the Victoria Falls Stock Exchange (VFEX) and has multiple shareholders. There is no individual or entity with ultimate control over the Company.

The Group's principal activities are the processing of agricultural seed on a commercial basis.

1.2 Entities with significant influence over the Group

1.2.1 Vilmorin & Cie, domiciled in France, holds 32.15% of the issued ordinary shares in the Company (2020: 30.86%) listed on the BSE.

1.2.2 Seed Co Limited, domiciled in Zimbabwe, holds 27.30% of the ordinary shares in the Company (2020: 27.34%) listed on the VFEX.

1.2.3 A shareholders' agreement exists between Vilmorin & Cie and Seed Co Limited. This agreement governs the co-shareholder relationship between the two as the major shareholders of the Company, in particular as to representation on the Board, and approval of certain material decisions by directors appointed by those shareholders.

1.3 Subsidiaries

The consolidated financial statements of the Group include the results of the following investments in subsidiaries:

			2021	2020
Name	**Principal activities**	**Country of incorporation and principal place of business**	**Group's % of equity interest**	
SCZ International Limited (t/a Seed Co Zambia)	Field seeds trade	Zambia	99%	99%
Seed Co (Malawi) Ltd (t/a Seed Co Malawi)	Field seeds trade	Malawi	100%	100%
Seed Co Tanzania Limited (t/a Seed Co Tanzania)	Field seeds trade	Tanzania	100%	100%
Agri-Seed Co Limited (t/a Seed Co Kenya)	Field seeds trade	Kenya	100%	100%
Seed Co International Rwanda Limited (t/a Seed Co Rwanda)	Field seeds trade	Rwanda	100%	100%
Agri-Seed Co Nigeria Limited (t/a Seed Co Nigeria)	Field seeds trade	Nigeria	60%	60%
Seed Co Enterprise (Pty) Ltd (t/a Seed Co Enterprises)	Corporate services	South Africa	100%	100%
Seed Co (Pty) Limited (t/a Seed Co Botswana)	Field seeds trade	Botswana	100%	100%
Seed Co SA (Pty) Ltd (now AgriSynergy - note 1.4)	Field seeds trade	South Africa	40%	100%
African Seed Co Ghana (now West & Central Africa - note 1.5)	Field seeds trade	Ghana	50%	100%
Seed Co RDC SARL (t/a Seed Co DRC)	Field seeds trade	DRC	100%	100%
Seed Co International Mozambique LDA (t/a Seed Co Mozambiqu	Field seeds trade	Mozambique	100%	N/A
Bumper Harvest Seed Farm PLC (t/a Seed Co Ethiopia)	Field seeds trade	Ethiopia	100%	N/A

1.3.1 The remaining minority shareholding in Seed Co Zambia is held by Seed Co Limited domiciled in Zimbabwe.

1.3.2 The remaining minority shareholding in Agri-Seed Co Nigeria is held by SARO AgroSciences Limited domiciled in Nigeria.

1.3.3 Seed Co DRC is a wholly owned subsidiary of Seed Co Zambia and is therefore indirectly controlled by Seed Co International Limited.

1.3.4 Field seeds comprise maize, wheat, soybean and sorghum seeds among other field crops.

1.4 Associate

The consolidated financial statements of the Group include the results of the following investments in associates:

			2021	2020
Name	**Principal activities**	**Country of incorporation and principal place of business**	**Group's % of equity interest**	
AgriSynergy (Pty) Ltd	Investment holding	South Africa	40%	N/A

1.4.1 The majority shareholding in AgriSynergy is held by Vilmorin Nederland Holdings B.V. (VNH) domiciled in the Netherlands. The AgriSynergy Board of Directors consists of five (5) directors; two (2) representing the Group and three (3) representing VNH.

1.4.2 AgriSynergy owns a controlling 51% in Limagrain Zaad South Africa (Pty) Ltd t/a LGZSA, a company domiciled in South Africa specialising in the research and production of field seeds for commercial purposes. The remaining 49% shareholding in LGZSA is owned by the Zaad Group domiciled in South Africa. The LGZSA Board of Directors consists of five (5) directors; one (1) representing the Group, two (2) representing the Zaad Group and three (3) representing VNH.

1.4.3 The Group disposed of its 40% shareholding in Quton Malawi and Quton Tanzania during the financial year ended 31 March 2020.

1.5 Joint ventures

The consolidated financial statements of the Group include the results of the following joint arrangements in which the Group is a joint venturer:

			2021	2020
Name	**Principal activities**	**Country of incorporation and principal place of business**	**Group's % of equity interest**	
Seed Co West & Central Africa Limited	Field seeds trade	Ghana	50%	N/A
Prime Seed Co International Limited	Investment holding	Botswana	51%	51%
Prime Seed Co International's wholly owned subsidiaries are:			**Prime Seed Co International's equity**	
Prime Seed Co Zambia	Vegetable seed trade	Zambia	100%	100%
Prime Seed Co Malawi	Vegetable seed trade	Malawi	100%	100%
Prime Seed Co Tanzania	Vegetable seed trade	Tanzania	100%	100%
Prime Seed Co Kenya	Vegetable seed trade	Kenya	100%	100%
Alliance Seeds	Vegetable seed trade	South Africa	80%	80%

1.5.1 The Group's joint venture partner holding the remaining 50% shareholding in Seed Co West & Central Africa is VNH. The Seed Co West & Central Africa Board of Directors consists of five (5) directors, two (2) representing the Group, two (2) representing VNH and one (1) independent director.

1.5.2 The Group's joint venture partner holding the remaining 49% shareholding in Prime Seed Co International is Vilmorin Singapore domiciled in Singapore. Vilmorin Singapore's shareholding is on behalf of H.M. Clause, a vegetable seed company domiciled in France. The Prime Seed Co International Board of Directors consists of six (6) directors, three (3) representing the Group and three (3) representing H.M. Clause.

1.6 Related parties

Related parties comprise the following entities and persons:

1.6.1 Related entities

Name	Nature of relationship	Country of incorporation and principal place of business
Vilmorin & Cie	Shareholder with significant influence	France
Seed Co Limited	Shareholder with significant influence	Zimbabwe
SARO	Co-shareholder in subsidiary	Nigeria
Vilmorin Nederland Holdings	Joint venture partner	Netherlands

NOTES TO THE FINANCIAL STATEMENTS

Vilmorin Singapore	Joint venture partner	Singapore
HM Clause	Joint venture partner	France
All the subsidiaries as mentioned in note 4.3	Subsidiaries	Zambia, Malawi, Tanzania, Kenya, Botswana, Rwanda, Nigeria, DRC, Mozambique, Ethiopia
AgriSynergy	Associate	South Africa
Limagrain Zaad South Africa	Associate's subsidiary	South Africa
Seed Co West & Central Africa	Joint venture	Ghana
Prime Seed Co International and its subsidiaries as mentioned in note 4.5	Joint venture	Botswana, Zambia, Malawi, Tanzania, Kenya and South Africa
Quton Zimbabwe	Seed Co Limited's associate	Zimbabwe
Prime Seed Co Zimbabwe	Seed Co Limited's joint venture	Zimbabwe

1.6.2 Related persons

Related persons consist of the Group's Directors and Senior Management staff.

1.6.3 Related parties' transactions and balances are disclosed in note 27.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements are based on the statutory records that are maintained on the historical cost convention, except for property, plant and equipment which is measured at fair value.

The consolidated and separate financial statements are presented in United States Dollars (USD).

The consolidated and separate financial statements provide comparative information in respect of the previous period.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 March 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through it s power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group'saccounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2.3 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

NOTES TO THE FINANCIAL STATEMENTS

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the CGU retained.relative values of the disposed operation and the portion of the CGU retained.

2.4 Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.5 Fair value measurement

The Group measures property, plant and equipment at fair value at balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using assumptions that market participants would use when pricing the asset or liability assuming that market participants act in their economic best interest.

The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in an active market for identical assets or liabilities.
Level 2 – Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.
Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group Finance Director determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement.

External valuers are involved for valuation of significant assets and significant liabilities. Involvement of external valuers is decided upon by the Group Finance Director after discussion with and approval by the Group's Audit Committee. Selection criteria include market knowledge, reputation, independence and professional accreditation.

Where available, the Group Finance Director also compares the fair value changes computed by external valuers with relevant external sources to determine whether the change is reasonable. As and when valuations are carried out, the Group Finance Director presents the valuation results to the Audit Committee and the Group's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above. Fair-value related disclosures for property, plant and equipment that are measured at fair value are summarised in note 10.

2.6 Foreign currency translation

The Group's consolidated financial statements are presented in USD, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date with the resulting differences arising on settlement or translation of monetary items recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income (OCI) or profit or loss are also recognised in OCI or profit or loss, respectively).

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into USD at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at average exchange rates prevailing the financial period. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

2.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.8 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or cash generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGU to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at 31 March and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGUs is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Further disclosures relating to impairment of non-financial assets are provided in notes 10; 11; 13 and 14.

2.8 Pensions and other post-employment benefits

Retirement benefits are provided for Group employees through self-administered defined contribution funds in the respective countries. The cost of retirement benefits for the defined contribution fund is equivalent to the actual amount of the contribution for private pension funds and the legislated contributions for government pension funds. The cost of all retirement benefit contributions is expensed in profit or loss as incurred.

3A CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group applied for the first time, certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2020. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

3A.1 Amendments to IFRS 3: *Definition of a Business*

The amendment to IFRS 3 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the consolidated financial statements of the Group, but may impact future periods should the Group enter into any business combinations.

3A.2 Amendments to IFRS 7, IFRS 9 and IAS 39 *Interest Rate Benchmark Reform*

The amendments to IFRS 9 and IAS 39 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the consolidated financial statements of the Group as it does not have any interest rate hedge relationships.

3A.3 Amendments to IAS 1 and IAS 8 *Definition of Material*

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the consolidated financial statements of, nor is there expected to be any future impact to, the Group.

3A.4 Conceptual Framework for Financial Reporting issued on 29 March 2018

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the IASB in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards. This will affect those entities which developed their accounting policies based on the Conceptual Framework. The revised Conceptual Framework includes some new concepts, updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. These amendments had no impact on the consolidated financial statements of the Group.

3A.5 Amendments to IFRS 16 COVID-19 Related Rent Concessions

On 28 May 2020, the IASB issued COVID-19-Related Rent Concessions - amendment to IFRS 16 Leases The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification.

The amendment applies to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted. This amendment had no impact on the consolidated financial statements of the Group.

NOTES TO THE FINANCIAL STATEMENTS

3B CORRECTION OF AN ERROR

In the Group financial statements for the year ended 31 March 2020, the basic and diluted earnings per share were erroneously calculated by carrying forward the weighted average number of shares from the previous financial year ended 31 March 2019. As a consequence basic and diluted earnings per share for the year ended 31 March 2020 were overstated.

The error has been corrected by restating the comparative basic and diluted earnings per share as follows:

Impact on basic and diluted earnings per share (EPS) (increase/(decrease) in EPS)

	31 March 2020
Earnings per share - cents	
Basic, profit for the year attributable to ordinary equity holders of the parent	(1.23)
Diluted, profit for the year attributable to ordinary equity holders of the parent	(1.23)

The correction did not have any further impact on the profit or loss and OCI for the period or the Group's operating, investing and financing cash flows.

3C STANDARDS ISSUED BUT NOT YET EFFECTIVE

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

3C.1 IFRS 17 *Insurance Contracts*

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) which was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach); and
- A simplified approach (the premium allocation approach) mainly for short-duration contracts.

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Group.

3C.2 Amendments to IAS 1: *Classification of Liabilities as Current or Non-current*

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right; and
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. The Group is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

3C.3 Reference to the Conceptual Framework – *Amendments to IFRS 3*

In May 2020, the IASB issued Amendments to IFRS 3 *Business Combinations - Reference to the Conceptual Framework*. The amendments are intended to replace a reference to the *Framework for the Preparation and Presentation of Financial Statements*, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.

The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 *Levies*, if incurred separately.

At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively.

The amendments are not expected to have a material impact on the Group.

3C.4 Property, Plant and Equipment: Proceeds before Intended Use – *Amendments to IAS 16*

In May 2020, the IASB issued Property, Plant and Equipment — Proceeds before Intended Use, which prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

The amendments are not expected to have a material impact on the Group.

3C.5 Onerous Contracts – Costs of Fulfilling a Contract – *Amendments to IAS 37*

In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022. The Group will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

The amendments are not expected to have a material impact on the Group.

NOTES TO THE FINANCIAL STATEMENTS

3C.6 IFRS 1 *First-time Adoption of International Financial Reporting Standards* – Subsidiary as a first-time adopter

As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued an amendment to IFRS 1 *First-time Adoption of International Financial Reporting Standards*. The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted.

The amendments is not applicable to the Group.

3C.7 IFRS 9 *Financial Instruments* – Fees in the '10 per cent' test for derecognition of financial liabilities

As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received by the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Group will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendments are not expected to have a material impact on the Group.

3C.8 IAS 41 *Agriculture* – Taxation in fair value measurements

As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued amendment to IAS 41 Agriculture. The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

An entity applies the amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after 1 January 2022 with earlier adoption permitted.

The amendments are not expected to have a material impact on the Group.

4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Group's accounting policies, management has made various judgements. Those which management has assessed to have the most significant effect on the amounts recognised in the consolidated financial statements have been discussed below and in the individual notes of the related financial statement line items.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are also described in the individual notes of the related financial statement line items. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

4.1 Going concern

No events and conditions including COVID-19 are expected to have a significant impact on the entity. Management has determined that there is no material uncertainty that casts doubt on the entity's ability to continue as a going concern. Management therefore considered the going concern basis appropriate.

4.2 Revaluation of property, plant and equipment

In assessing the carrying amounts of property, plant and equipment management has considered the condition of the assets and their life span on an item by item basis in determining fair values. Refer to note note 10 for more information on the estimates and assumptions used to determine the fair value and the carrying amount of property, plant and equipment.

4.3 Share based payments

The Group measures the cost of equity-settled transactions with employees by references to the fair value of equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate inputs to the valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The value of the share options granted is determined using the Black Scholes model. Significant inputs and key assumptions used to determine fair value are further disclosed in note 21.

4.4 Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective company's domicile. As the Group assesses the probability for litigation and subsequent cash outflow with respect to taxes as remote, no contingent liability has been recognised.

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer to note 7 for more information on taxation.

4.5 Provision for expected credit losses of trade and other receivables

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables and contract assets is disclosed in note 17.

NOTES TO THE FINANCIAL STATEMENTS

4.6 Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group included the renewal period as part of the lease term for leases with shorter noncancellable period (i.e., three to five years) except leases for motor vehicles since it typically leases motor vehicles for not more than five years and hence is not exercising any renewal options. The Group typically exercises its option to renew for these leases because there will be a significant negative effect on operations if a replacement asset is not readily available.

The renewal periods for leases with longer non-cancellable periods (i.e., 10 to 15 years) are not included as part of the lease term as these are not reasonably certain to be exercised.

Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

5 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue recognition

The Group is in the business of selling seeds to retailers, farmers and government entities. Revenue from contracts with customers is recognised when control of the seeds are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those seeds. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the seeds before transferring them to the customer.

Revenue from sale of seed is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the seed. The normal credit term is 90 to 180 days from delivery.

The Group considers that there are no other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. Revenue is measured at the amount of the transaction price that is allocated to the performance obligation taking into account the effects of variable consideration and the existence of significant financing component.

Variable consideration

Rights of return

Right of return asset represents the Group's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

The requirements in IFRS 15 on constraining estimates of variable consideration are largely not applicable for the following reasons:

- Minimal impact of market volatility, legal and regulatory changes on seed returns/pricing;
- Weather conditions known by financial year end therefore most returns would have taken place by then if any;
- The Group has extensive experience with similar contracts;
- The Group does not offer a broad range of price concessions or highly varied payment terms;
- Contracts do not have a large number and broad range of possible consideration amounts; and
- The uncertainty about the consideration amount (if any though unlikely) can be resolved quickly.

There are no right of return assets and refund liabilities in the Group's and Company' financial statements.

Volume rebates

The Group provides retrospective volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. Third party distributors/stockists who onward sell large seed volumes are paid a commission by the entity at the end of the selling season and all that is normally completed within the financial year therefore the Group does not generally need to estimate the variable consideration for the expected future rebates and does not recognise refund liabilities for the expected future rebates.

Significant financing component

Generally, the Group receives payments from its customers within twelve months of the date of delivery. Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

The Group and Company do not have any contract assets

Trade receivables

A trade receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the

payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Prepaid receipts from customers are a contract liability.

Assets and liabilities arising from rights of return

Right of return assets

Right of return asset represents the Group's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period per the above accounting policy on variable consideration.

NOTES TO THE FINANCIAL STATEMENTS

		GROUP		COMPANY	
		2021	2020	2021	2020
5.1 Type of good or service	**Note**	**US$**	**US$**	**US$**	**US$**
Maize seed		76,017,008	62,184,744	164	2,979,685
Soybean seed		6,712,329	3,602,854	-	-
Other seeds		5,796,850	4,336,119	-	656,548
Management services	27.1.7	-	-	3,309,747	2,754,225
		88,526,187	**70,123,717**	**3,309,911**	**6,390,458**

Included in other seeds are wheat, sorghum, barley, rice, groundnuts, cowpeas and beans.

5.2 Geographical markets					
Southern Africa		9,229,774	7,998,606	3,309,911	6,390,458
Central Africa		47,156,749	35,956,156	-	-
East Africa		30,089,419	25,084,843	-	-
West Africa		2,050,245	1,084,112	-	-
	28.1	**88,526,187**	**70,123,717**	**3,309,911**	**6,390,458**

5.3 Timing of revenue recognition					
Goods transferred at a point in time		88,526,187	70,123,717	164	3,636,233
Services transferred over time		-	-	3,309,747	2,754,225
		88,526,187	**70,123,717**	**3,309,911**	**6,390,458**
		-	-	-	-
6 INCOME AND EXPENSES					
6.1 Other income	**Note**				
Dividends received	27.1.3	-	-	4,524,661	2,766,883
Royalty income	27.1.5	-	-	3,263,854	1,181,338
Management fees received	27.1.7	901,677	790,584	-	-
Profit/(Loss) on disposal of property, plant and equipment	6.1.1	69,927	72,757	(5,012)	8,069
Gain on lease termination	12.1 & 12.2	29,413	-	-	-
Loss on disposal of subsidiaries	13.3	-	-	(1,281,530)	-
Profit on disposal of associates	14.4	-	6,000	-	6,000
Doubtful debts recoveries	17.3	190,023	360,812	-	-
Profit from sale of germplasm		1,000,000	-	1,000,000	-
Profit/(Loss) from non-seed/commodity sales		186,730	(17,462)	-	-
Profit from fertilizer sales		285,590	574,326	-	-
Net exchange (losses)/gains		(344,062)	3,992,528	367,554	(851,334)
Withholding tax expense		(1,546,353)	-	(1,546,353)	-
Handling income		454,262	-	-	-
Sundry income	6.1.2	691,253	361,162	3,991	113,102
		1,918,460	**6,140,707**	**6,327,165**	**3,224,058**

6.1.1 Profit/(loss) on disposal of property, plant and equipment					
Proceeds from disposal		303,902	360,102	131,270	279,292
Net carrying amount	10.1 & 10.2	(233,975)	(287,345)	(136,282)	(271,223)
		69,927	**72,757**	**(5,012)**	**8,069**

6.1.2 Included in sundry income are long outstanding creditor balances written off and commission earned.

6.2 Operating expenses					
Included in operating expenses are	**Note**				
Employee benefits		12,021,176	10,065,792	1,899,169	1,761,954
6.2.1 Short-term employee benefits		11,286,545	9,032,044	1,560,549	1,309,852
6.2.2 Post-employment benefits		481,591	639,526	85,580	58,992
6.2.3 Other long-term employee benefits		253,040	393,110	253,040	393,110
6.2.4 Termination benefits		-	1,112	-	-
Directors' fees	27.1.11	298,066	200,088	207,261	200,088
Depreciation and amortisation	10.2; 11.2 & 12.1	2,591,798	3,245,315	301,759	61,874
Audit fees		231,650	303,597	72,914	64,756

6.2.1 Short-term employee benefits include salaries and wages, bonuses, leave pay, medical aid contributions and allowances. Short-term employee benefits are expected to be settled wholly before twelve months after the end of the annual reporting period during which employee services are rendered, but do not include termination benefits.
6.2.2 Post-employment benefits include contributions to defined contribution pension/retirement schemes and group life cover.
6.2.3 Other long term employee benefits mainly relate to Share Appreciation Rights Scheme (note 21).
6.2.4 Termination benefits are provided in exchange for the termination of employment.

		GROUP		COMPANY	
		2021	2020	2021	2020
6.3 Finance income	**Note**	**US$**	**US$**	**US$**	**US$**
Interest income from cash and cash equivalents		60,319		-	
Interest income from related parties	27.1.9	225,221	334,589	1,046,607	1,686,447
Interest income from trade and other receivables		141,260	156,679	74,470	85,607
		426,800	**491,268**	**1,121,077**	**1,772,054**

6.4 Finance cost					
Interest expense on borrowings		2,748,125	3,248,479	1,533,684	2,129,168
Interest expense on lease liabilities	12.2	77,180	120,157	-	-
Interest expense on related party liabilities	27.1.10	71,945	-	182,994	206,169
Interest expense on trade and other payables		15,520	41,462	-	-
		2,912,770	**3,410,098**	**1,716,678**	**2,335,337**

All interest is recognised on an effective interest rate (EIR) basis

NOTES TO THE FINANCIAL STATEMENTS

7 TAXATION

Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not on the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused
tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Value Added Tax (VAT)

Expenses and assets are recognised net of the amount of VAT, except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; or
- When receivables and payables are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

		GROUP		COMPANY	
		2021	2020	2021	2020
7.1 The major components of income tax expense are:	**Note**	**US$**	**US$**	**US$**	**US$**
Current income tax		3,688,559	2,190,860	-	-
Deferred tax	7.3	289,792	863,098	-	-
	7.2	**3,978,351**	**3,053,958**	**-**	**-**
7.2 Reconciliation of the total tax charge:					
Accounting profit before/(loss) tax from continuing operations		15,297,372	10,438,202	(1,079,777)	(2,457,454)
Loss before tax from a discontinued operations		(575,024)	(1,492,599)	-	-
Accounting profit/(loss) before tax		**14,722,348**	**8,945,603**	**(1,079,777)**	**(2,457,454)**
At the Company's statutory tax rate of 15% (2020: 15%)		2,208,352	1,341,840	(161,967)	(368,618)
Share of result from associate and joint venture		47,343	74,392	-	-
Effect of different tax rates in other countries		1,654,277	321,371	-	-
Adjustments in respect of current income tax of previous years		147,837	411,647	(15,067)	(7,947)
Income exempted from tax		(1,448,329)	(1,729,759)	(374,356)	(416,243)
Utilisation of previously unrecognised tax losses		(157,626)	(182,410)	(6,855)	(20,637)
Non-deductible expenses for tax purposes		1,526,497	2,637,326	558,245	813,445
At the effective income tax rate of 27% (2020: 32%)		**3,978,351**	**2,874,407**	**-**	**-**
Income tax expense reported in the income statement	7.1	3,978,351	3,053,958	-	-
Income tax attributable to discontinued operations	8.1	-	(179,551)	-	-
		3,978,351	**2,874,407**	**-**	**-**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

		GROUP		COMPANY	
		2021	2020	2021	2020
7.3 Deferred tax expense relates to the following:					
Temporary differences	7.4 & 7.5	289,792	857,534	-	-
Tax losses carried forward	7.5	-	5,564	-	-
		289,792	**863,098**	**-**	**-**
7.4 Deferred tax liability reconciliation					
Balance at the beginning of the year		2,102,293	1,835,510	19,358	19,358
Revaluation (through OCI)		824,615	134,084	(3,799)	-
Movement due to temporary differences		443,748	530,918	-	-
Exchange differences		(302,004)	(398,219)	-	-
Balance at the end of the year		**3,068,652**	**2,102,293**	**15,559**	**19,358**
7.5 Deferred tax asset reconciliation	**Note**				
Balance at the beginning of the year		842,679	1,082,612	-	-
Movement due to temporary differences		153,956	(329,542)	-	-
Movement due to origination of tax losses		-	176,913	-	-
Discontinued operations	8.3	(438,021)	-	-	
Exchange differences		34,134	(87,304)	-	-
Balance at the end of the year		**592,748**	**842,679**	**-**	**-**

GROUP

Deferred tax assets relate to provisions in Seed Co Enterprise, Seed Co Tanzania and Agri Seed Co Kenya. Deferred tax assets have been recognized in respect of the losses associated with the provisions as they will be used to offset taxable profits in future. All three companies have positive taxable income forecasts for the future. In addition, a deferred tax asset was recognised for unrealised profit in inventories sold between Group entities still on hand at the reporting date. The deferred tax will unwind on sale of these inventories to third parties in the forthcoming financial period.

COMPANY

Because of the nature of the business of the Company and its status as an International Financial Services Centre (IFSC) Company, its main income which is dividend from its investments does not form part of its taxable income as per IFSC legislation in Botswana. Accordingly the Company has not made a taxable profit in the past. Management therefore ceased to account for a deferred tax asset in respect of such losses as taxable profits may not be generated over the next 5 years by when the losses expire.

7.6 The income tax paid by the Group per the statement of cash flows is made up of actual cash outflow from subsidiaries. For Group reporting purposes, this was recomputed in local currency per each subsidiary as opening tax liabilities plus tax charge for the year minus closing tax liabilities. The resulting local currency amounts were then translated to the Group's reporting currency at the respective average exchange rates and added together to arrive at the Group's income tax paid per the statement of cash of flows.

8 DISCONTINUED OPERATIONS

During the financial year ended 31 March 2021, the Board of Directors of Seed Co International Limited approved the decision by Management to dispose interests in the subsidiaries in South Africa and Ghana. The sale of the Seed Co South Africa (Pty) Limited in a share swap transaction for a 40% stake in AgriSynergy was completed on 16 July 2020 whilst the sale of a 50% interest in the African Seed Company Limited was completed on 1 October 2020. Seed Co South Africa was part of the Southern African segment, whilst the African Seed Company Ghana Limited was part of the West African segment.

		GROUP					
		2021			2020		
8.1 The results of the discontinued operations for the year are presented below:	**Note**	**Seed Co South Africa (Pty) Ltd**	**African Seed Company Ghana Limited**	**Total**	**Seed Co South Africa (Pty) Ltd**	**African Seed Company Ghana Limited**	**Total**
				US$			
Revenue		**133,549**	**203,778**	**337,327**	**1,234,253**	**-**	**1,234,253**
Cost of sales		(94,091)	(177,926)	(272,017)	(583,876)	(129,893)	(713,769)
Gross profit		**39,458**	**25,852**	**65,310**	**650,377**	**(129,893)**	**520,484**
Other income/(expense)		53,804	(8,963)	44,841	11,207	(124,598)	(113,391)
Operating expenses		(369,000)	(318,748)	(687,748)	(1,390,483)	(582,059)	(1,972,542)
Operating loss		**(275,738)**	**(301,859)**	**(577,597)**	**(728,899)**	**(836,550)**	**(1,565,449)**
Finance income		3,104	-	3,104	79,369	-	79,369
Finance costs		(531)	-	(531)	(6,519)	-	(6,519)
Loss before tax		**(273,165)**	**(301,859)**	**(575,024)**	**(656,049)**	**(836,550)**	**(1,492,599)**
Income tax expense		-	-	-	179,145	406	179,551
Loss for the year		**(273,165)**	**(301,859)**	**(575,024)**	**(476,904)**	**(836,144)**	**(1,313,048)**
8.2 Loss from discontinued operations							
Value of investment retained	14.1	1,557,404	-	1,557,404			-
Proceeds from disposal		622,900	50,000	672,900			-
Total consideration		**2,180,304**	**50,000**	**2,230,304**	**-**	**-**	**-**
Net assets	8.3	(1,794,751)	333,722	(1,461,029)			-
Gain on disposal		**385,553**	**383,722**	**769,275**	**-**	**-**	**-**
Loss for the year	8.1	(273,165)	(301,859)	(575,024)	(476,904)	(836,144)	(1,313,048)
Recycling of foreign currency translation reserve		(212,056)	(200,687)	(412,743)			-
		(99,668)	**(118,824)**	**(218,492)**	**(476,904)**	**(836,144)**	**(1,313,048)**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

		GROUP					
			2021			2020	
8.3 The major classes of assets and liabilities of subsidiaries disposed were as follows:	Note	Seed Co South Africa (Pty) Ltd	African Seed Company Ghana Limited	Total US$	Seed Co South Africa (Pty) Ltd	African Seed Company Ghana Limited	Total
Assets		**1,846,825**	**445,848**	**2,292,673**			
Property, plant and equipment	10.1 & 10.2	685,420	91,938	777,358			
Right-of-use assets	12.1	16,851	-	16,851			
Deferred tax asset	7.3	438,021	-	438,021			
Inventories	15.2	347,782	99,851	447,633			
Trade and other receivables		337,654	248,647	586,301			
Amount due from related entities		-	490	490			
Cash and cash equivalents		21,097	4,922	26,019			
Liabilities		**52,074**	**779,570**	**831,644**			
Lease liabilities	12.2	17,848	-	17,848			
Trade and other payables		27,745	331,894	359,639			
Amount due to related entities		-	447,676	447,676			
Provisions	26.2	6,481	-	6,481			
Income tax payable		-	-	-			
Net assets		**1,794,751**	**(333,722)**	**1,461,029**			
8.4 The net cash flows of discontinued operations are as follows:							
Operating		(352,757)	(99,235)	(451,992)	(2,140,766)	(1,433,522)	(3,574,288)
Investing		24,766	20,621	45,387	20,207	(2,737)	17,470
Financing		(2,966)	-	(2,966)	909,763	1,379,408	2,289,171
Net cash outflow		**(330,957)**	**(78,614)**	**(409,571)**	**(1,210,796)**	**(56,851)**	**(1,267,647)**
8.5 Earnings per share - cents	9.1						
Basic, loss for the year from discontinued operations				(0.06)			(0.35)
Diluted, loss for the year from discontinued operations				(0.06)			(0.35)

8.6 The Group's comparative income statement was restated following its re-presentation to separate discontinued operations from discontinuing operations.

9 EARNINGS PER SHARE (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

		GROUP	
		2021	2020
9.1 The following table reflects the income and share data used in the basic and diluted EPS computations:	Note	US$	US$
Profit from continuing operations attributable to ordinary equity holders of the parent:		11,094,075	7,508,385
Loss from discontinued operations attributable to ordinary equity holders of the parent:		(218,492)	(1,313,048)
Profit attributable to ordinary equity holders of the parent for basic earnings		**10,875,583**	**6,195,337**
Effect of dilution		-	-
Profit attributable to ordinary equity holders of the parent adjusted for the effect of dilution		**10,875,583**	**6,195,337**
Weighted average number of ordinary shares for basic earnings per share	9.2	**381,147,776**	**379,960,211**
Equity settled share appreciation rights with dilutive impact		-	-
Weighted average number of ordinary shares adjusted for the effect of dilution		**381,147,776**	**379,960,211**

9.2 Reconciliation on how the weighted average number of ordinary shares for basic earnings per share is derived is shown below:

	Note	Date	Number of shares	Number of days	Weighting
Balance at		**31-Mar-19**	379,331,127	366	379,331,127
Issues during the year (note 20.1)	20	28-Oct-19	1,485,450	155	629,084
Balance at		**31-Mar-20**	**380,816,577**	**366**	**379,960,211**
Issues during the year (note 20.1)	20	22-Sep-20	636,250	190	331,199
Balance at		**31-Mar-21**	**381,452,827**	**365**	**381,147,776**

9.3 New share issues were made out of the share based payment reserve.

9.4 There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

10 PROPERTY, PLANT AND EQUIPMENT

Construction in progress is stated at cost net of accumulated impairment losses, if any. Such cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour, borrowing costs for long-term construction projects if the recognition criteria are met and any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management. All other repair and maintenance costs are recognised in profit or loss as incurred.

All other classes of property, plant and equipment are measured at fair value less accumulated depreciation and impairment losses recognised at the date of revaluation. Valuations are performed with sufficient frequency, usually within a period of five years, to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.

A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in profit or loss except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus.

An annual transfer from the asset revaluation surplus to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

Depreciation is not provided on freehold land and capital projects under development. Depreciation on other asset classes is calculated on a straight-line basis, up to the estimated residual values, over the estimated useful lives of the assets, as follows:

Freehold and leasehold buildings	40-60years
Motor vehicles	5-7years
Plant and machinery	5-10years
Office furniture and equipment	5-10years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The impairment accounting policy for non-financial assets (note 2.8) similarly applies to property, plant and equipment.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

Set out below are the carrying amounts of property, plant and equipment and the movements during the period:

	GROUP	Note	Land and buildings	Plant and machinery	Motor vehicles	Computers and office equipment	Total
10.1G	**Cost or valuation**				US$		
	At 1 April 2019		30,358,419	8,710,894	7,271,720	2,151,339	48,492,372
	Revaluation		1,340,841	-	-	-	1,340,841
	Additions		2,309,436	3,660,975	993,645	403,671	7,367,727
	Disposals		-	(31,850)	(709,350)	(365,420)	(1,106,620)
	Exchange adjustments		(6,046,259)	(2,010,455)	(1,095,426)	(407,196)	(9,559,336)
	At 31 March 2020		**27,962,437**	**10,329,564**	**6,460,589**	**1,782,394**	**46,534,984**
	Additions		1,629,707	326,865	1,128,658	382,629	3,467,859
	Revaluation		7,717,815	(687,879)	-	-	7,029,936
	Disposals		-	(32,090)	(718,599)	(324,893)	(1,075,582)
	Discontinued operations	8.3	(530,652)	(316,794)	(267,567)	(58,721)	(1,173,734)
	Exchange adjustments		(3,652,060)	(1,068,669)	(550,142)	(106,993)	(5,377,864)
	At 31 March 2021		**33,127,247**	**8,550,997**	**6,052,939**	**1,674,416**	**49,405,599**
10.2G	**Depreciation and impairment**						
	At 1 April 2019		1,201,413	3,737,729	3,669,361	1,410,557	10,019,060
	Depreciation charge for the year		452,120	753,016	1,256,547	256,591	2,718,274
	Disposals		-	(4,776)	(649,601)	(136,150)	(790,527)
	Exchange adjustments		(247,937)	(711,851)	(683,291)	(235,336)	(1,878,415)
	At 31 March 2020		**1,405,596**	**3,774,118**	**3,593,016**	**1,295,662**	**10,068,392**
	Depreciation charge for the year		(46,414)	749,697	882,547	212,050	1,797,880
	Disposals		-	(11,568)	(522,650)	(279,967)	(814,185)
	Discontinued operations	8.3	(5,756)	(230,471)	(130,977)	(29,172)	(396,376)
	Exchange adjustments		(128,776)	(373,475)	(293,390)	(93,903)	(889,544)
	At 31 March 2021		**1,224,650**	**3,908,301**	**3,528,546**	**1,104,670**	**9,766,167**
10.3G	**Net carrying amount**						
	At 31 March 2021		**31,902,597**	**4,642,696**	**2,524,393**	**569,746**	**39,639,432**
	At 31 March 2020		**26,556,841**	**6,555,446**	**2,867,573**	**486,732**	**36,466,592**

NOTES TO THE FINANCIAL STATEMENTS

	COMPANY	Note	Land and buildings	Plant and machinery	Motor vehicles	Computers and office equipment	Total
10.1C	**Cost or valuation**				US$		
	At 1 April 2019		314,136	161,077	465,441	369,975	1,310,629
	Additions		-	14,995	-	3,201	18,196
	Disposals		-	(31,850)	(145,530)	(347,571)	(524,951)
	At 31 March 2020		**314,136**	**144,222**	**319,911**	**25,605**	**803,874**
	Additions		-	-	-	-	-
	Revaluation		(25,327)	-	-	-	(25,327)
	Disposals		-	(32,090)	(187,027)	(6,509)	(225,626)
	Impairment		-	-	-	-	-
	At 31 March 2021		**288,809**	**112,132**	**132,884**	**19,096**	**552,921**
10.2C	**Depreciation and impairment**						
	At 1 April 2019		24,047	119,943	224,444	137,670	506,104
	Depreciation charge for the year		5,759	4,384	48,635	3,096	61,874
	Disposals		-	(4,776)	(126,959)	(121,993)	(253,728)
	At 31 March 2020		**29,806**	**119,551**	**146,120**	**18,773**	**314,250**
	Depreciation charge for the year		6,283	87	26,701	2,688	35,759
	Disposals		-	(8,088)	(76,453)	(4,803)	(89,344)
	Impairment		-	-	-	-	-
	At 31 March 2021		**36,089**	**111,550**	**96,368**	**16,658**	**260,665**
10.3C	**Net carrying amount**						
	At 31 March 2021		**252,720**	**582**	**36,516**	**2,438**	**292,256**
	At 31 March 2020		**284,330**	**24,671**	**173,791**	**6,832**	**489,624**

		GROUP		COMPANY	
		2021	**2020**	**2021**	**2020**
		US$	**US$**	**US$**	**US$**
10.4	Had the assets been measured using the cost model, the carrying amount would have been:	24,492,671	21,713,130	197,425	359,723

		GROUP		COMPANY	
		2021	**2020**	**2021**	**2020**
		US$	**US$**	**US$**	**US$**
10.5	Borrowing costs capitalised during the year:	-	39,461	-	-
	The prior year borrowing costs capitalised relate to Luano Farm in Zambia and the capitalisation rate was 6.5%.				
10.6	Property plant and equipment pledged as security for liabilities	-		-	

10.7 Description of significant unobservable inputs to valuation

GROUP	**Land and buildings**	**Plant and machinery**
Valuation method/technique	Market comparable	Depreciated replacement cost
Significant unobservable valuation input	Price per square metre	Replacement cost
Range	US$0.19 - US$233	N/A
Sensitivity of the input to fair value	Significant increases (decreases) in estimated price per square metre in isolation would result in a significantly higher (lower) fair value on a linear basis.	Significant increases (decreases) in estimated price per square metre in isolation would result in a significantly higher (lower) fair value.

COMPANY	**Land and buildings**
Valuation method/technique	Market comparable
Significant unobservable valuation input	Price per sqm
Range	BWP 1,834 - BWP 2,329
Sensitivity of the input to fair value	Significant increases (decreases) in estimated price per square metre in isolation would result in a significantly higher (lower) fair value on a linear basis.

NOTES TO THE FINANCIAL STATEMENTS

10.8 Fair value measurement hierarchy

GROUP	Level 1	Level 2	Level 3	Total
Land and buildings				
At 31 March 2021			31,902,597	**31,902,597**
At 31 March 2020			26,556,841	**26,556,841**
Plant and machinery				
At 31 March 2021			4,642,696	**4,642,696**
At 31 March 2020			6,555,446	**6,555,446**
Motor vehicles				
At 31 March 2021			2,524,393	**2,524,393**
At 31 March 2020			2,867,573	**2,867,573**
Computer and office equipment				
At 31 March 2021			569,746	**569,746**
At 31 March 2020			486,732	**486,732**
COMPANY				
Land and buildings				
At 31 March 2021			252,720	**252,720**
At 31 March 2020			284,330	**284,330**
Plant and machinery				
At 31 March 2021			582	**582**
At 31 March 2020			24,671	**24,671**
Motor vehicles				
At 31 March 2021			36,516	**36,516**
At 31 March 2020			173,791	**173,791**
Computer and office equipment				
At 31 March 2021			2,438	**2,438**
At 31 March 2020			6,832	**6,832**

11 INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Costs relating to research and development of new seed products are written off as incurred since the distinction between the two is indeterminable in practice.

The Group owns breeding rights. These rights were granted for a period of 20 years under the Protocol for Protection of New Varieties of Plants (Plant Breeder's Rights) in the Southern African Development Community (SADC) Region with the option of renewal at the end of this period for up to another period of 5 years. As a result, those rights are assessed as having a finite useful life.

Asset type	Breeding rights
Useful life	Finite (20 years)
Amortisation method	Amortised on a straight line basis over the period of the rights
Internally generated or acquired	Acquired

Set out below are the carrying amounts of intangible assets and the movements during the period:

	Note	GROUP Breeding rights	GROUP Total	COMPANY Breeding rights	COMPANY Total
11.1 Cost or valuation			US$		
At 1 April 2019		-	-	-	-
Additions		5,320,000	5,320,000	5,320,000	5,320,000
At 31 March 2020		**5,320,000**	**5,320,000**	**5,320,000**	**5,320,000**
Additions		-	-	-	-
Impairment		-	-	-	-
Exchange differences		-	-	-	-
At 31 March 2021		**5,320,000**	**5,320,000**	**5,320,000**	**5,320,000**

	GROUP Breeding rights	GROUP Total	COMPANY Breeding rights	COMPANY Total
11.2 Amortisation and impairment		US$		
At 1 April 2019	-	-	-	-
Amortisation charge for the year	-	-	-	-
At 31 March 2020	**-**	**-**	**-**	**-**
Amortisation charge for the year	266,000	266,000	266,000	266,000
Impairment	-	-	-	-
Exchange differences	-	-	-	-
At 31 March 2021	**266,000**	**266,000**	**266,000**	**266,000**
11.3 Net carrying amount				
At 31 March 2021	**5,054,000**	**5,054,000**	**5,054,000**	**5,054,000**
At 31 March 2020	**5,320,000**	**5,320,000**	**5,320,000**	**5,320,000**

NOTES TO THE FINANCIAL STATEMENTS

	GROUP		COMPANY	
	2021	Restated* 2020	2021	2020
	US$	US$	US$	US$
11 Intangible assets pledged as security for liabilities	-		-	

12 LEASES

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

12.1 Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment like other non-financial assets (note 2.8).

Set out below are the carrying amounts of right-of-use assets and the movements during the period:

GROUP	Note	Land and buildings US$	Plant and machinery	Motor vehicles	Computers and office equipment	Total
At 1 April 2019		964,908	-	-	34,417	999,325
Additions		658,596	-	-	-	658,596
Depreciation		(515,278)	-	-	(11,763)	(527,041)
Exchange differences		(88,442)	-	-	(4,566)	(93,008)
At 31 March 2020		**1,019,784**	**-**	**-**	**18,088**	**1,037,872**
Additions		565,854	-	-	-	565,854
Depreciation		(525,373)	-	-	(2,545)	(527,918)
Terminations		(171,895)	-	-	-	(171,895)
Discontinued operations	8.3	-	-	-	(16,851)	(16,851)
Exchange differences		19,096	-	-	1,308	20,404
At 31 March 2021		**907,466**	**-**	**-**	**-**	**907,466**

12. 2 Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. The Group does not enter into lease contracts with variable lease payments.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	Note	GROUP 2021	2020
		US$	US$
At 1 April		1,083,956	1,046,335
Additions		565,854	658,596
Accretion of interest	6.4	77,710	126,676
Terminations		(203,552)	-
Payments		(619,895)	(648,052)
Discontinued operations	8.3	(17,848)	-
Exchange differences		18,790	(99,599)
At 31 March		**905,015**	**1,083,956**
Non-current		567,251	619,587
Current		337,764	464,369
		905,015	**1,083,956**

12.3 The maturity analysis of lease liabilities is as shown below: 29.2.3

GROUP	On demand	< 3 months	3-12 months	1-5 years	Total
			US$		
At 31 March 2021	202,042	14,548	169,474	648,368	**1,034,432**
At 31 March 2020	-	1,434	563,346	770,147	**1,334,927**

NOTES TO THE FINANCIAL STATEMENTS

	GROUP	
	2021	2020
12.4 The following are the amounts recognised in profit or loss:	US$	US$
Depreciation expense of right-of-use assets	527,918	527,041
Interest expense on lease liabilities	77,710	126,676
Expense relating to short-term leases	153,290	159,250
Expense relating to leases of low-value assets	-	-
Total amount recognised in profit or loss	**758,918**	**812,967**
12.5 Other amounts relating to right-of-use assets and lease liabilities:		
Cash outflows for leases	619,895	648,052
Non-cash additions to right-of-use assets and lease liabilities	-	-

12.6 Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

GROUP	Within five years	More than five years	Total
		US$	
Extension options expected not to be exercised	-	-	-
Termination options expected to be exercised	416,188	219,548	**635,736**
	416,188	**219,548**	**635,736**

13 INVESTMENTS IN SUBSIDIARIES

The investments are unquoted and are accounted for on a cost basis in the Company's separate financial statements and fully eliminated in the consolidated Group financial statements.

The subsidiaries operate in an environment where there are presently no restrictions on remittance of dividends. Fair value, when necessary, is established on the basis of net cash flows to be received by the parent company over the medium term, as there is no active market for all these shares.

All subsidiaries have a financial year end of 31 March and follow uniform accounting policies as that of the Group for like transactions and events in similar circumstances.

Additional details of the Company's subsidiaries are available in note 1.3.

Details of amounts due from and due to subsidiaries are available in notes 18 and 25 respectively.

	COMPANY	
	2021	2020
13.1 Investments in subsidiaries were as follows:	US$	US$
Seed Co Enterprise	1,029,513	1,029,513
Seed Co Botswana	510,277	510,277
Seed Co South Africa	-	3,511,834
Seed Co Zambia	9,394,287	9,394,287
Seed Co Mozambique	2,955	-
Seed Co Malawi	13,293,737	13,293,737
Seed Co Tanzania	1,300,000	1,300,000
Agri-Seed Co Kenya	3,777,000	3,777,000
Seed Co Ethiopia	200,000	-
Agri-Seed Co Nigeria	2,602,842	2,602,842
	32,110,611	**35,419,490**
13.2 During the year, the changes to the investments in subsidiaries were as follows:		
Seed Co South Africa	(3,511,834)	936,679
Seed Co Mozambique	2,955	
Seed Co Ethiopia	200,000	
African Seed Company Ghana	-	1,379,408
	(3,308,879)	**3,942,005**

Investments in Seed Co Mozambique and Seed Co Ethiopia were greenfield investments to expand the geographical reach of the Group.

		COMPANY 2021		
	Note	Seed Co South Africa	African Seed Company Ghana	Total
13.3 Profit/(Loss) from disposal of subsidiaries			US$	
Value of retained investment	8.2 & 14.1	1,557,404	-	1,557,404
Proceeds from disposal	8.2	622,900	50,000	672,900
Value of investment disposed	13.2	(3,511,834)	-	(3,511,834)
	6.1	**(1,331,530)**	**50,000**	**(1,281,530)**

NOTES TO THE FINANCIAL STATEMENTS

	COMPANY	
	2021	2020
	US$	US$
13 Impairment losses/(reversals) on investments during the year were as follows:		
African Seed Company Ghana	-	1,885,408
	-	**1,885,408**

14 INVESTMENTS IN ASSOCIATE AND JOINT VENTURES

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries (note 2.2).

The investments in associate and joint ventures are unquoted and accounted for on a cost basis in the Company's separate financial statements and accounted for under the equity method in the Group consolidated financial statements.

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associates or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group's share of the results of operations of the associates and joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associates or joint venture are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit or loss of its associates and joint venture is shown on the face of the statement of profit or loss after operating profit.
The financial statements of the associates and joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investments in its associates and joint venture. At each reporting date, the Group determines whether there is objective evidence that the investments in the associates and joint venture are impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss in the statement of profit or loss.

		ASSOCIATE	JOINT VENTURES		
			Prime Seed Co	Seed Co West & Central	
14.1 Carrying amount of the investments in associate and joint ventures	**Note**	**AgriSynergy**	**International**	**Africa**	**Total**
GROUP			**US$**		
At 1 April 2019		-	1,030,437	-	1,030,437
Investment		-	655,817	-	655,817
Share of loss	14.2	-	(495,947)	-	(495,947)
Share of other comprehensive loss	14.2	-	(102,990)	-	(102,990)
At 31 March 2020		**-**	**1,087,317**	**-**	**1,087,317**
Investment - cash		2,374,362	-	-	2,374,362
Investment - retained	8.2	1,557,404	-	-	1,557,404
Share of (loss)/profit	14.2	(152,868)	(111,335)	50,120	(214,083)
Share of other comprehensive income	14.2	-	105,119	18,093	123,212
Impairment loss	14.1.1	-	(51,419)	(68,213)	(119,632)
through P&L - included in share of loss from joint venture on IS		-	(51,419)	(50,120)	(101,539)
through OCI - included in share of OCI from joint venture on SOCI		-	-	(18,093)	(18,093)
At 31 March 2021		**3,778,898**	**1,029,682**	**-**	**4,808,580**
COMPANY					
At 1 April 2019		-	1,028,444	-	1,028,444
Investment		-	655,817	-	655,817
At 31 March 2020		**-**	**1,684,261**	**-**	**1,684,261**
Investment - cash		2,374,362	-	-	2,374,362
Investment - retained	13.3	1,557,404	-	-	1,557,404
Impairment loss (through P&L - included in share of loss from joint venture on IS)	14.1.1	-	(479,142)	-	(479,142)
At 31 March 2021		**3,931,766**	**1,205,119**	**-**	**5,136,885**

14.1.1 The impairment resulted from the carrying values of the investments in Prime Seed Co International Limited and Seed Co West & Central Africa exceeding their net asset values.

NOTES TO THE FINANCIAL STATEMENTS

	ASSOCIATE		JOINT VENTURES				GROUP	
14.2 Summarised income statements:	**AgriSynergy**		**Prime Seed Co International**		**Seed Co West & Central Africa**			
Group's equity interest	40%	0%	51%	51%	50%	0%		
	2021	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
				US$				
Revenue	14,912,744	-	5,167,622	3,928,603	159,568	-		
Cost of sales	(12,554,816)	-	(3,226,678)	(2,673,042)	(103,552)	-		
Other income/(expenses)	-	-	10,965	(360,133)	221,812	-		
Operating expenses	(3,459,888)	-	(2,033,952)	(1,793,784)	(177,588)	-		
Finance income	-	-	31,851	39,151	-	-		
Finance cost	(257,497)	-	(47,717)	(36,942)	-	-		
Income tax expense	536,577	-	(83,810)	(76,299)	-	-		
(Loss)/Profit for the year	**(822,880)**	**-**	**(181,719)**	**(972,446)**	**100,240**	**-**		
equity holders of the parent	(382,170)	-	(218,304)	(974,660)	100,240	-		
non-controlling interest	(440,710)	-	36,585	2,214	-	-		
FCT gain/(loss)	-	-	229,083	(201,941)	-	-		
Revaluation of PPE	-	-	16,150	-	36,185	-		
Total comprehensive (loss)/income	**(822,880)**	**-**	**63,514**	**(1,174,387)**	**136,425**	**-**		
equity holders of the parent	(382,170)	-	(12,190)	(1,133,807)	136,425	-		
non-controlling interest	(440,710)	-	75,704	(40,580)	-	-		
Share of (loss)/profit	(152,868)	-	(111,335)	(495,947)	50,120	-	**(214,083)**	**(495,947)**
Share of OC income/(loss)	-	-	105,119	(102,990)	18,093	-	**123,212**	**(102,990)**
14.3 Summarised balance sheets:								
Non-current assets	15,173,964	-	1,148,782	872,440	97,444	-		
Current assets	21,340,525	-	6,308,990	5,368,078	420,063	-		
Non-controlling interest	(11,240,738)	-	(253,890)	(178,186)	-	-		
Non-current liabilities	(20,134)	-	(99,613)	(50,011)	-	-		
Current liabilities	(12,895,963)	-	(5,085,285)	(3,981,148)	(714,677)	-		
Net equity	**12,357,654**	**-**	**2,018,984**	**2,031,173**	**(197,170)**	**-**		
Recomputed share of net equity	4,943,062	-	1,029,682	1,035,898	(98,585)	-	5,874,159	1,035,898
Fair value and impairment adjustmen	(1,164,164)	-	-	51,419	98,585	-	(1,065,579)	51,419
Carrying amount of investment	**3,778,898**	**-**	**1,029,682**	**1,087,317**	**-**	**-**	**4,808,580**	**1,087,317**

		Quton Malawi		Quton Tanzania		Total	
14.4 Profit/(Loss) from disposal of associates		**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
GROUP AND COMPANY	**Note**			US$			
Proceeds from disposal		-	1,000	-	5,000	**-**	**6,000**
Carrying amount of investment		-	-	-	-	**-**	**-**
	6.1	**-**	**1,000**	**-**	**5,000**	**-**	**6,000**

15 INVENTORIES

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- Raw materials: purchase cost on a weighted average cost basis
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

		GROUP		COMPANY	
		2021	**2020**	**2021**	**2020**
15.1 Inventories	**Note**	**US$**	**US$**	**US$**	**US$**
Parent and commercial seed		14,533,038	17,074,985	-	882,940
Spares and general consumables		2,495,550	1,786,123	-	-
		17,028,588	**18,861,108**	**-**	**882,940**
15.2 Inventory recognized as an expense during the year:					
Opening balance of inventory		18,861,108	16,853,937	882,940	1,016,774
Production, purchases and value-addition processes		45,313,337	49,877,281	(613,355)	2,812,825
Discontinued operations	8.3	(447,633)	-	-	-
Closing balance of inventory	15.1	(17,028,588)	(18,861,108)	-	(882,940)
Exchange differences		(1,931,232)	(12,095,511)	-	-
Cost of sales		**44,766,992**	**35,774,599**	**269,585**	**2,946,659**
15.3 Inventory write-downs included in cost of sales		414,270	691,927	269,407	82,859
15.4 Inventory pledged as security for liabilities		-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

16 BIOLOGICAL ASSETS

Biological assets comprise of plants not yet harvested that are used to produce seeds.

At initial recognition, biological assets are valued at cost less accumulated depreciation and impairment losses since their fair value cannot be measured due to to the unavailability of quoted market prices in an active market and alternative fair value measurements are unreliable.

In practice, however, biological assets are not depreciated due to their short life cycle which varies from three to nine months.

Biological assets are also subject to impairment like other non-financial assets (note 2.8).

Set out below are the carrying amounts of biological assets and the movements during the period:

	GROUP	
	2021	**2020**
16 Reconciliation of biological assets	**US$**	**US$**
At 1 April	1,066,293	1,159,873
Increases due to new plantings	1,055,826	2,096,325
Harvested plants transferred to inventories	(873,488)	(1,722,090)
Exchange differences	(211,845)	(467,815)
At 31 March	**1,036,786**	**1,066,293**
	-	-
16 Biological assets pledged as security for liabilities		

17 FINANCIAL ASSETS

A financial asset is any asset that is:

- cash;
- an equity instrument of another entity;
- a contractual right
  - to receive cash or another financial asset from another entity; or
  - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- a contract that will or may be settled in the entity's own equity instruments and is:
  - a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments;
  - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments;
  - puttable instruments classified as equity or certain liabilities arising on liquidation classified as equity instruments.

The Group's financial assets risk management policies and objectives are disclosed in note 29.2.

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined (note 5).

The Group's financial assets include trade receivables (note 17.1), amounts due from related parties (note 18) and cash and cash equivalents (note 19). Trade receivables are defined in note 5

Subsequent measurement

For purposes of subsequent measurement, the Group's financial assets are classified as financial assets at amortised cost (debt instruments).

Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when the rights to receive cash flows from the asset have expired.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all its debt instruments at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead

NOTES TO THE FINANCIAL STATEMENTS

recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in profit or loss. Interest income (recorded as finance income in profit or loss) continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Receivables, together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other income in profit or loss.

Further disclosures relating to impairment of financial assets are provided in notes 17.2 and 17.3.

		GROUP		COMPANY	
		2021	2020	2021	2020
17.1 Trade and other receivables	**Note**	**US$**	**US$**	**US$**	**US$**
Trade receivables	17.2	43,923,193	45,864,757	7,215,247	8,517,571
Amounts due from group entities	17.2 & 18.1	17,653,354	11,757,777	36,887,891	30,383,207
Prepayments	17.1.1	693,101	1,274,526	-	-
Seed grower advances	17.1.2	6,754,428	1,934,146	-	-
Other receivables	17.1.3	1,344,255	2,698,186	656,114	1,237,937
Allowance for credit losses	17.2 & 17.3	(12,569,350)	(12,209,861)	(6,039,805)	(5,749,954)
		57,798,981	**51,319,531**	**38,719,447**	**34,388,761**

17.1.1 Prepayments relate to amounts paid in advance for which the related goods will be received within twelve (12) months. Prepayments are not financial assets.
17.1.2 Seed grower advances relate to production inputs advanced to contracted seed producers for which the seed will be delivered within twelve (12) months.
17.1.3 Items included in other receivables include staff loans, and VAT claims outstanding.
17.1.4 Various regional government receivables make up 23% (2020: 39%) of the total trade and other receivables.

17.2 Provisioning matrices

			Days past due			
GROUP	**Current**	**< 30 days**	**30 - 60 days**	**60 - 90 days**	**> 90 days**	**31 March 2021**
ECL rate on:			%			
Trade receivables	2%	2%	3%	4%	45%	
Amounts due from related entities	0%	0%	0%	0%	0%	
Seed grower advances	0%	1%	1%	1%	10%	
Other receivables	0%	1%	1%	1%	1%	
Estimated gross carrying amount at default of:			US$			
Trade receivables	11,755,266	1,174,664	2,532,072	2,574,599	25,886,592	**43,923,193**
Amounts due from related entities	8,186,222	4,241,091	2,378,227	861,601	1,986,213	**17,653,354**
Seed grower advances	1,535,981	925,086	436,656	460,840	3,395,865	**6,754,428**
Other receivables	606,913	7,691	168,731	103,507	457,413	**1,344,255**
ECL on:			US$			
Trade receivables	255,077	28,315	79,380	94,422	11,733,436	**12,190,630**
Amounts due from related entities	-	-	-	-	-	**-**
Seed grower advances	4,707	5,020	4,576	6,481	349,845	**370,629**
Other receivables	275	103	2,073	1,007	4,632	**8,090**

			Days past due			
At 31 March 2020	**Current**	**< 30 days**	**30 - 60 days**	**60 - 90 days**	**> 90 days**	**31 March 2020**
ECL rate on:			%			
Trade receivables	0%	0%	10%	14%	35%	
Amounts due from related entities	0%	0%	0%	0%	0%	
Seed grower advances	0%	0%	0%	0%	0%	
Other receivables	0%	0%	0%	0%	0%	
Estimated gross carrying amount at default of:			US$			
Trade receivables	-	2,036,290	6,958,455	7,040,244	29,829,768	**45,864,757**
Amounts due from related entities	11,757,777	-	-	-	-	**11,757,777**
Seed grower advances	1,934,146	-	-	-	-	**1,934,146**
Other receivables	2,698,186	-	-	-	-	**2,698,186**
ECL on:			US$			
Trade receivables	-	-	685,672	982,614	10,541,575	**12,209,861**
Amounts due from related entities	-	-	-	-	-	**-**
Seed grower advances	-	-	-	-	-	**-**
Other receivables	-	-	-	-	-	**-**

COMPANY	**Current**	**< 30 days**	**30 - 60 days**	**60 - 90 days**	**> 90 days**	**31 March 2021**
ECL rate on:			%			
Trade receivables	0%	0%	0%	0%	83%	
Amounts due from related entities	0%	0%	0%	0%	1%	
Seed grower advances	0%	0%	0%	0%	0%	
Other receivables	0%	0%	0%	0%	0%	
Estimated gross carrying amount at default of:			US$			
Trade receivables	133,995	194,756	1,784	-	6,884,712	**7,215,247**
Amounts due from related entities	7,369,425	3,914,870	1,364,038	811,223	23,428,335	**36,887,891**
Seed grower advances	-	-	-	-	-	**-**
Other receivables	656,114	-	-	-	-	**656,114**
ECL on:			US$			
Trade receivables	-	-	-	-	5,723,354	**5,723,354**
Amounts due from related entities	-	-	-	-	316,451	**316,451**
Seed grower advances	-	-	-	-	-	**-**
Other receivables	-	-	-	-	-	**-**

NOTES TO THE FINANCIAL STATEMENTS

	Current	< 30 days	Days past due 30 - 60 days	60 - 90 days	> 90 days	31 March 2020
Expected credit loss rate on:			%			
Trade receivables	0%	0%	0%	0%	75%	
Amounts due from related entities	0%	0%	0%	0%	0%	
Seed grower advances	0%	0%	0%	0%	0%	
Other receivables	0%	0%	0%	0%	0%	
Estimated gross carrying amount at default of:			US$			
Trade receivables	-	423,228	42,805	370,762	7,680,776	**8,517,571**
Amounts due from related entities	30,383,207	-	-	-	-	**30,383,207**
Seed grower advances	-	-	-	-	-	**-**
Other receivables	1,237,937					**1,237,937**
Expected credit loss on:			US$			
Trade receivables	-	-	-	-	5,749,954	**5,749,954**
Amounts due from related entities	-	-	-	-	-	**-**
Seed grower advances	-	-	-	-	-	**-**
Other receivables	-	-	-	-	-	**-**

The Group's and Company's exposure to credit risks, related to financial assets is disclosed in note 29.2.2.

		GROUP		COMPANY	
		2021	2020	2021	2020
17.3 Allowance for credit losses reconciliation:	**Note**	**US$**	**US$**	**US$**	**US$**
Balance at beginning of the year		12,209,861	13,615,510	5,749,954	5,749,954
Charge for the year through profit or loss		1,534,249	638,634	338,832	-
Written off		(202,337)	(97)	(48,981)	-
Recovered during the year	6.1	(190,023)	(360,812)	-	-
Exchange differences		(782,400)	(1,683,374)	-	-
Balance at the end of the year		**12,569,350**	**12,209,861**	**6,039,805**	**5,749,954**
17.4 Trade and other receivables pledged as security for liabilities		-		-	
17.5 Foreign currency sensitivity	29.2.1b)				
Local currency weakening against US$ by 10%		331,206	11,890	-	-
Local currency strengthening against US$ by 10%		(331,206)	(11,890)	-	-

18 AMOUNTS DUE FROM GROUP ENTITIES

		GROUP		COMPANY	
		2021	2020	2021	2020
18 Amounts due from Group entities	**Note**	**US$**	**US$**	**US$**	**US$**
Seed Co Enterprise		-	-	-	483,757
Seed Co Botswana		-	-	-	954,612
Seed Co Zambia		-	-	13,444,732	11,584,977
Seed Co DRC		-	-	3,660,143	-
Seed Co Malawi		-	-	712,933	1,383,941
Seed Co Tanzania		-	-	261,976	1,160,989
Agri Seed Co Kenya		-	-	6,087,246	6,267,789
Seed Co Rwanda		-	-	171,689	89,852
Agri Seed Co Nigeria		-	-	494,638	772,344
African Seed Company Ghana		-	-	-	127,881
Seed Co Limited Zimbabwe		10,090,814	8,925,801	8,246,177	6,655,997
Prime Seed Co Zimbabwe		344,054	60,588	-	-
Quton Zimbabwe		1,982	1,982	-	-
Prime Seed Co International		-	1,177,958	-	901,068
Prime Seed Co South Africa (Alliance Seeds)		770,294	-	770,294	-
Prime Seed Co Zambia		1,048,823	642,311	-	-
Prime Seed Co Malawi		160,335	63,152	-	-
Prime Seed Co Tanzania		970,495	-	-	-
Prime Seed Co Kenya		880,619	809,675	-	-
AgriSynergy		2,470,935	-	2,470,935	-
Limagrain Zaad South Africa		36	-	-	-
Seed Co West & Central Africa		833,402	-	567,128	-
Quton Malawi		71,691	76,310	-	-
Quton Tanzania		9,874	-	-	-
	17.1 & 27.2.1	**17,653,354**	**11,757,777**	**36,887,891**	**30,383,207**
18 Foreign currency sensitivity	29.2.1b)				
Local currency weakening against US$ by 10%		765,439	633,272	-	204,318
Local currency strengthening against US$ by 10%		(765,439)	(643,977)	-	(204,318)

NOTES TO THE FINANCIAL STATEMENTS

19 CASH AND CASH EQUIVALENTS

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statements of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group and the Company, and earn interest at the respective short-term deposit rates, which bear interest ranging between 0% and 6%.

			GROUP		COMPANY	
			2021	2020	2021	2020
19.1		Note	US$	US$	US$	US$
	Cash at banks and on hand		8,665,726	10,398,198	121,932	2,654,163
	Short-term deposits		1,155,750	630,359	-	-
			9,821,476	**11,028,557**	**121,932**	**2,654,163**
19.2	Cash and cash equivalents pledged as security for liabilities		-		-	
19.3	**Foreign currency sensitivity**					
	Local currency weakening against US$ by 10%	29.2.1b)	326,717	236,590	-	-
	Local currency strengthening against US$ by 10%		(326,717)	(236,590)	-	-

20 STATED CAPITAL

The authorised and issued shares are at no par value.

20.1	**Issued and fully paid up shares**	Note	Number	Number	Number	Number
	At 1 April		380,816,577	379,331,127	380,816,577	379,331,127
	Issue of shares		-	-	-	-
	Exercise of share options	21.4	636,250	1,485,450	636,250	1,485,450
	At 31 March		**381,452,827**	**380,816,577**	**381,452,827**	**380,816,577**
20.2	Authorised number of shares		500,000,000	500,000,000	500,000,000	500,000,000

			GROUP		COMPANY	
			2021	2020	2021	2020
20.3	**Issued and fully paid up capital**		US$	US$	US$	US$
	At 1 April		36,249,970	35,848,041	36,249,970	35,848,041
	Issue of shares		-		-	
	Exercise of share options	21	212,959	401,929	212,959	401,929
	At 31 March		**36,462,929**	**36,249,970**	**36,462,929**	**36,249,970**

21 SHARE BASED PAYMENTS

Senior executives of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised in employee benefits expense together with a corresponding increase in equity over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share (note 9.1).

NOTES TO THE FINANCIAL STATEMENTS

Under the Senior Management Plan (SMP), share options of the parent are granted to executive directors and senior management of the parent at the discretion of the Remuneration Committee. The exercise price of the share options is equal to the market price of the underlying shares on the date of grant. The share options vest if the beneficiary remains employed within the Group at least three years after the grant date (service condition) and the market value of the shares on that date exceeds the exercise price (market condition).

The fair value of the share options is estimated at the grant date using the Black-Scholes option pricing model, taking into account the terms and conditions on which the share options were granted. However, the above market condition is only considered in determining the number of instruments that will ultimately vest.

The share options can be exercised up to seven years after the three-year vesting period and therefore, the contractual term of each option granted is ten years. This scheme was introduced in the 2019 financial year. The Group accounts for the SMP as an equity-settled plan.

		GROUP		COMPANY	
		2021	2020	2021	2020
		US$	US$	US$	US$
21.1	Carrying amount of the share based payment reserve:	361,966	321,885	361,966	321,885
21.2	Expense recognised for employee services rendered during the year:	253,040	393,110	253,040	393,110
		Number	Number	Number	Number
21.3	Share options vested during the year		1,485,450		1,485,450

21.4 The table below illustrates the number and weighted average exercise prices (WAEP) of, and movements in share options for the Group and Company

	2021		2020	
	Number	WAEP (US$)	Number	WAEP (US$)
Outstanding at 1 April	**4,011,675**	**0.50**	**4,375,238**	**0.42**
Granted during the year	980,202	0.25	1,520,193	0.52
Forfeited during the year	(394,660)	0.51	(398,306)	0.55
Exercised during the year	(636,250)	0.26	(1,485,450)	0.27
Expired during the year	-	-	-	-
Outstanding at 31 March	**3,960,967**	**0.47**	**4,011,675**	**0.50**
Exercisable at 31 March	528,729	0.56	676,250	0.26 68

21.5 The following tables list the inputs to the models used for the share options for the Group and Company:

	2021	2020
Weighted average fair values at the measurement date	0.25	0.52
Dividend yield (%)	2.53%	2.53%
Expected volatility (%)	35.06%	33.87%
Risk–free interest rate (%)	4.45%	4.45%
Expected life of SARs (years)	1.90	2.91
Weighted average share price (US$)	0.22	0.38

22 MATERIAL PARTLY OWNED SUBSIDIARIES

		Seed Co Zambia		Agri Seed Co Nigeria		GROUP	
22.1	Country of incorporation	Zambia		Nigeria			
		2021	2020	2021	2020	2021	2020
	Proportion of equity interest held by non-controlling interests:	1%	1%	40%	40%		
				US$			
22.2	Profit/(Loss) allocated to material non-controlling interests	60,564	-	164,382	(124,141)	**224,946**	**(124,141)**
						-	
22.3	Accumulated balances of material non-controlling interests	**318,012**	**297,401**	**664,073**	**749,073**	**982,085**	**1,046,474**
							-
22.4	**Summarised income statements**						
	Revenue	**34,897,805**		**2,050,245**	**1,084,112**		
	Cost of sales	(18,001,519)		(1,480,933)	(835,939)		
	Gross profit	**16,896,286**	**-**	**569,312**	**248,173**		
	Other income	476,296		269,495	13,448		
	Operating expenses	(9,509,502)		(435,668)	(589,542)		
	Operating profit/(loss)	**7,863,080**	**-**	**403,139**	**(327,921)**		
	Finance income	97,563		23,093	26,294		
	Finance costs	(1,256,553)		(15,276)	(8,726)		
	Profit/(Loss) before tax	**6,704,090**	**-**	**410,956**	**(310,353)**		
	Income tax	(647,666)		-	-		
	Profit/(Loss) for the year	**6,056,424**	**-**	**410,956**	**(310,353)**		
	Other comprehensive profit/(loss)	(1,435,709)		(623,456)	(561,578)		
	Total comprehensive income/(loss)	**4,620,715**	**-**	**(212,500)**	**(871,931)**		
	Attributable to non-controlling interests	46,207	-	(85,000)	(348,772)	**(38,793)**	**(348,772)**
	Dividends paid to non-controlling interests	25,596		-		**25,596**	**-**

NOTES TO THE FINANCIAL STATEMENTS

23 Summarised statements of financial position						
Non-current assets	18,703,514	16,397,684	373,131	339,967		
Current assets	30,454,483	35,046,618	2,961,087	3,171,461		
Non-current liabilities	(886,200)	(1,122,728)	-	-		
Current liabilities	(16,470,610)	(20,581,492)	(1,674,036)	(1,638,746)		
Total equity	**31,801,187**	**29,740,082**	**1,660,182**	**1,872,682**		
Attributable to:						
Equity holders of the parent	31,483,175	29,442,681	996,109	1,123,609	**32,479,284**	**30,566,290**
Non-controlling interest	318,012	297,401	664,073	749,073	**982,085**	**1,046,474**
23 Summarised cash flow information						
Operating	11,254,055	-	1,251,331	(933,517)		
Investing	(1,530,005)	-	(135,002)	9,462		
Financing	(7,918,923)	-	(15,276)	985,285		
Net cash inflow/(outflow)	**1,805,127**	**-**	**1,101,053**	**61,230**		

23 FINANCIAL LIABILITIES

A financial liability is any liability that is:

- a contractual obligation:
  - to deliver cash or another financial asset to another entity; or
  - to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- a contract that will or may be settled in the entity's own equity instruments and is
  - a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments or
  - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include: instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments; puttable instruments classified as equity or certain liabilities arising on liquidation classified as equity instruments.

The Group's financial liabilities risk management policies and objectives are disclosed in note 29.2.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition as loans and borrowings or payables as appropriate.

All financial liabilities are recognised initially at fair value and net of directly attributable transaction costs.

The Group's financial liabilities include lease liabilities (note 12.2), loans and borrowings (note 23.1), trade payables (24) and amounts due from group entities (note 25).

Subsequent measurement

For purposes of subsequent measurement, the Group's financial liabilities are classified as loans and borrowings.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

This category generally applies to interest-bearing loans and borrowings (note 23.1).

The Group's and Company's exposure to liquidity risks, related to financial liabilities is disclosed in note 29.2.1a).

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

		GROUP		COMPANY	
		2021	**2020**	**2021**	**2020**
23.1 LOANS AND BORROWINGS	**Note**	**US$**	**US$**	**US$**	**US$**
Revolving Credit Line Facility	23.7	19,648,008	20,805,806	19,648,008	20,805,806
General Short Term Banking Facility	23.8	9,822,325	13,221,662	9,647,959	13,221,662
Uncommitted Revolving Credit Facility	23.9	2,753,605	-	-	-
Short Term Overdraft Facility	23.10	-	5,074,759	-	-
		32,223,938	**39,102,227**	**29,295,967**	**34,027,468**
Non-current		-	1,666,667	-	1,666,667
Current		32,223,938	37,435,560	29,295,967	32,360,801
		32,223,938	**39,102,227**	**29,295,967**	**34,027,468**

NOTES TO THE FINANCIAL STATEMENTS

		GROUP		COMPANY	
		2021	2020	2021	2020
23.2 Loans and borrowings reconciliation:	**Note**	**US$**	**US$**	**US$**	**US$**
At 1 April		39,102,227	35,637,018	34,027,468	30,797,388
Proceeds from loans and borrowings		12,873,257	18,593,577	9,544,080	15,891,156
Repayments of loans and borrowings		(19,234,967)	(13,042,862)	(14,275,581)	(12,661,076)
Exchange difference		(516,579)	(2,085,506)	-	-
At 31 March		**32,223,938**	**39,102,227**	**29,295,967**	**34,027,468**
		-	-	-	-

23.3 The maturity analysis of loans and borrowings are shown below: 29.2.3

	On demand	< 3 months	3-12 months	1-5 years	Total
GROUP			**US$**		
At 31 March 2021	174,366	-	32,049,572	-	**32,223,938**
At 31 March 2020	-	-	37,435,560	1,666,667	**39,102,227**
COMPANY			**US$**		
At 31 March 2021	-	-	29,295,967	-	**29,295,967**
At 31 March 2020	-	-	32,360,801	1,666,667	**34,027,468**

		GROUP		COMPANY	
		2021	Restated* 2020	2021	2020
23.4 Interest rate sensitivity	29.2.1a)	**US$**	**US$**	**US$**	**US$**
Increase in interest rates by 50 basis points		(161,120)	(195,511)	(146,480)	(170,137)
Decrease in interest rates by 50 basis points		161,120	195,511	146,480	170,137
23.5 Foreign currency sensitivity	29.2.1b)				
Local currency weakening against US$ by 10%		(385,314)	-	-	-
Local currency strengthening against US$ by 10%		385,314	-	-	-
23.6 Undrawn committed borrowing facilities					
Total facilities available/limit		52,193,389	45,500,000	35,500,000	35,500,000
Facilities utilised at year end		(32,223,938)	(39,102,227)	(29,295,967)	(34,027,468)
Unutilised borrowing capacity		**19,969,451**	**6,397,773**	**6,204,033**	**1,472,532**

FOR THE YEAR ENDED 31 MARCH 2021

	GROUP		COMPANY	
23.7 Revolving Credit Line Facility	**2021**	**2020**	**2021**	**2020**
Balance outstanding (US$)	19,648,008	20,805,806	19,648,008	20,805,806
Limit (US$)	27,941,828	19,000,000	19,000,000	19,000,000
Purpose: Working Capital Funding				
Tenure (360 days)				
Interest rate: 3 months LIBOR + 3.5% (2020: 3 months LIBOR + 3.5%)				
Security details: Movable assets (including inventories and receivables) and guarantees				
23.8 General Short Term Banking Facility				
Balance outstanding (US$)	9,822,325	13,221,662	9,647,959	13,221,662
Limit (US$)	22,708,408	16,500,000	16,500,000	16,500,000
Purpose: Working Capital Funding				
Tenure (360 days)				
Interest rate: 3 months LIBOR + 3.5% (2020: 3 months LIBOR + 3.5%)				
Security details: Movable assets (including inventories and receivables) and guarantees				
23.9 Uncommitted Revolving Credit Facility				
Balance outstanding (US$)	2,753,605	-	-	-
Limit (US$)	3,000,000	-	-	-
Purpose: Working Capital Funding				
Tenure (360 days)				
Interest rate: Prime + 3.5% (2020: nil)				
Security details: Movable assets (including inventories and receivables) and guarantees				
23.10 Short Term Overdraft Facility				
Balance outstanding (US$)	-	5,074,759	-	-
Limit (US$)	4,751,561	10,000,000	-	-
Purpose: Working Capital Funding				
Tenure (360 days)				
Interest rate: 16% (2020: 20%)				
Security details: None				

NOTES TO THE FINANCIAL STATEMENTS

		GROUP		COMPANY	
24 TRADE AND OTHER PAYABLES		**2021**	**2020**	**2021**	**2020**
24.1 Trade and other payables	**Note**	**US$**	**US$**	**US$**	**US$**
Trade payables		4,875,908	5,208,477	-	575,592
Accruals and other creditors		2,610,477	3,564,646	338,793	338,393
		7,486,385	**8,773,123**	**338,793**	**913,985**

24.2 The maturity analysis of trade and other payables are shown below. 29.2.3

	On demand	< 3 months	3-12 months	1-5 years	Total
GROUP			**US$**		
At 31 March 2021	1,680,201	2,419,917	3,386,267	-	**7,486,385**
At 31 March 2020	2,044,747	5,130,388	1,597,988	-	**8,773,123**
COMPANY			**US$**		
At 31 March 2021	-	338,793	-	-	**338,793**
At 31 March 2020	-	913,985	-	-	**913,985**

24.3 Foreign currency sensitivity	29.2.1b)				
Local currency weakening against US$ by 10%		(4,272)	-	-	-
Local currency strengthening against US$ by 10%		4,272	-	-	-

		GROUP		COMPANY	
25 AMOUNTS DUE TO GROUP ENTITIES		**2021**	**2020**	**2021**	**2020**
25.1 Amounts due to Group entities		**US$**	**US$**	**US$**	**US$**
Seed Co Enterprise		-	-	415,710	-
Seed Co Botswana		-	-	4,456,819	-
Seed Co South Africa		-	-	-	84,564
Seed Co Zambia		-	-	-	3,174,362
Seed Co Malawi		-	-	172,232	77,838
Seed Co Limited Zimbabwe		6,518,542	1,074,844	4,912,369	-
Prime Seed Co Zimbabwe		5,259	181,516	(891)	121,471
Prime Seed Co Zambia		8,630	-	-	-
Prime Seed Co Kenya		35,161	17,638	-	74
Quton Malawi		1,514	-	-	-
	27.2.2	**6,569,106**	**1,273,998**	**9,956,239**	**3,458,235**

25.2 The maturity analysis of amounts due to related entities are shown below: 29.2.3

	On demand	< 3 months	3-12 months	1-5 years	Total
GROUP			**US$**		
At 31 March 2021	1,821,641	-	4,747,465	-	**6,569,106**
At 31 March 2020	483,202	-	790,796	-	**1,273,998**
COMPANY			**US$**		
At 31 March 2021	-	-	9,956,239	-	**9,956,239**
At 31 March 2020	-	-	3,458,235	-	**3,458,235**

25.3 Foreign currency sensitivity	29.2.1b)				
Local currency weakening against US$ by 10%		(3,067,071)	-	(487,253)	-
Local currency strengthening against US$ by 10%		3,067,071	-	487,253	-

26 PROVISIONS FOR EMPLOYEE BENEFITS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions include severance pay (terminal benefits in accordance with employment conditions or governing laws), leave pay (leave accrued in accordance with the conditions of employment) and bonus (performance related as sanctioned by the Group's Remuneration Committee).

		GROUP		COMPANY	
		2021	**2020**	**2021**	**2020**
26.1 Provisions for employee benefits	**Note**	**US$**	**US$**	**US$**	**US$**
Severance pay	26.3	45,793	3,277	-	-
Leave pay	26.4	426,716	484,471	112,449	104,693
Bonus	26.5	2,095,990	1,514,136	410,543	229,685
		2,568,499	**2,001,884**	**522,992**	**334,378**

NOTES TO THE FINANCIAL STATEMENTS

	Note	GROUP 2021 US$	GROUP 2020 US$	COMPANY 2021 US$	COMPANY 2020 US$
26 Provisions reconciliation					
At 1 April		2,001,884	1,642,556	334,378	729,244
Arising during the year		1,904,180	1,828,822	465,798	179,345
Utilised during the year		(1,273,750)	(1,187,440)	(277,184)	(574,211)
Discontinued operations	8.3	(6,481)	-	-	-
Exchange differences		(57,334)	(282,054)	-	-
At 31 March		**2,568,499**	**2,001,884**	**522,992**	**334,378**
26 Severance pay provision reconciliation					
At 1 April		3,277	102,221	-	-
Arising during the year		49,474	2,537	-	-
Utilised during the year		(2,406)	(93,243)	-	-
Discontinued operations		-	-	-	-
Exchange differences		(4,552)	(8,238)	-	-
At 31 March		**45,793**	**3,277**	**-**	**-**
26 Leave pay provision reconciliation					
At 1 April		484,471	468,112	104,693	121,066
Arising during the year		34,654	204,793	7,756	27,399
Utilised during the year		(75,167)	(112,654)	-	(43,772)
Discontinued operations		(6,481)	-	-	-
Exchange differences		(10,761)	(75,780)	-	-
At 31 March		**426,716**	**484,471**	**112,449**	**104,693**
27 Bonus provision reconciliation					
At 1 April		1,514,136	1,072,223	229,685	608,178
Arising during the year		1,820,053	1,621,492	458,042	151,946
Utilised during the year		(1,196,177)	(981,543)	(277,184)	(530,439)
Discontinued operations		-	-	-	-
Exchange differences		(42,022)	(198,036)	-	-
At 31 March		**2,095,990**	**1,514,136**	**410,543**	**229,685**

27 RELATED PARTIES' TRANSACTIONS AND BALANCES

27.1 Related party transactions GROUP	Note	Sales of goods to 27.1.1	Purchase of goods from 27.1.2	Dividends received from 27.1.3	Dividends paid to 27.1.4	Royalties earned from 27.1.5	Royalties incurred to 27.1.6	Management fees earned from 27.1.7	Management fees incurred to 27.1.8	Interest earned from 27.1.9	Interest incurred to 27.1.10
2021						US$					
Seed Co Limited Zimbabwe		-	5,858,945	-	-	-	-	868,797	-	163,674	-
Prime Seed Co Zimbabwe		-	290,602	-	-	-	-	-	-	-	-
Prime Seed Co International		111,300	-	-	-	-	-	-	-	20,444	-
Prime Seed Co South Africa		-	86,116	-	-	-	-	-	-	15,954	-
Prime Seed Co Malawi		6,953	-	-	-	-	-	-	-	-	-
AgriSynergy		-	-	-	-	-	-	-	-	32,173	-
Limagrain Zaad South Africa		1,738,017	-	-	-	-	-	-	-	-	-
Seed Co West & Central Africa		258,605	-	-	-	-	-	-	-	-	-
		2,114,875	**6,235,663**	**-**	**-**	**-**	**-**	**868,797**	**-**	**232,245**	**-**
				-		-					
2020						US$					
Seed Co Limited Zimbabwe		1,273,360	928,223	-	363,206	-	1,702,964	608,409	-	301,888	-
Prime Seed Co Zimbabwe		57,542	476,341	-	-	-	-	-	-	-	-
Prime Seed Co Malawi		11,508	-	-	-	-	-	-	-	-	-
Prime Seed Co Tanzania		33,420	-	-	-	-	-	-	-	-	-
Prime Seed Co Kenya		-	1,596	-	-	-	-	-	-	-	-
Vilmorin & Cie		-	-	-	387,809	-	-	182,175	-	-	-
Related persons		-	-	-	-	-	-	-	-	13,444	-
		1,375,830	**1,406,160**	**-**	**751,015**	**-**	**1,702,964**	**790,584**	**-**	**334,589**	**-**
				-		-		-		-	-

NOTES TO THE FINANCIAL STATEMENTS

COMPANY	Note	Sales of goods to 27.1.1	Purchase of goods from 27.1.2	Dividends received from 27.1.3	Dividends paid to 27.1.4	Royalties earned from 27.1.5	Royalties incurred to 27.1.6	Management fees earned from 27.1.7	Management fees incurred to 27.1.8	Interest earned from 27.1.9	Interest incurred to 27.1.10
2021						US$					
Seed Co Enterprise		-	-	-	-	-	-	-	1,776,629	-	-
Seed Co Botswana		-	-	-	-	-	-	157,067	-	-	182,994
Seed Co South Africa		-	-	-	-	-	-	16,580	-	-	-
Seed Co Zambia		-	-	2,534,016	-	1,196,188	-	1,173,673	-	581,379	-
Seed Co Malawi		-	-	748,952	-	880,328	-	381,418	-	1,206	-
Seed Co Tanzania		-	-	1,241,693	-	615,973	-	437,360	-	2,010	-
Agri Seed Co Kenya		-	-	-	-	571,365	-	274,852	-	215,136	-
Agri Seed Co Nigeria		-	-	-	-	-	-	-	-	14,631	-
Seed Co Limited Zimbabwe		-	-	-	-	-	-	868,797	-	163,674	-
Prime Seed Co International		-	-	-	-	-	-	-	-	20,444	-
Prime Seed Co South Africa		-	-	-	-	-	-	-	-	15,954	-
AgriSynergy		-	-	-	-	-	-	-	-	32,173	-
		-	**-**	**4,524,661**	**-**	**3,263,854**	**-**	**3,309,747**	**1,776,629**	**1,046,607**	**182,994**
2020						US$					
Seed Co Enterprise		-	-	-	-	-	-	-	2,385,127	-	-
Seed Co Botswana		-	-	-	-	-	-	157,067	-	-	206,169
Seed Co South Africa		-	29,872	-	-	40,437	-	66,521	-	-	-
Seed Co Zambia		-	1,379,739	1,842,795	-	618,677	-	839,016	-	879,224	-
Seed Co Malawi		-	377,687	414,088	-	-	-	381,418	-	258,418	-
Seed Co Tanzania		-	-	510,000	-	284,347	-	426,942	-	35,235	-
Agri Seed Co Kenya		-	-	-	-	237,877	-	274,852	-	192,425	-
Seed Co Limited Zimbabwe		528,479	405,449	-	343,612	-	869,995	608,409	-	301,888	-
Prime Seed Co Zimbabwe			476,341	-	-	-	-	-	-	-	-
Prime Seed Co International		-	-	-	-	-	-	-	-	19,257	-
Vilmorin & Cie		-	-	-	387,809	-	-	-	-	-	-
		528,479	**2,669,088**	**2,766,883**	**731,421**	**1,181,338**	**869,995**	**2,754,225**	**2,385,127**	**1,686,447**	**206,169**

		GROUP		COMPANY	
		2021	2020	2021	2020
27.1.11	**Directors' emoluments**	US$	US$	US$	US$
	Short term benefits	1,444,224	1,483,701	583,516	859,393
	Directors' fees	298,066	200,088	207,261	200,088
		1,742,290	**1,683,789**	**790,777**	**1,059,481**

Short-term benefits include salaries, bonuses, allowances and Company contributions towards pension and medical aid.

		Note	GROUP 2021 US$	GROUP 2020 US$	COMPANY 2021 US$	COMPANY 2020 US$
27.2	**Related party balances**					
27.2.1	**Due from related parties**					
	Due from related entities	18.1	17,653,354	11,757,777	36,887,891	30,383,207
	Due from related persons		364,514		296,996	
			18,017,868	**11,757,777**	**37,184,887**	**30,383,207**
27.2.2	**Due to related parties**					
	Due to related entities	25.1	**6,569,106**	**1,273,998**	**9,956,239**	**3,458,235**

28 SEGMENTAL INFORMATION

The operating businesses are managed separately according to the country that they operate in, with each segment representing a strategic business unit that operates in the same geographical area. For management purposes, the Group is organised into business units based on their geographical locations and four reportable operating segments as follows:

Reportable segments	Countries aggregated
Southern Africa	Botswana, Mozambique, South Africa and Swaziland.
Central Africa	Democratic Republic of Congo (DRC), Malawi and Zambia.
East Africa	Ethiopia, Kenya, Rwanda and Tanzania.
West Africa	Ghana and Nigeria.

The Group Executives monitor the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss after tax and is measured consistently with profit or loss after tax in the consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

The operating segments as stated above have been aggregated to form the above reportable operating segments. The aggregation criteria assists the Group Executives to evaluate the nature and financial effects of the business activities and the economic environments in which it operates. The aggregated operating segments have largely similar products offerings; class of customers and are based in areas of the African continent which have generally similar economic environments and climate conditions.

The reporting segments follow uniform accounting policies and have the same year end. Transactions between reported segments follow the same basis of accounting as those followed within the Group. Transfer prices between operating segments are on an arm's length basis.

There is no change from prior periods in the measurement methods used to determine reported segment profit or loss.

Inter-segment transactions and balances and unrealized profits between segments are eliminated upon consolidation and reflected in the 'adjustments and eliminations' column below

28.1 Summarised income statements	Southern Africa	Central Africa	East Africa	West Africa	Adjustments and eliminations	GROUP
for the year ended 31 March 2021			US$			
Revenue	**9,363,323**	**57,182,026**	**30,224,419**	**2,254,024**	**(10,497,605)**	**88,526,187**
External	9,363,323	47,156,748	30,089,419	2,254,024	(337,327)	**88,526,187**
Inter-segment	-	10,025,278	135,000	-	(10,160,278)	**-**
Cost of sales	(6,590,748)	(30,251,843)	(16,956,128)	(1,658,860)	10,690,587	**(44,766,992)**
Gross profit	**2,772,575**	**26,930,183**	**13,268,291**	**595,164**	**192,982**	**43,759,195**
Other income	11,892,609	689,123	(154,400)	260,534	(10,769,406)	**1,918,460**
Operating expenses	(13,413,010)	(14,295,062)	(7,068,842)	(754,416)	7,952,639	**(27,578,691)**
Operating profit/(loss)	**1,252,174**	**13,324,244**	**6,045,049**	**101,282**	**(2,623,785)**	**18,098,964**
Finance income	1,317,014	120,891	71,300	23,093	(1,105,498)	**426,800**
Finance costs	(1,883,217)	(1,686,272)	(430,930)	(15,276)	1,102,925	**(2,912,770)**
Share of profit/(loss) from associate and joint ventures	(479,142)	-	-	-	163,520	**(315,622)**
Profit/(Loss) before tax from continuing operations	**206,829**	**11,758,863**	**5,685,419**	**109,099**	**(2,462,838)**	**15,297,372**
Income tax expense	(434,675)	(1,696,180)	(1,797,724)	-	(49,772)	**(3,978,351)**
Profit/(Loss) for the year from continuing operations	**(227,846)**	**10,062,683**	**3,887,695**	**109,099**	**(2,512,610)**	**11,319,021**
Profit/(Loss) after tax for the year from discontinued operations	-	-	-	-	(218,492)	**(218,492)**
Profit/(Loss) for the year	**(227,846)**	**10,062,683**	**3,887,695**	**109,099**	**(2,731,102)**	**11,100,529**

	Southern Africa	Central Africa	East Africa	West Africa	Adjustments and eliminations	GROUP
for the year ended 31 March 2020			US$			
Revenue	**8,074,055**	**44,118,786**	**25,513,243**	**1,084,112**	**(8,666,479)**	**70,123,717**
External	7,998,606	35,956,156	25,084,843	1,084,112		**70,123,717**
Inter-segment	75,449	8,162,630	428,400		(8,666,479)	**-**
Cost of sales	(5,349,003)	(24,489,136)	(14,046,908)	(835,939)	8,946,387	**(35,774,599)**
Gross profit	**2,725,052**	**19,629,650**	**11,466,335**	**248,173**	**279,908**	**34,349,118**
Other income	9,165,332	5,246,104	243,337	13,448	(8,527,514)	**6,140,707**
Operating expenses	(12,671,081)	(13,537,607)	(7,350,725)	(589,542)	7,512,109	**(26,636,846)**
Operating profit/(loss)	**(780,697)**	**11,338,147**	**4,358,947**	**(327,921)**	**(735,497)**	**13,852,979**
Finance income	1,983,254	38,554	14,637	26,294	(1,571,471)	**491,268**
Finance costs	(2,385,750)	(2,082,298)	(504,795)	(8,726)	1,571,471	**(3,410,098)**
Share of profit/(loss) from associate and joint ventures	-	-	-	-	(495,947)	**(495,947)**
Profit/(Loss) before tax from continuing operations	**(1,183,193)**	**9,294,403**	**3,868,789**	**(310,353)**	**(1,231,444)**	**10,438,202**
Income tax expense	(288,301)	(988,512)	(1,727,965)	-	(49,180)	**(3,053,958)**
Profit/(Loss) for the year from continuing operations	**(1,471,494)**	**8,305,891**	**2,140,824**	**(310,353)**	**(1,280,624)**	**7,384,244**
Profit/(Loss) after tax for the year from discontinued operations	(476,904)	-	-	-	(836,144)	**(1,313,048)**
Profit/(Loss) for the year	**(1,948,398)**	**8,305,891**	**2,140,824**	**(310,353)**	**(2,116,768)**	**6,071,196**

28.2 Summarised statements of financial position						
At 31 March 2021			US$			
Non-current assets	45,742,937	32,655,085	5,710,972	465,069	(33,571,837)	**51,002,226**
Current assets	54,492,547	44,722,609	18,475,520	3,314,998	(34,789,580)	**86,216,094**
Non-current liabilities	(267,429)	(2,988,890)	(379,584)	-	-	**(3,635,903)**
Current liabilities	(50,147,749)	(22,833,674)	(11,837,327)	(2,453,606)	37,414,766	**(49,857,590)**
Total equity	**49,820,306**	**51,555,130**	**11,969,581**	**1,326,461**	**(30,946,651)**	**83,724,827**
At 31 March 2020			US$			
Non-current assets	45,006,549	29,543,116	5,604,420	468,248	(35,867,873)	**44,754,460**
Current assets	46,272,434	44,505,021	19,706,189	3,339,133	(30,865,003)	**82,957,774**
Non-current liabilities	(2,087,025)	(2,057,431)	(244,091)	-	-	**(4,388,547)**
Current liabilities	(40,180,313)	(25,560,813)	(16,263,378)	(1,967,173)	33,677,238	**(50,294,439)**
Total equity	**49,011,645**	**46,429,893**	**8,803,140**	**1,840,208**	**(33,055,638)**	**73,029,248**

NOTES TO THE FINANCIAL STATEMENTS

29 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The Group's and Company's financial assets (note 17) arise directly from their operations.

The main purpose of the Group's and Company's financial liabilities is to finance the Group's and Company's operations.

The Group's and Company's policy prohibits trading in financial instruments.

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

29.1 Fair values

The fair value of the financial assets and liabilities is estimated to be the amount at which the instrument could be exchanged in a transaction between willing parties, other than in a forced or liquidation sale.

The carrying amount of all financial instruments measured at amortised cost shown on the statements of financial position approximate their fair values largely due to the short-term maturities of these

29.2 Financial instruments risk management objectives and policies

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks while the Audit Committee reviews and approves policies for managing each of these risks which are summarised below:

29.2.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk.

Financial instruments affected by market risk include receivables; cash and cash equivalents; payables and loans and borrowings.

The following assumptions have been made in the sensitivity analyses:

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2021 and 2020.
- There is no impact on equity besides the increase/decrease in retained earnings due to change in profit or loss.

29.2.1a) Interest rate risk

Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

The Group manages its interest rate risk by having most of its borrowings in short term US Dollar based LIBOR linked rate of interest. This rate is generally stable with minimal movements in the rate.

Interest rate sensitivity

Note 23.4 demonstrates the sensitivity of the the Group's and Company's profit before tax is to a reasonably possible change in interest rates on that portion of loans and borrowings affected with all other variables held constant.

29.2.1b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (monetary assets or liabilities are denominated in a foreign currency).

The Group evaluates the concentration of risk with respect to bank deposits as low since the Group's cash and cash equivalents balances are spread across the various banks in the countries the Group's operates.

29.2.3 Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter in meeting commitments associated with financial liabilities because of the possibility that the Group or the Company may be required to pay its liabilities earlier than expected. The liquidity risk arises if the Group or the Company defaults in its loan commitments or in meeting other conditions of the financial liabilities.

Notes 12.3, 23.4, 24.2 and 25.2 summarise the maturity profile of the Group's and Company's financial liabilities based on contractual undiscounted payments:

The Group and Company ensure timely payments of all loan commitments, which are mainly in the form of bank overdrafts, and are reviewed every six (6) to twelve (12) months. Timely arrangements are made with the banks to review facilities before they expire to avoid default.

The Group and Company are principally funded through centrally arranged facilities through the Company, Seed Co International Limited. As part of its treasury functions, Seed Co International Limited has short-term financing from main bankers in place.

The Group and Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficiently available and debt maturing within six (6) months can be rolled over with existing lenders.

30 CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes stated capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital. The Group's policy is to keep its gearing ratio below 50%. The Group's net debt definition comprises loans and borrowings less cash and cash equivalents.

In order to achieve this overall objective, the Group's capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches of the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 2020.

NOTES TO THE FINANCIAL STATEMENTS

Set out below is the computation of the Group and Company's gearing ratios:

	Note	GROUP 2021 US$	GROUP 2020 US$	COMPANY 2021 US$	COMPANY 2020 US$
Loans and borrowings	23	32,223,938	39,102,227	29,295,967	34,027,468
Cash and cash equivalents	19	(9,821,476)	(11,028,557)	(121,932)	(2,654,163)
Net debt		**22,402,462**	**28,073,670**	**29,174,035**	**31,373,305**
Capital		82,742,742	71,982,774	41,305,581	42,153,846
Gearing		**27%**	**39%**	**71%**	**74%**

31 COMMITMENTS AND CONTINGENCIES

Commitments	28.1.1	4,802,173	7,872,563	149,500	565,082
Contingent liabilities	28	165,697	166,920	-	-
Guarantees	28	-	32,128	-	-

31.1 Commitments

31.1.1 Capital expenditure commitments

The Board approved Management's capital expenditure plans for the Group and the Company though these were not yet contracted for at the reporting date.

31.1.2 Seed production

The Group, through its subsidiaries in Zambia, Malawi, Tanzania, Kenya and Nigeria, contracts growers to produce seed on its behalf every year. The seed production process takes approximately six (6) months. This gives the business the right to obtain the economic benefits from use of the farmer's land earmarked for seed production. The Group compensates the growers on seed delivery as agreed in the contract. Grower contracts are negotiated every year depending on the Group's seed volume requirements. The number and composition of growers varies every year depending on the Group's seed volume requirements and past grower performance. The farmer has the right to convert for their use the portion of land previously used for the Group's seed production upon harvest.

31.2 Contingent liabilities

Seed Co Tanzania had unresolved Tanzania Revenue Authority (TRA) tax assessments on Withholding Tax (WHT) and Skills and Development Levy (SDL), with a possible loss of TZS 384,666,000 (2020: TZS 384,666,000). The subsidiary submitted detailed documentation to the TRA to support its objections on the balance and awaiting the final determination on the appeal.

31.3 Guarantees

Stanbic Bank Botswana provided financial guarantees to Botswana Unified Revenue Service (BURS) for VAT deferral accounts in favour of Seed Co Botswana.

31.4 Undertakings provided to subsidiaries, associate and joint ventures

31.4.1 Seed Co Zambia

The Company, as guarantor on behalf of its subsidiaries namely Seed Co Botswana, Agri Seed Co Kenya, Seed Co Malawi and Seed Co Tanzania in favour of Seed Co Zambia (the guaranteed party) undertook to comply with any claim made against it by the guaranteed party for any seed exports made by the guaranteed party to the aforementioned subsidiaries up to a sum not exceeding US$5,024,727 (2020: US$10,000,000). Management does not expect any liability to arise against the Company from this arrangement.

31.4.2 Prime Seed Co Zambia

The Company pledged financial support that may be required to enable Prime Seed Co Zambia to pay its debts as they fall due since the entity has been making losses from inception.

32 EVENTS AFTER THE REPORTING DATE

	GROUP 2021 cents/share	GROUP 2020 cents/share	COMPANY 2021 cents/share	COMPANY 2020 cents/share
32.1 Dividend				
Approved by Board	0.97	-	0.97	-

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws of Botswana, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. Dividends declared after the reporting date are not recognised as a liability in the statements of financial position.

Proposed dividends on ordinary shares are subject to approval at the annual general meeting to be held before the end of September 2021 and are not recognised as a liability as at 31 March.

32.2 Previously announced proposed Group acquisition

In spite of overwhelming shareholder support for the Group to acquire Seed Co Limited (Zimbabwe), the transaction did not eventually go through as the necessary regulatory approval was declined by the regulatory authorities in Zimbabwe. The regulatory authorities' communication to this effect was received after the reporting date but before these financial statements were authorised for issue.

This is a non-adjusting event and has a no financial impact on the Group.

NOTES TO THE FINANCIAL STATEMENTS

33 IMPACT OF COVID-19

Management considered the following in its assessment of the impact of COVID-19.

33.1 Seed demand by customers

The Group's seed offering is right at the start of the food value chain and this strategic positioning enabled the business to benefit from the efforts of Governments, development partners, major customers and other key stakeholders towards ensuring continued food security in the markets the Group serves during the pandemic. The strong revenue growth recorded during the reporting period bears testament to this.

33.2 Seed supply by growers

Seed production and the ancillary processing activities have continued with minimal interruptions since the Group's operations were designated as essential services. The Group is therefore adequately stocked to meet anticipated demand in the ensuing season.

33.3 Operating expenses

With most of the Group's knowledge workers forced to work remotely, there were increases in information technology (IT), communication and cyber-security costs to ensure business continuity. However, these were offset by travel and office cost savings due to the lockdowns put in place in various countries.

33.4 Currency volatility

Most regional currencies weakened markedly in the wake of the pandemic as commodity prices plummeted and the tourism industry collapsed. Some of the Group's subsidiaries were adversely affected due to their exposure to foreign denominated payables as reflected in the significant swing from exchange gains in prior year to exchange losses in the reporting period. The Group has however witnessed a partial recovery and stability of most of the regional currencies in the second half of the financial year.

33.6 Credit losses on receivables

The Group's forward looking Expected Credit Loss (ECL) model at 31 March 2021 applied projected Consumer Price Index (CPI), Gross Domestic Product (GDP), Interest Rates, Inflation Rates and Unemployment Rates. The credit loss arrived at from this calculation was expensed on the income statement and provided for against trade receivables on the statement of financial position. With the limited fiscal runway available to some regional Governments to effectively respond to the COVID-19 crisis including acquiring vaccinations across the multiple jurisdictions the Group operates in, Management more than doubled its estimate of receivables impairments compared to the last financial year.

33.7 Interest rate adjustments

Regional central banks generally loosened their monetary policies mainly focusing on lowering of interest rates which culminated in a lower cost of borrowing for the Group on renewal of loan and overdraft facilities as evidenced by the decrease in finance costs compared to the previous year.

NOTICE TO SHAREHOLDERS

Notice is hereby given that the **21st Annual General Meeting** of Members of Seed Co International Limited ("the Company") will be held Virtually on **Wednesday the 26th of August 2021, at 0900 GMT+2 (Botswana).** In compliance with national health guidelines, the Annual General Meeting will be hosted online via the Escrow Group platform to facilitate social distancing.

Members will be asked to consider, and if deemed fit, to pass with or without modification, the resolutions set out below: -

ORDINARY BUSINESS: - As ordinary resolutions:

1. Approval of the Audited Financial Statements and Reports

•To receive, consider and adopt the Annual Financial Statements and Reports of the Directors and Auditors for the year ended 31 March 2021.

2. Appointment of Directors

•To note the retirement of Ms Remina Davidzo Chitengu from the Board in terms of Article 12.2.8 of the Articles of Association and being eligible offer themselves for re-election.

•To note the Retirement of Messrs Daniel Jacquemond from the Board in terms of Article 12.2.8 of the Articles of Association and being eligible offer themselves for re-election.

•To note the Retirement of Messrs Pearson Gowero from the Board effective after the AGM in terms of Article 12.2.8 of the Articles of Association and being eligible offer themselves for re-election.

•To request approval for Directors to continue in office on attaining age of 70 on a year-by-year basis to a maximum of 2 years.

3. Approval of Directors' fees

To note the approval of Directors' fees for the year ended 31 March 2021.

4. Auditors

To approve the remuneration of the auditors for the past audit and re-appoint Ernst & Young, Chartered Accountants (Botswana) as auditors for the current year.

5. Dividend

To ratify the dividend of 0.97 US Cents per share payable in cash and scrip as recommended by Directors.

SPECIAL BUSINESS

6. Share Buy-Back special resolution

That, subject to the Company's compliance with all rules, regulations, orders and guidelines made pursuant to the Botswana Companies Act, Cap 42:01 as amended from time to time, the provisions of the Company's Constitution and the Equity Listing Requirements of the Botswana Stock Exchange ("BSE") and the Victoria Falls Stock Exchange ("VFEX"), the Company be and is hereby authorised to the fullest extent permitted by law, to buy-back at any time such amount of ordinary shares of no par value in the Company as may be determined by the Directors of the Company from time to time through the BSE and the VFEX, upon the terms and conditions that may be deemed fit and expedient in the interest of the Company ("Proposed Share Buy-back") provided that:

a) the maximum number of shares in aggregate which may be purchased by the Company at any point of time pursuant to the Proposed Share Buy-Back, shall not exceed ten per cent (10%) of the total stated share capital of the Company for the time being quoted on the BSE and the VFEX; and

b) the maximum amount of funds to be allocated by the Company pursuant to the Proposed Share Buy-Back shall not exceed the sum of retained earnings of the Company based on its latest financial statements available up to date of a transaction pursuant to the Proposed Share Buy-Back.

That the share buy-back may not be made at a price greater than 10% above the weighted average of the market value for the securities for the 5 (five) business days immediately preceding the date on which the transaction is effected;

The shares purchased by the Company pursuant to the Proposed Share Buy-Back may be retained as Treasury Shares;

That such authority shall commence upon the passing of this resolution, until the conclusion of the next Annual General Meeting of the Company or the expiry of the period within which the next Annual General Meeting is required by law to be held ("the Expiry Date"), unless revoked or varied by ordinary resolution of the Shareholders of the Company in a general meeting, but so as not to prejudice the completion of a purchase made before the Expiry Date; and

And that the Directors of the Company be and are hereby authorised to take all steps as are necessary or expedient to implement or give effect to the Proposed Share Buy-Back, with full powers to amend and/or assert to any conditions, modifications, variations or amendments (if any) as may be imposed by the relevant Governmental/Regulatory Authorities from time to time and with full power to do all such acts and things thereafter in accordance with the Botswana Companies Act, Cap 42:01 as amended from time to time, the provisions of the Company's Constitution and the requirements of the BSE and VFEX Equity Listing Requirements and all other relevant Governmental/Regulatory Authorities.

Registration of the AGM

•Considering the current worldwide regulations which prohibit gatherings more than 50 people and promoting social distance on account of the COVID-19 pandemic, the Annual General Meeting will be held virtually. Members can participate using the following link **https://escrowagm.com/eagmZim/Login.aspx.** Please contact **Lesley Muzamba** for assistance with registration for the annual general meeting, email: lesley@escrowgroup.org

Annual Report

The Company's Annual Report is now available on the Company's website, **https://www.seedcogroup.com/investors/results/annual-reports,** copies of the Annual Report have also been sent to Shareholders whose emails are on record.

By Order of the Board

T.N Chimanya
Group Secretary
22 July 2021

Notes

A member entitled to attend and vote at the meeting may appoint one or more proxies to attend, vote and speak in their stead. The proxy need not be a member of the company.
To be effective, the form of the proxy must be lodged at the company's office at least 48 hours before the meeting.

GROUP ADMINISTRATION

DIRECTORS

D E B Long (Group Chairman)
M Nzwere (Group Chief Executive Officer)
J Matorofa (Group Chief Finance Officer)
D Jacquemond
F Azanza
A G Barron
R C D Chitengu
R De Wet
P Gowero
M S Ndoro
K Moswela
C Kabaghe
F Savin
P Spadin

BOARD COMMITTEES

Audit Committee

R C D Chitengu (Chairman)
M S Ndoro
D Jacquemond

Remuneration Committee

P Gowero (Chairman)
D E B Long
M S Ndoro

Seed Co Zambia

C Kabaghe (Chairman)
G Muleya (General Manager)
L Yondela (Finance Director)
F Banda
P Francis
D E B Long
J Matorofa
M Nzwere
E Rupende

Seed Co Malawi

A Barron (Chairman)
B Luwe (Managing Director)
S Mbanda (Finance Director)
D E B Long
S Malata
J Matorofa
M Nzwere

Seed Co Tanzania

M Nzwere (Chairman)
C Mugadza (Regional Managing Director)
T Ravasingade (Finance Director)
J Matorofa
M S Ndoro
K Sibuga

Seed Co Mozambique

Dr E Mhandu (Regional Managing Director)
S Munakamwe (Country Manager)

Seed Co Botswana

M Nzwere (Chairman)
S Ruwisi (General Manager)
K Moswela
J Matorofa

Agri Seed Co Kenya

M Nzwere (Chairman)
W Wasike (General Manager)
C Kedera
J Matorofa
M S Ndoro

West and Central Africa

J Matorofa (Chairman)
Dr T Chagomoka (Country Manager)
C Fambisayi
R Fournier
R Mahama
F Savin

Seed Co Angola & DRC

S Malekani (Country Manager)

Seed Co Great Lakes

C Mugadza (Regional Managing Director)

COMPANY SECRETARY

E Kalaote

GROUP EXECUTIVES

T Chimanya - Legal and Corporate Affairs/Group Company Secretary
G Mabuyaye - Research and Development
C Fambisayi - Business Development
C Murandu - Marketing
P Mutandwa - Human Resources
D Ncube - Internal Audit
E Rupende - Production and Processing
S Ruwisi - Treasury

AUDITORS

Ernst & Young 2nd Floor Plot 22, Khama Cresent
PO Box 41015
Gaborone
Botswana

TRANSFER SECRETARIES

Central Securities Depository Botswana
4th Floor Fairscape Precint
Plot 70667
Fairgrounds
Gaborone
Botswana

REGISTERED OFFICE

Plot 70713
Phakalane
Gaborone
Botswana

SEED CO INTERNATIONAL LIMITED

TWENTY FIRST ANNUAL GENERAL MEETING
FORM OF PROXY

To be held via a Virtual Meeting on Thursday the 26th of August 2021, at 0900 hours.

I/We _____

of _____

being a member of Seed Co International Limited hereby appoint

of _____

or failing him/ her _____

of _____

or failing him/ her, the chairman of the company, or failing him, the chairman of the meeting as my/ our proxy to vote for me/ us on my/ our behalf at the Annual General Meeting of the Company to be held on **Thursday the 26th of August 2021** and at any adjournment thereof.

Signed on this _____ day of _____ **2021**

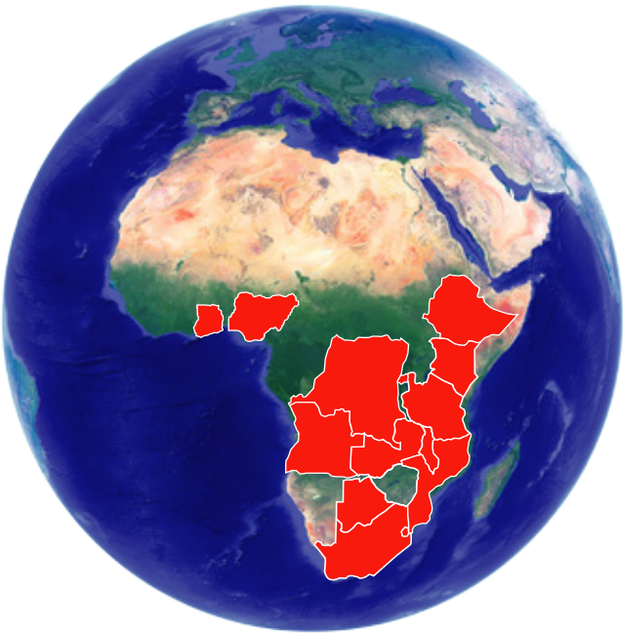
Signature of member

Notes

1. A shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint one person as his proxy (who need not be a member of the company) to attend and speak, and on a poll to vote in the place of the shareholder.
2. The proxy form should be lodged at the registered office of the company at least forty-eight hours before the time appointed for holding the meeting.

SEED·CO

The African Seed Company



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Skype: sam.ruwisi
Email: samson@seedcogroup.com

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SEED·CO

The African Seed Company

www.seedcogroup.com

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C/O Etsala Seed Company
Mdutjane prison road Luyengo
Malkerns
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Malkerns
Email: samson@seedcogroup.com
Email: jeanne.volschenk@farmchem.co.sz

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EN 6 Zona Industrial
Bairro Njamadjessa
Cidade de Chimoio
Mozambique
Email: simon@seedcogroup.com

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