



# FBC Securities (Private) Limited

(Registered Stockbroker) - Member of the Zimbabwe Stock Exchange  
You Matter Most

| Code | Company  | Volume  | Value      | Change     |
|------|----------|---------|------------|------------|
| ZSE  | BAT.ZW   | 4,600   | 5,346,5000 | 6,800,0000 |
| ZSE  | CAFCA.ZW | 0       | 0.0000     | 0.0000     |
| ZSE  | CBZ.ZW   | 400     | 306,0500   | 0.0000     |
| ZSE  | DUTA.ZW  | 118,700 | 1,599,3000 | 0.0000     |
| ZSE  | DZL.ZW   | 600     | 185,0500   | 0.0000     |
| ZSE  | ECO.ZW   | 280,800 | 498,5000   | 0.0000     |
| ZSE  | FBC.ZW   | 2,000   | 180,0000   | 0.0000     |
| ZSE  | HPO.ZW   | 800     | 1,200,0000 | 0.0000     |
| ZSE  | IBC.ZW   | 100,000 | 1,000,0000 | 0.0000     |



## SEEDCO - EARNINGS FLASH

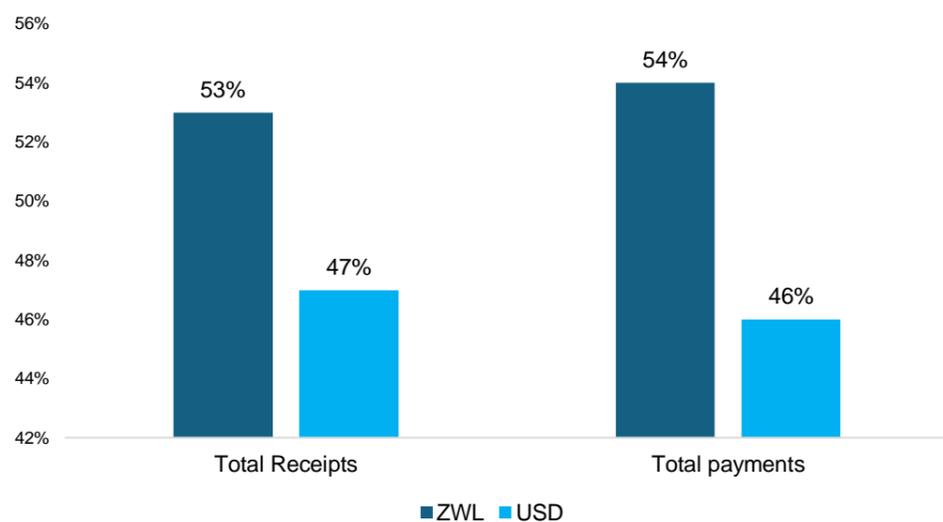
### PERFORMANCE OVERVIEW

|                       | FY23    | FY24    | % Change |
|-----------------------|---------|---------|----------|
| Revenue (ZW\$bn)      | 1,012   | 814     | 20%      |
| PBT (ZW\$bn)          | 527     | 689     | 31%      |
| Total Equity (ZW\$bn) | 1,892   | 2,512   | 33%      |
| EPS (ZW\$ cents)      | 150,227 | 185,250 | 23%      |

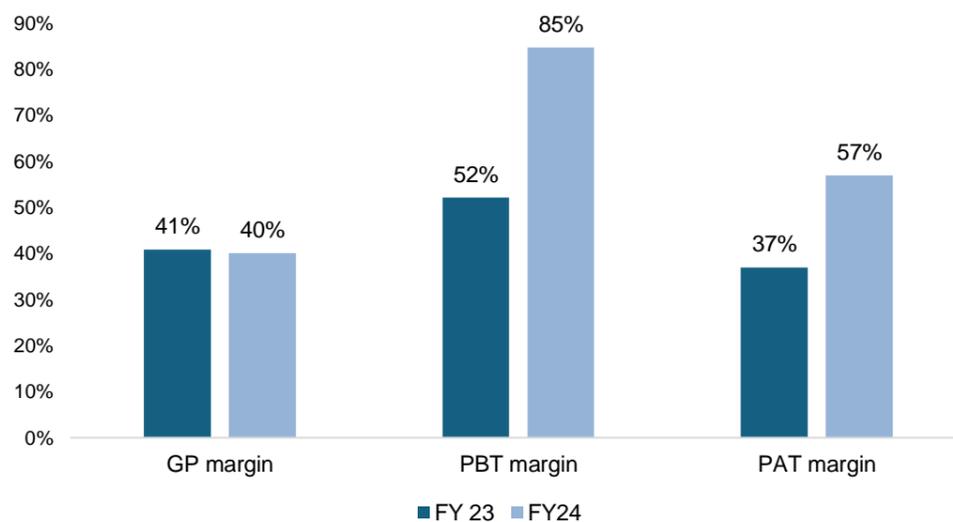
### MARKET DATA

|                    |                  |
|--------------------|------------------|
| Sector             | Consumer Staples |
| Report Date        | 31 March 2024    |
| Market cap (US\$m) | 33.00            |
| P/B (x)            | 0.41             |
| P/E (x)            | 2.23             |
| Recommendation     | <b>HOLD</b>      |

Breakdown of receipts and payments/currency (FY2024)



Seedco Profitability ratios



### OUR THOUGHTS

- Seedco Limited's revenue was 20% lower than the comparable period last year owing to dampened cropping plans as farmers got more cautious against dry weather conditions caused by the El-Nino-induced drought. Sales volume of the flagship crop, maize seed, was the most affected, declining to almost a third of prior year volumes.
- Fortunately, Seedco's reach is widely spread across various markets in Africa which neutralizes losses that could have been suffered if it was relying only on the local market. Increased export sales cushioned the Group against depressed local demand.
- The Company's association with Seedco International, Prime Seed Co and Quton is generating positive gains with circa ZWL25.78 billion profit share having been earned by Seedco Limited during the year under review. As a result, the Company's profitability firmed by 8% notwithstanding the subdued volumes and increased costs of financing and other inflation driven-operating expenses.
- In the outlook, growing investments in research and development aimed at producing climate-responsive products and anticipated favourable weather conditions as El Nino transitions to La Nina next season, are expected to boost demand of Seedco's products and improve shareholder value.
- This improvement will be more pronounced if the prevailing liquidity crisis for both USD and ZiG is tamed so that the Company reduces its overdependence on debt capital, which is currently expensive, to finance operations.

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