

**Astoria Investments Ltd**  
**Rough in the Diamond**

Share Code: ARA – Market Cap: R418m – Discount to NAV: c.36%

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<b>12m Target Price</b>	<b>1020cps</b>
<b>Share Price</b>	<b>675cps</b>
<b>Implied Return</b>	<b>51%</b>

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**Q1:25 Results: Diamond Valuations Written Down**

- While Q1 and Q3 results from Astoria are often more administrative (unlisted valuations are usually only updated at Q2 and Q4 period ends), this quarter saw continued pressure on diamond prices and management have prudently written the Marine Diamond valuation to nil and impaired the Trans Hex (i.e. Land Diamond) valuation by 55% to \$1.2m.
- This resulted in the Group’s NAV dropping by -6% in USD & -9% in ZAR (the Rand also strengthened over this quarter or, more accurately, the US Dollar weakened) when compared to the prior quarter (31 December 2024).

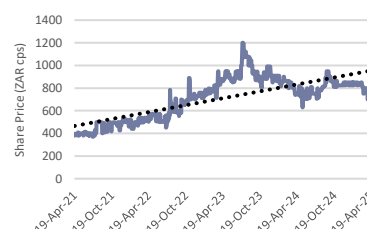
**Commentary: Gone but Not Nil**

- Despite a zero value, the Marine business continues to *operate* and can be considered a “nil value option” in Astoria’s NAV.
- Consensus in the diamond market appears to expect a modest recovery in rough diamond prices (mid-single digits) around late 2025. This recovery is dependent on supply chain efficiencies, marketing effectiveness, and economic stability.
- Likewise, consensus appears bearish on a full return to pre-pandemic due to the prevalence of lab-grown diamonds.

**Valuation, 12m TP & Implied Return: More than Priced In**

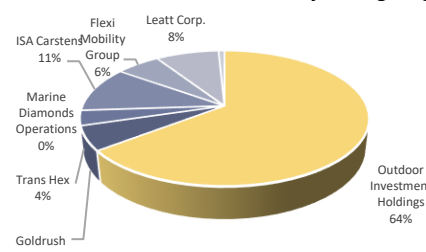
- Astoria’s share is trading at c.35% discount to NAV (Previously: 30%) once we update its NAV with current spot/listed prices.
- If we take out our calculated “HoldCo discount” of c.15.9% (unchanged), we arrive at a fair value for Astoria’s shares of c.858cps (Previously: 966cps) or c.27% *higher* than the current share price – but, this fair value is including the diamond valuations as is (i.e. Marine at nil & Land halved) and note our comment about “nil value options” above. Any recovery in the diamond market would translate into upside here.
- Rolling this fair value forward at our Cost of Equity, we arrive at a 12m TP of c.1020cps (Previously: 1150cps) that implies a potential return of c.51% from the current share price.

**Astoria Investments – JSE-listed Share Price**



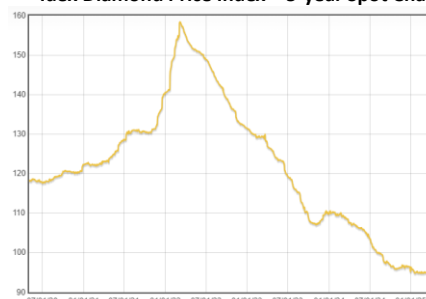
Source: Profile Media

**Astoria – Portfolio Major Weightings**



Sources: Astoria & Blue Gem Research workings

**IDEX Diamond Price Index – 5-year Spot Chart**



Sources: IDEX Online  
([http://www.idexonline.com/diamond\\_prices\\_index](http://www.idexonline.com/diamond_prices_index))

Financial Summary (Year-end December):	FY 20*	FY 21	FY 22	FY 23	FY 24	Q1:25**	Current Estimate <sup>^</sup>
Net Asset Value (USD cps)	\$0.466	\$0.622	\$0.827	\$0.795	\$0.62	\$0.581	\$0.566
Growth in NAV (%)	176%	34%	33%	-4%	-22%	-6%	-29%
Net Asset Value (ZAR cps)	683cps	992cps	1406cps	1454cps	1171cps	1069cps	1042cps
Growth in NAV (%)	190%	45%	42%	3%	-19%	-9%	-28%
Share Price (ZAR cps)	1259cps	500cps	760cps	802cps	825cps	750cps	675cps
Discount to NAV (%)	-84%	50%	46%	45%	30%	30%	35%

Sources: Astoria reports & Blue Gem Research assumptions & workings; <sup>\*</sup>Current management only took active control of portfolio from 1 December 2020; <sup>\*\*</sup> USD/ZAR of R18.39 as at closing 31 March 2025; <sup>^</sup>USD/ZAR of R18.40 2 May 2025



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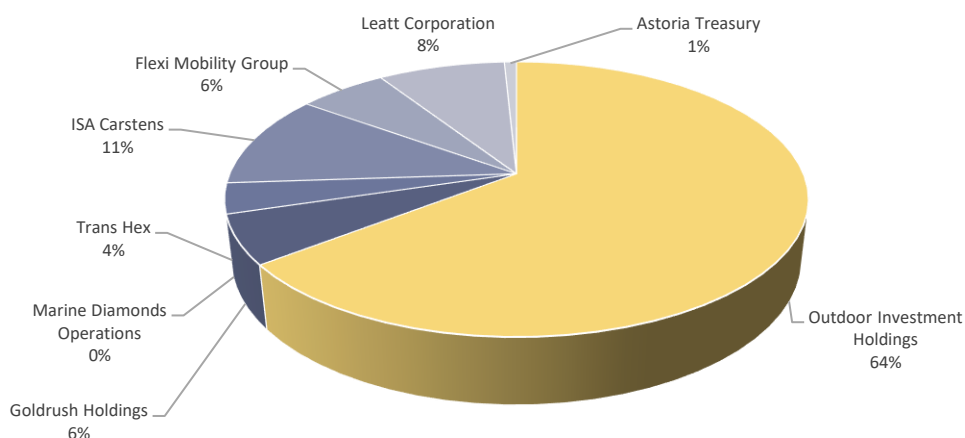
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**BLUE GEM RESEARCH**

Table 1: Investment	Description	Ownership or # shares	Valuation Methodology	Valuation (Rands)	Valuation (USD)	% of NAV
<b>USD/ZAR Exchange Rate Used</b>				<b>R18.40</b>	<b>\$1.00</b>	
Outdoor Investment Holdings	Integrated outdoor retailing group	40.2%	6.0x PBIT (unchanged) + A-Tec at transaction value (Previously: 8.0x PBIT)	R417.8m	\$22.7m	65%
Goldrush Holdings	Alternative gaming (eBingo, LPM, Sports Betting)	7.5m	Listed share price	R37.4m	\$2.0m	6%
Marine Diamonds Operations	Marine diamond miner	13.9%	Nil valuation (Previously: NPV less 20% minority discount.)	R0	\$0	0%
Trans Hex	Land diamond miner	13.9%	Impaired by 55% from previous valuation (Previously: 0.68x P/B for Angola + 0.8x P/B for South Africa.)	R23.2m	\$1.3m	4%
ISA Carstens	Domestic health & skincare educational group	49.0%	Transaction Price (under offer)	R71.1m	\$3.9m	11%
Flexi Mobility Group (Previously 'Vehicle Care Group')	Financier in the used car market	87.5%	Equity: Fully impaired; Debt: Book value less loss allowance	R38m	\$2.1m	6%
Leatt Corporation	Globally branded biking & outdoor protective clothing group	0.5m	Listed share price	R54.4m	\$3m	8%
Astoria Treasury	Internal lending book	100%	Book value less 34% (Previously 31%) loss allowance	R5.2m	\$0.3m	1%
<b>Gross Investment Value</b>				<b>R647m</b>	<b>\$35.2m</b>	
Cash & equivalents, & other	-	-	Taken from balance sheet	R3.1m	\$0.2m	
Liabilities	-	-	Taken from balance sheet	(R3.3m)	(\$0.2m)	
<b>Other assets &amp; liabilities</b>				<b>(R0.2m)</b>	<b>-</b>	
<b>Net Asset Value (Rands/\$'s)</b>				<b>R646m</b>	<b>\$35.1m</b>	
<b>Net Asset Value (Rand/USD)</b>				<b>R10.42</b>	<b>\$0.57</b>	
HoldCo Discount (c.15.9%)			Based on a perpetuity with HoldCo costs as a % of NAV	(R114m)	(\$6.2m)	
<b>Fair Value (Rands/\$'s)</b>				<b>R536.7m</b>	<b>\$29.2m</b>	
<i>Number of issued shares</i>				<i>62m</i>	<i>62m</i>	
<b>Fair value (ZAR cps / USD cps)</b>				<b>858cps</b>	<b>\$0.47</b>	
<b>Share price discount to fair value (%)</b>				<b>28%</b>	<b>28%</b>	
<b>12m TP (ZAR cps / USD cps)</b>				<b>1020cps</b>	<b>\$0.56</b>	
<b>12m Implied Return (%)</b>				<b>52%</b>	<b>52%</b>	



Sources: Astoria Investment’s various reports, Bloomberg, Profile Media, JSE & LSE share prices, & Blue Gem Research workings & assumptions (all spot and share prices based on 2 May 2025 Closing Price); \* USD/ZAR closing price on 2 May 2025; \*\* Management updated valuations for unlisted investments (only updated at Q2 and Q4 reporting periods, with the exception of the write-down of the diamond assets). Refer to [Initiation of Coverage](#) for risks to our valuation, key assumptions & views on Astoria and its underlying (including comments on unlisted valuations & methodologies)

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*\* Except where noted otherwise, market prices in this report are set to Closing Prices on 2 May 2025.*

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