

INNODIS LTD

CONDENSED UNAUDITED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2020

CONDENSED STATEMENTS OF PROFIT OR LOSS

	CONSOLIDATED Half Year Ended 31 Dec 20 Unaudited Rs'000	CONSOLIDATED Half Year Ended 31 Dec 19 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 20 Audited Rs'000	SEPARATE Half Year Ended 31 Dec 20 Unaudited Rs'000	SEPARATE Half Year Ended 31 Dec 19 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 20 Audited Rs'000
Revenue	2,409,297	2,360,983	4,494,873	1,372,243	1,415,695	2,665,634
Profit from operating activities	86,102	92,744	183,403	37,356	66,627	118,983
Finance income	5,961	12,517	9,458	4,269	10,601	2,603
Finance costs	(35,871)	(43,571)	(91,825)	(22,940)	(27,907)	(57,560)
Expected credit loss allowances	(2,258)	(2,323)	(11,603)	(2,709)	-	(5,652)
Profit before income tax	53,934	59,367	89,433	15,976	49,321	58,374
Income tax expense	(7,569)	(7,738)	(23,684)	(1,234)	(8,384)	(6,899)
Profit for the period	46,365	51,629	65,749	14,742	40,937	51,475
Profit attributable to:						
Owners of the company	33,130	53,780	56,059	14,742	40,937	51,475
Non-controlling interests	13,235	(2,151)	9,690	-	-	-
	46,365	51,629	65,749	14,742	40,937	51,475
Number of shares	36,730,266	36,730,266	36,730,266			
Earnings per share (Rs)	0.90	1.46	1.53			

	CONSOLIDATED Quarter Ended 31 Dec 20 Unaudited Rs'000	CONSOLIDATED Quarter Ended 31 Dec 19 Unaudited Rs'000	SEPARATE Quarter Ended 31 Dec 20 Unaudited Rs'000	SEPARATE Quarter Ended 31 Dec 19 Unaudited Rs'000
Revenue	1,307,812	1,269,468	761,921	773,537
Profit from operating activities	52,267	44,708	23,005	41,401
Finance income	4,787	9,009	4,063	7,166
Finance costs	(17,788)	(19,806)	(11,231)	(12,682)
Expected credit loss allowances	442	(2,323)	(2,709)	-
Profit before income tax	39,708	31,588	13,128	35,885
Income tax expense	(2,934)	(4,035)	-	(7,229)
Profit for the period	36,774	27,553	13,128	28,656

CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

	CONSOLIDATED Half Year Ended 31 Dec 20 Unaudited Rs'000	CONSOLIDATED Half Year Ended 31 Dec 19 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 20 Audited Rs'000	SEPARATE Half Year Ended 31 Dec 20 Unaudited Rs'000	SEPARATE Half Year Ended 31 Dec 19 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 20 Audited Rs'000
Profit for the period	46,365	51,629	65,749	14,742	40,937	51,475
Other comprehensive income						
Items that will never be classified to profit or loss						
Actuarial loss on retirement benefit obligations	-	(1,965)	(78,127)	-	(1,350)	(51,249)
Deferred tax retirement benefit obligations	-	334	13,216	-	230	8,712
	-	(1,631)	(64,911)	-	(1,120)	(42,537)
Items that are or may be reclassified to profit or loss						
Foreign currency translation difference - foreign operations	2,345	(3,254)	3,970	-	-	-
Other comprehensive income/(loss) for the period	2,345	(4,885)	(60,941)	-	(1,120)	(42,537)
Total comprehensive income for the period	48,710	46,744	4,808	14,742	39,817	8,938
Total comprehensive income for the period:						
Owners of the company	35,475	48,895	(4,901)	14,742	39,817	8,938
Non-controlling interests	13,235	(2,151)	9,709	-	-	-
	48,710	46,744	4,808	14,742	39,817	8,938

CONDENSED STATEMENTS OF CASH FLOWS

	CONSOLIDATED Half Year Ended 31 Dec 20 Unaudited Rs'000	CONSOLIDATED Half Year Ended 31 Dec 19 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 20 Audited Rs'000	SEPARATE Half Year Ended 31 Dec 20 Unaudited Rs'000	SEPARATE Half Year Ended 31 Dec 19 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 20 Audited Rs'000
Net cash (used in)/from operating activities	(149,645)	52,748	118,869	(107,503)	43,173	101,338
Net cash from/(used in) investing activities	6,133	(82,122)	(208,573)	(11,389)	(27,918)	(1,808)
Net cash from/(used in) financing activities	171,667	(37,324)	(130,443)	75,087	(6,476)	(220,403)
Net increase/(decrease) in cash and cash equivalents	28,155	(66,698)	(220,147)	(43,805)	8,779	(120,873)
Effects of exchange rate movements on cash and cash equivalents	3,141	(177)	3,141	-	-	-
Cash and cash equivalents at beginning of period	(550,606)	(333,600)	(333,600)	(418,686)	(297,813)	(297,813)
Cash and cash equivalents at end of period	(519,310)	(400,475)	(550,606)	(462,491)	(289,034)	(418,686)

CONDENSED STATEMENTS OF FINANCIAL POSITION

	CONSOLIDATED Half Year Ended 31 Dec 20 Unaudited Rs'000	CONSOLIDATED Half Year Ended 31 Dec 19 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 20 Audited Rs'000	SEPARATE Half Year Ended 31 Dec 20 Unaudited Rs'000	SEPARATE Half Year Ended 31 Dec 19 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 20 Audited Rs'000
ASSETS						
Property, plant and equipment	1,815,121	1,840,359	1,808,774	292,269	363,399	299,384
Right of use assets	230,066	522,387	270,709	103,140	382,441	117,941
Intangible assets and goodwill	20,548	5,069	21,044	-	-	-
Bearer biological assets	5,674	9,732	3,369	-	-	-
Long-term receivables	8,182	11,711	11,309	8,182	11,711	11,309
Investment properties	-	-	-	480,831	488,187	483,806
Investments in subsidiaries	-	-	-	374,336	374,336	374,336
Equity-accounted investees	1,126	1,126	1,126	-	-	-
Other investments	25,089	15,000	25,088	25,088	15,000	25,088
Deferred tax assets	1,901	4,726	1,901	-	-	-
Current assets	2,445,185	1,963,551	2,053,941	1,635,599	1,453,212	1,369,023
Total assets	4,552,892	4,373,661	4,197,261	2,919,445	3,088,286	2,680,887
EQUITY AND LIABILITIES						
Shareholders' equity						
Owners' interest	1,638,960	1,699,521	1,603,485	1,289,547	1,347,924	1,274,805
Non-controlling interest	266,747	241,652	253,512	-	-	-
Total shareholders' equity	1,905,707	1,941,173	1,856,997	1,289,547	1,347,924	1,274,805
Non-current liabilities	637,809	761,395	509,659	240,292	446,914	146,224
Current liabilities	2,009,376	1,671,093	1,830,605	1,389,606	1,293,448	1,259,858
Total equity and liabilities	4,552,892	4,373,661	4,197,261	2,919,445	3,088,286	2,680,887

CONDENSED STATEMENTS OF CHANGES IN EQUITY

	Share capital Rs'000	Share premium Rs'000	Revaluation reserve Rs'000	Foreign exchange translation deficit Rs'000	Retained earnings Rs'000	Total Rs'000	Non Controlling Interest Rs'000	Total Shareholders' Equity Rs'000
CONSOLIDATED								
At 01 Jul 2019	367,303	5,308	448,988	(18,426)	847,453	1,650,626	243,803	1,894,429
Profit for the year	-	-	-	-	56,059	56,059	9,690	65,749
Other comprehensive income for the year	-	-	(7,126)	3,951	(57,785)	(60,941)	19	(60,941)
Dividend	-	-	-	-	(42,240)	(42,240)	-	(42,240)
At 30 Jun 2020	367,303	5,308	441,862	(14,475)	803,487	1,603,485	253,512	1,856,997
Profit for the period	-	-	-	-	33,130	33,130	13,235	46,365
Other comprehensive income for the period	-	-	-	2,345	-	2,345	-	2,345
At 31 Dec 2020	367,303	5,308	441,862	(12,130)	836,617	1,638,960	266,747	1,905,707
SEPARATE								
At 01 Jul 2019	367,303	5,308	317,656	-	617,840	1,308,107	-	1,308,107
Profit for the year	-	-	-	-	51,475	51,475	-	51,475
Other comprehensive income for the year	-	-	(5,306)	-	(37,231)	(42,537)	-	(42,537)
Dividend	-	-	-	-	(42,240)	(42,240)	-	(42,240)
At 30 Jun 2020	367,303	5,308	312,350	-	589,844	1,274,805	-	1,274,805
Profit for the period	-	-	-	-	14,742	14,742	-	14,742
Other comprehensive income for the period	-	-	(1,326)	-	1,326	-	-	-
At 31 Dec 2020	367,303	5,308	311,024	-	605,912	1,289,547	-	1,289,547

COMMENTS

Group performance improved during the second quarter. Turnover increased marginally by 2% in the first semester to reach Rs2.41 billion (2019: Rs2.36 billion), while profit for the period stood at Rs46.4M (2019: Rs51.6M). Earnings per share for the period was Rs0.90 (Dec 2019: Rs1.46).

Meaders Feeds Ltd and Moçambique Farms Limitada have maintained a positive trend and have posted much improved results for the semester, partly mitigating the loss of revenue in our poultry operations. Our poultry subsidiaries, Innodis Poultry Ltd and Poulet-Arc-en-Ciel Ltée, reported better results than in the first quarter.

The performance at Company level for the second quarter, particularly during the festive season, was encouraging. The Company started to recover after a difficult first quarter, recording a minor drop in turnover (Rs1.37 billion against Rs1.42 billion the previous year) for the semester. However, profit after tax fell to Rs14.7M compared to Rs40.9M for the corresponding period last year, as the Company continued to be impacted by the loss of business in the Hotel and Catering sector, additional storage costs and compression in its gross profit margins. Hence, actions have been initiated to lower storage costs and improve the sales mix and margins. Management is also identifying new avenues to drive sales to make up for the loss of turnover in the Hotel and Catering sector.

Visibility on the timing of a recovery of the hospitality sector and of the local economy remains limited. Challenging market conditions are expected to continue to prevail in the coming months which will put pressure on company and group profitability.

By order of the Board

Box Office Ltd
Corporate Secretary
10th Feb 2021