

INNODIS LTD

CONDENSED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

CONDENSED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	CONSOLIDATED Year Ended 30 Jun 21 Audited Rs'000	CONSOLIDATED Year Ended 30 Jun 20 Audited Rs'000	SEPARATE Year Ended 30 Jun 21 Audited Rs'000	SEPARATE Year Ended 30 Jun 20 Audited Rs'000
Revenue	4,526,186	4,494,873	2,609,980	2,665,634
Profit from operating activities	124,471	183,403	56,238	118,983
Finance income	10,982	9,458	2,510	2,603
Finance costs	(73,507)	(91,825)	(46,102)	(57,560)
Expected credit loss allowances	(20,390)	(11,603)	(11,873)	(5,652)
Profit before income tax	41,556	89,433	773	58,374
Income tax (expense)/credit	3,078	(23,684)	1,702	(6,899)
Profit for the year	44,634	65,749	2,475	51,475
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Actuarial gain/(loss) on retirement benefit obligations	94,819	(78,127)	82,727	(51,249)
Deferred tax retirement benefit obligations	(16,055)	13,216	(14,064)	8,712
	78,764	(64,911)	68,663	(42,537)
Items that are or may be reclassified to profit or loss				
Foreign currency translation arising on foreign operations	(7,356)	3,970	-	-
Other comprehensive income/(loss) for the year	71,408	(60,941)	68,663	(42,537)
Total comprehensive income for the year	116,042	4,808	71,138	8,938
Profit attributable to:				
Owners of the company	21,172	56,059	-	-
Non-controlling interest	23,462	9,690	-	-
Profit for the year	44,634	65,749		
Total comprehensive income attributable to:				
Owners of the company	93,230	(4,901)	-	-
Non-controlling interest	22,812	9,709	-	-
Total comprehensive income for the year	116,042	4,808		
Earnings per share (Rs)	0.58	1.53		

CONDENSED STATEMENTS OF CASH FLOWS

	CONSOLIDATED Year Ended 30 Jun 21 Audited Rs'000	CONSOLIDATED Year Ended 30 Jun 20 Audited Rs'000	SEPARATE Year Ended 30 Jun 21 Audited Rs'000	SEPARATE Year Ended 30 Jun 20 Audited Rs'000
Net cash from operating activities	126,485	118,869	43,305	101,338
Net cash used in investing activities	(83,570)	(208,573)	(9,760)	(1,808)
Net cash from/(used in) financing activities	70,244	(130,443)	(80,571)	(220,403)
Net increase/(decrease) in cash and cash equivalents	113,159	(220,147)	(47,026)	(120,873)
Effects of exchange rate fluctuations on cash and cash equivalents	2,622	3,141	-	-
Cash and cash equivalents at beginning of year	(550,606)	(333,600)	(418,686)	(297,813)
Cash and cash equivalents at end of year	(434,825)	(550,606)	(465,712)	(418,686)

CONDENSED STATEMENTS OF FINANCIAL POSITION

	CONSOLIDATED Year Ended 30 Jun 21 Audited Rs'000	CONSOLIDATED Year Ended 30 Jun 20 Audited Rs'000	SEPARATE Year Ended 30 Jun 21 Audited Rs'000	SEPARATE Year Ended 30 Jun 20 Audited Rs'000
ASSETS				
Property, plant and equipment	1,800,221	1,808,774	284,780	299,384
Right-of-use assets	228,807	282,018	84,621	129,250
Intangible assets and goodwill	19,857	21,044	-	-
Bearer biological assets	11,943	3,369	-	-
Investment properties	-	-	475,816	483,806
Investments in subsidiaries	-	-	374,336	374,336
Other investments	26,214	26,214	25,088	25,088
Deferred tax assets	1,652	1,901	-	-
Retirement benefit obligation	10,135	-	10,135	-
Current assets	2,272,660	2,053,941	1,430,788	1,369,023
Total assets	4,371,489	4,197,261	2,685,564	2,680,887
EQUITY AND LIABILITIES				
Shareholders' equity				
Owners' interest	1,654,475	1,603,485	1,303,703	1,274,805
Non-controlling interest	266,524	253,512	-	-
Total shareholders' equity	1,920,999	1,856,997	1,303,703	1,274,805
Non-current liabilities	441,798	509,659	121,408	146,224
Current liabilities	2,008,692	1,830,605	1,260,453	1,259,858
Total equity and liabilities	4,371,489	4,197,261	2,685,564	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)	(60,960)	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 year	-	-	-	-	21,172	21,172	23,462	44,634
Other comprehensive income for the year	-	-	(14,380)	(6,706)	93,144	72,058	(650)	71,408
Dividend	-	-	-	-	(42,240)	(42,240)	(9,800)	(52,040)
At 30 Jun 2021	367,303	5,308	427,482	(21,181)	875,563	1,654,475	266,524	1,920,999
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 year	-	-	-	-	2,475	2,475	-	2,475
Other comprehensive income for the year	-	-	(5,306)	-	73,969	68,663	-	68,663
Dividend	-	-	-	-	(42,240)	(42,240)	-	(42,240)
At 30 Jun 2021	367,303	5,308	307,044	-	624,048	1,303,703	-	1,303,703

COMMENTS

Group turnover grew by 0.7% to Rs4,526 million despite a marginal decline in the turnover of the Company to Rs2,610 million. Group profit after tax fell to Rs44.6 million. Earnings per share for the year decreased to Rs0.58. A dividend per share of Rs1.15, similar to last year, was declared. Net asset value grew to Rs52.30.

The results of the Company and the Group reflect the full impact of the first wave of Covid-19. The second wave that prevailed since March 2021 and that caused further major disruptions to our business activities have also had an adverse impact on financial results.

At Company level, turnover fell by 2.1%. At Group level, we recorded a marginal increase in revenue of 0.7% on account of improved sales at Meaders Feeds and Mozambique Farms. Our poultry activities have been impacted by fierce price competition since last year and by margin compression due to an increase in the cost of production following significant escalation in the world prices of soya bean meal and maize.

Operational costs remained above normal with an increase in storage expenses of frozen foods due to depressed demand. At Group level, both Innodis Poultry Ltd and Poulet Arc-en-Ciel Ltée posted lower profits for the year. On the other hand, the profitability of Meaders Feeds Ltd and of the poultry operations in Mozambique improved significantly compared to last year.

Looking ahead, with the re-opening of our borders, we expect sales to the hospitality and catering sector to improve, although much will depend on the pace of tourist influx. Our margins should remain under pressure as we anticipate input costs to stay abnormally high. On a more positive note, our stock of frozen foods has been restored to more normal levels and no significant storage cost overruns are expected to recur.

By order of the Board

Box Office Ltd
 Corporate Secretary
 29th Sep 2021

The condensed audited financial statements have been extracted from the audited financial statements for the year ended 30 June 2021, which have been prepared in accordance with International Financial Reporting Standards and have been audited by Messrs Ernst & Young.

Copies of this report are available free of charge at the registered office of the Company. The statement of direct and indirect interests of insiders pursuant to rule 8 (2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available free of charge, at the registered office of Innodis Ltd, BRN: C06002174

This report is pursuant to Listing Rule 12.14 and Securities Act 2005. The Board of Directors of Innodis Ltd accepts full responsibility for the accuracy of the information contained in this communiqué.