

INNODIS LTD

CONDENSED UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2020

CONDENSED STATEMENTS OF PROFIT OR LOSS

	CONSOLIDATED Quarter Ended 30 Sep 20 Unaudited Rs'000	CONSOLIDATED Quarter Ended 30 Sep 19 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 20 Audited Rs'000	SEPARATE Quarter Ended 30 Sep 20 Unaudited Rs'000	SEPARATE Quarter Ended 30 Sep 19 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 20 Audited Rs'000
Revenue	1,101,485	1,091,515	4,494,873	610,322	642,158	2,665,634
Profit from operating activities	33,835	48,036	183,403	14,351	25,226	118,983
Finance income	1,174	3,508	9,458	206	3,435	2,603
Finance costs	(18,083)	(23,765)	(91,825)	(11,709)	(15,225)	(57,560)
Expected credit loss allowances	(2,700)	-	(11,603)	-	-	(5,652)
Profit before income tax	14,226	27,779	89,433	2,848	13,436	58,374
Income tax expense	(4,635)	(3,704)	(23,684)	(1,234)	(1,156)	(6,899)
Profit for the period	9,591	24,075	65,749	1,614	12,280	51,475
Profit attributable to:						
Owners of the company	2,559	21,270	56,059	1,614	12,280	51,475
Non-controlling interests	7,032	2,805	9,690	-	-	-
	9,591	24,075	65,749	1,614	12,280	51,475
Number of shares	36,730,266	36,730,266	36,730,266			
Earnings per share (Rs)	0.07	0.58	1.53			

CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

	CONSOLIDATED Quarter Ended 30 Sep 20 Unaudited Rs'000	CONSOLIDATED Quarter Ended 30 Sep 19 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 20 Audited Rs'000	SEPARATE Quarter Ended 30 Sep 20 Unaudited Rs'000	SEPARATE Quarter Ended 30 Sep 19 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 20 Audited Rs'000
Profit for the period	9,591	24,075	65,749	1,614	12,280	51,475
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Actuarial loss on retirement benefit obligations	-	(1,365)	(78,127)	-	(950)	(51,249)
Deferred tax retirement benefit obligations	-	232	13,216	-	161	8,712
	-	(1,133)	(64,911)	-	(789)	(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	(4,387)	(60,941)	-	(789)	(42,537)
Total comprehensive income for the period	11,936	19,688	4,808	1,614	11,491	8,938
Total comprehensive income for the period:						
Owners of the company	4,904	16,883	(4,901)	1,614	11,491	8,938
Non-controlling interests	7,032	2,805	9,709	-	-	-
	11,936	19,688	4,808	1,614	11,491	8,938

CONDENSED STATEMENTS OF CASH FLOWS

	CONSOLIDATED Quarter Ended 30 Sep 20 Unaudited Rs'000	CONSOLIDATED Quarter Ended 30 Sep 19 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 20 Audited Rs'000	SEPARATE Quarter Ended 30 Sep 20 Unaudited Rs'000	SEPARATE Quarter Ended 30 Sep 19 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 20 Audited Rs'000
Net cash (used in)/from operating activities	(109,338)	70,309	118,869	(86,716)	91,383	101,338
Net cash from/(used in) investing activities	1,346	(19,242)	(208,573)	(11,235)	(19,484)	(1,808)
Net cash (used in)/from financing activities	(9,146)	(37,324)	(130,443)	89,414	(37,697)	(220,403)
Net (decrease)/increase in cash and cash equivalents	(117,138)	13,743	(220,147)	(8,537)	34,202	(120,873)
Effects of exchange rate 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	(664,603)	(320,034)	(550,606)	(427,223)	(263,611)	(418,686)

CONDENSED STATEMENTS OF FINANCIAL POSITION

	CONSOLIDATED Quarter Ended 30 Sep 20 Unaudited Rs'000	CONSOLIDATED Quarter Ended 30 Sep 19 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 20 Audited Rs'000	SEPARATE Quarter Ended 30 Sep 20 Unaudited Rs'000	SEPARATE Quarter Ended 30 Sep 19 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 20 Audited Rs'000
ASSETS						
Property, plant and equipment	1,840,532	1,855,893	1,808,774	297,314	363,102	299,384
Right to use assets	230,514	517,892	270,709	110,663	382,386	117,941
Intangible assets and goodwill	20,790	9,509	21,044	-	-	-
Bearer biological assets	2,931	9,732	3,369	-	-	-
Long-term receivables	11,309	11,711	11,309	11,309	11,711	11,309
Investment properties	-	-	-	482,670	492,026	483,806
Investments in subsidiaries	-	-	-	374,336	377,400	374,336
Equity-accounted investees	1,126	1,126	1,126	-	-	-
Other investments	25,088	-	25,088	25,088	-	25,088
Deferred tax assets	1,901	4,726	1,901	-	-	-
Current assets	2,330,184	1,914,326	2,053,941	1,509,335	1,414,623	1,369,023
Total assets	4,464,375	4,324,915	4,197,261	2,810,715	3,041,248	2,680,887
EQUITY AND LIABILITIES						
Shareholders' equity						
Owners' interest	1,608,389	1,667,509	1,603,485	1,276,419	1,319,598	1,274,805
Non-controlling interest	260,544	246,608	253,512	-	-	-
Total shareholders' equity	1,868,933	1,914,117	1,856,997	1,276,419	1,319,598	1,274,805
Non-current liabilities	640,249	762,128	509,659	263,349	446,536	146,224
Current liabilities	1,955,193	1,648,670	1,830,605	1,270,947	1,275,114	1,259,858
Total equity and liabilities	4,464,375	4,324,915	4,197,261	2,810,715	3,041,248	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 period	-	-	-	-	2,559	2,559	7,032	9,591
Other comprehensive income for the period	-	-	(1,782)	2,345	1,782	2,345	-	2,345
At 30 Sep 2020	367,303	5,308	440,080	(12,130)	807,828	1,608,389	260,544	1,868,933
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	-	-	-	-	1,614	1,614	-	1,614
Other comprehensive income for the period	-	-	(1,326)	-	1,326	-	-	-
At 30 Sep 2020	367,303	5,308	311,024	-	592,784	1,276,419	-	1,276,419

COMMENTS

Group turnover increased marginally to Rs1.101 billion (2019: 1.092 billion) for the first quarter, with Meaders Feeds Ltd and Moçambique Farms Limitada both posting improved results for the period. The sound performance of these two subsidiaries mitigated a 5% drop in Company turnover, resulting from the economic aftershocks of the COVID-19 pandemic and border restrictions which continue to impact our poultry production and distribution activities.

Chilled and frozen chicken sales volumes of the Company fell by 17% compared to the same period last year, most markedly in the Hotel, Restaurant and Catering sector. The reduced activity of the Hotel sector has resulted in a consequential increase in storage costs and a pressure on margins. However, the sales of dry goods, dairy products and non-poultry frozen products have been less affected by the general drop in activities experienced since March 2020. This difficult situation has translated into a drop in the Profit After Tax (PAT) by Rs10M for the Company and by Rs14M for the Group.

Challenging market conditions are expected to continue to prevail until the economy recovers in the aftermath of COVID-19. As far as the poultry sector is concerned, Management has already taken steps to boost sales and remain competitive across all market segments. This situation is expected to improve in the second quarter with end of year sales.

In view of the results of the Company and the limited visibility on the awaited economic recovery, the Board has resolved not to declare an interim dividend at this stage.

By order of the Board

Box Office Ltd
Corporate Secretary
13th Nov 2020