

INNODIS LTD

CONDENSED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 MARCH 2018

CONDENSED STATEMENTS OF PROFIT OR LOSS

	CONSOLIDATED Nine Months 31 Mar 18 Unaudited Rs'000	CONSOLIDATED Nine Months 31 Mar 17 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 17 Audited Rs'000	SEPARATE Nine Months 31 Mar 18 Unaudited Rs'000	SEPARATE Nine Months 31 Mar 17 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 17 Audited Rs'000
Revenue	3,302,733	3,175,955	4,179,749	1,833,348	1,805,134	2,379,382
Profit from operating activities	165,011	250,075	200,054	89,497	112,749	102,993
Net finance costs	(50,079)	(67,663)	(73,070)	(26,299)	(33,147)	(36,189)
Share of profit of equity accounted investees	-	-	1,126	-	-	-
Profit before impairment	114,932	182,412	128,110	63,198	79,602	66,804
Impairment of investment in subsidiary	-	-	-	-	-	(133,156)
	114,932	182,412	128,110	63,198	79,602	(66,352)
Income tax expense	(19,805)	(42,957)	(14,035)	(10,744)	(8,532)	29,365
Profit for the period	95,127	139,455	114,075	52,454	71,070	(36,987)
Profit attributable to: Owners of the company	79,476	55,735	7,020	52,454	71,070	(36,987)
Non-controlling interests	15,651	83,720	107,055	-	-	-
	95,127	139,455	114,075	52,454	71,070	(36,987)
Number of shares	36,730,266	36,730,266	36,730,266			
Earnings per share (Rs)	2.16	1.52	0.19			

	CONSOLIDATED Quarter Ended 31 Mar 18 Unaudited Rs'000	CONSOLIDATED Quarter Ended 31 Mar 17 Unaudited Rs'000	SEPARATE Quarter Ended 31 Mar 18 Unaudited Rs'000	SEPARATE Quarter Ended 31 Mar 17 Unaudited Rs'000
	1,014,635	959,670	541,453	535,923
	29,107	127,553	36,173	51,520
	(20,253)	(29,564)	(12,791)	(8,612)
	-	-	-	-
	8,854	97,989	23,382	42,908
	-	-	-	-
	8,854	97,989	23,382	42,908
	(4,940)	(22,366)	(3,975)	(2,294)
	3,914	75,623	19,407	40,614

CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

	CONSOLIDATED Nine Months 31 Mar 18 Unaudited Rs'000	CONSOLIDATED Nine Months 31 Mar 17 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 17 Audited Rs'000	SEPARATE Nine Months 31 Mar 18 Unaudited Rs'000	SEPARATE Nine Months 31 Mar 17 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 17 Audited Rs'000
Profit for the period	95,127	139,455	114,075	52,454	71,070	(36,987)
Other comprehensive income						
Items that will never be classified to profit or loss						
Deferred tax arising on revaluation reserve	(6,454)	(1,189)	33,737	(1,495)	(698)	-
Re-measurement of employee benefit liability	2,345	1,853	4,248	1,517	865	11,838
Deferred tax movement	-	-	(7,752)	-	-	(524)
	(4,109)	664	30,233	22	167	11,314
Items that are or may be reclassified to profit or loss						
Foreign currency translation difference - foreign operations	(9,867)	(11,235)	(11,110)	-	-	-
Other comprehensive income for the period	(13,976)	(10,571)	19,123	22	167	11,314
Total comprehensive income for the period	81,151	128,884	133,198	52,476	71,237	(25,673)
Total comprehensive income for the period:						
Owners of the company	66,601	47,972	34,265	52,476	71,237	(25,673)
Non-controlling interests	14,550	80,912	98,933	-	-	-
	81,151	128,884	133,198	52,476	71,237	(25,673)

CONDENSED STATEMENTS OF CASH FLOWS

	CONSOLIDATED Nine Months 31 Mar 18 Unaudited Rs'000	CONSOLIDATED Nine Months 31 Mar 17 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 17 Audited Rs'000	SEPARATE Nine Months 31 Mar 18 Unaudited Rs'000	SEPARATE Nine Months 31 Mar 17 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 17 Audited Rs'000
Net cash from/(used in) operating activities	72,993	(35,535)	288,257	91,363	88,559	88,862
Net cash (used in)/from investing activities	(24,831)	163,702	(6,551)	(5,931)	21,271	(14,119)
Net cash used in financing activities	(104,653)	(79,154)	(142,660)	(87,615)	(81,996)	(74,672)
Net (decrease)/increase in cash and cash equivalents	(56,491)	49,013	139,046	(2,183)	27,834	71
Effects of exchange rate movements on cash and cash equivalents	-	1,878	3,916	-	-	-
Cash and cash equivalents at beginning of period	(280,412)	(423,374)	(423,374)	(302,791)	(302,862)	(302,862)
Cash and cash equivalents at end of period	(336,903)	(372,483)	(280,412)	(304,974)	(275,028)	(302,791)

CONDENSED STATEMENTS OF FINANCIAL POSITION

	CONSOLIDATED Nine Months 31 Mar 18 Unaudited Rs'000	CONSOLIDATED Nine Months 31 Mar 17 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 17 Audited Rs'000	SEPARATE Nine Months 31 Mar 18 Unaudited Rs'000	SEPARATE Nine Months 31 Mar 17 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 17 Audited Rs'000
ASSETS						
Property, plant and equipment	1,661,540	1,611,256	1,651,334	356,726	337,864	358,248
Bearer Biological assets	44,772	39,698	5,673	-	-	-
Intangible assets and goodwill	5,411	5,846	5,809	-	-	-
Available-for-sale investments	209	-	209	209	-	209
Equity-accounted investees	1,687	-	1,126	-	-	-
Investments in subsidiaries	-	-	-	624,797	666,097	592,523
Investment property	-	-	-	488,506	475,402	504,364
Non-current receivables	11,725	12,915	12,371	11,725	12,706	12,371
Current assets	1,721,785	2,169,265	1,765,786	1,361,124	1,597,623	1,363,364
Total assets	3,447,129	3,838,980	3,442,308	2,843,087	3,089,692	2,831,079
EQUITY AND LIABILITIES						
Shareholders' equity						
Owners' interest	1,555,338	1,715,587	1,670,404	1,530,662	1,643,047	1,509,407
Non-controlling interest	263,256	224,574	118,060	-	-	-
Total shareholders' equity	1,818,594	1,940,161	1,788,464	1,530,662	1,643,047	1,509,407
Non-current liabilities	240,540	303,855	211,099	146,903	213,738	84,732
Current liabilities	1,387,995	1,594,964	1,442,745	1,165,522	1,232,907	1,236,940
Total equity and liabilities	3,447,129	3,838,980	3,442,308	2,843,087	3,089,692	2,831,079

CONDENSED STATEMENTS OF CHANGES IN EQUITY

	Share capital Rs'000	Share premium Rs'000	Revaluation reserve Rs'000	Foreign exchange translation reserve Rs'000	Retained earnings Rs'000	Total Rs'000	Non Controlling Interest Rs'000	Total Shareholders' Equity Rs'000
CONSOLIDATED								
At 30 Jun 2016	367,303	5,308	342,963	(24,886)	1,018,147	1,708,835	143,663	1,852,498
Profit for the period	-	-	-	-	7,020	7,020	107,055	114,075
Other comprehensive income for the period	-	-	12,946	3,990	10,309	27,245	(8,122)	19,123
Dividend	-	-	-	-	(67,951)	(67,951)	(79,096)	(147,047)
Winding up of subsidiaries	-	-	-	-	(3,741)	(3,741)	-	(3,741)
Acquisition of non-controlling interests	-	-	-	-	(1,004)	(1,004)	(45,440)	(46,444)
At 30 Jun 2017	367,303	5,308	355,909	(20,896)	962,780	1,670,404	118,060	1,788,464
Profit for the period	-	-	-	-	79,476	79,476	15,651	95,127
Other comprehensive income for the period	-	-	(7,625)	-	(5,250)	(12,875)	(1,101)	(13,976)
Dividend	-	-	-	-	(31,221)	(31,221)	(19,800)	(51,021)
Acquisition of non-controlling interests	-	-	-	-	(150,446)	(150,446)	150,446	-
At 31 Mar 2018	367,303	5,308	348,284	(20,896)	855,339	1,555,338	263,256	1,818,594
SEPARATE								
At 30 Jun 2016	367,303	5,308	321,979	-	908,441	1,603,031	-	1,603,031
Loss for the period	-	-	-	-	(36,987)	(36,987)	-	(36,987)
Other comprehensive income for the period	-	-	(3,987)	-	15,301	11,314	-	11,314
Dividend	-	-	-	-	(67,951)	(67,951)	-	(67,951)
At 30 Jun 2017	367,303	5,308	317,992	-	818,804	1,509,407	-	1,509,407
Profit for the period	-	-	-	-	52,454	52,454	-	52,454
Other comprehensive income for the period	-	-	(2,781)	-	2,803	22	-	22
Dividend	-	-	-	-	(31,221)	(31,221)	-	(31,221)
At 31 Mar 2018	367,303	5,308	315,211	-	842,840	1,530,662	-	1,530,662

COMMENTS

For the nine months ended 31 March 2018, Group turnover grew to Rs3.3 billion (2017: Rs3.2 billion). Group Profit from operating activities stood at Rs165 million (2017: Rs250 million). However, as previously reported, our group results for the corresponding period last year included a non-recurring gain of Rs99 million which arose from the disposal of an investment property in the third quarter of FY17. As this is factored in, it can be seen that our operational performance was in fact better than last year, as the company and most of our subsidiaries posted satisfactory results. This improvement was reflected in the increase in our Earnings per share, which stood at Rs2.16 against Rs1.52 for the same period in 2017.

However, the last quarter was not without its challenges. Adverse weather conditions have affected sales during that period, while the implementation of the minimum wage legislation has also impacted on our operating costs, as we have so far contained our selling prices in order to maintain our competitive edge.

In Mozambique, we continue to see encouraging results in our poultry operation. After having already secured the supply of chicken to a major international fast food chain last year, we are now poised to increase production and extend sales to the main supermarket chains. We are confident that these actions will help sustain our improved performance in the future.

By order of the Board

Box Office Ltd
Corporate Secretary
14th May 2018

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 12.20 and Securities Act 2005. The Board of Directors of Innodis Ltd accepts full responsibility for the accuracy of the information contained in this communiqué.