INNODIS LTD

CONDENSED UNAUDITED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2023

CONDENSED STATEMENTS OF PROFIT OR LOSS

	CONSOLIDATED Half Year Ended 31 Dec 23 Unaudited Rs'000	CONSOLIDATED Half Year Ended 31 Dec 22 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 23 Audited Rs'000	SEPARATE Half Year Ended 31 Dec 23 Unaudited Rs'000	SEPARATE Half Year Ended 31 Dec 22 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 23 Audited Rs'000
Revenue	**3,237,982**	3,175,464	6,159,640	**1,705,640**	1,631,879	3,132,729
Profit from operating activities	**151,932**	151,114	291,532	**85,042**	52,953	142,941
Finance income	**1,907**	17,844	28,431	**2,337**	3,851	8,709
Finance costs	**(78,305)**	(49,294)	(134,211)	**(41,690)**	(15,306)	(65,024)
Expected credit loss movement	**(3,099)**	(5,287)	(14,413)	**(1,566)**	(5,287)	(2,225)
Profit before income tax	**72,435**	114,377	171,339	**44,123**	36,211	84,401
Income tax expense	**(13,321)**	(18,625)	(32,433)	**(6,001)**	(1,200)	(16,711)
Profit for the period	**59,114**	95,752	138,906	**38,122**	35,011	67,690
Profit attributable to:						
Owners of the company	**41,644**	77,294	112,298	**38,122**	35,011	67,690
Non-controlling interests	**17,470**	18,458	26,608	**-**	-	-
	59,114	95,752	138,906	**38,122**	35,011	67,690
Number of shares	**36,730,266**	36,730,266	36,730,266			
Earnings per share (Rs)	**1.13**	2.10	3.06			

	CONSOLIDATED Quarter Ended 31 Dec 23 Unaudited Rs'000	CONSOLIDATED Quarter Ended 31 Dec 22 Unaudited Rs'000	SEPARATE Quarter Ended 31 Dec 23 Unaudited Rs'000	SEPARATE Quarter Ended 31 Dec 22 Unaudited Rs'000
Revenue	**1,709,362**	1,695,222	**914,056**	896,087
Profit from operating activities	**69,796**	86,512	**45,550**	24,752
Finance income	**(8,414)**	9,665	**4,899**	1,001
Finance costs	**(37,166)**	(28,892)	**(20,370)**	(4,807)
Expected credit loss movement	**397**	(2,935)	**1,106**	(2,935)
Profit before income tax	**24,613**	64,350	**31,185**	18,011
Income tax expense	**(718)**	(6,883)	**(3,802)**	1,530
Profit for the period	**23,895**	57,467	**27,383**	19,541

CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

	CONSOLIDATED Half Year Ended 31 Dec 23 Unaudited Rs'000	CONSOLIDATED Half Year Ended 31 Dec 22 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 23 Audited Rs'000	SEPARATE Half Year Ended 31 Dec 23 Unaudited Rs'000	SEPARATE Half Year Ended 31 Dec 22 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 23 Audited Rs'000
Profit for the period	**59,114**	95,752	138,906	**38,122**	35,011	67,690
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Actuarial (loss)/gain on retirement benefit obligations	**-**	-	(7,402)	**-**	-	7,456
Deferred tax on retirement benefit obligations	**-**	-	1,239	**-**	-	(1,267)
Revaluation gain on building	**-**	-	-	**-**	-	2,204
Fair value loss on equity instruments designated at fair value through other comprehensive income	**-**	-	(2,736)	**-**	-	(2,736)
	-	-	(8,899)	**-**	-	5,657
Items that are or may be reclassified to profit or loss						
Foreign currency translation arising on foreign operations	**(9,305)**	(7,005)	4,886	**-**	-	-
Other comprehensive income/(loss) for the period	**(9,305)**	(7,005)	(4,013)	**-**	-	5,657
Total comprehensive income/(loss) for the period	**49,809**	88,747	134,893	**38,122**	35,011	73,347
Total comprehensive income/(loss) for the period:						
Owners of the company	**32,312**	71,109	108,610	**38,122**	35,011	73,347
Non-controlling interests	**17,497**	17,638	26,283	**-**	-	-
	49,809	88,747	134,893	**38,122**	35,011	73,347

CONDENSED STATEMENTS OF CASH FLOWS

	CONSOLIDATED Half Year Ended 31 Dec 23 Unaudited Rs'000	CONSOLIDATED Half Year Ended 31 Dec 22 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 23 Audited Rs'000	SEPARATE Half Year Ended 31 Dec 23 Unaudited Rs'000	SEPARATE Half Year Ended 31 Dec 22 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 23 Audited Rs'000
Net cash from/(used in) operating activities	**194,822**	(59,322)	71,010	**(47,573)**	(240,829)	(2,184)
Net cash (used in)/from investing activities	**(35,450)**	(14,698)	(193,985)	**(6,536)**	3,851	(1,583)
Net cash (used in)/from financing activities	**(111,258)**	(69,851)	18,562	**57,259**	38,251	(64,355)
Net increase/(decrease) in cash and cash equivalents	**48,114**	(143,871)	(104,413)	**3,150**	(198,727)	(68,122)
Effects of exchange rate movements on cash and cash equivalents	**326**	1,650	1,552	**-**	-	-
Cash and cash equivalents at beginning of period	**(185,293)**	(82,432)	(82,432)	**(177,722)**	(109,600)	(109,600)
Cash and cash equivalents at end of period	**(136,853)**	(224,653)	(185,293)	**(174,572)**	(308,327)	(177,722)

CONDENSED STATEMENTS OF FINANCIAL POSITION

	CONSOLIDATED Half Year Ended 31 Dec 23 Unaudited Rs'000	CONSOLIDATED Half Year Ended 31 Dec 22 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 23 Audited Rs'000	SEPARATE Half Year Ended 31 Dec 23 Unaudited Rs'000	SEPARATE Half Year Ended 31 Dec 22 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 23 Audited Rs'000
ASSETS						
Property, plant and equipment	**2,145,677**	2,134,983	2,158,963	**302,793**	285,894	303,929
Right-of-use assets	**197,628**	203,730	234,762	**54,704**	62,246	60,586
Intangible assets and goodwill	**18,526**	19,172	19,082	**-**	-	-
Bearer biological assets	**8,284**	4,487	28,293	**-**	-	-
Investment properties	**-**	-	-	**462,774**	479,361	466,618
Investments in subsidiaries	**-**	-	-	**374,445**	374,436	374,436
Other investments	**24,426**	23,808	24,426	**24,426**	23,808	24,426
Deferred tax assets	**3,655**	2,484	3,655	**-**	-	-
Current assets	**3,268,281**	3,013,684	3,105,560	**1,776,838**	1,794,079	1,857,460
Total assets	**5,666,477**	5,402,348	5,574,741	**2,995,980**	3,019,824	3,087,455
EQUITY AND LIABILITIES						
Shareholders' equity						
Owners' interest	**1,840,252**	1,820,026	1,807,942	**1,292,706**	1,265,834	1,254,584
Non-controlling interest	**314,585**	303,142	304,436	**-**	-	-
Total shareholders' equity	**2,154,837**	2,123,168	2,112,378	**1,292,706**	1,265,834	1,254,584
Non-current liabilities	**1,250,111**	1,243,249	1,210,187	**807,053**	863,246	717,726
Current liabilities	**2,261,529**	2,035,931	2,252,176	**896,221**	890,744	1,115,145
Total equity and liabilities	**5,666,477**	5,402,348	5,574,741	**2,995,980**	3,019,824	3,087,455

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	Fair value reserve of financial assets at FVOCI Rs'000	Total Rs'000	Non Controlling Interest Rs'000	Total Shareholders' Equity Rs'000
CONSOLIDATED									
At 01 Jul 2022	367,303	5,308	636,291	(36,247)	795,908	(1,280)	1,767,283	290,403	2,057,686
Profit for the year	-	-	-	-	112,298	-	112,298	26,608	138,906
Other comprehensive income for the year	-	-	(8,723)	4,324	3,447	(2,736)	(3,688)	(325)	(4,013)
Dividend	-	-	-	-	(67,951)	-	(67,951)	(12,250)	(80,201)
At 30 Jun 2023	367,303	5,308	627,568	(31,923)	843,702	(4,016)	1,807,942	304,436	2,112,378
Profit for the period	-	-	-	-	41,644	-	41,644	17,470	59,114
Other comprehensive income for the period	-	-	(4,361)	(9,334)	4,361	-	(9,334)	29	(9,305)
Dividend	-	-	-	-	-	-	-	(7,350)	(7,350)
At 31 Dec 2023	367,303	5,308	623,207	(41,257)	889,707	(4,016)	1,840,252	314,585	2,154,837
SEPARATE									
At 01 Jul 2022	367,303	5,308	324,393	-	553,464	(1,280)	1,249,188		
Profit for the year	-	-	-	-	67,690	-	67,690		
Other comprehensive income for the year	-	-	1,001	-	7,392	(2,736)	5,657		
Dividend	-	-	-	-	(67,951)	-	(67,951)		
At 30 Jun 2023	367,303	5,308	325,394	-	560,595	(4,016)	1,254,584		
Profit for the period	-	-	-	-	38,122	-	38,122		
Other comprehensive income for the period	-	-	(601)	-	601	-	-		
At 31 Dec 2023	367,303	5,308	324,793	-	599,318	(4,016)	1,292,706		

COMMENTS

For the first semester ended 31st December 2023, Group turnover rose to reach Rs3.2 billion. Group profit from operations improved by 21% to Rs152 million after adjusting for insurance proceeds of Rs26 million received as compensation for the fire outbreak at our Supercash Phoenix outlet, and which was included in last year's Group results. However, as reported in our first quarterly results announcement, Group profit for the period has been weighed down due to the underperformance of our Mozambique operations and the escalation of borrowing costs brought about by the increase in interest rates.

At Company level, turnover grew by 4.5% to reach Rs1.7 billion and profit from continuing operations (adjusted for insurance proceeds) rose from Rs42 million to Rs85 million. Profit for the quarter increased by Rs11 million to Rs38 million, in spite of higher finance costs.

Earnings Per Share for the semester amounted to Rs1.13, a decrease over the corresponding period last year, when it stood at Rs1.51 (excluding insurance proceeds).

Cost escalations remain a challenge, particularly staff and other associated costs which are set to rise following the national minimum wage review and statutory increases which came into effect in January 2024. The Group will strive to generate continued growth in its top line through organic growth and price adjustments. Moreover, the focus of the Group will remain on cost management measures and exploring avenues to improve and extend its core businesses. An improvement in the financial performance of the Mozambique operations is also expected in the second half of the financial year.

By order of the Board

Box Office Ltd
Corporate Secretary

14th Feb 2024

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.