

INNODIS LTD

CONDENSED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 MARCH 2022

CONDENSED STATEMENTS OF PROFIT OR LOSS

	CONSOLIDATED Nine Months 31 Mar 22 Unaudited Rs'000	CONSOLIDATED Nine Months 31 Mar 21 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 21 Audited Rs'000	SEPARATE Nine Months 31 Mar 22 Unaudited Rs'000	SEPARATE Nine Months 31 Mar 21 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 21 Audited Rs'000
Revenue	3,989,969	3,362,652	4,526,186	2,108,596	1,963,833	2,609,980
Profit from operating activities	95,272	116,337	124,471	37,680	51,626	56,238
Finance income	11,265	6,020	10,982	594	3,874	2,510
Finance costs	(59,602)	(51,790)	(73,507)	(28,405)	(31,783)	(46,102)
Expected credit loss allowances	(4,747)	(2,258)	(20,390)	(4,747)	(2,709)	(11,873)
Profit/(loss) before income tax	42,188	68,309	41,556	5,122	21,008	773
Income tax (expense)/credit	(8,067)	(12,435)	3,078	(260)	(5,570)	1,702
Profit/(loss) for the period	34,121	55,874	44,634	4,862	15,438	2,475
Profit/(loss) attributable to:						
Owners of the company	16,514	38,517	21,172	4,862	15,438	2,475
Non-controlling interests	17,607	17,357	23,462	-	-	-
	34,121	55,874	44,634	4,862	15,438	2,475
Number of shares	36,730,266	36,730,266	36,730,266			
Earnings per share (Rs)	0.45	1.05	0.58			

	CONSOLIDATED Quarter Ended 31 Mar 22 Unaudited Rs'000	CONSOLIDATED Quarter Ended 31 Mar 21 Unaudited Rs'000	SEPARATE Quarter Ended 31 Mar 22 Unaudited Rs'000	SEPARATE Quarter Ended 31 Mar 21 Unaudited Rs'000
Revenue	1,278,286	953,355	648,369	591,590
Profit from operating activities	30,137	27,219	12,527	14,270
Finance income	(457)	59	(4,475)	(395)
Finance costs	(25,093)	(15,170)	(9,698)	(8,843)
Expected credit loss allowances	(76)	-	(76)	-
Profit/(loss) before income tax	4,511	12,108	(1,722)	5,032
Income tax (expense)/credit	(1,441)	(4,566)	-	(4,336)
Profit/(loss) for the period	3,070	7,542	(1,722)	696

CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

	CONSOLIDATED Nine Months 31 Mar 22 Unaudited Rs'000	CONSOLIDATED Nine Months 31 Mar 21 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 21 Audited Rs'000	SEPARATE Nine Months 31 Mar 22 Unaudited Rs'000	SEPARATE Nine Months 31 Mar 21 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 21 Audited Rs'000
Profit for the period	34,121	55,874	44,634	4,862	15,438	2,475
Other comprehensive income						
Items that will never be classified to profit or loss						
Actuarial loss on retirement benefit obligations	(3,825)	-	94,819	-	-	82,727
Deferred tax retirement benefit obligations	-	-	(16,055)	-	-	(14,064)
	(3,825)	-	78,764	-	-	68,663
Items that are or may be reclassified to profit or loss						
Foreign currency translation difference - foreign operations	6,740	(7,941)	(7,356)	-	-	-
Other comprehensive income/(loss) for the period	2,915	(7,941)	71,408	-	-	68,663
Total comprehensive income/(loss) for the period	37,036	47,933	116,042	4,862	15,438	71,138
Total comprehensive income/(loss) for the period:						
Owners of the company	19,323	30,576	93,230	4,862	15,438	71,138
Non-controlling interests	17,713	17,357	22,812	-	-	-
	37,036	47,933	116,042	4,862	15,438	71,138

CONDENSED STATEMENTS OF CASH FLOWS

	CONSOLIDATED Nine Months 31 Mar 22 Unaudited Rs'000	CONSOLIDATED Nine Months 31 Mar 21 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 21 Audited Rs'000	SEPARATE Nine Months 31 Mar 22 Unaudited Rs'000	SEPARATE Nine Months 31 Mar 21 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 21 Audited Rs'000
Net cash from/(used in) operating activities	110,250	175,360	126,485	(16,955)	(31,121)	43,305
Net cash (used in)/from investing activities	(73,138)	6,192	(83,570)	(15,682)	19,393	(9,760)
Net cash from/(used in) financing activities	600,768	(9,145)	70,244	578,272	31,802	(80,571)
Net increase/(decrease) in cash and cash equivalents	637,880	172,407	113,159	545,635	20,074	(47,026)
Effects of exchange rate movements on cash and cash equivalents	1,570	3,141	2,622	-	-	-
Cash and cash equivalents at beginning of period	(434,825)	(550,606)	(550,606)	(465,712)	(418,686)	(418,686)
Cash and cash equivalents at end of period	204,625	(375,058)	(434,825)	79,923	(398,612)	(465,712)

CONDENSED STATEMENTS OF FINANCIAL POSITION

	CONSOLIDATED Nine Months 31 Mar 22 Unaudited Rs'000	CONSOLIDATED Nine Months 31 Mar 21 Unaudited Rs'000	CONSOLIDATED Year Ended 30 Jun 21 Audited Rs'000	SEPARATE Nine Months 31 Mar 22 Unaudited Rs'000	SEPARATE Nine Months 31 Mar 21 Unaudited Rs'000	SEPARATE Year Ended 30 Jun 21 Audited Rs'000
ASSETS						
Property, plant and equipment	1,845,628	1,828,917	1,800,221	282,828	290,154	284,780
Right of use assets	177,051	204,014	228,807	73,113	93,324	84,621
Intangible assets and goodwill	19,078	20,309	19,857	-	-	-
Bearer Biological assets	2,056	3,935	11,943	-	-	-
Long-term receivables	-	16,060	-	-	11,309	-
Investment properties	-	-	-	459,396	478,992	475,816
Investments in subsidiaries	-	-	-	374,336	374,336	374,336
Equity-accounted investees	-	1,126	-	-	-	-
Other investments	26,214	25,088	26,214	25,088	25,088	25,088
Deferred tax assets	1,652	1,901	1,652	-	-	-
Retirement benefit obligation	10,135	-	10,135	10,135	-	10,135
Current assets	2,459,494	1,979,490	2,272,660	1,604,048	1,436,706	1,430,788
Total assets	4,541,308	4,080,840	4,371,489	2,828,944	2,709,909	2,685,564
EQUITY AND LIABILITIES						
Shareholders' equity						
Owners' interest	1,673,797	1,634,061	1,654,475	1,308,565	1,290,243	1,303,703
Non-controlling interest	279,337	270,869	266,524	-	-	-
Total shareholders' equity	1,953,134	1,904,930	1,920,999	1,308,565	1,290,243	1,303,703
Non-current liabilities	1,075,273	648,348	441,798	732,844	249,200	121,408
Current liabilities	1,512,901	1,527,562	2,008,692	787,535	1,170,466	1,260,453
Total equity and liabilities	4,541,308	4,080,840	4,371,489	2,828,944	2,709,909	2,685,564

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 2020	367,303	5,308	441,862	(14,475)	803,487	1,603,485	253,512	1,856,997
Profit for the period	-	-	-	-	21,172	21,172	23,462	44,634
Other comprehensive income for the period	-	-	(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
Profit for the period	-	-	-	-	16,513	16,513	17,607	34,120
Other comprehensive income for the period	-	-	(10,785)	6,634	6,960	2,809	106	2,915
Dividend	-	-	-	-	-	-	(4,900)	(4,900)
At 31 Mar 2022	367,303	5,308	416,697	(14,547)	899,036	1,673,797	279,337	1,953,134
SEPARATE								
At 01 Jul 2020	367,303	5,308	312,350	-	589,844	1,274,805	-	1,274,805
Profit for the period	-	-	-	-	2,475	2,475	-	2,475
Other comprehensive income for the period	-	-	(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
Profit for the period	-	-	-	-	4,862	4,862	-	4,862
Other comprehensive income for the period	-	-	(3,980)	-	3,980	-	-	-
At 31 Mar 2022	367,303	5,308	303,064	-	632,890	1,308,565	-	1,308,565

COMMENTS

Group revenue for the nine months ended 31 March 2022 increased by 18.7% to reach Rs3.9Bn (Mar 21: Rs3.4Bn). However, Group profit for the period declined by Rs22M to reach Rs34M, as explained below. EPS stood at Rs0.45 (Mar 21: Rs1.05).

During the third quarter, our Group results continued to be impacted by unprecedented increases in poultry feed prices and freight costs, logistics issues and the appreciation of main foreign currencies against the Mauritian Rupee. Our poultry activities were directly hit by the escalating prices of maize and soya bean meal, and the resulting increase in our costs of production could not be fully passed on to the highly competitive market. This resulted in a drop in profitability. On a more positive note, encouraging results were recorded by our Mozambique and Meaders Feeds operations, which contributed to partially offset the decline in profitability.

At Company level, our margins are also suffering as a result of repeated increases in the price of imported products and of other inputs, and this situation has been further exacerbated by the introduction of price control measures since July 2021. Although the Company managed to increase turnover by 7.4% to reach Rs2.1Bn following various sales initiatives, the pressure on margins resulted in a decline of our operating profit to Rs37.7M (Mar 21: Rs51.6M).

The trading environment will still be subject to a high level of uncertainty in the foreseeable future, with expected further increases in the cost of imported products and raw materials. Nevertheless, the roll-out of our cost containment programme is already yielding benefits, and our focus will remain on offering quality products at a fair price as well as introducing new ones to complement our existing portfolios in line with market trends.

By order of the Board

Box Office Ltd
Corporate Secretary
11th May 2022

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.