

# CHOPPIES

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## CHOPPIES RETURNS TO PROFITABILITY

**CHOPPIES ENTERPRISES LIMITED** CONDENSED REVIEWED INTERIM GROUP FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

Registration Number: BW00001142508

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	(Unaudited) 6 Months ended 31 December, 2020 P'000	(Unaudited) 6 Months ended 31 December, 2019 P'000	(Audited) 12 Months ended 30 June, 2020 P'000
Revenue	2,711,341	2,968,967	5,420,596
Cost of sales	(2,113,713)	(2,288,942)	(4,167,850)
Gross profit	597,628	680,025	1,252,746
Other operating income	23,402	28,700	51,961
Operating income	621,030	708,725	1,304,707
Expenditure	(483,207)	(564,071)	(1,096,725)
Net Impairment reversals/ (losses)	-	590	(11,280)
Administrative expenses	(413,759)	(473,252)	(901,870)
Selling and distribution expenses	(7,733)	(27,298)	(63,200)
Net monetary profit/(loss) on Zimbabwe entities	1,647	(14,017)	20,366
Other operating expenses	(63,362)	(50,094)	(140,741)
Operating profit before interest	137,823	144,654	207,982
Finance costs	(48,681)	(50,473)	(103,087)
Finance income	-	48	110
Profit before taxation	89,143	94,229	105,005
Taxation	(25,620)	(28,692)	(6,076)
Profit/(loss) from continuing operations	63,523	65,537	98,929
Loss from discontinued operations	(25,795)	(204,714)	(469,563)
Total profit/(loss) for the period	37,728	(139,177)	(370,634)
Other comprehensive (loss) income	-	-	-
Items that may be reclassified to profit or loss	(42,352)	(97,481)	(16,273)
Exchange differences on translating foreign operations	(15,972)	(52,975)	(103,801)
Exchange differences on translating foreign operations in hyperinflationary economy	(26,380)	(44,506)	87,528
Total comprehensive (loss) for the year	(4,624)	(236,658)	(386,907)
Profit/(Loss) for the period attributable to:	37,728	(139,177)	(370,634)
Owners of the parent	43,964	(123,389)	(330,359)
Non-controlling interest	(6,236)	(15,788)	(40,275)
Total comprehensive income (loss) for the year attributable to Owners of the company	37,728	(139,177)	(370,634)
From continuing operations	43,964	(123,389)	(330,359)
From discontinued operations	65,414	68,019	105,052
Non-controlling interests	(21,450)	(191,408)	(435,411)
From continuing operations	(6,236)	(15,788)	(40,275)
From discontinued operations	(1,891)	(2,482)	(6,123)
Total comprehensive loss attributable to:	(4,624)	(236,658)	(386,907)
Owners of the parent	(3,042)	(221,936)	(344,394)
Non-controlling interest	(1,582)	(14,722)	(42,513)
Basic earning (loss) per share - Thebe	3.37	(9.47)	(25.34)
Continuing operations	5.02	5.22	8.06
Discontinuing operations	(1.65)	(14.69)	(33.40)
Diluted earning (loss) per share - Thebe	3.37	(9.47)	(25.34)
Continuing operations	5.02	5.22	8.06
Discontinuing operations	(1.65)	(14.69)	(33.40)
Headline earning (loss) per share - Thebe	4.21	(9.29)	(15.27)
Continuing operations	4.83	5.44	9.06
Discontinuing operations	(0.62)	(14.73)	(24.33)
Diluted headline earning (loss) per share - Thebe	4.21	(9.29)	(15.27)
Continuing operations	4.83	5.44	9.06
Discontinuing operations	(0.62)	(14.73)	(24.33)

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(Unaudited) 30 December, 2020 P'000	(Unaudited) 31 December, 2019 P'000	(Audited) 30 June, 2020 P'000
Assets			
Non-current assets	1,206,454	1,188,926	1,294,631
Property plant and equipment	1,133,148	1,138,695	1,218,626
Goodwill and intangible asset	68,652	42,670	65,735
Investments in new projects	4,654	7,561	10,270
Current assets	607,765	565,684	497,089
Inventories	390,118	323,616	305,476
Amounts due from related entities	5,364	6,171	5,414
Other financial assets	3	3	3
Advances and deposits	28,916	45,780	39,092
Trade and other receivables	94,146	96,005	63,645
Taxation refundable	-	-	9,887
Restricted cash	9,186	13,559	12,845
Cash and cash equivalents	80,032	80,550	60,727
Assets of disposal groups as held for sale	20,469	778,619	49,081
Total assets	1,834,688	2,533,229	1,840,801
Equity and Liabilities			
Equity	(471,678)	(316,804)	(467,054)
Stated capital	906,196	906,196	906,196
Treasury shares	(29,616)	(29,616)	(29,616)
Hyper inflationary reserve	132,540	26,886	158,920
Foreign currency translation reserve	(417,038)	(348,889)	(396,412)
Retained loss	(962,574)	(799,568)	(1,006,538)
Non controlling interests	(101,186)	(71,813)	(99,604)
Non-current liabilities	958,489	1,019,731	984,596
Long term borrowings	334,688	476,282	355,665
Lease liabilities	600,813	514,966	599,869
Deferred taxation liabilities	22,988	28,483	29,062
Current liabilities	1,213,317	1,041,940	1,155,460
Trade and other payables	620,233	495,336	571,225
Amounts due to related entities	63,110	62,155	82,794
Current portion of long term borrowings	218,207	114,193	192,289
Current portion of lease liabilities	151,420	158,641	153,116
Current portion of straight lining lease obligation	-	14	-
Taxation Payable	10,353	16,384	7,248
Bank overdraft	149,994	195,217	148,788
Liabilities of disposal group classified as held for sale	134,559	788,362	167,799
Total liabilities	2,306,365	2,850,033	2,307,855
Total equity and liabilities	1,834,688	2,533,229	1,840,801

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Stated Capital & Treasury Shares P'000	Foreign Currency translation & Hyperinflation reserves P'000	Retained loss P'000	Attributable to equity holders P'000	Non- Controlling Interest P'000	Total equity P'000
Balance as at July, 2019 (Audited)	876,580	(223,457)	(676,179)	(23,056)	(57,091)	(80,147)
Total comprehensive (loss) for the period	-	(98,546)	(123,389)	(221,935)	(14,722)	(336,657)
Loss for the year	-	-	(123,389)	(123,389)	(15,788)	(139,177)
Other comprehensive (loss)/income	-	(98,546)	-	(98,546)	1,066	(97,480)
Balance as at Dec, 2019 (Reviewed)	876,580	(322,003)	(799,568)	(244,991)	(71,813)	(316,804)
Total comprehensive income/(loss) for the period	-	84,511	(206,970)	(122,459)	(27,791)	(150,250)
Loss for the year	-	-	(206,970)	(206,970)	(24,487)	(231,457)
Other comprehensive income/(loss)	-	84,511	-	84,511	(3,304)	81,207
Balance as at 30 Jun, 2020 (Audited)	876,580	(237,492)	(1,006,538)	(367,450)	(99,604)	(467,054)
Total comprehensive (loss)/income for the period	-	(47,006)	43,964	(3,042)	(1,582)	(4,624)
Profit/(loss) for the year	-	-	43,964	(3,042)	(6,236)	37,728
Other comprehensive (loss)/income	-	(47,006)	-	(47,006)	4,654	(42,352)
Balance as at Dec, 2020 (Reviewed)	876,580	(284,498)	(962,574)	(370,492)	(101,186)	(471,678)

### CONSOLIDATED STATEMENT OF CASH FLOWS

	(Unaudited) Year ended 31-Dec-20 P'000	(Unaudited) Year ended 31-Dec-19 P'000	(Audited) Year ended 30-Jun-20 P'000
Profit before taxation	89,143	94,229	105,005
Non-cash & other adjustments	179,026	213,646	382,262
Changes in working capital	(75,593)	(65,851)	130,508
Interest received	-	48	110
Taxation paid/(reclaimed)	(17,165)	1,667	1,263
Cash flows of discontinued operations	(7,655)	(158,513)	(457,255)
Net cash generated from operating activities	167,756	85,226	161,893
Net cash flows used in investing activities	(31,290)	(60,265)	22,468
Net cash flows generated from financing activities	(133,399)	(96,190)	(251,066)
Net movement in cash and cash equivalents	3,067	(71,229)	(66,705)
Cash and cash equivalents at beginning of the period	(88,061)	(66,573)	(41,440)
Cash balances from discontinued operations	936	33,532	6,102
Effect of translation of foreign entities	14,096	(10,397)	13,982
Cash and cash equivalents at end of the period	(69,962)	(114,667)	(88,061)

### NOTE: HEADLINE EARNINGS PER SHARE COMPUTATION

	(Unaudited) 6 Months ended 31 December, 2020 P'000	(Unaudited) 6 Months ended 31 December, 2019 P'000	(Audited) 12 Months ended 30 June, 2020 P'000
Basic Earnings	43,964	(123,389)	(330,359)
Profit/(loss) on disposal of asset	(3,060)	810	50,994
Impairment losses on non-current assets	13,311	2,101	101,935
Tax Impact	674	(600)	(21,615)
Headline Earnings/(losses)	54,889	(121,078)	(199,045)
Number of shares for basic earnings	1,303,628,341	1,303,628,341	1,303,628,341
Weighted Average Number of Shares	1,303,628,341	1,303,628,341	1,303,628,341
Basic HEPS	4.21	(9.29)	(15.27)
Diluted HEPS	4.21	(9.29)	(15.27)

