Nutritional Holdings Limited
(Registration number: 2004/002282/06)
(Incorporated in the Republic of South Africa)
(Share Code: NUT ISIN Code: ZAE000156485)
("**Nutritional Holdings**" or "**the Company**")

Abridged Audited Consolidated Financial Statements for the year ended 29 February 2020 and notice of annual general meeting

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(KEY FEATURES)

- **Revenue increased to R40 829 million from R37 876 million (up 8%)**
- **Gross profit margin increased from 35.63% to 48.95% (up 13.32%)**
- **EBITDA increased from a loss of R3.617 million to a profit R1.285 million (up 136%)**
- **Profit after tax increased from a loss of R5.402 million to a profit of R5.941 million (up 210%)**
- **Headline and Basic earnings per share increased from -0,06 cents to a gain of 0.04 cents (up 167%)**

FINANCIAL HIGHLIGHTS

	AUDITED	AUDITED
-	**2020**	**2019**
• **EARNINGS PER SHARE (cents)**	0.04	(0.06)
• **HEADLINE EARNINGS PER SHARE (cents)**	0.04	(0.06)
• **NET ASSET VALUE PER SHARE (cents)**	2.19	1.31
• **TURNOVER (R'000)**	R40 829	R37 876
• **PROFIT/LOSS (R'000)**	R5 941	(R5 402)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Statement of Profit and Loss and Comprehensive Income					
	Audited	**Unaudited**	**Difference**	**Notes**	**Audited**
R'000	**29 Feb 2020**	**29 Feb 2020**			**28 February 2019**
	R'000	**R'000**	**R'000**		**R'000**
Revenue	40 829	41 729	(900)	1	**37 876**
Cost of sales	(20 842)	(18 830)	(2 012)	2	**(22 757)**
Gross Profit	**19 987**	**22 899**	**(2 912)**		**15 119**
Operating Expenses excluding impairments	(18 664)	(21 677)	3 013	2	**(18 895)**
Net profit	**1 323**	**1 222**	**101**		**(3 776)**
Other income	36	99	(63)	3	**37**
Profit on sale of asset	(74)	0	(74)	4	**122**
Operating Profit / (Loss) for the year	**1 285**	**1 321**	**(36)**	5	**(3 617)**
Net Interest Expense	(1 842)	(2 099)	257	5	**(1 785)**
Loss before taxation for the year	**(557)**	**(778)**	**221**		**(5 402)**
Taxation	**6 498**	**8 251**	**(1 753)**	6	**-**
Profit / Loss for the year	5 941	7 473	(1 532)		**(5 402)**
Other comprehensive income for the year net of taxation	-	-	-	-	**-**
Total comprehensive income	5 941	7 473	(1 532)		**(5 402)**
EPS (cents per share)	0.04	0.05	(0.01)		**(0.06)**
HEPS (cents per share)	0.04	0.05	(0.01)		**(0.06)**

Weighted average number of shares in issue	**13 653 368**	**13 653 358**	10	**7**	**8 530 080**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Audited **29 February 2020** **R'000**	**Unaudited** **29 Feb 2020** **R'000**	**Difference R'000**	**Notes**	**Audited 28 February 2019 R'000**
ASSETS					
Non-Current Assets					
Property, plant and equipment	22 752	27 017	(4 265)	6	**23 214**
Intangible assets	1 228	1 288	(60)	8	**1 622**
Deferred tax	6 498	7 458	(960)	6	**5 415**
	30 478	**35 763**	**(5 285)**		**30 251**
Current Assets					
Inventories	3 251	3 251	-		**3 322**
Trade and other receivables	13 923	13 922	1	9	**5 483**
Cash and cash equivalents	369	355	14	9	**838**
	17 543	17 528	15		**9 643**
Total Assets	**48 021**	**53 291**	**(5 270)**		**39 894**
EQUITY AND LIABLITIES			-		
Equity			-		
Share capital	159 580	160 625	(1 045)	10	**159 580**
Revaluation reserve	9 928	13 399	(3 471)	6	**10 733**
Share based payment reserve	212	212	-		**-**
Accumulated loss	(146 426)	(144 894)	(1 532)		**(152 367)**
	23 294	29 342	(6 048)		**17 946**
Liabilities					
Non-Current liabilities					
Related party loans	17 821	17 015	806	10	**12 552**
Lease liability	373	-	373	11	**-**
Deferred tax	-	373	(373)	11	**5 415**
	18 194	17 388	806		**17 967**
Current Liabilities			-		
Trade and other payables	5 044	5 072	(28)	9	**3 075**
Lease liabilities	290	290	-		**-**

Bank overdraft	1 199	1 199	-		**906**
	6 533	6 561	- 28.00		**3 981**
Total Equity and Liabilities	**48 021**	**53 291**	(5 270)		**38 894**
Net asset value per share (cents)	2.19	2.19			**1.71**

Restatement of unaudited results for the year ended 29 February 2020

The unaudited financial results for the year ended 29 February 2020 which were released on SENS on 10 September 2020, have been restated due to the following items:

Note 1

The differences related to reclassification to align the operating results to that of IFRS 15. In the reviewed results discount allowed was classified as a general expense and not that of Revenue as per scribed by IFRS 15.

Note 2

The difference relates to reclassification with regards to plant and equipment that is directly attributable to the manufacturing process of the dried foods and was concluded that the depreciation needs to form part of the cost of sales.

Note 3

The difference relates to reclassification of investment income which needed to be disclosed separately with the net finance cost.

Note 4

This is a result of a reclassification on the loss made from disposal of property, plant and equipment which was disclosed incorrectly to operating expenses instead of being separately disclosed.

Note 5

The difference relates to the restatement of credit loans using the interest implicit in the agreement to accrue for the interest payable. This resulted in a decrease in net finance cost.

Note 6

The difference relates to the reperformance of the valuation on land and buildings, the unaudited figures valuation was based on rental yield revaluation methodology, but on closer inspection we noted that the cost replacement depreciated methodology is more in line with the actual use of the assets.

Note 7

The difference relates to a finger error.

Note 8

The difference relates to the amortization of intangible assets not incorporated in the unaudited statement of financial position. The amount was included in the operating expenses disclosed in the income statement.

Note 9

The difference relates to dormant entities that were not consolidated in the unaudited balance sheet presented on SENS. The dormant entities have been taken into account in the audited consolidated accounts.

Note 10

In the unaudited results the movement in shareholders loans advanced was recorded into share capital as equity this has been corrected and is now in line with financial instruments disclosure.

Note 11

The difference relates to a typo error the amount on the unaudited results were incorrectly disclosed as a deferred tax liability where it should have been disclosed as a lease liability

STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The summary consolidated financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements for abridged reports, and the requirements of the Companies Act applicable to summary financial statements. The Listings Requirements require abridged reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting. The accounting policies applied in the preparation of the consolidated financial statements from which the summary consolidated financial statements were derived are in terms of International Financial Reporting Standards and are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements, except for the effect of the adoption of IFRS 15 *Revenue from Contracts with Customers* and IFRS 9 *Financial Instruments* with effect from 1 April 2018.

AUDIT REPORT

This summarised report is extracted from audited information but is not itself audited. The annual financial statements were audited by HBL CMA SA Inc., who expressed a Qualified opinion on Consolidated Financial Statements and Unqualified Opinion on the Separate Financial Statements. The audited annual financial statements and the auditor’s report thereon are available for inspection at the company's registered office.

The directors take full responsibility for the preparation of the abridged report and that the financial information has been correctly extracted from the underlying annual financial statements.

PREPARER

These results were prepared by Mr MT Azum CEO of Nutritional Holdings.

GOING CONCERN

The directors have reviewed the group's budget and cash flow forecast for the year to February 2020. On this basis and considering the group's current financial position, the directors are satisfied that the group will continue to operate for the foreseeable future and have adopted a going concern basis in preparing these audited financial results.

ISSUE OF AUDITED ANNUAL FINANCIAL STATEMENTS AND ANNUAL GENERAL MEETING

In compliance with section 3.22 of the JSE Listing Requirements shareholders are advised that the Company's 2020 annual report, which incorporates Nutritional Holdings Limited consolidated financial statements for the year ended 29 February 2020, was distributed to shareholders on Monday, 12 October 2020. Shareholders are further advised that the annual report will be made available on the Company's website (www.nutritionalholdingssa.com) on the same day.

Notice is hereby given that the annual general meeting of the shareholders of Nutritional Holdings Limited will be held on Friday 12 February 2021 10h00 at 14 Beladona Crescent, Cornubia, Durban to deal with the business as set out in the notice of annual general meeting forming part of the annual report.

Record date for the purpose of determining which shareholders are entitled to receive the notice of annual general meeting; Friday, 9 October 2020

Distribution of annual report; Monday, 12 October 2020

Last day to trade for the purposes of being entitled to attend, participate in and vote at the annual general meeting; Tuesday, 2 February 2021

Record date on which members must be recorded as such in the register; Friday, 5 February 2021

Proxy forms to be lodged with the transfer secretaries by 10:00 Wednesday, 10 February 2021

* Any form of proxy not delivered to the transfer secretaries by this time may be handed to the chairman of the annual general meeting prior to the commencement of the annual general meeting.

By order of the board

12 October 2020