

CHOPPIES ENTERPRISES LIMITED

Registration number 2004/1681

ISIN:BW0000001072

JSE SHARE CODE: CHP

BSE SHARE CODE: CHOPPIES

Tax Reference Number: C08710401018

“Choppies” or the “Company” or “the Group”

CONDENSED REVIEWED INTERIM GROUP FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

The Board of Choppies Enterprises Limited announces the results of the Group for the six months ended 31 December 2020.

This short-form announcement is the responsibility of the directors and is only a summary of the information contained in the Group's full FY21 interim result announcement.

Continuing operations only (reviewed)	2020	2019	Change
	Pula Millions	Pula Millions	
Revenue	2711	2969	(9%)
Gross Profit	598	680	(12%)
Gross Margin	22.1%	22.9%	(85 bps)
Operating Profit	138	145	(5%)
Operating margin	5.1%	4.9%	21 bps
Profit for the period	64	66	(3%)
Basic earnings per share	5.0 Thebe	5.2 Thebe	(4%)
Headline earnings per share	4.8 Thebe	5.4 Thebe	(11%)
Net cash flows generated from operating activities	168	85	83
Cash and cash equivalents at end of the period	(70)	(115)	45
Total operations including continuing and discontinued operations			
Basic earnings per share	3.4 Thebe	(9.5 Thebe)	136%
Headline earnings per share	4.2 Thebe	(9.3 Thebe)	145%

Financial highlights

The Group reported its first profit since 2016 of P37.7 million (2019: Loss of P139.2 million), as the benefits from restructuring the business following the exit from underperforming investments, are being realized.

Group revenue decreased by 8.7% to P2 711 million (2019: P2 969 million). This decrease was a result of negative volume growth due to the impact of the Covid-19 pandemic and currency weaknesses in Zimbabwe and Zambia.

In spite of the lock downs implemented in the Group's largest operations, being Botswana and Zimbabwe, coupled with the currency depreciation in Zambia and Zimbabwe, the Group did well to reduce the possible huge revenue losses which resulted in a reduced impact on the gross profit. Consequently, gross profit margins reduced slightly to 22.0% (2019: 22.9%).

In response to lower volumes, the Group managed costs aggressively by reducing its total expenditure by 14.3% resulting in a 4.7% decline in EBIT as the drop in gross profit was offset by lower expenditure.

The Board has considered it prudent not to declare a dividend for the period under review.

This short form announcement is the responsibility of the Board of Directors of Choppies Enterprises Limited and is a summary of the information in the full announcement available on the Stock Exchange News Service ("SENS") at <https://senspdf.jse.co.za/documents/2021/JSE/ISSE/CHP/CHPHY21.pdf> and on the Group's website: <https://choppiesgroup.com/investor-relations/>.

This announcement does not contain full details and should not be used as a basis for any investment decision in relation to the Company's shares. The full announcement is also available for inspection, at no charge, at the Company's registered office (Plot 50371, Fairgrounds office park, Gaborone, Botswana.) and the office of the Sponsor during standard office hours.

The Company has a primary listing on the Botswana Stock Exchange and a secondary listing on the JSE Limited.

17 March 2021

BSEL Sponsoring Broker
Stockbrokers Botswana Limited



JSE Sponsor
PSG Capital

