

# CHOPPIES

Great value for your money!

## CHOPPIES ENTERPRISES LIMITED

REVIEWED INTERIM GROUP FINANCIAL RESULTS  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2018

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

|  | [Reviewed] 6 Months ended 31 December, 2018 P'000 | Restated [Unaudited] 6 Months ended 31 December, 2017 P'000 | [Audited] 12 Months ended 30 June, 2018 P'000 |
|--|---|---|---|
| Revenue  | 5,920,818   | 5,761,505   | 10,791,295                                    |
| Cost of sales  | [4,708,770]                                       | [4,639,137]   | [8,728,879]                                   |
| Gross profit   | 1,212,048   | 1,122,368   | 2,062,416                                     |
| Other operating income   | 33,516  | 29,324  | 55,163  |
| Operating income   | 1,245,564   | 1,151,692   | 2,117,579                                     |
| Expenditure  | [1,258,215]                                       | [1,027,717]   | [2,433,800]                                   |
| Net impairment losses  | [22,776]  | -   | [334,669]                                     |
| Administrative expenses  | [985,785]   | [832,730]   | [1,730,252]                                   |
| Selling and distribution expenses                                    | [87,688]  | [24,095]  | [76,655]                                      |
| Other operating expenses   | [161,966]   | [170,892]   | [292,224]                                     |
| Operating (Loss) profit before interest                              | [12,651]  | 123,975   | [316,221]                                     |
| Finance costs  | [46,693]  | [32,658]  | [78,702]                                      |
| Finance income   | 648   | 1,519   | 3,543   |
| (Loss) Profit before taxation  | [58,696]  | 92,836  | [391,380]                                     |
| Taxation   | (904)   | (25,179)  | (53,129)                                      |
| (Loss) Profit for the period   | [59,600]  | 67,657  | [444,509]                                     |
| Attributable to:   |   |   |   |
| Owners of the company  | [52,444]  | 71,522  | [418,075]                                     |
| Non-controlling interests  | [7,156]   | [3,865]   | [26,434]                                      |
| Other comprehensive (loss) income                                    |   |   |   |
| Exchange differences on translating foreign operations               | 31,024  | 4,853   | [1,114]                                       |
| Attributable to:   |   |   |   |
| Owners of the company  | 29,443  | 4,498   | [1,938]                                       |
| Non-controlling interests  | 1,581   | 355   | 824   |
| (Loss) Profit and Total comprehensive (loss) income Attributable to: | [28,576]  | 72,510  | [445,623]                                     |
| Owners of the company  | [23,001]  | 76,020  | [420,013]                                     |
| Non-controlling interest   | [5,575]   | [3,510]   | [25,610]                                      |
| Basic (loss) earnings per share - Thebe                              | [4.02]  | 5.49  | [32.07]                                       |
| Diluted (loss) earnings per share - Thebe                            | [4.02]  | 5.49  | [32.07]                                       |
| Headline (loss) earnings per share - Thebe                           | [2.58]  | 5.36  | [6.84]  |
| Diluted headline (loss) earnings per share - Thebe                   | [2.58]  | 5.36  | [6.84]  |

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

|  | [Reviewed] 31 December, 2018 P'000 | [Unaudited] 31 December, 2017 Restated P'000 | [Audited] 30 June, 2018 P'000 |
|--|------------------------------------|--|-------------------------------|
| <b>Assets</b>                                      |                                    |  |                               |
| <b>Non-current assets</b>                          |                                    |  |                               |
| Property, plant and equipment                      | 1,483,008                          | 1,597,125                                    | 1,567,798                     |
| Intangible assets and goodwill                     | 1,229,422                          | 1,200,286                                    | 1,275,628                     |
| Deferred taxation                                  | 182,615                            | 221,436                                      | 178,983                       |
| Investments in new projects                        | 3,967                              | 56,608                                       | 5,795                         |
|  | 67,004                             | 118,795                                      | 107,392                       |
| <b>Current assets</b>                              |                                    |  |                               |
| Inventories  | 1,858,005                          | 1,954,879                                    | 1,444,922                     |
| Amounts due from related entities                  | 1,021,087                          | 1,274,231                                    | 956,504                       |
| Other financial assets                             | 62,366                             | 20,617                                       | 22,425                        |
| Advances and deposits                              | 3                                  | 3  | 2,190                         |
| Taxation refundable                                | 117,409                            | 100,239                                      | 80,830                        |
| Trade and other receivables                        | 26,557                             | 1,875  | 17,646                        |
| Restricted cash                                    | 189,959                            | 321,573                                      | 202,576                       |
| Cash and cash equivalents                          | 115,330                            | -  | 41,375                        |
|  | 325,294                            | 236,341                                      | 121,376                       |
| <b>Total assets</b>                                | 3,341,013                          | 3,552,004                                    | 3,012,720                     |
| <b>Equity and Liabilities</b>                      |                                    |  |                               |
| <b>Equity</b>                                      |                                    |  |                               |
| Stated capital                                     | 547,688                            | 1,083,204                                    | 576,264                       |
| Retained (loss) earnings                           | 906,196                            | 906,196                                      | 906,196                       |
| Treasury shares                                    | [332,701]                          | [212,325]                                    | [280,257]                     |
| Foreign currency translation reserve               | [29,616]                           | [30,720]                                     | [29,616]                      |
| Non-controlling interests                          | 35,442                             | 12,434                                       | 5,999                         |
|  | [31,633]                           | [17,031]                                     | [26,058]                      |
| <b>Non-current liabilities</b>                     |                                    |  |                               |
| Long term borrowings                               | 880,162                            | 648,138                                      | 823,939                       |
| Deferred taxation                                  | 727,023                            | 531,522                                      | 708,755                       |
| Straightlining lease obligation                    | 40,872                             | 33,365                                       | 41,910                        |
|  | 112,267                            | 83,251                                       | 73,274                        |
| <b>Current liabilities</b>                         |                                    |  |                               |
| Current portion of straightlining lease obligation | 1,913,163                          | 1,820,662                                    | 1,612,517                     |
| Bank overdraft                                     | 10,492                             | 8,708  | 32,355                        |
| Trade and other payables                           | 172,935                            | 36,849                                       | 106,448                       |
| Amounts due to related entities                    | 1,499,034                          | 1,504,582                                    | 1,312,289                     |
| Taxation payable                                   | 145,173                            | 82,195                                       | 42,675                        |
|  | 5,737                              | 32,243                                       | 12,020                        |
| Current portion of long term borrowings            | 79,792                             | 156,085                                      | 106,730                       |
| <b>Total liabilities</b>                           | 2,793,325                          | 2,468,800                                    | 2,436,456                     |
| <b>Total equity and liabilities</b>                | 3,341,013                          | 3,552,004                                    | 3,012,720                     |

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| Particulars  | Stated Capital P'000 | Retained Earnings (loss) P'000 | Treasury Shares P'000 | Foreign Currency Translation Reserve P'000 | Attributable to equity holders P'000 | Non Controlling Interest P'000 | Total P'000 |
|--|----------------------|--------------------------------|-----------------------|--|--------------------------------------|--------------------------------|-------------|
| <b>Balance as at 30 June, 2017 [Audited]</b>                           | 906,196              | 168,778                        | [30,720]              | 7,936                                      | 1,052,190                            | [17,825]                       | 1,034,365   |
| Total comprehensive (loss) income for the period                       | -                    | 71,522                         | -                     | 4,498                                      | 76,020                               | [3,510]                        | 72,510      |
| [Loss] / Profit for the year   | -                    | 71,522                         | -                     | -  | 71,522                               | [3,865]                        | 67,657      |
| Other comprehensive (loss) income                                      | -                    | -                              | -                     | 4,498                                      | 4,498                                | 355                            | 4,853       |
| Total distributions to owners of company recognised directly in equity | -                    | [27,975]                       | -                     | -  | [27,975]                             | 4,304                          | [23,671]    |
| Minority contribution to share capital                                 | -                    | [27,975]                       | -                     | -  | [27,975]                             | 4,304                          | 4,304       |
| Dividends paid   | -                    | [27,975]                       | -                     | -  | [27,975]                             | -                              | [27,975]    |
| <b>Balance as at 31 December, 2017 [Unaudited] restated</b>            | 906,196              | 212,325                        | [30,720]              | 12,434                                     | 1,100,235                            | [17,031]                       | 1,083,204   |
| Total comprehensive (loss) income for the period                       | -                    | [490,428]                      | -                     | [6,435]                                    | [496,863]                            | [22,100]                       | [518,963]   |
| [Loss] / Profit for the year   | -                    | [489,597]                      | -                     | [6,435]                                    | [489,597]                            | [22,569]                       | [512,166]   |
| Other comprehensive (loss) income                                      | -                    | -                              | -                     | [6,435]                                    | [6,435]                              | 469                            | [6,797]     |
| Other equity adjustment  | -                    | [831]                          | -                     | -  | [831]                                | -                              | -           |
| Total distributions to owners of company recognised directly in equity | -                    | [2,154]                        | 1,104                 | -  | [1,050]                              | 13,073                         | 12,023      |
| Issue of ordinary shares to share incentive trust                      | -                    | [2,154]                        | 1,104                 | -  | [1,104]                              | [2,154]                        | 1,104       |
| Dividends paid   | -                    | [2,154]                        | 1,104                 | -  | [1,104]                              | [2,154]                        | [2,154]     |
| Minority contribution to share capital                                 | -                    | [2,154]                        | 1,104                 | -  | [1,104]                              | 13,073                         | 13,073      |
| <b>Balance at 30 June, 2018 [Audited]</b>                              | 906,196              | [280,257]                      | [29,616]              | 5,999                                      | 602,322                              | [26,058]                       | 576,264     |
| [Loss] / Profit for the 6 months                                       | -                    | [52,444]                       | -                     | 29,443                                     | [52,444]                             | [7,156]                        | [59,600]    |
| Other comprehensive (loss) income                                      | -                    | -                              | -                     | 29,443                                     | 29,443                               | 1,581                          | 31,024      |
| Total comprehensive loss for the 6 months                              | -                    | [52,444]                       | -                     | 29,443                                     | [23,001]                             | [5,575]                        | [28,576]    |
| Balance at 31 December, 2018 [Reviewed]                                | 906,196              | [332,701]                      | [29,616]              | 35,442                                     | 579,321                              | [31,633]                       | 547,688     |

### CONSOLIDATED STATEMENT OF CASH FLOWS

| Particulars  | [Reviewed] 6 Months ended 31 December, 2018 P'000 | Restated [Unaudited] 6 Months ended 31 December, 2017 P'000 | 12 Months ended 30 June, 2018 P'000 |
|--|---|---|-------------------------------------|
| Net cash flows generated from operating activities   | 308,757   | 347,489   | 419,927                             |
| Net cash flows used in investment activities         | [152,523]   | [234,118]   | [620,625]                           |
| Net cash flows generated from financing activities   | [55,363]  | [17,362]  | 81,849                              |
| Net movement in cash and cash equivalents            | 100,871   | 96,009  | [118,849]                           |
| Cash and cash equivalents at beginning of the period | 14,928  | 103,483   | 103,483                             |
| Effect of translation of foreign entities            | 36,560  | -   | 30,294                              |
| Cash and cash equivalents at end of the period       | 152,359   | 199,492   | 14,928                              |

### HEADLINE EARNINGS PER SHARE COMPUTATION

|                                     |               |
|-------------------------------------|---------------|
| Basic Earnings Remeasurements       | [52,444]      |
| Loss on disposal of asset           | 1,060         |
| Impairment losses                   | 22,776        |
| Tax Impact                          | [5,011]       |
| Headline Earnings                   | [33,619]      |
| Number of shares for basic earnings | 1,303,628,341 |
| Weighted Average Number of Shares   | 1,303,628,341 |
| Basic HEPS                          | [2.58]        |
| Diluted HEPS                        | [2.58]        |

# SEGMENTAL RESULTS

| Particulars   | Botswana<br>P'000 | Zambia<br>P'000 | Zimbabwe<br>P'000 | Namibia<br>P'000 | Total for<br>Continued<br>operations | South Africa<br>P'000 | Kenya<br>P'000 | Tanzania<br>P'000 | Mozambique<br>P'000 | Total for Operations<br>discontinued after<br>30 June 2019 | Total<br>Group |
|---|-------------------|-----------------|-------------------|------------------|--------------------------------------|-----------------------|----------------|-------------------|---------------------|--|----------------|
| <b>Six months ended 31st December 2018 [Reviewed]</b>             |                   |                 |                   |                  |                                      |                       |                |                   |                     |  |                |
| <b>Statement of profit or loss and other comprehensive Income</b> |                   |                 |                   |                  |                                      |                       |                |                   |                     |  |                |
| Revenue :   |                   |                 |                   |                  |                                      |                       |                |                   |                     |  |                |
| Trading income  | 2,149,433         | 353,641         | 1,032,482         | 60,436           | 3,595,991                            | 2,036,782             | 241,525        | 32,378            | 14,141              | 2,324,826  | 5,920,818      |
| Other income  | 16,790            | 394             | 437               | 48               | 17,670                               | 14,620                | 559            | 211               | 457                 | 15,846   | 33,516         |
| Total segmental revenue   | 2,166,223         | 354,035         | 1,032,919         | 60,484           | 3,613,661                            | 2,051,402             | 242,083        | 32,589            | 14,598              | 2,340,673  | 5,954,334      |
| Reportable segment gross profit                                   | 507,074           | 66,056          | 227,148           | 9,478            | 809,756                              | 354,488               | 40,277         | 4,977             | 2,549               | 402,291  | 1,212,048      |
| Reportable segment Impairments Loss                               | 17,888            | 38              | 66                | -                | 17,993                               | 4,733                 | 37             | -                 | 14                  | 4,784  | 22,776         |
| Reportable segment EBITDA   | 144,964           | [ 20,668 ]      | 77,858            | [ 3,490 ]        | 198,664                              | [ 52,538 ]            | [ 16,488 ]     | [ 3,526 ]         | [ 1,291 ]           | [ 73,844 ]   | 124,820        |
| Reportable segment Depreciation/Amortisation                      | 42,039            | 7,426           | 14,269            | 1,589            | 65,324                               | 40,913                | 6,342          | 706               | 1,411               | 49,373   | 114,697        |
| Reportable segment Finance Income                                 | 137               | -               | 7                 | -                | 145                                  | 504                   | -              | -                 | -                   | 504  | 648            |
| Reportable segment Finance Expense                                | 34,460            | -               | 3,481             | 96               | 38,037                               | 3,214                 | 3,264          | -                 | 2,177               | 8,656  | 46,693         |
| Reportable segment profit/[ loss] Before taxation                 | 50,715            | [ 28,132 ]      | 60,049            | [ 5,175 ]        | 77,457                               | [ 100,894 ]           | [ 26,132 ]     | [ 4,233 ]         | [ 4,894 ]           | [ 136,153 ]  | [ 58,696 ]     |
| Reportable segment Taxation                                       | 5,425             | -               | [ 6,205 ]         | -                | [ 780 ]                              | -                     | [ 26 ]         | [ 98 ]            | -                   | [ 124 ]  | [ 904 ]        |
| Reportable segment profit/[ loss] after taxation                  | 56,140            | [ 28,132 ]      | 53,844            | [ 5,175 ]        | 76,677                               | [ 100,894 ]           | [ 26,158 ]     | [ 4,331 ]         | [ 4,894 ]           | [ 136,277 ]  | [ 59,600 ]     |
| <b>Statement of financial position</b>                            |                   |                 |                   |                  |                                      |                       |                |                   |                     |  |                |
| Reportable segment assets   | 1,146,968         | 214,206         | 678,488           | 56,040           | 2,095,702                            | 945,861               | 235,438        | 25,783            | 38,229              | 1,245,311  | 3,341,013      |
| Reportable segment liabilities                                    | 1,443,251         | 114,005         | 280,596           | 18,798           | 1,856,650                            | 697,759               | 199,777        | 11,634            | 27,505              | 936,675  | 2,793,325      |
| <b>Six months ended 31st December 2017 [Unaudited] restated</b>   |                   |                 |                   |                  |                                      |                       |                |                   |                     |  |                |
| <b>Statement of profit or loss and other comprehensive Income</b> |                   |                 |                   |                  |                                      |                       |                |                   |                     |  |                |
| Revenue :   |                   |                 |                   |                  |                                      |                       |                |                   |                     |  |                |
| Trading income  | 2,299,262         | 239,795         | 869,084           | 3,488            | 3,411,628                            | 2,126,611             | 204,711        | 6,074             | 12,481              | 2,349,876  | 5,761,505      |
| Other income  | 17,812            | 413             | 603               | -                | 18,828                               | 9,222                 | 591            | 18                | 664                 | 10,496   | 29,324         |
| Total segmental revenue   | 2,317,074         | 240,208         | 869,687           | 3,488            | 3,430,456                            | 2,135,833             | 205,302        | 6,092             | 13,145              | 2,360,372  | 5,790,829      |
| Reportable segment gross profit                                   | 517,053           | 31,917          | 143,264           | 442              | 692,676                              | 395,311               | 31,367         | 1,072             | 1,942               | 429,692  | 1,122,368      |
| Reportable segment Impairments Loss                               | -                 | -               | -                 | -                | -                                    | -                     | -              | -                 | -                   | -  | -              |
| Reportable segment EBITDA   | 184,749           | [ 7,317 ]       | 33,399            | [ 2,625 ]        | 208,206                              | 58,797                | [ 12,027 ]     | [ 2,348 ]         | [ 1,724 ]           | 42,698   | 250,904        |
| Reportable segment Depreciation/Amortisation                      | 56,199            | 7,282           | 13,929            | 124              | 77,533                               | 43,632                | 4,045          | 377               | 1,342               | 49,396   | 126,930        |
| Reportable segment Finance Income                                 | 115               | -               | 3                 | -                | 118                                  | 1,146                 | 255            | -                 | -                   | 1,401  | 1,519          |
| Reportable segment Finance Expense                                | 14,759            | -               | 2,982             | 32               | 17,773                               | 11,745                | [ 20 ]         | -                 | 3,160               | 14,885   | 32,658         |
| Reportable segment profit/[ loss] Before taxation                 | 113,906           | [ 14,599 ]      | 16,491            | [ 2,781 ]        | 113,017                              | 4,567                 | [ 15,797 ]     | [ 2,725 ]         | [ 6,227 ]           | [ 20,181 ]   | 92,836         |
| Reportable segment Taxation                                       | [ 26,238 ]        | -               | [ 4,087 ]         | 926              | [ 29,398 ]                           | [ 1,563 ]             | 5,189          | 594               | -                   | 4,220  | [ 25,179 ]     |
| Reportable segment profit/[ loss] after taxation                  | 87,668            | [ 14,599 ]      | 12,404            | [ 1,855 ]        | 83,618                               | 3,004                 | [ 10,608 ]     | [ 2,131 ]         | [ 6,226 ]           | [ 15,961 ]   | 67,657         |
| <b>Statement of financial position</b>                            |                   |                 |                   |                  |                                      |                       |                |                   |                     |  |                |
| Reportable segment assets   | 109,7174          | 187,817         | 553,202           | 38,391           | 1,876,584                            | 1,428,492             | 186,333        | 20,259            | 40,336              | 1,675,420  | 3,552,004      |
| Reportable segment liabilities                                    | 114,1614          | 77,970          | 264,820           | 14,310           | 1,498,714                            | 861,612               | 75,135         | 5,480             | 27,857              | 970,086  | 2,468,800      |
| <b>Year ended 30th June 2018 [Audited]</b>                        |                   |                 |                   |                  |                                      |                       |                |                   |                     |  |                |
| <b>Statement of profit or loss and other comprehensive Income</b> |                   |                 |                   |                  |                                      |                       |                |                   |                     |  |                |
| Revenue :   |                   |                 |                   |                  |                                      |                       |                |                   |                     |  |                |
| Trading income  | 4,102,809         | 502,714         | 1,641,385         | 45,223           | 6,292,131                            | 4,044,525             | 407,699        | 22,121            | 24,820              | 4,499,164  | 10,791,295     |
| Other income  | 35,528            | 747             | 1,393             | 14               | 37,682                               | 15,661                | 673            | 92                | 1,056               | 17,482   | 55,163         |
| Total segmental revenue   | 4,138,336         | 503,460         | 1,642,778         | 45,237           | 6,329,811                            | 4,058,829             | 408,371        | 22,213            | 25,876              | 4,515,290  | 10,845,100     |
| Reportable segment gross profit                                   | 939,051           | 66,059          | 267,946           | 5,270            | 1,278,327                            | 715,662               | 61,678         | 2,697             | 4,053               | 784,089  | 2062,416       |
| Reportable segment Impairments Loss                               | 131,954           | 34,477          | 16,553            | -                | 182,984                              | 140,187               | -              | -                 | -                   | 140,187  | 323,171        |
| Reportable segment EBITDA   | 125,959           | [ 20,333 ]      | 52,697            | [ 7,570 ]        | 150,753                              | [ 18,415 ]            | [ 27,801 ]     | [ 7,067 ]         | [ 3,273 ]           | [ 56,557 ]   | 94,196         |
| Reportable segment Depreciation/Amortisation                      | 101,374           | 11,021          | 12,915            | 1,263            | 126,573                              | 68,897                | 8,969          | 927               | 2,563               | 81,355   | 207,928        |
| Reportable segment Finance Income                                 | 226               | -               | 9                 | -                | 235                                  | 2,451                 | 857            | -                 | -                   | 3,308  | 3,543          |
| Reportable segment Finance Expense                                | 28,357            | -               | 4,135             | 158              | 32,650                               | 40,146                | 10             | -                 | 5,897               | 46,053   | 78,702         |
| Reportable segment profit/[ loss] Before taxation                 | [ 6,237 ]         | [ 31,354 ]      | 19,103            | [ 8,991 ]        | [ 27,478 ]                           | [ 273,775 ]           | [ 70,400 ]     | [ 7,994 ]         | [ 11,732 ]          | [ 363,901 ]  | [ 391,380 ]    |
| Reportable segment Taxation                                       | [ 29,406 ]        | [ 6,335 ]       | [ 6,148 ]         | -                | [ 41,889 ]                           | [ 40 ]                | [ 13,255 ]     | 2,055             | -                   | [ 11,241 ]   | [ 53,129 ]     |
| Reportable segment profit/[ loss] after taxation                  | [ 35,643 ]        | [ 37,688 ]      | 12,955            | [ 8,991 ]        | [ 69,367 ]                           | [ 273,814 ]           | [ 83,656 ]     | [ 5,940 ]         | [ 11,732 ]          | [ 375,142 ]  | [ 444,509 ]    |
| <b>Statement of financial position</b>                            |                   |                 |                   |                  |                                      |                       |                |                   |                     |  |                |
| Reportable segment assets   | 1,039,723         | 209,971         | 548,678           | 48,164           | 1,846,536                            | 947,306               | 161,890        | 18,100            | 38,887              | 1,166,183  | 3,012,720      |
| Reportable segment liabilities                                    | 1,303,020         | 96,079          | 233,737           | 17,072           | 1,649,908                            | 654,034               | 97,898         | 6,097             | 28,519              | 786,548  | 2,436,456      |

## COMMENTARY

### 1. Nature of business

Choppies Enterprises Limited ("the Company") is a Botswana-based investment holding company operating in the retail sector in Southern Africa. Dual-listed on the Botswana Stock Exchange (BSE) and Johannesburg Stock Exchange (JSE), its operations are food and general merchandise retailing as well as financial service transactions supported by centralised distribution channels, through distribution and logistical support centres.

### 2. Basis of preparation and accounting policies

The abridged interim financial statements for the six months ended 31 December 2018 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The accounting policies applied during the year are consistent with those applied in the previous year with the exception of the introduction of IFRS 9 [Financial Instruments], IFRS 15 [Revenue from Contracts with Customers] and IAS 29 [Hyperinflation] in respect of the Group's Zimbabwean subsidiary.

Owing to an inflation acceleration of more than 100% as at June 2019, the Group concluded that Zimbabwe was a hyperinflationary economy and made a decision to account for it as such. As a result, the Group adopted IAS 29 for their year-end financial statements and also assessed the impact of the standard in these interim results. It was concluded that as at December 2018, the impact of hyperinflation was not material and thus no impact of this standard is presented in these interim financial statements.

### 3. Director's Responsibility for the Abridged Financial Statements

The directors are responsible for the preparation of the abridged consolidated financial results and financial position of the Company in accordance with BSE and JSE listings requirements and of the Companies Act of Botswana.

### 4. Reason for delay in publication of results

Upon the appointment of PricewaterhouseCoopers ("PwC") as external auditors for the 2018 financial year, the Board and the new auditors initiated an exercise to re-assess several past accounting practices and policies, which took more time than expected and had a material impact on the 2018 and prior period financial statements.

Furthermore, the Board initiated a legal and a forensic investigation on some of the matters raised by the auditors which reports were only concluded and released during September 2019.

The above actions had the result that the 2018 Audited Annual Financial Statements were only released during December 2019.