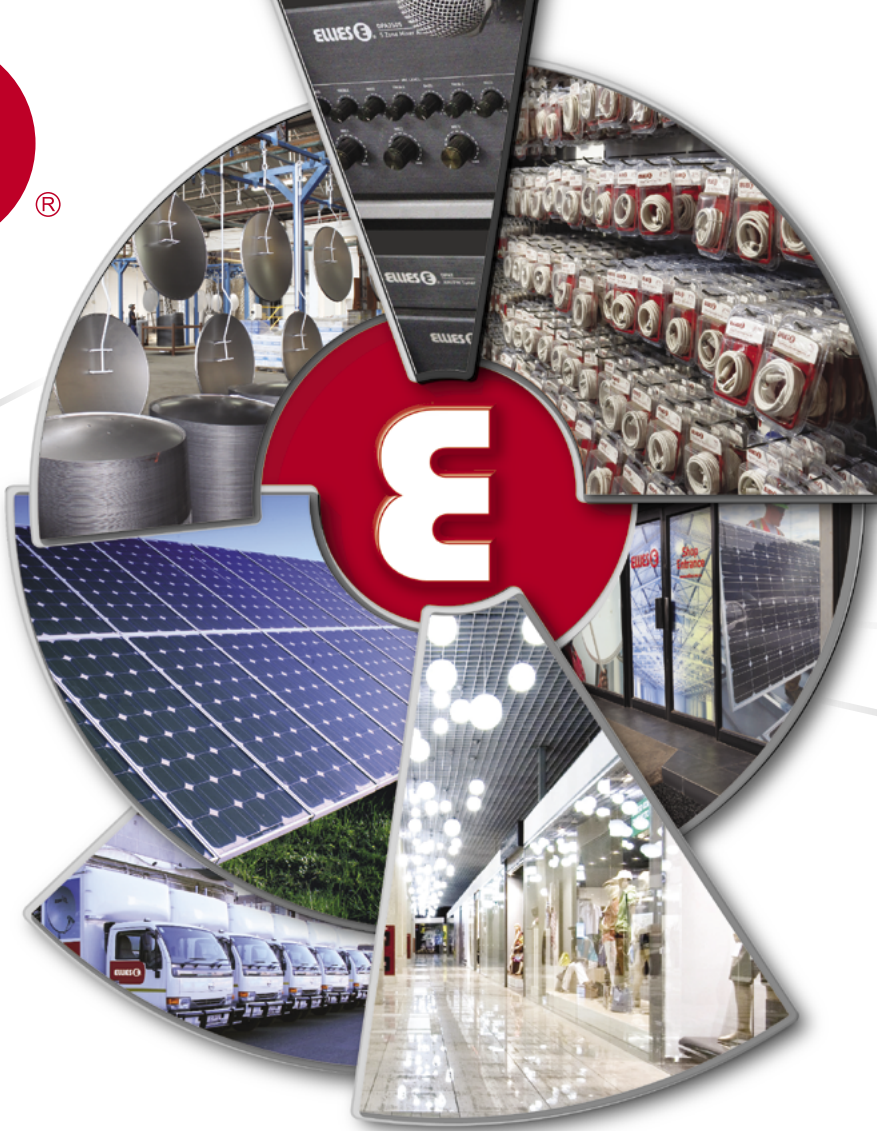


UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 OCTOBER 2018



Revenue (continuing operations) **↓ (2,7%)**

Profit for the period **↑ 288,8%**

EPS (cents) **11,57 ↑ 250,6%**

HEPS (cents) **0,24 ↓ (92,1%)**

NAV (cents) **63,22 ↑ 31,0%**

Unaudited interim consolidated statement of financial position

	Unaudited as at 31 October 2018 R'000	Unaudited as at 31 October 2017 R'000	Audited as at 30 April 2018 R'000
ASSETS			
Non-current assets	137 404	138 849	138 814
Property, plant and equipment	73 292	74 771	75 979
Goodwill	51 438	51 438	51 438
Deferred taxation	12 674	12 640	11 397
Current assets	620 388	618 746	632 444
Inventory (Note 3)	398 703	360 153	368 616
Trade and other receivables (Note 4)	191 637	234 288	241 939
Taxation receivable	7 959	233	1 097
Bank and cash balances	22 089	24 072	20 792
Non-current assets held-for-sale/distribution	–	15 040	4 250
Consumer segment (Note 1)	–	15 040	4 250
Group disposals held-for-sale/distribution	17 570	11 131	1 440
Infrastructure segment (Note 1)	17 570	–	–
Consumer and Property segment (Note 1)	–	11 131	1 440
Total assets	775 362	783 766	776 948
EQUITY AND LIABILITIES			
Capital and reserves	378 903	289 439	310 429
Stated capital	837 212	837 212	837 212
Non-distributable reserves	(175 858)	(175 784)	(175 267)
Accumulated loss	(269 286)	(362 140)	(340 173)
Equity attributable to equity holders of the parent	392 068	299 288	321 772
Non-controlling interests	(13 165)	(9 849)	(11 343)
Non-current liabilities	92 253	20 003	7 490
Interest-bearing liabilities	87 693	17 888	4 847
Deferred taxation	4 560	2 115	2 643
Current liabilities	297 750	466 060	458 115
Interest-bearing liabilities	4 922	6 631	6 804
Vendor loans payable	–	3 000	–
Trade and other payables	135 077	186 179	211 634
Provisions	5 248	70 436	67 230
Taxation payable	474	1 406	901
Third-party loan	–	74 970	75 350
Bank overdraft	152 029	123 438	96 196
Group disposals held-for-sale/distribution	6 456	8 264	914
Infrastructure segment (Note 2)	6 456	–	–
Trading and Distribution segment (Note 2)	–	8 264	914
Total equity and liabilities	775 362	783 766	776 948
<i>Supplementary information:</i>			
Net asset value per share (cents)	63,22	48,26	51,89
Net tangible asset value per share (cents)	54,93	39,97	43,59
Number of shares in issue at the end of the period	620 158 235	620 158 235	620 158 235
Note 1 – Group disposals held-for-sale/distribution			
Non-current assets	–	76	42
Property, plant and equipment	–	42	42
Deferred taxation	–	34	–
Current assets	17 570	11 055	1 398
Inventory	–	5 857	739
Trade and other receivables	17 127	250	40
Taxation receivable	–	14	14
Bank and cash balances	443	4 934	605
Total	17 570	11 131	1 440
Non-current assets held-for-sale	–	15 040	4 250
Chloorkop (Erf 347 Extension 19 Portion 1, 2 and 3)	–	9 500	–
Remaining Portion of Erf 195 Selby*	–	5 540	4 250
Note 2 – Group disposals held-for-sale/distribution			
Current liabilities	6 456	8 264	914
Shareholder loans payable	–	2 000	900
Trade and other payables	6 456	6 264	14
Total	6 456	8 264	914
Note 3 – Inventory			
Inventory	398 703	360 153	368 616
Movement in impairment allowance raised against inventory	48 709	55 358	55 358
Balance at the beginning of the year	48 709	55 358	55 358
Impairment allowances raised/(utilised)	7 591	(36 998)	(6 649)
Balance at the end of the period	56 300	18 360	48 709
Note 4 – Trade and other receivables			
Gross trade receivables	196 757	255 369	263 346
Allowance for doubtful debts	(20 508)	(33 667)	(36 366)
Net trade receivables	176 249	221 702	226 980
Prepayments	3 017	549	998
Deposits	3 849	1 126	3 979
VAT	7 776	7 223	7 885
Staff loans	217	57	–
Retention debtors – Infrastructure segment	–	1 213	1 213
Financed receivables	–	–	633
Other receivables	529	2 418	251
Total	191 637	234 288	241 939

* The Selby property was sold after the 2018 reporting period

Unaudited interim consolidated statement of cash flows

	Unaudited six months ended 31 October 2018 R'000	Restated* Unaudited six months ended 31 October 2017 R'000	Restated* year ended 30 April 2018 R'000
Cash flows from operating activities	(46 183)	13 147	42 317
Cash generated from operations	(36 633)	18 320	70 883
Interest received	130	1 556	201
Interest paid	(8 265)	(10 327)	(18 310)
Taxation (paid)/received	(7 343)	768	(6 191)
Cash flows – continuing operations	(52 111)	10 317	46 583
Cash flows – discontinued operations	5 928	2 830	(4 266)
Cash flows from investing activities	(1 233)	10 481	16 152
Additions to property, plant and equipment	(3 348)	(5 232)	(9 118)
Proceeds on disposal of property, plant and equipment	935	15 713	613
Proceeds on disposal of non-current assets held-for-sale	4 250	–	24 734
Loss of control	(29)	–	–
Loan to associate	(3 112)	–	(69)
Cash flows – continuing operations	(1 304)	10 481	16 160
Cash flows – discontinued operations	71	–	(8)
Cash flows from financing activities	(7 242)	(12 870)	(27 795)
Repayment of interest-bearing liabilities	(6 342)	(12 870)	(25 738)
Third-party loans paid	–	–	(957)
Cash flows – continuing operations	(6 342)	(12 870)	(26 695)
Cash flows – discontinued operations	(900)	–	(1 100)
Net (decrease)/increase in cash and cash equivalents	(54 658)	10 758	30 674
Foreign currency translation reserve – Net movement on cash and cash equivalents	(40)	–	(283)
Cash and cash equivalents at the beginning of the period	(74 799)	(105 190)	(105 190)
Cash and cash equivalents at the end of the period	(129 497)	(94 432)	(74 799)

* Restated due to IFRS 5 – refer to Note 5 – discontinued operations

Unaudited interim consolidated statement of changes in equity

	Unaudited six months ended 31 October 2018 R'000	Restated* Unaudited six months ended 31 October 2017 R'000	Restated* year ended 30 April 2018 R'000
Balance at beginning of the period	310 429	270 906	270 906
Share-based payment reserve	(1 703)	258	1 554
Total comprehensive income for the period	70 266	18 275	37 969
Changes in control (non-controlling interest)	767	–	–
Changes in control (equity attributable to equity holders of the parent)	(856)	–	–
Balance at end of the period	378 903	289 439	310 429

* Restated due to IFRS 5 – refer to Note 5 – discontinued operations

Unaudited interim consolidated statement of profit or loss and other comprehensive income

	Unaudited six months ended 31 October 2018 R'000	Restated* Unaudited six months ended 31 October 2017 R'000	Restated* year ended 30 April 2018 R'000
Revenue	677 768	696 687	1 418 324
Cost of sales	(481 886)	(486 955)	(1 015 195)
Gross profit	195 882	209 732	403 129
Other income	3 551	1 506	7 329
Operating expenses	(182 294)	(166 028)	(326 104)
Profit before interest, taxation, depreciation and amortisation ("EBITDA")	17 139	45 210	84 354
Depreciation	(5 777)	(6 245)	(9 367)
Reversal of impairments	–	1 210	–
Impairment of loans	–	–	(374)
Impairment of assets	–	–	(869)
Impairment of loan to associate	(4 781)	(1 505)	(3 136)
Profit before interest and taxation	6 581	38 670	70 608
Interest received	1 799	1 556	3 268
Interest paid	(8 265)	(10 327)	(18 200)
Net profit before taxation	115	29 899	55 676
Taxation	(694)	(8 750)	(16 415)
(Loss)/profit for the period from continuing operations	(579)	21 149	39 261
Discontinued operations – Infrastructure segment (Note 5)	69 811	(969)	5 953
Discontinued operations – Trading and Distribution (Note 5)	(78)	(2 395)	(6 956)
Profit for the period	69 154	17 785	38 258
<i>Other comprehensive income:</i>			
Items that may be reclassified subsequently to profit or loss			
– Foreign currency translation reserve	1 112	490	(278)
– Foreign currency translation reserve as a result of loss of control	–	–	(11)
Total comprehensive profit for the period	70 266	18 275	37 969
<i>Attributable to:</i>			
Equity holders of the parent	71 743	20 454	42 421
Non-controlling interests	(2 589)	(2 669)	(4 163)
– Continuing operations	(2 449)	(1 471)	(3 077)
– Discontinued operations	(140)	(1 198)	(1 086)
Net profit after taxation	69 154	17 785	38 258
<i>Attributable to:</i>			
Equity holders of the parent	72 855	20 944	42 132
Non-controlling interests	(2 589)	(2 669)	(4 163)
– Continuing operations	(2 449)	(1 471)	(3 077)
– Discontinued operations	(140)	(1 198)	(1 086)
Total comprehensive profit for the period	70 266	18 275	37 969
<i>Restated due to IFRS 5 – refer to Note 5 – discontinued operations</i>			
<i>Supplementary information:</i>			
Basic earnings per share (cents)	11,57	3,30	6,84
– Trading and Distribution – continuing operations	1,10	4,44	8,47
– Trading and Distribution – discontinued operations	(0,01)	(0,39)	(1,12)
– Manufacturing – continuing operations	(0,78)	(0,59)	(1,47)
– Infrastructure – discontinued operations	11,26	(0,16)	0,96
Headline earnings per share (cents)	0,24	3,05	7,89
– Trading and Distribution – continuing operations	1,02	4,19	8,74
– Trading and Distribution – discontinued operations	(0,01)	(0,39)	(1,12)
– Manufacturing – continuing operations	(0,78)	(0,59)	(1,46)
– Infrastructure – discontinued operations	0,01	(0,16)	1,73
Weighted average number of shares in issue	620 158 235	620 158 235	620 158 235
<i>Ellies has no dilutionary instruments in issue</i>			
Note 5 – Discontinued operations			
Revenue	611	5 885	11 382
(Loss)/profit before interest, taxation, depreciation and amortisation ("EBITDA")	(72)	(3 273)	3 871
Depreciation	(6)	(8)	(8)
Profit/(loss) on loss of control*	69 811	–	(4 751)
Profit/(loss) before interest and taxation ("PBIT")	69 733	(3 281)	(888)
Interest received	–	–	2
Interest paid	–	(83)	(83)
Profit/(loss) before taxation ("PBT")	69 733	(3 364)	(969)
Taxation	–	–	(34)
Profit/(loss) after taxation ("PAT")	69 733	(3 364)	(1 003)
*Loss as a result of loss of control – trading and distribution	(78)	(2 395)	(6 956)
*Profit as a result of loss of control – infrastructure	69 811	(969)	5 953
Total	69 733	(3 364)	(1 003)

Reconciliation of basic earnings and headline earnings

	Unaudited six months ended 31 October 2018 R'000	Restated* Unaudited six months ended 31 October 2017 R'000	Restated* year ended 30 April 2018 R'000
Net profit/(loss) for the period attributable to equity holders of the parent	71 743	20 454	42 421
<i>Adjusted for:</i>			
Profit on sale of property, plant and equipment	(684)	(2 544)	(3 105)
Reversal of impairments	–	(1 210)	–
(Loss)/profit as a result of loss of control	(69 733)	–	4 751
Impairment of assets	–	–	869
Impairment of loan to associate	–	1 505	3 136
Tax effect on adjustments	191	712	869
Headline profit attributable to ordinary shareholders	1 517	18 917	48 941

* Restated due to IFRS 5 – refer to Note 5 – discontinued operations

Segment analysis

	Unaudited six months ended 31 October 2018 R'000	Restated* Unaudited six months ended 31 October 2017 R'000	Audited year ended 30 April 2018 R'000
Revenue – continuing operations	677 768	696 687	1 418 324
– Trading and Distribution	677 488	695 709	1 395 658
– Manufacturing	49 856	64 392	116 935
– Intersegment	(49 576)	(63 414)	(94 269)
Revenue – discontinued operations	611	5 885	11 382
– Trading and Distribution	611	5 885	11 382
Segment profit/(loss) from continuing operations	6 581	38 670	70 608
Net profit/(loss) before interest and taxation	6 581	38 670	70 608
– Manufacturing	(4 834)	(248)	(1 223)
– Trading and Distribution	11 415	38 918	71 831
Segment profit/(loss) from discontinued operations	69 733	(3 281)	(888)
Net profit/(loss) before interest and taxation	69 733	(3 281)	(888)
– Trading and Distribution	(78)	(2 395)	(6 924)
– Infrastructure	69 811	(886)	6 036
Interest received – continuing operations	1 799	1 556	3 268
– Manufacturing	–	–	–