



CHOBE

HOLDINGS LIMITED

CHOBE HOLDINGS LIMITED

("the Group" or "the Company")

Incorporated in the Republic of Botswana (UIN BW00001487283)

UNAUDITED ABRIDGED RESULTS FOR THE SIX MONTHS ENDED 31 AUGUST 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	6 months ended 31/08/2022 P'000's Unaudited	6 months ended 31/08/2021 P'000's Unaudited	Year ended 28/02/2022 P'000's Audited
Revenue	234 816	49 189	118 336
Other operating income	10 729	3 005	7 134
Amortisation of intangible assets	(2 257)	(2 826)	(5 638)
Depreciation	(17 665)	(18 417)	(34 171)
Other operating expenses	(119 494)	(56 807)	(132 789)
Operating profit/ (loss)	106 129	(25 856)	(47 128)
Finance income	53	32	130
Finance cost	(2 378)	(1 778)	(3 862)
Share of net loss of associates accounted for using equity method	(472)	(548)	(969)
Profit / (loss) before income tax	103 332	(28 150)	(51 829)
Income tax (expense) / credit	(23 413)	5 756	9 380
Profit / (loss) for the period	79 919	(22 394)	(42 449)
Other comprehensive income			
Exchange difference on translation of foreign operations	(20)	149	216
Other comprehensive income for the period	(20)	149	216
Total comprehensive income / (loss) for the period	79 899	(22 245)	(42 233)
Attributable to			
Owners of the parent	79 901	(22 248)	(42 135)
Non-controlling interest	(2)	3	(98)
	79 899	(22 245)	(42 233)
Earnings / (loss) per share (thebe) - basic	89.36	(25.04)	(47.35)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31/08/2022 P'000's Unaudited	As at 31/08/2021 P'000's Unaudited	As at 28/02/2022 P'000's Audited
ASSETS			
Non-current assets			
Property, plant and equipment	207 015	222 617	213 482
Right of use assets	30 283	34 380	32 502
Goodwill	69 963	54 227	54 227
Land lease rights	61 386	66 145	63 487
Other intangible assets	1 082	1 392	1 238
Investment in associate	463	1 357	935
Deferred income tax assets	3 446	20 262	24 061
	373 638	400 380	389 932
Current assets			
Inventory	11 007	9 702	11 142
Trade and other receivables	24 473	3 189	9 393
Assets classified as held for sale	-	10 052	-
Current income tax receivable	3 319	1 955	3 613
Cash and cash equivalents	129 157	12 820	17 535
	167 956	37 718	41 683
TOTAL ASSETS	541 594	438 098	431 615
EQUITY AND LIABILITIES			
Equity			
Stated capital	102 899	102 899	102 899
Foreign currency translation reserve	(1 126)	(1 173)	(1 106)
Other reserves	5 486	5 108	5 486
Retained income	236 161	176 572	156 240
	343 420	283 406	263 519
Non-controlling interest	759	862	761
Total equity	344 179	284 268	264 280
Liabilities			
Non-current liabilities			
Borrowings	20 000	-	-
Deferred income tax liabilities	16 930	14 945	14 639
Lease liability	44 881	48 389	46 594
	81 811	63 334	61 233
Current liabilities			
Current income tax payable	281	3 090	515
Bank overdraft	-	1 710	12 519
Advance travel receipts	60 232	48 009	52 850
Lease liability	3 875	3 578	4 037
Trade and other payables	51 216	34 109	36 181
	115 604	90 496	106 102
Total liabilities	197 415	153 830	167 335
TOTAL EQUITY AND LIABILITIES	541 594	438 098	431 615

CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months ended 31/08/2022 P'000's Unaudited	6 months ended 31/08/2021 P'000's Unaudited	Year ended 28/02/2022 P'000's Audited
Operating activities			
Cash generated from operations	125 456	11 783	6 778
Interest paid	(780)	-	(416)
Income tax paid	(288)	(978)	(5 693)
Cash generated from operating activities	124 388	10 805	669
Investing activities			
Purchase of property, plant and equipment	(4 200)	(1 031)	(6 790)
Proceeds on sale of property, plant and equipment	1 541	488	2 459
Payment for acquisition of a subsidiary	(14 000)	-	-
Proceeds from sale of assets held for disposal	-	-	11 251
Interest received	53	32	130
Net cash (used in) / generated from investing activities	(16 606)	(511)	7 050
Financing activities			
Lease rental paid	(3 641)	(3 513)	(7 032)
Bank loan received	20 000	-	-
Net cash generated from / (used in) financing activities	16 359	(3 513)	(7 032)
Net increase in cash and cash equivalents	124 141	6 781	687
Movement in cash and cash equivalents			
At beginning of period	5 016	4 329	4 329
Increase in the period	124 141	6 781	687
At end of period	129 157	11 110	5 016
Represented by:			
Cash and cash equivalents	129 157	11 110	5 016

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent					Total P'000's
	Stated capital P'000's	Retained earnings P'000's	Foreign currency translation reserve P'000's	Other reserve P'000's	Non-controlling interest P'000's	
Balance at 1 March 2022	102 899	156 240	(1 106)	5 486	761	264 280
Profit for the year	-	79 921	-	-	(2)	79 919
Other comprehensive income	-	-	(20)	-	-	(20)
Balance at 31 August 2022	102 899	236 161	(1 126)	5 486	759	344 179

COMMENTARY

- Profit before tax increases by 467%.
- A 235% increase in number of bed nights sold.
- A 377% increase in revenue.
- Costs increase is in line with increased operations.
- Cash generated from operations BWP 125 million.
- Cash and cash equivalents of BWP 129 million.

BASIS OF PREPARATION

The unaudited abridged financial statements for the half year ended 31st August 2022 have been prepared based on accounting policies which comply with International Financial Reporting Standards. The accounting policies applied are consistent with those of the annual financial statements for the year ended 28th February 2022, as described in those annual financial statements, save for new standards that became effective during this financial year.

FINANCIAL RESULTS

The loosening of travel restrictions associated with COVID-19 towards the end of the previous financial year has led to a significant improvement in the Group's financial performance over the reporting period, with the half-year results matching those achieved during the comparable period immediately pre-pandemic.

This financial performance has been underpinned by steadily improving occupancies across the Group's wildlife properties with our premium Ker & Downey Botswana brand showing the earliest signs of improvement and the most resilience going forward. There is a broad mix of both new and deferred bookings travelling on our traditional pre-COVID-19 rates model with international travellers now making up the majority of our guests, however we continue to encourage Botswana to travel to our camps and lodges at much reduced rates.

Chobe believes that shareholder value is created through having motivated, trained, and empowered staff and that our people are our most important asset. Throughout COVID-19 we sought to protect both our people and business partners by utilizing accumulated resources on hand, in order that we emerge from the pandemic more resilient and stronger both within our work force and value chain. During the half-year the few staff who elected to resign over the past two years have been replaced, and all staff benefited from a cost-of-living based salary increase in March.

Throughout the pandemic we continued to maintain all our assets and consequently as a Group were well placed to take full advantage of the tourism sector recovery.

Global and regional supply chain constraints have placed pressure on the Group's operations, but these have been managed at the operational level with alternate suppliers and logistic solutions being found.

Chobe continues to play a significant role in the communities in which we operate and remains fully engaged with our partners.

FUTURE OUTLOOK

Bookings for the remainder of the financial year remain robust with the subsequent financial year showing similar resilience. The residual supply chain constraints and the economic, political and health effects of the COVID-19 pandemic continue to impact the Group. The effects of uncertainty in Europe have yet to be seen, but may be consequential if the conflict in the Ukraine escalates.

The strength of the United States Dollar relative to other currencies will dampen demand from some of our source markets, although this is ameliorated by strong demand for travel generally and the support provided through the majority of the Group's revenue being received in United States Dollars.

Inflation, particularly with respect to food and fuel, has increased expenses across the Group, but once again our United States Dollar revenue provides a level of protection.

The Group's strong cash position provides us with the opportunity to take advantage of any expansion opportunities that may arise.

DIVIDENDS

In keeping with the Company's dividend distribution policy no interim dividend has been declared in favour of a final year end declaration.

UNCLAIMED DIVIDENDS

The Directors wish to bring to the notice of shareholders that there are certain amounts of unclaimed dividends in the Company's records. Shareholders are reminded to contact the Transfer Secretaries to claim their outstanding dividends.

By order of the Board of Directors

J K Gibson
Chief Executive Officer
27 October 2022



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Directors
M.T. Sekgororoane (Chair), J.M. Gibson (Deputy Chairman), J.K. Gibson (British) (CEO), L. Odumetse (Managing Director), J.A. Bescoby (British), A.C. Dambe, S.D.S. Fernando (Sri Lankan), B.D. Flatt, K. Ledimo, J.M. Nganunu-Macharia, D.S. Ter Haar, A.M. Whitehouse (Australian)

Transfer Secretaries
DPS Consulting Services Proprietary Limited
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Independent Auditors
PricewaterhouseCoopers
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