INNSCOR AFRICA LIMITED

Unaudited Abridged Financial Results

FOR THE SIX MONTHS ENDED 31 DECEMBER 2016

INNSCOR Africa Limited

our passion for value creation

SALIENT FEATURES

		USD
Revenue - continuing operations	3% ▲	311 075 696
Operating profit - continuing operations	14% ▲	31 327 712
Profit before tax - continuing operations	15% ▲	23 762 650
Basic earnings per share (cents) - continuing operations	30% ▲	2.32
Basic earnings per share (cents) - continuing and discontinuing operations	78% ▲	2.49
Headline earnings per share (cents) - continuing operations	28% ▲	2.32
Headline earnings per share (cents) - continuing and discontinuing operations	36% ▲	2.18
Cash dividend declared per share (cents)	133% ▲	0.70

DIRECTORS' RESPONSIBILITY

The Holding Company's Directors are responsible for the preparation and fair presentation of the Group's Consolidated Financial Statements, of which this press release represents an extract. The abridged interim Group financial results are presented in accordance with the disclosure requirements of the Zimbabwe Stock Exchange (ZSE) Listing Requirements for provisional interim financial statements (interim reports). The abridged interim Group financial results have been prepared in accordance with the measurement and recognition principles of International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act (Chapter 24:03). The principal accounting policies of the Group are consistent with those applied in the previous annual financial statements.

OVERVIEW

After eighteen months of significant corporate activity, the period under review was characterised by stability and the consolidation of the newly configured Group into a focused portfolio of light manufacturing businesses producing a number of Zimbabwe's iconic brands in the consumer staple and durable space.

Trading conditions during the period remained extremely challenging as consumer spend continued to be compressed, compounded by cash note shortages and liquidity constraints. The managed introduction of bond notes towards the latter part of the period under review allowed consumers to access an additional payment channel, and this together with the national drive to increase the use of electronic banking channels, assisted in restoring consumers' ability to transact.

In an effort to encourage and increase local production, and reduce the country's dependence on imported products, Government introduced Statutory Instrument 64 of 2016, and whilst a number of the Group's categories realised better capacity efficiencies from improved volumes as a result of this welcome policy, the effect was tempered by difficulties and delays in accessing the requisite foreign currency to pay for the raw materials required for the manufacturing process. Cost increases were also incurred through penalties imposed by suppliers for late payments and more expensive credit terms being imposed due to perceived higher risk. Timely access to foreign currency to support its manufacturing processes remains the Group's primary risk area.

FINANCIAL PERFORMANCE

The Group's continuing operations posted revenue of US$311.076m for the period under review, this represented a 3% growth on the comparative prior period, and was driven by reasonable volume performance across most operations. Notwithstanding the revenue increase, dollar margins were slightly lower than those posted in the comparative period resulting from a combination of higher raw material costs and pricing policies developed to encourage increased demand.

Reduced operating expenditure resulting from the various restructure programmes implemented over the past year had a positive effect on operational leverage and resulted in operating profit growing 14% on the comparative period to US$31.328m; this was a pleasing result. Unfavourable variances in financial expenditure and fair value adjustments were countered by an improved collective performance by the Group's associate entities, and consequently growth in profit before tax over the comparative period was similar to that recorded at operating profit level at 15%.

The profit after tax for the period from discontinued and discontinuing operations of US$0.120m was largely a result of the profit recorded on the disposal of the SPAR Zambia operation which took effect from 30 November 2016. The discontinued and discontinuing operations' profit after tax line is not comparable to that of the prior period due to the differing combination of business units in each period.

Overall, and mainly as a result of a greater profit contribution by businesses where the Group holds a higher shareholding, headline earnings per share improved by 28% to 2.32 US cents; this was a pleasing result.

The Group's statement of financial position remained solid with gearing related to continuing operations increasing marginally to 13.39%. During the period under review the Group acquired 5.482m of its own shares at a cost of US$1.298m. These shares are being held as treasury shares and in accordance with IFRS this cost has been processed through equity; in addition, the weighting effect of these shares has been taken account of in the calculation of earnings per share.

Through a combination of increased trading over the festive period, the sale of trading stock to Gain Cash & Carry as part of the depot disposal in National Foods, and in an effort to secure critical imported raw materials on a pre-paid basis, the Group's cash generation reduced to US$11.620m for the period. Capital expenditure for the period amounted to US$9.257m and was limited to critical maintenance and expansion projects.

As previously reported, the Group still has an amount outstanding of US$2.550m relating to the payment it has made into a trust as a result of its case with the Competitions and Tariff's Commission (CTC). This amount is included in working capital. The High Court has ruled in favour of the Group, and the Group awaits repayment of this amount, although the CTC has taken the matter on appeal to the Supreme Court where judgement is pending.

OPERATIONS REVIEW

The Group's **Bakery Operations** delivered a pleasing set of results for the period under review. Loaf volumes continued to show marginal growth driven by consistent product quality, an improved distribution solution and the introduction of the half-loaf product. The re-launch of the operation's pie products saw volumes surging by 169%, although this was off a very low base. Overall revenues in the business increased by 4% on the comparative period.

Continued factory efficiencies resulted in improved dollar margins and whilst operating expenditure was still not to the desired level, the business showed pleasing growth in operating profit.

National Foods recorded a subdued performance for the period. Volumes were similar to the comparative period with the flour and rice categories showing the largest growth. This growth was, however, negated by a disappointing result from the Maize division, which saw volumes reduce by 28% over the same period as competition from drought-induced Government subsidies in maize crowded out the business and resulted in a loss of US$1.5m being recorded for this particular division in the period under review. Overall revenues declined by 4% mainly on the back of lower average selling prices achieved.

Whilst there was a reduction in operating expenditure, this was not sufficient enough to make up for the lower gross margins driven by a combination of higher raw material costs and competitive pricing points, and this resulted in a 9% reduction in operating profit versus the comparative period. Overall profitability, whilst still lower than the comparative period, was enhanced by the operation's associate company, Pure Oil Industries, which operated at full capacity and produced a strong set of results.

Gain Cash and Carry took over the operations of the former National Foods Depots with effect from the 1st of November 2016, under a management buy-out arrangement.

Colcom recorded a 23% increase in its core product volumes over the comparative period, a direct benefit from the increased investment in its own pig production facilities; pig slaughter numbers increased by 16% over the same period. These volume increases resulted in an increase in revenue of 8% on the comparative period.

Despite the increase in revenue, the continued shift in sales mix from processed products to fresh lines, combined with the market's inability to absorb price increases across the major protein categories required to keep pace with increased raw material cost, resulted in gross margin dollars being flat on the comparative period. Operating expenses were maintained at the same level as the comparative period, and overall operating profit increased by 9% on the comparative period.

Although **Irvine's** sales of its three main product lines were higher in both volume and total revenue, gross margins were severely impacted by increasing raw material costs and an inability to pass these increases onto the consumer, and as a result reduced in total by 12% over the comparative period. The reduction in margin dollars, resulted in operating profit declining by 38%, despite slightly lower overhead costs.

The business will continue to improve and enhance its use of more advanced technologies in hatching egg and table egg production as well as hatching facilities as part of its strategy to step-change its overall operating model.

Capri recorded a much improved result, albeit off a low base. Overall volumes increased by 61% over the comparative period driven primarily by export volumes into the region which grew by over 300% over the same period. Overall revenues increased by 42%, whilst operating profit also showed strong growth.

The future of this business very much lies in its ability to export into the region. The product quality is highly regarded and in many cases exceeds or is on par with the large global brands. However, being able to properly compete in this market depends on its ability to secure adequate levels of foreign currency, and to receive comparable levels of export incentives as currently enjoyed by its South African competitors.

Natpak enjoyed yet another excellent performance as volumes grew by 24% and revenues by 20% over the comparative period. The volume growth emanated mainly from the flexible packaging division which continues to operate at full capacity. Margins narrowed during the period however, and a 7% growth in operating profit was recorded.

In order to meet growing demand, the business has committed further investments within its flexible capabilities and anticipates the commissioning of a second flexible's line during the final quarter of the current financial year.

Profeeds, a business in which the Group has a non-controlling interest, recorded a 7% decrease in feed volumes which translated into a 5% decrease in revenues over the comparative period. The reduced margin dollars however were countered by a much improved performance on the operating expenditure line and this enabled a 7% increase in operating profit over the comparative period to be achieved.

In light of the suppressed trading environment the business continues to look at additional product lines and opportunities to extract production efficiencies and increase its participation in the greater stock feed market.

Probrands, another business in which the Group has a non-controlling interest, experienced good volume growth in most of its categories. This led to revenue growth of 31% over the comparative period. Operating profitability growth was also strong as the business started achieving critical mass in some of its key lines.

The operation's UHT plant will now only be commissioned in the third quarter of the current financial year, mainly due to delays experienced in making the necessary final foreign currency payments on this line. The **Probottlers** operation had an excellent six months with good volume and profit growth and successfully launched its new "St. Clairs" mixer range to its existing portfolio of carbonated soft drinks and cordials.

DISCONTINUED AND DISCONTINUING OPERATIONS

The Group successfully concluded the disposal of its interest in SPAR Zambia Limited during the period under review, with this transaction being effective from 30 November 2016. Included in the profit after tax from discontinued and discontinuing operations therefore is 5 months of trading of this particular business together with the consolidated profit on disposal achieved of US$1.720m.

Other businesses included in discontinued operations include the Group's investment in The River Club which it is in the process of disposing as well as the wind down costs associated with SPAR Zimbabwe operations.

In addition to the above businesses, the comparative information disclosed under discontinued operations also includes three month's trading of the Group's former Quick Service Restaurants (unbundled by way of a dividend in-specie in October 2015, and listed as Simbisa Brands Limited on the ZSE in November 2015) and six months trading of the Group's former Speciality Retail and Distribution businesses (unbundled by way of a dividend in-specie in April 2016, and listed as Axia Corporation Limited on the ZSE in May 2016).

As a result of the different mix of businesses and varying lengths of trading, the overall profit or loss disclosed under discontinued and discontinuing operations is not comparable.

PROSPECTS

Pleasing progress has been made with the Group's reconfigured portfolio of light manufacturing businesses in a very challenging and fluid environment. Renewed focus has been brought about by the Group's new configuration and has enabled a more streamlined and cost-efficient leadership structure.

Notwithstanding the progress made, there are still a number of our business models which are operating with inefficient structures and business processes.

The introduction of an Activity Based Costing methodology has already started to highlight areas of inefficiency and these will be attended to in the coming period. The Group will also work towards defining simple performance indicators for each business which will help in setting an ultimate financial vision for each operation to work towards in the medium-term. As part of this process, the Group will look to up-gauge its use of information technology, an area that has lacked development in the past.

In addition to optimising its business models and processes, the Group will actively pursue the addition of modern technologies and processes to enhance organic growth and will continually assess opportunities to manufacture adjacent and synergistic products, through a mix of acquisition and fresh investments.

As previously highlighted, access to adequate levels of foreign currency is critical for the Group to be able to feed raw material to its manufacturing platform. In this regard it will therefore be vital to analyse investment opportunities that have large export capabilities, whilst opportunities in similar, regionally-based businesses will also be investigated in due course.

DIVIDEND

The Board is pleased to declare an interim dividend of 0.70 US cents per share payable in respect of all ordinary shares of the Company. This interim dividend is in respect of the six-month period ending 31st December 2016 and will be payable in full to all the shareholders of the Company registered at the close of business on the 7th of April 2017. The payment of this dividend will take place on or about the 24th of April 2017. The shares of the Company will be traded cum – dividend on the Zimbabwe Stock Exchange up to the market day of the 31st of March 2017 and ex – dividend as from the 3rd of April 2017.

The Board has also declared an interim dividend totalling US$160 000 to Innscor Africa Employee Share Trust (Private) Limited.

APPRECIATION

I wish to record my appreciation to the Executive Directors, Management and Staff for their effort during the period under review. I also wish to thank the Non-Executive Directors for their considerable input as well as the Group's customers, suppliers and other stakeholders for their continued support and loyalty.

A.B.C. CHINAKE
Chairman
2 March 2017

Abridged Group Statement of Profit or Loss and Other Comprehensive Income

	6 Months Ended 31 Dec 2016 unaudited	6 Months Ended 31 Dec 2015 reviewed
CONTINUING OPERATIONS	USD	USD
Revenue	**311 075 696**	**300 614 956**
Operating profit before depreciation, amortisation and fair value adjustments	**31 327 712**	**27 437 245**
financial (loss)/income	(1 058 936)	1 002 298
depreciation and amortisation	(7 629 964)	(8 048 464)
Operating profit before interest, equity accounted earnings and fair value adjustments	**22 638 812**	**20 391 079**
fair value adjustments on livestock and listed equities	(175 623)	1 021 945
Profit before interest and tax	**22 463 189**	**21 413 024**
interest income	802 211	666 180
interest expense	(2 879 994)	(3 253 895)
equity accounted earnings	3 377 244	1 754 865
Profit before tax	**23 762 650**	**20 580 174**
tax expense	(5 363 946)	(4 691 019)
Profit for the period from continuing operations	**18 398 704**	**15 889 155**
DISCONTINUED AND DISCONTINUING OPERATIONS		
Profit/(loss) after tax for the period from discontinued and discontinuing operations	120 012	(547 364)
Profit for the period from continuing, discontinued and discontinuing operations	**18 518 716**	**15 341 791**
Other comprehensive income - to be recycled to profit or loss		
differences arising on the translation of foreign operations	10 660	(2 208 835)
Other comprehensive income for the period, net of tax	**10 660**	**(2 208 835)**
Total comprehensive income for the period	**18 529 376**	**13 132 956**
Profit for the period from continuing and discontinuing operations attributable to:		
equity holders of the parent	13 456 521	7 581 419
non-controlling interests	5 062 195	7 760 372
	18 518 716	**15 341 791**
Total comprehensive income for the period from continuing and discontinuing operations attributable to:		
equity holders of the parent	13 463 261	5 979 590
non-controlling interests	5 066 115	7 153 366
	18 529 376	**13 132 956**
Earnings per share (cents)		
Basic earnings per share - continuing operations	**2.32**	**1.78**
Discontinued and discontinuing operations	0.17	(0.38)
Basic earnings per share - continuing and discontinuing operations	**2.49**	**1.40**
Headline earnings per share - continuing operations	**2.32**	**1.81**
Discontinued and discontinuing operations	(0.14)	(0.21)
Headline earnings per share - continuing and discontinuing operations	**2.18**	**1.60**
Diluted basic earnings per share - continuing operations	**2.32**	**1.78**
Diluted basic earnings per share - continuing and discontinuing operations	**2.49**	**1.40**
Diluted headline earnings per share - continuing operations	**2.32**	**1.81**
Diluted headline earnings per share - continuing and discontinuing operations	**2.18**	**1.60**

Abridged Group Statement of Financial Position

	At 31 Dec 2016 unaudited USD	At 30 June 2016 audited USD
ASSETS		
Non-current assets		
property, plant and equipment	169 678 889	170 421 762
intangible assets	38 959 255	38 980 447
investments in associates	26 521 619	21 947 735
financial assets	1 794 929	215 921
biological assets	1 689 420	1 607 026
deferred tax assets	4 616 866	4 408 712
	243 260 978	**237 581 603**
Current assets		
financial assets	238 679	3 811 658
biological assets - current	14 128 979	14 457 091
inventories	72 771 311	81 421 194
trade and other receivables	98 833 385	66 812 012
cash and cash equivalents	25 860 645	25 743 731
	211 832 999	**192 245 686**
assets of disposal group classified as held for sale	12 989 749	23 233 326
Total assets	**468 083 726**	**453 060 615**
EQUITY AND LIABILITIES		
Capital and reserves		
ordinary share capital	5 361 104	5 415 934
class "A" ordinary share capital	10	10
non-distributable reserves	(3 211 660)	(3 276 219)
translation reserves of disposal group classified as held for sale	(25 599)	238 210
treasury shares	(1 243 425)	—
distributable reserves	178 934 814	168 973 752
attributable to equity holders of the parent	179 815 244	171 351 687
non-controlling interests	97 233 813	92 930 342
Total shareholders' equity	**277 049 057**	**264 282 029**
Non-current liabilities		
deferred tax liabilities	29 252 597	26 460 839
interest-bearing borrowings	3 791 733	3 116 673
	33 044 330	**29 577 512**
Current liabilities		
interest-bearing borrowings	63 142 168	59 317 315
trade and other payables	90 525 597	85 382 711
provisions and other liabilities	2 467 219	2 453 127
current tax liabilities	211 115	491 735
	156 346 099	**147 644 888**
liabilities directly associated with the assets classified as held for sale	1 644 240	11 556 186
Total liabilities	**191 034 669**	**188 778 586**
Total equity and liabilities	**468 083 726**	**453 060 615**

Abridged Group Statement of Cash Flows

	6 Months Ended 31 Dec 2016 unaudited USD	6 Months Ended 31 Dec 2015 reviewed USD
Cash generated from operating activities	**11 619 833**	**22 470 800**
net interest paid - continuing operations	(2 077 783)	(2 587 715)
net interest paid - discontinuing operations	(379 091)	(902 492)
tax paid - continuing operations	(3 061 942)	(2 829 166)
tax paid - discontinuing operations	(107 785)	(2 438 014)
Total cash available from operations	**5 993 232**	**13 713 413**
Investing activities	**(7 279 416)**	**(27 909 741)**
Net cash inflow before financing activities	**(1 286 184)**	**(14 196 328)**
Financing activities	**(673 240)**	**8 394 803**
Net decrease in cash and cash equivalents	**(1 959 424)**	**(5 801 525)**
Cash and cash equivalents at the beginning of the period	**28 073 905**	**33 847 187**
Cash and cash equivalents at the end of the period	**26 114 481**	**28 045 662**
Cash and cash equivalents comprise:		
cash and cash equivalents attributable to continuing operations	25 860 645	23 376 508
cash and cash equivalents attributable to discontinuing operations	253 836	4 669 154
	26 114 481	28 045 662

Supplementary Information (continued)

	31 Dec 2016 unaudited USD	31 Dec 2015 reviewed USD
3 Future lease commitments		
Payable within one year	3 640 767	6 274 998
Payable two to five years	6 138 131	18 732 482
Payable after five years	615 268	3 686 872
	10 394 166	28 694 352
4 Commitments for capital expenditure		
Contracts and orders placed	6 750 707	7 885 777
Authorised by Directors but not contracted	9 115 299	17 700 298
	15 866 006	25 586 075
The capital expenditure is to be financed out of the Group's own resources and existing borrowing facilities.		
5 Security		
Net book value of property, plant, equipment, motor vehicles, inventories and accounts receivables pledged as security for interest-bearing borrowings.	13 500 000	21 218 174

6 Earnings per share

Basic earnings basis
The calculation of basic earnings per share is based on the profit attributable to equity holders of the parent and the weighted average number of ordinary shares in issue for the period.

Diluted earnings basis
The calculation of diluted earnings per share is based on the profit attributable to equity holders of the parent and the weighted average number of ordinary shares in issue after adjusting for potential conversion of share options and the time effect of treasury shares. The potential conversion is possible when the average market price of ordinary shares during the year exceeds the exercise price of such options.

The share options arising from the Group's indigenisation transaction and the Group's Employee Share Option Scheme had no dilutive effect at the end of the reporting period.

Headline earnings basis
Headline earnings comprise of basic earnings attributable to equity holders of the parent adjusted for profits, losses and items of a capital nature that do not form part of the ordinary activities of the Group, net of their related tax effects and share of non-controlling interests as applicable.

Abridged Group Statement of Changes in Equity

	Ordinary Share Capital USD	Class "A" Ordinary Share Capital USD	Non-Distributable Reserves USD	Translation Reserves of Disposal Group Classified as Held for Sale USD	Treasury Shares USD	Distributable Reserves USD	Attributable to equity holders of the parent USD	Non-Controlling Interests USD	Total USD
Balance at 30 June 2015	**5 415 934**	**10**	**(6 029 267)**	**—**	**—**	**217 050 477**	**216 437 154**	**115 500 983**	**331 938 137**
Profit for the year	—	—	—	—	—	11 067 972	11 067 972	15 741 434	26 809 406
Other comprehensive income	—	—	2 341 091	—	—	—	2 341 091	(927 500)	1 413 591
Dividends paid	—	—	—	—	—	(4 832 545)	(4 832 545)	(9 463 532)	(14 296 077)
Simbisa dividend-in-specie	—	—	—	—	—	(29 468 288)	(29 468 288)	—	(29 468 288)
Axia dividend-in-specie	—	—	—	—	—	(27 754 800)	(27 754 800)	—	(27 754 800)
Transactions with owners in their capacity as owners	—	—	650 167	—	—	2 910 936	3 561 103	(27 921 043)	(24 359 940)
Transfer of translation reserves to disposal	—	—	(238 210)	238 210	—	—	—	—	—
Balance at 30 June 2016	**5 415 934**	**10**	**(3 276 219)**	**238 210**	**—**	**168 973 752**	**171 351 687**	**92 930 342**	**264 282 029**
Profit for the period	—	—	—	—	—	13 456 521	13 456 521	5 062 195	18 518 716
Other comprehensive income	—	—	4 120	2 620	—	—	6 740	3 920	10 660
Dividends paid	—	—	—	—	—	(3 362 638)	(3 362 638)	(3 181 023)	(6 543 661)
Acquisition of treasury shares	(54 830)	—	—	—	(1 243 425)	—	(1 298 255)	—	(1 298 255)
Transactions with owners in their capacity as owners	—	—	60 439	(266 429)	—	(132 821)	(338 811)	2 418 379	2 079 568
Balance at 31 December 2016	**5 361 104**	**10**	**(3 211 660)**	**(25 599)**	**(1 243 425)**	**178 934 814**	**179 815 244**	**97 233 813**	**277 049 057**

Supplementary Information

1 Corporate Information

The Company is incorporated and domiciled in Zimbabwe.

2 Operating Segments

The Group's continuing operations comprise the Light Manufacturing and Head Office Services Segments explained as follows:

Light Manufacturing - reports the results of the Group's interests in Bakery Operations, National Foods, Colcom, Irvine's, Capri, Natpak, and associated interests in Profeeds, Probrands and Probottlers.

Head Office Services - reports the results of the Group's shared services functions.

The Group's discontinued operations in the current period comprise SPAR Zambia (up to 30 November 2016) and The River Club. Additionally, discontinued operations in the comparative period comprise the Quick Service Restaurants business results for 3 months, the Specialty Retail and Distribution results for 6 months and SPAR Zimbabwe operations' results for 6 months.

	CONTINUING OPERATIONS				DISCONTINUED OPERATIONS			
	Light Manufacturing USD	Head Office Services USD	Adjustments USD	Total Continuing Operations USD	Discontinued Operations (Specialty Retail and Distribution) USD	Discontinued Operations (Quick Service Restaurants) USD	Discontinued Operations (Other Businesses) USD	Total Discontinued Operations USD
Revenue								
31 December 2016	310 807 795	1 486 068	(1 218 167)	311 075 696	—	—	13 396 916	13 396 916
31 December 2015	300 614 956	—	—	300 614 956	104 455 611	38 326 004	45 162 332	187 943 947
Operating profit/(loss) before depreciation and amortisation								
31 December 2016	30 458 331	869 381	—	31 327 712	—	—	(943 860)	(943 860)
31 December 2015	28 027 225	(589 980)	—	27 437 245	11 597 028	4 823 461	(6 334 108)	10 086 381
Depreciation and amortisation								
31 December 2016	7 319 094	310 870	—	7 629 964	—	—	271 316	271 316
31 December 2015	7 721 398	327 066	—	8 048 464	726 400	1 684 232	1 056 002	3 466 634
Equity accounted earnings								
31 December 2016	2 713 739	663 505	—	3 377 244	—	—	—	—
31 December 2015	503 754	1 251 111	—	1 754 865	28 036	—	(26 281)	1 755
Profit/(loss) before tax								
31 December 2016	23 393 114	589 650	(220 114)	23 762 650	—	—	120 270	120 270
31 December 2015	19 756 197	823 977	—	20 580 174	11 107 007	2 879 353	(10 216 428)	3 769 932
Segment assets								
31 December 2016	420 853 618	29 184 998	5 055 361	455 093 977	—	—	12 989 749	12 989 749
30 June 2016	397 553 963	34 472 028	(2 198 702)	429 827 289	—	—	23 233 326	23 233 326
Segment liabilities								
31 December 2016	122 394 395	67 612 012	(615 978)	189 390 429	—	—	1 644 240	1 644 240
30 June 2016	105 901 613	42 354 682	28 966 105	177 222 400	—	—	11 556 186	11 556 186
Capital expenditure								
31 December 2016	9 010 313	2 749	—	9 013 062	—	—	243 523	243 523
31 December 2015	11 034 065	26 884	—	11 060 949	1 108 379	3 788 274	436 158	5 332 811

6 Earnings per share (continued)

The following reflects the income data used in the basic, headline and diluted earnings per share computations:

	CONTINUING OPERATIONS		CONTINUING AND DISCONTINED OPERATIONS	
	31 Dec 2016 unaudited USD	31 Dec 2015 reviewed USD	31 Dec 2016 unaudited USD	31 Dec 2015 reviewed USD
a Net profit attributable to equity holders of the parent	12 531 385	9 651 221	13 456 521	7 581 419
b Reconciliation of basic earnings to headline earnings				
Profit for the period attributable to equity holders of the parent	12 531 385	9 651 221	13 456 521	7 581 419
Adjustment for capital items (gross of tax):				
Loss/(profit) on disposal of property, plant and equipment	57 827	(22 729)	56 962	593 215
Impairment and derecognition of plant and equipment and intangible assets	—	—	—	1 372 587
(Profit)/Loss on disposal of subsidiaries and associates	—	166 671	(1 720 019)	166 671
Profit on disposal of intangible assets	—	—	(2 838)	—
Tax effect on adjustments	(15 386)	5 853	(14 432)	(516 413)
Non-controlling interests' share of adjustments	(31 149)	13 794	(32 848)	(556 630)
Headline earnings attributable to ordinary shareholders	**12 542 677**	**9 814 810**	**11 743 346**	**8 640 849**
Weighted average number of ordinary shares:				
Weighted average number of shares for basic earnings per share	541 593 440	541 593 440	541 593 440	541 593 440
Effect of dilution from treasury shares	(1 827 659)	—	(1 827 659)	—
Weighted average number of ordinary shares adjusted for the effect of dilution	**539 765 781**	**541 593 440**	**539 765 781**	**541 593 440**
Basic earnings per share (cents)	2.32	1.78	2.49	1.40
Headline earnings per share (cents)	2.32	1.81	2.18	1.60
Diluted basic earnings per share (cents	2.32	1.78	2.49	1.40
Diluted headline earnings per share (cents)	2.32	1.81	2.18	1.60

7 Events after the reporting date
There have been no significant events after the reporting date at the time of issuing this press release.

8 Contingent liabilities
Guarantees

The contingent liabilities relate to bank guarantees provided in respect of associate companies as at 31 December 2016	73 250 000	28 200 000	73 250 000	28 200 000

9 Interest-bearing borrowings
Interest-bearing borrowings constitute bank loans from various local financial institutions which accrue interest at an average rate of 6.8% per annum. The facilities expire at different dates and will be reviewed and renewed when they mature.