

SENS ANNOUNCEMENT

(the "Notice" or "Announcement")

ISSUER



PUMA ENERGY ZAMBIA PLC ("PUMA")
[Incorporated in the Republic of Zambia]

Company registration number: 2575

Share Code: PUMA

ISIN: ZM0000000185

Authorized by: Kalunga Lutato- Company Secretary

SPONSOR



Stockbrokers Zambia Limited

[Founder Member of the Lusaka Securities Exchange]

[Regulated and licensed by the Securities and Exchange Commission of Zambia]

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APPROVAL

The captioned Notice or Announcement has been approved by:

- i. the Lusaka Securities Exchange
- ii. the Securities and Exchange Commission
- iii. Stockbrokers Zambia Limited

RISK WARNING

The Notice or Announcement contained herein contains information that may be of a price sensitive nature.

Investors are advised to seek the advice of their investment advisor, stockbroker, or any professional duly licensed by the Securities and Exchange Commission of Zambia to provide securities advice.

ISSUED: 30 September 2021



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INTERIM RESULTS FOR FIRST HALF OF 2021

In compliance with the Securities Act No. 41 of 2016 and the Listing Requirements of the Lusaka Securities Exchange, Puma Energy Zambia Plc announces the unaudited results for the half year ended 30 June 2021.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Half-year ended 30-Jun-21 K'000'	Half-year ended 30-Jun-20 K'000'
Revenue	<u>2,543,809</u>	<u>2,222,118</u>
Profit from ordinary activities before exchange gain, interest and taxation	79,466	148,015
Exchange gain/(loss)	(22,445)	28,487
Other income/(expenses)	13,206	(18,997)
Finance expense	<u>(24,334)</u>	<u>(30,873)</u>
Profit before income tax	45,713	126,632
Income tax expense	<u>(41,478)</u>	<u>(46,568)</u>
Net profit after taxation	<u>4,235</u>	<u>80,064</u>
Earnings per share (Kwacha)	0.008	0.160

STATEMENT OF FINANCIAL POSITION (ABRIDGED)

	As at 30-Jun-21 K'000'	As at 30-Jun-20 K'000'
ASSETS EMPLOYED		
Property, plant and equipment	646,622	574,220
Other assets– Non current	61,832	124,662
Current assets	<u>1,332,252</u>	<u>1,177,218</u>
Total assets	<u>2,040,687</u>	<u>1,876,099</u>
EQUITY & LIABILITIES		
Shareholders' funds	1,057,090	981,910
Non-current liabilities	100,503	110,927
Current liabilities	<u>883,094</u>	<u>783,262</u>
Total Equity & Liabilities	<u>2,040,687</u>	<u>1,876,099</u>

Abridged Statement of Cash Flow for half year ended 30 June 2021

	2021 K'000	2020 K'000
Net cash from Operating activities	110,203	(33,815)
Net cash used in Investing activities	(37,550)	(23,632)
Net cash used in Financing activities	(18,168)	(24,656)
(Decrease)/increase in Cash and Cash equivalents	54,486	(82,103)
Cash and Cash equivalents at the beginning of the year	(201,770)	(300,625)
Cash and Cash equivalents as at half year ended 30 June 2021	<u>(147,284)</u>	<u>(382,728)</u>

Abridged Statement of changes in equity for the half year ended 30 June 2021

	As at 30-Jun-21 K'000'	As at 30-Jun-20 K'000'
Balance at the beginning of the period	1,052,220	698,409
Profit for the period	4,235	80,064
Revaluation reserves	-	202,268
Other comprehensive income	<u>-</u>	<u>1,169</u>
	1,057,090	981,910
Dividend paid	<u>-</u>	<u>-</u>
Balance at 30 June	<u>1,057,090</u>	<u>981,910</u>

REVIEW OF INTERIM RESULTS FOR HALF YEAR ENDED 30 JUNE 2021

Company Performance

For the half year ended 30 June 2021 the Company recorded a profit after tax of K4.235 million compared to K80.064 million recorded in the previous financial year. Volumes were 4% lower than those achieved for the same period last year.

A profit before finance costs, taxation and exchange losses of K79.466 million was achieved for the half year ended 30 June 2021 compared to K148.402 million for the previous year, while the pre-tax profit was K45.713 million compared to K126.632 million the previous year.

The key highlights of the financial performance for the half year were as follows:

1. Volumes for the year reduced by 4% compared to the previous year. This was primarily due to the impact of Covid-19 pandemic.
2. Revenue increased by 14% from K2,222 million in 2020 to K2,543 million in 2021 mainly on account of zero-rating VAT on fuel products and the impact of the Zambian Kwacha depreciation on US Dollar selling prices.
3. Profit before tax was lower by 64% compared to the previous year. This was mainly on account of foreign exchange losses compared to foreign exchange gains recorded in 2020.
4. Effective tax rate is high on account of tax assessment of K22.45 million arising from adjustments from a tax audit.
5. During the half year under review, the Company invested over K31.5 million in capital projects mainly in its Retail Network and in safety and compliance for Aviation.
6. During the half year under review, the Kwacha depreciated by about 7.18% against the United States Dollar from K21.119 at beginning of the year to K22.635 at end of June 2021.

Dividends Proposed

For the period under review the Board did not propose an interim dividend.

PROSPECTS

Despite the negative effects of the Covid-19 pandemic, the company has put in place adequate recovery plans to help in achieving its year-end target. The company is determined to continue with its investment program and is confident to remain a key player in the energy sector. Safety of operations, personnel and customers will remain a key priority.

By order of the Board

Kalunga Lutato
Company Secretary

Issued in Lusaka, Zambia on 30 September 2021

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First Issued on 30 September 2021