

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
Authorised by: Kalunga Lutato – Company Secretary

SPONSOR



STOCKBROKERS ZAMBIA LIMITED

Stockbrokers Zambia Limited

[Member of the Lusaka Stock 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 Stock 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.

FIRST ISSUED: 13 September 2019



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INTERIM RESULTS FOR FIRST HALF OF 2019

In compliance with the Securities Act No. 41 2016 of the Laws of Zambia and the Listing Requirements of the Lusaka Securities Exchange, Puma Energy Zambia Plc announces the unaudited results for the half-year ended 30 June 2019.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Half-year ended 30-Jun-19 K'000'	Half-year ended 30-Jun-18 K'000'
Revenue	<u>2,066,364</u>	<u>1,948,156</u>
Profit from ordinary activities before exchange gain, interest and taxation	102,479	86,460
Exchange gain/(loss)	(88)	1,576
Finance income	5,821	1,320
Finance expense	<u>(29,943)</u>	<u>(27,879)</u>
Profit before income tax	78,269	61,477
Income tax expense	<u>(27,241)</u>	<u>(15,573)</u>
Net profit after taxation	<u>51,028</u>	<u>45,904</u>
Earnings per share (Kwacha)	0.102	0.092

STATEMENT OF FINANCIAL POSITION (ABRIDGED)

	As at 30-Jun-19 K'000'	As at 30-Jun-18 K'000'
ASSETS EMPLOYED		
Property, plant and equipment	427,834	418,543
Other receivables – Non current	29,238	29,058
Current assets	<u>940,495</u>	<u>750,339</u>
Total assets	<u>1,397,567</u>	<u>1,197,940</u>
EQUITY & LIABILITIES		
Shareholders' funds	766,033	639,633
Non-current liabilities	58,200	71,717
Current liabilities	<u>573,334</u>	<u>486,590</u>
Total Equity & Liabilities	<u>1,397,567</u>	<u>1,197,940</u>

Abridged Statement of Cash Flow for half-year period ended 30 June 2019

	2019 K'000	2018 K'000
Net cash from Operating activities	(51,366)	(165,546)
Net cash used in Investing activities	(9,738)	531
Net cash used in Financing activities	59,670	36,447
Decrease in Cash and Cash equivalents	(1,434)	(128,568)
Cash and Cash equivalents at the beginning of the year	(270,486)	(141,918)
Cash and Cash equivalents as at half-year ended 30 June 2019	<u>(271,920)</u>	<u>(270,486)</u>

Abridged Statement of changes in equity for half-year period ended 30 June 2019

	As at 30-Jun-19 K'000'	As at 30-Jun-18 K'000'
Balance at the beginning of the year	646,205	610,197
Profit for the period	51,028	45,904
Other comprehensive income	<u>1,176</u>	<u>1,104</u>
Total comprehensive Income	698,409	657,205
Dividend paid	<u>0</u>	<u>(11,000)</u>
Balance at the end of the period	<u>698,409</u>	<u>646,205</u>

REVIEW OF FINAL RESULTS FOR FIRST HALF OF 2019

Company Performance

The Company recorded for the half-year ended 30 June 2019 a profit before tax of K78.27 million compared to K61.48 million recorded in the previous financial year. Volumes were 3.8% lower than those achieved for the same period last year.

A profit before finance costs, taxation and exchange gains of K102.48 million was achieved for the half-year ended 30 June 2019 compared to K86.46 million for the previous year.

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

1. Volumes for the period reduced by 3.8% compared to the same period in 2018. This was primarily due underperformance on lubricants sales and aviation. This is expected to improve in the second half of the year.
2. During the period under review, the Company invested over K9.292 million in capital projects mainly in its Retail Network and this will increase in the second half of the year.
3. During the period under review, the Kwacha depreciated by about 30% against the United States Dollar from K9.9 in 2018 to K12.88 in 2019.

PROSPECTS

With the Company's new business prospects in some of its key business segments coupled with other positive strategic initiatives being put in place, sales volumes performance is expected to normalise in 2019. The strong investment program will provide added benefits to the business and hence, the Company is confident that it will continue to remain a key player in the energy sector.

Safety of operations and personnel will remain a key priority.

INTERIM DIVIDEND

On account of liquidity challenges caused by substantial sums of receivables, whose timing of realisation is uncertain, the Board of Directors resolved not to recommend a dividend for the half-year ended 30 June 2019.

By order of the Board
Kalunga Lutato
Company Secretary

Issued in Lusaka, Zambia on 13 September 2019

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STOCKBROKERS ZAMBIA LIMITED	Stockbrokers Zambia Limited (SBZ) is a founder member of the Lusaka Securities Exchange and is regulated by the Securities and Exchange Commission of Zambia

First Issued on 13 September 2019