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## **BRAINWORKS INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2018 DELIVER AN INCREASE IN EARNINGS PER SHARE**

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**Brainworks – a Mauritian-based JSE-listed holding company with a diversified Zimbabwean investment portfolio** - announced its interim results for the six months ended 30 June 2018 (“HY18”), showing a revenue increase of 28% to US\$31 million compared to US\$24 million for the comparative period (“HY17”). Profit for the period of \$7.3 million favourably compares to the \$5.2m loss for the same period last year and the \$8m loss for the year ended 31<sup>st</sup> December 2017. Earnings per share increased by 206% to 7.41 cents per share compared to the loss per share of 6.99 cents for HY17. During HY18 Brainworks successfully disposed of its equity investments in financial services.

CEO Brett Childs says: *“It has been extremely gratifying to see the Group’s strategy begin to deliver. The growth in revenue was underpinned by an exceptional occupancy growth rate in our hotels which was partly due to optimism around the recent changes in the Zimbabwean political landscape translating into an increase in the number of arrivals in the country. Our other investments also performed well. The sale of our financial services businesses was an integral part of our strategy as we can now focus on implementing our value chain integration”.*

The disposal of the Group’s equity investments in GetSure and GetBucks was a positive step toward refocusing the Group. Brainworks is now focusing on integrating the Group’s logistics business as a support function to the hospitality, leisure and real estate components.

Headline loss per share improved by 91.01% to 0.63 cents per share compared to the headline loss per share of 7.01 cents for HY17.

The second half of 2018 is the peak trading season for the Group and performance is expected to increase as there is a strong anticipation of foreign arrivals at the new Victoria Falls Airport. Other infrastructure projects such as the refurbishment of the Robert Gabriel Mugabe International Airport (Harare) will lead to further improvement in our city hotels’ occupation and rates.

The real estate segment is expected to contribute to Group revenue growth and profitability for the year after completing its maiden residential development project.

Group debt decreased by 36% (US\$13.8 million) from US\$38.3million, as at the beginning of the current financial year to US\$24.5million as at 30 June 2018. The overall impact has been minimal as the debt reduction was achieved towards the end of HY18. The Group continues to focus on further reducing its debt and this focus should feed through into the financial performance in the second half of the current financial year.

No dividends were declared or paid during both the current and prior year interim period.

### **(Ends)**

Brainworks Limited and its subsidiaries and associates has a diversified portfolio of business interests in hospitality, real estate, and logistics sectors in Zimbabwe. Brainworks was incorporated in the Republic of Mauritius on 22 April 2013 and listed on the JSE Main Board on 13 October 2017. The company is domiciled in the Republic of Mauritius, the base currency in the country of operation is the United States Dollars and therefore this is regarded as the company’s reporting currency.

For more information visit the company’s website [www.brainworkscapital.com](http://www.brainworkscapital.com) or contact:

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**Brainworks Limited**

Incorporated in the Republic of Mauritius

(Registration number: 115883 C1/GBL)

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