

PHOENIX INVESTMENT COMPANY LIMITED

BRN: C07001362

CONDENSED AUDITED RESULTS FOR THE YEAR ENDED JUNE 30, 2019

CONDENSED STATEMENTS OF FINANCIAL POSITION

	THE GROUP		THE COMPANY	
	As at	As at	As at	As at
	30.06.19	30.06.18	30.06.19	30.06.18
	Rs'000	Rs'000	Rs'000	Rs'000
ASSETS				
Non-current assets				
Property, plant and equipment	3,945,533	3,772,624	-	-
Investments and others	805,327	808,977	2,958,659	3,060,682
	4,750,860	4,581,601	2,958,659	3,060,682
Current assets	1,926,443	1,745,345	7,848	7,171
Total assets	6,677,303	6,326,946	2,966,507	3,067,853
EQUITY AND LIABILITIES				
Equity and reserves				
Equity attributable to Owners of the Company	1,316,520	1,236,087	2,959,739	3,061,371
Non-controlling interests	3,086,827	2,910,752	-	-
Total equity	4,403,347	4,146,839	2,959,739	3,061,371
Non-current liabilities	1,004,280	1,014,454	-	-
Current liabilities	1,269,676	1,165,653	6,768	6,482
Total equity and liabilities	6,677,303	6,326,946	2,966,507	3,067,853

CONDENSED INCOME STATEMENTS

	THE GROUP		THE COMPANY	
	Year ended	Year ended	Year ended	Year ended
	30.06.19	30.06.18	30.06.19	30.06.18
	Rs'000	Rs'000	Rs'000	Rs'000
Revenue	7,776,717	7,250,973	-	-
Profit before finance income/(costs)	767,258	628,009	(2,413)	(2,716)
Finance income	1,314	1,041	67,845	55,602
Finance costs	(31,291)	(37,385)	-	-
	737,281	591,665	65,432	52,886
Share of results of associates	28	91	-	-
Profit before taxation	737,309	591,756	65,432	52,886
Tax expense	(107,660)	(121,880)	-	-
Profit for the year	629,649	469,876	65,432	52,886
Attributable to:				
Owners of the Company	194,185	144,264	65,432	52,886
Non-controlling interests	435,464	325,612	-	-
	629,649	469,876	65,432	52,886
Earnings per share				
Earnings attributable to Owners of the Company (Rs'000)	194,185	144,264	65,432	52,886
Number of shares in issue ('000)	5,685	5,685	5,685	5,685
Earnings per share (Rs.Cs)	34.16	25.38	11.51	9.30

CONDENSED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	THE GROUP		THE COMPANY	
	Year ended	Year ended	Year ended	Year ended
	30.06.19	30.06.18	30.06.19	30.06.18
	Rs'000	Rs'000	Rs'000	Rs'000
Total comprehensive income for the year	629,649	469,876	65,432	52,886
Profit for the year	629,649	469,876	65,432	52,886
<i>Other comprehensive income:</i>				
<i>Items that will not be reclassified to profit or loss</i>				
Gain on revaluation of property	-	160,772	-	-
Deferred tax on revaluation of property	-	(13,241)	-	-
Changes in fair value of equity instrument at fair value through other comprehensive income	-	-	(102,023)	-
Remeasurements of post employment benefit obligations	(187,394)	101,458	-	-
Deferred tax on post employment benefit obligations	31,737	(17,217)	-	-
<i>Items that may be reclassified subsequently to profit or loss</i>				
Movement in fair value	-	-	-	739,665
Exchange differences on translating foreign operations	(1,439)	13,319	-	-
Other movements on associates	(104)	1,304	-	-
Total comprehensive income for the year	472,449	716,271	(36,591)	792,551
Total comprehensive income attributable to:				
Owners of the Company	145,474	220,681	(36,591)	792,551
Non-controlling interests	326,975	495,590	-	-
	472,449	716,271	(36,591)	792,551

CONDENSED STATEMENTS OF CASH FLOWS

	THE GROUP		THE COMPANY	
	Year ended	Year ended	Year ended	Year ended
	30.06.19	30.06.18	30.06.19	30.06.18
	Rs'000	Rs'000	Rs'000	Rs'000
Net cash generated from/(used in) operating activities	738,970	724,214	(1,917)	(2,150)
Net cash (used in)/generated from investing activities	(462,499)	(294,021)	67,845	55,602
Net cash used in financing activities	(316,061)	(361,892)	(65,041)	(52,817)
Increase/(decrease) in cash and cash equivalents	(39,590)	68,301	887	635
Opening cash and cash equivalents	102,938	29,409	6,961	6,326
Effects of foreign exchange rate changes	6,557	5,228	-	-
Closing cash and cash equivalents	69,905	102,938	7,848	6,961

SEGMENTAL INFORMATION

	THE GROUP	
	Year ended	Year ended
	30.06.19	30.06.18
	Rs'000	Rs'000
Segment Revenue		
Local	6,451,728	5,951,007
Overseas	1,324,989	1,299,966
	7,776,717	7,250,973
Segment results		
Local	706,819	515,924
Overseas	61,753	113,126
	768,572	629,050

CONDENSED STATEMENTS OF CHANGES IN EQUITY

THE GROUP	Attributable to Owners of the Company						Non-controlling interests	Total
	Share capital	Share premium	Revaluation and other reserves	Fair value reserve	Retained earnings	Total		
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000		
At July 1, 2018	56,854	36,545	331,477	718	810,493	1,236,087	2,910,752	4,146,839
Total comprehensive (loss)/ income for the year	-	-	(446)	(32)	145,952	145,474	326,975	472,449
Transfers	-	-	135	-	(135)	-	-	-
Dividends	-	-	-	-	(65,041)	(65,041)	-	(65,041)
Dividends payable to non-controlling interests	-	-	-	-	-	-	(150,900)	(150,900)
At June 30, 2019	56,854	36,545	331,166	686	891,269	1,316,520	3,086,827	4,403,347
At July 1, 2017	56,854	36,545	280,612	313	693,899	1,068,223	2,538,832	3,607,055
Total comprehensive income for the year	-	-	49,895	405	170,381	220,681	495,590	716,271
Transfers	-	-	970	-	(970)	-	-	-
Dividends	-	-	-	-	(52,817)	(52,817)	-	(52,817)
Dividends payable to non-controlling interests	-	-	-	-	-	-	(123,670)	(123,670)
At June 30, 2018	56,854	36,545	331,477	718	810,493	1,236,087	2,910,752	4,146,839
THE COMPANY								
	Share capital	Share premium	Revaluation and other reserves	Fair value reserve	Retained earnings	Total		
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000		
At July 1, 2018	56,854	36,545	27	2,964,671	3,274	3,061,371		
Total comprehensive (loss)/ income for the year	-	-	-	(102,023)	65,432	(36,591)		
Dividends	-	-	-	-	(65,041)	(65,041)		
At June 30, 2019	56,854	36,545	27	2,862,648	3,665	2,959,739		
At July 1, 2017	56,854	36,545	27	2,225,006	3,205	2,321,637		
Total comprehensive income for the year	-	-	-	739,665	52,886	792,551		
Dividends	-	-	-	-	(52,817)	(52,817)		
At June 30, 2018	56,854	36,545	27	2,964,671	3,274	3,061,371		

COMMENTS

Results

Our Group sales volume for the 12 months to June 30, 2019 grew by 2.7% as compared to the corresponding period last year. Our operations in Mauritius posted solid results as reflected by the Company's financial performance. Turnover and profit after tax are up by 9.5% (from Rs 6.0Bn to Rs 6.6Bn) and 43.1% (from Rs 409M to Rs 585M) respectively when compared to last year. Our operations in Reunion Island registered a net profit of Rs 32.7M for the 12 month period as compared to a profit of Rs 79.3M for the same period in 2018. The shortfall in profit is mainly attributable to:

- Production constraints during the September to November period by virtue of an unexpected regulatory order temporarily reducing our supply of water used for production.
- Disruption to our production and commercial activities during the months of November and December resulting from the social unrest prevailing on the island.
- Lower sales volume in January 2019 compared to January 2018 where sales volume was boosted as a consequence of higher demand for bottled water due to heavy rains on the Island.

Group turnover for year 2019 grew by 7.3% over last year, i.e from Rs 7.3Bn to Rs 7.8Bn. Group profit for the period stood at Rs 630M as compared to Rs 470M for last year, representing an increase of 34.0%. Main highlights of our Group financial performance are as follows:

Group Financial Highlights

	2019	2018	2017
Turnover	Rs.M 7,776.7	7,251.0	6,414.9
Excise and other specific taxes	Rs.M (2,298.5)	(2,165.8)	(1,856.8)
Net turnover	Rs.M 5,478.2	5,085.2	4,558.1
Profit before tax	Rs.M 737.3	591.8	511.5
Profit after tax	Rs.M 629.6	469.9	392.8
EBITDA	Rs.M 1,061.9	909.9	827.9
EPS	Rs. 34.2	25.4	21.2
Gearing	10.5%	12.4%	18.8%

The Group is pursuing its strategic development both locally and regionally through monitoring of trends in consumer behaviour, innovation and investment in building capacity to sustain its growth. The Group remains focused on delivering sustainable stakeholders' value.

For and on behalf of the Board of Directors

IBL Management Ltd
Company Secretary
September 24, 2019

Notes:

The above condensed financial statements to June 30, 2019 have been audited by Ernst & Young. They have been prepared using the same accounting policies and methods of computation followed per the audited financial statements for the year ended June 30, 2019. The auditor's report to the financial statements is unqualified.

Copies of the above condensed audited financial statements, of the full audited financial statements and of the statement of direct and indirect interests of officers of the Company are available free of charge from the Company Secretary at the registered office of the Company, 4th Floor, IBL House, Caudan Waterfront, Port Louis.

The above condensed audited financial statements are issued pursuant to DEM Rule 18 and Section 88 of the Securities Act 2005.

The Board of Directors of Phoenix Investment Company Limited accepts full responsibility for the accuracy of the information contained in these condensed audited financial statements.