

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2019



TURNOVER*
Rs 4BN
6% (2018: Rs 3.8BN)

OPERATING PROFIT*
Rs 285M
15% (2018: Rs 336M)

SHARE OF ASSOCIATES
Rs 10M PROFIT
>100% (2018: Rs 21M loss)

TOTAL ASSETS
Rs 70BN
3% (JUNE 2019: Rs 68BN)

* from continuing operations

1. CONDENSED STATEMENTS OF FINANCIAL POSITION

	Sept 30, 2019	June 30, 2019
	Rs'000	Rs'000
ASSETS		
Non-current assets		
Property, plant and equipment	21,650,700	21,790,761
Investment properties	22,930,864	22,661,242
Investments in associated companies and jointly controlled entities	9,933,398	9,921,733
Other non-current assets	5,285,602	4,008,743
	59,800,564	58,382,479
Current assets	9,850,324	9,192,831
Assets classified as held-for-sale	230,224	217,115
Total assets	69,881,112	67,792,425
EQUITY AND LIABILITIES		
Equity and reserves		
Equity holders' interests	25,186,258	25,233,642
Non-controlling interests	12,549,918	11,898,256
Total equity and reserves	37,736,176	37,131,898
Non-current liabilities	24,222,410	22,156,081
Current liabilities	7,909,999	8,501,746
Liabilities associated with assets classified as held for sale	12,527	2,700
Total equity and liabilities	69,881,112	67,792,425

3. CONDENSED CASH FLOW STATEMENTS

	Quarter ended Sept 30, 2019	Quarter ended Sept 30, 2018
	Rs'000	Rs'000
Net cash flows from operating activities	45,569	(166,358)
Net cash flows from investing activities	(268,517)	(220,372)
Net cash flows from financing activities	931,535	83,856
Net movement in cash and cash equivalents	708,587	(302,874)
Opening cash and cash equivalents	449,042	219,576
Effects of exchange rate changes	(10,201)	(43)
Closing cash and cash equivalents	1,147,428	(83,341)

2. CONDENSED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter ended Sept 30, 2019	Quarter ended Sept 30, 2018
	Rs'000	Rs'000
Continuing operations		
Turnover	3,994,851	3,767,328
Operating profit	284,933	335,858
Fair value adjustment on revaluation of investment properties	31,276	-
Fair value adjustment on financial assets	(2,799)	(1,198)
Profit on sale of land and investments	10,929	10,621
Profit on disposal of subsidiary company	-	70,420
Share of profits less losses of associated companies and jointly controlled entities	10,467	(20,770)
Finance costs	(324,129)	(285,543)
Profit before taxation	10,677	109,388
Income tax expense	(55,967)	(47,897)
(Loss)/profit for the period from continuing operations	(45,290)	61,491
Post tax profit from discontinuing operations	1,424	663
(Loss)/profit for the period	(43,866)	62,154
Other comprehensive income		
Fair value movement on available for sale financial assets	2,538	(7,387)
Remeasurement of post employment benefit obligations net of deferred tax	-	700
Exchange difference	1,500	(4,600)
Share of comprehensive income of associates	44,027	(53,108)
Other comprehensive income for the period	48,065	(64,395)
Total comprehensive income for the period	4,199	(2,241)
(Loss)/profit for the period attributable to:		
Equity holders of the company	(91,977)	10,015
Non-controlling interests	48,111	52,139
	(43,866)	62,154
Total comprehensive income attributable to:		
Equity holders of the company	(82,719)	(23,758)
Non-controlling interests	86,918	21,517
	4,199	(2,241)
Per share data		
(Loss)/earnings attributable to equity holders of the company (Rs'000)	(91,977)	10,015
Basic number of ordinary shares in issue ('000) *	374,996	82,723
Basic (loss)/earnings per share (Rs)	(0.25)	0.12
Net asset value per share (Sept 30, 2019/June 30, 2019) (Rs)	67.16	67.29

* The basic number of shares for 2018 has been restated to reflect the number of ordinary shares of La Sablonnière Limited post conversion

4. SEGMENTAL INFORMATION ON CONTINUING OPERATIONS

	Quarter ended Sept 30, 2019	Quarter ended Sept 30, 2018
	Rs'000	Rs'000
TURNOVER		
Agro-industry	266,524	309,731
Commerce and industry	1,105,303	840,780
Real estate	663,693	654,052
Land and investment	3,393	5,230
Hospitality	892,904	809,744
Logistics	861,900	934,146
Fintech	200,048	212,610
Corporate office	1,086	1,035
	3,994,851	3,767,328
SEGMENT RESULTS AFTER TAXATION		
Agro-industry	7,473	49,398
Commerce and industry	44,374	18,030
Real estate	87,859	164,124
Land and investment	(113,627)	(111,930)
Hospitality	(67,833)	(120,642)
Logistics	48,326	44,297
Fintech	(41,160)	18,160
Corporate office	(10,702)	54
	(45,290)	61,491

5. CONDENSED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the parent					Total	Non-controlling interests	Total
	Share capital	Treasury shares	Associated companies	Fair value and other reserves	Retained earnings			
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000			
At July 1, 2019	3,607,987	(250,000)	2,509,336	9,285,495	10,080,824	25,233,642	11,898,256	37,131,898
Issue of shares in subsidiaries to non-controlling shareholders	-	-	-	-	-	-	600,000	600,000
Effect of change in ownership interest not resulting in loss of control	-	-	90,044	-	(54,709)	35,335	(35,256)	79
Transfers	-	-	-	(3,841)	3,841	-	-	-
(Loss)/profit for the period	-	-	(13,684)	-	(78,293)	(91,977)	48,111	(43,866)
Other comprehensive income for the period	-	-	8,497	761	-	9,258	38,807	48,065
At Sept 30, 2019	3,607,987	(250,000)	2,594,193	9,282,415	9,951,663	25,186,258	12,549,918	37,736,176

COMMENTS ON THE FINANCIAL STATEMENTS

The Group posted a 6% increase in turnover, driven mainly by the good performance of Axess. Operating profit decreased as a result of the continuing difficulties of the sugar sector and the negative impact of IFRS 9. Excluding the impact of these two items which amounted to some Rs 60m, operational performance was in line with last year.

Associated companies contributed positively to group results compared with a share of loss last year. This is mainly attributable to lower losses incurred by New Mauritius Hotels for the quarter.

The Group incurred a loss of Rs 44m after taxation compared with a profit of Rs 62m for the quarter ended 30 September 2018 when the results were impacted positively by a profit of Rs 70m from the disposal of a subsidiary.

The Group has benefitted from the injection of Rs 600m in the shareholding of VLH by Amethis Finance. These funds will be utilised to spur the development of our hospitality offering mainly in the Bel Ombre region.

We have obtained approval to enlarge the Moka Smart City by 534 arpents in line with our masterplan. Concurrently, the Group is currently finalising an equity participation of some Rs 3.5bn from local institutions together with debt finance of Rs 2.4bn to build state of the art infrastructure and amenities within the Moka Smart City precinct and to accelerate the development of its office fund. The Group is thus well equipped to execute its plan for the development of the Moka region which is one of the key levers of its strategy.

The Group's main operational segments, except cane activities, are expected to perform well for the year. The results will however be impacted by the coming into force of the Workers' Rights Act.

The Company has declared an interim dividend of Rs 0.45 per share for the year ending 30 June 2020.

By order of the Board
ENL Secretarial Services Limited
Company Secretary

14 November 2019

Notes:

The interim financial statements to September 30, 2019 are unaudited. 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 except for the adoption of new IFRS issued which are now effective.

These condensed financial statements are issued pursuant to Listing Rules 12.20 and 12.21 and section 88 of the Securities Act 2005.

Copies of this report are available free of charge to the public at the registered office of the company at ENL House, Vivéa Business Park, Moka.

Copies of the statement of direct and indirect interests of the senior officers of the Company pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 are available free of charge to the public upon request to the Company Secretary at the registered office of the Company at ENL House, Vivéa Business Park, Moka.

The Board of Directors of ENL Limited accepts full responsibility for the accuracy of the information contained in this communiqué.

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