

PHOENIX INVESTMENT COMPANY LIMITED

ABRIDGED UNAUDITED RESULTS FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER 2020

BRN: C07001226

ABRIDGED STATEMENTS OF FINANCIAL POSITION

| | THE GROUP | | THE COMPANY | |
|--|--------------------------|------------------------|--------------------------|------------------------|
| | As at 31.12.20 Unaudited | As at 30.06.20 Audited | As at 31.12.20 Unaudited | As at 30.06.20 Audited |
| | MUR '000 | MUR '000 | MUR '000 | MUR '000 |
| ASSETS | | | | |
| Non-current assets | | | | |
| Property, plant and equipment | 4,239,238 | 4,196,083 | - | - |
| Investments and others | 1,220,685 | 1,191,029 | 3,014,772 | 3,132,097 |
| | 5,459,923 | 5,387,112 | 3,014,772 | 3,132,097 |
| Current assets | 2,463,141 | 1,756,881 | 5,463 | 44,368 |
| Total assets | 7,923,064 | 7,143,993 | 3,020,235 | 3,176,465 |
| EQUITY AND LIABILITIES | | | | |
| Equity and reserves | | | | |
| Equity attributable to Owners of the Company | 1,431,759 | 1,319,878 | 3,015,652 | 3,133,109 |
| Non-controlling Interests | 3,342,002 | 3,093,549 | - | - |
| Total equity | 4,773,761 | 4,413,427 | 3,015,652 | 3,133,109 |
| Non-current liabilities | 1,377,820 | 1,429,878 | - | - |
| Current liabilities | 1,771,483 | 1,300,688 | 4,583 | 43,356 |
| Total equity and liabilities | 7,923,064 | 7,143,993 | 3,020,235 | 3,176,465 |

ABRIDGED INCOME STATEMENTS

| | THE GROUP | | | | THE COMPANY | | | |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | 3 Months to 31.12.20 Unaudited | 3 Months to 31.12.19 Unaudited | 6 Months to 31.12.20 Unaudited | 6 Months to 31.12.19 Unaudited | 3 Months to 31.12.20 Unaudited | 3 Months to 31.12.19 Unaudited | 6 Months to 31.12.20 Unaudited | 6 Months to 31.12.19 Unaudited |
| | MUR '000 | MUR '000 | MUR '000 | MUR '000 | MUR '000 | MUR '000 | MUR '000 | MUR '000 |
| Revenue | 2,515,878 | 2,624,942 | 4,290,173 | 4,406,388 | 20,405 | 20,405 | 20,405 | 24,485 |
| Profit before finance costs | 334,973 | 330,237 | 334,576 | 426,554 | 19,402 | 19,529 | 18,971 | 22,735 |
| Finance costs | (16,044) | (7,250) | (32,595) | (20,073) | - | - | - | - |
| | 318,929 | 322,987 | 301,981 | 406,481 | 19,402 | 19,529 | 18,971 | 22,735 |
| Share of results of associates | 2,805 | (24) | 187 | 34 | - | - | - | - |
| Profit before taxation | 321,734 | 322,963 | 302,168 | 406,515 | 19,402 | 19,529 | 18,971 | 22,735 |
| Tax expense | (44,766) | (46,565) | (51,796) | (63,873) | - | - | - | - |
| Profit for the period | 276,968 | 276,398 | 250,372 | 342,642 | 19,402 | 19,529 | 18,971 | 22,735 |
| Attributable to: | | | | | | | | |
| Owners of the Company | 85,337 | 84,983 | 111,877 | 105,019 | 19,402 | 19,529 | 18,971 | 22,735 |
| Non-Controlling Interests | 191,631 | 191,415 | 251,346 | 237,623 | - | - | - | - |
| | 276,968 | 276,398 | 363,223 | 342,642 | 19,402 | 19,529 | 18,971 | 22,735 |
| Earnings per Share | | | | | | | | |
| Earnings attributable to Owners of the Company (MUR '000): | 85,337 | 84,983 | 111,877 | 105,019 | 19,402 | 19,529 | 18,971 | 22,735 |
| Number of shares in issue ('000) | 5,685 | 5,685 | 5,685 | 5,685 | 5,685 | 5,685 | 5,685 | 5,685 |
| Earnings per share (MUR): | 15.01 | 14.95 | 19.68 | 18.47 | 3.41 | 3.44 | 3.34 | 4.00 |

ABRIDGED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | THE GROUP | | | | THE COMPANY | | | |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | 3 Months to 31.12.20 Unaudited | 3 Months to 31.12.19 Unaudited | 6 Months to 31.12.20 Unaudited | 6 Months to 31.12.19 Unaudited | 3 Months to 31.12.20 Unaudited | 3 Months to 31.12.19 Unaudited | 6 Months to 31.12.20 Unaudited | 6 Months to 31.12.19 Unaudited |
| | MUR '000 | MUR '000 | MUR '000 | MUR '000 | MUR '000 | MUR '000 | MUR '000 | MUR '000 |
| Profit for the period | 276,968 | 276,398 | 363,223 | 342,642 | 19,402 | 19,529 | 18,971 | 22,735 |
| <i>Other Comprehensive income/(loss):</i> | | | | | | | | |
| <i>Items that may be reclassified subsequently to profit or loss:</i> | | | | | | | | |
| Exchange differences on translating foreign operations | 32,799 | 15,088 | 64,525 | 7,641 | - | - | - | - |
| Increase/(Decrease) in fair value of securities | - | - | - | - | 56,113 | 188,743 | (117,325) | (20,404) |
| Other movements in associates | (2,636) | 75 | (2,929) | - | - | - | - | - |
| Total comprehensive income/(loss) for the period | 307,131 | 291,561 | 424,819 | 350,283 | 75,515 | 208,272 | (98,354) | 2,331 |
| Total comprehensive income/(loss) attributable to: | | | | | | | | |
| Owners of the Company | 94,692 | 89,687 | 130,983 | 107,390 | 75,515 | 208,272 | (98,354) | 2,331 |
| Non-controlling interests | 212,439 | 201,874 | 293,836 | 242,893 | - | - | - | - |
| | 307,131 | 291,561 | 424,819 | 350,283 | 75,515 | 208,272 | (98,354) | 2,331 |

ABRIDGED STATEMENTS OF CASH FLOWS

| | THE GROUP | | THE COMPANY | |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | 6 Months to 31.12.20 Unaudited | 6 Months to 31.12.19 Unaudited | 6 Months to 31.12.20 Unaudited | 6 Months to 31.12.19 Unaudited |
| | MUR '000 | MUR '000 | MUR '000 | MUR '000 |
| Net cash generated from/(used in) operating activities | 301,716 | 238,271 | (751) | (1,495) |
| Net cash (used in)/generated from investing activities | (112,456) | (310,965) | 61,214 | 24,485 |
| Net cash used in financing activities | (215,310) | (71,655) | (58,559) | (23,196) |
| (Decrease)/increase in cash and cash equivalents | (26,050) | (144,349) | 1,904 | (206) |
| Opening cash and cash equivalents | 66,519 | 69,905 | 3,559 | 7,848 |
| Effects of foreign exchange rate changes | 5,267 | 1,476 | - | - |
| Closing cash and cash equivalents | 45,736 | (72,968) | 5,463 | 7,642 |

SEGMENTAL INFORMATION

| | THE GROUP | | | |
|------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | 3 Months to 31.12.20 Unaudited | 3 Months to 31.12.19 Unaudited | 6 Months to 31.12.20 Unaudited | 6 Months to 31.12.19 Unaudited |
| | MUR '000 | MUR '000 | MUR '000 | MUR '000 |
| Segment revenue | | | | |
| Local | 2,115,728 | 2,238,973 | 3,583,247 | 3,739,471 |
| Overseas | 400,150 | 385,969 | 706,926 | 666,917 |
| | 2,515,878 | 2,624,942 | 4,290,173 | 4,406,388 |
| Segment results | | | | |
| Local | 261,455 | 298,030 | 349,827 | 394,423 |
| Overseas | 73,518 | 32,207 | 101,696 | 32,131 |
| | 334,973 | 330,237 | 451,523 | 426,554 |

ABRIDGED STATEMENTS OF CHANGES IN EQUITY

| THE GROUP | Attributable to Owners of the Company | | | | | | |
|--|---------------------------------------|---------------|--------------------------------|--------------------|-------------------|-----------|---------------------------|
| | Share Capital | Share Premium | Revaluation and Other Reserves | Fair Value Reserve | Retained Earnings | Total | Non-Controlling Interests |
| | MUR '000 | MUR '000 | MUR '000 | MUR '000 | MUR '000 | MUR '000 | MUR '000 |
| At 1 July 2020 | 56,854 | 36,545 | 352,460 | 393 | 873,626 | 1,319,878 | 3,093,549 |
| Total comprehensive income for the period | - | - | 20,016 | (909) | 111,877 | 130,984 | 293,836 |
| Dividends | - | - | - | - | (19,103) | (19,103) | (45,383) |
| At 31 December 2020 | 56,854 | 36,545 | 372,476 | (516) | 966,400 | 1,431,759 | 3,342,002 |
| At 1 July 2019 | 56,854 | 36,545 | 331,166 | 686 | 891,269 | 1,316,520 | 3,086,827 |
| Impact on adoption of IFRS 16 | - | - | - | - | (3,047) | (3,047) | (6,775) |
| Total comprehensive income for the period | - | - | 2,370 | - | 105,019 | 107,389 | 242,893 |
| Transfer | - | - | 29 | - | (29) | - | - |
| Dividends | - | - | - | - | (23,196) | (23,196) | (54,461) |
| At 31 December 2019 | 56,854 | 36,545 | 333,565 | 686 | 970,016 | 1,397,666 | 3,268,484 |
| At 1 July 2020 | 56,854 | 36,545 | 27 | 2,862,648 | 3,597 | 3,036,086 | 3,597 |
| Total comprehensive (loss)/income for the period | - | - | - | - | (117,325) | (117,325) | 18,971 |
| Dividends | - | - | - | - | - | - | (19,103) |
| At 31 December 2020 | 56,854 | 36,545 | 27 | 2,918,761 | 3,465 | 3,015,652 | 3,133,109 |
| At 1 July 2019 | 56,854 | 36,545 | 27 | 2,862,648 | 3,665 | 3,036,086 | 3,597 |
| Total comprehensive (loss)/income for the period | - | - | - | - | (20,404) | (20,404) | 22,735 |
| Dividends | - | - | - | - | - | - | (23,196) |
| At 31 December 2019 | 56,854 | 36,545 | 27 | 2,842,244 | 3,204 | 2,842,244 | 2,938,874 |

COMMENTS

Sales volume in both Mauritius and Reunion Island for the 6 months to 31 December 2020 is lower by 9.8% and 3.2% respectively as compared to the corresponding period last year. Group sales volume decreased by 8.0% over the same period.

Turnover at company level of our subsidiary, Phoenix Beverages Ltd, decreased by 4.1% from MUR 3,774M to MUR 3,621M and profit after taxation for the period decreased from MUR 322.4M to MUR 285.5M. Even though our overhead costs for the period were reduced by MUR 71.3M compared to last year, the reduction in profitability is due to the combined effect of reduction in sales volume, increase in production and logistic costs and unfavourable exchange difference.

Turnover from our operations in Reunion Island has decreased from EUR 15.7M to EUR 14.0M, however turnover retranslated in the reporting currency increased by 3.8% from MUR 631.6M to MUR 655.4M due to the appreciation of the EURO vis-a-vis MUR. Net profit after tax for the period stands at MUR 34.2M compared to MUR 21.2M in 2019. Group turnover for the 6 months under review was MUR 4,290M (2019: MUR 4,406M).

Group profit after taxation for the period stands at MUR 363.2M (2019: MUR 342.6M) representing an increase of 6.0% from last year. The improvement in our Group performance is explained by:

- Enhanced performance of Reunion activities coupled by favourable retranslation gain
- Unrealised exchange gain from our export subsidiary

Outlook

Despite this unprecedented economic situation, the Group continues with its plan to both increase production capacity and launch new products.

For and on behalf of the Board of Directors

IBL Management Ltd
Company Secretary

11 February 2021

Notes:

The above abridged quarterly and half-yearly financial statements to 31 December 2020 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 30 June 2020.

Copies of these unaudited abridged quarterly and half-yearly 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 unaudited abridged quarterly and half-yearly financial statements are issued pursuant to DEM Rule 17 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 unaudited abridged quarterly and half-yearly financial statements.