

# Abridged audited Financial Statements

For the Year Ended 30 June 2019



Statement of profit or loss (Abridged)	THE GROUP	
	AUDITED	
	Year Ended	Year Ended
	30.06.2019	30.06.2018
		Restated*
	Rs000	Rs000
<b>Continuing operations</b>		
Revenue	39,258,613	36,851,490
Profit from operations	2,219,976	2,396,225
Share of results of associates and joint ventures	485,861	327,080
Other gains and losses	(15,202)	777,016
Net finance costs	(909,163)	(753,085)
Profit before taxation	1,781,472	2,747,236
Taxation	(427,748)	(343,927)
<b>Profit for the year from continuing operations</b>	<b>1,353,724</b>	<b>2,403,309</b>
<b>Discontinued operations</b>		
Gain / (loss) for the year from discontinued operations	41,931	(20,437)
<b>Profit for the year</b>	<b>1,395,655</b>	<b>2,382,872</b>
<b>Statement of other comprehensive income (Abridged)</b>		
Profit for the year	1,395,655	2,382,872
Other comprehensive income for the year	(472,728)	548,658
<b>Total comprehensive income for the year</b>	<b>922,927</b>	<b>2,931,530</b>
Profit attributable to :-		
Owners of the parent	428,420	1,508,967
Non-controlling interests	967,235	873,905
	1,395,655	2,382,872
Total comprehensive income attributable to :-		
Owners of the parent	174,178	1,883,227
Non-controlling interests	748,749	1,048,303
	922,927	2,931,530
Earnings per share (Rs)		
Number of shares	680,224,040	680,224,040
- From continuing and discontinued operations	0.63	2.22
- From continuing operations	0.57	2.25
Net assets per share (Rs)	23.89	24.94

Segmental Information	THE GROUP	
	AUDITED	
	Year Ended	Year Ended
	30.06.2019	30.06.2018
		Restated*
	Rs000	Rs000
<b>Revenue</b>		
Agro	-	-
Building & Engineering	8,735,373	8,666,613
Commercial	13,738,603	13,029,907
Financial & Other Services	1,807,512	1,678,319
Hospitality	6,265,658	5,850,491
Life	206,286	179,278
Logistics	1,910,660	1,587,426
Manufacturing & Processing	8,921,380	8,255,847
Property	837,294	709,747
Corporate services	171,468	221,172
Consolidation adjustment	(3,335,621)	(3,327,310)
<b>Revenue from continuing operations</b>	<b>39,258,613</b>	<b>36,851,490</b>

	THE GROUP	
	AUDITED	
	Year Ended	Year Ended
	30.06.2019	30.06.2018
		Restated*
	Rs000	Rs000
<b>Profit from operations</b>		
Agro	-	-
Building & Engineering	597,904	637,643
Commercial	144,940	329,909
Financial & Other Services	30,963	216,576
Hospitality	819,478	660,394
Life	1,637	(41,383)
Logistics	66,673	97,539
Manufacturing & Processing	1,026,400	857,496
Property	120,964	98,320
Corporate services	(502,204)	(385,268)
Consolidation adjustment	(86,779)	(75,001)
<b>Profit from operations from continuing operations</b>	<b>2,219,976</b>	<b>2,396,225</b>

	THE GROUP	
	AUDITED	
	Year Ended	Year Ended
	30.06.2019	30.06.2018
		Restated*
	Rs000	Rs000
<b>Share of results of associates and joint ventures</b>		
Agro	(227,196)	109,957
Building & Engineering	19,621	10,473
Commercial	(4,456)	3,669
Financial & Other Services	547,338	292,654
Hospitality	-	-
Life	14,943	12,868
Logistics	-	(750)
Manufacturing & Processing	127,185	(107,856)
Property	-	-
Corporate services	8,426	6,065
<b>Share of results of associates and joint ventures</b>	<b>485,861</b>	<b>327,080</b>

## Group results for the year ended 30 June 2019 shows sustained growth with turnover and underlying profit increasing by 7% and 8% respectively.

Statement of financial position (Abridged)	THE GROUP	
	AUDITED	
	As At	As At
	30.06.2019	30.06.2018
		Restated*
	Rs000	Rs000
<b>Assets</b>		
Property, plant and equipment	26,266,524	26,532,127
Investment properties	3,029,416	2,446,108
Intangible assets	3,668,387	3,561,951
Investments	9,819,078	10,154,409
Deferred tax assets	170,115	359,277
Other assets	272,247	13,261
Non-current assets	43,225,767	43,067,133
Current assets	16,511,910	14,560,784
Assets classified as held for sale	699,384	1,845,878
<b>Total Assets</b>	<b>60,437,061</b>	<b>59,473,795</b>
<b>Equity and Liabilities</b>		
Equity attributable to owners of the parent	16,251,449	16,962,187
Non-controlling interests	11,522,590	11,452,714
Total equity	27,774,039	28,414,901
Non-current liabilities	14,140,432	14,414,219
Current liabilities	18,096,742	15,350,836
Liabilities associated with assets classified as held for sale	425,848	1,293,839
<b>Total Equity and Liabilities</b>	<b>60,437,061</b>	<b>59,473,795</b>

Statement of cash flows (Abridged)	THE GROUP	
	AUDITED	
	Year Ended	Year Ended
	30.06.2019	30.06.2018
		Restated*
	Rs000	Rs000
Net cash generated from operating activities	2,018,520	2,618,063
Net cash used in investing activities	(2,060,851)	(3,963,245)
Net cash (used in) / generated from financing activities	(1,963,542)	3,815,578
Net (decrease) / increase in cash and cash equivalents	(2,005,873)	2,470,396
Net foreign exchange difference	(2,318)	(6,129)
Cash and cash equivalents at 1 July	(1,157,920)	(3,622,187)
<b>Cash and cash equivalents at 30 June</b>	<b>(3,166,111)</b>	<b>(1,157,920)</b>

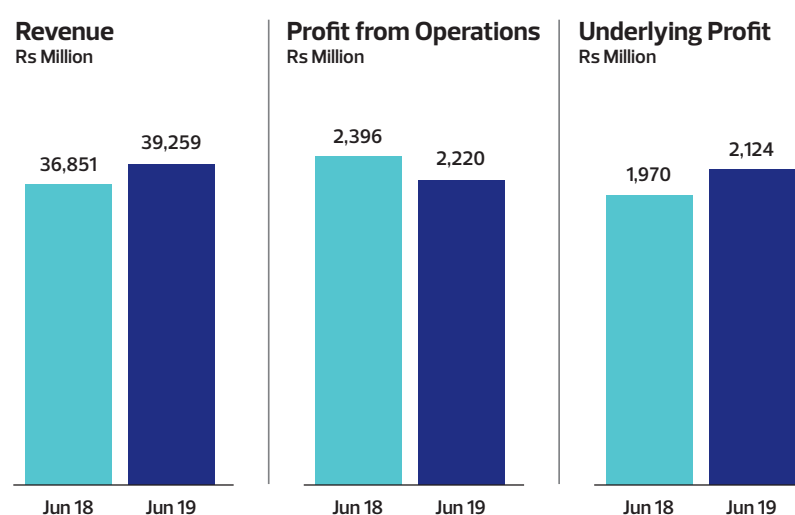
Statement of Changes in Equity (Abridged)	THE GROUP		
	AUDITED		
	Owners of the parent	Non-controlling interests	Total equity
	Rs000	Rs000	Rs000
<b>Audited</b>			
At 1 July 2017, as restated*	16,165,632	10,631,629	26,797,261
Total comprehensive income	1,883,227	1,048,303	2,931,530
Other movements	(590,108)	189,863	(400,245)
Dividends paid to non-controlling interests	-	(417,081)	(417,081)
Dividends	(496,564)	-	(496,564)
<b>At 30 June 2018</b>	<b>16,962,187</b>	<b>11,452,714</b>	<b>28,414,901</b>
<b>Audited</b>			
At 1 July 2018:			
- As previously stated	16,962,187	11,452,714	28,414,901
- Effect of adopting new accounting standards**	(299,124)	(44,621)	(343,745)
- As restated	16,663,063	11,408,093	28,071,156
Total comprehensive income	174,178	748,749	922,927
Other movements	(62,019)	(52,938)	(114,957)
Dividends paid to non-controlling interests	-	(581,314)	(581,314)
Dividends	(523,773)	-	(523,773)
<b>At 30 June 2019</b>	<b>16,251,449</b>	<b>11,522,590</b>	<b>27,774,039</b>

\* The Group has booked prior year adjustments and adjusted its comparatives.

\*\* The Group has recorded the impact of applying IFRS 9 and IFRS 15 for the first time on its 1 July 2018 financial statements.

The abridged audited consolidated financial statements for the year ended 30 June 2019 have been extracted from the annual consolidated financial statements which have been prepared in accordance with the Mauritius Companies Act and the Financial Reporting Act and comply with International Financial Reporting Standards, taking into consideration all revised IAS and new IFRS effective for accounting periods beginning on 1 July 2018. The independent auditors' report to the consolidated financial statements is unqualified.

## Year on year performance highlights



**Comments**  
The Board of IBL Ltd is pleased to present the Group's audited abridged financial statements for the year ended 30 June 2019 ("FY 2019").

The financial highlights have been prepared in accordance with International Financial Reporting Standards (IFRS) and on the same basis as the accounting policies set out in the audited statutory financial statements for the year ended 30 June 2019.

## Highlights for the Financial Year Ended 30 June 2019 (FY 2019)

The Group's Revenue for FY 2019 increased by 7% to Rs 39,259 million (FY 2018: Rs 36,851 million).

The Group saw its Underlying Profit for FY 2019 increase by 8% to Rs 2,124 million (FY 2018: Rs 1,970 million). Underlying Profit is a key performance indicator for the Group and is defined as Profit Before Tax (PBT) excluding Other Gains and Losses. It includes the share of Other Gains and Losses occurring in Associates. Given the changes to Accounting Standards in the current year, namely IFRS 9 and 15, which impacted both Revenues and PBT for FY 2019 only, an adjustment was also made for the impact of implementing these standards to the PBT of FY 2019 to derive the Underlying Profit.

Reported Profit from Operations decreased by Rs 176 million with the impact of new investments made over the last two years accounting for Rs 39 million of the drop. These newly acquired businesses are still undergoing restructuring and the full extent of their potential has not yet been reached. Most of the existing on-going businesses within the Group generated an increase in operating profit despite challenges in some sectors, explained further below. Implementation of IFRS 9 & 15 contributed to Rs 48m drop in Operating Profit.

Reported Profit Before Tax for FY 2019 dropped to Rs 1,781 million mainly due to double-effect of non-recurring gains of Rs 777 million last year and a significant non-recurring event in the current year in one of our major associates - namely Alteo Ltd, adversely impacting our results by Rs 280 million.

## Overall results of each sector

**Building & Engineering: Profitability decreased due to lower volumes in Manser Saxon Group**

UBP fared well as a result of major infrastructure projects undertaken country wide. Shipbuilding revenues were lower for CNOI this year while Manser Saxon, could not match the benefits derived from large hotel projects last year.

**Commercial: Winner's drives turnover growth while performance is impacted by exceptional costs**

Brandactiv and Healthactiv posted stronger results despite increasing competition and margin pressure. In the pursuit of new growth strategies, Winner's incurred significant costs relating to its restructuring exercise, stock overhaul and business development. It is expected to be profitable going forward.

**Financial & Other Services: Overall sector results improving on the back of excellent results from AfrAsia**

AfrAsia delivered excellent results helped by lower credit impairment and stronger revenues. Sector result was offset by higher claims experienced in Eagle Insurance and an increase in business development costs in DTOS.

**Hospitality: LUX\* Grand Gaube full year operations contribute to solid performance of the Group**

All hotels were operational during the period and consequently the sector has reported higher revenue overall. A slight decrease in occupancy was offset by higher room rates. Merville Hotel is currently being rebuilt and will reopen as LUX\* Grand Baie in the first half of 2021. The spinoff of The Lux Collective (TLC) from LUX\* Island Resort was completed in December 2018. TLC also moved its head office to Singapore during the year to capitalise on opportunities in Asia and boost its international footprint.

**Manufacturing & Processing: All major businesses in the sector register higher turnover and profits**

PhoenixBev posted a strong performance despite disruption in production for its operations in the second half of last calendar year. Seafood businesses recovered well from last year when fishing quotas adversely impacted performance. The results of PTM are getting back on track after two difficult years.

**Property: Real estate portfolio growing during the year under review**

Bloomage increased its gross letting area during the year and posted higher profits as a result. SALT of Palmar resumed operations in November 2018 following a major renovation which has attracted acclaim. The performance of BlueLife is still suffering from low sales volume of its future phase inventory and has also been affected by the application of new IFRS.

**Logistics: Increased competition adversely impact profitability**

The Group's Logistics sector continues to innovate which explains the increase in turnover of 20% compared to last year. Operating profits were affected by lower margins and investments in new facilities which are gradually helping to increase business volumes.

**Life: Good recovery from last year**

The cluster benefitted from the turnaround of CIPD which now shows a profit. Proximed, a former associate, was disposed in the last quarter of 2019.

**Agro: Challenging conditions continue to affect results**

Good results from overseas operations in Tanzania and Kenya were insufficient to counter the impact of low sugar prices in Mauritius. Alteo Group impaired its Industrial cluster and the share of loss recognised by IBL amounts to Rs 280 million.

## Outlook

The first quarter of this financial year is expected to show a good performance for the Group and the upward trend in underlying profit is expected to continue.

## By Order of the Board

IBL Management Ltd  
Company Secretary  
27 September 2019

Copies of the abridged financial statements (which can also be viewed on the website [www.iblgroup.com](http://www.iblgroup.com)) and the statement of direct and indirect interests of officers of the Company are available free of charge, upon request made to the Company Secretary, 4<sup>th</sup> Floor, IBL House, Caudan, Port Louis, Mauritius.

The above abridged financial statements are issued pursuant to Listing Rule 12.14 and Securities Act 2005. The Board of Directors of IBL Ltd accepts full responsibility for the accuracy of the information contained in these abridged financial statements.