

Abridged Unaudited Financial Statements

For the Half Year Ended 31 December 2022



Statements of profit or loss (Abridged)

	THE GROUP	
	Unaudited	
	Half Year Ended	Half Year Ended
	31.12.2022	31.12.2021
Continuing operations		
	Rs000	Rs000
Revenue	27,056,106	21,904,928
Profit from operations	1,987,102	1,650,284
Share of results of associates and joint ventures	526,818	230,434
Other gains and losses	(386,301)	225,772
Net finance costs	(861,980)	(634,438)
Profit before taxation	1,265,639	1,472,052
Taxation	(87,194)	(132,105)
Profit for the period from continuing operations	1,178,445	1,339,947
Discontinued operations		
Profit for the period from discontinued operations*	543,310	229,351
Profit for the period	1,721,755	1,569,298

Statements of other comprehensive income (Abridged)

Profit for the period	1,721,755	1,569,298
Other comprehensive loss for the period	(458,443)	(141,727)
Total comprehensive income for the period	1,263,312	1,427,571
Profit attributable to :-		
Owners of the parent	1,203,308	996,781
Non-controlling interests	518,447	572,517
	1,721,755	1,569,298
Total comprehensive income attributable to :-		
Owners of the parent	886,209	868,991
Non-controlling interests	377,103	558,580
	1,263,312	1,427,571
Earnings per share (Rs)		
Number of shares	680,224,040	680,224,040
- From continuing and discontinued operations	1.77	1.47
- From continuing operations	0.97	1.13
Net assets per share (Rs)	23.89	23.12

Segmental Information

	THE GROUP	
	Unaudited	
	Half Year Ended	Half Year Ended
	31.12.2022	31.12.2021
Revenue	Rs000	Rs000
Agro & Energy	421	330
Building & Engineering	4,715,756	3,757,717
Commercial & Distribution	16,569,790	13,971,033
Financial Services	1,551,756	1,287,849
Hospitality & Services	4,192,504	3,021,788
Life & Technologies	172,001	163,288
Logistics	1,086,709	966,952
Property	521,156	325,486
Seafood	991,108	707,913
Corporate Services	92,548	89,593
Consolidation Adjustments	(2,837,643)	(2,387,021)
Revenue from continuing operations	27,056,106	21,904,928

	THE GROUP	
	Unaudited	
	Half Year Ended	Half Year Ended
	31.12.2022	31.12.2021
Profit from operations	Rs000	Rs000
Agro & Energy	(27,664)	(13,401)
Building & Engineering	238,208	357,892
Commercial & Distribution	995,159	824,175
Financial Services	23,626	90,277
Hospitality & Services	679,289	421,113
Life & Technologies	(51,746)	1,835
Logistics	29,106	34,993
Property	166,474	74,871
Seafood	215,275	144,175
Corporate Services	(141,586)	(249,946)
Consolidation Adjustments	(139,039)	(35,700)
Profit from operations from continuing operations	1,987,102	1,650,284

	THE GROUP	
	Unaudited	
	Half Year Ended	Half Year Ended
	31.12.2022	31.12.2021
Share of results of associates and joint ventures	Rs000	Rs000
Agro & Energy	257,571	201,299
Building & Engineering	9,433	7,196
Commercial & Distribution	134,344	(25)
Financial Services	33,233	29,849
Hospitality & Services	-	-
Life & Technologies	37,613	53,530
Logistics	-	-
Property	17	(435)
Seafood	46,571	(60,980)
Corporate Services	8,036	-
Share of results of associates and joint ventures	526,818	230,434

Strong local and regional growth for IBL Group, despite a challenging macro-economic environment

Statements of financial position (Abridged)

	THE GROUP		
	Unaudited		
	As at	As at	As at
	31.12.2022	30.06.2022	31.12.2021
Assets	Rs000	Rs000	Rs000
Property, plant and equipment	29,750,966	30,163,221	30,189,785
Investment properties	3,450,579	3,356,188	3,221,085
Intangible assets	2,477,725	2,477,409	2,871,179
Investments	12,674,491	8,289,831	8,558,292
Deferred tax assets	346,260	287,942	535,170
Right of use assets	4,846,084	4,916,237	4,877,145
Other assets	607,411	88,961	86,958
Non-current assets	54,153,516	49,579,789	50,339,614
Current assets	26,926,421	22,663,088	20,398,290
Assets classified as held for sale	4,187,679	3,861,092	3,544,091
Total Assets	85,267,616	76,103,969	74,281,995

Equity and Liabilities

Equity attributable to owners of the parent	16,251,095	15,943,453	15,728,627
Other components of equity	1,465,283	1,465,283	749,083
Non-controlling interests	12,458,769	12,180,393	12,160,019
Total equity	30,175,147	29,589,129	28,637,729
Non-current liabilities	26,333,954	25,866,149	27,094,893
Current liabilities	28,409,637	20,194,110	18,128,759
Liabilities associated with assets classified as held for sale	348,878	454,581	420,614
Total Equity and Liabilities	85,267,616	76,103,969	74,281,995

Statements of cash flows (Abridged)

	THE GROUP		
	Unaudited		
	As at	As at	As at
	31.12.2022	30.06.2022	31.12.2021
	Rs000	Rs000	Rs000
Net cash generated from operating activities	828,660	3,442,335	1,627,958
Net cash used in investing activities	(5,888,561)	(2,473,525)	(1,347,153)
Net cash generated from / (used in) financing activities	2,723,271	(586,536)	461,082
Net (decrease) / increase in cash and cash equivalents	(2,336,630)	382,274	741,887
Net foreign exchange difference	26,935	81,063	(3,984)
Cash and cash equivalents at 1 July	2,854,567	2,391,230	2,391,230
Cash and cash equivalents at the end of the period / year	544,872	2,854,567	3,129,133

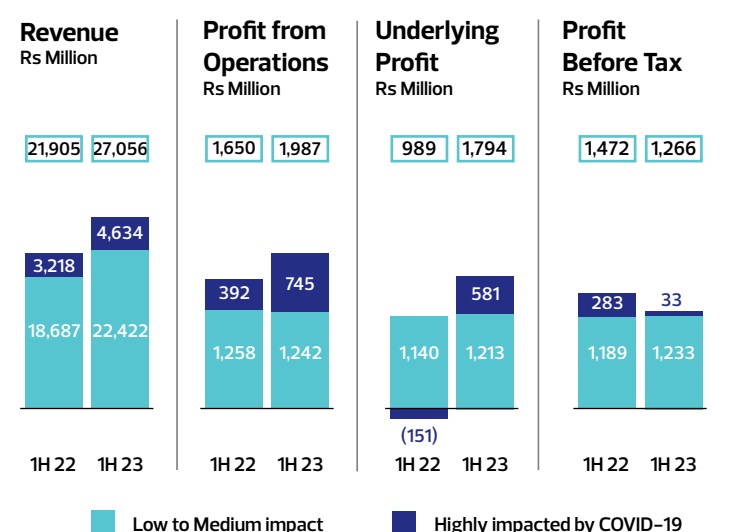
Statements of changes in equity (Abridged)

	THE GROUP			
	Owners of the parent	Other components of equity	Non-controlling interests	Total equity
	Rs000	Rs000	Rs000	Rs000
Unaudited				
At 1 July 2021	15,041,245	749,083	11,672,133	27,462,461
Total comprehensive income	868,991	-	558,580	1,427,571
Other movements	(79,575)	-	2,208	(77,367)
Dividends paid to non-controlling interests	-	-	(72,902)	(72,902)
Dividends	(102,034)	-	-	(102,034)
At 31 December 2021	15,728,627	749,083	12,160,019	28,637,729

Audited				
At 1 July 2021				
- As previously stated	15,028,455	749,083	11,694,104	27,471,642
- Prior year adjustments	12,790	-	(21,971)	(9,181)
- As restated	15,041,245	749,083	11,672,133	27,462,461
Total comprehensive income	1,216,602	-	1,140,622	2,357,224
Other movements	93,740	716,200	(254,430)	555,510
Dividends paid to non-controlling interests	-	-	(377,932)	(377,932)
Dividends	(408,134)	-	-	(408,134)
At 30 June 2022	15,943,453	1,465,283	12,180,393	29,589,129

* The Group has adjusted its comparatives for discontinued activities in accordance with IFRS 5.

Year on year performance highlights



Comments

The Board of IBL Ltd is pleased to present the Group's unaudited abridged financial statements for the first half of the current financial year (1H2023) representing the six months ended 31 December 2022. 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 2022 (FY2022).

Highlights for six months ended 31 December 2022 (1H2023)

Group revenues for 1H2023 increased by 24% to Rs 27.06 billion (last year 1H2022: Rs 21.91 billion). Operating profit for the Group has increased to Rs 1.99 billion from Rs 1.65 billion in 1H2022, representing a growth of 20%. Underlying profit has increased by 81% to reach Rs 1.79 billion, on the back, inter alia, of the recovery of businesses previously highly impacted by border closures.

However, the reported PBT shows a decline compared to last year due to the impact of non-recurring items in the hospitality sector detailed in the sectorial review below.

Sectorial review

Agro and Energy: Following the unbundling of Miwa Sugar Ltd from Alteo Ltd, IBL now has direct ownership in both Miwa Sugar (as from quarter 2) and Alteo. Alteo's topline results saw encouraging growth with higher price of sugar, recovering hotel and golf operations, Mont Piton 2 sales and better price of coal for the energy segment. Profits grew significantly, driven largely by the impact of higher property sales and reduced finance costs following material debt repayment and restructuring.

Miwa Sugar includes sugarcane cultivation and milling operations both in Tanzania and in Kenya. Both countries face a local market deficit in the national production of sugar, and therefore offer attractive local sugar prices. Tanzanian and Kenyan operations posted net profits of USD 10m and USD 3m respectively for the period under review.

Building and Engineering: This sector witnessed a decrease in profitability mainly on account of CNOI which registered an increase in costs related to ship building while the corresponding revenue will be only accounted in the second half of this financial year. UBPA also reported a marginally lower profit, largely owing to its core activities experiencing rising costs of production of imported inputs. Manser Saxon group, on the other hand, registered an increase in profitability with new contracts secured and tighter cost management.

Commercial and Distribution: Cluster profitability was driven by Winners and BrandActiv mainly. The supermarket chain continues to witness good growth in turnover and profitability. Tribeca 7 000 m2 hypermarket opened in late December and should contribute positively to results as from quarter 3. BrandActiv registered higher sales on account of new products being marketed. Better performance from local operations of PhoenixBev pulled results upwards. The latest acquisition of IBL Naivas, witnessed a twofold increase in profits compared to last year. The share of profits from associate for Naivas amounts to Rs 131m this half year.

Financial Services: Lower results from Eagle Insurance negatively impacted results. The insurance company experienced major claims with severity. Investment and dividend income also yielded lower returns compared to last year. Higher running costs owing to expansion initiatives have affected profitability for DTOS Group.

Within its 'Beyond Borders' strategy, IBL issued a cautionary announcement on its intention to dispose of its 30.29% shareholding in AfrAsia Bank Limited to AFG Holding in late December. AfrAsia reported an increase in all its revenue segments as compared to last year, resulting in higher operating profit and profit after tax.

Hospitality and Services: This sector was severely affected in 1H2022 with borders being still closed for most of the period. Results last year have however partially benefited from the sale of villas at LUX* Grand Baie in Mauritius and a compensation following the termination of a management contract in Maldives. Tourist arrivals in Mauritius for the first semester of this year reached 621k, which represents a recovery rate of 85% over 2019. Our hotels benefited from the pickup of travel and tourism and post excellent results despite the closure of LUX* Belle Mare, due to the fire outbreak in early July 2022. LUX* Island Resorts decided to impair the property plant and equipment of Lux* Belle Mare, which was damaged during the fire, pending a settlement with the insurance companies. In the meantime, reconstruction works at LUX* Belle Mare are well underway, and the hotel reopening is scheduled for the high season this year. Booking pace for the third quarter remains very encouraging.

Life and Technologies: The leading subsidiary in this sector, CIDP experienced a fall in profitability with the Euro rate depreciating along with rising operational costs. All the projects around our Health and Wellness activities are progressing to our satisfaction.

Logistics: The aviation and shipping sub-segments within the cluster fared better. Aviation was impacted by border closures last year while more vessel calls and higher charter hire days enhanced results for the shipping segment. Logidis was affected by higher running costs and Somatrans, the freight forwarding business, posted strong performance.

Property: BlueLife drove the increase in the sector's profitability with the property and hospitality segments recovering with the re-opening of borders. Bloomage posted stable operating results but was affected by rising interest rate environment.

Seafood: Robust performance for most subsidiaries in this sector. Marine Biotechnology Products and MBPCI in Ivory Coast benefited from increased prices in international markets along with improved production yields. Cervonic experienced better results with an increase in output and reduced overheads. Princes Tuna fared well compared to last year with increase in volume and pricing.

Outlook

The rising interest rates have a significant impact on group results and the risk of further rate increases cannot be overlooked. After acquiring Naivas as an associate, IBL Ltd pursues its 'Beyond Borders' strategy to increase its presence in East Africa and in the nearby region and is working on other potential investment opportunities.

By Order of the Board

IBL Management Ltd
Company Secretary
14 February 2023

Copies of the abridged unaudited financial statements (which can also be viewed on the website 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, 4th Floor, IBL House, Caudan, Port Louis, Mauritius.

The above abridged unaudited financial statements are issued pursuant to Listing Rule 12.21 and Securities Act 2005. The Board of Directors of IBL Ltd accepts full responsibility for the accuracy of the information contained in these abridged unaudited financial statements.