

Abridged Unaudited Financial Statements

For the Nine Months Ended 31 March 2023



	THE GROUP	
	Unaudited	
	Nine months ended	Nine months ended
	31.03.2023	31.03.2022
Continuing operations		
	Rs000	Rs000
Revenue	40,447,894	32,922,926
Profit from operations	3,058,616	2,363,706
Share of results of associates and joint ventures	616,960	370,243
Other gains and losses	388,451	354,195
Net finance costs	(1,365,781)	(947,643)
Profit before taxation	2,698,246	2,140,501
Taxation	(320,694)	(168,284)
Profit for the period from continuing operations	2,377,552	1,972,217
Discontinued operations		
Profit for the period from discontinued operations*	545,849	375,990
Profit for the period	2,923,401	2,348,207
Statements of other comprehensive income (Abridged)		
Profit for the period	2,923,401	2,348,207
Other comprehensive income for the period	181,004	41,160
Total comprehensive income for the period	3,104,405	2,389,367
Profit attributable to :-		
Owners of the parent	1,806,954	1,402,184
Non-controlling interests	1,116,447	946,023
	2,923,401	2,348,207
Total comprehensive income attributable to :-		
Owners of the parent	1,937,476	1,410,041
Non-controlling interests	1,166,929	979,326
	3,104,405	2,389,367
Earnings per share (Rs)		
Number of shares	680,224,040	680,224,040
- From continuing and discontinued operations	2.65	2.06
- From continuing operations	1.85	1.50
Net assets per share (Rs)	25.52	23.94

	THE GROUP	
	Unaudited	
	Nine months ended	Nine months ended
	31.03.2023	31.03.2022
Revenue	Rs000	Rs000
Agro & Energy	451	330
Building & Engineering	7,206,726	5,586,788
Commercial & Distribution	24,318,731	20,436,945
Financial Services	2,100,763	1,797,015
Hospitality & Services	6,731,774	5,139,347
Life & Technologies	285,414	247,033
Logistics	1,673,230	1,408,079
Property	773,264	517,973
Seafood	1,447,226	1,025,642
Corporate Services	406,610	175,153
Consolidation Adjustments	(4,496,295)	(3,411,379)
Revenue from continuing operations	40,447,894	32,922,926

	THE GROUP	
	Unaudited	
	Nine months ended	Nine months ended
	31.03.2023	31.03.2022
Profit from operations	Rs000	Rs000
Agro & Energy	(40,949)	(26,223)
Building & Engineering	342,949	423,711
Commercial & Distribution	1,342,016	1,055,363
Financial Services	54,212	129,037
Hospitality & Services	1,307,932	822,773
Life & Technologies	(75,820)	(10,131)
Logistics	70,995	37,232
Property	200,173	73,542
Seafood	322,036	205,304
Corporate Services	(516,483)	(354,664)
Consolidation Adjustments	51,555	7,762
Profit from operations from continuing operations	3,058,616	2,363,706

	THE GROUP	
	Unaudited	
	Nine months ended	Nine months ended
	31.03.2023	31.03.2022
Share of results of associates and joint ventures	Rs000	Rs000
Agro & Energy	214,271	272,586
Building & Engineering	14,328	8,946
Commercial & Distribution	187,004	(48)
Financial Services	43,955	35,231
Hospitality & Services	-	-
Life & Technologies	31,016	71,483
Logistics	-	-
Property	(2,606)	(2,552)
Seafood	118,277	(15,403)
Corporate Services	10,715	-
Share of results of associates and joint ventures	616,960	370,243

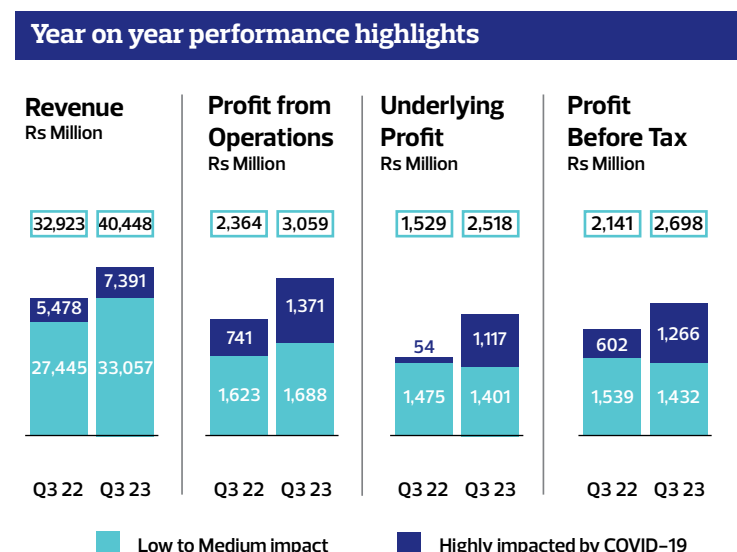
Strong Operational Performance for IBL Group

	THE GROUP		
	Unaudited		
	As At	As At	As At
	31.03.2023	30.06.2022	31.03.2022
Assets	Rs000	Rs000	Rs000
Property, plant and equipment	31,018,547	30,163,221	30,134,015
Investment properties	3,537,018	3,356,188	3,228,573
Intangible assets	2,539,395	2,477,409	2,891,532
Investments	13,044,471	8,289,831	8,792,443
Deferred tax assets	404,984	287,942	562,907
Right of use assets	4,997,207	4,916,237	4,940,069
Other assets	401,927	88,961	172,451
Non-current assets	55,943,549	49,579,789	50,721,990
Current assets	26,938,297	22,663,088	20,519,536
Assets classified as held for sale	4,197,147	3,861,092	3,133,156
Total Assets	87,078,993	76,103,969	74,374,682
Equity and Liabilities			
Equity attributable to owners of the parent	17,360,460	15,943,453	16,282,794
Other components of equity	1,465,283	1,465,283	749,083
Non-controlling interests	13,246,345	12,180,393	12,759,143
Total equity	32,072,088	29,589,129	29,791,020
Non-current liabilities	30,448,265	25,866,149	26,243,038
Current liabilities	24,159,875	20,194,110	18,331,610
Liabilities associated with assets classified as held for sale	398,765	454,581	9,014
Total Equity and Liabilities	87,078,993	76,103,969	74,374,682

	THE GROUP		
	Unaudited		
	As At	As At	As At
	31.03.2023	30.06.2022	31.03.2022
Net cash generated from operating activities	Rs000	Rs000	Rs000
Net cash generated from operating activities	2,325,118	3,442,335	2,244,693
Net cash used in investing activities	(7,527,306)	(2,473,525)	(1,616,658)
Net cash generated from / (used in) financing activities	4,180,386	(586,536)	(320,186)
Net (decrease) / increase in cash and cash equivalents	(1,021,802)	382,274	307,849
Net foreign exchange difference	67,074	81,063	(4,913)
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	1,899,839	2,854,567	2,694,166

	THE GROUP			
	Unaudited			
	Owners of the parent	Other components of equity	Non-controlling interests	Total equity
	Rs000	Rs000	Rs000	Rs000
At 1 July 2021	15,041,245	749,083	11,672,133	27,462,461
Total comprehensive income	1,410,041	-	979,326	2,389,367
Other movements	(66,458)	-	181,094	114,636
Dividends paid to non-controlling interests	-	-	(73,410)	(73,410)
Dividends	(102,034)	-	-	(102,034)
At 31 March 2022	16,282,794	749,083	12,759,143	29,791,020
At 1 July 2022	15,028,455	749,083	11,694,104	27,471,642
- As previously stated	12,790	-	(21,971)	(9,181)
- Prior year adjustments	15,041,245	749,083	11,672,133	27,462,461
- As restated	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
At 1 July 2022	15,943,453	1,465,283	12,180,393	29,589,129
Total comprehensive income	1,937,476	-	1,166,929	3,104,405
Other movements	(411,632)	-	1,357	(410,275)
Dividends paid to non-controlling interests	-	-	(102,334)	(102,334)
Dividends	(108,837)	-	-	(108,837)
At 31 March 2023	17,360,460	1,465,283	13,246,345	32,072,088

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



Comments

The Board of IBL Ltd is pleased to present the Group's unaudited abridged financial statements for the nine months ended 31 March 2023 (Q3 2023). 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 nine months ended 31 March 2023 (Q3 2023)

Group revenues for the nine months period were Rs 40.45 billion compared to Rs 32.92 billion for the corresponding period last year, an increase of 23%. Operating profit for the Group has increased by 29% to Rs 3.06 billion compared to the corresponding period last year.

PBT increased by 26% to Rs 2.70 billion despite an increase in finance costs, resulting from several interest rate hikes coupled with additional borrowing to support investments, and the superior results of AfrAsia now being reported as discontinued operations since December 2022. The Group has however now reported an expected insurance compensation for the fire at LUX* Belle Mare, which partially offsets the related loss and impairment reported in previous two quarters.

Underlying profit (PBT excluding the effect of other gains and losses and non-recurring items) has increased by 65% to reach Rs 2.52 billion and is attributed mostly to a recovery in the sectors previously reported as "highly impacted by COVID and border closures".

Sectorial review

Agro and Energy: The restructuring of Alteo resulted in IBL having direct ownership in both Miwa Sugar (as from Q2 2023) and Alteo. Revenue for Alteo rose with an increased price of sugar, albeit a lower harvest. Cost of production increased due to reduced availability of bagasse and a forced switch to coal for energy production. Inflationary pressures on operational costs impact profitability, partly neutralized by lower finance costs following the restructuring.

Miwa has completed its first 6 months of activity following its spin-off from Alteo. Miwa maintained good operational performance and attractive profitability margins. The Kenyan operations recorded a notable growth in revenue while the Tanzanian operations had a minor fall in output, partly offset by higher prices of sugar. Despite inflationary cost pressures, results demonstrated a healthy and sustainably profitable business.

Building and Engineering: Albeit revenue increasing considerably, profitability for the sector was subdued mainly on account of CNOI and UBP. CNOI had a number of ship-building projects in progress which will be recorded as revenues in subsequent periods. UBP's lower operating profit was driven by rising import costs. Manser Saxon partially offsets the drop in sectorial profitability through improved operational efficiency and new contracts secured.

Commercial and Distribution: Cluster performance improved for Winners and BrandActiv, both benefitting from double-digit growth in turnover and profitability. Better profitability in Mauritius drove the improved performance of PhoenixBev. Naivas, the leading supermarket chain in Kenya that the Group invested in during the first quarter, generated higher profits compared to last year. The share of profits for Naivas, as an associate, is being reported for the first time this year and represents Rs 184m.

Financial Services: Eagle Insurance's performance was impacted by an overall increase in claims and a number of large claims in some segments of the business. DTOS faced higher operating costs as well as increase in costs relating to business development initiatives. 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. IBL has since classified AfrAsia as "Held for Sale" and consequently not accounted for the share of profits of the bank in the third quarter in line with IFRS 5. The exit process is still on track but awaiting regulatory approvals.

Hospitality and Services: The underlying business in our hotels in Mauritius have shown a strong recovery post Covid, leading to the increase in profits. The closure of LUX* Belle Mare, since the fire outbreak in July 2022, dampened profits in previous quarters, but the Group has reported a compensation of Rs 764 million in the current quarter relating to both material damage and business interruption based on a provisional estimate by the insurers. Adjustments will be made in the final quarter of the year once the assessments are completed. Operationally, the reopening of LUX* Belle Mare is scheduled for the last quarter of this calendar year.

Life and Technologies: This sector comprises of several new activities for the Group which are in a "ramp up" phase and include 2 new clinics which are being built in the north of Mauritius at HealthScape and in the west at Cap Tamarin respectively. The research arm of the cluster, namely CIDP, experienced a fall in profitability due to increased staff costs and adverse exchange rate movements.

Logistics: Aviation has benefitted from the re-opening of borders and all main businesses within the sector have registered a sharp increase in billing compared to last year. The shipping activity posted a good performance due to higher revenue from vessel calls and other ancillary services while overheads were curtailed. Logidis remained affected by higher running costs and Somatrans, the freight forwarding business, handled higher air and sea volumes.

Property: BlueLife led the increase in the sector's profitability with the property and hospitality segments recovering following the re-opening of borders and a solid sales and marketing focus. Bloomage reported stable operating results but is affected by increased borrowing costs driven by the recent rate increases.

Seafood: A strong performance was recorded for most subsidiaries in this sector. Rising prices in international markets and improved production yields resulted in increased profitability for Marine Biotechnology Products, and MBPCI in Ivory Coast. Cervonic also registered better results with an increase in output and reduced overheads. Princes Tuna reported good results compared to last year with increases in volume and pricing.

Outlook

The Group continues to perform very well and pursues its "Beyond Borders" strategy to increase its presence in East Africa and in the Indian Ocean. It is working towards completing further investments in the next few quarters mainly in the commercial, healthcare and energy sectors with the aim to significantly enhance the Group's footprint and profitability in large growth markets and sectors on the continent.

By Order of the Board

IBL Management Ltd
Company Secretary
12 May 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.