



PROMOTION AND DEVELOPMENT LTD

ABRIDGED AUDITED FINANCIAL STATEMENTS
JUNE 30TH 2023

STATEMENTS OF FINANCIAL POSITION

	THE GROUP		THE COMPANY	
	30 Jun 23	30 Jun 22	30 Jun 23	30 Jun 22
MRs000				
Assets				
Non-current assets				
Investment property	5,109,065	4,975,445	193,900	187,500
Investments in subsidiary companies	-	-	885,975	1,337,116
Investments in associates	8,941,186	8,595,137	3,095,577	3,191,319
Financial assets at fair value through other comprehensive income	2,874,374	2,795,471	2,870,222	2,791,151
Other non-current assets	421,217	421,712	85,806	80,341
	17,345,842	16,787,765	7,131,480	7,587,427
Current assets	371,922	254,514	110,598	82,842
Total assets	17,717,764	17,042,279	7,242,078	7,670,269
Equity and liabilities				
Capital and reserves				
Share capital	194,854	194,854	194,854	194,854
Other reserves	8,449,369	8,511,569	2,548,108	3,026,759
Retained earnings	5,295,141	4,714,745	3,107,179	3,085,023
	13,939,364	13,421,168	5,850,141	6,306,636
	(144)	(144)	(144)	(144)
Less: Treasury shares				
Equity attributable to owners of the parent	13,939,220	13,421,024	5,849,997	6,306,492
Non-controlling interests	1,303,029	1,268,074	-	-
Total equity	15,242,249	14,689,098	5,849,997	6,306,492
Liabilities				
Non-current liabilities				
Borrowings	1,251,500	1,151,500	717,500	617,500
Other non-current liabilities	280,300	269,808	7,296	16,074
	1,531,800	1,421,308	724,796	633,574
Current liabilities				
Borrowings	721,297	730,759	608,540	671,186
Dividend proposed	38,942	38,942	38,942	38,942
Other current liabilities	183,476	162,172	19,803	20,075
	943,715	931,873	667,285	730,203
Total liabilities	2,475,515	2,353,181	1,392,081	1,363,777
Total equity and liabilities	17,717,764	17,042,279	7,242,078	7,670,269
Net assets per share (MRs)	357.95	344.64	150.22	161.95
Number of shares	38,941,789	38,941,789	38,941,789	38,941,789

STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the parent				Total	Non controlling interests	Total equity
	Share capital	Treasury shares	Other reserves	Retained earnings			
MRs000							
THE GROUP							
At July 1st 2021	194,854	(261)	8,384,604	3,904,731	12,483,928	1,222,317	13,706,245
Exercise of share options	-	117	1,659	-	1,776	-	1,776
Dividend	-	-	-	(157,643)	(157,643)	-	(157,643)
Profit for the year	-	-	-	620,740	620,740	46,696	667,436
Transfer	-	-	(348,788)	348,788	-	-	-
Disposal of subsidiary by associate	-	-	2,136	(1,871)	265	-	265
Other comprehensive income for the year	-	-	471,958	-	471,958	(939)	471,019
At June 30th 2022	194,854	(144)	8,511,569	4,714,745	13,421,024	1,268,074	14,689,098
At July 1st 2022	194,854	(144)	8,511,569	4,714,745	13,421,024	1,268,074	14,689,098
Transfer on disposal of shares	-	-	(4,856)	4,856	-	-	-
Dividend	-	-	-	(194,709)	(194,709)	-	(194,709)
Profit for the year	-	-	-	653,539	653,539	34,557	688,096
Transfer	-	-	(115,808)	115,808	-	-	-
Disposal of subsidiary by associate	-	-	-	(418)	(418)	-	(418)
Other comprehensive income for the year	-	-	58,464	1,320	59,784	398	60,182
At June 30th 2023	194,854	(144)	8,449,369	5,295,141	13,939,220	1,303,029	15,242,249
THE COMPANY							
At July 1st 2021	194,854	(261)	2,811,554	3,167,224	6,173,371	-	6,173,371
Exercise of share options	-	117	1,659	-	1,776	-	1,776
Dividend	-	-	-	(157,643)	(157,643)	-	(157,643)
Profit for the year	-	-	-	75,442	75,442	-	75,442
Other comprehensive income for the year	-	-	213,546	-	213,546	-	213,546
At June 30th 2022	194,854	(144)	3,026,759	3,085,023	6,306,492	-	6,306,492
At July 1st 2022	194,854	(144)	3,026,759	3,085,023	6,306,492	-	6,306,492
Transfer on disposal of shares	-	-	(4,856)	4,856	-	-	-
Dividend	-	-	-	(194,709)	(194,709)	-	(194,709)
Profit for the year	-	-	-	212,009	212,009	-	212,009
Other comprehensive income for the year	-	-	(473,795)	-	(473,795)	-	(473,795)
At June 30th 2023	194,854	(144)	2,548,108	3,107,179	5,849,997	-	5,849,997

STATEMENTS OF CASH FLOWS

	THE GROUP		THE COMPANY	
	30 Jun 23	30 Jun 22	30 Jun 23	30 Jun 22
MRs000				
Net cash used in operating activities	(27,405)	(70,406)	(99,787)	(113,147)
Net cash generated from investing activities	181,113	106,939	257,143	174,725
Net cash flow before financing activities	153,708	36,533	157,356	61,578
Net cash used in financing activities	(144,921)	(180,212)	(84,709)	(165,012)
Increase/(decrease) in cash and cash equivalents	8,787	(143,679)	72,647	(103,434)
Cash and cash equivalents at beginning of the year	(659,079)	(515,837)	(624,177)	(520,743)
Effect of foreign exchange rate changes	439	437	-	-
Cash and cash equivalents at end of the year	(649,853)	(659,079)	(551,530)	(624,177)
Analysis of cash and cash equivalents				
Bank and cash balances	10,044	11,980	9	9
Bank overdrafts	(659,897)	(671,059)	(551,539)	(624,186)
	(649,853)	(659,079)	(551,530)	(624,177)

The statement of direct and indirect interests of officers pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available, upon request, free of charge, at Promotion and Development Ltd, 8th Floor, Dias Pier, Le Caudan Waterfront, Port Louis.

These abridged audited financial statements were approved for issue by the Board of Directors on September 27th 2023.

By order of the board

MCB Group Corporate Services Ltd
Secretary

September 27th 2023

These abridged audited financial statements are issued pursuant to listing rule 12.14 and section 88 of the Securities Act 2005.

The Board of Directors of Promotion and Development Ltd accepts full responsibility for the accuracy of the information contained in these abridged audited financial statements.

Copies of the abridged audited financial statements are available, upon request, free of charge, at Promotion and Development Ltd, 8th Floor, Dias Pier, Le Caudan Waterfront, Port Louis.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	THE GROUP		THE COMPANY	
	30 Jun 23	30 Jun 22	30 Jun 23	30 Jun 22
MRs000				
Revenue	728,021	604,665	331,713	162,873
Operating expenses	(571,319)	(535,997)	(51,981)	(86,779)
	156,702	68,668	279,732	76,094
Net impairment on financial assets	6,634	(5,363)	-	930
Gain on bargain purchase	1,214	-	-	-
Net finance costs	(108,917)	(71,334)	(77,389)	(49,660)
Net gain from fair value on investment property	94,977	182,128	6,400	10,300
Other income	25,902	41,399	-	38,950
Share of results of associates	528,472	492,800	-	-
Profit before taxation	704,984	708,298	208,743	76,614
Taxation	(16,888)	(40,862)	3,266	(1,172)
Profit for the year	688,096	667,436	212,009	75,442
Other comprehensive income:				
Items that will not be reclassified to profit or loss:				
Remeasurement of retirement benefit obligations, net of deferred tax	2,152	(13,702)	798	(10,506)
Group's share of other comprehensive income of associates	(24,039)	293,655	-	-
Changes in fair value of financial assets through other comprehensive income	81,915	190,991	82,083	190,604
Changes in fair value of investments in subsidiaries	-	-	(451,141)	(176,339)
Changes in fair value of investments in associates	-	-	(105,535)	209,787
Items that may be reclassified subsequently to profit or loss:				
Group's share of other comprehensive income of associates	154	75	-	-
Other comprehensive income for the year, net of tax	60,182	471,019	(473,795)	213,546
Total comprehensive income for the year	748,278	1,138,455	(261,786)	288,988
Profit for the year attributable to:				
Owners of the parent	653,539	620,740	212,009	75,442
Non-controlling interests	34,955	46,696	-	-
	688,096	667,436	212,009	75,442
Total comprehensive income for the year attributable to:				
Owners of the parent	713,323	1,092,698	(261,786)	288,988
Non-controlling interests	34,955	45,757	-	-
	748,278	1,138,455	(261,786)	288,988
MRs				
Basic and diluted earnings per share	16.78	15.94		
Adjusted earnings per share	13.20	10.30		

Notes

The abridged financial statements have been audited by Ernst & Young and have been extracted from the audited financial statements for the year ended June 30th 2023 which have been prepared in compliance with the Companies Act 2001 and in accordance with International Financial Reporting Standards (IFRS) for the year under review.

Net assets value per share (NAV)

Company NAV stood at MRs150.22 at June 30th 2023 compared to MRs161.95 at the start of the financial year, a decrease of 7.2 per cent whilst Group NAV increased by 3.9 per cent to stand at MRs357.95.

Adjusted earnings

The adjusted earnings below has been arrived at by making adjustments to remove the effect of unusual revenue and expenses and one-time influences:

	THE GROUP		THE COMPANY	
	30 Jun 23	30 Jun 22	30 Jun 23	30 Jun 22
MRs000				
Adjusted profit before share of profit/(loss) of associates	64,919	17,311	206,015	26,575
Adjusted share of profit/(loss) of associates	333,110	(72,960)	-	-
Profit on total sales of land by associate	115,861	456,529	-	-
Adjusted profit attributable to owners of the parent	513,890	400,880	206,015	26,575
Net gain from fair value on investment property by associates	73,942	39,887	-	-
Exceptional income from associate	-	-	-	38,950
Other gains-associates	5,559	69,345	-	-
Gain on bargain purchase	1,214	-	-	-
Net gain from fair value on investment property (net of non-controlling interests and deferred tax)	58,934	110,628	5,994	9,917
Reported profit attributable to owners of the parent	653,539	620,740	212,009	75,442

Basic and diluted earnings per share

The basic and diluted earnings per share has been calculated based on:

	THE GROUP	
	30 Jun 23	30 Jun 22
MRs000		
Profit attributable to owners of the parent	653,539	620,740
Weighted average number of shares in issue and ranking for dividends during the year	38,941,789	38,932,192

Results

The company delivered good results during the year under review. The profit attributable to shareholders amounted to MRs212.0m in comparison to MRs75.4m last year. At group level, profit amounted to MRs653.5m versus MRs620.7m in 2022.

Our adjusted underlying company profit (excluding the non-recurring exceptional income from an associate and net gain from fair value on investment property) increased from MRs26.6m to MRs206.0m. The normalised results were boosted mainly by the dividend income from Medine and lower operational costs incurred during the year under review.

At group level, our reported results were enhanced by the increased contribution from associates, offset to some extent by lower fair value gains booked on the revaluation of our property portfolio. The fair value adjustments are, however, unrealised and have no impact on the cash flows of the group. Our underlying group profit before results of associates stood at MRs64.9m in comparison to MRs17.3m recorded last year. Our subsidiary, Caudan Development Limited, registered an improved underlying performance during the year under review.

Our associates posted a better performance with a contribution of MRs528.5m compared to MRs492.8m last year. This was driven mainly by the improved operating results registered by Medine Limited and the recognition of a deferred tax assets on the back of promising forecasts of its operations in the medium term.

Outlook

We remain positive about the Group's future prospects. Our efforts remain focused on achieving operational efficiencies throughout the Group to deliver greater value to its shareholders in the medium to long term.

Dividend

An interim dividend of MRe1.00 per share was declared in June 2023 and paid in July 2023 while a final dividend of MRs3.50 per share was declared on September 27th 2023 in respect of the year ended June 30th 2023 and will be paid in December 2023. Total dividend per share for the year ended June 30th 2023 stood at MRs4.50 (2022: MRs5.00).

Segment Reporting

	Property	Shares	Security	Other	Eliminations	Total
MRs000						
June 2023						
External sales	302,433	133,156	285,218	7,214	-	728,021
Intersegment sales	5,280	174,424	25,675	17,223	(222,602)	-
Total revenues	307,713	307,580	310,893	24,437	(222,602)	728,021
Segment result before other income	54,577	281,588	(4,771)	-	(174,692)	156,702