



PROMOTION AND DEVELOPMENT LTD

ABRIDGED AUDITED FINANCIAL STATEMENTS
JUNE 30TH 2021

STATEMENTS OF FINANCIAL POSITION

MRs000	THE GROUP		THE COMPANY	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
		Restated	Restated	
Assets				
Non-current assets				
Investment property	4,793,083	4,853,616	4,898,514	177,200
Investments in subsidiary companies	-	-	-	1,540,550
Investments in associates	7,855,739	6,384,107	6,654,816	2,549,179
Financial assets at fair value through other comprehensive income	2,601,829	2,359,871	2,701,530	2,356,348
Other non-current assets	427,985	424,587	436,461	86,018
	15,678,636	14,022,181	14,691,321	7,350,694
				6,707,345
Current assets	185,587	156,703	237,954	86,977
Total assets	15,864,223	14,178,884	14,929,275	7,437,671
				6,747,420
Equity and liabilities				
Capital and reserves				
Share capital	194,854	194,854	194,854	194,854
Other reserves	8,384,604	6,740,208	7,328,081	2,811,554
Retained earnings	3,904,731	3,770,595	3,930,851	3,167,224
	12,484,189	10,705,657	11,453,786	6,173,632
				5,521,679
Less: Treasury shares	(261)	(261)	(371)	(261)
Equity attributable to owners of the parent	12,483,928	10,705,396	11,453,415	6,173,371
Non-controlling interests	1,222,317	1,202,347	1,200,623	-
Total equity	13,706,245	11,907,743	12,654,038	6,173,371
				5,521,418
Liabilities				
Non-current liabilities				
Borrowings	1,107,000	1,170,000	1,170,000	585,000
Other non-current liabilities	217,455	273,004	240,467	7,501
	1,324,455	1,443,004	1,410,467	592,501
				673,659
Current liabilities				
Borrowings	651,628	650,825	520,056	609,423
Other current liabilities	181,895	177,312	344,714	62,376
	833,523	828,137	864,770	671,799
				552,343
Total liabilities	2,157,978	2,271,141	2,275,237	1,264,300
				1,226,002
Total equity and liabilities	15,864,223	14,178,884	14,929,275	7,437,671
				6,747,420
Net assets per share (MRs)	320.77	275.07	294.46	158.62
				141.87
Number of shares	38,918,280	38,918,280	38,896,267	38,918,280

STATEMENTS OF CHANGES IN EQUITY

MRs000	Share capital	Attributable to owners of the parent			Total	Non controlling interests	Total equity
		Treasury shares	Other reserves	Retained earnings			
THE GROUP							
At July 1st 2019							
(as previously reported)	194,854	(371)	7,328,081	3,943,899	11,466,463	1,200,623	12,667,086
Effect of prior year adjustment	-	-	-	(13,048)	(13,048)	-	(13,048)
At July 1st 2019 (as restated)	194,854	(371)	7,328,081	3,930,851	11,453,415	1,200,623	12,654,038
Exercise of share options	-	110	2,290	-	2,400	-	2,400
Impact of change on disposal of subsidiary by associate	-	-	(18,112)	18,112	-	-	-
Dividend	-	-	-	(50,593)	(50,593)	-	(50,593)
Transfer	-	-	(23,372)	23,372	-	-	-
At June 30th 2020	194,854	(261)	7,288,887	3,921,742	11,405,222	1,200,623	12,605,845
Loss for the year	-	-	-	(150,368)	(150,368)	1,549	(148,819)
Other comprehensive income for the year	-	-	(548,679)	(779)	(549,458)	175	(549,283)
Total comprehensive income for the year	-	-	(548,679)	(151,147)	(699,826)	1,724	(698,102)
At June 30th 2020	194,854	(261)	6,740,208	3,770,595	10,705,396	1,202,347	11,907,743
At July 1st 2020							
(as previously reported)	194,854	(261)	6,740,208	3,784,989	10,719,790	1,202,347	11,922,137
Effect of prior year adjustment	-	-	-	(14,394)	(14,394)	-	(14,394)
At July 1st 2020 (as restated)	194,854	(261)	6,740,208	3,770,595	10,705,396	1,202,347	11,907,743
Acquisition of subsidiary	-	-	-	-	-	3,050	3,050
Dividend	-	-	-	(38,918)	(38,918)	-	(38,918)
Transfer	-	-	(60,454)	25,757	(34,697)	-	(34,697)
At June 30th 2021	194,854	(261)	6,679,754	3,757,434	10,631,781	1,205,397	11,837,178
Profit for the year	-	-	-	147,297	147,297	15,572	162,869
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	1,704,850	-	1,704,850	1,348	1,706,198
At June 30th 2021	194,854	(261)	8,384,604	3,904,731	12,483,928	1,222,317	13,706,245
THE COMPANY							
At July 1st 2019	194,854	(371)	3,255,626	3,159,665	6,609,774	-	6,609,774
Exercise of share options	-	110	2,290	-	2,400	-	2,400
Transfer	-	-	(6,055)	6,055	-	-	-
Dividend	-	-	-	(50,593)	(50,593)	-	(50,593)
At June 30th 2020	194,854	(261)	3,251,861	3,115,127	6,561,581	-	6,561,581
Profit for the year	-	-	-	39,977	39,977	-	39,977
Other comprehensive income for the year	-	-	(1,080,140)	-	(1,080,140)	-	(1,080,140)
Total comprehensive income for the year	-	-	(1,080,140)	39,977	(1,040,163)	-	(1,040,163)
At June 30th 2020	194,854	(261)	2,171,721	3,155,104	5,521,418	-	5,521,418
At July 1st 2020	194,854	(261)	2,171,721	3,155,104	5,521,418	-	5,521,418
Transfer	-	-	3,798	(3,798)	-	-	-
Dividend	-	-	-	(38,918)	(38,918)	-	(38,918)
At June 30th 2021	194,854	(261)	2,175,519	3,112,388	5,482,500	-	5,482,500
Profit for the year	-	-	-	54,836	54,836	-	54,836
Other comprehensive income for the year	-	-	636,035	-	636,035	-	636,035
Total comprehensive income for the year	-	-	636,035	54,836	690,871	-	690,871
At June 30th 2021	194,854	(261)	2,811,554	3,167,224	6,173,371	-	6,173,371

STATEMENTS OF CASH FLOWS

MRs000	THE GROUP		THE COMPANY	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
Net cash used in operating activities	(38,387)	(83,784)	(93,448)	(117,843)
Net cash generated from investing activities	105,109	128,854	63,821	188,627
Net cash flow before financing activities	66,722	45,070	(29,627)	70,784
Net cash used in financing activities	(4,380)	(131,822)	(31,730)	(121,968)
Increase/(decrease) in cash and cash equivalents	62,342	(86,752)	(61,357)	(51,184)
Cash and cash equivalents at beginning of the year	(578,487)	(491,121)	(459,386)	(408,202)
Effect of foreign exchange rate changes	308	(23)	-	-
Cash and cash equivalents at end of the year	(515,837)	(578,487)	(520,743)	(459,386)
Analysis of cash and cash equivalents				
Bank and cash balances	7,222	2,838	11	9
Bank overdrafts	(523,059)	(581,325)	(520,754)	(459,395)
	(515,837)	(578,487)	(520,743)	(459,386)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

MRs000	THE GROUP		THE COMPANY	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
Revenue	543,840	587,307	121,923	146,568
Operating expenses	(483,279)	(500,839)	(60,539)	(68,931)
	60,561	86,468	61,384	77,637
Net impairment on financial assets	(14,711)	(6,093)	(802)	(279)
Gain on bargain purchase	1,784	1,503	-	-
Net finance costs	(72,748)	(91,614)	(47,690)	(57,454)
Net gain from fair value adjustment on investment property	24,833	-	1,950	-
Other income	-	-	40,259	20,001
Impairment of goodwill	(4,864)	(5,571)	-	-
Share of results of associates	133,159	(115,601)	-	-
Profit/(loss) before taxation	128,014	(130,908)	55,101	39,905
Taxation	34,855	(17,911)	(265)	72
Profit/(loss) for the year	162,869	(148,819)	54,836	39,977
Other comprehensive income:				
Items that will not be reclassified to profit or loss:				
Remeasurement of retirement benefit obligations, net of deferred tax	29,635	(16,509)	25,048	(17,105)
Group's share of other comprehensive income of associates	1,431,964	(120,686)	-	-
Changes in fair value of financial assets through other comprehensive income	244,662	(412,031)	244,252	(411,386)
Changes in fair value of investments in subsidiaries	-	-	(33,195)	(53,744)
Changes in fair value of investments in associates	-	-	399,930	(597,905)
Items that may be reclassified subsequently to profit or loss:				
Group's share of other comprehensive income of associates	(63)	(57)	-	-
Other comprehensive income for the year, net of tax	1,706,198	(549,283)	636,035	(1,080,140)
Total comprehensive income for the year	1,869,067	(698,102)	690,871	(1,040,163)
Profit/(loss) for the year attributable to:				
Owners of the parent	147,297	(150,368)	54,836	39,977
Non-controlling interests	15,572	1,549	-	-
	162,869	(148,819)	54,836	39,977
Total comprehensive income for the year attributable to:				
Owners of the parent	1,852,147	(699,826)	690,871	(1,040,163)
Non-controlling interests	16,920	1,724	-	-
	1,869,067	(698,102)	690,871	(1,040,163)

MRs

Basic and diluted earnings/(loss) per share

	3.78	(3.86)
Adjusted loss per share	(0.40)	(2.77)

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 2021 which have been prepared in compliance with the Companies Act 2001 and in accordance with International Financial Reporting Standards (IFRSs) for the year under review.

Net assets value per share (NAV)

Company NAV stood at MRs158.62 at June 30th 2021 compared to MRs141.87 at the start of the financial year, an increase of 11.8 per cent reflecting largely the improved performance of our main investees on the Stock Market. Group NAV increased by 16.6 per cent to stand at MRs320.77 boosted further by the increase in land property values reflected in Medine, following a land valuation exercise.

Adjusted (loss)/earnings

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

MRs000	THE GROUP		THE COMPANY	
	30 Jun 21	30 Jun 20	30 Jun 21	30 Jun 20
Adjusted loss before share of loss of associates	(30,532)	(32,336)	12,894	19,976
Adjusted share of loss of associates	(97,106)	(134,721)	-	-
Profit on total sales of land by associate	112,213	59,349	-	-
Adjusted (loss)/profit attributable to owners of the parent	(15,425)	(107,708)	12,894	19,976
Net gain/(loss) from fair value adjustment on investment property by associates	107,834	(7,010)	-	-
Exceptional dividend from associate	-	-	40,259	20,001
Other gains/(losses)-associates	10,217	(33,219)	-	-
Gain on bargain purchase	1,784	1,503	-	-
Net gain from fair value adjustment on investment property (net of non-controlling interests and deferred tax)	46,322	-	1,683	-
Impairment of goodwill (net of non-controlling interests)	(3,435)	(3,934)	-	-
Reported profit/(loss) attributable to owners of the parent	147,297	(150,368)	54,836	39,977
Basic and diluted earnings/(loss) per share				
The basic and diluted earnings/(loss) per share has been calculated based on:				

MRs000

Profit/(loss) attributable to owners of the parent

	147,297	(150,368)
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Weighted average number of shares in issue and ranking for dividends during the year

	38,918,280	38,912,420
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Results

The profit attributable to shareholders amounted to MRs54.8m at company level, in comparison to MRs40.0m last year whilst group profit amounted to MRs147.3m vis a vis a loss of MRs150.4m last year.

The year under review has been characterized by the uncertainties and fragility prevailing in the local economy and a continued challenging operating environment in the wake of the pandemic, closure of our borders and related lack of tourism inflows. Our adjusted underlying company profit (excluding non-recurring exceptional dividends and net gain from fair value adjustment on investment property) decreased from MRs20.0m to MRs12.9m. Our normalized results were affected mainly by the reduced or cancelled dividend payouts by certain associates offset partially by reduced operating expenses and lower finance costs.

At group level, our results were enhanced by a significantly improved performance reported by our associates and by fair value gains registered on valuation of our property portfolio. Fair value adjustments are however,