

PROMOTION AND DEVELOPMENT LTD

ABRIDGED AUDITED FINANCIAL STATEMENTS JUNE 30TH 2021

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STATEMENTS OF FIN	ANCIAL	POSITIO	N				
MRs000			30 Jun 21	T H E 30 Jun 20	G R O U P 01 Jul 19	THE C 30 Jun 21	30 Jun 20
Assets				Restated	Restated		
Non-current assets Investment property			4,793,083	4,853,616	4,898,514	177,200	175,250
nvestments in subsidiary companies nvestments in associates			- 7,855,739	- 6,384,107	- 6,654,816	1,513,455 2,969,267	1,540,550 2,549,179
inancial assets at fair value throu comprehensive income	ugh other		2,601,829	2,359,871	2,701,530	2,597,896	2,356,348
Other non-current assets		-	427,985	424,587 14,022,181	436,461 14,691,321	92,876 7,350,694	86,018 6,707,345
urrent assets otal assets		-	185,587 15,864,223	156,703 14,178,884	237,954	86,977 7,437,671	40,075
quity and liabilities		-				,,,,,,,,,,	
Capital and reserves			194,854	194,854	194,854	194,854	194,854
Other reserves Retained earnings			8,384,604 3,904,731	6,740,208 3,770,595	7,328,081 3,930,851	2,811,554 3,167,224	2,171,721 3,155,104
ess: Treasury shares			12,484,189 (261)	10,705,657 (261)	11,453,786 (371)	6,173,632 (261)	5,521,679 (261)
quity attributable to owners of the lon-controlling interests	ne parent	-	12,483,928 1,222,317	10,705,396 1,202,347	11,453,415 1,200,623	6,173,371	5,521,418
iotal equity .iabilities		-	13,706,245	11,907,743	12,654,038	6,173,371	5,521,418
Non-current liabilities			1,107,000	1,170,000	1,170,000	585,000	650,000
Other non-current liabilities		-	<u>217,455</u> 1,324,455	<u>273,004</u> 1,443,004	<u>240,467</u> 1,410,467	7,501	<u>23,659</u> 673,659
Current liabilities Borrowings		-	651,628	650,825	520,056	609,423	514,795
Other current liabilities		-	<u>181,895</u> 833,523	<u>177,312</u> 828,137	<u>344,714</u> 864,770	<u>62,376</u> 671,799	37,548
Fotal liabilities Fotal equity and liabilities		-	2,157,978 15,864,223	2,271,141 14,178,884	2,275,237 14,929,275	<u>1,264,300</u> 7,437,671	<u>1,226,002</u> 6,747,420
Vet 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	38,918,280
STATEMENTS OF CH	ANGES		Y				
		Attributable		of the parent	t Total	Non controlling	Total
MRs000	Share capital	Treasury shares	reserves	Retained earnings	TOLAL	interests	equity
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
ffect of prior year adjustment At July 1st 2019 (as restated)	194,854	(371)	7,328,081	(13,048) 3,930,851	(13,048)	1,200,623	(13,048)
Exercise of share options mpact of change on disposal of		110	2,290	-	2,400	-	2,400
subsidiary by associate Dividend		-	(18,112)	18,112 (50,593)	- (50,593)	-	- (50,593)
ransfer	194,854	(261)	(23,372) 7,288,887	23,372 3,921,742	- 11,405,222	1,200,623	12,605,845
∟oss for the year Dther comprehensive income		-	-	(150,368)	(150,368)	1,549	(148,819)
for the year Total comprehensive income			(548,679)	(779)	(549,458)	175	(549,283)
for the year At June 30th 2020	194,854	(261)	(548,679) 6,740,208	(151,147) 3,770,595	(699,826) 10,705,396	1,724 1,202,347	(698,102) 11,907,743
At July 1st 2020	404.054	(2(4)	6760000	2 70 / 000	10 710 700	4 202 2/7	44 000 407
(as previously reported) Effect of prior year adjustment	194,854	(261)	6,740,208	3,784,989 (14,394)	10,719,790 (14,394)	1,202,347	11,922,137 (14,394)
At July 1st 2020 (as restated) Acquisition of subsidiary	194,854	(261)	6,740,208	3,770,595	10,705,396	1,202,347 3,050	11,907,743 3,050
Dividend Fransfer	-	-	(60,454)	(38,918) 25,757	(38,918) (34,697)	-	(38,918) (34,697)
Profit for the year	194,854	(261)	6,679,754	3,757,434 147,297	10,631,781 147,297	1,205,397 15,572	11,837,178 162,869
Other comprehensive income for the year			1,704,850		1,704,850	1,348	1,706,198
Fotal comprehensive income for the year At June 30th 2021	194,854	(261)	1,704,850 8,384,604	147,297 3,904,731	1,852,147 12,483,928	16,920 1,222,317	1,869,067 13,706,245
		(201)	0,004,004	3,704,731	12,403,720	1,222,317	13,700,245
THE COMPANY At July 1st 2019	194,854	(371)	3,255,626	3,159,665	6,609,774		
Exercise of share options Fransfer Dividend	-	110	2,290 (6,055)	6,055	2,400 - (50,593)		
Dividend	194,854	(261)	3,251,861	(50,593) 3,115,127	6,561,581		
Profit for the year Other comprehensive income for the year			(1,080,140)	39,977	39,977 (1,080,140)		
Total comprehensive income for the year			(1,080,140)	39,977	(1,040,163)		
At June 30th 2020	194,854	(261)	2,171,721	3,155,104	5,521,418		
At July 1st 2020 Transfer	194,854	(261)	2,171,721 3,798	3,155,104 (3,798)	5,521,418		
Dividend	194,854	(261)	2,175,519	(38,918) 3,112,388	(38,918) 5,482,500		
Profit for the year Other comprehensive income	-		-,-, , , , , , , , , , , , , , , , , ,	54,836	54,836		
for the year Total comprehensive income		-	636,035		636,035		
for the year At June 30th 2021	194,854	(261)	636,035 2,811,554	54,836 3,167,224	690,871 6,173,371		

STATEMENTS OF CASH FLOWS

T H E 30 Jun 21 (38,387) <u>105,109</u> 66,722 (4,380)	G R O U P 30 Jun 20 (83,784) 128,854 45,070	THE CO 30 Jun 21 (93,448) 63,821 (29,627)	0 M P A N Y 30 Jun 20 (117,843) <u>188,627</u> 70,784
(38,387) 105,109 66,722	(83,784) 128,854 45,070	(93,448) 63,821	(117,843) 188,627
105,109 66,722	128,854 45,070	63,821	188,627
66,722	45,070		
		(29,627)	70 784
(4 380)			
	(131,822)	(31,730)	(121,968)
62,342	(86,752)	(61,357)	(51,184)
(578,487)	(491,712)	(459,386)	(408,202)
308	(23)	· · · ·	
(515,837)	(578,487)	(520,743)	(459,386)
7 222	2 8 3 8	11	0
			(459,395)
			(459,386)
	62,342 (578,487) 308	62,342 (86,752) (578,487) (491,712) 308 (23) (515,837) (578,487) 7,222 2,838 (523,059) (581,325)	62,342 (86,752) (61,357) (578,487) (491,712) (459,386) 306 (23) - (515,837) (578,487) (520,743) 7,222 2,838 11 (523,059) (581,325) (520,754)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

MRs000	30 Jun 21	30 Jun 20	30 lun 21	30 lun 20
				50 Juli 20
	F/2 0/0	Restated	404 000	416 5 60
Revenue	543,840 (483,279)	587,307 (500,839)	121,923 (60,539)	146,568 (68,931)
Operating expenses	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	(802)	(273)
Vet finance costs	(72,748)	(91,614)	(47,690)	(57,454)
Net gain from fair value adjustment on investment property	24,833	() 1,01-1)	1,950	(57,454)
Other income	-	-	40,259	20,001
mpairment 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
Faxation	34,855	(17,911)	(265)	72
Profit/(loss) for the year	162,869	(148,819)	54,836	39,977
Other comprehensive income:				
tems that will not be reclassified to profit or loss:		(4 (500)		(4 = 4 0 =)
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 Changes in fair value of financial assets through other comprehensive income	1,431,964	(120,686)	- 244,252	- (411,386)
Changes in fair value of investments in subsidiaries	244,662	(412,031)	(33,195)	(53,744)
Changes in fair value of investments in associates			399,930	(597,905)
tems that may be reclassified subsequently to profit or loss:			377,730	(397,903)
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:				
Dwners of the parent	147,297	(150,368)	54,836	39,977
Non-controlling interests	15,572	1.549	54,650	39,977
	162,869	(148,819)	54,836	39,977
		(2 /0)02//	- 19	
Fotal comprehensive income for the year attributable to:	4 050 447	((00.02())	(00.074	(4.0(0.4(2))
Dwners of the parent	1,852,147 16,920	(699,826)	690,871	(1,040,163)
Non-controlling interests	1,869,067	<u>1,724</u> (698,102)	600 971	(1,040,163)
-	1,009,007	(090,102)	070,8/1	(1,040,165)
WRs				
Basic and diluted earnings/(loss) per share	3.78	(3.86)		
Adjusted loss per share	(0.40)	(2.77)		

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:

	тне (GROUP	THE CO	MPANY
MRs000	30 lun 21	30 Jun 20	30 Jun 21	30 lun 20
mksooo	50 juli 21	Restated	50 juli 21	50 Juli 20
	(20 522)		42.004	10.07/
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:			T.H.F. (

MRs000	30 Jun 21 30 Jun 20
Profit/(loss) attributable to owners of the parent	Restated 147,297 (150,368)
Weighted average number of shares in issue and ranking for dividends during the year	38,918,280 38,912,420

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 environ-ment 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, unrealised and have no impact on the cash flows of the group or its present strategic directions. Our underlying loss before results of associates amounted to MRs30.5m compared to MRs32.3m last year, an acceptable performance in the circumstances. Our subsidiary Caudan was adversely impacted by reduced rentals and increased impairment charges offset however by lower finance costs.

Our associates posted a positive contribution of MRs133.2m compared to a loss of MRs115.6m last year, driven mainly by improved results of Medine with stronger realisations of property sales and fair value gains recorded this year versus impairment charges and fair value losses having been booked last year.

Outlook

We expect trading conditions to remain challenging due to the uncertainty surrounding Covid-19 and resurgent infections. Looking ahead, the easing of travel and border restrictions and the progress of the vaccination rollout augur well for the operating local context, the global economic outlook and our group. With our strong portfolio, we remain well placed to meet the challenges lying ahead; we continue to focus on improving efficiencies and on-going close monitoring of costs and remain confident of better results as the recovery in tourists arrivals and an improved economic outlook kicks in.

Dividend

An interim dividend of MRe1.00 per share was declared in June 2021 and paid in August 2021 while a final dividend of MRs3.05 was declared on September 28th 2021 in respect of the year ended June 30th 2021 and will be paid in December 2021.

Segment Reporting	Property	Shares	Security	Other	Fliminations	Total
MRs000	,		,			
June 2021 External sales Intersegment sales Total revenues	219,190 4,845 224,035	64,069 81,279 145,348	257,353 21,139 278,492	3,228 8,970 12,198	(116,233) (116,233)	543,840 - 543,840
Segment result	21,262	115,080	6,163	-	(81,944)	60,561
June 2020 External sales Intersegment sales Total revenues Segment result	254,895 4,800 259,695 41,796	63,880 81,800 145,680 114,189	264,223 23,031 287,254 13,566	4,309 13,729 18,038	(123,360) (123,360) (83,083)	587,307

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 from the secretary, 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 28th 2021.

By order of the board

MCB Group Corporate Services Ltd

Secretary

September 28th 2021

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