PROMOTION AND DEVELOPMENT LTD

ABRIDGED UNAUDITED INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30th 2023

STATEMENTS OF FINANCIAL POSITION

	THE GROUP			THE COMPANY		
	UNAUDITED		AUDITED	UNAUDITED		AUDITED
	30 Sep 23	30 Sep 22	30 Jun 23	**30 Sep 23**	30 Sep 22	30 Jun 23
MRs000						
Assets						
Non-current assets						
Investment property	**5,109,065**	4,975,445	5,109,065	**193,900**	187,500	193,900
Investments in subsidiary companies	**-**	-	-	**894,790**	1,222,602	885,975
Investments in associates	**8,967,132**	8,642,302	8,941,186	**3,213,675**	3,038,563	3,095,577
Financial assets at fair value through other comprehensive income	**2,758,473**	2,837,384	2,874,374	**2,757,233**	2,833,111	2,870,222
Other non-current assets	**415,673**	419,334	421,217	**84,818**	80,264	85,806
	17,250,343	16,874,465	17,345,842	**7,144,416**	7,362,040	7,131,480
Current assets	**333,430**	368,013	371,922	**184,703**	146,448	110,598
Total assets	**17,583,773**	17,242,478	17,717,764	**7,329,119**	7,508,488	7,242,078
Equity and liabilities						
Capital and reserves						
Share capital	**194,854**	194,854	194,854	**194,854**	194,854	194,854
Other reserves	**8,376,658**	8,527,328	8,449,369	**2,601,336**	2,794,808	2,548,108
Retained earnings	**5,437,781**	4,742,143	5,295,141	**3,218,447**	3,028,026	3,107,179
	14,009,293	13,464,325	13,939,364	**6,014,637**	6,017,688	5,850,141
Less: Treasury shares	**(144)**	(144)	(144)	**(144)**	(144)	(144)
Equity attributable to owners of the parent	**14,009,149**	13,464,181	13,939,220	**6,014,493**	6,017,544	5,849,997
Non-controlling interests	**1,307,155**	1,274,461	1,303,029	**-**	-	-
Total equity	**15,316,304**	14,738,642	15,242,249	**6,014,493**	6,017,544	5,849,997
Liabilities						
Non-current liabilities						
Borrowings	**1,251,500**	1,151,500	1,251,500	**717,500**	617,500	717,500
Other non-current liabilities	**284,679**	273,430	280,300	**8,394**	15,914	7,296
	1,536,179	1,424,930	1,531,800	**725,894**	633,414	724,796
Current liabilities						
Borrowings	**412,365**	710,701	721,297	**428,620**	678,786	608,540
Dividend proposed	**136,296**	155,767	38,942	**136,296**	155,767	38,942
Other current liabilities	**182,629**	212,438	183,476	**23,816**	22,977	19,803
	731,290	1,078,906	943,715	**588,732**	857,530	667,285
Total liabilities	**2,267,469**	2,503,836	2,475,515	**1,314,626**	1,490,944	1,392,081
Total equity and liabilities	**17,583,773**	17,242,478	17,717,764	**7,329,119**	7,508,488	7,242,078
Net assets per share (MRs)	**359.75**	345.75	357.95	**154.45**	154.53	150.22
Number of shares	**38,941,789**	38,941,789	38,941,789	**38,941,789**	38,941,789	38,941,789

STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the parent						
	Share capital	Treasury shares	Other reserves	Retained earnings	Total	Non controlling interests	Total equity
MRs000							
THE GROUP							
At July 1st 2022	194,854	(144)	8,511,569	4,714,745	13,421,024	1,268,074	14,689,098
Dividend	-	-	-	(155,767)	(155,767)	-	(155,767)
Profit for the period	-	-	-	178,901	178,901	6,387	185,288
Transfer	-	-	(4,682)	4,682	-	-	-
Acquisition of non-controlling interests by associates	-	-	-	(418)	(418)	-	(418)
Other comprehensive income for the period	-	-	20,441	-	20,441	-	20,441
At September 30th 2022	194,854	(144)	8,527,328	4,742,143	13,464,181	1,274,461	14,738,642
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
At July 1st 2023	194,854	(144)	8,449,369	5,295,141	13,939,220	1,303,029	15,242,249
Transfer on disposal of shares	-	-	(124,639)	124,639	-	-	-
Dividend	-	-	-	(136,296)	(136,296)	-	(136,296)
Profit for the period	-	-	-	140,707	140,707	4,126	144,833
Transfer	-	-	(13,590)	13,590	-	-	-
Other comprehensive income for the period	-	-	65,518	-	65,518	-	65,518
At September 30th 2023	**194,854**	**(144)**	**8,376,658**	**5,437,781**	**14,009,149**	**1,307,155**	**15,316,304**
THE COMPANY							
At July 1st 2022	194,854	(144)	3,026,759	3,085,023	6,306,492		
Dividend	-	-	-	(155,767)	(155,767)		
Profit for the period	-	-	-	98,770	98,770		
Other comprehensive income for the period	-	-	(231,951)	-	(231,951)		
At September 30th 2022	194,854	(144)	2,794,808	3,028,026	6,017,544		
At July 1st 2022	194,854	(144)	3,026,759	3,085,023	6,306,492		
Transfer on disposal of shares	-	-	(4,856)	4,856	-		
Dividend	-	-	-	(194,709)	(194,709)		
Profit for the year	-	-	-	212,009	212,009		
Other comprehensive income for the year	-	-	(473,795)	-	(473,795)		
At June 30th 2023	194,854	(144)	2,548,108	3,107,179	5,849,997		
At July 1st 2023	194,854	(144)	2,548,108	3,107,179	5,849,997		
Transfer on disposal of shares	-	-	(124,395)	124,395	-		
Dividend	-	-	-	(136,296)	(136,296)		
Profit for the period	-	-	-	123,169	123,169		
Other comprehensive income for the period	-	-	177,623	-	177,623		
At September 30th 2023	**194,854**	**(144)**	**2,601,336**	**3,218,447**	**6,014,493**		

STATEMENTS OF CASH FLOWS

	THE GROUP			THE COMPANY		
	UNAUDITED		AUDITED	UNAUDITED		AUDITED
	3 mths to 30 Sep 23	3 mths to 30 Sep 22	Year to 30 Jun 23	**3 mths to 30 Sep 23**	3 mths to 30 Sep 22	Year to 30 Jun 23
MRs000						
Net cash generated from/(used in) operating activities	**80,576**	(1,506)	(27,405)	**64,218**	(20,307)	(99,787)
Net cash generated from investing activities	**233,824**	59,373	181,113	**164,144**	51,648	257,143
Net cash flow before financing activities	**314,400**	57,867	153,708	**228,362**	31,341	157,356
Net cash used in financing activities	**(56,742)**	(63,670)	(144,921)	**(80,942)**	(34,942)	(84,709)
Increase/(decrease) in cash and cash equivalents	**257,658**	(5,803)	8,787	**147,420**	(3,601)	72,647
Cash and cash equivalents at beginning of the year	**(649,853)**	(659,077)	(659,079)	**(551,530)**	(624,177)	(624,177)
Effect of foreign exchange rate changes	**(122)**	157	439	**-**	-	-
Cash and cash equivalents at end of the period/year	**(392,317)**	(664,723)	(649,853)	**(404,110)**	(627,778)	(551,530)
Analysis of cash and cash equivalents						
Bank and cash balances	**18,048**	10,578	10,044	**10**	8	9
Bank overdrafts	**(410,365)**	(675,301)	(659,897)	**(404,120)**	(627,786)	(551,539)
	(392,317)	(664,723)	(649,853)	**(404,110)**	(627,778)	(551,530)

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 unaudited interim financial statements were approved for issue by the Board of Directors on November 13th 2023.

By order of the board

MCB Group Corporate Services Ltd
Secretary

November 13th 2023

These abridged unaudited interim financial statements are issued pursuant to listing rule 12.20 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 unaudited interim financial statements.
Copies of the abridged unaudited interim 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		
	UNAUDITED		AUDITED	UNAUDITED		AUDITED
	3 mths to 30 Sep 23	3 mths to 30 Sep 22	Year to 30 Jun 23	**3 mths to 30 Sep 23**	3 mths to 30 Sep 22	Year to 30 Jun 23
MRs000						
Revenue	**245,163**	198,072	728,021	**158,012**	127,496	331,713
Operating expenses	**(148,008)**	(130,892)	(571,319)	**(14,507)**	(13,495)	(51,981)
	97,155	67,180	156,702	**143,505**	114,001	279,732
Net impairment on financial assets	**19**	5,170	6,634	**-**	-	-
Gain on bargain purchase	**-**	513	1,214	**-**	-	-
Net finance costs	**(28,312)**	(20,043)	(108,917)	**(19,497)**	(14,301)	(77,389)
Net gain from fair value on investment property	**-**	-	94,977	**-**	-	6,400
Other income	**-**	15,860	25,902	**-**	-	-
Share of results of associates	**79,085**	122,560	528,472	**-**	-	-
Profit before taxation	**147,947**	191,240	704,984	**124,008**	99,700	208,743
Taxation	**(3,114)**	(5,952)	(16,888)	**(839)**	(930)	3,266
Profit for the period/year	**144,833**	185,288	688,096	**123,169**	98,770	212,009
Other comprehensive income:						
Items that will not be reclassified to profit or loss:						
Remeasurement of retirement benefit obligations, net of deferred tax	**-**	-	2,152	**-**	-	798
Group's share of other comprehensive income of associates	**14,921**	(21,509)	(24,039)	**-**	-	-
Changes in fair value of financial assets through other comprehensive income	**50,794**	41,913	81,915	**50,711**	41,960	82,083
Changes in fair value of investments in subsidiaries	**-**	-	-	**8,815**	(114,514)	(451,141)
Changes in fair value of investments in associates	**-**	-	-	**118,097**	(159,397)	(105,535)
Items that may be reclassified subsequently to profit or loss:						
Group's share of other comprehensive income of associates	**(197)**	37	154	**-**	-	-
Other comprehensive income for the period/year, net of tax	**65,518**	20,441	60,182	**177,623**	(231,951)	(473,795)
Total comprehensive income for the period/year	**210,351**	205,729	748,278	**300,792**	(133,181)	(261,786)
Profit for the period/year attributable to:						
Owners of the parent	**140,707**	178,901	653,539	**123,169**	98,770	212,009
Non-controlling interests	**4,126**	6,387	34,557	**-**	-	-
	144,833	185,288	688,096	**123,169**	98,770	212,009
Total comprehensive income for the period/year attributable to:						
Owners of the parent	**206,225**	199,342	713,323	**300,792**	(133,181)	(261,786)
Non-controlling interests	**4,126**	6,387	34,955	**-**	-	-
	210,351	205,729	748,278	**300,792**	(133,181)	(261,786)
MRs						
Basic and diluted earnings per share	**3.61**	4.59	16.78			
Adjusted earnings per share	**3.47**	4.58	13.20			

Notes

The abridged interim financial statements for the quarter ended September 30th 2023 are unaudited and comply with IAS 34 and have been prepared using the same accounting policies and methods of computation followed per the audited financial statements for the year ended June 30th 2023.

Net assets value per share (NAV)

Company NAV stood at MRs154.45 at September 30th 2023 compared to MRs150.22 at the start of the financial year, an increase of 2.8 per cent whilst Group NAV increased by 0.5 per cent to stand at MRs359.75.

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		
	UNAUDITED		AUDITED	UNAUDITED		AUDITED
	3 mths to 30 Sep 23	3 mths to 30 Sep 22	Year to 30 Jun 23	**3 mths to 30 Sep 23**	3 mths to 30 Sep 22	Year to 30 Jun 23
MRs000						
Adjusted profit before share of profit of associates	**61,622**	55,828	64,919	**123,169**	98,770	206,015
Adjusted share of profit of associates	**64,312**	40,217	333,110	**-**	-	-
Profit on total sales of land by associate	**9,136**	82,343	115,861	**-**	-	-
Adjusted profit attributable to owners of the parent	**135,070**	178,388	513,890	**123,169**	98,770	206,015
Net gain from fair value on investment property by associates	**-**	-	73,942	**-**	-	-
Other gains - associates	**5,637**	-	5,559	**-**	-	-
Gain on bargain purchase	**-**	513	1,214	**-**	-	-
Net gain from fair value on investment property (net of non-controlling interests and deferred tax)	**-**	-	58,934	**-**	-	5,994
Reported profit attributable to owners of the parent	**140,707**	178,901	653,539	**123,169**	98,770	212,009

Basic and diluted earnings per share

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

	THE GROUP		
	UNAUDITED		AUDITED
	3 mths to 30 Sep 23	3 mths to 30 Sep 22	Year to 30 Jun 23
MRs000			
Profit attributable to owners of the parent	**140,707**	178,901	653,539
Weighted average number of shares in issue and ranking for dividends during the period/year	**38,941,789**	38,941,789	38,941,789

Results

The profit attributable to shareholders amounted to MRs123.2m at company level in comparison to MRs98.8m for the same period last year whilst group profit decreased from MRs178.9m to MRs140.7m.

At company level, our results were boosted by the increased dividend payout of MCB Group and Medine Ltd.

At group level, our results were hampered by the reduced performance reported by our associates with a contribution of MRs79.1m compared to MRs122.6m. This is primarily attributable to lower profits posted by Medine Ltd due to lower sales of land realised during the quarter.

Moreover, our subsidiary, Caudan Development Limited, posted a lower performance during the period.

Outlook

The Group continues to implement its strategy focusing on its core-income generating assets and with the aim of reducing its exposure on non-core investments.

Dividend

A final dividend of MRs3.50 per share was declared on September 27th 2023 in respect of the year ended June 30th 2023, which will be paid on or around December 26th 2023.

Segment Reporting

	Property	Shares	Security	Other	Eliminations	Total
MRs000						
September 2023						
External sales	**89,262**	**81,110**	**73,410**	**1,381**	**-**	**245,163**
Intersegment sales	**1,385**	**74,063**	**6,315**	**2,643**	**(84,406)**	**-**
Total revenues	**90,647**	**155,173**	**79,725**	**4,024**	**(84,406)**	**245,163**
Segment result	**24,758**	**147,919**	**(1,459)**	**-**	**(74,063)**	**97,155**
September 2022						
External sales	69,200	60,698	63,591	4,583	-	198,072
Intersegment sales	1,320	60,661	6,510	2,545	(71,036)	-
Total revenues	70,520	121,359	70,101	7,128	(71,036)	198,072
Segment result before other income	16,640	114,608	(3,340)	-	(60,728)	67,180
Other income *	15,860	-	-	-	-	15,860
Segment result after other income	32,500	114,608	(3,340)	-	(60,728)	83,040
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
Other income *	25,902	-	-	-	-	25,902
Segment result after other income	80,479	281,588	(4,771)	-	(174,692)	182,604

* 'Other income' is in respect of loss of rent fully covered by insurance.