

PROMOTION AND DEVELOPMENT LTD

ABRIDGED UNAUDITED INTERIM FINANCIAL STATEMENTS MARCH 31st 2018

STATEMENTS OF FINANCIAL POSITION		
	T H UNAUDITED	E GROUP AUDITED
	Rest	ated
MRs000	31 Mar 18 31 Ma	r 17 30 Jun 17

		Restateu				
MRs000	31 Mar 18	31 Mar 17	30 Jun 17	31 Mar 18	31 Mar 17	30 Jun 17
Assets						
Non-current assets						
Investment property	4,175,241	3,908,882	3,995,563	164,700	148,593	164,700
Investments in subsidiary companies	-	-	-	1,773,570	1,527,676	1,624,218
Investments in associates and jointly controlled entities	6,528,005	6,675,784	6,607,085	3,748,032	3,318,957	3,303,754
Investments in available-for-sale financial assets	2,296,514	1,917,666	2,253,713	2,296,514	1,917,666	2,253,713
Other non-current assets	265,144	269,512	273,277	90,974	88,971	93,592
	13,264,904	12,771,844	13,129,638	8,073,790	7,001,863	7,439,977
Current assets	167,252	132,701	248,283	7,581	8,945	149,508
Total assets	13.432.156	12.904.545	13,377,921	8.081.371	7.010.808	7.589.485

Equity and liabilities Capital and reserves						
Share capital	194,854	194,766	194,766	194,854	194,766	194,766
Other reserves	6,882,506	6,456,441	6,810,820	4,000,183	2,946,356	3,371,852
Retained earnings	3,839,025	3,989,826	3,900,701	2,885,335	2,849,480	2,888,450
	10,916,385	10,641,033	10,906,287	7,080,372	5,990,602	6,455,068
Less: Treasury shares	(104)	(107)	(107)	(104)	(107)	(107)
Equity attributable to owners of the parent	10,916,281	10,640,926	10,906,180	7,080,268	5,990,495	6,454,961
Non-controlling interests	1,180,170	1,176,042	1,156,110	-	-	-
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Non-controlling interests	1,180,1/0	1,1/6,042	1,150,110	-	-	
Total equity	12,096,451	11,816,968	12,062,290	7,080,268	5,990,495	6,454,961
Liabilities						
Non-current liabilities						
Borrowings	650,000	650,000	650,000	650,000	650,000	650,000
Other non-current liabilities	191,134	193,133	183,125	18,692	33,082	19,216
	841,134	843,133	833,125	668,692	683,082	669,216
Current liabilities						
Borrowings	306,399	123,045	197,099	304,154	315,426	338,178
Dividend proposed	-	-	97,330	-	-	97,330
Other current liabilities	188,172	121,399	188,077	28,257	21,805	29,800
	494,571	244,444	482,506	332,411	337,231	465,308
Total liabilities	1,335,705	1,087,577	1,315,631	1,001,103	1,020,313	1,134,524
Total equity and liabilities	13.432.156	12,904,545	13,377,921	8,081,371	7.010.808	7,589,485

273.32

280.14 **181.78**

38,949,760 38,931,866 38,931,866 **38,949,760** 38,931,866 38,931,866

153.87

STATEMENTS OF CHANGES IN EQUITY

Net assets per share (MRs)

_	Attributable to owners of the parent					Non	
	Share	Treasury	Other	Retained	Total	controlling	Tota
MR\$000	capital	shares	reserves	earnings		interests	equity
THE GROUP							
At July 1st 2016							
As previously reported	194,678	(117)	6,307,221	3 725 522	10,227,304	1 088 514	11,315,818
Prior year adjustment	194,070	(11/)	0,507,221	4,403	4,403	2,597	7,000
As restated	194,678	(117)	6,307,221		10,231,707		11,322,818
Issue of shares		(88)	0,307,221			215,982	
Exercise of share options	88	98	1 752	(1,177)	(1,177) 1,850	215,982	214,80
Dividend	-	96	1,752	(20.100)	(29,199)		1,850 (29,199
Changes in ownership interests in subsidiary that do not result	-	-		(29,199)	(29,199)	-	(29,199
in loss of control			(F)	150,741	150,736	(150,736)	
Profit for the period - restated	-	-	(5)	120,203	120,203	19,705	139,90
Transfer			(21,710)	21,710	120,203	19,705	139,90
Other comprehensive income for the period	-	-	169,183	(2,377)	1// 00/	(20)	166,78
	194,766	(107)			166,806		
At March 31st 2017	194,/66	(107)	6,456,441	3,989,826	10,640,926	1,176,042	11,816,96
At July 1st 2016							
As previously reported	194,678	(117)	6,307,221	3,725,522	10,227,304	1,088,514	11,315,818
Prior year adjustment	,		, ,	4,403	4,403	2,597	7,000
As restated	194,678	(117)	6,307,221	3,729,925			11,322,81
Issue of shares	88	(88)	-,,	(1,208)	(1,208)	215,970	214,76
Exercise of share options	-	98	1,752	(1,200)	1,850		1,85
Changes in ownership interests in subsidiary that do not result			-,,		-,		-,
in loss of control			(5)	150,741	150,736	(150,736)	
Dividend			(5)	(126,529)	(126,529)	(23,504)	(150,033
Profit for the year				142,850	142,850	23,386	166,23
Fransfer			(22,235)	22,235	1-12,000	25,500	100,25
Other comprehensive income for the year			524,087	(17,313)	506,774	(117)	506,65
At June 30th 2017	194,766	(107)	6,810,820		10,906,180		12,062,290
At July 1st 2017	194,766	(107)	6,810,820	3,900,701	10,906,180	1,156,110	12,062,290
Issue of shares	88	(88)		-			
Exercise of share options	-	91	1,632		1,723		1,72
Dividend	-	-	-	(38,950)	(38,950)		(38,950
(Loss)/profit for the period	-	-		(23,842)	(23,842)	24,062	22
Transfer	-	-	(878)	878		-	
Other comprehensive income for the period	404.054	(404)	70,932	238	71,170	(2)	71,168
At March 31st 2018	194,854	(104)	6,882,506	3,839,025	10,916,281	1,180,170	12,096,451
THE COMPANY							
At July 1st 2016	194,678	(117)	2,494,353	2,835,903	5,524,817		
Issue of shares	88	(88)					
Exercise of share options	-	98	1,752	-	1,850		
Dividend				(29,199)	(29,199)		
Profit for the period				42,776	42,776		
Other comprehensive income for the period			450,251	,,,,	450,251		
At March 31st 2017	194,766	(107)	2,946,356	2,849,480	5,990,495		
·							
At July 1st 2016	194,678	(117)	2,494,353	2,835,903	5,524,817		
Issue of shares	88	(88)	-	-	-		
Exercise of share options	-	98	1,752	-	1,850		
Dividend	-	-	-	(126,529)	(126,529)		
Profit for the year	-	-	-	179,076	179,076		
Other comprehensive income for the year	-		875,747	-	875,747		
At June 30th 2017	194,766	(107)	3,371,852	2,888,450	6,454,961		
At July 1st 2017	194,766	(107)	3,371,852	2,888,450	6,454,961		
Issue of shares	88	(88)	J,J/1,032	2,000,430	0,4,701		
Exercise of share options	00	91	1,632	-	1,723		
Profit for the period	-	91	1,032	35,835	35,835		
Dividend	-	-		(38,950)	(38,950)		
ziriaciia				(20,230)	(,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		

STATEMENTS OF CASH FLOWS

	UNAUDITED		AUDITED UNAUDITED		AUDITED	
	9 mths to	9 mths to	Year to	9 mths to	9 mths to	Year to
MRs000	31 Mar 18	31 Mar 17	30 Jun 17	31 Mar 18	31 Mar 17	30 Jun 17
Net cash generated from operating activities	232,811	208,971	220,294	179,253	110,233	89,718
Net cash used in investing activities	(183,179)	(68,395)	(153,724)	(11,173)	(790,992)	(794,499)
Net cash flow before financing activities	49,632	140,576	66,570	168,080	(680,759)	(704,781)
Net cash (used in)/generated from financing activities	(159,016)	(157,059)	(157,201)	(275,091)	633,747	583,616
Decrease in cash and cash equivalents	(109,384)	(16,483)	(90,631)	(107,011)	(47,012)	(121,165)
Cash and cash equivalents at beginning of the year	(196,729)	(106, 165)	(106, 165)	(197,083)	(75,918)	(75,918)
Effect of foreign exchange rate changes	104	(25)	67	-	-	-
Cash and cash equivalents at end of the period/year	(306,009)	(122,673)	(196,729)	(304,094)	(122,930)	(197,083)
Analysis of cash and cash equivalents						
Bank and cash balances	346	273	370	16	16	16
Bank overdrafts	(306,355)	(122,946)	(197,099)	(304,110)	(122,946)	(197,099)
	(306,009)	(122,673)	(196,729)	(304,094)	(122,930)	(197,083)

THE GROUP

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	UNAUDITED Restated		T H E	G R O U P AUDITED		UNAUD	ITED	THE COMPANY AUDITED		
	9 mths to	9 mths to	3 mths to	3 mths to	Year to	9 mths to	9 mths to	3 mths to	3 mths to	Year to
MRs000	31 Mar 18	31 Mar 17	31 Mar 18	31 Mar 17	30 Jun 17	31 Mar 18	31 Mar 17	31 Mar 18	31 Mar 17	30 Jun 17
Turnover	407,356	414,536	121,435	124,316	571,065	132,491	117,493	7,635	11,025	272,036
Operating expenses	(307,351)	(314,532)	(101,678)	(101,639)	(422,606)	(55,336)	(47,321)	(19,825)	(15,485)	(66,290)
	100,005	100,004	19,757	22,677	148,459	77,155	70,172	(12,190)	(4,460)	205,746
Net finance costs	(39,020)	(41,253)	(12,869)	(11,428)	(53,425)	(41,651)	(28,112)	(13,367)	(13,764)	(42,454)
Net gain from fair value adjustment on investment property	-	-	-	-	19,268	-	-	-	-	16,107
Non-recurring items	-	948	-	-	(14,048)	-	948	-	-	948
Share of results of associates and jointly controlled entities	(58,157)	93,160	(72,765)	(3,811)	85,203	-	-	-	-	-
Gains on bargain purchase	12,357				-	-	-	-	-	
Profit/(loss) before taxation	15,185	152,859	(65,877)	7,438	185,457	35,504	43,008	(25,557)	(18,224)	180,347
Taxation	(14,965)	(12,951)	(4,990)	(5,860)	(19,221)	331	(232)	470	342	(1,271)
Profit/(loss) for the period/year	220	139,908	(70,867)	1,578	166,236	35,835	42,776	(25,087)	(17,882)	179,076
Other comprehensive income:										
Items that will not be reclassified to profit or loss:										
Remeasurement of retirement benefit obligations, net of deferred tax	-		-	-	7,811	-		-		8,110
Group's share of other comprehensive income of associates	-		-	-	(23,586)	-		-		-
Items that may be reclassified subsequently to profit or loss:		40.474								
Group's share of other comprehensive income of associates	28,374	13,674	12,261	12,625	33,305	-				
Fair value gains on investments	42,801	153,180	27,960	62,544	489,227	626,699	450,251	382,628	179,270	867,637
Currency translation differences	(7)	(68)	(1)	75 476	(100)		150 254	202 (20	470 270	075.7/7
Other comprehensive income for the period/year, net of tax	71,168	166,786	40,220	75,176	506,657	626,699	450,251	382,628	179,270	875,747
Total comprehensive income for the period/year	71,388	306,694	(30,647)	76,754	672,893	662,534	493,027	357,541	161,388	1,054,823
(Loss)/profit for the period/year attributable to:										
Owners of the parent	(23,842)	120,203	(78,780)	(6,737)	142,850	35,835	42,776	(25,087)	(17,882)	179,076
Non-controlling interests	24,062	19,705	7,913	8,315	23,386					-
· ·	220	139,908	(70,867)	1,578	166,236	35,835	42,776	(25,087)	(17,882)	179,076
Total comprehensive income for the period/year attributable to:										
Owners of the parent	47,328	287,009	(38,560)	68,437	649,624	662,534	493,027	357,541	161,388	1,054,823
Non-controlling interests	24,060	19,685	7,913	8,317	23,269					
· ·	71,388	306,694	(30,647)	76,754	672,893	662,534	493,027	357,541	161,388	1,054,823
MRs										
(Loss)/earnings per share	(0.61)	3.09	(2.02)	(0.17)	3.67					
Adjusted (loss)/earnings per share	(0.93)	3.06	(2.02)	(0.17)	2.99					

UNAUDITED

Notes
The abridged interim financial statements for the period ended March 31st 2018 are unaudited 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 2017 and comply with IAS 34.

Net assets value (NAV)

Company NAV stood at MRs181.78 at March 31st 2018 compared to MRs165.80 at the start of the financial year, an increase of 9.6 per cent whilst Group NAV increased by only 5 points to stand at MRs280.27.

DividendThe company declared an interim dividend of MRe1.00 per share which was paid on February 15th 2018.

The profit attributable to shareholders amounted to MRs35.8m in comparison to MRs42.8m for the same period last year whilst at group level, a loss of MRs23.8m was recorded (Mar 2017; profit of MRs120.2m),

At company level, our operating performance was enhanced by the positive impact of improved dividend payouts from our main investments; our bottom line figure, however, suffered from increased finance costs, in line with the company's increased indebtedness following our investment in Caudan Rights Issue.

At group level, our subsidiary, Caudan posted improved results, albeit boosted by finance income during the period compared to finance costs incurred for the corresponding period last year.

Our associates posted a negative contribution of MRs58.2m to our group's results compared to a profit of MRs93.2m last year. This is mainly attributable to the reduced performance of Medine during the period, which was adversely affected by lower proceeds from sugar related activities, a fair value charge in respect of lower sugar price for crop 2018 and reduced profits booked on sale of land. However, better results posted by MFD Group contributed to mitigate to some extent the impact on our results.

The gain on bargain purchase (negative goodwill) amounting to MRs12.4m arose on the purchase of shares in Medine

Segment Reporting						
	Property	Shares	Security	Other	Eliminations	Total
MRs000						
March 2018						
External sales	179,976	42,579	183,124	1,677	-	407,356
Intersegment sales	3,600	74,163	13,734	13,089	(104,586)	-
Total revenues	183,576	116,742	196,858	14,766	(104,586)	407,356
Segment result	89,002	90,272	(1,284)	-	(77,985)	100,005
March 2017						
External sales	191,142	40,256	181,462	1,676		414,536
Intersegment sales	3,600	61,240	12,695	11,973	(89,508)	
Total revenues	194,742	101,496	194,157	13,649	(89,508)	414,536
Segment result - restated	83,581	78,333	(74)	-	(61,836)	100,004
June 2017						
External sales	251,347	74,609	242,875	2,234		571,065
Intersegment sales	4,800	185,239	19,933	16,807	(226,779)	-
Total revenues	256,147	259,848	262,808	19,041	(226,779)	571,065
Segment result	105,834	227,600	2,147	-	(187,122)	148,459

Adjusted (loss)/profit												
		UNAUDITED Restated				T H E Restated	G R O U P AUDITED		UNAUD	ITED	IHE (C O M P A N Y AUDITED
	9 mths to	9 mths to	3 mths to	3 mths to	Year to	9 mths to	9 mths to	3 mths to	3 mths to	Year to		
MRs000	31 Mar 18	31 Mar 17	31 Mar 18	31 Mar 17	30 Jun 17	31 Mar 18	31 Mar 17	31 Mar 18	31 Mar 17	30 Jun 17		
(Loss)/profit attributable to owners of the parent	(23,842)	120,203	(78,780)	(6,737)	142,850	35,835	42,776	(25,087)	(17,882)	179,076		
Gains on bargain purchase	(12,357)		-	-	-	-		-	-			
Non-recurring items (net of non-controlling interests)	• • •	(948)	-	-	9,642	-	(948)	-		(948)		
Net gain from fair value adjustment on investment property												
(net of non-controlling interests and deferred tax)	-		-		(17,821)	-		-	-	(15,924)		
Net gain from fair value adjustment on investment property by associates	-		-		(18,375)	-		-	-			
Adjusted (loss)/earnings attributable to owners of the parent	(36,199)	119 255	(78,780)	(6.737)	116 296	35,835	41 828	(25,087)	(17.882)	162 204		

(Loss)/earnings for the period/year					
The (loss)/earnings per share has been calculated as follows:				THE	GROUP
	UNAUDITED		AUDITED		
		Restated		Restated	
	9 mths to	9 mths to	3 mths to	3 mths to	Year to
MRs000	31 Mar 18	31 Mar 17	31 Mar 18	31 Mar 17	30 Jun 17
(Loss)/profit attributable to owners of the parent	(23,842)	120,203	(78,780)	(6,737)	142,850
Weighted average number of shares in issue and ranking for dividends during the period/year	38,943,069	38,922,009	38,949,725	38,931,819	38,924,473

Adjusted (loss)/earnings per share is calculated on the adjusted (loss)/profit divided by the number of shares in issue and ranking for dividends.

Non-recurring items	UNAUDITED			THE	THE GROUP AUDITED UNAUDITED				THE COMPANY AUDITED		
	9 mths to	9 mths to	3 mths to	3 mths to	Year to	9 mths to	9 mths to	3 mths to	3 mths to	Year to	
MRs000	31 Mar 18	31 Mar 17	31 Mar 18	31 Mar 17	30 Jun 17	31 Mar 18	31 Mar 17	31 Mar 18	31 Mar 17	30 Jun 17	
Surplus on distribution on winding up of associate	-	948	-	-	948	-	895	-		895	
Dividend received from subsidiary on winding up of its associate	-	-	-	-	-	-	53	-	-	53	
Project capital costs written off		-	-	-	(14,996)	-	-	-	-		
	-	9//8			(1 / 0 / 8)		9/18			9//8	

THE COMPANY

Following an actuarial valuation at June 30th 2017, Caudan and its subsidiary have adjusted for an overprovision in respect of other post retirement benefits (gratuity on retirement). The adjustment and its corresponding impact on deferred tax have been recognised with retrospective effect and comparative figures have been restated accordingly.

The statement of direct and indirect interests of Insiders 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 unaudited interim financial statements were approved for issue by the Board of Directors on May 14th 2018.

By order of the board

Joselyne Martin Secretary May 14th 2018

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 from the secretary, free of charge, at Promotion and Development Ltd, 8th Floor, Dias Pier, Le Caudan Waterfront, Port Louis.