

PHOENIX INVESTMENT COMPANY LIMITED

CONDENSED AUDITED RESULTS FOR THE YEAR ENDED JUNE 30, 2016

BRN: C07001226

CONDENSED STATEMENTS OF FINANCIAL POSITION

	THE GROUP			THE COMPANY	
	As at 30.06.16 Rs '000	As at 30.06.15 Rs '000 (Restated)	As at 30.06.14 Rs '000 (Restated)	As at 30.06.16 Rs '000	As at 30.06.15 Rs '000
ASSETS					
Non-current assets					
Property, plant and equipment	3,483,554	2,763,833	2,662,237	-	-
Investments and others	801,996	214,168	31,403	1,867,016	1,657,869
	4,285,550	2,978,001	2,693,640	1,867,016	1,657,869
Current assets	1,352,642	1,113,473	1,296,970	5,553	4,647
Total assets	5,638,192	4,091,474	3,990,610	1,872,569	1,662,516
EQUITY AND LIABILITIES					
Equity and reserves					
Equity attributable to Owners of the Company	986,160	934,867	876,356	1,867,621	1,658,376
Non-controlling interests	2,357,315	2,244,417	2,116,021	-	-
Total equity	3,343,475	3,179,284	2,992,377	1,867,621	1,658,376
Non-current liabilities	1,356,962	398,833	398,057	-	-
Current liabilities	937,755	513,357	600,176	4,948	4,140
Total equity and liabilities	5,638,192	4,091,474	3,990,610	1,872,569	1,662,516

CONDENSED INCOME STATEMENTS

	THE GROUP		THE COMPANY	
	Year ended 30.06.16 Rs '000	Year ended 30.06.15 Rs '000 (Restated)	Year ended 30.06.16 Rs '000	Year ended 30.06.15 Rs '000
Revenue	5,515,321	5,060,973	48,971	45,910
Profit before finance costs	442,820	393,990	46,491	43,384
Finance costs	(14,379)	(4,732)	-	-
	428,441	389,258	46,491	43,384
Share of results of associates	272	219	-	-
Profit before taxation	428,713	389,477	46,491	43,384
Tax expense	(80,838)	(73,660)	-	-
Profit for the year	347,875	315,817	46,491	43,384
Attributable to:				
Owners of the Company	106,481	96,629	46,491	43,384
Non-controlling interests	241,394	219,188	-	-
	347,875	315,817	46,491	43,384
Earnings per share				
Earnings attributable to Owners of the Company (Rs '000)	106,481	96,629	46,491	43,384
Number of shares in issue ('000)	5,685	5,685	5,685	5,685
Earnings per share (Rs.Cs)	18.73	17.00	8.18	7.63

CONDENSED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	THE GROUP		THE COMPANY	
	Year ended 30.06.16 Rs '000	Year ended 30.06.15 Rs '000 (Restated)	Year ended 30.06.16 Rs '000	Year ended 30.06.15 Rs '000
Profit for the year	347,875	315,817	46,491	43,384
Other comprehensive income:				
Items that will not be reclassified to profit or loss				
Remeasurements of post employment benefit obligations	(19,360)	15,273	-	-
Deferred tax on post employment benefit obligations	3,279	(2,596)	-	-
Items that may be reclassified subsequently to profit or loss				
Increase in fair value of securities	-	-	209,147	663,147
Reclassification adjustments for gains of financial assets included in profit or loss	-	(2,658)	-	-
Exchange differences on translating foreign operations	(11,869)	8,449	-	-
Other movements on associates	(420)	(2,056)	-	-
Total comprehensive income for the year	319,505	332,229	255,638	706,531
Total comprehensive income attributable to:				
Owners of the Company	97,686	101,720	255,638	706,531
Non-controlling interests	221,819	230,509	-	-
	319,505	332,229	255,638	706,531

CONDENSED STATEMENTS OF CASH FLOWS

	THE GROUP		THE COMPANY	
	Year ended 30.06.16 Rs '000	Year ended 30.06.15 Rs '000	Year ended 30.06.16 Rs '000	Year ended 30.06.15 Rs '000
Net cash generated from/(used in) operating activities	604,011	525,982	(1,672)	(1,515)
Net cash (used in)/generated from investing activities	(1,135,521)	(498,623)	48,971	45,910
Net cash generated from/(used in) financing activities	514,354	(188,541)	(46,393)	(43,209)
(Decrease)/increase in cash and cash equivalents	(17,156)	(161,182)	906	1,186
Opening cash and cash equivalents	198,250	359,147	4,647	3,461
Effects of foreign exchange rate changes	4,453	285	-	-
Closing cash and cash equivalents	185,547	198,250	5,553	4,647

SEGMENTAL INFORMATION

	THE GROUP	
	Year ended 30.06.16 Rs '000	Year ended 30.06.15 Rs '000 (Restated)
Segment revenue		
Local	4,814,659	4,574,856
Overseas	700,662	486,117
	5,515,321	5,060,973
Segment results		
Local	422,304	413,652
Overseas	20,516	(19,662)
	442,820	393,990

CONDENSED STATEMENTS OF CHANGES IN EQUITY

THE GROUP	Attributable to Owners of the Company					Non controlling interests	Total
	Share capital	Share premium	Revaluation and other reserves	Fair value reserve	Retained earnings		
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
At July 1, 2015							
- As previously reported	56,854	36,545	285,793	276	562,633	942,101	2,260,508
- Prior year adjustment	-	-	(1,121)	-	(6,113)	(7,234)	(16,091)
- As restated	56,854	36,545	284,672	276	556,520	934,867	2,244,417
Total comprehensive (loss)/income for the year	-	-	(3,682)	(130)	101,498	97,686	221,819
Dividends	-	-	-	-	(46,393)	(46,393)	-
Dividends payable to non-controlling interests	-	-	-	-	-	-	(108,921)
At June 30, 2016	56,854	36,545	280,990	146	611,625	986,160	2,357,315
At July 1, 2014							
- As previously reported	56,854	36,545	283,172	1,739	504,737	883,047	2,130,904
- Prior year adjustment	-	-	(1,121)	-	(5,570)	(6,691)	(14,883)
- As restated	56,854	36,545	282,051	1,739	499,167	876,356	2,116,021
Total comprehensive income/(loss) for the year	-	-	2,621	(1,463)	100,562	101,720	230,509
Dividends	-	-	-	-	(43,209)	(43,209)	-
Dividends payable to non-controlling interests	-	-	-	-	-	-	(102,113)
At June 30, 2015	56,854	36,545	284,672	276	556,520	934,867	2,244,417

THE COMPANY

	Share Capital	Share premium	Revaluation and other reserves	Fair value reserve	Retained earnings	Total
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
At July 1, 2015						
Total comprehensive income for the year	56,854	36,545	27	1,561,858	3,092	1,658,376
Dividends	-	-	-	209,147	46,491	255,638
At June 30, 2016	56,854	36,545	27	1,771,005	3,190	1,867,621
At July 1, 2014						
Total comprehensive income for the year	56,854	36,545	27	898,711	2,917	995,054
Dividends	-	-	-	663,147	43,384	706,531
At June 30, 2015	56,854	36,545	27	1,561,858	3,092	1,658,376

COMMENTS

Total sales volume of our subsidiary, Phoenix Beverages Limited for the 12 months to June 30, 2016 is up by 3.2% when compared to last year. The Group has, for the same period, generated a revenue of Rs 5,515M as compared to Rs 5,061M last year (+9.0%).

Group earnings before interest and tax have increased by 12.4% to Rs 442.8M (2015: Rs 394.0M). Group net profit for the year stood at Rs 347.9M (2015: Rs 315.8M) which represents an increase of 10.2% over the previous year. The Group net profit includes Rs13.6M which relates to the net profit from Edena SA and its subsidiaries (Edena SA) for the 3 month period since its acquisition on April 1, 2016.

During the year, the Group invested a total amount of Rs 1,306M including Rs 838M for the acquisition of Edena SA as part of a multi-pronged strategy focused on our operations and brand in Mauritius whilst taking our activities in Reunion Island to the next level. After those strategic investments, the gearing of the Group stands at 19.9%.

Our new production unit in Nouvelle France, which will be operational shortly, will enable the Group to further widen its product range in the non-carbonated beverages segment regionally whilst also mitigating manufacturing contingency. In addition and in line with its ambitious regional growth strategy, the Group is presently fully engaged in implementing its plan to combine all its activities in Reunion Island.

The combined level of our investments over the last 24 months, Rs 1,814M, bears testimony to our commitment to responsibly enhance value for all our stakeholders.

Prior year restatement

Following the recent enunciation of a best practice, the Directors have agreed that Corporate Social Responsibility (CSR) of 2% of chargeable income should be treated as part of the tax charge (previously classified as administrative expenses). Consequently, deferred tax is now computed at the rate of 17% (previously 15%) where appropriate. The Group's financial statements have therefore been prepared on this new basis, with the comparatives restated where applicable.

For and on behalf of the Board of Directors

IBL Management Ltd
Company Secretary
September 1, 2016

Notes:

The above abridged financial statements to June 30, 2016 have been audited by Messrs. Deloitte. They have been prepared using the same accounting policies and methods of computation followed per the audited financial statements for the year ended June 30, 2016. The auditor's report to the financial statements is unqualified.

Copies of the above abridged audited financial statements, of the full audited financial statements and of the statement of direct and indirect interests of officers of the Company are available free of charge from the Company Secretary at the registered office of the Company, 4th Floor, IBL House, Caudan Waterfront, Port Louis.

The above abridged audited financial statements are issued pursuant to DEM Rule 18 and Section 88 of the Securities Act 2005.

The Board of Directors of Phoenix Investment Company Limited accepts full responsibility for the accuracy of the information contained in these abridged audited financial statements.