

eNL Commercial Ltd

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2016

1. CONDENSED STATEMENTS OF FINANCIAL POSITION

	Sep 30, 2016	Jun 30, 2016
	Rs'000	Rs'000
ASSETS		
Non-current assets		
Property, plant and equipment	747,821	738,224
Investments and others	271,517	286,751
	1,019,338	1,024,975
Current assets	1,137,716	1,300,552
Total assets	2,157,054	2,325,527
EQUITY AND LIABILITIES		
Equity and reserves		
Equity holders' interests	687,295	695,294
Non-controlling interests	(77)	(31)
Total equity and reserves	687,218	695,263
Non-current liabilities	467,895	468,451
Current liabilities	1,001,941	1,161,813
Total equity and liabilities	2,157,054	2,325,527

3. CONDENSED CASH FLOW STATEMENTS

	Quarter ended Sep 30, 2016	Quarter ended Sep 30, 2015
	Rs'000	Rs'000
Net cash flows from operating activities	156,413	(3,047)
Net cash flows from investing activities	(10,398)	(5,610)
Net cash flows from financing activities	(154,281)	(66,501)
Net movement in cash and cash equivalents	(8,266)	(75,158)
Opening cash and cash equivalents	(221,855)	(190,845)
Closing cash and cash equivalents	(230,121)	(266,003)

4. SEGMENTAL INFORMATION

TURNOVER

	Quarter ended Sep 30, 2016	Quarter ended Sep 30, 2015
	Rs'000	Rs'000
Corporate office	2,024	1,975
Automotive	453,679	389,051
Trading and services	61,557	64,538
Industry and manufacturing	102,811	120,676
	620,071	576,240

SEGMENT RESULTS AFTER TAXATION

	Quarter ended Sep 30, 2016	Quarter ended Sep 30, 2015
	Rs'000	Rs'000
Corporate office	(5,142)	(3,710)
Automotive	6,636	(5,585)
Trading and services	7,360	3,348
Industry and manufacturing	(16,427)	(1,175)
	(7,573)	(7,122)

5. CONDENSED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the parent				Total	Non-controlling interests	Total
	Share capital	Associated companies	Fair value and other reserves	Retained earnings			
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At Jul 1, 2015	177,960	(6,997)	123,308	452,997	747,268	8	747,276
Profit/(Loss) for the period	-	1,915	-	(9,062)	(7,147)	25	(7,122)
Other comprehensive income for the period	-	(345)	-	-	(345)	-	(345)
At Sep 30, 2015	177,960	(5,427)	123,308	443,935	739,776	33	739,809
At Jul 1, 2016	177,960	(10,677)	123,308	404,703	695,294	(31)	695,263
Loss for the period	-	3,813	-	(11,340)	(7,527)	(46)	(7,573)
Other comprehensive income for the period	-	(472)	-	-	(472)	-	(472)
At Sep 30, 2016	177,960	(7,336)	123,308	393,363	687,295	(77)	687,218

Notes:

The interim financial statements to 30 September 2016 are unaudited. 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.

These condensed financial statements are issued pursuant to Listing Rules 12.20 and 12.21 and section 88 of the Securities Act 2005.

Copies of this report are available free of charge to the public at the registered office of the company at ENL House, Vivéa Business Park, Moka.

Copies of the statement of direct and indirect interests of the senior officers of the Company pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 are available free of charge to the public upon request to the Company Secretary at the Registered Office of the Company at ENL House, Vivéa Business Park, Moka.

The Board of Directors of ENL Commercial Limited accepts full responsibility for the accuracy of the information contained in this communiqué.

2. CONDENSED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter ended Sep 30, 2016	Quarter ended Sep 30, 2015
	Rs'000	Rs'000
Turnover	620,071	576,240
Operating profit	7,344	6,364
Fair value adjustment on held for trading securities	13	596
Share of results of associated companies	3,813	1,915
Finance costs	(18,079)	(15,961)
Loss before taxation	(6,909)	(7,086)
Income tax expense	(664)	(36)
Loss for the period	(7,573)	(7,122)
Other comprehensive income		
Share of comprehensive income of associates	(472)	(345)
Other comprehensive income for the period	(472)	(345)
Total comprehensive income for the period	(8,045)	(7,467)
Loss for the period attributable to:		
Equity holders of the company	(7,527)	(7,147)
Non-controlling interests	(46)	25
	(7,573)	(7,122)
Total comprehensive income attributable to:		
Equity holders of the company	(7,999)	(7,492)
Non-controlling interests	(46)	25
	(8,045)	(7,467)

Per share data

	Quarter ended Sep 30, 2016	Quarter ended Sep 30, 2015
	Rs'000	Rs'000
Loss attributable to equity holders of the company (Rs '000)	(7,527)	(7,147)
Number of shares in issue ('000)	29,173	29,173
Loss per share (Rs)	(0.26)	(0.24)
Net asset value per share at Sep 30, 2016 / June 30, 2016 (Rs)	23.56	23.83

Comments on the financial statements

Turnover increased 8% over last year's on the back of the good performance of the automotive segment. Loss after taxation was at par with last year due to increased losses incurred by the industry and manufacturing segment which offset the profits realised by the automotive segment.

Automotive

The automotive segment recorded a 17% revenue growth and profits of Rs 6.6m compared to a loss of Rs 5.6m for the period ended 30 Sep, 2015. This much improved performance stems from higher sales generally in the various departments and additional sales arising from the Peugeot dealership. The restructuring exercise carried out last year also impacted positively the profitability realised for the period under review.

Trading and services

The trading and services segment posted higher profits after taxation. The increase was driven by the good performance of the associated companies, notably JMD Distribution which was acquired last year.

Industry and manufacturing

Segment revenue registered a decrease of 15% over last year's with losses after taxation increasing from Rs 1.2m to Rs 16.4m. This performance was expected and is due mainly to the seasonality of the eyewear market which affected the results of Plastinax Austral. As opposed to last year, the latter could not secure sufficient orders during the quarter. The results posted by Cogir our associate in the construction sector also contributed to the poor performance of the segment.

Outlook

The in-depth restructuring carried out last year across all sectors of activity is starting to bear fruit. This exercise, together with the implementation of the governmental measures to regulate the automotive market as from November 2016, are expected to impact positively on the group's performance. In addition Plastinax Austral is also expected to perform well and recover the losses during the next quarter.

By order of the Board
ENL Limited
Company Secretary

14 November 2016

