

eNL Land Ltd

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER AND SIX MONTHS ENDED 31 DECEMBER 2016

1. CONDENSED STATEMENTS OF FINANCIAL POSITION

	Dec 31, 2016	June 30, 2016
	Rs'000	Rs'000
ASSETS		
Non-current assets		
Property, plant and equipment	18,738,255	18,474,766
Investment properties	18,398,160	17,988,154
Investments in associated companies and jointly controlled entities	7,903,253	8,112,536
Other non-current assets	3,075,301	3,057,681
	48,114,969	47,633,137
Current assets	6,205,153	6,941,041
Non-current assets classified as held-for-sale	50,186	50,186
Total assets	54,370,308	54,624,364
EQUITY AND LIABILITIES		
Equity and reserves		
Equity holders' interests	25,399,440	25,707,971
Non-controlling interests	9,731,030	9,592,405
	35,130,470	35,300,376
Non-current liabilities	11,731,405	11,465,398
Current liabilities	7,508,433	7,858,590
Total equity and liabilities	54,370,308	54,624,364

3. CONDENSED CASH FLOW STATEMENTS

	Six months ended Dec 31, 2016	Six months ended Dec 31, 2015
	Rs'000	Rs'000
Net cash flows from operating activities	667,101	83,923
Net cash flows from investing activities	(824,818)	(692,045)
Net cash flows from financing activities	(689,433)	282,602
Net movement in cash and cash equivalents	(847,150)	(325,520)
Opening cash and cash equivalents	439,623	(120,300)
Effects of exchange rate changes	(21,920)	(37)
Closing cash and cash equivalents	(429,447)	(445,857)

4. SEGMENTAL INFORMATION

	Quarter ended Dec 31, 2016	Quarter ended Dec 31, 2015	Six months ended Dec 31, 2016	Six months ended Dec 31, 2015	Proforma six months ended Dec 31, 2015
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
REVENUE					
Agro-industry	371,886	211,544	771,346	494,842	663,917
Property	582,913	172,675	1,114,288	380,173	1,257,097
Land and investments	21,741	24,144	42,807	31,698	28,290
Hospitality	795,942	-	1,348,554	-	1,279,469
Logistics	949,270	-	1,803,791	-	1,609,270
FinTech	170,785	-	332,250	-	290,864
Commerce and Industry	133,592	221,569	221,636	456,769	456,769
	3,026,129	629,932	5,634,672	1,363,482	5,585,676

SEGMENT RESULTS AFTER TAXATION

	Quarter ended Dec 31, 2016	Quarter ended Dec 31, 2015	Six months ended Dec 31, 2016	Six months ended Dec 31, 2015	Proforma six months ended Dec 31, 2015
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Agro-industry	68,969	(17,456)	204,371	39,092	170,558
Property	45,815	(20,274)	51,008	5,886	118,238
Land and investments	(69,636)	23,557	(113,425)	8,232	(113,564)
Hospitality	79,626	-	(56,149)	-	106,004
Logistics	36,720	-	80,560	-	72,277
FinTech	29,920	-	51,160	-	78,110
Commerce and Industry	1,456	(7,680)	(9,228)	(14,279)	(14,279)
	192,870	(21,853)	208,298	38,931	417,343

5. CONDENSED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the parent						Non-controlling interests	Total
	Share capital	Associated companies	Fair value and other reserves	Retained earnings	Total	Total		
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000		
At Jul 1, 2015	6,030,058	2,109,887	7,374,642	4,600,061	20,114,648	491,512	20,606,160	
Net assets of subsidiary at date of acquisition attributable to non controlling shareholders	-	-	-	-	-	305,410	305,410	
Effect of change in ownership interest not resulting in loss of control	-	-	-	1,055	1,055	(1,144)	(89)	
Issue of shares to non-controlling shareholders	-	-	-	-	-	14,500	14,500	
Transfers	-	113,040	(2,613)	(110,427)	-	-	-	
Profit for the period	-	100,517	-	(62,882)	37,635	1,296	38,931	
Other comprehensive income for the period	-	(68,945)	(35,858)	-	(104,803)	-	(104,803)	
Dividends	-	-	-	(152,131)	(152,131)	-	(152,131)	
At December 31, 2015	6,030,058	2,254,499	7,336,171	4,275,676	19,896,404	811,574	20,707,978	
At July 1, 2016	7,185,683	1,707,903	7,877,116	8,937,269	25,707,971	9,592,405	35,300,376	
Effect of change in ownership interest not resulting in loss of control	-	(2,001)	140	(55,893)	(57,754)	(19,017)	(76,771)	
Acquisition and deconsolidation of group companies	-	-	1,912	(2,748)	(836)	(1,266)	(2,102)	
Issue of shares to non-controlling shareholders	-	-	-	-	-	86,300	86,300	
Capital reduction in subsidiary company	-	-	-	-	-	(4,556)	(4,556)	
Transfer to retained earnings on sale of land	-	-	(10,192)	10,192	-	-	-	
Profit for the period	-	(2,174)	-	44,601	42,427	165,871	208,298	
Other comprehensive income for the period	-	(130,871)	13,052	-	(117,819)	(34,985)	(152,804)	
Dividends	-	-	-	(174,549)	(174,549)	-	(174,549)	
Dividends paid by subsidiaries to non-controlling shareholders	-	-	-	-	-	(53,722)	(53,722)	
At December 31, 2016	7,185,683	1,572,857	7,882,028	8,758,872	25,399,440	9,731,030	35,130,470	

Notes:

The interim financial statements to 31 December 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 30 June, 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 Land Ltd 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 Dec 31, 2016	Quarter ended Dec 31, 2015	Six months ended Dec 31, 2016	Six months ended Dec 31, 2015	Proforma six months ended Dec 31, 2015
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Turnover	3,026,129	629,932	5,634,672	1,363,482	5,585,676
Operating profit	418,191	(23,578)	717,804	27,159	544,377
Profit on sale of land and investments	6,200	5,540	14,246	28,428	25,404
Bargain purchase	-	6,670	-	150,516	482,572
Fair value loss arising on business combination	-	-	-	(139,334)	(305,441)
Acquisition related costs	-	-	-	(12,763)	(78,145)
Fair value adjustment on held for trading securities	486	-	1,523	-	88
Share of results of associated companies and jointly controlled entities	51,550	55,773	7,474	120,239	248,241
Finance costs	(212,545)	(64,257)	(429,430)	(133,363)	(429,518)
Profit/(loss) before taxation	263,882	(19,852)	311,617	40,882	487,578
Income tax/(expense)/income	(71,012)	(2,001)	(103,319)	(1,951)	(70,235)
Profit after taxation	192,870	(21,853)	208,298	38,931	417,343
Other comprehensive income					
Release to income on disposal of investments	(1,397)	-	(1,397)	-	-
Fair value movement on available for sale financial assets	(15,184)	10,330	25,327	(35,858)	-
Share of comprehensive income of associates	(184,520)	(71,236)	(177,434)	(68,945)	-
Exchange difference on translation of foreign entities	3,200	-	700	-	-
Other comprehensive income for the period	(197,901)	(60,906)	(152,804)	(104,803)	-
Total comprehensive income for the period	(5,031)	(82,759)	55,494	(65,872)	
Profit/(loss) after taxation attributable to:					
Equity holders of the company	57,661	(23,752)	42,427	37,635	-
Non-controlling interests	135,209	1,899	165,871	1,296	-
	192,870	(21,853)	208,298	38,931	
Total comprehensive income attributable to:					
Equity holders of the company	(93,805)	(84,658)	(75,392)	(67,168)	-
Non-controlling interests	88,774	1,899	130,886	1,296	-
	(5,031)	(82,759)	55,494	(65,872)	
Per share data					
Earnings/(Loss) attributable to equity holders of the company (Rs '000)	57,661	(23,752)	42,427	37,635	-
Basic number of ordinary shares in issue ('000)	295,847	230,501	295,847	230,501	-
Weighted number of ordinary shares in issue ('000)	295,847	230,501	295,847	230,501	-
Basic earnings/(loss) per share (Rs)	0.19	(0.10)	0.14	0.16	-
Dividends per share (Rs)	0.59	0.66	0.59	0.66	-
Net asset value per share (Dec 31, 2016/June 30, 2016) (Rs)			85.40	86.44	-

COMMENTS ON THE FINANCIAL STATEMENTS

Group turnover increased marginally over last year's with mixed performance across segments. Agro-industry, hospitality and logistics registered increased turnovers on account of a better sugar price, the buoyancy of the tourism sector and the particularly good performance of the freight forwarding sector.

On the other hand reduced sales were recorded by the property and commerce & industry segments. Property was impacted negatively by lower sales of apartments and commercial land whilst commerce and industry suffered from a reduction in contracts secured.

The good performance of the agro-industry, hospitality and logistics segments impacted positively on operating profits which increased by 32%. Profit after taxation was however negatively impacted by the significant losses incurred by New Mauritius Hotels (NMH) on its activities in Marrakech in its audited accounts ended 30 September 2016.

Developments

On 19 January 2017, the group increased its holding in NMH to 30.02% through the purchase of a 0.15% stake. The group has thus acquired effective control of NMH as defined in the Securities (Takeover) Rules 2010 (the Takeover Rules) and the purchase has triggered a mandatory offer on all the remaining ordinary shares of NMH pursuant to Section 33 of the Takeover Rules.

The acquisition reflects the belief of the group in the future of the hospitality sector and in NMH in particular and comforts the group's strategy to position hospitality as one of our main pillars.

Moka Smart City will be launched officially at the end of March. This development is a major step change for the property development of the group to which it will give substantial impetus.

Outlook

The group is expected to show increased profits from operations for the full year. In spite of the negative impact brought about by the September 2016 adjustment to NMH, profit for the year is expected to be better than last year's.

By order of the Board

ENL Limited

Company Secretary

14 February 2017

