

eNL Land Ltd

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 MARCH 2017

1. CONDENSED STATEMENTS OF FINANCIAL POSITION

	Mar 31, 2017	June 30, 2016
	Rs'000	Rs'000
ASSETS		
Non-current assets		
Property, plant and equipment	18,732,416	18,474,766
Investment properties	18,564,345	17,988,154
Investments in associated companies and jointly controlled entities	8,718,410	8,112,536
Other non-current assets	3,150,726	3,057,681
Current assets	49,165,897	47,633,137
Equity holders' interests	5,772,966	6,941,041
Non-current assets classified as held-for-sale	49,012	50,186
Total assets	54,987,875	54,624,364
EQUITY AND LIABILITIES		
Equity and reserves		
Equity holders' interests	25,557,719	25,707,971
Non-controlling interests	9,870,521	9,592,405
Total equity and reserves	35,428,240	35,300,376
Non-current liabilities	11,896,099	11,465,398
Current liabilities	7,663,536	7,858,590
Total equity and liabilities	54,987,875	54,624,364

3. CONDENSED CASH FLOW STATEMENTS

	Nine months ended Mar 31, 2017	Nine months ended Mar 31, 2016
	Rs'000	Rs'000
Net cash flows from operating activities	1,305,715	839,185
Net cash flows from investing activities	(1,406,252)	(1,886,606)
Net cash flows from financing activities	(805,441)	574,956
Net movement in cash and cash equivalents	(905,978)	(472,465)
Opening cash and cash equivalents	439,623	(120,300)
Amalgamation adjustment	-	439,899
Effects of exchange rate changes	(14,716)	(2,562)
Closing cash and cash equivalents	(481,071)	(155,428)

4. SEGMENTAL INFORMATION

	Quarter ended Mar 31, 2017	Quarter ended Mar 31, 2016	Nine months ended Mar 31, 2017	Nine months ended Mar 31, 2016	Proforma nine months ended Mar 31, 2016
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
REVENUE					
Agro-industry	145,960	143,618	917,306	638,460	807,692
Property	457,113	618,025	1,571,401	998,198	1,832,383
Land and investments	7,977	7,395	50,784	39,093	35,060
Hospitality	703,503	708,688	2,052,057	708,688	1,989,021
Logistics	815,709	863,694	2,619,500	863,694	2,473,329
FinTech	143,875	215,824	476,125	215,824	444,341
Commerce and Industry	162,022	189,373	383,658	646,142	646,142
	2,436,159	2,746,617	8,070,831	4,110,099	8,227,968
SEGMENT RESULTS AFTER TAXATION					
Agro-industry	59,633	21,687	264,004	60,779	231,136
Property	(10,690)	31,096	40,319	36,982	80,855
Land and investments	49,808	(38,321)	(63,617)	(30,089)	(123,660)
Hospitality	97,580	152,720	41,431	152,720	281,581
Logistics	(13,300)	(7,640)	67,260	(7,640)	64,637
FinTech	(1,050)	11,460	50,110	11,460	89,570
Commerce and Industry	(11,555)	(1,140)	(20,783)	(15,418)	(15,418)
	170,426	169,862	378,724	208,794	608,701

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	
Amalgamation adjustment	1,155,625	(144,782)	534,440	4,108,547	5,653,830	9,018,680	14,672,510	
Acquisition and deconsolidation of group companies	-	(3,208)	-	179	(3,029)	67,381	64,352	
Effect of change in ownership interest not resulting in loss of control	-	(70)	22	7,176	7,128	(9,076)	(1,948)	
Issue of shares to non-controlling shareholders	-	-	-	-	-	145,900	145,900	
Transfer to retained earnings on disposal of land	-	-	(5,389)	5,389	-	-	-	
Transfer to retained earnings on business combination	-	(20,694)	-	20,694	-	-	-	
Other transfers	-	133,734	-	(133,734)	-	-	-	
Profit for the period	-	216,310	-	(111,991)	104,319	104,475	208,794	
Other comprehensive income for the period	-	(90,228)	(7,734)	-	(97,962)	(5,897)	(103,859)	
Dividends	-	-	-	(152,131)	(152,131)	-	(152,131)	
Dividends paid by subsidiaries to non-controlling shareholders	-	-	-	-	-	(12,596)	(12,596)	
At March 31, 2016	7,185,683	2,200,949	7,895,981	8,344,190	25,626,803	9,800,379	35,427,182	
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	-	(2,859)	298	(75,491)	(78,052)	38,679	(39,373)	
Acquisition and deconsolidation of group companies	-	(358)	2,210	14,276	16,128	60,615	76,743	
Issue of shares to non-controlling shareholders	-	-	-	-	-	86,600	86,600	
Capital reduction in subsidiary company	-	-	-	-	-	(4,556)	(4,556)	
Transfer to retained earnings on sale of land	-	-	(25,068)	25,068	-	-	-	
Profit for the period	-	67,404	-	85,655	153,059	225,665	378,724	
Other comprehensive income for the period	-	(141,956)	75,118	-	(66,838)	(18,768)	(85,606)	
Dividends	-	-	-	(174,549)	(174,549)	-	(174,549)	
Dividends paid by subsidiaries to non-controlling shareholders	-	-	-	-	-	(110,119)	(110,119)	
At March 31, 2017	7,185,683	1,630,134	7,929,674	8,812,228	25,557,719	9,870,521	35,428,240	

Notes:

The interim financial statements to 31 March 2017 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 Land Ltd accepts full responsibility for the accuracy of the information contained in this communiqué.

Visit our website: <http://www.enl.mu/investors/enl-land> or contact us on investors@enl.mu

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

	Quarter ended Mar 31, 2017	Quarter ended Mar 31, 2016	Nine months ended Mar 31, 2017	Nine months ended Mar 31, 2016	Proforma nine months ended Mar 31, 2016
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Turnover	2,436,159	2,746,617	8,070,831	4,110,099	8,227,968
Operating profit	184,264	254,718	902,068	281,877	807,734
Profit on sale of land and investments	345	(5,254)	14,591	23,174	31,891
Bargain purchase	-	-	-	150,516	482,572
Acquisition related costs	-	-	-	(12,763)	(78,145)
Fair value loss arising on business combination	-	-	-	(139,334)	(305,441)
Excess of fair value of the share of net assets over acquisition price	124,095	-	124,095	-	-
Fair value adjustment on held for trading securities	2,203	(3,611)	3,726	(3,611)	(3,524)
Share of results of associated companies and jointly controlled entities	109,979	164,433	117,453	284,673	413,811
Finance costs	(205,503)	(212,030)	(634,933)	(345,393)	(641,569)
Profit before taxation	215,383	198,256	527,000	239,139	707,329
Income tax expense	(44,957)	(28,394)	(148,276)	(30,345)	(98,628)
Profit after taxation	170,426	169,862	378,724	208,794	608,701
Other comprehensive income					
Release to income on disposal of investments	5,651	-	5,651	-	-
Fair value movement on available for sale financial assets	65,066	38,650	90,393	2,792	-
Share of comprehensive income of associates	(12,856)	(25,306)	(190,290)	(94,251)	-
Exchange difference on translation of foreign entities	7,940	(12,400)	8,640	(12,400)	-
Other comprehensive income for the year	65,801	944	(85,606)	(103,859)	-
Total comprehensive income for the period	236,227	170,806	293,118	104,935	104,935
Profit after taxation attributable to:					
Equity holders of the company	110,632	66,684	153,059	104,319	104,319
Non-controlling interests	59,794	103,178	225,665	104,475	104,475
	170,426	169,862	378,724	208,794	208,794
Total comprehensive income attributable to:					
Equity holders of the company	160,216	73,524	86,221	6,357	6,357
Non-controlling interests	76,011	97,282	206,897	98,578	98,578
	236,227	170,806	293,118	104,935	104,935
Per share data					
Earnings attributable to equity holders of the company (Rs '000)	110,632	66,684	153,059	104,319	104,319
Basic number of ordinary shares in issue ('000)	295,847	230,501	295,847	230,501	230,501
Weighted number of ordinary shares in issue ('000)	295,847	257,729	295,847	257,729	257,729
Basic earnings per share (Rs)	0.37	0.26	0.52	0.40	0.40
Dividends per share (Rs)	-	-	0.59	0.66	0.66
Net asset value per share March 31, 2017/June 30, 2016 (Rs)	-	-	85.93	86.44	86.44

COMMENTS ON THE FINANCIAL STATEMENTS

The group completed the mandatory offer on the shares of New Mauritius Hotels Ltd (NMH). The offer, which closed on 27 March 2017, was accepted by 5.275% of shareholders and the group now holds 35.294% of NMH.

Group turnover decreased marginally compared with the previous year, impacted by reduced revenues by property and commerce & industry segments. Property was impacted negatively by lower sales of apartments and villas whilst commerce & industry was affected by a reduction in contracts.

Operating profits grew by 12% driven by the good performance of agro-industry, hospitality and logistics. However, profit after taxation decreased by 38% on account of significantly lower profits from associated companies. The lower share of profits derives mainly from the losses incurred by NMH as mentioned in the abridged accounts of December 2016.

Developments

Moka Smart City was officially launched on 12 April 2017 and opens a new era for the group's property development. This project, which will be carried out over 466 arpents and span over more than a decade, will radically transform Moka. The construction of the first building, the PwC headquarters, in the new planned central business district of the Smart City has already started.

Outlook

The group is expected to continue on its good operational performance and post increased operating profits for the full year. Profits after taxation should be in line with last year in spite of the negative impact of the adjustments to NMH audited accounts at September 2016.

By order of the Board

ENL Limited

Company Secretary

12 May 2017

