





Dear Shareholder,

The Board of Directors is pleased to present the Annual Report of ENL Investment Limited for the year ended June 30, 2009.

This report was approved by the Board of Directors on September 16, 2009.

**Guy RIVALLAND**  
*Chairman*

**Hector ESPITALIER-NOËL**  
*Director*

# Notice of Meeting

Notice is hereby given that the Annual Meeting of Shareholders of ENL Investment Limited will be held at the Company's registered office, 7<sup>th</sup> Floor, Swan Group Centre, Intendance Street, Port Louis on November 24, 2009 at 11.30 hours to transact the following business:

- 1 To consider the Annual Report for the year ended June 30, 2009.
- 2 To receive the report of the auditors of the Company.
- 3 To consider and approve the audited financial statements of the Company for the year ended June 30, 2009.

#### Ordinary Resolution

"Resolved that the audited financial statements of the Company for the year ended June 30, 2009 be hereby approved."

- 4 To take note of the automatic reappointment of BDO de Chazal Du Mée as auditors under Section 200 of the Companies Act 2001 and to authorise the Board to fix their remuneration.

#### Ordinary Resolution

"Resolved that the automatic reappointment of the auditors under Section 200 of the Companies Act 2001 be noted and that the Board be authorised to fix their remuneration."

- 5 To transact such other business, if any, as may be transacted at an Annual Meeting.

By order of the Board

#### ENL Limited

Company Secretary

November 3, 2009

# Corporate Information

June 30, 2009

#### Directors

Guy Rivalland  
Hector Espitalier-Noël  
Gilbert Espitalier-Noël  
Eric Espitalier-Noël  
Roger Espitalier-Noël

#### Registered Office

7<sup>th</sup> Floor, Swan Group Centre  
Intendance Street  
Port Louis

#### Secretary

ENL Limited  
7<sup>th</sup> Floor, Swan Group Centre  
10, Intendance Street  
Port Louis

#### Share Registry

MCB Registry and Securities Ltd  
Raymond Lamusse Building  
9-11 Sir William Newton Street  
Port Louis  
Mauritius

#### Auditors

BDO De Chazal Du Mée

#### Bankers

The Mauritius Commercial Bank Ltd  
Barclays Bank Plc  
State Bank of Mauritius Ltd

#### Solicitors

Etude de Commarmond Koenig

#### Notary

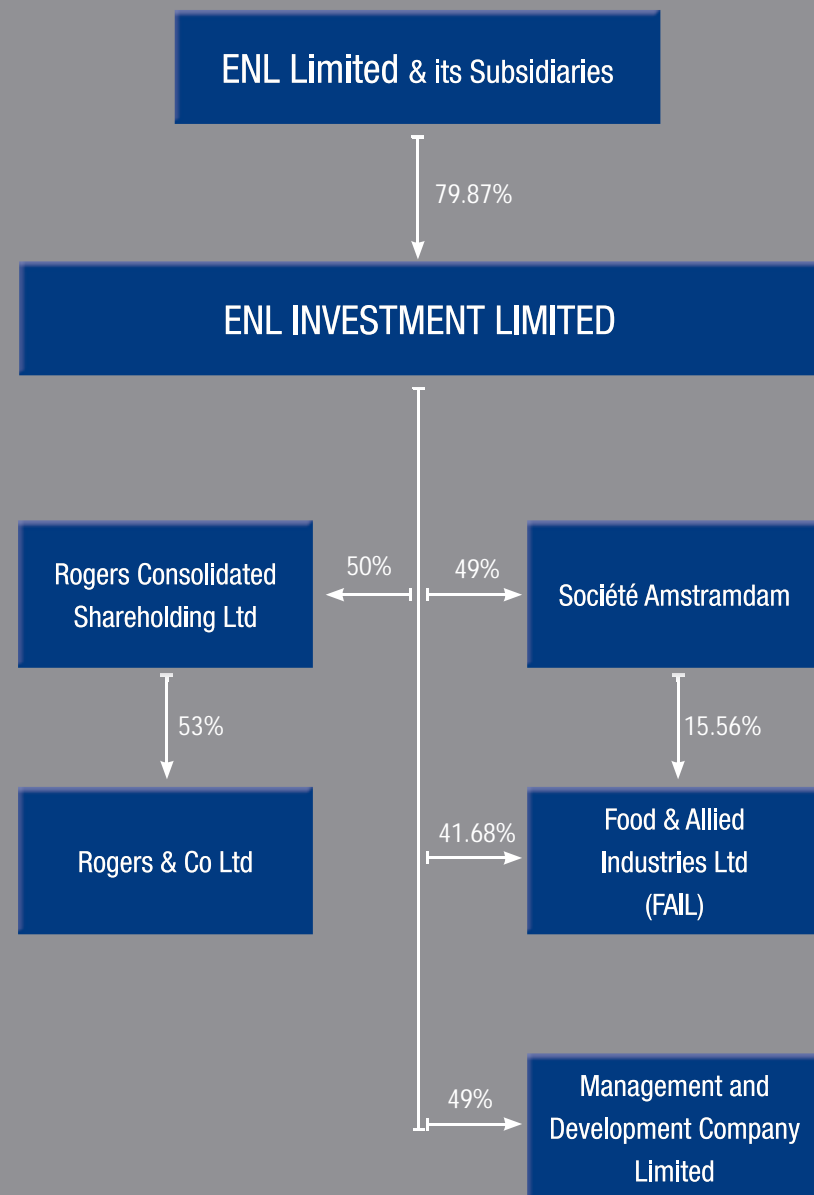
Me Jean Pierre Montocchio  
Me Bernard d'Hotman de Villiers

#### Notes

*A member of the Company entitled to attend and vote at this meeting may appoint a proxy, whether a member or not, to attend and vote on his/her behalf. Any such appointment must be made in writing on the attached form, and the document deposited at the Share Registry and Transfer office of the Company, MCB Registry and Securities Ltd, Raymond Lamusse Building, 9-11 Sir William Newton Street, Port Louis, Mauritius not less than twenty-four hours before the meeting is due to take place.*

*For the purpose of this annual meeting the directors have resolved, in compliance with Section 120(3) of the Companies Act 2001, that the shareholders entitled to receive notice of the meeting and attend such meeting shall be those shareholders whose names are registered in the share register of the Company as at October 27, 2009.*

## Group Structure



## Financial Highlights

|                                 | 30 June 2005 | 30 June 2006 | 30 June 2007 | 30 June 2008 | 30 June 2009 |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|
| Profit for the year (Rs'000)    | 127,248      | 155,393      | 183,160      | 404,013      | 564,351      |
| Earnings per Share (Rs)         | 1.73         | 2.11         | 2.49         | 5.50         | 6.64         |
| Dividend per Share (Rs)         | 1.00         | 1.00         | 1.20         | 1.30         | 1.30         |
| Shareholders' Interest (Rs'000) | 1,898,609    | 2,135,014    | 3,317,416    | 5,167,338    | 4,755,989    |
| Net Asset Value per Share (Rs)  | 25.83        | 29.05        | 45.13        | 70.30        | 55.93        |

Profit for the year (Rs'000)



Earnings per Share (Rs)



## FINANCIAL HIGHLIGHTS (continued)

### Dividend per Share (Rs)



### Shareholders' Interest (Rs'000)



### Net Asset Value per Share (Rs)



## Share Analysis

### Distribution of Shareholders at June 30, 2009

| Range of shareholding | Shareholder Count | Quantity shares Owned | % Shares owned |
|-----------------------|-------------------|-----------------------|----------------|
| 1 - 500               | 673               | 138,051               | 0.16           |
| 501 - 1000            | 227               | 170,227               | 0.20           |
| 1001 - 5000           | 537               | 1,315,633             | 1.52           |
| 5001 - 10000          | 130               | 954,276               | 1.11           |
| 10001 - 50000         | 186               | 4,096,435             | 4.75           |
| 50001 - 100000        | 32                | 2,198,676             | 2.55           |
| 100001 - 250000       | 25                | 3,573,475             | 4.14           |
| 250001 - 500000       | 8                 | 2,676,756             | 3.10           |
| Over 500,000          | 8                 | 71,165,610            | 82.47          |
| <b>Total</b>          | <b>1826</b>       | <b>86,289,139</b>     | <b>100.00</b>  |

### Spread of Shareholders

To the best knowledge of the directors, the spread of shareholders at June 30, 2009 was as follows:

|                           | No. of Shareholders | No. of Shares held | %             |
|---------------------------|---------------------|--------------------|---------------|
| Individuals               | 1580                | 10,625,978         | 12.31         |
| Insurance & Assurance Cos | 8                   | 745,554            | 0.86          |
| Pension & Provident Funds | 24                  | 954,135            | 1.11          |
| Investment & Trust Cos    | 16                  | 11,133,953         | 12.90         |
| Other Corporate Bodies    | 198                 | 62,829,519         | 72.81         |
| <b>Total</b>              | <b>1826</b>         | <b>86,289,139</b>  | <b>100.00</b> |

# Directors' Report

June 30, 2009

The directors have pleasure in submitting their report together with the audited financial statements for the year under review.

## General

ENL Investment Limited, previously Espitalier Noël Investment Trust Limited, is the main investment company of the ENL group. It is quoted on the Stock Exchange of Mauritius and derives income in the form of dividends from its investments.

ENL Investment Limited has invested in key sectors of the Mauritian economy. The Company's main investments for the year under review were concentrated in four companies, namely Rogers Consolidated Shareholding Limited (RCSL), Food and Allied Industries Limited (FAIL), Management and Development Company Limited (MADCO) as well as in New Mauritius Hotels Ltd.

The year under review has been one of unprecedented slowing-down of the global economy with far-reaching consequences on businesses worldwide. In this context, the complete overhaul of its management structures undertaken by ENL Limited (ENL) in the months preceding the crisis proved to be very timely.

The review was carried out against the backdrop of a rebranding exercise that aimed at structuring the ENL team with clearer focus. The initiative has translated into the streamlining of management and the reorganisation of the group's activities into five clearly defined business units. ENL's visual identity has been perked up to reflect this renewed dynamism and its main holding companies have changed names.

Hence, Espitalier Noël Investment Trust Limited has become ENL Investment Limited. Likewise, Espitalier Noël Limited has become ENL Limited and The General Investment and Development Company Limited is now ENL Commercial Limited. ENL Agribusiness has been created to bring the group's main agricultural activities under one umbrella and two new business units, ENL Property and ENL Corporate Services, complete the new ENL group structure.

The rebranding exercise has also been an opportunity for ENL to introduce formal structures to discharge of its corporate social responsibility. The group has pledged to support youth self-development and the protection and embellishment of the natural environment in an effort to contribute to sustainable development. An ENL Foundation is being created to execute its CSR policy.

## Results

Dividends received from the Company's investments, excluding its associated companies, decreased by Rs 5.8 m due mainly to the lower dividends paid by New Mauritius Hotels Ltd. Following the restructuring scheme carried out last year whereby the Company purchased substantial stakes in certain associated companies and which were financed partly through a share issue and partly by debts, finance charges increased substantially to Rs 19.9m as against Rs 4.6 m last year.

In spite of the reduction in dividend income and the increase in finance charges, profit before income tax increased by almost 40%. This is explained by the much improved results realised by the associated companies.

## Investments

The company's main investments are reviewed below:

### Food and Allied Industries Limited (FAIL)

FAIL is one of the leading agro-industrial groups in Mauritius. It is well diversified and comprises about 30 companies engaged in poultry production, animal feed compounding, flour milling and dairy products as well as canning and freezing of food products in Mauritius and in the region.

### Management & Development Company Ltd (MADCO)

MADCO is also a well diversified group with investments in companies spanning a wide range of activities. The main investments of MADCO are in the Labourdonnais and Suffren hotels, in Livestock Feed Ltd, the largest producer of animal feed in Mauritius, Panagora Marketing Co Ltd, the marketing arm of the FAIL group and in Pick 'N' Eat Ltd which operates the "Kentucky Fried Chicken" franchise in Mauritius.

### Rogers Consolidated Shareholding Limited (RCSL)

RCSL is the holding company of the Rogers group (Rogers), one of the largest conglomerates in Mauritius. It has interests in over 150 subsidiaries and associated companies. Originally engaged in shipping and trade, Rogers has diversified into new lines of businesses including Aviation, Tourism and Leisure, Freight and Logistics, Finance and and Financial services. These poles of activities have experienced significant growth during the year.

### New Mauritius Hotels Ltd

ENL Investment Limited also holds a stake in New Mauritius Hotels Ltd, promoter of the Beachcomber group of hotels. Beachcomber opened its first hotel in 1952 and has ever since played a significant role in the development of quality tourism. The group owns and operates some of the most prestigious beach hotels in Mauritius and the Seychelles.

## Prospect

The general fall in the share prices of listed companies on the Stock Exchange of Mauritius impacted negatively on the net assets of ENL Investment which decreased by Rs 411m to Rs 4,756m. However, since the end of the financial year, share prices have picked up significantly thus impacting favourably on the net assets of ENL Investment Limited.

## Dividends

The Company has declared a dividend of Rs 1.30 per share for the year under review.

By order of the Board

## ENL Limited

*Company Secretary*

# Corporate Governance

The Board takes great pleasure in submitting to shareholders its statement on corporate governance.

## Holding Structure

The Company's holding structure as at June 30, 2009 was as follows:  
(The % disclosed relates to voting rights)



## CORPORATE GOVERNANCE

(continued)

### Common Directors

Five directors of the Company for the year ended June 30, 2009 were also directors of other companies within the Company's holding structure, namely:

|                         | L'Accord Limited | La Sablonnière Limited | ENL Limited |
|-------------------------|------------------|------------------------|-------------|
| Guy Rivalland           |                  |                        | •           |
| Hector Espitalier-Noël  | •                | •                      | •           |
| Eric Espitalier-Noël    | •                | •                      | •           |
| Gilbert Espitalier-Noël |                  |                        | •           |
| Roger Espitalier-Noël   |                  |                        | •           |

### Substantial Shareholders

As at June 30, 2009, the shareholders holding more than 5% of the ordinary shares of the Company were as follows:

|  | Ordinary % |
|--|------------|
| Mon Désert-Alma Limited                    | 8.32       |
| ENL Commercial Limited                     | 11.68      |
| The Savannah Sugar Estates Company Limited | 20.03      |
| ENL Limited                                | 39.84      |

### Directors' Profile

The names and profiles of the Company's directors are as follows:

#### Guy Rivalland (65)

*Non-Executive Director, Chairman*

Guy Rivalland is a senior attorney and has been practising since 1966. He was first appointed to the Board of the Company in 1995.

#### Directorships in other listed companies

- ENL Commercial Limited
- The Savannah Sugar Estates Company Limited
- Mon Désert-Alma Limited
- ENL Limited

## CORPORATE GOVERNANCE

(continued)

### Directors' Profile (continued)

#### Hector Espitalier-Noël (51)

*Executive Director*

Hector Espitalier-Noël is a member of the Institute of Chartered Accountants in England and Wales. He is the Chief Executive Officer of ENL group and was first appointed to the Board of the Company in 1995.

#### Directorships in other listed companies

- ENL Commercial Limited
- The Savannah Sugar Estates Company Limited
- Mon Désert-Alma Limited
- ENL Limited
- New Mauritius Hotels Ltd
- Rogers & Co Ltd
- Caudan Development Ltd
- Promotion & Development Ltd
- Tropical Paradise Co Ltd

#### Gilbert Espitalier-Noël (45)

*Director*

Gilbert Espitalier-Noël holds a BSc (Hons) degree in Food Science and Engineering, a BSc in Biochemistry, Microbiology and Biotechnology, and an MBA from INSEAD.

He was first appointed to the Board in 2004 and is currently the Chief Executive Officer of ENL Property.

#### Directorships in other listed companies

- ENL Commercial Limited
- The Savannah Sugar Estates Company Limited
- Mon Désert-Alma Limited
- ENL Limited
- Rogers & Co Ltd
- Livestock Feed Limited
- Tropical Paradise Co Ltd

#### Eric Espitalier-Noël (50)

*Director*

Eric Espitalier-Noël holds a Bachelor's degree in Social Science and an MBA. He was first appointed to the Board of the Company in 1995 and is currently the Chief Executive Officer of ENL Commercial Limited.

#### Directorships in other listed companies

- ENL Commercial Limited
- The Savannah Sugar Estates Company Limited
- Mon Désert-Alma Limited
- ENL Limited
- Livestock Feed Limited
- Les Moulins de la Concorde Ltée
- Swan Insurance Co Ltd
- The Anglo-Mauritius Assurance Society Ltd
- Tropical Paradise Co Ltd (Alternate Director)

#### Roger Espitalier-Noël (54)

*Director*

Roger Espitalier-Noël holds a Certificate in Textile Technology. He was first appointed to the Board of the Company in 2006 and is the General Manager of Floréal Knitwear Ltd.

#### Directorships in other listed companies

- The Savannah Sugar Estates Company Limited
- ENL Limited

### Directors' Interests in the Shares of the Company

The directors' interests in the shares of the Company as at June 30, 2009 were as follows:

|                         | Ordinary Shares |              |
|-------------------------|-----------------|--------------|
|                         | Direct (%)      | Indirect (%) |
| Guy Rivalland           | -               | -            |
| Hector Espitalier-Noël  | 0.261           | 5.865        |
| Eric Espitalier-Noël    | 0.198           | 5.736        |
| Gilbert Espitalier-Noël | 0.115           | 5.844        |
| Roger Espitalier-Noël   | -               | -            |

## CORPORATE GOVERNANCE

(continued)

### Board of Directors

ENL Investment Limited is governed by a Board of Directors consisting of five directors. It is the supreme governing body of the Company and has full power over its affairs.

### Board Attendance

For the year under review, the Board had five sittings and attendance by the directors was as follows:

|                         | 12/09/08 | 19/11/08 | 12/02/09 | 14/05/09 | 24/06/09 |
|-------------------------|----------|----------|----------|----------|----------|
| Guy Rivalland           | •        | •        | •        | •        | •        |
| Hector Espitalier-Noël  | •        | •        | •        | •        | •        |
| Eric Espitalier-Noël    | •        | •        | •        | •        | •        |
| Roger Espitalier-Noël   | •        | •        | •        | •        | •        |
| Gilbert Espitalier-Noël | •        |          | •        | •        | •        |

### Share Option plans

ENL Investment Limited has no share option plans.

### Shareholders' Calendar

|   |   |
|---|---|
| End of financial year   | June 30   |
| Publication of quarterly financial statements/abridged audited financial statements | Mid February/ Mid May/ Mid September/Mid November |
| Annual Report issued  | Early November                                    |
| Annual Meeting of Shareholders  | End November                                      |
| Declaration of dividend   | End June/ Mid November                            |
| Payment of dividend   | End July/ End December                            |

### Share Dealings by Directors

The Board adheres to the principles of the rules for Development and Enterprise Market companies issued by the Stock Exchange of Mauritius Limited in respect of share dealings. In this regard, directors are kept apprised of closed periods and of their responsibilities in respect to the above rules.

## CORPORATE GOVERNANCE

(continued)

### Dividend Policy

ENL Investment declares dividends in November (interim) and June (final) for every financial year.

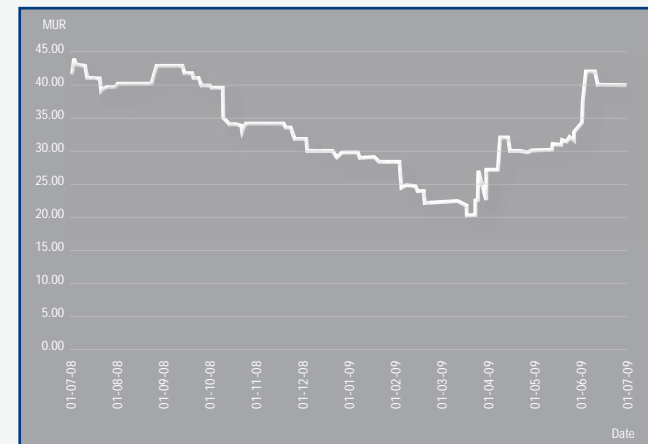
Payment of dividends is subject to the profitability and the free cash flow of the Company.

### Stock Market Information

The Company's Ordinary shares are listed on the Development and Enterprise Market of the Stock Exchange of Mauritius Limited; accordingly, the Company is governed by the rules for Development and Enterprise Market companies issued by the Stock Exchange of Mauritius Limited.

Hereunder is the graphical representation of the price movement of the Company's Ordinary shares from July 1, 2008 to July 1, 2009.

#### ENL Investment Limited - Share Price Movement



### ENL Limited

Company Secretary

September 16, 2009

## Statement of Directors' Responsibilities

### In Respect of Financial Statements

Company law requires the directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance and cash flow of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed and complied with, subject to any material departures being disclosed and explained in the financial statements; and
- prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the Company's Financial Statements.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy the financial position of the Company at any time and enable them to ensure that the Financial Statements comply with the Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

Guy RIVALLAND

Chairman

Hector ESPITALIER-NOËL

Director

# Company Secretary's Certificate

(Pursuant to Section 166 (d) of the Companies Act 2001) - June 30, 2009

We certify that, to the best of our knowledge and belief, the Company has filed with the Registrar of Companies all such returns as are required of the Company under the Companies Act 2001.

## ENL Limited

Company Secretary

7<sup>th</sup> Floor, Swan Group Centre  
Intendance Street  
Port Louis

September 16, 2009

# Statutory Disclosures

(Pursuant to Section 221 of the Companies Act 2001) - June 30, 2009

## Principal Activity

The main activity of the Company is that of investment holding.

## Directors

The directors of the Company are listed on pages 11 to 12.

## Directors' Service Contracts

None of the directors proposed for re-election at the forthcoming annual meeting have unexpired service contracts.

## Directors' Remuneration And Benefits

Remuneration and benefits received or due and receivable from the Company were as follows:

|                         | 2009<br>Rs'000 | 2008<br>Rs'000 |
|-------------------------|----------------|----------------|
| Executive directors     |                |                |
| Full-time               | -              | -              |
| Part-time               | -              | -              |
| Non-executive directors | -              | -              |

## Directors' and Senior Officers' Interests in Shares

The direct and indirect interest of the directors and senior officers in the securities of the company as at June 30, 2009 were:

| Directors               | Direct Interest |       | Indirect Interest |
|-------------------------|-----------------|-------|-------------------|
|                         | No. of Shares   | %     | %                 |
| Guy Rivalland           | -               | -     | -                 |
| Hector Espitalier-Noël  | 225,033         | 0.261 | 5.865             |
| Eric Espitalier-Noël    | 170,790         | 0.198 | 5.736             |
| Roger Espitalier-Noël   | -               | -     | -                 |
| Gilbert Espitalier-Noël | 99,273          | 0.115 | 5.844             |

## Donations

The company did not make any donations during the year (2008: nil).

## Auditors

The fees payable to the auditors, BDO De Chazal Du Mée, for audit and other services were:

|                | 2009<br>Rs'000 | 2008<br>Rs'000 |
|----------------|----------------|----------------|
| Audit services | 120            | 90             |
| Other services | 10             | 9              |
|                | 130            | 99             |

## Independent Auditors' Report to the Members

This report is made solely to the members of ENL Investment Limited (Formerly known as Espitalier Noël Investment Trust Limited) (the Company), as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Report on the Financial Statements

We have audited the financial statements of ENL Investment Limited on pages 19 to 34 which comprise the balance sheet at June 30, 2009, the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of

the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements on pages 19 to 34 give a true and fair view of the financial position of the company at June 30, 2009, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

### Report on Other Legal and Regulatory Requirements

#### Companies Act 2001

We have no relationship with, or interests in, the company, other than in our capacity as auditors, tax and business advisers and dealings in the ordinary course of business.

We have obtained all information and explanations we have required.

In our opinion, proper accounting records have been kept by the company as far as it appears from our examination of those records.

#### BDO DE CHAZAL DU MEE

Chartered Accountants

Port Louis,  
Mauritius.

## BALANCE SHEET

June 30, 2009

|   | Notes | 2009<br>Rs'000   | 2008<br>Rs'000   |
|---|-------|------------------|------------------|
| <b>ASSETS</b>                           |       |                  |                  |
| <b>Non-current assets</b>               |       |                  |                  |
| Available-for-sale securities:          |       |                  |                  |
| - Investments in associates             | 5(a)  | 3,008,098        | 3,473,655        |
| - Investments in financial assets       | 5(b)  | 1,901,103        | 1,861,184        |
|   |       | 4,909,201        | 5,334,839        |
| <b>Current assets</b>                   |       |                  |                  |
| Trade and other receivables             | 6     | 5,466            | 3,646            |
| Held-for-trading securities             | 7     | 30,715           | 33,953           |
| Amounts receivable from group companies | 8     | 2,362            | 89,671           |
| Cash and bank balances                  |       | 2,134            | 1,466            |
|   |       | 40,677           | 128,736          |
| <b>Total assets</b>                     |       | <b>4,949,878</b> | <b>5,463,575</b> |
| <b>EQUITY AND LIABILITIES</b>           |       |                  |                  |
| <b>Capital and reserves</b>             |       |                  |                  |
| Share capital                           | 9     | 1,612,984        | 967,608          |
| Application monies                      |       | -                | 645,376          |
| Other reserves                          |       | 2,043,819        | 2,785,605        |
| Retained earnings                       |       | 1,099,186        | 768,749          |
| Shareholders' interests                 |       | 4,755,989        | 5,167,338        |
| <b>Non-current liabilities</b>          |       |                  |                  |
| Borrowings                              | 10    | 123,687          | 39,916           |
| <b>Current liabilities</b>              |       |                  |                  |
| Trade and other payables                | 11    | 2,850            | 1,618            |
| Amounts payable to group companies      | 12    | 9,026            | 207,475          |
| Current tax liabilities                 | 13    | 359              | 518              |
| Current borrowings                      | 10    | 23,451           | 17,308           |
| Proposed dividends                      | 14    | 34,516           | 29,402           |
|   |       | 70,202           | 256,321          |
| <b>Total liabilities</b>                |       | <b>193,889</b>   | <b>296,237</b>   |
| <b>Total equity and liabilities</b>     |       | <b>4,949,878</b> | <b>5,463,575</b> |

These financial statements were approved for issue by the Board of Directors on September 16, 2009.

Guy RIVALLAND  
Chairman

Hector ESPITALIER-NOËL  
Director

The notes on pages 23 to 34 form an integral part of these financial statements.  
Auditors' report on page 18.

## INCOME STATEMENT

Year ended June 30, 2009

|  | Notes | 2009<br>Rs'000  | 2008<br>Rs'000 |
|--|-------|-----------------|----------------|
| Dividends receivable                                     |       | 52,055          | 57,871         |
| Interest receivable                                      |       | 3,874           | 4,584          |
|  |       | <b>55,929</b>   | <b>62,455</b>  |
| Administrative expenses                                  |       | 6,271           | 6,312          |
| Management fees  |       | 23,500          | 24,906         |
|  |       | <b>29,771</b>   | <b>31,218</b>  |
| Fair value (loss)/gain on held-for-trading securities    | 7     | 26,158          | 31,237         |
| Share of profit of associates                            |       | (3,194)         | 513            |
| Finance costs  | 15    | 541,180         | 212,154        |
|  |       | <b>(19,866)</b> | <b>(4,583)</b> |
| Profit before exceptional items                          |       | <b>544,278</b>  | <b>239,321</b> |
| Exceptional items  |       |                 |                |
| - Gain on disposal of securities                         |       | 20,476          | 48,397         |
| - Negative goodwill arising on acquisition of associates |       | -               | 116,813        |
| Profit before taxation                                   | 16    | <b>564,754</b>  | <b>404,531</b> |
| Income tax expense                                       | 13    | <b>(403)</b>    | <b>(518)</b>   |
| Profit for the year                                      |       | <b>564,351</b>  | <b>404,013</b> |
| Earnings per share                                       | 17    | <b>Rs. 6.64</b> | <b>5.50</b>    |

The notes on pages 23 to 34 form an integral part of these financial statements.  
Auditors' report on page 18.

## STATEMENTS OF CHANGES IN EQUITY

Year ended June 30, 2009

|   | Notes | Share capital<br>Rs'000 | Application monies<br>Rs'000 | Fair value reserves<br>Rs'000 | Reserves of associated companies<br>Rs'000 | Retained earnings         |                                | Total<br>Rs'000  |
|---|-------|-------------------------|------------------------------|-------------------------------|--|---------------------------|--------------------------------|------------------|
|   |       |                         |                              |                               |  | Holding company<br>Rs'000 | Associated companies<br>Rs'000 |                  |
| Balance at July 1, 2008   |       | 967,608                 | 645,376                      | 1,351,895                     | 1,433,710                                  | 360,731                   | 408,018                        | 5,167,338        |
| Transfer to income on disposal of investments in financial assets |       | -                       | -                            | (15,134)                      | -  | -                         | -                              | (15,134)         |
| Other movements   |       | -                       | -                            | -                             | (785,235)                                  | -                         | (121,738)                      | (906,973)        |
| Issue of share capital  |       | 645,376                 | (645,376)                    | -                             | -  | -                         | -                              | -                |
| Transfer  |       | -                       | -                            | -                             | -  | (206)                     | 206                            | -                |
| Fair value adjustments  |       | -                       | -                            | 58,583                        | -  | -                         | -                              | 58,583           |
| Net movement recognised directly in equity                        |       | 645,376                 | (645,376)                    | 43,449                        | (785,235)                                  | (206)                     | (121,532)                      | (863,524)        |
| Profit for the year   |       | -                       | -                            | -                             | -  | 123,141                   | 441,210                        | 564,351          |
| Total recognised for 2009   |       | 645,376                 | (645,376)                    | 43,449                        | (785,235)                                  | 122,935                   | 319,678                        | (299,173)        |
| Dividends   | 14    | -                       | -                            | -                             | -  | (112,176)                 | -                              | (112,176)        |
| <b>Balance at June 30, 2009</b>                                   |       | <b>1,612,984</b>        | <b>-</b>                     | <b>1,395,344</b>              | <b>648,475</b>                             | <b>371,490</b>            | <b>727,696</b>                 | <b>4,755,989</b> |
| Balance at July 1, 2007   |       | 967,608                 | -                            | 1,037,289                     | 849,988                                    | 191,121                   | 271,410                        | 3,317,416        |
| Reclassification following disposal of associated company         |       | -                       | -                            | -                             | -  | (2,067)                   | 2,067                          | -                |
| Transfer to income on disposal of investments in financial assets |       | -                       | -                            | (3,203)                       | -  | -                         | -                              | (3,203)          |
| Other movements   |       | -                       | -                            | -                             | 583,722                                    | -                         | (2,239)                        | 581,483          |
| Proceeds from application monies (Note 1)                         |       | -                       | 645,376                      | -                             | -  | -                         | -                              | 645,376          |
| Fair value adjustments  |       | -                       | -                            | 317,809                       | -  | -                         | -                              | 317,809          |
| Net movement recognised directly in equity                        |       | -                       | 645,376                      | 314,606                       | 583,722                                    | (2,067)                   | (172)                          | 1,541,465        |
| Profit for the year   |       | -                       | -                            | -                             | -  | 267,233                   | 136,780                        | 404,013          |
| Total recognised for 2008   |       | -                       | 645,376                      | 314,606                       | 583,722                                    | 265,166                   | 136,608                        | 1,945,478        |
| Dividends   | 14    | -                       | -                            | -                             | -  | (95,556)                  | -                              | (95,556)         |
| <b>Balance at June 30, 2008</b>                                   |       | <b>967,608</b>          | <b>645,376</b>               | <b>1,351,895</b>              | <b>1,433,710</b>                           | <b>360,731</b>            | <b>408,018</b>                 | <b>5,167,338</b> |

Note 1: The proceeds from application monies related to shares to be issued by the company following the acquisition of available-for-sale securities from fellow subsidiaries under a restructuring scheme in 2008. The shares were issued during the year ended June 30, 2009.

The notes on pages 23 to 34 form an integral part of these financial statements.  
Auditors' report on page 18.

## CASH FLOW STATEMENT

Year ended June 30, 2009

| Note  | 2009<br>Rs'000 | 2008<br>Rs'000 |
|---|----------------|----------------|
| Profit before taxation                                      | 564,754        | 404,531        |
| Adjustment for:   |                |                |
| Negative goodwill arising on acquisition of associates      | -              | (116,813)      |
| Fair value loss/(gain) on held-for-trading securities       | 3,194          | (513)          |
| Dividend income   | (52,055)       | (57,871)       |
| Interest income   | (3,874)        | (4,584)        |
| Share of profit of associates                               | (541,180)      | (212,154)      |
| Interest expense  | 19,866         | 4,583          |
| Gain on disposal of securities                              | (20,476)       | (48,397)       |
| Operating results before working capital changes            | (29,771)       | (31,218)       |
| Increase/(decrease) in trade and other payables             | 1,232          | (1,337)        |
| (Decrease)/increase in amounts payable to group companies   | (405)          | 392            |
| Cash absorbed in operations                                 | (28,944)       | (32,163)       |
| Dividends received  | 154,929        | 129,173        |
| Interest paid   | (19,840)       | (4,583)        |
| Interest received   | 3,874          | 4,584          |
| Income tax paid   | (562)          | (879)          |
| Net cash generated from operating activities                | 109,457        | 96,132         |
| <b>Cash flow from investing activities</b>                  |                |                |
| Proceeds from sale of investments                           | 29,029         | 4,397          |
| Purchase of investments                                     | (212,670)      | -              |
| Net loans refunded by/(granted to) group companies          | 87,000         | (59,638)       |
| Net cash used in investing activities                       | (96,641)       | (55,241)       |
| <b>Cash flow from financing activities</b>                  |                |                |
| Proceeds from long term borrowings                          | 145,000        | 50,000         |
| Payments on long-term borrowings                            | (46,362)       | (3,500)        |
| Dividends paid  | (107,062)      | (95,556)       |
| Net cash used in financing activities                       | (8,424)        | (49,056)       |
| <b>Net increase/(decrease) in cash and cash equivalents</b> | 4,392          | (8,165)        |
| Cash and cash equivalents at July 1,                        | (2,258)        | 5,907          |
| <b>Cash and cash equivalents at June 30,</b>                | 18             | 2,134          |
|   | 2,134          | (2,258)        |

The notes on pages 23 to 34 form an integral part of these financial statements.  
Auditors' report on page 18.

## NOTES TO THE FINANCIAL STATEMENTS

Year ended June 30, 2009

### 1 GENERAL INFORMATION

ENL Investment Limited (formerly known as Espitalier Noël Investment Trust Limited) is a limited liability company incorporated and domiciled in Mauritius. The holding company is ENL Limited (formerly known as Espitalier Noël Limited). The registered office of both companies is at 7<sup>th</sup> Floor, Swan Group Centre, Intendance Street, Port Louis. The ultimate holding entity is Société Careadas, a 'Société Civile' registered in Mauritius.

The company changed its name from Espitalier Noël Investment Trust Limited to ENL Investment Limited as per a special meeting of shareholders held on June 24, 2009.

These financial statements will be submitted for consideration and approval at the forthcoming annual general meeting of shareholders.

### 2 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Basis of preparation

The financial statements of ENL Investment Limited (formerly known as Espitalier Noël Investment Trust Limited) comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS). Where necessary, comparative figures have been amended to conform with changes in presentation in the current year.

The financial statements are prepared under the historical cost convention, except that investments in held-for-trading and available-for-sale securities are stated at their fair values.

*Amendments to published standards and Interpretations effective in the reporting period*

Amendments to IAS 39 and IFRS 7 Reclassification of Financial Assets (effective July 1, 2008) permit an entity to reclassify non-derivative financial assets (other than those designated at fair value through profit or loss by the entity upon initial recognition) out of the fair value through profit or loss category in particular circumstances. The amendments also permit an entity to transfer from the available-for-sale category to the loans and receivables category a financial asset that would have met the definition of loans and receivables (if the financial asset had not been designated as available for sale), if the entity has the intention and ability to hold that financial asset for the foreseeable future.

IFRIC 12, 'Service concession arrangements' applies to contractual arrangements whereby a private sector operator participates in the development, financing, operation and maintenance of infrastructure for public sector services.

IFRIC 13, 'Customer Loyalty Programmes (effective July 1, 2008)' clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple element arrangement, and the consideration receivable from the customer is allocated between the components of the arrangement using fair values.

*Amendments to published standards and Interpretations effective in the reporting period*

IFRIC 14, IAS 19 - 'The limit on a defined benefit asset, minimum funding requirements and their interaction' provides guidance on assessing the limit in IAS 19 on the amount of the surplus that can be recognised as an asset. It also explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement.

These amendments to published standards and interpretations have no impact on the company's financial statements of the reporting period.

*Amendments to published standards, Standards and Interpretations issued but not yet effective*

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after 1 January 2009 or later periods, but which the company has not early adopted. At the reporting date of these financial statements, the following were in issue but not yet effective:

IAS 1 Presentation of Financial Statements (Revised 2007)

IAS 23 Borrowing Costs (Revised 2007)

IAS 27 Consolidated and Separate Financial Statements (Revised 2008)

IFRS 3 Business Combinations (Revised 2008)

IFRS 8 Operating Segments

Amendments to IAS 32 and IAS 1 Puttable financial instruments and obligations arising on liquidation

Amendments to IAS 39 Eligible hedged items

Amendments to IFRS 1 and IAS 27 Cost of an investment in a subsidiary

Amendments to IFRS 2 Vesting conditions and cancellations

Amendments to IFRS 2 Group Cash-settled Share-based Payment Transactions

Amendments to IFRS 7 Improving Disclosures about Financial Instruments

Amendments to IFRIC 9 and IAS 39 Embedded Derivatives

IFRIC 15 Agreements for the construction of real estate

IFRIC 16 Hedges of a net investment in a foreign operation (effective October 1, 2008)

IFRIC 17 Distributions of Non-cash Assets to Owners

IFRIC 18 Transfers of Assets from Customers

*Improvements to IFRSs (issued 22 May 2008)*

IAS 1 Presentation of Financial Statements

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

IAS 10 Events after the Reporting Period

IAS 18 Revenue

IAS 16 Property, Plant and Equipment

IAS 19 Employee Benefits

## NOTES TO THE FINANCIAL STATEMENTS

Year ended June 30, 2009

### 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (a) Basis of preparation (continued)

*Amendments to published standards, Standards and Interpretations issued but not yet effective (continued)*

*Improvements to IFRSs (issued 22 May 2008) (continued)*

IAS 20 Government Grants and Disclosure of Government Assistance

IAS 23 Borrowing Costs

IAS 27 Consolidated and Separate Financial Statements

IAS 28 Investments in Associates

IAS 29 Financial Reporting in Hyperinflationary Economies

IAS 31 Interests in Joint Ventures

IAS 34 Interim Financial Reporting

IAS 36 Impairment of Assets

IAS 38 Intangible Assets

IAS 39 Financial Instruments: Recognition and Measurement

IAS 40 Investment Property

IAS 41 Agriculture

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations

IFRS 7 Financial Instruments: Disclosures

*Improvements to IFRSs (issued 16 April 2009)*

IFRS 2 Share-based Payment

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations

IFRS 8 Operating Segments

IAS 1 Presentation of Financial Statements

IAS 7 Statement of Cash Flows

IAS 17 Leases

IAS 18 Revenue

IAS 36 Impairment of Assets

IAS 38 Intangible Assets

IAS 39 Financial Instruments: Recognition and Measurement

IFRIC 9 Reassessment of Embedded Derivatives

IFRIC 16 Hedges of a Net Investment in a Foreign Operation

The company is still evaluating the effect of these new or revised standards and interpretations on the presentation of its financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

#### (b) Revenue recognition

Dividend income is accounted for when the shareholder's right to receive payment is established.

Interest income is accounted for on an accruals basis.

#### (c) Investments in associates

An associate is an entity over which the company has significant influence but not control, or joint control.

Investments in associates are accounted for under the equity method. The company's investments in associates include goodwill identified on acquisition (see note 2(d)).

Investments in associates are initially recognised at cost as adjusted by post acquisition changes in the company's share of net assets of the associate less any impairment in the value of individual investments.

The results of associated companies acquired or disposed of during the year are included in the consolidated income statement from the date of their acquisition or up to the date of their disposal.

#### (d) Goodwill

Goodwill represents the excess of cost of acquisition over the company's interests in the fair value of the net identifiable assets of the acquired associate at the date of acquisition. Goodwill on acquisition of associate is included in investments in associates. Any net excess of the company's interests in the net fair value of associates net identifiable assets over cost is recognised on the income statement.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses, if any.

On disposal of the associate, the attributable amount of goodwill is included in the determination of the gains and losses on disposal.

Goodwill is allocated to cash-generating units for the purpose of impairment testing.

#### (e) Financial instruments

##### (i) Financial assets

*Categories of financial assets*

The company classifies its financial assets in the following categories: Held for trading and available-for-sale financial assets.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

##### (a) Available-for-sale financial assets

Available for sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within twelve months of the balance sheet date.

##### (b) Held-for-trading securities

Financial assets at fair value through profit or loss consists of held-for-trading securities.

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within twelve months of the balance sheet date.

*Initial measurement*

Purchases and sales of financial assets are recognised on trade-date, the date on which the company commits to purchase or sell the asset. Investments are initially measured at cost plus transaction costs.

*Derecognition*

Financial assets are derecognised when the rights to receive cash flows from investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership.

*Subsequent measurement*

Available-for-sale and held-for-trading financial assets are subsequently carried at their fair values.

Realised and unrealised gains and losses arising from changes in the fair value of the held-for-trading financial assets are included on the income statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of financial assets classified as available-for-sale securities are recognised in equity. When financial assets classified as available-for-sale securities are sold or impaired the accumulated fair value adjustments are included on the income statement as gains and losses on financial assets.

The company establishes fair value of financial assets by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, net asset value and market prices refined to reflect the issuer's specific circumstances.

*Impairment of financial assets*

The company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of financial assets classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss-measured as the difference between acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in equity - is removed from equity and recognised on the income statement.

##### (ii) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised costs less provision for impairment. A provision for impairment of loans receivable is established when there is objective evidence that the company will not be able to collect all

amounts due according to the original terms of receivable. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows. The amount of provision is recognised on the income statement.

##### (iii) Bank borrowings

Interest-bearing bank loans and overdrafts are recorded net of direct issue costs.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after balance sheet date.

##### (iv) Trade payables

Trade payables are stated at fair value and subsequently measured at amortised cost using the effective interest method.

##### (v) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as deduction from proceeds.

##### (f) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

##### (g) Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events which will probably result in an outflow of resources that can be reliably estimated.

##### (h) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

## NOTES TO THE FINANCIAL STATEMENTS

Year ended June 30, 2009

### 3 FINANCIAL RISK MANAGEMENT

#### 3.1 Financial risk factors

The company's objective is to provide long term capital growth and regular appreciation in dividend income distribution for investors. This objective is being fulfilled through investing in a diversified portfolio of equity and equity related investments.

The company's activities expose it to a variety of financial risks including the effects of changes in equity market prices, interest rate risk and liquidity risk.

##### (a) Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the company. The company's credit risk concentration is spread between interest rate and equity securities. All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal since delivery of securities sold is only made once the broker has received payment. On a purchase, payment is made once the securities have been received by the broker. If either party fails to meet their obligations, the trade will fail.

##### (b) Market price risk

The company is exposed to equity securities price risk because of investments held by the company and classified on the balance sheet as available-for-sale and held-for-trading.

To manage its price risk arising from investments in equity securities, the company diversifies its portfolio.

##### (i) Sensitivity analysis

The table below summarises the impact of increases/decreases in the fair value of the investments in financial assets and held-for-trading securities on the company's post-tax profit for the year and on equity. The analysis is based on the assumption that the fair value had increased/decreased by 5%.

|  | Impact on post-tax profit |        | Impact on equity |        |
|--|---------------------------|--------|------------------|--------|
|  | 2009                      | 2008   | 2009             | 2008   |
|  | Rs'000                    | Rs'000 | Rs'000           | Rs'000 |

Categories of investments:

|  |       |       |        |        |
|--|-------|-------|--------|--------|
| Available-for-sale investments in financial assets | -     | -     | 40,878 | 63,343 |
| Held for trading securities                        | 1,420 | 1,697 | -      | -      |

##### (c) Cash flow and fair value interest rate risk

The company lends and borrows at variable rates. In respect of the latter, it is exposed to risk associated with the effect of fluctuations in the prevailing level of market interest rates on its financial position and cash flows.

The risk is managed by maintaining an appropriate mix between fixed and floating interest charges on loans receivable and payable.

At June 30, 2009, if interest rates on lending and borrowings had been 50 basis points higher/lower with all other variables held constant, there would have been no material impact on post tax profits for the year.

##### (d) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. The company aims at maintaining flexibility in funding by keeping committed credit lines available.

Management monitors rolling forecasts of the company's liquidity reserve on the basis of expected cash flows.

The company's financial liabilities analysed into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date has been disclosed in note 10. All trade and other payables are due within one year.

##### (e) Currency risk

The company is not exposed to foreign exchange risk. It has no financial assets and liabilities denominated in foreign currency.

#### 3.2 Fair value estimation

The fair value of financial assets such as held for trading securities traded on active markets is based on quoted market prices at balance sheet date. The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The company uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. The fair value of financial assets is determined using valuation techniques such as discounted cash flow, adjusted net asset value where appropriate.

The carrying amount of available-for-sale financial assets would be an estimated Rs. 49.971 million (2008: Rs.29.716 million) lower/higher, in the event the fair values were increased/decreased by 5%.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values.

The fair value of those financial assets and liabilities not presented on the company's balance sheet at their fair values are not materially different from their carrying amounts.

#### 3.3 Capital risk management

The company's objectives when managing capital are to safeguard the entity's ability to continue as a going concern so that it can continue to provide returns to shareholders and benefits for other stakeholders.

The company sets the amount of capital in proportion to risk. The company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

## NOTES TO THE FINANCIAL STATEMENTS

Year ended June 30, 2009

The company monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt adjusted capital. Net debt is calculated as total debt (as shown in the balance sheet) less cash and cash equivalents. Adjusted capital comprises all components of equity (ie share capital, retained earnings and fair value and other reserve).

The debt-to-adjusted capital ratios at June 30, 2009 and at June 30, 2008 were as follows:

|                                 | 2009      | 2008      |
|---------------------------------|-----------|-----------|
|                                 | Rs'000    | Rs'000    |
| Total debt                      | 147,138   | 57,224    |
| Less: cash and cash equivalents | (2,134)   | (1,466)   |
| Net debt                        | 145,004   | 55,758    |
| Total equity                    | 4,755,989 | 5,167,338 |
| Gearing ratio                   | 3%        | 1%        |

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### 4.1 Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

##### (a) Impairment of available-for-sale financial assets

The company follows the guidance of IAS 39 on determining when an investment is other-than-temporarily impaired and this determination requires significant judgement. In making this judgement, the company evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

##### (b) Estimated impairment of goodwill

The company tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in note 2(d).

## NOTES TO THE FINANCIAL STATEMENTS

Year ended June 30, 2009

### 5 AVAILABLE FOR SALE SECURITIES

|  | 2009<br>Rs'000   | 2008<br>Rs'000   |
|--|------------------|------------------|
| (a) Investments in associates                |                  |                  |
| <b>Valuation</b>                             |                  |                  |
| At July 1,                                   | 3,473,655        | 1,746,562        |
| Additions                                    | 206              | 919,836          |
| Disposals                                    | -                | (27,818)         |
| Movement in reserves in associated companies | (906,973)        | 581,282          |
| Effect of equity accounting                  | -                | 116,813          |
| Share of retained earnings                   | 441,210          | 136,980          |
| <b>At June 30,</b>                           | <b>3,008,098</b> | <b>3,473,655</b> |
| Made up as follows:                          |                  |                  |
| Share of net assets                          | 2,901,541        | 3,367,098        |
| Goodwill                                     | 106,557          | 106,557          |
|  | <b>3,008,098</b> | <b>3,473,655</b> |

The company's interests in its principal associates, all of which are unlisted, is as follows :

|   | Year end  | Country of<br>incorporation/<br>registration | Assets<br>Rs'000 | Liabilities<br>Rs'000 | Revenues<br>Rs'000 | Profit<br>Rs'000 | % held |
|---|-----------|--|------------------|-----------------------|--------------------|------------------|--------|
| <b>2009</b>   |           |  |                  |                       |                    |                  |        |
| Food and Allied Industries Limited Management and Development Company Limited | June      | Mauritius                                    | 1,323,399        | 592,886               | 1,538,472          | 72,569           | 41.68  |
| Rogers Consolidated Shareholding Limited*                                     | June      | Mauritius                                    | 3,488,910        | 1,677,272             | 4,819,020          | 111,273          | 49.00  |
| Société Amstramdram   | September | Mauritius                                    | 21,005,600       | 10,457,200            | 8,770,900          | 904,300          | 50.00  |
|   | June      | Mauritius                                    | 8,711            | -                     | 1,568              | 1,567            | 48.98  |

|   | Year end  | Country of<br>incorporation/<br>registration | Assets<br>Rs'000 | Liabilities<br>Rs'000 | Revenues<br>Rs'000 | Profit<br>Rs'000 | % held |
|---|-----------|--|------------------|-----------------------|--------------------|------------------|--------|
| <b>2008</b>   |           |  |                  |                       |                    |                  |        |
| Food and Allied Industries Limited Management and Development Company Limited | June      | Mauritius                                    | 1,214,162        | 558,767               | 1,324,020          | 97,978           | 41.68  |
| Rogers Consolidated Shareholding Limited*                                     | June      | Mauritius                                    | 3,372,756        | 1,910,495             | 4,274,676          | 105,524          | 49.00  |
| Société Amstramdram   | September | Mauritius                                    | 21,700,000       | 8,661,000             | 7,589,000          | 432,213          | 50.00  |
|   | June      | Mauritius                                    | 8,711            | -                     | 1,568              | 1,567            | 48.98  |

\* For companies with September 30, non coterminous year end, accounts for the twelve month period ended March 31, 2009 have been taken. (2008: twelve months period ended March 31, 2008)

## NOTES TO THE FINANCIAL STATEMENTS

Year ended June 30, 2009

### 5 AVAILABLE FOR SALE SECURITIES (continued)

|                                     | 2009<br>Rs'000   | 2008<br>Rs'000   |
|-------------------------------------|------------------|------------------|
| (b) Investments in financial assets |                  |                  |
| <b>Fair value</b>                   |                  |                  |
| At July 1,                          | 1,861,184        | 1,546,150        |
| Additions                           | 9,394            | 1,625            |
| Disposals                           | (28,058)         | (4,400)          |
| Fair value adjustments              | 58,583           | 317,809          |
| <b>At June 30,</b>                  | <b>1,901,103</b> | <b>1,861,184</b> |

The fair value of these securities at June 30, 2009 has been determined by Ernst & Young using various bases of valuation and assumptions based on adjusted earnings and on their adjusted net assets.

(c) Available-for-sale financial assets include the following:

|                          | 2009<br>Rs'000   | 2008<br>Rs'000   |
|--------------------------|------------------|------------------|
| Securities at fair value |                  |                  |
| - listed                 | 1,768,735        | 1,776,831        |
| - Dem quoted             | 83,041           | 51,754           |
| - unquoted               | 49,327           | 32,599           |
|                          | <b>1,901,103</b> | <b>1,861,184</b> |

Investments in financial assets are denominated in Mauritian rupees.

(d) Bank borrowings are secured by floating charges on the assets of the company.

### 6 TRADE AND OTHER RECEIVABLES

|                              | 2009<br>Rs'000 | 2008<br>Rs'000 |
|------------------------------|----------------|----------------|
| Investment income receivable | 5,466          | 3,646          |

The carrying amount of trade and other receivables approximate their fair values. At June 30, 2009 there were no investment income which were impaired or past due but not impaired.

Trade and other receivables are denominated in Mauritian rupees.

The company does not hold any collateral as security.

### 7 HELD-FOR-TRADING SECURITIES

|                        | 2009<br>Rs'000 | 2008<br>Rs'000 |
|------------------------|----------------|----------------|
| <b>Fair value</b>      |                |                |
| At July 1,             | 33,953         | 33,440         |
| Disposal               | (44)           | -              |
| Fair value adjustments | (3,194)        | 513            |
| <b>At June 30,</b>     | <b>30,715</b>  | <b>33,953</b>  |

## NOTES TO THE FINANCIAL STATEMENTS

Year ended June 30, 2009

### 7 HELD-FOR-TRADING SECURITIES (continued)

Held for trading securities comprise of official market, DEM quoted and unquoted investments and were valued by Ernst & Young at balance sheet date. The official market and DEM quoted investments were revalued based on the quotations on the 'Official Market' and the DEM as at June 30, 2009.

Unquoted investments were revalued on a dividend yield basis.

Held for trading securities are denominated in Mauritian rupees.

Bank borrowings are secured by floating charges on the assets of the company.

### 8 AMOUNTS RECEIVABLE FROM GROUP COMPANIES

|                     | 2009            |                  |                 | 2008            |
|---------------------|-----------------|------------------|-----------------|-----------------|
|                     | Loans<br>Rs'000 | Others<br>Rs'000 | Total<br>Rs'000 | Total<br>Rs'000 |
| Holding company     | -               | -                | -               | 87,000          |
| Fellow subsidiaries | -               | 2,362            | 2,362           | 2,671           |
|                     | -               | 2,362            | 2,362           | 89,671          |

As of June 30, 2009, no amount receivable from group companies were impaired or past due.

Amounts receivable from group companies are denominated in Mauritian rupees and their carrying amounts approximate their fair values.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The company does not hold any collateral as security.

### 9 SHARE CAPITAL

|  | Number of<br>shares | Ordinary<br>shares<br>Rs'000 | Share<br>Premium<br>Rs'000 | Total<br>Rs'000 |
|--|---------------------|------------------------------|----------------------------|-----------------|
| At July 1  | 73,504,345          | 735,043                      | 232,565                    | 967,608         |
| Application monies transferred to<br>share capital | 12,784,794          | 127,848                      | 517,528                    | 645,376         |
| At June 30,  | 86,289,139          | 862,891                      | 750,093                    | 1,612,984       |

The total authorised number of ordinary shares is 150m with a par value of Rs.10 per share. 86,289,139 shares (2008: 73,504,345) were issued and fully paid.

### 10 BORROWINGS

|                         | 2009<br>Rs'000 | 2008<br>Rs'000 |
|-------------------------|----------------|----------------|
| Borrowings comprise of: |                |                |
| <b>Current</b>          |                |                |
| Bank loans              | 23,451         | 13,584         |
| Bank overdraft          | -              | 3,724          |
|                         | 23,451         | 17,308         |
| <b>Non-current</b>      |                |                |
| Bank loans              | 123,687        | 39,916         |
| <b>Total borrowings</b> | <b>147,138</b> | <b>57,224</b>  |

## NOTES TO THE FINANCIAL STATEMENTS

Year ended June 30, 2009

### 10 BORROWINGS (continued)

|  | 2009<br>Rs'000 | 2008<br>Rs'000 |
|--|----------------|----------------|
| <b>Bank loans</b>                          |                |                |
| The bank loans can be analysed as follows: |                |                |
| Repayable by instalments:                  |                |                |
| - after one year and before two years      | 24,760         | 6,653          |
| - after two years before three years       | 26,191         | 6,653          |
| - after three years and before five years  | 37,039         | 19,958         |
| - after 5 years                            | 35,697         | 6,652          |
|  | 123,687        | 39,916         |

(a) The bank borrowings are secured by a pledge on certain investments and floating charges on the assets of the company.

(b) The bank borrowings are denominated in Mauritian rupees and the effective interest rates at the balance sheet date were 8.75% to 8.875% (2008: 10.75% to 11.75%).

(c) The carrying amounts of short-term borrowings approximate their fair values.

(d) The exposure of the company's borrowings to interest rate changes are less than six months.

### 11 TRADE AND OTHER PAYABLES

|                  | 2009<br>Rs'000 | 2008<br>Rs'000 |
|------------------|----------------|----------------|
| Accrued expenses | 100            | 80             |
| Other payables   | 2,750          | 1,538          |
|                  | 2,850          | 1,618          |

Trade and other payables are denominated in Mauritian rupees and their carrying amounts approximate their fair values.

### 12 AMOUNTS PAYABLE TO GROUP COMPANIES

|                     | 2009            |                  |                 | 2008            |
|---------------------|-----------------|------------------|-----------------|-----------------|
|                     | Loans<br>Rs'000 | Others<br>Rs'000 | Total<br>Rs'000 | Total<br>Rs'000 |
| Holding company     | 5,000           | 26               | 5,026           | -               |
| Fellow subsidiaries | -               | 4,000            | 4,000           | 207,475         |
|                     | 5,000           | 4,026            | 9,026           | 207,475         |

The loan is payable at call and bears interest at the rate of 6.5% per annum.

Amounts payable to group companies are denominated in Mauritian rupees and their carrying amounts approximate their fair values.

## NOTES TO THE FINANCIAL STATEMENTS

Year ended June 30, 2009

### 13 INCOME TAX

|  | 2009<br>Rs'000 | 2008<br>Rs'000 |
|--|----------------|----------------|
| Current tax on the adjusted profit at 15% (2008 - 15%) | 359            | 518            |
| Under provision in previous year                       | 44             | -              |
|  | <b>403</b>     | <b>518</b>     |

The tax on the company's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the company as follows:

|   | 2009<br>Rs'000 | 2008<br>Rs'000 |
|---|----------------|----------------|
| Profit before taxation                              | 564,754        | 404,531        |
| Tax calculated at a tax rate of 15%                 | 84,713         | 60,680         |
| Tax effect on :                                     |                |                |
| Income not subject to tax                           | (25,397)       | (27,325)       |
| Expenses not deductible for tax purposes            | 7,224          | 5,201          |
| Share of retained profits from associated companies | (66,182)       | (20,516)       |
| Under provision in previous year                    | 44             | -              |
| Negative goodwill                                   | -              | (17,522)       |
| Tax charge  | <b>403</b>     | <b>518</b>     |

### 14 DIVIDENDS

|  | 2009<br>Rs'000 | 2008<br>Rs'000 |
|--|----------------|----------------|
| Interim dividends paid - Re 0.90 per share - (2008: Re 0.90)             | 77,660         | 66,154         |
| Final dividends proposed - Re 0.40 per share - (2008: Re 0.40 per share) | 34,516         | 29,402         |
|  | <b>112,176</b> | <b>95,556</b>  |

The final dividends proposed of Re 0.40 per share were paid on July 28, 2009.

### 15 FINANCE COSTS

|   | 2009<br>Rs'000 | 2008<br>Rs'000 |
|---|----------------|----------------|
| Interest expense:   |                |                |
| - Secured bank loans repaid during the year   | 385            | -              |
| - Secured bank loans repayable by instalments the last of which falls due for repayment between one and three years | -              | 909            |
| - Secured bank loans repayable by instalments the last of which falls due for repayment after five years            | 14,873         | 2,961          |
| - Bank overdrafts   | 4,249          | 713            |
| - Loan at call  | 359            | -              |
|   | <b>19,866</b>  | <b>4,583</b>   |

## NOTES TO THE FINANCIAL STATEMENTS

Year ended June 30, 2009

### 16 PROFIT BEFORE TAXATION

|   | 2009<br>Rs'000 | 2008<br>Rs'000 |
|---|----------------|----------------|
| Profit before taxation is arrived at after:     |                |                |
| <b>Crediting:</b>                               |                |                |
| Investment income :                             |                |                |
| - Listed  | 45,902         | 51,993         |
| - DEM quoted                                    | 3,542          | 3,421          |
| - Unquoted                                      | 2,611          | 2,457          |
| Interest receivable                             | 3,874          | 4,584          |
| Gain on disposal of securities                  | 20,476         | 48,397         |
| Fair value gains on held for trading securities | -              | 513            |
| <b>and charging:</b>                            |                |                |
| Fair value loss on held for trading securities  | 3,194          | -              |
| Staff costs                                     | -              | -              |

### 17 EARNINGS PER SHARE

|   | 2009<br>Rs'000 | 2008<br>Rs'000 |
|---|----------------|----------------|
| Net profit attributable to shareholders             | 564,351        | 404,013        |
| Weighted average number of ordinary shares in issue | '000           | '000           |
|   | 85,028         | 73,504         |
| Earnings per share                                  | Rs. 6.64       | 5.50           |

### 18 NOTES TO CASH FLOW STATEMENT

|                                  | 2009<br>Rs'000 | 2008<br>Rs'000 |
|----------------------------------|----------------|----------------|
| <b>Cash and cash equivalents</b> |                |                |
| Cash at bank and in hand         | 2,134          | 1,466          |
| Bank overdraft                   | -              | (3,724)        |
|                                  | <b>2,134</b>   | <b>(2,258)</b> |

## NOTES TO THE FINANCIAL STATEMENTS

Year ended June 30, 2009

### 19 RELATED PARTY TRANSACTIONS

|                     | Sale of investments<br>Rs'000 | Purchase of investments<br>Rs'000 | Management fees payable<br>Rs'000 | Interest payable<br>Rs'000 | Interest receivable<br>Rs'000 | Amount owed to related party<br>Rs'000 | Amount owed by related party<br>Rs'000 |
|---------------------|-------------------------------|-----------------------------------|-----------------------------------|----------------------------|-------------------------------|--|--|
| <b>2009</b>         |                               |                                   |                                   |                            |                               |  |  |
| Holding company     | -                             | -                                 | -                                 | 359                        | 3,874                         | 5,026                                  | -                                      |
| Fellow subsidiaries | -                             | 2,798                             | 23,500                            | -                          | -                             | 4,000                                  | 2,362                                  |
| <b>2008</b>         |                               |                                   |                                   |                            |                               |  |  |
| Holding company     | -                             | -                                 | -                                 | -                          | 4,584                         | -                                      | 87,000                                 |
| Fellow subsidiaries | 73,015                        | 921,462                           | 24,906                            | -                          | -                             | 207,475                                | 2,671                                  |

The sales to and purchases from related parties are made at normal market prices. Outstanding balances at the year end are unsecured, interest free and settlement occurs in cash.

For the year ended June 30, 2009, the company did not record any impairment of receivables relating to amounts owed by related parties (2008: nil) This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

## PROXY FORM

I/We

of

being a member/s of **ENL Investment Limited**, do hereby appoint

of

as my/our proxy or failing him/her

of

to vote for me/us on my/our behalf at the Annual Meeting of the Company to be held at **11.30 hours on November 24, 2009** and at any adjournment thereof. The proxy will vote on the under-mentioned resolutions, as indicated:

### RESOLUTIONS

(Please indicate with an X in the spaces below how you wish your votes to be cast)

|   | For | Against | Abstain |
|---|-----|---------|---------|
| <b>3</b> Resolved that the audited financial statements of the Company for the year ended June 30, 2009 be hereby approved.   |     |         |         |
| <b>4</b> Resolved that the automatic reappointment of the auditors under Section 200 of the Companies Act 2001 be noted and that the Board be authorised to fix their remuneration. |     |         |         |

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2009

Signature

### NOTES

- 1 A member may appoint a proxy of his own choice. Insert the name of the person appointed proxy in the space provided.
- 2 If the appointor is a corporation, this form must be under its common seal or under the hand of some officer or attorney duly authorised in that behalf.
- 3 In the case of joint holders, the signature of any one holder will be sufficient, but the names of all the joint holders should be stated.
- 4 If this form is returned without any indication as to how the person appointed proxy shall vote, he will exercise his discretion as to how he votes or whether he abstains from voting.
- 5 To be valid, this form must be completed and deposited at the Share Registry and Transfer Office of the Company, MCB Registry and Securities Ltd, Raymond Lamusse Building, 9-11 Sir William Newton Street, Port Louis, Mauritius not less than 24 hours before the time fixed for holding the meeting or adjourned meeting.

