

ENL Commercial Limited

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

TURNOVER

Rs 3,465M
(2017: Rs 2,869M)

OPERATING PROFIT

Rs 143M
(Restated 2017: Rs 62M)

PROFIT FOR THE YEAR

Rs 79M
(Restated 2017: Rs 3M)

EARNINGS PER SHARE

Rs 2.71
(Restated 2017: Rs 0.09)

1. CONDENSED STATEMENTS OF FINANCIAL POSITION

	June 30, 2018	June 30, 2017 Restated	June 30, 2016 Restated
	Rs'000	Rs'000	Rs'000
ASSETS			
Non-current assets			
Property, plant and equipment	768,273	761,938	738,224
Investment properties	69,917	89,410	106,361
Investments and others	182,115	180,274	158,035
	1,020,305	1,031,622	1,002,620
Current assets			
	1,468,650	1,293,969	1,300,552
Total assets	2,488,955	2,325,591	2,303,172
EQUITY AND LIABILITIES			
Equity and reserves			
Equity holders' interests	745,245	682,236	661,994
Non-controlling interests	9	(36)	(87)
Total equity and reserves	745,254	682,200	661,907
Non-current liabilities	874,828	876,887	479,452
Current liabilities	868,873	766,504	1,161,813
Total equity and liabilities	2,488,955	2,325,591	2,303,172

3. CONDENSED CASH FLOW STATEMENTS

	Year ended June 30, 2018	Year ended June 30, 2017 Restated
	Rs'000	Rs'000
Net cash flows from operating activities	138,980	106,503
Net cash flows from investing activities	(46,645)	(29,620)
Net cash flows from financing activities	(42,430)	(73,269)
Net movement in cash and cash equivalents	49,905	3,614
Opening cash and cash equivalents	(218,241)	(221,855)
Closing cash and cash equivalents	(168,336)	(218,241)

4. SEGMENTAL INFORMATION

	Year ended June 30, 2018	Year ended June 30, 2017 Restated
	Rs'000	Rs'000
TURNOVER		
Corporate office	2,791	6,154
Real estate	7,818	3,038
Automotive	2,626,552	2,119,522
Trading and services	296,066	258,399
Industry and manufacturing	531,429	481,572
	3,464,656	2,868,685
SEGMENT RESULTS AFTER TAXATION		
Corporate office	(45,882)	(37,721)
Real estate	21,378	(36,228)
Automotive	76,363	52,580
Trading and services	29,174	28,027
Industry and manufacturing	(2,046)	(3,943)
	78,987	2,715

5. CONDENSED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the parent				Total	Non-controlling interests	Total
	Share capital	Associated companies	Fair value and other reserves	Retained earnings			
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 1, 2017 as previously stated	177,960	30,453	162,263	321,866	692,542	26	692,568
Correction of prior period	-	-	-	(10,306)	(10,306)	(62)	(10,368)
As restated	177,960	30,453	162,263	311,560	682,236	(36)	682,200
Transfers	-	-	(6)	6	-	-	-
Transfer on disposal of associate	-	12,709	-	(12,709)	-	-	-
Effect of change in ownership interest not resulting in loss of control	-	-	7	(9)	(2)	2	-
Profit for the year	-	4,967	-	73,968	78,935	52	78,987
Other comprehensive income for the year	-	1,938	-	(3,276)	(1,338)	(9)	(1,347)
Dividends	-	-	-	(14,586)	(14,586)	-	(14,586)
At June 30, 2018	177,960	50,067	162,264	354,954	745,245	9	745,254
At July 1, 2016 as previously stated	177,960	(10,677)	123,308	380,698	671,289	(31)	671,258
Correction of prior period	-	-	-	(9,295)	(9,295)	(56)	(9,351)
As restated	177,960	(10,677)	123,308	371,403	661,994	(87)	661,907
Transfers	-	31,836	712	(32,548)	-	-	-
Profit/(loss) for the year	-	10,607	-	(7,954)	2,653	62	2,715
Other comprehensive income for the year	-	(1,313)	38,243	(13,507)	23,423	(11)	23,412
Dividends	-	-	-	(5,834)	(5,834)	-	(5,834)
At June 30, 2017	177,960	30,453	162,263	311,560	682,236	(36)	682,200

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

	Year ended June 30, 2018	Year ended June 30, 2017 Restated
	Rs'000	Rs'000
Turnover	3,464,656	2,868,685
Operating profit	142,850	61,571
Fair value adjustments on held for trading securities	(1,207)	781
Goodwill impaired	(13,650)	(5,382)
Investment impaired	(13,755)	-
Profit on disposal of investment properties	26,579	-
Profit on disposal of subsidiary and associated companies	11,699	6,813
Share of profits less losses of associated companies	20,585	20,218
Finance costs	(75,440)	(73,938)
Profit before taxation	97,661	10,063
Income tax expense	(18,674)	(7,348)
Profit for the year	78,987	2,715
Other comprehensive income		
Share of comprehensive income of associates	1,938	(1,313)
Re-measurements of post-employment benefit obligations net of deferred tax	(3,285)	(13,519)
Change in value of available for sale investments	-	(26)
Surplus on revaluation of land and buildings	-	38,270
Other comprehensive income for the year	(1,347)	23,412
Total comprehensive income for the year	77,640	26,127
Profit for the year attributable to:		
Equity holders of the company	78,935	2,653
Non-controlling interests	52	62
	78,987	2,715
Total comprehensive income for the year attributable to:		
Equity holders of the company	77,597	26,076
Non-controlling interests	43	51
	77,640	26,127

Per share data

	2018	2017
Profit attributable to equity holders of the company (Rs'000)	78,935	2,653
Number of shares in issue ('000)	29,173	29,173
Earnings per share (Rs)	2.71	0.09
Dividend per share (Rs)	0.50	0.20
Net asset value per share (Rs)	25.55	23.39

COMMENTS ON THE FINANCIAL STATEMENTS

The Group posted a commendable set of results for the year ended 30 June 2018 with improvements in turnover and profit after taxation across all the operating segments. Turnover grew by 21% and operating profits increased more than twofold, driven mainly by the good performance of the automotive segment.

The Group availed itself of the opportunity to dispose of an investment property leased to Cogir. This sale generated a profit of Rs 27m and contributed to the increase in profit after taxation which amounted to Rs 79m as against Rs 3m last year.

Automotive

As mentioned above, the automotive segment was the main driver of the good results achieved by the Group. Turnover was up 24%, buoyed by the significant increase in the sales of new vehicles. Segment turnover amounted to Rs 2.6bn with a profit after taxation of Rs 76m compared with Rs 53m last year, which included a profit of Rs 11m from the CIPF transaction.

Trading and services

The trading and services segment also ended the year under review with increased turnover and profits. The segment benefitted from the full year's operation of TNT, acquired in March 2017, and the continued good performance of the associated companies albeit with a lower share of profit. The deemed disposal of an associated company also contributed some Rs 12m to the segment's profits after taxation.

Industry and manufacturing

The industry and manufacturing segment recorded significantly improved operating results for the year under review, driven by the good performance of the eyewear activities and the restructuring of loss-making businesses. Turnover increased by 10% with operating profits of Rs 21m compared with Rs 6m last year. The segment incurred a loss after taxation of Rs 2m following the impairment of goodwill of Rs 14m.

OUTLOOK

The results for the first months of the financial year 2019 are in line with our expectations which augurs well for the year ahead.

CORPORATE DEVELOPMENT

ENL Commercial is considering an amalgamation with ENL Land, ENL Finance, ENL Limited and La Sablonnière and shareholders will be kept apprised of progress made.

By order of the Board

ENL Limited

Company Secretary

07 September 2018

Notes:

The above audited abridged financial statements for the year ended 30 June 2018 have been prepared in compliance with International Financial Reporting Standards and have been audited by BDO & Co.

The financial statements are issued pursuant to Listing Rule 12.14 and section 88 of the Securities Act 2005.

Copies of the full audited financial statements are available to the public, free of charge, at the Registered Office of the Company at ENL House, Vivéa Business Park, Moka.

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

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

Visit our website: www.enl.mu/investors/enl-commercial

Contact us on investors@enl.mu

