

ENL Limited

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 MARCH 2019

NAV PER SHARE

Rs 67.02

TURNOVER

Rs 11.8BN

(2018: Rs 10.9BN)

OPERATING PROFIT

Rs 1,092M

(2018: Rs 735M)

PROFIT FOR THE PERIOD*

Rs 525M

(2018: Rs 199M)

* from continuing operations

1. CONDENSED STATEMENTS OF FINANCIAL POSITION

	Mar 31, 2019	June 30, 2018
	Rs'000	Rs'000
ASSETS		
Non-current assets		
Property, plant and equipment	21,720,277	21,593,450
Investment properties	21,585,462	21,185,687
Investments in associated companies and jointly controlled entities	9,977,313	9,352,530
Other non-current assets	4,201,013	3,322,171
	57,484,065	55,453,838
Current assets	9,004,335	7,686,430
Assets classified as held-for-sale	97,665	415,849
Total assets	66,586,065	63,556,117
EQUITY AND LIABILITIES		
Equity and reserves		
Equity holders' interests	25,132,245	6,267,462
Non-controlling interests	12,035,692	30,133,446
Total equity and reserves	37,167,937	36,400,908
Non-current liabilities	21,633,007	18,954,448
Current liabilities	7,783,150	7,948,703
Liabilities associated with assets classified as held for sale	1,971	252,058
Total equity and liabilities	66,586,065	63,556,117

3. CONDENSED CASH FLOW STATEMENTS

	Nine months ended Mar 31, 2019	Nine months ended Mar 31, 2018
	Rs'000	Rs'000
Net cash flows from operating activities	(337,835)	433,709
Net cash flows from investing activities	(918,639)	(1,008,489)
Net cash flows from financing activities	927,495	661,584
Net movement in cash and cash equivalents	(328,979)	86,804
Opening cash and cash equivalents	219,577	(344,356)
Effects of exchange rate changes	(6,620)	(1,891)
Closing cash and cash equivalents	(116,022)	(259,443)

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

	Quarter ended Mar 31, 2019	Quarter ended Mar 31, 2018	Nine months ended Mar 31, 2019	Nine months ended Mar 31, 2018
	Rs'000	Rs'000	Rs'000	Rs'000
Continuing operations				
Turnover	3,861,307	3,373,616	11,844,897	10,934,455
Operating profit	316,015	186,299	1,091,679	734,668
Fair value (loss)/gain on held for trading securities	(3,451)	3,913	(9,045)	1,103
Profit/(loss) on sale of land and investments	25,894	(540)	48,138	12,788
Excess of fair value of the share of net assets over acquisition price	-	31,790	5,533	31,790
Profit/(loss) on disposal of subsidiary company	-	(39,428)	70,420	(39,428)
Goodwill impaired	-	-	-	(14,437)
Share of profits less losses of associated companies and jointly controlled entities	95,108	171,241	352,888	429,572
Finance costs	(290,517)	(270,091)	(867,160)	(812,287)
Profit before taxation	143,049	83,184	692,453	343,769
Income tax expense	(41,847)	(76,473)	(167,723)	(144,858)
Profit for the period from continuing operations	101,202	6,711	524,730	198,911
Discontinued operations				
Post tax loss from discontinued operations	-	(30,817)	-	(101,968)
Profit/(loss) for the period	101,202	(24,106)	524,730	96,943
Other comprehensive income				
Fair value movement on available for sale financial assets	(13,872)	22,191	(24,359)	30,788
Release to income on disposal of investments	-	(89,288)	-	(89,288)
Exchange difference	30,066	7,684	14,666	(20,009)
Actuarial losses	(1,123)	1,500	(1,865)	600
Surplus on revaluation of land and buildings	-	-	-	6,100
Share of comprehensive income of associates	71,188	8,714	298,535	(328,095)
Other comprehensive income for the period	86,259	(49,199)	286,977	(399,904)
Total comprehensive income for the period	187,461	(73,305)	811,707	(302,961)
Profit/(loss) for the period attributable to:				
Equity holders of the company	1,954	(34,508)	48,051	(41,004)
Non-controlling interests	99,248	10,402	476,679	137,947
	101,202	(24,106)	524,730	96,943
Total comprehensive income attributable to:				
Equity holders of the company	49,673	(45,651)	138,902	(116,256)
Non-controlling interests	137,788	(27,654)	672,805	(186,705)
	187,461	(73,305)	811,707	(302,961)
Per share data				
Earnings/(Loss) attributable to equity holders of the company from continuing operations (Rs'000)	1,954	(26,685)	48,051	(15,118)
Loss attributable to equity holders of the company from discontinued operations (Rs'000)	-	(7,823)	-	(25,886)
Basic number of ordinary shares in issue ('000) *	374,996	82,723	374,996	82,723
Weighted number of ordinary shares in issue ('000)	229,063	82,723	229,063	82,723
Basic earnings/(loss) per share from continuing operations (Rs)	0.01	(0.32)	0.21	(0.19)
Basic loss per share from discontinued operations (Rs)	-	(0.09)	-	(0.31)
Dividend per share (Rs)	-	-	0.30 **	0.30
Net asset value per share (Mar 31, 2019/June 30, 2018) (Rs)	-	-	67.02	75.76

4. SEGMENTAL INFORMATION ON CONTINUING OPERATIONS

	Quarter ended Mar 31, 2019	Quarter ended Mar 31, 2018	Nine months ended Mar 31, 2019	Nine months ended Mar 31, 2018
	Rs'000	Rs'000	Rs'000	Rs'000
TURNOVER				
Agro-industry	166,724	39,195	756,410	673,452
Commerce and industry	945,154	718,804	2,778,300	2,332,779
Real estate	753,654	614,679	1,959,156	1,893,048
Land and investment	12,237	12,822	24,943	51,723
Hospitality	961,106	982,920	2,984,326	2,693,375
Logistics	818,874	823,730	2,670,555	2,760,431
Fintech	200,055	180,395	666,584	526,614
Corporate office	3,503	1,071	4,623	3,033
	3,861,307	3,373,616	11,844,897	10,934,455
SEGMENT RESULTS AFTER TAXATION				
Agro-industry	45,663	(77,944)	69,729	42,589
Commerce and industry	17,963	(5,824)	78,697	22,044
Real estate	79,861	6,427	306,368	90,308
Land and investment	(134,187)	(110,544)	(375,860)	(331,043)
Hospitality	87,369	200,498	338,909	260,125
Logistics	2,498	(7,312)	80,734	70,068
Fintech	10,420	80	45,920	48,890
Corporate office	(8,385)	1,330	(19,767)	(4,070)
	101,202	6,711	524,730	198,911

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, 2018	8,349	600,214	3,228,594	2,430,305	6,267,462	30,133,446	36,400,908
Issue of shares in subsidiaries to non-controlling shareholders	-	-	-	-	-	112,123	112,123
Effect of change in ownership interest not resulting in loss of control following amalgamation	3,599,638	1,800,953	6,073,021	7,280,575	18,754,187	(18,652,630)	101,557
Transfers	-	(387)	19,128	(18,741)	-	-	-
Profit for the period	-	96,262	-	(48,211)	48,051	476,679	524,730
Other comprehensive income for the period	-	101,729	(11,098)	(1,865)	88,766	198,211	286,977
Dividends	-	-	-	(26,221)	(26,221)	-	(26,221)
Dividends paid by subsidiaries to non-controlling shareholders	-	-	-	-	-	(232,137)	(232,137)
At Mar 31, 2019	3,607,987	2,598,771	9,309,645	9,615,842	25,132,245	12,035,692	37,167,937

COMMENTS ON THE FINANCIAL STATEMENTS

The amalgamation of La Sablonniere Limited, ENL Limited, ENL Land Ltd, ENL Commercial Limited and ENL Finance Limited is effective since 1 January 2019 and La Sablonniere Limited, the surviving entity, has been renamed ENL Limited. The ordinary A shares of ENL Limited have been listed on the Official Market of the Stock Exchange of Mauritius on 23 January 2019. These unaudited financial statements for the quarter ended 31 March 2019 are the first accounts published with respect to our obligations. As ENL Limited (previously La Sablonniere Limited) was already in existence, we have also included accounts for the nine months ended 31 March 2019 to provide information we deem more relevant to shareholders.

Following the amalgamation, a significant portion of minority shareholders are now shareholders of the holding company such that the main component of Group's equity base is now equity holders interests.

The Group posted a good set of operational results for the nine months ended 31 March 2019 with turnover up by 8% and operating profit amounting to Rs 1,092m compared with Rs 735m last year. Increases were noted across all operating segments with the main drivers being: - Commerce & industry which benefited from higher vehicle sales; - Hospitality, with all hotels in operation whereas 3 hotels were closed for renovation during the first 3 months last year, and higher occupancies during the first six months to December 2018; - Real estate with the good performance of the shopping malls, rental of offices and the development of the Moka Smart City.

The Group's associated companies continued to perform well albeit with a lower share of profit due to a slow-down of the tourism sector and reduced profits from the Ecolisa Group resulting from lower contributions from its foreign activities.

The good operational performance resulted in a profit after taxation for the nine months of Rs 525m.

OUTLOOK

The Group's operational segments are expected to perform well for the last quarter with an improvement in full year results.

CORPORATE DEVELOPMENT

After successfully raising Rs 3 bn of notes under its medium term multi-currency note programme of Rs 6 bn in January 2019, ENL has availed itself of the favourable conditions prevailing on the bond market to raise an additional Rs 500m of notes with a ten year tenor at an interesting interest rate to fund its development.

DIVIDENDS

The Company has declared a final dividend of Rs 0.45 for the year ending 30 June 2019. This will result in a higher dividend receivable by the shareholders of the amalgamating companies for the full year to 30 June 2019.

By order of the Board
ENL Secretarial Services Limited
Company Secretary

15 May 2019

Notes:

The interim financial statements to 31 March 2019 are unaudited and have been prepared using the same accounting policies and methods of computation followed per the audited financial statements for the year ended June 30, 2018.

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

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

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

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

Visit our website: www.enl.mu

Contact us on investors@enl.mu

* The basic number of shares for 2018 has been restated to reflect the number of ordinary shares of La Sablonniere Limited post conversion

** The dividends for 2019 relates to the interim dividend paid by La Sablonniere prior to the amalgamation. The dividend per share has been computed on the basis of 82,723,121 ordinary shares

