

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 MARCH 2020



TURNOVER
 △ **Rs 12.2BN**
 3% (2019: Rs 11.8BN)

OPERATING PROFIT
 ▽ **Rs 678M**
 38% (2019: Rs 1,092M)

LOSS FOR THE PERIOD
 △ **Rs 178M**
 >100% (2019: Rs 525M PROFIT)

NAV PER SHARE
 ▽ **Rs 65.78**
 2% (June 2019: Rs 67.29)

	Mar 31, 2020	June 30, 2019
	Rs'000	Rs'000
ASSETS		
Non-current assets		
Property, plant and equipment	21,963,859	21,790,761
Investment properties	23,155,724	22,661,242
Investments in associated companies and jointly controlled entities	9,944,037	9,921,733
Other non-current assets	5,403,399	4,008,743
	60,467,019	58,382,479
Current assets	10,520,738	9,192,831
Assets classified as held-for-sale	105,467	217,115
Total assets	71,093,224	67,792,425
EQUITY AND LIABILITIES		
Equity and reserves		
Equity holders' interests	24,666,278	25,233,642
Non-controlling interests	12,642,301	11,898,256
Total equity and reserves	37,308,579	37,131,898
Non-current liabilities	25,294,796	22,156,081
Current liabilities	8,487,149	8,501,746
Liabilities associated with assets classified as held for sale	2,700	2,700
Total equity and liabilities	71,093,224	67,792,425

	Nine months ended Mar 31, 2020	Nine months ended Mar 31, 2019
	Rs'000	Rs'000
Net cash flows from operating activities	414,897	(337,835)
Net cash flows from investing activities	(856,405)	(918,639)
Net cash flows from financing activities	939,617	927,495
Net movement in cash and cash equivalents	498,109	(328,979)
Opening cash and cash equivalents	449,042	219,577
Effects of exchange rate changes	36,964	(6,620)
Closing cash and cash equivalents	984,115	(116,022)

4. SEGMENTAL INFORMATION

	Quarter ended Mar 31, 2020	Quarter ended Mar 31, 2019	Nine months ended Mar 31, 2020	Nine months ended Mar 31, 2019
	Rs'000	Rs'000	Rs'000	Rs'000
TURNOVER				
Agro-industry	120,915	166,724	702,360	756,410
Commerce and industry	870,638	945,154	3,036,503	2,778,300
Real estate	620,640	753,654	2,181,977	1,959,156
Land and investment	8,958	12,237	23,661	24,943
Hospitality	876,630	961,106	3,020,794	2,984,326
Logistics	774,905	818,874	2,561,673	2,670,555
Fintech	224,110	200,055	632,525	666,584
Corporate office	1,087	3,503	8,538	4,623
	3,497,883	3,861,307	12,168,031	11,844,897
SEGMENT RESULTS AFTER TAXATION				
Agro-industry	1,213	45,663	61,526	69,729
Commerce and industry	(9,971)	17,963	74,025	78,697
Real estate	(227,537)	79,861	(96,190)	306,368
Land and investment	(129,109)	(134,187)	(375,482)	(375,860)
Hospitality	(112,354)	87,369	206,976	338,909
Logistics	(12,933)	2,498	70,213	80,734
Fintech	(87,000)	10,420	(84,870)	45,920
Corporate office	(14,433)	(8,385)	(33,760)	(19,767)
	(592,124)	101,202	(177,562)	524,730

5. CONDENSED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the parent					Non-controlling interests	Total
	Share capital	Treasury shares	Associated companies	Fair value and other reserves	Retained earnings	Total	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 1, 2019	3,607,987	(250,000)	2,509,336	9,285,495	10,080,824	25,233,642	37,131,898
Issue of shares in subsidiaries to non-controlling shareholders	-	-	-	-	-	-	747,000
Effect of change in ownership interest not resulting in loss of control	-	-	90,174	3,170	(73,807)	19,537	137,288
Transfers	-	-	-	(42,911)	42,911	-	-
Profit/(loss) for the period	-	-	198,499	-	(452,430)	(253,931)	(177,562)
Other comprehensive income for the period	-	-	(126,359)	(33,981)	(3,882)	(164,222)	(216,734)
Dividends	-	-	-	-	(168,748)	(168,748)	(168,748)
Dividends paid by subsidiaries and associates to non-controlling shareholders	-	-	-	-	-	-	(144,563)
At Mar 31, 2020	3,607,987	(250,000)	2,671,650	9,211,773	9,424,868	24,666,278	37,308,579
At July 1, 2018	8,349	-	600,214	3,228,594	2,430,305	6,267,462	36,400,908
Issue of shares	3,599,638	-	-	-	-	3,599,638	3,711,761
Effect of change in ownership interest not resulting in loss of control following amalgamation	-	-	1,800,953	6,073,021	7,280,575	15,154,549	(3,498,081)
Transfers	-	-	(387)	19,128	(18,741)	-	-
Profit for the period	-	-	96,262	-	(48,211)	48,051	524,730
Other comprehensive income for the period	-	-	101,729	(11,098)	(1,865)	88,766	286,977
Dividends	-	-	-	-	(26,221)	(26,221)	(26,221)
Dividends paid by subsidiaries to non-controlling shareholders	-	-	-	-	-	-	(232,137)
At Mar 31, 2019	3,607,987	-	2,598,771	9,309,645	9,615,842	25,132,245	37,167,937

COMMENTS ON THE NINE MONTHS PERIOD

The Mauritian economy has been seriously impacted as a result of the COVID 19 pandemic. Economic activities, which had already slowed down following serious disturbances in international trade and travel, came to a standstill when the country entered into confinement.

Whilst the Group had every reason to believe that the results would have been better than those of last year, the impact of the COVID 19 will inevitably cause it to sustain heavy losses for the full year. The impact of this crisis started to be felt during the third quarter when a Rs 592m loss after taxation was recorded compared to a Rs 101m profit in last year's quarter.

The hospitality sector is particularly affected by the suspension of all commercial flights around the world, which resulted in a complete lock-down of all our hotels. The sector is presently in a state of emergency with no revenues generated whilst substantially incurring all costs. This situation is having a dramatic impact on the sector.

The retail arm of the real estate segment was affected by the closure of all the shopping malls due to the confinement. In these difficult times, accommodative financial measures are being taken to help tenants. The uncertainties surrounding the impact of COVID 19 have had a negative impact on results.

Fintech was impacted by lower volumes generated by the consumer business as well as significant provisions under IFRS 9 following a deterioration in the credit environment.

Whilst it is a relief that the lockdown was lifted on 31 May, the country is still restricted by an array of protective measures to ensure it remains COVID free and economic activity is still severely restrained in all sectors. The continued closure of the country's borders will have a massive negative impact on the Mauritian economy and it is imperative that all stakeholders should join forces in order to plan the reopening of borders soonest.

The pandemic has ushered in a worldwide recession with long-lasting negative impacts. In this context, the Group will continue to face exceptionally difficult market conditions and is expected to post significant losses for the full year.

The road ahead is going to be very challenging and the Group is working on innovative ways and means to reduce costs, restructure operations and boost revenues in these exceptional times. It is clear that the joint efforts of all stakeholders - shareholders, employees, business partners, banks and government - will be critical to see the Group through this unprecedented crisis. The initiative by the Bank of Mauritius to set up the Mauritius Investment Corporation is a major step towards supporting economic activities.

Part of the land earmarked for the second phase of Moka City has been transferred and a substantial part of the cash expected from the Group's equity partners has now been received. These funds should enable the Group to carry out its property development plans, albeit more cautiously.

With the wide-ranging difficulties being encountered by the vulnerable communities around the country, the Group has contributed Rs 5.5m to the national COVID-19 Solidarity Fund. In addition, the Group has also set-up two funds, mainly funded by the employees, and Rs 20m have thus been raised to support neighbouring communities affected by the crisis.

In the light of the current uncertainties, the Board has deemed prudent to defer the payment of a final dividend until such time as there is better visibility.

By order of the Board
ENL Secretarial Services Limited
 Company Secretary
 10 June 2020

Notes:
 The interim financial statements to 31 March 2020 are unaudited. They have been prepared using the same accounting policies and methods of computation followed per the audited financial statements for the year ended June 30, 2019 except for the adoption of new IFRS issued which are now effective.

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.

Get in touch with us

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