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

June 30





**1. CONDENSED STATEMENTS OF** 

**FINANCIAL POSITION** 

**OPERATING PROFIT** 678M

38% (2019: Rs 1,092M)

**2. CONDENSED STATEMENTS OF PROFIT OR LOSS** 

AND OTHER COMPREHENSIVE INCOME

LOSS FOR THE PERIOD Rs 178M

(2019: Rs 525M PROFIT) >100%

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

## **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 longlasting 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.

|                               | Mar 31,<br>2020 | June 3<br>20. |
|-------------------------------|-----------------|---------------|
|                               | Rs'000          | Rs'0          |
| ASSETS                        |                 |               |
| Non-current assets            |                 |               |
| Property, plant and equipment | 21,963,859      | 21,790,7      |

| Property, plant and equipment                                       | 21,963,859 | 21,790,76 |
|---|------------|-----------|
| Investment properties   | 23,155,724 | 22,661,24 |
| Investments in associated companies and jointly controlled entities | 9,944,037  | 9,921,73  |
| Other non-current assets  | 5,403,399  | 4,008,74  |
|   | 60,467,019 | 58,382,47 |
| Current assets  | 10,520,738 | 9,192,83  |
| Assets classified as held-for-sale                                  | 105,467    | 217,11    |
| Total assets  | 71,093,224 | 67,792,42 |
|   |            |           |
| EQUITY AND LIABILITIES  |            |           |
| Equity and reserves   |            |           |
| Equity holders' interests   | 24,666,278 | 25,233,64 |
| Non-controlling interests   | 12,642,301 | 11,898,25 |
| Total equity and reserves   | 37,308,579 | 37,131,89 |
| Non-current liabilities   | 25,294,796 | 22,156,08 |
| Current liabilities   | 8,487,149  | 8,501,74  |
| Liabilities associated with assets classified as held for sale      | 2,700      | 2,70      |
| Total equity and liabilities  | 71,093,224 | 67,792,42 |

## **3. CONDENSED CASH FLOW STATEMENTS**

|   | Nine months<br>ended Mar 31,<br>2020 |           |
|---|--------------------------------------|-----------|
|   | 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) |

| AND OTHER COMP   | <b>VEHENSIV</b>          |                          |                              |                          |
|--|--------------------------|--------------------------|------------------------------|--------------------------|
|  | Quarter<br>ended Mar 31, | Quarter<br>ended Mar 31, | Nine months<br>ended Mar 31, | Nine mont<br>ended Mar 3 |
|  | 2020                     | 2019                     | 2020                         | 20<br>De'00              |
| Turnover   | Rs'000<br>3,497,883      | Rs'000<br>3,861,307      | Rs'000<br>12,168,031         | Rs'00<br>11,844,89       |
| Operating (loss)/profit  | (83,696)                 | 316,015                  | 677,819                      | 1,091,6                  |
| Fair value adjustment on   | (83,656)                 | 510,015                  | 011,019                      | 1,091,0                  |
| revaluation of investment<br>properties  | (92,681)                 | -                        | (52,744)                     |                          |
| Fair value loss on financial<br>assets at fair value through<br>profit or loss                         | (5,886)                  | (3,451)                  | (6,566)                      | (9,04                    |
| (Loss)/profit on sale of land and investments  | (9,698)                  | 25,894                   | 135                          | 48,1                     |
| Goodwill impaired  | (47,167)                 | -                        | (47,167)                     |                          |
| Profit on disposal of subsidiary<br>and associated companies   | -                        | -                        | 672                          | 70,4                     |
| Excess of fair value of net assets over consideration price  | -                        | -                        | 4,930                        | 5,5                      |
| Share of profits less losses of<br>associated companies and<br>jointly controlled entities             | 10,378                   | 95,108                   | 379,634                      | 352,8                    |
| Finance costs  | (321,967)                | (290,517)                | (975,190)                    | (867,1                   |
| (Loss)/profit before taxation  | (550,717)                | 143,049                  | (18,477)                     | 692,4                    |
| Income tax expense   | (41,407)                 | (41,847)                 | (159,085)                    | (167,7                   |
| (Loss)/profit for the period   | (592,124)                | 101,202                  | (177,562)                    | 524,                     |
| Other comprehensive income   | . , ,                    |                          | . , ,                        | ,                        |
| Fair value movement on available for sale financial assets   | (46,800)                 | (13,872)                 | (52,362)                     | (24,3                    |
| Remeasurement of post<br>employment benefit obligations<br>net of deferred tax                         | (2,100)                  | (1,123)                  | (6,500)                      | (1,8                     |
| Exchange difference  | 1,500                    | 30,066                   | 10,500                       | 14,6                     |
| Share of comprehensive income<br>of associates   | (2,486)                  | 71,188                   | (168,372)                    | 298,                     |
| Other comprehensive income for   |                          |                          |                              |                          |
| the period Total comprehensive income  | (49,886)                 | 86,259                   | (216,734)                    | 286,9                    |
| for the period   | (642,010)                | 187,461                  | (394,296)                    | 811,                     |
| (Loss)/profit for the period<br>attributable to:   |                          |                          |                              |                          |
| Equity holders of the company  | (407,881)                | 1,954                    | (253,931)                    | 48,0                     |
| Non-controlling interests  | (184,243)                | 99,248                   | 76,369                       | 476,6                    |
| Total comprehensive income<br>attributable to:   | (592,124)                | 101,202                  | (177,562)                    | 524,7                    |
| Equity holders of the company  | (444,793)                | 49,673                   | (418,153)                    | 136,8                    |
| Non-controlling interests  | (197,217)                | 137,788                  | 23,857                       | 674,8                    |
|  | (642,010)                | 187,461                  | (394,296)                    | 811,                     |
| Per share data   |                          |                          |                              |                          |
| (Loss)/earnings attributable to equity<br>holders of the company (Rs'000)                              | (407,881)                | 1,954                    | (253,931)                    | 48,0                     |
| Basic number of ordinary shares<br>in issue ('000)*  | 374,996                  | 374,996                  | 374,996                      | 374,                     |
| Basic (loss)/earnings per share (Rs)   | (1.09)                   | 0.01                     | (0.68)                       | 0                        |
| Dividend per share-  |                          | -                        | -                            | 0                        |
| pre-amalgamation (Rs) **   |                          |                          |                              |                          |
| pre-amalgamation (Rs) **<br>Dividend per share-<br>post-amalgamation (Rs)<br>Net asset value per share |                          | -                        | 0.45                         |                          |

The basic number of shares for March 2019 has been restated to reflect the number of

ordinary shares of La Sablonniere Limited post conversion

\*\* The dividend per share pre-amalgamation has been computed on the basis of 82,723,121 ordinary shares

**4. SEGMENTAL INFORMATION** 

|                                | Quarter<br>ended Mar 31,<br>2020 | Quarter<br>ended Mar 31,<br>2019 | Nine months<br>ended Mar 31,<br>2020 | Nine months<br>ended Mar 31,<br>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 EOUITY

| 5. CONDENSED STATEMENTS OF CHANGES   | Attributable to owners of the parent |                    |                      |                                     |                      |            |                                  |             |
|--|--------------------------------------|--------------------|----------------------|-------------------------------------|----------------------|------------|----------------------------------|-------------|
|  | Share<br>capital                     | Treasury<br>shares | Associated companies | Fair value<br>and other<br>reserves | Retained<br>earnings | Total      | Non-<br>controlling<br>interests | Total       |
|  | Rs'000                               | 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 | 11,898,256                       | 37,131,898  |
| Issue of shares in subsidiaries to non-controlling shareholders                                | -                                    | -                  | -                    | -                                   | -                    | -          | 747,000                          | 747,000     |
| Effect of change in ownership interest not resulting in loss of control                        | -                                    | -                  | 90,174               | 3,170                               | (73,807)             | 19,537     | 117,751                          | 137,288     |
| Transfers  | -                                    | -                  | -                    | (42,911)                            | 42,911               | -          | -                                | -           |
| Profit/(loss) for the period   | -                                    | -                  | 198,499              | -                                   | (452,430)            | (253,931)  | 76,369                           | (177,562)   |
| Other comprehensive income for the period  | -                                    | -                  | (126,359)            | (33,981)                            | (3,882)              | (164,222)  | (52,512)                         | (216,734)   |
| Dividends  | -                                    | -                  | -                    | -                                   | (168,748)            | (168,748)  | -                                | (168,748)   |
| Dividends paid by subsidiaries and associates to non-controlling shareholders                  | -                                    | -                  | -                    | -                                   | -                    | -          | (144,563)                        | (144,563)   |
| At Mar 31, 2020  | 3,607,987                            | (250,000)          | 2,671,650            | 9,211,773                           | 9,424,868            | 24,666,278 | 12,642,301                       | 37,308,579  |
| 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  | 3,599,638                            | -                  | -                    | -                                   | -                    | 3,599,638  | 112,123                          | 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 | (18,652,630)                     | (3,498,081) |
| 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  |

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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