

ABRIDGED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2019



TURNOVER*

Rs 16.1BN
10% (2018: Rs 14.6BN)

OPERATING PROFIT*

Rs 1,329M
39% (2018: Rs 959M)

PROFIT FOR THE YEAR*

Rs 1.4BN
5% (2018: Rs 1.3BN)

EARNINGS PER SHARE*

Rs 2.83
30% (2018: Rs 2.19)

* from continuing operations

1. CONDENSED STATEMENTS OF FINANCIAL POSITION

	June 30, 2019	June 30, 2018
	Rs'000	Rs'000
ASSETS		
Non-current assets		
Property, plant and equipment	21,790,761	21,593,450
Investment properties	22,661,242	21,185,687
Investments in associated companies and jointly controlled entities	9,921,733	9,352,530
Other non-current assets	4,008,743	3,322,171
	58,382,479	55,453,838
Current assets	9,192,831	7,686,430
Assets classified as held-for-sale	217,115	415,849
Total assets	67,792,425	63,556,117
EQUITY AND LIABILITIES		
Equity and reserves		
Equity holders' interests	25,233,642	6,267,462
Non-controlling interests	11,898,256	30,133,446
Total equity and reserves	37,131,898	36,400,908
Non-current liabilities	22,156,081	18,954,448
Current liabilities	8,501,746	7,948,703
Liabilities associated with assets classified as held for sale	2,700	252,058
Total equity and liabilities	67,792,425	63,556,117

3. CONDENSED CASH FLOW STATEMENTS

	Year ended June 30, 2019	Year ended June 30, 2018
	Rs'000	Rs'000
Net cash flows from operating activities	524,079	938,816
Net cash flows from investing activities	(1,759,891)	(1,515,025)
Net cash flows from financing activities	1,464,407	1,151,601
Net movement in cash and cash equivalents	228,595	575,392
Opening cash and cash equivalents	219,576	(344,358)
Effects of exchange rate changes	871	(11,458)
Closing cash and cash equivalents	449,042	219,576

4. SEGMENTAL INFORMATION ON CONTINUING OPERATIONS

	Year ended June 30, 2019	Year ended June 30, 2018
	Rs'000	Rs'000
TURNOVER		
Agro-industry	850,026	813,742
Commerce and industry	3,909,941	3,329,632
Real estate	3,086,646	2,597,245
Land and investment	26,966	84,166
Hospitality	3,843,808	3,485,673
Logistics	3,500,339	3,528,319
Fintech	839,060	760,212
Corporate office	4,669	2,864
	16,061,455	14,601,853
SEGMENT RESULTS AFTER TAXATION		
Agro-industry	11,909	88,150
Commerce and industry	140,781	61,861
Real estate	1,077,207	938,173
Land and investment	(214,658)	(39,641)
Hospitality	216,375	161,454
Logistics	106,655	94,816
Fintech	69,080	23,720
Corporate office	(45,427)	(30,356)
	1,361,922	1,298,177

5. CONDENSED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the parent					Total	Non-controlling interests	Total
	Share capital	Treasury shares	Associated companies	Fair value and other reserves	Retained earnings			
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000			
At July 1, 2018- as previously reported	8,349	-	600,214	3,228,594	2,430,305	6,267,462	30,133,446	36,400,908
Effect of changes in accounting policies	-	-	-	-	(65,396)	(65,396)	(217,275)	(282,671)
As restated	8,349	-	600,214	3,228,594	2,364,909	6,202,066	29,916,171	36,118,237
Treasury shares acquired	-	(250,000)	-	-	-	(250,000)	-	(250,000)
Issue of shares	3,599,638	-	-	-	-	3,599,638	153,222	3,752,860
Effect of change in ownership interest not resulting in loss of control following amalgamation	-	-	1,798,318	6,096,722	7,241,372	15,136,412	(18,641,101)	(3,504,689)
Transfers	-	-	(388)	(14,016)	14,284	(120)	-	(120)
(Loss)/profit for the year	-	-	(1,145)	-	650,029	648,884	713,038	1,361,922
Movement in reserves	-	-	(17,727)	-	-	(17,727)	(11,950)	(29,677)
Other comprehensive income for the year	-	-	130,064	(25,805)	5,200	109,459	205,459	314,918
Dividends	-	-	-	-	(194,970)	(194,970)	-	(194,970)
Dividends paid by subsidiaries and associated companies to non-controlling shareholders	-	-	-	-	-	-	(436,583)	(436,583)
At June 30, 2019	3,607,987	(250,000)	2,509,336	9,285,495	10,080,824	25,233,642	11,898,256	37,131,898
At July 1, 2017	8,349	-	549,998	3,363,521	2,399,708	6,321,576	29,768,668	36,090,244
Issue of shares in subsidiaries to non-controlling shareholders	-	-	-	-	-	-	233,027	233,027
Acquisition and deconsolidation of group companies	-	-	-	-	-	-	88,268	88,268
Effect of change in ownership interest not resulting in loss of control	-	-	(1,011)	(106,400)	5,467	(101,944)	(229,271)	(331,215)
Transfers	-	-	10,020	(6,568)	(3,452)	-	-	-
Profit for the year	-	-	60,417	-	81,653	142,070	1,003,270	1,145,340
Movement in reserves	-	-	14,974	-	(296)	14,678	300,839	315,517
Other comprehensive income for the year	-	-	(34,184)	(21,959)	(2,584)	(58,727)	(344,487)	(403,214)
Dividends	-	-	-	-	(50,191)	(50,191)	-	(50,191)
Dividends paid by subsidiaries and associated companies to non-controlling shareholders	-	-	-	-	-	-	(686,868)	(686,868)
At June 30, 2018	8,349	-	600,214	3,228,594	2,430,305	6,267,462	30,133,446	36,400,908

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

	Year ended June 30, 2019	Year ended June 30, 2018
	Rs'000	Rs'000
Continuing operations		
Turnover	16,061,455	14,601,853
Operating profit	1,328,650	958,732
Fair value loss on financial assets at fair value through profit or loss	(12,000)	(2,123)
Fair value gain on revaluation of investment properties	1,009,669	1,089,170
Profit on sale of land and investments	82,722	137,827
Excess of fair value of the share of net assets over acquisition price	5,533	31,744
Profit on disposal of subsidiary company	70,274	-
Impairment of goodwill, investments and others	(62,852)	(38,009)
Share of profits less losses of associated companies and jointly controlled entities	334,916	366,997
Finance costs	(1,158,792)	(1,022,735)
Profit before taxation	1,598,120	1,521,603
Income tax expense	(236,198)	(223,426)
Profit for the year from continuing operations	1,361,922	1,298,177
Discontinued operations		
Post tax loss from discontinued operations	-	(152,837)
Profit after taxation	1,361,922	1,145,340
Other comprehensive income		
Fair value movement on equity instruments at fair value through other comprehensive income	(40,438)	(55,758)
Release to income on disposal of investments	-	(53,588)
Exchange difference	(12,400)	(9,944)
Remeasurement of post employment benefit obligations net of deferred tax	3,731	(13,176)
Revaluation surplus on property, plant and equipment net of deferred tax	-	(46,421)
Share of comprehensive income of associates	364,025	(224,327)
Other comprehensive income for the year	314,918	(403,214)
Total comprehensive income for the year	1,676,840	742,126
Profit for the year attributable to:		
Equity holders of the company	648,884	142,070
Non-controlling interests	713,038	1,003,270
	1,361,922	1,145,340
Total comprehensive income attributable to:		
Equity holders of the company	758,343	83,343
Non-controlling interests	918,497	658,783
	1,676,840	742,126

Per share data

Earnings attributable to equity holders of the company from continuing operations (Rs'000)	648,884	180,869
Loss attributable to equity holders of the company from discontinued operations (Rs'000)	-	(38,799)
Basic number of ordinary shares in issue ('000) *	374,996	82,723
Weighted number of ordinary shares in issue ('000)	229,063	82,723
Basic earnings per share from continuing operations (Rs)	2.83	2.19
Basic loss per share from discontinued operations (Rs)	-	(0.47)
Dividend per share - pre-amalgamation ** (Rs)	0.30	0.59
Dividend per share - post-amalgamation (Rs)	0.45	-
Net asset value per share (Rs)	67.29	75.76

* The basic number of shares for 2018 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

COMMENTS ON THE FINANCIAL STATEMENTS

The abridged accounts for the year ended 30 June 2019 are the first full year's accounts since the completion of the amalgamation of ENL and the listing of its shares on the Stock Exchange of Mauritius.

The Group posted good results for the year ended 30 June 2019, despite the continuing difficulties of the sugar sector, with turnover up by 10% and a significant increase of 38% in operating profit. This improved performance was driven mainly by the following segments:

- Commerce & industry, with Axess capturing a bigger share of a buoyant new vehicles market;
- Hospitality, where all hotels, particularly Heritage, were in operation for the full year except Veranda Tamarin which had a delayed opening;
- Real estate, with the good performance of Ascencia's shopping malls which were impacted positively by better yields, optimised rental of our office spaces with the 29,000m² nearly fully let and strong sales recorded for all the products offered by Moka Smart City.

The share of profit of associated companies and jointly controlled entities declined slightly from last year but continued to contribute significantly to the Group's profitability.

The good performance of the Group's subsidiaries and associated companies resulted in an increase of 5% in profit after taxation from continuing operations which amounted to Rs 1,362m.

The persistent losses incurred by the sugar industry are not sustainable and unless urgent measures are taken, the decline of the industry will continue irreversibly.

ENL Limited has successfully raised Rs 3.5bn of notes, bearing fixed and variable rates and with tenors of between 5 and 10 years, under its medium term multi-currency note programme of Rs 6bn in order to re-finance existing debts and fund the Group's development. The Group is well advanced in securing a substantial injection of capital in certain of its subsidiaries from strong equity partners and should thus be well equipped to fund its Hospitality segment, to build state of the art infrastructure and amenities within the Moka Smart City precinct and spur the development of several projects in the Telfair Central Business District and Vivea Business Park.

Moreover, we are building on the momentum of the various initiatives being undertaken across all our operating segments and are confident that the Group will show improved results for the coming year.

By order of the Board
ENL Secretarial Services Limited
Company Secretary

27 September 2019

Get in touch with us

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Contact us on investors@enl.mu

We are on social media



Notes:

The above audited abridged financial statements for the year ended 30 June 2019 have been prepared in compliance with International Financial Reporting Standards and have been audited by BDO & Co.

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 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 Limited accepts full responsibility for the accuracy of the information contained in this communiqué.