

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2020 AND SIX MONTHS ENDED 31 DECEMBER 2020



1. CONDENSED STATEMENTS OF FINANCIAL POSITION

	Unaudited Dec 31, 2020	Unaudited Sep 30, 2020	Audited June 30, 2020
	Rs'000	Rs'000	Rs'000
ASSETS			
Non-current assets			
Property, plant and equipment	30,713,476	30,756,041	31,162,858
Investment properties	20,022,984	19,744,835	19,795,178
Investments in associated companies and jointly controlled entities	8,284,924	8,465,763	8,657,320
Other non-current assets	3,913,252	3,819,893	3,930,741
	62,934,636	62,786,532	63,546,097
Current assets	12,319,799	11,817,823	10,745,026
Non-current assets classified as held-for-sale	20,900	41,611	40,790
Total assets	75,275,335	74,645,966	74,331,913
EQUITY AND LIABILITIES			
Equity and reserves			
Equity holders' interests	25,709,358	25,926,405	26,250,158
Non-controlling interests	13,659,133	13,826,393	13,786,513
Total equity and reserves	39,368,491	39,752,798	40,036,671
Non-current liabilities	26,464,831	25,241,107	24,290,137
Current liabilities	9,439,313	9,649,261	10,002,605
Liabilities associated with assets classified as held for sale	2,700	2,800	2,500
Total equity and liabilities	75,275,335	74,645,966	74,331,913

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

	Quarter ended Sep 30, 2020	Quarter ended Sep 30, 2019 restated	Quarter ended Dec 31, 2020	Quarter ended Dec 31, 2019 restated	Six months ended Dec 31, 2020	Six months ended Dec 31, 2019 restated
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Turnover	3,527,099	4,001,892	3,373,313	4,668,256	6,900,412	8,670,148
Operating profit/(loss)	52,871	277,093	(25,565)	465,621	27,306	742,714
Fair value (loss)/gain on financial assets at fair value through profit or loss	(4,451)	(2,799)	8,039	2,119	3,588	(680)
Fair value gain on revaluation of investment properties	-	-	-	8,661	-	8,661
Land conversion rights	-	-	53,951	-	53,951	-
Profit on sale of land and investments	6,143	10,929	1,760	(424)	7,903	10,505
Excess of fair value of the share of net assets over acquisition price	-	-	-	4,930	-	4,930
Share of profits less losses of associated companies and jointly controlled entities	(242,646)	10,467	(98,574)	358,790	(341,220)	369,256
Finance costs	(273,645)	(324,265)	(281,755)	(328,959)	(555,400)	(653,223)
(Loss)/profit before tax	(461,728)	(28,575)	(342,144)	510,738	(803,872)	482,163
Taxation	(13,644)	(55,965)	6,977	(61,713)	(6,667)	(117,678)
(Loss)/profit after tax for the period	(475,372)	(84,540)	(335,167)	449,025	(810,539)	364,485
Other comprehensive income						
Fair value movement on equity instruments at fair value through other comprehensive income	(1,000)	2,538	600	(8,100)	(400)	(5,562)
Currency translation differences	(13,000)	1,500	(23,887)	7,500	(36,887)	9,000
Gain on revaluation of property, plant and equipment net of tax	-	31,276	-	-	-	31,276
Remeasurement of post employment benefit obligations net of tax	-	-	-	(4,400)	-	(4,400)
Share of comprehensive income of associates and jointly controlled entities	45,427	44,027	7,656	(209,912)	53,083	(165,885)
Other comprehensive income for the period	31,427	79,341	(15,631)	(214,912)	15,796	(135,571)
Total comprehensive income for the period	(443,945)	(5,199)	(350,798)	234,113	(794,743)	228,914
(Loss)/profit for the period attributable to:						
Equity holders of the company	(323,127)	(128,867)	(229,093)	240,313	(552,220)	111,446
Non-controlling interests	(152,245)	44,327	(106,074)	208,712	(258,319)	253,039
	(475,372)	(84,540)	(335,167)	449,025	(810,539)	364,485
Total comprehensive income attributable to:						
Equity holders of the company	(313,377)	(88,333)	(217,047)	103,745	(530,424)	15,413
Non-controlling interests	(130,568)	83,134	(133,751)	130,368	(264,319)	213,501
	(443,945)	(5,199)	(350,798)	234,113	(794,743)	228,914

Per share data

(Loss)/profit attributable to equity holders of the company (Rs'000)	(323,127)	(128,867)	(229,093)	240,313	(552,220)	111,446
Basic number of ordinary shares in issue ('000)	374,996	374,996	374,996	374,996	374,996	374,996
Basic (loss)/earnings per share (Rs)	(0.86)	(0.34)	(0.61)	0.64	(1.47)	0.30
Dividend per share (Rs)	-	-	-	0.45	-	0.45
Net asset value per share (Sep 30, 2020, Dec 31, 2020 and June 30, 2020) (Rs)	68.56	-	-	-	69.14	70.00

3. CONDENSED CASH FLOW STATEMENTS

	Quarter ended Sep 30, 2020	Quarter ended Sep 30, 2019	Six months ended Dec 31, 2020	Six months ended Dec 31, 2019
	Rs'000	Rs'000	Rs'000	Rs'000
Net cash flows from operating activities	343,987	45,569	459,273	332,967
Net cash flows from investing activities	(272,574)	(268,517)	(616,136)	(631,827)
Net cash flows from financing activities	286,346	931,535	1,141,083	1,249,521
Net movement in cash and cash equivalents	357,759	708,587	984,220	950,661
Opening cash and cash equivalents	2,219,536	449,042	2,219,536	449,042
Effects of exchange rate changes	4,169	(10,201)	8,095	(4,691)
Closing cash and cash equivalents	2,581,464	1,147,428	3,211,851	1,395,012

4. SEGMENTAL INFORMATION

	Quarter ended Sep 30, 2020	Quarter ended Sep 30, 2019	Quarter ended Dec 31, 2020	Quarter ended Dec 31, 2019	Six months ended Dec 31, 2020	Six months ended Dec 31, 2019
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
REVENUE						
Agro-industry	260,777	266,524	214,204	314,922	474,981	581,446
Commerce and industry	1,025,607	1,112,344	871,327	1,053,521	1,896,934	2,165,865
Real estate	811,626	663,693	651,183	897,644	1,462,810	1,561,337
Land and investment	2,868	3,393	2,715	11,310	5,583	14,703
Hospitality	273,280	892,904	350,545	1,251,260	623,825	2,144,164
Logistics	932,087	861,900	1,071,628	924,867	2,003,714	1,786,767
Fintech	218,172	200,048	210,608	208,367	428,780	408,415
Corporate office	2,682	1,086	1,103	6,365	3,785	7,451
	3,527,099	4,001,892	3,373,313	4,668,256	6,900,412	8,670,148
RESULTS AFTER TAXATION						
Agro-industry	16,176	7,473	(40,395)	52,838	(24,219)	60,311
Commerce and industry	49,637	45,798	26,143	38,197	75,780	83,995
Real estate	77,735	56,583	180,569	43,490	258,304	100,073
Land and investment	(99,301)	(113,627)	(55,526)	(132,746)	(154,827)	(246,373)
Hospitality	(602,482)	(68,452)	(506,270)	386,543	(1,108,752)	318,091
Logistics	52,412	46,429	45,939	32,924	98,351	79,353
Fintech	39,413	(48,042)	23,459	36,404	62,872	(11,638)
Corporate office	(8,962)	(10,702)	(9,086)	(8,625)	(18,048)	(19,327)
	(475,372)	(84,540)	(335,167)	449,025	(810,539)	364,485

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, 2020	3,607,987	(250,000)	1,602,867	14,143,638	7,145,666	26,250,158	13,786,513	40,036,671
Issue of shares to non controlling shareholders	-	-	-	-	-	-	76,301	76,301
Effect of change in ownership interest not resulting in loss of control	-	-	-	(203)	(10,173)	(10,376)	94,147	83,771
Transfers	-	-	-	1,391	(1,391)	-	-	-
Loss for the period	-	-	(197,767)	-	(125,360)	(323,127)	(152,245)	(475,372)
Other comprehensive income for the period	-	-	31,373	(22,399)	776	9,750	21,677	31,427
At Sept 30, 2020	3,607,987	(250,000)	1,436,473	14,122,427	7,009,518	25,926,405	13,826,393	39,752,798
Loss for the period	-	-	(127,577)	-	(101,516)	(229,093)	(106,074)	(335,167)
Other comprehensive income for the period	-	-	9,130	(4,241)	7,157	12,046	(27,677)	(15,631)
Dividends paid by subsidiaries and associated companies to non-controlling shareholders	-	-	-	-	-	-	(33,509)	(33,509)
At Dec 31, 2020	3,607,987	(250,000)	1,318,026	14,118,186	6,915,159	25,709,358	13,659,133	39,368,491
At July 1, 2019 as restated	3,607,987	(250,000)	2,572,928	11,499,831	7,869,120	25,299,866	11,619,456	36,919,322
Issue of shares in subsidiaries to non-controlling shareholders	-	-	-	-	-	-	600,000	600,000
Effect of change in ownership interest not resulting in loss of control	-	-	90,044	-	(54,709)	35,335	(35,256)	79
Transfers	-	-	-	(3,841)	3,841	-	-	-
Loss for the period	-	-	(13,684)	-	(115,183)	(128,867)	44,327	(84,540)
Other comprehensive income for the period	-	-	8,497	761	31,276	40,534	38,807	79,341
At Sept 30, 2019	3,607,987	(250,000)	2,657,785	11,496,751	7,734,345	25,246,868	12,267,334	37,514,202
Issue of shares in subsidiaries to non-controlling shareholders	-	-	-	-	-	-	98,976	98,976
Effect of change in ownership interest not resulting in loss of control	-	-	766	162	176,182	177,110	40,377	217,487
Transfers	-	-	-	(37,373)	37,373	-	-	-
Profit for the period	-	-	247,403	-	(7,090)	240,313	208,712	449,025
Other comprehensive income for the period	-	-	(134,716)	777	(2,629)	(136,568)	(78,344)	(214,912)
Dividends	-	-	-	-	(168,748)	(168,748)	-	(168,748)
Dividends paid by subsidiaries and associated companies to non-controlling shareholders	-	-	-	-	-	-	(144,563)	(144,563)
At Dec 31, 2019	3,607,987	(250,000)	2,771,238	11,460,317	7,769,433	25,358,975	12,392,492	37,751,467

COMMENTS ON THE FINANCIAL STATEMENTS

The results for the six months were affected by COVID-19. Turnover decreased by 20% resulting in a significant drop in operating profits from Rs 742m last year, when the COVID was yet to impact the country, to Rs 27m for the six months ended 31 December 2020. The results of the Group's associated companies and jointly controlled entities were seriously affected by the situation prevailing in the hospitality sector. The Group incurred a loss after tax of Rs 810m compared with a profit of Rs 364m last year.

The various operating segments, save hospitality, have shown resilience since the first lock down was lifted. Various measures, including significant cost reductions, were implemented to see through the crisis and most segments posted commendable results for the first semester. However, the continued closure of our borders and restrictions on international travel have severely affected the hospitality sector; this segment incurred losses after tax of Rs 1,109m (profits of Rs 318m last year) and was the main cause for the losses incurred by the Group for the period.

The country has entered into a second confinement since 10 March 2021 following a resurgence of cases of COVID-19. This has amplified the already dire situation of the hospitality sector which is still suffering from the continued closure of our borders. The vaccination campaign presently being deployed both locally and internationally should enable the reopening of borders, thus enabling the hospitality industry to gradually resume normal operations.

The experience of last year's lock down has left the country better prepared to deal with the second lock-down presently being experienced and its impact on the economy, although important, is expected to be better contained. We expect our businesses to continue to show resilience except for Hospitality which will suffer heavy losses, resulting in the Group posting substantial losses for the full year.

Irrespective of the two lock downs, the development of the Group has continued in line with CAP 23 and significant investments have been made, particularly in the real estate segment which remains a strong pillar for the Group and continues to generate important cash flows.

By order of the Board
ENL Secretarial Services Limited
 Company Secretary

26 April 2021

Notes:

The interim financial statements 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, 2020 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.

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