

# 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<br>Dec 31,<br>2020 | Unaudited<br>Sep 30,<br>2020 | Audited<br>June 30,<br>2020 |
|---|------------------------------|------------------------------|-----------------------------|
|   | Rs'000                       | Rs'000                       | Rs'000                      |
| <b>ASSETS</b>   |                              |                              |                             |
| <b>Non-current assets</b>   |                              |                              |                             |
| 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                  |
| <b>Current assets</b>   | 12,319,799                   | 11,817,823                   | 10,745,026                  |
| <b>Non-current assets classified as held-for-sale</b>                 | 20,900                       | 41,611                       | 40,790                      |
| <b>Total assets</b>   | <b>75,275,335</b>            | <b>74,645,966</b>            | <b>74,331,913</b>           |
| <b>EQUITY AND LIABILITIES</b>   |                              |                              |                             |
| <b>Equity and reserves</b>  |                              |                              |                             |
| Equity holders' interests   | 25,709,358                   | 25,926,405                   | 26,250,158                  |
| Non-controlling interests   | 13,659,133                   | 13,826,393                   | 13,786,513                  |
| <b>Total equity and reserves</b>                                      | <b>39,368,491</b>            | <b>39,752,798</b>            | <b>40,036,671</b>           |
| <b>Non-current liabilities</b>  | 26,464,831                   | 25,241,107                   | 24,290,137                  |
| <b>Current liabilities</b>  | 9,439,313                    | 9,649,261                    | 10,002,605                  |
| <b>Liabilities associated with assets classified as held for sale</b> | 2,700                        | 2,800                        | 2,500                       |
| <b>Total equity and liabilities</b>                                   | <b>75,275,335</b>            | <b>74,645,966</b>            | <b>74,331,913</b>           |

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

|  | Quarter ended<br>Sep 30,<br>2020 | Quarter ended<br>Sep 30,<br>2019<br>restated | Quarter ended<br>Dec 31,<br>2020 | Quarter ended<br>Dec 31,<br>2019<br>restated | Six months<br>ended<br>Dec 31,<br>2020 | Six months<br>ended<br>Dec 31,<br>2019<br>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)  |
| <b>(Loss)/profit before tax</b>  | <b>(461,728)</b>                 | <b>(28,575)</b>                              | <b>(342,144)</b>                 | <b>510,738</b>                               | <b>(803,872)</b>                       | <b>482,163</b>                                     |
| Taxation   | (13,644)                         | (55,965)                                     | 6,977                            | (61,713)                                     | (6,667)                                | (117,678)  |
| <b>(Loss)/profit after tax for the period</b>  | <b>(475,372)</b>                 | <b>(84,540)</b>                              | <b>(335,167)</b>                 | <b>449,025</b>                               | <b>(810,539)</b>                       | <b>364,485</b>                                     |
| <b>Other comprehensive income</b>  |                                  |  |                                  |  |  |  |
| 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)  |
| <b>Total comprehensive income for the period</b>   | <b>(443,945)</b>                 | <b>(5,199)</b>                               | <b>(350,798)</b>                 | <b>234,113</b>                               | <b>(794,743)</b>                       | <b>228,914</b>                                     |
| <b>(Loss)/profit for the period attributable to:</b>                                       |                                  |  |                                  |  |  |  |
| 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  |
| <b>Total comprehensive income attributable to:</b>   |                                  |  |                                  |  |  |  |
| 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<br>Sep 30,<br>2020 | Quarter ended<br>Sep 30,<br>2019 | Six months<br>ended<br>Dec 31,<br>2020 | Six months<br>ended<br>Dec 31,<br>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)                                |
| <b>Closing cash and cash equivalents</b>  | <b>2,581,464</b>                 | <b>1,147,428</b>                 | <b>3,211,851</b>                       | <b>1,395,012</b>                       |

## 4. SEGMENTAL INFORMATION

|                               | Quarter ended<br>Sep 30,<br>2020 | Quarter ended<br>Sep 30,<br>2019 | Quarter ended<br>Dec 31,<br>2020 | Quarter ended<br>Dec 31,<br>2019 | Six months<br>ended<br>Dec 31,<br>2020 | Six months<br>ended<br>Dec 31,<br>2019 |
|-------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|--|--|
|                               | Rs'000                           | Rs'000                           | Rs'000                           | Rs'000                           | Rs'000                                 | Rs'000                                 |
| <b>REVENUE</b>                |                                  |                                  |                                  |                                  |  |  |
| 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                              |
| <b>RESULTS AFTER TAXATION</b> |                                  |                                  |                                  |                                  |  |  |
| 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            |            |                           |            |
| <b>At July 1, 2020</b>  | 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     |
| <b>At Sept 30, 2020</b>   | 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)   |
| <b>At Dec 31, 2020</b>  | 3,607,987                            | (250,000)       | 1,318,026            | 14,118,186                    | 6,915,159         | 25,709,358 | 13,659,133                | 39,368,491 |
| <b>At July 1, 2019 as restated</b>  | 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     |
| <b>At Sept 30, 2019</b>   | 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)  |
| <b>At Dec 31, 2019</b>  | 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.

### Get in touch with us

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