

Condensed Unaudited Financial Statements For First Quarter Ended 30 September 2018



Statements of comprehensive income (Abridged)	THE GROUP		
	Unaudited	Unaudited	Audited
	Quarter ended	Quarter ended	Year ended
	30.09.2018	30.09.2017	30.06.2018
	Rs000	Rs000	Rs000
Continuing operations			
Revenue	9,109,752	8,549,130	37,074,403
Profit from operations	245,393	281,770	2,345,087
Share of results of associates and joint ventures	187,167	211,146	363,545
Other gains and losses	-	-	780,296
Net finance costs	(241,631)	(160,119)	(757,153)
Profit before taxation	190,929	332,797	2,731,775
Taxation	(42,907)	(31,378)	(345,886)
Profit for the period from continuing operations	148,022	301,419	2,385,889
Discontinued operations			
Gain / (Loss) for the period / year from discontinued operations	1,945	10,694	(3,017)
Profit for the period	149,967	312,113	2,382,872
Other comprehensive (loss) / income for the period / year	(65,143)	90,148	548,658
Total comprehensive income for the period	84,824	402,261	2,931,530
Profit attributable to :-			
Owners of the parent	93,100	243,864	1,508,967
Non-controlling interests	56,867	68,249	873,905
	149,967	312,113	2,382,872
Total comprehensive income attributable to :-			
Owners of the parent	48,414	303,844	1,883,227
Non-controlling interests	36,410	98,417	1,048,303
	84,824	402,261	2,931,530
Earnings per share (Rs)			
Number of shares	680,224,040	680,224,040	680,224,040
- From continuing and discontinued operations	0.14	0.36	2.22
- From continuing operations	0.13	0.34	2.22
Net assets per share (Rs)	25.00	24.21	24.94

Segmental Information	THE GROUP		
	Unaudited	Unaudited	Audited
	Quarter ended	Quarter ended	Year ended
	30.09.2018	30.09.2017	30.06.2018
	Rs000	Rs000	Rs000
Revenue			
Agro	-	-	-
Building & Engineering	2,110,437	2,569,132	8,644,788
Commercial	3,430,959	3,020,166	13,070,140
Financial & Other Services	431,679	374,864	1,716,957
Hospitality	1,235,453	1,057,208	5,850,491
Life	37,870	20,869	179,278
Logistics	466,960	394,059	1,587,426
Manufacturing & Processing	1,903,773	1,728,029	8,421,714
Property	171,054	41,472	707,966
Corporate services	42,326	48,321	222,953
Consolidation adjustment	(720,759)	(704,990)	(3,327,310)
Revenue from continuing operations	9,109,752	8,549,130	37,074,403

	THE GROUP		
	Unaudited	Unaudited	Audited
	Quarter ended	Quarter ended	Year ended
	30.09.2018	30.09.2017	30.06.2018
	Rs000	Rs000	Rs000
Profit from operations			
Agro	-	-	-
Building & Engineering	174,069	218,326	634,679
Commercial	89,813	112,151	312,849
Financial & Other Services	54,536	36,625	216,576
Hospitality	(49,749)	(102,726)	660,394
Life	(2,817)	(29,426)	(41,383)
Logistics	17,455	27,623	97,539
Manufacturing & Processing	91,434	80,049	826,347
Property	(3,387)	20,638	100,060
Corporate services	(113,318)	(77,631)	(386,973)
Consolidation adjustment	(12,643)	(3,859)	(75,001)
Profit from operations from continuing operations	245,393	281,770	2,345,087

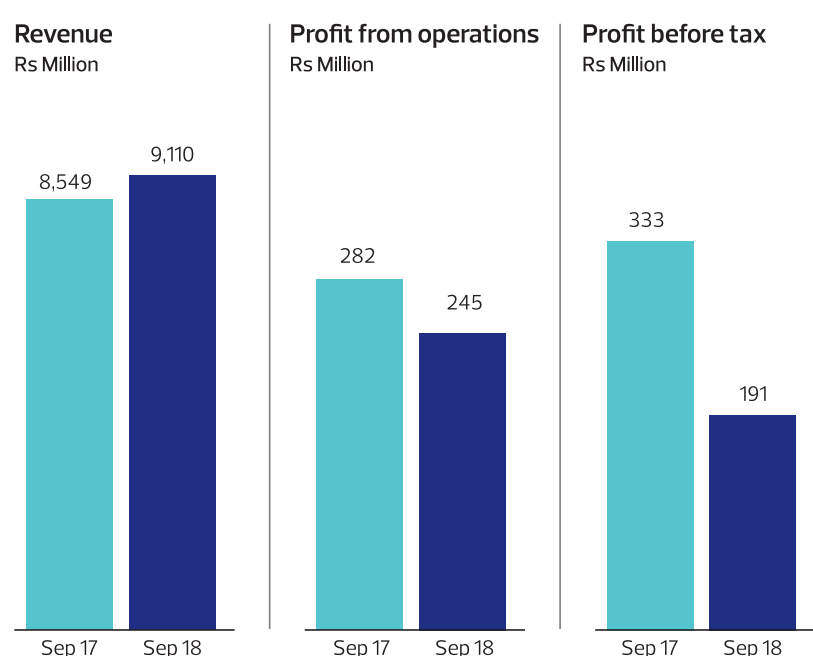
Share of results of associates and joint ventures	THE GROUP		
	Unaudited	Unaudited	Audited
	Quarter ended	Quarter ended	Year ended
	30.09.2018	30.09.2017	30.06.2018
	Rs000	Rs000	Rs000
Agro	13,190	36,260	109,957
Building & Engineering	11,609	9,566	10,473
Commercial	(866)	61	(1,047)
Financial & Other Services	133,782	115,123	292,654
Hospitality	-	-	-
Life	24,583	21,873	51,999
Logistics	-	-	(750)
Manufacturing & Processing	4,869	28,263	(105,806)
Property	-	-	-
Corporate services	-	-	6,065
Share of results of associates and joint ventures	187,167	211,146	363,545

Statements of financial position (Abridged)	THE GROUP		
	Unaudited	Unaudited	Audited
	Quarter ended	Quarter ended	Year ended
	30.09.2018	30.09.2017	30.06.2018
	Rs000	Rs000	Rs000
Assets			
Property, plant and equipment	26,281,605	24,123,369	26,532,127
Investment properties	843,763	395,950	841,310
Intangible assets	3,711,716	3,360,284	3,543,327
Deferred Expenditure	18,624	-	18,624
Land and related development costs	1,604,971	-	1,604,798
Investments	10,380,721	10,600,475	10,154,410
Deferred tax assets	349,158	195,949	359,277
Finance lease receivables	-	365,507	-
Other assets	11,009	13,892	13,261
Non-current assets	43,201,567	39,055,426	43,067,134
Current assets	16,006,049	13,438,500	14,162,819
Assets classified as held for sale	706,529	-	1,845,878
Total Assets	59,914,145	52,493,926	59,075,831
Equity and Liabilities			
Equity attributable to owners of the parent	17,007,999	16,470,349	16,962,188
Non-controlling interests	11,487,977	10,731,267	11,452,714
Total equity	28,495,976	27,201,616	28,414,902
Non-current liabilities	13,503,713	12,449,519	14,414,219
Current liabilities	17,607,499	12,842,791	14,952,871
Liabilities associated with assets classified as held for sale	306,957	-	1,293,839
Total Equity and Liabilities	59,914,145	52,493,926	59,075,831

Statements of cash flow (Abridged)	THE GROUP		
	Unaudited	Unaudited	Audited
	Quarter ended	Quarter ended	Year ended
	30.09.2018	30.09.2017	30.06.2018
	Rs000	Rs000	Rs000
Net cash generated from operating activities	140,894	457,108	2,380,246
Net cash used in investing activities	(643,195)	(875,680)	(3,891,284)
Net cash generated from financing activities	70,977	2,606,341	3,975,305
Net (decrease) / increase in cash & cash equivalents	(431,324)	2,187,769	2,464,267
Cash & cash equivalents at 1 July	(1,157,920)	(3,622,187)	(3,622,187)
Cash & cash equivalents at end of period / year	(1,589,244)	(1,434,418)	(1,157,920)

Statements of Changes in Equity (Abridged)	THE GROUP		
	Owners of the parent	Non-controlling interests	Total Equity
	Rs000	Rs000	Rs000
Unaudited			
At 1 July 2017 - as previously stated	16,424,050	10,631,629	27,055,679
Prior year adjustment	(258,418)	-	(258,418)
As restated	16,165,632	10,631,629	26,797,261
Total comprehensive income	303,844	98,417	402,261
Other movements	873	1,221	2,094
At 30 Sep 2017	16,470,349	10,731,267	27,201,616
Audited			
At 1 July 2017 - as previously stated	16,424,050	10,631,629	27,055,679
Prior year adjustment	(258,418)	-	(258,418)
As restated	16,165,632	10,631,629	26,797,261
Total comprehensive income	1,883,227	1,048,303	2,931,530
Other movements	(590,107)	189,863	(400,244)
Dividends paid to non controlling interests	-	(417,081)	(417,081)
Dividends	(496,564)	-	(496,564)
At 30 June 2018	16,962,188	11,452,714	28,414,902
Unaudited			
At 1 July 2018	16,962,188	11,452,714	28,414,902
Total comprehensive income	48,414	36,410	84,824
Other movements	(2,603)	(1,147)	(3,750)
At 30 September 2018	17,007,999	11,487,977	28,495,976

Year on year performance highlights



Group performance for quarter ended 30 September 18 shows sustained growth in turnover. Lower operating profit is attributable to new acquisitions.

Comments

The Board of IBL Ltd is pleased to present the Group's unaudited condensed financial statements for the quarter ended 30 September 2018.

The financial highlights have been prepared in accordance with International Financial Reporting Standards (IFRS) and on the same basis as the accounting policies set out in the audited statutory financial statements for the year ended 30 June 2018 except for the implementation of IFRS 15 effective from 1 July 2018 for the Group.

Highlights for the quarter ended 30 September 2018 (Q1 2018/19)

Group revenue increased by 7% to Rs 9.1 billion from both existing businesses and new businesses.

Group profit from operations dropped by 13%. The newly acquired businesses (CMPL, BlueLife and La Palmeraie Hotel) have incurred an aggregate loss of Rs 45 million largely explaining the drop in profitability but they are expected to turnaround and generate profits in the future. Existing businesses on the other hand, have contributed to an overall increase of Rs 8 million (3%) in profit from operations.

The net finance cost for the quarter ended 30 September 2018 has increased largely as a result of:

- The consolidation of new subsidiaries as well as,
- The net impact from raising additional finance to fund the aforementioned acquisitions.

As a consequence of the above, profit before tax for the Group dropped to Rs 191 million for the quarter compared to Rs 333 million for the same period last year.

Sectorial review

- Building & Engineering** was affected by lower revenues from contracting which benefitted from two large projects last year. Shipyard activities contributed positively to the results due to year on year growth in naval repairs and despite no new ship building contract during the period under review.
- Commercial sector:** Our flagship brands (Winners', BrandActiv and HealthActiv) registered an increase in turnover. The performance of Monoprix is steadily increasing post acquisition and a complete reengineering of our retail operations is in progress.
- The Financial Services sector** benefited from AfrAsia Bank and DTOS' good performances. The profit of MEI was stable.
- Hospitality:** All hotels were operational during this quarter. LUX* Grand Gaube was closed for renovation in the same period last year. Overall room rates have increased which offset a slight drop in occupancy levels. SALT of Palmar, operating under a new brand and concept, opened in early November.
- Manufacturing & Processing:** Revenue for the sector has increased mostly from PhoenixBev, offset by a slight decline in the Seafood sector. Reported profits have increased mainly due to a non-recurring expense incurred last year. With fishing quotas being closely monitored by the EU, Seafood's profits are expected to get back on track by year end.
- Property:** Bloomage has increased its investment property portfolio following the acquisition of La Palmeraie hotel (rebranded SALT of Palmar) in the last quarter. Renovation is now complete and rental income will flow as from the next quarter. BlueLife is consolidated for the first time in Q1 2018/19 and is currently launching a golf, villas and apartments project.
- The logistics sector** registered an increase in revenue. Warehousing capacity has increased following the construction of a new warehouse. Whilst in the short term this has a cost impact, we expect the benefits to accrue incrementally as occupancy ramps up.
- Life sector:** Turnaround is being achieved by CIDP group. Our associate company, Proximed, is showing sustained growth in a dynamic environment.
- The Agro sector** continues to be affected by low sugar prices in Mauritius. Accompanying measures are being deployed by Government to help small and medium planters but no measures were taken for millers which will adversely affect the financial performances of Alteo Milling Ltd and the Alteo Group. The adverse performance of sugar locally was mitigated by the improved results of the energy and property clusters of Alteo. In contrast Kenyan and Tanzanian operations show upside potential.

Outlook

Results for the Group reflect recent investments made for the long-term development of the Group and outlook remains positive.

Our digitalization process is underway with a number of transformational initiatives being undertaken with one objective: being client centric.

Interim Dividends

The Board of IBL Ltd is pleased to declare an interim dividend of 21 cents per share (an increase of 5% compared to last year).

By Order of the Board

IBL Management Ltd
Company Secretary
12 November 2018

Copies of the condensed unaudited financial statements (which can also be viewed on the website www.iblgroup.com) and the statement of direct and indirect interests of officers of the Company are available free of charge, upon request made to the Company Secretary, 4th Floor, IBL House, Caudan, Port Louis, Mauritius.

The above condensed unaudited financial statements are issued pursuant to Listing Rule 12.20 and Securities Act 2005. The Board of Directors of IBL Ltd accepts full responsibility for the accuracy of the information contained in these condensed financial statements.