

THE BEE EQUITY PARTNERS LTD AND ITS SUBSIDIARY COMPANY

CONDENSED UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER AND NINE MONTHS ENDED 31 MARCH 2019

Business Registration Number: C07002403

thebee
equity partners

CONDENSED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	THE GROUP				THE COMPANY			
	3 months to 31.03.2019 Unaudited	3 months to 31.03.2018 Unaudited	9 months to 31.03.2019 Unaudited	9 months to 31.03.2018 Unaudited	3 months to 31.03.2019 Unaudited	3 months to 31.03.2018 Unaudited	9 months to 31.03.2019 Unaudited	9 months to 31.03.2018 Unaudited
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Total revenue	26,937	26,194	92,189	81,214	9,520	5,874	19,084	11,849
Operating expenses	(16,374)	(18,207)	(54,818)	(50,367)	-	-	-	-
Administrative expenses	(6,578)	(7,193)	(21,828)	(22,582)	(2,631)	(2,636)	(10,023)	(10,244)
Other net operating income	46,816	573	50,874	1,782	46,629	431	50,008	1,192
Finance income	611	1,310	1,876	4,329	395	1,064	1,243	3,790
Finance costs	(60)	(82)	(196)	(259)	-	-	-	-
Profit before tax	51,352	2,595	68,097	14,117	53,913	4,733	60,312	6,587
Tax expense	(1,214)	(418)	(3,342)	(2,322)	(442)	-	(718)	(261)
Profit for the period	50,138	2,177	64,755	11,795	53,471	4,733	59,594	6,326
Attributable to:								
Owners of the Company	49,453	1,792	62,427	9,848	53,471	4,733	59,594	6,326
Non-controlling interests	685	385	2,328	1,947	-	-	-	-
	50,138	2,177	64,755	11,795	53,471	4,733	59,594	6,326
Other comprehensive income/(loss)								
Items that may be reclassified subsequently to profit or loss:								
(Decrease)/increase in fair value of securities	(799)	2,463	(2,208)	6,471	(799)	2,463	(2,208)	6,471
Reclassification to profit or loss on disposal of securities	(45,948)	-	(49,332)	(1,177)	(45,948)	-	(49,332)	(1,177)
Other comprehensive (loss)/income for the period	(46,747)	2,463	(51,540)	5,294	(46,747)	2,463	(51,540)	5,294
Total comprehensive income for the period	3,391	4,640	13,215	17,089	6,724	7,196	8,054	11,620
Attributable to:								
Owners of the Company	2,706	4,255	10,887	15,142	6,724	7,196	8,054	11,620
Non-controlling interests	685	385	2,328	1,947	-	-	-	-
	3,391	4,640	13,215	17,089	6,724	7,196	8,054	11,620
Earnings per share	5.61	0.20	7.08	1.12				

CONDENSED STATEMENTS OF FINANCIAL POSITION

	THE GROUP		THE COMPANY	
	As at 31.03.2019 Unaudited	As at 30.06.2018 Audited	As at 31.03.2019 Unaudited	As at 30.06.2018 Audited
	Rs'000	Rs'000	Rs'000	Rs'000
ASSETS				
Non-current assets				
Property, plant and equipment	65,312	67,176	484	424
Intangible assets	212	20	91	-
Investments and others	281,187	347,240	385,970	452,021
	346,711	414,436	386,545	452,445
Current assets	250,765	179,688	210,361	137,519
Total assets	597,476	594,124	596,906	589,964
EQUITY AND LIABILITIES				
Equity and reserves	552,762	541,875	593,228	585,174
Non-controlling interests	15,553	14,868	-	-
Total equity and reserves	568,315	556,743	593,228	585,174
Non-current liabilities	13,268	13,702	849	849
Current liabilities	15,893	23,679	2,829	3,941
Total equity and liabilities	597,476	594,124	596,906	589,964

CONDENSED STATEMENTS OF CASH FLOWS

	THE GROUP		THE COMPANY	
	9 months to 31.03.2019 Unaudited	9 months to 31.03.2018 Unaudited	9 months to 31.03.2019 Unaudited	9 months to 31.03.2018 Unaudited
	Rs'000	Rs'000	Rs'000	Rs'000
Net cash (used in)/generated from operating activities	8,627	7,979	(5,085)	9,088
Net cash generated from investing activities	21,772	4,550	25,667	4,652
Net cash used in financing activities	(2,512)	(1,902)	-	-
Net increase in cash equivalents	27,887	10,627	20,582	13,740
Opening cash and cash equivalents	66,584	143,785	62,838	141,850
Closing cash and cash equivalents	94,471	154,412	83,420	155,590

SEGMENTAL INFORMATION

	9 months to 31.03.2019 Unaudited				9 months to 31.03.2018 Unaudited			
	Building materials	Investments	Consolidation adjustments	Total	Building materials	Investments	Consolidation adjustments	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Investment income	-	19,084	(6,794)	12,290	-	11,849	(4,530)	7,319
Sale of goods	79,899	-	-	79,899	73,895	-	-	73,895
Total revenue	79,899	19,084	(6,794)	92,189	73,895	11,849	(4,530)	81,214
Operating expenses	(54,818)	-	-	(54,818)	(50,367)	-	-	(50,367)
Administrative expenses	(11,805)	(10,023)	-	(21,828)	(12,338)	(10,244)	-	(22,582)
Other net operating income	865	50,008	-	50,874	590	1,192	-	1,782
Finance income	633	1,243	-	1,876	539	3,790	-	4,329
Finance costs	(196)	-	-	(196)	(259)	-	-	(259)
Profit before tax	14,579	60,312	(6,794)	68,097	12,060	6,587	(4,530)	14,117
Tax expense	(2,624)	(718)	-	(3,342)	(2,061)	(261)	-	(2,322)
Profit after tax	11,955	59,594	(6,794)	64,755	9,999	6,326	(4,530)	11,795
	As at 31.03.2019 Unaudited				As at 30.06.2018 Audited			
	Building materials	Investments	Consolidation adjustments	Total	Building materials	Investments	Consolidation adjustments	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Segment assets	105,360	596,906	(104,780)	597,486	108,940	589,964	(104,780)	594,124
Segment liabilities	25,483	3,678	-	29,161	32,592	4,789	-	37,381

CONDENSED STATEMENTS OF CHANGES IN EQUITY

THE GROUP	Attributable to owners of the Company					
	Stated capital	Revaluation and other reserves	Retained earnings	Total	Non-controlling interests	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July 2017	8,821	113,723	386,489	509,033	14,565	523,598
Profit for the period	-	-	9,848	9,848	1,947	11,795
Other comprehensive income for the period	-	5,294	-	5,294	-	5,294
Total comprehensive income for the period	-	5,294	9,848	15,142	1,947	17,089
Dividends	-	-	-	-	(1,095)	(1,095)
At 31 March 2018	8,821	119,017	396,337	524,175	15,417	539,592
At 1 July 2018	8,821	126,314	406,740	541,875	14,868	556,743
Profit for the period	-	-	62,427	62,427	2,328	64,755
Other comprehensive loss for the period	-	(51,540)	-	(51,540)	-	(51,540)
Total comprehensive (loss)/income for the period	-	(51,540)	62,427	10,887	2,328	13,215
Dividends	-	-	-	-	(1,643)	(1,643)
At 31 March 2019	8,821	74,774	469,167	552,762	15,553	568,315
THE COMPANY	Stated capital	Revaluation and other reserves	Retained earnings	Total		
	Rs'000	Rs'000	Rs'000	Rs'000		
At 1 July 2017	8,821	159,943	368,226	536,990		
Profit for the period	-	-	6,326	6,326		
Other comprehensive income for the period	-	5,294	-	5,294		
Total comprehensive income for the period	-	5,294	6,326	11,620		
At 31 March 2018	8,821	165,237	374,552	548,610		
At 1 July 2018	8,821	189,134	387,219	585,174		
Profit for the period	-	-	59,594	59,594		
Other comprehensive loss for the period	-	(51,540)	-	(51,540)		
Total comprehensive (loss)/income for the period	-	(51,540)	59,594	8,054		
At 31 March 2019	8,821	137,594	446,813	593,228		

NOTES

1. CONDENSED UNAUDITED FINANCIAL STATEMENTS

The condensed unaudited financial statements have been prepared using the same accounting policies and methods of computation followed as per the statutory financial statements of the Group for the year ended 30 June 2018. The Directors are still assessing the potential impact of IFRS 9 on the Company and have not yet made any election in respect of the treatment of financial instruments.

2. COMMENTS

GROUP RESULTS

Revenue for the nine months ended 31 March 2019 reached Rs 92.2m, up by 13% on the corresponding period last year, driven by higher sales volumes of Flacq Associated Stonemasters ("FAST"), our building materials subsidiary, and improved yields from our investment portfolio. Group profit after tax amounted to Rs 64.8m compared to Rs 11.8m last year, the significant increase being attributable to substantial disposal gains generated in the current period in the context of a rebalancing process of the Company's listed equity portfolio.

To note that most of these gains had already been recognized in previous years resulting in a negative impact in Other Comprehensive Income in the current period.

SEGMENT PERFORMANCE

Building materials

FAST experienced a continued improvement in its financial performance, with revenue increasing by 8% to Rs 79.9m and profit after tax increasing by 20% to Rs 12m despite higher maintenance costs. The solid performance of FAST was underpinned by a strong demand environment in the construction sector.

Investments

As mentioned above, the Company disposed of legacy investments during the reporting period thereby generating substantial gains. This explains the sharp increase in the investment segment's profits which reached Rs 59.6m in the current period as compared to Rs 6.3m last year.

NET ASSET VALUE (NAV)

The NAV per share of the Company increased slightly from Rs 66.34 at 30 June 2018 to Rs 67.25 at 31 March 2019 (+1.4%), despite sluggish market conditions on the SEM.

By Order of the Board

IBL Management Ltd

Company Secretary

13 May 2019

The statement of direct and indirect interests of Directors and Senior Officers pursuant to Rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available free of charge, at the registered office of the Company, 4th Floor, IBL House, Caudan Waterfront, Port Louis.

Copies of the above condensed unaudited financial statements are available free of charge, at the registered office of the Company, 4th Floor, IBL House, Caudan Waterfront, Port Louis.

The above condensed unaudited financial statements are issued pursuant to Rule 8 of the securities (Disclosure Obligations of Reporting Issuers) Rules 2007 and DEM Rule 17.

The Board of Directors of The Bee Equity Partners Ltd accepts full responsibility for the accuracy of the information contained in these condensed unaudited financial statements.