

# CAUDAN DEVELOPMENT LIMITED

ABRIDGED AUDITED FINANCIAL STATEMENTS

JUNE 30th 2020

**CAUDAN**  
DEVELOPMENT

## STATEMENTS OF FINANCIAL POSITION

	THE GROUP		THE COMPANY	
	30 Jun 20	30 Jun 19	30 Jun 20	30 Jun 19
MRs000				
<b>Assets</b>				
Non-current assets				
Investment property	<b>4,679,132</b>	4,723,269	<b>4,354,305</b>	4,398,442
Other non-current assets	<b>367,456</b>	346,984	<b>160,504</b>	134,965
	<b>5,046,588</b>	5,070,253	<b>4,514,809</b>	4,533,407
Current assets	<b>118,893</b>	105,933	<b>235,371</b>	226,276
<b>Total assets</b>	<b>5,165,481</b>	5,176,186	<b>4,750,180</b>	4,759,683
<b>Equity and Liabilities</b>				
Capital and reserves attributable to owners of the parent				
Share capital	<b>2,000,000</b>	2,000,000	<b>2,000,000</b>	2,000,000
Other reserves	-	(19)	-	-
Retained earnings	<b>2,087,393</b>	2,087,430	<b>1,605,887</b>	1,611,137
<b>Total equity</b>	<b>4,087,393</b>	4,087,411	<b>3,605,887</b>	3,611,137
<b>Liabilities</b>				
Non-current liabilities				
Borrowings	<b>520,000</b>	520,000	<b>520,000</b>	520,000
Other non-current liabilities	<b>277,817</b>	232,479	<b>200,389</b>	157,488
	<b>797,817</b>	752,479	<b>720,389</b>	677,488
Current liabilities				
Borrowings	<b>136,030</b>	85,694	<b>140,005</b>	76,016
Other current liabilities	<b>144,241</b>	250,602	<b>283,899</b>	395,042
	<b>280,271</b>	336,296	<b>423,904</b>	471,058
<b>Total liabilities</b>	<b>1,078,088</b>	1,088,775	<b>1,144,293</b>	1,148,546
<b>Total equity and liabilities</b>	<b>5,165,481</b>	5,176,186	<b>4,750,180</b>	4,759,683
MRs				
Net assets per share	<b>2.044</b>	2.044	<b>1.803</b>	1.806
No.000				
Number of shares	<b>2,000,000</b>	2,000,000	<b>2,000,000</b>	2,000,000

## STATEMENTS OF CASH FLOWS

	THE GROUP		THE COMPANY	
	30 Jun 20	30 Jun 19	30 Jun 20	30 Jun 19
MRs000				
Net cash generated from operating activities	<b>39,835</b>	58,082	<b>16,055</b>	56,665
Net cash (used in)/generated from investing activities	<b>(5,092)</b>	(533,524)	<b>6,067</b>	(518,701)
Net cash (used in)/generated from financing activities	<b>(70,282)</b>	440,000	<b>(65,282)</b>	453,150
Net decrease in cash and cash equivalents	<b>(35,539)</b>	(35,442)	<b>(43,160)</b>	(8,886)
Cash and cash equivalents at beginning of the year	<b>(83,575)</b>	(48,105)	<b>(57,121)</b>	(48,235)
Effect of foreign exchange rate changes	<b>(23)</b>	(28)	-	-
Cash and cash equivalents at end of the year	<b>(119,137)</b>	(83,575)	<b>(100,281)</b>	(57,121)
<b>Analysis of cash and cash equivalents disclosed above</b>				
Bank and cash balances	<b>2,793</b>	2,119	<b>2,424</b>	695
Bank overdrafts	<b>(121,930)</b>	(85,694)	<b>(102,705)</b>	(57,816)
	<b>(119,137)</b>	(83,575)	<b>(100,281)</b>	(57,121)

### Notes

The abridged financial statements have been audited by Ernst & Young and have been extracted from the audited financial statements for the year ended June 30th 2020 which have been prepared in compliance with the Companies Act 2001 and in accordance with International Financial Reporting Standards (IFRSs) for the year under review.

### Results

The financial year 2020 has been exceptionally challenging, on the back of higher levels of vacancy coupled with renovation costs during the development and repositioning programme, losses incurred by new lines of activities and the burden of increased finance costs. The Covid-19 crisis exacerbated a challenging situation, disrupting significantly our second semester which had otherwise begun well, gathering some momentum with new lettings, improved attendance at the Caudan Arts Centre and increased foot traffic. The Group posted a net profit of MRs5.0m for the year vis a vis a profit of MRs218.8m, which benefited from a fair value adjustment, net gain on revaluation of our investment properties of MRs159.7m. Our security segment, on the other hand, posted solid growth driven by technology and renewed demand for security services.

### Outlook

It is still too early to form a view on the length and breadth of the turbulence now lying ahead of us, but unfortunately the realities are such that our short term outlook for 2021 does not look bright. Management is taking the appropriate measures to mitigate the ill effects of the difficult business conditions ahead and working hard to restore footfall and vibrancy at our mall while protecting the health and wellbeing of our staff and clients alike. Within such an economic environment, we have engaged in a vital exercise of driving costs down for more efficiency whilst maintaining our standards. We firmly believe that our strategy, based on three pillars:- the development of our property infrastructure, the opportunities offered by the development of the mall, supported by the dynamism of the new Art Centre and our cutting edge Security Services will allow us to find renewed and sustainable growth when the economic situation recovers.

### Earnings per share

The earnings per share has been calculated based on:

	THE GROUP	
	Year ended 30 Jun 20	Year ended 30 Jun 19
MRs000		
Group profit attributable to owners of the parent	<b>5,029</b>	218,772
Number of shares in issue during the year (thousands)	<b>2,000,000</b>	2,000,000
Adjusted earnings per share is calculated on the basis of the group profit for the year excluding net gain from fair value adjustment on investment property, gain on remeasurement of equity interests and impairment of goodwill divided by the number of shares in issue and ranking for dividends.		
Profit attributable to owners of the parent	<b>5,029</b>	218,772
Net gain from fair value adjustment on investment property (net of deferred tax)	-	(159,676)
Gain on remeasurement of equity interests	-	(3,708)
Impairment of goodwill	<b>5,571</b>	-
Adjusted earnings attributable to owners of the parent	<b>10,600</b>	55,388
Adjusted earnings per share (MRe)	<b>0.0053</b>	0.0277

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	THE GROUP		THE COMPANY	
	30 Jun 20	30 Jun 19	30 Jun 20	30 Jun 19
MRs000				
Revenue	<b>517,543</b>	503,309	<b>211,338</b>	205,796
Operating expenses	<b>(446,869)</b>	(420,077)	<b>(170,620)</b>	(141,918)
Operating profit	<b>70,674</b>	83,232	<b>40,718</b>	63,878
Net gain from fair value adjustment on investment property	-	197,168	-	172,927
Gain on remeasurement of equity interests	-	3,708	-	-
Profit before finance costs and impairment on financial assets	<b>70,674</b>	284,108	<b>40,718</b>	236,805
Net finance costs	<b>(36,047)</b>	(21,255)	<b>(24,126)</b>	(10,809)
Net impairment on financial assets	<b>(6,093)</b>	(6,472)	<b>(3,097)</b>	(2,368)
Impairment of goodwill	<b>(5,571)</b>	-	-	-
Profit before income tax	<b>22,963</b>	256,381	<b>13,495</b>	223,628
Taxation	<b>(17,934)</b>	(37,609)	<b>(11,315)</b>	(32,009)
Profit for the year attributable to owners of the parent	<b>5,029</b>	218,772	<b>2,180</b>	191,619
Other comprehensive income:				
Items that will not be reclassified to profit or loss:				
Remeasurement of retirement benefit obligations, net of deferred tax	<b>596</b>	(4,312)	<b>(1,787)</b>	(1,412)
Items that may be reclassified subsequently to profit or loss:				
Exchange difference on translating foreign operations	-	153	-	-
Other comprehensive income for the year attributable to owners of the parent	<b>596</b>	(4,159)	<b>(1,787)</b>	(1,412)
Total comprehensive income for the year attributable to owners of the parent	<b>5,625</b>	214,613	<b>393</b>	190,207
MRe				
Earnings per share	<b>0.0025</b>	0.1094		

## STATEMENTS OF CHANGES IN EQUITY

	Share Capital	Other Reserves	Retained Earnings	Total Equity
MRs000				
<b>Attributable to owners of the parent</b>				
THE GROUP				
At July 1st 2018	2,000,000	(172)	1,952,970	3,952,798
Profit for the year	-	-	218,772	218,772
Dividends	-	-	(80,000)	(80,000)
Other comprehensive income for the year	-	153	(4,312)	(4,159)
At June 30th 2019	<b>2,000,000</b>	<b>(19)</b>	<b>2,087,430</b>	<b>4,087,411</b>
At July 1st 2019 (as previously reported)	2,000,000	(19)	2,087,430	4,087,411
Effect of adoption of IFRS 16 Leases	-	-	(5,643)	(5,643)
At July 1st 2019 (as restated)	<b>2,000,000</b>	<b>(19)</b>	<b>2,081,787</b>	<b>4,081,768</b>
Profit for the year	-	-	5,029	5,029
Transfer	-	19	(19)	-
Other comprehensive income for the year	-	-	596	596
<b>At June 30th 2020</b>	<b>2,000,000</b>	<b>-</b>	<b>2,087,393</b>	<b>4,087,393</b>
THE COMPANY				
At July 1st 2018	2,000,000	-	1,500,930	3,500,930
Profit for the year	-	-	191,619	191,619
Dividends	-	-	(80,000)	(80,000)
Other comprehensive income for the year	-	-	(1,412)	(1,412)
At June 30th 2019	<b>2,000,000</b>	<b>-</b>	<b>1,611,137</b>	<b>3,611,137</b>
At July 1st 2019 (as previously reported)	2,000,000	-	1,611,137	3,611,137
Effect of adoption of IFRS 16 Leases	-	-	(5,643)	(5,643)
At July 1st 2019 (as restated)	<b>2,000,000</b>	<b>-</b>	<b>1,605,494</b>	<b>3,605,494</b>
Profit for the year	-	-	2,180	2,180
Other comprehensive income for the year	-	-	(1,787)	(1,787)
<b>At June 30th 2020</b>	<b>2,000,000</b>	<b>-</b>	<b>1,605,887</b>	<b>3,605,887</b>
<b>Segment Reporting</b>				
MRs000				
<b>June 30th 2020</b>				
External sales	<b>253,310</b>	<b>264,233</b>	-	<b>517,543</b>
Intersegment sales	<b>4,800</b>	<b>23,021</b>	<b>(27,821)</b>	-
Total revenue	<b>258,110</b>	<b>287,254</b>	<b>(27,821)</b>	<b>517,543</b>
Segment result	<b>57,661</b>	<b>13,566</b>	<b>(553)</b>	<b>70,674</b>
<b>June 30th 2019</b>				
External sales	247,680	255,629	-	503,309
Intersegment sales	4,800	27,691	(32,491)	-
Total revenue	<b>252,480</b>	<b>283,320</b>	<b>(32,491)</b>	<b>503,309</b>
Segment result	78,655	5,551	(974)	83,232

The statement of direct and indirect interests of officers pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request, free of charge, from Caudan Development Limited, c/o Promotion and Development Ltd, 8th Floor, Dias Pier, Le Caudan Waterfront, Port Louis.

These abridged audited financial statements were approved for issue by the Board of Directors on October 16th 2020.

By order of the board

MCB Group Corporate Services Ltd  
Secretary

October 16th 2020

These abridged audited financial statements are issued pursuant to listing rule 12.14 and section 88 of the Securities Act 2005.

The Board of Directors of Caudan Development Limited accepts full responsibility for the accuracy of the information contained in these abridged audited financial statements.

Copies of the abridged audited financial statements are available, upon request from the secretary, free of charge, at Caudan Development Limited, c/o Promotion and Development Ltd, 8th Floor, Dias Pier, Le Caudan Waterfront, Port Louis..