

# CAUDAN DEVELOPMENT LIMITED

ABRIDGED AUDITED FINANCIAL STATEMENTS

JUNE 30th 2017

CAUDAN  
DEVELOPMENT

## STATEMENTS OF FINANCIAL POSITION

	THE GROUP			THE COMPANY		
	Restated	Restated		Restated	Restated	
	30 Jun 17	30 Jun 16	1 Jul 15	30 Jun 17	30 Jun 16	1 Jul 15
MRs000						
<b>Assets</b>						
Non-current assets						
Investment property	<b>3,834,800</b>	3,710,005	3,669,165	<b>3,465,944</b>	3,340,529	3,321,184
Other non-current assets	<b>182,606</b>	186,448	188,437	<b>64,561</b>	64,866	63,522
	<b>4,017,406</b>	3,896,453	3,857,602	<b>3,530,505</b>	3,405,395	3,384,706
Current assets	<b>298,831</b>	138,726	128,597	<b>432,257</b>	293,725	232,333
<b>Total assets</b>	<b>4,316,237</b>	4,035,179	3,986,199	<b>3,962,762</b>	3,699,120	3,617,039
<b>Equity and liabilities</b>						
Capital and reserves attributable to owners of the parent						
Share capital	<b>2,000,000</b>	819,520	819,520	<b>2,000,000</b>	819,520	819,520
Other reserves	<b>(165)</b>	2,797	2,850	<b>-</b>	2,862	2,862
Retained earnings	<b>1,935,190</b>	2,118,680	2,108,026	<b>1,489,216</b>	1,693,369	1,666,127
<b>Total equity</b>	<b>3,935,025</b>	2,940,997	2,930,396	<b>3,489,216</b>	2,515,751	2,488,509
<b>Liabilities</b>						
Non-current liabilities						
Borrowings	<b>-</b>	599,500	636,500	<b>-</b>	599,500	636,500
Other non-current liabilities	<b>163,909</b>	149,960	145,756	<b>110,161</b>	102,630	97,999
	<b>163,909</b>	749,460	782,256	<b>110,161</b>	702,130	734,499
Current liabilities						
Borrowings	<b>-</b>	245,579	175,971	<b>-</b>	241,875	158,798
Other current liabilities	<b>217,303</b>	99,143	97,576	<b>363,385</b>	239,364	235,233
	<b>217,303</b>	344,722	273,547	<b>363,385</b>	481,239	394,031
<b>Total liabilities</b>	<b>381,212</b>	1,094,182	1,055,803	<b>473,546</b>	1,183,369	1,128,530
<b>Total equity and liabilities</b>	<b>4,316,237</b>	4,035,179	3,986,199	<b>3,962,762</b>	3,699,120	3,617,039
MRs		Restated*	Restated*		Restated*	Restated*
Net assets per share	<b>1.97</b>	2.94	2.93	<b>1.74</b>	2.52	2.49
No.000						
Number of shares in issue	<b>2,000,000</b>	1,000,000	1,000,000	<b>2,000,000</b>	1,000,000	1,000,000

## STATEMENTS OF CASH FLOWS

	THE GROUP		THE COMPANY	
	30 Jun 17	30 Jun 16	30 Jun 17	30 Jun 16
MRs000				
Net cash generated from operating activities	<b>119,498</b>	34,942	<b>73,724</b>	31,227
Net cash used in investing activities	<b>(131,712)</b>	(67,660)	<b>(103,667)</b>	(77,105)
Net cash generated from financing activities	<b>42,711</b>	140,837	<b>56,782</b>	141,000
Net increase in cash and cash equivalents	<b>30,497</b>	108,119	<b>26,839</b>	95,122
Cash and cash equivalents at beginning of the year	<b>(30,261)</b>	(138,216)	<b>(26,744)</b>	(121,702)
Effect of foreign exchange rate changes	<b>69</b>	(164)	<b>70</b>	(164)
Cash and cash equivalents at end of the year	<b>305</b>	(30,261)	<b>165</b>	(26,744)
<b>Analysis of cash and cash equivalents</b>				
Bank and cash balances	<b>305</b>	318	<b>165</b>	131
Bank overdrafts	<b>-</b>	(30,579)	<b>-</b>	(26,875)
	<b>305</b>	(30,261)	<b>165</b>	(26,744)

### Notes

The abridged financial statements have been audited by Messrs BDO & Co, Chartered Accountants and have been extracted from the audited financial statements for the year ended June 30th 2017 which have been prepared in accordance with International Financial Reporting Standards (IFRSs).

### Results

Caudan posted an improved performance as it starts to reap the benefits of its intensive development programme. Net property income increased from MRs70.3m to MRs117.9m, reflecting mainly the increased occupancy and reduced operating costs. Our security segment also fared well and recorded a positive contribution of MRs2.1m (2016: Loss of MRs1.7m) to our group results. Finance costs reduced considerably following repayment of debts, pursuant to the raising of capital by way of a Rights Issue.

### Prior year adjustment

Following an actuarial valuation at June 30th 2017, the group and the company have adjusted for an overprovision in respect of other post retirement benefits (gratuity on retirement). The adjustment and its corresponding impact on deferred tax have now been recognised with retrospective effect and comparative figures have been restated accordingly.

### Dividend

Caudan was able to resume dividend payment to its shareholders and declared a final dividend of MRs80m (MRe0.04 per share) in June 2017 which was paid in August 2017.

### Share capital

Further to the approval of shareholders at a special meeting held on August 10th 2016, the company issued to its shareholders on August 31st 2016, 180,480,000 bonus shares in the proportion of 0.220226474 share for each share held at that date and thereafter a Rights Issue of one new ordinary share for each ordinary share held after the Bonus Issue at an issue price of MRe1.00 each, totalling 1,000,000,000 new ordinary shares and resulting in an overall total issue of 1,180,480,000 new ordinary shares. At June 30th 2017, the share capital stood at MRs2bn.

The proceeds of the Rights Issue amounting to MRs1bn, were raised for the financing of Phase III.

### Phase III

Construction works for Phase III of Le Caudan Waterfront, the Caudan Arts Centre, are currently under way. At balance sheet date, works capitalised in respect thereof amounted to MRs119m.

### Indebtedness

At June 30th 2017, the group had no borrowings on its balance sheet (2016: MRs845.1m). As the payment for Phase III construction works is staggered throughout the construction period, funds of the Rights Issue were used to clear the level of our bank borrowings. Taking into consideration cash and cash equivalents along with group receivables, the adjusted net surplus available to Caudan at June 30th 2017 amounted to MRs141.3m. This is however a transitory situation as Caudan's borrowings will increase in line with the progress of the construction.

The statement of direct and indirect interests of insiders pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is 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.

These abridged audited financial statements were approved for issue by the Board of Directors on September 28th 2017.

By order of the board

Jocelyne Martin

Secretary

September 28th 2017

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 and full 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.

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	THE GROUP		THE COMPANY	
	Restated	Restated	Restated	Restated
	30 Jun 17	30 Jun 16	30 Jun 17	30 Jun 16
MRs000				
Revenue	<b>492,119</b>	461,486	<b>202,033</b>	181,876
Net gain from fair value adjustment on investment property	<b>3,161</b>	-	<b>4,031</b>	-
Operating expenses	<b>(375,214)</b>	(392,899)	<b>(121,138)</b>	(106,105)
Operating profit	<b>120,066</b>	68,587	<b>84,926</b>	75,771
Non-recurring item	<b>(14,996)</b>	-	<b>(14,996)</b>	-
Net finance costs	<b>(10,983)</b>	(55,068)	<b>(1,032)</b>	(43,297)
Profit before income tax	<b>94,087</b>	13,519	<b>68,898</b>	32,474
Taxation	<b>(17,950)</b>	(2,722)	<b>(13,424)</b>	(5,089)
Profit for the year attributable to owners of the parent	<b>76,137</b>	10,797	<b>55,474</b>	27,385
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Remeasurement of retirement benefit obligations, net of deferred tax	<b>(299)</b>	(143)	<b>(299)</b>	(143)
Items that may be reclassified subsequently to profit or loss				
Exchange difference on translating foreign operations	<b>(100)</b>	(53)	<b>-</b>	-
Other comprehensive income for the year attributable to owners of the parent	<b>(399)</b>	(196)	<b>(299)</b>	(143)
Total comprehensive income for the year attributable to owners of the parent	<b>75,738</b>	10,601	<b>55,175</b>	27,242

### MRe

Earnings per share

Adjusted earnings per share

	Restated*
Earnings per share	<b>0.0448</b>
Adjusted earnings per share	<b>0.0520</b>

## STATEMENTS OF CHANGES IN EQUITY

	Share Capital	Other Reserves	Retained Earnings	Total Equity
	MRs000			
<b>Attributable to owners of the parent</b>				
<b>T H E G R O U P</b>				
At July 1st 2015				
As previously reported	819,520	2,850	2,099,306	2,921,676
Prior year adjustment	-	-	8,720	8,720
As restated	819,520	2,850	2,108,026	2,930,396
Profit for the year - restated	-	-	10,797	10,797
Other comprehensive income	-	(53)	(143)	(196)
At June 30th 2016	819,520	2,797	2,118,680	2,940,997
At July 1st 2016				
As previously reported	819,520	2,797	2,111,680	2,933,997
Prior year adjustment	-	-	7,000	7,000
As restated	819,520	2,797	2,118,680	2,940,997
Bonus Issue	180,480	(2,862)	(177,618)	-
Right Issue net of issue costs	1,000,000	-	(1,710)	998,290
Profit for the year	-	-	76,137	76,137
Dividends	-	-	(80,000)	(80,000)
Other comprehensive income	-	(100)	(299)	(399)
<b>At June 30th 2017</b>	<b>2,000,000</b>	<b>(165)</b>	<b>1,935,190</b>	<b>3,935,025</b>
<b>T H E C O M P A N Y</b>				
At July 1st 2015				
As previously reported	819,520	2,862	1,665,912	2,488,294
Prior year adjustment	-	-	215	215
As restated	819,520	2,862	1,666,127	2,488,509
Profit for the year - restated	-	-	27,385	27,385
Other comprehensive income	-	-	(143)	(143)
At June 30th 2016	819,520	2,862	1,693,369	2,515,751
At July 1st 2016				
As previously reported	819,520	2,862	1,692,654	2,515,036
Prior year adjustment	-	-	715	715
As restated	819,520	2,862	1,693,369	2,515,751
Bonus Issue	180,480	(2,862)	(177,618)	-
Rights Issue net of issue costs	1,000,000	-	(1,710)	998,290
Profit for the year	-	-	55,474	55,474
Dividends	-	-	(80,000)	(80,000)
Other comprehensive income	-	-	(299)	(299)
<b>At June 30th 2017</b>	<b>2,000,000</b>	<b>-</b>	<b>1,489,216</b>	<b>3,489,216</b>

### Segment Reporting

#### MRs000

June 30th 2017

External sales

Intersegment sales

Total revenue

Segment result

June 30th 2016 - restated

External sales

Intersegment sales

Total revenue

Segment result

Earnings per share

The earnings per share has been calculated as follows:

	THE GROUP		
	Restated	Restated	
	Year ended 30 Jun 17	Year ended 30 Jun 16	
MRs000			
Group profit attributable to owners of the parent	<b>76,137</b>	<b>10,797</b>	
Weighted average number of shares in issue during the year (thousands)	<b>1,701,370</b>	<b>1,000,000</b>	

Adjusted earnings per share is calculated on the basis of the group profit for the year adjusted for non-recurring item and net gain from fair value adjustment on investment property divided by the number of shares in issue and ranking for dividends.

Profit attributable to owners of the parent	<b>76,137</b>	10,797
Net gain from fair value adjustment on investment property (net of deferred tax)	<b>(2,687)</b>	-
Non-recurring item	<b>14,996</b>	-
Adjusted earnings attributable to owners of the parent	<b>88,446</b>	10,797
Weighted average number of shares in issue during the year (thousands)	<b>1,701,370</b>	1,000,000

\* For comparative purposes, the number of ordinary shares for the previous years were adjusted to take into consideration the Bonus Issue.

### Non-recurring item

#### MRs000

Project capital costs written off

	THE GROUP	THE COMPANY
	30 Jun 17	30 Jun 16
Project capital costs written off	<b>14,996</b>	<b>14,996</b>