



UNITED DOCKS LTD AND ITS SUBSIDIARIES
ABRIDGED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015
ABRIDGED AUDITED STATEMENT OF FINANCIAL POSITION - YEAR ENDED JUNE 30, 2015

THE GROUP	
2015	2014
Rs '000	Rs '000
ASSETS	
Non-current assets	2,163,709
Current assets	17,223
Total assets	2,180,932
EQUITY AND LIABILITIES	
Equity attributable to owners of the parent	1,980,372
Non-controlling interests	(96)
Total equity	1,980,276
LIABILITIES	
Non-current liabilities	20,063
Current liabilities	180,593
Total liabilities	200,656
Total equity and liabilities	2,180,932

ABRIDGED AUDITED STATEMENT OF COMPREHENSIVE INCOME - YEAR ENDED JUNE 30, 2015

THE GROUP	
2015	2014
Rs '000	Rs '000
Revenue	23,923
Other income	11,697
Operating expenses	(31,994)
Operating profit	3,626
Net gain in fair value of investment properties	65,876
Finance costs	(15,139)
Profit/ (Loss) before tax	54,363
Income tax expense	(96)
Profit/(Loss) for the year	54,267
Other comprehensive income	38,237
Total comprehensive income for the year	92,504
Total comprehensive income attributable to:	
Equity holders of the Parent	92,515
Non-controlling interests	(11)
	92,504

ABRIDGED AUDITED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2015

THE GROUP	
2015	2014
Rs '000	Rs '000
Operating activities	
Net cash flows generated from operating activities	4,353
Investing activities	
Net cash flows generated from investing activities	2,920
Financing activities	
Net cash flows (used in)/generated from financing activities	(16,667)
Net increase in cash	(9,394)
At July 1	(90,387)
At June 30	(99,781)

ABRIDGED AUDITED STATEMENT OF CHANGES IN EQUITY - YEAR ENDED JUNE 30, 2015

	Attributable to equity holders of the parent				Total	Non-Controlling Interest	Total
	Retained earnings	Other Reserves	Share Premium	Capital			
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 1, 2013	1,671,933	63,660	24,632	105,600	1,865,825	(66)	1,865,759
Other comprehensive income for the year	3,831	21,699	-	-	25,530	-	25,530
Loss for the year	(5,440)	-	-	-	(5,440)	(16)	(5,456)
Total comprehensive income for the year net of tax	(1,606)	21,699	-	-	20,093	(19)	20,074
Acquisition on minority interest	3	-	-	-	3	(3)	-
At June 30, 2014	1,670,327	85,359	24,632	105,600	1,885,918	(85)	1,885,833
At July 1, 2014	1,670,327	85,359	24,632	105,600	1,885,918	(85)	1,885,833
Amalgamation of Fanfaron Advertising Ltd	1,939	-	-	-	1,939	-	1,939
Other comprehensive income for the year	(2,492)	40,729	-	-	38,237	-	38,237
Profit for the year	54,278	-	-	-	54,278	(11)	54,267
Total comprehensive income for the year net of tax	51,786	40,729	-	-	92,515	(11)	92,504
At June 30, 2015	1,724,052	126,088	24,632	105,600	1,980,372	(96)	1,980,276

NOTES TO THE ABRIDGED AUDITED FINANCIAL STATEMENTS

Review of results

The net profit of the Group for the year under review was Rs 54.3 M compared with a loss of Rs 5.5 M for year ended 30 June 2014. Other comprehensive income was Rs 38.2 M, compared with Rs 25.5 M last year.

Investment Properties:

Investment properties which consist of freehold land and buildings were revalued on 18 August 2015 by Noor Dilmohamed & Associates, Chartered Practising Valuer. This valuation amounted to Rs 2,117,689,200 on a vacant possession basis and Rs 1,683,387,280 on the current use basis. As at 30 June 2015, the Directors have determined the range between vacant possession and current use basis, and have applied the principle of taking a mix of both from the valuation reports.

They have applied the current use basis for all properties of the Group except for properties at Caudan which have been valued on both the current use basis and the vacant use basis wherever appropriate. The Directors considered this as the fair value as at 30 June 2015.

Available-for-sale-investments:

The fair value of shares quoted on the SEM and the DEM are based on the prices prevailing at the reporting date.

There are 2 disputes currently pending before the Supreme Court of Mauritius with respect to the shareholding of the UDL Group in Societe Libra. The first dispute relates to what the UDL Group considers to be breaches of the shareholders agreement, Pacte de Societaires agreed upon by UDL Group and Societe Pronema pertaining to their investment in Societe Libra. The UDL Group is seeking the dissolution of Societe Libra.

The other dispute (initiated by Societe pronema) relates to the entitlement of the Group to maintain its shareholding in Societe Libra and also to the Group's right and ability to appoint representatives on the administrative organs of the entity. As the Group is currently unable to exercise its rights as members of Societe Libra, the Directors consider that it would not be appropriate to classify the "parts sociales" as investment in associate. However, the Directors have been advised that the Group should at the very least be able to re-instate the right of the Group. Accordingly, the investment has since 30 June 2007 been classified as available-for-sale investment and shall remain so until the final resolution of the dispute.

Since the beginning of the dispute, the Group has been prevented from having access to any financial information of Societe Libra. As a result, the Directors have not been able to determine the fair value and have measured the investment at cost.

The investment has also not been assessed for impairment as the Directors are not able to determine the estimated future cash flows expected to arise from the investment in Societe Libra.

Through its investment in Societe Libra the Group holds an effective interest of 13.41% in Harel Mallac Ltd, a listed company. The directors are of the opinion that the fair value is significantly higher than its carrying value of Rs.134,997,906, which is also its initial cost. The Directors wish to highlight that on June 26, 2006, the date of acquisition of the shares in Societe Libra, the cost of acquisition carried a premium of 40% over the relevant share of market capitalisation of Harel Mallac Ltd and represented a discount of 18% over the relevant share of net assets as at that date.

At June 30, 2015, the share of market capitalisation exceeded the cost of acquisition by 12% and was at a 51% discount over the share of net assets.

The Company owns 99,503 shares in AXYS Group Ltd, representing a 20% shareholding, with a carrying value of Rs 23,932,462 at cost. On 30 June 2010, the Board of Directors accepted an offer of exchange for shares in AXYS Group Ltd for shares in United Investment Ltd (UIL). Consequently, the investment in AXYS Group Ltd was classified as held for sale at 30 June 2010. However, there is a legal dispute with respect to the Company's shareholding in AXYS Group Ltd.

The shareholders of AXYS Group Ltd, having lost their case before the Supreme Court, have applied to the Supreme Court for leave to appeal to the Privy Council and the appeal is presently pending before the Privy Council. However, the Directors, acting on the basis of legal advice, consider that, even in the event of a favourable judgment before the Privy Council, the investment in AXYS Group Ltd should be maintained as available for sale and valued at fair value at 30 June 2015.

Further, the Company will start procedures to reinstate its full rights on its shares in AXYS Group Ltd. In the event of an adverse ruling against the Company, the Company would be entitled to be paid the fair value of the shares in AXYS Group Ltd as at December 2006, which may be different from the value at which it is currently recorded. Management does not have access to the latest financial information of AXYS Group Ltd as at 30 June 2015. The most recent information that the Directors have on hand is the audited accounts of the investee company as at 30 June 2014. This is the most updated information available based on which the Directors have used to determine the most appropriate fair value. Hence, the fair value of AXYS Group Ltd as at 30 June 2015 was calculated using the net asset value of the investee company as at 30 June 2014.

Data per share:

	2015	2014
	Rs.	Rs.
Earnings - (Basic and diluted)	5.14	(0.74)
Net assets	187.54	178.59

Earnings per share has been calculated on a profit of Rs. 54.3 m for this year and a loss of Rs. 5.5 m for last year based on the number of shares in issue, i.e., 10,560,000 shares.

By Order of the Board
EXECUTIVE SERVICES LTD.
Corporate Secretary
2nd floor, Les Jamalacs Building
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Port Louis

Copies of the Audited Financial Statements are available to the public free of charge at the Company's registered office: Kwan Tee Street, Caudan, Port Louis. These Abridged Audited Financial Statements are issued pursuant to Listing Rule 12.14. The Board of Directors of United Docks Ltd. accepts full responsibility of the accuracy of the information contained in these abridged audited Financial Statements.