

ABRIDGED AUDITED STATEMENT OF FINANCIAL POSITION -
YEAR ENDED JUNE 30, 2016

	THE GROUP	
	2016 Rs '000	2015 Rs '000
ASSETS		
Non-current assets	2,110,086	2,163,709
Current assets	8,966	17,223
Total assets	2,119,052	2,180,932
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent	1,961,299	1,980,373
Non-controlling interests	-	(96)
Total equity	1,961,299	1,980,277
LIABILITIES		
Non-current liabilities	31,913	20,062
Current liabilities	125,840	180,593
Total liabilities	157,753	200,655
Total equity and liabilities	2,119,052	2,180,932

ABRIDGED AUDITED STATEMENT OF CHANGES IN EQUITY -
YEAR ENDED JUNE 30, 2016

	Attributable to equity holders of the parent						
	Stated Capital Rs'000	Share Premium Rs'000	Other Reserves Rs'000	Retained Earnings Rs'000	Total Rs'000	Non-Controlling Interest Rs'000	Total Rs'000
At July 1, 2014	105,600	24,632	85,359	1,670,327	1,885,919	(85)	1,885,834
Amalgamation of Fanfaron Advertising Ltd	-	-	-	1,939	1,939	-	1,939
Profit for the year	-	-	40,729	(2,492)	38,237	-	38,237
Other comprehensive income for the year net of tax	-	-	-	54,278	54,278	(11)	54,267
Total Comprehensive income net of tax	-	-	40,729	51,786	92,515	(11)	92,504
At June 30, 2015	105,600	24,632	126,088	1,724,052	1,980,373	(96)	1,980,277
At July 1, 2015	105,600	24,632	126,088	1,724,052	1,980,373	(96)	1,980,277
Derecognition of subsidiary	-	-	-	-	-	96	96
Profit for the year	-	-	-	9,967	9,967	-	9,967
Other comprehensive loss for the year net of tax	-	-	(24,628)	(4,413)	(29,041)	-	(29,041)
Total comprehensive loss for the year net of tax	-	-	(24,628)	5,554	(19,074)	-	(19,074)
At June 30, 2016	105,600	24,632	101,460	1,729,606	1,961,299	-	1,961,299

ABRIDGED AUDITED STATEMENT OF COMPREHENSIVE INCOME -
YEAR ENDED JUNE 30, 2016

	THE GROUP	
	2016 Rs '000	2015 Rs '000
Revenue	21,719	23,923
Other income	22,639	11,697
Operating expenses	(20,887)	(31,994)
Operating profit	23,471	3,626
Net gain in fair value of investment properties	-	65,876
Gain on winding up of subsidiary	159	-
Finance costs	(13,662)	(15,139)
Profit before tax	9,968	54,363
Income tax expense	(1)	(96)
Profit for the year	9,967	54,267
Other comprehensive(loss)/ income	(29,041)	38,237
Total comprehensive(loss) income for the year	(19,074)	92,504
Total comprehensive(loss)/ income attributable to:		
Equity holders of the Parent	(19,074)	92,515
Non-controlling interests	-	(11)
	(19,074)	92,504

NOTES TO THE ABRIDGED AUDITED FINANCIAL STATEMENTS

Review of Results:

The net profit of the Group for the year under review was Rs 9.9 m compared to Rs 54.3 m for year ended 30 June 2015. Other comprehensive (loss)/ income was Rs (29) m, compared to Rs 38.2 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. Fair value of the properties was determined by using open market value. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for difference in the nature, location or conditions of the specific property. 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. Based on the letter of comfort of Noor Dilmohamed & Associates dated 16 August 2016, the Directors considered that the reported open market values of the investment properties are still valid and appear to be fair and reasonable as at 30 June 2016. The independent valuer is a well-known established and experienced land surveyor in Mauritius performing valuations on freehold land and building. He is a Certified Practising Valuer of the Fellow Australian Property Institute and a registered valuer under the laws of Mauritius.

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 Société Libra. The first dispute relates to what the UDL Group considers to be breaches of the shareholders agreement, "Pacte de Sociétaires" agreed upon by UDL Group and Société Pronema pertaining to their investment in Société Libra. The UDL Group is seeking the dissolution of Société Libra. The other dispute (initiated by Société pronema) relates to the entitlement of the Group to maintain its shareholding in Société 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 Société Libra, the Directors consider that it would not be appropriate to classify the "parts sociales" as investment in associate. 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 Société 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 Société Libra.

The Group holds 49.9% in Société Libra. Through its investment in Société 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 Société 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, 2016, the share of market capitalisation was below the cost of acquisition by 7% and was at a 48% discount over the share of net assets. A qualified audit opinion has been issued in the audit report due to a lack of information to fair value of the investment in Société Libra as at 30 June 2016.

The Company owns 99,503 shares in AXYS Group Ltd, representing a 20% shareholding, with an original cost of Rs. 23,932,462. 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 Judicial Committee of 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 2016. 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 have access to the latest financial information AXYS Group Ltd as at 30 June 2016. The most recent information that the Directors have on hand is the audited accounts of the investee company as at 30 June 2015. 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 2016 was calculated using the net asset value of the investee company as at 30 June 2015. Accordingly, a qualified audit opinion has been provided in the audit report.

Data per share:

Earnings - (Basic and diluted)
Net assets

	2016 Rs.	2015 Rs.
Earnings - (Basic and diluted)	0.94	5.14
Net assets	185.73	187.54

Earnings per share has been calculated on a profit of Rs. 9.9 m for this year and a loss of Rs. 54.3 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
Vieux Conseil Street
Port Louis

Copies of the Abridged 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.