

BLUELIFE LIMITED

Business Registration Number: C07050411

ABRIDGED UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2016

UNAUDITED ABRIDGED STATEMENTS OF FINANCIAL POSITION - SEPTEMBER 30, 2016

	THE GROUP		THE COMPANY	
	Unaudited as at Sept. 30, 2016	Audited as at December 31, 2015	Unaudited as at Sept. 30, 2016	Audited as at December 31, 2015
	Rs'000	Rs'000	Rs'000	Rs'000
ASSETS				
Non-current assets	4,949,676	4,980,366	2,955,813	2,957,612
Current assets	288,699	669,638	269,986	328,677
Non-current assets classified as held for sale	14,000	29,199	14,000	29,199
Total Assets	5,252,375	5,679,203	3,239,799	3,315,488
EQUITY AND LIABILITIES				
Capital and reserves (attributable to owners of the parent)				
Owners' interest	2,758,192	2,871,455	2,525,908	2,605,770
Non-controlling interests	36,721	101,485	-	-
Total equity	2,794,913	2,972,940	2,525,908	2,605,770
Non-current liabilities	1,361,895	1,362,763	194,127	194,127
Current liabilities	1,095,567	1,343,500	519,764	515,591
Total equity and liabilities	5,252,375	5,679,203	3,239,799	3,315,488

UNAUDITED ABRIDGED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2016

	THE GROUP				THE COMPANY			
	Unaudited 3 months to Sept. 30, 2016	Unaudited 3 months to Sept. 30, 2015	Unaudited 9 months to Sept. 30, 2016	Unaudited 9 months to Sept. 30, 2015	Unaudited 3 months to Sept. 30, 2016	Unaudited 3 months to Sept. 30, 2015	Unaudited 9 months to Sept. 30, 2016	Unaudited 9 months to Sept. 30, 2015
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Revenue	352,815	303,752	1,166,200	678,975	558,459	9,286	44,980	27,913
Loss before finance costs	(33,530)	(35,957)	(55,853)	(147,017)	(9,543)	(6,637)	(38,358)	(31,813)
Finance costs	(42,557)	(48,952)	(122,043)	(135,291)	(13,754)	(13,175)	(41,503)	(33,567)
Share of results of associate	-	(488)	-	(2,375)	-	-	-	-
Loss before taxation	(76,087)	(85,397)	(177,896)	(284,683)	(23,297)	(19,812)	(79,861)	(65,380)
Income tax credit/(charge)	-	879	(130)	(524)	-	-	-	713
Loss for the period	(76,087)	(84,518)	(178,026)	(285,207)	(23,297)	(19,812)	(79,861)	(64,667)
Other comprehensive income for the period net of tax	-	-	-	-	-	-	-	-
Total comprehensive income for the period	(76,087)	(84,518)	(178,026)	(285,207)	(23,297)	(19,812)	(79,861)	(64,667)
Loss attributable to:								
Owners of the parent	(54,100)	(65,350)	(113,262)	(232,148)	(23,297)	(19,812)	(79,861)	(64,667)
Non-controlling interests	(21,987)	(19,168)	(64,764)	(53,059)	-	-	-	-
Total comprehensive income attributable to:								
Owners of the parent	(54,100)	(65,350)	(113,262)	(232,148)	(23,297)	(19,812)	(79,861)	(64,667)
Non-controlling interests	(21,987)	(19,168)	(64,764)	(53,059)	-	-	-	-
Total comprehensive income attributable to:	(76,087)	(84,518)	(178,026)	(285,207)	(23,297)	(19,812)	(79,861)	(64,667)

UNAUDITED ABRIDGED STATEMENTS OF CHANGES IN EQUITY FOR QUARTER ENDED SEPTEMBER 30, 2016

THE GROUP	Attributable to owners of the parent						
	Stated capital	Other reserves	Actuarial reserves	(Revenue deficit) / Retained earnings	Total	Non-controlling interests	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Balance at January 1, 2016	3,027,298	26,080	(779)	(181,145)	2,871,454	101,485	2,972,939
Loss for the period	-	-	-	(113,262)	(113,262)	(64,764)	(178,026)
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(113,262)	(113,262)	(64,764)	(178,026)
Balance at September 30, 2016	3,027,298	26,080	(779)	(294,407)	2,758,192	36,721	2,794,913
Balance at January 1, 2015	3,027,298	26,080	(577)	240,050	3,292,851	142,072	3,434,923
Loss for the period	-	-	-	(232,148)	(232,148)	(53,059)	(285,207)
Issue of shares to non-controlling interest	-	-	-	-	-	22,500	22,500
Changes in ownership interest in subsidiary that do not result in loss of control	-	-	-	(5,396)	(5,396)	5,396	-
Balance at September 30, 2015	3,027,298	26,080	(577)	2,506	3,055,307	116,909	3,172,216
THE COMPANY							
Balance at January 1, 2016		3,027,298	(779)	(420,750)			2,605,769
Loss for the period		-	-	(79,861)			(79,861)
Other comprehensive income for the period		-	-	-			-
Total comprehensive income for the period		-	-	(79,861)			(79,861)
Balance at September 30, 2016		3,027,298	(779)	(500,611)			2,525,908
Balance at January 1, 2015		3,027,298	(577)	(212,017)			2,814,704
Loss for the period		-	-	(64,667)			(64,667)
Other comprehensive income for the period		-	-	-			-
Total comprehensive income for the period		-	-	(64,667)			(64,667)
Balance at September 30, 2015		3,027,298	(577)	(276,684)			2,750,037

UNAUDITED ABRIDGED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR QUARTER ENDED SEPTEMBER 30, 2016

	THE GROUP				THE COMPANY			
	Unaudited 3 months to Sept. 30, 2016	Unaudited 3 months to Sept. 30, 2015	Unaudited 9 months to Sept. 30, 2016	Unaudited 9 months to Sept. 30, 2015	Unaudited 3 months to Sept. 30, 2016	Unaudited 3 months to Sept. 30, 2015	Unaudited 9 months to Sept. 30, 2016	Unaudited 9 months to Sept. 30, 2015
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Continuing operations								
Basic earnings per share (Rupees & cents)	(0.127)	(0.154)	(0.266)	(0.546)	(0.055)	(0.047)	(0.188)	(0.152)
Net Assets per share (Rupees & cents)	6.485	7.183	6.485	7.183	5.939	6.465	5.939	6.465
Number of ordinary shares	425,342,317	425,342,317	425,342,317	425,342,317	425,342,317	425,342,317	425,342,317	425,342,317

UNAUDITED ABRIDGED STATEMENTS OF CASH FLOWS FOR QUARTER ENDED SEPTEMBER 30, 2016

	THE GROUP		THE COMPANY	
	Unaudited 9 months to Sept. 30, 2016	Unaudited 9 months to Sept. 30, 2015	Unaudited 9 months to Sept. 30, 2016	Unaudited 9 months to Sept. 30, 2015
	Rs'000	Rs'000	Rs'000	Rs'000
Operating activities				
Net cash from/(used in) operating activities	144,462	(349,186)	(68,340)	(43,030)
Investing activities				
Net cash from/(used in) investing activities	11,331	(33,162)	17,389	(1,158)
Financing activities				
Net cash (used in)/from financing activities	(100,161)	281,748	23,202	(31,055)
Increase / (Decrease) in cash and cash equivalents	55,632	(100,600)	(27,749)	(75,243)
Movement in cash and cash equivalents				
At January 1,	(387,274)	(424,974)	(249,823)	(164,915)
Effect of foreign exchange difference	833	2,052	-	119
Increase / (Decrease)	55,632	(100,600)	(27,749)	(75,243)
At September 30,	(330,809)	(523,522)	(277,572)	(240,039)

NOTES TO THE ABRIDGED UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2016

- The interim quarterly condensed financial statements have been prepared on the same accounting policies set out in the statutory financial statements of the Group for the year ended December 31, 2015, except for the adoption of relevant amendments to published Standards, Standards and interpretations issued now effective.
- ACTIVITY**
For the quarter ended 30 September 2016, the Group and the Company recorded losses of Rs. 76.1m and Rs. 23.3m respectively. As expected, the trends of the two previous quarters persisted where, at Company's level, the overheads, business expenses and financial cost aren't counterweighted by investment income from its subsidiaries. In addition, as far as the Group is concerned, we suffered from continued underperformance from our hospitality cluster with losses of Rs 60m for the quarter. The magnitude of underperformance of the operator, during its first year, is a concern which is being stringently addressed by management.
We had suffered from drop in occupancy of our commercial centres in the last months of 2015 and the constant focus for our asset management team has started bringing positive results. The increased occupancy has brought the results of our yielding assets to a more comfortable level. Market conditions remain however challenging, especially in terms of rent prices.
Our property development cluster is still contributing positively to our results with accounting of construction profits on a percentage completion basis. The positive contribution for this quarter was from the IRS segment and it was unfortunately mitigated by the full recognition of the construction cost increase for our Phase II local project further to the appointment of a new contractor to complete the work after the termination of the contract of Super Construction Ltd. Claims have been submitted for all the costs incurred as well as additional expenses. All construction works in relation to this local development will be completed by the end of the year while 78 units out of the 114 units have been handed over. The construction of our Riviera development has started and the 16 villas are expected to be completed by General Construction Co Ltd, by first quarter 2018. After completing our master plan for the future of our development in Azuri, we have earmarked the precinct which will represent the future phase of development as well as the concept which is being finalised. The marketing of the new residential units is planned by early 2017. Under this masterplan, we should reach development of around 40% of our land bank by 2020 while we have since 2012 developed 15% of the Azuri land.
The under performance of our hospitality cluster since opening and of our commercial cluster more recently, coupled with the overheads and financial cost at Company's level, have put a significant pressure on the Group's cash flow. In addition to the ring fencing of those non performing assets, the debt restructuring as well as sale of non-core assets are being considered. The strategy is being finalised and discussions have already started to turn around the situation.
The Group's and the Company's total assets are Rs 5,252 billion and Rs. 3,240 billion. No major investment, disinvestment or revaluation took place in the quarter ended 30 September 2016.
- SEGMENT INFORMATION - THE GROUP**
BlueLife Limited's reportable segments namely land development, property, hotel and service are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies. Most of the businesses were acquired as individual units, and the management at the time of the acquisition was retained.
The Group has four reportable segments: Land development, Yielding property, Hotel and Service.
The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies. Performance is evaluated on the basis of profit or loss from operations before tax expense. Intersegment sales and transfers are accounted for as if the sales or transfers were to third parties, that is, at current market prices.

9 months ended September 30, 2016	Land Development	Yielding Property	Hotel	Service	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Turnover	917,447	46,776	199,264	2,713	1,166,200
Profit/(Loss) before finance costs	62,154	21,067	(79,331)	(59,743)	(55,853)
Finance costs	-	-	-	-	(122,043)
Loss before taxation	-	-	-	-	(177,896)
9 months ended September 30, 2015	Land Development	Yielding Property	Hotel	Service	Total
Turnover	488,387	51,445	132,920	6,223	678,975
(Loss)/Profit before finance costs	(88,004)	30,286	(49,678)	(39,621)	(147,017)
Finance costs	-	-	-	-	(135,291)
Share of loss of associate	-	-	-	-	(2,375)
Loss before taxation	-	-	-	-	(284,683)
September 30, 2016	Land Development	Yielding Property	Hotel	Service	Total
Segment assets	2,775,490	1,243,618	1,226,513	6,754	5,252,375
Segment liabilities	1,035,865	533,972	885,221	2,404	2,457,462
December 31, 2015	Land Development	Yielding Property	Hotel	Service	Total
Segment assets	3,075,271	1,224,506	1,374,829	4,597	5,679,203
Segment liabilities	1,372,508	408,583	910,225	14,947	2,706,263

By Order of the Board
IBL Management Ltd
Company Secretary

November 14, 2016

Copies of these abridged unaudited financial statements and the statement of direct and indirect interests of officers of the Company are available free of charge, upon request made to the Company Secretary, 4th Floor, IBL House, Caudan Waterfront, Port Louis.

The above abridged unaudited financial statements are issued pursuant to Listing Rule 12.20 and Securities Act 2005. The Board of Directors of BlueLife Limited accepts full responsibility for the accuracy of the information contained in these abridged unaudited financial statements.