

	Quarter Ended		QoQ % Δ	Q2 EPS Trend					Comments
	Jun-19	Jun-18		15	16	17	18	19	
Financials	SBM	▲	0.24	-0.23	L to P			Please refer to our in-depth report dated Aug 12th	
	AFREX [\$]	▲	0.13	0.10	30			AFREX's total assets shrank by 15% on the back of a 20% reduction in lending. NII nonetheless surged 22% to \$11M boosted by broader NIS of 3% (+70bps) which at constant CIR led to a 9% boost in EBIT to \$107M. A reduction in impairments coupled with the absence of taxes led to an even stonger jump in net profits.	
	CIM	▲	0.13	0.08	60			CIM has applied to surrender its Deposit Taking license to the BoM and is looking to amalgamate several of its subsidiaries into CIM. Lending has grown by 3.5% since Mar-19 which coupled with an improved Net Interest Spread of 7.5% (+40bps), boosted NII to Rs279M. This coupled with greater Other Income against stable impairments led to a significant boost in profitability.	
	MUA	▲	2.62	2.20	19			Gross premiums improved by Rs106M boosted by East African Ops who grew by 17% to Rs293M. PBT stood at Rs144M (+17%) boosted by its Casualty segment registering almost a 4x growth to Rs42M coupled with its Life Segment to Rs101M (+33%) which mitigated the turnaround in its Property Cluster from profits to losses.	
	SWAN	▲	2.72	0.58	373			Gross premiums declined to Rs1.4bn (-18%) on account of lower Life premiums which dropped to Rs644M (-36%). Underwriting surplus improved by 12% principally boosted by gains from Casualty to Rs88M (+20%) against constant surplus margins of 38% in its Property cluster.	
	SWANL	—	—	—	N/A			Net premiums improved to Rs1bn (+4.8%) as did Income from Investments to Rs541M (+14%). However, surplus declined to Rs349M (-28%) on account of higher expenses. EPS is not available on a quarterly basis.	
Travel & Leisure	NMHL	▲	-0.43	-0.44	3			Please refer to our in-depth report dated Aug 13th	
	CHSL	▲	-1.65	-1.98	17			While both Mauritius and Maldives revenues grew slightly (3-4%) in Q2-19, op. losses remained quasi-stable at -Rs41 M and -Rs83M respectively. Rev/Rm in Maldives was also stable at \$483 but increased to €325 (+11%) locally. Reduced Q2 losses thus stem from reduced interest expenses coupled with a 10x surge in results from assoc. to Rs22M i.e. its Seychelles hotels.	
	MK	▲	-1.22	-4.67	74			Revenue decreased by 3% to €118M in-line with the 1% decrease in passengers flown given fewer seats offered. Following the adoption of IFRS 16, MK's aircrafts returned to its balance sheet adding over €430M in Assets and Liabilities. Consequently MK's Leverage Ratio (gearing) surged from 59% to 91%, but also alleviated op. expenses which decreased by €10M. Also due to changes in accounting standards, finance costs surged 10x to €3.7M which was mitigated by finance income. The net effect was also a €10M drop in PAT.	
	LOTO	▲	0.10	0.04	180			LOTO's ticket sales soared to Rs324M (+76%) principally boosted by its second weekly draw. EBIT margins improved from 9.2% to 12.5%. The appearance of interest expenses only marginally dampened the 2.7x surge in PAT to Rs34M.	
	ASL	▲	3.73	3.25	15			Revenue remained flat at Rs121M. Horse betting improved to Rs96M (+8%) boosted by two additional races but mitigated by a drop in football betting to Rs21M (-26%) given both the absence of a major summer tournament, and higher payouts. Consequently, EBITDA slid to Rs15M (-12%); however, PAT was higher at Rs13M (+14%) benefiting from a tax refund.	

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Multi-Sector Cong/Hldgs	TERRA	▼	-0.18	-0.12	-54		Revenue fell 10% to Rs943M dragged down equally by Brands and Energy. Due to an earlier shutdown for maintenance of the power station, CTBV broke-even in Q2 which was only part mitigated by Rs20M jumps in both Property and Brands PAT.			
	OMNI	▲	-3.05	-4.25	28		The absence of molasses for ethanol production led to a 20% drop in Sugar cluster revenue and steeper op. losses, however the absence of sharp losses at its associate led to reduction in segmental losses after tax. Its Energy cluster was impacted by repairs carried out, while its hospitality cluster was stable in terms of revenue recording a slight reduction in losses. Its property cluster was boosted by sales of land with its smart city project expected to kick-start by year's end.			
	GAMMA	▲	0.89	0.52	71		Revenue grew to Rs948M (+25%) mainly led by the Materials Cluster {Rs402M (+49%)} in-line demand for construction materials which offset the Rs222M (-32%) drop in Contracting which came under pressure from high domestic competition. Consequently, Op. Profits surged to Rs130M (+43%) which coupled with improved contributions from its materials JV and lower interest expenses led to a PAT of Rs118M (+70%).			
Consumer Staples	QBL	▼	-0.040	0.004	P to L		Revenue remained quasi-flat to Rs210M(+1%) due to its Bottling and Distribution Cluster (+2%) mitigating the drop from its Advertising Segt. (-16%). Op. Margin swung from 2.8% to 1.5% as Op. Losses from Bottling and Distribution worsened to Rs2.7M (Q2-FY18: Rs0.8M).			
	UNSE	▼	-2.90	-2.07	-40		Revenue for UNSE improved to Rs88M (+29%) boosted both by SCT (+20%) and its Agri business. Operating losses were trimmed by 37% to Rs27M primarily due to substantially lower losses recorded in its sugar cluster. SCT's QoQ perf. is not fully comparable due to closure of Preskil for refurb. in April 2018 which re-opened in May-2019. Although Revenue improved to Rs68M (+21%), op. losses stood higher.			
	CSE	▼	-7.39	-2.93	-152		CSE has issued a profit warning wrt potential impairments of sugar related activities during FY-19. Although Revenue was stable at Rs32M, op. losses before other income shrank by Rs2M boosted by reduced losses in in Sugar & Other segments, which offset the Rs6M drop in Livestock/Aquaculture op. profits. The deterioration in PAT thus was primarily the result of a Rs13M drop in "Other Income".			
Disc	VEM	▲	4.07	2.44	67		A drop in UnReg. Sales led to a 6% drop in sales at constant op. margins, however in spite of a 13% drop in Reg. sales income, reg segment op.margins more than doubled resulting to the profitability boost.			
Property	LAVA	▼	0.02	0.02	-17		Rental Income increased by ~20% to Rs42M at constant NOI Margin of 69%; however higher admin. expenses led to a drop in EBIT margin from 57% to 46% albeit with a stable EBIT of Rs19M. The drop in PAT is therefore mainly attributable to interest expenses and a higher tax charge.			

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Materials	MCFI	▼	-3.28	-0.70	-369						Revenue fell to Rs165M (-7%) due to a drop in Fertilizer sales to Rs40M (-27%). Op. losses deteriorated 3-fold to Rs91M as a consequence of restructuring costs but mainly due to a write-off at its overseas subsidiary. Income from Associate Rehm Grinaker fell to Rs1M (Rs11 in Q2-18) resulting the the heavier losses of Rs72M incurred.
	KOLOS	▲	2.29	2.13	7.2						Revenue for Q2-19 surged to Rs402M (+50%) boosted by higher demand for cementious products. However, Op. Margin shrunk from 23% to 19% due to increasing freight costs. Thus, coupled with a swing to finance cost, PAT stood at Rs62M (+7.2%)
Invest. Hldgs	POLI	▲	0.016	0.005	226						Income from investment portfolio rose to Rs6M (+64%). Thus, PBT surged to Rs3.7M (Q2-18: Rs1.2M).
	BMHL	▼	-0.61	-0.15	-320						Div. Income from investments improved by 24% to Rs35.6M; however due to a 2x increase in expenses, op. margins shrank from 80% to 71% which nonetheless boosted investment op. profits by Rs2M to Rs25M. Please see note for CHSL for the financials as reported.
Others	MFD	▲	0.14	0.07	92						Revenue increased to Rs205M (+9%) which led to a comensurate increase in op. profits to Rs45M (+13%). PAT excluding unrealised FX translations almost doubled to Rs21M.

## Key Information

Interim results for the designated quarter (three months). **Attributable earnings** are adjusted for non-recurrent and exceptional items.

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## Trading

For **investments** or **divestments** in **yielding securities**, please liaise with : **Fabiola Yit Niuc** or **Adlette Rioux**  
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