

## KOLOS CEMENT LTD

## ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER AND HALF YEAR ENDED 30 JUNE 2023

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	30 June 2023	31 December 2022
	MUR	MUR
	Unaudited	Audited
<b>ASSETS</b>		
Non-current assets	818,683,772	793,611,094
Current assets	722,722,386	635,822,008
<b>Total assets</b>	<b>1,541,406,158</b>	<b>1,429,433,102</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Stated capital	270,000,000	270,000,000
Revaluation reserve	137,374,995	137,374,995
Foreign currency translation reserve	13,766,756	8,420,118
Accumulated losses	(106,730,690)	(11,149,256)
Non-controlling interests	(21,063,995)	(13,129,371)
<b>Total equity</b>	<b>293,347,066</b>	<b>391,516,486</b>
<b>Non-current liabilities</b>		
Current liabilities	285,961,395	257,091,004
<b>Total liabilities</b>	<b>962,097,697</b>	<b>780,825,612</b>
<b>Total equity and liabilities</b>	<b>1,541,406,158</b>	<b>1,429,433,102</b>

## CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter Ended	Quarter Ended	Half Year Ended	Half Year Ended
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	MUR	MUR	MUR	MUR
	Unaudited	Unaudited	Unaudited	Unaudited
Revenue	654,683,682	652,418,361	1,176,415,130	1,129,294,918
Operating profit/(loss) before expected credit loss	17,083,986	58,384,624	(18,361,267)	87,327,761
Reversal of expected credit loss/(expected credit loss) on receivables	392,835	(1,596,255)	384,713	(1,910,750)
Operating profit/(loss)	17,476,821	56,788,369	(17,976,554)	85,417,011
Net finance costs	(21,754,736)	(15,336,522)	(33,568,993)	(28,649,371)
(Loss)/profit before taxation	(4,277,915)	41,451,847	(51,545,547)	56,767,640
Income tax expense	(3,765,474)	(10,654,197)	(5,124,035)	(17,586,812)
(Loss)/profit for the period	(8,043,389)	30,797,650	(56,669,582)	39,180,828
Other comprehensive income - net of tax	6,249,986	683,800	6,290,162	3,814,720
<b>Total comprehensive (loss)/income for the period</b>	<b>(1,793,403)</b>	<b>31,481,450</b>	<b>(50,379,420)</b>	<b>42,995,548</b>
<b>(Loss)/profit attributable to:</b>				
Owners of the company	(2,190,365)	33,691,543	(47,791,434)	45,005,806
Non-controlling interests	(5,853,024)	(2,892,634)	(8,878,148)	(5,824,978)
	(8,043,389)	30,798,909	(56,669,582)	39,180,828
<b>Total comprehensive (loss)/income attributable to:</b>				
Owners of the company	3,122,123	33,691,543	(42,444,796)	47,667,088
Non controlling interests	(4,915,526)	(2,933,140)	(7,934,624)	(5,252,770)
	(1,793,403)	30,758,403	(50,379,420)	42,414,318
(Loss)/earnings per share (basic and diluted)	(0.08)	1.25	(1.77)	1.67

## Group Segmental Information

	Revenue		Non-Current Assets	
	Half Year Ended	Half Year Ended	30 June 2023	30 June 2022
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	MUR	MUR	MUR	MUR
	Unaudited	Unaudited	Unaudited	Unaudited
Mauritius	1,024,277,231	908,184,000	774,386,160	743,080,307
Madagascar	152,137,899	221,110,918	44,297,612	11,875,804
	1,176,415,130	1,129,294,918	818,683,772	754,956,111

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Stated Capital	Revaluation Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Equity attributable to Owners of the Company	Non Controlling Interests	Total Equity
	MUR	MUR	MUR	MUR	MUR	MUR	MUR
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
At 1 January 2022 (audited)	270,000,000	125,741,615	1,741,214	46,599,215	444,082,044	(2,008,000)	442,074,044
Profit/(loss) for the period	-	-	-	45,005,806	45,005,806	(5,824,978)	39,180,828
Other comprehensive income for the period	-	-	3,337,800	-	3,337,800	476,920	3,814,720
Total comprehensive income for the period	-	-	3,337,800	45,005,806	48,343,606	(5,348,058)	42,995,548
Dividends	-	-	-	(53,190,000)	(53,190,000)	-	(53,190,000)
At 30 June 2022	270,000,000	125,741,615	5,079,014	38,415,021	439,235,650	(7,356,058)	431,879,592
At 1 January 2023 (audited)	270,000,000	137,374,995	8,420,118	(11,149,256)	404,645,857	(13,129,371)	391,516,486
Loss for the period	-	-	-	(47,791,434)	(47,791,434)	(8,878,148)	(56,669,582)
Other comprehensive income for the period	-	-	5,346,638	-	5,346,638	943,524	6,290,162
Total comprehensive income/(loss) for the period	-	-	5,346,638	(47,791,434)	(42,444,796)	(7,934,624)	(50,379,420)
Dividends	-	-	-	(47,790,000)	(47,790,000)	-	(47,790,000)
At 30 June 2023	270,000,000	137,374,995	13,766,756	(106,730,690)	314,411,061	(21,063,995)	293,347,066

## CONSOLIDATED STATEMENTS OF CASH FLOWS

	30 June 2023	30 June 2022
	MUR	MUR
	Unaudited	Unaudited
Net cash used in operating activities	(188,208,332)	(129,495,092)
Net cash used in investing activities	(17,022,739)	(31,632,908)
Net cash used in financing activities	(77,647,646)	28,891,581
Net decrease in cash and cash equivalents	(282,878,717)	(132,236,419)
Net foreign exchange differences	(886,629)	(192,801)
Cash and cash equivalents at start of the period	(66,763,816)	82,677,382
Cash and cash equivalents at end of the period	(350,529,162)	(49,751,838)

## COMMENTS

### Principal Activity

The principal activities of Kolos Cement Ltd and its subsidiaries (the "Group") comprise of unloading, storing, bagging, trading, and distribution of cement and other cementitious products in Mauritius and Madagascar.

### Results

For the quarter ended 30 June 2023, the Group reported a loss of MUR 8.0m (June 2022: profit MUR 30.8m), bringing the total year-to-date losses to MUR 56.7m (June 2022: profit MUR 39.2m).

These losses arose as a result of the difficult economic and trading conditions prevailing in Madagascar and the reduced profitability in Mauritius following the introduction of cement price controls by the Ministry of Commerce in February 2023.

### Outlook

Despite the challenging circumstances, the Group remains focused in ensuring the quality of its products and in serving the best interests of its customers. Management continues to engage with the authorities in Mauritius to find acceptable solutions in order to mitigate the impact of price controls on the cement industry. The Group will also undergo a review of its current operating model in Madagascar and take steps to address the operational losses.

### Loss per share

The calculation of loss per share is based on the loss attributable to the owners of the company of MUR 47.8m (June 2022: profit MUR 45.0m) and the number of shares in issue of 27,000,000 (June 2022: 27,000,000).

### Dividend

A final dividend of MUR 1.77 per share was declared on 31 March 2023 (June 2022 : MUR 1.97 per share) and was paid in May 2023 in respect of the financial year ended 31 December 2022.

### Other

The abridged consolidated financial statements for the quarter and half year ended 30 June 2023 are unaudited. The accounting policies and standards used in the preparation of these abridged unaudited consolidated financial statements are consistent with those used in the audited consolidated financial statements for the year ended 31 December 2022, except for relevant amendments to published standards, standards and interpretations issued and which are effective as from 1 January 2023. This interim report complies with IAS 34.

Copies of the above abridged unaudited consolidated financial statements are available, free of charge, upon request made to the Company Secretary, at the registered office of the company, Mer Rouge, Port Louis, or can be viewed on the company's website [www.koloscement.com](http://www.koloscement.com).

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, free of charge, upon request made to the Company Secretary.

By order of the Board

Gamma Corporate Services Ltd  
Company Secretary

28 July 2023

*These abridged unaudited consolidated financial statements are issued pursuant to DEM Rule 17 and Rule 8 of the Securities (Disclosure Obligations of the Reporting Issuers) Rules 2007.*

*The Board of Directors of Kolos Cement Ltd accepts full responsibility for the accuracy of the information contained in these abridged unaudited consolidated financial statements.*