



GROUP ABRIDGED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	AUDITED For the year ended 30 June 2023 Rs.'000	AUDITED For the year ended 30 June 2022 Rs.'000
Revenue from contract with customers	265,490	466,465
Direct costs	(120,914)	(271,435)
Staff costs	(71,269)	(68,448)
Other expenses	(91,505)	(104,111)
(Loss)/ earnings before interest, tax, depreciation, amortisation, other income, and fair value	(18,198)	22,471
Other income	38,780	53,201
Fair value movement on investment property	-	2,884
Earnings before interest, tax, depreciation and amortisation	20,582	78,556
Finance revenue	36,806	48,741
Net finance costs	(146,710)	(60,697)
Depreciation and amortisation	(28,210)	(27,329)
(Loss)/ profit before tax	(117,532)	39,271
Income tax charge	(463)	(2,872)
(Loss)/ profit after tax for the year	(117,995)	36,399
Basic (loss)/earning per share (Rs)	(0.21)	0.07
Other comprehensive income:		
Items that may be reclassified to profit or loss in subsequent years:		
Exchange differences on translation of foreign operations	70,941	(264,858)
Items that will not to be reclassified to profit or loss in subsequent years:		
Gains on revaluation of land and building	-	37,130
Other comprehensive income/ (loss) for the year	70,941	(227,728)
Total comprehensive loss for the year	(47,054)	(191,329)
SEGMENTAL INFORMATION		
Segment revenue:		
Morocco	265,490	466,465
Segment (loss)/ profit after tax:		
Mauritius	(147,362)	(42,220)
Morocco	47,532	86,555
Seychelles	(18,165)	(7,936)
	(117,995)	36,399

STATEMENT OF FINANCIAL POSITION

	AUDITED As at 30 June 2023 Rs.'000	AUDITED As at 30 June 2022 Rs.'000
ASSETS		
Non-current assets		
Property and equipment	550,610	521,415
Right-of-use assets	544,677	550,086
Investment property	869,945	837,983
Intangible assets	1,295	1,443
Financial assets at amortised cost	266,114	314,720
Deferred tax asset	24,615	23,538
Total non-current assets	2,257,256	2,249,185
Current assets		
Inventories	3,805,035	3,497,106
Contract assets	13,656	15,927
Trade receivables	15,734	29,564
Financial assets at amortised cost	122,041	65,193
Other assets	605,049	502,179
Cash in hand and at bank	672,656	359,751
Total current assets	5,234,171	4,469,720
TOTAL ASSETS	7,491,427	6,718,905
EQUITY AND LIABILITIES		
Shareholders' interests	3,538,318	3,585,372
Non-current liabilities excluding lease liabilities	2,308,560	1,373,011
Deferred tax liability	20,347	20,163
Lease liabilities	135,476	124,660
Current liabilities excluding lease liabilities	1,488,726	1,615,699
TOTAL EQUITY AND LIABILITIES	7,491,427	6,718,905

STATEMENT OF CHANGES IN EQUITY

	Stated capital Rs.'000	Revenue deficit Rs.'000	Revaluation reserve Rs.'000	Foreign exchange difference reserve Rs.'000	TOTAL EQUITY Rs.'000
At 1 July 2021	3,595,000	(530,263)	-	711,964	3,776,701
Profit for the year	-	36,399	-	-	36,399
Other comprehensive income/(loss)	-	-	37,130	(264,858)	(227,728)
As at 30 June 2022	3,595,000	(493,864)	37,130	447,106	3,585,372
At 1 July 2022	3,595,000	(493,864)	37,130	447,106	3,585,372
Loss for the year	-	(117,995)	-	-	(117,995)
Other comprehensive income	-	-	-	70,941	70,941
As at 30 June 2023	3,595,000	(611,859)	37,130	518,047	3,538,318

STATEMENT OF CASH FLOWS

	AUDITED For the year ended 30 June 2023 Rs.'000	AUDITED For the year ended 30 June 2022 Rs.'000
Net cash flows generated from operating activities	340,555	225,115
Net cash flows used in investing activities	(70,711)	(8,459)
Net cash flows used in financing activities	(45,654)	(63,227)
Net increase in cash and cash equivalents	224,190	153,429
Cash and cash equivalents at 1 July	289,857	148,789
Net foreign exchange differences	10,082	(12,361)
Cash and cash equivalents at year end	524,129	289,857

COMMENTS

FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023

The Group incurred a loss for the year under review of Rs 118m as compared to a profit after tax of Rs 36m in the previous year. These losses were caused by a budgeted drop in revenue and an increase in both finance costs and operating expenses. However, the Group holds over Rs 650m of cash at bank which provides the means to pursue its development as planned.

Revenue was recognised on the remaining available plots sold and delivered during the financial year at Domaine Palm Marrakech S.A (DPM).

The rise in finance costs is attributed to a higher PLR rate whereas there was an exceptional gain on the remeasurement of borrowing accounted for in the previous year.

The increase in operating expenses was mainly linked to marketing costs associated with the Harmonie Golf & Beach Estate project.

OUTLOOK

Management expects to reach the required presale threshold to launch the project at Harmonie Golf & Beach Estate by the end of the calendar year and start construction subsequently.

The design team is finalising the project details which will go to tender by the end of the year. Also, New Mauritius Hotels Limited has started the preliminary works for the construction of an 18-hole golf course and Management is confident that this development will further boost sales.

Following the earthquake on 8th September 2023 in Morocco, an investigation was diligently performed by a structural engineer. Limited damage was recorded, none of which was structural. Management is satisfied that adequate insurance covers for the existing infrastructure and villas under construction are in place. Furthermore, no cancellation of reservation contracts has been received as of date.

DPM continues to generate significant cashflows. To date, the team has concluded the sale of 143 units in Phase 1 out of 150 units. The remaining seven units within the "Ocre" zone are currently being commercialised. Infrastructure works for the entire Phase 1, comprising of Atlas, Oliveraie and Ocre have been completed, allowing the delivery of the villas, and hence revenue will be recognised over the next financial years. Demand for our offerings remains buoyant; management is actively working on Phase 2 of the project which is expected to be launched by the end of next year.

The audited financial statements for the year ended 30 June 2023 are issued pursuant to DEM Rule 18.

Copies of this report are available free of charge at the registered office of the Company, Beachcomber House, Botanical Garden Street, Curepipe.

The Board of Directors of Semaris Ltd accepts full responsibility for the accuracy of the information contained in this report.

By order of the Board

25 September 2023