

KOLOS CEMENT LTD
ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER AND HALF YEAR ENDED 30 JUNE 2024

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

| | 30 June 2024 MUR Unaudited | 31 December 2023 MUR Audited |
|---|----------------------------------|------------------------------------|
| ASSETS | | |
| Non-current assets | 976,842,152 | 844,459,930 |
| Current assets | 532,506,171 | 683,382,239 |
| Total assets | 1,509,348,323 | 1,527,842,169 |
| EQUITY AND LIABILITIES | | |
| Capital and reserves | | |
| Stated capital | 270,000,000 | 270,000,000 |
| Revaluation reserve | 147,022,836 | 151,417,776 |
| Translation Reserve | 7,407,140 | 26,713,640 |
| Retained Earnings/ (Accumulated losses) | 107,301,000 | (62,737,489) |
| Total equity | 531,730,976 | 385,393,927 |
| Non-current liabilities | 252,833,232 | 261,939,902 |
| Current liabilities | 724,784,115 | 880,508,340 |
| Total liabilities | 977,617,347 | 1,142,448,242 |
| Total equity and liabilities | 1,509,348,323 | 1,527,842,169 |

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | Quarter Ended 30 June 2024 MUR Unaudited | Quarter Ended 30 June 2023 MUR Unaudited | Half Year Ended 30 June 2024 MUR Unaudited | Half Year Ended 30 June 2023 MUR Unaudited |
|--|---|---|---|---|
| Continuing Operations | | | | |
| Revenue | 624,927,000 | 573,844,596 | 1,125,405,512 | 1,024,129,596 |
| Operating profit before impairment loss | 76,010,627 | 40,605,143 | 122,882,433 | 22,880,133 |
| (Impairment loss)/reversal of impairment loss on receivables | (422,407) | 392,835 | (430,529) | 384,713 |
| Operating profit | 75,588,220 | 40,997,978 | 122,451,904 | 23,264,846 |
| Finance costs | (44,729,055) | (14,531,718) | (56,050,002) | (23,797,965) |
| Profit/(loss) before taxation | 30,859,165 | 26,466,260 | 66,401,902 | (533,119) |
| Income tax expense | (13,591,097) | (3,359,433) | (20,908,308) | (4,359,434) |
| Profit/(loss) for the period from continuing operations | 17,268,069 | 23,106,827 | 45,493,594 | (4,892,553) |
| Discontinued Operations | | | | |
| Loss from discontinued operations | (8,106,642) | (31,150,216) | (8,696,300) | (51,777,029) |
| Profit on disposal of subsidiary | 217,946,254 | - | 217,946,254 | - |
| Profit/(loss) for the period | 227,107,681 | (8,043,389) | 254,743,549 | (56,669,582) |
| Other comprehensive income - net of tax | 1,420,433 | 6,249,986 | (19,306,500) | 6,290,162 |
| Total comprehensive income for the period | 228,528,114 | (1,793,403) | 235,437,049 | (50,379,420) |
| Profit/(loss) attributable to: | | | | |
| Owners of the parent | 227,107,681 | (2,190,365) | 254,743,549 | (47,791,434) |
| Non-controlling interests | - | (5,853,024) | - | (8,878,148) |
| Total comprehensive income attributable to: | | | | |
| Owners of the parent | 228,528,114 | 3,122,123 | 235,437,049 | (42,444,796) |
| Non-controlling interests | - | (4,915,526) | - | (7,934,624) |
| Total comprehensive income for the period | 228,528,114 | (1,793,403) | 235,437,049 | (50,379,420) |
| Earnings/(loss) per share | | | | |
| Basic and diluted | 8.41 | (0.08) | 9.43 | (1.77) |
| Earnings/(loss) per share for continuing operations | | | | |
| Basic and diluted | 0.64 | 0.86 | 1.68 | (0.28) |

| Group Segmental Information | Revenue | | Non-Current Assets | |
|---|--|--|---------------------|---------------------|
| | Half Year Ended 30 June 2024 MUR | Half Year Ended 30 June 2023 MUR | 30 June 2024 MUR | 30 June 2023 MUR |
| | Mauritius | 1,125,405,512 | 1,024,129,596 | 976,842,152 |
| Madagascar (discontinued operations) | 14,100,621 | 152,285,534 | - | 44,297,612 |
| | 1,139,506,133 | 1,176,415,130 | 976,842,152 | 818,683,772 |

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

| | Stated Capital MUR Unaudited | Revaluation Reserve MUR Unaudited | Translation Reserve MUR Unaudited | (Accumulated Losses)/Retained Earnings MUR Unaudited | Owners' Interest MUR Unaudited | Non Controlling Interests MUR Unaudited | Total Equity MUR Unaudited |
|--|------------------------------------|---|---|--|--------------------------------------|---|----------------------------------|
| 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 | - | 5,346,638 | 943,524 | 6,290,162 |
| Total comprehensive income/(loss) for the period | - | 5,346,638 | 5,346,638 | (47,791,434) | (42,444,796) | (7,934,624) | (50,379,420) |
| Dividends | - | - | - | (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 |
| At 1 January 2024 (Audited) | 270,000,000 | 151,417,776 | 26,713,640 | (62,737,489) | 385,393,927 | - | 385,393,927 |
| Revaluation surplus realised on depreciation | - | (4,394,940) | - | 4,394,940 | - | - | - |
| Profit for the period | - | - | - | 254,743,549 | 254,743,549 | - | 254,743,549 |
| Other comprehensive income for the period | - | - | (19,306,500) | - | (19,306,500) | - | (19,306,500) |
| Total comprehensive (loss)/income for the period | - | (4,394,940) | (19,306,500) | 259,138,489 | 235,437,049 | - | 235,437,049 |
| Dividends | - | - | - | (89,100,000) | (89,100,000) | - | (89,100,000) |
| At 30 June 2024 | 270,000,000 | 147,022,836 | 7,407,140 | 107,301,000 | 531,730,976 | - | 531,730,976 |

CONSOLIDATED STATEMENTS OF CASH FLOWS

| | Half Year Ended 30 June 2024 MUR Unaudited | Half Year Ended 30 June 2023 MUR Unaudited |
|--|---|---|
| Net cash generated from/(used in) operating activities | 219,441,671 | (188,208,332) |
| Net cash used in investing activities | (26,988,808) | (17,022,739) |
| Net cash used in financing activities | (8,654,248) | (77,647,646) |
| Net increase/(decrease) in cash and cash equivalents | 183,798,616 | (282,878,717) |
| Net foreign exchange differences | 8,724,194 | (886,629) |
| Cash and cash equivalents at start of the period | (351,090,704) | (66,763,816) |
| Cash and cash equivalents at end of the period | (158,567,895) | (350,529,162) |

COMMENTS

Principal Activity

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

Results and Outlook

Revenue from continuing operations for the half year ended 30 June 2024 amounted to MUR 1,125.4 M (June 2023: MUR 1,024.1 M). The market has seen an increase in consumption of cement driven by infrastructure projects and housing construction across both residential and commercial sectors.

The Group's operating costs have continued to increase as a result of the volatility in exchange rates, high inflation and increase in energy prices.

Following a reorganisation, the Company disposed of its Malagasy operations with a profit of MUR 217.9 M arising from the deconsolidation.

The Group reported a profit after tax from continuing operations of MUR 45.5 M for the half year ended 30 June 2024, compared to a loss of MUR 4.9 M in the corresponding half of 2023.

However, despite the challenging circumstances, the Group remains focused in ensuring the quality of its products and in serving the best interests of its customers. At the same time, Management continues to engage with the authorities to find solutions to address the adverse impact of price controls on the cement industry.

Earnings per share

The calculation of earnings per share is based on the profit attributable to the owners of the Company of MUR 254.7 M (June 2023: loss MUR 47.8 M) and the number of shares in issue of 27,000,000 (June 2023: 27,000,000).

Dividend

A final dividend of MUR 3.30 per share was declared (June 2023 : MUR 1.77 per share) on 25 March 2024 in respect of the financial year ended 31 December 2023.

Other

The abridged consolidated financial statements for the quarter and half year ended 30 June 2024 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 2023, except for relevant amendments to published standards and interpretations issued and which are effective as from 1 January 2024. 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.

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

26 July 2024

These abridged unaudited consolidated financial statements are issued pursuant to DEM Rule 17 and Rule 8 of the Securities (Disclosure Obligations of 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.