

STATEMENT OF FINANCIAL POSITION

	GROUP	
	2020 Rs'000	2019 Rs'000
ASSETS		
Non-current assets	594,551	693,859
Current assets	556,346	597,761
Total Assets	1,150,897	1,291,620
EQUITY AND LIABILITIES		
Share capital and reserves		
Owners' interest	352,611	474,941
Non-current Liabilities	307,953	311,405
Current liabilities	490,333	505,274
Total Equity and Liabilities	1,150,897	1,291,620
Net assets per share (Rs/share)	16.02	21.58
Number of ordinary shares	22,006,418	22,006,418

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2020	2019
	Rs'000	Rs'000
Revenue	859,411	766,168
Operating loss	(71,869)	(99,821)
Other income	29,370	33,975
Fair value adjustment on investment property	650	(445)
Reorganisation and restructuring costs	-	(38,326)
Inventory written off	-	(4,088)
Impairment of financial assets at amortised cost and trade receivables	(24,089)	(88,159)
Loss before finance cost	(65,938)	(196,864)
Net finance cost	(33,874)	(38,459)
	(99,812)	(235,323)
Share of results of associates	(24,981)	4,564
Loss before tax	(124,793)	(230,759)
Income tax credit / (expense)	1,928	(572)
Loss for the year	(122,865)	(231,331)
Other comprehensive income/(loss) for the year, net of tax	7,577	(5,478)
Total comprehensive loss for the year	(115,288)	(236,809)
Attributable to:		
Owners of the parent	(115,288)	(236,809)
Loss per share (Rs/share)	(5.58)	(10.51)

STATEMENT OF CASH FLOWS

	GROUP	
	2020 Rs'000	2019 Rs'000
Net cash used in operating activities	(34,723)	(4,879)
Net cash generated from/(used in) investing activities	(187,484)	(113,948)
Net cash used in financing activities	173,875	66,233
Net decrease in cash and cash equivalents	(48,332)	(52,594)
Movement in cash and cash equivalents		
At 1 January	(14,596)	54,594
Decrease	(48,332)	(52,594)
Effect of foreign exchange rate changes	(5,199)	(16,596)
At 31 December	(68,127)	(14,596)

STATEMENT OF CHANGES IN EQUITY

	Share Capital Rs'000	Treasury Shares Rs'000	Revaluation, Fair Value and Translation		Retained Earnings Rs'000	Actuarial (Losses)/gains Rs'000	Total Rs'000
			Reserves Rs'000	Other Reserves Rs'000			
Balance at 1 January 2020	220,064	(20)	(27,871)	(3,760)	288,045	(1,517)	474,941
Loss for the year	-	-	-	-	(122,865)	-	(122,865)
Other comprehensive income / (loss) for the year	-	-	6,470	1,422	-	(315)	7,577
Total comprehensive income / (loss) for the year	-	-	6,470	1,422	(122,865)	(315)	(115,288)
Transfer	-	-	-	-	1,292	(1,292)	-
Dividends - 2020	-	-	-	-	(7,042)	-	(7,042)
Total transactions with owners of the parent	-	-	-	-	(5,750)	(1,292)	(7,042)
Balance at 31 December 2020	220,064	(20)	(21,401)	(2,338)	159,430	(3,124)	352,611
Balance at 1 January 2019	220,064	-	103,736	(4,245)	438,116	(4,873)	752,798
Loss for the year	-	-	-	-	(231,331)	-	(231,331)
Other comprehensive (loss) / income for the year	-	-	(9,319)	485	-	3,356	(5,478)
Total comprehensive (loss) / income for the year	-	-	(9,319)	485	(231,331)	3,356	(236,809)
Treasury shares	-	(20)	-	-	-	-	(20)
Transfer	-	-	(122,288)	-	122,288	-	-
Consolidation adjustment	-	-	-	-	(25,623)	-	(25,623)
Dividends - 2019	-	-	-	-	(15,405)	-	(15,405)
Total transactions with owners of the parent	-	(20)	(122,288)	-	81,260	-	(41,048)
Balance at 31 December 2019	220,064	(20)	(27,871)	(3,760)	288,045	(1,517)	474,941

Comments

These abridged financial statements, prepared in line with International Financial Reporting Standards and audited by Nexia Baker & Aronson, were authorised for issue by the Board of Directors on 30th April 2021.

The Group's figures for 2020 include full year results for Chemco Limited ("Chemco") and Bychemex Limited ("Bychemex") following their acquisition by the Mauritius Chemical and Fertilizer Industry Limited (The Company or "MCFI") in April 2019. The figures also include five months results of Suchem Limited ("Suchem") further to the latter being acquired by MCFI in August 2020.

Results

The Group's turnover for the year ended 31 December 2020 increased from Rs 766 million to Rs 859 million, reflecting the impact of the acquisition of Suchem and full year performance from Chemco and Bychemex. Excluding these additional revenues, the Group's turnover is lower than last year due to the Covid-19 pandemic that resulted in a generalised economic slowdown both in Mauritius and Africa.

The reorganisation and restructuring exercise conducted in 2019, together with the synergies brought by the acquisition of Chemco, Bychemex and Suchem as well as the transfer of the activities of Cookkote to a third-party during the year, contributed to reducing the Group's operating expenses by around Rs 25 million in 2020, when compared to the previous year.

The impairment of receivables of Rs 24 million, in line with IFRS 9, emanates mainly from the Group's operations in Africa and Reunion Island.

The drop in net finance costs from Rs 38 million in 2019 to Rs 34 million arises from a marginal gain in exchange posted by the Group in 2020 compared to a loss in exchange reported in 2019.

Loss from associates of Rs 25 million is driven mainly by the impact from Covid-19 pandemic.

The above resulted in a net loss of Rs 123 million for the year ended 31 December 2020 compared to a net loss of Rs 231 million for the previous year. Earnings per share rose from a loss per share of Rs 10.51 to a loss per share of Rs 5.58 while Net Assets per share decreased from Rs 21.58 to Rs 16.02 for the period under review.

Outlook

The Group is pursuing its strategy of consolidating its position on the local market mainly through product diversification and is looking at de-risking its operations and developing niche markets on the international front.

In parallel, the Group is continuing its cost optimisation strategies and is implementing an operational excellence program within its operations.

Copies of this report and senior officers' interest are available free of charge from the Company Secretary, HM Secretaries Ltd, 18 Edith Cavell Street, Port Louis.

By order of the Board
HM Secretaries Ltd.
Company Secretary
30th April 2021

The Board of Directors of the Mauritius Chemical and Fertilizer Industry Limited accepts full responsibility for the accuracy of the information contained in the above report issued pursuant to Listing Rule 12.14 and Securities Act 2005.