

#### ABRIDGED STATEMENT OF FINANCIAL POSITION

	Audited	
	As at June 30, 2022	As at June 30, 2021
	Rs. ' 000	Rs. ' 000
<b>ASSETS</b>		
<b>Non-current assets</b>	4,394,790	4,037,355
<b>Current assets</b>	2,014,636	1,580,577
<b>TOTAL ASSETS</b>	6,409,426	5,617,932
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity attributable to shareholders of the parent	3,441,748	3,556,026
Non-controlling interests	29,660	41,616
<b>TOTAL EQUITY</b>	3,471,408	3,597,642
<b>Non-current liabilities</b>	1,615,533	1,327,018
<b>Current liabilities</b>	1,322,485	693,272
<b>TOTAL EQUITY AND LIABILITIES</b>	6,409,426	5,617,932

#### ABRIDGED STATEMENT OF CHANGES IN EQUITY

	Audited										
	Equity attributable to shareholders of the parent									Non-controlling Interests	Total
	Issued Capital	Share Premium	Associate Companies	Revaluation Reserve	Fair Value Reserve	Translation Reserve	Retained Earnings	Total			
Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000		
At July 1, 2021	265,100	7,354	109,813	1,874,102	10,980	(16,182)	1,304,859	3,556,026	41,616	3,597,642	
(Loss) / profit for the year	-	-	-	-	-	-	(67,553)	(67,553)	10,840	(56,713)	
Other comprehensive income	-	-	4,655	-	6,434	23,253	70,533	104,875	8,888	113,763	
<b>Total comprehensive income for the year</b>	-	-	4,655	-	6,434	23,253	2,980	37,322	19,728	57,050	
Dividend	-	-	-	-	-	-	(79,530)	(79,530)	(7,348)	(86,878)	
Transfer to retained earnings	-	-	(29,475)	(12,819)	-	-	42,294	-	-	-	
Change in percentage holding of subsidiary	-	-	-	-	-	-	(72,070)	(72,070)	(24,336)	(96,406)	
<b>At June 30, 2022</b>	265,100	7,354	84,993	1,861,283	17,414	7,071	1,198,533	3,441,748	29,660	3,471,408	
At July 1, 2020	265,100	7,354	109,291	1,848,895	10,355	(12,937)	1,010,772	3,238,830	37,641	3,276,471	
- As previously reported	-	-	-	-	-	-	-	-	-	-	
- Prior year adjustments	-	-	-	25,207	-	-	-	25,207	-	25,207	
As restated at July 1, 2020	265,100	7,354	109,291	1,874,102	10,355	(12,937)	1,010,772	3,264,037	37,641	3,301,678	
Profit for the year	-	-	-	-	-	-	196,219	196,219	19,343	215,562	
Other comprehensive income	-	-	522	-	625	(3,245)	177,028	174,930	2,404	177,334	
<b>Total comprehensive income for the year</b>	-	-	522	-	625	(3,245)	373,247	371,149	21,747	392,896	
Dividend	-	-	-	-	-	-	(79,530)	(79,530)	(16,502)	(96,032)	
Change in percentage holding of subsidiary	-	-	-	-	-	-	370	370	(1,270)	(900)	
<b>At June 30, 2021</b>	265,100	7,354	109,813	1,874,102	10,980	(16,182)	1,304,859	3,556,026	41,616	3,597,642	

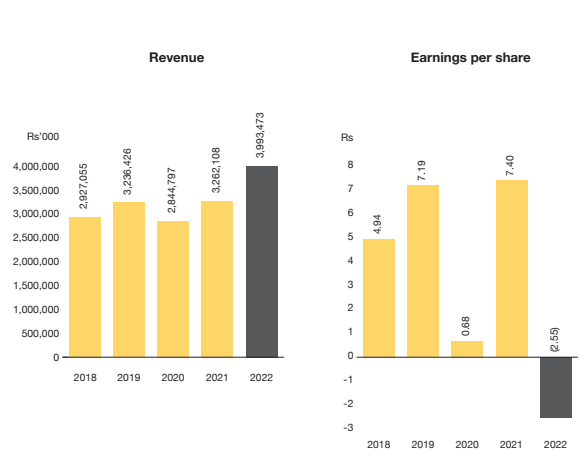
#### ABRIDGED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Audited	
	Year ended June 30, 2022	Year ended June 30, 2021
	Rs. ' 000	Rs. ' 000
<b>Continuing operations</b>		
<b>Revenue</b>	3,993,473	3,262,108
<b>Operating profit</b>	215,696	308,596
Allowance for expected credit losses on financial assets	(23,281)	2,911
Impairment of assets	(340,686)	(4,982)
Gain on deemed disposal of associate	158,236	-
Finance income	2,090	2,274
Finance costs	(58,460)	(33,883)
Share of results of associates	10,678	7,249
<b>(Loss) / profit before tax</b>	(35,727)	282,165
<b>Income tax expense</b>	(1,622)	(20,583)
<b>(Loss) / profit for the year from continuing operations</b>	(37,349)	261,582
<b>Discontinuing operations</b>		
Loss for the year from discontinuing operations	(19,364)	(46,020)
<b>(Loss) /profit for the year</b>	(56,713)	215,562
<b>Other comprehensive income</b>		
<b>Items to be reclassified to profit or loss in subsequent periods:</b>		
Exchange differences on translation of foreign operations	30,205	(3,141)
<b>Net other comprehensive income to be reclassified to profit or loss in subsequent periods</b>	30,205	(3,141)
<b>Items not to be reclassified to profit or loss in subsequent periods:</b>		
Net gains on equity instruments	6,434	625
Re-measurement gains on defined benefit plans	86,380	213,926
Deferred tax effect on re-measurement gains on defined benefit plans	(13,911)	(34,598)
Share of other comprehensive income of associates	4,655	522
<b>Net other comprehensive income not being reclassified to profit or loss in subsequent periods</b>	83,558	180,475
<b>Other comprehensive income for the year, net of tax</b>	113,763	177,334
<b>Total comprehensive income for the year, net of tax</b>	57,050	392,896
<b>(Loss) /profit for the year attributable to:</b>		
Equity holders of the parent	(67,553)	196,219
Non-controlling interests	10,840	19,343
	(56,713)	215,562
<b>Total comprehensive income for the year attributable to:</b>		
Equity holders of the parent	37,322	371,149
Non-controlling interests	19,728	21,747
	57,050	392,896
<b>Earnings per share (Rs)</b>		
Basic, (loss) /profit for the year attributable to ordinary equity holders of the parent	(2.55)	7.40

#### ABRIDGED STATEMENT OF CASH FLOWS

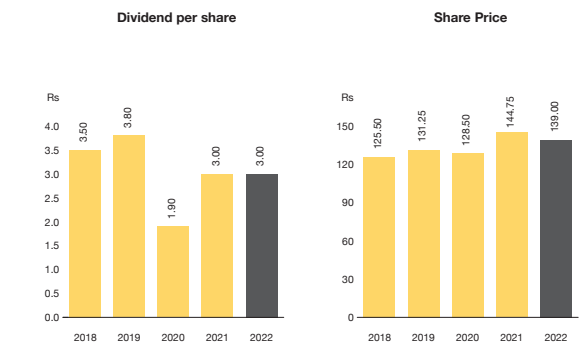
	Audited	
	Year ended June 30, 2022	Year ended June 30, 2021
	Rs. ' 000	Rs. ' 000
<b>Net cash flows from operating activities</b>	55,463	506,887
<b>Net cash flows used in investing activities</b>	(741,570)	(136,737)
<b>Net cash flows from / (used in) financing activities</b>	226,118	(186,953)
<b>(Decrease) / increase in cash and cash equivalents</b>	(459,989)	183,197
<b>MOVEMENT IN CASH AND CASH EQUIVALENTS</b>		
At July 1,	107,328	(63,097)
Exchange difference	55,379	(4,294)
(Decrease) / increase in cash and cash equivalents	(459,989)	183,197
Movement from discontinuing operations	(1,428)	(8,479)
<b>At June 30,</b>	<b>(298,710)</b>	<b>107,328</b>

#### AT A GLANCE



#### SEGMENTAL INFORMATION

	Audited	
	Year ended June 30, 2022	Year ended June 30, 2021
	Rs. ' 000	Rs. ' 000
<b>Revenue:</b>		
Building materials - Core business	3,006,893	2,372,351
Building materials - Retail	1,200,934	995,398
Agriculture	123,790	114,211
Consolidation adjustments	(338,144)	(219,852)
<b>Total</b>	3,993,473	3,262,108
<b>Operating profit / (loss):</b>		
Building materials - Core business	162,449	254,858
Building materials - Retail	70,969	34,510
Agriculture	(5,201)	(21,883)
Consolidation adjustments	(12,521)	41,111
<b>Total</b>	215,696	308,596



#### COMMENTS

Our Group revenue for the year ended June 30, 2022 increased by 22.4% (+Rs 731.4 million) compared to 2021. Pre-Mixed Concrete Ltd, which was consolidated as a subsidiary as from November 2021, contributed Rs 416.0 million to the revenue increase while our retail segment contributed Rs 205.6 million to that increase for the year under review.

Our Group operating profit decreased from Rs 308.6 million to Rs 215.7 million, attributable mainly to a significant increase in our local core business production costs arising from an increase in imported inputs, repairs and maintenance and quarrying costs. In addition, our profitability was also adversely impacted by exceptional transition expenses incurred in relation to the management of Pre-Mixed Concrete Ltd, upon the takeover, and by the substantial due diligence costs incurred for the acquisition of a group of companies in Réunion Island, which was concluded in June 2022. Conversely, our overseas subsidiaries performed better than in 2021. However, the Board has decided to exit from Madagascar and Sri Lanka and to dispose of our subsidiaries in these countries. Hence, the results of both entities have been classified as discontinuing operations in the statement of profit or loss and other comprehensive income for the year under review.

On the other hand, our retail segment performed better than in 2021 while the operating result of our agricultural segment was positively impacted by the improved performance of our vegetable-growing activities and an increase in the price of sugar compared to 2021.

Our allowance for Expected Credit Losses (ECL) on financial assets increased significantly for the year under review due to the liquidation of one of our clients in July this year.

The strategic acquisition of a 51% stake in Pre-Mixed Concrete Ltd was made by exercising our right of first refusal and transacted at a very high non-negotiable purchase consideration, which had been agreed between the selling shareholders and an external willing buyer. However, the benefits to be obtained by the Group entities through such a strategic investment could not be factored in the goodwill impairment test at June 30, 2022. Hence, an amount of Rs 340.7 million was accounted as goodwill impairment for the year. Conversely, the deemed disposal of our 49% share as associate of Pre-Mixed Concrete Ltd has generated a gain of Rs 158.2 million.

Our share of results from associates for the year improved compared to previous year following the conversion of our ready-mixed concrete entity from associate to subsidiary during the year.

Our finance costs increased significantly for the year under review due to an increase in borrowings resulting from the acquisition of shares in Pre-Mixed Concrete Ltd and Drymix Ltd and an adverse fluctuation in foreign exchange rates.

In the light of the above, our Group net result decreased from a profit of Rs 215.6 million for the year ended June 30, 2021 to a loss of Rs 56.7 million for the year under review. As explained above, this was mainly due to the net impact of the acquisition in Pre-Mixed Concrete Ltd. Consequently, our earnings per share decreased from Rs 7.40 in 2021 to a loss of Rs 2.55 this year.

#### OUTLOOK

Our Group core business and retail revenues for the first two months of the current financial year are encouraging. Our future level of activities and performance are dependent upon the recovery pace of our economy and the timely implementation of announced government measures to boost the construction industry going forward. Our future profitability also relies on the containment of our costs.

In reference to the communiqué, dated June 23, 2022, concerning the acquisition of a group of companies operating in a similar line of business of the Company in Réunion Island, a Share Purchase Agreement (SPA) was signed on July 07, 2022. The Transaction is however subject to the satisfactory completion of conditions precedent including all regulatory, corporate and other approvals required by the parties. It will enable the Group to expand its principal activities within the Indian Ocean.

By Order of the Board  
**Bhooneshi Nemchand**  
 Company Secretary

September 27, 2022