

GAMMA CIVIC LTD
ABRIDGED UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2023
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group				Company			
	Quarter ended <u>30-Sep-23</u>	Quarter ended <u>30-Sep-22</u>	Nine months ended <u>30-Sep-23</u>	Nine months ended <u>30-Sep-22</u>	Quarter ended <u>30-Sep-23</u>	Quarter ended <u>30-Sep-22</u>	Nine months ended <u>30-Sep-23</u>	Nine months ended <u>30-Sep-22</u>
	Rs Unaudited	Rs Unaudited	Rs Unaudited	Rs Unaudited	Rs Unaudited	Rs Unaudited	Rs Unaudited	Rs Unaudited
Revenue	1,923,067,286	1,437,581,162	4,808,440,098	4,031,067,322	114,617,950	148,316,068	429,363,233	568,893,713
Operating profit	113,692,095	104,890,655	243,925,408	276,635,256	76,132,841	87,755,117	332,239,843	456,925,290
Impairment on financial and contract assets	(9,138,713)	(3,340,866)	(8,300,162)	(23,112,536)	-	-	-	-
Finance costs	(33,740,620)	(28,772,699)	(100,925,526)	(82,931,577)	(18,359,584)	(13,424,704)	(53,715,224)	(38,129,795)
Share of profit of associates and joint ventures	56,120,137	57,246,429	188,158,903	158,882,247	-	-	-	-
Profit before taxation	126,932,899	130,023,519	322,858,623	329,473,390	57,773,257	74,330,413	278,524,619	418,795,495
Taxation	(23,824,856)	(21,359,461)	(53,318,019)	(55,782,593)	(3,268,157)	(54,143)	(5,721,798)	74,100
Profit for the period	103,108,043	108,664,058	269,540,604	273,690,797	54,505,100	74,276,270	272,802,821	418,869,595
Other comprehensive (loss)/income for the period	(19,608,340)	(361,835)	(20,774,448)	2,155,587	-	-	-	-
Total comprehensive income for the period	83,499,703	108,302,223	248,766,156	275,846,384	54,505,100	74,276,270	272,802,821	418,869,595
Profit attributable to:								
-Owners of the company	89,808,067	77,975,709	235,205,197	211,635,635	54,505,100	74,276,270	272,802,821	418,869,595
-Non-controlling interests	13,299,976	30,688,349	34,335,407	62,055,162	-	-	-	-
	103,108,043	108,664,058	269,540,604	273,690,797	54,505,100	74,276,270	272,802,821	418,869,595
Total comprehensive income attributable to:								
-Owners of the company	70,764,255	77,481,628	214,836,687	210,501,506	54,505,100	74,276,270	272,802,821	418,869,595
-Non-controlling interests	12,735,448	30,820,595	33,929,469	65,344,878	-	-	-	-
	83,499,703	108,302,223	248,766,156	275,846,384	54,505,100	74,276,270	272,802,821	418,869,595
Number of shares in issue	133,250,000	133,250,000	133,250,000	133,250,000				
Dividend per share	0.50	0.50	2.25	2.00				
Earnings per share (basic and diluted)	0.67	0.59	1.77	1.59				

GAMMA CIVIC LTD
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FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2023
STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	<u>30-Sep-23</u>	<u>31-Dec-22</u>	<u>30-Sep-23</u>	<u>31-Dec-22</u>
	Rs	Rs	Rs	Rs
	Unaudited	Audited	Unaudited	Audited
<u>ASSETS</u>				
Non-current assets	5,331,206,613	5,156,446,931	2,393,666,889	2,197,974,403
Current assets	3,267,366,433	2,689,367,837	814,915,023	1,051,908,393
Total assets	<u>8,598,573,046</u>	<u>7,845,814,768</u>	<u>3,208,581,912</u>	<u>3,249,882,796</u>
<u>EQUITY AND LIABILITIES</u>				
Capital and reserves				
Stated capital	133,250,000	133,250,000	133,250,000	133,250,000
Share premium	86,482,579	86,482,579	86,482,579	86,482,579
Other reserves	3,364,644,744	3,469,716,188	1,381,393,840	1,408,403,519
Equity attributable to owners of the company	3,584,377,323	3,689,448,767	1,601,126,419	1,628,136,098
Non-controlling interests	146,011,069	182,739,198	-	-
Total equity	3,730,388,392	3,872,187,965	1,601,126,419	1,628,136,098
Non-current liabilities	2,277,889,510	1,919,390,156	1,197,263,888	1,272,963,601
Current liabilities	2,590,295,144	2,054,236,647	410,191,605	348,783,097
Total equity and liabilities	<u>8,598,573,046</u>	<u>7,845,814,768</u>	<u>3,208,581,912</u>	<u>3,249,882,796</u>

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ABRIDGED UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2023
GROUP STATEMENT OF CHANGES IN EQUITY

	Stated <u>Capital</u> Rs Unaudited	Share <u>Premium</u> Rs Unaudited	Revaluation <u>Reserve</u> Rs Unaudited	Foreign Currency <u>Translation</u> <u>Reserve</u> Rs Unaudited	Retained <u>Earnings</u> Rs Unaudited	Attributable to Owners of the <u>Parent</u> Rs Unaudited	Non-Controlling <u>Interests</u> Rs Unaudited	<u>Total</u> Rs Unaudited
Balance at 1 January 2023	133,250,000	86,482,579	456,791,955	59,709,968	2,953,214,265	3,689,448,767	182,739,198	3,872,187,965
Revaluation surplus realised on depreciation	-	-	(1,821,985)	-	1,821,985	-	-	-
Revaluation surplus of associates realised on depreciation of property	-	-	(2,961,870)	-	2,961,870	-	-	-
Profit for the period	-	-	-	-	235,205,197	235,205,197	34,335,407	269,540,604
Other comprehensive loss for the period	-	-	(200,000)	(16,535,207)	(3,633,303)	(20,368,510)	(405,938)	(20,774,448)
Total comprehensive (loss)/income for the period	-	-	(200,000)	(16,535,207)	231,571,894	214,836,687	33,929,469	248,766,156
Change in ownership interest without loss of control	-	-	-	(939,549)	(19,156,082)	(20,095,631)	16,601,881	(3,493,750)
Dividend	-	-	-	-	(299,812,500)	(299,812,500)	(87,259,479)	(387,071,979)
Balance at 30 September 2023	133,250,000	86,482,579	451,808,100	42,235,212	2,870,601,432	3,584,377,323	146,011,069	3,730,388,392
Balance at 1 January 2022	133,250,000	86,482,579	441,621,887	54,283,216	2,805,436,040	3,521,073,722	190,646,061	3,711,719,783
Revaluation surplus realised on depreciation	-	-	(1,507,685)	-	1,507,685	-	-	-
Revaluation surplus of associate realised on depreciation of property	-	-	(2,745,308)	-	2,745,308	-	-	-
Profit for the period	-	-	-	-	211,635,635	211,635,635	62,055,162	273,690,797
Other comprehensive income/(loss) for the period	-	-	-	1,378,330	(2,512,459)	(1,134,129)	3,289,716	2,155,587
Total comprehensive income for the period	-	-	-	1,378,330	209,123,176	210,501,506	65,344,878	275,846,384
Change in ownership interest without loss of control	-	-	-	-	597,355	597,355	(725,639)	(128,284)
Dividend	-	-	-	-	(266,500,000)	(266,500,000)	(86,404,370)	(352,904,370)
Balance at 30 September 2022	133,250,000	86,482,579	437,368,894	55,661,546	2,752,909,564	3,465,672,583	168,860,930	3,634,533,513

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FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2023
COMPANY STATEMENT OF CHANGES IN EQUITY

	<u>Stated Capital</u> Rs Unaudited	<u>Share Premium</u> Rs Unaudited	<u>Revaluation Reserve</u> Rs Unaudited	<u>Retained Earnings</u> Rs Unaudited	<u>Total</u> Rs Unaudited
Balance at 1 January 2023	133,250,000	86,482,579	289,014,668	1,119,388,851	1,628,136,098
Revaluation surplus realised on depreciation	-	-	(1,821,985)	1,821,985	-
Profit for the period	-	-	-	272,802,821	272,802,821
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	272,802,821	272,802,821
Dividend	-	-	-	(299,812,500)	(299,812,500)
Balance at 30 September 2023	133,250,000	86,482,579	287,192,683	1,094,201,157	1,601,126,419
Balance at 1 January 2022	133,250,000	86,482,579	286,762,218	997,591,989	1,504,086,786
Revaluation surplus realised on depreciation	-	-	(1,870,739)	1,870,739	-
Profit for the period	-	-	-	418,869,595	418,869,595
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	418,869,595	418,869,595
Dividend	-	-	-	(266,500,000)	(266,500,000)
Balance at 30 September 2022	133,250,000	86,482,579	284,891,479	1,151,832,323	1,656,456,381

GAMMA CIVIC LTD
ABRIDGED UNAUDITED FINANCIAL STATEMENTS
FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2023
STATEMENTS OF CASH FLOWS

	Group		Company	
	Nine months ended 30-Sep-23 Rs Unaudited	Nine months ended 30-Sep-22 Rs Unaudited	Nine months ended 30-Sep-23 Rs Unaudited	Nine months ended 30-Sep-22 Rs Unaudited
Net cash flows generated from operating activities	413,752,171	541,922,311	423,806,058	393,216,257
Net cash flows (used in)/generated from investing activities	(68,431,701)	(265,697,217)	27,138,185	(369,656,013)
Net cash flows used in financing activities	(441,074,974)	(485,819,113)	(413,233,532)	(269,318,317)
Net (decrease)/increase in cash and cash equivalents	(95,754,504)	(209,594,019)	37,710,711	(245,758,073)
Net foreign exchange differences	4,537,211	4,178,620	6,804,584	(4,509,120)
Cash and cash equivalents at 1 January	894,897,770	1,107,776,199	429,932,509	650,372,279
Cash and cash equivalents at 30 September	803,680,477	902,360,800	474,447,804	400,105,086

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FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2023
GROUP SEGMENT INFORMATION

(a) Segment

30 September 2023

	<u>Building Materials</u> Rs	<u>Contracting</u> Rs	<u>Investments</u> Rs	<u>Lottery</u> Rs	<u>Corporate Services and Others</u> Rs	<u>Eliminations</u> Rs	<u>Total</u> Rs
Revenue	<u>1,838,427,804</u>	<u>1,818,302,282</u>	<u>22,027,146</u>	<u>1,120,574,566</u>	<u>454,503,740</u>	<u>(445,395,440)</u>	<u>4,808,440,098</u>
Operating profit	<u>24,753,141</u>	<u>50,907,314</u>	<u>10,924,766</u>	<u>143,255,639</u>	<u>325,333,451</u>	<u>(311,248,903)</u>	<u>243,925,408</u>

30 September 2022

	<u>Building Materials</u> Rs	<u>Contracting</u> Rs	<u>Investments</u> Rs	<u>Lottery</u> Rs	<u>Corporate Services and Others</u> Rs	<u>Eliminations</u> Rs	<u>Total</u> Rs
Revenue	<u>1,794,811,473</u>	<u>1,183,699,777</u>	<u>5,273,117</u>	<u>1,064,544,886</u>	<u>874,157,313</u>	<u>(891,419,244)</u>	<u>4,031,067,322</u>
Operating profit/(loss)	<u>148,587,851</u>	<u>38,986,109</u>	<u>(8,597,385)</u>	<u>140,949,977</u>	<u>332,584,210</u>	<u>(375,875,506)</u>	<u>276,635,256</u>

(b) Geographical

The below provides an analysis of the Group's revenue and total assets by geographical markets.

	<u>Revenue</u>		<u>Total Assets</u>	
	<u>Nine months ended 30-Sep-23 Rs</u>	<u>Nine months ended 30-Sep-22 Rs</u>	<u>30-Sep-23 Rs</u>	<u>30-Sep-22 Rs</u>
Mauritius	<u>4,597,201,972</u>	3,668,816,527	<u>8,430,185,164</u>	7,250,575,605
Madagascar	<u>211,238,126</u>	362,250,795	<u>168,387,882</u>	320,969,438
	<u>4,808,440,098</u>	<u>4,031,067,322</u>	<u>8,598,573,046</u>	<u>7,571,545,043</u>

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COMMENTS

For the nine months ended 30 September 2023, the Group reported a profit after tax of Rs270M (Sep 2022: Rs274M) whilst the Company reported a profit after tax of Rs273M (Sep 2022: Rs419M).

Earnings per share

The calculation of earnings per share (“EPS”) is based on the profit attributable to the owners of the Company of Rs235,205,197 (Sep 2022: Rs211,635,635) and the number of the shares in issue of 133,250,000 (Sep 2022: 133,250,000).

Dividend

A final dividend of Rs1.75 per share (Sep 2022: Rs1.50 per share) was declared on 31 March 2023 and paid in May 2023 in respect of the financial year ended 31 December 2022.

An interim dividend of Rs0.50 per share (Sep 2022: Rs0.50 per share) was declared on 31 July 2023 and paid in September 2023 in respect of the financial year ending 31 December 2023.

Segmental Review and Outlook

General

The increase in revenue by Rs777M for the nine months ended 30 September 2023 compared to the corresponding prior period is attributable to increased activities across all the business segments of the Group.

Operating profit for the nine months ended 30 September 2023 stood at Rs244M (Sep 2022: Rs277M). The lower result is mainly driven by a drop in performance in the Building Materials segment which is impacted by price control. This is offset by better performance from the other segments and from our associates and joint ventures, which altogether mitigated the adverse impact from the Building Materials segment.

This translated into a profit after tax for the period amounting to Rs270M, nearly at par with the corresponding prior period of Rs274M. The Group reported an 11% increase in its EPS for the nine months ended 30 September 2023 of Rs1.77 (Sep 2022: Rs1.59).

The recent tensions in the Middle East may give rise to difficult economic conditions including high inflation and supply chain complications. The Board is monitoring the situation to ensure operational and financial resilience.

Building Materials Segment

The cement price control introduced in February 2023 continues to negatively affect the results of this segment and the cement industry in Mauritius. The management team is engaged with the authorities and its advisors to find acceptable solutions to remedy the situation. Our subsidiary in Madagascar was severely impacted by difficult market trading conditions. The segment reported an operating profit of Rs25M for the period, down from Rs149M last year.

Contracting Segment

Although revenue for the segment increased by 54% to Rs1,818M, the operating profit increased by only Rs12M to Rs51M compared to the corresponding prior period due to competition in the market which is driving margins down.

Investment Segment

The companies in this segment hold assets that are classified as Investment Properties (Non-current Assets) in the Statement of Financial Position. The operating profit for the current period is attributable to rental income from Burford House investment property which commenced a new 7-year lease in March 2023 and bringing occupancy at 100%.

Lottery Segment

The Lottery segment performed slightly better than the corresponding prior period due to the redesign of the Loto Vert game. A new game ‘Loto+’ was introduced on 19 October 2023 to enhance user experience.

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COMMENTS (CONT'D)

Associates and Joint Ventures

Gamma Materials Ltd, a joint-venture entity engaged in the building materials sector, posted better results for the nine months ended 30 September 2023 compared to the corresponding prior period.

Morning Light Co. Ltd, an associate entity engaged in the hospitality sector, reported a loss for the period ended 30 September 2023 as the company's Hilton hotel closed on 15 April for a major renovation. The hotel re-opened on the 01st of November 2023 to coincide with the high season.

Jasiri Investment Ltd, an associate company engaged through its subsidiaries in the financial services industry, reported better profit for the nine months ended 30 June 2023 compared to the corresponding prior period.

LudWin Group SAS, a foreign joint-venture entity engaged in providing software and technology to lottery operators in Africa, reported a profit during this current period. During the third quarter, the Group acquired additional interests in LudWin Group SAS from 19.99% to 51% by exercising its rights to convert a debt into shares.

Others

The abridged financial statements for the quarter and nine months ended 30 September 2023 are unaudited. The accounting policies and standards used in the preparation of these abridged unaudited financial statements are consistent with those used in the audited financial statements for the year ended 31 December 2022, except for relevant amendments to published 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 financial statements are available, free of charge, upon request made to the Company Secretary, at the registered office of the Company, Royal Road, Chapman Hill, Beau Bassin, or can be viewed on the Company's website www.gamma.mu.

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, at the registered office of the Company.

By Order of the Board

Gamma Corporate Services Ltd
Company Secretary

10 November 2023

These abridged unaudited financial statements are issued pursuant to Listing Rule 12.20 and Rule 8 of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007.

The Board of Directors of Gamma Civic Ltd accepts full responsibility for the accuracy of the information contained in these abridged unaudited financial statements.

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