



SEMARIS LTD UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER AND SEMESTER ENDED 31 DECEMBER 2020

GROUP ABRIDGED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | Semester ended 31 December 2020 Rs '000 | Semester ended 31 December 2019 Rs '000 | Quarter ended 31 December 2020 Rs '000 | Quarter ended 31 December 2019 Rs '000 | Nine-month period ended 30 June 2020 Rs '000 |
|---|--|--|---|---|--|
| Revenue | 686,232 | 119,895 | 686,232 | 119,895 | 176,543 |
| Operating expenses | (519,851) | (144,612) | (507,633) | (134,541) | (210,617) |
| Staff costs | (21,642) | (13,435) | (11,072) | (13,325) | (30,416) |
| Earning/(loss) from operating activities | 144,739 | (38,152) | 167,527 | (27,971) | (64,490) |
| Operating income | 37,575 | 9,214 | 29,699 | 9,214 | 54,049 |
| Net impairment losses on financial assets | - | - | - | - | (552) |
| NORMALISED EBITDA | 182,314 | (28,938) | 197,226 | (18,757) | (10,993) |
| Other impairment losses | - | - | - | - | (457,003) |
| Fair value movement in investment property | - | - | - | - | (205,353) |
| Gain on bargain purchase | - | 127,530 | - | - | - |
| EBITDA | 182,314 | 98,592 | 197,226 | (18,757) | (673,349) |
| Finance costs | (70,065) | (32,943) | (45,868) | (25,592) | (81,568) |
| Finance revenue | - | - | - | - | 295 |
| Finance costs on lease liabilities | (4,681) | - | (2,385) | - | (6,498) |
| Depreciation and amortisation | (13,052) | (4,671) | (6,584) | (4,671) | (24,308) |
| Profit/(loss) before tax | 94,516 | 60,978 | 142,389 | (49,020) | (785,428) |
| Income tax | (4,335) | - | (4,335) | - | 2,195 |
| Profit/(loss) for the semester/ quarter/ period | 90,181 | 60,978 | 138,054 | (49,020) | (783,233) |
| Other comprehensive income: | | | | | |
| <i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods:</i> | | | | | |
| Exchange differences on translation of foreign operations | 183,166 | 26,124 | 47,266 | 27,001 | 254,127 |
| Other comprehensive income for the semester/quarter/period | 183,166 | 26,124 | 47,266 | 27,001 | 254,127 |
| Total comprehensive income/(loss) for the semester/quarter/period | 273,347 | 87,102 | 185,320 | (22,019) | (529,106) |
| Basic and diluted earnings/(loss) per share (Rs) | 0.16 | 0.11 | 0.25 | (0.04) | (1.43) |

SEGMENTAL REPORTING:

| Profit/(loss) before tax for the semester/quarter/period: | | | | | |
|---|---------------|----------|----------------|----------|-----------|
| Morocco | 178,228 | 108,726 | 194,812 | (18,804) | (687,954) |
| Mauritius | (62,026) | (44,264) | (37,351) | (26,732) | (73,080) |
| Seychelles | (21,686) | (3,484) | (15,072) | (3,484) | (24,394) |
| | 94,516 | 60,978 | 142,388 | (49,020) | (785,428) |

GROUP ABRIDGED STATEMENT OF FINANCIAL POSITION

| | Semester ended 31 December 2020 Rs '000 | Semester ended 31 December 2019 Rs '000 | Period ended 30 June 2020 Rs '000 |
|---|--|--|--|
| ASSETS | | | |
| Non-current assets | | | |
| Property and equipment | 462,152 | 141,154 | 452,607 |
| Right-of-use assets | 521,314 | 107,760 | 538,966 |
| Investment in subsidiaries | - | - | - |
| Investment property | 811,448 | 1,556,229 | 756,718 |
| Intangible assets | 1,293 | 445,742 | 1,442 |
| Deferred tax assets | 3,031 | - | 3,029 |
| Financial assets at amortised cost | 402,986 | - | 332,634 |
| | 2,202,224 | 2,250,885 | 2,085,396 |
| Current assets | | | |
| Inventories | 3,484,670 | 3,573,536 | 3,771,080 |
| Trade and other receivables | 1,132,477 | 452,497 | 410,013 |
| Financial assets at amortised cost | 35,661 | 371,246 | 37,954 |
| Prepayments | 23,239 | 24,810 | 20,555 |
| Cash in hand and at banks | 105,315 | 97,068 | 159,591 |
| | 4,781,362 | 4,519,157 | 4,399,193 |
| TOTAL ASSETS | 6,983,586 | 6,770,042 | 6,484,589 |
| EQUITY AND LIABILITIES | | | |
| Shareholders' interests | 3,439,294 | 3,673,037 | 3,165,947 |
| Non-current liabilities excluding lease liabilities | 1,286,845 | 2,208,830 | 2,168,250 |
| Lease liabilities | 100,495 | 113,585 | 100,309 |
| Current liabilities | 2,156,952 | 774,590 | 1,050,083 |
| TOTAL EQUITY AND LIABILITIES | 6,983,586 | 6,770,042 | 6,484,589 |

GROUP ABRIDGED STATEMENT OF CHANGES IN EQUITY

| | Stated capital Rs '000 | (Revenue deficit)/retained earnings Rs '000 | Foreign exchange difference reserves Rs '000 | Total equity Rs '000 |
|---|---------------------------|--|---|-------------------------|
| Balance at 1 July 2019 | 1 | (9,065) | - | (9,064) |
| Issue of shares | 3,594,999 | - | - | 3,594,999 |
| Profit for the semester | - | 60,978 | - | 60,978 |
| Other comprehensive income | - | - | 26,124 | 26,124 |
| Total comprehensive income for the semester | - | 60,978 | 26,124 | 87,102 |
| Balance as at 31 December 2019 | 3,595,000 | 51,913 | 26,124 | 3,673,037 |
| Balance at 1 July 2020 | 3,595,000 | (682,302) | 253,249 | 3,165,947 |
| Profit for the semester | - | 90,181 | - | 90,181 |
| Other comprehensive income | - | - | 183,166 | 183,166 |
| Total comprehensive income for the semester | - | 90,181 | 183,166 | 273,347 |
| Balance as at 31 December 2020 | 3,595,000 | (592,121) | 436,415 | 3,439,294 |

GROUP ABRIDGED STATEMENT OF CHANGES IN EQUITY

| | Semester ended 31 December 2020 Rs '000 | Semester ended 31 December 2019 Rs '000 | Nine months period ended 30 June 2020 Rs '000 |
|--|--|--|---|
| Net cash flows used in operating activities | (36,166) | (825,088) | (18,736) |
| Net cash flows (used in)/generated from investing activities | (1,367) | 30,219 | (4,053) |
| Net cash flows (used in)/generated from financing activities | (22,365) | 891,815 | 37,782 |
| Net (decrease)/increase in cash and cash equivalents | (59,898) | 96,946 | 14,993 |
| Cash and cash equivalents at 1 July, | 148,586 | - | 130,521 |
| Net foreign exchange differences | 3,301 | 153 | 3,072 |
| Cash and cash equivalents at end of the semester/period | 91,989 | 97,099 | 148,586 |

COMMENTS

FINANCIAL PERFORMANCE FOR THE QUARTER ENDED 31 DECEMBER 2020

Domaine Palm Marrakech S.A., our Moroccan entity being the only subsidiary of the Group which is currently cash generating, posted a turnover of Rs 686m for the quarter due to the finalisation of the sale of four prime plots of land overlooking our golf course and the delivery of five villas.

The Group's EBITDA for the quarter stood at Rs 197m compared to a negative EBITDA of Rs 15m for the previous quarter.

A finance cost of Rs 46m was incurred in the quarter. It is recurring and mostly linked to the purchase of land at Les Salines, Black River.

The Group posted an improved Group profit after tax of Rs 91m compared to a loss of Rs 48m in the previous quarter.

OUTLOOK

In **Morocco**, with the start of the COVID-19 vaccination programme at the beginning of February 2021, coupled with increasing marketing campaigns in our target markets, more sales of villas are expected to materialise during the next semester.

In **Mauritius**, we are still waiting for the ruling from the Environment and Land Use Tribunal in order to launch our PDS project at Les Salines, Black River.

In **Seychelles**, negotiations are ongoing with the relevant authorities concerning our project in Praslin.

The unaudited interim financial statements for the second quarter and semester ended 31 December 2020 are issued pursuant to DEM Rule 18 and Section 88 of the Securities Act 2005.

The statement of direct and indirect interests of Directors and Senior Officers pursuant to section 8(2)(m) Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available free of charge at the registered office of the Company, Beachcomber House, Botanical Garden Street, Curepipe. Copies of this report are available free of charge at the head office of the Company.

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

8 February 2021