

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	943,524	6,290,162
Total comprehensive income/(loss) for the period	-	-	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.