

GAMMA CIVIC LTD
ABRIDGED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	GROUP		COMPANY	
	2023	2022	2023	2022
	Rs Audited	Rs Audited	Rs Audited	Rs Audited
Revenue	6,696,920,258	5,552,968,964	503,475,320	639,049,692
Operating profit	323,247,279	346,953,121	318,894,687	443,890,338
Net impairment reversal/(charge) on financial and contract assets	67,317,634	(51,259,057)	-	-
Fair value gain on investment properties	2,119,860	126,076,823	-	-
Finance costs	(134,632,417)	(102,824,615)	(73,012,027)	(54,115,204)
Share of profits of associates and joint ventures	259,084,682	225,816,734	-	-
Profit before taxation	517,137,038	544,763,006	245,882,660	389,775,134
Taxation	(74,215,202)	(63,978,309)	(11,702,301)	(3,876,046)
Profit for the year	442,921,836	480,784,697	234,180,359	385,899,088
Other comprehensive income for the year	71,380,558	32,716,140	16,664,787	4,650,224
Total comprehensive income for the year	514,302,394	513,500,837	250,845,146	390,549,312
Profit attributable to:				
-Owners of the company	378,569,554	412,623,311	234,180,359	385,899,088
-Non-controlling interests	64,352,282	68,161,386	-	-
	442,921,836	480,784,697	234,180,359	385,899,088
Total comprehensive income attributable to:				
-Owners of the company	443,351,106	434,277,689	250,845,146	390,549,312
-Non-controlling interests	70,951,288	79,223,148	-	-
	514,302,394	513,500,837	250,845,146	390,549,312
Number of shares in issue	133,250,000	133,250,000		
Dividend per share	2.25	2.00		
Earnings per share (basic and diluted)	2.84	3.10		

GAMMA CIVIC LTD
ABRIDGED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

STATEMENTS OF FINANCIAL POSITION

	GROUP		COMPANY	
	2023 Rs Audited	2022 Rs Audited	2023 Rs Audited	2022 Rs Audited
ASSETS				
Non-current assets	5,517,920,250	5,156,446,931	2,437,874,637	2,197,974,403
Current assets	3,103,678,786	2,689,367,837	881,896,335	1,051,908,393
Total assets	8,621,599,036	7,845,814,768	3,319,770,972	3,249,882,796
EQUITY AND LIABILITIES				
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	3,593,159,163	3,469,716,188	1,359,436,165	1,408,403,519
Equity attributable to owners of the company	3,812,891,742	3,689,448,767	1,579,168,744	1,628,136,098
Non-controlling interests	183,033,605	182,739,198	-	-
Total equity	3,995,925,347	3,872,187,965	1,579,168,744	1,628,136,098
Non-current liabilities	1,810,612,204	1,919,390,156	1,193,122,012	1,272,963,601
Current liabilities	2,815,061,485	2,054,236,647	547,480,216	348,783,097
Total equity and liabilities	8,621,599,036	7,845,814,768	3,319,770,972	3,249,882,796

GAMMA CIVIC LTD
ABRIDGED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

GROUP STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Share Premium	Revaluation Reserve	Foreign Currency Translation Reserves	Retained Earnings	Attributable to Owners of the Parent	Non-Controlling Interests	Total
	Rs Audited	Rs Audited	Rs Audited	Rs Audited	Rs Audited	Rs Audited	Rs Audited	Rs Audited
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 of associates and joint ventures realised on depreciation of property	-	-	(4,111,205)	-	4,111,205	-	-	-
Revaluation surplus realised on disposal of property and on depreciation	-	-	(10,523,319)	-	10,523,319	-	-	-
Profit for the year	-	-	-	-	378,569,554	378,569,554	64,352,282	442,921,836
Other comprehensive income/(loss) for the year	-	-	84,817,605	6,451,931	(26,487,984)	64,781,552	6,599,006	71,380,558
Total comprehensive income for the year	-	-	84,817,605	6,451,931	352,081,570	443,351,106	70,951,288	514,302,394
Change in ownership 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)	(87,258,762)	(387,071,262)
Balance at 31 December 2023	133,250,000	86,482,579	526,975,036	65,222,350	3,000,961,777	3,812,891,742	183,033,605	3,995,925,347
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 of associates and joint ventures realised on depreciation of property	-	-	(3,662,190)	-	3,662,190	-	-	-
Revaluation surplus realised on depreciation of property	-	-	(6,628,678)	-	6,628,678	-	-	-
Profit for the year	-	-	-	-	412,623,311	412,623,311	68,161,386	480,784,697
Other comprehensive income/(loss) for the year	-	-	25,460,936	5,426,752	(9,233,310)	21,654,378	11,061,762	32,716,140
Total comprehensive income for the year	-	-	25,460,936	5,426,752	403,390,001	434,277,689	79,223,148	513,500,837
Change in ownership without loss of control	-	-	-	-	597,356	597,356	(725,641)	(128,285)
Dividend	-	-	-	-	(266,500,000)	(266,500,000)	(86,404,370)	(352,904,370)
Balance at 31 December 2022	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

GAMMA CIVIC LTD
ABRIDGED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

COMPANY STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total
	Rs	Rs	Rs	Rs	Rs
	Audited	Audited	Audited	Audited	Audited
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	-	-	(2,124,607)	2,124,607	-
Profit for the year	-	-	-	234,180,359	234,180,359
Other comprehensive income/(loss) for the year	-	-	17,144,527	(479,740)	16,664,787
Total comprehensive income for the year	-	-	17,144,527	233,700,619	250,845,146
Dividend	-	-	-	(299,812,500)	(299,812,500)
Balance at 31 December 2023	133,250,000	86,482,579	304,034,588	1,055,401,577	1,579,168,744
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 disposal of property and on depreciation	-	-	(2,429,314)	2,429,314	-
Profit for the year	-	-	-	385,899,088	385,899,088
Other comprehensive income for the year	-	-	4,681,764	(31,540)	4,650,224
Total comprehensive income for the year	-	-	4,681,764	385,867,548	390,549,312
Dividend	-	-	-	(266,500,000)	(266,500,000)
Balance at 31 December 2022	133,250,000	86,482,579	289,014,668	1,119,388,851	1,628,136,098

GAMMA CIVIC LTD
ABRIDGED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

STATEMENTS OF CASH FLOWS

	GROUP		COMPANY	
	2023	2022	2023	2022
	Rs Audited	Rs Audited	Rs Audited	Rs Audited
Net cash flows generated from operating activities	854,645,833	597,609,300	507,294,020	432,304,062
Net cash flows (used in)/from investing activities	(142,194,465)	(363,185,042)	15,890,298	(362,940,623)
Net cash flows used in financing activities	(705,981,458)	(458,923,388)	(385,330,110)	(284,329,403)
Net increase/(decrease) in cash and cash equivalents	6,469,910	(224,499,130)	137,854,208	(214,965,964)
Net foreign exchange differences	(9,928,755)	11,620,701	6,010,729	(5,473,806)
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 31 December	891,438,925	894,897,770	573,797,446	429,932,509

GROUP SEGMENT INFORMATION

(a) Segment

31 December 2023	Building Materials Rs	Contracting Rs	Property Rs	Lottery Rs	Corporate Services and Others Rs	Eliminations Rs	Total Rs
Revenue	<u>2,515,096,117</u>	<u>2,615,109,276</u>	<u>31,434,701</u>	<u>1,519,831,742</u>	<u>778,559,500</u>	<u>(763,111,078)</u>	<u>6,696,920,258</u>
Operating profit	<u>81,534,225</u>	<u>63,661,725</u>	<u>16,512,418</u>	<u>190,487,494</u>	<u>307,826,261</u>	<u>(336,774,844)</u>	<u>323,247,279</u>
31 December 2022	Building Materials Rs	Contracting Rs	Property Rs	Lottery Rs	Corporate Services and Others Rs	Eliminations Rs	Total Rs
Revenue	<u>2,440,725,447</u>	<u>1,612,456,511</u>	<u>7,162,007</u>	<u>1,478,888,644</u>	<u>939,289,895</u>	<u>(925,553,540)</u>	<u>5,552,968,964</u>
Operating profit	<u>92,317,873</u>	<u>75,847,223</u>	<u>32,514,105</u>	<u>192,178,266</u>	<u>308,699,738</u>	<u>(354,604,084)</u>	<u>346,953,121</u>

(b) Geographical

The below represents revenue and total assets based of geographical locations.

	Revenue		Total Assets	
	2023	2022	2023	2022
	Rs	Rs	Rs	Rs
Mauritius	6,426,856,977	5,062,584,261	8,263,247,178	7,592,716,195
Madagascar	270,063,281	490,384,703	105,001,324	179,324,561
Rest of Africa	-	-	253,350,534	73,774,012
	6,696,920,258	5,552,968,964	8,621,599,036	7,845,814,768

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ABRIDGED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

COMMENTS

For the year ended 31 December 2023, the Group reported a profit after tax of Rs443M (Dec 2022: Rs481M) and the Company reported a profit after tax of Rs234M (Dec 2022: Rs386M).

Earnings per share

The calculation of earnings per share is based on the profit attributable to the owners of the company of Rs378,569,554 (2022: Rs412,623,311) and the number of shares in issue of 133,250,000 (2022: 133,250,000).

Dividend

A final dividend of Rs1.75 per share (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 (2022: Rs0.50 per share) was declared on 31 July 2023 and paid in September 2023 in respect of the financial year ended 31 December 2023.

Segmental Review and Outlook

General

The increase in revenue by Rs1,144M for the year ended 31 December 2023 compared to last year is attributable to increased activities across all the business segments of the Group.

The Group's operating profit for the year ended 31 December 2023 stood at R323M (Dec 2022: Rs347M). The Group's operating profit margin was lower compared to last year due higher prices of raw materials and price control in the Building Materials segment.

This resulted in an 8% decrease in profit for the year ended 31 December 2023 to Rs443M (Dec 2022: Rs481M). Consequently, EPS decreased by 7% to Rs2.84 for the year ended 31 December 2023 (Dec 2022: Rs3.10).

In February 2024, the Group acquired an industrial cement business in Madagascar together with its strategic cement partner. The acquisition is in line with the Group's strategy to expand geographically and to strengthen its position as a key cement industry player in the region.

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 Malagasy subsidiary was severely impacted by difficult market trading conditions during the year. The segment nonetheless reported an operating profit of Rs85M for the year, down from Rs92M last year.

Contracting Segment

Although revenue for the segment increased by 62% to Rs2,615M, the operating profit decreased by Rs12M to Rs64M compared to last year due to competition in the market which is driving margins down.

Lottery Segment

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

Property 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 year is attributable mainly to rental income from its office building in Ebène which commenced a new 7-year lease in March 2023 and bringing occupancy at 100%.

Associates and Joint Ventures

Morning Light Co. Ltd, an associate entity engaged in the hospitality sector, reported a loss for the year ended 31 December 2023 as the company's Hilton hotel closed on 15 April 2023 for a major renovation. The hotel re-opened on 1 November 2023 to coincide with the high season and performed well in the last two months of the year.

Jasiri Investment Ltd, an associate company engaged through its subsidiaries in the financial services industry, reported better profit for the year ended 31 December 2023 compared to last year.

GAMMA CIVIC LTD
ABRIDGED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

Associates and Joint Ventures (continued)

Gamma Materials Ltd, a joint-venture entity engaged in the building materials sector, posted better results for the year ended 31 December 2023 compared to last year.

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 year. 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 audited financial statements for the year ended 31 December 2023 have been extracted from the annual financial statements of the Group and Company which have been prepared in accordance with the Mauritius Companies Act 2001 and the Financial Reporting Act 2004 and comply with International Financial Reporting Standards ("IFRS"), taking into consideration all revised International Accounting Standards and new IFRS effective for accounting periods beginning on 1 January 2023. The independent auditor's report on the financial statements is unqualified.

Copies of the above abridged audited 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

28 March 2024

These abridged audited financial statements are issued pursuant to Listing Rule 12.14.

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

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BRN: C06001228