

KOLOS CEMENT LTD
ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2024

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	30 September 2024	31 December 2023
	MUR	MUR
	Unaudited	Audited
ASSETS		
Non-current assets	934,115,499	844,459,930
Current assets	646,522,604	683,382,239
Total assets	1,580,638,103	1,527,842,169

EQUITY AND LIABILITIES

Capital and reserves		
Stated capital	270,000,000	270,000,000
Revaluation reserve	144,526,711	151,417,776
Translation Reserve	4,919,444	26,713,640
Retained Earnings/ (Accumulated losses)	89,708,563	(62,737,489)
Total equity	509,154,718	385,393,927
Non-current liabilities	251,436,503	261,939,902
Current liabilities	820,046,882	880,508,340
Total liabilities	1,071,483,385	1,142,448,242
Total equity and liabilities	1,580,638,103	1,527,842,169

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter Ended 30 September 2024	Quarter Ended 30 September 2023	Nine Months Ended 30 September 2024	Nine Months Ended 30 September 2023
	MUR	MUR	MUR	MUR
	Unaudited	Unaudited	Unaudited	Unaudited
Continuing Operations				
Revenue	720,325,889	600,755,546	1,845,731,401	1,624,885,142
Operating profit before impairment loss	69,378,819	65,086,506	191,595,055	92,629,917
(Impairment loss)/reversal of impairment loss on receivables	(578,680)	110,993	(1,009,209)	495,706
Operating profit	68,800,139	65,197,499	190,585,846	93,125,623
Finance costs	(8,853,752)	(9,400,111)	(64,237,557)	(23,374,427)
Profit before taxation	59,946,387	55,797,388	126,348,289	69,751,196
Income tax expense	(15,234,948)	(11,036,855)	(36,143,256)	(15,396,289)
Profit for the period from continuing operations	44,711,439	44,760,533	90,205,033	54,354,907
Discontinued Operations				
Loss from discontinued operations	-	(26,186,632)	(8,696,300)	(92,450,589)
Profit on disposal of subsidiary	-	-	217,946,254	-
Profit/(loss) for the period	44,711,439	18,573,901	299,454,987	(38,095,682)
Other comprehensive income/(loss)	1,420,433	(7,684,628)	(21,794,196)	(1,394,466)
Total comprehensive income for the period	46,131,872	10,889,273	277,660,791	(39,490,148)
Profit/(loss) attributable to:				
Owners of the parent	44,711,439	19,637,160	299,454,987	(28,154,274)
Non-controlling interests	-	(1,063,259)	-	(9,941,407)
Total comprehensive income attributable to:	44,711,439	18,573,901	299,454,987	(38,095,681)
Owners of the parent	46,131,872	12,917,119	277,660,791	(29,527,679)
Non-controlling interests	-	(2,027,846)	-	(9,962,469)
46,131,872	10,889,273	277,660,791	(39,490,148)	
Earnings/(loss) per share				
Basic and diluted	1.66	0.73	11.09	(1.04)
Earnings per share for continuing operations				
Basic and diluted	1.66	1.66	3.34	2.01

Group Segmental Information	Revenue		Non-Current Assets	
	Nine Months Ended 30 September 2024	Nine Months Ended 30 September 2023	30 September 2024	30 September 2023
	MUR	MUR	MUR	MUR
Mauritius	1,845,731,401	1,624,885,142	934,115,499	752,546,979
Madagascar (discontinued operations)	14,100,621	211,238,126	-	52,737,906
	1,859,832,022	1,836,123,268	934,115,500	805,284,885

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Stated Capital	Revaluation Reserve	Translation Reserve	(Accumulated Losses)/ Retained Earnings	Non Controlling Interests	Total Equity
	MUR	MUR	MUR	MUR	MUR	MUR
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
At 1 January 2023 (Audited)	270,000,000	137,374,995	8,420,118	(11,149,256)	(13,129,371)	391,516,486
Loss for the period	-	-	-	(28,154,274)	(9,941,407)	(38,095,681)
Other comprehensive loss for the period	-	-	(1,373,404)	-	(21,062)	(1,394,466)
Total comprehensive loss for the period	-	-	(1,373,404)	(28,154,274)	(9,962,469)	(39,490,147)
Transactions with owners	-	-	1,588,453	(28,150,196)	23,091,840	(3,469,003)
Dividends	-	-	-	(47,790,000)	-	(47,790,000)
At 30 September 2023	270,000,000	137,374,995	8,635,167	(115,243,726)	-	300,766,436
At 1 January 2024 (Audited)	270,000,000	151,417,776	26,713,640	(62,737,489)	-	385,393,927
Revaluation surplus realised on depreciation	-	(6,891,065)	-	6,891,065	-	-
Profit for the period	-	-	-	299,454,987	-	299,454,987
Other comprehensive loss for the period	-	-	(21,794,196)	-	-	(21,794,196)
Total comprehensive (loss)/income for the period	-	(6,891,065)	(21,794,196)	306,346,052	-	277,660,791
Dividends	-	-	-	(153,900,000)	-	(153,900,000)
At 30 September 2024	270,000,000	144,526,711	4,919,444	89,708,563	-	509,154,718

CONSOLIDATED STATEMENTS OF CASH FLOWS

	30 September 2024	30 September 2023
	MUR	MUR
	Unaudited	Unaudited
Net cash generated from operating activities	190,941,923	8,394,065
Net cash used in investing activities	(30,200,105)	(39,878,348)
Net cash used in financing activities	118,504,014	(95,453,205)
Net increase/(decrease) in cash and cash equivalents	279,245,831	(126,937,488)
Net foreign exchange differences	4,293,961	2,560,227
Cash and cash equivalents at start of the period	(313,978,635)	(66,763,816)
Cash and cash equivalents at end of the period	(30,438,843)	(191,141,077)

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 nine months ended 30 September 2024 amounted to MUR 1,845.7 M (September 2023: MUR 1,624.9 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, inflation and increase in energy prices.

The finance costs amounted to MUR 64.3 M for the nine months ended 30 September 2024 (September 2023: 23.4 M) and this increase is driven mainly by the discounting of a long term receivable.

Following a reorganisation, the Group disposed of its Malagasy subsidiary in May 2024. A one-off profit of MUR 217.9 M arising from the disposal was recognised in the consolidated financial statements and was recorded within Discontinued Operations.

Profit after tax from continuing operations stood at MUR 90.2 M for the nine months ended 30 September 2024, compared to a profit of MUR 54.4 M in the corresponding prior period.

Management continues to engage with the authorities to find solutions to address the adverse impact of price controls on the cement industry. Despite the challenging circumstances, the Group remains focused in ensuring the quality of its products and in serving the best interests of its customers.

Earnings per share

The calculation of earnings per share is based on the profit attributable to the owners of the Company of MUR 299.5 M (September 2023: loss MUR 28.2 M) and the number of shares in issue of 27,000,000 (September 2023: 27,000,000).

Dividend

A final dividend of MUR 3.30 per share (June 2023 : MUR 1.77 per share) was declared on 25 March 2024 and paid in May 2024 in respect of the financial year ended 31 December 2023.

An interim dividend of MUR 2.40 per share (September 2023: nil) has been declared on 26 July 2024 and paid in September 2024 in respect of the financial year ending 31 December 2024.

Other

The abridged consolidated financial statements for the quarter and nine months ended 30 September 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.

By order of the Board

Gamma Corporate Services Ltd
Company Secretary

01 November 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.