

## ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	31 December 2020 MUR Audited	31 December 2019 MUR Audited
<b>ASSETS</b>		
Non-current assets	716,068,123	645,602,040
Current assets	277,448,119	247,051,364
<b>Total assets</b>	<b>993,516,242</b>	<b>892,653,404</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Stated capital	270,000,000	270,000,000
Revaluation reserve	114,703,751	101,973,330
Retained earnings	158,841,138	95,443,933
<b>Total equity</b>	<b>543,544,889</b>	<b>467,417,263</b>
Non-current liabilities	234,152,712	177,148,067
Current liabilities	215,818,641	248,088,074
<b>Total liabilities</b>	<b>449,971,353</b>	<b>425,236,141</b>
<b>Total equity and liabilities</b>	<b>993,516,242</b>	<b>892,653,404</b>

### CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2020 MUR Audited	2019 MUR Audited
<b>Revenue</b>	<b>1,388,706,434</b>	<b>1,477,424,772</b>
Expected credit gain/(loss) on receivables	1,689,075	(515,262)
<b>Operating profit</b>	<b>198,410,101</b>	<b>230,296,837</b>
Net finance costs	(20,389,400)	(16,257,957)
<b>Profit before taxation</b>	<b>178,020,701</b>	<b>214,038,880</b>
Income tax expense	(32,965,586)	(38,360,951)
<b>Profit for the year</b>	<b>145,055,115</b>	<b>175,677,929</b>
Other comprehensive income - net of Tax	14,772,511	11,953,851
<b>Total comprehensive income</b>	<b>159,827,626</b>	<b>187,631,780</b>
<b>Earnings per share</b>	<b>5.37</b>	<b>6.51</b>

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Stated Capital MUR Audited	Revaluation Reserve MUR Audited	Retained Earnings MUR Audited	Total Equity MUR Audited
<b>At 1 January 2019</b>	270,000,000	92,675,877	119,609,606	482,285,483
Profit for the year	-	-	175,677,929	175,677,929
Transfer of depreciation for building	-	(3,536,594)	3,536,594	-
Gain on revaluation of building	-	15,462,707	-	15,462,707
Deferred tax effect on gain on revaluation of building	-	(2,628,660)	-	(2,628,660)
Remeasurement loss on employee benefit obligations	-	-	(1,060,477)	(1,060,477)
Deferred tax effect on remeasurement loss on employee benefit obligations	-	-	180,281	180,281
Other comprehensive income/(loss) for the year	-	12,834,047	(880,196)	11,953,851
Total comprehensive income for the year	-	9,297,453	178,334,327	187,631,780
Transactions with owners				
Dividends	-	-	(202,500,000)	(202,500,000)
<b>At 31 December 2019</b>	<b>270,000,000</b>	<b>101,973,330</b>	<b>95,443,933</b>	<b>467,417,263</b>
<b>At 1 January 2020</b>	270,000,000	101,973,330	95,443,933	467,417,263
Profit for the year	-	-	145,055,115	145,055,115
Realised on depreciation of building	-	(3,223,080)	3,223,080	-
Gain on revaluation of building	-	19,221,086	-	19,221,086
Deferred tax effect on gain on revaluation of building	-	(3,267,585)	-	(3,267,585)
Remeasurement loss on employee benefit obligations	-	-	(1,422,879)	(1,422,879)
Deferred tax effect on remeasurement loss on employee benefit obligations	-	-	241,889	241,889
Other comprehensive income/(loss) for the year	-	15,953,501	(1,180,990)	14,772,511
Total comprehensive income for the year	-	12,730,421	147,097,205	159,827,626
Transactions with owners				
Dividends	-	-	(83,700,000)	(83,700,000)
<b>At 31 December 2020</b>	<b>270,000,000</b>	<b>114,703,751</b>	<b>158,841,138</b>	<b>543,544,889</b>

### CONSOLIDATED STATEMENTS OF CASH FLOWS

	31 December 2020 MUR Audited	31 December 2019 MUR Audited
Net cash generated from operating activities	211,851,551	111,688,331
Net cash used in investing activities	(98,328,354)	(34,401,869)
Net cash used in financing activities	(96,633,947)	(112,969,319)
Net increase/(decrease) in cash and cash equivalents	16,889,250	(35,682,857)
Net foreign exchange differences	2,935,457	635,859
Cash and cash equivalents at start of the year	(8,994,211)	26,052,787
Cash and cash equivalents at end of the year	<b>10,830,496</b>	<b>(8,994,211)</b>

### COMMENTS

#### Principal Activity

The principal activities of the company comprise of unloading, storing, bagging, trading and distribution of cement and other cementitious products.

#### Results

Revenue for the year ended 31 December 2020 amounted to Rs 1,389 M versus Rs1,477 M in the corresponding prior year. Operating Profit of Rs 198.4M and Profit after tax of Rs 145.1 M were achieved for the year.

#### Impact of Covid-19

Other than the adverse impact of the national lockdown due to the Covid-19 pandemic in 2020, the Company faced additional challenges as a result of an increase in the cost of raw materials driven by a weakening MUR. Despite the difficult operating environment, the Company showed tremendous resilience and demonstrated its ability to ensure continuous supply of cement in the market to meet the demands of its customers at all times, to conclude a profitable year. Financial year 2021 is expected to be equally challenging, but the Company has taken proactive measures to ensure strong supply chain management, along with other various risk mitigating actions.

#### Dividend

A final dividend of MUR3.10 per share was declared on 23 April 2020 and paid in April 2020 in respect of the financial year ended 31 December 2019.

#### Other

The abridged audited consolidated financial statements for the year ended 31 December 2020 have been extracted from the annual financial statements of the Group, which have been prepared in accordance with the 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 01 January 2020. The independent auditor's report on the financial statements is unqualified.

Copies of the abridged audited consolidated financial statements are available, free of charge, upon request made to the Company Secretary at its registered office, Mer Rouge, Port Louis.

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 March 2021

These abridged audited consolidated financial statements are issued pursuant to DEM Rule 18 and Rule 8 of the Securities (Disclosure Obligations of the 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 audited consolidated financial statements.