

## ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	31 December 2019 MUR Audited	31 December 2018 MUR Audited
<b>ASSETS</b>		
Non-current assets	645,602,040	686,582,105
Current assets	247,051,364	282,319,903
<b>Total assets</b>	<b>892,653,404</b>	<b>968,902,008</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Stated capital	270,000,000	270,000,000
Revaluation reserve	101,973,330	92,675,877
Retained earnings	95,443,933	119,609,606
<b>Total equity</b>	<b>467,417,263</b>	<b>482,285,483</b>
Non-current liabilities	177,148,067	223,815,503
Current liabilities	248,088,074	262,801,022
<b>Total liabilities</b>	<b>425,236,141</b>	<b>486,616,525</b>
<b>Total equity and liabilities</b>	<b>892,653,404</b>	<b>968,902,008</b>

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

	2019 MUR Audited	2018 MUR Audited
<b>Revenue</b>	<b>1,477,424,772</b>	<b>1,125,025,900</b>
Expected credit loss on receivables	(515,262)	(1,547,438)
<b>Operating profit</b>	<b>230,296,837</b>	<b>260,756,517</b>
Net finance costs	(16,257,957)	(14,842,231)
Profit before taxation	214,038,880	245,914,286
Income tax expense	(38,360,951)	(44,712,927)
<b>Profit for the year</b>	<b>175,677,929</b>	<b>201,201,359</b>
Other comprehensive income - net of Tax	11,953,851	5,018,842
<b>Total comprehensive income</b>	<b>187,631,780</b>	<b>206,220,201</b>
<b>Earnings per share</b>	<b>6.51</b>	<b>7.45</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 2018</b>	270,000,000	88,160,551	(6,495,269)	351,665,282
Profit for the year	-	-	201,201,359	201,201,359
Transfer of depreciation for building	-	(2,315,635)	2,315,635	-
Gain on revaluation of building	-	8,230,073	-	8,230,073
Deferred tax effect on gain on revaluation of building	-	(1,399,112)	-	(1,399,112)
Remeasurement loss on employee benefit obligations	-	-	(2,183,276)	(2,183,276)
Deferred tax effect on remeasurement loss on employee benefit obligations	-	-	371,157	371,157
Other comprehensive income for the year	-	6,830,961	(1,812,119)	5,018,842
Total comprehensive income for the year	-	4,515,326	201,704,875	206,220,201
Transactions with owners	-	-	(75,600,000)	(75,600,000)
Dividends	-	-	(75,600,000)	(75,600,000)
<b>At 31 December 2018</b>	<b>270,000,000</b>	<b>92,675,877</b>	<b>119,609,606</b>	<b>482,285,483</b>
<b>At 1 January 2019</b>	<b>270,000,000</b>	<b>92,675,877</b>	<b>119,609,606</b>	<b>482,285,483</b>
Profit for the year	-	-	175,677,929	175,677,929
Realised on depreciation of 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 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	-	-	(202,500,000)	(202,500,000)
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>

### CONSOLIDATED STATEMENTS OF CASH FLOWS

	31 December 2019 MUR Audited	31 December 2018 MUR Audited
Net cash generated from operating activities	111,688,331	274,791,987
Net cash used in investing activities	(34,401,869)	(49,627,104)
Net cash used in financing activities	(112,969,319)	(48,477,506)
Net increase/(decrease) in cash and cash equivalents	(35,682,857)	176,687,377
Net foreign exchange differences	635,859	832,732
Cash and cash equivalents at start of the year	26,052,787	(151,467,322)
Cash and cash equivalents at end of the year	(8,994,211)	26,052,787

### 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 2019 amounted to Rs 1,477M versus Rs 1,125M in the corresponding prior year. Operating Profit of Rs 230.3M and Profit after tax of Rs 175.7M were achieved for the year.

#### Future Outlook

The impact of the Coronavirus on our business is unclear yet and we are monitoring the situation closely. Risk mitigating actions are being taken. In addition to the Coronavirus, a strengthening USD v/s MUR will increase the cost of raw materials purchased during the year.

#### Dividend

A final dividend of MUR3.70 per share was declared on 26 March 2019 and paid in May 2019 in respect of the financial year ended 31 December 2018.

An interim dividend of MUR3.80 per share was declared on 8 August 2019 and paid in September 2019 in respect of the financial year ended 31 December 2019.

#### Other

The abridged audited consolidated financial statements for the year ended 31 December 2019 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 Accounting Reporting Standards ("IFRS"), taking into consideration all revised International Accounting Standards and new IFRS effective for accounting periods beginning on 01 January 2019. 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, Royal Road Chapman Hill, Beau Bassin.

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

19 March 2020

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.