

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group		Company	
	Year ended 31-Dec-20 Rs Audited	Year ended 31-Dec-19 Rs Audited	Year ended 31-Dec-20 Rs Audited	Year ended 31-Dec-19 Rs Audited
Turnover	4,617,082,109	5,026,129,299	358,066,897	459,566,364
Revenue	3,705,804,870	3,750,331,445	358,066,897	459,566,364
Operating profit	255,625,173	368,216,649	204,465,222	292,720,510
Net impairment on financial and contract assets	(5,615,457)	(1,942,036)	(2,326,234)	(4,770,531)
Net gain from fair value adjustment on investment properties	6,006,735	181,328,687	-	-
Finance costs	(49,104,696)	(47,965,946)	(18,482,943)	(25,984,423)
Share of profit of associates and joint venture	75,433,351	184,309,839	-	-
Profit before taxation	282,345,106	683,947,193	183,656,045	261,965,098
Taxation	(54,365,083)	(87,637,265)	(11,021,611)	(11,805,198)
Profit for the year	227,980,023	596,309,928	172,634,434	250,159,900
Other comprehensive income/(loss) for the year	17,144,953	19,136,165	(764,255)	2,081,859
Total comprehensive income for the year	245,124,976	615,446,093	171,870,179	252,241,759
Profit attributable to:				
-Owners of the company	163,356,763	448,390,930	172,634,434	250,159,900
-Non-controlling interests	64,623,260	147,918,998	-	-
	227,980,023	596,309,928	172,634,434	250,159,900
Total comprehensive income attributable to:				
-Owners of the company	177,175,472	464,853,576	171,870,179	252,241,759
-Non-controlling interests	67,949,504	150,592,517	-	-
	245,124,976	615,446,093	171,870,179	252,241,759
Number of shares in issue	133,250,000	133,250,000		
Dividend per share	1.50	1.25		
Earnings per share (basic and diluted)	1.23	3.37		

STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	31-Dec-20 Rs Audited	31-Dec-19 Rs Audited	31-Dec-20 Rs Audited	31-Dec-19 Rs Audited
ASSETS				
Non-current assets	4,553,747,669	4,575,004,085	1,954,791,502	1,989,304,255
Current assets	1,705,741,200	1,309,047,270	214,735,985	255,192,159
Total assets	6,259,488,869	5,884,051,355	2,169,527,487	2,244,496,414
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	3,220,712,284	3,243,411,812	1,217,014,136	1,245,018,957
Equity attributable to owners of the company	3,440,444,863	3,463,144,391	1,436,746,715	1,464,751,536
Non-controlling interests	204,487,630	206,191,948	-	-
Total equity	3,644,932,493	3,669,336,339	1,436,746,715	1,464,751,536
Non-current liabilities	1,050,823,734	931,117,998	424,846,653	424,025,295
Current liabilities	1,563,732,642	1,283,597,018	307,934,119	355,719,583
Total equity and liabilities	6,259,488,869	5,884,051,355	2,169,527,487	2,244,496,414

STATEMENTS OF CASH FLOWS

	Group		Company	
	Year ended 31-Dec-20 Rs Audited	Year ended 31-Dec-19 Rs Audited	Year ended 31-Dec-20 Rs Audited	Year ended 31-Dec-19 Rs Audited
Net cash flows generated from operating activities	201,210,677	195,580,194	39,288,802	170,779,525
Net cash flows used in investing activities	(157,213,401)	(307,147,177)	(25,948,856)	(42,793,409)
Net cash flows generated from/(used in) financing activities	104,387,942	(52,830,250)	(3,336,929)	(117,266,062)
Net increase/(decrease) in cash and cash equivalents	148,385,218	(164,397,233)	10,003,017	10,720,054
Net foreign exchange differences	7,375,715	2,246,101	4,588,136	231,535
Cash and cash equivalents at 1 January	473,773,214	635,924,346	100,062,733	89,111,144
Cash and cash equivalents at 31 December	629,534,147	473,773,214	114,653,886	100,062,733

GROUP SEGMENT INFORMATION

	Group		Company	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Revenue	1,387,107,549	1,347,947,774	18,705,036	962,640,595
Operating profit/(loss)	196,721,026	(22,651,516)	14,330,405	80,930,673
Revenue	1,475,519,997	948,693,079	26,740,311	1,357,376,854
Operating profit	228,112,515	13,634,616	11,372,550	188,478,639

(b) Geographical

All the operations of the Group are based in Mauritius. There is no revenue derived from foreign operations.

GROUP STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs Audited	Share Premium Rs Audited	Revaluation Reserve Rs Audited	Capital Reserve Rs Audited	Foreign Currency Translation Reserve Rs Audited	Retained Earnings Rs Audited	Attributable to Owners of the Parent Rs Audited	Non-Controlling Interests Rs Audited	Total Rs Audited
Balance at 1 January 2020	133,250,000	86,482,579	422,536,784	-	54,901,891	2,765,973,137	3,463,144,391	206,191,948	3,669,336,339
Revaluation surplus realised on disposal of property and on depreciation	-	-	(6,487,163)	-	-	6,487,163	-	-	-
Revaluation surplus of associate realised on depreciation of property	-	-	(2,569,253)	-	-	2,569,253	-	-	-
Profit for the year	-	-	-	-	-	163,356,763	163,356,763	64,623,260	227,980,023
Other comprehensive income/(loss) for the year	-	-	18,887,717	-	285,783	(5,354,791)	13,818,709	3,326,244	17,144,953
Total comprehensive income for the year	-	-	18,887,717	-	285,783	158,001,972	177,175,472	67,949,504	245,124,976
Dividend	-	-	-	-	-	(199,875,000)	(199,875,000)	(69,653,822)	(269,528,822)
Balance at 31 December 2020	133,250,000	86,482,579	432,368,085	-	55,187,674	2,733,156,525	3,440,444,863	204,487,630	3,644,932,493
Balance at 1 January 2019	133,250,000	86,482,579	455,330,566	279,612	54,647,574	2,422,983,671	3,152,974,002	225,998,119	3,378,972,121
Transfer to retained earnings	-	-	-	(279,612)	-	279,612	-	-	-
Revaluation surplus realised on disposal of property and on depreciation	-	-	(47,344,953)	-	-	47,344,953	-	-	-
Revaluation surplus of associate realised on depreciation of property	-	-	(2,046,470)	-	-	2,046,470	-	-	-
Profit for the year	-	-	-	-	-	448,390,930	448,390,930	147,918,998	596,309,928
Other comprehensive income/(loss) for the year	-	-	16,597,641	-	254,317	(389,312)	16,462,646	2,673,519	19,136,165
Total comprehensive income for the year	-	-	16,597,641	-	254,317	448,001,618	464,853,576	150,592,517	615,446,093
Non-controlling interests arising on acquisition of subsidiary	-	-	-	-	-	-	-	106,125	106,125
Disposal of associate and acquisition of additional interest in subsidiaries	-	-	-	-	-	11,879,313	11,879,313	(54,994,899)	(43,115,586)
Dividend	-	-	-	-	-	(166,562,500)	(166,562,500)	(115,509,914)	(282,072,414)
Balance at 31 December 2019	133,250,000	86,482,579	422,536,784	-	54,901,891	2,765,973,137	3,463,144,391	206,191,948	3,669,336,339

COMPANY STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs Audited	Share Premium Rs Audited	Revaluation Reserve Rs Audited	Capital Reserve Rs Audited	Retained Earnings Rs Audited	Total Rs Audited
Balance at 1 January 2020	133,250,000	86,482,579	305,195,084	-	939,823,873	1,464,751,536
Revaluation surplus realised on disposal of property and on depreciation	-	-	(17,967,651)	-	17,967,651	-
Profit for the year	-	-	-	-	172,634,434	172,634,434
Other comprehensive (loss) for the year	-	-	(478,735)	-	(285,520)	(764,255)
Total comprehensive (loss)/income for the year	-	-	(478,735)	-	172,348,914	171,870,179
Dividend	-	-	-	-	(199,875,000)	(199,875,000)
Balance at 31 December 2020	133,250,000	86,482,579	286,748,698	-	930,265,438	1,436,746,715
Balance at 1 January 2019	133,250,000	86,482,579	350,131,988	279,612	808,928,098	1,379,072,277
Transfer to retained earnings	-	-	-	(279,612)	279,612	-
Revaluation surplus realised on disposal of property and on depreciation	-	-	(47,344,953)	-	47,344,953	-
Profit for the year	-	-	-	-	250,159,900	250,159,900
Other comprehensive income/(loss) for the year	-	-	2,408,049	-	(326,190)	2,081,859
Total comprehensive income for the year	-	-	2,408,049	-	249,833,710	252,241,759
Dividend	-	-	-	-	(166,562,500)	(166,562,500)
Balance at 31 December 2019	133,250,000	86,482,579	305,195,084	-	939,823,873	1,464,751,536

COMMENTS

For the year ended 31 December 2020, the Group reported a profit after tax of Rs228M (Dec 2019: Rs596M) whilst the Company reported a profit after tax of Rs173M (Dec 2019: Rs250M).

Whilst we are pleased to note that our operations as a whole for the year ended 31 December 2020 were profitable, the COVID-19 pandemic has had an adverse impact on the profitability of the Group with the profit after tax declining by 62% from Rs596M to Rs228M. This is further explained below in the section "Impact of COVID-19 pandemic on Group activities".

Earnings per share

The calculation of earnings per share is based on the profit attributable to the owners of the company of Rs163,356,763 (Dec 2019: Rs448,390,930) and the number of the shares in issue of 133,250,000 (Dec 2019: 133,250,000).

Dividend

A final dividend of Rs1.50 per share (Dec 2019: Rs0.75 per share) was declared on 20 March 2020 and was paid by latest 30 June 2020 in respect of the financial year ended 31 December 2019.

No interim dividend (Dec 2019: Rs0.50 per share) was declared in respect of the financial year ended 31 December 2020.

Impact of COVID-19 pandemic on Group activities

The adverse impact of COVID-19 is specially highlighted in the financial results of our associate company in the Hospitality sector and in our Contracting segment. It remains unclear to what extent the ongoing crisis in the world will continue to impact on the Mauritian economy specifically driven by the restrictions on international travels, the downturn in the tourism sector, the impact on consumer spending and the effect of these factors on the segments of the Group.

The Board and management team continue to monitor the development of the COVID-19 pandemic and the short-to-medium term implications of the national lockdown in 2020 and 2021. The Government of Mauritius announced a national lockdown beginning on 10 March 2021, following certain local transmission cases of COVID-19. On the positive side, we are encouraged by the current vaccination campaign which will help to mitigate the health and safety concerns of the general public.

The Board and Management have placed the health, safety and wellbeing of our employees, as well as business continuity in terms of operational and cash flow resilience, central to our crisis management strategy. The Group continues to adopt all necessary measures to ensure the safety of its employees, customers and partners. We are working with all stakeholders concerned to ensure their continued support during these challenging times.

Segmental Review

Building Materials Segment

Other than the adverse impact of the national lockdown due to the COVID-19 pandemic in 2020, the segment 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 segment showed tremendous resilience and demonstrated its ability to ensure a continuous supply of cement in the market to meet the demands of its customers at all times and to conclude a profitable year. Financial year 2021 is expected to be equally challenging, but the segment has taken proactive measures to ensure a strong supply chain management, along with other various risk mitigating actions.

Contracting Segment

The operating loss reported for the year ended 31 December 2020 is directly as a result of the national lockdown for two months. The outlook based on our pipeline and order book for the financial year 2021 is under careful monitoring by the Board.

Investment Segment

This segment holds investment properties which are reported on the Statement of Financial Position in Non-Current Assets. The investment properties and the other properties classified as land and buildings on the Statement of Financial Position were revalued by an independent valuer at 31 December 2020. Overall, there was no reduction in the value of the properties.

Lottery Segment

This segment suspended the sale of its products between 20 March and 6 June 2020 to comply with the Government of Mauritius order of lockdown of non-essential businesses and services to protect the health and safety of all its stakeholders. This resulted in an overall reduction in revenue and profitability for the full year. It mitigated the impact on the business by reducing operating costs, expenses and cash outlays. In addition, measures were implemented to strengthen its financial position and remain relevant in the marketplace. During the third and fourth quarters of the year, the business showed signs of returning to pre-lockdown sales levels specially with the launch of the revamped Loterie Vert game in October 2020. The segment is actively engaged with the regulators in order to provide a digital solution to its customers which will enhance users experience as well as upholding the objectives of Anti-Money Laundering and the Combating of Financing of Terrorism regulations.

Associates and Joint Venture

Building Materials Segment

Our joint venture entity which is engaged in the building materials sector has been profitable for the year ended 31 December 2020. The activities resumed to a satisfactory level after the national lockdown period.

Hospitality Segment

One of our associates engaged in the hospitality sector continues to be materially impacted by the COVID-19 pandemic despite the re-opening of the Mauritian borders as from 1 October 2020.

The ongoing COVID-19 situation continues to impact the global tourism industry. It is expected that recovery will be slow and gradual, with the sector not resuming normal operating levels until 2022.

Others

The abridged audited financial statements for the year ended 31 December 2020 have been extracted from the annual financial statements of the Group and Company 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 1 January 2020. 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

30 March 2021

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.