

ABRIDGED UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER AND HALF YEAR ENDED 30 JUNE 2020

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group				Company			
	Quarter ended	Quarter ended	Half year ended		Quarter ended		Half year ended	
	30-Jun-20	30-Jun-19	30-Jun-20	30-Jun-19	30-Jun-20	30-Jun-19	30-Jun-20	30-Jun-19
	Rs Unaudited	Rs Unaudited	Rs Unaudited	Rs Unaudited	Rs Unaudited	Rs Unaudited	Rs Unaudited	Rs Unaudited
Turnover	563,197,559	1,252,684,557	1,587,720,759	2,361,702,918	135,640,261	153,433,261	275,697,069	270,029,099
Revenue	489,327,888	948,020,710	1,277,682,375	1,753,064,749	135,640,261	153,433,261	275,697,069	270,029,099
Operating (loss)/profit Net impairment on financial and contract assets	(61,048,031) 846,123	130,877,363 (591,078)	(19,152,891) (1.532.675)	222,744,507	73,854,938	121,867,190	185,713,873	206,493,169
Finance costs Share of (loss)/profit of associates and joint venture	(10,318,911) (6,015,553)	(11,444,368) 50,064,974	(19,152,891) (1,532,675) (23,364,323) 12,377,603	(78,530) (24,239,981) 91,639,766	(4,017,622)	(6,428,452)	(9,860,104)	(13,583,284)
(Loss)/profit before taxation	(76,536,372)	168,906,891	(31,672,286)	290,065,762	69,837,316	115,438,738	175,853,769	192,909,885
Taxation	(3,862,437)	(19,964,772)	(20,108,999)	(41,328,147)	216,600	(800,000)	(3,253,401)	(5,607,000)
(Loss)/profit for the period	(80,398,809)	148,942,119	(51,781,285)	248,737,615	70,053,916	114,638,738	172,600,368	187,302,885
Other comprehensive (loss)/income for the period	(3,371,971)	(218,731)	(3,370,699)	18,830	(58,000)		(58,000)	
Total comprehensive (loss)/income for the period	(83,770,780)	148,723,388	(55,151,984)	248,756,445	69,995,916	114,638,738	172,542,368	187,302,885
(Loss)/profit attributable to: -Owners of the company	(76,899,280)	118,255,625		190,094,548	70,053,916	114,638,738	172,600,368	187,302,885
-Non-controlling interests	(3,499,529)	30,686,494		58,643,067				
	(80,398,809)	148,942,119	(51,781,285)	248,737,615	70,053,916	114,638,738	172,600,368	187,302,885
Total comprehensive (loss)/income attributable to: -Owners of the company -Non-controlling interests	(80,271,251) (3,499,529)	118,036,894 30,686,494	(66,344,636) 11,192,652	190,113,378 58,643,067	69,995,916	114,638,738	172,542,368	187,302,885
	(83,770,780)	148,723,388	(55,151,984)	248,756,445	69,995,916	114,638,738	172,542,368	187,302,885
Number of shares in issue	133,250,000	133,250,000		133,250,000				
Dividend per share	-	-	1.50	0.75				
(Loss)/earnings per share (basic and diluted)	(0.58)	0.89	(0.47)	1.43				

STATEMENTS OF FINANCIAL POSITION

STATEMENTS OF CASH FLOWS

Net cash (used in)/generated from

	Gro	pup	Company			
	30-Jun-20	31-Dec-19	30-Jun-20	31-Dec-19		
	Rs	Rs	Rs	Rs		
	Unaudited	Audited	Unaudited	Audited		
ASSETS						
Non-current assets	4,379,646,732	4,575,004,085	1,945,708,341	1,989,304,255		
Current assets	1,302,072,537	1,309,047,270	248,165,399	255,192,159		
Total assets	5,681,719,269	5,884,051,355	2,193,873,740	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	2,977,192,176	3,243,411,812	1,217,686,325	1,245,018,957		
Equity attributable to owners of the company	3,196,924,755	3,463,144,391	1,437,418,904	1,464,751,536		
Non-controlling interests	147,730,778	206,191,948				
Total equity	3,344,655,533	3,669,336,339	1,437,418,904	1,464,751,536		
Non-current liabilities	874,040,383	931,117,998	367,096,448	424,025,295		
Current liabilities	1,463,023,353	1,283,597,018	389,358,388	355,719,583		
Total equity and liabilities	5,681,719,269	5,884,051,355	2,193,873,740	2,244,496,414		

operating activ	vities		(247,429,187)	175,643,	655 17 ,	900,787	193,507,625		
Net cash (used investing activi	ities		(37,060,375)	(266,787,3	266,787,322)		(104,827,736)		
Net cash (used in)/generated from financing activities Net (decrease)/increase in cash and cash equivalents			(5,534,253)	1,445,	.780 (9,5	<u>579,543)</u>	(65,913,067)		
		e in cash	(290,023,815)	(89,697,887)		795,722	22,766,822		
Net foreign exchange differences			5,291,465	- 5,291,465		-			
Cash and cash equivalents at beginning of period Cash and cash equivalents at end of period			473,773,214	635,924	,346 99	,994,669	89,043,080		
		nts at end =	189,040,864	546,226,459 11		081,856	111,809,902		
GROUP SEGMENT INFORMATION									
	Building				<u>Corporate</u> <u>Services and</u>				
2020 🕅	<u>Naterials</u> Rs	Contracting Rs	Investments Rs	Lottery Rs	<u>Others</u> Rs	<u>Eliminati</u> Rs	i <u>ons Total</u> Rs		
Revenue 4	159,098,960	483,987,964		331,326,741	323,309,628				
Operating profit/(loss)	7,055,039	(43,658,621)	1,700,752	15,453,386	229,627,830	(279,331	,277) (19,152,891)		

Half year

ended

30-Jun 20

Rs Unaudited

Half year

ended

30-Jun 19

Unaudited

Half year

ended

30-Jun 20 Rs Unaudited

Half year

ended 30-Jun 19

Unaudited

30 June	Building								
2019	<u>Materials</u>	<u>Contracting</u>	Investments	Lottery	<u>Others</u>	<u>Eliminations</u>	<u>Total</u>		
	Rs	Rs	Rs	Rs	Rs	Rs	Rs		
Revenue	716,179,355	439,186,736	12,509,325	647,172,197	291,755,500	(353,738,364)	1,753,064,749		
Operating profit	132,473,054	340,315	5,652,482	89,604,091	223,709,353	(229,034,788)	222,744,507		
(b) <u>Geograp</u> l	nical								

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

GROUP STATEMENT OF CHANGES IN EQUITY

<u>GROOF STATEMENT OF CHANGES IN EQUIT</u>	Stated <u>Capital</u> Rs Unaudited	Share <u>Premium</u> Rs Unaudited	Revaluation <u>Reserve</u> Rs Unaudited	Capital <u>Reserve</u> Rs Unaudited	Foreign Currency Translation <u>Reserve</u> Rs Unaudited	Retained <u>Earnings</u> Rs Unaudited	Attributable to Owners of the <u>Parent</u> Rs Unaudited	Non- Controlling <u>Interests</u> Rs Unaudited	<u>Total</u> Rs Unaudited
Balance at 1 January 2020 Revaluation surplus realised on disposal of property and on depreciation Revaluation surplus of associate realised on depreciation of property	133,250,000 - -	86,482,579 - -	422,536,784 (16,725,787) (1,714,102)	-		2,765,973,137 16,725,787 1,714,102	-		3,669,336,339 - -
(Loss)/profit for the period Other comprehensive income/(loss) for the period	-	-	-	-	- 1,271	(62,973,937) (3,371,970)	(62,973,937) (3,370,699)	11,192,652	(51,781,285) (3,370,699)
Total comprehensive income/(loss) for the period Dividend	-	-			1,271	(66,345,907) (199,875,000)	(66,344,636) (199,875,000)	11,192,652 (69,653,822)	(55,151,984) (269,528,822)
Balance at 30 June 2020	133,250,000	86,482,579	404,096,895	-	54,903,162	2,518,192,119	3,196,924,755	147,730,778	3,344,655,533
Balance at 1 January 2019 Transfer to retained earnings Revaluation surplus realised on depreciation Revaluation surplus of associate realised on depreciation of property	133,250,000	86,482,579	455,330,566 (968,128) (1,023,235)	279,612 (279,612) -		2,397,413,497 279,612 968,128 1.023,235	3,127,403,828	217,474,727	3,344,878,555
Profit for the period Other comprehensive income for the period	-	-			18,830	190,094,548	190,094,548 18,830	58,643,067	248,737,615 18,830
Total comprehensive income for the period Disposal of subsidiary Dividend	-	-			18,830 - -	190,094,548 875,382 (99,937,500)		58,643,067 (58,899,891)	248,756,445 875,382 (158,837,391)
Balance at 30 June 2019	133,250,000	86,482,579	453,339,203		54,666,404	2,490,716,902	3,218,455,088	217,217,903	3,435,672,991

COMPANY STATEMENT OF CHANGES IN EQUITY

Stated <u>Capital</u> Rs





Rs.



Balance at 1 January 2020 Revaluation surplus realised on disposal of property and on depreciation Profit for the period Other comprehensive loss for the period

Total comprehensive income for the period Dividend

Balance at 30 June 2020

Balance at 1 January 2019 Revaluation surplus realised on depreciation Profit for the period Other comprehensive income for the period

Total comprehensive income for the period Dividend

Balance at 30 June 2019

COMMENTS

For the half year ended 30 June 2020, the Group reported a net loss after taxation of Rs52M (Jun 2019: profit of Rs249M) whilst the Company reported a profit after tax of Rs173M (Jun 2019: Rs187M). Except for the Contracting segment, the main operating entities of the Group made an operating profit for the half year ended 30 June 2020.

(Loss)/earnings per share

The calculation of loss per share is based on the loss attributable to the owners of the company of Rs62,973,937 (Jun 2019: profit Rs190,094,548) and the number of the shares in issue of 133,250,000 (Jun 2019: 133,250,000).

Dividend

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

Impact of COVID-19 on the Group activities in the Current Quarter and Future Outlook

Following the announcement of the national lockdown order by the Prime Minister in March 2020, the resulting sanitary curfew and national confinement have adversely impacted the operations and financial results of the Group for the half year ended 30 June 2020.

To comply with the Government of Mauritius' order of confinement of non-essential businesses and services, the Group temporarily suspended its main revenue-generating operations as from 20 March 2020. The Group slowly resumed its operations between 15 May 2020 and 6 June 2020 when restrictions were gradually lifted.

In responding to the crisis, the Board and Management have placed the health and well-being of our people as a key priority as well as ensuring the resilience of our cash flow and operations. We are working very closely with the authorities and our bankers to ensure their ongoing support so that we emerge from this crisis as a stronger Group.

The Board continues to closely monitor the challenges arising from the global health crisis, the restrictions on international travels, and the impact of changes in consumers' spending habit. Below is a summary of the impact of Covid-19:

Subsidiaries

Building Materials Segment

The period of inactivity impacted the revenue and profitability for the quarter ended 30 June 2020 and this was also reflected in the financial performance for the half year ended 30 June 2020.

Going forward, the extent of the economic and sectoral impact of the Covid-19 outbreak remains unknown. The Board is confident that the Segment will continue to be financially stable over the foreseeable future based on the quality of its products, its brand position and market share.

Contracting Segment

The operating loss reported for the half year ended 30 June 2020 is a direct consequence of the national confinement for the two months' period.

The pipeline and order book of the Segment remains satisfactory and the business is expected to pick up and perform, subject to the ongoing uncertainty that the Segment faces. Learning from best practices in other jurisdictions in the Covid-19 context, the management team is engaging with the authorities on safe working measures with a view to ensure reduced disruption of its activities in the event of a second lockdown whilst prioritising the health and safety of everyone concerned.

Investment Segment

This Segment holds material assets that are classified as Investment Properties and reported on the statement of financial position in Non-Current Assets. Following an assessment carried out internally and by external property valuer, no empirical data came to our knowledge to indicate any temporary or permanent reduction in value

Lottery Segment

The national confinement has adversely impacted on this Segment in the 2nd quarter of 2020. Necessary precautions have been adopted in order to protect the customers and employees as well as quickly adopted measures in the business operations to reflect the changing environment and needs of its stakeholders.

Going forward, the financial performance for the remainder of the year will be subject to uncertainty. Pending regulatory approval, the entity is ready to launch a new cashless betting system for all its games

	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
	133,250,000	86,482,579	305,195,084	-	939,823,873	1,464,751,536
-	-	-	(16,725,787)	-	16,725,787	-
	-	-	-	-	172,600,368	172,600,368
L	-	-	-	-	(58,000)	(58,000)
	-	-	-	-	172,542,368	172,542,368
	-	-	-	-	(199,875,000)	(199,875,000)
	133,250,000	86,482,579	288,469,297		929,217,028	1,437,418,904
	133,250,000	86,482,579	350,131,988	279.612	808,928,098	1,379,072,277
	-	-	(968,128)	-	968,128	-
Γ	-	-	-	-	187,302,885	187,302,885
L	-	-	-	-	-	-
	-	-	-	-	187,302,885	187,302,885
		-		-	(99,937,500)	(99,937,500)
	133,250,000	86,482,579	349,163,860	279,612	897,261,611	1,466,437,662

which is particularly relevant as it would protect the health and safety of its stakeholders in line with sanitary measures introduced by the government in the context of Covid-19 and to sustain the future of the business.

Associates and Joint Venture **Building Materials Segment**

Our joint venture entity which is engaged in the building materials sector has been adversely impacted by the national lockdown to the extent that the entity was unable to pursue its industrial operations. The activities have now resumed to a near satisfactory level under the ongoing oversight of its respective board

Going forward, whilst the Segment is subject to ongoing uncertainty, the construction projects highlighted in the last National Budget will boost the construction industry which will, in turn, sustain some demand for building materials.

Hospitality Segment

One of our associates which is engaged in the hospitality sector continues to be materially impacted by the Covid-19 pandemic resulting from the shutting down of international travels, with no tourist arrivals since 20th March 2020. Fixed costs, in the absence of sufficient revenue, gave rise to a loss for the current quarter ended 30 June 2020 after taking account of the Government Wage Assistance Scheme from March 2020 to June 2020 which gave some relief.

Given the strong dependency on air travel, activities in the sector can only restart once borders are open. It is expected that recovery will be slow and gradual, with the sector not resuming normal operating levels within the foreseeable future. The associate is in ongoing discussions with the bank which is supportive of its operations and has confirmed ongoing financial support in the form of working capital facilities.

Others

The abridged financial statements for the quarter and half year ended 30 June 2020 are unaudited. The accounting policies and standards used in the preparation of these abridged unaudited financial statements are consistent with those used in the audited financial statements for the year ended 31 December 2019, except for relevant amendments to published standards and interpretations issued and which are effective as from 01 January 2020. This interim report complies with IAS 34.

Copies of the above-abridged unaudited 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

7 August 2020

These abridged unaudited financial statements are issued pursuant to Listing Rule 12.20 and Rule 8 of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007

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