

UNAUDITED (INTERIM) ABRIDGED FINANCIAL STATEMENTS FOR THE QUARTER AND NINE MONTHS ENDED 31 MARCH 2022



GROUP ABRIDGED STATEMENT OF PROFIT OR LOSS

	UNAUDITED Quarter ended 31 March 2022 Rs.'000	UNAUDITED Quarter ended 31 March 2021 Rs.'000	UNAUDITED 9 months ended 31 March 2022 Rs.'000	UNAUDITED 9 months ended 31 March 2021 Rs.'000
Revenue from contract with customers	144,430	8,031	269,427	694,264
Direct costs	(66,989)	(5,937)	(146,032)	(481,526)
Operating expenses	(18,252)	(3,568)	(54,981)	(47,832)
Staff costs	(15,123)	(16,171)	(48,330)	(37,814)
Profit/(loss) before normalised EBITDA	44,066	(17,645)	20,084	127,092
Operating income	5,001	11,453	23,604	49,028
Net impairment losses on financial assets	-	-	(471)	-
Normalised EBITDA	49,067	(6,192)	43,217	176,120
Other impairment losses	-	(29,952)	-	(29,952)
EBITDA	49,067	(36,144)	43,217	146,168
Finance revenue	2,127	-	7,056	-
Finance costs	(33,303)	(18,568)	(86,850)	(88,631)
Finance costs on lease liabilities	(2,711)	(2,113)	(7,873)	(6,794)
Depreciation and amortisation	(6,674)	(6,428)	(20,599)	(19,480)
Profit/ (loss) before tax	8,506	(63,253)	(65,049)	31,263
Income tax	518	(122)	443	(4,457)
Profit/ (loss) after tax for the period	9,024	(63,375)	(64,606)	26,806
Basic profit/ (loss) per share (Rs)	0.02	(0.12)	(0.12)	0.05

SEGMENTAL INFORMATION

Segment revenue:				
Morocco	144,430	8,031	269,427	694,264
Segment profit/ (loss) after tax:				
Mauritius	(38,111)	(25,142)	(98,596)	(87,167)
Morocco	51,255	(52,174)	46,754	121,256
Seychelles	(2,403)	1,538	(7,089)	(15,590)
Consolidation adjustments	(1,717)	12,403	(5,675)	8,307
	9,024	(63,375)	(64,606)	26,806

GROUP ABRIDGED STATEMENT OF OTHER COMPREHENSIVE INCOME

	UNAUDITED Quarter ended 31 March 2022 Rs.'000	UNAUDITED Quarter ended 31 March 2021 Rs.'000	UNAUDITED 9 months ended 31 March 2022 Rs.'000	UNAUDITED 9 months ended 31 March 2021 Rs.'000
Profit/ (loss) before tax	9,024	(63,375)	(64,606)	26,806
Other comprehensive income:				
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:				
Exchange differences on translation of foreign operations	(65,416)	63,760	(92,571)	246,926
Other comprehensive (losses)/ income for the period	(65,416)	63,760	(92,571)	246,926
Total comprehensive (losses)/ income for the period	(56,392)	385	(157,177)	273,732

GROUP ABRIDGED STATEMENT OF FINANCIAL POSITION

	UNAUDITED As at 31 March 2022 Rs.'000	AUDITED As at 30 June 2021 Rs.'000
ASSETS		
Non-current assets		
Property and equipment	497,068	514,001
Right-of-use assets	542,050	545,774
Investment property	872,146	897,049
Intangible assets	932	1,125
Financial assets at amortised cost	343,768	365,575
Deferred tax assets	5,484	3,539
Total non-current assets	2,261,448	2,327,063
Current assets		
Inventories	3,532,458	3,608,575
Contract assets	16,645	17,128
Trade receivables	69,095	71,171
Financial assets at amortised cost	64,795	55,350
Other assets	436,006	423,334
Cash in hand and at bank	235,524	166,114
Total current assets	4,354,523	4,341,672
TOTAL ASSETS	6,615,971	6,668,735
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent	3,619,524	3,776,701
Non-current liabilities excluding lease liabilities	1,360,612	1,392,385
Lease liabilities	125,538	112,911
Current liabilities	1,510,297	1,386,738
TOTAL EQUITY AND LIABILITIES	6,615,971	6,668,735

GROUP ABRIDGED STATEMENT OF CHANGES IN EQUITY

	STATED CAPITAL Rs.'000	REVENUE DEFICIT Rs.'000	FOREIGN EXCHANGE DIFFERENCES RESERVE Rs.'000	TOTAL EQUITY Rs.'000
At 1 July 2020	3,595,000	(682,302)	253,249	3,165,947
Profit for the period	-	26,806	-	26,806
Other comprehensive income	-	-	246,926	246,926
As at 31 March 2021 (Unaudited)	3,595,000	(655,496)	500,175	3,439,679
At 1 July 2021	3,595,000	(530,263)	711,964	3,776,701
Profit for the period	-	(64,606)	-	(64,606)
Other comprehensive losses	-	-	(92,571)	(92,571)
As at 31 March 2022 (Unaudited)	3,595,000	(594,869)	619,393	3,619,524

GROUP ABRIDGED STATEMENT OF CASH FLOWS

	UNAUDITED 9 months ended 31 March 2022 Rs.'000	UNAUDITED 9 months ended 31 March 2021 Rs.'000
Net cash flows generated from operating activities	67,248	197,535
Net cash flows used in investing activities	(408)	(2,427)
Net cash flows used in financing activities	(44,558)	(121,700)
Net increase in cash and cash equivalents	22,282	73,408
Cash and cash equivalents at 1 July	148,791	148,586
Net foreign exchange differences	13,309	12,270
Cash and cash equivalents at 31 March	184,382	234,264

COMMENTS

FINANCIAL PERFORMANCE FOR THE QUARTER AND NINE MONTHS ENDED 31 MARCH 2022

Group EBITDA for the quarter stood at Rs 49m (Q3FY21: Loss Rs 36m) resulting from the sale of serviced plots at Domaine Palm Marrakech S.A. (DPM). For the nine-month period, revenue amounting to Rs 269m (9MFY21: Rs 694m) was recognised following the delivery of serviced plots and villas at DPM with an improved gross profit margin compared to the same period last year. However, the Group posted a loss after tax of Rs 65m (9MFY21: profit of Rs 29m) but it is important to note that net operating cash flow is a major metric in the property development business, and Rs 67m on positive net operating cash flow was generated by the Group during the reporting nine-month period.

OUTLOOK

The ease in travel restrictions as from the beginning of February 2022 in **Morocco** augurs well for the property market. DPM should deliver significant cash flows with several reservation contracts secured over the past months. Infrastructure works on the last zone of Phase 1 is still in progress and is expected to be completed within the next 12 months.

In **Mauritius**, the first phase of Harmonie Golf & Beach Estate at Les Salines, Black River was officially launched in mid-April. The project has received positive feedback with a significant number of reservations already recorded. The latter gives the Board confidence that the minimum presale level will be reached by the end of the current calendar year.

In **Seychelles**, Management is progressing on the preliminary stages of its development on Praslin, and the Board will communicate more on the project in due course.

The unaudited interim financial statements for the quarter and nine months ended 31 March 2022 are issued pursuant to DEM Rule 18 and Section 88 of the Securities Act 2005.

The statement of direct and indirect interests of Directors and Senior Officers pursuant to section 8(2)(m) Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available free of charge at the registered office of the Company, Beachcomber House, Botanical Garden Street, Curepipe.

Copies of this report are available free of charge at the head office of the Company. The Board of Directors of Semaris Ltd accepts full responsibility for the accuracy of the information contained in this report.

By order of the Board

9th May 2022