

STATEMENT OF FINANCIAL POSITION

	GROUP	
	30 September 2020	Audited 31 December 2019
	Rs'000	Rs'000
ASSETS		
Non current assets	540,108	693,859
Current assets	557,499	597,761
Total Assets	1,097,607	1,291,620
EQUITY AND LIABILITIES		
Share capital and reserves		
Owners' interest	335,303	474,941
Non-current Liabilities	326,701	311,405
Current liabilities	435,603	505,274
Total Equity and Liabilities	1,097,607	1,291,620
Net assets per share/(Rs)	15.24	21.58
Number of ordinary shares	22,006,418	22,006,418

STATEMENT OF PROFIT OR LOSS

	Three months to 30 September 2020	Three months to 30 September 2019	Nine months to 30 September 2020	Nine months to 30 September 2019
	Rs'000	Rs'000	Rs'000	Rs'000
CONTINUING ACTIVITIES				
Revenue	251,412	203,671	563,994	528,649
Operating loss	(15,997)	(25,738)	(49,232)	(154,204)
Other income	5,047	2,133	22,806	22,137
Loss before finance cost	(10,950)	(23,605)	(26,426)	(132,067)
Net finance cost	(10,116)	(1,496)	(28,903)	(120)
Share of results of associates	(7,693)	3,418	(14,207)	4,448
Loss before tax	(28,759)	(21,683)	(69,536)	(127,739)
Income tax	(667)	(574)	1,958	(981)
Loss for the period	(29,426)	(22,257)	(67,578)	(128,720)
Attributable to:				
Owners of the parent	(29,426)	(22,257)	(67,578)	(128,720)
Other comprehensive income/(loss) for the period net of tax	4,044	658	8,392	(2,210)
Total comprehensive loss for the period	(25,382)	(21,599)	(59,186)	(130,930)
Attributable to:				
Owners of the parent	(25,382)	(21,599)	(59,186)	(130,930)
Earnings per share (Rs)	(1.34)	(1.01)	(3.07)	(5.85)

STATEMENT OF CHANGES IN EQUITY

	30 September 2020	30 September 2019
	Rs'000	Rs'000
Balance at 1 January	474,941	752,798
Total comprehensive income for the period	(59,186)	(130,930)
Consolidation adjustment	(80,452)	(37,928)
Balance at 30 September	335,303	583,940

STATEMENT OF CASH FLOWS

	Nine months to 30 September 2020	Nine months to 30 September 2019
	Rs'000	Rs'000
Net cash used in operating activities	(90,631)	(13,057)
Net cash generated/(used in) from investing activities	11,541	(20,063)
Net cash generated/(used in) financing activities	11,825	(12,063)
Decrease in cash and cash equivalents	(67,265)	(45,183)
Movement in cash and cash equivalents		
At 1 January	(14,596)	54,871
Decrease	(67,265)	(45,183)
Effect of Foreign Exchange difference	(348)	(447)
At 30 September	(82,209)	9,241

Comments

The quarterly condensed financial statements have been prepared using the same accounting policies as for the statutory financial statements for the year ended 31 December 2019, except for the adoption of published standards that are now effective. The Group's figures for 2020 include Chemco Limited's and Bychemex Limited's results following their acquisition by the Mauritius Chemical and Fertilizer Industry Limited (The Company or "MCFI") in April 2019. The figures also include two months of Suchem Limited's results further to the latter being acquired by MCFI in August 2020.

Results

The Group's turnover for the nine months ended September 2020 increased from Rs 529 million to Rs 564 million, wholly on the back of the consolidation of the three newly acquired companies, as mentioned above. Excluding the additional revenues brought in by these companies, the Group's turnover is lower than in 2019 due to the slowdown in economic activities. The Covid-19 pandemic has had a negative impact on the Group's operations in both Mauritius and Africa.

The reorganisation and restructuring exercise conducted in 2019, together with the synergies brought by the acquisition of Chemco Limited and Bychemex Limited, contributed to substantially reducing the operating expenses for the nine months of 2020, when compared to the corresponding period last year.

The net finance costs of Rs 29 million include amounts of: (i) Rs 8 million representing the loss of forex from our subsidiary in Zambia and (ii) Rs 13 million as additional interest costs due to the impact of IFRS 16 (Lease Accounting). Group results have also been

**NOTES TO THE UNAUDITED INTERIM QUARTERLY FINANCIAL STATEMENTS
SEGMENTAL INFORMATION**

	Fertilisers	Trading	Contracting	Other	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Nine months ended 30 September 2020					
Total segment revenues	184,088	363,113	16,793	-	563,994
Segment loss	(21,543)	(16,369)	(4,696)	(6,624)	(49,232)
Other income	-	5,460	772	16,574	22,806
Finance cost	(17,482)	(9,769)	(1,651)	-	(28,902)
Share of results of associates	(243)	-	(13,964)	-	(14,207)
(Loss)/Profit before tax	(39,268)	(20,678)	(19,539)	9,950	(69,535)
Income tax	(2,197)	4,155	-	-	1,958
(Loss)/Profit for the period	(41,465)	(16,524)	(19,539)	9,950	(67,578)
Total assets					
30 September 2020	374,661	500,370	21,009	201,567	1,097,607
31 December 2019	411,732	339,091	41,443	499,354	1,291,620
Nine months ended 30 September 2019					
Total segment revenues	189,128	316,327	23,194	-	528,649
Segment loss	(64,767)	(53,742)	(6,507)	(29,188)	(154,204)
Other income	1,742	245	-	20,150	22,137
Finance income/(cost)	857	(621)	(356)	-	(120)
Share of results of associates	(277)	-	2,658	2,067	4,448
Loss before tax	(62,445)	(54,118)	(4,205)	(6,971)	(127,739)
Income tax	-	(981)	-	-	(981)
Loss for the period	(62,445)	(55,099)	(4,205)	(6,971)	(128,720)
Total assets					
30 September 2019	469,136	299,184	19,807	332,345	1,120,472
31 December 2018	761,559	74,842	26,285	430,916	1,293,602

negatively impacted by a share of the losses from our associates of Rs 14.2 million, mainly caused by the impact of the Covid-19 on the activities of the company.

The acquisition of Suchem Limited, on the other hand, contributed positively to the results of the Group.

The above resulted in a loss of Rs 68 million for the nine months ended 30 September 2020 compared to a loss of Rs 129 million for the same period last year.

Outlook

Given the current economic context, the Group will keep its focus on achieving a lean operational structure and strengthening its lines of businesses in the chemicals, water and fertilisers activities so as to maintain its position as a market leader in supporting local agricultural and industrial sectors and strengthen its reach beyond our shores.

Copies of this report and senior officers' interest are available free of charge from the Company Secretary, HM Secretaries Ltd, 18 Edith Cavell Street, Port Louis.

By order of the Board
HM Secretaries Ltd.
Company Secretary
10 November 2020

The Board of Directors of The Mauritius Chemical and Fertilizer Industry Limited accepts full responsibility for the accuracy of the information contained in the above report issued pursuant to Listing Rule 12.20 and Securities Act 2005.