12 September 2022

(EPIC: SRC / Market: AIM / Sector: Construction Materials)

SIGMAROC PLC
('SigmaRoc', the 'Company' or the 'Group')

Interim Results

SigmaRoc plc, the AIM listed buy-and-build quarried materials group, is pleased to announce its unaudited interim results for the six months ended 30 June 2022.

Highlights

Financial highlights

	30 June 2022	30 June 2021	Change
Revenue	**£247.1m**	£84.8m	191.5%
Underlying EBITDA	**£47.6m**	£15.2m	212.2%
Underlying profit before tax	**£29.1m**	£8.7m	233.7%
Underlying EPS	**3.61p**	2.68p	34.7%
Cash and cash equivalents	**£46.4m**	£19.9m	132.9%

Underlying results are stated before acquisition related expenses, certain finance costs, redundancy and reorganisation costs, impairments, amortisation of acquisition intangibles and share option expense. References to an underlying profit measure throughout this Annual Report are defined on this basis. Pro-forma financial information is presented on a like-for-like basis adjusting for impact of any acquisitions or non-recurring events.

Financial highlights

- Strong first half of 2022, demonstrating the effectiveness of the Group's diversified model
- Revenue of £247m, 17% ahead of prior year on a pro-forma basis
- EBITDA of £47.6m, 6% ahead of prior year on a pro-forma basis reflecting pass through and management of inflationary cost increases
- Underlying operating cash generation of £22 million, with leverage within the Group's target range

Strategic highlights

- Ongoing focus on efficiency with further improvement initiatives implemented across the portfolio
- Continued very strong momentum in uptake of our Greenbloc, ultra-low carbon products technology, with roll out across our concrete ranges and new capacity investment
- Acquisitions of Johnston and RightCast completed in the first half
- Published maiden ESG report with net-zero target set for 2040
- Creation of quicklime division at Nordkalk based on strong technical competencies
- Joint venture agreement signed with ArcelorMittal post period end

Outlook

- H2 trading started well, benefitting from the Group's diversification
- Demand remains good for both housing and infrastructure, as well as for industrial minerals
- Continue to focus on inflationary cost management, particularly energy, with further operational improvement initiatives to be implemented
- The Board is cognisant of the macro-economic backdrop, but the Group is well placed to make further financial and strategic progress in H2
- The long term potential remains exciting, with significant opportunities to extend our geographical reach and product offering across a range of markets for high quality construction materials and industrial minerals

David Barrett, Executive Chairman, commented:

"I am extremely pleased with the performance of the Group considering the challenges faced in the last six months. Furthermore, Johnston Quarry Group and RightCast are excellent additions to the Group and fit the SigmaRoc model well. The Group remains well positioned for growth and evolution in the coming months and years, as clearly demonstrated by the very exciting development with ArcelorMittal."

Max Vermorken, CEO, commented:

"Amidst a new set of challenges in the first half of the year, the Group once again demonstrates its drive and agility. We closed the first six months of 2022 well on track while successfully managing inflationary pressures across the Group, the industrial action in Finland and the consequences of the Ukraine conflict.

Our focus for the second half remains on numerous strategic projects including our industry leading ESG commitments and our partnership with ArcelorMittal for green quicklime, while continuing to look for further opportunities to grow."

The full text of the interim statement is set out below, together with detailed financial results, and will be available on the Company's website at www.sigmaroc.com.

An investor and analyst call will take place at 8.00 a.m. today. To participate in the results call, please register your interest via the following links:

URL: https://us06web.zoom.us/webinar/register/WN_kiNoUHiWT0uEE_3l4R5Cvw

Should you wish to ask questions of management, there will be an online Q&A facility to log any questions. It may not be possible for all questions to be heard during the call.

Any large investor or analyst wishing to arrange a one to one call with the Company, should contact ir@sigmaroc.com or one of the Company's Joint Brokers via the relevant contact details below.

Information on the Company is available on its website at www.sigmaroc.com.

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EXECUTIVE STATEMENT

When COVID-19 hit, our business model showed its inherent flexibility and our teams their drive and agility. 2022 produced new challenges and yet again our agility and flexibility showed its true value. We closed the first half of 2022 well on track with market expectations. Our central team was able to find savings and efficiency gains to compensate for unexpected breakdowns and union strikes. Our commercial teams locally were able to deal with inflationary cost pressures, leveraging the strategic location of our footprint and our customer relationships. Our operators were able to react with agility to an increasingly challenging energy market, production requirements and customer demand. We are pleased that the quality of our operators, the inherent diversification in our model and our strong local market positions have demonstrated their true value in a time of rapid changes and multiple challenges.

The Group reported underlying revenue of £247.1 million, representing a 191.5% year-on-year increase, and an underlying EBITDA of £47.6 million, being an uplift of 212.2% year-on-year. Underlying profit before tax was £29.1 million and underlying EPS was 3.61p representing a 34.7% improvement year-on-year. Revenue and underlying EBITDA have increased primarily due to the inclusion of Nordkalk which was acquired in August 2021, together with the additions of Johnston and RightCast. On a pro-forma adjusted basis revenue and EBITDA grew by 18% and 6%, respectively, in the first half.

The strong trading performance and continuation of careful and effective cash management strategies has led to a strong cash position at 30 June 2022 of £46.4 million. Whilst the Group has continued its investment led growth strategy with the acquisitions of Johnston and RightCast, for a total initial consideration of £38 million, the Group's Adjusted Leverage Ratio at 30 June 2022 had reduced to 2.24x, which is within our long term target range.

Operating performance

The majority of Group businesses performed ahead of the Board's expectations during the first half of 2022, which enabled the Company to offset the impact of the union strike at our leading pulp and paper customer in the first quarter.

In the Channel Islands phasing of significant construction projects created a modest decline in demand early in the year, but with residential development still buoyant in Jersey, and with rising confidence in Guernsey, targets for the half year were exceeded. The residential sector is expected to remain strong and, with more favourable project phasing coming through in H2, we anticipate good sales volumes through the rest of the year.

PPG continued its strong performance, with demand consistent across the period and cost increases passed-on through regular price increases. Allen Concrete continued its strong volume trend from 2021, Poundfield had a slightly subdued start to the year but closed the period with a very busy bespoke projects division and CCP operated at close to maximum capacity, with additional shifts added to meet the rising demand.

Our rebranded England & Wales platform traded well after recovering from a challenging start at Harries and the inclusion of Johnston from February. Revenue for Harries was strong throughout the period, but margin performance was impacted in January and February as a result of equipment issues which increased maintenance and plant hire costs. This has been recovered by improved margins through a combination of premium aggregate product sales and operating cost efficiencies. At Johnston construction aggregate demand from Lincolnshire quarries was subdued as large infrastructure projects were delayed but this was offset by strong demand for agricultural lime.

Dimension Stone had a particularly strong first half in 2022, with an exceptionally strong order book translating into high volumes. Inflationary input cost pressure was mitigated by regular price increases and we further benefitted from very good electricity generation from a new solar panel installation.

Our Benelux platform had mixed results but overall performed in line with expectations. B-Mix had a very strong first half of the year with volumes ahead of budget translating into good EBITDA growth. Cuvelier was in line with expectations and GduH behind due to offtake volumes not being adhered to, which will correct in H2 2022 through a contractual take-or-pay mechanism.

Nordkalk faced particularly challenging conditions in the early part of the year, including:

- The Russian invasion of Ukraine displacing three employees and their families;
- Significant energy cost increases and concern over supply arrangements;
- Union strike at UPM in Finland which persisted for almost 4 months; and
- Unexpected plant shutdown at customer, SSAB, in January.

Through active collaboration between SigmaRoc technical teams and the regional teams within Nordkalk, many of the challenges were met head-on. Further savings were found across the Group and Nordkalk's commercial teams were able to manage the inflationary pressure well through a combination of hedging and dynamic pricing. The impact from customer interruptions was successfully mitigated through the implementation of cost saving programmes across the Group combined with catchup demand through the remainder of the period. The challenges of the Ukraine conflict should also not be forgotten. Nordkalk staff in Poland were very active in assisting our Ukrainian staff and their families to relocate to safety when possible, with those who had to remain in Ukraine being located near the Polish border. As a result, Nordkalk had a good first half of 2022 in ways beyond the purely financial.

Safety

The Group has continued to progress and improve its safety culture across the first half of 2022 by focusing on 3 key areas: 1. Structure & Compliance by ensuring corrective actions are properly closed out and on time; 2. Proactive Prevention by focusing on each businesses' 3-5 core risks; 3. Learn & Improve through thorough investigations and timely communication. We are pleased to report a 21% period-on-period reduction in incident frequency rate; no increase in harm frequency rate and a 277% period-on-period increase in near hit, hazard and risk reporting. With the addition of two new businesses during the period the Group has leveraged its established health & safety tools and procedures, including the internally developed safety management system HighVizz which has helped increase reporting, decrease incidents and improve safety awareness and culture.

Invest, improve, integrate, innovate

At the end of January 2022, the Group acquired Johnston for an initial cash consideration of £35.5 million. Johnston is a specialist quarried materials supplier producing construction aggregates and premium quality building stone, as well as agricultural lime for soil improvement. Its aggregate products are typically used in infrastructure projects, with its unique Cotswolds Ironstone and Bath Stone used in specified high end housing and architectural applications. The business currently operates five active quarries and mines and two separate processing sites located across the south-west of England, Oxfordshire and Lincolnshire. Johnston has access to 86 million tonnes of freehold and leasehold reserves and resources giving JQG an average life of mine of over 40 years.

For the 12 months to 30 September 2021, Johnston reported revenue of £14.7 million, generating EBITDA of £5.9 million and profit before tax of £3.6 million. The acquisition was funded from the Group's existing resources, including the assumption of approximately £10 million in borrowings comprising long term debt and plant hire contracts.

In April 2022, the Group acquired RightCast for an initial cash consideration of £2.55 million with a further £0.45 million deferred consideration payable in 12 months subject to certain conditions. RightCast is a precast concrete producer specialising in the production of concrete stair flights and landings.

For the 12 months ended 31 October 2021, RightCast reported revenue of £3.1 million, generating EBITDA of £0.6 million and profit after tax of £0.5 million. The acquisition was funded from the Group's existing resources and RightCast has been integrated into the PPG platform. RightCast brought with it a strong pipeline of work, well established team and complimentary product offering to PPG.

The market reaction to Greenbloc has surpassed our expectations. We have invested significantly in our own manufacturing facilities to keep pace with demand, while the PPG platform has also acquired and developed additional UK sites to facilitate the development and manufacture of ultra-low carbon construction products that go beyond concrete blocks.

From the start of this year every product currently manufactured by SigmaRoc's PPG platform is now available in a cement-free ultra-low carbon option. From September 2022 we expect up to 50% of all products produced by the PPG Platform to fall under the Greenbloc brand.

Our strategic collaboration agreement with Marshalls, which was established on the back of our leadership in the market with Greenbloc, has accelerated during the first half of 2022. We have multiple workstreams focusing on pushing existing technologies to their limits while also developing new manufacturing techniques. Together with Marshalls, we remain committed to improving how concrete is specified within the build environment and reducing its carbon footprint significantly.

In the Channel Islands all ready-mix concrete and concrete products are now offered with a low carbon cement blend option, and the ultra-low carbon offering for ready-mix concrete is gathering traction in the market.

Organic development

Development of the 2 million tonne quarry extension in Jersey, which was consented in 2021, has progressed well, with sales of product from the extended area already underway. In Guernsey, the planning application to develop the new quarry resource at Chouet is expected to be determined in autumn 2022, with extraction anticipated to commence early next year.

In Poland, a new limestone deposit was opened, with planned reserve extensions expected to add a total of 35 million tonnes to the Group's reserves and resources.

In Belgium, quarry extension works are on track at Soignies with construction of the new road around the extension area progressing well, which should enable excavations of overburden in Q4'22. Furthermore, work is nearly complete on the construction of our first mainland Europe precast production facility in Belgium with first products expected off the production line in September 2022.

Environmental, Social and Governance (ESG)

In April 2022 the Group published its first ESG report which contains extended detail on its Environmental, Social and Governance policies and initiatives, as well as a detailed roadmap to net-zero. The report provides further detail on a large number of initiatives already in place across the Group to manage its energy use and sourcing, as well as accelerate its successful track record in innovation to both meet demanding ESG targets and further enhance competitiveness. In summary of the ESG report, we aim to:

- provide option for 100% of manufactured products to utilise waste/recycled materials by 2025;
- utilise 100% of production materials by 2027;
- be free of fossil fuel use by 2032; and
- achieve net-zero by 2040.

No other operator in the lime sector has committed to these targets and no other building materials producer is presently able to offer certified products with ultra-low carbon credentials totally free of cement, across the entire range of its products.

More specifically, in Belgium feasibility studies to further increase green energy sourcing have been initiated. These include new wind installations and further increases of solar capacity on site at Soignies.

In West Wales Harries contributed to a successful "nappy-enhanced" asphalt trial, whereby 2.4km of roadway was surfaced using asphalt that contained recycled nappies. The fibres from the nappies improve binding of bitumen with aggregate, resulting in a more durable road surface which is expected to remain in situ for up to 20 years while also providing reduced road noise.

As part of our commitment to employees as well has their families and the communities they love and work in, West Wales held a Family Fun Day with over 200 people attending. This was an opportunity for everyone to come together, have fun and relax as well as raise money for local charities with additional support from other local businesses.

Furthering our governance initiatives, we are pleased to advise that Julie Kuenzel has been appointed as Company Secretary with immediate effect. Julie holds a Bachelor of Commerce Degree, is a Chartered Accountant and working toward membership with the Chartered Governance Institute UK & Ireland. Julie has over 20 years' experience working in a wide range of industries in senior management positions. More recently, Julie has been focussed on providing financial and corporate governance advice to listed companies. Julie replaces Westend Corporate, who remain as the Group’s financial accountants. Julie bolsters the Group’s already strong corporate governance function and will report to the Board on all compliance related matters.

In April 2022, Axelle Henry joined the Board as an independent NED. Ms Henry brings significant financial skill to the Group given her role as CFO of a major investment fund and also adds fresh perspective to the Board with her knowledge of sectors which are more brand and innovation oriented.

To support both our businesses and our communities, we are continuing to develop our working relationships with the military and military employment charities and are registered with the Career Transition Partnership. We will help facilitate resettlement and transition from military to civilian life as well as support civilian spouses and partners of serving and ex-Forces personnel on their journey into employment.

Across all our platforms, our business model of local business for local communities ensures that we continue to integrate into the areas we work, supporting both other local businesses, projects, and communities.

Corporate

Our 2021 annual results were released in March 2022 and in April 2022 we held our Annual General Meeting with all resolutions being passed.

Outlook

Trading in the early part of H2 2022 has started well, with the Group benefitting from its broad end market and geographical diversification. Demand remains good both for housing and infrastructure, as well as for industrial minerals. The Group has successfully dealt with various supply chain and inflationary headwinds in H1 2022 and has continued to do so into H2 2022, with particular focus on energy costs and continuous operational improvement initiatives.

Looking further ahead, we maintain our focus on a number of important strategic projects identified in the FY21 annual report, including our ambitious ESG commitments, continuing our disciplined investment strategy and pursuing organic growth and margin improvement through expansion of our markets and sales networks.

We continue to see significant opportunity to extend our geographical reach and product offering across a range of markets for high quality construction materials and industrial minerals. The Group remains well placed to continue its growth and development while actively managing a challenging macro landscape and horizon.

David Barrett	**Max Vermorken**	**Garth Palmer**
Executive Chairman	Chief Executive Officer	Chief Financial Officer

9 September 2022

CONSOLIDATED INCOME STATEMENT

		6 months to 30 June 2022 Unaudited			6 months to 30 June 2021 Unaudited		
		Underlying	**Non-underlying* (Note 8)**	**Total**	Underlying	Non-underlying* (Note 8)	Total
Continued operations	**Note**	**£'000**	**£'000**	**£'000**	£'000	£'000	£'000
Revenue	6	**247,067**	**-**	**247,067**	**84,760**	**-**	**84,760**
Cost of sales	7	(193,918)	-	(193,918)	(61,585)	-	(61,585)
Profit from operations		**53,149**	**-**	**53,149**	**23,175**	**-**	**23,175**
Administrative expenses	7	(21,410)	(9,766)	(31,176)	(13,117)	(2,398)	(15,515)
Net finance (expense)/income		(3,349)	(764)	(4,113)	(1,306)	-	(1,306)
Other net (losses)/gains		576	(9)	567	46	822	868
Foreign Exchange		157	-	157	(89)	-	(89)
Profit/(loss) before tax		**29,123**	**(10,539)**	**18,584**	**8,709**	**(1,576)**	**7,133**
Tax expense		(5,206)	-	(5,206)	(1,236)	-	(1,236)
Profit/(loss)		**23,917**	**(10,539)**	**13,378**	**7,473**	**(1,576)**	**5,897**
Profit/(loss) attributable to:							
Owners of the parent		23,067	(10,539)	12,528	7,467	(1,571)	5,895
Non-controlling interests		850	-	850	6	(4)	2
		23,917	**(10,539)**	**13,378**	**7,473**	**(1,576)**	**5,897**
Basic earnings per share attributable to owners of the parent (expressed in pence per share)	15	**3.61**	**(1.65)**	**1.96**	**2.68**	**(0.56)**	**2.12**
Diluted earnings per share attributable to owners of the parent (expressed in pence per share)	15	**3.46**	**(1.58)**	**1.88**	**2.45**	**(0.52)**	**1.93**

* Non-underlying items represent acquisition related expenses, restructuring costs, certain finance costs, share option expense and amortisation of acquired intangibles. See Note 8 for more information.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	6 months to 30 June 2022 Unaudited £'000	6 months to 30 June 2021 Unaudited £'000
Profit for the year		**13,378**	**5,897**
Other comprehensive income:			
Items that will or may be reclassified to profit or loss:			
Currency exchange (losses) / gains		11,306	(3,074)
Cash flow hedges – effective portion of changes in fair value		11,678	-
Remeasurement of the net defined benefits liability		13	-
		22,997	**(3,074)**
Total comprehensive income		**36,375**	**2,823**
Total comprehensive income attributable to:			
Owners of the parent		35,518	2,822
Non-controlling interests	12	857	1
Total comprehensive income for the period		**36,375**	**2,823**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Company number: 05204176

	Note	30 June 2022 Unaudited £'000	30 June 2021 Unaudited £'000	31 December 2021 Audited £'000
Non-current assets				
Property, plant and equipment	9	277,364	147,109	256,436
Intangible assets	10	355,222	51,181	306,436
Investment in equity-accounted associate	11	528	-	524
Investment in joint ventures	11	5,283	-	5,134
Derivative financial assets		11,989	-	870
Other receivables		4,879	12	4,759
Deferred tax asset		3,915	956	3,129
		659,180	**199,258**	**577,288**
Current assets				
Trade and other receivables		94,097	30,828	73,254
Inventories		56,028	14,792	44,530
Cash and cash equivalents		46,427	19,937	69,916
Derivative financial assets		10,180	174	4,327
		206,732	**65,731**	**192,027**
Total assets		**865,912**	**264,989**	**769,315**
Current liabilities				
Trade and other payables		119,933	48,511	98,213
Derivative financial liabilities		1,372	-	737
Provisions		4,982	-	4,024
Current tax payable		3,811	1,158	3,934
Borrowings	13	30,021	5,235	21,723
		160,119	**54,904**	**128,631**

	Note			
Non-current liabilities				
Borrowings	1313	233,363	67,546	212,199
Employee benefit liabilities		1,575	-	1,589
Derivative financial liabilities		1,057	-	-
Deferred tax liabilities		9,710	3,917	5,190
Provisions		5,094	5,391	6,151
Other payables		4,484	5,100	4,401
		255,283	**81,954**	**229,530**
Total Liabilities		**415,102**	**136,858**	**358,161**
Net assets		**450,510**	**128,131**	**411,154**
Equity attributable to owners of the parent				
Share capital	14	6,382	2,799	6,379
Share premium	14	400,022	107,893	399,897
Share option reserve		9,307	807	3,104
Other reserves		12,797	473	(11,236)
Retained earnings		12,781	14,924	2,116
Equity attributable to owners of the parent		**441,289**	**126,896**	**400,260**
Non-controlling interest	12	9,221	1,235	10,894
Total Equity		**450,510**	**128,131**	**411,154**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Share capital £'000	Share premium £'000	Share option reserve £'000	Other reserves £'000	Retained earnings £'000	Total £'000	Non-controlling interest £'000	Total £'000
Balance as at 1 January 2021		**2,788**	**107,418**	**847**	**3,293**	**9,218**	**123,564**	**-**	**123,564**
Profit for the period		-	-	-	-	5,895	5,895	**2**	5,897
Currency translation differences		-	-	-	(3,073)	-	(3,073)	(1)	(3,074)
Total comprehensive income for the period		**-**	**-**	**-**	**(3,073)**	**5,895**	**2,822**	**1**	**2,823**
Contributions by and distributions to owners									
Issue of ordinary shares		11	475	-	-	-	486	1,234	1,721
Share option charge		-	-	24	-	-	24	-	24
Exercise of share options		-	-	(64)	-	64	-	-	-
Movement in equity		-	-	-	253	(253)	-	-	-
Total contributions by and distributions to owners		**11**	**475**	**(40)**	**253**	**(190)**	**510**	**1,234**	1,744
Balance as at 30 June 2021		**2,799**	**107,893**	**807**	**473**	**14,924**	**126,896**	**1,235**	128,131
Balance as at 1 January 2022		**6,379**	**399,897**	**3,104**	**(11,236)**	**2,116**	**400,260**	**10,894**	**411,154**
Profit for the period		-	-	-	-	12,528	12,528	850	13,378
Currency translation differences		-	-	-	11,299	-	11,299	7	11,306
Other comprehensive income		-	-	-	11,691	-	11,691	-	11,691
Total comprehensive income for the period		**-**	**-**	**-**	**22,990**	**12,528**	**35,518**	**857**	**36,375**
Contributions by and distributions to owners									
Issue of ordinary shares	14	3	125	-	-	-	128	-	128
Share option charge		-	-	6,380	-	-	6,380	-	6,380
Exercise of share options		-	-	(177)	-	177	-	-	-

Dividends	-	-	-	-	(1,686)	(1,686)	(2,530)	(4,216)
Movement in equity	-	-	-	1,043	(354)	689	-	689
Total contributions by and distributions to owners	**3**	**125**	**6,203**	**1,043**	**(1,863)**	**5,511**	**(2,530)**	**2,981**
Balance as at 30 June 2022	**6,382**	**400,022**	**9,307**	**12,797**	**12,781**	**441,289**	**9,221**	**450,510**

CASH FLOW STATEMENTS

	Note	6 months to 30 June 2022 Unaudited £'000	6 months to 30 June 2021 Unaudited £'000
Cash flows from operating activities			
Profit		13,378	5,897
Adjustments for:			
Depreciation and amortisation		15,830	6,076
Share option expense		6,597	23
Loss/(gain) on sale of property, plant and equipment		(358)	79
Net finance costs		4,113	1,306
Other non-cash adjustments		407	(858)
Net tax paid		(1,441)	549
Share of earnings from associates		(201)	-
Increase in trade and other receivables		(13,325)	(5,096)
Increase in inventories		(8,501)	(1,163)
(Decrease)/increase in trade and other payables		3,383	(1,026)
Decrease in provisions		(539)	(596)
Net cash flows from operating activities		**19,343**	**5,191**
Investing activities			
Purchase of property, plant and equipment	9	(15,063)	(4,119)
Cash paid for acquisition of subsidiaries (net of cash acquired)		(36,648)	(9,856)
Sale of property plant and equipment		779	1
Purchase of intangible assets	10	(535)	-
Financial derivatives		302	-
Interest received		2,959	-
Net cash used in investing activities		**(48,206)**	**(13,974)**
Financing activities			
Proceeds from share issue		128	1,721
Finance costs		(6,714)	(705)
Proceeds from borrowings		28,901	4,444
Repayment of borrowings		(16,257)	(4,124)
Dividends paid		(1,686)	-
Net cash generated from financing activities		**4,372**	**1,336**
Net increase in cash and cash equivalents		**(24,491)**	**(7,447)**
Cash and cash equivalents at beginning of period		**69,916**	**27,452**
Exchange (losses)/gains on cash		1,002	(68)
Cash and cash equivalents and end of period		**46,427**	**19,937**

NOTES TO THE FINANCIAL STATEMENTS

1. General Information

The principal activity of SigmaRoc plc (the 'Company') is to make investments and/or acquire projects in the construction materials sector and through its subsidiaries (together the 'Group') is the production of high-quality aggregates and supply of value-added construction materials. The Company's shares are admitted to trading on the AIM market of the London Stock Exchange ('AIM'). The Company is incorporated and domiciled in the United Kingdom.

The address of its registered office is Suite 1, 15 Ingestre Place, London, W1F 0DU.

2. Basis of preparation

The interim financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting, as adopted by the UK. The interim financial statements have been prepared applying the accounting policies and presentation that were applied in the annual financial statements for the year ended 31 December 2021. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2021.

The interim financial information set out above does not constitute statutory accounts within the meaning of the Companies Act 2006. It has been prepared on a going concern basis in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS) as adopted by the UK.

Statutory financial statements for the period ended 31 December 2021 were approved by the Board of Directors on 23 March 2022 and delivered to the Registrar of Companies. The report of the auditors on those financial statements was unqualified. The comparative financial information for the interim period ended 30 June 2021 and year ended 31 December 2021 is for the Group only.

Going concern

The Directors, having made appropriate enquiries, consider that adequate resources exist for the Company and Group to continue in operational existence for the foreseeable future and that, therefore, it is appropriate to adopt the going concern basis in preparing the condensed interim financial statements for the period ended 30 June 2022.

Risks and uncertainties

The Board continuously assesses and monitors the key risks of the business. The key risks that could affect the Company's medium-term performance and the factors that mitigate those risks have not substantially changed from those set out in the Company's 2021 Annual Report and Financial Statements, a copy of which is available on the Company's website: www.sigmaroc.com. The key financial risks are liquidity risk, credit risk, interest rate risk and fair value estimation.

Critical accounting estimates

The preparation of condensed interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in Note 4 of the Company's 2021 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed significantly during the interim period.

Foreign Currencies

a) Functional and Presentation Currency

Items included in the Financial Statements are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The Financial Statements are presented in Pounds Sterling, rounded to the nearest pound, which is the Group's functional currency.

b) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where such items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Income Statement within 'finance income or costs. All other foreign exchange gains and losses are presented in the Income Statement within 'Other net gains/(losses)'.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets measured at fair value, such as equities classified as available for sale, are included in other comprehensive income.

c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each period end date presented are translated at the period-end closing rate;
- income and expenses for each Income Statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of monetary items receivable from foreign subsidiaries for which settlement is neither planned nor likely to occur in the foreseeable future, are taken to other comprehensive income. When a foreign operation is sold, such exchange differences are recognised in the Income Statement as part of the gain or loss on sale.

3. Accounting policies

Except as described below, the same accounting policies, presentation and methods of computation have been followed in these condensed interim financial statements as were applied in the preparation of the company's annual financial statements for the year ended 31 December 2021, except for the impact of the adoption of the Standards and interpretations described in para 3.1 below:

3.1. Changes in accounting policy and disclosures

(a) Accounting developments during 2022

The International Accounting Standards Board (IASB) issued various amendments and revisions to International Financial Reporting Standards and IFRIC interpretations. The amendments and revisions were applicable for the period ended 30 June 2022 but did not result in any material changes to the financial statements of the Group or Company.

(b) New standards, amendments and interpretations in issue but not yet effective or not yet endorsed and not early adopted

Standard	Impact on initial application	Effective date
IAS 12	Income taxes	1 January 2023
IFRS 17	Insurance contracts	1 January 2023
IAS 8	Accounting estimates	1 January 2023
IAS 1	Classification of Liabilities as Current or Non-Current.	1 January 2023

The Group is evaluating the impact of the new and amended standards above which are not expected to have a material impact on the Group's results or shareholders' funds.

4. Dividends

No dividend has been declared or paid by the Company during the six months ended 30 June 2022 (2021: nil).

5. Segment Information

Management has determined the operating segments based on reports reviewed by the Board of Directors that are used to make strategic decisions. During the periods presented the Group had interests in four key geographical segments, being the United Kingdom, Channel Islands, Belgium and Northern Europe. Activities in the United Kingdom, Channel Islands, Belgium and Northern Europe relate to the production and sale of construction material products and services.

	6 months to 30 June 2022				
	United Kingdom	**Channel Islands**	**Belgium**	**Northern Europe**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Revenue	51,343	15,021	43,224	137,479	**247,067**
Profit from operations per reportable segment	12,093	5,085	11,865	24,106	**53,149**
Additions to non-current assets	57,501	(401)	(2,191)	26,984	**81,893**
Reportable segment assets	180,906	49,787	116,653	518,566	**865,912**
Reportable segment liabilities	280,673	5,500	30,015	99,214	**415,102**

	6 months to 30 June 2021			
	United Kingdom	**Channel Islands**	**Belgium**	**Total**
	£'000	**£'000**	**£'000**	**£'000**
Revenue	35,225	14,367	35,168	**84,760**
Profit from operations per reportable segment	7,433	5,016	10,726	**23,175**
Additions to non-current assets	290	(874)	4,812	**4,228**
Reportable segment assets	105,919	47,254	111,816	**264,989**
Reportable segment liabilities	76,767	4,981	55,110	**136,858**

6. Revenue

	Consolidated	
	6 months to 30 June 2022 Unaudited	**6 months to 30 June 2021 Unaudited**

	£'000	£'000
Upstream products	28,009	11,383
Value added products	191,046	64,332
Value added services	23,171	6,832
Other	4,842	2,213
	247,067	**84,760**

Upstream products revenue relates to the sale of aggregates and cement. Value added products is the sale of finished goods that have undertaken a manufacturing process within each of the subsidiaries. Value added services consists of the transportation, installation and contracting services provided.

All revenues from upstream and value added products relate to products for which revenue is recognised at a point in time as the product is transferred to the customer. Value added services revenues are accounted for as products and services for which revenue is recognised over time.

Whilst the Group has contract revenue, this amount is not deemed to be material under IFRS 15.

7. Expenses by nature

	6 months to 30 June 2022 Unaudited	**6 months to 30 June 2021 Unaudited**
	£'000	**£'000**
Cost of sales		
Raw materials and production	92,942	22,592
Distribution and selling expenses	19,654	3,850
Employee benefit expenses	46,614	18,801
Maintenance expense	10,196	3,627
Plant hire expense	3,008	2,627
Depreciation and amortisation expense	15,091	5,221
Other costs of sale	6,413	4,867
Total cost of sales	**193,918**	**61,585**
Administrative expenses		
Operational admin expenses	19,666	12,421
Corporate admin expenses	11,510	3,094
Total administrative expenses	**31,176**	**15,515**

Depreciation and amortisation expense is a combination of property, plant and equipment depreciation and amortisation of intangible assets.

8. Non-underlying items

As required by IFRS 3 – Business Combinations, acquisition costs have been expensed as incurred. Additionally, the Group incurred costs associated with obtaining debt financing, including advisory fees to restructure the Group to satisfy lender requirements.

	6 months to 30 June 2022 Unaudited	**6 months to 30 June 2021 Unaudited**
	£'000	**£'000**
Acquisition related expenses	1,849	349
Restructuring expenses	801	396
Share options expense	6,696	23
Amortisation of acquired intangibles	739	808

Other non-underlying	454	-
	10,539	**1,576**

Acquisition related expenses include costs relating to the due diligence of prospective pipeline acquisitions and other direct costs associated with merger & acquisition activity including accounting fees, legal fees and other consulting fees.

Amortisation of acquired assets are non-cash items which distort the underlying performance of the businesses acquired.

Restructuring expenses include advisory fees, additional legal fees relating to the refinancing and redundancy costs.

Share option expense is the fair value of the share options issued and or vested during the period.

Other non-underlying costs include COVID-19 related costs, professional adviser fees and other associated costs.

9. Property, plant and equipment

	Office equipment	**Land and minerals**	**Land and buildings**	**Plant and machinery**	**Furniture and vehicles**	**Construction in progress**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Cost							
As at 1 January 2021	**4,225**	**104,379**	**45,948**	**98,498**	**24,537**	**1,247**	**278,834**
Acquired through acquisition of subsidiary	213	-	179	7,672	4,146	-	12,210
Fair value adjustments	-	-	-	633	(383)	(250)	-
Additions	165	183	1,899	1,600	234	37	4,118
Disposals	-	(14)	-	(66)	(103)	-	(183)
Forex	(110)	(162)	(1,067)	(2,906)	(41)	-	(4,286)
As at 30 June 2021	**4,493**	**104,386**	**46,959**	**105,431**	**28,390**	**1,034**	**290,693**
Acquired through acquisition of subsidiary	-	81,482	70,443	185,753	-	10,667	348,345
Transfer between classes	-	-	1,149	133	-	(1,282)	-
Fair value adjustments	-	3,433	1,539	-	-	-	4,972
Additions	198	3,141	1,869	8,344	2,060	2,824	18,436
Disposals	-	(177)	(592)	(7,698)	(5,905)	-	(14,372)
Forex	(97)	(2,298)	(134)	(2,045)	50	-	-4,524
As at 31 December 2021	**4,594**	**189,967**	**121,233**	**289,918**	**24,595**	**13,243**	**643,550**
Acquired through acquisition of subsidiary	159	9,248	994	10,931	251	1,730	23,313
Transfer between classes	-	-	-	364	-	(364)	-
Fair value adjustment	-	-	(68)	-	2,192	-	2,124
Additions	106	2,303	1,176	8,084	423	2,971	15,063
Disposals	(5)	--	-	(1,254)	(112)	-	(1,371)
Forex	93	2,742	975	2,206	201	(46)	6,171
As at 30 June 2022	**4,947**	**204,260**	**124,310**	**310,249**	**27,550**	**17,534**	**688,850**
Depreciation							
As at 1 January 2021	**3,817**	**11,373**	**25,085**	**76,738**	**17,030**	**-**	**134,043**
Acquired through acquisition of subsidiary	152	-	131	4,194	3,201	-	7,678
Charge for the year	120	1,489	773	1,843	1,139	-	5,364
Transfer between classes	-	-	-	316	(316)		-
Disposals	-	-	-	-	(103)	-	(103)

Forex	(111)	(102)	(1,028)	(1,728)	(429)	-	(3,398)
As at 30 June 2021	**3,978**	**12,760**	**24,961**	**81,363**	**20,522**	**-**	**143,584**
Acquired through acquisition of subsidiary	-	57,487	40,796	145,316	-	-	243,599
Charge for the year	148	907	2,649	8,195	496	-	12,395
Disposals	-	-	(592)	(7,298)	(2,984)	-	(10,874)
Impairment	-	-	380	684	-	-	1,064
Forex	(85)	(980)	198	(1,979)	192	-	(2,654)
As at 31 December 2021	**4,041**	**70,174**	**68,392**	**226,281**	**18,226**	**-**	**387,114**
Acquired through acquisition of subsidiary	78	1,947	68	4,140	53	-	6,286
Charge for the year	102	1,157	3,207	8,847	1,477	-	14,790
Disposals	(3)	-	-	(888)	(58)	-	(949)
Forex	89	2,500	(380)	1,884	152	-	4,245
As at 30 June 2022	**4,307**	**75,778**	**71,287**	**240,264**	**19,850**	**-**	**411,486**
Net book value							
As at 30 June 2021	**515**	**91,626**	**21,998**	**24,068**	**7,868**	**1,034**	**147,109**
As at 31 December 2021	**553**	**119,793**	**52,841**	**63,637**	**6,369**	**13,243**	**256,436**
As at 30 June 2022	**640**	**128,482**	**53,023**	**69,985**	**7,700**	**17,534**	**277,364**

10. Intangible assets

	Consolidated						
	Goodwill	**Customer Relations**	**Intellectual property**	**Research & Development**	**Branding**	**Other Intangibles**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Cost & net book value							
As at 1 January 2021	**39,966**	**3,333**	**471**	**1,236**	**3,398**	**400**	**48,804**
Additions	-	-	-	-	-	-	-
Additions through business combination	5,494	-	-	-	-	-	5,494
Amortisation	-	(259)	(42)	(332)	(80)	-	(713)
Forex	(2,241)	-	-	(163)	-	-	(2,404)
As at 30 June 2021	**43,219**	**3,074**	**429**	**741**	**3,318**	**400**	**51,181**
As at 1 January 2022	**293,438**	**2,816**	**386**	**571**	**3,238**	**5,986**	**306,436**
Additions	-	-	-	4	-	531	535
Additions through business combination	41,496	-	-		-	-	41,496
Amortisation	-	(258)	(42)	(54)	(80)	(607)	(1,041)
Forex	7,647	-	-	4	-	145	7,796
As at 30 June 2022	**342,581**	**2,558**	**344**	**525**	**3,158**	**6,055**	**355,222**

The intangible asset classes are:

- Goodwill is the excess of the consideration transferred and the acquisition date fair value of any previous equity interest in the acquired over the fair value of the net identifiable assets.
- Customer relations is the value attributed to the key customer lists and relationships.
- Intellectual property is the patents owned by the Group.
- Research and development is the acquiring of new technical knowledge and trying to improve existing processes or products or; developing new processes or products.
- Branding is the value attributed to the established company brand.
- Other intangibles consist of capitalised development costs for assets produced that assist in the operations of the Group and incur revenue.

Amortisation of intangible assets is included in cost of sales on the Income Statement. Development costs have been capitalised in accordance with the requirements of IAS 38 and are therefore not treated, for dividend purposes, as a realised loss.

The Purchase Price Allocation ('PPA') exercise for B-Mix has commenced but is still subject to finalisation.

Impairment tests for goodwill

Goodwill arising on business combinations is not amortised but is reviewed for impairment on an annual basis, or more frequently if there are indications that the goodwill may be impaired. Goodwill is allocated to groups of cash generating units according to the level at which management monitor that goodwill, which is at the level of operating segments.

The primary operating segments are considered to be Ronez in the Channel Islands, Topcrete, Poundfield, CCP, Rightcast, GD Harries and Johnston Quarry Group in the UK, CDH, Stone, GDH, B-Mix and Casters in Belgium and Nordkalk in Finland, Sweden and Poland.

Key assumptions
The key assumptions used in performing the impairment review are set out below:

Cash flow projections
Cash flow projections for each operating segment are derived from the annual budget approved by the Board for 2022 and the three-year plan to 2023 and 2025. The key assumptions on which budgets and forecasts are based include sales volumes, product mix and operating costs. These cash flows are then extrapolated forward for a further 17 years, with the total period of 20 years reflecting the long-term nature of the underlying assets. Budgeted cash flows are based on past experience and forecast future trading conditions.

Long-term growth rates
Cash flow projections are prudently based on 2 per cent. and therefore provides plenty of headroom.

Discount rate
Forecast cash flows for each operating segment have been discounted at rates of 8 per cent which was calculated by an external expert based on market participants' cost of capital and adjusted to reflect factors specific to each operating segment.

Sensitivity
The Group has applied sensitivities to assess whether any reasonable possible changes in assumptions could cause an impairment that would be material to these consolidated Financial Statements. This demonstrated that a 1% increase in the discount rate would not cause an impairment and the annual growth rate is assumed to be 2%.

The Directors have therefore concluded that no impairment to goodwill is necessary.

11. Investment in Equity Accounted Associates & Joint Ventures

Nordkalk has a joint venture agreement with Franzefoss Minerals AS, to build a lime kiln located in Norway which was entered into on 5 August 2004. NorFraKalk AS is the only joint agreement in which the Group participates.

The Group has one non-material local associate in Pargas, Pargas Hyreshus Ab.

	30 June 2022 Unaudited £'000	30 June 2021 Unaudited £'000
Interests in associates	528	-
Interest in joint venture	5,283	-

	5,811	**-**

Name	Country of incorporation	Proportion of ownership interest held 30 June 2022 Unaudited	30 June 2021 Unaudited
NorFraKalk AS	Norway	50%	-

Summarised financial information

NorFraKalk AS - Cost and net book value	30 June 2022 Unaudited £'000	30 June 2021 Unaudited £'000
Current assets	10,960	-
Non-current assets	9,867	-
Current liabilities	4,199	-
Non-current liabilities	5,488	-
	30,514	**-**

	6 months to 30 June 2022 Unaudited £'000	6 months to 30 June 2021 Unaudited £'000
Revenues	10,559	-
Profit after tax from continuing operations	478	-

12. Non-controlling interests

	6 months to 30 June 2022 Unaudited £'000	6 months to 30 June 2021 Unaudited £'000
As at 1 January	10,894	-
Shares issued to non-controlling interest	-	1,234
Non-controlling interests share of profit in the period	850	1
Dividends paid	(2,530)	
Foreign exchange movement	7	
As at 30 June	**9,221**	**1,235**

13. Borrowings

	30 June 2022 Unaudited £'000	30 June 2021 Unaudited £'000
Non-current liabilities		
Santander term facility	211,320	59,456
Bank Loans	65	634
Finance lease liabilities	21,978	7,456

	233,363	**67,546**
Current liabilities		
Santander term facility	16,000	-
Bank loans	6,962	2,298
Finance lease liabilities	7,059	2,937
	30,021	**5,235**

In July 2021, the Group entered into a new Syndicated Senior Credit Facility of up to £305 million (the 'Credit Facility') led by Santander UK and including several major UK and European banks. The Credit Facility, which comprises a £205 million committed term facility, a £100 million revolving facility commitment and a further £100 million accordion option. This new facility replaces all previously existing bank loans within the Group.

The Credit Facility is secured by a floating charge over the assets of SigmaFin Limited, Carrieres du Hainaut and Nordkalk and is secured by a combination of debentures, security interest agreements, pledges and floating rate charges over the assets of SigmaRoc plc, SigmaFin Limited, B-Mix, Carrieres du Hainaut and Nordkalk. Interest is charged at a rate between 1.85% and 3.35% above SONIA ('Interest Margin'), based on the calculation of the adjusted leverage ratio for the relevant period. For the period ending 30 June 2022 the Interest Margin was 2.60%.

The carrying amounts and fair value of the non-current borrowings are:

	Carrying amount and fair value	
	30 June 2022 Unaudited	**30 June 2021 Unaudited**
	£'000	**£'000**
Santander term facility (net of establishment fees)	211,320	59,456
Bank loans	65	2,931
Finance lease liabilities	21,978	10,394
	233,363	**72,781**

14. Share capital and share premium

	Number of shares	**Ordinary shares**	**Share premium**	**Total**
		£	**£**	**£**
Issued and fully paid				
As at 1 January 2021	**278,739,186**	**2,787**	**107,418**	**110,205**
Exercise of options and warrants – 30 April 2021	1,059,346	11	456	467
Exercise of warrants – 13 May 2021	78,044	1	19	20
As at 30 June 2021	**279,876,576**	**2,799**	**107,893**	**110,692**
Issue of new shares – 31 August 2021 (1)	307,762,653	3,059	249,772	252,831
Issue of new shares – 31 August 2021	50,276,521	521	42,232	42,753
As at 31 December 2021	**637,915,750**	**6,379**	**399,897**	**406,276**
As at 1 January 2022	**637,915,750**	**6,379**	**399,897**	**406,276**
4 January 2022	330,594	3	125	128
As at 30 June 2022	**638,246,344**	**6,382**	**400,022**	**406,404**

(1) Includes issue costs of £8,748,365

On 4 January 2022, the Company issued and allotted 304,580 new Ordinary Shares at a price of 40 pence per share as an exercise of options. On this same day the Company issued and allotted 26,014. new Ordinary Shares at a price of 25 pence per share as an exercise of options.

15. Earnings per share

The calculation of the total basic earnings per share of 1.96 pence (2021: 2.12 pence) is calculated by dividing the profit attributable to shareholders of £13,378 million (2021: £5,897 million) by the weighted average number of ordinary shares of 638,240,865 (2021: 279,125,771) in issue during the period.

Diluted earnings per share of 1.88 pence (2021: 1.93 pence) is calculated by dividing the profit attributable to shareholders of £13,378 million (2021: £5,897,070) by the weighted average number of ordinary shares in issue during the period plus the weighted average number of share options and warrants to subscribe for ordinary shares in the Company, which together total 667,404,450 (2021: 304,541,876).

Details of share options that could potentially dilute earnings per share in future periods are disclosed in the notes to the Group's Annual Report and Financial Statements for the year ended 31 December 2021.

16. Fair value of financial assets and liabilities measured at amortised costs

The following table shows the carrying amounts and fair values of the financial assets and liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measures at fair value if the carrying amount is a reasonable approximation of fair value.

Items where the carrying amount equates to the fair value are categorised to three levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 inputs are unobservable inputs for the asset or liability.

	Carrying Amount						**Fair value**		
	Fair value – Hedging instruments	**Fair value through P&L**	**Fair value through OCI**	**Financial asset at amortised cost**	**Other financial liabilities**	**Total**	**Level 1**	**Level 2**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Forward exchange contracts	-	1,138	-	-	-	**1,138**	-	1,138	**1,138**
CO_2 emission hedge	-	126	-	-	-	**126**	126	-	**126**
Electricity hedges	20,905	-	-	-	-	**20,905**	20,905	-	**20,905**
Financials assets not measured at fair value									
Trade and other receivables (excl. Derivatives)	-	-	-	94,097	-	**94,097**	-	-	**-**
Cash and cash equivalents	-	-	-	46,427	-	**46,427**	-	-	**-**
Financial liabilities measured at fair value									
Forward exchange contracts	219	-	-	-	-	**219**	-	219	**219**
CO_2 emission hedge	126	-	-	-	-	**126**	126	-	**126**

Electricity hedges	2,084	-	-	-	-	**2,084**	2,084	-	**2,084**
Financial liabilities not measured at fair value									
Loans	-	-	-	-	234,347	**234,347**	-	-	**-**
Finance lease liability	-	-	-	-	29,037	**29,037**	-	-	**-**
Trade and other payables (excl. derivative)	-	-	-	-	124,120	**124,120**	-	-	**-**

17. Business combination

Johnston Quarry Group

On 1 February 2022, the Group acquired 100 per cent. of the share capital of Johnston Quarry Group Limited (‘JQG’) for a cash consideration of £35.5 million (being £35.5 million less adjustments for various obligations assumed by the Group as part of the acquisition). JQG is registered and incorporated in England. JQG is a high-quality producer of construction aggregates, building stone and agricultural lime.

The following table summarises the consideration paid for JQG and the values of the assets and equity assumed at the acquisition date.

Total consideration	**£’000**
Net cash consideration	35,050
Deferred consideration	8,500
	43,550

Recognised amounts of assets and liabilities acquired	**£’000**
Cash and cash equivalents	1,587
Trade and other receivables	2,160
Inventories	1,533
Property, plant & equipment	16,897
Trade and other payables	(5,685)
Borrowings	(10,795)
Provisions	(325)
Income tax payable	(350)
Deferred tax liability	(826)
Total identifiable net assets	**4,197**
Goodwill	**39,354**
Total consideration	**43,550**

RightCast Limited

On 27 April 2022, the Group acquired 100 per cent. of the share capital of RightCast Limited (‘RightCast’) and its subsidiaries for a cash consideration of £2.55 million. RightCast is registered and incorporated in England. RightCast is a precast company specialising in the design, manufacture, supply and installation of bespoke precast concrete products.

The following table summarises the consideration paid for RightCast and the values of the assets and equity assumed at the acquisition date.

Total consideration	**£’000**
Cash	2,550

Deferred consideration	747
	3,297

Recognised amounts of assets and liabilities acquired	**£'000**
Cash and cash equivalents	15
Trade and other receivables	1,153
Inventories	462
Property, plant & equipment	75
Trade and other payables	(474)
Income tax payable	(57)
Deferred tax liability	(19)
Total identifiable net assets	**1,155**
Goodwill (refer to note 10)	**2,142**
Total consideration	**3,297**

18. Related party transactions

Loans with Group Undertakings

Amounts receivable/(payable) as a result of loans granted to/(from) subsidiary undertakings are as follows:

	Company	
	30 June 2022 Unaudited	**30 June 2021 Unaudited**
	£'000	**£'000**
Ronez Limited	(19,728)	(15,468)
SigmaGsy Limited	(6,763)	(5,455)
SigmaFin Limited	20,146	(6,584)
Topcrete Limited	(9,494)	(8,678)
Poundfield Products (Group) Limited	5,251	5,863
Foelfach Stone Limited	466	457
CCP Building Products Limited	5,396	5,786
Carrières du Hainaut SCA	16,388	(4,861)
GDH (Holdings) Limited	9,838	1,484
B-Mix Beton NV	517	-
Stone Holdings SA	376	368
Nordkalk Oy Ab	73,939	-
Johnston Quarry Group	10,451	-
	106,783	**(27,088)**

Loans granted to or from subsidiaries are unsecured, have interest charged at 2% and are repayable in Pounds Sterling on demand from the Company.

All intra Group transactions are eliminated on consolidation.

Other Transactions

During the period, there were no related party transactions.

19. Events after the reporting date

On 12 September 2022 the Company announced it had entered into a joint venture agreement with ArcelorMittal Global Holdings S.L.R. to develop quicklime production for use in steel production and other applications.

20. Approval of interim financial statements

The condensed interim financial statements were approved by the Board of Directors on 9 September 2022.