

TERRA MAURICIA LTD

Terra Mauricia Ltd is a public limited company incorporated and domiciled in Mauritius and listed on the Official List of The Stock Exchange of Mauritius Ltd since January 1, 2012. The address of its registered office is Beau Plan Business Park, Pamplemousses.

GROUP ABRIDGED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

REVENUE	NORMALISED EBITDA(1)	PROFIT AFTER TAX	PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT	EARNINGS PER SHARE	NAV(2) PER SHARE
6.1% ↑	18.7% ↑	231.4% ↑	93.2% ↑	93.6% ↑	13.5% ↑
MUR'M	MUR'M	MUR'M	MUR'M	MUR	MUR
6,605.4	1,562.0	1,049.5	893.2	3.93	70.61
6,223.8	1,315.80	316.7	462.30	2.03	62.23
LY	LY	LY	LY	LY	LY

KEY HIGHLIGHTS

Revenue growth driven by favourable sugar prices, good performance of the Brands and Property cluster. Normalised EBITDA improved by 18.7% boosted by improved sugar prices, increased sales volumes and margins of the Brands cluster and increased Property sales. Earnings per share almost doubled largely attributable to the improved profitability of Cane, Property and Brands cluster. NAV per share increased by 13.5% mainly due to revaluation of land and buildings and improved profitability.

(1) EBITDA = Earnings before interest, taxation, depreciation and amortisation
(2) NAV = Net assets value

GROUP ABRIDGED AUDITED STATEMENTS OF FINANCIAL POSITION

	THE GROUP 2022 MUR'M	THE GROUP 2021 MUR'M
ASSETS		
Non-current assets	19,243.1	17,414.8
Current assets	4,416.7	3,769.8
Non-current assets classified as held for sale	1,391.6	1,098.7
Total assets	25,051.4	22,283.3
EQUITY AND LIABILITIES		
Capital and reserves		
Owners' interest	16,068.1	14,159.4
Non-controlling interests	985.7	840.1
Total equity	17,053.8	14,999.5
Non-current liabilities	4,185.7	3,981.8
Current liabilities	2,748.3	2,520.3
Liabilities directly associated with non-current assets classified as held for sale	1,063.6	781.7
Total equity and liabilities	25,051.4	22,283.3

GROUP ABRIDGED AUDITED STATEMENTS OF PROFIT OR LOSS

	THE GROUP 2022 MUR'M	THE GROUP 2021 MUR'M
Turnover	6,605.4	6,223.8
Profit before finance costs, impairment and share of results of associates	926.5	623.4
Fair value (loss)/gain on non-current assets classified as held for sale	(94.8)	77.0
Impairment of financial and non-financial assets	(48.7)	(536.3)
Net finance costs	(155.0)	(149.2)
Share of results of associates	321.0	290.5
Gain on remeasurement of associates	-	24.9
Profit on disposal of associate	-	39.8
Impairment of associates	-	(3.0)
Profit before taxation	949.0	367.1
Taxation	44.0	(50.4)
Profit for the year from continuing operations	993.0	316.7
Discontinued operations		
Profit for the year from discontinued operations	56.5	-
Profit for the year	1,049.5	316.70
Profit attributable to:		
Owners of the Company	893.2	462.3
Non-controlling interests	156.3	(145.6)
	1,049.5	316.7

DATA PER SHARE

BASIC AND DILUTED EARNINGS PER SHARE - MUR		
- From continuing and discontinued operations	3.93	2.03
- From continuing operations	3.77	2.03
NET ASSETS PER SHARE - MUR	70.61	62.23
NUMBER OF ORDINARY SHARES IN ISSUE	227,545,624	227,545,624

GROUP ABRIDGED AUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2022 MUR'M	2021 MUR'M
Profit for the year	1,049.5	316.7
Other comprehensive income for the year	1,347.2	371.9
Total comprehensive income for the year net of tax	2,396.7	688.6
Total comprehensive income attributable to:		
Owners of the Company	2,186.5	799.7
Non-controlling interests	210.2	(111.1)
	2,396.7	688.6
Total comprehensive income for the year analysed as follows:		
Continuing operations	2,321.0	688.6
Discontinued operations	75.7	-
	2,396.7	688.6

GROUP ABRIDGED AUDITED STATEMENTS OF CHANGES IN EQUITY

	THE GROUP					
	Attributable to owners of the company					
	Stated Capital MUR'M	Revaluation and Other Reserves MUR'M	Retained Earnings MUR'M	Total MUR'M	Non-controlling interests MUR'M	Total Equity MUR'M
At January 1, 2022	11,976.0	1,678.7	504.7	14,159.4	840.1	14,999.5
Profit for the year	-	-	893.2	893.2	156.3	1,049.5
Other comprehensive income for the year	-	1,293.3	-	1,293.3	53.9	1,347.2
Release on disposal of land	-	(258.4)	258.4	-	-	-
Changes in ownership interest in subsidiaries that do not result in a loss of control	-	(69.2)	30.9	(38.3)	(36.6)	(74.9)
Other movements	-	(8.0)	(4.0)	(12.0)	(3.7)	(15.7)
Dividends	-	-	(227.5)	(227.5)	(24.3)	(251.8)
Balance at December 31, 2022	11,976.0	2,636.4	1,455.7	16,068.1	985.7	17,053.8
At January 1, 2021	11,976.0	1,307.8	309.7	13,593.5	975.4	14,568.9
Profit for the year	-	-	462.3	462.3	(145.6)	316.7
Other comprehensive income for the year	-	337.4	-	337.4	34.5	371.9
Release on disposal of land	-	(50.0)	50.0	-	-	-
Changes in ownership interest in subsidiaries that do not result in a loss of control	-	95.7	(95.7)	-	-	-
Changes in ownership interest from associate to subsidiary	-	(12.9)	(28.6)	(41.5)	1.3	(40.2)
Other movements	-	0.7	0.4	1.1	0.8	1.9
Dividends	-	-	(193.4)	(193.4)	(26.3)	(219.7)
Balance at December 31, 2021	11,976.0	1,678.7	504.7	14,159.4	840.1	14,999.5

GROUP ABRIDGED AUDITED STATEMENTS OF CASH FLOWS

	THE GROUP 2022 MUR'M	THE GROUP 2021 MUR'M
Net cash from operating activities	721.5	507.7
Net cash used in investing activities	(734.4)	(462.9)
Net cash from/(used in) financing activities	243.8	(35.0)
Increase in cash and cash equivalents	230.9	9.8
MOVEMENT IN CASH AND CASH EQUIVALENTS		
At January 1,	472.4	432.9
Increase	230.9	9.8
Net foreign exchange difference	(19.4)	29.7
At December 31,	683.9	472.4

NOTES

1: The Group abridged audited financial statements for the year ended December 31, 2022 have been prepared in line with International Financial Reporting Standards, except for the adoption of the relevant amendments to published Standards, Standards and interpretations issued, now effective.

2: AUDITORS' REPORT

The Group abridged audited financial statements for the year ended December 31, 2022 have been extracted from the annual consolidated financial statements which have been prepared in accordance with International Financial Reporting Standards and comply with the requirements of the Companies Act 2001 and the Financial Reporting Act. The independent auditors' report for the consolidated financial statements was issued with an 'except for' qualification.

Basis for Qualified Opinion

Consolidated financial statements

The Group has an associate, Sucrivoire SA, ('the Associate'), whose operations are in Côte d'Ivoire. The Associate is accounted for using the equity method. For the year ended December 31, 2022, the share of the net assets of the Associate was MUR 557.9 M (representing 16% of total investment in Associates and 2.2% of total assets), and the share of loss from this Associate was MUR 126.1 M. The auditors were unable to obtain sufficient appropriate audit evidence regarding the financial information of the Associate. This matter was similarly qualified for the year ended December 31, 2021. For this reason, the auditors' opinion for the current year financial statements is also modified as a result of the possible effects of this matter on the comparability of the current period's figures and the corresponding figures.

3: SEGMENT INFORMATION

Terra Mauricia Ltd segments are strategic business units that offer different products and services.

THE GROUP 2022

	CANE MUR'M	POWER MUR'M	BRANDS MUR'M	PROPERTY AND LEISURE MUR'M	OTHERS MUR'M	GROUP TOTAL MUR'M
External revenues	1,587.1	1,097.8	2,656.5	1,032.2	231.8	6,605.4
Segment profit/(loss) after finance costs	500.9	(77.0)	172.6	284.0	(109.0)	771.5
Fair value loss on non-current assets classified as held for sale	-	-	-	-	(94.8)	(94.8)
Impairment of financial and non-financial assets	(46.1)	-	(2.4)	0.3	(0.5)	(48.7)
Share of results of associates	(126.1)	23.4	45.5	11.6	366.6	321.0
Profit/(loss) before taxation	328.7	(53.6)	215.7	295.9	162.3	949.0
Taxation	0.3	110.0	(15.8)	(3.3)	(47.2)	44.0
Profit from continuing operations	329.0	56.4	199.9	292.6	115.1	993.0
Profit from discontinued operations	-	-	-	-	-	56.5
Profit for the year						1,049.5

THE GROUP 2021

	CANE MUR'M	POWER MUR'M	BRANDS MUR'M	PROPERTY AND LEISURE MUR'M	OTHERS MUR'M	TOTAL MUR'M
External revenues	1,226.6	1,811.9	2,182.8	518.1	484.4	6,223.8
Segment profit/(loss) after finance costs	236.6	186.2	107.7	82.7	(139.0)	474.2
Fair value gain on non-current assets classified as held for sale	-	-	-	-	77.0	77.0
Impairment of non-financial assets	-	(535.9)	-	(0.4)	-	(536.3)
Share of results of associates	(130.0)	(8.2)	48.2	10.9	369.6	290.5
Gain on remeasurement of associates	-	-	-	-	24.9	24.9
Profit on disposal of associate	-	-	-	-	39.8	39.8
Impairment of associates	-	-	-	-	(3.0)	(3.0)
Profit/(loss) before taxation	106.6	(357.9)	155.9	93.2	369.3	367.1
Taxation	(1.3)	(26.5)	(19.4)	(0.9)	(2.3)	(50.4)
Profit/(loss) for the year	105.3	(384.4)	136.5	92.3	367.0	316.7

December 31, 2022

	10,023.7	1,190.4	2,531.3	6,001.3	5,304.7	25,051.4
--	----------	---------	---------	---------	---------	----------

December 31, 2021

	8,139.6	1,460.8	1,972.8	5,762.6	4,947.5	22,283.3
--	---------	---------	---------	---------	---------	----------

Year ended December 31, 2022

	CANE MUR'M	POWER MUR'M	BRANDS MUR'M	PROPERTY AND LEISURE MUR'M	OTHERS MUR'M	TOTAL MUR'M
Sale of goods	1,541.0	-	2,656.5	-	197.3	4,394.8
Sale of electricity	-	1,097.8	-	-	-	1,097.8
Sale of properties	-	-	-	702.3	-	702.3
Dividend income	-	-	-	-	27.1	27.1
Revenue from services	46.1	-	-	329.9	7.4	383.4
	1,587.1	1,097.8	2,656.5	1,032.2	231.8	6,605.4

Year ended December 31, 2021

	CANE MUR'M	POWER MUR'M	BRANDS MUR'M	PROPERTY AND LEISURE MUR'M	OTHERS MUR'M	TOTAL MUR'M
Sale of goods	1,177.6	-	2,182.8	-	173.2	3,533.6
Sale of electricity	-	1,811.9	-	-	-	1,811.9
Sale of properties	-	-	-	353.9	-	353.9
Contract revenue	-	-	-	-	300.3	300.3
Revenue from services	49.0	-	-	164.2	10.9	224.1
	1,226.6	1,811.9	2,182.8	518.1	484.4	6,223.8

GROUP RESULTS

Group turnover for 2022 increased by MUR 381.6 M, to MUR 6,605.4 M (MUR 6,223.8 M in 2021), while Group profit after tax increased by MUR 732.8 M, to MUR 1,049.5 M, driven by the good performance of most of our clusters. (2021: MUR 316.7 M).

Net Asset per Share at December 31, 2022 was MUR 70.61 (2021: MUR 62.23). This increase is mainly due to the revaluation of land and buildings in 2022, which gave rise to a revaluation surplus of MUR 1.6 Bn.

Audit opinion

The "except for" qualification in the audit opinion relates to our investment in Sucrivoire S.A, an associate company in Côte d'Ivoire, in which Terra's shareholding is 25.5%. Sucrivoire S.A's financial statements for the period under review are audited by qualified auditors in Côte d'Ivoire. Our Group auditor, BDO & Co, did not consider having received sufficient comfort from the auditors of Sucrivoire S.A and accordingly deemed it appropriate to qualify our 2022 audit report. Sucrivoire S.A's share of net assets as at 31 December 2022 was MUR 557.9 M which represents only 2.2% of Terra Mauricia's total assets which are worth MUR 25.1 Bn.

CANE

Improved operational efficiencies coupled with a higher sugar price of MUR 21,500 per tonne for the 2022 crop, resulted in our local sugar operations recording segment profit of MUR 500.9 M. Our associate in Côte d'Ivoire recorded a fall in sugar production and the delay in the start of its sugar campaign 2022-2023, together with repairs and maintenance costs higher than forecasted, gave rise to a loss of MUR 126.1 M. The overall net profit for the Cane cluster stands at MUR 329.0 M (2021: MUR 105.3 M).

POWER

The segment loss of the cluster amounting to MUR 77.0 M, was mitigated by the share of associates profits of MUR 23.4 M and a net reversal of deferred tax provision of MUR 110.0 M. The cluster realised

a profit of MUR 56.4 M, compared to a loss of MUR 384.4 M in 2021 (following an impairment of plant and machinery of MUR 535.9 M).

BRANDS

The increase in profits from MUR 136.5 M to MUR 199.9 M, is mainly attributable to improved sales volumes and increased earnings derived from exports and regional operations.

PROPERTY AND LEISURE

The cluster continued to improve its revenues from land and property sales, property rental levels, consultancy fees and the sustainable growth in leisure activities, which resulted in an after-tax profit of MUR 292.6 M compared to MUR 92.3 M in 2021.

OTHERS

This segment posted a decrease in profits of MUR 251.9 M to MUR 115.1 M (2021: MUR 367.0 M) due to higher finance costs and after recording a fair value loss on investment of MUR 94.8M.

OUTLOOK

Most of our clusters are expected to post similar results in 2023 as achieved in 2022. The main associates' results are also forecasted to improve in 2023.

The Group balance sheet remains strong, with owner's interest at MUR 16.1 Bn and group gearing at 22.7% with interest cover based on profit before finance costs being 4.2 times at end of December 2022. The group remains on the lookout for new investment opportunities that could potentially arise.

Since the outbreak of war in Ukraine, coal prices reached record high levels in 2022. In the circumstances, TeraGen declared a Force Majeure Event in 2022 under the Power Purchase Agreement with the Central Electricity Board and the parties are currently engaged in a mediation process.

By order of the Board of Directors
Terra Services Ltd
Secretary
April 27, 2023

These Group abridged audited financial statements are issued pursuant to Listing Rule 12.14. The Board of Directors of Terra Mauricia Ltd accepts full responsibility for the accuracy of the information contained in these Group abridged audited financial statements. Copies of the Group abridged audited financial statements are available, free of charge, upon request addressed to the Company Secretary, Terra Services Ltd, Beau Plan Business Park, Pamplemousses.