

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, 2016

GROUP ABRIDGED AUDITED STATEMENTS OF FINANCIAL POSITION		
	THE GROUP 2016 MUR'M	THE GROUP 2015 MUR'M
ASSETS		
Non-current assets	15,455.9	18,972.0
Current assets	2,769.6	2,401.1
Non-current asset classified as held for sale	122.9	115.9
Total assets	18,348.4	21,489.0
EQUITY AND LIABILITIES		
Capital and reserves		
Owners' interest	13,306.8	16,855.1
Non-controlling interests	1,003.7	975.1
Total equity	14,310.5	17,830.2
Non-current liabilities	1,179.3	1,281.7
Current liabilities	2,856.3	2,375.2
Liabilities directly associated with non-current assets classified as held for sale	2.3	1.9
Total equity and liabilities	18,348.4	21,489.0

GROUP ABRIDGED AUDITED STATEMENTS OF PROFIT OR LOSS		
	THE GROUP 2016 MUR'M	THE GROUP 2015 MUR'M
Turnover	4,860.5	4,282.7
Profit before finance costs, exceptional item and share of results of associates	459.8	403.5
Finance costs	(78.8)	(72.5)
Reversal of impairment of associate	-	166.1
Share of results of associates	52.4	287.0
Profit before taxation	433.4	784.1
Taxation	(65.2)	(57.7)
Profit for the year	368.2	726.4
Profit attributable to:		
Owners of the parent	219.3	597.1
Non-controlling interests	148.9	129.3
	368.2	726.4

DATA PER SHARE		
EARNINGS PER SHARE - MUR	0.96	2.62
NET ASSETS PER SHARE - MUR	58.48	74.07
NUMBER OF ORDINARY SHARES AT YEAR END	227,545,624	227,545,624

GROUP ABRIDGED AUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
	THE GROUP 2016 MUR'M	THE GROUP 2015 MUR'M
Profit for the year	368.2	726.4
Other comprehensive income for the year	(3,599.0)	(50.5)
Total comprehensive income for the year net of tax	(3,230.8)	675.9
Total comprehensive income attributable to:		
Owners of the parent	(3,374.3)	556.3
Non-controlling interests	143.5	119.6
	(3,230.8)	675.9

AUDITORS' REPORT

We have audited the financial statements of Terra Mauricia Ltd for the year ended December 31, 2016, from which the abridged financial statements were extracted, in accordance with International Standards on Auditing.

Our opinion on these financial statements, which will be submitted for consideration and approval at the forthcoming Annual Meeting of shareholders, is unqualified.

In our opinion, the abridged financial statements are consistent, in all material respects, with the financial statements from which they were derived.

BDO & Co Chartered Accountants

These abridged audited financial statements are issued pursuant to Listing Rule 12.14 and Securities Act 2005. The Board of Directors of Terra Mauricia Ltd accepts full responsibility for the accuracy of the information contained in these financial statements.

The statement of direct and indirect interests of officers of the company required under rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available, free of charge, upon request addressed to the Company Secretary, Terra Services Ltd, Beau Plan Business Park, Pamplemousses.

Copies of the abridged audited financial statements are available, free of charge, upon request addressed to the Company Secretary, Terra Services Ltd, Beau Plan Business Park, Pamplemousses.

By order of the Board of Directors
Terra Services Ltd
Secretary

March 30, 2017

GROUP ABRIDGED AUDITED STATEMENTS OF CHANGES IN EQUITY						
THE GROUP	Attributable to owners of the parent					
	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, 2016	11,976.0	3,873.0	1,006.1	16,855.1	975.1	17,830.2
Profit for the year	-	-	219.3	219.3	148.9	368.2
Other comprehensive income for the year	-	(3,593.6)	-	(3,593.6)	(5.4)	(3,599.0)
Release of deferred tax on excess depreciation over historical cost depreciation	-	1.0	-	1.0	0.2	1.2
Movement in reserves	-	15.7	-	15.7	-	15.7
Consolidation adjustment	-	2.7	-	2.7	-	2.7
Dividends	-	-	(193.4)	(193.4)	(115.1)	(308.5)
Balance as at December 31, 2016	11,976.0	298.8	1,032.0	13,306.8	1,003.7	14,310.5
At January 1, 2015	11,976.0	3,926.4	599.5	16,501.9	957.5	17,459.4
Profit for the year	-	-	597.1	597.1	129.3	726.4
Other comprehensive income for the year	-	(40.8)	-	(40.8)	(9.7)	(50.5)
Release of deferred tax on excess depreciation over historical cost depreciation	-	2.4	-	2.4	0.1	2.5
Release on disposal of land	-	(2.9)	2.9	-	-	-
Movement in reserves	-	(12.1)	-	(12.1)	0.7	(11.4)
Dividends	-	-	(193.4)	(193.4)	(102.8)	(296.2)
Balance as at December 31, 2015	11,976.0	3,873.0	1,006.1	16,855.1	975.1	17,830.2

GROUP ABRIDGED AUDITED CASH FLOW STATEMENT		
	THE GROUP 2016 MUR'M	THE GROUP 2015 MUR'M
Net cash from operating activities	471.4	379.4
Net cash used in investing activities	(347.6)	(418.3)
Net cash from/(used in) in financing activities	124.5	(37.5)
Increase/(decrease) in cash and cash equivalents	248.3	(76.4)
MOVEMENTS IN CASH AND CASH EQUIVALENTS		
At January, 1	(118.0)	(41.6)
Increase/(decrease)	248.3	(76.4)
Consolidation adjustment	6.0	-
At December, 31	136.3	(118.0)

NOTES

1. The abridged audited financial statements for the year ended December 31, 2016 are audited and 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. SEGMENT INFORMATION

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

THE GROUP 2016	SUGAR MUR'M	ENERGY MUR'M	BRANDS MUR'M	OTHERS MUR'M	TOTAL MUR'M
External sales	1,353.5	1,127.6	2,071.6	307.8	4,860.5
Segment profit	45.2	264.9	112.3	37.4	459.8
Share of results of associates	62.6	-	37.9	(48.1)	52.4
Profit after tax	46.2	219.8	125.4	(23.2)	368.2

THE GROUP 2015	SUGAR MUR'M	ENERGY MUR'M	BRANDS MUR'M	OTHERS MUR'M	TOTAL MUR'M
External sales	1,069.2	1,118.4	1,857.1	238.0	4,282.7
Segment (loss)/profit	(8.9)	240.8	114.9	56.7	403.5
Share of results of associates	88.0	-	32.4	166.6	287.0
Reversal of impairment of associate	166.1	-	-	-	166.1
Profit after tax	189.9	198.0	129.4	209.1	726.4

3. BRIEF REVIEW OF THE ACTIVITIES AND RESULTS

GROUP RESULTS

Group turnover for the year improved by MUR 577.8 M (13.5%) to reach MUR 4,860.5 M (MUR 4,282.7 M in 2015) while profit before finance costs increased by MUR 56.3 M (14%) to reach MUR 459.8 M (MUR 403.5 M in 2015). Overall, the Group posted a profit after tax of MUR 368.2 M as compared to MUR 726.4 M last year as a result of lower contribution from our associates (MUR 52.4 M compared to MUR 287.0 M in 2015) and a non-recurrent reversal of impairment of MUR 166.1 M in 2015 in relation with Sucrivoire, our associate in Côte d'Ivoire.

During the year the Board commissioned an independent valuer to revalue the land and buildings belonging to Terragri Ltd to reflect their fair value based on agricultural use, adjusted for the time, effort and risks. The land and buildings have been revalued at MUR 8.5 Bn, excluding investment properties, and the Directors are of the opinion that this basis is appropriate in the present circumstances.

SUGAR

Our sugar operations in Mauritius experienced an increase of 26.6% in turnover (MUR 1,353.5 M as compared to MUR 1,069.2 M in 2015) and achieved a segment profit of MUR 45.2 M, as opposed to a loss of MUR 8.9 M in 2015. This positive turnaround is mainly attributable to a better sugar crop, increased special sugars production and improved sugar prices.

The contribution from our associate in Côte d'Ivoire decreased by MUR 25.4 M as a result of a reduction in crop yields for the period under review.

ENERGY

While turnover was at par with last year, profits improved on account of favourable electricity off-take from CEB and higher coal usage efficiency.

BRANDS

As a result of an encouraging growth in turnover from commercial activities and of an improved performance of the distilling operations, the segment posted better results for the year, which were nonetheless adversely affected by costs associated with the launch of Grays Uganda.

OTHERS

The profitability of this segment was negatively impacted by the poor performance of our associates engaged in construction and investment activities.

4. PROSPECTS

We expect most of our segments, with the exception of sugar, to perform as well as last year. The 2017 standing crop has suffered from adverse climatic conditions and, as at to date, we expect sugar accruing to the group to be less favourable. It is anticipated that associates results would improve in the coming year. We shall strongly pursue our ongoing efforts towards improving the operational efficiency of our core operations.