

TERRA MAURICIA LTD

UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR HALF-YEAR AND THREE MONTHS ENDED JUNE 30, 2017

CONDENSED STATEMENTS OF FINANCIAL POSITION

	THE GROUP	
	UNAUDITED JUNE 30, 2017 MUR'M	AUDITED DECEMBER 31, 2016 MUR'M
ASSETS		
Non-current assets	15,934.1	15,455.9
Current assets	2,236.3	2,769.6
Non-current asset classified as held for sale	92.2	122.9
Total assets	18,262.6	18,348.4
EQUITY AND LIABILITIES		
Capital and reserves		
Owners' interest	13,177.0	13,306.8
Non-controlling interests	1,041.9	1,003.7
Total equity	14,218.9	14,310.5
Non-current liabilities	1,186.6	1,179.3
Current liabilities	2,851.0	2,856.3
Liabilities directly associated with non-current assets classified as held for sale	6.1	2.3
Total equity and liabilities	18,262.6	18,348.4

CONDENSED STATEMENTS OF PROFIT OR LOSS

	THE GROUP			
	UNAUDITED SIX MONTHS TO JUNE 30, 2017 MUR'M	UNAUDITED SIX MONTHS TO JUNE 30, 2016 MUR'M	UNAUDITED THREE MONTHS TO JUNE 30, 2017 MUR'M	UNAUDITED THREE MONTHS TO JUNE 30, 2016 MUR'M
Turnover	1,737.0	1,620.7	903.3	820.2
Loss before finance costs and share of results of associates	(115.4)	(71.1)	(65.2)	(62.6)
Finance costs	(52.0)	(39.6)	(31.4)	(21.7)
Share of results of associates	64.3	42.5	29.8	(20.1)
Loss before taxation	(103.1)	(68.2)	(66.8)	(104.4)
Taxation	(21.4)	(27.5)	(12.4)	(18.4)
Loss for the period	(124.5)	(95.7)	(79.2)	(122.8)
Loss attributable to:				
Owners of the parent	(175.6)	(140.9)	(110.7)	(144.5)
Non-controlling interests	51.1	45.2	31.5	21.7
	(124.5)	(95.7)	(79.2)	(122.8)

DATA PER SHARE

LOSS PER SHARE - MUR	(0.77)	(0.62)	(0.49)	(0.64)
NET ASSETS PER SHARE - MUR	57.91	73.29	57.91	73.29
NUMBER OF ORDINARY SHARES IN ISSUE	227,547,624	227,547,624	227,547,624	227,547,624

CONDENSED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	THE GROUP			
	UNAUDITED SIX MONTHS TO JUNE 30, 2017 MUR'M	UNAUDITED SIX MONTHS TO JUNE 30, 2016 MUR'M	UNAUDITED THREE MONTHS TO JUNE 30, 2017 MUR'M	UNAUDITED THREE MONTHS TO JUNE 30, 2016 MUR'M
Loss for the period	(124.5)	(95.7)	(79.2)	(122.8)
Other comprehensive income for the period net of tax	43.9	(28.3)	9.8	5.0
Total comprehensive income for the period	(80.6)	(124.0)	(69.4)	(117.8)
Total comprehensive income attributable to:				
Owners of the parent	(131.7)	(169.2)	(100.9)	(139.5)
Non-controlling interests	51.1	45.2	31.5	21.7
	(80.6)	(124.0)	(69.4)	(117.8)

CONDENSED STATEMENTS OF CHANGES IN EQUITY

	THE GROUP					
	Attributable to equity holders 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, 2017	11,976.0	298.8	1,032.0	13,306.8	1,003.7	14,310.5
Total comprehensive income for the period	-	43.9	(175.6)	(131.7)	51.1	(80.6)
Movement in reserves	-	1.9	-	1.9	1.8	3.7
Dividends	-	-	-	-	(14.7)	(14.7)
Balance at June 30, 2017	11,976.0	344.6	856.4	13,177.0	1,041.9	14,218.9
At January 1, 2016	11,976.0	3,873.0	1,006.1	16,855.1	975.1	17,830.2
Total comprehensive income for the period	-	(28.3)	(140.9)	(169.2)	45.2	(124.0)
Movement in reserves	-	(9.9)	-	(9.9)	(0.6)	(10.5)
Dividends	-	-	-	-	(17.2)	(17.2)
Balance at June 30, 2016	11,976.0	3,834.8	865.2	16,676.0	1,002.5	17,678.5

CONDENSED STATEMENTS OF CASH FLOWS

	THE GROUP			
	UNAUDITED SIX MONTHS TO JUNE 30, 2017 MUR'M	UNAUDITED SIX MONTHS TO JUNE 30, 2016 MUR'M	UNAUDITED THREE MONTHS TO JUNE 30, 2017 MUR'M	UNAUDITED THREE MONTHS TO JUNE 30, 2016 MUR'M
Operating activities				
Net cash (used in) /from operating activities	(62.2)	142.0	(281.9)	(80.2)
Investing activities				
Net cash used in investing activities	(352.1)	(240.6)	(76.6)	(154.8)
Financing activities				
Net cash from financing activities	198.8	125.9	17.0	143.4
(Decrease)/Increase in cash and cash equivalents	(215.5)	27.3	(341.5)	(91.6)

MOVEMENT IN CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the beginning of the period	136.3	(118.0)	258.3	0.9
(Decrease)/Increase for the period	(215.5)	27.3	(341.5)	(91.6)
Consolidation adjustment	(4.0)	-	-	-
Cash and cash equivalents at the end of the period	(83.2)	(90.7)	(83.2)	(90.7)

NOTES

1: The half year ended and quarterly condensed financial statements have been prepared on the same basis of the accounting policies set out in the statutory financial statements of the group for the year ended December 31, 2016, except for the adoption of relevant amendments to published standards, standards and interpretations issued now effective.

2: The condensed financial statements for the period ended June 30, 2017, are unaudited.

3: Current tax on the adjusted profit for the period is calculated at 15% (2016: 15%).

4: Share of results of associates is after taxation and minority interests in the associates. The taxation on the share of results of associates amounts to MUR 9.6 M (2016: 6.8 M).

5: SEGMENT INFORMATION

Terra Mauricia Ltd segments are strategic business units that offer different products and services. The accounting policies of the operating segments are the same as those described in the statutory financial statements of the group for the year ended December 31, 2016, except for the adoption of the relevant amendments to published standards, standards and interpretations issued now effective.

Half year ended June 30, 2017

	SUGAR MUR'M	ENERGY MUR'M	BRANDS MUR'M	OTHERS MUR'M	TOTAL MUR'M
Total segment revenues	70.5	771.4	785.8	132.0	1,759.7
Inter-segments revenues	(14.4)	(8.3)	-	-	(22.7)
Revenues from external customers	56.1	763.1	785.8	132.0	1,737.0
Segment results	(349.3)	129.0	15.2	89.7	(115.4)
Share of results of associates	40.1	-	12.5	11.7	64.3
Finance costs	(34.7)	(2.6)	(5.2)	(9.5)	(52.0)
(Loss)/profit before taxation	(343.9)	126.4	22.5	91.9	(103.1)
Taxation	0.6	(15.1)	(2.6)	(4.3)	(21.4)
Net (loss)/profit	(343.3)	111.3	19.9	87.6	(124.5)

Half year ended June 30, 2016

	SUGAR MUR'M	ENERGY MUR'M	BRANDS MUR'M	OTHERS MUR'M	TOTAL MUR'M
Total segment revenues	71.9	598.3	834.5	159.3	1,664.0
Inter-segments revenues	(16.9)	(5.7)	-	(20.7)	(43.3)
Revenues from external customers	55.0	592.6	834.5	138.6	1,620.7
Segment results	(229.2)	90.6	48.3	19.2	(71.1)
Share of results of associates	44.6	-	13.8	(15.9)	42.5
Finance costs	(29.0)	(1.4)	(4.7)	(4.5)	(39.6)
(Loss)/profit before taxation	(213.6)	89.2	57.4	(1.2)	(68.2)
Taxation	-	(16.8)	(5.9)	(4.8)	(27.5)
Net (loss)/profit	(213.6)	72.4	51.5	(6.0)	(95.7)

Total assets					
June 30, 2017	11,938.4	1,900.2	1,338.6	3,085.4	18,262.6
December 31, 2016	12,065.4	1,892.6	1,399.2	2,991.2	18,348.4
June 30, 2016	15,463.7	1,884.3	1,155.7	2,805.8	21,309.5

COMMENTS ON THE RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2017

GROUP RESULTS

Losses for the first semester increased by MUR 28.8 M over last year to reach MUR 124.5 M, as explained below. The net assets per share figures are not comparable as a result of the revaluation exercise carried out by an independent valuer in December 2016. The Group's net assets per share stood at MUR 58.49 at the end of last year's financial year.

The focus should remain on the annual results, on account of the seasonality of a number of our activities.

SUGAR

For the first six months of the year our sugar operations recorded a loss of MUR 343.3 M as compared to MUR 213.6 M for the same period last year. The increased losses are mainly attributable to a reduced estimated sugar price impacting the valuation of standing crop by MUR 45 M and the accrual of SIFB premium amounting to MUR 16.1 M in 2017 as opposed to a waiver of MUR 23.1 M in 2016.

Our associate in Côte d'Ivoire is almost at par with last year and performing satisfactorily.

ENERGY

Improved results were registered on account of better electricity tariff coupled with satisfactory offtake levels and operational efficiencies.

BRANDS

Owing to lower export sales level and increased overheads, the segment posted reduced profits.

OTHERS

The good performance of this segment is explained by higher revenue generated from land sales and profit arising from disposal of an investment. We have also noted a positive turnaround in the performance of our associates.

PROSPECTS

The local sugar activities remain challenging with the prevailing low sugar prices. Barring exceptional events, it is anticipated that the other segments and associates will improve on last year.

By order of the Board of Directors
Terra Services Ltd
Secretary
August 14, 2017

This communiqué is published pursuant to Listing Rule 12.20 and Securities Act 2005. The Board of Directors of Terra Mauricia Ltd accepts full responsibility for the accuracy of the information contained in this communiqué.

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 unaudited condensed financial statements for the half year and three months ended June 30, 2017, are available, free of charge, upon request addressed to the Company Secretary, Terra Services Ltd, Beau Plan Business Park, Pamplemousses.