

TERRA MAURICIA LTD

UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR HALF-YEAR AND THREE MONTHS ENDED 30 JUNE 2018

CONDENSED STATEMENTS OF FINANCIAL POSITION

	THE GROUP	
	UNAUDITED 30 JUNE 2018 MUR'M	AUDITED 31 DECEMBER 2017 MUR'M
ASSETS		
Non-current assets	15,976.4	15,915.8
Current assets	2,727.0	2,794.3
Non-current asset classified as held for sale	106.6	46.6
Total assets	18,810.0	18,756.7
EQUITY AND LIABILITIES		
Capital and reserves		
Owners' interest	13,213.2	13,258.3
Non-controlling interests	1,088.6	1,074.6
Total equity	14,301.8	14,332.9
Non-current liabilities	1,264.7	1,208.7
Current liabilities	3,205.6	3,207.6
Liabilities directly associated with non-current assets classified as held for sale	37.9	7.5
Total equity and liabilities	18,810.0	18,756.7

CONDENSED STATEMENTS OF PROFIT OR LOSS

	THE GROUP			
	UNAUDITED SIX MONTHS TO 30 JUNE 2018 MUR'M	UNAUDITED SIX MONTHS TO 30 JUNE 2017 MUR'M	UNAUDITED THREE MONTHS TO 30 JUNE 2018 MUR'M	UNAUDITED THREE MONTHS TO 30 JUNE 2017 MUR'M
Turnover	1,940.9	1,737.0	1,042.7	903.3
Loss before finance costs and share of results of associates	(63.9)	(115.4)	(5.0)	(65.2)
Finance costs	(44.4)	(52.0)	(24.1)	(31.4)
Share of results of associates	68.6	64.3	43.9	29.8
(Loss)/Profit before taxation	(39.7)	(103.1)	14.8	(66.8)
Taxation	(16.4)	(21.4)	(11.3)	(12.4)
(Loss)/Profit for the period	(56.1)	(124.5)	3.5	(79.2)
(Loss)/Profit attributable to:				
Owners of the parent	(95.2)	(175.6)	(27.0)	(110.7)
Non-controlling interests	39.1	51.1	30.5	31.5
	(56.1)	(124.5)	3.5	(79.2)

DATA PER SHARE

LOSS PER SHARE - MUR	(0.42)	(0.77)	(0.12)	(0.49)
NET ASSETS PER SHARE - MUR	58.07	58.27	58.07	58.27
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 30 JUNE 2018 MUR'M	UNAUDITED SIX MONTHS TO 30 JUNE 2017 MUR'M	UNAUDITED THREE MONTHS TO 30 JUNE 2018 MUR'M	UNAUDITED THREE MONTHS TO 30 JUNE 2017 MUR'M
(Loss)/Profit for the period	(56.1)	(124.5)	3.5	(79.2)
Other comprehensive income for the period net of tax	40.6	43.9	45.4	9.8
Total comprehensive income for the period	(15.5)	(80.6)	48.9	(69.4)
Total comprehensive income attributable to:				
Owners of the parent	(55.3)	(131.7)	17.7	(100.9)
Non-controlling interests	39.8	51.1	31.2	31.5
	(15.5)	(80.6)	48.9	(69.4)

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 1 January 2018	11,976.0	358.2	924.1	13,258.3	1,074.6	14,332.9
Total comprehensive income for the period	-	39.9	(95.2)	(55.3)	39.8	(15.5)
Movement in reserves	-	10.2	-	10.2	(6.6)	3.6
Dividends	-	-	-	-	(19.2)	(19.2)
Balance at 30 June 2018	11,976.0	408.3	828.9	13,213.2	1,088.6	14,301.8
At 1 January 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 30 June 2017	11,976.0	344.6	856.4	13,177.0	1,041.9	14,218.9

CONDENSED STATEMENTS OF CASH FLOWS

	THE GROUP			
	UNAUDITED SIX MONTHS TO 30 JUNE 2018 MUR'M	UNAUDITED SIX MONTHS TO 30 JUNE 2017 MUR'M	UNAUDITED THREE MONTHS TO 30 JUNE 2018 MUR'M	UNAUDITED THREE MONTHS TO 30 JUNE 2017 MUR'M
Operating activities				
Net cash used in operating activities	(68.7)	(62.2)	(409.5)	(281.9)
Investing activities				
Net cash used in investing activities	(155.5)	(352.1)	(158.1)	(76.6)
Financing activities				
Net cash from financing activities	62.7	198.8	261.9	17.0
Decrease in cash and cash equivalents	(161.5)	(215.5)	(305.7)	(341.5)
MOVEMENT IN CASH AND CASH EQUIVALENTS				
Cash and cash equivalents at the beginning of the period	51.6	136.3	195.8	258.3
Decrease for the period	(161.5)	(215.5)	(305.7)	(341.5)
Consolidation adjustment	(0.4)	(4.0)	(0.4)	-
Cash and cash equivalents at the end of the period	(110.3)	(83.2)	(110.3)	(83.2)

NOTES

- 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 31 December 2017, except for the adoption of relevant amendments to published standards, standards and interpretations issued now effective.
- The condensed financial statements for the period ended 30 June 2018 are unaudited.
- Current tax on the adjusted profit for the period is calculated at 3%-15% (2017: 3%-15%).
- 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 10.3 M (2017: 9.6 M).
- 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 31 December 2017 except for the adoption of the relevant amendments to published standards, standards and interpretations issued now effective.

Half year ended 30 June 2018

	CANE MUR'M	POWER MUR'M	BRANDS MUR'M	PROPERTY & LEISURE MUR'M	OTHERS MUR'M	TOTAL MUR'M
Total segment revenues	20.8	763.9	988.2	96.6	133.7	2,003.2
Inter-segments revenues	(14.6)	(7.2)	-	(1.4)	(39.1)	(62.3)
Revenues from external customers	6.2	756.7	988.2	95.2	94.6	1,940.9
Segment results	(214.0)	98.0	27.8	38.1	(13.8)	(63.9)
Share of results of associates	35.4	(2.8)	11.1	4.6	20.3	68.6
Finance costs	(15.5)	-	(7.0)	-	(21.9)	(44.4)
(Loss)/Profit before taxation	(194.1)	95.2	31.9	42.7	(15.4)	(39.7)
Taxation	-	(10.2)	(3.6)	(0.3)	(2.3)	(16.4)
Net (loss)/Profit	(194.1)	85.0	28.3	42.4	(17.7)	(56.1)

Half year ended 30 June 2017

	CANE MUR'M	POWER MUR'M	BRANDS MUR'M	PROPERTY & LEISURE MUR'M	OTHERS MUR'M	TOTAL MUR'M
Total segment revenues	15.2	771.4	785.8	93.0	94.3	1,759.7
Inter-segments revenues	(14.4)	(8.3)	-	-	-	(22.7)
Revenues from external customers	0.8	763.1	785.8	93.0	94.3	1,737.0
Segment results	(280.0)	129.0	15.2	38.1	(17.7)	(115.4)
Share of results of associates	40.1	-	12.5	-	11.7	64.3
Finance costs	(14.6)	(2.6)	(5.2)	(1.5)	(28.1)	(52.0)
(Loss)/Profit before taxation	(254.5)	126.4	22.5	36.6	(34.1)	(103.1)
Taxation	0.6	(15.1)	(2.6)	(0.4)	(3.9)	(21.4)
Net (loss)/Profit	(253.9)	111.3	19.9	36.2	(38.0)	(124.5)

Total assets

30 June 2018	9,258.3	2,115.0	1,687.6	2,602.1	3,147.0	18,810.0
31 December 2017	9,396.7	2,094.0	1,619.6	2,562.5	3,083.9	18,756.7
30 June 2017	9,379.5	1,900.2	1,338.6	2,573.6	3,070.7	18,262.6

Six months ended 30 June 2018

	CANE MUR'M	POWER MUR'M	BRANDS MUR'M	PROPERTY & LEISURE MUR'M	OTHERS MUR'M	TOTAL MUR'M
Sale of sugar, molasses, bagasse and foodcrops	6.2	-	-	-	-	6.2
Sale of electricity	-	756.7	-	-	-	756.7
Sale of goods	-	-	988.2	40.9	88.4	1,117.5
Revenue from services	-	-	-	54.3	6.2	60.5
	6.2	756.7	988.2	95.2	94.6	1,940.9

Six months ended 30 June 2017

	CANE MUR'M	POWER MUR'M	BRANDS MUR'M	PROPERTY & LEISURE MUR'M	OTHERS MUR'M	TOTAL MUR'M
Sale of sugar, molasses, bagasse and foodcrops	0.8	-	-	-	-	0.8
Sale of electricity	-	763.1	-	-	-	763.1
Sale of goods	-	-	785.8	38.7	83.9	908.4
Revenue from services	-	-	-	54.3	10.4	64.7
	0.8	763.1	785.8	93.0	94.3	1,737.0

COMMENTS ON THE RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2018

GROUP RESULTS

Group turnover for the semester increased by 11.7% to reach MUR 1,940.9 M while losses for the period amounted to MUR 56.1 M. Net assets per share fell to MUR 58.07 compared to MUR 58.27 at December 2017.

The focus should remain on the annual results, as a number of our activities are seasonal.

CANE

Local sugar operations recorded losses of MUR 229.5 M, excluding share of associated results from sugar activities in Côte d'Ivoire for the semester, on account of persisting low sugar prices on the world market.

At time of writing, the estimated Mauritius Sugar Syndicate price stands at MUR 9,700 per ton of sugar, which is lower than last year's, excluding the accompanying measures received from the Sugar Insurance Fund Board and the financial support from the Mauritius Sugar Syndicate. At this current price level, growing and milling operations will record more important losses in 2018 compared to last year.

POWER

The results showed a drop in profitability due to lower electricity offtake by the CEB and higher maintenance costs incurred during the annual shutdown.

BRANDS

Higher turnover coupled with better margins contributed in improving the results of this segment, which were partially mitigated by the underperformance of our distilling operations and increased finance costs.

PROPERTY & LEISURE

Results were at par with last year and net profit improved mainly due to the contribution from our associate, Beau Plan Campus Ltd.

OTHERS

Better results from some associates along with reduced finance costs contributed to improve the performance of this segment.

By order of the Board of Directors
Terra Services Ltd
Secretary
14 August 2018

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 30 June 2018 are available, free of charge, upon request addressed to the Company Secretary, Terra Services Ltd, Beau Plan Business Park, Pamplemousses.