

TERRA MAURICIA LTD

UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR NINE MONTHS AND THREE MONTHS ENDED SEPTEMBER 30, 2020

CONDENSED STATEMENTS OF FINANCIAL POSITION

	THE GROUP	
	UNAUDITED SEPTEMBER 30, 2020 MUR'M	AUDITED DECEMBER 31, 2019 MUR'M
ASSETS		
Non-current assets	16,735.0	16,524.0
Current assets	2,901.9	3,462.6
Non-current asset classified as held for sale	296.3	580.7
Total assets	19,933.2	20,567.3
EQUITY AND LIABILITIES		
Capital and reserves		
Owners' interest	13,533.5	14,033.7
Non-controlling interests	1,053.1	1,019.9
Total equity	14,586.6	15,053.6
Non-current liabilities	2,298.3	1,099.1
Current liabilities	3,048.3	4,414.6
Total equity and liabilities	19,933.2	20,567.3

CONDENSED STATEMENTS OF PROFIT OR LOSS

	THE GROUP			
	UNAUDITED NINE MONTHS TO SEPTEMBER 30, 2020 MUR'M	UNAUDITED NINE MONTHS TO SEPTEMBER 30, 2019 MUR'M	UNAUDITED THREE MONTHS TO SEPTEMBER 30, 2020 MUR'M	UNAUDITED THREE MONTHS TO SEPTEMBER 30, 2019 MUR'M
Turnover	3,125.4	3,191.4	1,485.6	1,386.8
Loss before finance costs, exceptional item and share of results of associates	(92.6)	55.5	81.8	128.8
Fair value loss on non-current assets classified as held for sale	(284.4)	-	(141.0)	-
Finance costs	(78.4)	(89.4)	(28.8)	(38.7)
Share of results of associates	141.2	79.0	(5.7)	14.8
Loss before taxation	(314.2)	45.1	(93.7)	104.9
Taxation	(30.3)	(25.8)	(13.9)	(7.5)
Loss for the period	(344.5)	19.3	(107.6)	97.4
Loss attributable to:				
Owners of the parent	(392.6)	(32.6)	(148.8)	58.4
Non-controlling interests	48.1	51.9	41.2	39.0
	(344.5)	19.3	(107.6)	97.4

DATA PER SHARE

LOSS PER SHARE - MUR	(1.73)	(0.14)	(0.65)	0.26
NET ASSETS PER SHARE - MUR	59.48	61.67	59.48	61.67
NUMBER OF ORDINARY SHARES IN ISSUE	227,545,624	227,545,624	227,545,624	227,545,624

CONDENSED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	THE GROUP			
	UNAUDITED NINE MONTHS TO SEPTEMBER 30, 2020 MUR'M	UNAUDITED NINE MONTHS TO SEPTEMBER 30, 2019 MUR'M	UNAUDITED THREE MONTHS TO SEPTEMBER 30, 2020 MUR'M	UNAUDITED THREE MONTHS TO SEPTEMBER 30, 2019 MUR'M
Loss for the period	(344.5)	19.3	(107.6)	97.4
Other comprehensive income for the period net of tax	(96.3)	(2.8)	30.6	(30.1)
Total comprehensive income for the period	(440.8)	16.5	(77.0)	67.3
Total comprehensive income attributable to:				
Owners of the parent	(488.9)	(35.8)	(118.2)	28.2
Non-controlling interests	48.1	52.3	41.2	39.1
	(440.8)	16.5	(77.0)	67.3

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, 2020	11,976.0	1,416.0	641.7	14,033.7	1,019.9	15,053.6
Total comprehensive income for the period	-	(96.3)	(392.6)	(488.9)	48.1	(440.8)
Movement in reserves	-	(11.3)	-	(11.3)	(8.6)	(19.9)
Dividends	-	-	-	-	(6.3)	(6.3)
Balance at September 30, 2020	11,976.0	1,308.4	249.1	13,533.5	1,053.1	14,586.6
At January 1, 2019	11,976.0	1,000.2	798.4	13,774.6	1,052.5	14,827.1
Effect of prior year adjustments	-	(572.8)	(193.1)	(765.9)	(69.0)	(834.9)
As restated	11,976.0	427.4	605.3	13,008.7	983.5	13,992.2
Total comprehensive income for the period	-	(32.6)	(3.2)	(35.8)	52.3	16.5
Movement in reserves	-	(70.0)	-	(70.0)	(11.3)	(81.3)
Dividends	-	-	-	-	(17.1)	(17.1)
Balance at September 30, 2019	11,976.0	324.8	602.1	12,902.9	1,007.4	13,910.3

CONDENSED STATEMENTS OF CASH FLOWS

	THE GROUP			
	UNAUDITED NINE MONTHS TO SEPTEMBER 30, 2020 MUR'M	UNAUDITED NINE MONTHS TO SEPTEMBER 30, 2019 MUR'M	UNAUDITED THREE MONTHS TO SEPTEMBER 30, 2020 MUR'M	UNAUDITED THREE MONTHS TO SEPTEMBER 30, 2019 MUR'M
Operating activities				
Net cash from/(used in) operating activities	0.3	(310.3)	56.8	68.1
Investing activities				
Net cash used in investing activities	(546.7)	(333.2)	(267.9)	(153.9)
Financing activities				
Net cash from financing activities	107.8	479.8	114.4	250.9
(Decrease)/increase in cash and cash equivalents	(438.6)	(163.7)	(96.7)	165.1
MOVEMENT IN CASH AND CASH EQUIVALENTS				
Cash and cash equivalents at the beginning of the period	451.6	356.5	109.7	27.7
(Decrease)/increase for the period	(438.6)	(163.7)	(96.7)	165.1
Cash and cash equivalents at the end of the period	13.0	192.8	13.0	192.8

NOTES

- The nine months 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, 2019, except for the adoption of relevant amendments to published standards, standards and interpretations issued now effective.
- The condensed financial statements for the period ended September 30, 2020 are unaudited.
- Current tax on the adjusted profit for the period is calculated at 3%-15% (2019: 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 21.2 M (2019: 12 M).

5: SEGMENT INFORMATION

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

Nine months ended September 30, 2020

	CANE MUR'M	POWER MUR'M	BRANDS MUR'M	PROPERTY & LEISURE MUR'M	OTHERS MUR'M	GROUP TOTAL MUR'M
Total segment revenues	555.9	950.1	1,471.7	128.0	256.9	3,362.6
Inter-segments revenues	(37.4)	(15.7)	(20.0)	(36.9)	(127.2)	(237.2)
Revenues from external customers	518.5	934.4	1,451.7	91.1	129.7	3,125.4
Segment (loss)/profit after finance costs	(177.2)	63.3	45.3	(32.6)	(69.8)	(171.0)
Fair value loss on non-current assets classified as held for sale	-	-	-	-	(284.4)	(284.4)
Share of results of associates	27.2	(17.3)	21.5	6.4	103.4	141.2
(Loss)/profit before taxation	(150.0)	46.0	66.8	(26.2)	(250.8)	(314.2)
Taxation	-	(13.1)	(11.2)	(0.5)	(5.5)	(30.3)
Net (loss)/profit	(150.0)	32.9	55.6	(26.7)	(256.3)	(344.5)

Nine months ended September 30, 2019

	CANE MUR'M	POWER MUR'M	BRANDS MUR'M	PROPERTY & LEISURE MUR'M	OTHERS MUR'M	TOTAL MUR'M
Total segment revenues	522.6	986.3	1,432.5	169.8	217.9	3,329.1
Inter-segments revenues	(42.0)	(16.2)	-	(18.7)	(60.8)	(137.7)
Revenues from external customers	480.6	970.1	1,432.5	151.1	157.1	3,191.4
Segment (loss)/profit after finance costs	(150.7)	80.3	53.3	51.6	(68.4)	(33.9)
Share of results of associates	(21.0)	-	20.9	13.3	65.8	79.0
(Loss)/profit before taxation	(171.7)	80.3	74.2	64.9	(2.6)	45.1
Taxation	-	(10.7)	(8.4)	-	(6.7)	(25.8)
Net (loss)/profit	(171.7)	69.6	65.8	64.9	(9.3)	19.3

Total assets

September 30, 2020	8,012.9	1,768.5	1,424.9	5,421.4	3,305.5	19,933.2
December 31, 2019	8,075.0	1,823.7	1,997.2	5,009.1	3,662.3	20,567.3
September 30, 2019	9,457.1	1,975.3	1,712.0	3,083.9	3,605.6	19,833.9

Nine months ended September 30, 2020

	CANE MUR'M	POWER MUR'M	BRANDS MUR'M	PROPERTY & LEISURE MUR'M	OTHERS MUR'M	TOTAL MUR'M
Sale of goods	518.5	-	1,451.7	-	126.0	2,096.2
Sale of electricity	-	934.4	-	-	-	934.4
Sale of properties	-	-	-	7.6	-	7.6
Revenue from services	-	-	-	83.5	3.7	87.2
	518.5	934.4	1,451.7	91.1	129.7	3,125.4

Nine months ended September 30, 2019

	CANE MUR'M	POWER MUR'M	BRANDS MUR'M	PROPERTY & LEISURE MUR'M	OTHERS MUR'M	TOTAL MUR'M
Sale of goods	480.6	-	1,432.5	-	155.5	2,068.6
Sale of electricity	-	970.1	-	-	-	970.1
Sale of properties	-	-	-	67.3	-	67.3
Revenue from services	-	-	-	83.8	1.6	85.4
	480.6	970.1	1,432.5	151.1	157.1	3,191.4

COMMENTS ON THE RESULTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020

GROUP RESULTS

Group turnover for the period under review fell by 2% to MUR 3,125.4 M. Losses for the period amounted to MUR 344.5 M, after booking a fair value loss of MUR 284.4 M on non-current assets classified as held for sale. Net assets per share stood at MUR 59.48, compared to MUR 61.67 as at end of December 2019. It must be pointed out that year-on-year comparability should however be based on full year results, on account of the seasonality of a number of our activities.

CANE

The increased losses recorded by our local cane operations are mainly attributable to the late start of the 2020 harvest, due to delays encountered with maintenance works at the mill, following the recent lockdown in the wake of the Covid-19 crisis. This has led to a lower sugar production as at reporting date, compared to last year. At year end, it is expected that overall segment results will improve compared to 2019, as a direct mechanical consequence of higher sugar prices, boosted by a weaker rupee. Our associate Sucrivoire posted a positive contribution of MUR 27.2 M to the cluster's results.

POWER

The cluster's profitability was impacted by a reduction in energy sold to the grid, coupled with a decrease in tariff and to losses of an associate.

BRANDS

The drop in bottom-line profit is due to a decrease in sales to the tourism and hospitality sector, following the closure of our borders.

PROPERTY AND LEISURE

The loss recorded is attributable to a lower level of land sales and to the partial closure of *L'Aventure du Sucre*.

OTHERS

The fair value losses on non-current assets held for sale continue to impact negatively the performance of this segment, and they are being only partly offset by the improved results of some other associates.

OUTLOOK

The ongoing Covid-19 crisis will continue to adversely impact the activities of the Property & Leisure and Brands segments, as well as our associate investment portfolio during the last quarter. We expect better year-end results from the Cane cluster, resulting from improved sugar prices, which will nevertheless remain below the price level required to ensure sugar production viability. The outcome of the planned sugar reform and the World Bank report will be crucial for the sustainability of the industry. Our highly competitive power-production tariff should encourage higher offtake levels but we are still expecting lower profits in this cluster this year, as a result of a recent change in the tariff structure.

By order of the Board of Directors
Terra Services Ltd
Secretary
12 November 2020

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 nine months and three months ended September 30, 2020 are available, free of charge, upon request addressed to the Company Secretary, Terra Services Ltd, Beau Plan Business Park, Pamplemousses.