

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, 2023

REVENUE	NORMALISED EBITDA(1)	PROFIT AFTER TAX	PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT	EARNINGS PER SHARE	NAV(2) PER SHARE
11.1% ↑ MUR'M	35.1% ↑ MUR'M	44.1% ↑ MUR'M	54.3% ↑ MUR'M	54.2% ↑ MUR	7.0% ↑ MUR
9,137.9	2,294.4	1,512.1	1,378.3	6.06	75.59
8,221.5	1,697.8	1,049.5	893.2	3.93	70.61
LY	LY	LY	LY	LY	LY

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

GROUP ABRIDGED AUDITED STATEMENTS OF FINANCIAL POSITION	THE GROUP	
	2023	RE-PRESENTED 2022
	MUR'M	MUR'M
ASSETS		
Non-current assets	20,362.0	19,471.2
Current assets	5,941.4	5,055.1
Non-current assets classified as held for sale	241.8	529.4
Total assets	26,545.2	25,055.7
EQUITY AND LIABILITIES		
Capital and reserves		
Owners' interest of the Company	17,200.2	16,068.1
Non-controlling interests	1,272.9	985.7
Total equity	18,473.1	17,053.8
Non-current liabilities	4,270.4	4,345.5
Current liabilities	3,801.7	3,521.5
Liabilities directly associated with non-current assets classified as held for sale	-	134.9
Total equity and liabilities	26,545.2	25,055.7

GROUP ABRIDGED AUDITED STATEMENTS OF PROFIT OR LOSS	THE GROUP	
	2023	RE-PRESENTED 2022
	MUR'M	MUR'M
Turnover	9,137.9	8,221.5
Profit before finance costs, impairment and share of results of associates	1,479.7	981.5
Fair value loss on non-current assets classified as held for sale	(7.1)	(94.8)
Impairment of financial and non-financial assets	(60.7)	(48.7)
Net finance costs	(272.4)	(156.4)
Share of results of associates	321.3	321.0
Profit on disposal of associate	73.5	-
Profit before taxation	1,534.3	1,002.6
Taxation	(22.2)	46.9
Profit for the year	1,512.1	1,049.5
Profit attributable to:		
Owners of the Company	1,378.3	893.2
Non-controlling interests	133.8	156.3
	1,512.1	1,049.5

DATA PER SHARE	2023	2022
BASIC AND DILUTED EARNINGS PER SHARE - MUR	6.06	3.93
NET ASSETS PER SHARE - MUR	75.59	70.61
NUMBER OF ORDINARY SHARES IN ISSUE	227,545,624	227,545,624

GROUP ABRIDGED AUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	2023	2022
Profit for the year	1,512.1	1,049.5
Other comprehensive income for the year	10.9	1,347.2
Total comprehensive income for the year, net of tax	1,523.0	2,396.7
Total comprehensive income attributable to:		
Owners of the Company	1,388.6	2,186.5
Non-controlling interests	134.4	210.2
	1,523.0	2,396.7

GROUP ABRIDGED AUDITED STATEMENTS OF CHANGES IN EQUITY	THE GROUP					
	Attributable to owners of the company					
	Stated Capital	Revaluation and Other Reserves	Retained Earnings	Total	Non-Controlling Interests	Total Equity
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
At January 1, 2023	11,976.0	2,636.4	1,455.7	16,068.1	985.7	17,053.8
Profit for the year	-	-	1,378.3	1,378.3	133.8	1,512.1
Other comprehensive income for the year	-	10.3	-	10.3	0.6	10.9
Release on disposal of equity investments at fair value through other comprehensive income	-	371.2	(371.2)	-	-	-
Release on disposal of land and buildings	-	(58.1)	58.1	-	-	-
Release on disposal of associate	-	(24.7)	24.7	-	-	-
Changes in ownership interest in subsidiaries that do not result in a loss of control	-	-	-	-	190.2	190.2
Other movements	-	(13.7)	(3.9)	(17.6)	(2.4)	(20.0)
Dividends	-	-	(238.9)	(238.9)	(35.0)	(273.9)
Balance at December 31, 2023	11,976.0	2,921.4	2,302.8	17,200.2	1,272.9	18,473.1
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

GROUP ABRIDGED AUDITED STATEMENTS OF CASH FLOWS	THE GROUP	
	2023	RE-PRESENTED 2022
	MUR'M	MUR'M
Net cash from operating activities	986.1	691.6
Net cash used in investing activities	(625.8)	(700.5)
Net cash (used in)/from financing activities	(291.1)	235.2
Increase in cash and cash equivalents	69.2	226.3
MOVEMENT IN CASH AND CASH EQUIVALENTS		
At January 1,	831.6	624.7
Increase	69.2	226.3
Effect of foreign exchange rate changes	(22.8)	(19.4)
At December 31,	878.0	831.6

NOTES

1: The Group abridged audited financial statements for the year ended December 31, 2023 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 which are now effective.

2: The Group abridged audited financial statements have been re-presented due to the derecognition of Rehm Grinaker Construction Co Ltd as non-current assets classified as held for sale to recognise it as investment in subsidiary in accordance with IFRS 10.

3: AUDITORS' REPORT

The Group abridged audited financial statements for the year ended December 31, 2023 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

(i) Swan General Ltd is a material associate of the Group. The finalisation and audit of its financial statements for the year ended December 31, 2023 is being delayed due to the first-time application of IFRS 17 Insurance Contracts. The equity accounting of the associate for the reporting period has been based on unaudited information by applying IFRS 4 instead of IFRS 17. Consequently, the auditors could not determine whether any material adjustments to the reported figures would have been necessary and qualify their audit opinion in that respect. Swan General Ltd's share of net assets as at December 31, 2023 amounted to MUR 1,960.2 M and the Group accounted for MUR 192.7 M as its share of profits from this associate.

(ii) The Group has an associate, Sucrivoire S.A, ('the Associate'), whose operations are in Côte d'Ivoire. The Associate is accounted for using the equity method. For the year ended December 31, 2023, the share of the net assets of the Associate was MUR 424.6 M and the share of loss from this Associate amounted to MUR 171.5 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, 2022. 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.

4: SEGMENT INFORMATION

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

4(a): Segment 'Construction' includes Rehm Grinaker Construction Co Ltd and Terrarock Ltd, two subsidiaries of Terra Mauricia Ltd, which were previously disclosed within segment 'Others'. For comparison sake, previous period's disclosures have been re-presented.

THE GROUP 2023	PROPERTY AND LEISURE						OTHERS	GROUP TOTAL
	CANE	POWER	BRANDS	CONSTRUCTION	CONSTRUCTION	OTHERS		
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	
External revenues	2,010.6	1,180.5	2,755.9	1,338.6	1,651.1	201.2	9,137.9	
Segment profit/(loss) after finance costs	812.3	(82.8)	176.0	284.2	69.1	(51.5)	1,207.3	
Fair value loss on non-current assets classified as held for sale	-	-	-	-	-	(7.1)	(7.1)	
Impairment of financial and non-financial assets	(48.9)	-	(5.0)	(5.8)	(1.0)	-	(60.7)	
Share of results of associates	(171.5)	12.0	58.4	12.7	-	409.7	321.3	
Profit on disposal of associate	-	-	-	-	-	73.5	73.5	
Profit/(loss) before taxation	591.9	(70.8)	229.4	291.1	68.1	424.6	1,534.3	
Taxation	(0.2)	6.2	(23.1)	(10.2)	1.9	3.2	(22.2)	
Profit/(loss) for the year	591.7	(64.6)	206.3	280.9	70.0	427.8	1,512.1	

THE GROUP 2022	PROPERTY AND LEISURE						OTHERS	TOTAL
	CANE	POWER	BRANDS	CONSTRUCTION	CONSTRUCTION	OTHERS		
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	
External revenues	1,587.1	1,097.8	2,656.5	1,032.2	1,616.1	231.8	8,221.5	
Segment profit/(loss) after finance costs	500.9	(77.0)	172.6	284.0	81.5	(136.9)	825.1	
Fair value loss on non-current assets	-	-	-	-	-	(94.8)	(94.8)	
Impairment of financial and non-financial assets	(46.1)	-	(2.4)	0.3	(0.2)	(0.3)	(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	81.3	134.6	1,002.6	
Taxation	0.3	110.0	(15.8)	(5.3)	2.0	(46.3)	46.9	
Profit for the year	329.0	56.4	199.9	292.6	83.3	88.3	1,049.5	
Total assets								
December 31, 2023	10,364.3	1,460.7	2,603.6	6,138.3	934.7	5,043.6	26,545.2	
December 31, 2022	10,023.7	1,190.4	2,531.3	6,001.3	1,044.9	4,264.1	25,055.7	

Year ended December 31, 2023	PROPERTY AND LEISURE						OTHERS	TOTAL
	CANE	POWER	BRANDS	CONSTRUCTION	CONSTRUCTION	OTHERS		
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	
Sale of goods	1,961.7	-	2,755.9	-	204.1	-	4,921.7	
Sale of electricity	-	1,180.5	-	-	-	-	1,180.5	
Sale of properties	-	-	-	948.4	-	-	948.4	
Contract revenue	-	-	-	-	1,447.0	-	1,447.0	
Revenue from services	48.9	-	-	390.2	-	16.3	454.4	
Dividend income	-	-	-	-	-	184.9	184.9	
	2,010.6	1,180.5	2,755.9	1,338.6	1,651.1	201.2	9,137.9	

Year ended December 31, 2022	PROPERTY AND LEISURE						OTHERS	TOTAL
	CANE	POWER	BRANDS	CONSTRUCTION	CONSTRUCTION	OTHERS		
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	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	
Contract revenue	-	-	-	-	1,616.1	-	1,616.1	
Revenue from services	46.1	-	-	329.9	-	7.4	383.4	
Dividend income	-	-	-	-	-	27.1	27.1	
	1,587.1	1,097.8	2,656.5	1,032.2	1,616.1	231.8	8,221.5	

GROUP RESULTS

Group turnover for 2023 increased by 11.1% to reach MUR 9.1 Bn. The Group posted a profit after tax of MUR 1,512.1 M, up by 44.1% compared to 2022. All clusters of the Group, with the exception of the Power cluster, recorded positive results.

The Group earnings per share went up by 54.2% to reach MUR 6.06 (2022 MUR 3.93), while net asset per share as at 31 December 2023 stood at MUR 75.59 (2022: MUR 70.61).

Audit opinion

The "except for" qualification in the audit opinion relates to our investments in two associate companies, namely: (i) Sucrivoire S.A, whose operations are in Côte d'Ivoire, and (ii) Swan General Ltd.

The basis for the qualified opinion has been explained above in Note 3 to the Group audited abridged financial statements.

CANE

Our local sugar operations posted a profit of MUR 812.3 M compared to MUR 500.9 M in 2022. This performance was driven by favourable sugar prices, especially in Europe, for the 2023 crop, coupled with improved operational efficiencies.

Our associate in Côte d'Ivoire recorded another disappointing sugar campaign in 2023 and results were severely impacted by operational and financial constraints, resulting in our share of loss of MUR 171.5 M (2022: loss of MUR 126.1 M).

The Cane cluster recorded a profit of MUR 591.7 M compared to MUR 329.0 M in 2022.

POWER

The cluster had a challenging year and the plant resumed operations on 29 April 2023 after having declared in March 2022 a Force Majeure Event under the Power Purchase Agreement. Coal prices then stabilised and a settlement agreement was reached with the CEB, which enabled the plant to resume its operations.

Owing to the above, the cluster recorded losses of MUR 64.6 M (2022: profit MUR 56.4 M).

BRANDS

The increase in profitability from MUR 199.9 M to MUR 206.3 M is mainly attributable to improved sales and increased earnings derived from increased tourism, steady local demand, boosted by exports and regional operations. Excellent results from distilling operations were achieved on account of enhanced operational efficiencies.

PROPERTY AND LEISURE

This cluster recorded improved revenues from land and property sales, consultancy fees, property rentals and sustainable growth in leisure activities. However, profitability was impacted by higher finance costs and resulted in an after-tax profit of MUR 280.9 M compared to MUR 292.6 M in 2022.

CONSTRUCTION

Despite the high competitiveness of the construction industry, the cluster under enhanced site management processes led to a commendable performance, achieving profits of MUR 70.0 M in 2023 (2022: MUR 83.3 M).

OTHERS

This cluster posted profits of MUR 427.8 M compared to MUR 88.3 M in 2022. The marked improvement in profitability is attributable to the contribution of our newly acquired investments in the hospitality sector including a one-off dividend in specie of MUR 163.5 M, share of profits from associate of MUR 91.3 M and profits realised on disposal of an associate of MUR 73.5 M.

OUTLOOK

We anticipate a lower profitability in the Cane cluster due to the normalisation of sugar prices on our main export markets whilst the remaining clusters, including our main associates, are expected to post favourable results for the financial year 2024.

The Group balance sheet remains strong, with owners' interest amounting to MUR 17.2 Bn and group gearing remaining low at 22.0%.

By order of the Board of Directors
Terra Services Ltd
Secretary
November 14, 2024

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.