

## MIWA SUGAR LIMITED AND ITS SUBSIDIARIES FOR THE PERIOD 1 OCTOBER TO 31 MARCH 2023

### UNAUDITED GROUP CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

|   | Unaudited<br>3 months to<br>31 Mar 2023 | Unaudited<br>6 months to<br>31 Mar 2023 |
|---|---|---|
|   | USD'000                                 | USD'000                                 |
| <b>REVENUE</b>  | <b>49,389</b>                           | <b>100,273</b>                          |
| <b>Earnings before interest, taxes, depreciation and amortisation</b> | <b>23,449</b>                           | <b>49,563</b>                           |
| Depreciation, amortisation and release of deferred income             | (2,998)                                 | (5,873)                                 |
| <b>Earnings before interest and taxation</b>                          | <b>20,451</b>                           | <b>43,690</b>                           |
| Finance costs   | (2,685)                                 | (4,790)                                 |
| <b>Profit before taxation</b>   | <b>17,766</b>                           | <b>38,900</b>                           |
| Taxation  | (5,948)                                 | (14,226)                                |
| <b>Profit for the period</b>  | <b>11,818</b>                           | <b>24,674</b>                           |
| Other comprehensive loss for the period                               | (3,706)                                 | (8,992)                                 |
| <b>Total comprehensive income for the period</b>                      | <b>8,112</b>                            | <b>15,682</b>                           |
| <b>Profit attributable to:</b>  |   |   |
| - Equity holders  | 5,549                                   | 10,864                                  |
| - Non-controlling interests   | 6,269                                   | 13,810                                  |
|   | <b>11,818</b>                           | <b>24,674</b>                           |
| <b>Total comprehensive income attributable to:</b>                    |   |   |
| - Equity holders  | 3,269                                   | 3,983                                   |
| - Non-controlling interests   | 4,843                                   | 11,699                                  |
|   | <b>8,112</b>                            | <b>15,682</b>                           |
| Earnings per share  | USD 0.02                                | USD 0.03                                |
| Dividend per share  | USD 0.008                               | USD 0.008                               |

### UNAUDITED GROUP CONDENSED STATEMENT OF FINANCIAL POSITION

|   | Unaudited<br>31 Mar 2023 |
|---|--------------------------|
|   | USD'000                  |
| <b>ASSETS EMPLOYED</b>                                |                          |
| <b>Non-current assets</b>                             |                          |
| Property, plant and equipment and right-of-use assets | 104,997                  |
| Intangible assets                                     | 18,460                   |
| Non-current receivables                               | 5,075                    |
|   | <b>128,532</b>           |
| Current assets  | 101,752                  |
| <b>TOTAL ASSETS</b>                                   | <b>230,284</b>           |
| <b>EQUITY AND LIABILITIES</b>                         |                          |
| Shareholders' interests                               | 28,371                   |
| Non-controlling interests                             | 42,557                   |
| Non-current liabilities                               | 105,736                  |
| Current liabilities                                   | 53,620                   |
| <b>TOTAL EQUITY AND LIABILITIES</b>                   | <b>230,284</b>           |
| <b>Net interest-bearing debt</b>                      | <b>95,386</b>            |
| <b>Net asset value per share</b>                      | USD 0.09                 |
| <b>Number of shares in issue</b>                      | No 318,492,120           |

### UNAUDITED GROUP SEGMENTAL INFORMATION

|                         | Revenue                                 |   | Profit                                  |   |
|-------------------------|---|---|---|---|
|                         | Unaudited<br>3 months to<br>31 Mar 2023 | Unaudited<br>6 months to<br>31 Mar 2023 | Unaudited<br>3 months to<br>31 Mar 2023 | Unaudited<br>6 months to<br>31 Mar 2023 |
|                         | USD'000                                 | USD'000                                 | USD'000                                 | USD'000                                 |
| <b>Country analysis</b> |   |   |   |   |
| Tanzania                | 30,974                                  | 55,876                                  | 11,211                                  | 21,099                                  |
| Kenya                   | 18,414                                  | 44,396                                  | 607                                     | 3,575                                   |
|                         | <b>49,389</b>                           | <b>100,273</b>                          | <b>11,818</b>                           | <b>24,674</b>                           |

### UNAUDITED GROUP CONDENSED STATEMENT OF CASH FLOWS

|  | Unaudited<br>31 Mar 2023 |
|--|--------------------------|
|  | USD'000                  |
| Net cash flow from operating activities          | 27,637                   |
| Net cash flow used in investing activities       | (5,005)                  |
| Net cash flow used in financing activities       | (9,299)                  |
| <b>Net increase in cash and cash equivalents</b> | <b>13,333</b>            |
| Cash and cash equivalents at 1 October           | (13,929)                 |
| <b>Cash and cash equivalents at 31 March</b>     | <b>(596)</b>             |

### UNAUDITED GROUP CONDENSED STATEMENT OF CHANGES IN EQUITY

|   | Attributable to<br>equity holders | Non-controlling<br>interests | Total<br>equity |
|---|-----------------------------------|------------------------------|-----------------|
|   | USD'000                           | USD'000                      | USD'000         |
| <b>Equity injection in specie</b>         | <b>26,936</b>                     | 35,798                       | <b>62,734</b>   |
| Total comprehensive income for the period | 3,983                             | 11,699                       | 15,682          |
| Dividend                                  | (2,548)                           | (4,940)                      | (7,488)         |
| <b>At 31 March 2023</b>                   | <b>28,371</b>                     | <b>42,557</b>                | <b>70,928</b>   |

#### GROUP

Miwa Sugar Limited ("Miwa Sugar" or "the Group") posted its first set of results in February 2023 for the quarter ended 31 December 2022, following its listing on the Development and Enterprise Market (DEM) of the Stock Exchange of Mauritius, on 28 November 2022. The results below cover 2 quarters of activity for the period ended 31 March 2023.

Over the 6 months, the Group recorded revenue and a net profit of USD 100m and USD 25m respectively. EBITDA stood at USD 50m, showcasing the Group's strong operating performance and attractive profit margins.

Tanzanian operations generated USD 56m of Group revenue, with the remaining USD 44m coming from the Kenyan operations. Corresponding profitability was USD 21m and USD 4m respectively. Notwithstanding a small decrease in sales impacting revenue and profit at TPC Ltd in Tanzania, these results demonstrate healthy and sustainably profitable operations, with the ongoing Kenyan growth a notable achievement.

The other comprehensive loss relates to the retranslation in USD of Miwa Sugar's foreign subsidiary assets, denominated in their respective currencies.

The company paid an interim dividend of 0.80 US cents during the period under review, on 6 February 2023.

#### GROUP PROFORMA

As a newly incorporated entity, the Group does not have any comparative for the prior year. With a 30 June year end, it has started consolidating results of its subsidiaries from the second quarter of FY 22/23. To aid understanding of the progress in the performance of its underlying entities, the following pro-forma has been drawn, providing results for the last quarter and semester to 31 March 2023.

|                | 3 months to<br>31 Mar 23 | 3 months to<br>31 Mar 22 | 6 months to<br>31 Mar 23 | 6 months to<br>31 Mar 22 |
|----------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>USD'000</b> |                          |                          |                          |                          |
| Revenue        | 49,389                   | 54,984                   | 100,273                  | 103,325                  |
| EBITDA         | 23,449                   | 24,388                   | 49,563                   | 50,059                   |
| PAT            | 11,818                   | 13,890                   | 24,674                   | 25,519                   |

Over the cumulative 6 months, revenue edged lower by USD 3m (down 3%), with net profit showing a corresponding USD 1m (down 3%) decrease. This was largely due to lower sales of sugar in Tanzania, albeit compensated partially by a higher sugar price and better results from Kenya. The impact flowed through to profitability, accentuated by inflationary cost pressures compared to last year.

The following two sections provide the independent performance of Miwa Ltd subsidiaries. To help comparability, the 6-month period as disclosed under the Group results are included, as well as the full 9 months of operation – caution should be exercised not to compare these entity level results to the segmental information in the statutory accounts as some internal group costs are excluded below.

#### TPC LTD

|                | 6 months to<br>31 Mar 23 | 6 months to<br>31 Mar 22 | 9 months to<br>31 Mar 23 | 9 months to<br>31 Mar 22 |
|----------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>USD'000</b> |                          |                          |                          |                          |
| Revenue        | 55,876                   | 60,865                   | 76,907                   | 82,688                   |
| EBITDA         | 35,245                   | 39,087                   | 51,908                   | 53,885                   |
| PAT            | 20,755                   | 22,762                   | 30,345                   | 31,335                   |

As disclosed previously, the Group's Tanzanian operations achieved record productivity in terms of cane tonnage per hectare, demonstrating the world-class cane husbandry optimisation. Unlike last year, there was no imported sugar sold to date this year which, along with lower sales of own sugar, explains the drop in headline revenue of USD 6m, cushioned by a higher price of sugar. EBITDA saw a more modest decrease of USD 2m over the 9-month period and a positive movement in biological assets reduced the impact of lower sales and inflationary pressures to a USD 1m decrease in profitability.

#### TRANSMARA SUGAR LTD

|                | 6 months to<br>31 Mar 23 | 6 months to<br>31 Mar 22 | 9 months to<br>31 Mar 23 | 9 months to<br>31 Mar 22 |
|----------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>USD'000</b> |                          |                          |                          |                          |
| Revenue        | 44,397                   | 41,540                   | 67,976                   | 63,901                   |
| EBITDA         | 12,180                   | 8,868                    | 18,713                   | 12,665                   |
| PAT            | 5,232                    | 3,026                    | 8,067                    | 3,419                    |

Kenyan operations at Transmara Sugar Ltd continue to benefit from the steady progress achieved over the past few years with improving sales revenue and profitability. A higher price of sugar achieved on the local market helped to deliver the USD 4m increase in revenue to USD 68m, EBITDA up 47% to USD 19m and profitability more than doubling from USD 3m to USD 8m over the 9-month period.

#### OUTLOOK

With both operations having an off-crop in the final quarter, care should be taken when analysing on the results of Miwa Sugar. Management remains committed to diversifying income streams for the shareholder on existing operations as well as seeking opportunities for growth in the region.

#### By Order of the Board

12 May 2023

#### Notes:

The condensed financial statements for the 6 months ended 31 March 2023 are unaudited and have been prepared using the Group's accounting policies.

This notice is issued pursuant to the DEM Rule 17.

The Board of Directors of Miwa Sugar Limited accepts full responsibility for the accuracy of the information contained in these condensed financial statements.