

THE UNION SUGAR ESTATES COMPANY LIMITED AND ITS SUBSIDIARIES
ABRIDGED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

AUDITED CONDENSED STATEMENT OF FINANCIAL POSITION			AUDITED CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			AUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY						
	THE GROUP			THE GROUP			Attributable to owners of the parent					
	Year ended			Year ended			Revaluation			Non-		Total
	2023	2022		2023	2022		Capital	and other	Retained	Total	controlling	Total
Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000		
ASSETS												
Non-current assets	3,363,204	1,964,038	Revenue	192,956	182,769	Balance at 1 January 2023	1,890	1,580,257	196,745	1,778,892	25,729	1,804,621
Current assets	846,854	432,861	Operating profit	130,089	495	Profit for the year	-	-	308,715	308,715	63,383	372,098
Total assets	4,210,058	2,396,899	Other income	22,969	26,793	Other comprehensive income for the year	-	1,571,611	-	1,571,611	-	1,571,611
EQUITY AND LIABILITIES												
Equity attributable to owners of the Company	3,659,888	1,778,892	Increase in fair value in Investment Property	171,699	-	Total comprehensive income for the year	-	1,571,611	308,715	1,880,326	63,383	1,943,709
Non-controlling interests	89,112	25,729	Assets written-off	(5,003)	-	Revaluation surplus released on disposal of land	-	(116,925)	116,925	-	-	-
Non-current liabilities	229,299	275,844	Share of result of associates	707	(1,178)	Revaluation surplus released on depreciation of property, plant and equipment, net of deferred tax	-	(3,270)	3,940	670	-	670
Current liabilities	231,759	316,434	Gain on deemed disposal of associate	-	20,685	Balance at 31 December 2023	1,890	3,031,673	626,325	3,659,888	89,112	3,749,000
Total equity and liabilities	4,210,058	2,396,899	Gain on bargain purchase on acquisition of subsidiary	-	7,084							
AUDITED CONDENSED STATEMENT OF CASHFLOWS												
THE GROUP												
Year Ended												
2023 2022												
Rs'000 Rs'000												
Net cash (used in)/generated from operating activities	100,101	120,358	Profit before finance costs	395,994	95,745							
Net cash generated from/(used in) investing activities	90,714	(62,784)	Finance costs	(22,968)	(21,937)							
Net cash used in financing activities	(80,451)	(72,261)	Profit before taxation	373,026	73,808							
Increase/(decrease) in cash and cash equivalents	110,364	(14,687)	Taxation	(928)	(2,844)							
Movement in cash and cash equivalents			Profit for the year	372,098	70,964							
At 1 January ,	(17,470)	(2,783)	Other comprehensive income for the year	1,571,611	18,189							
Increase/(decrease)	110,364	(14,687)	Total comprehensive income for the year	1,943,709	89,153							
At 30 September/31 December,	92,894	(17,470)										

NOTES

- The abridged consolidated financial statements have been prepared based on the financial statements which have been audited by Deloitte and prepared in accordance with International Financial Reporting Standards and on the basis of the accounting policies set out in the audited financial statements of the group for the year ended 31 December 2023.
- Performance review:
 - The revenue of the group for the year ended 31 December 2023 amounted to Rs 193m. Sugar revenue has increased from Rs 122m in 2022 to Rs 155m for the year under review following a rise in sugar price accrued from Rs 22,026/tonne of sugar for crop 2022 to Rs 26,493/tonne of sugar for crop 2023. Revenue from diversification activities has declined by Rs 23m mainly from the bad performance of potatoes cultivation. Income from land development was Rs 128m in 2023 whereas it was nil in 2022.
 - The Group recorded a profit on disposal of land for the year under review amounting to Rs 76m (2022 Rs 42m).
 - The Group carried out a valuation exercise at 31 December 2023 and this resulted in an increase in fair value of investment property of Rs 172m in the profit or loss and a gain on revaluation of land and buildings of Rs 1,585m in other comprehensive income.
 - The above resulted in a profit after tax of Rs 372m for the year ended 31 December 2023 as compared to Rs 71m in the previous year.
- For the first time, the Group recognised Land Conversion Rights and these rights have been booked at their fair value to the level of Rs 57.9m.

By Order of the Board
Omicrane Management & Consultancy Limited
Company Secretary
This 29th March 2024

The Board of Directors accepts full responsibility for the accuracy of the information contained in the above unaudited condensed financial statements. Copies of the unaudited condensed financial statements are available to the public, free of charge, at The Union Sugar Estates Company Limited, Union Ducrey - Riviere des Angulles. The Statement of interests of officers of the company required under rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request to the Company Secretary, free of charge, at C/O Omicrane Management & Consultancy Limited, Omicrane House - Mon Tresor Business Gateway, Plaine Magnien. This statement is issued pursuant to DEM RULE 17 and Securities Act 2005.

SEGMENTAL INFORMATION - THE GROUP			
	AGRO	OTHERS	TOTAL
	Rs'000	Rs'000	Rs'000
Business segments			
Year ended 31 December 2023			
Revenue from external customers	190,675	2,281	192,956
Operating profit	1,285	128,804	130,089
Year ended 31 December 2022			
Revenue from external customers	181,697	1,072	182,769
Operating (loss)/profit	(2,646)	3,141	495