



THE UNION SUGAR ESTATES
COMPANY LIMITED

THE UNION SUGAR ESTATES COMPANY LIMITED AND ITS SUBSIDIARIES

ABRIDGED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

ABRIDGED STATEMENT OF FINANCIAL POSITION

	THE GROUP	
	2022 Rs'000	2021 Rs'000
ASSETS		
Non-current assets	1,906,138	2,010,970
Current assets	432,861	203,421
Total assets	2,338,999	2,214,391
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company	1,720,992	1,661,261
Non-controlling interests	25,729	-
Non-current liabilities	275,844	355,675
Current liabilities	316,434	197,455
Total equity and liabilities	2,338,999	2,214,391

THE UNION SUGAR ESTATES COMPANY LIMITED AND ITS SUBSIDIARIES

ABRIDGED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

ABRIDGED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Revenue	182,769	188,081
Operating profit	495	32,721
Other income	26,793	15,233
Share of result of associates	(1,178)	684
Loss on disposal of investments in subsidiary	-	(4,677)
Gain on deemed disposal of associate	20,685	-
Gain on bargain purchase on acquisition of subsidiary	7,084	-
Profit on disposal of land	41,866	69,241
	95,745	113,202
Profit before finance costs		
Finance costs	(21,937)	(20,989)
	73,808	92,213
Profit before taxation		
Taxation	(2,844)	(5,091)
Profit from continuing operations	70,964	87,122
Loss from discontinued operations	-	(2,258)
Profit for the year	70,964	84,864
Other comprehensive income for the year	18,189	41,491
Total comprehensive income for the year	89,153	126,355
Profit attributable to:		
Owners of the Company	70,844	84,864
Non-controlling interests	120	-
	70,964	84,864
Total comprehensive income attributable to:		
Owners of the Company	89,033	126,355
Non-controlling interests	120	-
	89,153	126,355
Earnings per share		
- Continuing operations	Rs. 3.75	4.61
- Continuing and discontinued operations	Rs. 3.75	4.49
Number of ordinary shares ('000)	18,900	18,900

THE UNION SUGAR ESTATES COMPANY LIMITED AND ITS SUBSIDIARIES

ABRIDGED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

ABRIDGED STATEMENT OF CHANGES IN EQUITY

THE GROUP	Attributable to owners of the parent					Non-controlling interests Rs'000	Total equity Rs'000
	Stated capital Rs'000	Revaluation and other reserves Rs'000	Retained earnings Rs'000	Total Rs'000			
	Balance at 1 January 2022	1,890	1,603,549	55,822	1,661,261		
Profit for the year	-	-	70,844	70,844	120	70,964	
Other comprehensive income for the year	-	18,189	-	18,189	-	18,189	
Total comprehensive income for the year	-	18,189	70,844	89,033	120	89,153	
Revaluation surplus released on land disposed	-	(38,100)	38,100	-	-	-	
Revaluation surplus released on depreciation of property, plant and equipment, net of deferred tax	-	(3,381)	4,073	692	-	692	
Dividends payable	-	-	(29,994)	(29,994)	-	(29,994)	
Acquisition of subsidiary	-	-	-	-	25,609	25,609	
Balance at 31 December 2022	1,890	1,580,257	138,845	1,720,992	25,729	1,746,721	

THE GROUP	Attributable to owners of the parent					Non-controlling interests Rs'000	Total equity Rs'000
	Stated capital Rs'000	Revaluation and other reserves Rs'000	(Accumulated losses)/ retained earnings Rs'000	Total Rs'000			
	Balance at 1 January 2021	1,890	1,684,557	(123,931)	1,562,516		
Profit for the year	-	-	84,864	84,864	-	84,864	
Other comprehensive income for the year	-	41,491	-	41,491	-	41,491	
Total comprehensive income for the year	-	41,491	84,864	126,355	-	126,355	
Deconsolidation adjustments	-	(7,308)	7,133	(175)	-	(175)	
Revaluation surplus released on land disposed	-	(102,419)	102,419	-	-	-	
Revaluation surplus released on ROU assets disposed, net of deferred tax	-	(7,835)	9,440	1,605	-	1,605	
Revaluation surplus released on depreciation of property, plant and equipment, net of deferred tax	-	(4,937)	5,948	1,011	-	1,011	
Dividends payable	-	-	(30,051)	(30,051)	-	(30,051)	
Balance at 31 December 2021	1,890	1,603,549	55,822	1,661,261	-	1,661,261	

THE UNION SUGAR ESTATES COMPANY LIMITED AND ITS SUBSIDIARIES
ABRIDGED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

ABRIDGED STATEMENT OF CASHFLOW

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Net cash generated from/(used in) operating activities	120,358	(20,708)
Net cash (used in)/generated from investing activities	(62,784)	47,167
Net cash used in financing activities	(72,261)	(10,341)
(Decrease)/increase in cash and cash equivalents	(14,687)	16,118
Movement in cash and cash equivalents		
At 1 January ,	(2,783)	(18,901)
(Decrease)/increase	(14,687)	16,118
At 31 December ,	(17,470)	(2,783)

THE UNION SUGAR ESTATES COMPANY LIMITED AND ITS SUBSIDIARIES
ABRIDGED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

SEGMENTAL INFORMATION - THE GROUP

Business segments	AGRO	OTHERS	TOTAL
	Rs'000	Rs'000	Rs'000
Year ended 31 December 2022			
Revenue from external customers	<u>181,697</u>	<u>1,072</u>	<u>182,769</u>
Operating (loss)/profit	<u>(2,646)</u>	<u>3,141</u>	<u>495</u>
Year ended 31 December 2021			
Revenue from external customers	<u>155,308</u>	<u>32,773</u>	<u>188,081</u>
Operating profit/(loss)	<u>47,434</u>	<u>(14,713)</u>	<u>32,721</u>

THE UNION SUGAR ESTATES COMPANY LIMITED AND ITS SUBSIDIARIES
ABRIDGED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES

1. 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 2022.
2. The activities of the company consist of growing and cultivation of sugar cane and other agricultural products.
3. Performance review:
 - (i) The revenue of the group for the year ended 31 December 2022 amounted to Rs 183m. Sugar revenue has increased from Rs 106m in 2021 to Rs 122m for the year under review following a rise in sugar price accrued from Rs 14,903/tonne of sugar for crop 2021 to Rs 22,026/tonne of sugar for crop 2022. Revenue from diversification activities has also improved by Rs 17m mainly from the sale of potatoes and vegetables.
 - (ii) Covid-19 and War in Ukraine have caused the cost of supplies and services to increase very significantly for the year under review and accounted largely for the results. An unfavourable variance of Rs 26.7m on fair value movement in standing cane has affected negatively the performance.
 - (iii) The Group recorded a profit on disposal of land for the year under review amounting to Rs 42m and Rs 28m relating to a gain on disposal of associate and subsequent acquisition of subsidiary.
 - (iv) The above resulted in a profit after tax of Rs 71m for the year ended 31 December 2022 as compared to Rs 85m in the previous year.

By Order of the Board

Navitas Corporate Services Ltd
Company Secretary
This 27th March 2023

The Board of Directors accepts full responsibility for the accuracy of the information contained in the above audited financial statements.

Copies of the abridged audited financial statements are available to the public, free of charge, at Compagnie de Beau Vallon Limitée, Riche en Eau, St Hubert.

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 Secretary, free of charge, at C/O Navitas Corporate Services Ltd, Navitas House, Robinson Road, Floréal.

This statement is issued pursuant to DEM RULE 18 and Securities Act 2005.