

## MIWA SUGAR LIMITED AND ITS SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2024

Miwa Sugar maintains good profitability with better sugar prices in Kenya softening the impact of one-off challenges in Tanzania

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

	Audited 12 months ended 30 June 2024	Audited* 9 months ended 30 June 2023
	USD'000	USD'000
<b>REVENUE</b>	<b>171,433</b>	<b>142,293</b>
Earnings before interest, taxes, depreciation and amortisation	64,814	58,590
Depreciation, amortisation, and release of deferred income	(12,744)	(9,185)
Earnings before interest, taxation and allowance for expected credit losses	52,070	49,405
Allowance for expected credit losses	(27)	(281)
Earnings before interest and taxation	52,043	49,124
Net finance costs	(11,627)	(5,627)
Profit before taxation	40,416	43,497
Taxation	(18,592)	(15,893)
Profit for the year/period	21,824	27,604
Other comprehensive loss for the year/period	(2,201)	(13,064)
<b>Total comprehensive income for the year/period</b>	<b>19,623</b>	<b>14,540</b>
<b>Profit attributable to:</b>		
- Equity holders	8,046	11,241
- Non-controlling interests	13,778	16,363
	<b>21,824</b>	<b>27,604</b>
<b>Total comprehensive income attributable to:</b>		
- Equity holders	8,341	1,927
- Non-controlling interests	11,282	12,613
	<b>19,623</b>	<b>14,540</b>
Earnings per share	USD 0.025	0.035
Dividend per share	USD 0.010	0.018

\*Results for the period Oct 2022 - Jun 2023 only

### AUDITED GROUP CONDENSED STATEMENT OF FINANCIAL POSITION

	Audited 30 June 2024	Audited 30 June 2023
	USD'000	USD'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment and right-of-use assets	112,287	101,927
Intangible assets	19,158	17,553
Financial assets at amortised cost	1,866	4,495
	<b>133,311</b>	<b>123,975</b>
Current assets	122,172	105,214
<b>TOTAL ASSETS</b>	<b>255,483</b>	<b>229,189</b>
<b>EQUITY AND LIABILITIES</b>		
Shareholders' interest	15,198	20,277
Non-controlling interests	29,263	38,758
Non-current liabilities	106,719	90,155
Current liabilities	104,303	79,999
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>255,483</b>	<b>229,189</b>
Interest-bearing debt	126,321	93,330
Net asset value per share	USD 0.048	0.063
Number of ordinary shares in issue	No 318,492,120	318,492,120

### AUDITED GROUP SEGMENTAL INFORMATION

	Revenue		Profit/(loss)	
	Audited 12 months ended 30 June 2024	Audited* 9 months ended 30 June 2023	Audited 12 months ended 30 June 2024	Audited* 9 months ended 30 June 2023
	USD'000	USD'000	USD'000	USD'000
<b>Country analysis</b>				
Tanzania	76,428	76,726	19,725	21,387
Kenya	95,005	65,567	9,985	9,783
Mauritius holding companies	-	-	(7,886)	(3,566)
	<b>171,433</b>	<b>142,293</b>	<b>21,824</b>	<b>27,604</b>

\*Results for the period Oct 2022 - Jun 2023 only

### AUDITED GROUP CONDENSED STATEMENT OF CASH FLOWS

	Audited 30 June 2024	Audited 30 June 2023
	USD'000	USD'000
Net cash flow from operating activities	8,407	45,871
Net cash flow used in investing activities	(43,152)	(13,420)
Net cash flow used in financing activities	(6,134)	(13,481)
Net (decrease)/increase in cash and cash equivalents	(40,879)	18,970
Opening balance at 01 July 2023 / Transfer from Alteo through scheme of arrangement	5,041	(13,929)
<b>Cash and cash equivalents at 30 June 2024</b>	<b>(35,838)</b>	<b>5,041</b>

### AUDITED GROUP CONDENSED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders	Non-controlling interests	Total equity
	USD'000	USD'000	USD'000
<b>At 01 July 2023</b>	<b>20,277</b>	<b>38,758</b>	<b>59,035</b>
Total comprehensive income for the year	8,341	11,282	19,623
Change in shareholding without loss of control	(10,235)	(14,460)	(24,695)
Dividends	(3,185)	(6,317)	(9,501)
<b>At 30 June 2024</b>	<b>15,198</b>	<b>29,263</b>	<b>44,461</b>
Transfer from Alteo Limited	26,936	35,799	62,735
Total comprehensive income for the period	1,927	12,613	14,540
Change in shareholding without loss of control	(2,852)	2,853	-
Dividends	(5,734)	(12,507)	(18,241)
<b>At 30 June 2023</b>	<b>20,277</b>	<b>38,758</b>	<b>59,035</b>

### FINANCIAL PERFORMANCE REVIEW

#### GROUP

Miwa Sugar Limited ("Miwa Sugar" or "the Group") recorded revenue and a net profit of USD 171.4m and USD 21.8m respectively for the year ended 30 June 2024. EBITDA was USD 64.8m, representing a margin of 38%. Given that Miwa Sugar was a newly listed company on the Development and Enterprise Market of the Stock Exchange of Mauritius from 28 November 2022, there are no equivalent statutory comparatives. The figures disclosed for the prior period represent the performance of nine months of activity only.

Tanzanian operations contributed USD 76.4m of Group revenue, with the balance of USD 95.0m attributable to Kenyan operations. Corresponding profitability was USD 19.7m and USD 10.0m, respectively. TPC Limited ("TPC") achieved a good profitability margin from its revenue, despite facing several operational issues from the end of the second quarter. The increase in revenue achieved by Transmara Sugar Company Limited ("TSCL") in Kenya was driven by high sugar prices prevailing in the first semester due to scarcity following lower production in other parts of the country after temporary mill closures.

The decrease in cash flow from operations comprise a negative working capital movement and lower profitability. The minority shareholding buy-out at TSCL and investment in capex formed the bulk of the investing cashflow variance of USD 29.7m whilst payment on long term loans and dividends to non-controlling interests explain the outflows in financing, albeit compensated by inflows of USD 27.3m from new debt facilities.

Taxation for the year comprises USD 6.3m for deferred tax and the remaining pertains to income tax and withholding tax.

The other comprehensive loss of USD 2.2m relates mainly to the retranslation in USD of Miwa Sugar's foreign subsidiary assets, denominated in their respective currencies. The appreciation of the Kenyan Shilling has reduced this loss for the current year.

#### GROUP PROFORMA

Miwa Sugar, as a new group, 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 proforma has been drawn, providing comparative results for the 12 months ended 30 June 2024.

	12 months to 30 June 2024	12 months to 30 June 2023
<b>USD'000</b>		
Revenue	171,433	186,903
EBITDA	64,814	82,567
PAT	21,824	40,055

#### TPC

	12 months to 30 June 2024	12 months to 30 June 2023
<b>USD'000</b>		
Revenue	76,428	97,757
EBITDA	40,411	56,033
PAT	19,725	30,978

Whilst TPC remains profitable with an attractive margin, factory breakdowns and climatic phenomena caused a significant reduction in production of 30k tonnes of sugar compared to last year, despite the average yield increasing by 0.2% and extraction by 11%. As a result, sales of sugar fell by 27k tonnes. Although average prices achieved were 7% higher in local currency, the depreciation of the Tanzanian Shilling meant that prices fell 2% compared to the prior year in USD terms. EBITDA decreased by USD 15.6m to USD 40.4m with profitability also down by USD 11.3m to USD 19.7m.

#### TSCL

	12 months to 30 June 2024	12 months to 30 June 2023
<b>USD'000</b>		
Revenue	95,005	89,146
EBITDA	24,269	23,469
PAT	9,985	12,617

The 12-month performance for TSCL is supported by results from the first half of the financial year. As previously disclosed, TSCL benefitted from an exceptional increase in sugar prices due to the constrained national supply of sugar in Kenya, driven by poor cane availability in regions outside Transmara. The second semester, however, saw lower cane availability compounded by reduced harvests due to heavy rainfall. Cane crushing and production consequently fell by 11% and 9% respectively compared to last year with sales also decreasing by 13%. Despite the slow-down in activity for Q3 and Q4, TSCL saw a USD 6m increase in revenue for the year to USD 95.0m and EBITDA up by 3% to USD 24.2m. Profitability, however, decreased to USD 10.0m from USD 12.6m in the prior year which was mainly attributable to higher finance costs and taxation.

#### OUTLOOK

The Group's operations for the next season's crop are already under way. The outlook for production in TPC is positive, with the factory back to full capacity and abundant cane availability following the carry-over from last financial year. Market conditions in Tanzania however remain distorted given pressure on prices following a campaign of sustained sugar imports into the country. The performance at TSCL will be driven by ensuring cane availability for production and achieving good prices in the currently challenging local market.

Over the medium term, generating additional shareholder value through income stream diversification and exploring new ventures in the region remain the main focus.

### By Order of the Board 24 September 2024

#### Notes:

The condensed financial statements for the year ended 30 June 2024 are audited and have been prepared using the Group's accounting policies. The condensed audited financial statements are issued pursuant to the DEM Rule 18. Copies of these condensed audited financial statements and the statement of direct and indirect interests of Officers of Miwa Sugar Limited are available to the public, free of charge, at the registered office of Miwa Sugar Limited at Viva Business Park, Saint Pierre, Mauritius upon request made to the Company Secretary.

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