

## MIWA SUGAR LIMITED AND ITS SUBSIDIARIES

### CONDENSED UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024

Miwa Sugar's performance improves in the second quarter, with overall results nonetheless impacted by adverse market conditions

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

	Unaudited 3 months ended 31 Dec 2024	Unaudited 3 months ended 31 Dec 2023	Unaudited 6 months ended 31 Dec 2024	Unaudited 6 months ended 31 Dec 2023
	USD'000	USD'000	USD'000	USD'000
<b>REVENUE</b>	<b>37,306</b>	<b>45,548</b>	<b>66,089</b>	<b>117,289</b>
Earnings before interest, taxes, depreciation and amortisation	17,239	18,693	31,597	59,779
Depreciation, amortisation, and release of deferred income	(3,629)	(3,007)	(6,915)	(5,956)
Earnings before interest and taxation	13,610	15,686	24,682	53,823
Net finance costs	(3,962)	(2,328)	(7,609)	(4,478)
Profit before taxation	9,648	13,358	17,073	49,345
Taxation	(2,938)	(6,610)	(5,510)	(18,964)
Profit for the period	6,710	6,748	11,563	30,381
Other comprehensive income / (loss) for the period	7,345	1,054	6,417	(3,836)
Total comprehensive income for the period	14,055	7,802	17,980	26,545
Profit attributable to:				
- Equity holders	2,835	3,289	4,444	13,592
- Non-controlling interests	3,875	3,459	7,119	16,789
	6,710	6,748	11,563	30,381
Total comprehensive income attributable to:				
- Equity holders	6,160	4,078	7,385	11,665
- Non-controlling interests	7,895	3,724	10,595	14,880
	14,055	7,802	17,980	26,545
Earnings per share	US Cents	0.9	1.0	1.4
Dividend per share	US Cents	-	-	-

#### UNAUDITED GROUP SEGMENTAL INFORMATION

	Revenue		EBITDA		Profit/(loss)	
	Unaudited 3 months ended 31 Dec 2024	Unaudited 3 months ended 31 Dec 2023	Unaudited 3 months ended 31 Dec 2024	Unaudited 3 months ended 31 Dec 2023	Unaudited 3 months ended 31 Dec 2024	Unaudited 3 months ended 31 Dec 2023
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
TPC Ltd ("TPC")	21,340	17,600	13,361	8,178	6,872	3,578
Transmara Sugar Company Ltd ("TSCL")	15,966	27,948	3,154	10,921	884	6,212
Mauritius holding companies	-	-	724	(406)	(1,046)	(3,042)
	37,306	45,548	17,239	18,693	6,710	6,748

	Revenue		EBITDA		Profit/(loss)	
	Unaudited 6 months ended 31 Dec 2024	Unaudited 6 months ended 31 Dec 2023	Unaudited 6 months ended 31 Dec 2024	Unaudited 6 months ended 31 Dec 2023	Unaudited 6 months ended 31 Dec 2024	Unaudited 6 months ended 31 Dec 2023
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
TPC Ltd ("TPC")	32,167	50,607	25,754	31,128	13,098	17,597
Transmara Sugar Company Ltd ("TSCL")	33,922	66,682	6,108	28,927	1,735	17,196
Mauritius holding companies	-	-	(265)	(276)	(3,270)	(4,412)
	66,089	117,289	31,597	59,779	11,563	30,381

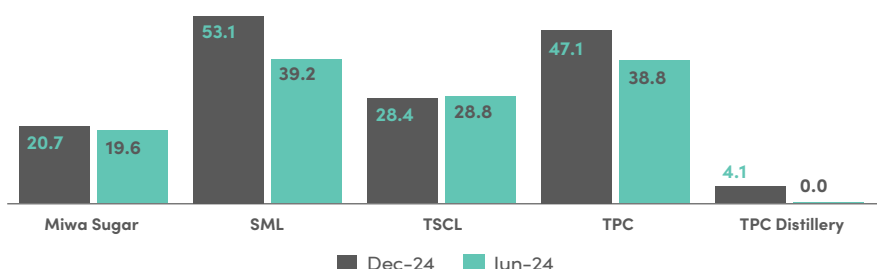
#### UNAUDITED GROUP CONDENSED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders	Non-controlling interests	Total equity
	USD'000	USD'000	USD'000
At 01 July 2024	15,198	29,263	44,461
Total comprehensive income for the period	7,385	10,595	17,980
Acquisition of subsidiary	-	3,552	3,552
At 31 December 2024	22,583	43,410	65,993
At 01 July 2023	20,277	38,758	59,035
Total comprehensive income for the period	11,665	14,880	26,545
Change in shareholding without loss of control	(10,233)	(14,459)	(24,692)
Dividends	-	(6,317)	(6,317)
At 31 December 2023	21,709	32,862	54,571

#### UNAUDITED GROUP CONDENSED STATEMENT OF CASH FLOWS

	Unaudited 31 Dec 2024	Unaudited 31 Dec 2023
	USD'000	USD'000
Net cash flow from operating activities	17,665	35,441
Net cash flow used in investing activities	(33,079)	(35,164)
Net cash flow from/(used) in financing activities	21,435	(10,250)
Net (decrease)/increase in cash and cash equivalents	6,021	(9,973)
Opening balance	(36,590)	5,041
Cash and cash equivalents	(30,569)	(4,932)

#### GROUP GROSS DEBT BY COMPANY (USD'M)



#### UNAUDITED GROUP CONDENSED STATEMENT OF FINANCIAL POSITION

	Unaudited 31 Dec 2024	Audited 30 June 2024
	USD'000	USD'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment and right-of-use assets	138,571	112,287
Intangible assets	19,394	19,158
Financial assets at amortised cost	1,869	1,866
	159,834	133,311
Current assets	136,705	122,172
<b>TOTAL ASSETS</b>	<b>296,539</b>	<b>255,483</b>
<b>EQUITY AND LIABILITIES</b>		
Shareholders' interests	22,583	15,198
Non-controlling interests	43,410	29,263
Non-current liabilities	144,102	106,719
Current liabilities	86,444	104,303
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>296,539</b>	<b>255,483</b>
Interest-bearing debt	153,353	126,321
Net asset value per share	USD	0.071
Number of ordinary shares in issue	No	318,492,120

#### FINANCIAL PERFORMANCE REVIEW

**Note: Caution should be exercised in interpreting these results in isolation, especially considering the cyclical recognition of revenue and costs over the crop period.**

##### GROUP

Miwa Sugar Limited ("Miwa Sugar" or "the Group") recorded revenue of USD 66.1 million and a net profit of USD 11.6 million for the period ended 31 December 2024. EBITDA reduced by USD 28.2m to USD 31.6m (a margin of 48% on revenue compared to 51% for the same period last year). Corresponding Profit for the period decreased by 62% to USD 11.6 million. The impact to the Group's performance stems largely from the challenging first quarter, with results showing substantial improvements over the second quarter, albeit significantly below last year's record first semester.

The Group's results should be seen in the context of circumstantial one-off events that boosted last year's results, thus worsening the year-on-year impact of this year's diminished sales performance.

The decrease in profitability directly affected cash flow from operations. The final payment to minority shareholders of TSCL and investments in capital expenditures constituted the majority of the investing cash flow of USD 33.1 million. Financing activities include inflows from additional loans proceeds of USD 62m, partially offset by loans repayments during the semester. The additional loans proceeds were mostly through a debt restructuring in the Group's subsidiary, Sucrière des Mascareignes ("SML"), which successfully raised USD 49.3 million of notes on the market at competitive rates, thus improving its finance servicing costs over the medium term.

##### TPC

Following last year's operational challenges, crushing operations at TPC have resumed strongly increasing by 49% compared to the prior period, with yields also going up by 16%. As a result, 27.8k more tonnes of sugar were produced this semester, representing an increase of 49% on account of a higher extraction rate over and above the better factory throughput.

However, excessive sugar imports into the country have significantly increased supply and pressured market prices downwards. Consequently, sales volumes decreased by 20.2k tonnes, with average prices achieved being 4% lower in local currency terms and 9% lower in USD terms. As a result, EBITDA decreased by USD 5.4 million to USD 25.8 million, with net profitability also declining by USD 4.5 million to USD 13.1 million. It is worth noting that EBITDA includes USD 10 million as insurance proceeds for last year's breakdowns.

##### TSCL

TSCL experienced reduced cane availability during the first semester which adversely impacted cane crushing and sugar production volumes, which declined by 38% and 39%, respectively, compared to the same period last year which had represented a record performance.

Sales volume for the period decreased by 21%, in stark contrast to the exceptional circumstances of the previous year when mill closures in Kenya led to reduced supply and significantly higher prices. As a result, TSCL reported a USD 32.8 million decrease in revenue to USD 33.9 million for the period, despite recovering prices in the second quarter. EBITDA fell by 79% to USD 6.1 million. Net profitability declined to USD 1.7 million from USD 17.2 million in the prior year.

##### Outlook

The impact of current adverse market conditions, especially when compared to the prior year, has been significantly felt by both of Miwa Sugar's operations in the first semester. While sales figures have been lower, it is important to note that TPC currently holds a substantial amount of sugar inventory from its excellent production. This stock is anticipated to be sold once prices recover to normal levels, following the depletion of the imported sugar that has temporarily distorted the national supply/demand.

Building on last year's carry-over of cane, TPC is experiencing excellent yields, and current production capacity and factory throughput are expected to continue robustly over the crop period. Additionally, some insurance claims have already been recognised and additional proceeds are expected to materialize over the course of the financial year.

For TSCL, cane availability is projected to improve in the coming quarters as cane maturity reaches optimal levels over the next few months. The local price of sugar is also expected to remain at the current improved levels, particularly in the context of tightening supply and the shielding impact of better world sugar prices.

Management remains committed to maximising performance in the upcoming quarters and returning profitability to normal levels.

By Order of the Board  
February 13, 2025

Notes:

The condensed financial statements for the period ended 31 December 2024 are unaudited and have been prepared using the Group's accounting policies. The condensed unaudited financial statements are issued pursuant to the DEM Rule 17. Copies of these condensed unaudited 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 Vivea 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.