



SUGAR INVESTMENT TRUST AND ITS SUBSIDIARIES
ABRIDGED AUDITED FINANCIAL STATEMENTS - YEAR ENDED 30 JUNE 2017

ABRIDGED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	THE GROUP		THE COMPANY	
	Audited 30-Jun 2017 Rs'000	Audited 30-Jun 2016 Rs'000	Audited 30-Jun 2017 Rs'000	Audited 30-Jun 2016 Rs'000
Revenue	1,270,009	1,082,199	119,505	142,446
Cost of sales	(1,010,702)	(675,676)	-	-
Gross profit	259,307	406,523	119,505	142,446
Operating profit/ (loss)	157,970	300,626	71,762	(14,987)
Net finance (costs)/income	(123,011)	(90,031)	8,257	(6,712)
Share of profit/(loss) of associate, net of tax	61,387	(44,511)	-	-
Profit/(loss) before taxation	96,346	166,084	80,019	(21,699)
Taxation	(19,989)	(33,865)	-	-
Profit/(loss) for the year	76,357	132,219	80,019	(21,699)
Other comprehensive income				
Remeasurement of defined benefit liability	(1,087)	1,032	(816)	1,032
Share of other comprehensive income of associates	3	(61,489)	-	-
Movement in fair value of investment	11,090	(237,735)	(28,128)	(320,227)
Total profit/(loss) and other comprehensive income for the year	86,363	(165,973)	51,075	(340,894)
Profit/(loss) attributable to:				
Owners of the Company	83,059	85,126	80,019	(21,699)
Non-controlling interests	(6,702)	47,093	-	-
Total profit/ (loss) and comprehensive income attributable to:				
Owners of the Company	93,336	(212,939)	51,075	(340,894)
Non-controlling interests	(6,973)	46,966	-	-
	86,363	(165,973)	51,075	(340,894)
Earnings per share (Rs)	0.20	0.34	0.21	(0.06)
Number of ordinary shares in issue	389,851,812	389,851,812	389,851,812	389,851,812

ABRIDGED STATEMENTS OF FINANCIAL POSITION

	THE GROUP		THE COMPANY	
	Audited 30-Jun 2017 Rs'000	Audited 30-Jun 2016 Rs'000	Audited 30-Jun 2017 Rs'000	Audited 30-Jun 2016 Rs'000
ASSETS				
Non-current assets	4,660,633	4,756,988	2,577,926	2,592,232
Current assets	1,595,479	2,424,767	1,681,688	1,457,547
Total Assets	6,256,112	7,181,755	4,259,614	4,049,779
EQUITY AND LIABILITIES				
Equity				
Equity attributable to owners of the Company	3,783,404	3,711,514	2,675,921	2,636,542
Non-controlling interests	616,107	623,080	-	-
Total equity	4,399,511	4,334,594	2,675,921	2,636,542
LIABILITIES				
Non-current liabilities	1,533,286	27,564	1,503,507	2,479
Current liabilities	323,315	2,819,597	80,186	1,410,758
Total Equity and Liabilities	6,256,112	7,181,755	4,259,614	4,049,779

ABRIDGED STATEMENTS OF CASH FLOWS

	THE GROUP		THE COMPANY	
	Audited 30-Jun 2017 Rs'000	Audited 30-Jun 2016 Rs'000	Audited 30-Jun 2017 Rs'000	Audited 30-Jun 2016 Rs'000
Net cash generated from/ (used in) operating activities	254,481	(16,269)	(87,053)	70,708
Net cash generated from/ (used in) investing activities	845	(60,686)	(15,021)	(160,707)
Net cash (used in) / generated from financing activities	(46,173)	184,275	261,342	157,205
Increase in cash and cash equivalents	209,153	107,320	159,268	67,206
Cash and cash equivalents at 01 July	(101,631)	(208,951)	(80,641)	(147,847)
Cash and cash equivalents at 30 June	107,522	(101,631)	78,627	(80,641)
Analysis of cash and cash equivalents				
Cash at bank	107,522	94,278	78,627	32,485
Bank overdrafts	-	(195,909)	-	(113,126)
	107,522	(101,631)	78,627	(80,641)

ABRIDGED STATEMENTS OF CHANGES IN EQUITY

	Stated capital	Share premium	Revaluation reserves	Retained earnings	Total	Non-controlling interest	Total equity
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000		
THE COMPANY							
At 1 July 2015	389,852	13,931	1,721,174	852,479	2,977,436		
Loss for the year	-	-	-	(21,699)	(21,699)		
Other comprehensive income	-	-	(320,227)	1,032	(319,195)		
At 30 June 2016	389,852	13,931	1,400,947	831,812	2,636,542		
Profit for the year	-	-	-	80,019	80,019		
Other comprehensive income	-	-	(28,128)	(816)	(28,944)		
Dividends	-	-	-	(11,696)	(11,696)		
At 30 June 2017	389,852	13,931	1,372,819	899,319	2,675,921		
	Attributable to owners of the Company						
	Stated capital	Share premium	Revaluation reserves	Retained earnings	Total	Non-controlling interest	Total equity
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
THE GROUP							
At 1 July 2015	389,852	13,931	2,333,762	1,187,035	3,924,580	576,114	4,500,694
Profit for the year	-	-	-	85,126	85,126	47,093	132,219
Other comprehensive income	-	-	(299,097)	905	(298,192)	(127)	(298,319)
At 30 June 2016	389,852	13,931	2,034,665	1,273,066	3,711,514	623,080	4,334,594
At 1 July 2016	389,852	13,931	2,034,665	1,273,066	3,711,514	623,080	4,334,594
Profit for the year	-	-	-	83,059	83,059	(6,702)	76,357
Other comprehensive income	-	-	11,093	(816)	10,277	(271)	10,006
Dividends	-	-	-	(21,446)	(21,446)	-	(21,446)
At 30 June 2017	389,852	13,931	2,045,758	1,333,863	3,783,404	616,107	4,399,511

The above abridged financial statements to 30 June 2017 have been audited by Messrs. KPMG. They have been prepared using the same accounting policies used in the preparation of the audited financial statements for the year ended 30 June 2017. The auditors' report to the financial statements is unqualified.

Copies of the above report are available free of charge from the Company Secretary at the registered office of the Company, Ground Floor, NG Tower, Cybercity, Ebene, Mauritius.

Comments
Revenue and profitability

Revenue
The main income drivers of the Group are:
- sale of land through residential/agricultural morcellements;
- dividends from investments;
- rental income from office spaces; and
- sugar proceeds from cane growing activities and other agricultural produce

Revenue for the Group has increased by 17.4% which is mainly attributable to an increase in the production of sugar coupled by an increase in the price of sugar.

The income of the Company is mainly derived from dividends received from its investee companies. The decrease in revenue by 16.2% is mainly attributable to lower dividends received during the year.

Profitability

The end result for the year under review for the Group is a profit of Rs 76M which has decreased by 42.2%. This is mainly explained by the increase in cost of sales due to the following:
- Deferred expenditure amounting to Rs45M in the books of SIT LAND HOLDINGS LTD which has been fully amortised in the current year;
- An increase in cultivation costs incurred by SIT LAND HOLDINGS LTD ;
- Impairment loss of Rs20M recognised under SIT Property Development Ltd on the Show residences at Cote d'or.

The end result for the year under review for the Company is a profit of Rs 80M compared to a loss of Rs 22M in prior year. The improved performance is due to the increase in management fees received from SIT Property Development Ltd. The Company has also adopted a cost cutting policy during the current year.

By order of the Board
SIT Corporate and Secretarial Services Ltd
Date: 14 December 2017