Financial Statements

FINANCIAL STATEMENTS

Independent Auditor's Report

TO THE MEMBERS OF TERRA MAURICIA LTD

Report on the Audit of the Consolidated and Separate Financial Statements

Qualified Opinion

We have audited the consolidated and separate financial statements of TERRA Mauricia Ltd and its subsidiaries (the Group and Company), on pages 124 to 237, which comprise the consolidated and separate statements of financial position at December 31, 2020, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and the notes to consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the *Basis for Qualified Opinion* section of our report, the consolidated and separate financial statements give a true and fair view of the financial position of the Group and the Company as at December 31, 2020, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001 and Financial Reporting Act.

Basis for Qualified Opinion

Consolidated financial statements

As disclosed in note 9 - Investment in Associates and note 37 - Associates, the Group has an associate, Sucrivoire S.A. ("the Associate"), whose operations are in Côte d'Ivoire. The Associate is accounted for using the equity method. For the year ended December 31, 2020, the share of the net assets of the Associate was MUR 861.4 Million (representing 27.9% of total Investment in Associates and 4.1% of Total Assets), and the share of profit from this Associate was MUR 46.4 Million.

Due to a lack of supporting evidence, we were unable to obtain sufficient appropriate audit evidence regarding the financial information of the Associate.

This matter was similarly qualified for the year ended December 31, 2019. For this reason, our opinion for the current year financial statements is also modified as a result of the possible effects of this matter on the comparability of the current period's figures and the corresponding figures.

In addition, as disclosed in note 44 - Prior Period Adjustments - the reported prior year share of the net assets and share of profits were restated. We were unable to obtain sufficient audit evidence on the adjustment of the share of net assets of the Associate, for the same reasons set out above.

Separate financial statements

In the separate financial statements, investment in subsidiaries are carried at fair value. As disclosed in note 8 - Investment in Subsidiaries and note 36 - Subsidiaries, the investment in Ivoirel Limitée (a subsidiary having Sucrivoire S.A. as an associate), has a carrying value of MUR 452.3 Milllion (representing 3.4% of total Investment in Subsidiaries and 3.1% of total assets) recorded at fair value in the statement of financial position with a decrease in fair value of the investment of MUR 129.2 Million, recorded in the statement of other comprehensive income from MUR 581.5 Million to MUR 452.3 Million.

The investment in Ivoirel Limitée has been classified as a level 3 investment in the fair value hierarchy, as management has used discounted cash flow techniques to arrive at the fair value of Ivoirel Limitée, which is based on unobservable inputs which include discount rates, management's cash flow forecasts and growth rates. Although the Company has prepared a discounted cash flow, we were unable to obtain sufficient and appropriate audit evidence over the reasonableness of the unobservable inputs in the discounted cash flow models used to determine the fair value. It was also impracticable to perform alternative audit procedures over the fair value as the required information was not made available to us.

This matter was similarly qualified for the year ended December 31, 2019. For this reason, our opinion for the current year financial statements is also modified as a result of the possible effects of this matter on the comparability of the current period's figures and the corresponding figures.

Report on the Audit of the Consolidated and Separate Financial Statements (Cont'd)

Separate financial statements *(Cont'd)*

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Valuation of land and buildings (applicable to the consolidated financial statements)

Refer to the significant accounting policies note 2.2 and note 4.1 and 5 to the financial statements

KEY AUDIT MATTER	AUDIT RESPONSE
The Group carries its land and building at revalued amount under the revaluation model in terms of IAS 16 Property, plant and equipment. Land and building, which consists mainly of agricultural land and is included under property, plant and equipment, with a combined carrying value of MUR'M 9,249.4, as at December 31, 2020. Land and building are revalued every 3 years, unless there is evidence that the fair value of an asset differs materially from the carrying amount. The fair value of land and buildings is determined by an independent external valuer. The last valuation was carried out at December 31, 2019. The valuation process involves significant judgement in determining the valuation methodology to be used and in estimating the underlying assumptions to be applied. The recent valuation was based on recent market transaction on arm's length terms for similar properties determined based on market comparable approach or on depreciated replacement cost when appropriate market value cannot be established. This matter was considered to be one of most significance in the audit of the Group financial statements due to the material balance of land and buildings in the Group's financial statements and significant judgements and estimates involved in arriving at their fair values.	Our audit procedures in respect of this key audit matter included, amongst other: - Assessing the design and implementation of the key controls relating to the valuation of land and buildings. -Confirming the independence of management's expert (the external valuer) including their experience and qualifications. - Obtaining the valuation reports prepared by the external valuer and assessing for reasonability by assessing key assumptions used and comparing with available market data. - Testing the mathematical accuracy of the underlying conditions used in the valuation models. -Ensuring that the measurement basis for the valuation and valuation methods used were in accordance with International Financial Reporting Standards. - Satisfying ourselves that the techniques used in the open market value models by the external valuers are appropriate in the circumstances and have been applied consistently. - Making enquiries with management with regards to the input to the valuation and requested management representation. - Comparing the actual sales of land realised during the year with valuation report to confirm that there is no major difference in the value. -Reviewing the completeness and adequacy of the disclosure in the financial statements for compliance with International Financial Reporting Standards, including disclosure on significant inputs and sensitivity analysis.

Independent Auditor's Report

TO THE MEMBERS OF TERRA MAURICIA LTD (CONT'D)

Report on the Audit of the Consolidated and Separate Financial Statements (Cont'd)

Key Audit Matters (Cont'd)

Impairment of cash generating units (CGU's) and non-financial assets (bearer plants and land conversion rights) (applicable to the consolidated financial statements)

Refer to the significant accounting policies note 2.17 and note 4.1, 5, 7 and 28 to the financial statements

KEY AUDIT MATTER	AUDIT RESPONSE
In line with IAS 36 Impairment of Assets requirements, an annual impairment assessment should be undertaken for goodwill and intangible assets with an indefinite useful life. In addition, an impairment assessment should be performed when there is any indicator of impairment on other non-financial assets. At December 31, 2020, an impairment assessment had been performed for the following: *Cash generating units (CGU's)* - Milling operations (Terra Milling Ltd) - Growing operations (Agricultural cluster of Terragri Ltd) *Non-financial assets* - Land conversion rights (LCR's) (included in the intangible assets and goodwill note 7) In addition, an indicator of impairment had been identified for the following: - Bearer plants (included in the Property, plant and equipment note 5) An impairment assessment has been carried out whereby the recoverable amount of the nonfinancial assets has been compared with their carrying amounts. The recoverable amount being the higher of the value in use and fair value less costs to sell. The determination of the recoverable amounts involves a high level of judgement and estimation, particularly when Discounted Cash Flow valuations are applied in estimating the recoverable amount.	Our audit procedures in respect of this key audit matter included, amongst other: -Evaluating the design and implementation of the relevant controls relating to the impairment assessment of CGUs and non-financial assets. - Evaluating management's impairment assessment to determine whether indicators of impairment exist based on our knowledge of the Group and current market information. -Evaluating the completeness and adequacy of the financial statement disclosures in accordance with the requirements of IFRS 13 Fair Value Measurement and IAS 36 Impairment of Assets. *Milling operations (Terra Milling Ltd), Growing operations (Agricultural cluster of Terragri Ltd) and bearer plants.* Obtain the impairment assessment and discuss the reasonableness of assumptions used with management to obtain a better understanding of the value in use calculations. - Inspecting management's cash flow forecasts and evaluated the appropriateness of the key assumptions used (price of raw/special sugar, discount rates and growth rates) in order to evaluate the reasonableness of forecasts where Discounted Cash Flow valuations have been applied to calculate the recoverable amount. This involved: • Testing the mathematical accuracy of the value in use/discounted cash flow calculations. • Benchmarking key assumptions with available market data, agreeing inputs used to generate the revenue forecast to underlying information or other available industry data. • Comparing current year's revenue with forecast revenue to assess reasonableness of forecasts. • Agreeing the inputs used to calculate the discount rate to market available data, taking into account the continuing impact of COVID-19.

Report on the Audit of the Consolidated and Separate Financial Statements (Cont'd)

Key Audit Matters (Cont'd)

Impairment of cash generating units (CGU's) and non-financial assets (bearer plants and land conversion rights) (applicable to the consolidated financial statements) (Cont'd)

Refer to the significant accounting policies note 2.17 and note 4.1, 5, 7 and 28 to the financial statements

KEY AUDIT MATTER	AUDIT RESPONSE
An impairment is recognised should the recoverable revenue to assess reasonableness of forecasts. amount of the asset or CGU be less than its carrying amount. The impairment loss is recognised in profit or loss, unless the relevant asset is carried at revalued amount, in which case the impairment loss is treated as a revaluation decrease in other comprehensive income. This matter was considered to be one of most significance in the audit of the Group financial statements, due to the significant level of judgement and level of estimation exercised by management in the impairment assessment process.	*Land Conversion Right (LCRs)* - Evaluating the competence and independence of the external valuer and the appropriateness of the valuation methodology used. - Obtaining the valuation reports prepared by the external valuer and assessing for reasonability by assessing assumptions used and comparing with available market data. - Satisfying ourselves that the techniques used in the sales comparison approach by the valuers, are appropriate in the circumstances and have been applied consistently.

Other matter relating to comparative information

The consolidated and the separate financial statements of TERRA Mauricia Ltd for the year ended December 31, 2019, were audited by another firm of auditors who expressed a qualified opinion on those statements on July 29, 2020.

We were not engaged to audit, review, or apply any procedures to the consolidated and separate financial statements for the year ended December 31, 2019. Accordingly, we do not express an opinion or any other form of assurance on those respective financial statements taken as a whole.

Other Information

The Directors are responsible for the other information. The other information comprises mainly of information contained in the Annual Report, including the Corporate Governance Report, Statement of Compliance, Statement of Directors' Responsibilities and Statutory Disclosures, but does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, we were unable to obtain sufficient appropriate evidence about the financial informaiton of an investment in associate and a subsidiary. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Independent Auditor's Report

TO THE MEMBERS OF TERRA MAURICIA LTD (CONT'D)

Report on the Audit of the Consolidated and Separate Financial Statements (Cont'd)

Other Information (Cont'd)

Corporate Governance Report

Our responsibility under the Financial Reporting Act is to report on the compliance with the Code of Corporate Governance disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the public interest entity has, pursuant to section 75 of the Financial Reporting Act, complied with the requirements of the Code.

Responsibilities of Directors and Those Charged with Governance for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001, and for such internal control as the Directors determine is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group and or Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Company's internal control.

Report on the Audit of the Consolidated and Separate Financial Statements (Cont'd)

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements (Cont'd)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditor's Report
TO THE MEMBERS OF TERRA MAURICIA LTD (CONT'D)

Report on the Audit of the Consolidated and Separate Financial Statements (Cont'd)

Report on Other Legal and Regulatory Requirements

Companies Act 2001

We have no relationship with or interests in the Group and the Company other than in our capacity as auditors and dealings in the ordinary course of business.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Other matters

This report is made solely to the Company's members, as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members, as a body, those matters that we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Port Louis,
Mauritius

July 14, 2021

BDO & CO
Chartered Accountants

Ameenah Ramdin, FCCA, ACA
Licensed by FRC

Consolidated and Separate Statements of Financial Position

DECEMBER 31, 2020

	Notes	THE GROUP 2020 MUR'M	THE GROUP (Restated) 2019 MUR'M	THE COMPANY 2020 MUR'M	THE COMPANY 2019 MUR'M
ASSETS					
Non-current assets					
Property, plant and equipment	5	**11,312.3**	11,559.4	**-**	-
Right-of-use assets	5A	**37.5**	42.9	**-**	-
Investment properties	6	**1,755.8**	1,025.6	**-**	-
Intangible assets and goodwill	7	**196.1**	218.6	**-**	-
Investments in subsidiaries	8	**-**	-	**13,415.9**	13,072.3
Investments in associates	9	**3,089.9**	3,053.8	**108.2**	226.7
Financial assets at fair value through other comprehensive income	10	**557.2**	502.1	**576.6**	517.8
Other financial assets at amortised cost	11	**5.9**	15.6	**1.0**	9.1
Lease receivables	5B	**44.6**	42.4	**-**	-
Deferred tax assets	13	**253.2**	204.2	**-**	-
		17,252.5	16,664.6	**14,101.7**	13,825.9
Current assets					
Inventories	14	**1,231.3**	1,082.1	**-**	-
Consumable biological assets	15	**172.6**	137.2	**-**	-
Trade and other receivables	16	**1,332.4**	1,719.7	**278.4**	221.0
Other financial assets at amortised cost	11	**56.6**	30.0	**-**	-
Lease receivables	5B	**2.3**	2.1	**-**	-
Current tax assets	25(a)	**-**	0.4	**-**	0.4
Cash in hand and at bank	34(b)	**437.3**	491.5	**19.1**	12.2
		3,232.5	3,463.0	**297.5**	233.6
Non-current assets classified as held for sale	17	**291.5**	580.7	**331.3**	580.7
Total assets		**20,776.5**	20,708.3	**14,730.5**	14,640.2

	Notes	THE GROUP 2020 MUR'M	THE GROUP (Restated) 2019 MUR'M	THE COMPANY 2020 MUR'M	THE COMPANY 2019 MUR'M
EQUITY AND LIABILITIES					
Capital and reserves					
Stated capital	18	**11,976.0**	11,976.0	**11,976.0**	11,976.0
Revaluation and other reserves	19	**1,307.8**	1,480.7	**168.1**	228.4
Retained earnings		**309.7**	707.6	**1,547.0**	1,545.2
Owners' interest of the Company		**13,593.5**	14,164.3	**13,691.1**	13,749.6
Non-controlling interests		**975.4**	1,019.9	**-**	-
Total equity		**14,568.9**	15,184.2	**13,691.1**	13,749.6
Non-current liabilities					
Borrowings	20	**2,644.6**	173.1	**851.6**	-
Lease liabilities	21	**29.5**	26.0	**-**	-
Deferred tax liabilities	13	**256.9**	269.1	**-**	-
Retirement benefit obligations	22	**865.1**	641.6	**-**	-
		3,796.1	1,109.8	**851.6**	-
Current liabilities					
Trade and other payables	23	**1,024.6**	902.9	**48.6**	30.3
Contract liabilities	26(c)	**73.4**	69.7	**-**	-
Current tax liabilities	25(a)	**26.0**	37.7	**0.5**	-
Provisions	24	**25.0**	26.0	**-**	-
Borrowings	20	**1,258.6**	3,363.7	**138.7**	860.3
Lease liabilities	21	**3.9**	14.3	**-**	-
		2,411.5	4,414.3	**187.8**	890.6
Total liabilities		**6,207.6**	5,524.1	**1,039.4**	890.6
Total equity and liabilities		**20,776.5**	20,708.3	**14,730.5**	14,640.2

These financial statements have been approved and authorised for issue by the Board of Directors on July 14, 2021.

Nicolas Maigrot
Managing Director

Margaret Wong Ping Lun
Director

The notes on pages 132 to 237 form an integral part of these consolidated and separate financial statements.
Auditors' report on pages 116 to 122.

Consolidated and Separate Statements of Profit or Loss

YEAR ENDED DECEMBER 31, 2020

	Notes	THE GROUP 2020	THE GROUP (Restated) 2019	THE COMPANY 2020	THE COMPANY 2019
		MUR'M	MUR'M	MUR'M	MUR'M
Revenue	26	4,752.2	5,047.3	185.9	234.3
Cost of sales	30	(3,640.4)	(3,843.5)	-	-
Gross profit		1,111.8	1,203.8	185.9	234.3
Gains arising from changes in fair value of consumable biological assets	15	32.5	84.3	-	-
Fair value (loss)/gain on non-current assets classified as held for sale	17	(314.0)	77.1	-	-
Other income	27	152.9	396.6	6.9	4.0
Impairment loss on financial assets	28	(64.2)	(43.4)	(9.2)	-
Impairment of non-financial assets	28	(22.3)	(122.6)	-	-
Administrative expenses	30	(594.2)	(665.6)	(17.7)	(22.9)
Distribution costs	30	(131.2)	(142.3)	-	-
Other expenses	30	(265.1)	(272.9)	-	-
(Loss)/profit before finance costs	29	(93.8)	515.0	165.9	215.4
Finance income		11.3	4.8	0.1	-
Finance costs		(173.0)	(122.8)	(33.2)	(36.2)
Net finance costs	31	(161.7)	(118.0)	(33.1)	(36.2)
(Loss)/profit after finance costs		(255.5)	397.0	132.8	179.2
Share of results of associates	9	249.2	236.8	-	-
Impairment of associates	9	(181.8)	(120.1)	-	-
(Loss)/profit before taxation		(188.1)	513.7	132.8	179.2
Taxation	25(b)	(22.3)	(67.1)	(1.3)	(0.5)
(Loss)/profit for the year		(210.4)	446.6	131.5	178.7
(Loss)/profit attributable to:					
Owners of the Company		(268.9)	328.7	131.5	178.7
Non-controlling interests		58.5	117.9	-	-
		(210.4)	446.6	131.5	178.7
Basic and diluted (loss)/earnings per share (MUR):	32	(1.18)	1.44	0.58	0.79

The notes on pages 132 to 237 form an integral part of these consolidated and separate financial statements.
Auditors' report on pages 116 to 122.

Consolidated and Separate Statements of Profit or Loss and other Comprehensive Income

YEAR ENDED DECEMBER 31, 2020

	Notes	THE GROUP 2020	THE GROUP (Restated) 2019	THE COMPANY 2020	THE COMPANY 2019
		MUR'M	MUR'M	MUR'M	MUR'M
(Loss)/profit for the year		(210.4)	446.6	131.5	178.7
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Revaluation adjustments of land and buildings	5(a)	-	1,597.2	-	-
Impairment of land	5(a)	-	(427.9)	-	-
Deferred tax on revaluation of buildings	13(c)	-	(36.3)	-	-
Remeasurements of post employment benefit obligations	22	(229.8)	(91.1)	-	-
Deferred tax on remeasurements of post employment benefit obligations	13(c)	34.1	15.5	-	-
Changes in fair value of equity instruments at fair value through other comprehensive income		(37.1)	(118.5)	(60.3)	(678.7)
Gain on disposal of financial assets at fair value through other comprehensive income		-	2.0	-	2.0
Items that may be reclassified subsequently to profit or loss:					
Share of other comprehensive income of associates	9(a)(ii)	(100.9)	101.1	-	-
Translation reserve movement		142.1	40.2	-	-
Other comprehensive income for the year		(191.6)	1,082.2	(60.3)	(676.7)
Total comprehensive income for the year		(402.0)	1,528.8	71.2	(498.0)
Total comprehensive income attributable to:					
Owners of the Company		(434.5)	1,374.7	71.2	(498.0)
Non-controlling interests		32.5	154.1	-	-
		(402.0)	1,528.8	71.2	(498.0)

The notes on pages 132 to 237 form an integral part of these consolidated and separate financial statements.
Auditors' report on pages 116 to 122.

Consolidated and Separate Statements of Changes in Equity

YEAR ENDED DECEMBER 31, 2020

THE GROUP	Notes	Share Capital	Revaluation and Other Reserves	Retained Earnings	Total	Non-Controlling Interests	Total Equity
		Attributable to owners of the Company					
		MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
At January 1, 2020							
- As previously reported		**11,976.0**	**1,416.0**	**641.7**	**14,033.7**	**1,019.9**	**15,053.6**
- Effect of prior year adjustments	44	**-**	**64.7**	**65.9**	**130.6**	**-**	**130.6**
- As restated		**11,976.0**	**1,480.7**	**707.6**	**14,164.3**	**1,019.9**	**15,184.2**
Loss for the year		**-**	**-**	**(268.9)**	**(268.9)**	**58.5**	**(210.4)**
Other comprehensive income for the year		**-**	**(165.6)**	**-**	**(165.6)**	**(26.0)**	**(191.6)**
Release on disposal of land		**-**	**(15.0)**	**15.0**	**-**	**-**	**-**
Changes in ownership interest in subsidiaries that do not result in a loss of control		**-**	**-**	**(1.4)**	**(1.4)**	**(0.2)**	**(1.6)**
Other movements		**-**	**7.7**	**(12.9)**	**(5.2)**	**-**	**(5.2)**
Dividends	33	**-**	**-**	**(129.7)**	**(129.7)**	**(76.8)**	**(206.5)**
Balance at December 31, 2020		**11,976.0**	**1,307.8**	**309.7**	**13,593.5**	**975.4**	**14,568.9**
At January 1, 2019		11,976.0	427.4	605.3	13,008.7	983.5	13,992.2
Profit for the year-restated		-	-	328.7	328.7	117.9	446.6
Other comprehensive income for the year		-	1,046.0	-	1,046.0	36.2	1,082.2
Transfer of accumulated fair value losses upon disposal of equity investments at fair value through other comprehensive income		-	7.5	(7.5)	-	-	-
Release on disposal of land		-	(2.3)	2.3	-	-	-
Other movements		-	2.1	(27.8)	(25.7)	(2.4)	(28.1)
Dividends	33	-	-	(193.4)	(193.4)	(115.3)	(308.7)
Balance at December 31, 2019		11,976.0	1,480.7	707.6	14,164.3	1,019.9	15,184.2

THE COMPANY	Notes	Share Capital	Amalgamation Reserve	Financial Assets at Fair Value through OCI Reserve	Retained Earnings	Total
		MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
At January 1, 2020		**11,976.0**	**(43.3)**	**271.7**	**1,545.2**	**13,749.6**
Profit for the year		**-**	**-**	**-**	**131.5**	**131.5**
Other comprehensive income for the year		**-**	**-**	**(60.3)**	**-**	**(60.3)**
Dividends	33	**-**	**-**	**-**	**(129.7)**	**(129.7)**
At December 31, 2020		**11,976.0**	**(43.3)**	**211.4**	**1,547.0**	**13,691.1**
At January 1, 2019		11,976.0	(43.3)	940.9	1,567.4	14,441.0
Profit for the year		-	-	-	178.7	178.7
Other comprehensive income for the year		-	-	(676.7)	-	(676.7)
Transfer of accumulated fair value losses upon disposal of equity investments at fair value through other comprehensive income		-	-	7.5	(7.5)	-
Dividends	33	-	-	-	(193.4)	(193.4)
At December 31, 2019		11,976.0	(43.3)	271.7	1,545.2	13,749.6

The notes on pages 132 to 237 form an integral part of these consolidated and separate financial statements.
Auditors' report on pages 116 to 122.

Consolidated and Separate Statements of Cash Flows

YEAR ENDED DECEMBER 31, 2020

	Notes	THE GROUP 2020 MUR'M	THE GROUP (Restated) 2019 MUR'M	THE COMPANY 2020 MUR'M	THE COMPANY 2019 MUR'M
Operating activities					
(Loss)/profit before taxation		**(188.1)**	513.7	**132.8**	179.2
Adjustments for :					
Depreciation of property, plant and equipment	5	**361.1**	341.3	**-**	-
Depreciation of right-of-use assets	5A	**15.0**	18.6	**-**	-
Profit on sale of property, plant and equipment	27	**(78.3)**	(231.8)	**-**	-
Retirement benefit obligations	22	**65.7**	64.2	**-**	-
Amortisation of intangible assets	7	**9.8**	8.9	**-**	-
Depreciation of investment properties	6	**8.5**	8.4	**-**	-
Reversal of impairment on investment property	6	**-**	(8.1)	**-**	-
Investment income		**-**	(2.5)	**185.9**	(234.3)
Gain on bargain purchase	35(b)	**-**	(0.8)	**-**	-
Interest expense	31	**173.0**	122.8	**33.2**	36.2
Interest income		**(11.3)**	(4.8)	**(0.1)**	-
Impairment of intangible assets	7(a)	**22.3**	98.3	**-**	-
Impairment of bearer plants	5(a)	**-**	32.4	**-**	-
Share of results of associates	9	**(249.2)**	(236.8)	**-**	-
Impairment of associates	9	**181.8**	120.1	**-**	-
Impairment of other financial assets		**9.2**	-	**-**	-
Loss/(gain) on fair value measurement	17	**314.0**	(77.1)	**-**	-
Changes in working capital:					
- inventories		**(105.2)**	(11.0)	**-**	-
- financial assets at amortised cost		**(26.1)**	-	**-**	-
- consumable biological assets	15	**(32.5)**	(84.3)	**-**	-
- trade and other receivables		**453.5**	(360.5)	**14.4**	(59.8)
- lease receivables		**(2.4)**	123.9	**-**	-
- contract liabilities		**(20.4)**	43.8	**-**	-
- provisions		**(1.0)**	(28.1)	**-**	-
- trade and other payables		**145.8**	(123.4)	**18.3**	9.0
Cash generated from/(used in) operations		**1,045.2**	327.2	**384.5**	(69.7)
Interest paid		**(140.4)**	(119.6)	**(33.2)**	(36.2)
Benefits paid	22	**(72.0)**	(98.2)	**-**	-
Tax recovered	25	**0.2**	1.2	**-**	-
Tax paid	25	**(60.1)**	(58.5)	**(0.4)**	(0.7)
Dividends received from associate		**67.1**	75.2	**-**	-
Dividend received		**-**	-	**(185.9)**	234.3
Net cash generated from operating activities		**840.0**	127.3	**165.0**	127.7

	Notes	THE GROUP 2020 MUR'M	THE GROUP (Restated) 2019 MUR'M	THE COMPANY 2020 MUR'M	THE COMPANY 2019 MUR'M
Investing activities					
Purchase of property, plant and equipment		**(242.9)**	(255.8)	**-**	-
Purchase of investment properties		**(717.9)**	(301.9)	**-**	-
Intangible assets acquired	7(a)	**(10.2)**	(10.1)	**-**	-
Purchase of investment in					
- associates		**(2.6)**	-	**-**	-
- financial assets at fair value through other comprehensive income	10(i)	**(92.2)**	(173.3)	**(94.8)**	(173.3)
Acquisition of non-controlling interests in subsidiary	35(c)	**(1.6)**	-	**-**	-
Proceeds on sale of property, plant and equipment		**130.5**	275.1	**-**	-
Proceeds on sale of investment properties		**-**	20.6	**-**	-
Proceeds on sale of investments		**-**	19.1	**-**	19.5
Deposits on investments		**(71.8)**	(163.4)	**(71.8)**	(161.4)
Loans repaid		**-**	53.6	**8.1**	10.7
Interest received		**0.1**	8.7	**0.1**	-
Investment income received		**3.7**	3.7	**-**	-
Net cash used in investing activities		**(1,004.9)**	(523.7)	**(158.4)**	(304.5)
Financing activities					
Proceeds from borrowings		**436.7**	888.9	**130.0**	339.3
Repayment of bank loans		**(67.4)**	(52.3)	**-**	-
Loan repaid to related parties		**-**	(7.4)	**-**	-
Lease principal repayments		**-**	(2.1)	**-**	-
Principal paid on lease liabilities		**(14.0)**	(25.4)	**-**	-
Interest paid on lease liabilities		**(2.6)**	(3.2)	**-**	-
Redemption of preference shares		**-**	1.7	**-**	-
Dividends paid to shareholders of Terra Mauricia Ltd	33	**(129.7)**	(193.4)	**(129.7)**	(193.4)
Dividends paid to non-controlling interests	33	**(76.8)**	(115.3)	**-**	-
Net cash generated from financing activities		**146.2**	491.5	**0.3**	145.9
(Decrease)/increase in cash and cash equivalents		**(18.7)**	95.1	**6.9**	(30.9)
Movement in cash and cash equivalents					
At January 1,		**451.6**	356.5	**12.2**	43.1
(Decrease)/increase		**(18.7)**	95.1	**6.9**	(30.9)
At December 31,	34(b)	**432.9**	451.6	**19.1**	12.2

The notes on pages 132 to 237 form an integral part of these consolidated and separate financial statements.
Auditors' report on pages 116 to 122.

Notes to the Consolidated and Separate Financial Statements

YEAR ENDED DECEMBER 31, 2020

1A. GENERAL INFORMATION

TERRA Mauricia Ltd (the "Company") is a public limited company incorporated and domiciled in Mauritius and listed on the Official Market of the Stock Exchange of Mauritius Ltd since January 1, 2012. The address of its registered office is Beau Plan Business Park, Pamplemousses.

These financial statements will be submitted for consideration and approval at the forthcoming Annual Meeting of Shareholders of the Company.

Principal activities

TERRA Mauricia Ltd is an investment holding company.

Details of subsidiaries' activities are disclosed in note 36.

1B. Basis of preparation

The financial statements of TERRA Mauricia Ltd comply with the Companies Act 2001 and Financial Reporting Act 2004 (FRA) and have been prepared in compliance with International Financial Reporting Standards (IFRS). The financial statements include the consolidated financial statements of the Company and its subsidiary companies (collectively "The Group") and the separate financial statements of the Company.

The financial statements are presented in Mauritian Rupees (MUR) and all values are rounded to the nearest million (MUR'M) and one decimal place, except when otherwise indicated.

The financial statements are prepared under the historical cost convention except that:
(i) Land and buildings are carried at revalued amounts;
(ii) Financial assets at fair value through other comprehensive income (FVOCI) are stated at their fair value;
(iii) Consumable biological assets are stated at their fair value less costs to sell;
(iv) Net defined benefit liability is measured at fair value of plan assets less the present value of the defined benefit obligation.
(v) Investments in subsidiaries and associates in separate financial statements of the Company are measured at their fair value.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Application of New and Revised International Financial Reporting Standards ("IFRS")

In the current year, the Group and Company have applied all the new and revised Standards and Interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on January 1, 2020.

New and revised Standards and Interpretations that are effective for the reporting period.

The following relevant revised standards have been applied in these financial statements. Their applications have not had any material impact on the amounts reported for current and prior years but may affect the accounting for future transactions or arrangements.

IAS 1	Presentation of Financial Statements - Amendments regarding the definition of material
IAS 8	Accounting policies, Changes in Accounting Estimates and Errors - Amendments regarding the definition of material
IAS 39	Financial Instruments: Recognition and Measurement - Amendments regarding pre-replacement issues in the context of the IBOR reform
IAS 41	Agriculture - Amendments resulting from Annual Improvements to IFRS Standards 2018-2020 (taxation in fair value measurements)
IFRS 3	Business combinations - Amendments to clarify the definition of a business
IFRS 7	Financial Instruments: Disclosures - Amendments regarding pre-replacement issues in the context of the IBOR reform
IFRS 9	Financial Instruments - Amendments regarding pre-replacement issues in the context of the IBOR reform
IFRS 16	Leases - Amendment to provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Application of New and Revised International Financial Reporting Standards ("IFRS") (Cont'd)

New and revised Standards and Interpretations in issue but not yet effective

At the date of authorisation of these financial statements, the following relevant Standards and Interpretations were in issue but effective on annual period on or after the respective dates as indicated:

IAS 1	Presentation of Financial Statements - Amendments regarding classification of liabilities (effective January 1 , 2023)
IAS 1	Presentation of Financial Statements - Amendment to defer the effective date of the January 2020 amendments (effective January 1, 2023)
IAS 1	Presentation of Financial Statements - Amendment regarding the disclosure of accounting policies (effective January 1, 2023)
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors - Amendment regarding the definition of accounting estimates (effective January 1, 2023)
IAS 16	Property, Plant and Equipment - Amendments prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use (effective January 1, 2022)
IAS 37	Provisions, Contingent Liabilities and Contingent Assets - Amendments regarding the costs to include when assessing whether a contract is onerous (effective January 1, 2022)
IAS 39	Financial Instruments: Recognition and Measurement Amendments regarding replacement issues in the context of the IBOR reform (effective January 1, 2021)
IFRS 3	Business combinations - Amendments updating a reference to the Conceptual Framework (effective January 1, 2022)
IFRS 7	Financial Instruments: Disclosures - Amendments regarding replacement issues in the context of the IBOR reform (effective January 1, 2021)
IFRS 9	Financial Instruments - Amendments resulting from Annual Improvements to IFRS Standards 2018–2020 (fees in the '10 per cent' test for derecognition of financial liabilities) (effective January 1, 2022)
IFRS 9	Financial Instruments - Amendments regarding replacement issues in the context of the IBOR reform (effective January 1, 2021)
IFRS 16	Leases - Amendments regarding replacement issues in the context of the IBOR reform (effective January 1, 2021)
IFRS 16	Leases - Amendment to extend the exemption from assessing whether a COVID-19-related rent concession is a lease modification (effective April 1, 2021)
IFRS 16	Leases - Amendment to provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification (effective June 1, 2020)
IFRS 17	Insurance Contracts - Original Issue (effective January 1, 2023)
IFRS 17	Insurance Contracts - Amendments to address concerns and implementation challenges that were identified after IFRS 17 was published (effective January 1, 2023)

The Directors anticipate that these amendments will be applied in the annual financial statements for the annual periods beginning on the respective dates as indicated above. The Directors are still evaluating the application and the potential impact of these amendments.

Conceptual framework

Amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32 to update those pronouncements with regard to references to and quotes from the framework or to indicate where they refer to a different version of the Conceptual Framework (effective January 1, 2020).

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the IASB in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards. This will affect those entities which developed their accounting policies based on the Conceptual Framework. The revised Conceptual Framework includes some new concepts, updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. These amendments had no impact on the financial statements of the Group and the Company.

The above new standards and interpretations are not applicable to these financial statements and management does not expect these to have any significant impact on the financial performance of the Group and the Company when they become effective. No early adoption is intended by the Board of Directors.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Property, plant and equipment

Property, plant and equipment are measured at cost at recognition. Buildings are subsequently stated at their revalued amount being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Land is subsequently stated at its reval ued amount being the fair value at the date of revaluation, less subsequent accumulated impairment losses. All other property, plant and equipment are stated at cost less any accumulated depreciation and any accumulated impairment losses.

Subsequent costs are included in the assets' carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Subsequent costs are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Land and buildings are revalued every three years, unless there is evidence that the fair value of the assets differ materially from the carrying amount. Increases in the carrying amount arising on revaluation are credited to other comprehensive income and shown as revaluation surplus in equity. Decreases that offset previous increases of the same asset are charged against revaluation surplus directly in equity; all other decreases are charged to profit or loss.

Depreciation is calculated on the straight-line method to write off the cost or the revalued amounts of the assets to their residual values over their estimated useful lives as follows:

Buildings on Leasehold Land	2 - 10%
Buildings	1 - 20%
Power Plant	1 - 4 %
Factory Equipment	2 - 50%
Agricultural Equipment	2 - 25%
Motor Vehicles	10 - 25%
Furniture and Office Equipment	2 - 35%
Bearer plants	12.5%

Land is not depreciated.

Depreciation is charged to either cost of sales or other expenses based on the function the asset holds. For those assets which are involved in the core operations of the entity, the depreciation is charged to cost of sales. For those assets which are involved in administrative operations, the depreciation is charged to administrative expenses.

The assets' residual values, useful lives and depreciation method are reviewed, and adjusted prospectively, if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the impairment loss is recognised in profit or loss.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amount and are included in profit or loss. On disposal of revalued assets, the amounts included in revaluation surplus are transferred to retained earnings.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Investment properties

Investment properties comprise of land and buildings. Investment properties, held to earn rentals, are initially stated at cost plus transaction costs. Subsequently buildings are stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated on the straight line method to write off the cost of the investment properties to their residual values over the estimated useful life. Land is not depreciated.

The principal annual rate is as follows:

Buildings	2 - 8%

Transfers are made to investment property only when there is a change in use, evidenced by the end of owener occupation, commencement of an operating lease to another party or completion of construction or development. Transfers are made from investment property when, and only when, there is a change in use, evidenced by commencement of owner occupation or commencement of development with a view to sale.

Inventory property

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realisable value (NRV).

Principally, this is residential property that the Group develops and intends to sell before, or on completion of, development.

Cost incurred in bringing each property to its present location and condition includes:
- Freehold land
- Amounts paid to contractors for development
- Planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, development overheads and other related cost.

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs of completion and the estimated costs necessary to make the sale.

2.4 Intangible assets and goodwill

(a) Intangible assets consist of land conversion rights (LCRs), goodwill, brands/distribution rights and computer software.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives comprise of computer software and are amortised over the useful economic life and assessed at the end of each reporting period whether there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives comprise of land conversion rights, goodwill and brands/distribution rights and are not amortised, but are tested for impairment annually and wherever there is an indication that the intangible asset may be impaired, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Intangible assets and goodwill (Cont'd)

(i) *Land conversion rights*

The reform of the Sugar Industry in the years 2000 necessitated redundancy payments in the form of cash and serviced land, as well as capital expenditure for capacity expansion and optimisation. These capital expenditure investments and expenses have been financed by debt. In order to assist the repayment of these debts, Government granted a tax exemption to the Sugar Industry when converting agricultural land into residential land in the form of Land Conversion Rights ("LCRs"). These LCRs are granted by the Mauritius Cane Industry Authority (MCIA) based on the qualifying costs incurred by an entity.

An LCR is recognised as a non-current asset and is initially measured at cost at the date on which the Group is entitled to receive those rights, that is when there is reasonable assurance that the LCR will be received and all the attached conditions will be complied with.

Land conversion rights (LCRs) are assumed to have an indefinite useful life as per the terms of the agreement entered with the Government of Mauritius.

LCRs are tested annually for impairment. When the carrying amount of the asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

LCRs are derecognised upon disposal (i.e. the date the recipient obtains control), used internally for converting agricultural land into residential land for land projects or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the LCR is included in profit or loss.

(ii) *Brands/distribution rights*

Brands/distribution rights are shown at cost and tested annually for impairment.

(iii) *Computer software*

Acquired computer software licences are capitalised on the basis of costs incurred to acquire and bring to use the specific software and are amortised using the straight line method over their estimated useful lives (5 years).

Costs associated with upgrading or maintenance of computer software are recognised as expenses as incurred.

(b) Goodwill arising on an acquisition of a business is measured at cost less accumulated impairment losses, if any.

Goodwill is not amortised but tested annually for impairment. Goodwill is allocated to cash-generating units for the purpose of impairment testing.

(c) On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gains and losses on disposal.

(d) Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Investment in subsidiaries

Separate financial statements of the Company

In the separate financial statements of the investor, investments in subsidiary companies are carried at fair value.

Consolidated financial statements

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventories and property, plant and equipment) are eliminated in full on consolidation. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Unrealised losses are also eliminated but only to the extent that there is no evidence of impairment. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Transactions with non-controlling interests

Non-controlling interests are initially measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. Any difference between any consideration paid/received and the relevant share of the carrying value of net assets of the subsidiary is recorded within equity, separately from the equity of the owners of the Company. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Loss of control

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Investment in associates

Separate financial statements of the Company

In the separate financial statements of the Company, investments in associated companies are carried at fair value.

Consolidated financial statements

An associate is an entity over which the Group has significant influence but not control, or joint control, generally accompanying a shareholding between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method except when classified as held-for-sale. Investments in associates are initially recognised at cost as adjusted by post acquisition changes in the Group's share of the net assets of the associate.

Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the gain or loss previously recognised in other comprehensive income is reclassified to profit or loss relative to that reduction in ownership interest.

Any excess of the cost of acquisition and the Group's share of the net fair value of the associate's identifiable assets and liabilities recognised at the date of acquisition is recognised as goodwill, which is included in the carrying amount of the investment.
Any excess of the Group's share of the net fair value of identifiable assets and liabilities over the cost of acquisition, after assessment, is included as income in the determination of the Group's share of the associate's profit or loss.

When the Group's share of losses exceeds its interest in an associate, the Group discontinues recognising further losses, unless it has incurred legal or constructive obligation or made payments on behalf of the associate.

Unrealised profits and losses are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

2.7 Financial instruments

(a) *Recognition and initial measurement*

All financial instruments are initially recognised when the Group and the Company become a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(b) *Classification and subsequent measurement*

(i) Financial assets

On initial recognition, the Group and the Company classify financial assets as subsequently measured at amortised cost or fair value through other comprehensive income based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 Financial instruments (Cont'd)

(b) *Classification and subsequent measurement (Cont'd)*

(i) Financial assets (Cont'd)

Amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met:
- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortised cost using the effective interest method, less impairment losses which are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Impairment allowance for trade receivables is recognised based on the simplified approach within IFRS 9 using the lifetime expected credit losses using general approach. During this process, the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such allowances are recorded in a separate impairment loss allowance account in profit or loss. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated impairment allowance.

Impairment allowance for receivables from related parties and loans to related parties is recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the impairment allowance is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve months expected credit losses along with gross interest income are recognised.

For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group and the Company determine that a financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the debtor;
- a breach of contract such as a default or being past due the agreed credit term; or
- it is probable that the debtor will enter bankruptcy or other financial reorganisation.

From time to time, the Group and the Company elect to renegotiate the terms of trade receivables due from customers with which it has previously had a good trading history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and, in consequence, the new expected cash flows are discounted at the original effective interest method and any resulting difference to the carrying value is recognised in profit or loss.

The Group's financial assets measured at amortised cost comprise trade and other receivables excluding prepayments/taxes receivable/deposits, cash in hand and at bank and other financial assets at amortised cost in the statement of financial position.

The Company's financial assets measured at amortised cost comprise trade and other receivables excluding deposits, cash in hand and at bank and other financial assets at amortised cost in the statement of financial position.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 Financial instruments (Cont'd)

(b) *Classification and subsequent measurement (Cont'd)*

(i) Financial assets (Cont'd)

Fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:
- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group has a number of strategic investments in listed and unlisted entities which are not accounted for as subsidiaries, associates or jointly controlled entities. For those investments, the Group has made an irrevocable election to classify the investments at fair value through other comprehensive income rather than through profit or loss as the Group considers this measurement to be the most representative of the business model for these assets. They are subsequently measured at fair value with changes in fair value recognised in other comprehensive income and accumulated in the fair value reserve. Upon disposal any balance within fair value reserve is reclassified directly to retained earnings and is not reclassified to profit or loss.

Dividends are recognised in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investments carrying amount.

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:
- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group and the Company consider the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group and the Company consider:

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 Financial instruments (Cont'd)

(b) *Classification and subsequent measurement (Cont'd)*

(i) Financial assets (Cont'd)

Fair value through other comprehensive income (Cont'd)

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features, and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

The Group's financial assets at fair value through other comprehensive income comprise of equity securities.

The Company's financial assets at fair value through other comprehensive income comprise of investments in subsidiaries, investments in associates and equity securities.

(ii) Financial liabilities

Other financial liabilities

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. For the purposes of each financial liability, interest expense includes the initial transaction costs and any premium payable on redemption, as well as any interest payable while the liability is outstanding.

The Group's other financial liabilities include borrowings and trade and other payables (excluding VAT). The Company's other financial liabilities include borrowings and trade and other payables.

Derivative financial liabilities

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

(c) *Derecognition*

The Group and the Company derecognise a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group and the Company neither transfer nor retain substantially all of the risks and rewards of ownership and they do not retain control of the financial asset.

The Group and the Company enter into transactions whereby they transfer assets recognised in their statement of financial position, but retain either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

The Group and the Company derecognise a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group and the Company also derecognise a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(d) *Offsetting*

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Biological assets

(i) Bearer Biological assets - Deer farming

Bearer biological assets, excluding bearer plants are stated at cost.

(ii) Consumable Biological assets - Sugar cane

Sugar canes are measured at their fair value less costs to sell. The fair value of sugar canes is the present value of expected net cash flows from the sugar canes discounted at the relevant market determined pre-tax rate. Changes in fair value is recognised in profit or loss.

2.9 Leases

(i) *As a lessee*

Leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

The Group accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

(a) There is an identified asset;
(b) The Group obtains substantially all the economic benefits from use of the asset, and
(c) The Group has the right to direct use of the asset.

The Group considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether the Group obtains substantially all the economic benefits from use of the asset, the Group considers only the economic benefits that arise through use of the asset, not those incidental to legal ownership or other potential benefits.

In determining whether the Group has the right to direct use of the asset, the Group considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Group considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Group applies other applicable IFRSs rather than IFRS 16.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonable certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Leases (Cont'd)

(i) *As a lessee (Cont'd)*

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are depreciated on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being depreciated over the remaining (revised) lease term.

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy;
- in all other cases where the renegotiated increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount;
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For contracts that both convey a right to the Group to use an identified asset and require services to be provided to the Group by the lessor, the Group has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

Payments associated with short-term leases and all leases of low-value assets such as IT equipments are recognised on a straight-line basis as an expense in profit or loss.

Right of use assets comprise of Land, Buildings and Motor Vehicles.

(ii) *As a lessor*

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

All leases are classified as operating leases from a lessor perspective.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Revenue'.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.10 Current and deferred income tax

The tax expense for the period comprises of current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax charge is based on taxable income for the year calculated on the basis of tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for.

Deferred income tax is determined using tax rates that have been enacted or substantively enacted at the reporting date and are expected to apply in the period when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is not recognised for:
- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Corporate Social Responsibility (CSR)

In line with the definition within the Income Tax Act 1995, Corporate Social Responsibility (CSR) is regarded as a tax and is therefore subsumed with the income tax recognised in the profit or loss and the income tax liability on the statement of financial position.

The CSR charge for the current year is measured at the amount expected to be paid to the Mauritian tax authorities. The CSR rate and laws used to compute the amount are those charged or substantively enacted by the reporting date.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads, but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses.

2.12 Non-current assets classified as held for sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through a continuing use. This condition is regarded as met only, when the sale is highly probable and the asset is available for immediate sale in its present condition.

Events or circumstances may extend the period to complete the sale beyond one year but if the delay is caused by events or circumstances beyond the entity's control and there is sufficient evidence that the entity remains committed to its plan to sell the asset, such extension does not preclude the asset from being classified as held for sale.

The Group

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment in an associate, or a portion of an investment in an associate, the investment, or the portion of the investment in associate, that will be disposed of is classified as held for sale when the criteria described above are met. The Group then ceases to apply the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in associate that has not been classified as held for sale continues to be accounted for using the equity method.

Impairment losses on initial classification as held for sale and subsequent gains or losses on measurement are recognised in profit or loss.

2.13 Stated capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IAS 12.

2.14 Retirement benefit obligations

Defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Payments to defined contribution plans are recognised as an expense when employees have rendered service that entitle them to the contributions.

Defined benefit plans

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 Retirement benefit obligations (Cont'd)

Defined benefit plans (Cont'd)

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), is recognised immediately in other comprehensive income in the period in which they occur. Remeasurements recognised in other comprehensive income shall not be reclassified to profit or loss in subsequent period.

The Group determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability/(asset), taking into account any changes in the net defined liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense/(income) is recognised in profit or loss.

Service costs comprising current service cost, past service cost, as well as gains and losses on curtailments and settlements are recognised immediately in profit or loss.

Gratuity on retirement

For employees who are not covered (or who are insufficiently covered by the above pension plans), the net present value of gratuity on retirement payable under the Workers Rights Act 2019 is calculated by qualified actuaries and provided for. The obligations
arising under this item are not funded.

These defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

State pension plan

Contributions to the National Pension Fund are expensed in profit or loss.

Termination benefits

Termination benefits are recognised as an expense when the Group is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date then they are discounted to their present value.

Measurement of defined benefit obligations: Key actuarial assumptions

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/income for pensions include the discount rate. Any changes in these assumptions will impact on the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions, such as discount rate, inflation rate, future salary increase and average retirement age for pension obligations are based on current market conditions.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.15 Provisions

Provisions are recognised when the Group and the Company have a legal or constructive obligation as a result of past events and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

2.16 Foreign currencies

(i) *Functional and presentation currency*

Items included in the financial statements are measured using MUR, the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated and separate financial statements are presented in MUR, which is the Company's and the Group's functional and presentation currency.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to cash and cash equivalents is presented in profit or loss within 'finance income or cost'. All other foreign exchange gains and losses are presented in profit or loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

Translation differences on non-monetary items, such as equities classified as financial assets at fair value through OCI, are included in the fair value reserve in equity.

(iii) *Group companies*

The results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
(b) income and expenses for each statement representing profit or loss and other comprehensive income are translated at average exchange rates; and
(c) all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings are taken to equity.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate while retaining significant influence, the relevant proportion of the cumulative amount is reclassified to profit or loss.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.17 Impairment of non-financial assets

Impairment of non-financial assets excluding goodwill

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (excluding goodwill) to determine whether there is any indication that those assets have suffered an impairment loss. If any indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is higher of the fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Goodwill

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.18 Revenue recognition

(a) *Revenue from contracts with customers*

Performance obligations and timing of revenue recognition

The majority of the revenue is derived from selling goods with revenue recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customer. However, for export sales, control might also be transferred when delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with a customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the Group no longer has physical possession, usually will have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods in question.

A small minority of contracts are negotiated on a bill and hold basis. In such arrangements revenue is recognised even though the Group still has physical possession only if:
- the arrangement is substantive (i.e. requested by the customer);
- the finished goods have been identified separately as belonging to the customer;
- the product is ready for physical transfer to the customer; and
- the Company does not have the ability to use the product to direct it to another customer.

Determining the transaction price

Most of the revenue is derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices.

Allocating amounts to performance obligations

For most contracts, there is a fixed unit price for each product sold, with reductions given for bulk orders placed at a specific time. Therefore, there is no judgement involved in allocating the contract price to each unit ordered in such contracts (it is the total contract price divided by the number of units ordered). Where a customer orders more than one product line, the Company is able to determine the split of the total contract price between each product line by reference to each product's standalone selling prices (all product lines are capable of being, and are, sold separately).

Practical expedients

The Company has taken advantage of the practical expedients:
- not to account for significant financing components where the time difference between receiving consideration and transferring control of goods (or services) to its customer is one year or less; and
- expense the incremental costs of obtaining a contract when the amortisation period of the asset otherwise recognised would have been one year or less.

Revenue from contracts with customers is recognised when control of the goods and services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods and services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods/services before transferring them to the customer.

(i) Cane cluster

The performance obligation relating to the sale of sugar and by-products is satisfied upon delivery of those goods. At the grower stage, control of the goods passes when the delivery truck crosses the weighbridges. At the miller and refiner stage, control of the goods passes to the customer upon delivery.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.18 Revenue recognition (Cont'd)

(a) Revenue from contracts with customers (Cont'd)

(ii) Power cluster

The power cluster generates revenue from the sale of electricity, which is recognised over time as and when distributed on the grid.

(iii) Brands cluster

The performance obligation is satisfied upon delivery of those goods when control of the goods passes to the customer upon delivery.

(iv) Property cluster

Revenue is recognised when control over the land has been transferred to the customer, that is, when the legal title has passed to the customer upon signature of the "Acte de Vente". Therefore, revenue is recognised at a point in time when the legal title has passed to the customer. The revenue is measured at the transaction price agreed under the contract.

(b) Revenue from sale of morcellement lots

Revenue from the sale of morcellement lots is net of rebates and discounts. The Company uses the percentage of completion method to determine the appropriate amount of revenue to be recognised in a given period. The stage of completion is measured by reference to the contract costs incurred up to the end of reporting period as a percentage of total estimated costs for each contract (or by reference to surveys of work performed or completion of a physical proportion the contract work). Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. They are presented as inventories, prepayments or other assets, depending on their nature.

(c) Remaining performance obligations

The vast majority of the Group's contracts are for the delivery of goods within the next 12 months for which the practical expedient in paragraph 121(a) of IFRS 15 applies. However, certain design contracts and contracts for the delivery of goods have been entered into for which both:

- the original contractual period was greater than 12 months; and
- the Group's right to consideration does not correspond directly with the performance.

In addition, sales of extended warranties for periods of greater than one year and material rights relating to discounts on future contracts do not meet these conditions.

(d) Other revenues

Other revenues earned by the Group/Company are recognised on the following bases:

- Dividend income - when the shareholder's right to receive payment is established.
- Lease income arising from operating leases-on a straight-line basis over the lease term.

2.19 Dividend distribution

Dividends which have been appropriately authorised and which are non-discretionary, on or before the end of the reporting period but not distributed at the end of the reporting date are recognised as a liability in the Group's financial statements in the period in which the dividends are declared.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.20 Segment reporting

Segment information presented relate to operating segments that engage in business activities for which revenues are earned and expenses incurred.

2.21 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Other borrowing costs are expensed.

2.22 Other income

Other income earned by the Group is recognised on the following basis:

- Profit on sale of property, plant and equipment and land is recognised when the significant risks and returns have been transferred to the buyer.
- Agricultural diversification represents the gross proceeds of sale of fruits and vegetables and animals, revenue from agricultural diversification is recognised when goods are delivered and title has passed.
- Sugar Insurance Fund Board (SIFB) compensation represents the compensable loss in excess of the sugar accrued on supply and the total insurable sugar and is recognised on accrual basis unless there is uncertainty on the outcome of the compensation in which case the normal contingent asset policy as per IAS 37 applies.
- Others include rent and transport, cane supply agreement and other consultancy fees, which are recognised in the accounting year in which the services are received.
- Interest income is calculated by applying the effective interest method to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest method is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

2.23 Fair value measurement

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.23 Fair value measurement (Cont'd)

The Management determines the policies and procedures for both recurring fair value measurement, such as land, investment properties and unquoted financial assets at fair value through OCI, and for non-recurring measurement, such as assets held for sale in discontinued operations. Management is comprised of the Chief Finance Executive, Chief Finance Officers, Heads of the investment properties segment.

External valuers are involved for valuation of significant assets, such as properties and land conversion rights. Involvement of external valuers is determined annually by Management after discussion with and approval by the Group's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. Management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

Management, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

2.24 Net finance costs

The finance income and finance costs include:
- foreign exchange gain and loss;
- interest expense;
- interest income.

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to:
- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income or expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

2.25 Government Wage Assistance Scheme (WAS)

Government WAS is treated as government grant. It is recognised in profit or loss as a credit against salary costs in which the Company recognised as expenses the related costs for which the WAS are intended to compensate. The COVID-19 levy imposed on the WAS is payable in two instalments. The first instalment is based on the chargeable income of the current year and the second instalment is assessed on the forecasted chargeable income in the next year of assessment. The COVID-19 levy is accounted as a payable.

2.26 Contingent asset

A contingent asset is disclosed where an inflow of economic benefits is probable.

2.27 Contingent liabilities

A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.28 Comparative figures

Comparative figures have been regrouped/restated and reclassified where necessary, to conform to the current year's presentation. No two years' comparative have been presentated for the statement of financial position following the restatement of investments in associates since the impact was only on December 31, 2019 figures. Refer to note 44 for more details.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group and the Company endeavour to manage their exposure to market risks and to minimize the impact of volatility in exchange rates and interest rates on the bottom line of group companies.

The Group's and the Company's activities expose them to a variety of financial risks which have to be effectively managed so as to protect their long term sustainability and to safeguard the interests of their stakeholders.

The Group's and the Company's overall risk management programmes focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the Group's and the Company's financial performance.

A description of the significant risk factors is given below together with risk management policies where applicable.

(a) Market risk
(i) Currency risk
(ii) Equity price risk
(iii) Commodity price risk

(b) Credit risk

(c) Liquidity risk and

(d) Cash flow and fair value interest rate risk.

(a) Market risk

(i) *Currency risk*

The Group is exposed to foreign exchange risk arising from sugar growing activities, primarily with respect to the Euro (EUR), the US dollar (USD), the Seychellois Rupee (SCR) and other currencies. This risk affects both the crop proceeds and the fair value of the biological assets. The Group also has investments in foreign entities denoted in US dollar (USD) and whose net assets are exposed to currency translation risk.

The Group and the Company are exposed to currency risks from their exports and imports both for their commercial and production activities. As such they are subject to risks from changes in currency values that could affect earnings. Given the limited availability of financial instruments locally, short term transaction risks arising from currency fluctuations are not hedged.

Subject to cost and availability of finance, the Group and the Company aim to minimise their foreign exposure by borrowing in local and foreign currency to mirror their currency commitments as they fall due.

No currency risk is hedged.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (Cont'd)

(a) Market risk (Cont'd)

(i) *Currency risk (Cont'd)*

Currency profile

The currency profile of the Group's and the Company's financial assets and liabilities are summarised below:

THE GROUP	MUR	EUR	USD	SCR	Other currencies	TOTAL
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
At December 31, 2020						
Trade and other receivables	**782.5**	**145.1**	**28.3**	**42.5**	**1.2**	**999.6**
Other financial assets at amortised cost	**62.5**	**-**	**-**	**-**	**-**	**62.5**
Cash in hand and at bank	**332.9**	**71.4**	**22.8**	**1.3**	**8.9**	**437.3**
Financial assets at fair value through other comprehensive income	**216.2**	**-**	**341.0**	**-**	**-**	**557.2**
Total assets	**1,394.1**	**216.5**	**392.1**	**43.8**	**10.1**	**2,056.6**
Trade and other payables	**924.1**	**38.3**	**21.9**	**23.2**	**17.1**	**1,024.6**
Borrowings	**3,690.2**	**198.2**	**-**	**14.8**	**-**	**3,903.2**
Lease liabilities	**33.4**	**-**	**-**	**-**	**-**	**33.4**
Total liabilities	**4,647.7**	**236.5**	**21.9**	**38.0**	**17.1**	**4,961.2**
At December 31, 2019						
Trade and other receivables	1,055.7	115.1	213.8	85.0	2.4	1,472.0
Other financial assets at amortised cost	45.6	-	-	-	-	45.6
Cash in hand and at bank	466.2	16.3	4.5	-	4.5	491.5
Financial assets at fair value through other comprehensive income	249.5	-	252.6	-	-	502.1
Total assets	1,817.0	131.4	470.9	85.0	6.9	2,511.2
Trade and other payables	691.0	8.1	130.2	73.6	-	902.9
Borrowings	3,311.2	225.6	-	-	-	3,536.8
Lease liabilities	40.3	-	-	-	-	40.3
Total liabilities	4,042.5	233.7	130.2	73.6	-	4,480.0

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (Cont'd)

(a) Market risk (Cont'd)

(i) *Currency risk (Cont'd)*

Currency profile (Cont'd)

THE COMPANY	MUR	USD	EUR	TOTAL
	MUR'M	MUR'M	MUR'M	MUR'M
At December 31, 2020				
Trade and other receivables	**45.2**	**-**	**-**	**45.2**
Other financial assets at amortised cost	**1.0**	**-**	**-**	**1.0**
Cash in hand and at bank	**9.4**	**9.5**	**0.2**	**19.1**
Investment in subsidiaries	**13,304.7**	**111.2**	**-**	**13,415.9**
Investment in associates	**108.2**	**-**	**-**	**108.2**
Financial assets at fair value through other comprehensive income	**235.6**	**341.0**	**-**	**576.6**
Total assets	**13,704.1**	**461.7**	**0.2**	**14,166.0**
Borrowings	**990.3**	**-**	**-**	**990.3**
Trade and other payables	**48.6**	**-**	**-**	**48.6**
Total liabilities	**1,038.9**	**-**	**-**	**1,038.9**
At December 31, 2019				
Trade and other receivables	59.6	-	-	59.6
Other financial assets at amortised cost	9.1	-	-	9.1
Cash in hand and at bank	12.0	0.1	0.1	12.2
Investment in subsidiaries	12,969.7	102.6	-	13,072.3
Investment in associates	139.3	-	87.4	226.7
Financial assets at fair value through other comprehensive income	265.2	252.6	-	517.8
Total assets	13,454.9	355.3	87.5	13,897.7
Borrowings	860.3	-	-	860.3
Trade and other payables	30.3	-	-	30.3
Total liabilities	890.6	-	-	890.6

The following significant exchange rates have been applied.

	AVERAGE RATE		YEAR-END SPOT RATE	
	2020	2019	**2020**	2019
	MUR	MUR	**MUR**	MUR
EUR	**45.01**	39.79	**48.30**	40.64
USD	**39.27**	35.66	**39.35**	36.35
SCR	**2.23**	2.53	**1.81**	2.59

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (Cont'd)

(a) Market risk (Cont'd)

(i) *Currency risk (Cont'd)*

Sensitivity analysis

A reasonably possible strengthening/weakening of the MUR against all other currencies at December 31, would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

The analysis is based on the assumption that the MUR strengthened/weakened ageing EUR and USD by 4% and 6% respectively (2019: 4% and 6%) and its corresponding impact on loss/profit.

THE GROUP	2020 MUR'M	2019 MUR'M	2020 MUR'M	2019 MUR'M
EUR	(0.8)	(4.1)	0.8	4.1
USD	22.2	20.4	(22.2)	(20.4)

THE COMPANY	2020 MUR'M	2019 MUR'M	2020 MUR'M	2019 MUR'M
EUR	-	3.5	-	(3.5)
USD	27.7	21.3	(27.7)	(21.3)

Given that the Group has limited foreign currency exposure to SCR and other currencies, no sensitivity analysis was carried out.

(ii) **Equity price risk**

The Group and the Company are exposed to equity securities price risk because of investments in financial assets at fair value through other comprehensive income. To manage their price risk arising from investments in equity securities, the Group and the Company diversify their portfolio.

The table below summarises the impact of increases/decreases in the fair value of the investments on the Group's and the Company's profit or loss and equity.

The analysis is based on the assumption that the fair value increases/decreases by 3% (2019: 3%).

	THE GROUP		THE COMPANY	
	2020 MUR'M	2019 MUR'M	2020 MUR'M	2019 MUR'M
Financial assets at fair value through OCI	+/- 4.7	+/- 4.8	+/- 5.1	+/- 5.2

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (Cont'd)

(a) Market risk (Cont'd)

(iii) ***Commodity price risk***

The Group is also exposed to price risk with the incidence of the market price of sugar.

The table below summarises the impact of increases/(decreases) in the price of sugar on the Group. The analysis is based on the assumption that the price of sugar increases/decreases by 11% (2019: 9%).

	THE GROUP	
	2020 MUR'M	2019 MUR'M
Impact on profit or loss and equity	67.9	47.3

(b) **Credit risk**

Credit risk is the risk of financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's and the Company's trade receivables and other financial assets at amortised cost.

The amounts presented in the statement of financial position, are net of impairment loss, estimated by the Group's and the Company's management based on prior experience and the current environment.

As regards the Cane and Power segments, the Group has significant concentration of credit risk with exposure spread over a few customers. However, sale of products is made through reputable institutions where risk of default is very remote.

As for the Brands segment, the Group and the Company have no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers. The Group and the Company have policies in place to ensure that sales of products and services are made to customers with an appropriate credit history and to limit the amount of credit exposure to any one financial institution.

Exposure to credit risk and ECLs for trade receivables and other financial assets at amortised cost have been disclosed in notes 16 and 11 respectively.

(c) **Liquidity risk**

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivery of cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.
The Group and the Company aim at maintaining flexibility in funding by keeping committed credit lines available.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (Cont'd)

(c) Liquidity risk (Cont'd)

The table below analyses the Group's and the Company's non-derivative financial liabilities and into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date.

THE GROUP	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	After 5 years	Total
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
At December 31, 2020					
Borrowings	1,254.2	52.1	92.5	2,500.0	3,898.8
Bank overdrafts	4.4	-	-	-	4.4
Lease liabilities	3.9	29.5	-	-	33.4
Trade and other payables	1,024.6	-	-	-	1,024.6
At December 31, 2019					
Borrowings	3,323.8	61.2	111.9	-	3,496.9
Bank overdrafts	39.9	-	-	-	39.9
Lease liabilities	14.3	26.0	-	-	40.3
Trade and other payables	902.9	-	-	-	902.9

THE COMPANY	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	After 5 years	Total
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
At December 31, 2020					
Borrowings	138.7	-	-	851.6	990.3
Trade and other payables	48.6	-	-	-	48.6
At December 31, 2019					
Borrowings	860.3	-	-	-	860.3
Trade and other payables	30.3	-	-	-	30.3

Details of going concern and subsequent events are disclosed in note 4.2 and note 42 respectively.
Details of loan covenants are disclosed in note 20(h).

(d) Cash flow and fair value interest rate risk

The Group's and the Company's interest-rate risks arise from borrowings. Borrowings issued at variable rates expose the Group and the Company to cash flow interest-rate risk. Borrowings issued at fixed rates also expose the Group and the Company to fair value interest-rate risk.

The Group and the Company manage the risk by maintaining an appropriate mix between fixed and floating rate borrowings.

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (Cont'd)

(d) Cash flow and fair value interest rate risk (Cont'd)

At December 31, 2020, if interest rates on MUR-denominated borrowings and EUR-denominated borrowings had been 50 basis points higher/lower with all other variables held constant, post-tax profit for the year and shareholders' equity would have been changed as shown in the table below.

	MUR denominated borrowings (50 basis points)		EUR denominated borrowings (50 basis points)	
	2020	2019	**2020**	2019
THE GROUP	**MUR'M**	MUR'M	**MUR'M**	MUR'M
Impact (loss)/profit for the year and shareholders' equity	**15.7**	14.1	**0.8**	1.0
THE COMPANY				
Impact on profit for the year and shareholders' equity	**4.2**	3.7	**N/A**	N/A

At December 31, 2020, and December 31, 2019 if variable interest rates on deposit at bank had been 50 basis points higher/lower with all other variables held constant, (loss)/profit for the year would not be significantly impacted.

3.2 Fair value estimation

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company and the Group are the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise primarily quoted equity investments classified as financial assets at fair value through OCI.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Specific valuation techniques used to value financial instruments include:
- Quoted market prices or dealer quotes for similar instruments.
- Other techniques, such as discounted cash flow method, EBITDA multiple and net asset value are used to determine fair value for the remaining financial instruments.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.3 Capital risk management

The Group's and the Company's objectives when managing capital are:

- to safeguard the Group's and the Company's ability to continue as a going concern, so that it can continue to provide returns for the shareholders and benefits for other stakeholders, and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group and the Company set the amount of capital in proportion to risk. The Group and the Company manage the capital structure and make adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.
In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. Consistent with others in the industry, the Group and the Company monitor capital on the basis of the net debt-to-adjusted capital ratio. Adjusted capital comprises all components of equity (i.e stated capital, revaluation and other reserves, and retained earnings).

The Group and the Company consider the net debt-to-adjusted capital ratios computed below to be reasonable and in line with its respective repayment capacity.

The net debt-to-adjusted capital ratios at December 31, were as follows:

	THE GROUP		THE COMPANY	
	2020	(Restated) 2019	**2020**	2019
	MUR'M	MUR'M	**MUR'M**	MUR'M
Total debt (note 20)	**3,903.2**	3,536.8	**990.3**	860.3
Lease liabilities (note 21)	**33.4**	40.3	**-**	-
Less: cash in hand and at bank	**(437.3)**	(491.5)	**(19.1)**	(12.2)
Net debt	**3,499.3**	3,085.6	**971.2**	848.1
Total equity	**14,568.9**	15,184.2	**13,691.1**	13,749.6
Net debt-to-adjusted capital ratio	**0.24:1**	0.20:1	**0.07:1**	0.06:1

There were no changes in the Group's and the Company's approach to capital risks management during the year.

4. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Where applicable, the notes to the financial statements set out areas where management has applied a higher degree of judgement that have a significant effect on the amounts recognised in the financial statements, or estimations and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

4.1 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

Measurement of fair value

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 5(c) - land and building
- Note 8 - investment in subsidiaries
- Note 9 - investment in associates
- Note 10 - financial assets at fair value through other comprehensive income
- Note 15 - consumable biological assets

Pension benefits

The present value of pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension obligation. More details about assumptions used are provided in note 22.

Impairment of non-financial assets

Goodwill is considered for impairment at least annually. Non current assets including investments in subsidiaries, associates, property, plant and equipment, and intangible assets are considered for impairment if there is a reason to believe that impairment may be necessary. Factors taken into consideration in reaching such a decision include the economic viability of the asset itself and where it is a component of a larger economic unit, the viability of that unit itself. Refer to note 28(v) for more details.

Future cash flows expected to be generated by the cash-generating units are projected, taking into account market conditions and the expected useful lives of the assets. The present value of these cash flows, determined using an appropriate discount rate, is compared to the current net asset value and, if lower, the assets are impaired to the present value. The impairment loss is allocated to the other assets of a cash-generating unit.

The land conversion rights ("LCRs") granted under the Sugar Industry Efficiency ("SIE") Act 2001 have been tested for impairment using the valuation of an independent property valuer. The details are provided in note 28.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

4. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS (CONT'D)

4.2 Critical accounting judgements

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group and the Company use judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group`s and the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The details are provided in note 28.

In the process of applying the Group's and the Company's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Going Concern

THE GROUP

The Group incurred a loss of MUR'M 210.4 for the year ended December 31, 2020 (2019: profit of MUR'M 446.6) and had net equity of MUR 14.6 billion (2019: MUR 15.2 billion). The Group had a net current asset position of MUR'M 821.0 at December 31, 2020 (2019: net current liability MUR'M 951.3).

The Group manages liquidity risk by maintaining adequate committed unused short term borrowing facilities of MUR 1.8 billion and working capital funds at December 31, 2020. The Board monitors the net debt level of the Group taking into consideration the expected outlook of the Group's financial position, cash flows and future capital commitments. The Group adopts a prudent approach in managing its liquidity risk, taking into account any volatility in its business and investment activity requirements.

The COVID-19 outbreak is expected to have some impact on the Group's operations, customers and suppliers (particularly within the Brand cluster and the hospitality sector) and consequently the Group's production, revenue and cash position in the near term. The Group will continue to monitor the impact COVID-19 has on them and reflect the consequences as appropriate in its accounting and reporting.

The Group has nevertheless sufficient liquid assets and unused borrowing facilities with sufficient headroom to meet all its current obligations and financial commitments over at least the next 12 months from the date of approval of these consolidated financial statements. Consequently, the Directors have therefore concluded that it is appropriate to prepare the consolidated financial statements on a going concern basis.

4. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS (CONT'D)

4.2 Critical accounting judgements (Cont'd)

Going Concern (Cont'd)

THE GROUP (Cont'd)

Liquidity management

The overall group net debt amounted to MUR'M 3,499.3 (2019: MUR'M 3,085.6) which is an increase of 13.4% over the prior year. Out of the net debts are MUR'M 906.2 (2019: MUR'M 3,261.0) which are short term money market lines which are renewed on an ongoing basis. The Group never had instances where the short term money market loan had not been renewed.

The increase in Group's borrowings is mainly attributable to the ongoing long-term projects financed at competitive interest rates. The net debt-to-equity ratio of 24% as at December 31, 2020 is considered to be reasonable and is being monitored closely. The Group has sufficient liquid assets (level 1 investments) and unused borrowing facilities with sufficient headroom to meet all its current obligations as they fall due in the normal course of business.

THE COMPANY

The Company is an investment holding company whose main source of income is dividends from investments.
The Company generated a profit after taxation of MUR'M 131.5 (2019: MUR'M 178.7) for the year ended December 31, 2020 and had net equity of MUR 13.7 billion (2019: MUR 13.7 billion). The Company has a net current asset position of MUR'M 109.7 (2019: Net current liability of MUR'M 657.0).

The Company has liquid assets and cash flows to meet all its current obligations and financial commitments over at least the next 12 months from the date of approval of these separate financial statements. Consequently, the Directors have therefore concluded that it is appropriate to prepare the separate financial statements on a going concern basis.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

5. PROPERTY, PLANT AND EQUIPMENT

(a) THE GROUP

	Land	Buildings on Leasehold Land	Buildings	Power Plant	Factory Equipment	Agricultural Equipment	Motor Vehicles	Furniture and Office Equipment	Construction in Progress	Bearer Plants	Total
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
COST AND VALUATION											
At January 1, 2020											
- Cost	3,567.0	141.6	607.2	2,119.7	1,416.2	620.1	456.9	721.0	0.3	693.8	10,343.8
- Valuation	5,369.1	-	2,715.2	-	-	-	-	-	-	-	8,084.3
Total cost/valuation	8,936.1	141.6	3,322.4	2,119.7	1,416.2	620.1	456.9	721.0	0.3	693.8	18,428.1
Additions	-	-	12.4	25.3	101.3	36.1	15.1	26.9	0.6	25.2	242.9
Transfer to right of use assets (note 5A)	-	-	-	-	-	-	(4.0)	-	-	-	(4.0)
Transfer to investment properties (note 6)	(8.9)	-	(42.1)	-	-	-	-	-	-	-	(51.0)
Transfer to inventories	(62.1)	-	-	-	-	-	-	-	-	-	(62.1)
Disposals/ scrapped assets	(19.1)	-	(3.8)	-	(61.5)	-	(22.9)	-	-	(0.2)	(107.5)
Translation differences	-	-	(8.2)	-	-	-	(3.1)	(4.3)	-	-	(15.6)
At December 31, 2020											
- Cost	**3,476.9**	**141.6**	**565.5**	**2,145.0**	**1,456.0**	**656.2**	**442.0**	**743.6**	**0.9**	**718.8**	**10,346.5**
- Valuation	**5,369.1**	**-**	**2,715.2**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**8,084.3**
- Total Cost/Valuation	**8,846.0**	**141.6**	**3,280.7**	**2,145.0**	**1,456.0**	**656.2**	**442.0**	**743.6**	**0.9**	**718.8**	**18,430.8**
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES											
At January 1, 2020	427.9	45.0	2,413.7	1,198.6	872.0	542.1	380.4	494.0	-	495.0	6,868.7
Charge for the year	-	2.3	72.0	56.5	86.5	21.4	38.4	26.7	-	57.3	361.1
Transfer to right of use assets (note 5A)	-	-	-	-	-	-	(1.5)	-	-	-	(1.5)
Transfer to investment properties (note 6)	-	-	(29.9)	-	-	-	-	-	-	-	(29.9)
Disposals/ scrapped assets	-	-	(5.5)	-	(48.1)	-	(20.1)	-	-	-	(73.7)
Translation differences	-	-	(0.9)	-	-	-	(2.2)	(3.1)	-	-	(6.2)
At December 31, 2020	**427.9**	**47.3**	**2,449.4**	**1,255.1**	**910.4**	**563.5**	**395.0**	**517.6**	**-**	**552.3**	**7,118.5**
CARRYING AMOUNTS											
At December 31, 2020	**8,418.1**	**94.3**	**831.3**	**889.9**	**545.6**	**92.7**	**47.0**	**226.0**	**0.9**	**166.5**	**11,312.3**

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) THE GROUP (CONT'D)

	Land	Buildings on Leasehold Land	Buildings	Power Plant	Factory Equipment	Agricultural Equipment	Motor Vehicles	Furniture and Office Equipment	Construction in Progress	Bearer Plants	Total
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
COST AND VALUATION											
At January 1, 2019											
- Cost	3,609.3	137.5	594.8	2,102.1	1,344.9	603.0	444.6	691.8	-	639.3	10,167.3
- Valuation	4,241.3	-	696.1	-	-	-	-	-	-	-	4,937.4
Total cost/valuation	7,850.6	137.5	1,290.9	2,102.1	1,344.9	603.0	444.6	691.8	-	639.3	15,104.7
Additions	-	2.7	13.6	18.1	71.3	27.2	27.6	40.2	0.6	54.5	255.8
Reclassification adjustments	-	-	-	-	-	-	-	0.2	(0.3)	-	(0.1)
Transfer to intangible assets (note 7(a))	-	-	-	-	-	-	-	(10.1)	-	-	(10.1)
Transfer to inventories	(1.7)	-	-	-	-	-	-	-	-	-	(1.7)
Revaluation adjustments	1,127.8	-	2,019.1	-	-	-	-	-	-	-	3,146.9
Disposals/scrapped assets	(40.6)	-	(1.2)	(0.5)	-	(10.1)	(16.0)	(1.9)	-	-	(70.3)
Translation differences	-	1.4	-	-	-	-	0.7	0.8	-	-	2.9
At December 31, 2019											
- Cost	**3,567.0**	**141.6**	**607.2**	**2,119.7**	**1,416.2**	**620.1**	**456.9**	**721.0**	**0.3**	**693.8**	**10,343.8**
- Valuation	**5,369.1**	**-**	**2,715.2**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**8,084.3**
Total cost/valuation	**8,936.1**	**141.6**	**3,322.4**	**2,119.7**	**1,416.2**	**620.1**	**456.9**	**721.0**	**0.3**	**693.8**	**18,428.1**
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES											
At January 1, 2019	-	40.6	829.3	1,148.8	811.5	532.1	347.1	446.8	-	389.4	4,545.6
Charge for the year	-	4.0	35.5	50.0	60.5	20.1	47.4	50.6	-	73.2	341.3
Transfer to intangible assets (note 7(a))	-	-	-	-	-	-	-	(2.7)	-	-	(2.7)
Revaluation adjustments	-	-	1,549.7	-	-	-	-	-	-	-	1,549.7
Impairment (note 28 (ii,iii))	427.9	-	-	-	-	-	-	-	-	32.4	460.3
Disposals/scrapped assets	-	-	(0.8)	(0.2)	-	(10.1)	(14.6)	(1.3)	-	-	(27.0)
Translation differences	-	0.4	-	-	-	-	0.5	0.6	-	-	1.5
At December 31, 2019	**427.9**	**45.0**	**2,413.7**	**1,198.6**	**872.0**	**542.1**	**380.4**	**494.0**	**-**	**495.0**	**6,868.7**
CARRYING AMOUNTS											
At December 31, 2019	**8,508.2**	**96.6**	**908.7**	**921.1**	**544.2**	**78.0**	**76.5**	**227.0**	**0.3**	**198.8**	**11,559.4**

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(b) Measurement of fair value of land and buildings

The fair value measurements of the freehold land and buildings of the Group as at December 31, 2019 were performed by Noor Dilmohamed & Associate, an independent professional valuer not related to the Group and having the appropriate qualifications (Certified Practising Valuer (Australia) & Registered Valuer; API Mem. Reg. No. 00064007) and recent experience in fair value of properties. The valuation was based on recent market transactions on arm's length terms for similar properties determined based on market comparable approach. Where the market value of an asset cannot be established, its value is arrived at using a surrogate such as Depreciated Replacement Cost.

The Directors have reviewed the carrying values of property, plant and equipment and are of the opinion that at the end of the reporting period, the carrying values have not suffered any impairment.

If land and buildings were stated on the historical cost basis, their carrying amounts would be as follows:

THE GROUP	Land		Buildings	
	2020	2019	**2020**	2019
	MUR'M	MUR'M	**MUR'M**	MUR'M
Cost	**3,476.9**	3,567.0	**656.8**	649.7
Accumulated depreciation	**-**	-	**(462.7)**	(449.4)
Carrying amount	**3,476.9**	3,567.0	**194.1**	200.3

Sensitivity analysis

The following tables show the significant unobservable inputs used and the sensitivity of these inputs on the fair value:

2019	Fair value hierarchy	Significant unobservable input	Range of unobservable input
Agricultural Land	Level 3	Price per Ha	305,000 - 7,000,000
		Bulk discount rate	35.0%
Non-Agricultural Land	Level 3	Price per Ha	2,000,000 - 25,000,000
		Bulk discount rate	35.0%
Buildings	Level 3	Price per Square meter	2,000 - 50,000
		Bulk discount rate	35.0%

The bulk discount of 35% has been determined using the following assumptions:
- around 330 Hectares may be disposed of annually;
- the period of sale would be 20 years;
- the rate of growth of agricultural land more particularly cane land at around 2 per cent per annum; and
- the discount rate 6.5 per cent per annum.

An increase in the price per Ha and the price per Square meter would result in an increase in fair value. An increase in the discount rate would result in a decrease in fair value.

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(c) Impairment losses

For the year ended December 31, 2020, the Group did not recognise any impairment on land based on recoverable amount of the Agricultural business unit (2019: MUR'M 427.9). The impairment loss recognised in 2019 was charged to other comprehensive income against revaluation surplus recognised on land during the year (note 28 (ii)).

For the year ended December 31, 2020, the Group did not recognise any impairment on bearer plants (2019: MUR'M 32.4) based on a valuation carried out by management. The impairement loss recognised in 2019 was charged to profit or loss (note 28(iii)).

(d) Depreciation has been charged to profit or loss as follows:

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
Cost of sales	**208.5**	190.4
Other expenses	**152.6**	150.9
	361.1	341.3

(e) Property, plant and equipment are included in assets given as collateral for bank borrowings.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

5A. RIGHT-OF-USE ASSETS

	Land	Buildings	Motor Vehicles	Total
THE GROUP	**MUR'M**	**MUR'M**	**MUR'M**	**MUR'M**
At January 1, 2019	11.2	47.0	3.3	61.5
Depreciation	(0.1)	(17.8)	(0.7)	(18.6)
At December 31, 2019	**11.1**	**29.2**	**2.6**	**42.9**
Effect of modification to lease term	-	7.1	-	7.1
Transfer from property, plant and equipment (note 5(a))	-	-	2.5	2.5
Depreciation	-	(15.0)	-	(15.0)
At December 31, 2020	**11.1**	**21.3**	**5.1**	**37.5**

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
Depreciation on right-of-use assets	**15.0**	18.6
Interest on lease liabilities (note 21)	**2.6**	3.2
	17.6	21.8

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
Principal paid on lease liabilities	**(14.0)**	(25.4)
Interest paid on lease liabilities	**(2.6)**	(3.2)
	(16.6)	(28.6)

5B. FINANCE LEASE RECEIVABLES

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
Year 1	**2.3**	1.5
Year 2	**2.4**	1.6
Year 3	**2.5**	1.7
Year 4	**2.6**	1.8
Year 5	**2.7**	1.8
Onwards	**3,403.3**	3,487.9
Undiscounted lease payments	**3,415.8**	3,496.3
Less: unearned finance income	**(3,368.9)**	(3,451.8)
Present value of lease payments receivable	**46.9**	44.5
Net investment in the lease	**46.9**	44.5
Undiscounted lease payments analysed as:		
Recoverable after 12 months	**3,413.5**	3,494.8
Recoverable within 12 months	**2.3**	1.5
	3,415.8	3,496.3
Net investment in the lease analysed as:		
Recoverable after 12 months	**44.6**	42.4
Recoverable within 12 months	**2.3**	2.1
	46.9	44.5

The Group entered into leasing arrangements as a lessor for plots of land at morcellement Le Hameau.

The term of the lease entered into is 99 years.

The Group is not exposed to foreign currency risk as a result of the lease arrangement, as the lease is denominated in MUR.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

6. INVESTMENT PROPERTIES

THE GROUP	Investment property under development 2020 MUR'M	Investment property under development 2019 MUR'M	Land and buildings 2020 MUR'M	Land and buildings 2019 MUR'M	Total 2020 MUR'M	Total 2019 MUR'M
COST						
At January 1,	**283.5**	85.8	**963.6**	916.0	**1,247.1**	1,001.8
Additions	**410.3**	301.9	**307.6**	-	**717.9**	301.9
Disposals	**-**	-	**(18.4)**	(20.5)	**(18.4)**	(20.5)
Transfer from land & buildings (note 5(a))	**-**	-	**21.1**	-	**21.1**	-
Transfer from/(to) inventories	**-**	-	**18.1**	(36.1)	**18.1**	(36.1)
Transfer from work-in-progress	**-**	(104.2)	**-**	104.2	**-**	-
At December 31,	**693.8**	283.5	**1,292.0**	963.6	**1,985.8**	1,247.1
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES						
At January 1,	**-**	-	**221.5**	221.2	**221.5**	221.2
Charge for the year	**-**	-	**8.5**	8.4	**8.5**	8.4
Reversal of impairment (note 28)	**-**	-	**-**	(8.1)	**-**	(8.1)
At December 31,	**-**	-	**230.0**	221.5	**230.0**	221.5
CARRYING AMOUNTS						
At December 31,	**693.8**	283.5	**1,062.0**	742.1	**1,755.8**	1,025.6

(a) Details of the Group's investment properties and information about the fair value hierarchy is as follows:

December 31,	Level 3 2020 MUR'M	Level 3 2019 MUR'M
Land and buildings	**3,393.9**	3,196.7

The investment properties are stated at fair value which has been determined by Directors, based on valuations performed in 2019 by accredited independent valuers, namely Noor Dilmahomed & Associates who has the appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The fair value was determined on open market value by reference to recent market transactions on arm's length term. The valuations are based on active market prices, adjusted for any differences in the nature, location or condition of a specific property. Investment properties that have been valued using the depreciated replacement cost have been classified as Level 3.

The fair value measurement for all of the investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

6. INVESTMENT PROPERTIES (CONT'D)

(b) The following amounts have been recognised in profit or loss:

	THE GROUP 2020 MUR'M	THE GROUP 2019 MUR'M
Rental income	**102.5**	37.1
Direct operating expenses from investment properties that generate rental income	**29.3**	1.3

(c) The investment properties are leased to tenants under operating leases with rentals payable monthly.

Lease payments for some contracts include Consumer Price Index (CPI) increases, but there are no other variable lease payments that depend on an index rate.

Minimum lease payments receivable on leases of investment properties are as follows:

	THE GROUP 2020 MUR'M	THE GROUP 2019 MUR'M
Within 1 year	**68.9**	48.8
Between 1 and 2 years	**72.3**	48.5
Between 2 and 3 years	**75.9**	51.6
Between 3 and 4 years	**79.7**	51.3
Between 4 and 5 years	**83.7**	50.8
Later than 5 years	**87.9**	57.2
	468.4	308.2

(d) Additions to investment properties relate to subsequent expenditure.

(e) Investment property under development include land development and other related costs. There was no transfer from investment property under development to investment property (land & buildings) during the financial year (2019: MUR'M 104.2).

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

7. INTANGIBLE ASSETS AND GOODWILL

(a) THE GROUP

	Goodwill	Land Conversion Rights	Computer Software	Brands/ Distribution Rights	Total
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
COST					
At January 1, 2019	22.3	244.0	73.2	58.4	397.9
Additions	-	-	10.1	-	10.1
Transfer from property, plant and equipment (note 5(a))	-	-	10.1	-	10.1
Amount released	-	(25.0)	-	-	(25.0)
At December 31, 2019	22.3	219.0	93.4	58.4	393.1
Additions	-	-	10.2	-	10.2
Exchange difference	-	-	(0.6)	-	(0.6)
At December 31, 2020	**22.3**	**219.0**	**103.0**	**58.4**	**402.7**
ACCUMULATED AMORTISATION AND IMPAIRMENT LOSSES					
At January 1, 2019	-	-	64.6	-	64.6
Charge for the year	-	-	8.9	-	8.9
Impairment (note 28(iv))	-	98.3	-	-	98.3
Transfer from property, plant and equipment (note 5(a))	-	-	2.7	-	2.7
At December 31, 2019	-	98.3	76.2	-	174.5
Charge for the year	-	-	9.8	-	9.8
Impairment (note 28(v))	22.3	-	-	-	22.3
At December 31, 2020	**22.3**	**98.3**	**86.0**	**-**	**206.6**
CARRYING AMOUNTS					
At December 31, 2020	**-**	**120.7**	**17.0**	**58.4**	**196.1**
At December 31, 2019	22.3	120.7	17.2	58.4	218.6

7. INTANGIBLE ASSETS AND GOODWILL (CONT'D)

Impairment test on goodwill

Goodwill has been assessed as having an indefinite life and in accordance with IAS 36, goodwill has been assessed for impairment based on each cash generating unit.

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
Brands segment	**8.4**	-
Property and Leisure segment	**13.9**	-
	22.3	-

As a consequence of the downward medium-term trading expectations due to the current economic environment which has been exacerbated by the global COVID-19 pandemic, the Group has impaired its goodwill by MUR'M 22.3 for the year ended December 31, 2020 (2019: Nil).

(b) ***Amortisation***

The amortisation of computer software totalling MUR'M 9.8 (2019: MUR'M 8.9) has been charged to other expenses.

(c) ***Impairment test***

For December 31, 2020, an impairment loss of MUR'M 22.3 was recognised (2019: MUR'M 98.3) and charged to profit or loss (note 28).

(d) ***Useful life***

Distribution Rights have an indefinite useful life. These are not amortized because there is no foreseeable limit to the cash flows generated by those intangible assets. The Directors have considered the relevant factors in determining the useful life of the distribution rights. As there is no foreseeable limit to the period over which these are expected to generate net cash inflows for the Group, the distribution rights have been assessed as having an indefinite useful life.

8. INVESTMENTS IN SUBSIDIARIES

(a) Reconciliation of movements in investment in subsidiaries is presented below:

	THE COMPANY		
	Level 2	**Level 3**	**Total**
2020	**MUR'M**	**MUR'M**	**MUR'M**
At January 1,	**969.9**	**12,102.4**	**13,072.3**
Increase in fair value	**27.7**	**315.9**	**343.6**
At December 31,	**997.6**	**12,418.3**	**13,415.9**
2019			
At January 1,	956.0	12,388.6	13,344.6
Increase/(decrease) in fair value	13.9	(286.2)	(272.3)
At December 31,	969.9	12,102.4	13,072.3

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

8. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(i) Fair value through other comprehensive income financial assets include the following:

	THE COMPANY	
	2020	2019
	MUR'M	MUR'M
Unquoted - Level 2, recurring fair value	**997.6**	969.9
Unquoted - Level 3, recurring fair value	**12,418.3**	12,102.4
	13,415.9	13,072.3

Details of subsidiaries are set out in note 36.

The accounting policies relevant for investment in subsidiaries described in the summary of significant accounting policies (note 2.5).

(b) Unquoted Level 2 securities include investments in entities which hold shares in quoted securities.

The fair value of the Level 2 securities is based on the net assets value of the entities. The net asset value is based on the market price of the underlying quoted securities.

(c) **Measurement of fair value - Level 3**

The discounted cash flows (DCF) method, net asset value and the EBITDA multiple valuation methodologies were used to estimate the fair value of investment in subsidiaries. The DCF valuation model considers the present value of the expected future payments, discounted using a risk-adjusted discount rate. The EBITDA multiple valuation model considers applying a multiple to the normalised earnings and discounting for risks.

The following tables show the valuation techniques used in measuring Level 3 in the statement of financial position, as well as the significant unobservable inputs used.

<u>2020</u>

<u>Type</u>	Valuation techniques	Key unobservable inputs	Range of unobservable inputs	Sensitivity of the input to fair value	
				%	**MUR'M**
Investment in subsidiaries	**DCF**	**Discount rate**	**2% - 6.5%**	**+1.45%**	**(214.8)**
				-1.45%	**262.5**
		Growth rate	**0% - 2%**	**+2.4%**	**398.7**
				-2.4%	**(147.5)**

<u>2019</u>

<u>Type</u>	Valuation techniques	Key unobservable inputs	Range of unobservable inputs	Sensitivity of the input to fair value	
				%	MUR'M
Investment in subsidiaries	DCF	Discount rate	2% - 4.6%	+1.45%	(423.5)
				-1.45%	586.3
		Growth rate	0%-5%	+2.4%	811.2
				-2.4%	(594.9)

Some subsidiaries have been valued using the net asset value because either the underlying assets are fair valued (land & buildings (note 5)) or net asset value represents the best estimate of fair value at the measurement date.

9. INVESTMENTS IN ASSOCIATES

(a) THE GROUP

	THE GROUP	
		(Restated)
	2020	2019
	MUR'M	MUR'M
(i) Group's share of net assets	**2,958.0**	2,754.8
Goodwill	**131.9**	299.0
At December 31,	**3,089.9**	3,053.8

Details of associates are set out in note 37.

(i) The accounting policies relevant for investments in associates described in the summary of significant accounting policies (note 2.6).

(ii) Reconciliation of movements in investments in associates is presented below:

		(Restated)
	2020	2019
	MUR'M	MUR'M
At January 1,		
As previously reported	**2,923.2**	3,320.9
- Effect of prior year adjustments (note 44)	**130.6**	-
As restated	**3,053.8**	3,320.9
Transfer to non-current assets classified as held for sale (note 17)	**(24.8)**	(503.6)
Transfer to investment in subsidiaries	**-**	(2.6)
Redemption of preference shares	**-**	(1.7)
Additions	**4.6**	65.5
Share of results of associates (2019- restated)	**249.2**	236.8
Impairment of associate transferred to non-current assets classified as held for sale	**(130.1)**	-
Impairment of associates	**(51.7)**	(120.1)
Dividend received (note 40)	**(67.1)**	(75.2)
Share of other comprehensive income	**(100.9)**	101.1
Movements in translation reserves	**156.9**	32.7
At December 31,	**3,089.9**	3,053.8

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

9. INVESTMENTS IN ASSOCIATES (CONT'D)

(b) THE COMPANY

(i) Reconciliation of movements in investment in associates is presented below:

	Level 1	Level 2	Level 3	Total
2020	MUR'M	MUR'M	MUR'M	MUR'M
At January 1,	41.2	62.2	123.3	226.7
Transfer to non-current assets classified as held for sale (note 17)	-	-	(87.4)	(87.4)
Decrease in fair value	(9.9)	(15.0)	(6.2)	(31.1)
At December 31,	31.3	47.2	29.7	108.2
2019				
At January 1,	608.9	96.5	389.6	1,095.0
Transfer to non-current assets classified as held for sale (note 17)	(503.6)	-	-	(503.6)
Decrease in fair value	(64.1)	(34.3)	(266.3)	(364.7)
At December 31,	41.2	62.2	123.3	226.7

(ii) Fair value through other comprehensive income financial assets include the following:

	2020	2019
	MUR'M	MUR'M
Quoted - Level 1, recurring fair value	31.3	41.2
Unquoted - Level 2, recurring fair value	47.2	62.2
Unquoted - Level 3, recurring fair value	29.7	123.3
	108.2	226.7

(iii) Unquoted Level 2 securities include investments in entities which hold shares in quoted securities.

The fair value of the Level 2 securities is based on the net assets value of the entities. The net asset value is based on the market price of the underlying quoted securities.

(iv) **Measurement of fair value - Level 3**

The EBITDA multiple was used to estimate the fair value of investment in associates. The EBITDA multiple valuation model considers applying a multiple to the normalised earnings and discounting for risks.

9. INVESTMENTS IN ASSOCIATES (CONT'D)

(b) THE COMPANY (CONT'D)

(iv) Measurement of fair value - Level 3 (Cont'd)

The following tables show the valuation techniques used in measuring Level 3 in the statement of financial position, as well as the significant unobservable inputs used.

2020 Type	Valuation techniques	Key unobservable inputs	Range of unobservable inputs	Sensitivity of the input to fair value %	MUR'M
Investment in associates	DCF	Discount rate	2%	+1.45%	(107.5)
				+1.45%	135.0
		Growth rate	2%	+2.4%	253.2
				-2.4%	(127.4)
	EBITDA multiple	Multiple	5.4	+33%	66.1
				-33%	(66.1)
		Discount	15%	+7.55%	(7.8)
				-7.55%	7.8

2019 Type	Valuation techniques	Key unobservable inputs	Range of unobservable inputs	Sensitivity of the input to fair value %	MUR'M
Investment in associates	EBITDA multiple	Multiple	5 - 5.4	+33%	62.3
				-33%	(62.3)
		Discount	15%-21%	+7.55%	(10.4)
				-7.55%	10.4

Summarised information on investments in associates are disclosed in note 37.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(i) Equity investments at fair value through other comprehensive income included the following:

2020	THE GROUP			
	Level 1	**Level 2**	**Level 3**	**Total**
	MUR'M	**MUR'M**	**MUR'M**	**MUR'M**
At January 1,	**166.2**	**83.3**	**252.6**	**502.1**
Additions	**22.8**	**-**	**69.4**	**92.2**
Change in fair value recognised in OCI	**(37.2)**	**(18.9)**	**19.0**	**(37.1)**
At December 31,	**151.8**	**64.4**	**341.0**	**557.2**

2019	THE GROUP			
	Level 1	Level 2	Level 3	Total
	MUR'M	MUR'M	MUR'M	MUR'M
At January 1,	209.8	162.7	92.3	464.8
Additions	-	-	173.3	173.3
Disposals	(17.5)	-	-	(17.5)
Change in fair value recognised in OCI	(26.1)	(79.4)	(13.0)	(118.5)
At December 31,	166.2	83.3	252.6	502.1

2020	THE COMPANY			
	Level 1	**Level 2**	**Level 3**	**Total**
	MUR'M	**MUR'M**	**MUR'M**	**MUR'M**
At January 1,	**181.9**	**83.3**	**252.6**	**517.8**
Additions	**25.4**	**-**	**69.4**	**94.8**
Change in fair value recognised in OCI	**(36.1)**	**(18.9)**	**19.0**	**(36.0)**
At December 31,	**171.2**	**64.4**	**341.0**	**576.6**

2019	THE COMPANY			
	Level 1	Level 2	Level 3	Total
	MUR'M	MUR'M	MUR'M	MUR'M
At January 1,	225.6	162.7	92.3	480.6
Additions	-	-	173.3	173.3
Disposals	(17.6)	-	-	(17.6)
Change in fair value recognised in OCI	(26.1)	(79.4)	(13.0)	(118.5)
At December 31,	181.9	83.3	252.6	517.8

(ii) Fair value through other comprehensive income financial assets include the following:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	MUR'M	MUR'M	**MUR'M**	MUR'M
Quoted - Level 1				
- Harel Mallac & Co Ltd	**122.7**	166.2	**122.7**	166.2
- Swan General Ltd	**-**	-	**19.4**	15.7
- Swan Life Ltd	**29.1**	-	**29.1**	-
	151.8	166.2	**171.2**	181.9
Unquoted - Level 2	**64.4**	83.3	**64.4**	83.3
Unquoted - Level 3	**341.0**	252.6	**341.0**	252.6
	557.2	502.1	**576.6**	517.8

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONT'D)

(iii) Financial assets measured at fair value through other comprehensive income include the Group's and the Company's strategic equity investments not held for trading. The Group/Company have made an irrevocable election to classify the equity investments at fair value through other comprehensive income rather than through profit or loss because this is considered to be more appropriate for these strategic investments.

(iv) Investments in equity instruments at fair value through other comprehensive income are not subject to impairment.

(v) Level 1
The fair value of quoted securities is based on published market prices.

Level 2
Unquoted securities include investments in entities which hold shares in quoted securities. The fair value of the Level 2 securities is based on the net assets value of the entities. The net asset value is based on the market price of the underlying quoted securities.

Level 3
The significant unobservable inputs used in measuring the fair value of Level 3 securities are as follows:

Description	Fair values at December 31, 2020	2019	Valuation technique	Unobservable inputs
	MUR'M	MUR'M		
Investment in Inside Equity Fund (IEF)	**341.0**	252.6	IEF was set up as an investment fund with investments in unquoted equity securities classified under the level 3 fair value hierarchy. The value of the fund is determined by the underlying fair value of its investment. The investment in the fund is reflected by its net asset value (NAV). NAV has therefore been used as valuation technique.	The NAV of IEF is primarily based on the valuation of its underlying investments which are fair valued using price of recent transactions.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONT'D)

(v) Level 3 (Cont'd)

Sensitivity analysis

The following table indicates the approximate change in the Group's and Company's equity in response to reasonably possible changes in net asset value of investment.

	Impact on equity	
	2020	2019
	MUR'M	MUR'M
5% increase in Net Asset Value (2019: 5%)	**17.1**	12.6

(vi) Fair value through other comprehensive income financial assets are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	MUR'M	MUR'M	**MUR'M**	MUR'M
MUR	**216.2**	249.5	**235.6**	265.2
USD	**341.0**	252.6	**341.0**	252.6
	557.2	502.1	**576.6**	517.8

(vii) One of the Group/Company's strategic investments is a 38.4% (2019: 38.4%) interest in Inside Equity Fund (the "Fund"). This investment is not accounted for using the equity method (as an associate) as the Group/Company do not have the power to participate in the Fund's operating and financial policies, evidenced by the lack of any direct or indirect involvement at board level and a contractual arrangement which enables the board to take all operational and strategic decisions without consultation with shareholders of the Fund.

(viii) Dividends received on investments held at year end amounted to MUR'M 2.6 (2019: MUR'M 4.3) for the Group and the Company.

11. OTHER FINANCIAL ASSETS AT AMORTISED COST

	THE GROUP			
	2020		2019	
	MUR'M	**MUR'M**	MUR'M	MUR'M
	Current	**Non-current**	Current	Non-current
Loans to related parties (note 40)	**14.9**	**10.2**	30.0	15.6
Other receivables	**41.7**	**4.9**	-	-
	56.6	**15.1**	30.0	15.6
Less: Loss allowances on financial assets at amortised cost	**-**	**(9.2)**	-	-
	56.6	**5.9**	30.0	15.6

	THE COMPANY			
	2020		2019	
	MUR'M	**MUR'M**	MUR'M	MUR'M
	Current	**Non-current**	Current	Non-current
Loans to related parties (note 40)	**-**	**10.2**	-	9.1
Less: Loss allowances on financial assets at amortised cost	**-**	**(9.2)**	-	-
	-	**1.0**	-	9.1

Loans to related parties are unsecured and interest-free. Directors have made an assessment of probability of default of loans to related parties at reporting date and the amount of lifetime ECL is immaterial and has not been accounted for.

(a) ***Impairment and risk exposure***

An impairment loss of MUR'M 9.2 (2019: MUR'M: Nil) on loans to related parties was recognised during the year for the Group and Company.

The carrying amounts of other financial assets at amortised cost represent the maximum credit exposure.

(b) The carrying amounts of the other financial assets at amortised cost are denominated in MUR and as such there is no exposure to foreign currency risk.

(c) The Group and the Company apply IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all financial assets at amortised cost.

(d) Interest may be charged at commercial rates where the term of repayment exceed six months. Collateral is not normally obtained.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

12. FINANCIAL INSTRUMENTS

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

THE GROUP

		Carrying amount				Fair value			
December 31, 2020	**Notes**	**FVOCI - equity instruments**	**Financial assets at amortised cost**	**Other financial liabilities**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
		MUR'M	**MUR'M**	**MUR'M**	**MUR'M**	**MUR'M**	**MUR'M**	**MUR'M**	**MUR'M**
Financial assets not measured at fair value									
Equity securities	10	557.2	-	-	557.2	151.8	64.4	341.0	557.2
		557.2	-	-	557.2	151.8	64.4	341.0	557.2
Financial assets not measured at fair value									
Trade and other receivables (note 12(i))		-	999.6	-	999.6				
Other financial assets at amortised cost	11	-	62.5	-	62.5				
Cash in hand and at bank	34(b)	-	437.3	-	437.3				
		-	1,499.4	-	1,499.4				
Financial liabilities not measured at fair value									
Lease liabilities	21	-	-	33.4	33.4				
Borrowings	20	-	-	3,903.2	3,903.2				
Trade and other payables	23	-	-	1,024.6	1,024.6				
		-	-	4,961.2	4,961.2				

12. FINANCIAL INSTRUMENTS (CONT'D)

Accounting classification and fair values (Cont'd)

THE GROUP (CONT'D)

	Notes	Carrying amount				Fair value			
December 31, 2019		FVOCI - equity instruments	Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
Financial assets not measured at fair value									
Equity securities	10	502.1	-	-	502.1	166.2	83.3	252.6	502.1
		502.1	-	-	502.1	166.2	83.3	252.6	502.1
Financial assets not measured at fair value									
Trade and other receivables (note 12(i))		-	1,472.0	-	1,472.0				
Other financial assets at amortised cost	11	-	45.6	-	45.6				
Cash in hand and at bank	34(b)	-	491.5	-	491.5				
		-	2,009.1	-	2,009.1				
Financial liabilities not measured at fair value									
Lease liabilities	21	-	-	40.3	40.3				
Borrowings	20	-	-	3,536.8	3,536.8				
Trade and other payables	23	-	-	902.9	902.9				
		-	-	4,480.0	4,480.0				

(i) Trade and other receivables as stated above exclude prepayments, deposits and taxes.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

12. FINANCIAL INSTRUMENTS (CONT'D)

Accounting classification and fair values (Cont'd)

THE COMPANY

December 31, 2020	Notes	Carrying amount: FVOCI - equity instruments	Carrying amount: Financial assets at amortised cost	Carrying amount: Other financial liabilities	Carrying amount: Total	Fair value: Level 1	Fair value: Level 2	Fair value: Level 3	Fair value: Total
		MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
Financial assets not measured at fair value									
Investment in subsidiaries	8	13,415.9	-	-	13,415.9	-	997.6	12,418.3	13,415.9
Investment in associates	9	108.2	-	-	108.2	31.3	47.2	29.7	108.2
Equity securities	10	576.6	-	-	576.6	171.2	64.4	341.0	576.6
		14,100.7	-	-	14,100.7	202.5	1,109.2	12,789.0	14,100.7
Financial assets not measured at fair value									
Trade and other receivables (note 12(ii))		-	45.2	-	45.2				
Other financial assets at amortised cost	11	-	1.0	-	1.0				
Cash in hand and at bank	34(b)	-	19.1	-	19.1				
		-	65.3	-	65.3				
Financial liabilities not measured at fair value									
Borrowings	20	-	-	990.3	990.3				
Trade and other payables	23	-	-	48.6	48.6				
		-	-	1,038.9	1,038.9				

12. FINANCIAL INSTRUMENTS (CONT'D)

Accounting classification and fair values (Cont'd)

THE COMPANY (CONT'D)

December 31, 2019	Notes	Carrying amount: FVOCI - equity instruments	Carrying amount: Financial assets at amortised cost	Carrying amount: Other financial liabilities	Carrying amount: Total	Fair value: Level 1	Fair value: Level 2	Fair value: Level 3	Fair value: Total
		MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
Financial assets not measured at fair value									
Investment in subsidiaries	8	13,072.3	-	-	13,072.3	-	969.9	12,102.4	13,072.3
Investment in associates	9	226.7	-	-	226.7	41.2	62.2	123.3	226.7
Equity securities	10	517.8	-	-	517.8	181.9	83.3	252.6	517.8
		13,816.8	-	-	13,816.8	223.1	1,115.4	12,478.3	13,816.8
Financial assets not measured at fair value									
Trade and other receivables (note 12(i))		-	59.6	-	59.6				
Other financial assets at amortised cost	11	-	9.1	-	9.1				
Cash in hand and at bank	34(b)	-	12.2	-	12.2				
		-	80.9	-	80.9				
Financial liabilities not measured at fair value									
Borrowings	20	-	-	860.3	860.3				
Trade and other payables	23	-	-	30.3	30.3				
		-	-	890.6	890.6				

(ii) Trade and other receivables as stated above exclude deposits.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

13. DEFERRED INCOME TAXES ASSETS/LIABILITIES

Deferred income taxes are calculated on temporary differences under the liability method at the effective tax rate of 17% (2019: 17%).

(a) There is a legally enforceable right to offset current tax assets against current tax liabilities and deferred income tax assets and liabilities when the deferred income taxes relate to the same fiscal authority on the same entity. The following amounts are shown in the statements of financial position:

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
Deferred tax assets	**(253.2)**	(204.2)
Deferred tax liabilities	**256.9**	269.1
	3.7	64.9
Unused tax losses available for offset against future taxable profits	**619.9**	578.8
The tax losses expire on a rolling basis over 5 years as follows:		
Year 1	**17.2**	20.7
Year 2	**37.0**	37.0
Year 3	**208.4**	202.3
Year 4	**26.4**	251.8
Year 5	**330.9**	67.0
	619.9	578.8

Deferred tax assets have not been recognised on tax losses because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom.

(b) The movement on the deferred income tax account is as follows:

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
At January 1,	**64.9**	43.3
(Credited)/charged to profit or loss (note 25(b))	**(27.1)**	0.8
(Credited)/charged to equity (note 13(c))	**(34.1)**	20.8
At December 31,	**3.7**	64.9

(c) The deferred income tax charged/(credited) to other comprehensive income during the year is as follows:

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
Fair value reserves in shareholders' equity:		
- Land and building	**-**	36.3
- Retirement benefit obligations (note 13(d))	**(34.1)**	(15.5)
	(34.1)	20.8

13. DEFERRED INCOME TAXES ASSETS/LIABILITIES (CONT'D)

(d) Deferred tax assets and liabilities, deferred tax movement in profit or loss and equity are attributable to the following items:

THE GROUP	At January 1, 2019 MUR'M	Profit or Loss MUR'M	Movement in Equity MUR'M	At December 31, 2019 MUR'M	Profit or Loss MUR'M	Movement in Equity MUR'M	**At December 31, 2020 MUR'M**
Deferred income tax liabilities							
Accelerated tax depreciation	214.0	(0.7)	(0.1)	213.2	(7.8)	-	**205.4**
Asset revaluations	29.9	(10.4)	36.4	55.9	(4.4)	-	**51.5**
	243.9	(11.1)	36.3	269.1	(12.2)	-	**256.9**
Deferred income tax assets							
Accelerated tax depreciation	107.8	(8.9)	-	98.9	15.7	-	**114.6**
Tax losses carried forward	0.5	(0.3)	-	0.2	-	-	**0.2**
Right-of-use assets	-	1.1	-	1.1	(0.3)	-	**0.8**
Retirement benefit obligations	91.2	(4.3)	15.5	102.4	(1.2)	34.1	**135.3**
Provisions	1.1	0.5	-	1.6	0.7	-	**2.3**
	200.6	(11.9)	15.5	204.2	14.9	34.1	**253.2**
Net deferred income tax liabilities	43.3	0.8	20.8	64.9	(27.1)	(34.1)	**3.7**

14. INVENTORIES

(a)

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
Raw materials	**296.4**	307.2
Work-in-progress	**123.1**	42.7
Inventory property	**35.3**	24.1
Finished goods	**525.3**	450.2
Spare parts and consumables	**260.7**	267.4
Less: Provision for obsolescence	**(9.5)**	(9.5)
	1,231.3	1,082.1

(b) The cost of inventories recognised as expense and included in cost of sales are as follows:

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
Cost of inventories consumed in respect of other inventories	**2,067.1**	2,086.7
Cost of inventories consumed in respect of sales of completed inventory property	**-**	28.4
	2,067.1	2,115.1

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

15. CONSUMABLE BIOLOGICAL ASSETS

	THE GROUP Sugar cane	
	2020	2019
	MUR'M	MUR'M
At January 1,	137.2	52.9
Other movement	2.9	-
Net changes in fair value less estimated costs to sell	32.5	84.3
At December 31,	172.6	137.2

The fair value measurements for standing canes have been categorised as Level 3 fair values based on the inputs.

At December 31, 2020, sugar canes comprised of approximately 4,855 hectares of sugar cane plantations (2019: 4,841.09 hectares). The Group manages sugar cane plantations on land that the Group owns and this land has been classified under "Property, plant and equipment" (note 5).

During the year, the Group harvested approximately 302,291 tonnes of canes (2019: 388,715 tonnes), which based on a selling price of Raw Sugar at MUR 13,000/ton (2019: MUR 11,600) had a fair value less costs to sell of MUR'M 172.6 (2019: MUR'M 137.2) at the date of harvest.

The following table shows the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

THE GROUP

Sugar cane	Key unobservable inputs	Range of unobservable inputs	Sensitivity of the input to fair value	
			%	MUR'M
2020	Cane maturity	20.0%	10.0%	0.33
	Price of sugar	13,000	11.0%	40.22
	Extraction rate	10.5%	0.5%	20.43
	Estimated cane production in metric tonnes	369,000	5.0%	13.98
2019	Cane maturity	20.0%	2.0%	0.3
	Price of sugar	11,600	11.0%	38.1
	Extraction rate	10.5%	0.4%	14.0
	Estimated cane production in metric tonnes	380,000	5.0%	18.4

An increase in each of the key unobservable inputs would give rise to an increase in the fair value of consumable biological assets.

16. TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2020	2019	2020	2019
	MUR'M	MUR'M	MUR'M	MUR'M
Trade receivables	690.2	871.1	-	-
Less: allowance for impairment	(122.8)	(58.9)	-	-
Trade receivables - net	567.4	812.2	-	-
Dividend receivable	39.9	39.9	39.8	-
Advance payments	7.2	-	-	-
Short term loans	0.7	17.1	-	-
Receivable from related parties (note 40)	4.8	14.1	-	56.3
Deposit on investments	233.2	163.4	233.2	161.4
Prepayments	20.6	51.7	-	-
Sugar proceeds receivable	367.4	415.6	-	-
Compensation receivable from SIFB	-	71.0	-	-
VAT and taxes	79.0	32.6	-	-
Other receivables	12.2	102.1	5.4	3.3
	1,332.4	1,719.7	278.4	221.0

The carrying amounts of trade and other receivables approximate their fair value. Directors have made an assessment of probability of amount receivables from related parties at reporting date and the amount of lifetime ECL is immaterial and has not been accounted for.

Other receivables include VAT receivable.

The Group and the Company made an assessment of impairment of 'other receivables' under the Expected Credit Losses (ECL) model and determined that the impairment is immaterial.

The carrying amounts of the Group's and the Company's trade and other receivables are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2020	2019	2020	2019
	MUR'M	MUR'M	MUR'M	MUR'M
MUR	1,115.3	1,503.1	278.4	221.0
USD	28.3	10.4	-	-
EUR	145.1	123.2	-	-
SCR	42.5	83.0	-	-
Other currencies	1.2	-	-	-
	1,332.4	1,719.7	278.4	221.0

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

16. TRADE AND OTHER RECEIVABLES (CONT'D)

(i) *Impairment of trade and other receivables*

Trade receivables

The Group and the Company apply the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group and the Company have identified gross domestic products (GDP) as the key macroeconomic factors and accordingly adjust the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance as at December 31, 2020 was determined as follows for trade receivables:

THE GROUP	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
At December 31, 2020					
Expected loss rate	**5.4%**	**6.7%**	**7.1%**	**58.2%**	
Gross carrying amount - Trade receivable	**470.4**	**34.4**	**25.3**	**160.1**	**690.2**
Loss allowance	**(25.5)**	**(2.3)**	**(1.8)**	**(93.2)**	**(122.8)**

THE GROUP	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
At December 31, 2019	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
Expected loss rate	3.9%	6.4%	20.6%	86.4%	
Gross carrying amount - trade receivable	778.1	51.5	16.5	25.0	871.1
Loss allowance	(30.6)	(3.3)	(3.4)	(21.6)	(58.9)

16. TRADE AND OTHER RECEIVABLES (CONT'D)

(i) *Impairment of trade and other receivables (Cont'd)*

The closing loss allowances for trade receivables as at December 31, reconcile to the opening loss allowances as follows:

	2020	2019
	MUR'M	MUR'M
Loss allowance as at January 1,	**58.9**	28.8
Loss allowance recognised in profit or loss during the year	**55.0**	43.4
Exchange difference	**11.2**	-
Receivables written off during the year as uncollectible	**(1.2)**	(13.3)
Unused amount reversed	**(1.1)**	-
At December 31,	**122.8**	58.9

(ii) The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above except for prepayments. The Group and the Company do not hold any collateral as security.

(iii) The Group and the Company consider a financial asset to be in default when:
- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 120 days past due.

(iv) *Write-off*

The gross carrying amount of a financial asset is written off when the Group and the Company have no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group and the Company individually make an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group and the Company expect no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedures for recovery of amounts due.

(v) *Other receivables*

The Group and the Company used the simplified impairment approach to calculate for its ECL. Management have used inferred proxies for the probability of default (PD) based on relevant jurisdictional sovereign Moody's ratings. A loss given default (LGD) proxy of 45% was used for counterparties based in Mauritius which is representative of the corporate client's exposure. For receivables who settled their balances after the year end, management used the sovereign PD and a lower LGD of 10%. For both years, the loss allowance on other receivables was deemed to be insignificant and have not been provided in profit or loss.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

17. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	MUR'M	MUR'M	**MUR'M**	MUR'M
At January 1,	**580.7**	-	**580.7**	-
Reclassified from investment in associates (note 9)	**24.8**	503.6	**87.4**	503.6
Fair value (loss)/gain	**(314.0)**	77.1	**(336.8)**	77.1
At December 31,	**291.5**	580.7	**331.3**	580.7

For December 31, 2020, the investment in Commada Ltd was classified as held for sale following the decision of the Board to dispose of it in the forthcoming year.

Efforts to sell the investment in associates have started and a sale is expected to conclude within the next 12 months.

Non-current assets held for sale are stated at fair value less costs to sell and where applicable based on the share price at year end.

The fair value gain is recognised through other comprehensive income at Company level and through profit or loss at Group level. The fair value gain has been recorded to the extent that it is does not exceed the previous cumulative impairment losses that were previously recognised in accordance with IAS 36.

18. STATED CAPITAL

	THE GROUP AND THE COMPANY	
	2020 & 2019	
	No.of shares Million	**MUR'M**
Issued and fully paid		
Ordinary shares		
At December 31 ,	227.5	11,976.0

The total issued number of ordinary shares of TERRA Mauricia Ltd is 227,545,624 share of no par value each (2019: 227,545,624 shares). All issued shares are fully paid.

Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

19. REVALUATION AND OTHER RESERVES

THE GROUP	Notes	Associates Reserves	Revaluation Reserves	Amalgamation Reserves	Actuarial Losses	Translation Reserve	Financial Assets at FVOCI Reserve	Total
		MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
At January 1, 2020								
-As previously reported		(84.8)	2,153.9	(43.3)	(265.1)	64.4	(409.1)	1,416.0
- Effect of prior year adjustments	44	64.7	-	-	-	-	-	64.7
- As restated		(20.1)	2,153.9	(43.3)	(265.1)	64.4	(409.1)	1,480.7
Remeasurements of post employment benefit obligations		-	-	-	(212.8)	-	-	(212.8)
Deferred tax on remeasurements of post employment benefit obligations		-	-	-	32.5	-	-	32.5
Release on disposal of land		-	(15.0)	-	-	-	-	(15.0)
Changes in fair value of equity instruments at fair value through other comprehensive income	10	-	-	-	-	-	(37.1)	(37.1)
Other movements		-	7.7	-	-	-	-	7.7
Movements in translation reserve	9	156.9	-	-	-	(4.2)	-	152.7
Share of other comprehensive income of associates	9	(105.4)	4.5	-	-	-	-	(100.9)
At December 31, 2020		31.4	2,151.1	(43.3)	(445.4)	60.2	(446.2)	1,307.8

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

19. REVALUATION AND OTHER RESERVES (CONT'D)

THE GROUP	Notes	Associates Reserves	Revaluation Reserves	Amalgamation Reserves	Actuarial Losses	Translation Reserve	Financial Assets at FVOCI Reserve	Total
		MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
At January 1, 2019		(121.2)	1,062.2	(43.3)	(194.4)	24.2	(300.1)	427.4
Revaluation of land and buildings, net of impairment		-	1,125.0	-	-	-	-	1,125.0
Deferred tax on revaluation of buildings		-	(33.1)	-	-	-	-	(33.1)
Remeasurements of post employment benefit obligations		-	-	-	(85.5)	-	-	(85.5)
Deferred tax on remeasurements of post employment benefit obligations		-	-	-	14.8	-	-	14.8
Transfer of accumulated fair value losses upon disposal of equity investments at fair value through other comprehensive income		-	-	-	-	-	7.5	7.5
Release on disposal of land		-	(2.3)	-	-	-	-	(2.3)
Changes in fair value of equity instruments at fair value through other comprehensive income	10	-	-	-	-	-	(118.5)	(118.5)
Fair value gain on disposal of financial assets at fair value through other comprehensive income		-	-	-	-	-	2.0	2.0
Other movements		-	2.1	-	-	-	-	2.1
Movements in translation reserve		-	-	-	-	40.2	-	40.2
Share of other comprehensive income of associates	9	101.1	-	-	-	-	-	101.1
At December 31, 2019		**(20.1)**	**2,153.9**	**(43.3)**	**(265.1)**	**64.4**	**(409.1)**	**1,480.7**

19. REVALUATION AND OTHER RESERVES (CONT'D)

Associates reserves

Associates reserves comprise the cumulative change in other comprehensive income of associates.

Financial assets at fair value through OCI reserve

Financial assets at fair value through OCI reserve comprises the cumulative net change in financial assets through OCI that has been recognised in other comprehensive income until the investments are derecognised.

Translation reserve

The translation reserve consists of the foreign currency differences arising from the translation of the financial statements of foreign operations.

Revaluation reserve

The revaluation surplus relates to the revaluation of land and buildings.

Actuarial losses

The actuarial losses reserve represents the cumulative remeasurement of defined benefit obligation recognised.

Amalgamation reserve

This arose upon the amalgamation of Terra Mauricia Ltd with HF Investments Ltd.

THE COMPANY

The Company's revaluation and other reserves are made up of amalgamation reserve and financial assets at fair value through other comprehensive income reserve.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

20. BORROWINGS

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	MUR'M	MUR'M	**MUR'M**	MUR'M
Non-current				
Bank loans (note 20(a))	**2,644.6**	165.1	**-**	-
Loans from related parties (note 40, 20(a))	**-**	-	**851.6**	-
Other loans	**-**	8.0	**-**	-
Total non-current	**2,644.6**	173.1	**851.6**	-
Current				
Bank overdrafts (note 34(b))	**4.4**	39.9	**-**	-
Bank loans (note 20(a))	**346.7**	60.5	**-**	-
Loans from related parties (note 40, 20(a))	**-**	-	**138.7**	860.3
Other loans	**1.3**	2.3	**-**	-
Money market lines (note 20(a))	**906.2**	3,261.0	**-**	-
	1,254.2	3,323.8	**138.7**	860.3
Total current	**1,258.6**	3,363.7	**138.7**	860.3
Total borrowings	**3,903.2**	3,536.8	**990.3**	860.3

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	MUR'M	MUR'M	**MUR'M**	MUR'M
(a) Breakdown of loans:				
Loans from subsidiary	**-**	-	**990.3**	860.3
Bank loans	**2,991.3**	225.6	**-**	-
Other loans	**1.3**	10.3	**-**	-
Money market lines	**906.2**	3,261.0	**-**	-
	3,898.8	3,496.9	**990.3**	860.3
Less: Repayable within one year	**(1,254.2)**	(3,323.8)	**(138.7)**	(860.3)
Repayable after one year	**2,644.6**	173.1	**851.6**	-

20. BORROWINGS (CONT'D)

(b) The maturity of non-current loans is as follows:

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
- after one year and before two years	**52.1**	61.2
- after two years and before five years	**92.5**	111.9
- above five years	**2,500.0**	-
	2,644.6	173.1

(c) The carrying amounts of non-current borrowings are not materially different from the fair value.

Non-current borrowings can be analysed as follows:

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
- After one year and before two years		
Bank borrowings	**52.1**	61.2
- After two years and before five years		
Bank borrowings	**92.5**	111.9
- After five years	**2,500.0**	-
Total	**2,644.6**	173.1

(d) An analysis of borrowing by currency is provided below:

	THE GROUP			
2020	**MUR'M**	**EUR'M**	**SCR'M**	**Total**
Bank overdraft	**4.4**	**-**	**-**	**4.4**
Bank loans	**2,778.3**	**198.2**	**14.8**	**2,991.3**
Other loans	**1.3**	**-**	**-**	**1.3**
Money market lines	**906.2**	**-**	**-**	**906.2**
	3,690.2	**198.2**	**14.8**	**3,903.2**

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

20. BORROWINGS (CONT'D)

(d) An analysis of borrowing by currency is provided below: (cont'd)

2019	THE GROUP MUR'M	EUR'M	Total
Bank overdraft	39.9	-	39.9
Bank loans	-	225.6	225.6
Other loans	10.3	-	10.3
Money market lines	3,261.0	-	3,261.0
	3,311.2	225.6	3,536.8

The borrowings held by the Company are all denominated in Mauritian Rupee.

(e) The interest rate profile of the Group and Company at the reporting date was as follows:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	MUR'M	MUR'M	**MUR'M**	MUR'M
	Floating interest rate		**Floating interest rate**	
	% p.a.	% p.a.	**% p.a.**	% p.a.
Loans from related parties	**n/a**	n/a	**1.05 - 4.17**	3.3 - 5
Bank loans	**3.5 - 5.1**	5.6 - 5.75	**n/a**	n/a
Other loans	**Euribor 3 months + 2.8%**		**n/a**	n/a
Money market lines	**1.0 - 3.6**	1.0 - 3.85	**n/a**	n/a

(f) Money market lines are short term (1-3 months) borrowings, renewable at the option of the Group.

(g) Borrowings are secured by fixed and floating charges on the land and buildings as shown in note 5(e).

(h) The Group has bank loans with a total carrying amount of MUR'M 3,897.5 at December 31, 2020 (2019: MUR'M 3,486.6). These loans are repayable in full at maturity date as shown in notes 20(c) and 3.1(c). However, the loans contained the following covenants:
- Debt to equity ratio not exceeding 2:1
- At any one point in time, utilisation under working capital facilities by the borrower availed from financing institutions shall not exceed MUR'M 2,500
- Minimum interest cover of 2:1 to be maintained at all times.

(i) For the Company, loans from related parties are unsecured and bear interest rates varying between 1.05% to 4.17% (2019: 3.3% to 5%).

21. LEASE LIABILITIES

THE GROUP	Land MUR'M	Buildings MUR'M	Motor vehicles MUR'M	Total MUR'M
At January 1, 2019	11.2	47.0	7.5	65.7
Interest expense	0.4	2.7	0.1	3.2
Lease payments	(6.0)	(22.4)	(0.2)	(28.6)
At December 31, 2019	5.6	27.3	7.4	40.3
Effect of modification to lease term	-	7.1	-	7.1
Interest expense	0.4	1.8	0.4	2.6
Lease payments	(0.5)	(15.3)	(0.8)	(16.6)
At December 31, 2020	**5.5**	**20.9**	**7.0**	**33.4**

	2020 MUR'M	2019 MUR'M
Current	**3.9**	14.3
Non current	**29.5**	26.0
	33.4	40.3

(a) Nature of leasing activities (in the capacity as lessee)

The Group leases two plots of land from Government of Mauritius : (1) a portion of land and part of a bassin in the district of Pamplemousses and (2) another portion of land in the district of Riviere du Rempart.

The Group also leases a number of commercial properties in the jurisdictions from which it operates. In some jurisdictions it is customary for lease contracts to provide for payments to increase each year by inflation and in others to be reset periodically to market rental rates.

The Group also leases 5 motor vehicles for use in its operations.

(b) Lease payments

The lease payments for the plot of land and portion of a bassin in Pamplemousses is a fixed yearly amount while the other plot of land in Riviere du Rempart is against consideration of a premium and annual rental which is adjusted every 3 years by reference to cumulative inflation based on Consumer Price Index (CPI) during the 3 year period which shall not exceed 15.8% in any case.

The lease payments for motor vehicles are fixed yearly amounts.

(c) Lease term

The portion of land and part of a bassin in the district of Pamplemousses is for a period of 99 years as from August 7, 1963. The portion of land in the district of Riviere du Rempart is for a period of 60 years as from January 28, 2009.

The commercial properties are for a period of between 1 and 4 years.

The motor vehicles leases are for a period of 5 years.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

21. LEASE LIABILITIES (CONT'D)

	2020	2019
	MUR'M	MUR'M
(d) Interest expense (included in finance cost)	2.6	3.2
Total cash outflows	16.6	28.6

22. RETIREMENT BENEFIT OBLIGATIONS

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
Amount recognised in the statement of financial position:		
Defined pension benefits (note 22(a) (ii))	865.1	641.6
	865.1	641.6
Amount charged to profit or loss:		
- Defined pension benefits (note 22(a) (v))	65.7	64.2
- Defined contribution plan (note 22(b))	25.2	23.4
	90.9	87.6
Amount charged to other comprehensive income		
- Defined pension benefits (note 22(a) (vi))	229.8	91.1
	229.8	91.1

(a) Defined pension benefits

(i) Retirement benefit obligations comprise of the Group's pension schemes and of other post-retirement benefits. The pension schemes are defined benefit plans based on final salary and the assets of the plans are invested with the Sugar Insurance Pension Fund (SIPF) and a pension arrangement with an insurance company.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligations were carried out at December 31, 2020. The present value of the defined benefit obligations, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) The amounts recognised in the statement of financial position are as follows:

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
Present value of funded obligations	1,346.0	1,114.5
Present value of unfunded obligations	170.1	192.0
	1,516.1	1,306.5
Fair value of plan assets	(651.0)	(664.9)
Liability in the statement of financial position	865.1	641.6

22. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Defined pension benefits (Cont'd)

The reconciliation of the opening balances to the closing balances for the net defined benefit liability is as follows:

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
At January 1,	641.6	584.5
Charged to profit or loss	65.7	64.2
Charged to other comprehensive income	229.8	91.1
Employer's contributions	(72.0)	(98.2)
At December 31,	865.1	641.6

(iii) The movement in the defined benefit obligation over the year is as follows:

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
At January 1,	1,306.5	1,225.5
Current service cost	29.0	29.2
Interest cost	57.1	66.6
Employee's contribution	1.4	1.8
Effect of curtailments/settlements	3.4	2.0
Actuarial losses	228.6	80.0
Benefits paid	(109.9)	(98.6)
At December 31,	1,516.1	1,306.5

(iv) The movement in the fair value of plan assets of the year is as follows:

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
At January 1,	664.9	641.0
Interest income	28.5	36.4
Actuarial losses	(1.2)	(11.1)
Employers' contributions	72.0	98.2
Employee contributions	1.4	1.8
Scheme expenses	(3.7)	(1.9)
Benefits paid	(109.9)	(98.6)
Cost of insuring risk benefits	(1.0)	(0.9)
At December 31,	651.0	664.9

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

22. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Defined pension benefits (Cont'd)

(v) The amount recognised in profit or loss are as follows:

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
Current service cost	**29.0**	29.2
Scheme expense	**3.7**	1.9
Cost of insuring risk benefits	**1.0**	0.9
Interest expense	**28.6**	30.2
Effects of curtailments/settlements	**3.4**	2.0
Total included in employee benefit expense	**65.7**	64.2

(vi) The amounts recognised in other comprehensive income are as follows:

	THE GROUP	
	2020	2019
Remeasurement on the net defined benefit liability:	**MUR'M**	MUR'M
Losses on pension scheme assets	**0.6**	11.4
Experience gains on the liabilities	**(20.5)**	(30.1)
Changes in assumption underlying the present value of the scheme	**249.7**	109.8
Actuarial losses recognised in OCI	**229.8**	91.1

(vii) The fair value of the plan assets at the end of the reporting period for each category, are as follows:

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
Local equities	**91.6**	113.3
Overseas equities	**116.3**	131.8
Fixed interest	**239.7**	217.2
Properties	**75.6**	79.7
Qualifying insurance policies	**127.8**	122.9
Total market value of assets	**651.0**	664.9

The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets whereas the fair values of properties are not based on quoted market prices in active markets.

The Company's ordinary shares are not included in the pension plan assets.

(viii) The principal actuarial assumptions used for the purposes of the actuarial valuation were:

	THE GROUP	
	2020	2019
Discount rate	**1.8%-5.1%**	4.7%-5.1%
Future salary growth rate	**0.5%-1%**	3%-4%
Future pension growth rate	**0.0%**	0.0%

22. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Defined pension benefits (Cont'd)

(ix) Sensitivity analysis on defined benefit obligations at end of the reporting date:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amount shown below:

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
Discount rate (1% increase)	**184.9**	123.8
Future salary growth (1% increase)	**52.3**	53.3

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The sensitivity above have been determined based on a method that extrapolates the impact on net defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The present value of the defined benefit obligation has been calculated using the projected unit credit method.

(x) The sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

(xi) Risks Associated with the Pension promise/obligation. The Pension promise exposes the Group to actuarial risks such as longevity risk, interest rate risk, and salary risk.

(i) longevity risk - the liabilities disclosed are based on the mortality tables PA(92) for post-retirement mortality. Should the experience be less favourable than the standard mortality tables, the liabilities will increase.

(ii) interest rate risk - If the bond interest rate decreases, the liabilities would be calculated using a lower discount rate, and would therefore increase.

(iii) salary risk - If salary increases are higher than assumed in our basis, the liabilities would increase giving rise to actuarial losses.

(xii) The funding requirement are based on the pension fund's actuarial measurement framework set out in the funding policies of the plan.

(xiii) The Group is expected to contribute MUR'M 27.2 to the pension scheme for the year ending December 31, 2021.

(xiv) The actual return of the total assets for the year 2020 is MUR'M 25.6 (2019: MUR'M 25.3).

(xv) The weighted average duration of the defined benefit obligation is 9.3 years (2019: 9.3 years) at the end of the reporting period.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

22. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(b) Defined contribution plan

The Group and the Company operate a defined contribution scheme, the assets of which are held and administered by an independent fund administrator. All new employees of the Group and the Company are members of the defined contribution retirement plan. Payments by the Group and the Company to the defined contribution retirement plan are charged as an expense as they fall due.

(c) Movement in net defined benefit liability/(asset)

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/(asset) and its components:

	Defined benefit obligation		Fair value of plan assets		Net defined benefit liability/(asset)	
	2020	2019	2020	2019	2020	2019
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
Balance at January 1,	1,306.5	1,225.5	(664.9)	(641.0)	641.6	584.5
Included in profit or loss						
Current service cost	29.0	29.2	-	-	29.0	29.2
Employees contribution	1.4	1.8	(1.4)	(1.8)	-	-
Scheme expenses	-	-	3.7	1.9	3.7	1.9
Cost of insuring risk benefit	-	-	1.0	0.9	1.0	0.9
Interest cost/(income)	57.1	66.6	(28.5)	(36.4)	28.6	30.2
Effects of curtailments/ settlements	3.4	2.0	-	-	3.4	2.0
	90.9	99.6	(25.2)	(35.4)	65.7	64.2
Included in OCI						
Remeasurement loss/(gain):						
Arising from actuarial loss/(gain)	228.6	80.0	1.2	11.1	229.8	91.1
	228.6	80.0	1.2	11.1	229.8	91.1
Others						
Contribution paid by the employer	-	-	(72.0)	(98.2)	(72.0)	(98.2)
Benefits paid	(109.9)	(98.6)	109.9	98.6	-	-
	(109.9)	(98.6)	37.9	0.4	(72.0)	(98.2)
Balance as at December 31,	1,516.1	1,306.5	(651.0)	(664.9)	865.1	641.6

23. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2020	2019	2020	2019
	MUR'M	MUR'M	MUR'M	MUR'M
Trade payables	523.6	456.4	0.2	-
Amounts due to related parties (note 40)	13.4	16.7	26.6	3.2
Retention moneys	30.3	-	-	-
Sugar Insurance Premium	18.7	17.8	-	-
Accruals	308.0	346.2	1.5	2.2
Deposits	51.9	10.6	9.3	10.6
Others	78.7	55.2	11.0	14.3
	1,024.6	902.9	48.6	30.3

24. PROVISIONS

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
- As restated	26.0	54.1
Movements during the year	(1.0)	(3.1)
Reversal of provision	-	(25.0)
At December 31,	25.0	26.0

Centralisation in accordance with restructuration

Provisions for compensation payments in respect of restructuration were recognised after a formal plan was established and when the obligation was incurred. Estimates are regularly reviewed and adjusted as appropriate for new circumstances. The provision is expected to be settled in the next financial year. Movements relate solely to when expenditure is incurred.

25. TAXATION

(a) Liabilities/(assets) in the statements of financial position

	THE GROUP		THE COMPANY	
	2020	2019	2020	2019
	MUR'M	MUR'M	MUR'M	MUR'M
At January 1,	37.3	28.3	(0.4)	(0.2)
Under provision in previous years	3.4	0.7	0.8	0.2
Tax recovered	0.2	1.2	-	-
	40.9	30.2	0.4	-
Current tax on the adjusted profits for the year at 3%/15%/25%/30% (2019: 3%/15%/25%/30%)	46.0	65.6	0.5	0.3
Tax paid	(60.1)	(58.5)	(0.4)	(0.7)
Translation difference	(0.8)	-	-	-
At December 31,	26.0	37.3	0.5	(0.4)
Analysed as follows:				
Current tax assets	-	(0.4)	-	(0.4)
Current tax liabilities	26.0	37.7	0.5	-
	26.0	37.3	0.5	(0.4)

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

25. TAXATION (CONT'D)

(b) Charge in profit or loss

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	MUR'M	MUR'M	**MUR'M**	MUR'M
Current tax on the adjusted profits for the year at 3%/15%/25%/30% (2019: 3%/15%/25%/30%)	**46.0**	65.6	**0.5**	0.3
Under provision in previous years	**3.4**	0.7	**0.8**	0.2
Deferred taxation (note 13(b))	**(27.1)**	0.8	**-**	-
Charge for the year	**22.3**	67.1	**1.3**	0.5

(c) The tax on the profit before taxation differs from the theoretical amount that would arise using the basic tax rate as follows:

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	MUR'M	MUR'M	**MUR'M**	MUR'M
(Loss)/profit before taxation	**(188.1)**	513.7	**132.8**	179.2
Effective tax calculated at a rate of 17% (2019: 17%)	**(32.0)**	87.3	**22.6**	30.5
Income not subject to tax	**(25.0)**	(20.3)	**(19.4)**	(30.5)
Expenses not deductible for tax purposes	**75.9**	0.1	**(2.7)**	0.3
Under provision in previous years	**3.4**	0.7	**0.8**	0.2
Tax adjustments relating to prior years	**-**	(10.2)	**-**	-
Effect on changes in tax rate in deferred tax liabilities	**-**	9.5	**-**	-
	22.3	67.1	**1.3**	0.5

(d) The current tax rate differs as per the Group's activities and jurisdictions it operates in.

(e) Expenses not deductible for tax purposes comprise mostly of depreciation of property, plant and equipment, amortisation of intangible asset and loss on foreign exchange. Income not subject to tax mainly includes dividends received and interest income.

26. REVENUE

(a) The Group is organised into the following main business segments:-

- Cane, which includes sugar cane growing and milling activities.
- Power, which includes the production and sale of electricity processed from coal and bagasse.
- Brands, which includes the manufacturing, bottling and retailing of alcohol products and sale of consumable goods.
- Property and Leisure, which includes the rental of properties, property development and leisure services.
- Others, which include management and manufacture and sale of building materials, none of which constitute a separately reportable segment.

26. REVENUE (CONT'D)

2020	THE GROUP						THE COMPANY
	Cane	**Power**	**Brands**	**Property and Leisure**	**Others**	**Total**	**Total**
	MUR'M	**MUR'M**	**MUR'M**	**MUR'M**	**MUR'M**	**MUR'M**	**MUR'M**
Recognised at a point in time:							
Sale of goods	**1,041.6**	**-**	**2,109.6**	**-**	**183.7**	**3,334.9**	**-**
Sale of services	**45.0**	**-**	**-**	**112.9**	**-**	**157.9**	**-**
Sale of properties	**-**	**-**	**-**	**128.2**	**-**	**128.2**	**-**
Dividend income	**-**	**-**	**-**	**-**	**-**	**-**	**185.9**
Recognised over time:							
Sale of electricity	**-**	**1,131.2**	**-**	**-**	**-**	**1,131.2**	**-**
Total revenue from contracts with customers	**1,086.6**	**1,131.2**	**2,109.6**	**241.1**	**183.7**	**4,752.2**	**185.9**

2019	THE GROUP						THE COMPANY
	Cane	**Power**	**Brands**	**Property and Leisure**	**Others**	**Total**	**Total**
	MUR'M	**MUR'M**	**MUR'M**	**MUR'M**	**MUR'M**	**MUR'M**	**MUR'M**
Recognised at a point in time:							
Sale of goods	969.3	-	2,273.6	-	209.3	3,452.2	-
Sale of services	57.1	-	14.9	180.4	10.8	263.2	-
Sale of properties	-	-	-	33.6	-	33.6	-
Dividend income	-	-	-	-	3.6	3.6	234.3
Recognised over time:							
Sale of electricity	-	1,294.7	-	-	-	1,294.7	-
Total revenue from contracts with customers	**1,026.4**	**1,294.7**	**2,288.5**	**214.0**	**223.7**	**5,047.3**	**234.3**

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

28. REVENUE (CONT'D)

(b) Geographical segments

The Group's five reportable segments are managed locally and operate in the following main geographical areas:

	Total assets		Capital expenditure	
	2020	2019	2020	2019
	MUR'M	MUR'M	MUR'M	MUR'M
Mauritius	19,970.1	19,789.4	969.7	566.2
Côte d'Ivoire	708.2	766.4	-	-
Seychelles	98.2	152.5	1.3	1.6
	20,776.5	20,708.3	971.0	567.8

Sales analysis:	At a point in time		Over time		Total sales	
	2020	2019	2020	2019	2020	2019
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
Mauritius	3,351.7	3,434.3	1,131.2	1,294.7	4,482.9	4,729.0
Côte d'Ivoire	45.0	40.2	-	-	45.0	40.2
Seychelles	224.3	278.1	-	-	224.3	278.1
	3,621.0	3,752.6	1,131.2	1,294.7	4,752.2	5,047.3

Sales revenue is based on the country in which the customer is located. Total assets and capital expenditure are shown by the geographical area in which the assets are located.

(c) Liabilities related to contracts with customers

	THE GROUP	
	Contract liabilities	
	2020	2019
	MUR'M	MUR'M
At January 1,	69.7	25.9
Transfer from trade and other payables	24.1	-
Cash received in advance	126.0	43.8
Amount released during the year	(146.4)	-
At December 31,	73.4	69.7

Contract liabilities arise from the Group's property division, which engages in land development (morcellement).

27. OTHER INCOME

	THE GROUP		THE COMPANY	
	2020	2019	2020	2019
	MUR'M	MUR'M	MUR'M	MUR'M
Interest income	-	1.9	-	-
Dividend income	-	0.6	-	-
Investment income	-	2.5	-	-
Profit on disposal of property, plant and equipment	78.3	231.8	-	-
SIFB compensation	-	71.0	-	-
Sale of paillis and boulders	7.5	12.6	-	-
Transport and mechanical services	20.2	30.6	-	-
Gain on disposal of subsidiary	0.3	-	-	-
Refund from MSS	8.9	8.6	-	-
Others	37.7	39.5	6.9	4.0
	152.9	396.6	6.9	4.0

28. IMPAIRMENT OF ASSETS AND ALLOWANCE FOR EXPECTED CREDIT LOSSES

	Notes	THE GROUP		THE COMPANY	
		2020	2019	2020	2019
Financial assets		MUR'M	MUR'M	MUR'M	MUR'M
Allowance for expected credit losses:					
Trade and other receivables (note 16(i))	(i)	55.0	43.4	-	-
Other financial assets at amortised cost (note 11)		9.2	-	9.2	-
		64.2	43.4	9.2	-
Non-financial assets					
Land (notes 5)	(ii)	-	427.9	-	-
Bearer plants (note 5)	(iii)	-	32.4	-	-
Land conversion rights (note 7(a))	(iv)	-	98.3	-	-
Goodwill (note 7(a))	(v)	22.3	-	-	-
Reversal of impairment on investment properties (note 6)	(vi)	-	(8.1)	-	-
		22.3	550.5	-	-
Impairment through OCI		-	(427.9)	-	-
Net impairment and allowance for expected credit losses through profit or loss		86.5	166.0	9.2	-

(i) The subsidiaries of TERRA Mauricia Ltd carried out an impairment assessment of their trade receivables which resulted in an impairment of MUR'M 55.0 (2019: MUR'M 43.4).

(ii) In 2019, the poor performance and negative cash outflows of the agricultural business unit were indicators of a potential impairment of this Cash Generating Unit ("CGU"). The impairment was determined by comparing the carrying amount of agricultural land with its recoverable amount which was estimated based on its fair value less costs to sell; this resulted in an impairment of MUR'M 427.9. The amount was booked against land in Property, plant and equipment and against revaluation reserves through OCI.

The fair value was determined by an external, independent property valuer, Noor Dilmohamed & Associates who has the appropriate recognised professional qualifications.

The key assumptions used in arriving at the fair value are described in note 5(b). The costs to sell have been assumed to be land transfer tax of 5% and selling fees of 2.3% of the fair value of agricultural land.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

28. IMPAIRMENT OF ASSETS AND ALLOWANCE FOR EXPECTED CREDIT LOSSES (CONT'D)

(iii) The recoverable amount of the Cash Generating Unit ("CGU") has been determined using discounted cash flow technique on a 7-year period, which is the useful life of a bearer plant. The discount rate applied to cash flow projection was 9.1%. As a result of the analysis, management has recorded an impairment loss of MUR'M 32.4 in 2019 against its bearer plants. The impairment charge was recorded in profit or loss.

Key assumptions used in recoverable amount calculations

The recoverable amount of the non-financial assets is most sensitive to the following assumptions:

Achieving forecasted selling price and tonnage of raw sugar

Selling price of sugar is regulated by the Mauritius Sugar Syndicate. For crop 2020, the ex-syndicate price of Raw Sugar was at MUR 14,000/ton and management has estimated that price would be maintained at MUR 14,000/ton for crop 2021 onwards. The estimation was based on market research performed by management. Tonnage of sugar cane is expected to decrease year on year. By-products revenue has been maintained at the same level as final prices for year ended December 31, 2020.

Discount rate

Discount rate represents the current market assessment of the risks specific to a CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate of 9.1% used in the impairment calculation in 2019 was based on the specific circumstances of the CGU and was derived from its weighted average cost of capital (WACC).

The fair valuation of the Cash Generating Unit of the Group falls under Level 3 of the fair value hierarchy.

Sensitivity to change in inputs to the valuation workings

The following table shows the valuation techniques used in determining fair values within Level 3 of the hierarchy as well as the key unobservable inputs used in the valuation model in 2019.

Type	Key unobservable inputs	Range of unobservable inputs	Sensitivity of the input to fair value	
				MUR'M
Bearer Plants	Discount rate	9.1%	1%	5.0
	Price of sugar	MUR 12,000	MUR 1,000	80.0
	Extraction rate	10.50%	1%	109.0

(iv) The Group's recoverable amount in respect of land conversion rights were valued by an external, independent property valuer, Noor Dilmohamed & Associates who has the appropriate recognised professional qualifications. Based on the sales comparison approach and after estimating costs to sell, land conversion rights were valued at MUR'M 142.3, resulting in an impairment loss of MUR'M 98.3 during year 2019.

The key assumptions used in arriving at the fair value less costs to sell were the price per Ha of MUR'M 2.5 based on similar recent transactions and a discount of 25% for registration costs, size and time.

(v) Terra Mauricia Ltd carried out an impairment assessment of goodwill which resulted in an impairment of MUR'M 22.3 (2019: Nil). Refer to note 7(a).

(vi) Upon the revaluation exercise carried out by the independent property valuer, it was revealed that the fair value of a property impaired in previous years was higher than its carrying amount as at December 31, 2019. This resulted in a reversal of the impairment loss.

The key assumptions used in arriving at the fair value are described in note 5(b).

29. (LOSS)/PROFIT BEFORE FINANCE COSTS

	THE GROUP	
	2020	2019
The (loss)/profit before finance costs is arrived at after:	**MUR'M**	MUR'M
Crediting:		
Rental of land and buildings	**77.6**	125.9
Profit on sale of property, plant and equipment	**78.3**	231.8
and charging:		
Depreciation on property, plant and equipment	**361.1**	341.3
Depreciation on investment properties	**8.5**	8.4
Depreciation on right-of-use asset	**15.0**	18.6
Amortisation of intangible assets	**9.8**	8.9
Employee benefit expense	**965.4**	1,030.7

30. EXPENSE BY NATURE

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	MUR'M	MUR'M	**MUR'M**	MUR'M
Depreciation and amortisation	**394.4**	377.2	**-**	-
Raw materials and consumables used	**2,482.7**	2,640.7	**-**	-
Employee benefit expense	**965.4**	1,030.7	**-**	-
Others	**788.4**	875.7	**17.7**	22.9
Total cost of sales, administrative expenses, distribution costs and other expenses	**4,630.9**	4,924.3	**17.7**	22.9

31. NET FINANCE COSTS

	THE GROUP		THE COMPANY	
	2020	2019	**2020**	2019
	MUR'M	MUR'M	**MUR'M**	MUR'M
Finance income:				
-Foreign exchange gain	**7.5**	3.4	**-**	-
-Interest income on lease	**3.7**	1.4	**-**	-
-Others	**0.1**	-	**0.1**	-
	11.3	4.8	**0.1**	-
Finance cost:				
-Interest expense on bank overdrafts	**(5.3)**	(6.4)	**-**	-
-Interest expense on loans repayable by instalments	**(15.3)**	(17.3)	**-**	-
-Interest expense on other loans not repayable by instalments	**(86.6)**	(87.8)	**(29.6)**	(36.2)
-Interest expense on lease liabilities	**(5.0)**	(3.2)	**-**	-
-Foreign exchange loss	**(54.8)**	(7.2)	**(2.5)**	-
-Others	**(6.0)**	(0.9)	**(1.1)**	-
	(173.0)	(122.8)	**(33.2)**	(36.2)
Total - Net finance costs	**(161.7)**	(118.0)	**(33.1)**	(36.2)

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

32. (LOSS)/EARNINGS PER SHARE

	THE GROUP		THE COMPANY	
	2020	(Restated) 2019	2020	2019
	MUR'M	MUR'M	MUR'M	MUR'M
(Loss)/profit attributable to owners of the Company	**(268.9)**	328.7	**131.5**	178.7
Number of ordinary shares in issue	**227.5**	227.5	**227.5**	227.5
Basic and diluted (loss)/earnings per share (MUR)	**(1.18)**	1.44	**0.58**	0.79

33. DIVIDENDS

	THE GROUP		THE COMPANY	
	2020	2019	2020	2019
	MUR'M	MUR'M	MUR'M	MUR'M
At January 1,	**-**	-	**-**	-
Final ordinary declared - 57 cents per share (2019: 85 cents)	**129.7**	193.4	**129.7**	193.4
Dividends paid during the year	**(129.7)**	(193.4)	**(129.7)**	(193.4)
Dividends declared by subsidiaries to non-controlling interests	**76.8**	115.3	**-**	-
Dividends paid to non-controlling interests	**(76.8)**	(115.3)	**-**	-
At December 31,	**-**	-	**-**	-

34. NOTES TO STATEMENT OF CASH FLOWS

(a) Reconciliation of liabilities arising from financing activities

At December 31, 2020	THE GROUP				
			Non-cash changes		
	At January 1, 2020	Cash flows	Acquisition	Foreign exchange movement	At December 31, 2020
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
Borrowings	**3,496.9**	**369.3**	**-**	**32.6**	**3,898.8**
Total liabilities from financing activities	**3,496.9**	**369.3**	**-**	**32.6**	**3,898.8**

At December 31, 2019	THE GROUP				
			Non-cash changes		
	At January 1, 2019	Cash flows	Acquisition	Foreign exchange movement	At December 31, 2019
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
Borrowings	2,667.7	821.8	7.4	-	3,496.9
Total liabilities from financing activities	2,667.7	821.8	7.4	-	3,496.9

34. NOTES TO STATEMENT OF CASH FLOWS (CONT'D)

(a) Reconciliation of liabilities arising from financing activities (Cont'd)

At December 31, 2020	THE COMPANY		
	At January 1, 2020	Cash flows	At December 31, 2020
	MUR'M	MUR'M	MUR'M
Borrowings	**860.3**	**130.0**	**990.3**

At December 31, 2019	THE COMPANY		
	At January 1, 2019	Cash flows	At December 31, 2019
	MUR'M	MUR'M	MUR'M
Borrowings	521.0	339.3	860.3

(b) Cash and cash equivalents

	THE GROUP		THE COMPANY	
	2020	2019	2020	2019
	MUR'M	MUR'M	MUR'M	MUR'M
Cash in hand and at bank	**437.3**	491.5	**19.1**	12.2
Bank overdrafts (note 20)	**(4.4)**	(39.9)	**-**	-
	432.9	451.6	**19.1**	12.2

The cash and cash equivalents are held with banks and financial institution counterparties, which are rated Baa2 to Baa3, based on ratings of Moody's.

The Group considers that its cash in hand and at bank have low credit risk based on the external credit ratings of the counterparties.

No impairment on cash at bank was recognised during both the years 2020 and 2019 since the amount was deemed insignificant.

(c) Non cash transactions

For the year ended December 31, 2020 there were no material non-cash transactions. The principal non-cash transactions for the previous year were:

(i) acquisitions of right-of-use assets (note 5A) and its corresponding lease liabilities (note 21).

(ii) Investment in associate through offset of loans receivables amounting to MUR M 65.5 (note 9).

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

35. BUSINESS COMBINATION

(a) Disposal of subsidiary

International Brands Ltd, a subsidiary, ceased its activities during the year under review and was removed from the Register of Companies. As a result, International Brands Ltd was deconsolidated and the Group recognised an increase in retained earnings of MUR'M 0.3.

Details of assets and liabilities from discontinued operation:	MUR'M
Assets	-
Liabilities	
Trade and other payables	0.3
Net liabilities	(0.3)
Consideration received	-
Net gain from discontinued operation	(0.3)

(b) Acquisition of subsidiary

Belle Vue Rum Ltd

At December 31, 2018, the Group held 50% of the share capital of Belle Vue Rum Ltd.

The investment held was classified as investment in associate as the Group did not have control over Belle Vue Rum Ltd.

The Group initially acquired 50% of the share capital of Belle Vue Rum Ltd for MUR'M 1.

On September 29, 2019 the Group acquired the remaining 50% of the share capital and obtained the control of Belle Vue Rum Ltd holding 100% of its share capital.

The main activity of the company is freeport operations.

This transaction has resulted in the recognition of a fair value gain on business combination at date of acquisition as follows:

	MUR'M
Fair value on business combination	3.3
Less: carrying amount of investment on the date of change in control	(1.0)
Fair value gain on business combination	2.3

The fair value gain on business combination of MUR'M 2.3 arising from the acquisition was recognised in the statement of profit or loss in 2019.

35. BUSINESS COMBINATION (CONT'D)

(b) Acquisition of subsidiary (Cont'd)

The following table summarises the consideration paid for Belle Vue Rum Ltd and the amounts of the assets acquired and liabilities assumed recognised at the acquisition date.

Consideration	**MUR'M**
At September 29, 2019	
Cash	2.6
Total consideration transferred	2.6
Fair value on business combination	3.3
Total consideration	5.9

Recognised amounts of identifiable assets acquired and liabilities assumed	**MUR'M**
Intangible assets	0.3
Inventories	4.5
Trade and other receivables	6.7
Cash and cash equivalents	6.7
Trade and other payables	(4.1)
Borrowings	(7.4)
Total identifiable net assets	6.7
Gain on bargain purchase	(0.8)

The gain on bargain purchase of MUR'M 0.8 arising from the acquisition was recognised in the statement of profit or loss in other income. The gain resulted mainly from the bargaining power of the Group.

For the three months ended December 31, 2019, Belle Vue Rum Ltd contributed revenue of MUR'M 6.4 and profit of MUR'M 1.36 to the Group's results. If the acquisition had occurred on January 1, 2019, management estimates that consolidated revenue would have been MUR'M 14.9, and consolidated profit for the year would have been MUR'M 4.3.

In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on January 1, 2019.

Taking control of Belle Vue Rum Ltd implies the acquisition of the brand Lazy Dodo (Rum) which has good equity and a network of distributors throughout Europe. Directors are confident in the brand s potential given its acceptance in different markets.

(c) Changes in ownership of interest in subsidiaries that does not result in a loss of control

During the year ended December 31, 2020, the Group acquired an additional 5% of the issued shares of Terragen Management Ltd for MUR'M 1.6. As a result, the Group recognised a decrease in non-controlling interests of MUR'M 0.2 and a decrease in equity attributable to owners of the parent of MUR'M 1.4. The effect on the equity attributable to the owners of Terragen Management Ltd during the year is summarised as follows:

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
Carrying amount of non-controlling interests acquired	**1.4**	-
Consideration paid to non-controlling interests	**(1.6)**	-
Excess of consideration paid recognised in the transactions with non-controlling interests within equity	**(0.2)**	-

There were no transactions with non-controlling interests in 2019.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

36. SUBSIDIARIES

(a) The financial statements of the following subsidiaries have been included in the consolidated financial statements.

	Type of shares held	Stated capital	2020 % holding	2020 % held by other group companies	2020 % held by non-controlling interests	2019 % holding	2019 % held by other group companies	2019 % held by non-controlling interests	Principal activity
		MUR							
Terra Milling Ltd	Ordinary	56,657,480	-	80.00	20.00	-	80.00	20.00	Sugar
Terragen Ltd	Ordinary	520,523,500	-	51.00	49.00	-	51.00	49.00	Energy
Terra Brands Ltd	Ordinary	12,000,000	100.00	-	-	100.00	-	-	Investment
Grays Inc. Ltd	Ordinary	83,280,000	-	74.00	26.00	-	74.00	26.00	Commercial
Grays Distilling Ltd	Ordinary	20,738,000	-	66.67	33.33	-	66.67	33.33	Manufacturing
Terra Services Ltd	Ordinary	25,000	100.00	-	-	100.00	-	-	Services
Ivoirel Limitée	Ordinary	29,443,274	100.00	-	-	100.00	-	-	Investment
Sagiterra Ltd	Ordinary	25,000	100.00	-	-	100.00	-	-	Property management
Société Proban	Parts d'intérêts	8,100,000	83.34	-	16.66	83.34	-	16.66	Investment
International Brands Ltd	Ordinary	3,635	-	-	-	-	100.00	-	Investment
Terra Foundation	Ordinary	10,000	100.00	-	-	100.00	-	-	Social Activities
Fondation Nemours Harel	Parts d'intérêts	10,000	75.00	-	25.00	75.00	-	25.00	Cultural Activities
Société Evapo	Parts d'intérêts	16,525,000	-	66.67	33.33	-	66.67	33.33	Investment holding
Terrarock Ltd	Ordinary	15,000,000	-	54.00	46.00	-	54.00	46.00	Manufacturing
Terragri Ltd	Ordinary	722,455,070	100.00	-	-	100.00	-	-	Sugar
Terra Finance Ltd	Ordinary	500,000	100.00	-	-	100.00	-	-	Treasury
Terravest Holding Ltd	Ordinary	130,860,000	100.00	-	-	100.00	-	-	Investment
Sugarworld Limited	Ordinary	45,238,456	95.24	-	4.76	95.24	-	4.76	Commercial
Les Chais de L'Isle de France Ltée	Ordinary	3,000,000	-	100.00	-	-	100.00	-	Commercial
Terragen Management Ltd *	Ordinary	100,000	-	66.75	33.25	-	61.75	38.25	Services
Intendance Holding Ltd	Ordinary	1,647,700	100.00	-	-	100.00	-	-	Investment holding
Beau Plan Cellars Ltd	Ordinary	10,000,000	-	100.00	-	-	100.00	-	Manufacturing
Beau Plan Office Park Ltd	Ordinary	15,000,000	-	100.00	-	-	100.00	-	Commercial
Beau Plan Retail Park Ltd	Ordinary	407,300,000	-	100.00	-	-	100.00	-	Commercial
Providence Warehouse Ltd	Ordinary	10,000	-	50.00	50.00	-	50.00	50.00	Commercial
Beau Plan Development Ltd	Ordinary	1,155,000,000	-	100.00	-	-	100.00	-	Property management
East Indies Company Ltd	Ordinary	2,500,000	-	100.00	-	-	100.00	-	Dormant
Mon Rocher School Holding Ltd	Ordinary	1	-	100.00	-	-	100.00	-	Dormant
Belle Vue Rum Ltd	Ordinary	2,000,000	-	100.00	-	-	100.00	-	Freeport operations

* During the year, the Group acquired an additional 5% stake in Terragen Management Ltd for a purchase consideration of MUR'M 1.6 and thus increased its percentage holding from 61.75% to 66.75%. Refer to note 35(c).

36. SUBSIDIARIES (CONT'D)

(i) The above subsidiaries are incorporated and operate in Mauritius except for the following:
(i) Ivoirel Limitée, whose country of operation is Côte d'Ivoire;
(ii) Providence Warehouse Ltd, whose country of operations is Seychelles.

(ii) For December 31, 2020 and 2019, the Group accounts for its investments in Providence Warehouse Ltd as subsidiary although the Group holds 50% of the issued share capital as the Group has control over the investment due to appropriate representation at board level.

(b) **Subsidiaries with material non-controlling interests**

Details for subsidiaries that have non-controlling interests that are material to the Company:

	Profit/(loss) allocated to Non-controlling interests during the year	Accumulated Non-controlling interests at Dec 31,
2020	MUR'M	MUR'M
Terragen Ltd	17.3	661.0
Terra Milling Ltd	0.7	111.7
Grays Inc. Ltd	3.9	78.2
2019		
Terragen Ltd	78.5	692.7
Terra Milling Ltd	(9.8)	118.9
Grays Inc. Ltd	16.5	84.5

(c) **Summarised financial information on subsidiaries with material non-controlling interests**

(i) Summarised statement of financial position of Terragen Ltd:

	2020	2019
	MUR'M	MUR'M
Non-current assets	1,264.3	1,313.3
Current assets	499.5	504.8
Non-current liabilities	(175.3)	(181.5)
Current liabilities	(239.5)	(223.0)
Total equity	1,349.0	1,413.6

Summarised statement of profit or loss and other comprehensive income of Terragen Ltd:

	2020	2019
	MUR'M	MUR'M
Revenue	1,148.0	1,310.7
Expenses	(1,101.5)	(1,125.8)
Other income	1.7	2.8
Net finance costs	(1.8)	(3.9)
Profit before tax	46.4	183.8
Taxation	(11.1)	(23.5)
Profit for the year	35.3	160.3
Other comprehensive income	-	(25.4)
Total comprehensive income	35.3	134.9

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

36. SUBSIDIARIES (CONT'D)

(c) Summarised financial information on subsidiaries with material non-controlling interests (Cont'd)

Summarised cash flow information of Terragen Ltd:

	2020	2019
	MUR'M	MUR'M
Net cash inflow from operating activities	165.0	161.3
Net cash outflow from investing activities	(42.0)	(33.8)
Net cash outflow from financing activities	(100.0)	(175.0)
Net cash inflow/(outflow)	23.0	(47.5)

The summarised financial information above is the amount before intra-group eliminations.

(ii) Summarised statement of financial position of Terra Milling Ltd:

	2020	2019
	MUR'M	MUR'M
Non-current assets	898.0	929.7
Current assets	427.5	441.9
Non-current liabilities	(306.4)	(289.4)
Current liabilities	(460.8)	(487.9)
Total equity	558.3	594.3

Summarised statement of profit or loss and other comprehensive income of Terra Milling Ltd:

	2020	2019
	MUR'M	MUR'M
Revenue	553.9	506.9
Expenses	(488.2)	(613.5)
Other income	13.1	96.2
Finance costs	(73.5)	(37.5)
Loss before tax	5.3	(47.9)
Taxation	(1.6)	(1.1)
Profit/(loss) for the year	3.7	(49.0)
Other comprehensive income	(38.5)	264.8
Total comprehensive income	(34.8)	215.8

Summarised cash flow information of Terra Milling Ltd:

	2020	2019
	MUR'M	MUR'M
Net cash inflow/(outflow) from operating activities	217.1	(18.2)
Net cash outflow from investing activities	(37.9)	(58.4)
Net cash (outflow)/inflow from financing activities	(89.6)	86.7
Net cash inflow	89.6	10.1

The summarised financial information above is the amount before intra-group eliminations.

36. SUBSIDIARIES (CONT'D)

(c) Summarised financial information on subsidiaries with material non-controlling interests (Cont'd)

(iii) Summarised statement of financial position of Grays Inc. Ltd:

	2020	2019
	MUR'M	MUR'M
Non-current assets	337.4	234.4
Current assets	938.4	1,122.3
Non-current liabilities	(247.5)	(161.5)
Current liabilities	(727.6)	(870.1)
Total equity	300.7	325.1

Summarised statement of profit or loss and other comprehensive income of Grays Inc. Ltd:

	2020	2019
	MUR'M	MUR'M
Revenue	1,644.2	1,784.4
Expenses	(1,611.7)	(1,692.8)
Other income	15.9	10.5
Finance costs	(24.7)	(22.1)
Profit before tax	23.7	80.0
Taxation	(8.6)	(16.4)
Profit for the year	15.1	63.6
Other comprehensive income	(15.6)	-
Total comprehensive income	(0.5)	63.6

Summarised cash flow information of Grays Inc. Ltd:

	2020	2019
	MUR'M	MUR'M
Net cash inflow from operating activities	241.6	49.0
Net cash outflow from investing activities	(33.9)	(25.3)
Net cash outflow from financing activities	(307.2)	(14.9)
Net cash (outflow)/inflow	(99.5)	8.8

The summarised financial information above is the amount before intra-group eliminations.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

37. ASSOCIATES

(a) Summarised financial information and details of each of the material associates is set out below:

	Current assets		Non-current assets		Current liabilities		Non-current liabilities		Revenues		Dividend received		Profit/(loss)	
	2020	(Restated) 2019	**2020**	(Restated) 2019	**2020**	(Restated) 2019	**2020**	(Restated) 2019	**2020**	(Restated) 2019	**2020**	(Restated) 2019	**2020**	(Restated) 2019
	MUR'M	MUR'M	**MUR'M**	MUR'M	**MUR'M**	MUR'M	**MUR'M**	MUR'M	**MUR'M**	MUR'M	**MUR'M**	MUR'M	**MUR'M**	MUR'M
AMCO Solutions Limited (PKA: Alcohol & Molasses Export Ltd)	**19.1**	24.3	**4.4**	4.6	**6.3**	7.5	**3.0**	2.0	**26.5**	53.9	**12.0**	15.0	**7.8**	12.4
Anytime Investment Ltd	**0.1**	0.1	**82.9**	84.2	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Coal Terminal (Management) Co Ltd	**29.9**	20.8	**66.2**	55.9	**28.8**	26.6	**64.2**	46.0	**189.0**	191.3	**-**	-	**0.9**	0.5
Horus Ltée	**0.1**	26.0	**261.5**	203.5	**2.2**	28.2	**-**	-	**-**	-	**-**	-	**(0.1)**	(0.1)
Swan General Ltd	**10,234.9**	9,919.6	**43,630.4**	43,883.9	**1,263.7**	1,834.3	**48,353.1**	48,087.2	**6,863.7**	6,310.1	**119.2**	119.2	**620.9**	672.2
New Fabulous Investment Ltd	**0.1**	0.1	**82.9**	84.2	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
New Goodwill Co. Ltd	**514.9**	472.0	**39.8**	25.4	**223.7**	196.6	**68.2**	68.0	**1,786.9**	1,791.4	**64.0**	85.1	**96.1**	110.0
Rehm Grinaker Construction Co. Ltd (ii)	**890.6**	952.5	**199.7**	204.8	**937.6**	927.6	**111.3**	97.0	**1,878.1**	1,249.4	**-**	-	**(73.3)**	-
Rehm Grinaker Properties Co Ltd (ii)	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	12.3
Topterra Ltd	**34.0**	27.0	**61.9**	66.0	**60.4**	53.8	**7.0**	7.0	**12.9**	17.3	**-**	-	**-**	(4.5)
Commada Ltd (i)	**-**	0.8	**-**	288.7	**-**	153.7	**-**	-	**-**	-	**-**	-	**-**	(2.9)
Sucrivoire S.A	**3,272.4**	2,349.9	**3,917.1**	2,995.3	**3,386.8**	2,563.0	**645.1**	584.0	**4,662.9**	3,477.3	**-**	-	**182.1**	(505.9)
Aquasantec International Limited	**209.8**	198.6	**380.8**	257.9	**166.0**	190.3	**210.6**	92.0	**550.2**	478.4	**-**	-	**43.5**	32.9
Thermal Valorisation Co Ltd	**18.6**	23.5	**818.9**	858.6	**108.6**	97.1	**344.0**	335.0	**124.9**	124.3	**-**	-	**(65.5)**	(7.5)
United Docks Ltd	**302.9**	22.3	**2,536.7**	2,473.4	**24.4**	237.7	**752.9**	185.0	**63.6**	64.9	**-**	-	**(10.1)**	18.0
Distillerie de Bois Rouge Ltd	**4.4**	4.4	**-**	-	**8.4**	8.0	**3.6**	3.6	**-**	-	**-**	-	**(0.3)**	(0.4)
Grays Uganda Ltd	**6.5**	6.5	**5.3**	5.3	**8.4**	8.4	**-**	-	**-**	-	**-**	-	**-**	-
Inside Capital Partners Ltd	**11.4**	7.3	**1.7**	0.3	**2.6**	5.7	**-**	-	**30.5**	37.5	**-**	-	**1.5**	9.9
Payment Express Ltd	**15.6**	34.4	**265.8**	249.2	**155.9**	120.4	**38.5**	43.0	**124.7**	130.9	**-**	-	**-**	7.9
Beau Plan Campus Ltd	**57.2**	51.7	**591.0**	578.5	**56.2**	53.4	**229.1**	240.0	**53.2**	69.4	**-**	-	**21.8**	46.6
The Greencoast International Primary School Limited (iii)	**5.3**	-	**3.6**	-	**7.5**	-	**10.2**	-	**15.1**	-	**-**	-	**(1.4)**	-

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

37. ASSOCIATES (CONT'D)

(a) Summarised financial information and details of each of the material associates is set out below (Cont'd):

	OCI		Total comprehensive income		% holding		Financial period ended	Country of incorporation	Principle place of business	Nature of business
	2020	(Restated) 2019	**2020**	(Restated) 2019	**2020**	(Restated) 2019				
	MUR'M	MUR'M	**MUR'M**	MUR'M	**MUR'M**	MUR'M				
AMCO Solutions Limited (PKA: Alcohol & Molasses Export Ltd)	**-**	(1.0)	**7.8**	11.4	**41.9**	41.9	June 30,	Mauritius	Mauritius	Strategic procurement
Anytime Investment Ltd	**-**	-	**-**	-	**24.5**	24.5	June 30,	Mauritius	Mauritius	Investment holding
Coal Terminal (Management) Co Ltd	**(0.9)**	-	**-**	0.5	**15.4**	15.4	December 31,	Mauritius	Mauritius	Procurement and logistics of coal
Horus Ltée	**-**	-	**(0.1)**	(0.1)	**50.0**	50.0	June 30,	Mauritius	Mauritius	Investment holding
Swan General Ltd	**(230.2)**	119.1	**390.7**	791.3	**34.1**	34.0	December 31,	Mauritius	Mauritius	Insurance
New Fabulous Investment Ltd	**-**	-	**-**	-	**24.5**	24.5	June 30,	Mauritius	Mauritius	Investment holding
New Goodwill Co. Ltd	**-**	-	**96.1**	110.0	**33.3**	33.3	June 30,	Mauritius	Mauritius	Rum bottling and distribution
Rehm Grinaker Construction Co. Ltd (ii)	**(14.6)**	-	**(87.9)**	-	**35.5**	35.5	June 30,	Mauritius	Mauritius	Construction
Rehm Grinaker Properties Co Ltd (ii)	**-**	11.0	**-**	23.3	**-**	-	June 30,	Mauritius	Mauritius	Real Estate
Topterra Ltd	**-**	-	**-**	(4.5)	**33.3**	33.3	June 30,	Mauritius	Mauritius	Production and distribution of liquid fertiliser
Commada Ltd (i)	**-**	-	**-**	(2.9)	**-**	50.0	December 31,	Mauritius	Mauritius	Investment holding
Sucrivoire S.A	**(24.8)**	-	**157.3**	(505.9)	**25.5**	25.5	December 31,	Côte d'Ivoire	Côte d'Ivoire	Sugar production
Aquasantec International Limited	**(5.6)**	(6.9)	**37.9**	26.0	**26.7**	26.7	December 31,	Mauritius	Mauritius	Management company
Thermal Valorisation Co Ltd	**-**	-	**(65.5)**	(7.5)	**17.9**	17.9	December 31,	Mauritius	Mauritius	Energy
United Docks Ltd	**(0.1)**	(16.8)	**(10.2)**	2.4	**15.2**	15.2	June 30,	Mauritius	Mauritius	Real estate
Distillerie de Bois Rouge Ltd	**-**	-	**(0.3)**	(0.4)	**33.3**	33.3	July 31,	Mauritius	Mauritius	Dormant
Grays Uganda Ltd	**-**	-	**-**	-	**22.2**	22.2	December 31,	Uganda	Uganda	Dormant
Inside Capital Partners Ltd	**0.1**	-	**1.6**	9.9	**36.8**	36.8	December 31,	Mauritius	Mauritius	Fund management
Payment Express Ltd	**-**	-	**-**	7.9	**27.8**	27.8	June 30,	Mauritius	Mauritius	Payment service provider
Beau Plan Campus Ltd	**-**	-	**21.8**	46.6	**40.0**	40.0	December 31,	Mauritius	Mauritius	Real estate
The Greencoast International Primary School Limited (iii)	**-**	-	**(1.4)**	-	**20.0**	-	December 31,	Mauritius	Mauritius	Education

(i) Investment in Commada was reclassified to Non-current asset held for sale (note 17).

(ii) During the year ended December 31, 2019 Rehm Grinaker Properties Co. Ltd amalgamated with Rehm Grinaker Construction Co. Ltd and the latter became the surviving company.

(iii) During the year ended December 31, 2020 the Group acquired a 20% stake in The Greencoast International Primary School Limited. The investment was classified as Investment in associates.

(iv) Associates with non-coterminous year end have been equity accounted based on management accounts at December 31, 2020.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

37. ASSOCIATES (CONT'D)

(b) For December 31, 2020 and 2019, the Group accounts for its investments in Coal Terminal (Management) Co Ltd and United Docks Ltd as associates although the Group holds less than 20% of the issued share capital as the Group has the ability to exercise significant influence over the investment due to the Group's representation on the Board of Directors of these associated companies.

For December 31, 2020 and 2019, the Group accounts for its investments in Horus Ltée as associate although the Group holds 50% of the issued share capital as the Group does not have control over the investment due to the lack of representation at board level and there is no agreement with the investee stating otherwise.

(c) **Reconciliation of summarised financial information**

Reconciliation of summarised financial information to the carrying amount recognised in the financial statements in respect of material associates is set out below:

	Carrying amount										
Investment in associates	Opening balance- as previously stated	Prior year adjustments	Opening balance- as restated	Additions	Share of profit (loss) for the year	Dividends	Impairment	Share of OCI for the year	Translation reserves	Reclassification (Note 9(a)(ii))	Closing balance
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
AMCO Solutions Limited (PKA: Alcohol & Molasses Export Ltd)	8.3	-	8.3	-	3.3	(5.0)	-	(0.6)	-	-	6.0
Horus Ltée	188.3	-	188.3	-	(1.0)	-	-	-	-	-	187.3
Swan General Ltd	1,247.0	-	1,247.0	2.6	213.1	(40.8)	-	(72.3)	-	-	1,349.6
New Goodwill Co. Ltd	76.3	-	76.3	-	32.0	(21.3)	-	0.6	-	-	87.6
Rehm Grinaker Construction Co. Ltd	47.0	-	47.0	-	(26.0)	-	(14.7)	(6.3)	-	-	-
Commada Ltd	28.7	-	28.7	-	(15.9)	-	-	-	12.0	(24.8)	-
Sucrivoire S.A	560.5	130.6	691.1	-	46.4	-	-	(6.3)	130.2	-	861.4
Aquasantec International Limited	46.5	-	46.5	-	11.6	-	-	(5.3)	4.3	-	57.1
Thermal Valorisation Co Ltd	157.6	-	157.6	-	(22.9)	-	-	-	-	-	134.7
Inside Capital Partners Ltd	0.7	-	0.7	-	0.5	-	-	-	-	-	1.2
United Docks Ltd	125.3	-	125.3	-	(0.6)	-	-	-	-	-	124.7
Beau Plan Campus Ltd	134.7	-	134.7	-	8.7	-	-	(9.3)	10.4	-	144.5
	2,620.9	130.6	2,751.5	2.6	249.2	(67.1)	(14.7)	(99.5)	156.9	(24.8)	2,954.1

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

37. ASSOCIATES (CONT'D)

(c) Reconciliation of summarised financial information (Cont'd)

	Carrying amount							
December 31, 2019	Opening balance	Additions/	Share of profit/(loss) for the year (Restated)	Dividends	Impairment	Share of OCI for the year (Restated)	Translation reserves	**Closing balance**
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	**MUR'M**
Investment in associates								
AMCO Solutions Limited (PKA: Alcohol & Molasses Export Ltd)	9.8	-	5.2	(6.3)	-	(0.4)	-	**8.3**
Horus Ltée	186.7	-	1.6	-	-	-	-	**188.3**
Swan General Ltd	1,052.3	-	194.8	(40.5)	-	40.4	-	**1,247.0**
New Goodwill Co. Ltd	68.0	-	36.7	(28.4)	-	-	-	**76.3**
Rehm Grinaker Construction Co. Ltd	9.6	-	4.4	-	-	33.0	-	**47.0**
Topterra Ltd	18.4	-	(2.3)	-	(16.1)	-	-	**-**
Commada Ltd	28.1	-	(1.5)	-	-	-	2.1	**28.7**
Sucrivoire S.A	665.0	-	(63.1)	-	-	62.3	26.9	**691.1**
Aquasantec International Limited (PKA: Terravest Limited)	39.9	-	8.8	-	-	(1.8)	(0.4)	**46.5**
Thermal Valorisation Co Ltd	94.7	65.5	(2.6)	-	-	-	-	**157.6**
Inside Capital Partners Ltd	-	(1.7)	3.6	-	-	-	(1.2)	**0.7**
Payment Express Ltd	32.9	-	0.5	-	(33.4)	-	-	**-**
United Docks Ltd	125.2	-	1.1	-	-	(1.0)	-	**125.3**
Beau Plan Campus Ltd	110.8	-	18.6	-	-	-	5.3	**134.7**
	2,441.4	63.8	205.8	(75.2)	(49.5)	132.5	32.7	**2,751.5**

37. ASSOCIATES (CONT'D)

(d) Information presented in aggregate for the associates that are not individually significant:

	2020	2019
	MUR'M	MUR'M
Carrying amount of interests	**3.9**	3.3
Group's share of profit	**-**	31.0
Group's share of other comprehensive income	**(1.4)**	(31.4)
Group's share of total comprehensive income	**(1.4)**	(0.4)

(e) The following associates are listed on a primary market and therefore a quoted price is available for the shares.

	2020	2019
Fair value of investments	**MUR'M**	MUR'M
Swan General Ltd	**1,017.0**	985.6
United Docks Ltd	**78.6**	103.4

38. CAPITAL COMMITMENTS

Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

	THE GROUP	
	2020	2019
	MUR'M	MUR'M
Property, plant and equipment	**33.5**	58.2
Investment properties	**401.4**	926.2
Inventory work in progress	**-**	25.2
	434.9	1,009.6

39. PARENT AND ULTIMATE HOLDING ENTITY

The Board of Directors considers Société de Nemours, constituted in Mauritius, as the parent and ultimate holding entity of TERRA Mauricia Ltd.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

40. RELATED PARTY TRANSACTIONS

Related parties are individuals and companies where the individual or the company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operational decisions.

(i) THE GROUP	Purchases of services MUR'M	Sales of services and others MUR'M	Amount receivable MUR'M	Amount payable MUR'M	Interest expense MUR'M	Dividends MUR'M
2020						
Associates	**35.8**	**30.6**	**29.9**	**6.8**	**-**	**67.1**
Enterprises with common directors	**71.1**	**-**	**-**	**6.6**	**-**	**-**
	106.9	**30.6**	**29.9**	**13.4**	**-**	**67.1**
2019						
Associates	120.4	41.7	59.7	11.5	0.1	75.2
Enterprises with common directors	58.7	0.3	-	5.2	-	-
	179.1	42.0	59.7	16.7	0.1	75.2

(ii) THE COMPANY	Amount receivable MUR'M	Amount payable MUR'M	Borrowings MUR'M	Interest expense MUR'M	Dividend income MUR'M
2020					
Associates	**10.2**	**-**	**-**	**-**	**5.0**
Subsidiaries	**39.8**	**26.6**	**990.3**	**27.0**	**178.2**
	50.0	**26.6**	**990.3**	**27.0**	**183.2**
2019					
Associates	14.0	-	-	-	6.3
Subsidiaries	51.4	3.2	860.3	36.2	223.7
	65.4	3.2	860.3	36.2	230.0

During the financial year ended December 31, 2019, the Group received a performance security guarantee for MUR'M 51 from an associate which will expire on September 30, 2021.

Amounts receivable from and payable to related parties are unsecured, interest-free and repayable within one year. Non-current related party receivable is unsecured, interest-free and repayment is not expected to be requested within one year.

The subsidiaries of TERRA Mauricia Ltd carried out an impairment assessment of their trade receivables which resulted in an impairment of MUR'M 55.0 (2019: MUR'M 43.4) (note 16(ii)).

Details of impairment of associates are disclosed in note 9(a)(ii).

Dividends paid to non-controlling interests amounting to MUR'M 76.8 (2019: MUR'M 115.3) are disclosed in the Group statement of cash flows.

40. RELATED PARTY TRANSACTIONS (CONT'D)

None of the balances is secured. No expense has been recognised in the current year or prior year for bad or doubtful debts in respect of amounts owed by related parties. No guarantees have been given or received.

Refer to note 20 for terms and conditions of borrowings and note 11/16 for amounts receivables.

Letter of comfort given to a wholly owned subsidiary is disclosed in note 41 (c).

Dividends paid to shareholders amounting to MUR'M 129.7 (2019: MUR'M 193.4) are disclosed in Company's statement of cash flows.

(iii) Key management personnel

Key management personnel consists of personnel employed by the Group and its subsidiaries who can exercise direct control on major parts of the Group/Company's activities and resources. The key management personnel compensation comprised the following:

	THE GROUP		THE COMPANY	
	2020	(Restated) 2019	**2020**	2019
	MUR'M	MUR'M	**MUR'M**	MUR'M
Salaries and short term employee benefits	**123.4**	110.7	**-**	-
Post employment benefits	**9.5**	9.4	**-**	-
Other benefits	**1.8**	1.7	**-**	-
	134.7	121.8	**-**	-

41. CONTINGENT LIABILITIES

(a) Court cases

(i) *Previous distillers*

An agreement was reached in 1979 between five enterprises (including a subsidiary of the Group) for the sale and sharing thereof of alcohol produced from molasses and sold in Mauritius. The agreement was terminated in 2000. There is currently a dispute over the compensation payable upon termination to two partners, who are claiming MUR'M 58.4 from the other partners, (including a subsidiary of the Group). A ruling was delivered in August 2012 by the Judge of the Commercial Court to the effect that the matter should be referred to arbitration. However, the parties have given notice of appeal of that judgement. The appeal was called in March 2014, when some points of laws were raised. On November 20, 2014, arguments were heard on the points of law and the judge has delivered his ruling on December 11, 2015, allowing the appeal to proceed. The appeal was heard on February 22, 2017 and the Court has ruled, on November 1, 2018, that the case should be referred to the Supreme Court (Commercial Division). The case is ongoing.

(ii) *Ex-employees of Beau Plan Sugar Factory*

There is currently a claim to a subsidiary for damages from ex-employees of Beau Plan Sugar Factory for MUR'M 130.0 in respect of breach of contract. The court case is ongoing.

(iii) *Irrigation Authority*

There is a dispute in respect of irrigation dues by Terragri Ltd for the period 2005 to June 30, 2019 amounting to MUR'M 49.9. The matter has been referred to an Arbitration Board as provided by the water supply agreement existing between the Irrigation Authority and Terragri Ltd.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

41. CONTINGENT LIABILITIES (CONT'D)

(a) Court cases (Cont'd)

(iv) *Dissenting shareholders*

Following the special meeting of Harel Frères Limited (now Terragri Ltd) held on November 23, 2011 at which the shareholders of Terragri Ltd approved a scheme of arrangement under sections 261 to 264 of the Companies Act 2001 (the "Scheme") pursuant to which the shares of Terragri Ltd were, on January 01, 2012, exchanged for shares of Terra Mauricia Ltd ("Terra") in the ratio of 1:1, that is one (1) ordinary share of Terra for one (1) ordinary share of Terragri Ltd, certain dissenting shareholders (the "Dissenting Shareholders"), representing some 6.4% of the share capital have initiated legal proceedings against Terragri Ltd and Terra.
The Dissenting Shareholders claim that they have been unfairly prejudiced by the Scheme and have applied for an order of the court requiring the buy back of their shares at fair value or the payment of compensation in a sum in excess of MUR 64 per share held by them. Terragri Ltd and Terra have been advised that the claim of the Dissenting Shareholders is misconceived. Counsel has further opined that the claim amounts to an abuse of process of the court. The claim of the Dissenting Shareholders has been resisted both by Terragri Ltd and Terra. The matter has been heard by the Bankruptcy Division of the Supreme Court of Mauritius and a judgement was issued on February 11, 2014. The Supreme Court dismissed the applications with costs and confirmed that the claim amounted to an abuse of the process of the court. Some of the dissenting shareholders had appealed against the judgement and the Court of Appeal has in its judgement, delivered on March 25, 2019, dismissed the appeal with costs. The appellants have since obtained leave from the Supreme Court to submit an appeal to the Privy Council.

(v) *Breach of contract*

A subsidiary has claimed an amount of MUR'M 1.8 to one of its clients in respect of overdue selling fees. The client has submitted a counterclaim of MUR'M 60 to the subsidiary for breach of contract and damages. The dispute is still pending.

(vi) *Work accident*

The heirs of 2 ex-employees of Terra Milling Ltd, who were victims of work accidents, have claimed damages amounting to MUR'M 6.1 and MUR'M 1.9 respectively to their former employer. The cases are ongoing. The exposure is mitigated under the employer liability insurance cover of the Terra Milling Ltd.

(b) Bank guarantees

In the ordinary course of business, the Group had contingent liabilities in respect of bank guarantees amounting to MUR'M 196.9 as at December 31, 2020 (2019: MUR'M 467.2).

(c) Letter of comfort

In the ordinary course of business, the Company has provided letters of comfort and undertaking in favour of commercial banks in Mauritius in respect of short term banking facilities availed by its wholly owned subsidiary, Terra Finance Ltd.

As at December 31, 2020, the total comfort provided in respect of the short term banking facilities amounted to MUR 2.5 billion (2019: MUR 3 billion) out of which total utilisation amounted to MUR 1.2 billion (2019: MUR 2.2 billion).

42. EVENTS AFTER THE REPORTING PERIOD

The global outbreak of the COVID-19 declared as a pandemic in March 2020 continues to cause significant volatility within the economic markets, for which the duration and spread of the outbreak and the resultant economic impact is uncertain and cannot be predicted. Mauritius has imposed a lockdown for the second time since the outbreak on March 10, 2021. This may directly or indirectly impact the Group activities in some respects by interrupting and disrupting business and transaction. The effect of the impact of the second lockdown has not been reflected in these financial statements; such impact may affect to a certain extent the future results and affairs of the Group and Company. Countries worldwide including Mauritius have embarked on a vaccination campaign to protect the population and hopefully soon reach autoimmunity in order to limit the spread of the virus.

THE GROUP

The COVID-19 outbreak is expected to have some impact on the Group's operations, customers and suppliers (particularly within the Brands cluster and the hospitality sector) and consequently the Group's production, revenue and cash position in the near term. The Group will continue to monitor the impact COVID-19 has on them and reflect the consequences as appropriate in its accounting and reporting.

Nonetheless, based on the analysis of the Group's cash flows, the Board believes that the Group has sufficient liquid assets and has access to unused borrowing facilities with sufficient headroom (MUR 2.4 billion at June 30, 2020) to meet its obligations for at least the next 12 months from the date of the approval of these consolidated financial statements. Hence, it will not have a material effect on the Group's ability to continue as a going concern. Accordingly, the consolidated financial statements are prepared on a going concern basis (refer to note 4.2).

THE COMPANY

The COVID-19 is expected to have some impact on the Company's dividend income and the fair value of its investments over the forthcoming year.

The accounting policy of the Company is to fair value its investments in subsidiaries, associates and financial assets at fair value through other comprehensive income. At December 31, 2020, the fair value of the Level 1 investments (including investments in associates) was MUR'M 202.5. These investments are classified as non-current assets and are held for as long term investments. As at June 30, 2021, the fair value of the Level 1 investments (including investments in associates) dropped to MUR'M 161.9 resulting in a decrease in the fair value of the investments by MUR'M 40.6.

At the Company level, for non-level 1 investments (including investments in subsidiaries and associates), COVID-19 is subject to rapid change and updated facts and circumstances continue to be monitored as new information becomes available. COVID-19 will have an impact on the fair value of those investments but it is not possible to reliably estimate the precise impact at this stage due to the unobservable inputs required to perform the valuations. The Directors believe that the economic slowdown, and consequently the volatility in the financial markets, are temporary and expected to reverse in the near future and the disposal of meaningful/substantial investment is not expected in the foreseeable future.

Nonetheless, based on the analysis of the Company's cash flows, the Board believes that the Company has sufficient liquid assets and cash flows for at least the next 12 months from the date of the approval of these separate financial statements. Hence, it will not have a material effect on the Company's ability to continue as a going concern. Accordingly, the separate financial statements are prepared on a going concern basis.

There have been no other material events since the end of the reporting period which would require disclosure or adjustment to the consolidated and separate financial statements for the year ended December 31, 2020.

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

43. SEGMENT INFORMATION

Reportable segments are disclosed in note 26(a).

Segment assets consist primarily of property, plant and equipment, intangible assets, inventories, cash and cash equivalents and receivables and exclude investments in associates and others.

Segment liabilities comprise operating liabilities and exclude items such as taxation and certain corporate borrowings.

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies (note 2).

(a) Information about reportable segments

THE GROUP

Year ended December 31, 2020	Cane	Power	Brands	Property and Leisure	Others	Group interests	Total
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
Total segment revenues	1,095.2	1,152.3	2,169.8	291.6	292.4	-	5,001.3
Intersegment sales	(8.6)	(21.1)	(60.2)	(50.5)	(108.7)	-	(249.1)
Revenues from external customers	1,086.6	1,131.2	2,109.6	241.1	183.7	-	4,752.2
Segment profit	85.9	70.8	99.7	12.4	59.4	(108.0)	220.2
Fair value loss on non-current assets classified as held for sale	-	-	-	-	(314.0)	-	(314.0)
Net finance (costs)/income	(89.0)	(1.7)	(18.2)	0.3	(161.1)	108.0	(161.7)
Profit/(loss) after finance costs	(3.1)	69.1	81.5	12.7	(415.7)	-	(255.5)
Share of results of associates	46.4	(22.9)	32.0	8.5	185.2	-	249.2
Impairment of associates	-	-	-	-	(181.8)	-	(181.8)
Profit/(loss) before taxation	43.3	46.2	113.5	21.2	(412.3)	-	(188.1)
Taxation	(3.0)	(10.4)	(11.3)	(0.7)	3.1	-	(22.3)
Profit/(loss) after taxation	40.3	35.8	102.2	20.5	(409.2)	-	(210.4)
Non-controlling interests							(58.5)
Loss attributable to equity holders of the Company							(268.9)

43. SEGMENT INFORMATION (CONT'D)

(a) Information about reportable segments (Cont'd)

THE GROUP

Year ended December 31, 2019 - restated	Cane	Power	Brands	Property and Leisure	Others	Group interests	Total
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
Total segment revenues	1,026.4	1,318.7	2,318.9	545.8	431.4	-	5,641.2
Intersegment sales	-	(24.0)	(30.4)	(331.8)	(207.7)	-	(593.9)
Revenues from external customers	1,026.4	1,294.7	2,288.5	214.0	223.7	-	5,047.3
Segment (loss)/profit	(102.1)	190.3	173.6	250.6	50.8	(125.3)	437.9
Fair value gain on non-current assets classified as held for sale	-	-	-	-	77.1	-	77.1
Net finance costs	(49.5)	(3.9)	(28.9)	-	(161.0)	125.3	(118.0)
(Loss)/profit after finance costs	(151.6)	186.4	144.7	250.6	(33.1)	-	397.0
Share of results of associates	(63.1)	(2.6)	35.2	18.6	248.7	-	236.8
Impairment of associates	-	-	(18.3)	-	(101.8)	-	(120.1)
(Loss)/Profit before taxation	(214.7)	183.8	161.6	269.2	113.8	-	513.7
Taxation	10.8	(23.4)	(25.9)	(0.5)	(28.1)	-	(67.1)
(Loss)/profit after taxation	(203.9)	160.4	135.7	268.7	85.7	-	446.6
Non-controlling interests							(117.9)
Profit attributable to equity holders of the Company							328.7

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

43. SEGMENT INFORMATION (CONT'D)

(b) Other material items

THE GROUP

Year ended December 31, 2020	Cane	Power	Brands	Property and Leisure	Others	Total
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
Finance income	-	-	7.6	3.7	-	11.3
Finance costs	(57.0)	(1.7)	(19.9)	(0.5)	(93.9)	(173.0)
Cost of sales	(917.9)	(962.8)	(1,562.2)	(80.1)	(117.4)	(3,640.4)
Segment assets	7,381.5	1,627.2	1,575.7	5,123.1	814.7	16,522.2
Associates	861.5	134.7	86.5	142.8	1,864.4	3,089.9
Other assets	30.2	8.0	36.7	26.0	1,063.5	1,164.4
Segment liabilities	716.4	228.5	599.0	295.7	208.5	2,048.1
Borrowings	743.7	30.5	352.8	544.1	2,232.1	3,903.2
Other liabilities	34.9	175.3	35.0	0.9	10.2	256.3
Capital expenditure	116.0	42.6	52.8	741.6	18.0	971.0
Depreciation and amortisation	(163.7)	(68.1)	(71.9)	(43.9)	(46.8)	(394.4)
Other material non-cash items:						
- Impairment losses on trade receivables and contract assets	(46.3)	-	(5.4)	(3.3)	(9.2)	(64.2)
- Impairment losses on non-financial assets	-	-	-	-	(22.3)	(22.3)

Year ended December 31, 2019 - Restated	Cane	Power	Brands	Property and Leisure	Others	Total
	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M	MUR'M
Finance income	0.2	-	-	-	4.6	4.8
Finance costs	(14.8)	(2.8)	(16.7)	-	(88.5)	(122.8)
Cost of sales	(1,039.8)	(974.0)	(1,647.8)	(37.3)	(144.6)	(3,843.5)
Segment assets	7,514.4	1,663.0	1,901.8	4,407.6	889.5	16,376.3
Associates	691.2	157.6	75.2	134.7	1,995.1	3,053.8
Other assets	-	3.1	20.2	466.8	788.1	1,278.2
Segment liabilities	588.2	201.2	600.5	141.0	197.9	1,728.8
Borrowings	897.0	0.2	656.0	0.9	1,982.7	3,536.8
Other liabilities	32.1	181.5	14.6	23.1	7.2	258.5
Capital expenditure	149.2	43.3	44.2	310.2	20.9	567.8
Depreciation and amortisation	(172.9)	(71.0)	(76.7)	(28.8)	(27.8)	(377.2)
Other material non-cash items:						
- Impairment losses on trade receivables and contract assets	-	-	-	-	(43.4)	(43.4)
- Impairment losses on non-financial assets	(558.6)	-	-	-	-	(558.6)
- Reversal of impairment losses on non-financial assets	8.1	-	-	-	-	8.1

44. PRIOR YEAR ADJUSTMENTS

The consolidated account of December 31, 2019 was prepared using the management account of one of the material associate, namely Sucrivoire S.A, for equity accounting. The signed financial statements came after the finalisation of TERRA Mauricia Ltd's financial statements and the investment in associates was materially misstated in December 31, 2019. The effect of this material misstatement was a restatement of the prior year comparatives in accordance with IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

The effects of the restatement on the prior years' financial statements comparatives are as follows:

THE GROUP

Impact on assets, liabilities and equity as at December 31, 2019:

	As at January 1, 2020 (As previously reported)	Prior year adjustment	As at January 1, 2020 (As restated)
Assets:	MUR'M	MUR'M	MUR'M
Property, plant and equipment	11,559.4	-	11,559.4
Right-of-use assets	42.9	-	42.9
Investment properties	1,025.6	-	1,025.6
Intangible assets and goodwill	218.6	-	218.6
Investments in associates	2,923.2	130.6	3,053.8
Financial assets at fair value through other comprehensive income	502.8	-	502.8
Other financial assets at amortised cost	15.6	-	15.6
Lease receivables	44.5	-	44.5
Deferred tax assets	193.5	-	193.5
Inventories	1,082.1	-	1,082.1
Consumable biological assets	137.2	-	137.2
Trade and other receivables	1,719.7	-	1,719.7
Other financial assets at amortised cost	30.0	-	30.0
Cash in hand and at bank	491.5	-	491.5
Non-current assets classified as held for sale	580.7	-	580.7
	20,567.3	130.6	20,697.9
Equity and liabilities:			
Stated capital	11,976.0	-	11,976.0
Revaluation and other reserves	1,416.0	64.7	1,480.7
Retained earnings	641.7	65.9	707.6
Non-controlling interests	1,019.9	-	1,019.9
Lease liabilities	36.1	-	36.1
Deferred tax liabilities	258.4	-	258.4
Retirement benefit obligations	641.6	-	641.6
Trade and other payables	903.6	-	903.6
Contract liabilities	69.7	-	69.7
Current tax liabilities	37.3	-	37.3
Provisions	26.0	-	26.0
Borrowings	3,541.0	-	3,541.0
	20,567.3	130.6	20,697.9

Notes to the Consolidated and Separate Financial Statements (cont'd)

YEAR ENDED DECEMBER 31, 2020

44. PRIOR YEAR ADJUSTMENTS (CONT'D)

Statement of profit or loss and other comprehensive income for the year ended December 31, 2019:

	As previously reported	Prior year adjustment	As restated
	MUR'M	MUR'M	MUR'M
Revenue	5,047.3	-	5,047.3
Cost of sales	(3,843.5)	-	(3,843.5)
Gross profit	1,203.8	-	1,203.8
Gains arising from changes in fair value of consumable biological assets	84.3	-	84.3
Fair value gain on non-current assets classified as held for sale	77.1	-	77.1
Other income	396.6	-	396.6
Impairment loss on trade receivables	(43.4)	-	(43.4)
Impairment of non-financial assets	(122.6)	-	(122.6)
Administrative expenses	(665.6)	-	(665.6)
Distribution costs	(142.3)	-	(142.3)
Other expenses	(272.9)	-	(272.9)
Profit before finance costs	515.0	-	515.0
Net finance costs	(118.0)	-	(118.0)
Profit after finance costs	397.0	-	397.0
Share of results of associates	170.9	65.9	236.8
Impairment of associates	(120.1)	-	(120.1)
Profit before taxation	447.8	65.9	513.7
Taxation charge	(67.1)	-	(67.1)
Profit for the year	380.7	65.9	446.6
Other comprehensive income:			
Attributable to:			
Owners of the Company	262.8	65.9	328.7
Non-controlling interests	117.9	-	117.9
	380.7	65.9	446.6
Basic and diluted (loss)/earnings per share (MUR):	1.16	0.29	1.44
Items that will not be reclassified to profit or loss	940.9	-	940.9
Items that may be reclassified subsequently to profit or loss:			
Share of other comprehensive income of associates	36.4	64.7	101.1
Translation reserve movement	40.2	-	40.2
Other comprehensive income for the year	1,017.5	64.7	1,082.2
Total comprehensive income for the year	1,398.2	130.6	1,528.8

Three year Summary of published results and assets and liabilities

THE GROUP

	THE GROUP		
		(Restated)	
	2020	2019	2018
STATEMENT OF PROFIT OR LOSS	MUR'M	MUR'M	MUR'M
Turnover	4,752.2	5,047.3	5,185.4
(Loss)/profit before taxation and associates' results	(255.5)	397.0	169.8
Share of results of associates	249.2	236.8	254.0
Impairment of associates	(181.8)	(120.1)	(66.0)
Taxation	(22.3)	(67.1)	(38.2)
(Loss)/profit after taxation	(210.4)	446.6	319.6
(Loss)/profit attributable to:			
Owners of the Company	(268.9)	328.7	197.3
Non-controlling interests	58.5	117.9	122.3
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
(Loss)/profit after taxation	(210.4)	446.6	319.6
Other comprehensive income for the year net of tax	(191.6)	1,082.2	479.3
Total comprehensive income	(402.0)	1,528.8	798.9
Total comprehensive income attributable to:			
Owners of the Company	(434.5)	1,374.7	667.6
Non-controlling interests	32.5	154.1	131.3
	(402.0)	1,528.8	798.9
Percentage of (loss)/profit on shareholders' interest (%)	(2.0)	2.3	1.5
(Loss)/earnings per share (MUR)	(1.18)	1.44	0.90
Dividends proposed and paid	129.7	193.4	193.4
Dividend per share (MUR)	0.57	0.85	0.85
Dividend cover (times)	(2.1)	1.7	1.1
Net assets per share (MUR)	59.7	62.2	57.2
Weighted number of ordinary shares used in calculation (M)	227.6	227.6	227.6

	2020	2019	2018
STATEMENTS OF FINANCIAL POSITION	MUR'M	MUR'M	MUR'M
Non-current assets	17,252.5	16,664.6	15,781.7
Current assets	3,232.5	3,463.0	2,867.7
Non-current assets classified as held-for-sale	291.5	580.7	-
Total assets	20,776.5	20,708.3	18,649.4
Owners' interest of the Company	13,593.5	14,164.3	13,008.7
Non-controlling interests	975.4	1,019.9	983.5
Non-current liabilities	3,796.1	1,109.8	1,052.9
Current liabilities	2,411.5	4,414.3	3,604.3
Total equity and liabilities	20,776.5	20,708.3	18,649.4