The Sugar Spectrum

Annual Report 2023-24

MAURITIUS
SUGAR
SYNDICATE

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MAURITIUS

Role & Status of Mauritius Sugar Syndicate

In 1951, following the recommendations of the Mauritius Economic Commission 1947-48, the Mauritius Sugar Syndicate (the "Syndicate"), which originated in 1919, was legally constituted pursuant to the Mauritius Sugar Syndicate Act 1951.

The Syndicate's role, structure and obligations are enshrined in its Articles of Association dated 1967. As an authorised body under the Mauritius Cane Industry Authority (MCIA) Act 2011, the Syndicate is the only organization marketing and selling sugars produced in the country. It brings together all the sugar producers, small and corporate growers, who numbered 8,206 for the 2023 Crop, as well as the three milling companies (Alteo, Omnicane and Terra). Its key role is to sell all sugars received on behalf of these members and subsequently distribute the proceeds of such sales after deducting common expenses.

In fulfilling its role, the Syndicate's primary objective is to optimise producers' revenue through the adoption of commercial strategies and targets designed to capture the highest values obtainable on a sustainable basis. It, moreover, endeavors to minimize costs along the supply chain, from time of production at the sugar mill until delivery to customers, and likewise its financial charges. Its operations are structured into specialised departments geared to provide services of direct relevance to its core business, namely marketing and sales, planning and delivery, finance and accounts, and ensuring quality and food safety for the sugars supplied, while providing the relevant support to producers. In addition to payment of the net sugar sales revenue to its members, the Syndicate facilitates disbursement of other proceeds due to them, pertaining namely to bagasse, molasses, SIFB compensation and any Government compensation applicable.

Given the substantial changes to the production and market environment since 1967, the Syndicate's Articles of Association have been revised over the course of the year and validated by its General Assembly in March 2024. They accommodate the new responsibilities which have been entrusted to it in recent years, namely (i) disbursements to its members of their cane proceeds other than sugar, (ii) import of raw sugar for refining and sales, (iii) conforming to new sustainability standards as seller of the certified sugars, (iv) hedging of sugar futures prices and using Forex proceeds to mitigate price fluctuations, and (v) using new financial tools to lower its finance charges.

The Syndicate is managed and administered by a statutory committee known as "the Committee", which comprises 22 members, of whom 14 are representatives of the corporate sector of the industry, including corporate growers and millers, and 8 are the representatives of large and small cane planters. The representatives of the corporate sector are appointed by the relevant members while the planters' representatives are appointed by the Minister of Agro-Industry and Food Security upon the recommendation of their respective associations.

The President of the Syndicate is elected every year at the first meeting of the Committee following the Annual General Meeting (AGM) in the month of September. Since 1976, the President's Chair alternates between corporate and planters' representatives. The Committee also approves the composition of the Executive and Selling Committee (ESC), which comprises ten members: six representatives of the corporate sector and four planters' representatives. The CEO of the MCIA is invited to attend as a government representative, alongside the Secretary General of the Mauritius Chamber of Agriculture.

The ESC, which meets every two months, is the steering body of the Syndicate, and decisions are made by consensus. The Main Committee meets at least twice a year to ratify these decisions. For improved governance, sub-committees consisting of members of the ESC have been established to provide support to the Syndicate's Management in specific areas. These sub-committees include the Marketing Committee, the Forex Committee, and the Audit and Risk Management Committee. The Remuneration Committee, on the other hand, meets when required to address issues relating to remuneration, promotion, and recruitment within the Syndicate.

Mauritius Sugar Syndicate

Main Committee

President
Fabien de Marassé Enouf

Vice President
Sandip Seeburrun

Corporate Sector Representatives
Olivier Baissac
Gregory Bathfield
Javesh Boodnah
Henri Harel
Jérôme Jaën
Denis Lagesse
Jean Li Yuen Fong
Nicolas Maigrot
Arnaud Marrier d'Unienville
Jacques Marrier d'Unienville, G.O.S.K.
Thierry Merven
Dhiren Ponnusamy
Clement Rey

Large Planters' Representatives
Nominated by the Minister of Agro-Industry & Food Security
Roshan Baguant
Gunness Bhuruth
Dhanunjay Kheedoo
Heymant Rao Anand Sonoo

Small Planters' Representatives
Nominated by the Minister of Agro-Industry & Food Security
Dhananjaye Kutowaroo
Sardanund Nursing
Sachin Sookna

Executive & Selling Committee

President
Fabien De Marassé Enouf

Vice President
Sandip Seeburrun

Members
Olivier Baissac
Gunness Bhuruth
Dhanunjay Kheedoo
Jean Li Yuen Fong
Nicolas Maigrot
Jacques Marrier d'Unienville, G.O.S.K.
Sardanund Nursing
Dhiren Ponnusamy

In attendance
Satish Purmessur, G.O.S.K. (CEO of the Mauritius Cane Industry Authority)
Jacqueline Sauzier, C.S.K. (Secretary General of the Mauritius Chamber of Agriculture)

Chief Executive Officer & Secretary

Devesh Dukhira

Marketing & Sales

Chief Marketing Officer
Sébastien Giraud

Other Staff Members
Glen Baniaux
Lavinishtah Dawoodarry *(until 30 August 2024)*
Nitish Doodee
Honorine Huet-Surette
Dany Jaune
Darmen Mooneesamy
Reshma Nowbuth-Roopun
Hema Narainee Surujbhali

Finance & Accounts

Chief Finance Officer
Ahmad N. Sulyman *(until June 2024)*
Rajendra Puddoo *(from July 2024)*

Other Staff Members
Nitish Chinnee *(from June 2024)*
Indira Goboodun
Yudishtir Gopaul
Kerina Groochurn *(until February 2024)*
Airyne Bibi Ibrahim *(until July 2024)*
Leena Koodun-Ramgolam *(until June 2024)*
Divya Ramlochun *(from January to August 2024)*

Supply Chain

Head of Supply Chain
Khemraj Jhurry

Other Staff Members
Dessigun Gounden *(from June 2024)*
Loïc Keblé
Stephan Keblé
Karine Ribet
Ian Samuel
Sailesh Kumar Seebaluck

Quality

Quality Executive
Sanjaye Goboodun

Technical Executive
Patrick Bussier *(until April 2024)*

Other Staff Members
Clifford Davy
Faisal Earally
Radhika Fokeerah
Akhtar Jamaloodeen

Compliance & Producers' Service

Head of Compliance & Producers' Service
Chetanand Dookhony

Other Staff Members
Varsha Boolakee
Purshotam Luchmun Roy

Admin Staff

Jesieka Baptiste-Rabot *(until March 2024)*
Anja Chooleswaree Gogay *(from March 2024)*
Manoj Kumar Mohun
Gooroodeo Noyan
Dany Payne
Belinda Punchaye

IT Executive

Bilaal Hymabacus

HR Consultant

Veena Ghurburrun

IT Consultant

Kaviraj Ghurburrun

Legal Counsel

ENSafrica (Mauritius)

US Trade Counsel

Ryberg and Smith LLC

External Auditors

Ernst & Young (EY) Mauritius

Internal Auditors

Baker Tilly

Bio-Data of the Syndicate's Executive & Selling Committee Members

• Fabien de Marassé Enouf

Fabien de Marassé Enouf is the Chief Executive Officer (CEO) of Alteo Group and serves on the Board of Directors. Prior to his appointment as CEO in January 2022, Fabien held the role of Chief Finance Executive. Over the years, he has led several decisive projects linked to the restructuring and expansion of Alteo's operations, and has played an active role within several cane sector institutions. He is currently the Chairperson of the Sugar Industry Pension Fund. Fabien holds a BCom (Accounting and Finance) from Curtin University, Australia, and is a Fellow of the Institute of Chartered Accountants in England and Wales (ICAEW).

• Sandip Seeburrun

Sandip Seeburrun is a stalwart of the transport industry, having charted his path as a self-employed professional for over four decades. His journey began in sugarcane planting, where he honed his skills and knowledge over the years, accumulating invaluable experience in agriculture. Beyond his professional pursuits, he is a respected figure within his community and beyond. Known for his affable nature and unwavering commitment to excellence, he has earned admiration in both social and socio-cultural spheres. Whether navigating the intricacies of business or tending to his agricultural roots, Sandip embodies resilience, integrity, and a passion for making a positive impact.

• Olivier Baissac

Olivier Baissac is the CEO of ENL Agri. Aged 34, he graduated with a degree in agriculture from the University of Western Australia and holds an MBA from Heriot-Watt University. He has over ten years of experience in the agricultural sector in Mauritius and is currently Vice-President of the Mauritius Chamber of Agriculture. Olivier is passionate about sustainable farming practices that are in harmony with the terroir.

• Gunness Bhuruth

Aged 34, Gunness Bhuruth graduated from the University of Mauritius with a Diploma in Mechatronics Engineering and holds a degree in Marketing and Management from Curtin University in Australia. Gunness has been an active contributor to budgetary proposals to the Ministry of Finance, Economic Planning and Development, as well as to the Ministry of Agro Industry and Food Security. As Secretary of several Credit Co-operative Societies, Guness assists planters in the Eastern part of the island. He has been elected Director of the Mauritius Co-operative Agricultural Federation Ltd (MCAF) in February 2023. Gunness has been a sugarcane planter since the age of 18.

• Jean Li Yuen Fong

Jean Li Yuen Fong was Director of the Mauritius Sugar Producers' Association (MSPA) until its dissolution in November 2015. His services have subsequently been retained by the main sugar companies for matters relating specifically to the sugar sector. He also sits on the Board of Directors of the following organizations: Business Mauritius, Mauritius Cane Industry Authority, Sugar Insurance Fund Board, Sugar Industry Pension Fund, and Capital Horizons Ltd. He is also the Chairperson of the Regional Training Centre.

• Nicolas Maigrot

Nicolas Maigrot has been the Managing Director of Terra Mauricia Ltd since January 2016. He previously operated in various manufacturing industries, as well as in the finance and services sectors, and has acquired during his career a wealth of experience at executive levels. He is a Director of the following listed companies: Terra Mauricia Ltd, Swan General Ltd, Swan Life Ltd and United Docks Ltd.

- ## Jacques Marrier d'Unienville, G.O.S.K.

Jacques Marrier d'Unienville holds a Bachelor's degree in Commerce and has 30 years of work experience in France, the Seychelles and Mauritius. His expertise lies in the strategic development of new projects in the following sectors: sugar production and refining, independent power production, waste and environment management, and renewable energy projects. He joined Société Usinière du Sud in 2005 as Chief Executive Officer (CEO) and is currently the Chief Executive Officer (CEO) of Omnicane Limited as well as the Chairperson of Omnicane Thermal Energy Operations (La Baraque) Limited and Omnicane Thermal Energy Operations (St Aubin) Limited. A board member of several sugar sector institutions, Jacques Marrier d'Unienville was President of the Mauritius Sugar Syndicate in 2012/13 and 2022/23 and also served as President of the Mauritius Sugar Producers' Association in 2005/06 and 2009/10.

- ## Sardanund Nursing

A retired civil servant, Sardanund Nursing has a distinguished record of service stretching from 1982 to 2021. He is currently the President of the Plaines des Roches Multi-Purpose Cooperative Society.

- ## Dhanunjay Kheedoo

Dhanunjay Kheedoo, now retired, has had a 35-year career in the banking sector. His work experience includes Money Markets and Foreign Exchange, Credit Operations, Corporate and Retail Banking, as well as the implementation of various financial crime risk-related projects. He also looks after his sugarcane cultivation.

- ## Dhiren Ponnusamy

Dhiren Ponnusamy holds a BSc (Hons) degree in Economics from the London School of Economics and Political Science and is a CFA Charterholder. With over 20 years of international experience in global finance and banking across the three continents, he is a former Managing Director at Standard Chartered Bank Plc in London and previously held several senior CFO and regional CFO positions in South Korea, Singapore, Africa, the Philippines and the UK. He relocated to Mauritius to join the Medine Group in January 2018 and was Chief Operating Officer until his appointment as Chief Executive Officer and Executive Director on 1st July 2021.

Elevating Every Sip

Dry Demerara sugar adds depth and complexity to every cocktail, crafting luxurious drinks with rich, bold flavors. Expertly blended to perfection, the sophisticated touch of our sugars transforms ordinary beverages into extraordinary experiences.

President's Report

Fabien De Marassé Enouf

President

The Mauritius Sugar Syndicate (the "Syndicate") benefited from a 2nd consecutive year of exceptionally high prices for the 2023 Crop sugar sales, resulting in an all-time high ex Syndicate price of MUR 30,951 per ton sugar. This represents an increase of 21% over the previous crop price of MUR 25,554, which was already at a record level, and 3 times higher than the disastrous price of MUR 8,686 in 2018 when our sector had faced probably the worst market conditions ever. Such a surge over a span of only 5 years illustrates the far-reaching volatility of sugar prices, hence the need for the Syndicate at the outset to have the required market strengths, skills and flexibility, to always take advantage of the best sales opportunities.

It is worth recalling the circumstances having entailed the remarkable escalation in selling prices for 2022 Crop sugars, namely an exceptional combination of (i) high world market prices with the NY#11 raw sugar futures price having attained US 18-20 cts/lb, (ii) a 12% year-over-year decline in the EU crop production against a low stock environment, and (iii) an upsurge in production costs in the EU triggered by the Russian invasion of Ukraine. Market conditions were further improved as the 2023 Crop harvest started, firstly with the NY#11 raw sugar futures price hovering to US 24-26 cts/lb and secondly with the fear of another poor EU beet crop. Reinforced by the 2.6% growth in the local crop production and a weakening MUR, with the annual average spot rates having increased by 2.8% and 3.4% to the USD and the EUR respectively, sales revenue for the 2023 Crop rose by some 16% to MUR 13.1 bn. Meanwhile, the Syndicate managed to lessen its direct expenses, especially regarding storage and sea freight charges, and, despite the rise in finance costs, its net revenue rose by 24% to MUR 7.4 bn, hence the new ex Syndicate price of MUR 30,951 per ton sugar.

"...an all-time high ex Syndicate price of MUR 30,951 per ton sugar.

...an increase of 21% over the previous crop..."

President's Report (Cont'd)

In addition to the proceeds improvement, the reversal of the declining trend in cane harvest production, by 8.7% compared with the 2022 Crop, was another feel-good factor for the sector, despite an 8.5% reduction in the area harvested. With the accelerated replantation of plots over the last 2-3 years, encouraged by the noteworthy review of bagasse prices in 2021 and rising sugar prices, not all fields were ready for harvesting. However, average yields increased and were supported by improved weather conditions which prevailed over the growth phase of the cane. The average cane yields rose to 68.39 tons per hectare, i.e. 18.8% higher than for the previous crop and 5.5% over the last 5 years' average performance, while sugar yields rose by 12.2% and 2.5% respectively to 6.66 tons per hectare. The 2023 Crop outturn was finalized at 238,854 metric tons tel quel (mttq), compared with 232,707 mttq in the previous year. The support provided by Government to enable this rebound, namely grants to smaller growers under the MCIA Cane Replantation Scheme and soft loans under the DBM Cane Revolving Fund, should be commended. As a result, almost 10,000 arpents of land have been replanted over the last 3 years. Supported by the abundant rainfall over the beginning of 2024 and the ongoing replantation efforts, the next crop outturn is currently expected to be even higher.

"The average cane yields rose to 68.39 tons per hectare, i.e. 18.8% higher than for the previous crop and 5.5% over the last 5 years' average performance..."

It is comforting to note that confidence has been largely restored amongst growers after the revised remuneration for their bagasse in 2021. Together with molasses, they accounted for 14% of their total proceeds for the period under review. The National Biomass Framework of June 2023 re-emphasized the importance of bagasse as a major source of biomass towards attaining Government's objective to produce 60% of the country's electricity needs from renewable sources by 2030, thus setting the scene for a sustainable cane industry. The sugar co-products should henceforth ensure a minimum revenue level for producers, mitigating the effects of the volatility of global sugar prices and consequently providing the long-term visibility they require on the viability of the sector. It is, however, necessary to continuously adjust the price payable for bagasse and other biomass, which was set in 2021 at MUR 3.50 per KWh of electricity produced on an avoided cost basis, to reflect the market rate of alternative energy sources.

Scarcity of manual labour remains the main structural challenge for the industry at present. While some 80% of land under cane is mechanized, the remaining plots, mostly owned by the smaller growers, still require manual harvesting. In that regard, Government has already endorsed the import of labour for the sugar sector and announced in the 2024 national budget, amendments to the Workers' Rights Act to provide more flexibility for recruitment, which should help accelerate this inevitable transition. This measure should hopefully curtail further cane land abandonment while reinforcing producers' confidence in the long-term viability of the sugarcane industry.

It should be reiterated, on the other hand, that cane land abandonment has been continuing, hence a waste of agricultural resources and increasing revenue shortfalls for the sector and the country. Considering the proceeds obtained for the 2023 Crop against the average yields achieved, and an estimated 10,000 hectares having been abandoned over the last 5 years, the revenue shortfall is estimated at over MUR 2 billion this year. The recovery of these lands for cane cultivation will not only increase producers' sales revenue, but also consolidate economies of scale, hence the competitiveness of the sector, while providing the Syndicate with added flexibility to seek the best value for its sugars. No effort should be spared to reverse this trend and the implementation of the recent measures proposed to facilitate labour availability remains a priority.

This year has also been one of reform for the Syndicate. After extensive internal consultations, its Articles of Association of 1967 were revised and validated by its General Assembly on 18th March 2024. This review first became necessary owing to the numerous changes over the years in the structure of the industry, namely the closure of the Mauritius Sugar Producers' Association in 2015, the increased production of value-added sugars after the abolition of guaranteed prices in 2009 and the introduction of new legislations such as the Sugar Insurance Fund Act 1974, the Mauritius Cane Industry Act 2011 and the Cooperatives Act 2016. The new statutes also had to accommodate the enhanced responsibilities entrusted to the Syndicate meanwhile, namely conforming to new sustainability standards such as Fairtrade and Bonsucro, the disbursement of payments for sugar co-products, selling of white sugar refined from imported raw sugar to optimize producers' revenue, hedging of sugar prices, as well as foreign exchange proceeds to mitigate price fluctuations, and resorting to new financial tools to lower the finance charges of its members. The revised Articles of Association were registered in Port Louis on 19th January 2024 and became effective after being endorsed by its General Assembly on 18th March 2024

The exceptional sugar prices over the last two seasons are not expected to persist as sugar availability in the EU market should increase following the granting of duty-free access to Ukrainian sugar and in anticipation of a better European beet crop. The additional gains which have been generated over the last two years should nevertheless have increased producers' financial strengths by enabling them to continue improving their competitiveness. On its side, the Syndicate will have to demonstrate the required agility to mitigate the impact of these price decreases on its proceeds, which will include pursuing new avenues to preserve, or further increase, the value obtainable from its sugars while maintaining cost optimization along the supply chain. With its ongoing strategy of market diversification, both in terms of product offering and geographical destinations, I have no doubt that the Syndicate will be up to the challenge.

I would like to express my profound appreciation to my fellow Committee members for their unwavering support during the year and congratulate the Syndicate team on achieving such a commendable result, for the community of producers.

"With its ongoing strategy of market diversification, both in terms of product offering and geographical destinations, I have no doubt that the Syndicate will be up to the challenge."

CEO's Report

Devesh Dukhira

CEO

When the Mauritius Sugar Syndicate (the "Syndicate") started selling sugar from its 2023 Crop, the world market price had continued its escalation since the drastic price fall of 2017/18, which had been triggered by the bumper global crop of over 180 million (M) tons sugar in that same year, except for the provisional price decline of early 2020 due to the COVID 19-related confinements. In fact, since then, world sugar production has continuously failed to keep up with consumption and is expected to reach that 2017/18 level only in 2023/24, according to the International Sugar Organization (ISO) records of August 2024, while global consumption has meanwhile risen by some 11 M tons. Consequently, the global stock-to-consumption ratio has declined from 61.1% in 2018/19 to 56.1% in 2021/22 and is expected to have dwindled further to 54.4 % in 2023/24. As a result of this stock depletion, the ISO white sugar price index, based on the average quotes for the first two future positions of London ICE white sugar contracts, increased continuously from an October 2019 to September 2020 average of US 16.33 cts/lb to US 20.15 cts/lb in the corresponding period of 2020/21 and surged to US 23.65 cts/lb in the following year. It reached US 25 cts/lb in early 2023 and surpassed US 30 cts/lb by April of the same year, when sales negotiations for Mauritius sugars started.

This significant price increase in 2023 has been supported by speculators betting on the decrease in the 2022/23 Indian crop to 32.8 M tons, compared with over 36 M tons which had been attained in the preceding year, while the Thai crop outturn was expected to fall to under 9 M tons in 2023/24, from previous highs of 14 M tons, both because of adverse weather conditions but, in the latter case, also due to growing cassava cultivation over sugar cane. The Indian sugar production did not improve in 2023/24, with an estimated 31.7 M tons (at time of writing), as per the ISO records, while the sector has meanwhile embarked on an ethanol programme, having diverted 4.1 M tons equivalent sugar in 2022/23, 1.9 M tons in 2023/24 and an anticipated 3.0 M tons in 2024/25 as the target of ethanol blending reaches 20%. Consequently, amid fears of the poor crop and rising domestic prices, the Indian government announced in June 2022 that it would not issue export licenses this ban still prevails at time of writing. Since it is the second-largest sugar supplier to the world market after Brazil, this decision further increased pressure on global prices. On the other hand, the Brazilian crop which had neared 40 M tons early in the decade, fell to 32 M tons in 2021/22. Despite a 35% production increase in the following year, there was fear that their 2023/24 crop harvest might not be as good, which enticed further speculation in the sugar futures market, with the number of long positions having increased from nil to more than 8 M tons sugar equivalent between January and July 2023.

Meanwhile, the EU, the traditional export destination of Mauritius sugars, experienced a tightening of supplies due to the drop in their 2022 beet crop sugar production to 14.6 M tons, i.e. a 12% decrease over the previous year, while its stocks were already low. The price increase over 2022/23 as a result of this low crop outturn, combined with the surge in production costs, persisted over the new marketing year, especially as the 2023 Crop was not expected to be much better than in the previous year while the import parity remained high. The average ex-works price of a ton of white sugar in the EU, which had risen from € 449 over 2021/22 to € 762 in 2022/23, according to the EU Sugar Market Observatory reporting, continued to grow, attaining € 841 in October and € 857 in December 2023. This price evolution motivated sales of Mauritius white sugar in the EU, hence highlighting the necessity to maintain a flexible product mix in addition to the industry's continuous quest for higher value through its special sugars.

Export prices achieved for Mauritius white sugar production in the EU rose by over 3% compared to the preceding crop, while prices for special sugars increased by 9%, though sales quantities for the latter fell by over 20%. In fact, with the price rise for most commodities, having been triggered by the Russian-Ukrainian war since early 2022, inflation plummeted in the EU. From under 2% until late 2021, it attained 8.8% in May and peaked at 11.5% by October 2022, which impacted on special sugars consumption, whereby the Syndicate's customers had excess stocks by the

CEO's Report (Cont'd)

end of that marketing year. On the other hand, sales of direct consumption raw sugar to Kenya, which had exceeded 35,000 tons in 2021/22, have not recovered as this market remained flooded with low-price world market sugars after the extension of the special Government measures to waive import duties as a result of severe sugar shortage faced on the domestic market: they stood at a mere 4,200 tons over the year under review after some 2,000 tons in 2022/23.

While almost 100,000 tons white sugar, out of the 2023 Crop production estimated at 220,000 tons in June 2023, had initially been earmarked for the EU market, the Syndicate had to review over the course of the year certain sales commitments, made possible thanks to the flexibility provided under the commercial arrangements with its EU partners, namely Cristalco and Italia Zuccheri Commerciale, thus deviating an increased portion to other destinations which turned out to have become more remunerative. In fact, pursuant to the duty-free access extended by the EU Commission to Ukrainian agricultural products as from mid-2022, as a support to this war-inflicted country, their white sugar exports to the EU, which had traditionally been around 20,000 tons annually, increased to some 400,000 tons over the 2022/23 marketing year. While this would have provided relief to the market shortage, the sugar was unfortunately traded through informal routes, hence at prices significantly lower than the prevailing market prices. Deliveries accelerated as from the 1st quarter of 2023 but were provisionally suspended during the 3rd quarter due to an export ban imposed by the Ukrainian authorities. As a result, the tight EU stock which had initially been anticipated in 2022/23 was found to have been significantly enhanced, hence with sufficient sugar to meet market demand, and as Ukrainian supplies resumed by the 4th quarter of 2023, compounded with a better-than-expected EU beet crop harvest, buyers reacted through a major decrease in their price offers. In fact, after over 3% increase in both acreage and average yields, the 2023 EU crop harvest is estimated to have risen by some 1 M tons over the previous crop to 15.6 M tons while imports in the preceding year would also have increased by some 1.2 M tons, hence an unanticipated surge in stocks. Consequently, spot prices which had neared € 1,000 per ton by the start of 2023, started declining thereafter, reaching some € 600 per ton by July 2024 according to the EU Sugar Market Observatory.

Meanwhile, the 2023 Mauritius crop harvest also improved, with an additional 18,854 metric tons tel quel (mttq) produced over the initial estimate of 220,000 mttq. While these sugars would have been targeted at the EU market had they been available by the start of the harvest, they had to be sold to other destinations further to the deterioration of its market conditions. These transactions were supported by the strengthening global prices, with the ISO monthly white sugar price index having increased from US 24.57 cts/lb in January 2023 to above US 30 cts/lb by the 3rd quarter of the year when they were being negotiated. Hence sales of white refined sugar to the regional market rose to 27,200 tons compared with 11,300 tons in the preceding crop. The main regional destinations include Kenya and Madagascar, the latter market having become even more attractive in early 2024, as the MFN tariff on sugar was raised from 10 to 20%, hence improving the margin of preference for COMESA and SADC suppliers. These exports were complemented with the sales of another 87,000 tons white sugar refined from raw sugar imported on behalf of Omnicane refinery.

In the same vein, with the increase in import parity due to higher global prices, weakening of the Rupee, and increasing logistics costs, import of direct consumption sugar by competitors has decreased. The Syndicate consequently managed to recover almost 100% of the local market, with its sales increasing from some 28,600 tons in 2022/23 to almost 35,000 tons during the year under review. The agreement between the Syndicate and Omnicane for the refining of raw sugar provides for the flexibility of supplying the domestic market with white sugar either produced from locally grown cane or refined from imported raw sugar depending on the best sales opportunities for originating sugars.

As production prospects for the 2023/24 Brazilian crop meanwhile improved, from an estimated 38 M tons in August 2023 to 43 M tons by the end of the year, on account of improved weather conditions and also a higher sugar mix at the expense of ethanol, complemented with a decision to reduce conversion of cane juice into ethanol in India, there was a loss of interest among speculators by November 2023, which entailed a significant sell-off of funds : from long of 6.9 M tons of sugar equivalent at that time, they reached equilibrium by late December. This resulted in a decrease of some US$ 150 per ton sugar, i.e. some 20% in the global white sugar price at that time, over only a few weeks. With the export ban in India and lower Thai production, Brazil became the main supplier of sugar to the world market: its share of exports in fact rose from 38% in 2021/22 to 45% in 2022/23 and is expected to have surged to 55% in 2023/24. Consequently, changes in Brazilian supplies or other market dynamics, such as the depreciation of the Brazilian Real – 12% over the 1st half of 2024 - started having even greater impact on the world market price, which has therefore remained quite volatile over the rest of the marketing year. Hence, from a high of US 33.47 cts/lb in November 2023, the

ISO monthly white sugar price index fell to US 28.36 cts/lb in the following month, before rising to US 28.96 cts/lb in February and falling again to US 24.61 cts/lb in May 2024. Fortunately, most of the 2023 crop sugars had already been sold prior to these falls in global prices, but they would influence sales negotiations for the following 2024 Crop harvest.

The above adaptation to market changes over the year allowed an improvement in the Syndicate's sales revenue from MUR 11,242 M in the preceding year to MUR 13,074 M, and the ex-Syndicate price for the 2023 Crop was consequently finalized at MUR 30,951 per ton sugar. Depreciation of the Mauritian Rupee from the 2022 Crop to 2023 Crop period - between 3% and 5% vis a vis the EUR and US$ as per the Syndicate's sales performance - also supported this price increase as it managed to judiciously sell its Forex proceeds in line with its internal hedging policy. The average exchange rates realized over the period under review in fact attained MUR 47.06 to the US$ and MUR 49.74 to the EUR, compared with the previous year's performance of MUR 44.76 and MUR 48.34 respectively. In relation to the average spot rates of MUR 45.47 and MUR 47.70 respectively over the July 2023 – June 2024 period, the Syndicate thus achieved a hedging gain to the tune of MUR 336 M which was supplemented to the common kitty, hence benefiting all sugar producers.

On the marketing front, the Syndicate is following its crusade to persistently differentiate and secure the highest value for the sugars produced in Mauritius. After the repositioning of the Mauritius Sugar Label in June 2021, it had already been consolidating its commercial relations with its range of buyers, who now come from 65 countries worldwide, and launched in this regard an MSS Virtual Club in October 2022. At time of writing, some 50 buyers have already joined this platform in search of ideas, amongst others, on how to optimize on the promotion and sales of the Mauritius special sugars in their respective markets, including through recipes that can bring higher value to the end products. Chef Philippe Bertrand, a Meilleur Ouvrier de France, whose support has been solicited by the Syndicate since September 2023, has contributed to the enhancement of this platform, namely through a toolbox containing recipes and testimonies from renowned chefs. This marketing material is also being used to promote the sugars within the Gourmet Foods sector, where Chefs are being enthused with the benefits which they can bring to their pastries, confectioneries, ice-cream or chocolate products. In this context, the Syndicate participated in the Sirha Europain in Paris in January 2024, in collaboration with Transgourmet, a master distributor of equipment and ingredients to the bakery and patisserie sector. In collaboration with its commercial partners, it has accordingly set up distribution channels in France and Italy to target such professional users and these will be extended to other regions worldwide.

In addition to Europe, where there would still be untapped opportunities in such niche market segments, the Syndicate is focusing on sales developments in emerging markets, such as in the Middle East and in Asia. In fact, there seems to be an increasing trend in such regions towards consumption of natural foods and ingredients, not only for their health benefits but also on basis of how they can enhance the taste and flavour of the end products. The bilateral Free Trade Agreements which Mauritius finalized separately with China and India in 2021 provide Mauritius sugars with margins of preference of 35% and 90% respectively, though they still have to compete with the local produce. With the support of its commercial partners in these destinations, the Syndicate is investing extensively in promoting the differentiating attributes of the Mauritius special sugars so consumers and users can appreciate their superior nature and accordingly be willing to pay the premium.

In parallel, considering the increasing market exigencies towards sustainable production standards, the Syndicate together with its members, have pursued their goals towards certification of the origin, be it from an environmental, social or governance perspective. While new corporate growers have been certified Bonsucro during the year under review, bringing to 53,000 tons the sugars sellable under these standards, the MSS Multi-Purpose Cooperative Society set up in 2021 to regroup independent small cane growers, was also successfully certified as a Fairtrade Small-scale Producer Organisation (SPO) in June 2024, increasing the availability of Fairtrade certified sugars to 16,916 tons for the 2023 Crop. The total production of certified sugars has therefore already attained almost 30% of the country's crop harvest.

With the increased volatility of market conditions, even within the same marketing year, as witnessed over the period under review, it is increasingly imperative for the industry to have the flexibility to change in a timely manner its sales mix and destinations, bearing in mind that different logistics may be required to service various market segments. However, to maintain such suppleness, it is even more important to have access to as many market segments as possible across all destinations, be it from the quality aspect, and compliance to food safety and sustainability standards. Agility is therefore a sine qua non to navigate through the sea of uncertainties and achieve the highest selling prices for our sugars.

2023-24 Financial Highlights

Rs 10,522M

SUGAR SALES REVENUE EXCLUDING NON-ORIGINATING SUGAR FOR OMOL

2022 – 23: Rs 9411 M

Rs 3,400 M

TOTAL EXPENDITURE EXCLUDING NON-ORIGINATING SUGAR FOR OMOL

2022 -23: Rs 3688 M

Rs 7,429M

NET REVENUE DISTRIBUTED TO PRODUCERS

2022 – 23: Rs 5,980 M

Rs 30,951 per MT

EX- SYNDICATE PRICE

2022 – 23: Rs 25,554 per MT

253,185 MT

SALES VOLUME

2022 – 23: 251,969 MT

Excellence in Baking

Demerara XL sugar elevates the art of bakery by infusing rich, caramel notes into every creation. This premium sugar, crafted with meticulous attention to detail, enhances the flavors and textures of baked goods, making them truly exceptional. Every bite becomes an indulgent experience, transforming ordinary bakery items into extraordinary culinary delight.


MARVEL

Governance, Risk Management, Audits & Internal Controls

Governance

Main Committee and the Executive & Selling Committee (ESC)

The Mauritius Sugar Syndicate (the "Syndicate") is driven by a Main Committee (le *Comité de Direction*) comprising twenty-two members, out of whom fourteen represent the corporate sector, four large planters and four small planters. Committee members have a diverse mix of skills and experience and are distinguished by their professional ability, integrity, independence of opinion and a high standard of ethics.

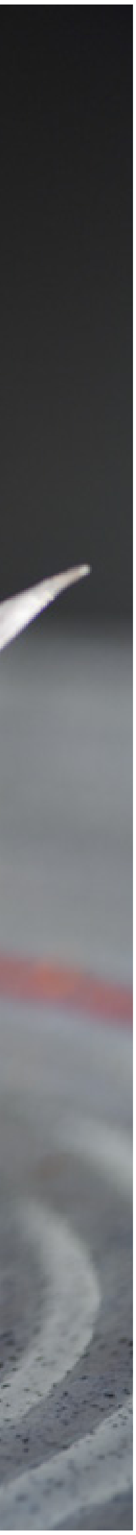
To facilitate efficient decision making, ten members of the Main Committee are appointed on the Executive and Selling Committee (ESC), which meets every 6-8 weeks together with Senior Management of the Syndicate, to have an oversight on operations and other matters pertaining to the functions of the Syndicate and approve key decisions. The ESC met 6 times over the year under review. The ESC delegates some of its powers, supervision, and responsibilities to 3 sub-Committees namely:

i. The Marketing Committee

ii. The Forex Committee

iii. The Audit and Risk Management Committee (ARMC)

In addition, a Remuneration Committee meets on an ad hoc basis, as the need arises, to address issues relating to remuneration, recruitment and promotion to key positions within the Syndicate. These sub-Committees operate within defined terms of reference and outcomes of their meetings are presented to the ESC for approval.



Marketing Committee

The Marketing Committee acts as an advisory committee to the ESC whereby the following matters are reviewed and discussed prior to recommendation to the ESC:

i. Marketing strategies in terms of market opportunities and use of communication plans;

ii. Sales plan in terms of product mix, pricing targets and market channels;

iii. Production planning for each Crop year;

iv. Warehousing, logistics and delivery facilities or arrangements.

The Marketing Committee comprises a representative of each of the mills, a corporate grower representative, a small planter representative and the Chief Executive Officer and Chief Marketing Officer of the Syndicate. The Marketing Committee met 7 times over the year under review.

FOREX Committee

The ESC delegates its overall responsibility for managing the foreign exchange risk of the Syndicate to the FOREX Committee. The terms of reference of the FOREX Committee are:

i. To define and agree on the objectives of the Syndicate in the area of foreign exchange risk management;

ii. To approve the policies and procedures for prudent management of foreign exchange risks and hedging arising from the operations of the Syndicate;

iii. To approve the use of hedging instruments;

iv. To define the level of risk that the Syndicate is willing to assume to achieve the targeted ex-Syndicate price for a Crop harvest by setting risk parameters for targeted exchange rates.

The Forex Committee comprises the President, the Vice President, one member of the corporate sector and one planters' representative, as well as the CEO and the CFO of the Syndicate, and met 3 times during the year. In addition, a weekly Forex update is sent to the members, providing a status of its foreign exchange deals performance in comparison with targets set.

Audit and Risk Management Committee (ARMC)

The ESC delegates its responsibility for Internal Controls and Risk Management to the Audit and Risk Management Committee (ARMC) which reviews the risk philosophy, strategy and policies of the Syndicate. The terms of reference of the Syndicate's ARMC are:

i. To continuously evaluate the financial reporting process;

ii. To review accuracy, integrity and reliability of the financial statements of the Syndicate;

iii. To examine the adequacy and effectiveness of the Governance, Risk Management and Internal Control System of the Syndicate;

iv. To approve the annual plan and assess the report of the Internal Audit function; and

v. To attend to matters raised by external auditors prior to, during, or after completion of the statutory audit of the financial statements and any other relevant reviews;

vi. To recommend the appointment of external auditors and internal auditors.

The ARMC comprises two members of the Corporate Sector and two planters' representatives and the CEO and CFO of the Syndicate. Internal Auditors and External Auditors are also invited to attend when deemed necessary. The ARMC met 4 times over the year under review. As the Syndicate is called upon to embark on the trading of sugar futures to mitigate the impact of drastic global price falls as and when the situation arises, the ARMC will also ensure required control in this respect.

Governance, Risk Management, Audits & Internal Controls (Cont'd)

Risk Management

Risk Management is embedded in the internal processes of the Syndicate. It focuses on identifying, assessing, mitigating, and monitoring of the undesirable impact inherent to emergent business risks which may contravene the operations of the Syndicate and its objectives.

The Management of the Syndicate is accountable to the Main Committee, through the ARMC and the ESC, for establishment of processes and procedures to evaluate and mitigate the potential risks arising in its day-to-day operations. Given the dynamic nature of risks, it reviews and monitors the key and emergent risks on an ongoing basis, which are then reported to the ARMC/ESC and the Main Committee to enable informed and timely decision-making and changes to the risk management strategy.

Audits

Internal Audit

Ernst and Young (EY) provided internal audit services to the Syndicate as part of a contract which covered the period from 1st August 2020 to 31st July 2023. Baker Tilly Mauritius was subsequently appointed as Internal Auditor in March 2024.

The internal Auditor has the mandate to provide independent assurance to the ARMC as to the adequacy and effectiveness of governance, risk management and internal controls. The overall activities and operations undertaken by the Syndicate are reviewed with resulting findings being reported to the ARMC accordingly.

External Audit

Deloitte's engagement as External Auditors ended on 30th June 2023. Ernst & Young (EY) was thereafter appointed as External Auditors of the Syndicate in December 2023. They were given unrestricted access to all records, information, transactions and other documents. Management promptly assisted the External Auditors by providing all requested information on a timely basis.

Reports issued by the External Auditors, namely the Management Letter and Audit Reports, have been promptly and properly attended to by the Management of the Syndicate and the ARMC.

IT Governance and Controls

In light of the re-engineering of the internal processes, with the view to augment efficiency and accuracy, the ERP system which was in place at the Syndicate was reviewed during the year under review. A thorough requirement exercise was done and following the approval of the different process owners, a Functional Systems Requirement (FSR) document was written based on the Business Requirements of the Syndicate. A bid was launched in August 2023 and several bids were received. Three suppliers were shortlisted, based on the software platform which best meets the Syndicate's requirements with maximum standard functionality, less customizations required, more cost effectiveness and better supplier proximity. After they demonstrated their blueprints, the most reliable platform and the best fit software for the Syndicate was selected, which was Oracle Netsuite.

The project kicked off on 25 October 2023 and the new Oracle Netsuite ERP went live on 3 July 2024. The IT Executive will ensure the finetuning of the software platform to further enhance operational efficiency, while upholding the IT security policies and ensuring proper IT Governance and Controls.

Data Protection

The General Data Protection Regulation (GDPR) is a regulation in EU law on data protection and privacy for all individuals within the European Union. It also addresses the export of personal data outside the EU. GDPR is designed to give individuals better control over their personal data and establish one single set of data protection rules across.

Data protection is a critical concern for organizations, involving the safeguarding of sensitive information from loss, corruption and unauthorized access. Regulatory compliance for data protection is a significant hurdle, as laws like GDPR and CCPA impose strict rules on data handling and require companies to stay up to date with their provisions. The Syndicate has been adhering to relevant data protection laws, which mandate responsible management of personal data, ensuring that all processing of personal data which it holds would meet the requirements of the EU-GDPR and other national and international data protection regulations. This includes ensuring data security, accuracy, and up-to-date information while respecting individuals' rights to access and control their personal data. The Syndicate's effective data protection strategy not only secures data but also ensures its availability for business continuity, even in the event of data loss or damage. Additionally, the complexity of cloud environments and the proliferation of Internet-connected devices necessitates sophisticated data governance strategies. In addition, with the rise in cybersecurity threats such as ransomware, phishing, and insider risks, robust security measures are essential. To address these challenges, the Syndicate has adopted a comprehensive approach that includes regular data backups, disaster recovery plans, business continuity measures, strong cybersecurity defenses, and data privacy policies.

Nevertheless, human error remains a critical factor in accidental data breaches or loss, underscoring the need for continuous employee training and awareness programs. Ensuring employee compliance with data protection policies is indeed multifaceted and requires a strategic approach. The Syndicate has taken steps to enhance communication regarding the importance of data protection and the specific behaviors expected from employees. Training sessions and policy updates keep the Syndicate's workforce informed and vigilant, fostering a security-conscious culture where data protection is a collective responsibility.

The implementation of the new Oracle Netsuite ERP system within the Syndicate ensures compliance across many different practices, from safe payment processing to GDPR conformity which has streamlined access controls and monitoring, making it easier to track changes and access to sensitive information. This segregates the access to the data necessary for their predefined roles. By integrating these practices into its daily operations, the Syndicate is actively promoting an environment where data protection policies are respected and followed.

Grilling Greatness

Dark Demerara sugar brings a touch of sweetness that enhances the flavor profile of every BBQ creation. Its rich, caramelized notes add depth to grilled dishes, transforming your BBQ and making each bite a gourmet experience.

2023 Crop Production & Sales Performance

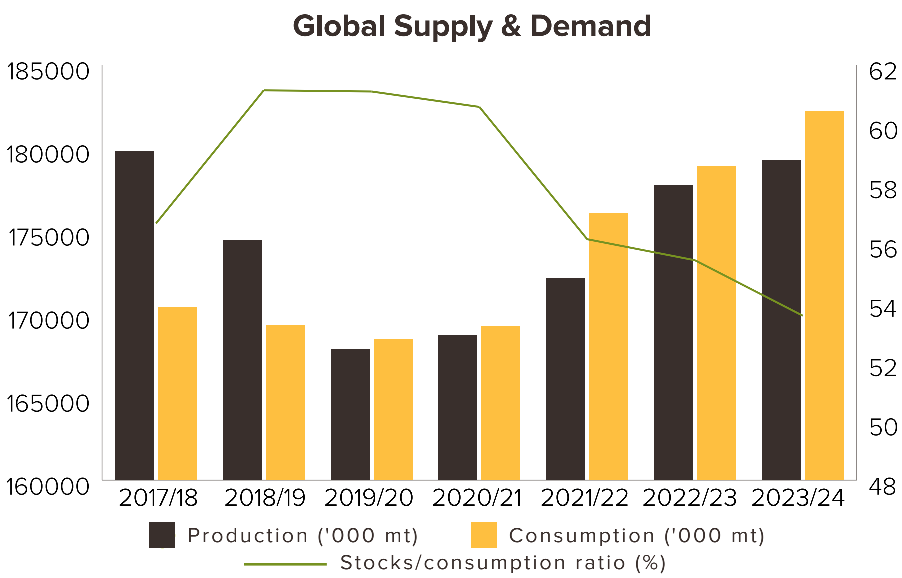
2023 Crop Production

After several successive years of decline in production, the 2023 sugar cane campaign showed encouraging signs of recovery and was marked by an increased crop outturn due mainly to favourable agroclimatic conditions during the growth phase and improved overall cane and sugar yields. Though cane area harvested dipped from 39,199 hectares in the previous year to 35,863 hectares in 2023, a significantly enhanced average cane productivity was registered, with a performance of 68.39 tons of cane per hectare (TCH) compared with 57.57 TCH in 2022, an 18.8% improvement on the previous year and a 5.5% increase above the last five years' mean. However, higher than usual rainfall during peak season led to an average richesse 0.51% lower than that of the previous crop and an average sucrose extraction rate of 9.74% which was 5.6% less than that of the preceding harvest. As a result, whereas the Crop Estimate Co-ordinating Committee chaired by the Mauritius Chamber of Agriculture had initially forecasted a production of some 220,000 metric tons tel quel (mttq) of sugar, 238,854 mttq were ultimately produced from the 2023 Crop from 2.45 million (M) tons of cane milled, compared with 232,707 mttq of sugar from 2.26 M tons of cane in 2022.

Market Environment

World Market

According to the International Sugar Organization (ISO) records of July 2024, global sugar production has reached about 179 M tons sugar over the October 2023 / September 2024 campaign and was once again short of the 182 M tons of estimated consumption over that period. In fact, after the record outturn in crop harvest in a number of sugar-producing countries in 2017 and 2018, production has been short of consumption for 5 consecutive years, which has brought down the global stock-to-consumption ratio from 61.1% in 2018/19 to 53.5% this year. This continuous stock depletion has added pressure on global prices which have consequently been growing steadily since mid-2019, except for the provisional drastic fall in March/April 2020 with the outbreak of COVID-19 and its related confinements worldwide.

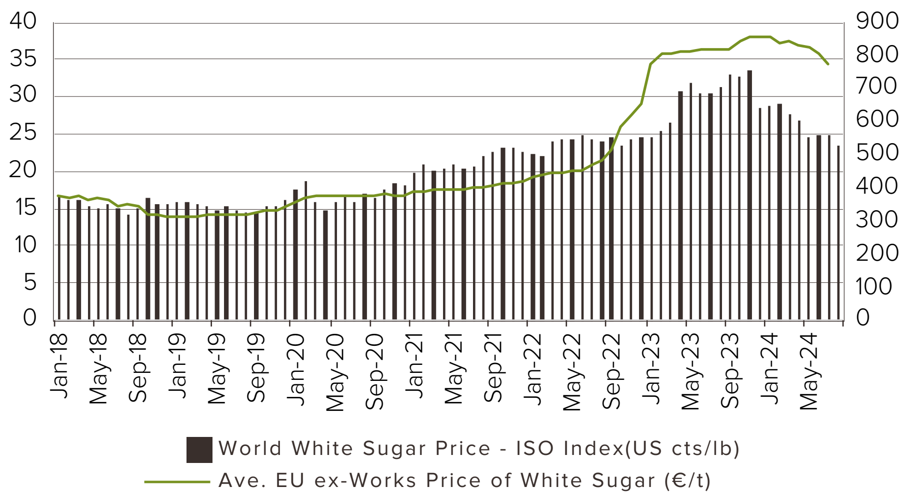


Source: ISO World Sugar Balance (Aug 2024)

The production growth over the period under review has been driven by Brazil, which had already experienced a 35% increase in crop outturn in the preceding year to 43.3 M tons, attaining an estimated 44.5 M tons in 2023/24 as a result of more favorable weather conditions and a higher sugar mix compared to ethanol. Together with the Eastern and Western European beet sugar production growth of over 2 M tons over that period, these producers made up for the decline in crop harvest in Thailand, from 10.8 M to 8.8 M tons sugar, and India from 35.5 M to 31.7 M tons sugar over the corresponding period. In fact, to avoid any sugar shortage on the domestic market, the Indian government announced in June 2022 a ban on all sugar exports, which fostered global price increases.

The world market became even more reliant on Brazilian sugar. While the latter accounted for 38% of global sugar exports in 2021/22, it rose to 45% in the following year and 55% over the period under review. This over-dependence enticed speculators to pay even more attention to the slightest changes in the production environment in Brazil, including weather conditions, ethanol/sugar mix, the strength of their currency, delivery constraints, etc. In fact, with no improvement anticipated in the Indian sugar crop, hence no lifting of the export ban, while the Brazilian Real strengthened during the first half of 2023, coupled with persistent port congestions, the world market price of sugar continued its ascension over 2023, with the ISO monthly white sugar price index rising from US 24.57 cts/lb in January to US 30.43 in July and peaking to US 33.47 cts/lb in November 2023. These high world market prices were beneficial to the sales negotiations conducted by the Syndicate for its 2023 Crop sugars, in fact both in the EU and other market destinations.

Evolution of Sugar Prices in the EU and World Market



Source: EU Sugar Market Observatory and ISO

2023 Crop Production & Sales Performance (Cont'd)

EU Market

After the significant drop in the EU-27 sugar production in 2022 to a mere 14.6 M tons, according to the EU Sugar Market Observatory, compared with an annual average of 16.2 M tons over the 3 preceding years, there was still concern about sugar availability over the following 2023/24 campaign. Consequently, the price increase seen in 2022, supported by the high world market price, the low EU crop outturn and the surge in the cost of energy triggered by the Russian invasion of Ukraine, was maintained by the start of the 2023/24 marketing year, and in fact increased further as global prices had meanwhile continued to rise.

Evolution of Beet Sugar Production in the EU

EU 27 ONLY	Area (Million ha)	Yield (tsh)	Sugar Production (metric tons)
2017/18	1.57	12.60	21.32
2018/19	1.52	10.80	17.63
2019/20	1.46	11.10	17.46
2020/21	1.42	10.10	14.55
2021/22	1.41	11.60	16.62
2022/23	1.34	10.90	14.60
2023/24	1.40	11.30	15.62

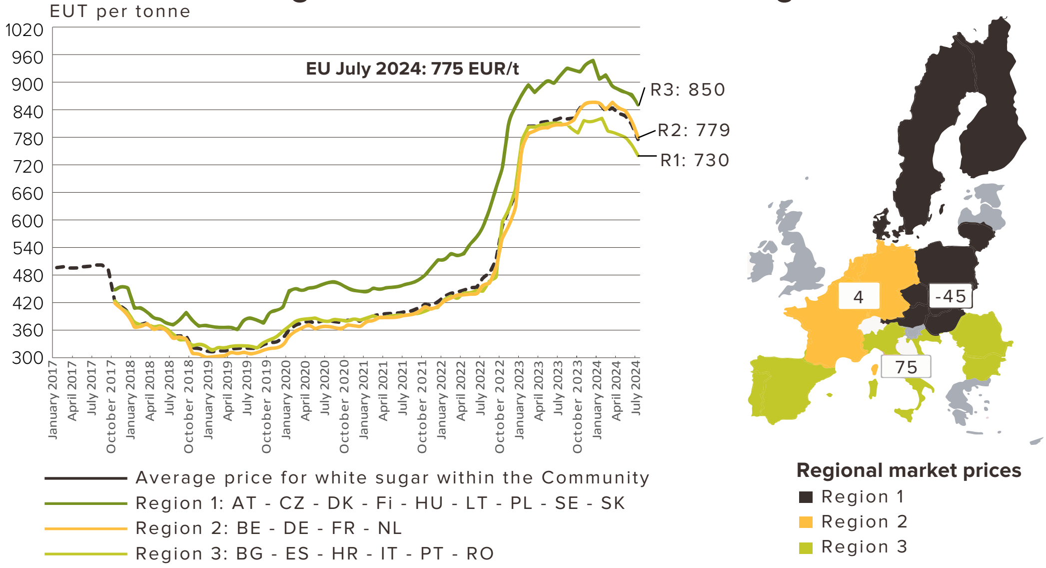
Source: EU Sugar Market Observatory

While the average ex-works price across EU-27 stood at EUR 449 per ton white sugar in 2021/22, it had increased to EUR 762 over the following marketing year, reaching EUR 817 per ton by June 2023 when Mauritius sugars from the new crop were being offered. The average monthly ex works price continued to rise, attaining EUR 857 per ton sugar by December 2023.

Meanwhile, in order to entice planters to grow more beet to make up for the shortfall in sugar production in the preceding year, they were offered higher prices for beet, compared with alternate crops like maize, soybean or colza. The average price for a ton of beet in fact rose to over EUR 45 from a previous 5-year average of EUR 28, and the acreage under beet consequently rose by almost 4% to 1.389 M hectare (Ha). As the 2023 EU crop also benefited from improved weather conditions, the average yields improved to 11.3 tons sugar per Ha (TSH), compared with 10.9 TSH in the preceding crop, and the total EU production rose from 14.6 M to 15.6 M tons sugar. Meanwhile, imports into the EU market, to meet the market deficit of 2022/23, turned out to be much higher than anticipated, in fact estimated by the EU Commission at 3.35 M tons in 2022/23, or 47% higher than in the preceding year. In addition to these extra availabilities, the EU market started receiving cheap sugar from Ukraine after the EU granted them with duty-free and quota-free access for their agricultural produce as a result of the Russian invasion.

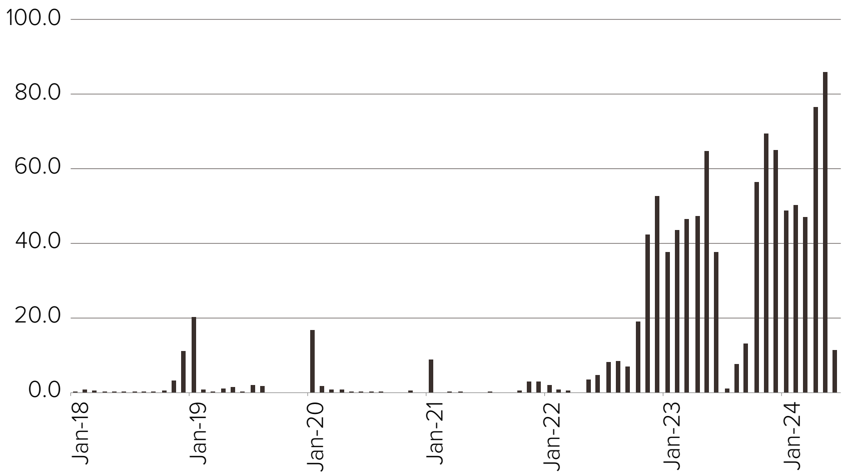
Owing to the increased supplies in the EU market, spot prices started decreasing as from the third quarter of 2023 and likewise new contracts were thereafter negotiated at lower prices. The average monthly ex works price pf white sugar started declining as from early 2024, reaching EUR 775 per ton by July 2024 (latest price communicated by the EU Sugar Observatory at time of writing). Likewise the price premium obtainable in deficit region, namely Italy, Spain and Greece, due to the geographical distance from the main sugar mills in Western Europe, which had reached EUR 111 in August 2023 started declining and attained a mere EUR 75 in July 2024.

Average EU Ex Works Price of White Sugar



This increase in the market price of the white refined sugar over 2022/23 has impacted on retail prices. Hence, 1 kg white refined sugar on the retail shelf has increased from EUR 0.70-0.90 to EUR 1.30-1.70, thus adding an inflationary pressure, worth 10-12% in Western EU and 15-20% in Eastern EU markets.

Delivery of Ukrainian sugar into the EU



Meanwhile, Ukraine has enjoyed duty-free and quota-free access to the EU market since June 2022, which had led to an unprecedented sugar export flow to EU-27 in 2022/23, rising further in 2023/24 to over 500,000 metric tons following the significant increase in their acreage under beet in that year (+25%). Without the financial cash to pay back the planters, Ukrainian sugar millers have even been trading the sugar in truckloads since February 2023. Without any traceability, including of any GMO beet, and with the possibility to deliver the sugar within one week, the EU market started to absorb this cheaper option, particularly in retail packets, where limited specifications are required as compared to industrial users.

From June to September 2023, the Ukrainian government imposed an export ban to ensure that their domestic market would be sufficiently supplied with local sugar, which to some extent enabled the EU market prices to remain high during that period. However, with a good 2023/24 Ukrainian crop, the flow of sugar into the EU resumed in October 2023 and increased further, putting pressure on price premium obtainable on preferential sugars. As Eastern European beet sugar production has been sufficient in 2023/24 and given their low consumption levels, these markets have not been able to absorb all the Ukrainian sugars which have therefore been deviated to the deficit areas like Italy, Greece and even Spain.

2023 Crop Production & Sales Performance (Cont'd)

Evolution of export sales

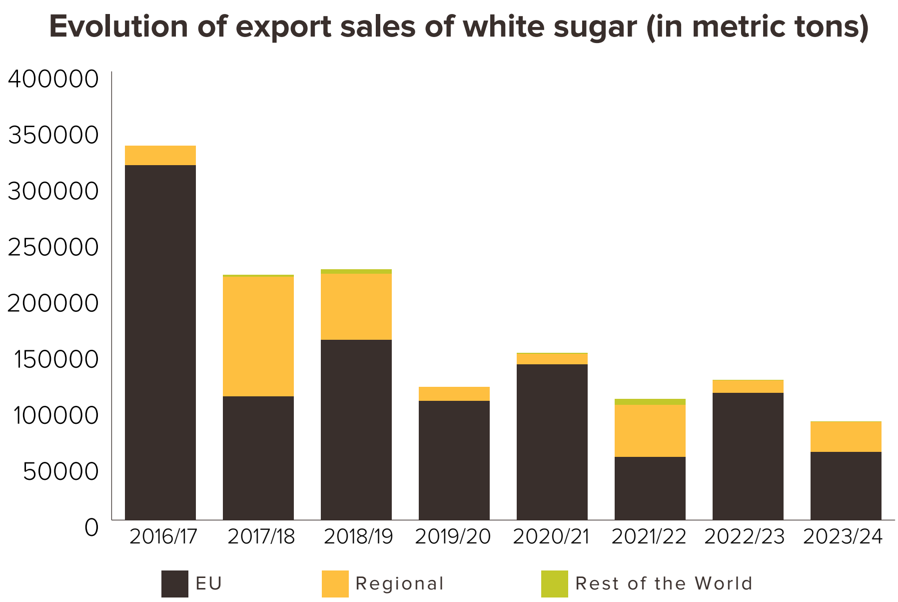
White Refined Sugar

Prior to the start of the 2023 harvest, the Syndicate assessed the evolution of market prices across its diversified market base, both in its traditional EU destinations where a fixed annual price would usually apply, and the regional market primarily priced based on a premium obtainable over the London #5 white sugar futures. This assessment would be based on an FOB price comparison after deduction of sea freight rates, insurance premium policy and EUR/US$ exchange rate. As a result of the EU production shortfall in the previous year supported by a higher world market price, EU prices have been more attractive, at least when sales contracts were negotiated for the 2023 crop, than the regional market destinations.

Considering the above, a larger portion of the white refined sugar produced from locally grown cane was contracted in the EU market, attaining 70,000 tons at the beginning of the crop campaign 2023/24 compared with some 113,300 tons in the previous year.

However, as Ukrainian sugars started to flow in over the last quarter of 2023 while the EU crop harvest prospects were also getting better, prices for new sales contracts became under pressure. Consequently, thanks to the flexibility provided under the commercial relations which the Syndicate entertains with its EU partners, some 14,500 tons of white refined sugar initially allocated to the EU market have been deviated to regional destinations by February 2024 whose values became more attractive.

In fact, given the fact the duty-free access which Mauritius benefits within the COMESA, hence the margin of preference over other origins, and considering the recognition of the quality of its sugars by the industrials, the Syndicate could easily find home for its sugars in Kenya and Madagascar. As a result, some 8,000 tons of white refined sugar were exported to Kenya in 2023/24, compared with 11,900 tons in the previous year, and another 19,200 tons to Madagascar. Concerning the other destination where Mauritius white refined sugar enjoys duty free access such as the Southern African Customs Union (SACU), no sales has been concluded within the tariff rate quota of 3,098 tons allocated for 2023/24 because of the lower prevailing prices. Likewise, no export of white refined sugar has been finalised to China despite the TRQ of 25,000 tons for 2023.



Special Sugars

The export sales of Special Sugars have attained 122,900 tons in 2023/24 compared with 137,700 tons in the previous year. With 79,300 tons of these sales directed to the EU, it accounted for 64% of the total export of Special Sugars for the crop 2023, compared with 75% in the preceding campaign. This drop in sales is the result of lower consumption, hence demand, due to inflationary pressures, especially that EU retailers increased the price point of these sugars to keep the differential over white refined sugar, which had already risen, hence making the special sugars even more expensive. In addition, the EU market has been supplied with aggressive pricing from other origins, either bringing new export capacities or launching new products.

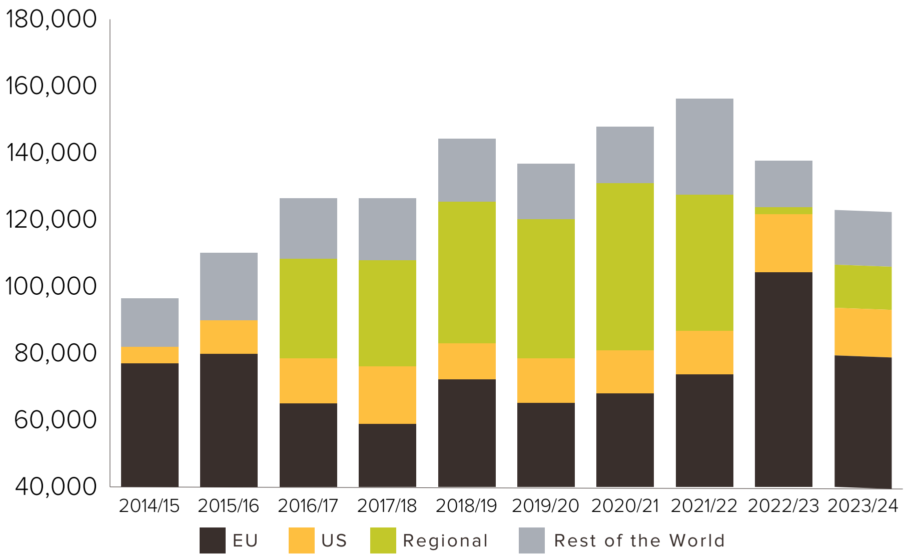
Concerning the US market, the annual duty-free raw sugar TRQ for 2023/24 which was initially set at 12,910 metric tons raw value, has been revised with a reallocation of 4,352 mtrv. Out of the enhanced TRQ, the Syndicate should be exporting 15,784 mt special sugars to the US by end September 2023, compared with 17,000 mt in the previous year.

The Middle East and Far East, including China, markets have shown sustainable growth regarding sales of Mauritius special sugars, especially for the Demerara Sugars and as the modern trade is developing significantly in these export destinations.

With regards to the regional market, the Syndicate managed to sell 12,900 tons of Direct Consumption raw sugar in 2023/24, compared with only 2,100 tons in the previous year. They comprised 3,500 tons to Tanzania after they faced a severe sugar shortage by end 2023, and also to Madagascar where demand from the region increased as a result of enhanced margin of preference under COMESA and SADC. Export performance to Kenya, to the tune of only 4,200 tons, out of the quota allocation of 58,000 tons over the year, was severely impacted by the renewed decision by the East African Community Customs Management to enable the import of 250,000 metric tons of white or brown sugar from the world market duty free access over the period October 2023 to June 2024.

As regards to the tariff preference into India under the CECPA, the Mauritius special sugars have unfortunately been challenged by the price control in place for Indian sugars, whereby the retail price differential with the former becomes too high. Nevertheless, the positioning of the Mauritius Sugars, targeting the Gourmet and higher-end home bakers, have brought some encouraging results. The creation of brand awareness through social media and on-line recipes has created a community of users. It is hoped that the multiplying effect of e-commerce sales would encourage retailers to list the special sugars on their shelves.

Evolution of export sales of special sugars (in metric tons)

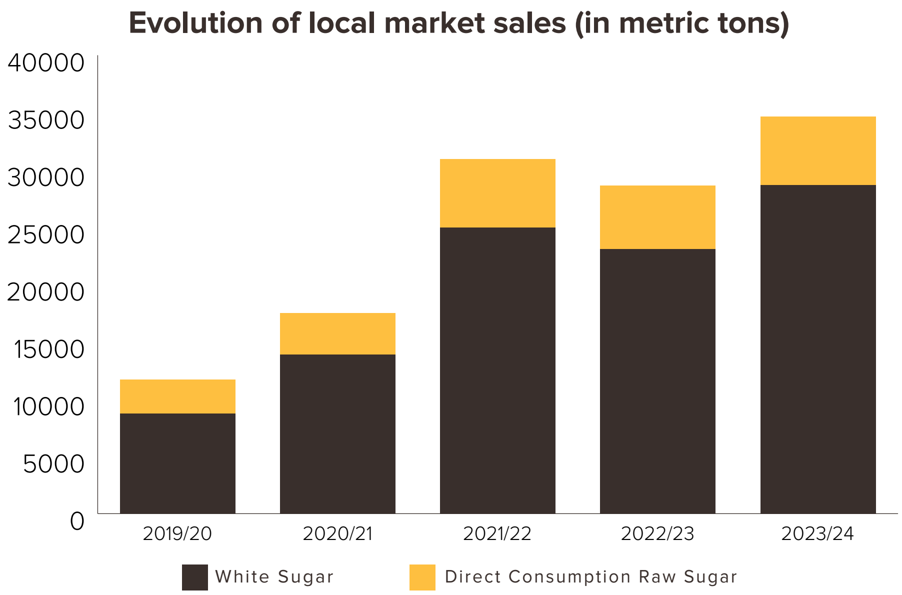


2023 Crop Production & Sales Performance (Cont'd)

Local Sales

The Syndicate's sales on the domestic market experienced a significant rise over the 2023/24 delivery period, namely 37,362 tons white refined sugar and 8,300 tons Direct Consumption raw sugar, compared with 24,000 and 5,900 tons respectively over the previous year. The market recovery is ascribed to the competitive prices offered by the Syndicate, in addition to promotional pricing strategies during festivals like Easter and Diwali. The high global prices till end 2023, complemented with fluctuating sea freight rates and the weakening Rupee, have maintained imports at bay, while the Syndicate's pricing strategy is based on the sales opportunity it can derive for the same sugar in other market destinations.

The Syndicate's objective is to gradually introduce the Special Sugars – now sold to 65 countries worldwide - to local households so they can all enjoy their attributes. Several marketing initiatives have been taken accordingly and already 620 tons of these sugars have been delivered locally over the period under review, compared with 500 tons in the preceding year.



Deliveries

The shipping industry has once again been under pressure with the Red Sea attack orchestrated by Yemen's Houthis as from February 2024 on mercantile cargo ships transiting through the Suez Canal. Since then, the situation has unfortunately not normalized and to safeguard vessels' crew, cargo, and equipment, those scheduled to transit through the Suez Canal are being rerouted around the Cape of Good Hope.

Suez Canal and the Red Sea are essential shipping lanes facilitating about 15% of global maritime trade. This disruptive situation has resulted in bottlenecks in transshipment ports, vessels' bunching (arriving back-to-back), delays, shortages of equipment, with direct consequences on logistics costs (transit disruption surcharge) besides the negative environmental impact due to higher carbon (CO2) emissions. The Syndicate's container shipments to Northern EU and Mediterranean ports have consequently been delayed by around 3 weeks, with the average transit time from Port Louis increasing from 45 to 65 days.

From a local perspective, the port performance has been undermined by a shortage of specialized workforce, obsolete equipment and cranes, having direct impact on productivity and its ability to attract more transshipment cargoes and increasing vessels' berthing frequency, and consequently bringing down operational costs to ultimately benefit economic operators. Should the above-mentioned impediments not be addressed in a timely manner, the export sector competitiveness would be at stake with direct consequences for suppliers like the Syndicate to market themselves as being reliable. Thankfully, the Minister of Finance, Economic Planning and Development announced in the 2024 National Budget speech, the hiring of skilled crane operators to optimize the existing 5 ship-to-shore cranes and Rubber Tyred Gantry Cranes on all three shifts which would allow an optimal handling of containers and consequently minimize vessels' idle time. It was also stated that Government is considering the lease of two mobile cranes to replace the obsolete ones.

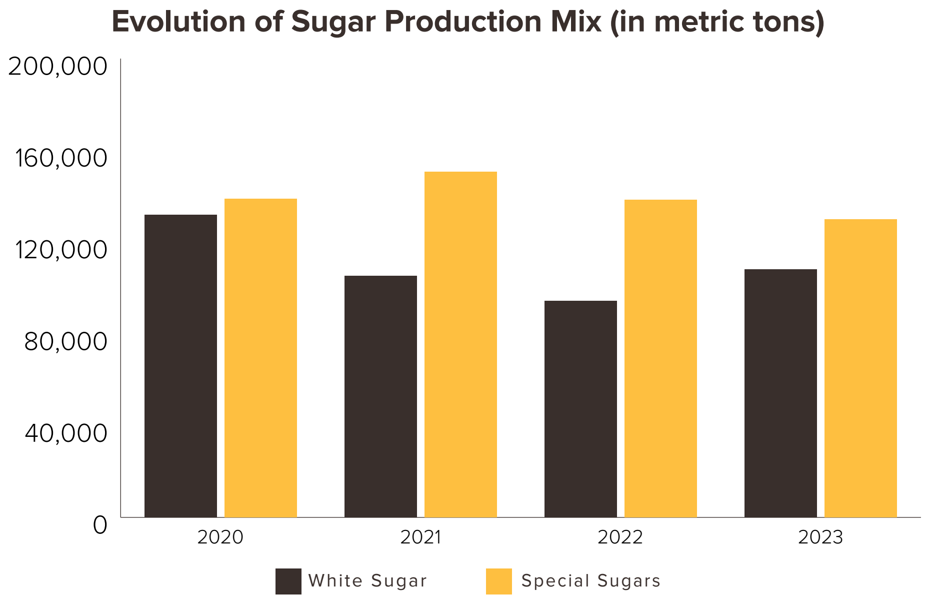
For the period under review, the Syndicate has used the four main shipping lines, namely Mediterranean Shipping Co. Ltd (MSC), Maersk Line, CMA-CGM and Pacific International Lines (PIL) to ship sugar to 83 ports across the globe: 44 in the EU, 6 in the USA and the remaining 33 spread across other market destinations. While basic freight rates have remained stable in 2023/24, shipping lines introduced in January 2024 a carbon emission fee of USD 14 per 20-ft container exported to the EU, in line with the European Green Deal target to make Europe the first climate-neutral continent by 2050. This environmental levy on containers aims at bringing down carbon emission by 40% in 2024, 70% by 2025 and 100% by 2026. In addition, methane and nitrous oxide emissions would be called to decrease and additional green levies are accordingly anticipated in the near future.

From an operational outlook, the availability of food grade empty containers used in the export of sugar has remained steady with no major shortages. The Syndicate, through its quality assurance department, has ensured by means of regular audit and training sessions, that empty containers' selection and preparation are as per the Syndicate's container preparation guidelines and only fit for purpose equipment are released to Omnicane refinery and to warehouses in Port Louis for the loading of sugar. Despite the various challenges encountered, namely bad weather conditions in early 2024, delays in berthing and omission of vessels, the Syndicate has done fairly in optimizing its storage costs of stuffed containers in dedicated area at the Cargo Handling Corporation Terminal (CHCL) and the Associated Container Services (ACS) with an average waiting time of around 21 days before being loaded onto vessels. This has been made possible through regular updates in customers' shipping plans and close coordination of these updates between the Syndicate and the mills and refinery. As in previous years, the MSS Container Tracking Software (CTS) has assisted the Syndicate's team in managing the containers fleet on a First-In First-Out (FIFO) basis, hence optimizing storage time. As from July 2024, the CTS will be replaced by a new software (Oracle Netsuite) to better integrate and manage different processes from sales to containers movement and invoicing, going through customer services, planning, stock and quality processes.

For the crop under review, Omnicane refinery would have loaded and deliver to CHCL and ACS some 7,187 containers (175,332 tons) of white refined sugar for shipment, of which 2,657 containers were exported to the EU, 4,530 containers to the regional market and the balance to other destinations. During the same period, some 14,429 tons of white refined sugar were produced and delivered directly to customers' premises and 14,073 tons to the MCIA warehouses in Port Louis to meet local market customers' requirements.

As for special sugars, a total of 128,355 tons of finished products were produced from 2023 Crop, representing 7% drop compared to the preceding year, out of which 69,463 tons were produced by Alteo Milling Ltd and 58,892 tons by Terra milling Ltd. Omnicane Milling Ltd produced on its side 4,012 tons of Direct Consumption Raw sugar (DC Raw) destined for the local market.

Deliveries (Cont'd)



The 2023 Crop production of special and white refined sugars was delivered to various warehouses in Port Louis in the following split:

	MCIA (Caudan)	MFD (Jin Fei)	VELOGIC (Jin Fei)	TOTAL
Storage Capacity (tons)	95,000	25,000	9,000	129,000
Stock throughput over crop year (tons)	90,305	42,500	10,281	143,086

Warehousing costs have been marked by an average annual increase of 5% in 2023/24, attributed to a rise in operational costs, especially due to increase in salaries and wages and the price of consumables. With respect to stock control, the new IT platform (Oracle-Netsuite) installed at the Syndicate will allow stock management by weight (metric tons) and even by the number of bags per production batch code, and per mill, thus providing better accuracy.

Government announced a few years ago the construction of a long-awaited state-of-the art bagged sugar warehouse at Jin-Fei, Riche Terre. The tender exercise for the design and construction of the building was launched on the governmental E-Procurement platform on 28th June 2024 and once closed, Central Procurement Board (CPB) shall proceed with the bids evaluation. The expected completion date is estimated by the MCIA for June 2026. Meanwhile, the Syndicate will have no choice than to further extend its lease agreements with private operators.

Payment to Producers

Sugar Accruing

During the year under review, advance payments were effected on basis of a first conservative estimate of the ex-Syndicate price at Rs.20,000 per ton sugar at the start of the crop. This was revised during the crop period to reach Rs 26,600 per ton sugar at March 2024. Advances to producers categorised between Growers cultivating less than 100Ha and Other Producers were effected as per table below:

Period	Growers cultivating less than 100 ha		Other producers	
	Advance	Cumulative Advance	Advance	Cumulatice Advance
	Rs	Rs	Rs	Rs
July/August 2023	16,000	16,000	12,000	12,000
September 2023	4,800	20,800	3,600	15,600
December 2023		20,800	2,000	17,600
March 2024	1,000	21,800	2,000	19,600
May 2024	1,000	22,800	3,200	22,800
June 2024	2,600	25,400	2,600	25,400
July 2024	5,551	30,951	5,551	30,951

Other than the sugar proceeds paid by the Mauritius Sugar Syndicate (the “Syndicate”), producers are also entitled to remuneration for their molasses and bagasse, sugar co-products used to manufacture potable alcohol and bioethanol, and electricity respectively. For the 2023 crop, the price per ton of molasses paid to planters, including the Distiller–Bottler Contribution of Rs. 40 per litre of absolute alcohol, amounted to Rs. 4,687.15 compared with the Rs. 4,833.26 obtained in 2022, while that of bagasse, which was initially set at Rs. 3,300 per ton of sugar by Government in 2021, amounted to Rs. 2,971.92 per ton of sugar accruing for all producer categories based on the quantity of electricity exported to the national grid at the rate of Rs. 3.50 per kWh. These are detailed in the Financial Section of this report.

Otherwise, the Cane Revolving Replantation Fund, that was established by the Development Bank of Mauritius in 2022 to offer loans mainly to large growers at a yearly preferential interest rate of 2.5%, benefited from an additional envelope of Rs. 500 M from Government in the 2023/2024 national Budget. Of a total of 2,696 ha earmarked under this scheme, an extent of 2,230 ha has been replanted to date. Meanwhile, the Cane Replantation Scheme, which entitles smaller farmers to receive a grant of Rs. 50,000 per arpent for replantation purposes, was also renewed. Whereas 751 sugar cane farmers owning 515 ha of land had benefited from this scheme in 2022, 935 other farmers occupying 670 ha availed of this facility in 2023. By virtue of an agreement with the Syndicate, repayment of the loans disbursed under these two schemes are made through the channelling of a portion of the concerned producers' sugar proceeds to the Development Bank of Mauritius. Based on existing agreements with cane management and harvest service suppliers, the Syndicate continued implementing cost deductions directly from the sugar earnings of planters of the Alteo and Omnicane factory areas. These deductions were meant to repay service providers without additional charges to the concerned planters. In comparison to the 2022 season, where 40,293 tons of cane from 371 planters were processed, the 2023 campaign saw a decrease in both the amount of cane harvested and the number of planters involved, with only 30,336 tons of cane reaped by 292 growers.

For the eighth year in a row, the Syndicate made remittances to eligible planters, in accordance with agreements with millers, for the refund of transport costs over 4 miles (6.4 km) and compensation for weighbridge closures. For the 2023 crop, the Syndicate thus distributed Rs. 37.5 M to planters, compared with Rs. 35.9 M for the previous year.

Furthermore, in line with an agreement with the MCIA, the Syndicate deducted 50% of the value of fertilisers supplied by them directly from the proceeds of planters growing sugar cane on less than 100 hectares. While Rs. 88.8 M were recovered under this scheme for the previous crop from 6,580 planters, Rs. 110.7 M were deducted from the sugar proceeds of 6,413 planters for the 2023 crop and remitted to the MCIA.

Perfection in Pastry

Light Muscovado sugar perfects the balance of sweetness and texture in every pastry. Delicately crafted, our sugars enhance the flavor profiles of fine pastries, creating light, airy textures and exquisite tastes, allowing you to discover the magic of pastry perfection.

A Continuous Journey Towards Greater Heights

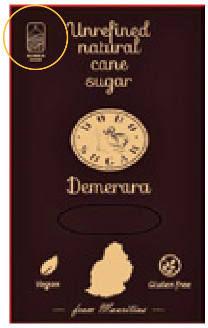
International Markets

Our journey towards the creation of higher value for Mauritius Sugars is continuing through entrepreneurial and innovative marketing initiatives.

As part of our three-year marketing plan, we are witnessing further development and use of the Mauritius Sugar Label, providing a distinctive brand equity anchored on its quality and origin. A few customers have valued this label recognition on their retail product launch over the last year.

Since 2023, the MSS has taken a step further in engaging the promotion and sales of Mauritius Sugars into the Gourmet market segment, namely the artisan bakery, pastry, chocolatier, confectionary and ice-cream makers.

Dodo Sugar in Lithuania



La Route du Sucre in France

MAURITIUS SUGAR

Druid in Czech Republic

Primero in Italy

The first objective in targeting this new customer category is to meet the demand for innovative and valuable ingredients by professionals catering to consumers' growing needs for healthier and higher-quality products.

The organoleptic properties of Mauritius Special Sugars, including their wholesomeness from cane juice, lower sweetening power, enhanced taste and aroma, nutritional richness, and lower glycemic index, effectively meet the expectations and needs of this market segment. As such, they fulfil the promise of being intelligent sugars.

The second objective is to build and enhance the value of Mauritius Sugars by creating:

- A clear identification of the "Mauritius" origin, "its sugar cane", and their attributes,
- A clear product range, branding, and packaging towards professionals of the Gourmet segment,
- A clear communication plan to invite and educate artisans to experience and adopt Mauritius Sugars in their recipes.

The primary goal of targeting the Gourmet market is to enhance the value of Mauritius Sugars for a target audience that appreciates their naturalness, taste, sustainability, traceability and health benefits.

Our marketing approach

This journey towards the Gourmet market segment has been meticulously defined across specific steps consisting of:

(i) Partnering with a professional Chef who knows the characteristics of the Gourmet Market.

We have therefore engaged with the Pastry Chef and Chocolatier, Philippe Bertrand, "Meilleur Ouvrier de France" to understand this market, how to approach the master distributor and how to educate the artisans. In doing so, we have been able to set up a benchmark with cocoa as ingredient.

(ii) Identification of the top 10 best-sellers within different categories, such as bakery and pastry, and the best Mauritius Sugars alternatives.

As a result of this, Chef Philippe Bertrand has tried, tested and validated 6 Mauritius Sugars which, as ingredients, are better alternatives to white refined sugar.

The following sugars would therefore be the flagship of Mauritius Sugars as 'Les Grands Sucres' of the Gourmet segment:

Dark Muscovado

Dark Brown Soft

Light Muscovado

Fine Demerera

Golden Caster

Demerara XL

A Continuous Journey Towards Greater Heights (Cont'd)

(iii) Developing a marketing toolbox aimed at master distributor, their sales force, and the recipe book for the professionals of the Gourmet segment.

With 400 years of sugar cane cultivation, 40 years of expertise in crafting unrefined sugars, and a strong commitment to sustainability, the marketing toolbox will provide insights and educational information such as:

- Sugar Cane Growth Cycle
- The Richness of sugar cane
- The art of making Mauritius Unrefined Cane Sugar
- The Journey towards Excellence
- Sustainability at the Heart of Mauritius Unrefined Cane Sugar

Our approach has consisted of conducting a comparative analysis between the white refined sugar and the 6 selected unrefined sugars across their:

- Sweetening power
- Aroma and taste
- Nutritional values
- Colour attributes
- Versatility in application

Finally, a book of about 60 recipes has been developed to cover the best and classic French pastries and bakeries, with Mauritius Sugars used for the making of, from the basic pie crust, the tart cream to more complex recipes such as the Tiramisu with the mixture of different Mauritius sugars such as Dark Muscovado and the Dark Brown Soft but also as decorative ingredients with the Demerara XL application on the famous French cake “La Chouquette”. The key element of these recipes is that Mauritius Sugars do not destabilise the original recipes, allowing artisans to maintain their traditional methods while enhancing the flavor.

The next step involved launching and testing the products across three markets: France, Italy, and the Middle East.

The product launch - market test

The product launch targeting the Gourmet market is being conducted across three markets:

- **French Market : Mauritius Sugar & La Route du Sucre**

The French market for Bakery and Pastry represents an annual volume of some 70,000 tons sugar, with a 15% yearly growth, out of which about 2,100 tons consist of cane sugar in various bag / retail pack formats.

The Mauritius Sugars aim at targeting this cane sugar and Gourmet market segment which would contribute to adding value to its portfolio and brand equity.

A range of 5 references has been launched on the French market where Mauritius has partnered with La Route Du Sucre for a co-branding.

The market test has been conducted at the specialized bakery and pastry fair, Syrah Europain 2024, where Mauritius Sugar has been sold and promoted by Transgourmet France.

In addition, master classes, conducted with a chef crafting French pastries with Mauritius Sugars, addressed at the chefs from “Academie des Chefs de France” as well as with the French distributor, “*Coup de Pates*”, proved to be of great interest, offering new possibilities to professionals in the Gourmet segment.

We are pleased to announce that our commercial partner, CristalCo, market leader on the bakery/pastry segment in distributing various types of sugars for a wide range of usage, will also join us for the sales and promotion of these Mauritius Sugars towards the bakery and pastry businesses.

The benefits of this partnership include:

- A distribution structure is already in place with commercial agreements with key master distributors.
- National distribution across France.
- Large range of products already listed on the sourcing platform which will be beneficial to specialized products with low sales rotation.
- Centralized delivery points to optimize the logistics.
- Commercial presence with the customers at specialized bakery / pastry fairs enabling a product focus.

We aim at reaching out to artisans through specific communication campaigns, namely specialized magazines addressed to the bakery and pastry professionals.

The implementation of a distribution platform in France supported by a buffer stock and flexibility to deliver directly to customers has also brought new business opportunities, specifically the packing of Mauritius Sugars through La Route Du Sucre’s packing partnership with ESAT for fine foods brands such as “Terres Exotiques” and “Le Comptoir & Co” from Andros.

A Continuous Journey Towards Greater Heights (Cont'd)

The proximity of supply of the Mauritius Sugars have been able to position the Mauritius Sugars within the cosmetic industry such as the Dark Brown Soft being used by the famous cosmetic brand KOS for its body cream, or the Mauritius Demerara used by laboratory BEA for the confection of cosmetic products for LVMH.

- **Italian Market: Mauritius Sugar & Figli di Pinin Pero**

The launch of Primero brand using Mauritius Sugars has also shown that there are market needs which need to be fulfilled.

Why did you launch the Primero brand with special sugars from Mauritius?

We chose to launch the Primero brand to raise awareness of Mauritius' special sugars as a special ingredient. Primero is not a sugar like any other: it is an ingredient that can enrich the recipes of professionals in the patisserie and ice-cream sectors.

Who are you targeting?

We are targeting professionals who choose to pay close attention to the selection of ingredients in their daily recipes.

What advantages do these sugars offer customers?

These sugars have the advantage of enriching our customers' recipes thanks to their specific organoleptic properties (Primero N.1 - N.3 - N.5). We wanted to spell them out in the brochure and even in the recipe book that we produced in collaboration with Chef Racca, to offer examples of use that have already been tested by a professional in the sector.

How are the products distributed?

We have chosen to begin distribution with several group presentations of certain products made with Primero, to show how to use it in each case. In this phase, we worked with Chef Racca and our main partners. Distribution then takes place through our usual distributors.

What feedback have you received to date from customers who have used Primero - sucres de Maurice products?

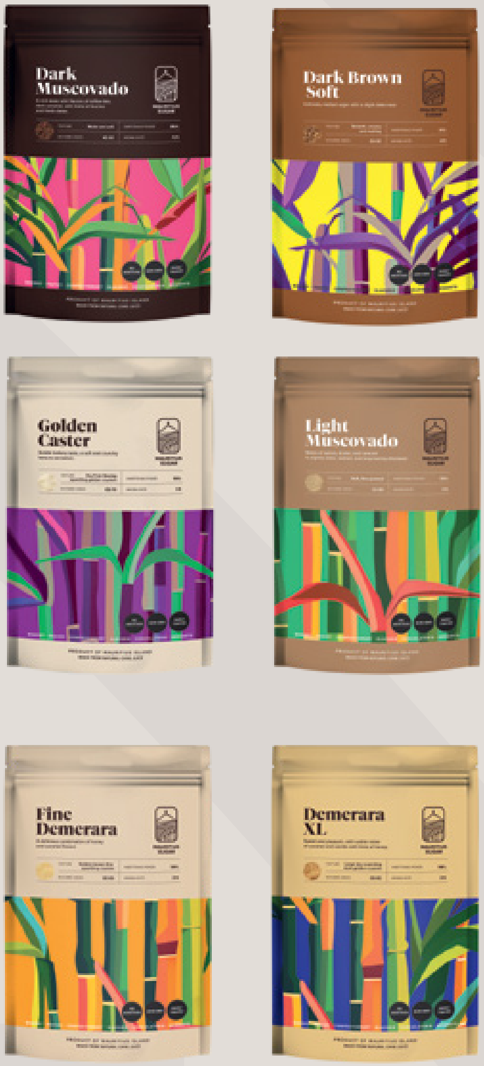
To date, the feedback has been positive: the product has been of interest to the professionals whom we've contacted. Those who have already tried it have recognized and appreciated Primero's 'plus'.

- **Middle East Market: The launch of the Mauritius Sugars brand**

As a third market test base, Mauritius Sugars will target the Middle East market under the MSS own Gourmet brand.

The effective launch will be done at “The festival of food specialties” taking place in Dubai on 5-7 November 2024.

This will be the premier destination for Gourmets and delicatessens in the Middle East.



The Specialty Food Festival is the only dedicated gastronomy and delicatessens show in the MENA region, and also the world’s best marketplace where the chefs, restaurants, hoteliers, suppliers, and industry leaders meet.

It is an exclusive showcase where Mauritius Sugars will have the exposure to the very best in gastronomy, exotic ingredients, artisanal discoveries, and hand-picked gourmet brands.

MSS Club: Setting the milestone

Further to its soft launch in 2022, the MSS Club is taking a step forward in better understanding the businesses and expectations of its members, i.e. its customers worldwide. The MSS Club, launched in 2022, has successfully concluded its second year of operation.

In 2023, we expanded our global reach, and led several high-impact initiatives that have significantly benefited our partners.

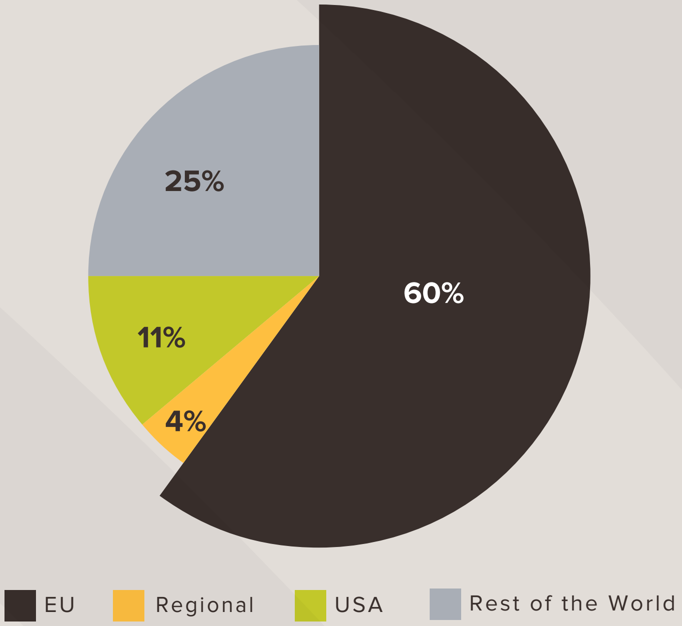
As a reminder, the MSS Club aims at:

- Creating a platform of exchange and interaction;
- Sustaining the long-lasting relationship with our partners;
- Supporting our partners in developing their sales;
- Enhancing our customers’ Responsible Sourcing Vision.

A Continuous Journey Towards Greater Heights (Cont'd)

In Q1 2024, we conducted a comprehensive membership survey with some 50 partners. This high engagement level provides robust insights into their needs and preferences. Hereunder a glimpse of the findings:

Geographical distribution of the members of MSS Club



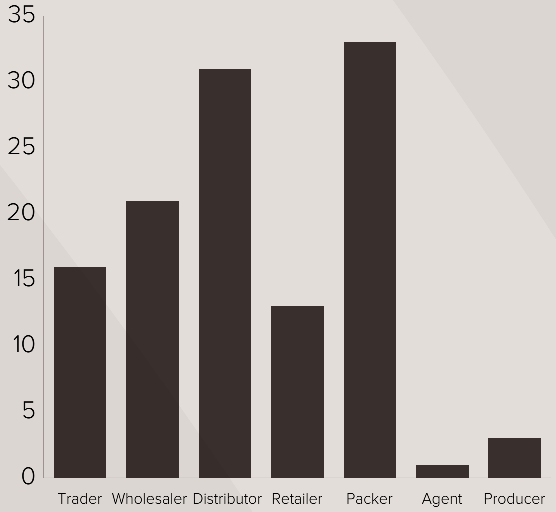
Additionally, we have received valuable feedback about their expectations of being part of MSS Club, in terms of:

- Commercial support;
- Marketing support;
- Responsible sourcing support;
- Social events.

This feedback will help MSS to adjust and refine its programs. We extend our sincere gratitude to our members for their continued trust and engagement. Together, we are shaping a more connected, efficient, and responsible future for the global sugar industry.

As we move into 2024, we remain steadfast in our commitment to driving innovation, fostering collaboration, and promoting sustainable practices within the industry. Based on the summary of their needs, the MSS Club has defined its calendar of activities.

Business category/ profile of members



2024-2025 Calendar of Events!

Discover key dates, community celebrations, and exciting activities. Stay informed and engaged with everything happening throughout the year.

August 2024

Newsletter / Industry News

The richness of sugar cane:

- Sugar Cane Growth Cycle
- The Richness of sugar cane
- The art of making Mauritius Unrefined Cane Sugar
- The Journey towards Excellence
- The crop 2024 perspective
- Welcome note of the MSS Club members
- Summary of the expectations they share with us
- 24/25 calendar of events and benefits

New product trial

Sampling and Product Trial of Mauritius Sugars.

Marketing Cooperation with brands using Mauritius Sugar Label

MSS Marketing Budget Allocation (MSS Financial participation for 2024/25) to customers promoting Mauritius Sugar Origin / Logo

September 2024

Recipe

Thematic Recipe:

Discovering 20 recipes of cookies using Mauritius unrefined cane sugar.

New product trial

Sampling and Product Trial of Mauritius Sugars.

Marketing Cooperation with brands using Mauritius Sugar Label

MSS Marketing Budget Allocation (MSS Financial participation for 2024/25) to customers promoting Mauritius Sugar Origin / Logo

October 2024

Newsletter / Industry News

Why you should not use only white refined sugar for your recipe?

- Comparison between unrefined cane sugar and white refined sugar: the sweetening power, aroma and taste, nutritional values, colour attributes
- Sharing of recipe book for the MSS Club Members

Local Event

Fairtrade Global Sugar Advisory Summit - 2nd to 4th October 2024 in Mauritius

Local Event

Mauritius guided tour:
Mills tour, Field visit, MSIRI visit

International Event

SIAL 2024 from 19th to 23rd October 2024 at Villepeinte - Paris Mauritius Pavillon - Stand 5A F162

Free ticket to events

Ticket entrance to SIAL 2024 available

MSS Club event

MSS Club Diner Cocktail: Boat cruize on Seine river in Paris Monday 21st October 2024

New product trial

Sampling and Product Trial of Mauritius Sugars.

Marketing Cooperation with brands using Mauritius Sugar Label

MSS Marketing Budget Allocation (MSS Financial participation for 2024/25) to customers promoting Mauritius Sugar Origin / Logo

November 2024

International Event

The Speciality Food Festival (Gourmet & Fine Food, Ingredients) in Dubai from 5th to 7th November 2024

Recipe

Recipe for Christmas

New product trial

Sampling and Product Trial of Mauritius Sugars.

Marketing Cooperation with brands using Mauritius Sugar Label

MSS Marketing Budget Allocation (MSS Financial participation for 2024/25) to customers promoting Mauritius Sugar Origin / Logo

December 2024

Newsletter / Industry News

- Sustainability at the heart of Mauritius Unrefined Cane Sugar
- Good sugars are fairtrade certified
- Insights of the Fairtrade Global Sugar Advisory Summit taking place in Mauritius from 2nd to 4th October 2024 • Insights of SIAL Exhibitions taking place in Paris from 19th to 23rd October with MSS Club Event

New product trial

Sampling and Product Trial of Mauritius Sugars.

Marketing Cooperation with brands using Mauritius Sugar Label

MSS Marketing Budget Allocation (MSS Financial participation for 2024/25) to customers promoting Mauritius Sugar Origin / Logo

A Continuous Journey Towards Greater Heights (Cont'd)

Ground-breaking innovation: The Antioxidant sugar

Omnicane Milling Operations has set up a plant to extract the natural antioxidant in sugar cane using a patented process. The active components extracted from the sugar cane juice show (i) Polyphenol rich with free-phenolic acids and free Flavanols and proanthocyanins, and (ii) Carotenoids.

As a result, the Antioxidant Sugar has been crafted with the Mauritius Special Raw sugar enriched with Natural Antioxidant Extract.

Natural Antioxidant Extract is blended with Mauritian Special Raw Cane sugar to produce Antioxidant sugar

Antioxidants are known to:
- Boost the immune system
- Benefit the heart
- Improve skin health
- Support gut health
- Help reduce cholesterol levels

A study conducted by the European Institute of Antioxidant has shown that polyphenols present in our extract, could have beneficial effects on human health by acting as antioxidants and protecting cells against oxidative stress through thehormesis phenomenon*.

* Hormesis has been recognized to be an adaptive mechanism by which mild stressors can potentiate the protective capacity of the host, while those at excessive levels are harmful or lethal (Murakami, 2022)

This new product available both as free-flowing sugars and powder form have been granted the POAT Label (Total Antioxidant Power Proved).

PAOT Label

PAOT LABEL
- **Product tested successfully**
  - **Very Effective Antioxidant product**
- **Certificate expected by May 2024**

PAOT® technology is a French innovation that allows, for the very first time, to obtain a reliable measurement of the concentration of oxidants and free radicals in the cells of the skin, the body, plants, foods and supplements food, cosmetic creams, etc

The market for natural antioxidants, including the polyphenols extracted from the sugar cane, is showing significant industries of applications:

- Food and beverages
- Nutraceuticals
- Cosmetics
- Animal feeds

MSS engagement through Digital Marketing

Social media interfaces like Facebook, Instagram and LinkedIn, have become key marketing tools for the MSS to enhance the engagement and interaction with its audiences and to build awareness/visibility of the Special Sugars. Since the beginning of the year 2024, there has been an upward trend in such engagements and fans/followers' acquisition. We started the year with a growth of 4,700 followers accompanied by 24,000 likes on Facebook compared with the previous year. This is reflected in the 24% increase in the Special Sugar sales locally.

FACEBOOK

Average
Impressions: 31%
Reach: 3%
Reaction: 3%

Average Fan
Acquisition: 18%

STATIC POST =
MORE ENGAGEMENT

INSTAGRAM

Average
Reaction: 64%

Average
Impressions: 22%
Reach: 9%

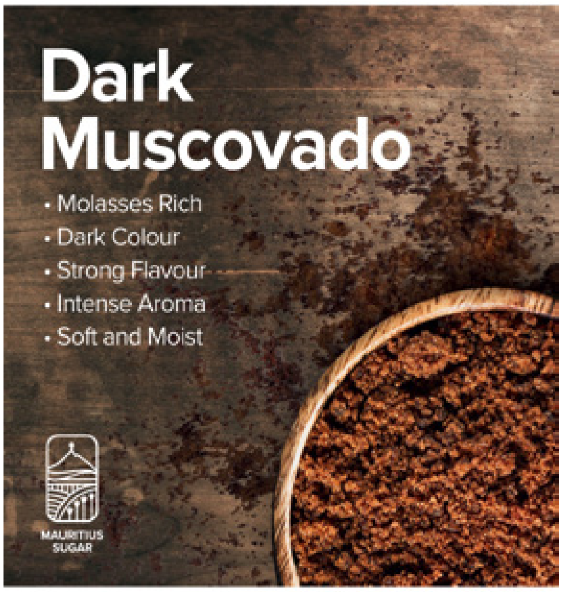
Average Follower
Acquisition: 42%

VIDEO POST =
MORE ENGAGEMENT

The monthly themes that have been applied to gain this positive momentum were product focus, recipe sharing, 'did you know' posts as well as a miscellaneous category covering more corporate contents to cater for the specificities of the LinkedIn community. These were tailored to embody the gourmet, local, informative, and the relatable aspects of the sugars.

We are more than just sugars...
Elevate your cooking experience.

The MSS has adopted the next step to create the 'culture of special sugars' in the mind of local consumers. Their versatility was introduced on its social media posts to create more awareness about their different usage. By bringing forward their distinctive qualities in terms of aroma, texture and taste, it's a win to enhance the cooking experience.



Timeline of Mauritius Sugar Events

October 2023
Anuga Food & Drink Fair

A look back at the Anuga Food & Drink Fair

The Mauritius Pavilion promoted by the Economic Development Board Mauritius (EDB), was present for the 2023 edition of the Anuga Food & Drink Fair. Held between 7th and 11th October in Cologne, Germany.

January 2024
Sirha Europain

MAURITIUS SUGARS LAUNCH IN THE GOURMET SEGMENT

The special unrefined sugars from Mauritius, are carving out a niche in the gourmet market as an alternative with less sweetness and richer flavour profiles.

In partnership with the French distributor, Transgourmet France, we are marketing a range of 5 special sugars to target professionals and artisans in the bakery and pastry industry on the French market under Transgourmet's own brand "LEGAVE".

To mark our collaboration, the team was present at the Transgourmet's stand as a producer at the "Sirha Europain 2024" exhibition held in Paris on 21-24 January 2024.

2024

2023

October 2023
109th China Food and Drinks Fair in Shenzhen

MSS is thankful to its commercial partner in China, COFCO Corporation, for dedicating a complete and attractive booth to Mauritian special sugars at the 109th China Food and Drinks Fair in Shenzhen 12-14 October 2023.

April 2024
Africa Sugar Conference in Nairobi

On 24-25 April 2024, the CEO of the MSS intervened at the Africa Sugar 2024 Conference in Nairobi.

He made a presentation on the Mauritius Special Sugars and was part of a Leadership Panel on “The Next Steps and Moving the (Sugar) Industry Forward”

April 2024
Partnership with Pinin Pero

The MSS and Figli di Pinin Pero & C. S.p.A. strengthened their partnership to promote Mauritius Unrefined Sugars on the Italian gourmet market, namely within the artisan’s bakery and pastry sector.

Introducing the brand Primero, 5 kg packs of Mauritian sugars that are designed and targeted to professionals.

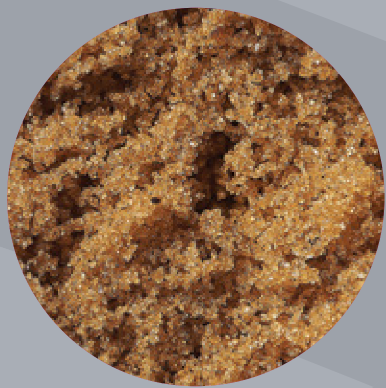
2024

April 2024
Partnership with "Coup de Pates" for 2 masterclasses

The MSS partnered with "Coup de Pates" and the Académie Culinaire des Chefs de France for two exceptional masterclasses on April 17th and 25th 2024. These events highlighted our special unrefined sugars with the expertise of renowned chef Eric Verger who joined our Chief Marketing Officer, Sebastien Giraud.

May 2024
National Exhibition and Convention Center (NECC) in Shanghai

Our partners COFCO Corporation proudly represented our Dry Demerara at the Bakery China exhibition from the 21st-24th May at the National Exhibition and Convention Center (NECC) in Shanghai.



Redefining Beauty

Dark Brown Soft sugar enhances the nourishing and exfoliating properties of skincare products, leaving skin radiant and smooth. This premium sugar is formulated with natural ingredients to ensure gentle and effective results turning everyday skincare into an indulgent, rejuvenating experience.

Sustainable Production Environment

Deeply rooted in history and culture, the sugar cane industry in Mauritius has not only adapted to the island's unique agroclimatic conditions but also evolved over the years to incorporate sustainable practices ensuring stability and competitiveness whilst preserving the rich local heritage. The industry is a proponent of environment-friendly methods, with good agricultural and best management practices, green energy, climate action and sustainability at the fore. This section will walk the reader through these important aspects of the industry, starting from the geographical context to shipping of the final product.

Nestled in the heart of the Indian Ocean and formed by volcanic activity approximately 10 million years ago, the island is home mainly to the latosolic brown forest, low humic latosols and latosolic reddish prairie soil types, all with a relatively neutral pH favourable to sugar cane growth. Sugar cane is cultivated from the arid coastal region at sea level, through the moderately humid areas, up to the highly humid highlands. Situated just north of the Tropic of Capricorn, Mauritius experiences a mild tropical maritime climate all year round. The country has two seasons: a warm, humid summer from November to April, and a relatively cool, dry winter from June to September. May and October are typically considered transition months. The island's weather varies due to micro-climates, with average maximum temperatures ranging from 26 °C to around 30 °C in summer and from 22 °C to 27 °C in winter. Average minimum temperatures range from 19 °C to around 22 °C in summer and from 15 °C to 19 °C in winter, depending on the location. The hottest months are January and February, while the coolest are July and August. Rainfall varies from about 800 mm along the coast to 4,000 mm on the Central Plateau. Summer rains, often linked to tropical systems, account for two-thirds of the total annual rainfall. The number of hours of bright sunshine varies from 6.5 to over 8 hours daily, representing an incoming global solar radiation of 17 MJ m-2 to 20 MJ m-2. This relatively high level of sunshine aids in the active growth of sugar cane during the summer and helps optimise sucrose accumulation during the winter.

Cane cultivation

Sugar is the product of cane milling. Production of superior quality sugar is thus significantly reliant on the availability of high-quality canes, hence the need for cutting-edge research to develop the best cultivars. Mauritius has a unique and distinctive germplasm collection comprising over 2,500 accessions which have, since the establishment of the Mauritius Sugar cane Industry Research Institute (MSIRI) in 1953, been utilised for the development, through the traditional plant breeding method of hybridisation and selection, of 65 local non-GMO varieties adapted to the island's various agroclimatic zones.

Prior to planting, sugar cane seeds that are free from disease are sourced from accredited nurseries and treated with recommended fungicides. Once the field has been strategically planned and the land suitably readied, a drainage system is put in place, if necessary, and troublesome weeds are managed. Furrows are subsequently created at suitable intervals for the cane setts to be planted. Dual row planting, which helps reduce herbicide applications, is popular, as is legume planting during the fallow break to enhance soil fertility. Cultural methods like minimum tillage and contour planting have been adopted since long to avoid disturbing the topsoil and to minimise erosion in hilly areas where field borders like vetiver and muguet are also planted.

The effective growth of sugar cane relies on proficient management of crop health. In suitable areas, the practice of green trash blanketing is thus implemented, and only herbicides approved by the Environment Protection Agency (EPA) and the European Union (EU) are applied after thorough evaluation to ensure the correct quantity is applied to prevent pollution of streams and groundwater. Insecticides are seldom used, except on a small scale, in few instances, with biological pest control achieved through beneficial insects or predators such as the Mynah bird that was introduced from India in 1763 to successfully manage locusts. Furthermore, fertilisers are administered in conjunction with soil testing and leaf diagnosis. It is significant to mention that agrochemicals applied to sugar cane fields in Mauritius are all free from GMO derivatives and devoid of neonicotinoids that affect learning and memory in honeybees.

Sustainable Production Environment (Cont'd)

Cane harvesting

The sugar cane harvest spans from the months of June to December, depending on its ripeness as the various varieties do not all mature at the same time. Except for a small area that is accidentally burnt, green cane harvesting is the standard practice in the island. This technique helps reduce greenhouse gas (GHG) emissions and contributes to the well-being of cane growers, workers, and communities. For fields that necessitate burning for the purpose of replantation, strict compliance to the industry's Code of Cane Burning Practice which recommends cool burning is mandatory. This practice involves setting small, low-intensity fires that are usually lit at night or in the early morning when the dew helps cool down the fire. For the period under review, burnt cane delivered to the mills amounted to less than 1.5% of the total, down from 2.7% for the previous harvest.

After harvest, trash blanketing is implemented to conserve soil moisture and suppress weed growth. Part of the dry trash is sent to the power-producing plants for energy production. After bagasse remuneration was meaningfully increased in 2021, providing a much-needed boost to overall producers' revenue and bringing a renewed interest in cane farming, the objective now is to increase the industry's contribution through the enhanced utilisation of dry cane trash. Currently, around 12% of the country's national energy needs come from bagasse-fired electricity. Following the release of the National Biomass Framework last year, suitable mechanisms will be developed and implemented to provide additional incentives to producers.

Circular economy and carbon emission

The Mauritian sugar cane industry has made significant strides towards implementing integrated industrial ecosystems based on the circular economy model which emphasises resource efficiency and sustainability and aims to minimise waste and make the most of available resources. A case in point is the implementation of water stewardship strategies centred on water reutilisation, waste reduction and enhancement of operational efficiency. It is also worth noting that our mills have not only diversified into electricity generation, but also ethanol and potable alcohol production, as well as food grade carbon dioxide and bio-fertilisers, further diversifying the industry's economic base and revenue streams. Such diversification not only adds value to the industry but also optimises the utilisation of sugar co-products, thus reducing waste.

Sugar cane is one of the most important C4 crops in the world. As a C4 plant, it has a special mechanism of carbon fixation that makes it highly efficient in photosynthesis and biomass production. The crop is valuable not only for sugar production but also for its potential in bioenergy and carbon sequestration. A recent independent study has thus shown that the industry's practices collectively result in a negative carbon footprint of 0.17 kg CO_2e per kg of sugar from farm to local port, particularly when considering the emissions saved by the electricity generated and exported to the national grid from bagasse, the fibrous by-product left after the sugar cane has been milled. Another study by the Cool Farm Alliance revealed that Mauritius, as a sugar producing country, compares more than favourably to several other cane sugar producing origins in terms of carbon emissions.

	Carbon Emissions kg CO2 eq / kg sugar	
Country	**From farm to local port**	**After accounting for emissions displaced by electricity produced from bagasse**
Mauritius	0.360	- 0.170
Eswatini	0.548	0.389
Costa Rica	0.650 - 0.690	N/A
Belize	1.036	0.691
Fiji	0.540	0.480

Source: Cool Farm Alliance Impact Study 2023

The sugar industry in Mauritius is primarily focused on exports, making shipping a crucial part of its supply chain. The shipping industry, which contributes to GHG emissions, is under increasing pressure to reduce its environmental impact. As a result, under the EU Green Deal, a package of policy measures which aims to set the EU on the path to a green transition, with the ultimate target of reaching climate neutrality by 2050 while making supply chains more sustainable, the shipping sector is now part of the Emissions Trading System (ETS) which requires ship operators to monitor, report and surrender allowances for each ton of CO_2 they emit. Thus, for each ton of CO_2 reported, one European Union Allowance (EUA) must be bought and submitted to the EU.

Due to the significant compliance cost implications of this measure, an Emissions Surcharge was introduced in January 2024 on all bookings with shipping lines for EU-bound cargoes subject to the EU ETS. However, deliveries made on vessels using green fuels are exempt from the Emissions Surcharge while eco-friendly exporters willing to ship on greener modes of transportation would need to contribute for the environmentally sustainable fuels which are traded higher than conventional fuels. This carbon pricing mechanism will be phased in, with 40% emissions included in 2024, 70% in 2025 and 100% from 2026 onwards. From 2026, emissions of methane and nitrous oxide will also be included.

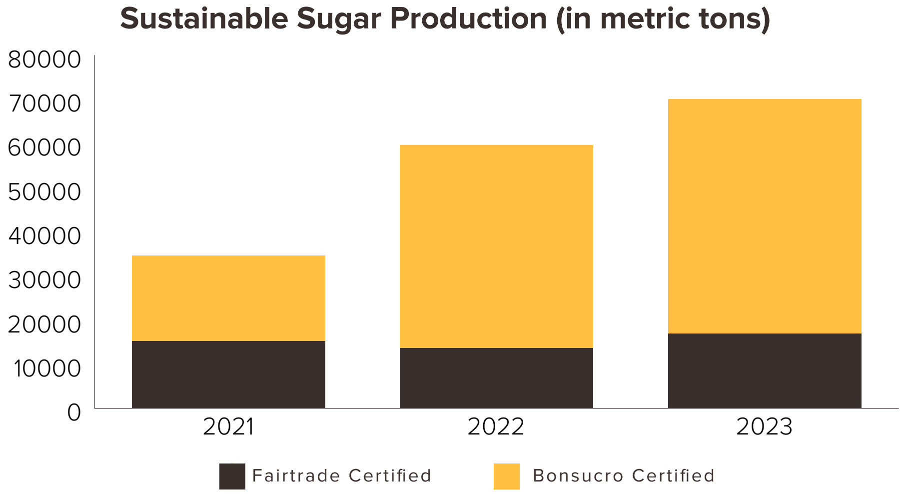
Sustainability Certification

The Syndicate, mindful of the expectations and exigencies of its customers and the market in general, attaches great importance to promoting and furthering the sustainability agenda. Thus, to bring to light the achievements of its members and provide customers with credible assurances, it remained committed to fostering sustainability principles and practices through regular communication and dialogue with its supply chain partners. Certification to global reputable sustainability standards and subscription to independent reporting frameworks remain key components of this strategy which has so far yielded promising results, with a third of total sugar production already under various certifications.

Sustainable Production Environment (Cont'd)

Interest in certification to the Bonsucro Standard, a globally recognised sustainability platform for sugar cane, continued attracting interest from corporate growers. Thus, after the successful accreditation of its farm located in the Omnicane factory area, ENL Agri Ltd embarked on the certification process of its other plantation supplying sugar cane to the Alteo mill. Meanwhile, Terra Milling continued its certification preparations, and some other groups are expected to follow suit. Compared with 45,961 tons produced during the 2022 campaign, availability of Bonsucro labelled sugar rose to 53,057 tons in 2023. Uptake of such certified sugar remained however negligible, despite several major global users' commitments to increasingly source their sugar requirements from responsible origins. Thus, for the 2023 crop, only 6.6 tons of Bonsucro-certified sugar were sold at a premium which nevertheless remained relatively low.

As for Fairtrade sugar production, after several years of decline due mainly to the decertification of some producer groups, the 2023 crop was defined by a turnaround, with an outturn of 16,916 tons compared with 13,645 tons in 2022, that is an increase of about 24%. This upswing was largely due to the permission to trade (PTT) granted to the MSS Multi-purpose Co-operative Society Ltd in March 2024 following its audit by FLOCERT in October 2023, which allowed the Syndicate to avail of a further 3,195 tons of sugar for export even before the society's certification in June 2024. It is worth recalling that this co-operative, which was established with the assistance of the Syndicate and continues to receive its support services, comprises 300 independent planters supplying cane to all three mills. With the establishment of the MSS Multi-purpose Co-operative Society Ltd, it is worth highlighting that these independent planters who could not previously leverage the benefits of the Fairtrade system despite representing about 40% of all sugar cane farmers in Mauritius, are now provided with a platform to unite and collaborate in achieving shared objectives while ramping up their sustainability offerings. As a direct consequence of this co-operative's successful accreditation, its members thus received, for their first year of certification, an additional bonus of Rs. 1,943 per ton on their 2023 sugar accruals, over and above the standard price payable to producers. For the 2024 campaign, further members will be recruited, thereby increasing the Society's certified sugar production while contributing to boost Fairtrade sugar exports from Mauritius.



Otherwise, Fairtrade International initiated a project involving the utilisation of locally made bio-fertiliser in the sugar cane fields of members of the two smallest certified cooperatives in Mauritius. The project's objectives are to lower GHG emissions and enhance soil health and fertility, whilst reducing farmers' production costs and increasing their income through improved yields. Monitored by industry partners, including the Syndicate, this pilot, if relevant and successful, will be rolled out to other Fairtrade producers.

Finally, as a prelude to the entry into force of the EU Green Deal, a preliminary assessment of the level of preparedness of certain key sectors in Mauritius, including the sugar industry, having the Union as their main export market, was undertaken by an EU-designated consultant during the final quarter of 2023. Careful consideration was given to the practices in place in the industry, as well as the significant volume under accreditation and the willingness to have more farmers and mills certified to global sustainability standards. The initial findings were encouraging and will serve as motivation to maintain a steady pace in our sustainability journey.

Assuring Quality & Food Safety

Renowned for their superior qualities, Mauritius sugars are frequently recognized as gourmet items. The island is home to exceptional sugarcane varieties, contributing to the premium quality of the sugars produced. The Syndicate plays a pivotal role in ensuring the quality and safety of the sugars supplied, adhering to a multitude of domestic and international regulations. The Syndicate's unwavering commitment to producing high-quality sugar while maintaining stringent food safety standards is a cornerstone of its operations and sales performance. To this end, the Syndicate provides robust support to producers in securing and upholding vital quality certifications, including BRCGS, Kosher, Halal, Bonsucro, and Fairtrade, which bolster the integrity, safety, and market reputation of the sugar industry. Additionally, it demonstrates a robust commitment to food safety, which includes the implementation of a comprehensive food safety plan throughout the supply chain. This plan is meticulously managed by certified Preventive Control Qualified Individuals (PCQI) from the Syndicate, mills and warehouses. Furthermore, the careful selection of food contact materials underscores the dedication of the Syndicate to ensure that the sugar produced meets the highest standards of safety for consumption.

Customer Feedback and Continuous Improvement

The Syndicate deeply appreciates the insights provided by its valued customers. These perspectives are instrumental in comprehending market needs and expectations. Such feedback is vital in upholding the superior quality of Mauritius sugars and innovating new offerings that align with the dynamic consumer demands. Simultaneously, the Syndicate is steadfast in its dedication to perpetual enhancement across all facets of its operations. This encompasses elevating the quality of the sugars, optimizing supply chain procedures, and fortifying its relationships with both suppliers and customers. Its unwavering commitment to these principles is manifest in its consistent endeavors to refine its operations and cater for the changing requirements of its clientele. To this end, customers have consistently rated the Syndicate's sugar quality and its accompanying service highly over the years.

Product Specifications

The Syndicate's Quality Department engages in a close partnership with the local producers and its customers to define the exact product standards. These standards are designed to guarantee that the sugar produced aligns with the buyers' requirements and caters to distinct market niches. Prior to the commencement of each crop cycle, millers and warehouse operators are provided with comprehensive guidelines that delineate the framework for ensuring the safety and quality of sugar production and storage. To ascertain adherence to these stipulated requirements, routine site visits and audits are conducted at these facilities.

Quality Assurance for packaging materials

As the supplier of packaging materials to the producers, the Syndicate holds a focal role in preserving the integrity of its sugar exports. Crucial elements in this domain involve adherence to various international regulations. In this regard, it conducted during the year under review thorough evaluations of packaging materials to ensure they fulfilled their intended functions and complied with legal mandates. Similarly, containers utilized were subjected to rigorous inspection to ensure they are fit for sugar transportation. Both scheduled and unannounced audits at container depots assessed that sugar transport boxes complied with the guidelines set forth by the Syndicate for shipping lines. To address issues related to container damage, it promptly resolved such matters through its insurance providers, thereby protecting both the quality of its sugar exports and its service standards.

Product Release Certificates and Quality Documents

Before releasing sugar for delivery, the Syndicate reviews product release certificates issued by the mills and information from these documents is used to prepare certificates of analysis and other quality-related paperwork. Furthermore, annual quality and food safety questionnaires, along with customer complaints, are thoroughly reviewed by its Quality Department. It collaborated during the year with representatives from mills, the refinery, and warehousing facilities to promptly address any issue. The quality team has also been assisting the Syndicate's buyers in distinguishing Mauritius sugars and defending their market share in export destinations.

Assuring Quality & Food Safety (Cont'd)

MSS laboratory accreditation

Laboratory accreditation is a key factor in ensuring integrity, impartiality and competence of a laboratory and its personnel. In order to increase the confidence in its services provided for reliable test results, the Syndicate's Quality department has undertaken to pursue ISO/IEC 17025 laboratory accreditation. Such recognized accreditation process verifies the technical competence of the laboratory, including the qualifications, training, and experience of the staff, the right equipment, adequate quality assurance procedures, proper sampling practices, appropriate testing methods, traceability of measurements to approved standards, accurate recording and reporting procedures. In essence, such accreditation will enhance the trust between the Syndicate and its stakeholders for quality assurance on services and products delivered.

Quality overview for deliveries to China

In an effort to gain a holistic understanding of the quality supply chain in China and its implications on our sugar deliveries to this market, which is likely to become an important export destination, the Syndicate's Quality Executive undertook a comprehensive visit there. The primary goals were dual-pronged, encompassing an evaluation of special sugars and bag suppliers.

The mission facilitated the establishment of a distinct route for these sugars, ensuring optimal conditions to preserve their quality and integrity along the supply chain. Concurrently, strategies to capitalize on the unique value of the sugars, in contrast to local produce, were investigated. In parallel, the Quality Executive pursuit potential new bag suppliers who could meet the Syndicate's rigorous packaging standards and conducted an audit with its existing bag supplier in South Korea, in accordance with the BRCGS certification standards for supplier assessments.

By upholding rigorous quality and food safety standards, and by proactively responding to customer expectations, the Quality Department has played a significant role in the success of sugar exports by the Syndicate. This proactive approach and commitment to excellence have been instrumental in ensuring customer satisfaction and the continued growth of its export business.

Innovation in Every Batch

Golden Caster plays a crucial role in the industrialization of food production, enhancing the efficiency and quality of mass-produced items like cookies and biscuits. Carefully crafted to meet the demands of large-scale manufacturing, this premium sugar ensures consistent flavor and texture in every batch, helping create superior products that delight consumers worldwide.

Financial Review

PERFORMANCE

Summary Statement of Income and Expenditure - Determination of Ex-Syndicate Price

	Crop 2023 Rs M	Crop 2022 Rs M
Revenue	13,138	11,355
Expenditure		
Direct operating costs	5,484	5,075
Other operating costs	403	404
	5,887	5,479
Net Revenue before Net finance costs	7,251	5,876
Net finance cost	161	106
Gain on exchange	-339	-279
Financial support re-imbursement by Producers		70
Net Revenue to distribute to Producers	**7,429**	**5,980**
Production - Pol Basis - MT	240,011	233,999
Ex-Syndicate Price - Rs/ MT	**30,951**	**25,554**

Sales Volume & Revenue Analysis

		CROP 2023	CROP 2022
Sales Volume			
Special Sugars	MT	131,208	134,667
White Refined Sugar	MT	201,518	178,013
		332,726	**312,680**
Sales Revenue			
Special Sugars	Rs.M	5,474	5,355
White Refined Sugar	Rs.M	7,600	5,887
		13,074	**11,242**

Total sales revenue generated from Crop 2023 sugars, including from imported raw sugar feedstock for the local market consumption, reached Rs 10,522 M, compared with Rs 9,411 M in the previous year, representing an increase of 12 %, while total sales volume increased by 0.5 % to reach 253,185 MT.

Increase in revenue over the year is driven by a combination of:

- Prices of special sugars and white refined sugar have increased by 9% and 10% respectively.
- A depreciation of the Mauritian Rupee by 3%.

Direct operating costs amounted to Rs 3,026 M, an increase of 8% from the previous year when they stood at Rs 3,310 M, in line with the increase in sales volume.

Net finance costs witnessed a decrease of 14% to arrive at Rs 126 M, mainly due to good negotiation of interest rates both on Rupee and foreign currency borrowings. Through a rigorous treasury management, a net foreign exchange gain of Rs 339 M was realised, representing an increase of 21.5% over the previous year.

The Syndicate's administrative and other charges stood at Rs 49 M as compared to Rs 58 M for the previous year, explained by a credit in Retirement benefit obligations expenses.

For the current crop, the Syndicate also imported non originating sugar for account of OMOL operations amounting to Rs 2,291 M and generating an income of Rs 29 M to the Syndicate members.

The ex-Syndicate price for Crop 2023 was consequently finalised at Rs 30,951 per ton sugar, an increase of 21 % over the previous crop.

Disbursements to Sugar Producers

Sugar Accruing

During the year under review, advance payments were effected on basis of a first conservative estimate of the ex-Syndicate price at Rs.20,000 per ton sugar at the start of the crop. This was revised during the crop period to reach Rs 26,600 per ton sugar at March 2024. Advances to producers categorised between Growers cultivating less than 100Ha and Other Producers were effected as per table below:

Period	Growers cultivating less than 100 ha		Other producers	
	Advance	Cumulative Advance	Advance	Cumulatice Advance
	Rs	Rs	Rs	Rs
July/August 2023	16,000	16,000	12,000	12,000
September 2023	4,800	20,800	3,600	15,600
December 2023		20,800	2,000	17,600
March 2024	1,000	21,800	2,000	19,600
May 2024	1,000	22,800	3,200	22,800
June 2024	2,600	25,400	2,600	25,400
July 2024	5,551	30,951	5,551	30,951

Total advances paid to producers during the financial year ended 30 June 2024 required a disbursement by the Syndicate of Rs 6.1 billion. Once the ex-Syndicate price was finalised at Rs. 30,951 per ton sugar, a further disbursement of Rs. 1.3 billion was made in July 2024 for the final price settlement.

Financial Review (Cont'd)

Payment for Molasses including contribution by Distillers/Bottlers

The Control and Arbitration Department (CAD) of the MCIA determines the final price payable for molasses. This price includes the contribution made by distillers/ bottlers of absolute alcohol on their domestic sales. For Crop 2023, the price was finalised by the CAD at Rs. 4,687.15 per ton molasses, equivalent to Rs. 2,202.85 per equivalent ton sugar. A first advance of Rs. 1,500 per ton molasses was paid to eligible producers on 22 December 2023, and the final settlement was made on 7 August 2024 after receipt of final dues from the distilleries.

The contribution from distillers/bottlers, amounting to Rs 141.6 M for the year under review, was collected by the Mauritius Revenue Authority and remitted to the Syndicate on a monthly basis.

Bagasse Proceeds

Bagasse price for Crop 2023 was equivalent to Rs. 2,971.92 per ton sugar and corresponding disbursements totalling Rs.713.3 M were made to growers and millers in 2 instalments, namely on 29 December 2023 and 3 July 2024.

SIFB Premium

The final premium declared and payable to the Sugar Insurance Fund Board (SIFB) for Crop 2023 by producers with an output of more than 60 tons sugar accruing amounted to Rs. 431.2M, equivalent to Rs. 2,099 per ton sugar. This premium was retained by the Syndicate out of the payments due to them as follows:

- Millers' share: Rs 109.3M; and
- Planters' share: Rs 321.9M

Treasury Management and Borrowings

As per its usual practice, the Syndicate provided advance payments to producers from the start of the harvest. As of 30 June 2024, these advances amounted to Rs 6.1 billion, and have been financed through utilisation of existing facilities with commercial banks and through the issuance of Money Market Instruments in September 2023.

The Bank of Mauritius has maintained its key rate at 4.50% since 14th December 2022. The US Federal Reserve has also maintained the federal rates within a range of 5.25-5.50 % since July 2023, whilst the European Central Bank cut its interest rate on 12 June 2024 by 25 bps to 4.25%.

As regard import of raw sugar feedstock for refining, it was financed in USD by the Syndicate through its regular facilities with banking institutions.

Foreign Exchange Receipts and Hedging Performance

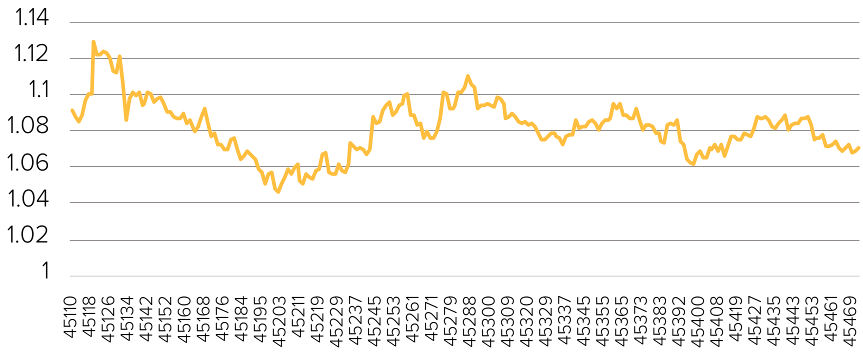
The annual revenue derived from sales of sugar (inclusive of non originating sugar) amounted to Rs 13.1 billion, out of which Rs 1.4 billion represented local market sales. The export proceeds amounting to Rs. 11.7 billion were denominated in EUR (48%), USD (43%) and GBP (9%). Under the guidance of the Forex Committee, the Syndicate continued in its proven practice of hedging its foreign currency receipts to mitigate the risks and volatility inherent in the Forex market.

For Crop 2023, the Syndicate started hedging its foreign currencies as from July 2023, when the EUR was trading at USD 1.10 and MUR 49.32 while the USD was at Rs 45.10 and GBP at Rs 57.67.

The US and Eurozone have been battling with inflation and have thus kept their interest rates stable over the year with ECB cutting its rate by 25 bps in June 2024. The next financial year may see rate cuts on both sides of the continents.

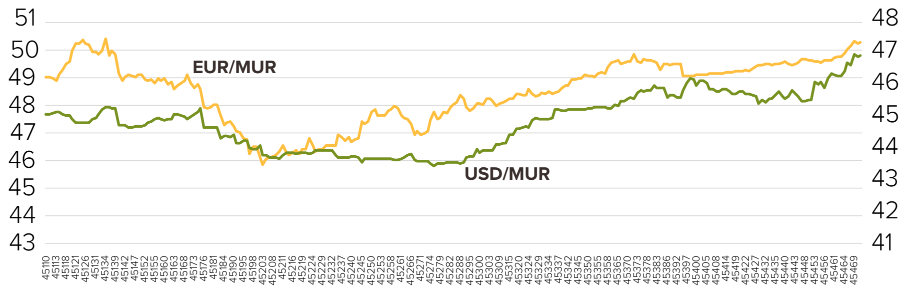
The EUR oscillated between USD 1.0462 and 1.1293 over the period from 01 July 2023 to 30 June 2024 as depicted in the graph below.

Evolution of EUR/USD (1 July 2023 - 30 June 2024)



On the domestic market, the MUR appreciated vis a vis the EUR and USD from July till end 2023 but started to depreciate thereafter as depicted in the chart hereunder. The overall annual depreciation of the MUR over the year was to the tune of 3% against the EUR and 4% against the USD .

Evolution of EUR and USD vis-à-vis MUR (1 July 2023 - 30 June 2024)



Due to the depreciating trend of the MUR vis a vis foreign currencies, the Syndicate resorted to sales on short forward basis.

The average rates achieved compared to the average spot rates are shown in the table below.

	Average Spot Rates from July 2023 to June 2024	Average rate achieved by the Syndicate for Crop 2023	Average rate achieved by the Syndicate for Crop 2022
EUR/MUR	48.52	49.85	47.67
USD/MUR	44.86	47.13	45.47
GBP/MUR	56.49	58.69	55.34


DINA SUGAR
MAURITIUS DARK MUSCOVADO SUGAR
500g
MAURITIUS DEMERARA SUGAR
FLAVOUR STRENGTH
3
1kg
made in moris
MAURITIUS WHITE CASTER SUGAR
MAURITIUS LIGHT MUSCOVADO SUGAR

Refinement in Retail

Both our white refined and unrefined cane sugars bring exceptional quality to the retail market, enhancing a wide range of products. The superior taste and versatility of our premium sugars preserve their unique flavors and textures, making them a favorite among consumers.

Report of the Independent Auditors
on the Financial Statements to the Members of the Mauritius Sugar Syndicate

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Mauritius Sugar Syndicate (the "Syndicate") set out on pages 72 to 94 which comprise the statement of financial position as at 30 June 2024, and the statement of income and expenditure and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements of the Syndicate for the year ended 30 June 2024 are prepared in all material respects, in accordance with the basis of preparation of the Syndicate described in note 2(a).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Syndicate in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code") and other independence requirements applicable to performing audits of financial statements of the Syndicate and in Mauritius. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter- Basis of preparation and restriction on use

We draw attention to note 2(a) to the financial statements, which describes the Basis of Preparation of the financial statements. The financial statements are prepared to assist the Syndicate in meeting its obligation to prepare financial statements for its members in accordance with the mandate of the Syndicate. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Syndicate and its members and should not be used by parties other than the members of the Syndicate. Our opinion is not modified in respect of this matter.

Other matter

The financial statements of Mauritius Sugar Syndicate (the "Syndicate") for the year ended 30 June 2023 were audited by another auditor who expressed an unmodified opinion on those statements on 26 September 2023.

Other Information

The members of the Main Committee are responsible for the other information. The other information comprises the information included in the 100 page document titled "Mauritius Sugar Syndicate – Audited Financial Statements for the year ended 30 June 2024", which includes Governance, Risk Management and Audit, Production & Sales Performance 2023-2024, The Marketing of Mauritius Sugars, Timeline of Mauritius Sugar Events, Sustainability and the Financial Review. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Members of the Main Committee for the Financial Statements

The members of the Main Committee is responsible for the preparation of the financial statements in accordance with the basis of preparation stated in note 2(a) and for such internal control as the members of the Main Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The members of the Main Committee are also responsible for determining that the basis of preparation is appropriate for the purpose the financial statements are prepared for.

In preparing the financial statements, the members of the Main Committee are responsible for assessing the Syndicate's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the members of the Main Committee either intend to liquidate the Syndicate or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors
on the Financial Statements to the Members of the Mauritius Sugar Syndicate

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 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 Syndicate's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members of the Main Committee.
- Conclude on the appropriateness of the members of the Main Committee's 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 Syndicate's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the Syndicate to cease to continue as a going concern.

We communicate with the members of the Main Committee 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.

Use of our report

This report is made solely to the Syndicate and its members, as a body. Our audit work has been undertaken so that we might state to the Syndicate and its members those matters we are required to state to them in an auditor's 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 Syndicate and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

ERNST & YOUNG
Ebène, Mauritius

DARYL CSIZMADIA, C.A. (S.A.)
Licensed by FRC

Date: 09 September 2024

Statement of Financial Position

AT 30 JUNE 2024

	Notes	2024 Rs'000	2023 Rs'000
ASSETS			
NON-CURRENT ASSETS			
Equipment	4	**5,830**	18,671
Intangible assets	5	**737**	1,253
		6,567	19,924
CURRENT ASSETS			
Inventories	6	**593,590**	1,271,169
Trade and other receivables	7	**3,809,007**	3,358,253
Cash and cash equivalents	8	**973,987**	615,092
		5,376,584	5,244,514
TOTAL ASSETS		**5,383,151**	5,264,438
LIABILITIES			
NON-CURRENT LIABILITIES			
Employee benefit liabilities	9	**13,567**	22,264
		13,567	22,264
CURRENT LIABILITIES			
			-
Borrowings	10	**2,949,716**	2,885,497
Trade and other payables	11	**2,419,868**	2,356,677
		5,369,584	5,242,174
TOTAL LIABILITIES		**5,383,151**	5,264,438

These financial statements have been approved by the Committee for issue on 09 September 2024

Devesh Dukhira
Chief Executive Officer

Rajendra Puddoo
Chief Finance Officer

The notes on pages 75 to 94 form an integral part of these financial statements.

Independent auditors' report on pages 70 and 71.

Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 Rs'000	2023 Rs'000
Operating activities			
Net revenue distributable to all producers as Ex-Syndicate price		**7,428,589**	5,979,699
Adjustments for:			
Profit on disposal of equipment	13	**-**	(344)
Interest expense	18	**162,383**	175,531
Interest income	18	**(1,883)**	(657)
Depreciation of equipment	4	**13,985**	18,639
Amortisation of intangible assets	5	**516**	522
Employee benefit liabilities	9(vi)	**(8,697)**	201
Operating profit before working capital changes		**7,594,893**	6,173,591
(Increase)/Decrease in inventories	6	**677,579**	(646,593)
(Increase)/decrease in trade and other receivables	7	**(450,754)**	54,475
Increase/(decrease) in trade and other payables	11	**(337,842)**	69,744
Cash generated from operations		**7,483,876**	5,651,217
Payment made to producers/planters		**(7,084,310)**	(6,007,297)
Amount payable to producers			
Interest paid		**(105,630)**	(133,675)
Net cash generated/(used in) from operating activities		**293,936**	(489,755)
Investing activities			
Purchase of equipment	4	**(1,144)**	(313)
Purchase of intangible assets	5	**-**	(548)
Proceeds from disposal of equipment		**-**	530
Interest received		**1,883**	657
Net cash generated from investing activities		**739**	326
Financing activities			
Loan received	10	**6,271,225**	7,963,661
Loans repaid	10	**(6,207,006)**	(7,567,364)
Net cash generated from financing activities		**64,219**	396,297
Net increase/(decrease) in cash and cash equivalents		**358,895**	(93,132)
Movement in cash and cash equivalents			
At July 01, 2023		**615,092**	708,224
Net increase/(decrease) in cash and cash equivalents		**358,895**	(93,132)
	10		
At June 30, 2024	8	**973,987**	615,092

The notes on pages 75 to 94 form an integral part of these financial statements.

Independent auditors' report on pages 70 and 71.

Statement of Income and Expenditure

FOR THE YEAR ENDED 30 JUNE 2024

		2023 - 2024 Crop			2022 - 2023 Crop		
MT OF SUGAR ACCRUING		**240,011**				233,999	
	Note	**Rs'000**	**Rs per MT**	**%**	Rs'000	Rs per MT	%
Originating Sugar Operations:							
REVENUE							
Sales proceeds	24	**10,521,996**	**43,840**	**99.40%**	9,411,186	40,218	98.82%
Other income	24	**63,681**	**265**	**0.60%**	112,647	481	1.18%
		10,585,677	**44,105**	**100%**	9,523,833	40,699	100%
Direct operating costs	24	**(3,026,403)**	**(12,608)**	**(28.59%)**	(3,310,052)	(14,146)	(34.76%)
Storage charges	24	**(195,196)**	**(813)**	**(1.84%)**	(204,007)	(872)	(2.14%)
Administrative and other charges	24	**(49,205)**	**(205)**	**(0.46%)**	(58,214)	(249)	(0.61%)
Service Providing Institutions and MCIA Levy	24	**(129,498)**	**(540)**	**(1.22%)**	(115,707)	(494)	(1.21%)
Sugar Insurance Reserve Fund		**(197)**	**(1)**	**(0.00%)**	(220)	(1)	(0.00%)
TOTAL EXPENDITURE		**(3,400,499)**	**(14,167)**	**(32.11%)**	(3,688,200)	(15,762)	(38.72%)
Finance income - net	24	**214,109**	**891**	**2.02%**	132,638	568	1.39%
Net Revenue from Originating Sugar Operations		**7,399,287**	**30,829**	**69.91%**	5,968,271	25,506	62.67%
Non-Originating Sugar Operations:							
Sales proceeds	24	**2,551,967**	**10,633**	**24.11%**	1,830,962	7,824	19.23%
Expenditure	24	**(2,486,752)**	**(10,361)**	**(23.49%)**	(1,790,646)	(7,652)	(18.80%)
Finance costs	24	**(35,913)**	**(150)**	**(0.34%)**	(28,888)	(123)	(0.30%)
Net Revenue from Non-Originating Sugar Operations		**29,302**	**122**	**0.28%**	11,428	49	0.13%
NET REVENUE DISTRIBUTABLE TO ALL PRODUCERS							
AS EX-SYNDICATE PRICE		**7,428,589**	**30,951**	**70.19%**	5,979,699	25,554	62.80%
MT of Non Originating Sugar Operations				**79,540**			64,534

The notes on pages 75 to 94 form an integral part of these financial statements.

Independent auditors' report on pages 70 and 71.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

1 GENERAL INFORMATION

In 1951, following the recommendations made by the Mauritius Economic Commission 1947-48, the Mauritius Sugar Syndicate (“The Syndicate”), which had been founded in 1919, was set up for an indefinite period in pursuance of the Mauritius Sugar Syndicate Act of 1951.

The Syndicate is the sole sugar marketing organisation in Mauritius and its objective is the sale of all sugars received by it on the account of its members, all of whom are sugar producers of comprising corporate and independent sugarcane growers, and millers and the distribution of the proceeds of such sale.

All local sugar producers are members of the Syndicate. The Syndicate’s registered office and principal place of business is 7th Floor, Medine Mews Building, La Chaussee Street, Port Louis.

These financial statements are submitted for consideration and approval at the Annual General Meeting of the members of the Syndicate.

2 MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of Preparation of the Financial Statements

The financial statements are presented in Mauritian Rupees and all values are rounded to the nearest thousand (Rs’000), except when otherwise stated. The financial statements are prepared under the historical cost convention.

The basis of preparation of these financial statements is an entity specific framework based on IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and modified for the following:

- Revenue recognition,
- Direct operating costs
- Expected credit loss on receivables,
- Leases, and
- Presentation of statement of income and expenditure.

These modifications have been made to align the basis of preparation of the financial statements and the accounting policies with the Syndicate’s mandate to act as the main seller of sugar on behalf of the members and distribute the net proceeds derived from such sales among the members, and to prepare financial statements for the relevant crop year. The Syndicate presents a statement of income and expenditure instead of a statement of profit or loss and other comprehensive income. The accounting policies, including for the above-mentioned items, are disclosed in note 2(a).

(b) Changes in accounting policies and disclosures

(i) New and amended standards

In the current year, the Syndicate has adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Standards Interpretations Committee (“IFRS IC”) of the IASB that are relevant to its operations and effective for accounting periods beginning on or after 1 July 2023.

The adoption of the below new and revised Standard and Interpretations had the following changes to the Syndicate’s accounting policies:

- IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 – Amendments regarding the disclosure of accounting policies. The amendment to IAS 1 is effective for annual reporting periods beginning on after 1 January 2023.

  IAS 1 Presentation of Financial Statements was amended such that the requirement to disclose “a summary of significant accounting policies” is replaced with required disclosure of “material accounting policy information”. IAS 1 is effective for annual reporting periods beginning on or after 1 January 2023.

  Management has reviewed the accounting policies disclosed in the financial statements and has considered these policies to be appropriate.

  The adoption of these new and revised Standards and Interpretations applicable to the Syndicate has not resulted in major changes to the Syndicate’s accounting policies.
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Amendments regarding the definition of accounting estimates
- IFRS 17 Insurance Contracts – Amendments regarding the principles for the recognition, measurement, presentation and disclosure of Insurance contracts
- Amendments to IAS 12 Income Taxes - International Tax Reform - Pillar Two Model Rules.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(b) Changes in accounting policies and disclosures (Continued)

(ii) New standards, amendments and interpretations issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Syndicate's financial statements are disclosed below. The Syndicate intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- **Amendments to IFRS 16: Lease Liability in a Sale and Leaseback**

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16. Earlier application is permitted, and that fact must be disclosed.

The amendments are not expected to have a material impact on the financial statements.

- **Amendments to IAS 1: Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants**

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

a. What is meant by a right to defer settlement;

b. That a right to defer must exist at the end of the reporting period;

c. That classification is unaffected by the likelihood that an entity will exercise its deferral right; and

d. That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The Syndicate is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

- **Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7**

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments:

The amendments will be effective for annual reporting periods beginning on or after 1 January 2024. Early adoption is permitted but will need to be disclosed.

Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entitys liabilities, cash flows and exposure to liquidity risk.

The amendments are not expected to have a material impact on the financial statements.

- **Lack of exchangeability – Amendments to IAS 21**

In August 2023, the IASB issued amendments to IAS 21 Lack of Exchangeability to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments will be effective for annual periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed.

When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are not expected to have a material impact on the financial statements.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(b) Changes in accounting policies and disclosures (Continued)

(ii) New standards, amendments and interpretations issued but not yet effective (Continued)

- **Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7**

  In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments. Disclosure to

  The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later.

- clarify that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met;
- clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features
- clarify the treatment of non-recourse assets and contractually linked instruments
- require additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

The amendments are not expected to have a material impact on the financial statements.

- **IFRS 18 – Presentation and Disclosure in Financial Statements**

  In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements which replaces IAS 1 Presentation in Financial Statements. IFRS 18 introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures (as defined) and includes new requirements for the location, aggregation and disaggregation of financial information.

  IFRS 18, and the amendments to the other accounting standards, is effective for reporting periods beginning on or after 1 January 2027 and will apply retrospectively. Early adoption is permitted and must be disclosed.

  The amendments are not expected to have a material impact on the financial statements.

  The Directors anticipate that the adoption of the above Standards in future years will have no material impact on the financial statements of the Syndicate in the year of initial application. There are no other standards, interpretation and amendments in issue that are expected to have a material impact on the Syndicate.

(c) Equipment

Equipment are stated at cost less accumulated depreciation and impairment loss, if any. Depreciation is recognised so as to write off the cost of the assets less their residual values over their useful lives, using the straight-line method, on the following bases:

	%
Computer equipment	25
Furniture and equipment	10
Motor vehicles	20
Offsite equipment	33.3

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis. An asset is derecognised upon disposal or when no future economic benefits are expected to arise from its continued use. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income and expenditure.

The residual values, useful lives and methods of depreciation of equipment are reviewed at end of each financial year end and adjusted prospectively, if appropriate.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(d) Intangible Assets

Acquired computer software licences with finite useful lives are capitalised on the basis of costs incurred to acquire and bring to use the specific software (carried at cost) less accumulated amortisation and impairment losses.

Amortisation is recognised on a straight-line basis over their useful economic lives which generally range from 3 to 5 years and assessed for impairment whenever there is an indication that the asset may be impaired. The estimated useful lives and amortisation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Costs associated with developing or maintaining computer software are recognised as an expense as incurred.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of income and expenditure when the asset is derecognised.

(e) Financial instruments – initial recognition and subsequent measurement

(i) Classification

In accordance with IFRS 9, the Company classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below.

The Company classifies its financial assets as subsequently measured at amortised cost or at fair value through profit or loss on the basis of both:

1. The entity's business model for managing the financial assets

2. The contractual cash flow characteristics of the financial asset

Financial assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Syndicate includes in this category cash and cash equivalents, other receivables, excluding prepayments.

Trade receivables are amounts due from customers for sugar sold in the ordinary course of business. Also included in trade receivables are the sale of sugar relating to the crop year under review, and may not yet have been shipped to the customers at the end of the reporting year. If collection is expected within one year or less (or in the normal operating cycle of the business if longer), they are classified as current asset. If not, they are presented as non-current asset.

Financial assets and financial liabilities designated at fair value through profit or loss

Financial assets and financial liabilities classified in this category are those that have been designated by management upon initial recognition. Management may only designate an instrument at FVPL upon initial recognition when one of the following criteria are met, and designation is determined on an instrument-by-instrument basis:

- The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis, or
- The assets and liabilities are part of a group of financial assets, financial liabilities, or both, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, or
- The financial instrument contains one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

Financial liabilities

Financial liabilities measured at amortised cost:

This category includes all financial liabilities. The Syndicate includes in this category other short-term payables.

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non current liabilities. Included in trade and other payables are direct operating costs accrued at year end with respect to the unshipped portion of sugars that relate to the current crop year.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(e) Financial instruments – initial recognition and subsequent measurement (Continued)

(ii) Recognition

The Syndicate recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of the instruments.

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market are recognised on the trade date, i.e., the date that the Syndicate commits to purchase or sell the asset.

(iii) Initial measurement

Financial assets and liabilities are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue.

(iv) Subsequent measurement

For the purpose of subsequent measurement, the financial assets and liabilities are categorised in the following categories:

- Financial assets designated at fair value through profit and loss

- Financial assets and liabilities at amortised cost

Financial assets designated at fair value through profit and loss

Financial assets and financial liabilities at FVPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit and loss.

Interest earned or incurred on instruments designated at FVPL is accrued in interest income or interest expense, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVPL is recorded using contractual interest rate.

Financial assets and liabilities at amortised cost

Other receivables are measured at amortised cost using the effective interest method less any allowance for impairment. Gains and losses are recognised in profit or loss when the debt instruments are derecognised or impaired, as well as through the amortisation process.

Financial liabilities are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the amortisation process.

The effective interest method (EIR) is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating and recognising the interest income or interest expense in profit or loss over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or to the amortised cost of the financial liability. When calculating the effective interest rate, the Syndicate estimates cash flows considering all contractual terms of the financial instruments but does not consider expected credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

(v) Derecognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired, or
- the Syndicate has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement
- Either (a) the Syndicate has transferred substantially all of the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Syndicate has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Syndicate's continuing involvement in the asset.

The Syndicate derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(e) Financial instruments – initial recognition and subsequent measurement (Continued)

(vi) Impairment of financial assets

A provision for impairment of financial assets is established when there is objective evidence that the Syndicate will not be able to collect all amounts due. The Syndicate has established procedures to assess the credit worthiness of customers prior to onboarding and accounts for only specific provision.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of provision is recognised in profit or loss.

(vii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is generally not the case with master netting agreements unless one party to the agreement defaults and the related assets and liabilities are presented gross in the statement of financial position.

(f) Derivatives financial instruments

The Syndicate uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks, and interest rate risks respectively. Such derivative financial instruments are recognised at the contract value on the maturity date. At the end of the financial year, outstanding forward contracts are measured at fair value and any gain or loss are recognised in statement of income and expenditure.

(g) Borrowings

Borrowings are recognised initially at fair value being their issue proceeds net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of income and expenditure over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs for the loan to the extent that it is probable that some of or all the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

At the end of the reporting date, borrowings denominated in foreign currencies are stated at their carrying amount at the time of disbursement. Exchange differences arising on the repayment of loan are recognised instatement of income and expenditure at the time of repayment.

(h) Provisions

Provisions are recognised when the Syndicate has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Syndicate expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of income and expenditure net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(i) Cash and Cash Equivalents

Cash in the statement of financial position comprises cash at bank and in hand and demand deposits with a maturity of three months or less, that are held for the purpose of meeting short-term cash commitments and are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(j) Inventories

Inventories comprise of bags, steel bars, liners, other consumables and non-originating sugar ("NOS") which are stated at the lower of cost and net realisable value using the weighted average cost method. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Costs of purchase of NOS is recorded as costs of sales and inventory in the financial statements of the Syndicate as payment is effected by the latter. Cost of sales do not include the production costs to convert locally harvested sugarcane into OS and these are recorded directly in the books of the millers.

The costs incurred to import raw sugar (Non-Originating Sugar "NOS") are accrued in the books of MSS. These are imported under the Master Agreement established between the Syndicate and a third party to produce white refined sugar, mainly to be exported to customers. In line with the established agreement, all the white refined sugar for the local market shall be made from NOS imported by MSS and refined by the third party. As such, these NOS is sent to the latter for refinery and converted into white refined sugar (WRS).

(k) Employee Benefit Liabilities

The Syndicate has both defined benefit and defined contribution plans. The Syndicate and all its employees also contribute to the appropriate National Pension Scheme, which are defined contribution schemes.

Defined Contribution Plan

A defined contribution plan is a pension plan under which the Syndicate pays fixed contributions to a separate entity. The Syndicate 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 their service in the current and prior year periods. Payments to defined contribution plans are recognised as an expense included in profit or loss within employee benefit expenses when employees have rendered service that entitle them to the contributions.

Defined Benefit Plan

A defined benefit plan is a retirement benefit plan that is not a defined contribution plan. Typically, defined benefit plans define the 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 reporting date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

Remeasurement of the net defined benefit liability, which comprises 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 the statement of income and expenditure in the period in which they occur.

The Syndicate 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 the statement of income and expenditure.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date or whenever an employee accepts redundancy in exchange for these benefits. The Syndicate recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(l) Foreign Currencies

Functional and presentation currency

Items included in the financial statements are measured using Mauritian Rupees ("Rs"), the currency of the primary economic environment in which the Syndicate operates ("functional currency"). The financial statements are presented in Mauritian rupees, which is the Syndicate's functional and presentational currency.

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 the statement of income and expenditure.

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. All other foreign gains and losses are presented in statement of income and expenditure within "Net foreign exchange (losses)/gains".

Borrowings (Note 12) are revalued at the end of every month except during the last closing month of the year under review. This is because the Statement of profit and loss value is finalised on the 31st May for payment purposes to planters. The accruing exchange difference resulting from the June revaluation is posted in the next accounting year. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in statement of income and expenditure in the period in which they arise.

(m) Revenue recognition

Revenue consists of gross sugar export proceeds derived from:

- Shipped' sugar exports
- Unshipped' sugars
- Sales of sugar on local market

Revenue is measured based on the consideration to which the Syndicate expects to be entitled in a contract with a customer. The Syndicate recognises revenue on a crop basis, that is, for 'shipped' sugar exports at the time when the sugar is shipped for export and for 'unshipped' sugars which pertain to unsold stock quantities available for sale for the current crop year. Revenue is shown net of returns, rebates and discounts. The accounting policies on revenue recognition is elaborated below:

(i) 'Shipped' Sugar exports

The Syndicate sells white refined sugar and special sugars to the European Union (EU), United States of America (USA), Regional Market (Africa) and the World Market. Revenue is recognised when control of the goods has transferred to the customer, that is, at the time the sugar is loaded on the ship. A receivable is recognised by the Syndicate when the goods have been shipped to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

(ii) 'Unshipped' sugars

Unshipped' sugars at the reporting date are recognised from customers based on the remaining quantities of firm orders for exports which will be shipped after the reporting date. The amount of revenue is measured at the latest contract price agreed between the customer and the Syndicate or the best prudent estimate by management where contract is not yet secured.

Sales proceeds for unshipped contracted sugar is measured, using the remaining ton of sugar at year end and the contracted price per ton. As for unshipped uncontracted sugar, the sales value is estimated using the remaining ton of sugar at year end and the best estimated price per ton. For unshipped uncontracted sugar, there is no agreed contract price with customers at reporting date.

(iii) Sales of Sugar on local market

The Syndicate sells white refined sugar and special sugars to customers on the local market. Revenue is recognised when control of the goods is transferred to the customer, generally on delivery and acceptance by the customer.

(n) Expenses

Expenses are accounted for on the accrual basis and charged to statement of income and expenditure. Rental expenses are accrued as they are incurred. Included in expenses are the direct operating costs accrued at year end with respect to the 'Unshipped' sugars that relate to the current crop year under review.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(n) Expenses (Continued)

Direct operating costs are accounted for on the accrual basis and charged to statement of profit or loss. Direct operating costs are also accrued at year end with respect to the 'Unshipped' sugars that relate to the current crop year under review.

These costs represent the operational costs for refining, packaging and exporting/delivery of Originating Sugar ("OS") to customers and are generally comprised of the following:

- Sugar processing fees and packing cost
- Freight and export charges
- Bags and other related charges
- Storage charges

In line with its mandate, the Syndicate has the prime responsibility of exporting all sugar produced in Mauritius. The Syndicate accounts for the Non Originating Sugar "NOS" purchased as inventory and upon transmission to a third party for refinery, a stock consumption adjustment is recorded in cost of sales.

3 Critical accounting judgements and key sources of estimation uncertainty

In applying the Syndicate's accounting policies, which are described in note 2, the Main Committee is required to make judgements (other than those involving estimates) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Syndicate's accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the Main Committee has made in the process of applying the Syndicate's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

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.

Discount rate used to determine the carrying amount of the Syndicate's employee benefit liabilities

The determination of the Syndicate's defined benefit obligation depends on certain assumptions, which include the selection of the discount rate. The discount rate is set by reference to market yields at the end of the reporting period on government bonds yields. Significant assumptions are required to be made when setting the criteria for bonds to be included in the population from which the yield curve is derived. The most significant criteria considered for the selection of bonds include the issue size of the corporate bonds, quality of the bonds and the identification of outliers which are excluded. These assumptions are considered to be a key source of estimation uncertainty as relatively small changes in the assumptions used may have a significant effect onthe Syndicate's financial statements within the next year. Further information on the carrying amounts of the Syndicate's defined benefit obligation and the sensitivity of those amounts to changes in discount rate are provided in note 9. Any change in these amounts will impact the amount for retirement gratuities.

Revenue recognition

At the end of the reporting period, the Syndicate recognises the 'Unshipped' sugars that relate to the crop year under review as revenue and the valuation of the 'Unshipped Sales' is described in note 2(m).

Depreciation

Assets are depreciated to their residual values over their estimated useful lives. The residual value of an asset is the estimated net of the amount that the Syndicate expect to obtain from disposal of the asset, if the asset was already of the age and in the condition expected at the end of its useful life.

Going concern

The members of the Main Committee have made an assessment to continue as a going concern and is satisfied the Syndicate has the resources to continue in business for the foreseeable future. Furthermore, the Main Committee is not aware of any material uncertainties that may cause significant doubt upon the Syndicate's ability to continue as a going concern.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

4. EQUIPMENT

	Offsite Equipment	Computer Equipment	Furniture and Equipment	Motor Vehicles	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
COST					
At July 01, 2022	48,295	3,957	16,366	7,168	75,786
Additions	-	241	72	-	313
Disposal	-	-	-	(2,455)	(2,455)
At June 30, 2023	48,295	4,198	16,438	4,713	73,644
At July 01, 2023	48,295	4,199	16,437	4,713	73,644
Additions		425	719		1,144
At June 30, 2024	**48,295**	**4,624**	**17,156**	**4,713**	**74,788**
DEPRECIATION					
At July 01, 2022	18,009	3,052	11,354	6,188	38,603
Charge for the year	16,098	413	1,371	757	18,639
Disposal	-	-	-	(2,269)	(2,269)
At June 30, 2023	34,107	3,465	12,725	4,676	54,973
At July 01, 2023	34,107	3,465	12,725	4,676	54,973
Charge for the year	12,420	452	1,076	37	13,985
At June 30, 2024	**46,527**	**3,917**	**13,801**	**4,713**	**68,958**
NET BOOK VALUE					
At June 30, 2024	**1,768**	**707**	**3,355**	**-**	**5,830**
At June 30, 2023	14,188	733	3,713	37	18,671

Depreciation charge of Rs 1,565,044 (2023: Rs 2,541,449) has been charged to administrative and other charges and depreciation charge of Rs 12,419,524 (2023: Rs 16,098,048) on Offsite equipment has been charged to direct operating costs.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

5. INTANGIBLE ASSETS

	Computer software Rs'000
COST	
At July 01, 2022	6,105
Addition	548
At June 30, 2023	6,653
At July 01, 2023	6,653
Addition	-
At June 30, 2024	**6,653**
AMORTISATION	
At July 01, 2022	4,878
Charge for the year	522
At June 30, 2023	5,400
At July 01, 2023	**5,400**
Charge for the year	516
At June 30, 2024	**5,916**
NET BOOK VALUE	
At June 30, 2024	**737**
At June 30, 2023	1,253

Amortisation charge of Rs 515,774 (2023: Rs 521,889) has been charged to administrative and other charges.

6. INVENTORIES

	2024	2023
	Rs'000	Rs'000
At Cost		
Bags, steel bars and liners	**78,459**	69,866
Non Originating Sugar	**515,131**	1,201,303
	593,590	1,271,169

Short term loans, money market lines and money market instruments are secured by the preferential lien over all sugars as conferred by Government Ordinance No.87 of 1951. Please refer to note 10 (b).

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

7. TRADE AND OTHER RECEIVABLES

	2024 Rs'000	2023 Rs'000
Trade Receivables		
Shipped sugar exports	**2,205,038**	1,749,692
Provision for bad debts	**(3,579)**	-
Unshipped sugars - Contracted	**1,138,343**	1,535,637
Unshipped sugars - Non Contracted	**398,964**	-
	3,738,766	3,285,329
Staff loans	**1,130**	1,496
Advances to producers/ planters	**3,516**	47,172
Other receivables	**65,595**	24,256
	3,809,007	3,358,253

The average credit period on sales of sugars is between 30 and 120 days. No interest is charged on trade receivables. The Syndicate does not hold any collateral over any past due trade debtors balances. Allowances for doubtful debtors are recognised against trade receivables which are past due on a case to case basis. Out of the trade receivables, the Syndicate has recovered 55% (2023 : 80%) in value of its shipped sugar exports at the date of approval of these financial statements.

Before accepting any new customer, the Syndicate assesses the credit worthiness of the customer and defines the terms and credit limits accordingly.

The carrying amounts of trade and other receivables approximate their fair values.

The Committee is of opinion that the trade receivables are recoverable and and where impairment is needed a specific provision is made and this is included in the trade receivables as per table below.

	2024 Rs'000	2023 Rs'000
Provision for bad debts	**3,579**	-

As of June 30, 2024, trade receivables of Rs 203m (2023: Rs 39,136,000) were past due but not impaired. The Syndicate has recovered 44% (2023 : 93%) at the date of approval of these financial statements.

	2024 Rs'000	2023 Rs'000
Balance due current	**610,174**	577,969
Balance due for 30 to 90 days	**1,251,688**	1,113,887
Balance due for 91 to 120 days	**140,499**	18,700
Balance due above 121 days	**202,877**	39,136
	2,205,238	1,749,692

The Syndicate has entered into forward contracts with financial institutions with which they agreed to sell EUR, USD and GBP for MUR on specified dates. As of June 30, 2024, other receivables include unrealised future gains amounting to Rs 5,043,500 under foreign exchange forward contracts with contracted value of Rs 123,225,000 and maturity date falling after 30 June 2024 but not exceeding 3 months.

The carrying amounts of trade and other receivables are denominated in the following currencies:

	2024 Rs'000	2023 Rs'000
Mauritian Rupee	**1,746,188**	323,455
US Dollar	**573,087**	1,185,608
Euro	**1,185,180**	1,459,367
GBP	**304,552**	389,823
	3,809,007	3,358,253

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

8. CASH AND CASH EQUIVALENTS

	2024 Rs'000	2023 Rs'000
Bank and cash balances	**973,987**	615,092
	973,987	615,092

The carrying amounts of the cash and cash equivalents are denominated in the following currencies:

	2024 Rs'000	2023 Rs'000
Bank and cash balances		
Mauritian Rupee	**406,471**	395,582
US Dollar	**396,034**	74,093
Euro	**81,927**	29,386
GBP	**89,555**	116,031
	973,987	615,092

9. EMPLOYEE BENEFIT LIABILITIES

(i) The Syndicate operates a defined benefit and a contributory pension plan. The level of benefits provided depends on the length of service of the members and their salary in their respective final year leading up to retirement.

The assets of the plan are held independently and administered by the Sugar Industry Pension Fund /Mauritius Union Assurance

(ii) The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligtions were carried out at June 30, 2024 by AON Hewitt. 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.

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

	2024 Rs'000	2023 Rs'000
Present value of funded obligations	**163,671**	164,053
Fair value of plan assets	**(150,104)**	(141,789)
Liabilities recognised in the statement of financial position	**13,567**	22,264

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

	2024 Rs'000	2023 Rs'000
At July 1,	**22,264**	22,063
Recognised in the income and expenditure	**(3,696)**	5,011
Employer contributions paid	**(5,001)**	(4,810)
At June 30,	**13,567**	22,264

(iv) The movement in the defined benefit obligations over the year is as follows:

	2024 Rs'000	2023 Rs'000
At July 1,	**164,053**	170,848
Current service cost	**2,742**	3,512
Past service cost	**(2,961)**	2,721
Employee Contributions	**455**	473
Interest costs	**9,021**	8,515
Benefit paid	**(11,273)**	(6,614)
Liability experience gain	**(6,756)**	771
Liability gain due to change in financial assumptions	**8,390**	(16,173)
At June 30,	**163,671**	164,053

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

9. EMPLOYEE BENEFIT LIABILITIES (CONTINUED)

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

	2024	2023
	Rs'000	Rs'000
At July 1,	**141,789**	148,785
Interest income	**8,058**	7,406
Employer contribution	**5,001**	4,810
Employee contributions	**455**	473
Benefit paid	**(11,273)**	(6,614)
Return on plan assets excluding interest income	**6,074**	(13,071)
At June 30,	**150,104**	141,789

(vi) Amounts recognised in the statement of profit or loss:

	2024	2023
	Rs'000	Rs'000
Current service cost	**2,742**	3,512
Past service cost	**(2,961)**	2,721
Net interest on net defined benefit liability	**963**	1,109
Acturial gain	**(4,440)**	(2,331)
Employer contribution	**(5,001)**	(4,810)
Total included in employee benefit expense	**(8,697)**	201

	2024	2023
	Rs'000	Rs'000
Actual return	**6,074**	(13,071)
Interest Income	**8,058**	7,406
Actual return and interest income on plan assets	**14,132**	(5,665)

(vii) The principal actuarial assumptions used for accounting purposes were:

	2024	2023
	%	%
Discount rate	**5.30**	5.80
Future salary increases	**3.70**	3.70

(viii) Sensitivity analysis on employee benefit liabilities at end of the reporting date:

	2024	2023
	Rs'000	Rs'000
Increase due to 1% decrease in discount rate	**19,048**	15,715
Decrease due to 1% increase in discount rate	**(16,265)**	(18,770)

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

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

There were no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(ix) The defined benefit pension plan exposes the Syndicate to actuarial risks, such as longevity risk, currency risk, interest rate risk and market risk.

(x) The Syndicate expects to pay Rs 2.895M in contributions to its post-employment benefit plans for the year ended June 30, 2025.

(xi) The weighted average duration of the defined benefit obligation is 11 years at the end of the reporting period.

(xii) The Syndicate also operates a Defined Contribution Plan for its employees. The assets of the plan are held separately from the Syndicate and is administered by the Sugar Industry Pension Fund. The total expenses recognised in its Income and Expenditure account amounts to Rs 203,997 (2023 : Rs 321,539).

(xiii) For those employees who are not included under either Defined Benefit Pland and/or Defined Contribution Plan, The Syndicate contributes to the PRGF at the Mauritus Revenue Authority. At 30 June 2024, the contribution included in the Income and Expenditure amounted to Rs 234,166 (2023 : Rs 232,151).

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

10. BORROWINGS

	2024	2023
	Rs'000	Rs'000
Current		
Banks & Institutional loans	**2,949,716**	2,885,497
Total borrowings	**2,949,716**	2,885,497

Reconciliation of liabilities arising from financing activities

	At July 1, 2023	**Additions**	**Repayments**	**At June 30, 2024**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**
Short-term borrowings	**2,885,497**	**6,271,225**	**(6,207,006)**	**2,949,716**

	At July 1, 2022	**Additions**	**Repayments**	**At June 30, 2023**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**
Short-term borrowings	2,489,200	7,963,661	(7,567,364)	2,885,497

(a) The interest rates on bank loans and other loans are secured and varied from 3.90 % to 5.50 % per annum on Rupees accounts (2023: 1.85 % to 3 %) and from 5.50% to 6% per annum on USD accounts (2023: 0.90 % to 6.00 %) while no loan in Euros was taken for year ended 30 June 2024 and 2023.

(b) Short term loans, money market lines and money market instruments are secured by the preferential lien over all sugars as conferred by Government Ordinance No.87 of 1951. They are utilised to enable advances to be made to producers pending receipt of export proceeds.

(c) The carrying amounts of the Syndicate's borrowings are denominated in the following currencies:

	2024	2023
	Rs'000	Rs'000
Mauritian Rupee	**2,949,716**	2,609,497
US Dollar	**-**	276,000
	2,949,716	2,885,497

11. TRADE AND OTHER PAYABLES

	2024	2023
	Rs'000	Rs'000
Amount payable to producers	**1,483,449**	992,348
Trade payables	**131,375**	535,834
Accrued Expenses	**618,051**	737,624
Provisions and other payables	**186,993**	90,871
	2,419,868	2,356,677

(a) The carrying amounts of trade and other payables approximate their fair value, are unsecured, interest free and payable within one year.

(b) The Syndicate has policies in place to ensure that all payables are settled within the credit timeframe.

(c) The carrying amounts of trade and other payables are denominated in the following currencies:

	2024	2023
	Rs'000	Rs'000
Mauritian Rupee	**2,316,064**	1,875,516
US Dollar	**13,162**	306,932
Euro	**90,642**	174,229
	2,419,868	2,356,677

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

12. SALES PROCEEDS

	2024	2023
	Rs'000	Rs'000
'Shipped' Sugar exports	9,136,818	8,178,004
'Unshipped' Sugar exports	2,540,299	2,031,644
	11,677,117	10,209,648
Sales of Sugar on local market	1,396,846	1,032,500
Total sales proceeds	13,073,963	11,242,148

13. OTHER INCOME

	2024	2023
	Rs'000	Rs'000
Insurance claim received	12,685	59,806
Miscellaneous income	50,996	52,497
Profit on disposal of equipment	-	344
	63,681	112,647

14. DIRECT OPERATING COSTS

	2024	2023
	Rs'000	Rs'000
Sugar processing fees and packing cost	1,738,659	1,791,589
Freight and export charges	664,553	910,737
Bags and other related charges	126,585	316,997
Cost of imports for local market and re-export	2,840,388	1,992,756
Depreciation of Offsite equipment (note 4)	12,420	16,098
Other costs	101,359	46,925
	5,483,964	5,075,102

Cost of imports

Costs of imports for local market and re-export are calculated on a landed basis for 106,314MT (2023: 91,429MT) of white refined sugar and raw sugar feedstock.

15. STORAGE CHARGES

	2024	2023
	Rs'000	Rs'000
MCIA (Ex-BSSD)	119,500	105,000
Other Warehousing costs	89,358	109,629
	208,858	214,629

16. ADMINISTRATIVE AND OTHER CHARGES

	2024	2023
	Rs'000	Rs'000
Depreciation on equipment (note 4)	1,565	2,541
Amortisation of intangible assets (note 5)	516	522
Rental of office	4,636	3,595
Salary and related expenses	35,661	33,760
Overseas representation and mission expenses	4,421	5,468
Professional fees including subscriptions	8,311	6,759
Others	9,553	20,479
	64,663	73,124
Salary and related expenses comprise of the following:-		
Wages and salaries	28,436	31,923
Travel and other allowances	8,466	10,620
Pension & medical contributions	7,456	(8,984)
Movement in Employee benefit liability	(8,697)	201
	35,661	33,760

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

17. SERVICE PROVIDING INSTITUTIONS AND MCIA LEVY

	2024	2023
	Rs'000	Rs'000
Levy on Local sales	**129,498**	115,707

This relates to contribution made by the Syndicate for docker's pension fund, representing an amount of Rs 3,700 per ton for each ton of sugar sold on local market.

18. FINANCE INCOME - NET

	2024	2023
	Rs'000	Rs'000
Finance income		
Interest income	**1,883**	657
Finance costs		
Interest payable on :		
- Foreign currency loans	**(18,754)**	(14,327)
- Bank Overdraft	**(387)**	(37)
- Money Market Instruments	**(32,115)**	(41,475)
- Mauritian rupee loans	**(111,127)**	(49,692)
Reimbursement of financial support extended to producers for Crop 2017	**-**	(70,000)
Total Finance costs	**(162,383)**	(175,531)
Net foreign exchange gain	**338,696**	278,624
	176,313	103,093
Finance income - Net	**178,196**	103,750

19. RELATED PARTY TRANSACTIONS

	2024	2023
	Rs'000	Rs'000
Key management personnel remuneration	**16,300**	14,400

20. FINANCIAL INSTRUMENTS

Financial Risk Management

The Syndicate's activities expose them to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Syndicate's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effect on its financial performance. The Syndicate seeks to minimise the effects of these risks by using plain vanilla instruments to hedge these risk exposures. The Syndicate does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Risk management is carried out under policies approved by the Marketing Committee, Risk Management Committee and the Forex Management Committee. These Committees are independent bodies that monitor risks and policies implemented to mitigate risk exposures.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

20. FINANCIAL INSTRUMENTS (CONTINUED)

Financial Risk Management (Continued)

The table below shows the fair values of Financial instruments outstanding as at year end.

	Notional Amount	Fair Value	Assets
Level 2 - at 30 June 2024	**272,725,000**	**262,739,000**	**9,986,000**
Level 2 - at 30 June 2023	564,762,500	548,198,000	16,564,500

Market risk

Currency risk

The Syndicate operates internationally and is exposed to foreign exchange risks arising from various currency exposures, primarily in respect of the Euro, GBP and US Dollar. Foreign exchange risks arise on future commercial transactions and assets and liabilities that are recognised in a currency that is not the Syndicate's functional currency.

The Forex Committee manages foreign exchange risks by monitoring the concentration and timing of trade receivables by type of currencies. To manage its foreign exchange risks, the Syndicate uses foreign exchange forward contracts and has foreign currency bank accounts which are transacted with commercial banks.

Currency profile

The currency profile of the Syndicate's financial assets and liabilities is summarised below:

	Financial Assets		Financial Liabilities	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Mauritian Rupees	**2,152,659**	719,037	**5,265,780**	4,485,013
US Dollar	**969,121**	1,259,701	**13,162**	582,932
Euro	**1,267,107**	1,488,753	**90,642**	174,229
GBP	**394,107**	505,854	**-**	-
	4,782,994	3,973,345	**5,369,584**	5,242,174

Foreign currency sensitivity analysis

At the end of reporting period, if the Mauritian rupee had weakened/strengthened by 5% against the following currencies with all variables remaining constant, the impact for the year on net revenue, before distribution to producers, are shown in the table below:

	Financial Assets		Financial Liabilities	
	2024	2023	**2024**	2023
	Rs'000	Rs'000	**Rs'000**	Rs'000
Impact on net revenue before distribution to producers:				
US Dollar	**48,456**	62,985	**658**	29,147
Euro	**63,355**	74,438	**4,532**	8,711
GBP	**19,705**	25,293	**-**	-
	131,516	162,716	**5,190**	37,858

Interest rate risk

The Syndicate is exposed to interest rate risks as it borrows funds at both fixed and floating rates. The risk is managed through negotiating the best interest rates available with commercial banks and institutions of the sugar industry.

The interest rate profile of the interest bearing financial liabilities at June 30, 2024 was as follows:

	2024	2023
	% per annum	% per annum
Bank Loans:		
MUR accounts	**3.90% to 5.00%**	1.90% to 5.50%
USD accounts	**5.50% to 6.00%**	3.70% to 5.50%

At June 30, 2024, if interest rate on rupee-denominated borrowings had been 50 basis points higher or lower with all other variables held constant, the net amount distributed to producers would have been Rs 1,474,858 (2023: Rs 1,304,749) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

20. FINANCIAL INSTRUMENTS (CONTINUED)

Financial Risk Management (Continued)

Liquidity risk

Liquidity risk is defined as the risk that the Syndicate will encounter difficulty in meeting obligations associated with financial liabilities that aresettled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Syndicate could be required to pay its liabilities.

A liquidity risk arises on advances to planters made on a weekly basis. To meet its cash outflows, the Syndicate uses overdraft and loan facilities with banks and institutions in the sugar sector to supplement its regular inflow of sugar proceeds to settle its debts as they become due.

Analysis of financial liabilities by remaining contractual maturities

The table below summarises the maturity profile of the Syndicate's financial liabilities at end of period based on undiscounted contractual repayment obligations.

Maturity analysis of financial liabilities

	Less than 1 year	Total
	MUR	MUR
2024		
Borrowings	**2,949,716**	**2,949,716**
Trade and Other payables	**2,419,868**	**2,419,868**
Derivative financial liabilities	**-**	**-**
Total financial liabilities	**5,369,584**	**5,369,584**
2023		
Borrowings	2,885,497	2,885,497
Trade and Other payables	2,356,677	2,356,677
Derivative financial liabilities	-	-
Total financial liabilities	5,242,174	5,242,174

**Prior year figures have been amended to reflect contractual payment obligations on undiscounted basis for disclosure purposes only. There is no impact on the financial statements figures.*

The carrying amount of trade and other receivables in the financial statements, which is net of impairment losses, represents the Syndicate's maximum exposure to credit risk without taking into account the value of any collateral obtained. The Syndicate's main debtors are its overseas buyers on account of sugar sold to them.

21. TAXATION

The Syndicate is a legally constituted non profit making organisation under the Mauritius Sugar Syndicate Act of 1951 and is exempt from taxation.

22. CONTINGENT LIABILITIES

The Syndicate has no contracted bank guarantee at June 30, 2024 and 2023.

23. SUBSEQUENT EVENT

There has been no events subsequent to the reporting date which require adjustment or disclosure in the financial statements or notes thereto.

Statement of Income and Expenditure

FOR THE YEAR ENDED 30 JUNE 2024

24. SEGMENTAL INCOME AND EXPENDITURE

		2023 - 2024 Crop					2022 - 2023 Crop				
MT OF SUGAR ACCRUING		240,011					233,999				
		The Syndicate's Operation		OMOL 's Operation		TOTAL	The Syndicate's Operation		OMOL 's Operation		TOTAL
	Notes	Rs'000	%	Rs'000	%	Rs'000	Rs'000	%	Rs'000	%	Rs'000
REVENUE											
Sales proceeds	12	10,521,996	99.40%	2,551,967	100%	13,073,963	9,411,186	98.82%	1,830,962	100.0%	11,242,148
Other income	13	63,681	0.60%	-	0%	63,681	112,647	1.18%	-	0.0%	112,647
		10,585,677	**100%**	**2,551,967**	**100%**	**13,137,644**	**9,523,833**	**100.00%**	**1,830,962**	**100.0%**	**11,354,795**
						-					-
EXPENDITURE											
						-					-
Direct operating costs	14	(3,026,403)	(28.59%)	(2,457,561)	-96.3%	(5,483,964)	(3,310,052)	(34.76%)	(1,765,050)	-96.4%	(5,075,102)
Storage charges	15	(195,196)	(1.84%)	(13,662)	-1%	(208,858)	(204,007)	(2.14%)	(10,622)	-0.6%	(214,629)
Administrative and other charges	16	(49,205)	(0.46%)	(15,458)	-1%	(64,663)	(58,214)	(0.61%)	(14,910)	-0.8%	(73,124)
Service Providing Institutions and MCIA Levy	17	(129,498)	(1.22%)	-	0%	(129,498)	(115,707)	(1.21%)	-	0.0%	(115,707)
Sugar Insurance Reserve Fund		(197)	-0.01	(71)	0%	(268)	(220)	-0.00	(64)	-0.0%	(284)
TOTAL EXPENDITURE		**(3,400,499)**	**(32.12%)**	**(2,486,752)**	**-97.4%**	**(5,887,251)**	**(3,688,200)**	**(38.73%)**	**(1,790,646)**	**-97.8%**	**(5,478,846)**
											-
Finance income - net	18	214,109	2.02%	(35,913)	-1.4%	178,196	132,638	1.39%	(28,888)	-1.6%	103,750
		7,399,287	**69.90%**	**29,302**	**1.1%**	**7,428,589**	**5,968,271**	**62.67%**	**11,428**	**0.6%**	**5,979,699**

Notes

Exploring New Horizons

Our dark Muscovado sugar is pioneering new business ventures, from South Korean bubble tea bars to innovative culinary creations. Our versatile sugars add rich, caramelized flavors that enhance traditional and modern recipes alike. By adapting to diverse consumer preferences, our premium sugars drive innovation and growth, making them indispensable in expanding global markets and creating unique taste experiences


MAURITIUS
BROWN
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BROWN

MAURITIUS
SUGAR
SYNDICATE

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