

**STATEMENT OF FINANCIAL POSITION**

	<b>GROUP</b>	
	2018	2017 Restated
	Rs '000	Rs '000
<b>ASSETS</b>		
Non-current assets	580,675	590,516
Current assets	712,927	851,134
<b>Total Assets</b>	<b>1,293,602</b>	<b>1,441,650</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Share capital and reserves</b>		
Owners' interest	752,798	792,990
Non-current liabilities	47,350	49,847
Current liabilities	493,454	598,813
<b>Total Equity and Liabilities</b>	<b>1,293,602</b>	<b>1,441,650</b>
Net assets per share (Rs)	34.21	36.03
Number of ordinary shares	22,006,418	22,006,418

**STATEMENT OF CASH FLOWS**

	<b>GROUP</b>	
	2018	2017 Restated
	Rs '000	Rs '000
Net cash used in operating activities	(17,910)	(90,214)
Net cash generated from investing activities	25,061	17,295
Net cash generated from/(used in) financing activities	66,338	(18,521)
Net increase/(decrease) in cash and cash equivalents	73,489	(91,440)
<b>Movement in cash and cash equivalents</b>		
At 1 January	(18,428)	72,009
Increase/(decrease)	73,489	(91,440)
Effect of foreign exchange rate changes	(467)	1,003
<b>At 31 December</b>	<b>54,594</b>	<b>(18,428)</b>

**COMMENTS**

These abridged financial statements, prepared in line with International Financial Reporting Standards and audited by BDO & Co., were authorised for issue by the Board of Directors on 29 March 2019.

**Performance**

The Group's overall revenues for the year stood at Rs982 million, at par with the previous year. The lower than expected performance mainly results from the continued contraction of the local agricultural sector, the lower level of penetration in the targeted regional and African markets and the closure of our underperforming unit, Logima SAS and Reunifert, in Reunion. As a result, the increasing pressure on margins and higher operating costs have impacted on our profitability which was lower than 2017.

**Outlook**

Given the current context which is resulting in the erosion of margins and the decrease of local sales volumes, the Group is revisiting its current structure and looking at new areas of growth within the chemical sector.

MCFI has recently launched an offer to purchase fully the shares of its sister companies Bychemex and Chemco with the objective of diversifying its products portfolio and strengthening the chemical sector, while reducing its dependency on the local sugar-cane industry.

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	<b>GROUP</b>	
	2018	2017 Restated
	Rs '000	Rs '000
<b>Revenue</b>	<b>982,401</b>	<b>982,544</b>
<b>Operating loss</b>	<b>(72,456)</b>	<b>(21,321)</b>
Other income	45,212	48,241
Net finance cost	(5,951)	(10,346)
Share of result of associates	3,457	1,353
<b>(Loss)/profit before tax</b>	<b>(29,738)</b>	<b>17,927</b>
Income tax expense	(4,425)	(7,450)
<b>(Loss)/profit for the year</b>	<b>(34,163)</b>	<b>10,477</b>
Other comprehensive income for the year net of tax	(4,453)	(480)
<b>Total comprehensive income for the year</b>	<b>(38,616)</b>	<b>9,997</b>
Attributable to:		
Owners of the parent	(38,616)	9,997
(Loss)/earnings per share (Rs)	(1.55)	0.48

**STATEMENT OF CHANGES IN EQUITY**

	<b>GROUP</b>	
	2018	2017
	Rs '000	Rs '000
<b>Balance at 1 January</b>		
- as previously reported	796,444	813,494
- effect of prior year adjustment	(3,454)	(3,627)
<b>- as restated</b>	<b>792,990</b>	<b>809,867</b>
Total comprehensive income for the year	(38,616)	9,997
Consolidation adjustment	13,828	(9,269)
Dividends	(15,404)	(17,605)
<b>Balance at 31 December</b>	<b>752,798</b>	<b>792,990</b>

This transaction will also bring costs synergies through the consolidation of our back office activities and the delisting of the two above-named companies. This will result in increased efficiency in MCFI's operations and contribute to consolidate its position in the local market whilst seeking for growth opportunities in Africa.

Copies of this report and senior officers' interest are available free of charge from the Company Secretary, HM Secretaries Ltd, 18 Edith Cavell Street, Port Louis.

By order of the Board  
HM Secretaries Ltd.  
Company Secretary  
29 March 2019

*The Board of Directors of the Mauritius Chemical and Fertilizer Industry Limited accepts full responsibility for the accuracy of the information contained in the above report issued pursuant to Listing Rule 12.20 and Securities Act 2005*