

AGRO-INDUSTRY

The largest contributor to the Agro-industry segment is our cane business. ENL remains a key player in the Mauritian sugar cane industry and has diversified its portfolio to include the following activities:

- landscaping services through ESP Landscapers and agro-supplies trading by Agrex;
- food crop production in open fields and in greenhouses;
- retailing of flowers and plants through La Pépinière; and
- poultry and deer farming.

We also hold a 39% interest in the Eclasia group, the market leader for chicken production and food retailing in Mauritius.

Operating Context

Global sugar prices have continued their steady rise due to the limited stock and increase in consumption and energy prices, which benefitted our cane activities. In addition, it was the first financial year when we took advantage of the enhanced remuneration of bagasse. On the other hand, the inflationary trend caused by the Russia-Ukraine war and the COVID-19 pandemic caused a significant surge in the cost of production, especially that of fuel and fertilisers. During the year, the hospitality industry transitioned to a post-pandemic phase with a positive impact of growth in the level of activities of our non-cane businesses.

Performance

Cane

The favourable operating context was reflected in the increase in revenue per tonne of sugar from Rs 16,010 to Rs 21,955. Cane tonnage went up from 220,879 to 239,800 tonnes but the sugar extraction rate fell to 9.8% compared to 10.2% in the previous year. This resulted in 18,242 tonnes of sugar accruing versus 17,522 tonnes the year before. The performance was impacted by the amendment of the Sugar Insurance Fund Act; as a result,

the premium paid for the year more than doubled from Rs 13 million to Rs 34 million.

We have accelerated replantation of cane fields to take advantage of the promising operating context. We replanted 280 Ha during the year, slightly below target due to climatic conditions.

Non-cane

Tonnage of food crop produced increased by 27% to 2,000 tonnes. Landscaping services performed well and in line with the booming real estate industry. La Pépinière, the commercial nursery at Helvétia opened its doors to the public in June 2022, enhancing the offering of plants and flowers in the Moka region. The farming sub-segment delivered a good performance for the year with better prices for poultry.

Our associate Eclasia contributed Rs 113 million to the results of the group compared to Rs 18 million the previous year.

Priorities for the next financial year

- Accelerate the replantation of cane fields to improve productivity levels and take advantage of rising sugar prices
- Increase food crop production through the implementation of a permanent garden and product range expansion
- Seize opportunities to grow the market share in the landscaping sub-segment
- Focus on revenue generation from increasing tourist activities in the Bel Ombre region

Link to risks

 Top group risks (pages 64 to 67)

 Improved performance mitigated by the hike in costs of intrants and adverse effects of changing climatic conditions



A woman wearing a white cap and a blue long-sleeved uniform is working in a greenhouse. She is focused on tending to a plant, with her hands near the leaves. The greenhouse structure is visible in the background, and the plants are lush and green. The lighting is bright, suggesting a sunny day.

Our food crop sub-segment continues to expand its product range under the Field Good brand.