

02 Operating Context



Value Creation Process

Vision

To be a leading force in sustainable development through constant innovation

Mission

We strive to make the utmost sustainable use of resources at our disposal, for the benefit of all

Capital inputs

Financial Capital

- Debt & equity financing
- Retained earnings reinvested

Manufactured Capital

- Office equipment
- Agricultural equipment
- 1 sugar factory
- 1 sugar refinery
- 2 power plants
- 1 distillery
- 1 Carbon Burn-Out Unit
- 221 fleet of vehicles

Human Capital

- 1,396 skilled and experienced staff and workers

Natural Capital

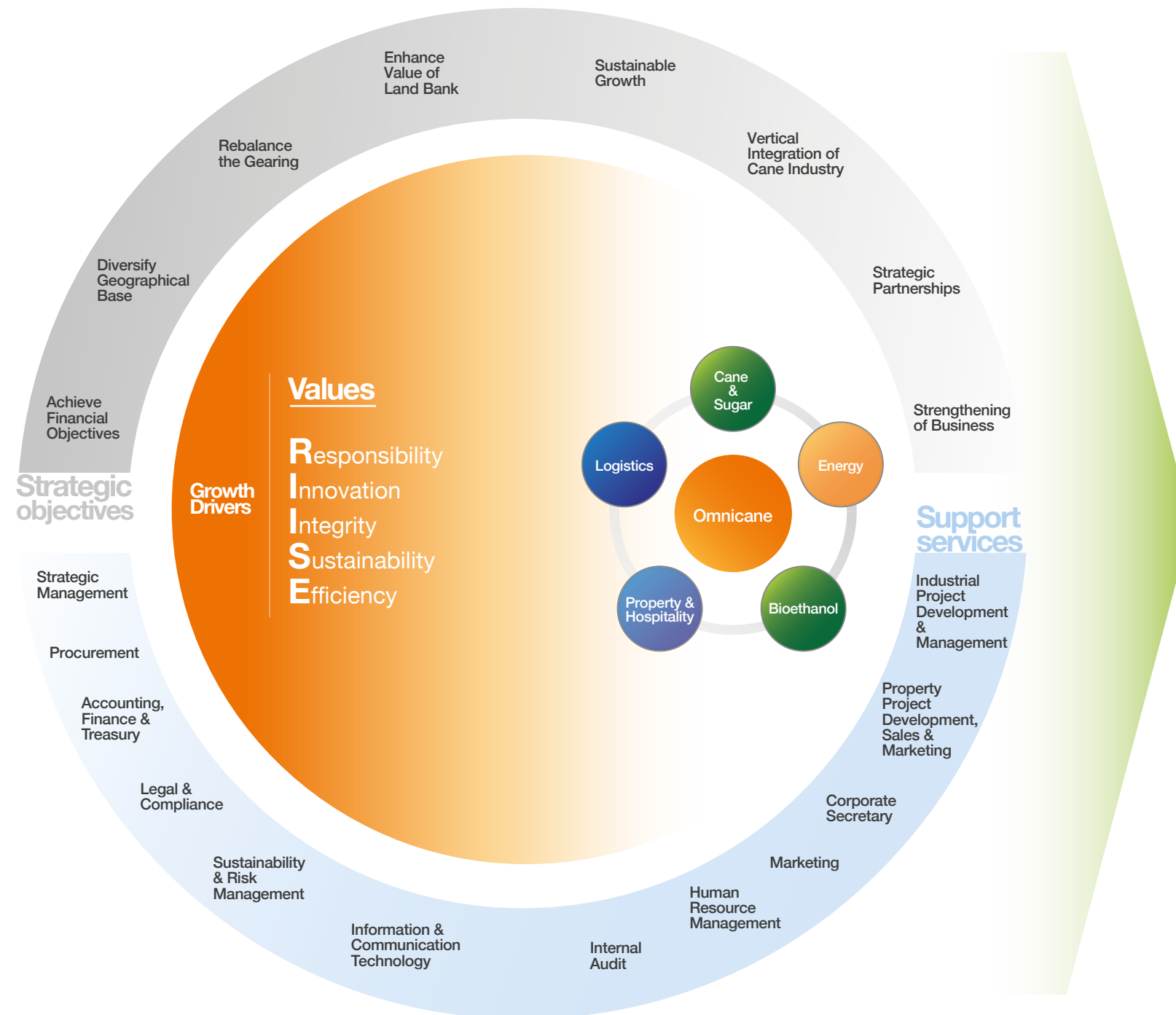
- Sugarcane, raw sugar, molasses, bagasse, coal, fly & bottom ash
- Energy, fuel & water
- Land for agricultural & property development

Intellectual Capital

- Company culture & skills
- Brand & reputation
- Digital transformation

Social & Relationship Capital

- Positive employee relations
- Constructive engagement with local communities
- Collaboration with suppliers & strategic partners



Capital outputs

Financial Capital

- Turnover: Rs 4.2 billion
- Loss for the year: Rs 402.3 million
- EBITDA: Rs 791 million
- Depreciation: Rs 612 million

Manufactured Capital

- Investment in property, plant & equipment: Rs 636 million

Human Capital

- Expenditure as salaries, wages and other benefits: Rs 701 million

Natural Capital

- Plantation white sugar produced: 94,256 tonnes
- Refined sugar produced: 75,797 tonnes
- Electricity produced: 758 GWh
- Bioethanol produced: 24.4 million litres
- Total energy consumed: 6,046,442 GJ
- Total water consumed: 7,644,522 m³
- Total environmental expenditure: Rs 37.9 million

Intellectual Capital

- Digital transformation expenditure: Rs 4.5 million
- Brand development expenditure: Rs 22.2 million

Social & Relationship Capital

- Total amount spent by Omnicane Foundation: Rs 4.1 million
- Total spending on local and foreign suppliers: Rs 2.9 billion

Our Material Risks

1. Exchange rate fluctuations
2. Fluctuations in commodity prices
3. Decreasing land under cane cultivation
4. Shortage of raw materials
5. Fire outbreak
6. Information security and cyber resilience
7. Changes in legal and other requirements
8. Non-compliance with environmental legislation
9. Injuries at work
10. Property oversupply on the market

Financial & Operational Data

Financial data	2018	2017	2016
(Loss)/earnings per share (Rs)	(6.17)	(6.28)	1.97
Dividend per share (Rs)	-	2.00	2.00
Return on equity (%)	(4.17)	(3.86)	1.51
Net Asset Value per share (Rs)	148.19	163.63	130.82
Gearing (%)	52.07	48.65	54.59
Effective tax rate (%)	N/A	N/A	11.36
No of Ordinary Shares ('000)	67,012	67,012	67,012

Operational data – Growing	2018	2017	2016
Area harvested (hectares)	2,394	2,419	2,575
Cane production (tonnes)	196,097	209,257	229,961
Sugar produced (tonnes)	20,293	20,230	24,826
Sugar accrued as planters (tonnes)	15,829	15,779	19,364
Sugar yield per hectare (tonnes)	8.48	8.36	9.64
Sugar price (Rs)	10,050	13,350	15,550
Area harvested mechanically/total harvest area (%)	75.0	75.0	71.2

Milling	2018	2017	2016
Sugar refined and sold (tonnes)	80,134	183,289	179,189
Sugar accrued (@ 98.5 pol) as miller (tonnes)	20,671	21,969	25,943
Sugar produced by the mills (tonnes)	94,256	100,914	118,480
Cane crushed (tonnes)	914,009	1,054,689	1,163,482
Sugar price (Rs)	8,800	13,350	15,550

Energy	2018	2017	2016
Total electricity exported (GWh)	670	745	720
From coal (GWh)	571	633	594
From bagasse (GWh)	99	112	126

Distillery	2018	2017	2016
Molasses used (tonnes)	85,134	60,136	70,693
Bioethanol produced (million litres)	24.4	17.9	20.4

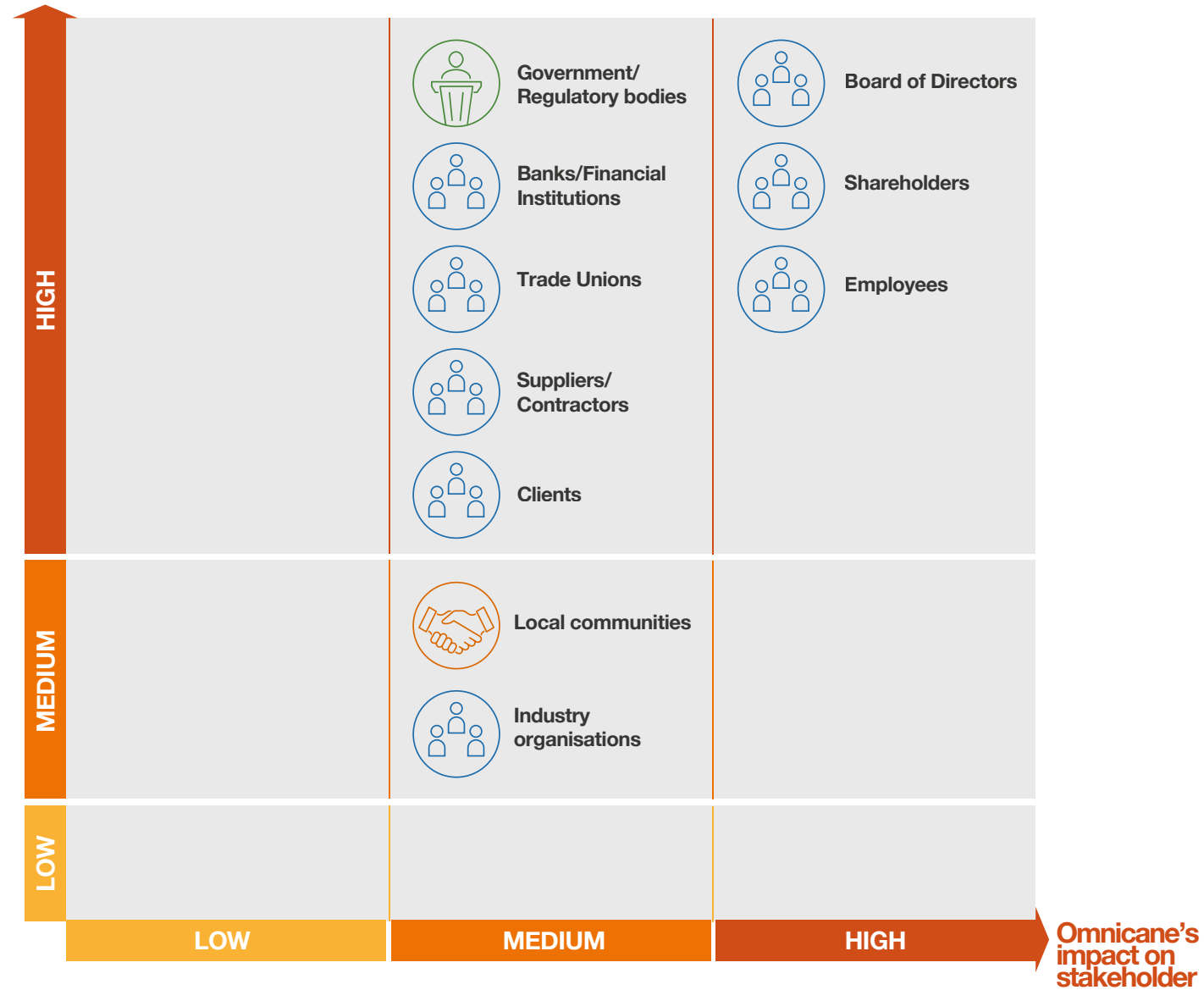
Stakeholder Analysis & Engagement



102-21 102-33 102-40 102-42 102-43

We identify our key stakeholders based on their influence on our business decision-making processes. This assessment enables us to categorise these relationships as either 'collaborate', 'invoke' or 'consult'. While we engage with all stakeholders, we have identified our key stakeholders as those with whom we need to consult and, as such, have developed goals for each of them.

Stakeholder impact on Omnicane



Stakeholder Analysis & Engagement (cont'd)

102-21 102-44

Our stakeholders	Main expectations	How we interact with our stakeholders	Frequency
1 Shareholders	Increase shareholders' value	<ul style="list-style-type: none"> Quarterly financial statements Annual Integrated Reports Omnicanne website (www.omnicane.com) 	Quarterly & yearly
2 Clients 103-1 103-2 103-3 416-1 418-1	Quality products or services	<ul style="list-style-type: none"> Regular meetings Client audits Implementation of: <ul style="list-style-type: none"> - ISO 9001:2015 Quality Management System - ISO 22000:2018 Food Safety Management System - BRC Food Standards - IHG Brand Standards 	As and when required
3 Board of Directors	Sound financial business models and corporate governance practices	<ul style="list-style-type: none"> Annual update of financial business model (independently validated) Quarterly Board meetings Board Committee meetings 	Quarterly
4 Employees	Shared culture, attitudes and job security	<ul style="list-style-type: none"> Notice boards/Signage Email Memos Website Meetings 	Daily/As and when required
5 Government/Regulatory Bodies	Compliance with laws and other requirements	<ul style="list-style-type: none"> Close collaboration and meetings with Government and parastatal bodies Presence of a legal department 	As and when required
6 Suppliers/Contractors	Effective delivery of products or services	<ul style="list-style-type: none"> Meetings Supplier evaluations 	As and when required
7 Trade Unions	Harmonious employer-employee relations	<ul style="list-style-type: none"> Meetings 	As and when required

Our stakeholders	Main expectations	How we interact with our stakeholders	Frequency
8 Local Communities	Social responsibility & engagement	<ul style="list-style-type: none"> Newsletter Meetings Sponsoring community-based projects 	Quarterly/As and when required
9 Industry Associations 102-13	Latest developments in the sugarcane industry	<ul style="list-style-type: none"> Meetings with industry associations as member 	As and when required
10 Banks & Financial Institutions	Fulfill financial commitments	<ul style="list-style-type: none"> Meetings 	As and when required

