

# ALTEO LIMITED AND ITS SUBSIDIARIES FOR THE PERIOD ENDED 31 MARCH 2024

**"Alteo's Agro-business cluster continues to be the main contributor to an excellent performance for the period, with profitability nearly tripling compared to last year"**

## GROUP CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Unaudited 3 months to 31 Mar 2024	Unaudited 3 months to 31 Mar 2023	Unaudited 9 months to 31 Mar 2024	Unaudited 9 months to 31 Mar 2023
	Rs 000	Rs 000	Rs 000	Rs 000
<b>Continuing operations</b>				
<b>REVENUE</b>	<b>686,191</b>	707,794	<b>3,567,920</b>	3,588,045
<b>Earnings before interest, taxation, depreciation and amortisation</b>	<b>210,319</b>	14,285	<b>1,423,931</b>	731,252
Depreciation, amortisation and release of deferred income	(89,570)	(75,374)	(273,183)	(251,787)
<b>Earnings before interest and taxation</b>	<b>120,749</b>	(61,089)	<b>1,150,748</b>	479,465
Finance costs	(16,340)	(27,878)	(52,400)	(85,912)
Share of results of joint ventures & associates	(5,478)	(2,466)	468	20,354
<b>Profit/(loss) before taxation</b>	<b>98,931</b>	(91,433)	<b>1,098,816</b>	413,907
Taxation	(29,201)	(4,728)	(44,458)	(35,382)
<b>Profit/(loss) for the period from continuing operations</b>	<b>69,730</b>	(96,161)	<b>1,054,358</b>	378,525
<b>Profit from discontinued operations</b>	-	-	-	544,501
<b>Profit/(loss) for the period</b>	<b>69,730</b>	(96,161)	<b>1,054,358</b>	923,026
Other comprehensive loss for the period	(9,350)	(10,106)	(2,194)	(14,962)
Total comprehensive income/(loss) for the period	<b>60,380</b>	(106,267)	<b>1,052,164</b>	908,064
<b>Profit/(loss) attributable to:</b>				
- Equity holders	<b>88,808</b>	(63,556)	<b>949,639</b>	575,357
- Non-controlling interests	<b>(19,077)</b>	(32,605)	<b>104,719</b>	347,669
<b>69,731</b>	(96,161)	<b>1,054,358</b>	923,026	
<b>Total comprehensive income/(loss) attributable to:</b>				
- Equity holders	<b>79,478</b>	(73,662)	<b>947,465</b>	571,143
- Non-controlling interests	<b>(19,098)</b>	(32,605)	<b>104,699</b>	336,921
<b>60,380</b>	(106,267)	<b>1,052,164</b>	908,064	
Basic and diluted earnings per share	Rs <b>0.28</b>	(0.20)	<b>2.98</b>	1.81
Dividend per share	Rs <b>0.00</b>	0.30	<b>0.00</b>	0.30

## GROUP CONDENSED STATEMENT OF FINANCIAL POSITION

	Unaudited 9 months to 31 Mar 2024	Audited 30 Jun 2023
	Rs 000	Rs 000
<b>ASSETS EMPLOYED</b>		
<b>Non-current assets</b>		
Property, plant and equipment and right-of-use assets	<b>14,659,857</b>	14,751,890
Investment properties	<b>2,717,861</b>	2,649,926
Intangible assets	<b>729,141</b>	729,142
Investment in joint ventures & associates	<b>26,913</b>	42,012
Deferred tax assets and other non current receivables	<b>498,957</b>	569,341
Financial assets at fair value through OCI	<b>4,301</b>	4,301
	<b>18,637,030</b>	18,746,612
Current assets	<b>4,638,017</b>	3,490,026
<b>TOTAL ASSETS</b>	<b>23,275,047</b>	22,236,638
<b>EQUITY AND LIABILITIES</b>		
Shareholders' interest	<b>18,377,476</b>	17,430,011
Non-controlling interests	<b>548,767</b>	444,068
Non-current liabilities	<b>2,432,611</b>	2,487,090
Current liabilities	<b>1,916,193</b>	1,875,469
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>23,275,047</b>	22,236,638
<b>Net asset value per share</b>	Rs <b>57.70</b>	54.73
<b>Number of shares in issue</b>	No <b>318,492,120</b>	318,492,120

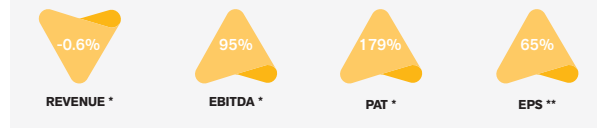
## GROUP CONDENSED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of parent	Non-controlling interests	Total equity
	Rs'000	Rs'000	Rs'000
<b>At 1 July 2023</b>	<b>17,430,011</b>	<b>444,068</b>	<b>17,874,079</b>
Total comprehensive income for the period	<b>947,465</b>	<b>104,699</b>	<b>1,052,164</b>
<b>At 31 March 2024</b>	<b>18,377,476</b>	<b>548,767</b>	<b>18,926,243</b>
<b>At 1 July 2022</b>	17,565,804	1,747,076	19,312,880
Total comprehensive income for the period	571,143	336,921	908,064
Change in ownership without loss in control	28,252	(28,252)	-
Distribution to equity shareholders	(1,175,841)	(1,562,577)	(2,738,418)
Reduction in share capital of subsidiary	-	(8,884)	(8,884)
Dividend	(45,331)	(14,690)	(60,021)
<b>At 31 March 2023</b>	16,944,027	469,594	17,413,621

## GROUP CONDENSED STATEMENT OF CASH FLOWS

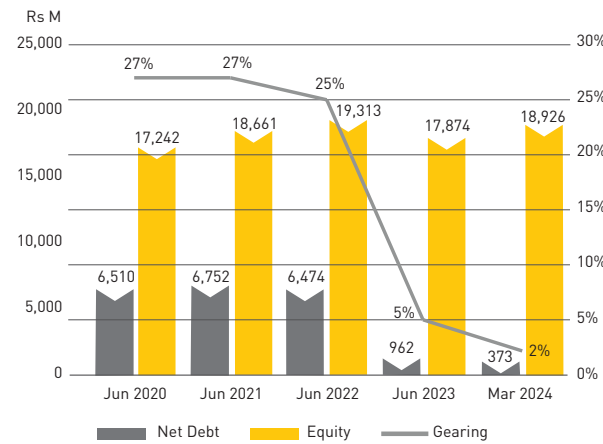
	Unaudited 31 Mar 2024	Unaudited 31 Mar 2023
	Rs 000	Rs 000
Net cash flow from operating activities	<b>793,998</b>	1,010,953
Net cash flow from/(used in) investing activities	<b>(8,399)</b>	361,898
Net cash flow used in financing activities	<b>(247,644)</b>	(945,970)
Net increase in cash and cash equivalents	<b>537,955</b>	426,881
Cash and cash equivalents at July 1	<b>215,710</b>	(530,296)
Cash and cash equivalents at Mar 31	<b>753,665</b>	(103,415)

## GROUP HIGHLIGHTS FOR THE PERIOD

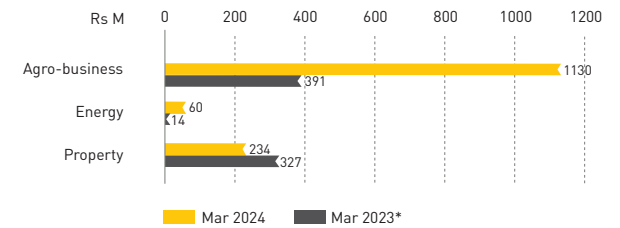


\*On continuing operations  
\*\*On continuing and discontinued operations

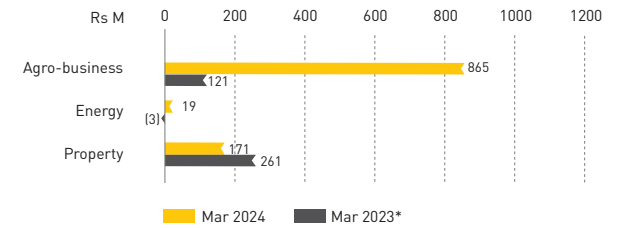
## GEARING



## EBITDA FOR THE PERIOD ALLOCATED BY CLUSTER



## PROFIT FOR THE PERIOD ALLOCATED BY CLUSTER



\*From continuing operations only

## GROUP SEGMENTAL INFORMATION

	Revenue				EBITDA				Profit/(Loss)			
	3 months to 31 Mar 2024	3 months to 31 Mar 2023	9 months to 31 Mar 2024	9 months to 31 Mar 2023	3 months to 31 Mar 2024	3 months to 31 Mar 2023	9 months to 31 Mar 2024	9 months to 31 Mar 2023	3 months to 31 Mar 2024	3 months to 31 Mar 2023	9 months to 31 Mar 2024	9 months to 31 Mar 2023
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
<b>Cluster analysis</b>												
Agro-business	<b>277,590</b>	95,321	<b>2,694,983</b>	1,808,928	<b>56,506</b>	(44,340)	<b>1,129,835</b>	390,759	<b>(48,798)</b>	(132,782)	<b>864,770</b>	120,817
Energy	<b>235,051</b>	365,238	<b>614,196</b>	950,384	<b>(9,081)</b>	(40,606)	<b>59,740</b>	13,637	<b>(17,581)</b>	(29,341)	<b>18,666</b>	(3,239)
Property	<b>187,056</b>	268,015	<b>364,161</b>	947,258	<b>162,895</b>	99,231	<b>234,356</b>	326,856	<b>136,110</b>	65,962	<b>170,922</b>	260,948
Consolidation adjustments	<b>(13,506)</b>	(20,780)	<b>(105,420)</b>	(118,525)	-	-	-	-	-	-	-	-
<b>Total</b>	<b>686,191</b>	707,794	<b>3,567,920</b>	3,588,045	<b>210,319</b>	14,285	<b>1,423,931</b>	731,252	<b>69,730</b>	(96,161)	<b>1,054,358</b>	378,525

## FINANCIAL PERFORMANCE REVIEW

### GROUP REVIEW

Alteo's continuing operations saw Group revenue flat at Rs 3.6bn for the nine months ended March 2024 compared to last year. A better harvest, coupled with higher prices of sugar, were the key factors in driving revenue up for the Agro-business cluster. Lower residential project sales this year saw Property revenue down. The Energy cluster was also impacted by lower production and a lower price of coal, resulting in a lower top line.

EBITDA increased by 95% to Rs 1.4bn on account of the better performance of the sugar cluster and controlled costs in the other clusters. Along with lower finance costs, this EBITDA increase flowed through to PAT, being 179% higher than the corresponding period last year, reaching Rs 1.1bn.

Profit from discontinued operations of Rs 545m in the prior year relates to the East African operations of the Group, which have since been restructured into a separate entity.

### PROPERTY

**Cyclical residential projects and lower completed sales at Anahita resulted in lower revenue**

Reduced activity for the 9 months contributed to the decrease in revenue for the Property cluster. This was due to the cyclical nature of the delivery of residential projects, less expensive plots sold by Anahita Estates Limited ("AEL") as well as no revenue recognition on villa construction. The corresponding period last year saw the tail end of the Mont Piton 2 and Balnea 2 projects accounting for Rs 291m of revenue versus none this period. Cluster profitability however benefitted from higher sales of agricultural plots. Anahita Golf and Spa Resort posted higher rounds for Anahita Golf Club with albeit a higher administrative cost. As a result, the cluster achieved a lower performance for the period. Nonetheless, the velocity of sales especially on agricultural plots is set to carry its momentum from the current quarter to year end.

### AGRO-BUSINESS

**Profitability boosted by a better sugar price and higher sugar production**

The cluster benefitted from higher sugar prices (Rs 5k per tonne higher) and higher volume of sugar with the mill producing 89k tonnes of sugar, of which 69k tonnes sold as special sugars. This performance boosted revenue by 49% from Rs 1.8bn to Rs 2.7bn across agricultural and milling operations. Cluster profitability reached Rs 865m, up from Rs 121m last year, inclusive of a positive Rs 34m movement in the fair value of consumable biological assets.

### ENERGY

**Lower production and lower coal prices impact revenue**

Energy production exported to the grid stood at 123 GWh, down by 5 GWh for the period compared to last year. This contributed to the impact of decreasing coal prices in reducing revenue to Rs 614m, down Rs 336m from last year. EBITDA increased by Rs 46m to reach Rs 60m, with a corresponding Rs 22m positive impact on profitability to Rs 19m for the period, mainly due to a better coal efficiency.

## OUTLOOK

**The Group expects the positive Agro-business performance to flow through to year end, with the Property cluster also expected to benefit from strong interest into the final quarter**

The Group's Property cluster has seen recent launches of agricultural estates experience good uptake of reservations, and we expect these sales to be concluded in large part by the end of the financial year. AEL also has a pipeline of reservations to be converted in the final quarter. Alteo's Smart City, Anahita Beau Champ, has seen its first phase of residential land offerings fully reserved, with the focus now on converting sales of apartments and villas.

The outlook for sugar prices remains positive for the final quarter and early 2024 crop estimates are promising due to rather favourable agro-climatic conditions experienced so far. The Energy cluster should make up its comparative shortfall of exports in the final quarter.

### By Order of the Board 13 May 2024

The condensed financial statements for the 6 months are unaudited and have been prepared in accordance with the Group's accounting policies.

The condensed unaudited financial statements are issued pursuant to Listing Rule 12.20. Copies of these condensed unaudited financial statements and the statement of direct and indirect interests of the Officers of Alteo Limited are available to the public, free of charge, at the registered office of Alteo Limited at Vivea Business Park, St Pierre, upon request made to the Company Secretary.

The Board of Directors of Alteo Limited accepts full responsibility for the accuracy on the information contained in these condensed unaudited financial statements.