

ALTEO LIMITED AND ITS SUBSIDIARIES

CONDENSED UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2025

“Alteo's performance for the quarter reflected the cyclical nature of property operations and a timing delay in sugar production”

GROUP CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter ended 30 Sep 2025	Quarter ended 30 Sep 2024
	Rs'000	Rs'000
REVENUE	1,251,248	1,431,178
Earnings before interest, taxation, depreciation and amortisation	371,086	459,222
Release of deferred income	4,281	4,769
Depreciation and amortisation	(107,379)	(100,423)
Earnings before interest and taxation	267,988	363,568
Finance costs	(11,128)	(13,694)
Share of results of joint ventures & associates	(7,156)	(6,796)
Profit before taxation	249,704	343,078
Taxation	(13,545)	(9,926)
Profit for the period	236,159	333,152
Other comprehensive income for the period	1,706	9,076
Total comprehensive income for the period	237,865	342,228
Profit attributable to:		
- Owners of the parent	193,263	284,150
- Non-controlling interests	42,896	49,002
	236,159	333,152
Total comprehensive income attributable to:		
- Owners of the parent	194,969	293,226
- Non-controlling interests	42,896	49,002
	237,865	342,228
Basic and diluted earnings per share	Rs 0.61	0.89

GROUP CONDENSED STATEMENT OF FINANCIAL POSITION

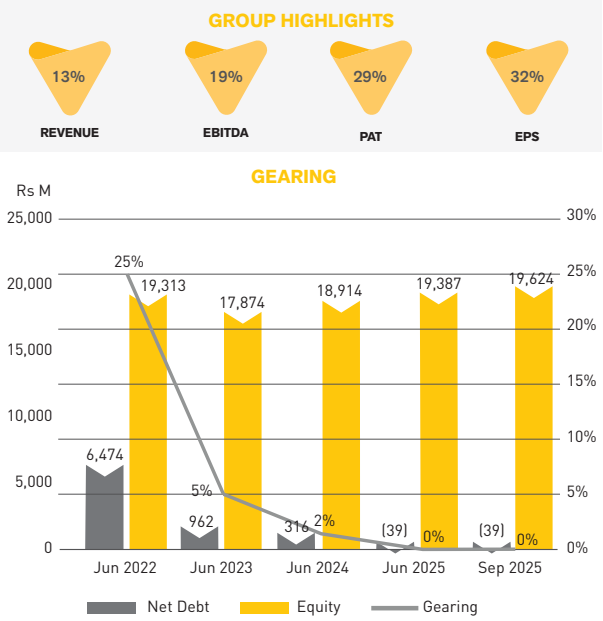
	Unaudited 30 Sep 2025	Audited 30 June 2025
	Rs'000	Rs'000
ASSETS EMPLOYED		
Non-current assets		
Property, plant and equipment and right-of-use assets	14,840,680	14,980,869
Investment properties	2,818,764	2,817,960
Intangible assets	558,401	559,116
Investment in joint ventures & associates	79,634	85,064
Deferred tax assets and other non current receivables	42,458	41,371
Financial assets at fair value through OCI	4,327	4,327
	18,344,264	18,488,707
Current assets	4,984,355	4,548,569
TOTAL ASSETS	23,328,619	23,037,276
EQUITY AND LIABILITIES		
Shareholders' interests	19,291,021	19,096,052
Non-controlling interests	333,415	290,519
Non-current liabilities	1,518,990	1,583,756
Current liabilities	2,185,193	2,066,949
TOTAL EQUITY AND LIABILITIES	23,328,619	23,037,276
Net asset value per share	Rs 60.57	59.96
Number of shares in issue	No 318,492,120	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
At 1 July 2025	19,096,052	290,519	19,386,571
Total comprehensive income for the period	194,969	42,896	237,865
At 30 September 2025	19,291,021	333,415	19,624,436
At 1 July 2024	18,629,287	284,566	18,913,853
Total comprehensive income for the period	293,226	49,002	342,228
At 30 September 2024	18,922,513	333,568	19,256,081

GROUP CONDENSED STATEMENT OF CASH FLOWS

	Quarter ended 30 Sep 2025	Quarter ended 30 Sep 2024
	Rs 000	Rs 000
Net cash flow from operating activities	250,141	632,968
Net cash flow used in investing activities	(77,208)	(122,855)
Net cash flow used in financing activities	(222,334)	(286,646)
Net (decrease)/increase in cash and cash equivalents	(49,402)	223,467
Cash and cash equivalents at July 1,	791,018	704,280
Cash and cash equivalents at Sep 30,	741,616	927,747



GROUP SEGMENTAL INFORMATION

	Revenue		EBITDA		Profit for the period	
	30 Sep 2025	30 Sep 2024	30 Sep 2025	30 Sep 2024	30 Sep 2025	30 Sep 2024
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Cluster analysis						
Agro-business	1,006,752	1,110,193	320,866	342,102	227,496	255,682
Energy	190,387	217,623	45,885	52,407	25,727	33,678
Property	78,577	145,065	4,335	64,713	(17,064)	43,792
Consolidation adjustments	(24,468)	(41,703)	-	-	-	-
Total	1,251,248	1,431,178	371,086	459,222	236,159	333,152

FINANCIAL PERFORMANCE REVIEW

GROUP REVIEW

The Group's revenue contraction of 12.6% year-on-year to Rs 1.2 billion reflects a combination of factors across all three operating clusters. The Property cluster experienced a 46% decline, primarily attributable to higher prior year land sales at Anahita and reduced revenue recognition during the construction phase. Agro-business saw lower production coupled with a lower price of sugar, whilst the Energy cluster saw reduced exports to the Grid at a lower tariff, both compounding to reduce revenue.

EBITDA margin compression to 29.7% (from 32.1% in Q1 FY25) reflects the flow-through impact of a fall in revenue, although the Rs 88.1 million absolute EBITDA decline is partially mitigated by a Rs 102 million favourable movement in biological asset fair value adjustments.

Profit after tax declined 29% to Rs 236 million, with the steeper fall-through rate from EBITDA attributable to fixed depreciation charges (Rs 107 million) representing a higher proportion of reduced earnings.

The Group has achieved a significant deleveraging milestone, reducing net debt to minimal levels through disciplined capital allocation and operational cash generation. This positions Alteo advantageously to pursue selective growth opportunities without balance sheet constraints. Management's stated policy of ring-fencing future borrowings exclusively for value-accretive projects demonstrates financial prudence and should support sustainable returns on incremental invested capital.

AGRO-BUSINESS

Profitability impacted by lower sugar production

The cluster experienced a 9% revenue decline to Rs 1.01 billion. Sugar production fell across both Agri and Milling operations, driven by both lower cane harvest volumes and a compressed extraction rate. This is a temporary shortfall due to delays in harvest and is expected to catch up in Q2. The ex-MSS sugar price declined by Rs 500 per tonne warranting a strategic pivot toward special sugars, with volumes rising 38% year-on-year. A Rs 92.6 million negative biological asset adjustment, while representing a Rs 102 million improvement versus Q1 FY25's Rs 194.6 million charge, was a significant non-cash headwind.

ENERGY

Lower production impact revenue and profitability

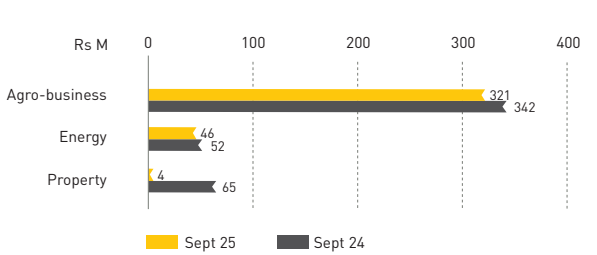
The Energy cluster experienced a 13% revenue contraction to Rs 190 million, driven by both volume and tariff compression. Energy exported to the CEB grid stood at 43.5 GWh, down by 1.7 GWh for the quarter compared to the corresponding period last year. EBITDA fell by Rs 7m to Rs 46m due to lower GWh exported, resulting in a net profitability of Rs 26m for the quarter compared to Rs 34m last year.

PROPERTY

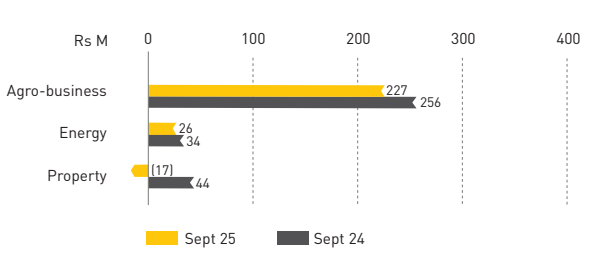
Completion of Anahita IRS project and lower revenue recognition on VEFA villas under construction at Anahita resulted in lower revenue

The Property cluster saw revenue declining 46% to Rs 78.6 million and the segment swinging to a Rs 17 million loss from a Rs 44 million profit in Q1 FY25. This Rs 61 million profitability reversal reflects the inherently lumpy nature of real estate development cash flows and revenue recognition with the decline primarily attributable to two factors: (1) the non-recurrence of land plot sales completed in Q1 FY25, and (2) reduced VEFA revenue recognition on villas currently under construction at Anahita. The fall in EBITDA to Rs 4.3 million (versus Rs 64.7 million in Q1 FY25) flows through from the change in revenue as well as the reduced disposal of agricultural plots during the quarter. These results should be viewed in the context of the property development cycle, with the cluster positioned between project completions and new launches, creating a natural trough in recognised income despite ongoing development activity.

EBITDA FOR THE PERIOD ALLOCATED BY CLUSTER



PROFIT FOR THE PERIOD ALLOCATED BY CLUSTER



OUTLOOK

The outlook for the Property cluster presents multiple near-term catalysts that should drive material improvements in revenue. The Soleva 1 residential morcellement launched in September 2025 has secured reservations for all 108 plots, representing strong market endorsement and providing future revenue visibility as these transactions progress toward completion. Infrastructure works at Mont Piton 3 commenced during Q1, also positioning this development for future revenue contribution in FY27.

VEFA villa and apartment construction at Anahita Beau Champ Smart City will drive progressive revenue recognition as completion percentages advance. Additionally, the completion and delivery of Phase 1 serviced land within the Smart City, scheduled for FY26 represents a critical milestone with the potential for significant revenue and margin contribution. The agricultural plot sales programme is expected to provide incremental contributions to profitability throughout FY26.

Sugar production is expected to improve in Q2, partially addressing the extraction rate challenges evident in Q1 and the order book for special sugars is already much stronger than at the same time last year. The outlook for sugar prices remains neutral in the near term, supported by global supply-demand dynamics.

Energy operations are anticipated to recover export volumes during the second quarter of FY26 as sugar production normalises and bagasse availability increases.

By Order of the Board
November 14, 2025

The condensed unaudited financial statements have been prepared in accordance with the Group's accounting policies which are consistent with those of the previous financial period.

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.