



sugar • energy • property | Vision in Motion

**ALTEO LIMITED AND ITS SUBSIDIARIES
FOR THE YEAR ENDED JUNE 30, 2021**

“Alteo Group reports significantly improved results driven by the better performance of the Sugar cluster”

GROUP HIGHLIGHTS FOR THE YEAR



GROUP CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Audited 30 Jun 21 Rs 000	Audited 30 Jun 20 Rs 000
REVENUE	9,549,122	8,286,946
Normalised earnings before interest, taxation, depreciation and amortisation	3,576,172	1,969,491
Other income and expenses	187,930	76,532
Earnings before interest, taxation, depreciation and amortisation	3,764,102	2,046,023
Release of deferred income	33,669	34,359
Depreciation and amortisation	(811,089)	(728,079)
Earnings before interest, taxation, impairment and allowance for expected credit losses	2,986,682	1,352,303
Reversal of impairment of assets/(impairment of assets and allowance for expected credit losses)	218,550	(31,832)
Earnings before interest and taxation	3,205,232	1,320,471
Finance income	26,028	8,470
Finance costs	(476,963)	(511,846)
Share of results of joint ventures & associates	(61,080)	(15,004)
Profit before taxation	2,693,217	802,091
Taxation	(829,329)	(579,942)
Profit for the year	1,863,888	222,149
Other comprehensive income for the year	333,969	399,387
Total comprehensive income for the year	2,197,857	621,536
Profit/(Loss) attributable to:		
- Equity holders	1,158,973	(102,340)
- Non-controlling interests	704,915	324,489
	1,863,888	222,149
Total comprehensive income attributable to:		
- Equity holders	1,406,656	224,790
- Non-controlling interests	791,201	396,746
	2,197,857	621,536
Earnings per share	Rs 3.64	(0.32)
Dividend per share	Rs 0.72	0.54

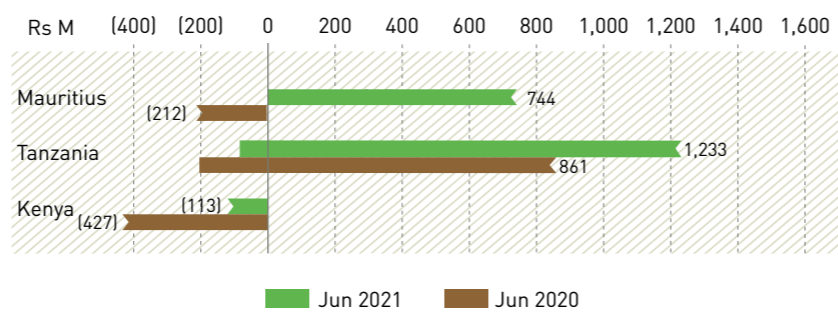
GROUP SEGMENTAL INFORMATION

	Audited 30 Jun 21 Rs 000	Audited 30 Jun 20 Rs 000
Revenue by Cluster		
Sugar	8,070,161	6,865,222
Energy	711,815	638,307
Property	857,901	956,844
Consolidation adjustments	(90,756)	(173,427)
Total revenue	9,549,122	8,286,946
Revenue by Country		
Mauritius	3,169,342	3,356,230
Tanzania	3,739,895	3,192,243
Kenya	2,730,641	1,911,900
Consolidation adjustments	(90,756)	(173,427)
Total revenue	9,549,122	8,286,946
Profit allocated by Cluster		
Sugar	1,686,412	118,827
Energy	40,821	59,357
Property	136,655	43,965
Profit for the year	1,863,888	222,149
Profit/(Loss) allocated by Country		
Mauritius	743,941	(211,750)
Tanzania	1,233,327	861,058
Kenya	(113,380)	(427,159)
Profit for the year	1,863,888	222,149

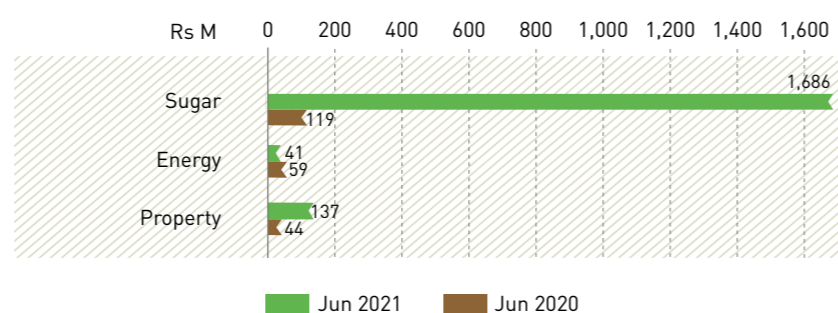
GROUP CONDENSED STATEMENT OF FINANCIAL POSITION

	Audited 30 Jun 21 Rs'000	Audited 30 Jun 20 Rs'000
ASSETS EMPLOYED		
Non-current assets		
Property, plant and equipment	18,708,688	17,958,606
Investment properties	2,808,175	2,855,563
Intangible assets	1,966,461	1,906,281
Investment in joint ventures & associates	38,123	42,484
Financial assets at fair value through OCI	4,318	9,127
Deferred tax assets and other non current receivables	276,080	280,489
	23,801,845	23,052,550
Current assets	7,367,844	6,923,523
TOTAL ASSETS	31,169,689	29,976,073
EQUITY AND LIABILITIES		
Shareholders' interests	17,009,402	15,831,072
Non-controlling interests	1,651,147	1,411,637
Non-current liabilities	7,227,964	7,658,939
Current liabilities	5,281,176	5,074,425
TOTAL EQUITY AND LIABILITIES	31,169,689	29,976,073
Net asset value per share	Rs 53.41	49.71
Number of shares in issue	No 318,492,120	318,492,120

PROFIT/(LOSS) ALLOCATED FOR THE YEAR BY COUNTRY



PROFIT ALLOCATED FOR THE YEAR BY CLUSTER



GROUP CONDENSED STATEMENT OF CASH FLOWS

	Audited 30 Jun 21 Rs 000	Audited 30 Jun 20 Rs 000
Net cash flow from operating activities	1,664,742	772,880
Net cash flow (used in)/ from investing activities	(663,623)	4,076
Net cash flow used in financing activities	(716,237)	(550,616)
Net Increase in cash and cash equivalents	284,882	226,340
Cash and cash equivalents at July 1,	(714,557)	(940,897)
Cash and cash equivalents at June 30,	(429,675)	(714,557)

GROUP CONDENSED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders Rs'000	Non-controlling interests Rs'000	Total equity Rs'000
At 1 July 2020	15,831,072	1,411,637	17,242,709
Total comprehensive income for the year	1,406,656	791,201	2,197,857
Increase in share capital of subsidiary	988	981	1,969
Dividend	(229,314)	(552,672)	(781,986)
At 30 June 2021	17,009,402	1,651,147	18,660,549
At 1 July 2019	15,778,268	1,542,646	17,320,914
Total comprehensive income for the year	224,790	396,746	621,536
Decrease in share capital of subsidiary	-	(43,986)	(43,986)
Dividend	(171,986)	(483,769)	(655,755)
At 30 June 2020	15,831,072	1,411,637	17,242,709

COMMENTS

GROUP REVIEW FOR THE YEAR

MUCH IMPROVED PERFORMANCE OF THE SUGAR CLUSTER

Group revenue and normalised EBITDA grew by 15% and 82% respectively explained by the improved performance of the sugar operations. In line with the trend in revenue and normalised EBITDA, profit after tax and earnings per share improved significantly. Results were further enhanced by a reduction in restructuring costs and a reversal of impairment of bearer biological assets.

Finance costs dropped in a declining interest rate environment and with a lower overdraft utilisation throughout the group.

SUGAR

IMPROVED PERFORMANCE FOR ALL SUGAR OPERATIONS

The Sugar cluster posted a marked improvement across all operations.

In Mauritius, the better performance was largely explained by the strengthening sugar prices, partly due to a depreciation of the Mauritian Rupee versus the Euro and the US dollar, higher special sugar orders, ongoing cost reductions realised through restructuring and a significant favourable movement in the fair value of consumable biological assets. These positive factors offset the adverse effects of a lower sugar accruing, as poorer sugar cane yields were only partly mitigated by a higher sugar recovery, and the closure of the sugar refining operations in August 2020.

The Tanzanian operations realised higher profits for the year explained by the better average price achieved on the domestic market and a favourable consumable biological asset fair value movement against the comparative period. Production and sales volumes also improved on the back of much better yields and sugar recovery.

The improvement in Kenya was mainly driven by the higher production and sales volumes as sugar cane availability stabilised and sugar recovery as well as factory reliability improved. The Kenyan operations also benefitted from higher domestic prices during the year under review.

ENERGY

BETTER EFFICIENCIES DROVE PERFORMANCE ON A NORMALISED BASIS

The Energy cluster results dropped as the comparative figure included a one-off gain from the sale of equipment. On a normalised basis, results were boosted by better efficiencies despite a lower power generation and export to the grid.

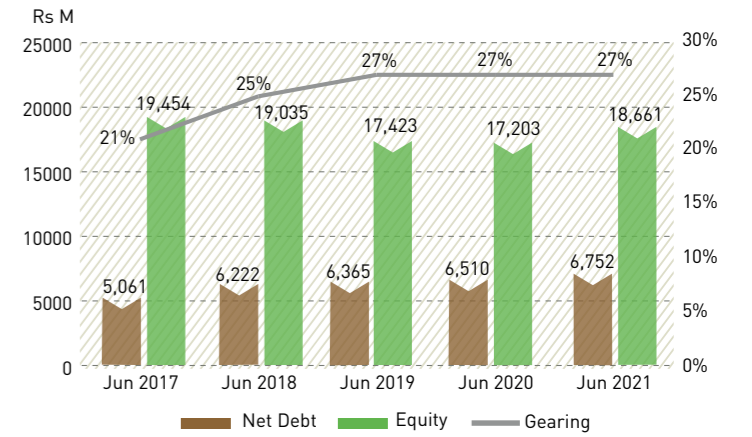
**By Order of the Board
September 22, 2021**

The condensed financial statements are audited by Ernst & Young, and have been prepared in accordance with International Financial Reporting Standards (IFRSs). Copies of the above condensed audited financial statements, the full audited financial statements and statement of direct and indirect interests of Officers of the Company required under Rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007, are available to the public, free of charge, at the registered address of the Company at Vivé Business Park, Saint Pierre.

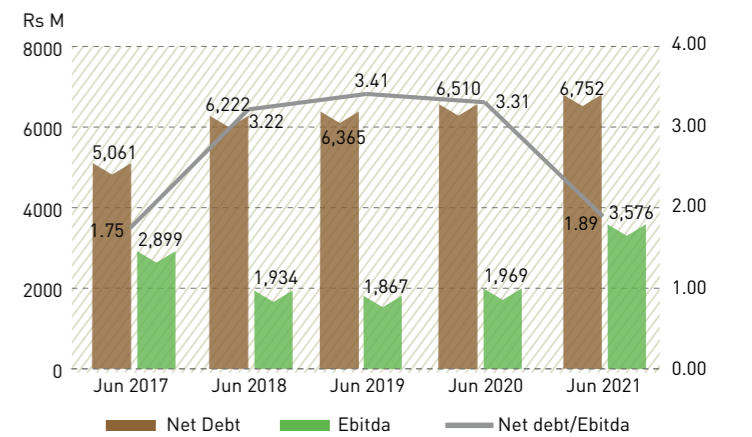
The condensed audited financial statements are issued pursuant to Listing Rule 12.14 and Securities Act 2005.

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

GEARING



EVOLUTION OF NET DEBT, EBITDA AND NET DEBT/EBITDA



PROPERTY

BETTER CLUSTER RESULTS DESPITE THE ADVERSE PERFORMANCE OF ANAHITA GOLF & SPA RESORT AND ANAHITA GOLF CLUB

The finalisation of sales deeds for 11 serviced plots at Anahita against 5 in the comparative year resulted in higher EBITDA generation from property development operations. This commendable performance more than compensated for the increased losses posted by the Anahita Golf & Spa Resort ("the Resort") and Anahita Golf Club ("the Golf") which attracted a negligible level of activity during the year. Being a joint venture investment, the Resort's performance was reflected within the negative share of results of joint ventures and associates.

OUTLOOK

LASTING EFFECTS OF THE COVID-19 CRISIS ON THE PROPERTY CLUSTER WHILE THE SUGAR CLUSTER IS EXPECTED TO CONTINUE TO STRENGTHEN

The Covid-19 crisis and resulting disruptions around the world should continue to adversely affect the Group's Property cluster, and more specifically the Resort and the Golf, despite the gradual reopening of Mauritius as a travel destination. As regards property development, reservations secured to date are expected to continue to help revenue and EBITDA generation in the next quarters.

At industry level, the recent Government policy pertaining to the introduction of a biomass framework setting out a remuneration mechanism for bagasse is welcomed. This bold move is a major step towards securing the sustainability of the cane industry in Mauritius.

A stable sugar cane availability and an improved factory reliability are expected to continue to be beneficial to the Kenyan sugar operations while the early signs of a good crop are being observed in Tanzania.

The energy cluster performance for the next financial year will depend on the terms of renewal of the Power Purchase Agreement of Alteo Energy Ltd which will expire in December 2021.