

# ALTEO LIMITED AND ITS SUBSIDIARIES FOR THE QUARTER ENDED SEPTEMBER 30, 2024

*“Alteo's property segment posts improved results with a lower sugar price and a negative fair value movement impacting profitability”*

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

	Unaudited 30 Sep 2024 Rs 000	Unaudited 30 Sep 2023 Rs 000
<b>REVENUE</b>	<b>1,431,178</b>	1,311,688
<b>Earnings before interest, taxation, depreciation and amortisation</b>	<b>459,222</b>	751,294
Released of deferred income	4,769	4,769
Depreciation and amortisation	(100,423)	(97,087)
<b>Earnings before interest and taxation</b>	<b>363,568</b>	658,976
Finance costs	(13,694)	(18,498)
Share of results of joint ventures & associates	(6,796)	9,530
<b>Profit before taxation</b>	<b>343,078</b>	650,008
Taxation	(9,926)	(4,646)
<b>Profit for the period</b>	<b>333,152</b>	645,362
Other comprehensive income for the period	9,076	3,982
Total comprehensive income for the period	<b>342,228</b>	649,344
<b>Profit attributable to:</b>		
- Equity holders	284,150	588,960
- Non-controlling interests	49,002	56,402
	<b>333,152</b>	645,362
<b>Total comprehensive income attributable to:</b>		
- Equity holders	293,226	592,942
- Non-controlling interests	49,002	56,402
	<b>342,228</b>	649,344
Basic and diluted earnings per share	Rs <b>0.89</b>	1.85

## GROUP CONDENSED STATEMENT OF FINANCIAL POSITION

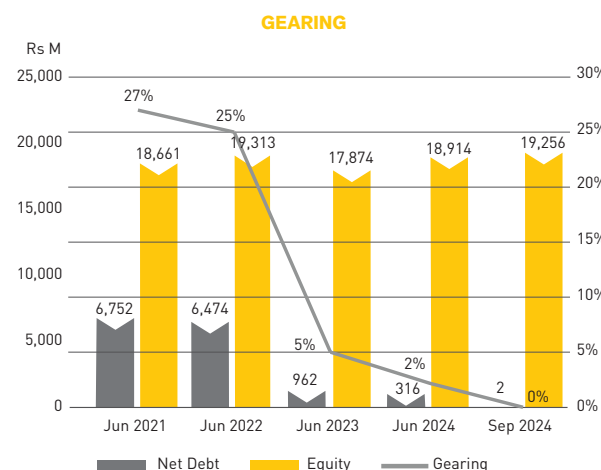
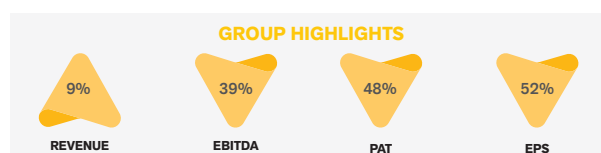
	Unaudited 30 Sep 2024 Rs 000	Audited 30 June 2024 Rs 000
<b>ASSETS EMPLOYED</b>		
<b>Non-current assets</b>		
Property, plant and equipment and right-of-use assets	14,843,459	14,810,149
Investment properties	2,825,919	2,778,308
Intangible assets	615,548	640,919
Investment in joint ventures & associates	23,663	30,753
Deferred tax assets and other non current receivables	497,688	496,426
Financial assets at fair value through OCI	4,183	4,183
	<b>18,810,460</b>	18,760,738
Current assets	3,943,963	4,006,217
<b>TOTAL ASSETS</b>	<b>22,754,423</b>	22,766,955
<b>EQUITY AND LIABILITIES</b>		
Shareholders' interest	18,922,513	18,629,287
Non-controlling interest	333,568	284,566
Non-current liabilities	2,133,282	2,168,631
Current liabilities	1,365,060	1,684,471
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>22,754,423</b>	22,766,955
Net asset value per share	Rs <b>59.41</b>	58.49
Number of shares in issue	No <b>318,492,120</b>	318,492,120

## GROUP CONDENSED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of parent Rs'000	Non- controlling interests Rs'000	Total equity Rs'000
<b>At 1 July 2024</b>	<b>18,629,287</b>	<b>284,566</b>	<b>18,913,853</b>
Total comprehensive income for the period	293,226	49,002	342,228
<b>At 30 September 2024</b>	<b>18,922,513</b>	<b>333,568</b>	<b>19,256,081</b>
<b>At 1 July 2023</b>	17,430,011	444,068	17,874,079
Total comprehensive income for the period	592,942	56,402	649,344
<b>At 30 September 2023</b>	18,022,953	500,470	18,523,423

## GROUP CONDENSED STATEMENT OF CASH FLOWS

	Unaudited 30 Sep 2024 Rs 000	Unaudited 30 Sep 2023 Rs 000
Net cash flow from operating activities	632,968	437,423
Net cash flow used in investing activities	(122,855)	(63,899)
Net cash flow used in financing activities	(286,646)	(238,435)
Net increase in cash and cash equivalents	223,467	135,089
Cash and cash equivalents at July 1,	704,280	215,714
Cash and cash equivalents at September 30,	927,747	350,803



## GROUP SEGMENTAL INFORMATION

Cluster analysis	Revenue		EBITDA		Profit for the period	
	30 Sep 2024 Rs 000	30 Sep 2023 Rs 000	30 Sep 2024 Rs 000	30 Sep 2023 Rs 000	30 Sep 2024 Rs 000	30 Sep 2023 Rs 000
Agro-business	1,110,193	1,083,130	342,102	707,754	255,682	627,166
Energy	217,623	191,159	52,407	37,599	33,678	20,766
Property	145,065	75,604	64,713	5,941	43,792	(2,570)
Consolidation adjustments	(41,703)	(38,205)	-	-	-	-
<b>Total</b>	<b>1,431,178</b>	<b>1,311,688</b>	<b>459,222</b>	<b>751,294</b>	<b>333,152</b>	<b>645,362</b>

## FINANCIAL PERFORMANCE REVIEW

### GROUP REVIEW

Group revenue was at Rs 1.4bn for the quarter ended September 2024, an increase of Rs 119m compared to the corresponding period last year. This was driven mostly by larger inflows from the Property cluster on villas construction while the Agro-business cluster saw positive impacts of a higher production nullified by a lower price of sugar. The Energy cluster saw an increase in GWh exported which, coupled with a higher coal price, resulted in higher revenue.

Group EBITDA decreased by 39% to Rs 459m, a reduction of Rs 292m compared to the corresponding period last year, mainly on account of a negative movement in the fair value of biological assets in the Agro-business. The EBITDA decrease translated into a PAT of Rs 333m, which was 48% lower than the corresponding period last year.

In line with its low debt policy, the Group's overall net debt has reduced to minimal levels, reaching a gearing of close to 0%. All future borrowings shall be ring-fenced to specific value-adding projects.

### PROPERTY

**Higher VEFA villas construction at Anahita resulted in higher revenue and higher sale of agricultural plots has increased profitability**

The Property cluster saw an increase in revenue of Rs 69m this quarter mainly due to higher revenue recognition on VEFA villas construction compared to none in the same period last year at Anahita Estates Limited. The sale of lower value serviced plots reduced this impact by Rs 15m. The cluster's profitability was supported by higher sales of agricultural plots which significantly increased the inflows to the cluster compared to the corresponding period last year. Overall, the cluster posted a profit of Rs 44m this quarter compared to a loss of Rs 3m for the corresponding period last year.

### AGRO-BUSINESS

**Profitability impacted by lower sugar prices and a negative movement on standing crop valuation**

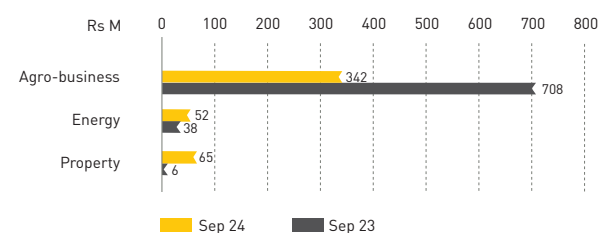
Revenue for the cluster was marginally higher compared to the corresponding period last year despite lower sugar prices (a decrease of Rs 3k per tonne). This increase was attributable mainly to an adjustment in sugar revenue for crop 23 amounting to Rs 20m. The cluster also benefitted from a better pace of harvest and a higher mill throughput of 43k tonnes of sugar, inclusive of 25k tonnes sold as special sugars. This performance was offset by a lower sugar price across agricultural and milling operations. Cluster profitability reached Rs 256m, down from Rs 627m for the corresponding period last year mainly due to a negative movement in the fair value of biological assets of Rs 283m.

### ENERGY

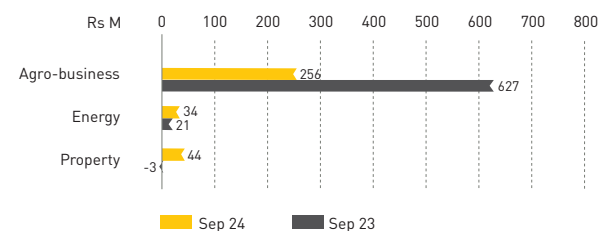
**Higher production and higher coal prices impact revenue**

Energy production exported to the grid stood at 45 GWh, up by 3 GWh for the quarter compared to the corresponding period last year. Revenue increased by Rs 26m to Rs 218m, EBITDA by Rs 15m to Rs 52m due to higher kWh bagasse exported at a higher gross profit margin, resulting in net profitability of Rs 34m for the quarter.

## EBITDA FOR THE PERIOD ALLOCATED BY CLUSTER



## PROFIT FOR THE PERIOD ALLOCATED BY CLUSTER



## OUTLOOK

**Agricultural land sales are expected to continue to contribute significantly to the group's performance this year while the recent launch of infrastructure works at Anahita Beau Champ augurs well for the medium term future**

The first phase of residential plots within Anahita Beau Champ is now expected to be delivered within 12 months, following the recent launch of the infrastructure works. The pace of sales for agricultural land has gained significant momentum with conversions in the period under review well ahead of expectations and budget. Over the next quarters, the property cluster will begin actively marketing new residential projects within several areas across its land base asset, including Mont Piton 3.

Sugar prices are expected to remain around current levels until the end of the current sales campaign, following the exceptional highs of last year. The Group will actively seek to maintain optimal production as the crop harvesting progresses, with a focus on special sugars in line with market demand.

### By Order of the Board November 13, 2024

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 audited financial statements.