

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

GROUP HIGHLIGHTS



GROUP CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Unaudited 3 Months to 31 Dec 20 Rs 000	Unaudited 3 Months to 31 Dec 19 Rs 000	Unaudited 6 Months to 31 Dec 20 Rs 000	Unaudited 6 Months to 31 Dec 19 Rs 000
REVENUE	2,460,033	2,373,422	5,232,147	4,481,958
Normalised earnings before interests, taxation, depreciation and amortisation	1,059,905	674,250	2,227,785	1,134,486
Other income and expenses	43,573	17,790	18,882	52,450
Earnings before interests, taxation, depreciation and amortisation	1,103,478	692,040	2,246,667	1,186,936
Depreciation, amortisation and release of deferred income	(175,141)	(178,053)	(356,416)	(349,187)
Earnings before interests and taxation	928,337	513,987	1,890,251	837,749
Finance costs	(90,805)	(122,808)	(222,501)	(268,804)
Share of results of joint ventures & associates	(16,962)	8,641	(36,353)	7,047
Profit before taxation	820,570	399,820	1,631,397	575,992
Taxation	(291,350)	(138,674)	(525,576)	(246,620)
Profit for the period	529,220	261,146	1,105,821	329,372
Other comprehensive income for the period	(34,881)	(13,816)	(41,149)	76,791
Total comprehensive income for the period	494,339	247,330	1,064,672	406,163
Profit attributable to:				
- Equity holders	261,179	115,241	570,057	60,532
- Non-controlling interests	268,041	145,905	535,764	268,840
	529,220	261,146	1,105,821	329,372
Total comprehensive income attributable to:				
- Equity holders	240,361	110,758	547,320	102,448
- Non-controlling interests	253,978	136,572	517,352	303,715
	494,339	247,330	1,064,672	406,163
Earnings per share	Rs 0.82	Rs 0.36	Rs 1.79	Rs 0.19
Dividend per share	Rs 0.32	Rs 0.32	Rs 0.32	Rs 0.32

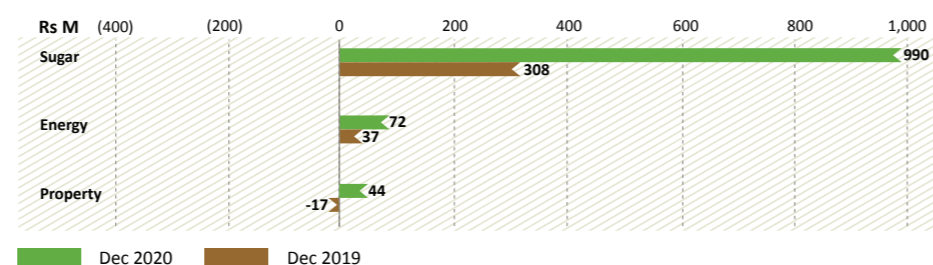
GROUP SEGMENTAL INFORMATION

	Unaudited 3 Months to 31 Dec 20 Rs 000	Unaudited 3 Months to 31 Dec 19 Rs 000	Unaudited 6 Months to 31 Dec 20 Rs 000	Unaudited 6 Months to 31 Dec 19 Rs 000
Revenue by Cluster				
Sugar	2,191,152	2,049,670	4,516,036	3,871,826
Energy	159,847	147,120	309,292	299,565
Property	144,662	235,444	489,211	422,410
Consolidation adjustments	(35,628)	(58,812)	(82,392)	(111,843)
Total revenue	2,460,033	2,373,422	5,232,147	4,481,958
Revenue by Country				
Mauritius	891,282	1,067,990	2,115,582	2,043,126
Tanzania	1,063,889	923,201	1,927,469	1,681,181
Kenya	540,490	441,043	1,271,488	869,494
Consolidation adjustments	(35,628)	(58,812)	(82,392)	(111,843)
Total revenue	2,460,033	2,373,422	5,232,147	4,481,958
Profit/(Loss) allocated by Cluster				
Sugar	528,305	254,791	989,519	308,452
Energy	37,483	6,739	72,306	37,445
Property	(36,568)	(384)	43,996	(16,525)
Profit for the period	529,220	261,146	1,105,821	329,372
Profit/(Loss) allocated by Country				
Mauritius	90,347	69,776	269,012	(44,508)
Tanzania	484,182	267,696	878,088	562,452
Kenya	(45,309)	(76,326)	(41,279)	(188,572)
Profit for the period	529,220	261,146	1,105,821	329,372

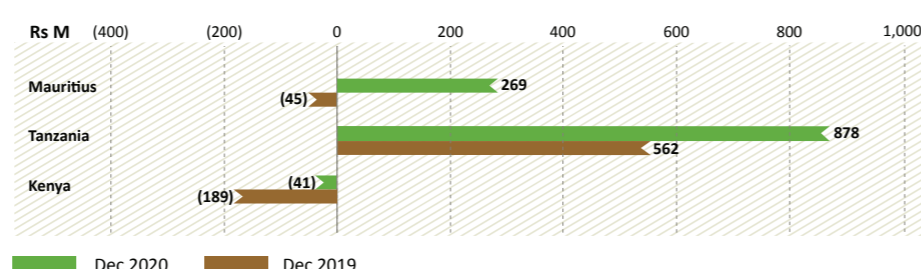
GROUP CONDENSED STATEMENT OF FINANCIAL POSITION

	Unaudited 31 Dec 20 Rs 000	Audited 30 Jun 20 Rs 000
ASSETS EMPLOYED		
Non-current assets		
Property, plant and equipment	17,891,057	17,958,606
Investment properties	2,855,563	2,855,563
Intangible assets	1,892,121	1,906,281
Investment in joint ventures & associates	7,638	42,484
Financial assets at fair value through OCI	9,127	9,127
Deferred tax assets and other non current receivables	246,091	280,489
	22,901,597	23,052,550
Current assets	6,631,469	6,923,523
TOTAL ASSETS	29,533,066	29,976,073
EQUITY AND LIABILITIES		
Shareholders' interests	16,276,475	15,831,072
Non-controlling interests	1,690,426	1,411,637
Non-current liabilities	7,319,034	7,658,939
Current liabilities	4,247,131	5,074,425
TOTAL EQUITY AND LIABILITIES	29,533,066	29,976,073
Net asset value per share	Rs 51.10	Rs 49.71
Number of shares in issue	No 318,492,120	No 318,492,120

PROFIT/(LOSS) FOR THE PERIOD ALLOCATED BY CLUSTER



PROFIT/(LOSS) FOR THE PERIOD ALLOCATED BY COUNTRY



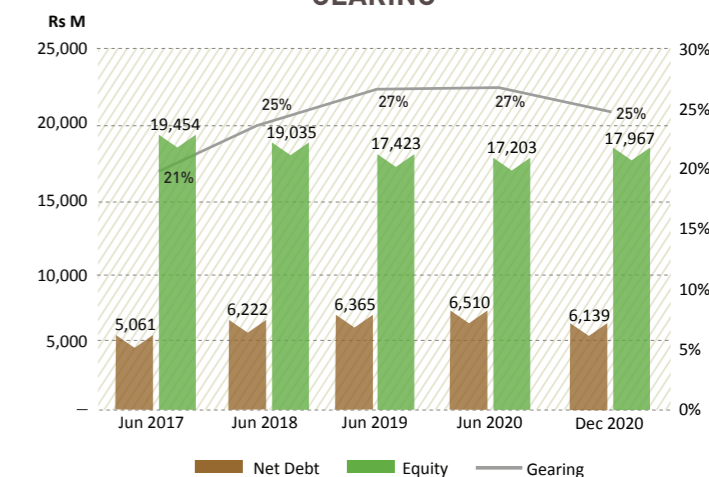
GROUP CONDENSED STATEMENT OF CASH FLOWS

	Unaudited 31 Dec 20 Rs 000	Unaudited 31 Dec 19 Rs 000
Net cash flow from operating activities	1,047,951	653,030
Net cash flow (used in)/from investing activities	(355,011)	988
Net cash flow (used in) financing activities	(517,013)	(323,811)
Net Increase in cash and cash equivalents	175,928	330,207
Cash and cash equivalents at July 1,	(714,557)	(940,897)
Cash and cash equivalents at December 31	(538,629)	(610,690)

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 period	547,320	517,352	1,064,672
Dividend	(101,917)	(238,563)	(340,480)
At 31 December 2020	16,276,475	1,690,426	17,966,901
At 1 July 2019	15,777,625	1,542,606	17,320,231
Total comprehensive income for the period	102,448	303,715	406,163
Dividend	(101,917)	(170,060)	(271,977)
Share buy back in subsidiary	-	(31,713)	(31,713)
At 31 December 2019	15,778,156	1,644,548	17,422,704

GEARING



COMMENTS

GROUP REVIEW FOR THE SEMESTER

BETTER PERFORMANCE OF THE SUGAR CLUSTER IN EAST AFRICA

Group revenue and normalised EBITDA grew by 17% and 96% respectively in the semester under review, mainly explained by the better performance of the East African sugar operations. In line with the trend in revenue and normalised EBITDA, profit after tax and earnings per share improved significantly.

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

Other comprehensive income was however affected by a depreciation of the Tanzanian and Kenyan Shillings versus the Mauritian Rupee during the period.

SUGAR

IMPROVED PERFORMANCE OVERALL

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 through restructuring and a favourable movement in the fair value of biological assets against the comparative period. However, a significantly lower sugar accruing was realised as the impact of poorer sugar cane yields was only partly mitigated by a higher recovery.

The Tanzanian operations realised significantly higher profits for the semester explained by the better average price achieved on the domestic market and a favourable biological asset fair value movement. Sales volumes were stable while production improved on the back of better yields and recovery resulting in higher stocks at the end of the period under review.

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

ENERGY

HIGHER OFFTAKE AND BETTER EFFICIENCIES

The Energy cluster results improved as more power generated from bagasse and cane trash was exported to the grid and better efficiencies were achieved.

By Order of the Board
Intercontinental Secretarial Services Ltd
Company Secretary
February 11, 2021

Notes: The condensed financial statements for the 6 months ended December 31, 2020 are unaudited and have been prepared using the same accounting policies as the audited statements for the year ended June 30, 2020.

Copies of the above condensed unaudited financial statements and statements of direct and indirect interests of Officers of the Company as 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 Vivéa Business Park, St Pierre.

The above condensed unaudited financial statements are issued pursuant to Listing Rule 12.20 and the 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.