

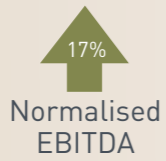


sugar • energy • property | Vision in Motion

**ALTEO LIMITED AND ITS SUBSIDIARIES
FOR THE PERIOD ENDED DECEMBER 31, 2021**

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

GROUP HIGHLIGHTS FOR THE SEMESTER



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

	Unaudited 3 Months to 31 Dec 21 Rs 000	Unaudited 3 Months to 31 Dec 20 Rs 000	Unaudited 6 Months to 31 Dec 21 Rs 000	Unaudited 6 Months to 31 Dec 20 Rs 000
REVENUE	3,214,690	2,460,033	6,092,772	5,232,147
Normalised earnings before interests, taxation, depreciation and amortisation	1,380,974	1,059,905	2,606,420	2,227,785
Other income and expenses	(1,967)	43,573	25,315	18,882
Earnings before interests, taxation, depreciation and amortisation	1,379,007	1,103,478	2,631,735	2,246,667
Depreciation, amortisation and release of deferred income	(204,644)	(175,141)	(410,651)	(356,416)
Earnings before interests and taxation	1,174,363	928,337	2,221,084	1,890,251
Finance costs	(125,658)	(90,805)	(249,932)	(222,501)
Share of results of joint ventures & associates	15,899	[16,962]	10,906	[36,353]
Profit before taxation	1,064,604	820,570	1,982,058	1,631,397
Taxation	(403,472)	(291,350)	(636,402)	(525,576)
Profit for the period	661,132	529,220	1,345,656	1,105,821
Other comprehensive income for the period	46,393	[34,881]	45,158	[41,149]
Total comprehensive income for the period	707,525	494,339	1,390,814	1,064,672
Profit attributable to:				
- Equity holders	320,562	261,179	728,293	570,057
- Non-controlling interests	340,570	268,041	617,363	535,764
	661,132	529,220	1,345,656	1,105,821
Total comprehensive income attributable to:				
- Equity holders	351,475	240,361	762,705	547,320
- Non-controlling interests	356,050	253,978	628,109	517,352
	707,525	494,339	1,390,814	1,064,672
Earnings per share	Rs 1.01	0.82	2.29	1.79
Dividend per share	Rs 0.35	0.32	0.35	0.32

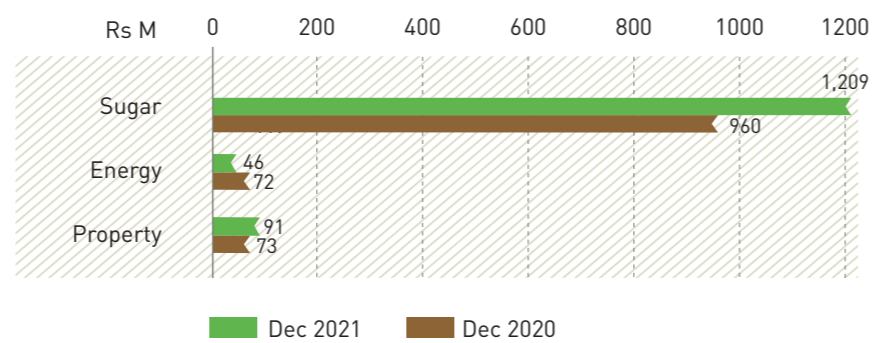
GROUP SEGMENTAL INFORMATION

	Unaudited 3 Months to 31 Dec 21 Rs 000	Unaudited 3 Months to 31 Dec 20 Rs 000	Unaudited 6 Months to 31 Dec 21 Rs 000	Unaudited 6 Months to 31 Dec 20 Rs 000
Revenue by Cluster				
Sugar	2,827,374	2,191,152	5,490,252	4,516,036
Energy	182,437	159,847	336,415	309,292
Property	246,159	144,662	338,173	489,211
Consolidation adjustments	(41,280)	[35,628]	[72,068]	[82,392]
Total revenue	3,214,690	2,460,033	6,092,772	5,232,147
Revenue by Country				
Mauritius	1,208,744	891,282	2,246,419	2,115,582
Tanzania	1,101,795	1,063,889	2,025,997	1,927,469
Kenya	945,431	540,490	1,892,424	1,271,488
Consolidation adjustments	(41,280)	[35,628]	[72,068]	[82,392]
Total revenue	3,214,690	2,460,033	6,092,772	5,232,147
Profit/(Loss) allocated by Cluster				
Sugar	555,173	501,454	1,209,449	960,423
Energy	17,329	37,483	45,559	72,306
Property	88,630	[9,717]	90,648	73,092
Profit for the period	661,132	529,220	1,345,656	1,105,821
Profit/(Loss) allocated by Country				
Mauritius	168,642	90,347	461,638	269,012
Tanzania	446,611	484,182	839,412	878,088
Kenya	45,879	[45,309]	44,606	[41,279]
Profit for the period	661,132	529,220	1,345,656	1,105,821

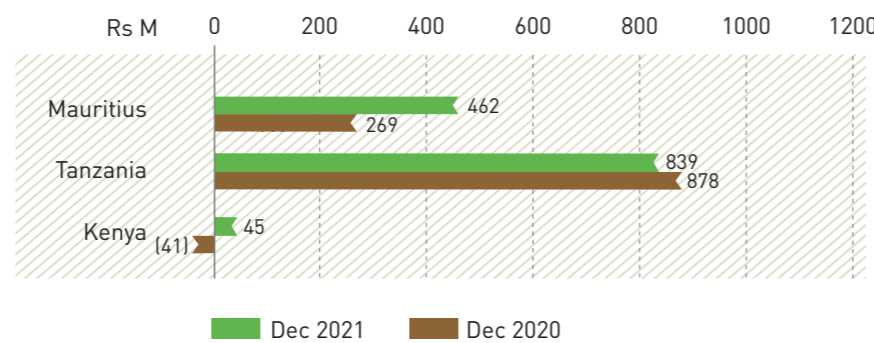
GROUP CONDENSED STATEMENT OF FINANCIAL POSITION

	Unaudited 31 Dec 21 Rs'000	Audited 30 Jun 21 Rs'000
ASSETS EMPLOYED		
Non-current assets		
Property, plant and equipment	18,831,558	18,708,688
Investment properties	2,808,175	2,808,175
Intangible assets	1,980,621	1,966,461
Investment in joint ventures & associates	43,104	38,123
Financial assets at fair value through OCI	4,318	4,318
Deferred tax assets and other non current receivables	269,976	276,080
	23,937,752	23,801,845
Current assets	7,944,729	7,367,844
TOTAL ASSETS	31,882,481	31,169,689
EQUITY AND LIABILITIES		
Shareholders' interests	17,570,054	17,009,402
Non-controlling interests	2,027,680	1,651,147
Non-current liabilities	7,371,393	7,227,964
Current liabilities	4,913,354	5,281,176
	31,882,481	31,169,689
Net asset value per share	Rs 55.17	53.41
Number of shares in issue	No 318,492,120	318,492,120

PROFIT FOR THE PERIOD ALLOCATED BY CLUSTER



PROFIT/(LOSS) FOR THE PERIOD ALLOCATED BY COUNTRY



GROUP CONDENSED STATEMENT OF CASH FLOWS

	Unaudited 31 Dec 21 Rs 000	Unaudited 31 Dec 20 Rs 000
Net cash flow from operating activities	1,174,769	1,047,951
Net cash flow (used in) investing activities	(631,343)	(355,011)
Net cash flow (used in) financing activities	(342,574)	(517,013)
Net Increase in cash and cash equivalents	200,852	175,928
Cash and cash equivalents at July 1,	(429,675)	(714,557)
Cash and cash equivalents at December 31	(228,823)	(538,629)

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 2021	17,009,402	1,651,147	18,660,549
Total comprehensive income for the period	762,705	628,109	1,390,814
Dividend	(111,472)	(211,518)	(322,990)
Change in ownership without loss in control	(90,581)	(40,058)	(130,639)
At 31 December 2021	17,570,054	2,027,680	19,597,734
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

COMMENTS

GROUP REVIEW FOR THE SEMESTER

BETTER PERFORMANCE OF THE SUGAR CLUSTER

Group revenue and normalised EBITDA grew by 16% and 17% respectively explained by the improved performance of the sugar cluster. Following the same trend, profit after tax and earnings per share also improved.

The higher depreciation and amortisation as well as finance costs arose essentially from the translation of the results of the East African operations as the Mauritian Rupee weakened versus the Tanzanian and Kenyan Shillings over the period. This exchange rate movement, however, had the opposite effect on other comprehensive income.

SUGAR

BETTER PERFORMANCE IN MAURITIUS AND KENYA

In Mauritius, the better performance was largely explained by strengthening sugar prices, partly due to a depreciation of the Mauritian Rupee versus the Euro and the US Dollar, the recently introduced remuneration for bagasse and higher special sugar orders. These positive factors offset the adverse effects of a lower sugar accruing to the cluster resulting from a poorer sugar recovery.

The results of the Tanzanian operations were slightly lower against the comparative period having been impacted by a one-off tax provision following a reassessment. On the operational side, the better average price achieved on the domestic market compensated for lower sales volumes and a lower consumable biological asset fair value movement.

The performance of the Kenyan operations improved on last year mainly driven by higher production and sales volumes combined with a strengthening average price. The operations continued to benefit from an improving factory reliability and sugar recovery. However, it is to be noted that the mill had a maintenance stop in the comparative period which reduced crushing days.

ENERGY

A DROP IN CONTRIBUTION FROM BAGASSE AND HIGHER OPERATING EXPENSES DROVE PROFITS DOWN

The Energy cluster results dropped mainly on account of a lower contribution from bagasse due to a lower bagasse availability as well as the abolition of the bagasse transfer price mechanism. Higher operating expenses incurred in the semester also adversely impacted results.

PROPERTY

IMPROVED RESULTS AS THE RESORT AND GOLF RESUMED OPERATIONS

Anahita Golf & Spa Resort ("the Resort") and Anahita Golf Club ("the Golf") resumed normal operations on 1st October 2021 as a more tourist friendly sanitary protocol became effective at

By Order of the Board
February 11, 2022

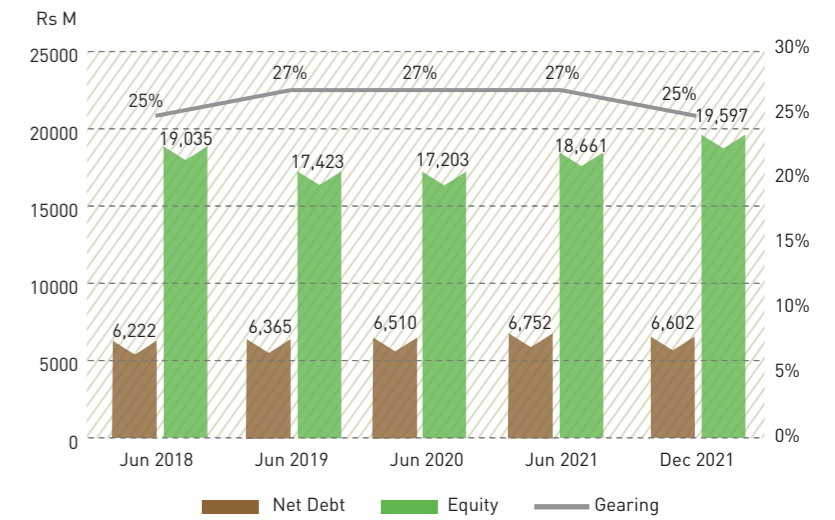
Intercontinental Secretarial Services Ltd
Company Secretary

Notes: The condensed financial statements for the 6 months ended December 31, 2021 are unaudited and have been prepared using the same accounting policies as the audited statements for the year ended June 30, 2021.

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

GEARING



national level. Both operations achieved an encouraging level of activity in the second quarter and managed to breakeven over the semester, hence driving the improved cluster results.

Property development operations at Anahita posted lower results for the semester with less serviced plots sold and less value recognised on works completion on villas sold off plan.

The property activities undertaken by Alteo Agri Ltd ("Alteo Agri") and historically reported under the group's sugar segment have recently been restructured into a property division within Alteo Agri. The results of the new property division are now shown within the group's property segment and the comparative segmental information have been reinstated accordingly.

OUTLOOK

CONTINUING EFFECTS OF THE COVID-19 PANDEMIC ON THE PROPERTY CLUSTER DESPITE THE GRADUAL REOPENING OF MAURITIUS

The Covid-19 pandemic and resulting disruptions around the world should continue to weigh on the Property cluster performance despite the gradual reopening of Mauritius as a travel destination as Government financial support to the hospitality sector is stopped. As regards property development, reservations secured to date are expected to continue to help revenue and EBITDA generation in the next quarter.

In Mauritius, the recent introduction of a biomass framework setting out a remuneration mechanism for bagasse was a major step towards securing the sustainability of the cane industry. Favourable world and EU sugar prices are expected to continue to benefit the industry despite a recent hike in freight costs. Based on the first observations on the ground, cyclone Batsirai has caused limited visible damage to the standing cane. However, more thorough investigations are ongoing to confirm these preliminary conclusions.

An improved factory reliability and sugar recovery are expected to continue to be beneficial to the Kenyan sugar operations while the good cane yields achieved to date in Tanzania are expected to contribute positively to the sugar cluster results going forward.

The energy cluster performance over the next quarters will depend on the terms of renewal of the Power Purchase Agreement of Alteo Energy Ltd which has expired in December 2021 and which are still being discussed with the Central Electricity Board.

GROUP RESTRUCTURING

On 29th October 2021, the Board of Alteo Ltd announced its decision to restructure Alteo group into two distinct listed groups with the ambition to create an agile structure to further develop its regional cane footprint, whilst increasing the market visibility and value contribution of Alteo's property development activities. The project is progressing at pace and the market will be kept informed of any developments in due course.