


# ANALYST MEETING

*Friday 12<sup>th</sup> May 2017*



Vision in motion

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# ALTEO AT A GLANCE

An aerial photograph of a long, straight road cutting through a vast, flat agricultural field. The road is centered and leads towards the horizon. The fields on either side are uniform in color, suggesting a single crop. In the distance, there are some trees and a utility pole. The sky is bright and clear. A solid green horizontal bar is positioned below the title text.

# SUGARS

## ALTEO IS TODAY A STRONG REFERENCE IN SUGARS IN AFRICA AND THE INDIAN OCEAN

2016-2017:

- 335,000 tonnes of raw sugar in MRU, TAN & KEN
- 166,000 tonnes of white refined sugar in MRU

### STRATEGY AND BUSINESS MODEL FOR THE FUTURE:

- Maximise the production capacities and pursue operational excellence
- Promote the production and market of higher value-added products
- Optimise the potential from the industries by-products
- Development team actively looking for new growth opportunities in countries offering good market and operational conditions



# ENERGY

## 3 OPERATIONS IN MAURITIUS AND TANZANIA EXPORTING TO THE NATIONAL ELECTRICITY COMPANIES

- The Energy Cluster is the second pillar of Alteo's corporate strategy
- Annual export to CEB & Tanesco: 343 GWh in MRU and TAN

## STRATEGY AND BUSINESS MODEL FOR THE FUTURE:

- Optimise the energy production capacity of all sugar operations and look for additional opportunities to generate renewable energy in Mauritius and Africa.



# PROPERTY

## ALTEO PROPERTY CLUSTER: AN IMMENSE DEVELOPMENT POTENTIAL FOR SHORT, MEDIUM AND LONG-TERM

- Assets offer many opportunities in the luxury international market and the domestic market.
- Anahita Mauritius, the flagship of the Property cluster, has recently put on the market new plots and villas in the northern part of the estate.
- Other medium to high-end developments aimed at the domestic market initiated and being completed.

## STRATEGY AND BUSINESS MODEL FOR THE FUTURE:

- Maximise long-term value from the land asset of the group in Mauritius by developing and implementing a wide array of different real estate projects.



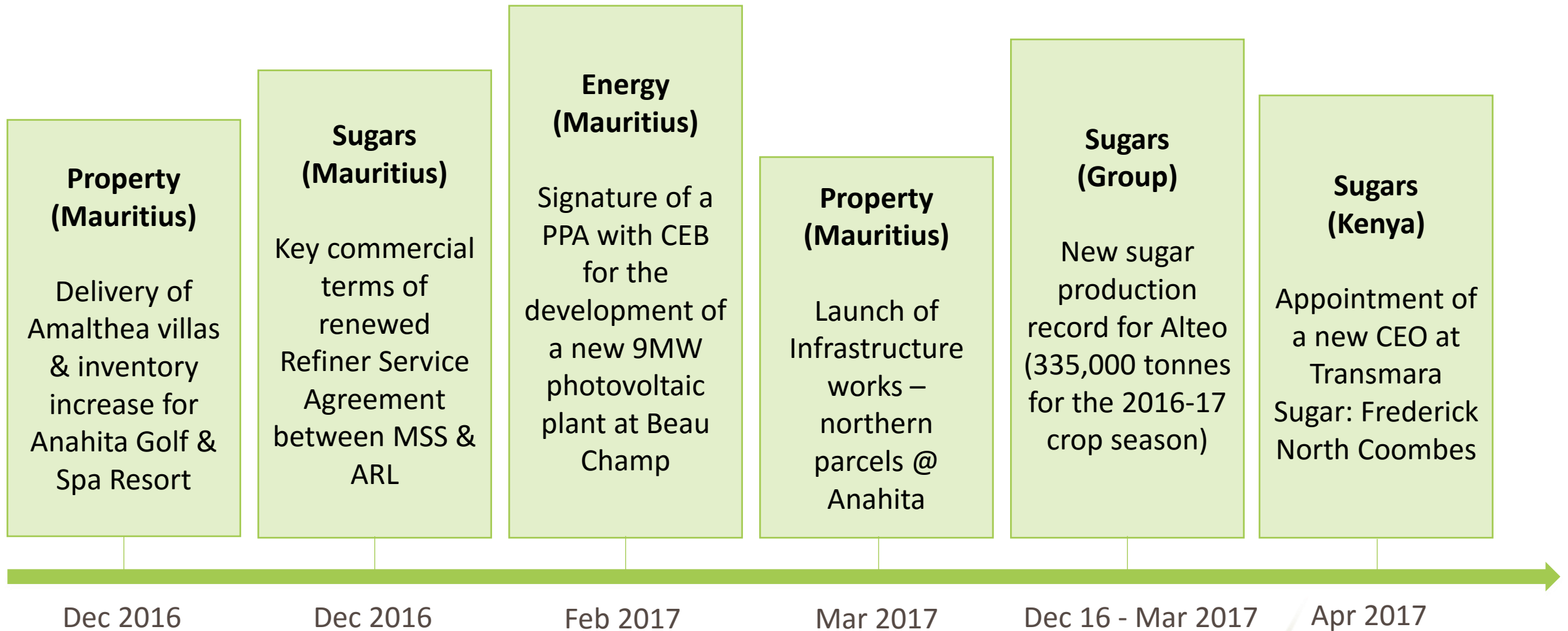


# KEY EVENTS SINCE LAST ANALYST MEETING



# ANALYST MEETING

KEY EVENTS SINCE LAST ANALYST MEETING





# GROUP FINANCIAL REVIEW



# ANALYST MEETING

## GROUP FINANCIAL REVIEW

### INCOME STATEMENT FOR THE NINE-MONTH PERIOD

Rs' M	March 2017	March 2016	% Change
<b>Turnover</b>	<b>7,925</b>	<b>5,876</b>	<b>35 %</b>
EBITDA	2,897	1,834	58 %
<b>PAT</b>	<b>1,268</b>	<b>605</b>	<b>110%</b>
PAT attributable to owners of parent	437	134	225 %
<b>EPS (Rs)</b>	<b>1.37</b>	<b>0.42</b>	<b>225 %</b>
DPS (Rs)	0.37	0.35	6 %

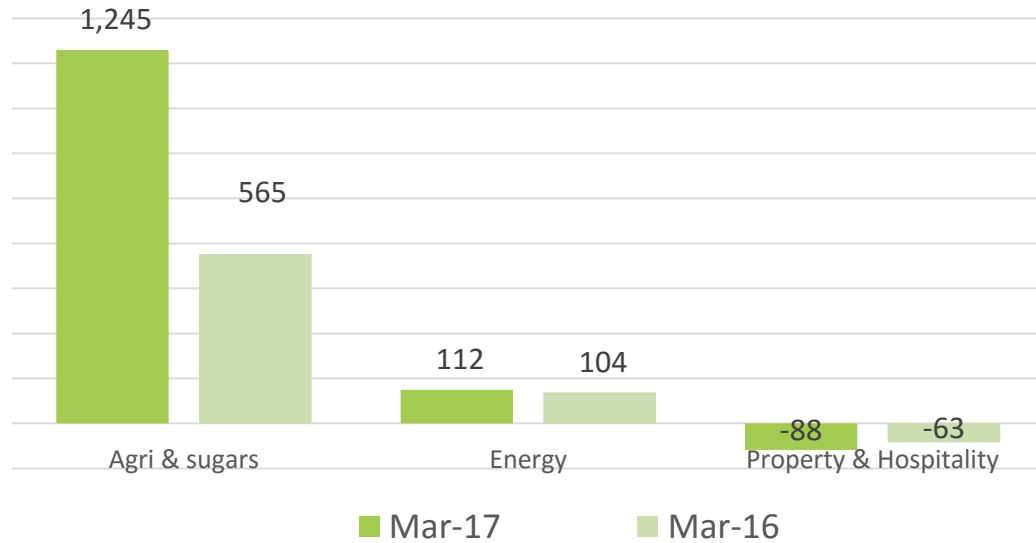
Driven by increased production capacities and sales as well as improved sugar prices

Significant growth on the back of EBITDA growth and Rs54M gain on sale of land despite higher finance costs and an additional earn out consideration of Rs81M

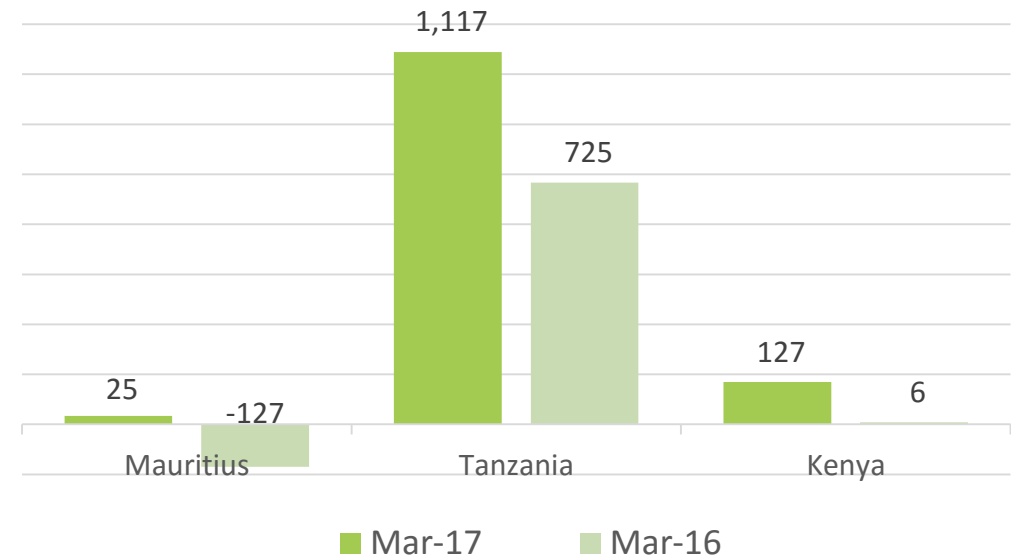
# ANALYST MEETING

## GROUP FINANCIAL REVIEW

### PAT BY SECTOR AND BY COUNTRY (in Rs' M)



- + Sugar & Agri – Higher production and sales volumes
- + Sugar & Agri – Improved prices
- + Energy – Higher offtake
- Energy – Higher coal prices
- Property & Hospitality – Lower turnover contribution towards fixed costs as property inventory ran low



- + Mauritius – Better sucrose, higher sales of refined and special sugars and gain on sale of land
- + Tanzania – Record production due to better sucrose and capacity increase, accelerated sales and a higher price environment
- + Kenya – Increased production and sales resulting from capacity increase and a higher price environment

# ANALYST MEETING

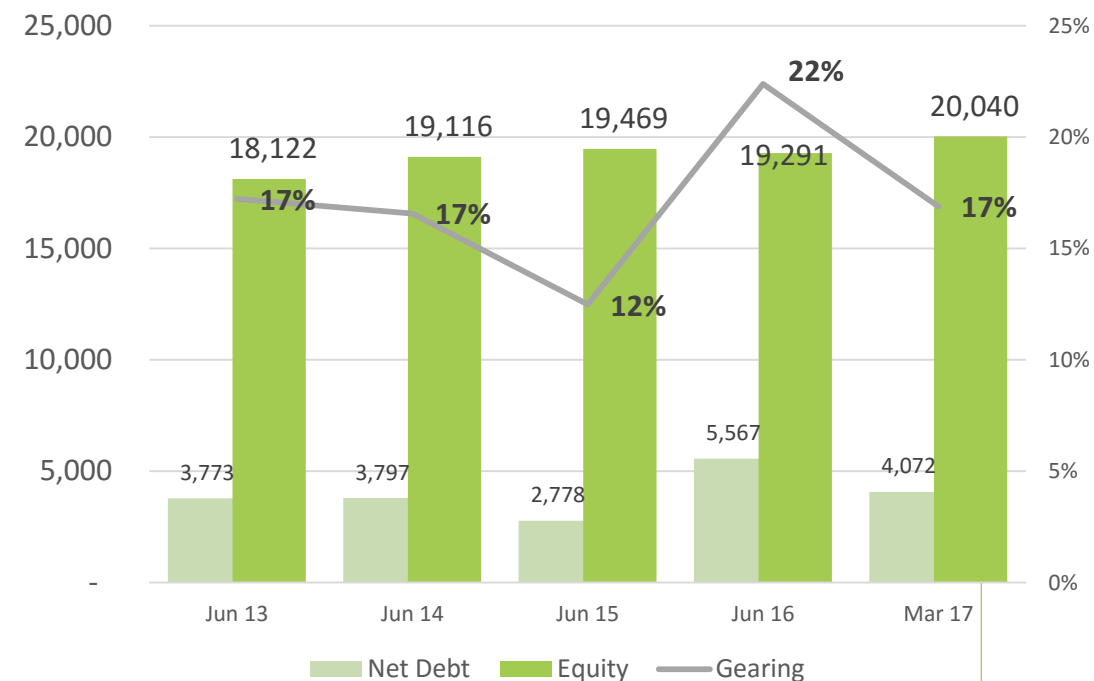
## GROUP FINANCIAL REVIEW

### BALANCE SHEET

Rs' M	March 2017	June 2016
Non current assets	23,714	23,792
Current assets	6,166	5,253
Total assets	29,880	29,045
<b>Equity</b>	<b>20,040</b>	<b>19,291</b>
<b>Liabilities</b>	<b>9,840</b>	<b>9,754</b>
<b>Total Equity &amp; liabilities</b>	<b>29,880</b>	<b>29,045</b>
Net asset per share (Rs/share)	53.97	53.14

Higher receivables and cash  
in Mauritius and Tanzania

### GEARING



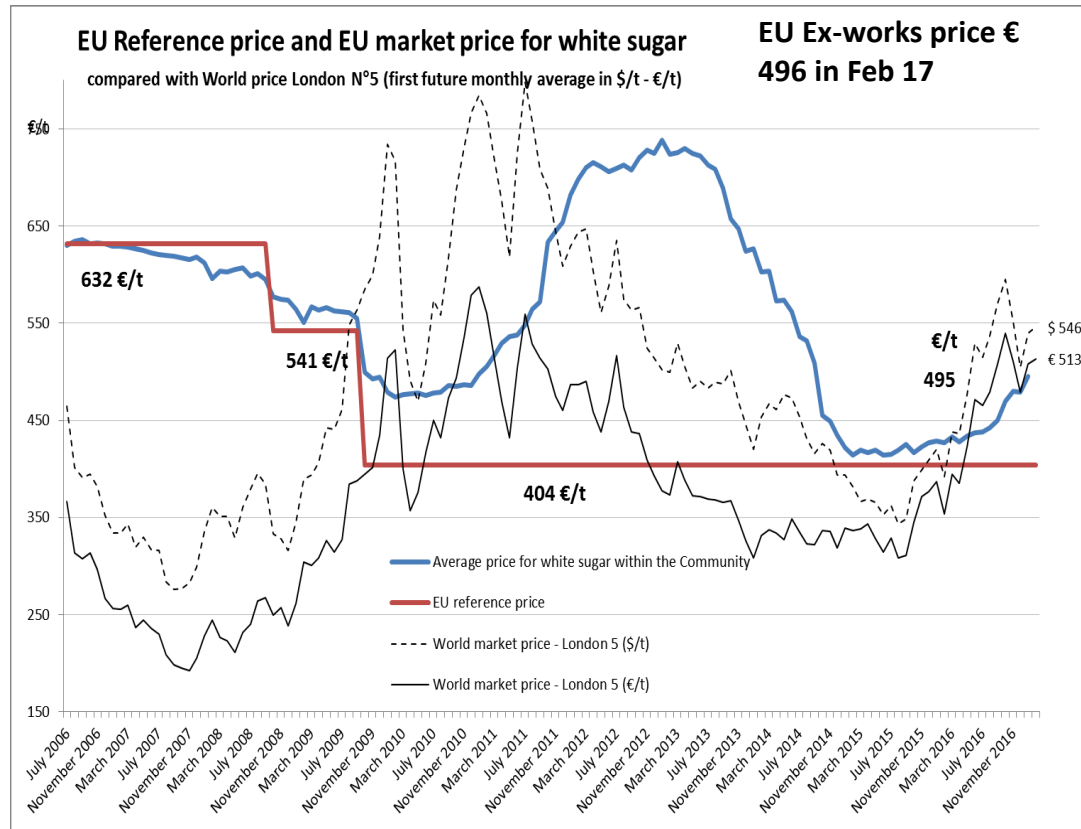
Group net debt down to Rs4.1Bn  
resulting in a gearing of 17%

# OUTLOOK

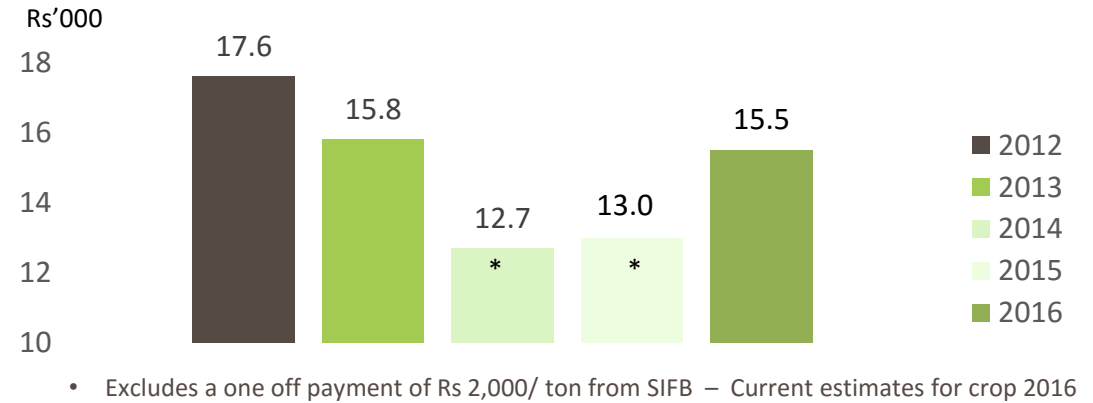
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## MARKET OUTLOOK

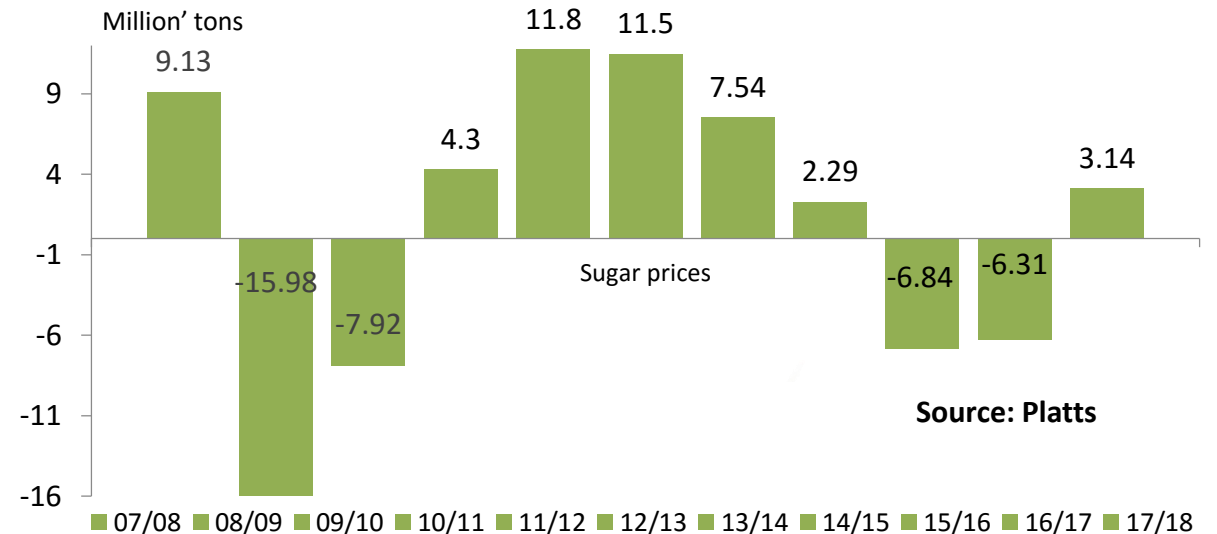
### EU MARKET



### SUGAR PRICES - MAURITIUS



### GLOBAL SUGAR SURPLUS/ DEFICIT





# ANALYST MEETING

## OUTLOOK

### END OF YEAR OUTLOOK

- Group results for FY17 should be close to the results for the 9-month period due to the seasonality of Alteo's operations.
- However, these results will show a significant improvement over previous years resulting from the implementation of Alteo's recent operational and expansion strategy.

### MEDIUM TO LONG-TERM OUTLOOK

- Alteo has already identified the main avenues of further growth and development in each of its main clusters and is today well structured and positioned to reap optimum benefit from these initiatives in the years to come.



# Q & A

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*THANK YOU*

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