Cindy Choong
Chief Financial Officer

CFO'S REVIEW

Dear Valued Stakeholders,

Medine had another strong year, achieving a net profit of Rs 1.2 billion for the year ended June 30, 2024. This marked the third consecutive year of record-breaking earnings. The Group also set a new record for revenue, reaching Rs. 5.5 billion (up from Rs 3.3 billion in FY 2022-23), which translated into an EBITDA of Rs 1.5 billion (compared to Rs 940 million in FY 2022-23).

In 2024, we benefited from favourable conditions, including a record sugar price of Rs 30,951 and a surge in tourist arrivals. That said, the year presented its fair share of challenges, including the cascading effects of a high Construction Price Index (CPI) and wage inflation, price ceilings in agriculture and erratic weather conditions, and the devaluation of the Mauritian rupee. Medine's resilience and agility enabled it to navigate these hurdles effectively.

While the core operational performance was robust, the overall headline profits result also stems from the Group's de-leveraging program and the contribution of real estate sales. Net debt was reduced to Rs 4 billion as of June 30, 2024, with a gearing ratio of 17%. As part of its financial strategy, the Group also embarked on a debt restructuring plan by extending maturities, thereby providing greater stability for long-term planning.

Income Statement

Rs m	FY 2024	FY 2023	▲
Total Income	**5,513**	**3,271**	**2,242**
of which Revenue	5,446	3,227	
Operating expenses	(4,039)	(2,331)	(1,708)
EBITDA	**1,474**	**940**	**534**
Profit on sale of land	75	330	(255)
Net fair value and asset movements	78	250	(172)
Depreciation and amortisation	(175)	(159)	(16)
EBIT	**1,452**	**1,361**	**91**
Net finance costs	(271)	(283)	12
Income tax credit	33	112	(79)
Profit/(Loss) for the year from discontinued operations	2	(2)	4
Profit after tax	**1,216**	**1,188**	**28**

1. **Turnover:** Our company generated an unprecedented **Rs 5.5bn** income during the past year, representing an increase of 69% on the year before. This performance, when compared to the previous financial year, is driven by positive variances from all segments, with the main contributors being Property operations, Agricultural activities & Casela.
2. **EBITDA:** EBITDA reached a record-breaking **Rs 1.5bn**, a 57% increase from last year's (Rs 940m). This improvement highlights the ability of the Group to effectively manage expenses as the business continues to grow.
3. **Net Finance Costs:** These costs have decreased compared to last year. This is largely due to the reduction in group debt during the year under review. Furthermore, two bonds were successfully refinanced during the year at very competitive interest rates, resulting in a decrease in the overall effective interest rate of the Group.
4. **Income Tax Credit:** Based on the projected earnings from the Group's operations in the medium term, it has been assessed that further credit tax losses will likely be utilised. Consequently, a deferred tax asset movement of Rs 57m has been recognized, translating into a tax credit of Rs 33m for the year under review.
5. **Profit After Tax:** Profit exceeded **Rs 1bn** for the third year in a row. The proportion of Profit on Sale of Land to EBITDA has fallen considerably, reflecting our operations' larger contribution to headline profit.

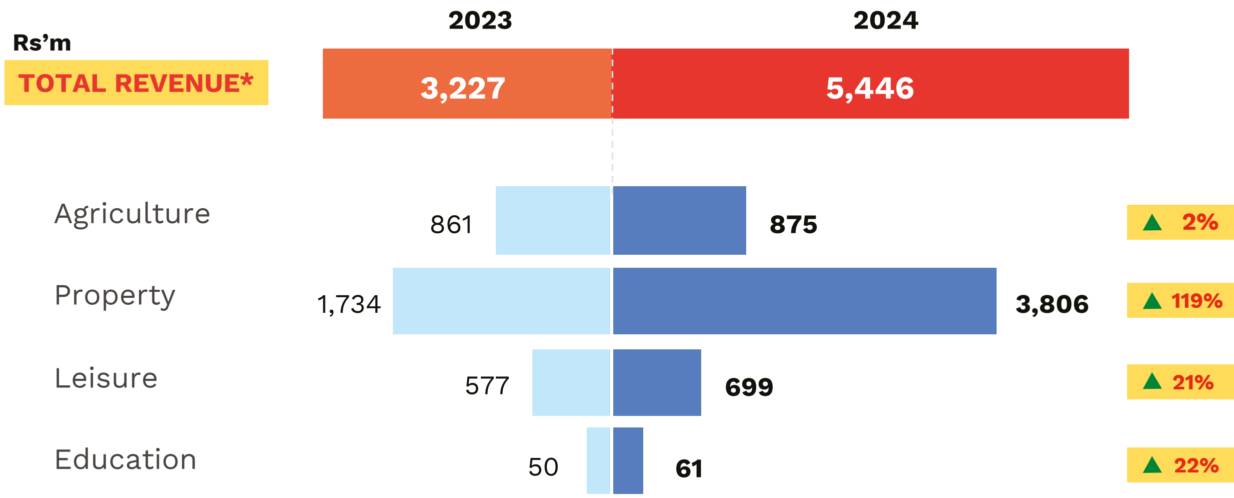
27%
EBITDA Margin
2023: 29%

5.3x
Interest Coverage Ratio
2023: 4.8x

CFO's REVIEW (Cont'd)

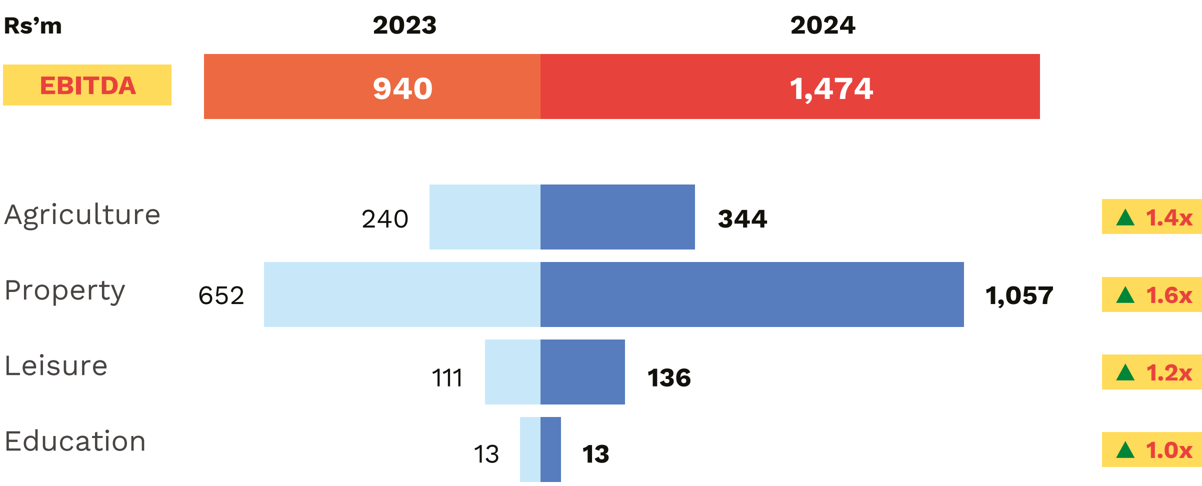
All Business Units have made progress and contributed to overall revenue and profitability

In FY 2023-24, all operations across the Group contributed positively to the significant increase in revenue, as depicted below, with the main contributors being Property operations at 70% and Agricultural activities (incl. Yemen) at 16%.



*Revenue amount of Rs 5,446m excludes Other Income of Rs 67m

The main contributors to EBITDA remained Property operations and Agriculture (incl. Yemen) representing 72% and 23% of the total EBITDA respectively. The notable contribution of Casela operations, at 9% of overall EBITDA, should also be highlighted. All business unit operations with the exception of Education (due to the timing difference between costs and future benefits) progressed with regards to last year's EBITDA.



Main Drivers of Performance

AGRICULTURE

Rs 875m
Revenue

Our Agriculture revenue improved compared to last year with a 2% increase with the main contributor being Agrinnovation (a 42% increase in revenue to Rs 97.1m).

The cane operations benefited from a record sugar price of Rs 30,951 per ton (21% increase from last year). This helped alleviate the impact of a lower harvest and lower extraction yield, which fell from 11.01% LY to 10.37%. The lower harvest can be attributed to challenging weather conditions with torrential rainfall and cyclones, coupled with ageing ratoons which are currently being refreshed as part of a multi-year replantating program.

Agrinnovation operations showed encouraging signs this year and generated Rs 97m of Revenue, 42% higher compared to last year (Rs 68m). A better planning schedule and yield management led to an improvement of 26% in foodcrop tonnage (FY24:2,658T; FY23:2,111T).

Natural Resources presented a strong performance, with Rs 70m of Revenue but falling short against last year by 7% against a much lower tonnage compared to last year by 12%. A better pricing resulted in the an EBITDA level of around Rs 60m.

Deer farming had a record performance with the activities generating Rs 123m as revenue, a Rs 55m increase from last year. Net profit reached a record high of Rs 70m for the year.

Rs 30,951
Sugar price
▲ 21%

199,340
Sugar tonnage
▼ 12%

SUGAR

10.37%
Extraction rate
▼ 0.64%

2,658T
Food Crop Tonnage
▲ 26%

PROPERTY

Rs 3.8bn
Revenue

Property operations experienced a strong growth in revenues to Rs 3.8bn, more than doubling last year's Rs 1.7bn, which translated into a significantly increased EBITDA of Rs 1.1bn. Property's performance was mainly driven by the completion of key residential projects and further supplemented by sale of serviced macro/bulk plots, rental income from the 'Build and Lease' portfolio also continued to grow.

The sale of land parcelling projects was on target with the delivery of Magenta Parkside, Oceanside & Serenis and sale of serviced macro plots was better than expected.

As for the Build and Lease segment, (i) the Cascavelle Shopping Mall was at 99% occupancy on 30 June 2024; (ii) the Office parks segment maintained a strong occupancy at an average of 83% and (iii) Mr Bricolage was completed in the year under review, partially contributing to the results. The Group also maintained its rental yield of 8% during the year under review.

Rs 4.8bn
Real Estate Portfolio
▲ 4%

8%
Rental Yield
▲ 0.3%

99%
Retail occupancy

668
Units delivered

LEISURE

Rs
699m
Revenue

Our Leisure business unit, consisting of our Sports and Hospitality activities and Casela Nature Parks, reported an increase in EBITDA of 23% from last year in line with an increase in revenue of 21%.

Casela's revenue increased by 22%. This increase in revenue emanated from a shift in the mix of visitors, with tourists representing 58% of all visitors, and therefore an increase in Average Spend per Head. The performance in the local market was slightly impacted by the change in school holiday period coupled with weather conditions.

Tamarina Golf & Spa Boutique Hotel generated revenue of Rs 131m and an increase of 21% compared to last year with a similar level of occupancy.

The revenue of Tamarina Golf Club (TGC) reached Rs 87m, higher than last year's revenue of Rs 78m with slightly more golf rounds realized (26,974). Good progression from last year was noted in Le 19 restaurant and ProShop revenue. During the last quarter, a number of revenue-generating initiatives were put in place, primarily themed Food & Beverage experiences.

SPARC operations improved significantly compared to last year with revenue attaining Rs 48m (FY 2022-23: Rs35m) which represented a 36% increase. This was mainly driven by an increased number of events and membership revenue. events and membership revenue.

305,411
Casela visitors
▼ 2%

13.3%
Casela tourist penetration rate
▲ 0.4%

26,974
Golf rounds
▲ 1%

1,132
SPARC membership
▲ 6%

EDUCATION

Rs
61m
Revenue

Medine's Education segment achieved an increased revenue of Rs 61m (FY 2023: Rs 50m) and EBITDA of Rs 13m (FY 2023: Rs 13m). The performance was characterised by investments during the period under review which will produce positive financial impact in the upcoming years. In addition, it is worth highlighting the notable performance of the student residences which achieved its target occupancy of 70% generating an increased EBITDA.

In FY 2024, Uniciti International Educational Hub (UIEH) made significant progress on new strategic partnerships. Some of these notable partnerships include the Institute of Chartered Management Accountants (ICMA), University of Swansea, Vellore Institute of Technology (VIT), American Business School of Paris (ABSP) and L'école des Experts Métiers de l'informatique (SUPINFO).

280
Uniciti Student Residence Rooms
▲ 35%

69%
Uniciti Student Residence Occupancy
▼ 2%

3,505
Student population

6
New partnerships

A Stronger Financial Position

STATEMENTS OF FINANCIAL POSITION

	THE GROUP	
	Audited At June 30, 2024	**Audited At June 30, 2023**
	Rs'm	Rs'm
ASSETS		
Non-current assets	**26,540**	25,785
Current assets	**6,157**	4,639
Assets classified as held-for-sale	**22**	393
Total assets	**32,719**	30,817
EQUITY AND LIABILITIES		
Equity holders' interests	**23,343**	21,916
Non-controlling interests		
Redeemable convertible bonds	**106**	106
Other equity interests	**41**	43
Non-current liabilities	**5,174**	4,162
Current liabilities	**4,038**	4,572
Liabilities associated with assets classified as held-for-sale	**17**	18
Total equity and liabilities	**32,719**	30,817

This year's performance further strengthened our balance sheet. Our Net Asset value rose by 6% compared to last financial year, reaching Rs 23.5bn. This increase was also driven by a rise in our Investment Properties and Property Development inventories. While Investment Properties were positively impacted by a gain of approximately Rs 197m, recognised following the annual valuation exercise, the increase in Property Development inventory was mainly due to expenditures relating to residential projects (Oceanside and Pierrefonds) expected to be delivered in the short and medium term. Key metrics such as Return on Equity (ROE) and Net Asset Value (NAV) per share have shown improvement during the year and highlight the ability of the Group to deliver value to shareholders.

This strengthened financial position gives us more capacity to invest in new opportunities and to pursue our strategic objectives and growth initiatives more effectively.

Key metrics

17% v/s 22% ▼
Debt to Equity Ratio

Rs 11.6 v/s Rs 11.3 ▲
EPS/Share

5.2% v/s 5.4% ▼
Return on Equity

Rs 222 v/s Rs 209 ▲
NAV/Share

CFO's REVIEW (Cont'd)

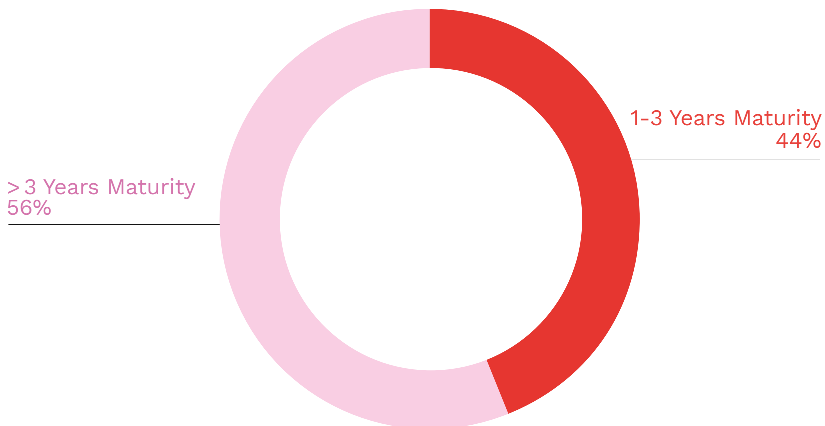
An Optimised Debt Portfolio

During the year we successfully refinanced two bonds at lower interest rates for the Group:

- In Dec 2023, the issuance of a Rs 1.4bn bond to refinance the Rs 970m bond coupon (maturity Dec 23), and;
- In June 2024, the issuance of a Rs 1.1bn bond to refinance the Rs 806m bond coupon (maturity Dec 25)

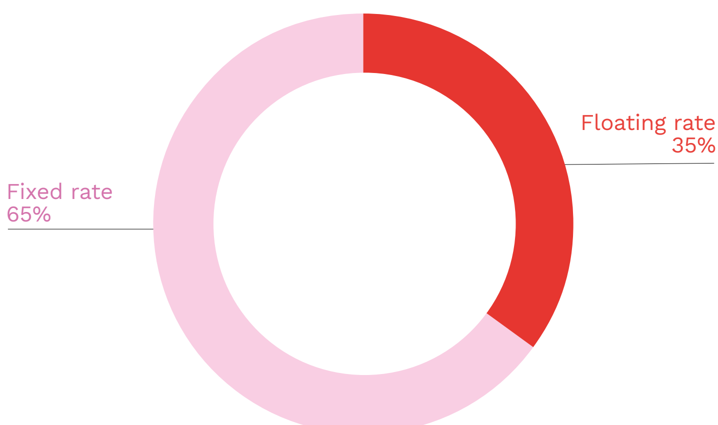
The debt level stood at Rs 4bn as of 30 Jun 2024 with a balanced maturity profile and interest rate risk profile.

(i) Debt by maturity profile



The segment of 1-3 Years consists of 2 bonds of Rs 830m & Rs 1bn, with maturity dates of Dec 2025 & Jun 2027 respectively. Real estate investments have long holding periods. This profile allows us to plan for the long term with greater certainty.

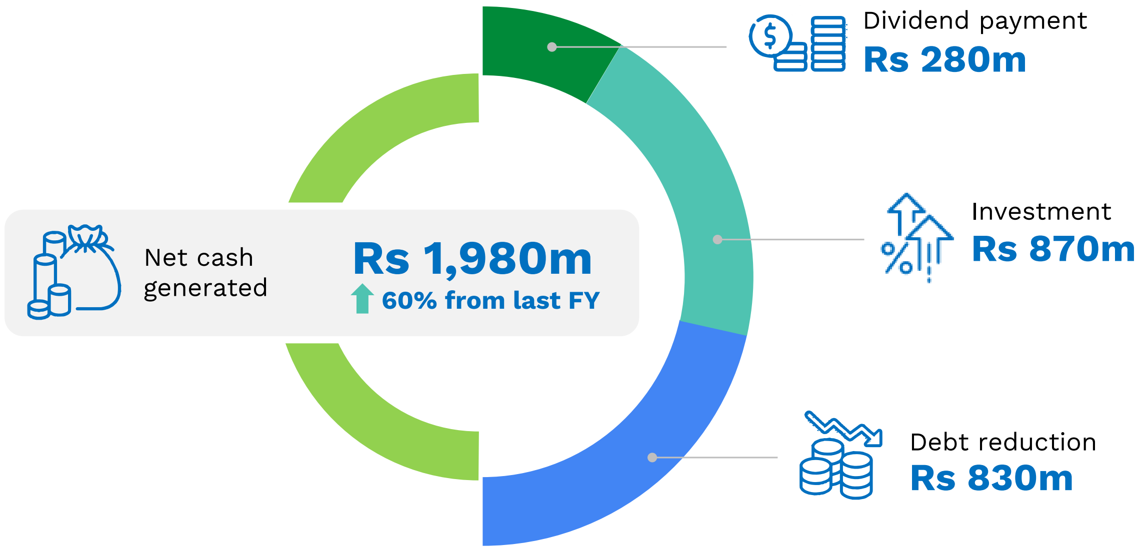
(ii) Debt by interest rate risk profile



With a 65% fixed rate profile, we have hedged the risks of any subsequent rise in interest rates, to some extent. Moreover, the return on Real Estate investments is fixed unless CPI increases. This profile matches our earnings mix.

Rebalancing our Cash Deployment

Our cash utilisation continues to be geared towards creating value for our stakeholders while pursuing our debt reduction strategy. During the year, the Group generated Rs 2.0bn through operating activities. This cash was redeployed as follows.



We continue to maintain a balance between debt reduction objectives, investment, and returns to shareholders. We have concentrated our investment efforts towards land developments for residential projects with a net expenditure of Rs 870m, to maintain the momentum in our pipeline of projects and ensure our Property business' profitability in the medium term. We have also maintained adequate levels of asset replacement and investment in new technology to ensure that we maintain and expand our current revenue and profit base.

This financial year, we paid out Rs 280m in dividends, with a final dividend for FY 2022-23 of Rs 1.30 per share and an interim dividend for FY 2023-24 set at Rs 1.35 per share.

Concluding Remarks

In conclusion, the financial year 2023-24 has been defined by three key aspects:

- **Performance and strategy alignment:** our efforts to drive operational performance are aligned with our strategic objectives set. Our record-breaking revenue and profitability for three years in a row testifies to this dedication.
- **Commitment to innovation:** operational efficiency continues to remain a pillar of Medine's financial strategy. We are well-embarked on our digitalisation journey, rendering our processes and products more efficient and sustainable. New revenue streams continue to be our approach to distinguishing the Group in a competitive environment.
- **Growth of our real estate:** through a successful cash generation effort, we have been able to expand our real estate portfolio while maintaining a prudent debt management approach. This accentuates our economic footprint and reinforces our image as a major player in Mauritius.

The outlook remains positive with a strong property projects pipeline, including the extension of Cascavelle Shopping Mall and The Grove's residential phases. Education partnerships will reinforce our market footprint, as will the new hospital and the delivery of the Pierrefonds residential project. A refresh of the Tamarina hotel is also underway, while Casela expects to welcome several new residents in the second quarter of FY 2024-25.

Finally, I would like to extend my gratitude to our Board of Directors for their support, our CEO for his guidance, and my colleagues for their dedication and entrepreneurial spirit. In this fast-paced environment, the determination and resilience of our team, along with the vision of our leaders, have been the key ingredients in our continued growth.

Cindy Choong

Chief Financial Officer