

Altron posts strong interim results, revenue increases to R5.3bn

Altron has posted its interim results for the six months ending August 2022, which demonstrate that the JSE-listed technology company performed well in a competitive industry despite South Africa's economic challenges.



Altron group CEO Werner Kapp | image supplied

Key highlights of Altron's results include:

- Revenue is up by 15% to R5.3bn
- Net profit after tax improved by 420%
- Heps increased >460% to 34 cents per share
- Continuing operations Heps increased >240% to 41 cents per share
- Dividend increased to 16c from 7c year-on-year, up >125%
- Continuing operations revenue is up 21% to R4.6bn
- Continuing operations net profit after tax of R144m up >240%

Altron group chief executive, Werner Kapp, said: "As a group, we delivered 15% revenue growth, operating income growth of 57%, while decreasing our net working capital by R47m. This equates to headline earnings per share (Heps) growth of just over 460% for the period. Our net debit as a ratio of EBITDA remains consistent, indicating that we have managed to retain a healthy balance sheet during this period while generating higher revenues and operating income."

Altron is in the advanced stages of the disposal of its banking business from Altron Managed Solutions. In the first half-year, Lawtrust recorded an EBITDA contribution in excess of the original business case, showing that it has been successfully integrated into the Altron Security business.

“We are not immune to the climate of uncertainty, global supply chain constraints and inflationary pressures that all of us are subjected to daily. The continued global supply chain shortages, which result in longer lead times, inflated prices and a shortage in electronic components impact revenue pressure in our digital transformation segment, resulting in margin squeeze due to increased prices,” said Kapp.

Loadshedding, high inflation and currency depreciation impacted both the demand and supply side of the Netstar business.

Kapp said he is rolling up his sleeves to help management in one of two businesses to address short-term headwinds.

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