Nava Ltd — FY 2024 Annual Report Analysis

Annual Report Analysis (Consolidated)

Investor Snapshot

#	Analytical point	Sentiment
1	Nava Ltd has transitioned into a de-risked resource and energy play, shifting from a debt-burdened holding company to a cash-rich industrial group with a focus on Zambian power and metals.	Positive
2	**Revenue grew 8.22% YoY to □3,818 Cr, supported by operational agility in the Metals segment which pivoted to Ferro Silicon to sustain margins amidst market volatility.**	Positive
3	**Operating margins remain robust at 45%, with EBITDA reaching □1,731 Cr, though the Metals segment remains exposed to third-party ore price shocks following failed exploration in Côte d'Ivoire.**	Neutral
4	**The company achieved a massive 86.5% reduction in total debt to □414 Cr, resulting in a pristine Debt/ Equity ratio of 0.06x and a debt-free status for the critical MCL (Zambia) subsidiary.**	Positive
5	**Cash Flow from Operations (CFO) surged to □3,174 Cr, representing an exceptional 2.5x PAT, primarily driven by the successful recovery of long-overdue sovereign receivables.**	Positive
6	**Record Free Cash Flow (FCF) of □3,008 Cr was generated during the period, providing the group with ample liquidity for self-funded capital expenditure and dividend distributions.**	Positive
7	**Earnings quality is high with CFO significantly exceeding PAT; however, a □461 Cr Goodwill balance carries impairment risk given the high 22.9% discount rate applied.**	Neutral
8	***Significant governance red flags emerged as the mandatory audit trail feature was disabled for 11.5 months of the fiscal year, indicating a lapse in internal financial controls.***	Negative
9	***CEO compensation increased by 56.48% to 24.74 Cr, a growth rate that significantly outpaces EBITDA and raises concerns regarding alignment with minority shareholder interests.***	Negative
10	***Extreme customer concentration persists with 88.07% of trade receivables tied to a single sovereign entity (ZESCO), exposing the group to high liquidity and geopolitical risk.***	Negative
11	**The outlook is bolstered by imminent cash repatriation from Zambia in FY25 and long-term diversification into high-margin Agribusiness (Avocados) to mitigate cyclicality.**	Positive
12	**Investment View: ACCUMULATE; the structural de-risking provides a valuation floor, with key monitorables being the timely remittance of Zambian dividends and ZESCO receivable aging.**	Positive

1. Business overview (In Bullet Points)

- **Business Segments:** Nava Ltd operates as a global resource player with core interests in **Energy** (coal mining and power generation in Zambia and India), Metals (ferroalloys production), and emerging interests in Agribusiness (avocado plantations) and Healthcare.
- **Revenue Drivers:** Primary revenue is driven by power generation units delivered to sovereign utilities (ZESCO in Zambia) and merchant power sales in India, alongside the sale of Silico Manganese and Ferro Silicon in the metals segment.
- **Cost Drivers:** Key costs include raw material procurement (manganese ore), coal for power plants, employee benefits, and finance costs related to legacy debt.

- **Industry Position:** The company has transitioned from a regional converter to an international resource player, holding a dominant position in the Zambian power sector through its 64.69% stake in Maamba Collieries Limited (MCL).
- **Expansion Plans:** Significant focus on the **Agribusiness** pivot via Nava Avocado Ltd, targeting 400,000 trees with Global GAP standards for export markets.
- **Acquisitions & Capacity Additions:** Reconfigured the 114 MW Telangana power station into a 50 MW captive unit and 64 MW IPP; ongoing expansion of the avocado plantation as a core diversification pillar.
- **Segment Performance:** The Energy segment has transitioned into a "cash-cow" following massive debt repayment in Zambia. The Metals segment remains agile but faces margin pressure due to volatile ore prices.
- **Geographical Presence:** Operations are spread across India, Zambia (MCL), Singapore (Healthcare and holding companies), and Côte d'Ivoire (exploration).

2. Management commentary & outlook

- **Zambian De-risking:** Management highlights the transformation of Maamba Collieries Limited (MCL) into a debt-free entity after repaying US$ 314.4 million. Free cash flow distributions to sponsors are confirmed to commence in FY 2025.
- **Indian Power Turnaround:** The 150 MW NBEIL plant is benefiting from the Shakti B-III scheme for better coal linkage, though it remains operationally tight, necessitating intra-group loan payment delays to preserve cash for coal.
- **Metals Strategy:** Management demonstrated high operational agility by switching furnace production to Ferro Silicon when Silico Manganese margins turned negative, utilizing "swing capacity" to defend margins.
- **Resource Security Setback:** Exploration in Côte d'Ivoire for manganese ore yielded limited commercially viable reserves, leaving the company dependent on volatile third-party ore markets.
- **Agribusiness Vision:** The avocado project is no longer a pilot but a core pillar. The transfer to a dedicated entity signifies a long-term commitment to high-margin agricultural exports.
- **Succession Planning:** Mr. D. Ashok is transitioning from Executive Chairman to a Non-Executive role (Aug 2024), shifting focus to mentorship and strategic oversight of African and Agri-business expansions.
- **Growth Guidance:** High visibility for Energy segment cash flows; Metals remains cyclical; Agribusiness is viewed as a long-gestation growth bet.
- **Management Tone:** The management tone is one of "harvesting" long-term investments. There is a clear shift from debt-servicing to value distribution and strategic diversification. While pragmatic regarding subsidiary liquidity (NBEIL), the leadership is focused on converting the Zambian legal victory into a consistent dividend stream. **The overall verdict on management tone is strengthening, characterized by strategic clarity and operational resilience.**

3. Financial analysis

3.1 Financial statements

P&L statement (□Cr)

Line item	Mar 2024	Mar 2023
Sales	3,818	3,528
Sales Growth %	8.22	5.39
Expenses	2,087	1,959
Material Cost %	33	27.19
Raw material cost	1,188	1,101
Change in inventory	72	-142
Manufacturing Cost %	14.33	14.76
Employee Cost %	5.89	6.10
Other Cost %	1.44	7.49
Operating Profit	1,731	1,569
OPM %	45	44
Other Income	242	400
Exceptional items	115	27
Other income normal	127	374
Interest	275	397
Depreciation	319	306
Profit before tax	1,379	1,266
Tax %	9	3
Net Profit	1,256	1,222
Minority share	0	0
Exceptional items AT	102	23
Profit excl Excep	1,155	1,199
Profit for PE	1,155	1,199
Profit for EPS	1,256	1,222
Profit Growth %	-4	110
EPS (□)	43.28	42.10
Dividend Payout %	5	7

Balance sheet (□Cr)

Line item	Mar 2024	Mar 2023
Equity Capital	29	29
Reserves	6,880	5,996
Borrowings	414	3,074
Long term Borrowings	305	1,575
Short term Borrowings	104	1,492
Lease Liabilities	5	8
Other Borrowings	0	0
Other Liabilities	2,346	2,014
Non controlling int	1,412	1,082
Trade Payables	170	186
Advance from Customers	14	18
Other liability items	751	728
Total Liabilities	9,668	11,114
Fixed Assets	5,559	5,664
Land	46	40
Building	1,211	1,162
Plant Machinery	5,808	5,697
Equipments	86	74
Computers	3	3
Furniture n fittings	3	2
Railway sidings	4	4
Vehicles	75	71
Intangible Assets	465	459
Other fixed assets	246	239
Gross Block	7,948	7,749
Accumulated Depreciation	2,389	2,086
CWIP	50	47
Investments	514	450
Other Assets	3,546	4,953
Inventories	603	688
Trade receivables	1,768	2,337
Receivables over 6m	1,442	2,072
Receivables under 6m	553	552
Prov for Doubtful	-227	-287
Cash Equivalents	307	436
Loans n Advances	131	141

Line item	Mar 2024	Mar 2023
Other asset items	737	1,351
Total Assets	9,668	11,114

Cash flow statement (□Cr)

Line item	Mar 2024	Mar 2023
Cash from Operating Activity	3,174	1,223
Profit from operations	1,691	1,654
Receivables	1,420	-18
Inventory	87	-313
Payables	-17	67
Loans Advances	0	0
Other WC items	124	-20
Working capital changes	1,613	-284
Direct taxes	-131	-147
Exceptional CF items	0	0
Cash from Investing Activity	-237	28
Fixed assets purchased	-166	-100
Fixed assets sold	0	13
Investments purchased	-533	-998
Investments sold	486	1,091
Interest received	33	35
Dividends received	1	1
Invest in subsidiaries	0	0
Acquisition of companies	0	0
Other investing items	-58	-14
Cash from Financing Activity	-3,066	-1,184
Proceeds from borrowings	0	8
Repayment of borrowings	-2,770	-823
Interest paid fin	-207	-281
Dividends paid	-86	-86
Financial liabilities	-3	-2
Share application money	0	0
Other financing items	0	0
Net Cash Flow	-129	67
Free Cash Flow	3,008	1,136
CFO/OP	191	87

Key ratios

Line item	Mar 2024	Mar 2023
Debtor Days	169	242
Inventory Days	175	262
Days Payable	49	71
Cash Conversion Cycle	294	433
Working Capital Days	188	143
ROCE %	16	17

3.2 Financial analysis summary

- **Revenue** grew by 8.22% YoY to □3,818.00 Cr, primarily driven by power generation units delivered, though quality is constrained by extreme concentration risk with ZESCO (Zambia) representing 88.07% of Trade Receivables at □2,034.82 Cr.
- **Operating Profit** increased to □1,731.00 Cr with OPM % expanding slightly to 45.00%, supported by a □194.58 Cr reversal in Allowance for Credit Loss linked to the recovery of US$ 334.01 million from ZESCO, which directly boosted the bottom line.
- **Net Profit** reached □1,256.00 Cr, but Profit Growth % appeared negative at -4.00% due to a high base effect from Other Income which dropped from □400.00 Cr to □242.00 Cr, including a significant reduction in non-operating interest income.
- **Finance Cost** plummeted by 30.86% to □275.00 Cr, a direct result of the massive deleveraging seen in the Cash Flow Statement where the group utilized ZESCO recoveries to fund □2,770.00 Cr in Repayment of borrowings.
- **Total Debt** was drastically reduced from □3,074.00 Cr to □414.00 Cr, improving the Debt / Equity ratio from 0.51 to a highly conservative 0.06, which significantly de-risks the Balance Sheet.
- **Cash from Operating Activity** surged to □3,174.00 Cr, representing a CFO / PAT ratio of 2.53, largely driven by a □1,420.00 Cr release from Trade Receivables as long-overdue arrears were finally collected.
- **Working Capital** efficiency improved as Debtor Days fell from 242 to 169 days, although a non-cash adjustment of □587.88 Cr (ZESCO assuming VAT liability) artificially lowered the Trade Receivables balance without a corresponding cash inflow.
- **Inventories** decreased to □603.00 Cr, contributing □87.00 Cr to CFO, with management utilizing "external volumetric experts" for density-based verification of coal stacks, a high-judgment area in the power sector.
- **Gross Block** increased to □7,948.00 Cr following □166.00 Cr in Capex, while Depreciation of □319.00 Cr includes sector-specific "Deferred stripping costs" for coal mining, capitalized and amortized over the coal component's life.
- **Intangible Assets** include Goodwill of □461.06 Cr which carries impairment risk; the auditor flagged a high discount rate of 22.90% used for testing, suggesting management acknowledges significant risk in the underlying cash-generating unit.
- **ROCE %** remained stable at 16.00% despite the massive debt repayment, while ROE % moderated to 18.18% as the equity base expanded through Reserves growth to □6,880.00 Cr.
- **Other Assets** were impacted by a new Insurance claim receivable of □16.54 Cr, while Other Current Financial Liabilities jumped 55.9% to □220.07 Cr, indicating rising short-term operational obligations. Other Expenses remained stable at □322.65 Cr, though they include non-cash interest-like charges for environmental restoration.

- The dominant financial theme of the year is a **transformative liquidity event** where the recovery of sovereign receivables enabled a total deleveraging of the core balance sheet, shifting the company from a debt-servicing entity to a cash-surplus industrial group.

3.3 Contingent liabilities & commitments

- **Litigation (BIPL):** Lawsuit involving subsidiary Brahmani Infratech Private Limited remains "unascertainable," creating a persistent legal cloud over subsidiary assets.
- **Tax & Regulatory Disputes:** ₹**10.00 Cr** held as "Deposits paid under protest" regarding ongoing disputes with authorities.
- **Asset Attachment:** Equity shares of Nava Bharat Energy India Limited (NBEIL) remain under attachment by authorities, restricting structural flexibility and monetization.
- **Environmental Commitments:** Long-term non-cash provisions for environmental rehabilitation in Zambia and India, based on independent consultant reports.

3.9 Earnings quality & forensic checks

#	Check	Impact	Status	Notes detail
1	PAT vs CFO trend	Profit ↑ — high cash quality	—	Massive recovery of past-due arrears from ZESCO (Zambia) converted old book profits into cash.
2	Receivables & channel-stuffing signal	Revenue ↑ — improved collection	—	Note 11(i): ZESCO arrears recovery and VAT liability assumption by customer reduced the receivable base.
3	Revenue timing	Neutral — conservative recognition	—	Note 2(l): Revenue recognized at point in time; no adjustment for time value of money despite long cycles.
4	Revenue from related parties %	Neutral — low RPT revenue risk	—	Note 2(b): Direct method consolidation; 64.69% holding in Maamba Collieries means 35% value flows to NCI.
5	Inventory vs revenue growth	Profit ↑ — efficient clearing	—	Note 10: Raw materials in transit dropped from ₹35.66 Cr to ₹3.08 Cr, tightening the supply chain.
6	Inventory valuation method change	Neutral — high judgment area	—	Sector-specific estimation risk; density-based stacking methodology is prone to measurement errors.
7	Exceptional items in operating profit	Profit ↑ — non-recurring boost	—	P&L shows ₹102 Cr exceptional items after-tax, representing 8.1% of total Net Profit.
8	Depreciation rate vs useful life policy	Profit ↑ — aggressive accounting	—	Note 2(f): Useful lives for power evacuation lines estimated at 40 years, reducing annual P&L charge.
9	Provision reversals boosting PAT	Profit ↑ — non-cash gain	—	Reversal linked to ZESCO recovery; represents a significant portion of the YoY profit stability.
10	Tax rate consistency	Profit ↑ — tax holiday risk	—	Note 2(v): No deferred tax recognized on temporary differences reversing during tax holiday periods.
11	CWIP age and stalling projects	Neutral — low capital risk	—	Minimal movement in CWIP suggests no major stalled projects or aggressive capitalization of interest.
12	Deferred tax asset recognition adequacy	Neutral — conservative approach	—	Management avoids DTA recognition on holiday-period differences, preventing artificial profit inflation.
13	RPT quantum and trend	Neutral — stable outflows	—	Note 40: Stable payout policy maintained; no evidence of unusual cash siphoning via RPTs.
14	Dividend paid vs FCF adequacy	Profit ↑ — strong solvency	—	Massive deleveraging (₹2,770 Cr debt repaid) achieved alongside dividend payments due to ZESCO cash.
15	Audit Trail Compliance	Neutral — data integrity risk	—	Audit trail (edit log) feature was NOT enabled at the database level until March 18, 2024.
16	Goodwill Impairment Risk	Profit ↓ — valuation risk	—	Goodwill of ₹461.06 Cr tested at a high 22.90% discount rate; sensitive to budgeted volumes.
17	Non-Cash Receivable Reduction	Revenue ↓ — accounting complexity	—	₹587.88 Cr reduction in receivables via VAT assumption by ZESCO; no direct cash inflow.

4. Management & governance

A. Auditor Report & Key Audit Matters * **Audit Opinion Type:** Unqualified. * **KAM 1: Recoverability of ZESCO Receivables:** Auditor flagged significant management judgment in estimating ECL for ZESCO receivables, which represent 39% of total assets of the step-down subsidiary. Residual sovereign risk remains despite the "Consent Award." * **KAM 2: Contingent Liabilities:** Focuses on subjectivity in determining provisions for BIPL litigation and NBEIL share attachment. * **KAM 3: Impairment of Goodwill:** Goodwill of ₹461.06 Cr is sensitive to budgeted volumes and a high discount rate of 22.90%. * **Emphasis of Matter:**

Litigation involving BIPL remains "unascertainable"; NBEIL equity shares remain under attachment. * **Internal Control Weakness:** Audit trail (edit log) feature was NOT enabled at the database level for the Holding Company and three subsidiaries until March 18, 2024.

B. Related Party Transactions

Party	Relationship	Nature	Amount (□ Cr)	Concern
Nava Energy Pte Ltd	WOS	Technical Support Services	185.25 Cr	**Positive** - High-margin service export
Nava Energy Pte Ltd	WOS	Guarantee Commission	11.62 Cr	Standard credit support fee
Nava Bharat Energy India	Subsidiary	Loan Outstanding	25.57 Cr	***Default/Delay in principal/interest***
Nava Bharat Energy India	Subsidiary	Job Work (Mn Bricks)	5.05 Cr	Operational dependency
Ashwin Devineni	CEO/Director	Remuneration	24.74 Cr	High absolute pay via Singapore WOS
D. Nikhil	Relative of KMP	Remuneration	2.51 Cr	Family concentration in senior management

C. Shareholding * **Promoters:** 48.94% (Unchanged YoY). * **FII:** 12.06% (Up from 10.15%). * **DII:** 0.15%. * **Public:** 38.85%. * **Promoter Pledging:** 0.00%.

D. Board Composition + KMP Compensation * **Board:** 8 Directors; 50% Independent; 1 Woman Director. * **CEO Compensation:** Ashwin Devineni's pay grew **56.48%** (to □24.74 Cr), outstripping EBITDA growth of 10.32%, primarily due to a US$ 1M bonus. * **Family Concentration:** Ashwin Devineni (CEO) and D. Nikhil (SVP) are sons of the Chairman, D. Ashok. Total KMP pay is ~3% of PAT.

F. Capital Allocation & Capex

Action	FY current (□Cr)	FY prior (□Cr)	% of CFO	Signal
Dividends	86.00 Cr	86.00 Cr	2.71	**Positive**
Capex	166.00 Cr	100.00 Cr	5.23	**Positive**
Net Debt Change	-2,770.00 Cr	-823.00 Cr	87.27	**Positive**

- **CAPEX Analytical Notes:**
  - **CFO Coverage of Capex:** 19.12x; company is in a massive cash-surplus phase.
  - **Capex Nature:** Primarily maintenance, efficiency upgrades, and Avocado plantation expansion.
  - **Deployment Efficiency:** Massive □**2,770.00 Cr** debt repayment funded by ZESCO recovery has fundamentally de-risked the balance sheet.

H. Risks * **Sovereign Risk (High):** 88.07% of receivables tied to ZESCO; potential liquidity trap if payment plans fail. * **Internal Control (High):** Audit trail not enabled for 11.5 months; risk of undetected back-dated entries. * **Litigation (Medium):** Attachment of 74% stake in NBEIL limits asset monetization. * **Asset Quality (Medium):** □461.06 Cr Goodwill at risk if operational volumes miss targets. * **Operational (Medium):** Manganese ore price volatility impacting Metals segment margins.

5. Scorecard & verdict

Part a: scorecard

Dimension	Rating (1–5)	Delta	Key evidence	One-line rationale
Business quality	3	→	88% Customer Concentration; Cyclical Metals	Stable demand but high concentration and cyclicality risks.
Financial health	5	↑	D/E 0.06x; CFO □3,174 Cr > PAT	Exceptional deleveraging and superior cash flow coverage.
Earnings quality	4	↑	CFO/PAT 2.5x; Unqualified Audit	Strong cash backing of profits despite minor forensic flags.
Management & governance	3	→	Audit Trail Lapse; High CEO Pay	Generally compliant but internal control and RPT pay issues persist.
Capital allocation & earnings visibility	4	↑	Debt Repayment □2,770 Cr; MCL Cash Flow	Disciplined debt reduction and clear visibility on Zambian cash.

Business positives (for this company this year) * **Massive Deleveraging:** Total debt reduced by 86.5% to **□414.00 Cr**, resulting in a D/E of 0.06x. * **Strong Cash Accrual: CFO of □3,174.00 Cr** is 2.5x PAT, driven by the recovery of long-overdue sovereign receivables. * **Operational Agility:** Successfully pivoted Metals production to Ferro Silicon to protect margins during market volatility. * **Zambian Inflection:** MCL is now debt-free, clearing the path for dividend distributions to the parent in FY 2025. * **Free Cash Flow:** Generated record **FCF of □3,008.00 Cr**, allowing for self-funded capex and dividends.

Business negatives / concerns (for this company this year) * **Customer Concentration: 88.07% of trade receivables** are tied to a single sovereign customer (ZESCO), posing extreme liquidity risk. * **Internal Control Lapse: Audit trail feature** was not enabled for 11.5 months of the fiscal year, a significant governance red flag. * **Subsidiary Default: NBEIL defaulted** on intra-group loan payments to the parent to preserve operational cash. * **Resource Security:** Failure of Côte d'Ivoire exploration leaves the Metals segment exposed to third-party ore price shocks. * **Governance/Pay:** CEO compensation grew **56.48%**, significantly outstripping EBITDA growth, with high family concentration in management.

Overall scorecard summary Nava Ltd has reached a structural inflection point, transforming from a debt-laden holding company into a cash-rich industrial group. The successful recovery of Zambian receivables has allowed for a near-total deleveraging of the balance sheet, resulting in exemplary financial health and cash flow quality. While governance concerns regarding audit trails and KMP compensation persist, the business is on an **improving trajectory** as it shifts focus from debt-servicing to harvesting cash flows and diversifying into high-margin agribusiness.

Part b: governance check matrix

#	Check	Status
1	Audit opinion clean?	—
2	Promoter pledge = 0?	—
3	KMP pay < 5% of PAT?	—
4	RPT quantum < 5% of revenue?	—
5	Board > 50% independent?	—
6	At least 1 woman director?	—
7	No statutory dues outstanding?	—
8	No fraud reported?	—
9	Audit trail enabled?	—
10	Frequent Auditor change	—

Final line: "Total: 9/10 — Governance Rating: 3"

Part c: investor verdict

Thesis: A de-risked resource play transitioning from a liquidity-trapped entity to a cash-cow, powered by Zambian energy assets and a debt-free balance sheet. **Overall stance:** ACCUMULATE **Rationale:** The massive deleveraging and imminent cash repatriation from Zambia provide a strong valuation floor and dividend upside. **Re-evaluate when:** ZESCO receivables aging exceeds 365 days for new billings or if MCL fails to remit dividends by Q4 FY25. **BULL CASE:** Successful repatriation of Zambian cash leads to a 20%+ dividend payout and successful first harvest of the Avocado project. **BEAR CASE:** Sovereign default in Zambia or a material impairment of the □461 Cr Goodwill due to operational misses. **Key monitorable:** Net Cash Repatriation from Singapore/Zambia: Current □0 → Watch Threshold > □200 Cr.

7. Year-over-year analysis

7.1 Changes

Metric / theme	Summary a status	Summary b status	Forensic takeaway
Capital Allocation	Moderate deleveraging (□823 Cr repayment) with 0.51 D/E.	Massive deleveraging (□2,770 Cr repayment) with 0.06 D/E.	The company has transitioned from a debt-servicing entity to a virtually debt-free industrial group.
Working Capital	Liquidity trap with □3,396 Cr overdue and 884% inventory spike.	Liquidity release with □1,420 Cr receivable recovery and inventory clearing.	The "Zambian trap" has broken, resulting in a massive conversion of legacy accounting profits into actual cash.
Margin Trajectory	Profits boosted by a one-time tax rate drop (36% to 3%).	Profits supported by a □194.58 Cr reversal of credit loss provisions.	Earnings quality remains clouded by non-operational accounting tailwinds rather than pure margin expansion.
Management Tone	Stable/Improving; focused on resolving sovereign disputes.	Strengthening/Harvesting; focused on cash distribution and agri-diversification.	Management has pivoted from defensive crisis management to an offensive strategy of harvesting cash flows.
Internal Controls	Audit trail enabled and compliant.	Audit trail NOT enabled for 11.5 months of the year.	A significant regression in governance occurred via a failure to maintain data integrity logs during a period of high cash movement.

7.2 Persistent patterns

- **Extreme customer concentration persists, with ZESCO (Zambia) representing the vast majority of trade receivables and posing a permanent sovereign risk.**
- **The technical default by subsidiary NBEIL on principal and interest repayments to the parent remains unresolved, signaling localized liquidity stress.**
- **The attachment of the 74% stake in NBEIL due to ongoing CBI/ED litigation continues to restrict the group's structural flexibility and asset monetization.**
- **Goodwill (approx. □460 Cr) remains a recurring impairment risk, characterized by high sensitivity to budgeted operational volumes and aggressive discount rates.**
- High family concentration in management remains a structural trait, with the Chairman’s sons occupying the CEO and Senior VP roles.
- The strategic pivot toward Agribusiness (Avocados) continues to be messaged as a core long-term diversification pillar to offset metals/energy cyclicality.