

UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In MUR 000	Unaudited quarter ended 30-06-2022	Unaudited quarter ended 30-06-2021	Unaudited 9 months ended 30-06-2022	Unaudited 9 months ended 30-06-2021	Audited year ended 30-09- 2021
Rental income and recoveries	71,425	49,667	194,766	154,282	203,376
Other operating income	2,064	1,733	4,967	4,295	12,630
Revenue	73,489	51,400	199,733	158,577	216,006
Direct operating expenses	(12,715)	(11,106)	(35,492)	(31,083)	(43,592)
Net operational income	60,774	40,294	164,241	127,494	172,414
Administrative expenses	(15,957)	(15,081)	(47,792)	(43,456)	(59,960)
Impairment gains/(losses)	416	-	416	-	(4,516)
Operating profit	45,233	25,213	116,865	84,038	107,938
Other gains and losses	(549)	(837)	5,414	(4,366)	123,902
Loss on disposal of investment properties	-	2	-	(4,550)	(4,319)
Profit before finance costs	44,684	24,378	122,279	75,122	227,521
Net finance costs	(7,580)	(3,477)	(18,948)	(11,267)	(14,500)
Effect of exchange difference	16,131	(19,934)	14,863	(19,027)	(12,509)
Share of results in associates	(1,402)	(578)	(4,578)	(804)	(2,834)
Profit before tax	51,833	389	113,616	44,024	197,678
Income tax expense	(8,190)	(2,704)	(19,041)	(10,223)	(35,455)
Profit/(loss) for the period/year	43,643	(2,315)	94,575	33,801	162,223
Other comprehensive income	-	-	-	-	(490)
Total comprehensive income for the period/year	43,643	(2,315)	94,575	33,801	161,733
Total comprehensive income attributable to:					
- Ordinary equity holders of the parent	43,652	(1,029)	95,438	38,449	159,072
- Non-controlling interests	(9)	(1,286)	(863)	(4,648)	2,661
	43,643	(2,315)	94,575	33,801	161,733
Number of ordinary shares in issue					
Class A	680,523,310	680,523,310	680,523,310	680,523,310	680,523,310
Weighted average number of ordinary shares in issue	680,523,310	680,523,310	680,523,310	680,523,310	680,523,310
Basic earnings per share (MUR)	0.14	0.06	0.14	0.06	0.23
Net asset value per share (MUR)	3.85	3.57	3.85	3.57	3.75
Interim dividend per share (MUR)	-	0.02	0.02	0.02	0.02
Final dividend per share (MUR)	-	-	-	-	0.02

UNAUDITED STATEMENTS OF FINANCIAL POSITION

In MUR 000	Unaudited 9 months ended 30-06-2022	Unaudited 9 months ended 30-06-2021	Audited year ended 30-09-2021
ASSETS			
Non-current assets			
Investment properties	3,431,386	2,786,684	2,899,451
Investment property under development	120,544	434,316	551,301
Plant, property and equipment	24,082	8,708	17,099
Net investment in lease	6,336	-	6,775
Investment in associate	142,330	147,560	146,908
Intangible assets	458	623	581
Loan receivable	24,436	24,436	24,436
Total non-current assets	3,749,572	3,402,327	3,646,551
Current assets	165,907	232,218	181,555
Total assets	3,915,479	3,634,545	3,828,106
EQUITY AND LIABILITIES			
Shareholders' Equity			
Stated capital	1,721,081	1,721,081	1,721,081
Capital reserves	131,053	131,053	131,053
Retained earnings	767,090	578,555	698,875
Non-controlling interests	324,924	320,275	325,785
Total equity	2,944,148	2,750,964	2,876,794
Non-current liabilities			
Borrowings	646,465	671,916	604,366
Other liabilities	134,370	109,295	131,024
Total non-current liabilities	780,835	781,211	735,390
Current liabilities			
Borrowings	64,879	-	60,923
Other liabilities	125,617	102,370	154,999
Total current liabilities	190,496	102,370	215,922
Total equity and liabilities	3,915,479	3,634,545	3,828,106

UNAUDITED STATEMENTS OF CHANGES IN EQUITY

In MUR 000	Stated Capital	Retained Earnings	Capital & Other reserves	Non-Controlling Interests	Total
GROUP					
Balance at 01 October, 2020	1,721,081	567,024	131,053	324,924	2,744,082
Dividend paid	-	(27,221)	-	(1,800)	(29,021)
Total comprehensive income for the year	-	159,070	-	2,663	161,733
At 30 September, 2021	1,721,081	698,873	131,053	325,787	2,876,794
Balance at 01 October, 2021	1,721,081	698,873	131,053	325,787	2,876,794
Dividend paid	-	(27,221)	-	-	(27,221)
Total comprehensive income for the period	-	95,438	-	(863)	94,575
	1,721,081	767,090	131,053	324,924	2,944,148

UNAUDITED STATEMENTS OF CASH FLOWS

In MUR 000	Unaudited 9 months ended 30-06-2022	Unaudited 9 months ended 30-06-2021	Audited year ended 30-09-2021
Net cash generated from operating activities	142,598	59,812	55,961
Net cash used in investing activities	(357,369)	(132,907)	(204,848)
Net cash from financing activities	1,377	503,317	528,339
Net (decrease)/increase in cash and cash equivalents	(213,394)	430,222	379,452
Cash and cash equivalents - opening	63,209	(316,214)	(316,214)
Effect of foreign exchange rate changes	-	-	(29)
Cash and cash equivalents - closing	(150,185)	114,008	63,209

COMMENTS ON THE NINE MONTHS ENDED 30 JUNE 2022

Operational and financial review

Revenue and operating profit increased by 26.0% and 39.1% respectively as compared to the nine months ended 30 June 2021. The increase is mainly attributable to rental income from the Sunrise Attitude Hotel which opened in October 2021 along with annual rental escalations across the portfolio of properties.

The Group occupancy as at 30 June 2022 decreased to 94.1% (Mar 2022: 95.9%) due to the departure of one retail tenant. The occupancy is set to rise towards the end of the financial year with the offices being fully occupied at EDITH.

Outlook

The Group has completed the acquisition of 100% of the shares of BH Property Investments Ltd (owner of Absa House situated at Ebene) in July 2022. Group revenues and profits will be positively impacted by this acquisition. Furthermore the Group disposed the land and buildings at Riche Terre in July, in line with the Group's strategy to replace aged assets with new yielding ones.

Works on the 84 plot morcellement at Case Noyale have been completed and all clearances obtained from the local authorities. The Morcellement Permit is expected by end of the financial year which will allow transfer to individual owners. Conceptual design work for the development of the remaining land is well underway and Management expects to launch the project on a phased manner in the second quarter of FY23.

The renovation and redevelopment of Play Mourouk Hotel is progressing as planned, with the opening targeted during the second quarter of 2023.

Management and the Board continue to closely monitor the prevailing economic situation and the inflationary pressure which have been exacerbated by the war in Ukraine.

By order of the Board

12th August 2022

KEY FIGURES FOR THE NINE MONTHS ENDED

NET OPERATIONAL
INCOME

MUR 164.2 M

TOTAL
ASSETS

MUR 3.9 BN

NET ASSET VALUE
PER SHARE

MUR 3.85

OCCUPANCY

94.1%
(MAR 2022: 95.9%)

The board of directors of Lavastone Ltd accepts full responsibility for the accuracy of the information contained in this report. The abridged group financial statements are unaudited and have been prepared using same accounting policies as the audited financial statements for the year ended 30 September 2021 except for the adoption of new International Financial Reporting Standards issued which are now effective. Copies of this report are available free of charge and upon request from the Company Secretary at the registered office of Lavastone Ltd. The abridged audited financial statements are issued pursuant to DEM Rule 17. The statement of direct and indirect interests of Officers pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issues) Rules 2007 is available, free of charge at the registered office: 1st floor, EDITH, 6 Edith Cavell street, Port Louis, Mauritius