

AUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In MUR 000	Audited year ended 30-09-2022	Audited year ended 30-09-2021
Rental income and recoveries	277,258	207,276
Other operating income	10,065	8,730
Revenue	287,323	216,006
Operating expenses	(50,866)	(43,592)
Net operational income	236,457	172,414
Administrative expenses	(67,271)	(59,960)
Reversal of impairment losses/(impairment losses)	3,947	(4,516)
Operating profit	173,133	107,938
Other gains and losses	1,275	123,902
Profit/(Loss) on disposal of investment properties	28,943	(4,319)
Profit before finance costs	203,351	227,521
Net finance costs	(30,994)	(14,500)
Effect of exchange difference	40,752	(12,509)
Share of results in associates	(4,282)	(2,834)
Profit before tax	208,827	197,678
Income tax expense	(28,616)	(35,455)
Profit for the year	180,211	162,223
Other comprehensive income	(702)	(490)
Total comprehensive income for the year	179,509	161,733
Total comprehensive income attributable to:		
- Ordinary equity holders of the parent	172,200	159,070
- Non-controlling interests	7,309	2,663
	179,509	161,733
Number of ordinary shares in issue		
Class A	680,523,310	680,523,310
Weighted average number of ordinary shares in issue	680,523,310	680,523,310
Basic earnings per share (MUR)	0.25	0.23
Net asset value per share (MUR)	3.94	3.75
Interim dividend per share (MUR)	0.02	0.02
Final dividend per share (MUR)	0.04	0.02

AUDITED STATEMENTS OF FINANCIAL POSITION

In MUR 000	Audited year ended 30-09-2022	Audited year ended 30-09-2021
ASSETS		
Non-current assets		
Investment properties	3,672,802	2,899,451
Investment property under development	106,717	551,301
Plant, property and equipment	23,079	17,099
Net investment in lease	6,304	6,775
Investment in associate	142,626	146,908
Intangible assets	426	581
Loan receivable	24,436	24,436
Total non-current assets	3,976,390	3,646,551
Current assets	192,469	181,555
Total assets	4,168,859	3,828,106
EQUITY AND LIABILITIES		
Shareholders' Equity		
Stated capital	1,721,081	1,721,081
Capital reserves	131,053	131,053
Retained earnings	831,486	698,875
Non-controlling interests	330,137	325,785
Total equity	3,013,757	2,876,794
Non-current liabilities		
Borrowings	786,350	604,366
Other liabilities	147,844	131,024
Total non-current liabilities	934,194	735,390
Current liabilities		
Borrowings	70,987	60,923
Other liabilities	149,921	154,999
Total current liabilities	220,908	215,922
Total equity and liabilities	4,168,859	3,828,106

AUDITED 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	-	172,200	-	7,309	179,509
Changes in ownership interest in subsidiaries that do not result in a loss of control	-	(12,366)	-	(2,959)	(15,325)
Balance as 30 September 2022	1,721,081	831,486	131,053	330,137	3,013,757

AUDITED STATEMENTS OF CASH FLOWS

In MUR 000	Audited year ended 30-09-2022	Audited year ended 30-09-2021
Net cash generated from operating activities	187,677	67,725
Net cash used in investing activities	(341,369)	(203,886)
Net cash from financing activities	113,992	515,613
Net (decrease)/increase in cash and cash equivalents	(39,700)	379,452
Cash and cash equivalents - opening	63,209	(316,214)
Effect of foreign exchange rate changes	315	(29)
Cash and cash equivalents - closing	23,824	63,209

COMMENTS ON THE YEAR ENDED 30 SEPTEMBER 2022

Operational and financial review

Lavastone Group closed off the financial year with strong revenues and operating profit which have increased by 33.0% and 60.4% respectively as compared to the last financial year. This increase is mainly attributable to rental income from the additional yielding properties added to the portfolio. Moreover the sale of land and building at Riche Terre in July has also contributed towards the positive results of the Group. Net finance costs have increased considerably on the back of increased borrowings related to the acquisition of Absa House, coupled with a steep rise in interest rates.

The Group occupancy as at 30 September 2022 has improved to 94.6% (June 2022: 94.1%) with new office tenants at EDITH. Management continues to work actively towards maintaining and gradually improving the occupancy rate of the Group.

Final dividend

In light of the results of the Group, the Board has approved a final dividend of Rs 0.04 per share.

Outlook

The Group is pleased to announce that the Morcellement Permit for South West Safari Group has finally been obtained in October 2022, which will allow transfer of title deeds to individual owners and profits to be recognised during FY 2023.

The renovation and redevelopment of Play Mourouk Hotel is progressing although having been delayed due to the border closures in Rodrigues earlier in the year. Opening is now targeted during the third quarter of FY 2023.

Overall the Group's performance for this financial year is satisfactory and in line with the growth strategy in place over the past years. Management and the Board continue to monitor the increase in interest rates in consideration of the Group's gearing levels and its capacity to service debt, especially in the current volatile economic climate.

By order of the Board

15th December 2022

KEY FIGURES FOR THE YEAR ENDED

NET OPERATIONAL
INCOME

MUR 236.5 M

TOTAL
ASSETS

MUR 4.2 BN

NET ASSET VALUE
PER SHARE

MUR 3.94

OCCUPANCY

94.6%
(JUNE 2022: 94.1%)

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 audited and have been prepared using same accounting policies as the audited financial statements for the year ended 30 September 2022 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