

# ABRIDGED UNAUDITED GROUP FINANCIAL STATEMENTS

for the quarter ended 31 December 2023

## UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In MUR 000	Unaudited quarter ended 31-12-2023	Unaudited quarter ended 31-12-2022	Audited year ended 30-09-2023
Rental income and recoveries	89,780	69,815	295,889
Other operating income	3,163	4,034	9,944
Sale of land inventory	9,651	18,643	99,236
<b>Revenue</b>	<b>102,594</b>	<b>92,492</b>	<b>405,069</b>
Operating expenses	(14,985)	(12,798)	(52,611)
Morcellement costs	(6,517)	(13,612)	(62,726)
<b>Net operational income</b>	<b>81,092</b>	<b>66,082</b>	<b>289,732</b>
Administrative expenses	(20,131)	(17,158)	(69,543)
Impairment losses	(200)	(325)	(3,072)
<b>Operating profit</b>	<b>60,761</b>	<b>48,599</b>	<b>217,117</b>
Other gains and losses	-	3,879	102,575
Net finance costs	(18,921)	(11,221)	(57,850)
Effect of exchange difference	(41)	(7,201)	(10,094)
Share of results in associate	(1,854)	132	(5,237)
<b>Profit before tax</b>	<b>39,945</b>	<b>34,188</b>	<b>246,511</b>
Income tax expense	(4,722)	(7,866)	(30,108)
<b>Profit for the quarter/year</b>	<b>35,223</b>	<b>26,322</b>	<b>216,403</b>
Other comprehensive income	10,708	(11,048)	13,642
<b>Total comprehensive income for the quarter/year</b>	<b>45,931</b>	<b>15,274</b>	<b>230,045</b>
<b>Total comprehensive income attributable to:</b>			
- Ordinary equity holders of the parent	44,836	13,543	206,094
- Non-controlling interests	1,095	1,731	23,951
	<b>45,931</b>	<b>15,274</b>	<b>230,045</b>
Number of ordinary shares in issue			
Class A	680,523,310	680,523,310	680,523,310
<b>Weighted average number of ordinary shares in issue</b>	<b>680,523,310</b>	<b>680,523,310</b>	<b>680,523,310</b>
Basic earnings per share (MUR)	0.05	0.04	0.28
Net asset value per share (MUR)	4.20	3.92	4.18
Interim dividend per share (MUR)	-	-	0.025
Final dividend per share (MUR)	-	-	0.045

## UNAUDITED STATEMENTS OF CHANGES IN EQUITY

In MUR 000	Stated capital	Retained earnings	Capital & Other reserves	Non-Controlling Interests	Total
<b>GROUP</b>					
<b>Balance at 01 October, 2022</b>	<b>1,721,081</b>	<b>831,486</b>	<b>131,053</b>	<b>330,137</b>	<b>3,013,757</b>
Dividend paid	-	(44,234)	-	-	(44,234)
Total comprehensive income for the year	-	191,830	14,264	23,951	230,045
Non controlling interests on acquisition of subsidiary	-	-	-	7,350	7,350
<b>At 30 September, 2023</b>	<b>1,721,081</b>	<b>979,082</b>	<b>145,317</b>	<b>361,438</b>	<b>3,206,918</b>
<b>Balance at 01 October, 2023</b>	<b>1,721,081</b>	<b>979,092</b>	<b>145,317</b>	<b>361,438</b>	<b>3,206,918</b>
Dividend payable	-	(30,624)	-	-	(30,624)
Total comprehensive income for the period	-	34,128	10,708	1,095	45,931
<b>Balance at 31 December, 2023</b>	<b>1,721,081</b>	<b>982,587</b>	<b>156,025</b>	<b>362,533</b>	<b>3,222,226</b>

## UNAUDITED STATEMENTS OF FINANCIAL POSITION

In MUR 000	Unaudited quarter ended 31-12-2023	Unaudited quarter ended 31-12-2022	Audited year ended 30-09-2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment properties	4,328,250	3,675,033	3,838,940
Investment property under development	11,734	134,549	282,575
Plant, property and equipment	19,334	22,006	20,404
Net investment in lease	5,340	6,127	5,523
Investment in associate	147,141	142,758	148,994
Intangible assets	269	395	301
Loan receivable	68,639	34,626	68,824
<b>Total non-current assets</b>	<b>4,580,707</b>	<b>4,015,494</b>	<b>4,365,561</b>
Current assets	307,269	260,229	491,522
<b>Total assets</b>	<b>4,887,976</b>	<b>4,275,723</b>	<b>4,857,083</b>
<b>EQUITY AND LIABILITIES</b>			
Shareholders' Equity			
Stated capital	1,721,081	1,721,081	1,721,081
Capital and other reserves	156,025	120,005	145,317
Retained earnings	982,587	828,856	979,082
Non-controlling interests	362,533	331,868	361,438
<b>Total equity</b>	<b>3,222,226</b>	<b>3,001,810</b>	<b>3,206,918</b>
<b>Non-current liabilities</b>			
Borrowings	1,326,335	834,563	1,336,223
Other liabilities	170,676	151,905	164,605
<b>Total non-current liabilities</b>	<b>1,497,011</b>	<b>986,468</b>	<b>1,500,828</b>
<b>Current liabilities</b>			
Borrowings	47,421	105,204	35,695
Other liabilities	121,318	182,241	113,642
<b>Total current liabilities</b>	<b>168,739</b>	<b>287,445</b>	<b>149,337</b>
<b>Total equity and liabilities</b>	<b>4,887,976</b>	<b>4,275,723</b>	<b>4,857,083</b>

## UNAUDITED STATEMENTS OF CASH FLOWS

In MUR 000	Unaudited quarter ended 31-12-2023	Unaudited quarter ended 31-12-2022	Audited year ended 30-09-2023
Net cash generated from operating activities	58,092	49,972	196,921
Net cash used in investing activities	(208,936)	(30,647)	(261,768)
Net cash from financing activities	(113,692)	55,647	430,263
Net increase/(decrease) in cash and cash equivalents	<b>(264,536)</b>	<b>74,972</b>	<b>365,416</b>
Cash and cash equivalents - opening	394,980	23,824	23,824
Effect of foreign exchange rate changes	3,970	-	5,740
Cash and cash equivalents - closing	<b>134,414</b>	<b>98,796</b>	<b>394,980</b>

## COMMENTS ON THE QUARTER ENDED 31 DECEMBER 2023

### Operational and financial review

Lavastone continued its growth following the conclusion of the acquisition of fully tenanted industrial and retail buildings in October 2023 and the opening of the hotel at Mourouk in November 2023. These new properties have contributed towards increasing operating revenue by 25.9% and operating profit by 32.3% (excluding profit on sale of land) compared to the first quarter in FY2023.

The transfer of the last title deeds in the Morcellement at Case Noyale have resulted in the recognition of a profit on sale of land for the quarter.

The increase in the Group's net finance costs compared to the first quarter of FY2023 is due to the final drawdown from the existing bond facility with The Mauritius Commercial Bank Ltd which will be deployed towards yielding assets as previously announced.

### Outlook

Following the imposition of the new minimum salary and subsequent mandatory Government increase as from January 2024, the Group's operating expenses are expected to increase as a result. Management is taking appropriate actions to contain costs.

The ongoing conflict in the Middle East, coupled with the extended war between Ukraine and Russia, generates significant uncertainties that could exacerbate inflationary pressures locally. Management continues to monitor these developments and is incorporating them in its business and financial planning strategies.

By order of the Board

8<sup>th</sup> February 2024

## KEY FIGURES FOR THE QUARTER ENDED

NET OPERATIONAL INCOME	TOTAL ASSETS
<b>MUR 81.1m</b>	<b>MUR 4.9bn</b>
NET ASSET VALUE PER SHARE	OCCUPANCY
<b>MUR 4.20</b>	<b>97.5%</b> <small>(SEPT 2023: 96.8%)</small>

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 2023 except for the adoption of a new International Financial Reporting Standards issues 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 unaudited financial statements are issued pursuant of DEM Rule 17. the statement of direct and indirect interests of Officers pursuant to rule8(2)(m) of the Securities (Disclosure Obligations of Reporting Issues) Rules 2007 is available, free of charge at the registered office:  
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