

UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In MUR 000	Unaudited quarter ended 31-03-2022	Unaudited quarter ended 31-03-2021	Unaudited 6 months ended 31-03-2022	Unaudited 6 months ended 31-03-2021	Audited year ended 30-09-2021
Rental income and recoveries	62,023	52,779	123,341	104,616	203,376
Other operating income	169	1,314	2,903	2,563	12,630
Revenue	62,192	54,093	126,244	107,179	216,006
Direct operating expenses	(10,203)	(10,037)	(22,777)	(19,977)	(43,592)
Net operational income	51,989	44,056	103,467	87,202	172,414
Administrative expenses	(15,009)	(13,276)	(31,835)	(28,375)	(59,960)
Impairment losses	-	-	-	-	(4,516)
Operating profit	36,980	30,780	71,632	58,827	107,938
Other gains and losses	3,210	(3,481)	5,963	(3,529)	123,902
Loss on disposal of investment properties	-	(112)	-	(4,552)	(4,319)
Profit before finance costs	40,190	27,187	77,595	50,746	227,521
Net finance costs	(5,788)	(4,432)	(11,368)	(7,790)	(14,500)
Effect of exchange difference	(4,909)	6,135	(1,268)	907	(12,509)
Share of results in associates	(1,942)	(446)	(3,176)	(227)	(2,834)
Profit before tax	27,551	28,444	61,783	43,636	197,678
Income tax expense	(6,751)	(4,229)	(10,851)	(7,520)	(35,455)
Profit for the period/year	20,800	24,215	50,932	36,116	162,223
Other comprehensive income	-	-	-	-	(490)
Total comprehensive income for the period/year	20,800	24,215	50,932	36,116	161,733
Total comprehensive income attributable to:					
- Ordinary equity holders of the parent	21,223	24,889	51,786	39,478	159,070
- Non-controlling interests	(423)	(674)	(854)	(3,362)	2,663
	20,800	24,215	50,932	36,116	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)	0.08	0.06	0.08	0.06	0.23
Net asset value per share (MUR)	4.28	3.59	4.28	3.59	3.75
Interim dividend per share (MUR)	0.02	0.02	0.02	0.02	0.02
Final dividend per share (MUR)	-	-	-	-	0.02

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, as previously stated	1,721,081	567,326	131,053	324,924	2,744,384
Prior year adjustment	-	(302)	-	-	(302)
Restated 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	-	(13,610)	-	-	(13,610)
Total comprehensive income for the period	-	51,786	-	(854)	50,932
At 31 March, 2022	1,721,081	737,049	131,053	324,933	2,914,116

UNAUDITED STATEMENTS OF FINANCIAL POSITION

In MUR 000	Unaudited half year ended 31-03-2022	Unaudited half year ended 31-03-2021	Audited year ended 30-09-2021
ASSETS			
Non-current assets			
Investment properties	3,419,402	2,796,707	2,899,451
Investment property under development	105,981	387,755	551,301
Plant, property and equipment	19,431	8,230	17,099
Net investment in lease	6,459	-	6,775
Investment in associate	143,732	148,138	146,908
Intangible assets	496	265	581
Loan receivable	24,436	24,436	24,436
Total non-current assets	3,719,937	3,365,531	3,646,551
Current assets	170,048	270,364	181,555
Total assets	3,889,985	3,635,895	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	737,049	593,194	698,873
Non-controlling interests	324,933	321,562	325,787
Total equity	2,914,116	2,766,890	2,876,794
Non-current liabilities			
Borrowings	669,476	648,376	604,366
Other liabilities	136,818	109,156	131,024
Total non-current liabilities	806,294	757,532	735,390
Current liabilities			
Borrowings	58,456	-	60,923
Other liabilities	111,119	111,473	154,999
Total current liabilities	169,575	111,473	215,922
Total equity and liabilities	3,889,985	3,635,895	3,828,106

UNAUDITED STATEMENTS OF CASH FLOWS

In MUR 000	Unaudited half year ended 31-03-2022	Unaudited half year ended 31-03-2021	Audited year ended 30-09-2021
Net cash generated from operating activities	73,668	43,222	55,961
Net cash used in investing activities	(315,678)	(79,229)	(204,848)
Net cash from financing activities	35,423	512,670	528,339
Net (decrease)/increase in cash and cash equivalents	(206,587)	476,663	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	(143,378)	160,449	63,209

COMMENTS ON THE HALF YEAR ENDED 31 MARCH 2022

Operational review

Revenue and operating profit increased by 17.8% and 21.8% respectively as compared to the half year ended 31 March 2021. The increase is mainly attributable to the full six months of operations of the Sunrise Attitude Hotel in Belle Mare which opened in October 2021.

The occupancy as at 31 March 2022 decreased marginally to 95.9% (Dec 2021: 96.2%) due to the departure of one tenant. The occupancy is set to rise towards the end of the financial year with the offices being fully occupied at EDITH.

Financial review

The Group has transferred the purchase consideration for the acquisition of 100% of the shares of BH Property Investments Ltd (owner of Absa House situated at Ebene) to an Escrow Account.

The Group has also successfully completed the acquisition of the 7th Floor, Les Cascades Building which is being renovated to accommodate extra office space for the anchor tenant at Cascades Building.

Interim dividend

In light of the results of the Group, the Board has approved a dividend of Rs0.02 per share.

Outlook

Works requested by the Authorities for the Morcellement at Case Noyale have now been completed and as soon as the Morcellement Permit is obtained, we will be able to transfer title to buyers. The removal of travel restrictions due to COVID-19 in Rodrigues means that the renovation and redevelopment of Play Mourouk Hotel can now resume with expected completion towards end of March 2023, subject to no further disruptions.

Management and the Board continue to closely monitor the impact of COVID-19 and the ensuing challenging economic conditions which have been exacerbated by the war in Ukraine and rising oil prices.

By order of the Board

12th May 2022

KEY FIGURES FOR THE HALF YEAR ENDED

NET OPERATIONAL INCOME
MUR 103.5 M

TOTAL ASSETS
MUR 3.9 BN

NET ASSET VALUE PER SHARE
MUR 4.3

OCCUPANCY
95.9%
(MAR 2021: 93.7%)
(DEC 2021: 96.2%)

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: corner Edith Cavell Street & Mere Barthelemy Street, Port Louis, 11324