

**LAVASTONE PROPERTIES -
ABRIDGED UNAUDITED GROUP FINANCIAL STATEMENTS**

for the quarter and nine months ended 30 June 2021



LAVASTONE
PROPERTIES

UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

<i>In MUR (000)</i>	<i>Unaudited quarter ended 30-06-2021</i>	<i>Unaudited quarter ended 30-06-2020</i>	<i>Unaudited 9 months ended 30-06-2021</i>	<i>Unaudited 9 months ended 30-06-2020</i>	<i>Audited year ended 30-09-2020</i>
Rental income and recoveries	49,667	45,864	154,282	138,234	190,085
Other operating income	1,733	1,536	4,295	3,729	7,122
Revenue	51,400	47,400	158,577	141,963	197,207
Direct operating expenses	(14,391)	(11,673)	(41,401)	(38,559)	(46,237)
Net operational income	37,009	35,727	117,176	103,404	150,970
Administrative expenses	(12,633)	(12,357)	(37,676)	(34,477)	(52,683)
Operating profit	24,376	23,370	79,500	68,927	98,287
Other gains and losses	-	-	-	-	(190,567)
Profit/(loss) on disposal of investment properties	30	-	(4,307)	-	3,371
Profit/(loss) before finance costs	24,406	23,370	75,193	68,927	(88,909)
Net finance costs	(3,476)	(2,416)	(11,266)	(8,521)	(6,059)
Effect of exchange difference	(19,963)	(1,664)	(19,099)	(1,661)	(6,231)
Share of results in associates	(578)	(2,122)	(804)	(3,333)	(4,626)
Profit/(loss) before tax	389	17,168	44,024	55,412	(105,825)
Income tax (expense)/credit	(2,704)	(4,052)	(10,223)	(11,425)	2,385
(Loss)/Profit for the period/year	(2,315)	13,116	33,801	43,987	(103,440)
Other comprehensive income	-	-	-	-	(275)
Total comprehensive income for the period/year	(2,315)	13,116	33,801	43,987	(103,715)
Total comprehensive income attributable to:					
- Ordinary equity holders of the parent	(1,029)	13,146	38,449	46,882	(95,940)
- Non-controlling interests	(1,286)	(30)	(4,648)	(2,895)	(7,775)
	(2,315)	13,116	33,801	43,987	(103,715)
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/(loss) per share (MUR)	0.06	0.07	0.06	0.07	(0.14)
Net asset value per share (MUR)	3.57	3.75	3.57	3.75	3.56
Interim dividend per share (MUR)	0.02	-	0.02	-	-
Final dividend per share (MUR)	-	-	-	-	0.02

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UNAUDITED STATEMENTS OF FINANCIAL POSITION

<i>In MUR (000)</i>	<i>Unaudited 9 months ended 30-06-2021</i>	<i>Unaudited 9 months ended 30-06-2020</i>	<i>Audited year ended 30-09-2020</i>
ASSETS			
Non-current assets			
Investment properties	2,786,684	2,903,335	2,835,622
Investment property under development	434,316	215,799	336,221
Plant, property and equipment	8,708	2,763	2,468
Investment in associates	147,560	146,633	148,364
Intangible assets	623	83	72
Total non-current assets	3,377,891	3,268,613	3,322,747
Current assets	256,654	133,760	146,860
Total assets	3,634,545	3,402,373	3,469,607
EQUITY AND LIABILITIES			
Shareholders' Equity			
Stated capital	1,721,081	1,721,306	1,721,081
Capital reserves	131,053	131,053	131,053
Retained earnings	578,555	700,050	567,326
Non-controlling interests	320,275	316,939	324,924
Total equity	2,750,964	2,869,348	2,744,384
Non-current liabilities			
Borrowings	671,916	87,565	91,417
Other liabilities	109,295	55,047	108,321
Total non-current liabilities	781,211	142,612	199,738
Current liabilities			
Borrowings	-	256,002	345,095
Other liabilities	102,370	134,411	180,390
Total current liabilities	102,370	390,413	525,485
Total equity and liabilities	3,634,545	3,402,373	3,469,607

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UNAUDITED STATEMENTS OF CHANGES IN EQUITY

<i>In MUR (000) GROUP</i>	<i>Stated Capital</i>	<i>Retained Earnings</i>	<i>Capital & Other reserves</i>	<i>Non- Controlling Interests</i>	<i>Total</i>
Balance at 01 October, 2019	1,721,081	664,997	131,053	337,071	2,854,202
Impact of IFRS 16	-	9,534	-	4,110	13,644
Changes in ownership interest in subsidiaries that do not result in a loss of control	-	2,345	-	(8,482)	(6,137)
Dividend paid	-	(13,610)	-	-	(13,610)
Total comprehensive income for the year	-	(95,940)	-	(7,775)	(103,715)
At 30 Sep, 2020	1,721,081	567,326	131,053	324,924	2,744,384
Balance at 01 October, 2020	1,721,081	567,326	131,053	324,924	2,744,384
Dividend payable	-	(27,221)	-	-	(27,221)
Total comprehensive income for the period	-	38,449	-	(4,648)	33,801
At 30 June, 2021	1,721,081	578,554	131,053	320,275	2,750,964

UNAUDITED STATEMENTS OF CASH FLOWS

<i>In MUR (000)</i>	<i>Unaudited 9 months ended 30-06-2021</i>	<i>Unaudited 9 months ended 30-06-2020</i>	<i>Audited year ended 30-09-2020</i>
Net cash generated from operating activities	59,812	122,109	242,852
Net cash used in investing activities	(132,907)	(368,080)	(558,623)
Net cash from financing activities	503,317	38,761	38,762
Net increase/(decrease) in cash and cash equivalents	430,222	(207,210)	(277,009)
Cash and cash equivalents - opening	(316,214)	(39,205)	(39,205)
Cash and cash equivalents - closing	114,008	(246,415)	(316,214)

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COMMENTS ON THE NINE MONTHS ENDED 30 JUNE 2021

Operational Review

The Group maintains an increase in Revenue by 11.7% and Operating Profit up by 15.3% as compared to last year.

The occupancy is at 93.1% and is expected to rise in the next quarter as intent to lease agreements have been signed by new tenants.

The profit after tax has suffered primarily due to the depreciation of the rupee with the revaluation of a EURO loan which is for the construction of the Sunrise Attitude Hotel at Belle Mare. It is important to note that once the hotel is in operation, the rental will be in EURO.

Outlook

The second lockdown has impacted our development projects which resulted in delays for the completion of the Sunrise Attitude Hotel and the start of renovations at the Play Mourouk Hotel. Renovation works at Play Mourouk Hotel will proceed once flights to Rodrigues resume.

Lavastone and Attitude teams are completing the final touches to the Sunrise Attitude Hotel which is planned to open in October 2021.

Works on the two morcellements at Case Noyale have been completed and awaiting the morcellement permits for the completion of sales.

In these uncertain times, management and the Board continue to monitor the impact of Covid-19 on the local economy and our business.

By order of the Board

13th August 2021

KEY FIGURES FOR THE NINE MONTHS ENDED

NET OPERATIONAL
INCOME

MUR 117.2 m
13%

TOTAL
ASSETS

MUR 3.6 bn
6.8%

NET ASSET VALUE
PER SHARE

MUR 3.6
-0.60%

OCCUPANCY

93.1%
(Mar 2021: 93.7%)

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 2020 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