

***AUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME***

In MUR 000	Audited year ended 30-09- 2021	Restated Audited year ended 30-09-2020
Rental income and recoveries	203,376	190,085
Other operating income	12,630	6,497
<b>Revenue</b>	<b>216,006</b>	<b>196,582</b>
Direct operating expenses	(43,592)	(46,237)
<b>Net operational income</b>	<b>172,414</b>	<b>150,345</b>
Administrative expenses	(59,960)	(49,522)
Impairment losses	(4,516)	(3,161)
<b>Operating profit</b>	<b>107,938</b>	<b>97,662</b>
Other gains and losses	123,902	(190,567)
(Loss)/Profit on disposal of investment properties	(4,319)	3,371
<b>Profit/(loss) before finance costs</b>	<b>227,521</b>	<b>(89,534)</b>
Net finance costs	(14,500)	(5,736)
Effect of exchange difference	(12,509)	(6,231)
Share of results in associates	(2,834)	(4,626)
<b>Profit/(loss) before tax</b>	<b>197,678</b>	<b>(106,127)</b>
Income tax (expense)/credit	(35,455)	2,385
<b>Profit/(Loss) for the year</b>	<b>162,223</b>	<b>(103,742)</b>
Other comprehensive income	(490)	(275)
<b>Total comprehensive income for the year</b>	<b>161,733</b>	<b>(104,017)</b>
<b>Total comprehensive income attributable to:</b>		
- Ordinary equity holders of the parent	159,070	(96,242)
- Non-controlling interests	2,663	(7,775)
	<b>161,733</b>	<b>(104,017)</b>
Number of ordinary shares in issue		
Class A	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>
Basic earnings/(loss) per share (MUR)	0.23	(0.14)
Net asset value per share (MUR)	3.75	3.55
Interim dividend per share (MUR)	0.02	-
Final dividend per share (MUR)	0.02	0.02

**AUDITED STATEMENTS OF FINANCIAL POSITION**

In MUR 000	Audited year ended 30-09-2021	Restated Audited year ended 30-09-2020
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment properties	2,899,451	2,827,753
Investment property under development	551,301	336,221
Plant, property and equipment	17,099	2,468
Net investment in lease	6,775	7,793
Investment in associates	146,908	148,364
Intangible assets	581	72
Loan receivable	24,436	-
<b>Total non-current assets</b>	<b>3,646,551</b>	<b>3,322,671</b>
Current assets	181,555	146,860
<b>Total assets</b>	<b>3,828,106</b>	<b>3,469,531</b>
<b>EQUITY AND LIABILITIES</b>		
Shareholders' Equity		
Stated capital	1,721,081	1,721,081
Capital reserves	131,053	131,053
Retained earnings	698,873	567,024
Non-controlling interests	325,787	324,924
<b>Total equity</b>	<b>2,876,794</b>	<b>2,744,082</b>
<b>Non-current liabilities</b>		
Borrowings	604,366	91,417
Other liabilities	131,024	108,547
<b>Total non-current liabilities</b>	<b>735,390</b>	<b>199,964</b>
<b>Current liabilities</b>		
Borrowings	60,923	345,095
Other liabilities	154,999	180,390
<b>Total current liabilities</b>	<b>215,922</b>	<b>525,485</b>
Total equity and liabilities	<b>3,828,106</b>	<b>3,469,531</b>

**AUDITED 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, 2019</b>	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 (restated)	-	(96,242)	-	(7,775)	(104,017)
<b>Restated balance at 30 Sep, 2020</b>	<b>1,721,081</b>	<b>567,024</b>	<b>131,053</b>	<b>324,924</b>	<b>2,744,082</b>
<b>Balance at 01 October, 2020, as previously stated</b>	<b>1,721,081</b>	<b>567,326</b>	<b>131,053</b>	<b>324,924</b>	<b>2,744,384</b>
Prior year adjustment	-	(302)	-	-	(302)
<b>Restated balance at 01 October, 2020</b>	<b>1,721,081</b>	<b>567,024</b>	<b>131,053</b>	<b>324,924</b>	<b>2,744,082</b>
Dividend payable	-	(27,221)	-	(1,800)	(29,021)
Total comprehensive income for the year	-	159,070	-	2,663	161,733
<b>At 30 September, 2021</b>	<b>1,721,081</b>	<b>698,873</b>	<b>131,053</b>	<b>325,787</b>	<b>2,876,794</b>

**AUDITED STATEMENTS OF CASH FLOWS**

In MUR 000	Audited year ended 30-09-2021	Restated Audited year ended 30-09-2020
Net cash generated from operating activities	55,961	242,550
Net cash used in investing activities	(204,848)	(558,623)
Net cash from financing activities	528,339	39,064
Net increase/(decrease) in cash and cash equivalents	<b>379,452</b>	<b>(277,009)</b>
Cash and cash equivalents - opening	(316,214)	(39,205)
Effect of foreign exchange rate changes	(29)	-
Cash and cash equivalents - closing	<b>63,209</b>	<b>(316,214)</b>

## COMMENTS ON THE YEAR ENDED 30 SEPTEMBER 2021

### OPERATIONAL REVIEW

The Group maintains an increase in Revenue by 9.9% and Operating Profit up by 10.5% as compared to last year, with Edith Cavell Properties Ltd, contributing positively to Group profits despite a very challenging year. The Group closed the financial year with a profit for the year of MUR 162.2m (FY 20: Loss of MUR 104m), with a fair value gain of MUR 123.9m which partly offsets the impairment of MUR 190.6m recorded last year. This year on year increase in operating performance is also attributable to the company maintaining and renewing strong lease covenants with quality tenants.

The occupancy at year end increased to 94.4% (FY 2020 93.3%) and is expected to rise in the next financial year as long term lease commitments at 246 Edith Cavell Court come into effect.

Lavastone remained close and attentive to the needs of its tenants and continued to provide support during the second lockdown (March to April 2021). This support was extended until the end of June 2021 for restaurants which were most impacted. In terms of office space, with Covid-19 being the new normal, the Group observed a demand for additional space from some of its tenants as they looked to improve social distancing within their workplace.

In light of the above, the Board of Directors has declared a final dividend of MUR0.02 per share payable in respect of all the ordinary shares of the Company. This dividend is in respect of the financial year ended 30 September 2021 and will be payable in full to all the shareholders of the Company registered at close of business on 06 January 2022. The payment of this dividend will take place on or about 21 January 2022.

### Outlook

The construction of the Sunrise Attitude Hotel in Belle Mare was successfully completed and welcomed its first clients in October 2021. The Group is particularly pleased with its partnership with Attitude Hotels and look forward to the hotel contributing positively to Group profits in the next financial year subject to Mauritius and its source markets maintaining regular flights despite the spread of Covid-19.

The second lockdown and disruptions to the construction industry has meant that the Morcellement Permits for the morcellements at Case Noyale were not obtained before the financial year end. Works have recently been completed and the Morcellements Permits are expected soon which will allow transfer of title to buyers and profits at the level of South West Safari Group to be recognised during FY2022. Flight restrictions to Rodrigues are impacting the progress of renovation and extension works at the Play Mourouk Hotel which is now earmarked to be completed towards the end of next year, conditional to flights resuming soon.

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

By order of the Board

17<sup>th</sup> December 2021

## KEY FIGURES FOR THE YEAR ENDED

NET OPERATIONAL  
INCOME

**MUR 172.4 M**

TOTAL  
ASSETS

**MUR 3.8 BN**

NET ASSET VALUE  
PER SHARE

**MUR 3.7**

OCCUPANCY

**94.4%**  
(JUNE 2021: 93.1%)

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 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