

UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In MUR 000	Unaudited quarter ended 31-12-2021	Unaudited quarter ended 31-12-2020	Audited year ended 30-09- 2021
Rental income and recoveries	61,318	51,837	203,376
Other operating income	2,734	1,249	12,630
Revenue	64,052	53,086	216,006
Direct operating expenses	(12,574)	(9,940)	(43,592)
Net operational income	51,478	43,146	172,414
Administrative expenses	(16,826)	(15,098)	(59,960)
Impairment losses	-	-	(4,516)
Operating profit	34,652	28,047	107,938
Other gains and losses	2,753	(48)	123,902
Loss on disposal of investment properties	-	(4,440)	(4,319)
Net finance costs	(5,580)	(3,358)	(14,500)
Effect of exchange difference	3,641	(5,228)	(12,509)
Share of results in associates	(1,234)	219	(2,834)
Profit before tax	34,232	15,192	197,678
Income tax expense	(4,100)	(3,291)	(35,455)
Profit for the period/year	30,132	11,901	162,223
Other comprehensive income	-	-	(490)
Total comprehensive income for the period/year	30,132	11,901	161,733
Total comprehensive income attributable to:			
- Ordinary equity holders of the parent	30,563	14,589	159,070
- Non-controlling interests	(431)	(2,688)	2,663
	30,132	11,901	161,733
Number of ordinary shares in issue			
Class A	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
Basic earnings/(loss) per share (MUR)	0.04	0.02	0.23
Net asset value per share (MUR)	3.77	3.56	3.75
Interim dividend per share (MUR)	-	-	0.02
Final dividend per share (MUR)	-	-	0.02

UNAUDITED STATEMENTS OF FINANCIAL POSITION

In MUR 000	Unaudited quarter ended 31-12-2021	Unaudited quarter ended 31-12-2020	Audited year ended 30-09-2021
ASSETS			
Non-current assets			
Investment properties	3,385,923	2,786,329	2,899,451
Investment property under development	96,043	353,537	551,301
Plant, property and equipment	19,854	7,682	17,099
Net investment in lease	6,618	-	6,775
Investment in associates	145,674	148,583	146,908
Intangible assets	538	288	581
Loan receivable	24,436	-	24,436
Total non-current assets	3,679,086	3,296,419	3,646,551
Current assets	196,447	176,984	181,555
Total assets	3,875,533	3,473,403	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	715,826	568,305	698,873
Non-controlling interests	325,356	322,236	325,787
Total equity	2,893,316	2,742,675	2,876,794
Non-current liabilities			
Borrowings	637,318	289,593	604,366
Other liabilities	134,403	108,624	131,024
Total non-current liabilities	771,721	398,217	735,390
Current liabilities			
Borrowings	85,609	204,535	60,923
Other liabilities	124,887	127,976	154,999
Total current liabilities	210,496	332,511	215,922
Total equity and liabilities	3,875,533	3,473,403	3,828,106

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 payable	-	(13,610)	-	-	(13,610)
Total comprehensive income for the period	-	30,563	-	(431)	30,132
At 31 December, 2021	1,721,081	715,826	131,053	325,356	2,893,316

UNAUDITED STATEMENTS OF CASH FLOWS

In MUR 000	Unaudited quarter ended 31-12-2021	Unaudited quarter ended 31-12-2020	Audited year ended 30-09-2021
Net cash generated from operating activities	28,110	16,362	55,961
Net cash used in investing activities	(81,307)	(29,299)	(204,848)
Net cash from financing activities	55,320	149,678	528,339
Net increase in cash and cash equivalents	2,123	136,741	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	65,332	(179,473)	63,209

COMMENTS ON THE QUARTER ENDED 31 DECEMBER 2021

Operational review

Revenue and operating profit increased by 20.7% and 23.5% respectively as compared to the quarter ended 31 December 2020, with the Sunrise Attitude Hotel in Belle Mare successfully completed and operational as from October 2021. Edith Cavell Properties Ltd and Lavastone Properties Ltd continue to contribute positively to Group revenues and profits due to higher occupancies when compared to last year.

The occupancy as at 31 December 2021 increased to 96.2% (Sep 2021: 94.4%) as new long term lease commitments at 246 Edith Cavell Court come into effect.

Financial review

The Group has agreed with its financiers to extend the drawdown period of its secured Rs 1.5bn Notes Programme by a full year. This will provide greater flexibility and ability to map new routes for potential acquisitive projects.

Outlook

On 25 January 2022, the Group entered into a Share Purchase Agreement (SPA) for the acquisition of 100% of the shares of BH Property Investments Ltd, the owner of Absa House situated at Ebene. The Board is of the view that Absa House represents a unique growth opportunity for the Group and is in line with its investment and growth strategies. This acquisition is subject to satisfactory completion of conditions precedent, various due diligence exercises and regulatory approval.

Morcellement Permits for the morcellements at Case Noyale have not been obtained as at date. Works have been completed and the Morcellement Permits are expected soon which will allow transfer of title to buyers resulting in profits at the level of South West Safari Group to be recognised during FY2022. Covid-19 restrictions in Rodrigues continue to impact the progress of the renovation and extension works at the Play Mourouk Hotel and is now earmarked to be completed towards the end of this calendar year, subject to the lifting of all restrictions in the months to come.

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

10th February 2022

KEY FIGURES FOR THE YEAR ENDED

NET OPERATIONAL
INCOME

MUR 51.5 M

TOTAL
ASSETS

MUR 3.9 BN

NET ASSET VALUE
PER SHARE

MUR 3.8

OCCUPANCY

96.2%
(SEPTEMBER 2021: 94.4%)

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