

ABRIDGED STATEMENT OF FINANCIAL POSITION

	Unaudited		Audited
	As at December 31, 2022	As at December 31, 2021	As at June 30, 2022
	Rs. ' 000	Rs. ' 000	Rs. ' 000
ASSETS			
Non-current assets	4,563,549	4,556,218	4,394,790
Current assets	2,027,602	2,050,055	2,014,636
TOTAL ASSETS	6,591,151	6,606,273	6,409,426
EQUITY AND LIABILITIES			
Equity			
Equity attributable to shareholders of the parent	3,537,786	3,620,342	3,441,748
Non-controlling interests	37,282	26,402	29,660
TOTAL EQUITY	3,575,068	3,646,744	3,471,408
Non-current liabilities	967,366	1,459,735	1,615,533
Current liabilities	2,048,717	1,499,794	1,322,485
TOTAL EQUITY AND LIABILITIES	6,591,151	6,606,273	6,409,426

ABRIDGED STATEMENT OF CHANGES IN EQUITY

	Unaudited									
	Equity attributable to shareholders of the parent								Non-controlling interests	
	Issued Capital	Share Premium	Associate Companies	Revaluation Reserve	Fair Value Reserve	Translation Reserve	Retained Earnings	Total	Non-controlling interests	Total
Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
At July 1, 2022	265,100	7,354	84,993	1,861,283	17,414	7,071	1,198,533	3,441,748	29,660	3,471,408
Profit for the period	-	-	-	-	-	-	90,279	90,279	7,375	97,654
Other comprehensive income	-	-	-	-	-	5,759	-	5,759	247	6,006
Total comprehensive income for the period	-	-	-	-	-	5,759	90,279	96,038	7,622	103,660
At December 31, 2022	265,100	7,354	84,993	1,861,283	17,414	12,830	1,288,812	3,537,786	37,282	3,575,068
At July 1, 2021	265,100	7,354	109,813	1,874,102	10,980	(16,182)	1,304,859	3,556,026	41,616	3,597,642
Profit for the period	-	-	-	-	-	-	135,461	135,461	9,529	144,990
Other comprehensive income	-	-	-	-	-	645	-	645	193	838
Total comprehensive income for the period	-	-	-	-	-	645	135,461	136,106	9,722	145,828
Dividend	-	-	-	-	-	-	-	-	(600)	(600)
Change in percentage holding of subsidiary	-	-	-	-	-	-	(71,790)	(71,790)	(24,336)	(96,126)
At December 31, 2021	265,100	7,354	109,813	1,874,102	10,980	(15,537)	1,368,530	3,620,342	26,402	3,646,744

ABRIDGED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Unaudited				Audited
	Quarter ended December 31, 2022	Quarter ended December 31, 2021	Half year ended December 31, 2022	Half year ended December 31, 2021	Year ended June 30, 2022
	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
Continuing operations					
Revenue	1,324,165	1,111,672	2,463,704	2,008,583	3,993,473
Operating profit	135,982	101,760	157,534	189,534	215,696
Allowance for expected credit losses on financial assets	(4,343)	(2,903)	(8,137)	(6,158)	(23,281)
Impairment of assets	-	-	-	-	(340,686)
Gain on deemed disposal of associate	-	-	-	-	158,236
Finance income	-	204	-	204	2,090
Finance costs	(23,170)	(11,982)	(42,121)	(19,821)	(58,460)
Share of results of associates	4,486	1,989	8,389	7,196	10,678
Profit / (loss) before tax	112,955	89,069	115,665	170,955	(35,727)
Income tax expense	(4,647)	(13,397)	(6,330)	(25,282)	(1,622)
Profit / (loss) for the period / year from continuing operations	108,308	75,672	109,335	145,673	(37,349)
Discontinuing operations					
Loss for the period / year from discontinuing operations	(5,778)	(644)	(11,681)	(683)	(19,364)
Profit / (loss) for the period / year	102,530	75,028	97,654	144,990	(56,713)
Other comprehensive income					
Items to be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations	77	(2,310)	6,006	838	30,205
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	77	(2,310)	6,006	838	30,205
Items not to be reclassified to profit or loss in subsequent periods:					
Net gains on equity instruments	-	-	-	-	6,434
Re-measurement gains on defined benefit plans	-	-	-	-	86,380
Deferred tax effect on re-measurement gains on defined benefit plans	-	-	-	-	(13,911)
Share of other comprehensive income of associates	-	-	-	-	4,655
Net other comprehensive income not being reclassified to profit or loss in subsequent periods	-	-	-	-	83,558
Other comprehensive income for the period / year, net of tax	77	(2,310)	6,006	838	113,763
Total comprehensive income for the period / year, net of tax	102,607	72,718	103,660	145,828	57,050
Profit / (loss) for the period / year attributable to:					
Equity holders of the parent	97,525	70,921	90,279	135,461	(67,553)
Non-controlling interests	5,005	4,107	7,375	9,529	10,840
	102,530	75,028	97,654	144,990	(56,713)
Total comprehensive income for the period / year attributable to:					
Equity holders of the parent	97,590	68,603	96,038	136,106	37,322
Non-controlling interests	5,017	4,115	7,622	9,722	19,728
	102,607	72,718	103,660	145,828	57,050
Earnings per share (Rs)					
Basic, profit / (loss) for the period / year attributable to ordinary equity holders of the parent	3.68	2.68	3.41	5.11	(2.55)

ABRIDGED STATEMENT OF CASH FLOWS

	Unaudited	
	Half year ended December 31, 2022	Half year ended December 31, 2021
	Rs. ' 000	Rs. ' 000
Net cash flows from operating activities	132,233	72,096
Net cash flows used in investing activities	(291,990)	(432,341)
Net cash flows from financing activities	237,843	41,549
Increase / (decrease) in cash and cash equivalents	78,086	(318,696)
MOVEMENT IN CASH AND CASH EQUIVALENTS		
At July 1,	(298,710)	107,328
Exchange difference	8,801	65
Increase / (decrease) in cash and cash equivalents	78,086	(318,696)
Movement from discontinuing operations	1,211	(5,774)
At December 31,	(210,612)	(217,077)

SEGMENTAL INFORMATION

	Unaudited				Audited
	Quarter ended December 31, 2022	Quarter ended December 31, 2021	Half year ended December 31, 2022	Half year ended December 31, 2021	Year ended June 30, 2022
	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
Revenue:					
Building materials - Core business	989,366	787,386	1,877,245	1,447,518	3,006,893
Building materials - Retail	405,281	378,448	718,598	647,699	1,200,934
Agriculture	73,994	43,128	110,205	76,740	123,790
Consolidation adjustments	(144,476)	(97,290)	(242,344)	(163,374)	(338,144)
Total	1,324,165	1,111,672	2,463,704	2,008,583	3,993,473
Operating profit / (loss):					
Building materials - Core business	57,908	65,328	67,582	144,442	162,449
Building materials - Retail	46,191	40,283	59,038	56,494	70,969
Agriculture	33,299	8	34,882	(3,706)	(5,201)
Consolidation adjustments	(1,416)	(3,859)	(3,968)	(7,696)	(12,521)
Total	135,982	101,760	157,534	189,534	215,696

The above Unaudited Abridged Group Interim Financial Statements for the quarter and half year ended December 31, 2022 have been prepared in compliance with International Financial Reporting Standards and on a basis consistent with that of the latest Audited Group Financial Statements for the year ended June 30, 2022.

COMMENTS

Our Group revenue for the half year ended December 31, 2022 increased by 22.7% (+Rs 455.1 million) compared to that of the same period in 2021. As shown in the segmental information disclosure, this rise in revenue is attributable to all our activity segments. Premix Ltd (formerly Pre-Mixed Concrete Limited), consolidated as a subsidiary for the whole period under review compared to two months in 2021, contributed Rs 268.4 million to the Group revenue increase for the period.

Our Group operating profit for the half year period under review decreased from Rs 189.5 million to Rs 157.5 million, attributable mainly to a significant increase in our local core business production cost arising from the impact of imported inputs, higher fuel prices, increased quarrying costs and repairs and maintenance. Our profitability was also adversely impacted by the delay in increasing our selling prices until October 2022 and by the inherent lower profit margin of Premix Ltd, compared to that of our stone crushing entities.

Our retail segment performed better than in 2021 with an appreciable increase of 10.9% in revenue. Likewise, the operating result of our agricultural segment was better than in 2021 due to an exceptional profit of Rs 30.2 million realised on the sale of agricultural land as well as the improved performance of our greenhouse and an increase in the price of sugar.

Our share of results from associates for the half year period under review increased by 16.6% compared to that of the same period in 2021.

Our finance costs increased significantly for both the quarter and half year period under review due to a significant increase in borrowings resulting from the financing of investments, capital expenditure and working capital needs during the past financial year and to the recent successive increases in the Repo rate.

In the light of the above and after taking into consideration the results of our discontinuing operations in Madagascar and Sri Lanka, our Group profit decreased from Rs 145.0 million for the half year ended December 31, 2021 to Rs 97.6 million for the half year period under review. Earnings per share likewise decreased from Rs 5.11 in 2021 to Rs 3.41 for this period.

OUTLOOK

Our core business selling prices are being increased in February to cater for the increase in labour costs. Our future performance relies on close cost control and improved efficiency as well as on the level of investment in property development projects and on the timely realisation of projects announced in the Public Sector Investment Programme (PSIP) spanning over financial years 2022/23 to 2024/25.

By Order of the Board

Bhooneshi Nemchand
Company Secretary

February 10, 2023

The above Unaudited Abridged Group Interim Financial Statements are issued pursuant to Listing Rule 12.20 of the Stock Exchange of Mauritius Ltd and to Section 88 of the Securities Act 2005.

The Board of Directors of The United Basalt Products Limited accepts full responsibility for the accuracy of the information contained in these Unaudited Abridged Group Interim Financial Statements.

The statement of direct and indirect interests of insiders required under rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request, free of charge, at the registered office of the Company, Trianon, Quatre Bornes.

Copies of this report are available to the public, free of charge, at the registered office of the Company, Trianon, Quatre Bornes.