

AUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In MUR 000	Audited year ended 30-09-2023	Audited year ended 30-09-2022
Rental income and recoveries	295,889	277,258
Other operating income	9,944	10,065
Sale of land inventory	99,236	-
Revenue	405,069	287,323
Operating expenses	(52,611)	(50,866)
Morcellement costs	(62,726)	-
Net operational income	289,732	236,457
Administrative expenses	(69,543)	(67,271)
(Impairment losses)/Reversal of impairment losses	(3,072)	3,947
Operating profit	217,117	173,133
Profit on disposal of investment properties	-	28,943
Profit before finance costs	217,117	202,076
Other gains and losses	102,575	1,275
Net finance costs	(57,850)	(30,994)
Effect of exchange difference	(10,094)	40,752
Share of results in associate	(5,237)	(4,282)
Profit before tax	246,511	208,827
Income tax expense	(30,108)	(28,616)
Profit for the year	216,403	180,211
Other comprehensive income	13,642	(702)
Total comprehensive income for the year	230,045	179,509
Total comprehensive income attributable to:		
- Ordinary equity holders of the parent	206,094	172,200
- Non-controlling interests	23,951	7,309
	230,045	179,509
Number of ordinary shares in issue		
Class A	680,523,310	680,523,310
Weighted average number of ordinary shares in issue	680,523,310	680,523,310
Basic earnings per share (MUR)	0.28	0.25
Net asset value per share (MUR)	4.18	3.94
Interim dividend per share (MUR)	0.025	0.02
Final dividend per share (MUR)	0.045	0.04

AUDITED STATEMENTS OF CHANGES IN EQUITY

In MUR 000	Stated capital	Retained earnings	Capital & Other reserves	Non-Controlling Interests	Total
GROUP					
Balance at 01 October, 2021	1,721,081	698,873	131,053	325,787	2,876,794
Dividend paid	-	(27,221)	-	-	(27,221)
Total comprehensive income for the year	-	172,200	-	7,309	179,509
Changes in ownership interest in subsidiaries that do not result in a loss of control	-	(12,366)	-	(2,959)	(15,325)
At 30 September, 2022	1,721,081	831,486	131,053	330,137	3,013,757
Balance at 01 October, 2022	1,721,081	831,486	131,053	330,137	3,013,757
Dividend paid	-	(44,234)	-	-	(44,234)
Total comprehensive income for the year	-	191,830	14,264	23,951	230,045
Non controlling interests on acquisition of subsidiary	-	-	-	7,350	7,350
Balance at 30 September 2023	1,721,081	979,082	145,317	361,438	3,206,918

AUDITED STATEMENTS OF FINANCIAL POSITION

In MUR 000	Audited year ended 30-09-2023	Audited year ended 30-09-2022
ASSETS		
Non-current assets		
Investment properties	3,838,940	3,672,802
Investment property under development	282,575	106,717
Plant, property and equipment	20,404	23,079
Net investment in lease	5,523	6,304
Investment in associate	148,994	142,626
Intangible assets	301	426
Loan receivable	68,824	24,436
Total non-current assets	4,365,561	3,976,390
Current assets	491,522	192,469
Total assets	4,857,083	4,168,859
EQUITY AND LIABILITIES		
Shareholders' Equity		
Stated capital	1,721,081	1,721,081
Capital and other reserves	145,317	131,053
Retained earnings	979,082	831,486
Non-controlling interests	361,438	330,137
Total equity	3,206,918	3,013,757
Non-current liabilities		
Borrowings	1,336,223	786,350
Other liabilities	164,605	147,844
Total non-current liabilities	1,500,828	934,194
Current liabilities		
Borrowings	35,695	70,987
Other liabilities	113,642	149,921
Total current liabilities	149,337	220,908
Total equity and liabilities	4,857,083	4,168,859

AUDITED STATEMENTS OF CASH FLOWS

In MUR 000	Audited year ended 30-09-2023	Audited year ended 30-09-2022
Net cash generated from operating activities	196,921	182,907
Net cash used in investing activities	(261,768)	(336,599)
Net cash from financing activities	430,263	113,992
Net increase/(decrease) in cash and cash equivalents	365,416	(39,700)
Cash and cash equivalents - opening	23,824	63,209
Effect of foreign exchange rate changes	5,740	315
Cash and cash equivalents - closing	394,980	23,824

COMMENTS ON THE YEAR ENDED 30 SEPTEMBER 2023

Operational and financial review

Operating revenue and operating profit (excluding profit on sale of land) for the year increased by a commendable 6.4% and 4.3% respectively as compared to the last year and are in line with expectations. The increase is mainly attributable to rental income from Absa House which was acquired in the last financial year, new tenants at EDITH along with annual rental escalations.

91% of title deeds in the Morcellement at Case Noyale were transferred at the end of the financial year resulting in a profit on sale of land of MUR36.5m for the financial year. The remaining plots will be transferred by the end of December 2023.

The Group's net finance costs increased substantially following the final drawdown from the existing bond facility with The Mauritius Commercial Bank Ltd combined with increases in interest rates.

The Group occupancy increased to 96.8% and is expected to remain stable over the coming financial year.

Final Dividend

In light of the results of the Group, the Board has approved a dividend of MUR 0.045 per share.

Outlook

Our hotel at Mourouk in Rodrigues opened to the first paying customers on 1 November 2023. Constance Hotels Services Limited have announced their partnership with Trimetys and will be taking over the management and operations of this hotel as from January 2024.

The Group acquired SOFAP's warehouse and retail buildings at Coromandel and Riche Terre in November 2023. This acquisition is in line with Management's growth strategy and is expected to contribute positively to the Group's results for the next financial year. Another fully tenanted industrial building has been earmarked for acquisition and is expected to close by the second quarter of FY2024.

Treasury management remains a key area to ensure the Group continues to comfortably service its debt obligations. Going forward, Management will focus on acquisitive opportunities in the industrial building segment to continue diversifying its portfolio of assets in line with its risk appetite and to achieve optimised yields.

By order of the board

15th December 2023

KEY FIGURES FOR THE YEAR ENDED

NET OPERATIONAL INCOME	TOTAL ASSETS
MUR 289.7 M	MUR 4.9 BN
NET ASSET VALUE PER SHARE	OCCUPANCY
MUR 4.18	96.8% (JUNE 2023: 94.5%)

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 2023 except for the adoption of a new International Financial Reporting Standards issues 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 unaudited financial statements are issued pursuant to DEM Rule 17. the statement of direct and indirect interests of Officers pursuant to rule8(2)(m) of the Securities (Disclosure Obligations of Reporting Issues) Rules 2007 is available, free of charge at the registered office:

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