

“LAVASTONE LTD REPORTED A 4% INCREASE IN OPERATING PROFIT FOR THE 6 MONTHS ENDED 31ST MARCH 2019 COMPARED TO THE SAME PERIOD LAST YEAR”

COMMENTS ON THE HALF YEAR ENDED 31 MARCH 2019
OPERATIONAL REVIEW:

Results for the half year are strong with net operational income increasing by 18% as compared to the same period last year. The Group maintains high levels of occupancy across its portfolio. The positive results of Compagnie Valome Ltee, which owns the Mourouk Ebony Hotel in Rodrigues, for the 2 months of February and March 2019 have been consolidated following acquisition of control of the company at the end of January 2019.

Following the stock split undertaken in the first quarter, the number of shares increased to 680,523,310 and the Net Asset Value per share was MUR4.40 as at 31 March 2019.

INTERIM DIVIDENDS

The board has declared an interim dividend of Rs0.02 per share payable in respect of all ordinary shares of the Company which will be payable to the shareholders of the Company registered at close of business on 22 May 2019.

The payment of this dividend will take place on or about 6 June 2019. The shares of the Company will be traded cum-dividend on the Development and Enterprise Market of the Stock Exchange of Mauritius Ltd up to the market day of 17 May 2019 and ex-dividend as from 20 May 2019.

OUTLOOK

Works on 246 Edith Cavell Court progresses well with expected completion towards the end of the year. The hotel project at Belle Mare, within B59 Ltd, has obtained its EIA licence and works are expected to start shortly after the Building Permit is in hand. At the level of South West Safari Group (SWSG), works of the morcellement at La Gaulette are underway with completion of works expected in June 2019.

For the Victoria Urban Terminal, works on site are expected to start in the forthcoming quarter subject to obtaining the necessary permits.

The Riche Terre warehouse project has had strong interest from various retailers for a homeware centre. Sufficient intents to lease have been secured to start construction within the next quarter once the relevant permits have been received.

By order of the Board
03 May 2019

The board of directors of Lavastone Ltd Limited accepts full responsibility for the accuracy of the information contained in this report. The abridged unaudited group financial statements are unaudited and have been prepared using same accounting policies as the audited financial statements for the year ended 30 September 2018 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 unaudited group 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: 33, Edith Cavell Street, Port Louis

UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Unaudited quarter ended 31-Mar-19	Unaudited quarter ended 31-Mar-18	Unaudited half year ended 31-Mar-19	Unaudited half year ended 31-Mar-18	Audited year ended 30-Sep-18
In MUR 000					
Revenue	43,446	34,573	83,660	67,921	140,285
Operating expenses	(12,822)	(8,597)	(23,402)	(16,652)	(40,651)
Net operational income	30,624	25,976	60,258	51,269	99,634
Investment and other income	-	2,276	-	4,397	8,951
Administrative expenses	(8,098)	(6,225)	(17,466)	(14,407)	(27,669)
Operating profit	22,526	22,028	42,792	41,259	80,916
Increase in fair value of investment properties	-	-	-	-	551
Profit before finance costs	22,526	22,028	42,792	41,259	81,467
Finance costs	(544)	(39)	(823)	(39)	(39)
Exceptional Items	-	-	-	-	-
Profit before tax	21,982	21,989	41,969	41,220	81,428
Income tax expense	(4,171)	(2,416)	(8,357)	(5,790)	(15,167)
Profit for the period/year	17,811	19,572	33,612	35,430	66,261
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period/year	17,811	19,572	33,612	35,430	66,261
Total comprehensive income attributable to:					
- Ordinary equity holders of the parent	18,178	19,572	34,277	35,430	66,261
- Non-controlling interests	(367)	-	(665)	-	-
	17,811	19,572	33,612	35,430	66,261
Number of ordinary shares in issue					
Class A	680,523,310	519,466	680,523,310	519,466	450,000
Weighted average number of ordinary shares in issue	559,847,358	519,465	277,417,281	519,465	485,399
Basic earnings per share (MUR)	0.03	37.68	0.12	68.21	136.51
Net asset value per share (MUR)	4.40	1,925.45	4.40	1,925.45	3,414.60

UNAUDITED STATEMENTS OF CASH FLOWS

	Unaudited 6 months ended 31-Mar-19	Unaudited 6 months ended 31-Mar-18	Audited year ended 30-Sep-18
In MUR 000			
Net cash generated from operating activities	23,488	23,689	183,383
Net cash (used in)/from investing activities	(227,075)	(181,785)	(210,862)
Net cash flows from discontinued operations	234,650	168,965	102,455
Net (decrease)/increase in cash and cash equivalents	31,063	10,869	74,976
Cash and cash equivalents - opening	85,620	10,644	10,644
Cash flow from acquisition of subsidiary companies	14,323	-	-
Cash and cash equivalents - closing	131,006	21,513	85,620

UNAUDITED STATEMENTS OF FINANCIAL POSITION

	Unaudited 6 months ended 31-Mar-19	Unaudited 6 months ended 31-Mar-18	Audited year ended 30-Sep-18
In MUR 000			
ASSETS			
Non-current assets			
Investment properties	2,584,879	1,207,400	1,237,029
Assets under construction	-	-	-
Other equipment	1,253	-	-
Intangible assets	44,872	45,980	45,304
Goodwill	261,242	-	-
Total non-current assets	2,892,246	1,253,380	1,282,333
Current assets	205,182	120,194	302,769
Total assets	3,097,428	1,373,574	1,585,102
EQUITY AND LIABILITIES			
Shareholders' Equity			
Stated capital	1,721,081	519,466	450,000
Share application monies	-	-	575,000
Revaluation and other reserves	380,598	-	-
Retained earnings	556,410	480,737	511,568
Non-controlling interests	337,561	-	-
Total equity	2,995,650	1,000,203	1,536,568
Non-current liabilities			
Borrowings	34,871	81,895	-
Other liabilities	35,250	24,797	28,603
Total non-current liabilities	70,121	106,692	28,603
Current liabilities			
Borrowings	-	70,000	-
Other liabilities	31,657	196,679	19,931
Total current liabilities	31,657	266,679	19,931
Total equity and liabilities	3,097,428	1,373,574	1,585,102

UNAUDITED STATEMENTS OF CHANGES IN EQUITY

	Stated Capital	Retained Earnings	Capital reserves	Non-Controlling Interests	Total
In MUR 000					
GROUP					
Balance at 01 Oct, 2017	519,466	445,307	-	-	964,773
Reduction of capital	-	-	-	-	-
Total comprehensive income for the period	-	35,430	-	-	35,430
At 31 March, 2018	519,466	480,737			1,000,203
Balance at 01 October, 2018	450,000	511,568	-	-	961,568
Issue of shares	1,258,081	-	-	-	1,258,081
On acquisition of subsidiaries	13,000	11,230	380,598	337,561	742,389
Total comprehensive income for the period	-	33,612	-	-	33,612
At 31 March, 2019	1,721,081	556,410	380,598	337,561	2,995,650

MUR bn

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TOTAL ASSETS

98.7%
OCCUPANCY
(Mar 2018:97.8%)

MUR
4.4
NET ASSET VALUE PER SHARE

MUR m
60
NET OPERATIONAL INCOME + 18%