

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

In MUR 000	Audited year ended 30-09-2022	Audited year ended 30-09-2021
Rental income and recoveries	277,258	207,276
Other operating income	10,065	8,730
<b>Revenue</b>	<b>287,323</b>	<b>216,006</b>
Operating expenses	(50,866)	(43,592)
<b>Net operational income</b>	<b>236,457</b>	<b>172,414</b>
Administrative expenses	(67,271)	(59,960)
Reversal of impairment losses/(impairment losses)	3,947	(4,516)
<b>Operating profit</b>	<b>173,133</b>	<b>107,938</b>
Other gains and losses	1,275	123,902
Profit/(Loss) on disposal of investment properties	28,943	(4,319)
<b>Profit before finance costs</b>	<b>203,351</b>	<b>227,521</b>
Net finance costs	(30,994)	(14,500)
Effect of exchange difference	40,752	(12,509)
Share of results in associates	(4,282)	(2,834)
<b>Profit before tax</b>	<b>208,827</b>	<b>197,678</b>
Income tax expense	(28,616)	(35,455)
<b>Profit for the year</b>	<b>180,211</b>	<b>162,223</b>
Other comprehensive income	(702)	(490)
<b>Total comprehensive income for the year</b>	<b>179,509</b>	<b>161,733</b>
<b>Total comprehensive income attributable to:</b>		
- Ordinary equity holders of the parent	172,200	159,070
- Non-controlling interests	7,309	2,663
	<b>179,509</b>	<b>161,733</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 per share (MUR)	0.25	0.23
Net asset value per share (MUR)	3.94	3.75
Interim dividend per share (MUR)	0.02	0.02
Final dividend per share (MUR)	0.04	0.02

**AUDITED STATEMENTS OF CHANGES IN EQUITY**

In MUR 000	Retained Earnings	Capital & Other reserves	Non-Controlling Interests	Total
<b>GROUP</b>				
<b>Balance at 01 October, 2020</b>	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
<b>At 30 September, 2021</b>	<b>698,873</b>	<b>131,053</b>	<b>325,787</b>	<b>2,876,794</b>
<b>Balance at 01 October, 2021</b>	<b>698,873</b>	<b>131,053</b>	<b>325,787</b>	<b>2,876,794</b>
Dividend paid	(27,221)	-	-	(27,221)
Total comprehensive income for the period	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)
<b>Balance as 30 September 2022</b>	<b>831,486</b>	<b>131,053</b>	<b>330,137</b>	<b>3,013,757</b>

**AUDITED STATEMENTS OF FINANCIAL POSITION**

In MUR 000	Audited year ended 30-09-2022	Audited year ended 30-09-2021
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment properties	3,672,802	2,899,451
Investment property under development	106,717	551,301
Plant, property and equipment	23,079	17,099
Net investment in lease	6,304	6,775
Investment in associate	142,626	146,908
Intangible assets	426	581
Loan receivable	24,436	24,436
<b>Total non-current assets</b>	<b>3,976,390</b>	<b>3,646,551</b>
Current assets	192,469	181,555
<b>Total assets</b>	<b>4,168,859</b>	<b>3,828,106</b>
<b>EQUITY AND LIABILITIES</b>		
Shareholders' Equity		
Stated capital	1,721,081	1,721,081
Capital reserves	131,053	131,053
Retained earnings	831,486	698,875
Non-controlling interests	330,137	325,785
<b>Total equity</b>	<b>3,013,757</b>	<b>2,876,794</b>
<b>Non-current liabilities</b>		
Borrowings	786,350	604,366
Other liabilities	147,844	131,024
<b>Total non-current liabilities</b>	<b>934,194</b>	<b>735,390</b>
<b>Current liabilities</b>		
Borrowings	70,987	60,923
Other liabilities	149,921	154,999
<b>Total current liabilities</b>	<b>220,908</b>	<b>215,922</b>
Total equity and liabilities	<b>4,168,859</b>	<b>3,828,106</b>

**AUDITED STATEMENTS OF CASH FLOWS**

In MUR 000	Audited year ended 30-09-2022	Audited year ended 30-09-2021
Net cash generated from operating activities	187,677	67,725
Net cash used in investing activities	(341,369)	(203,886)
Net cash from financing activities	113,992	515,613
Net (decrease)/increase in cash and cash equivalents	<b>(39,700)</b>	<b>379,452</b>
Cash and cash equivalents - opening	63,209	(316,214)
Effect of foreign exchange rate changes	315	(29)
Cash and cash equivalents - closing	<b>23,824</b>	<b>63,209</b>

**COMMENTS ON THE YEAR ENDED 30 SEPTEMBER 2022**

**Operational and financial review**

Lavastone Group closed off the financial year with strong revenues and operating profit which have increased by 33.0% and 60.4% respectively as compared to the last financial year. This increase is mainly attributable to rental income from the additional yielding properties added to the portfolio. Moreover the sale of land and building at Riche Terre in July has also contributed towards the positive results of the Group. Net finance costs have increased considerably on the back of increased borrowings related to the acquisition of Absa House, coupled with a steep rise in interest rates.

The Group occupancy as at 30 September 2022 has improved to 94.6% (June 2022: 94.1%) with new office tenants at EDITH. Management continues to work actively towards maintaining and gradually improving the occupancy rate of the Group.

**Final dividend**

In light of the results of the Group, the Board has approved a final dividend of Rs 0.04 per share.

**Outlook**

The Group is pleased to announce that the Morcellement Permit for South West Safari Group has finally been obtained in October 2022, which will allow transfer of title deeds to individual owners and profits to be recognised during FY 2023.

The renovation and redevelopment of Play Mourouk Hotel is progressing although having been delayed due to the border closures in Rodrigues earlier in the year. Opening is now targeted during the third quarter of FY 2023.

Overall the Group's performance for this financial year is satisfactory and in line with the growth strategy in place over the past years. Management and the Board continue to monitor the increase in interest rates in consideration of the Group's gearing levels and its capacity to service debt, especially in the current volatile economic climate.

*By order of the Board*

**15<sup>th</sup> December 2022**

**KEY FIGURES FOR THE YEAR ENDED**

NET OPERATIONAL  
INCOME  
**MUR 236.5 M**

NET ASSET VALUE  
PER SHARE  
**MUR 3.94**

TOTAL  
ASSETS  
**MUR 4.2 BN**

OCCUPANCY  
**94.6%**  
(JUNE 2022: 94.1%)

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 2022 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: 1<sup>st</sup> floor, EDITH, 6 Edith Cavell street, Port Louis, Mauritius