

THE UNITED BASALT PRODUCTS LTD AND ITS SUBSIDIARY COMPANIES
UNAUDITED ABRIDGED GROUP INTERIM FINANCIAL STATEMENTS
QUARTER AND HALF YEAR ENDED DECEMBER 31, 2018

ABRIDGED STATEMENT OF FINANCIAL POSITION

	Unaudited		Audited
	As at December 31, 2018 Rs. ' 000	As at December 31, 2017 Rs. ' 000	As at June 30, 2018 Rs. ' 000
ASSETS			
Non-current assets	3 616 026	3 672 850	3 669 519
Current assets	1 316 937	1 388 220	1 317 608
TOTAL ASSETS	4 932 963	5 061 070	4 987 127
EQUITY AND LIABILITIES			
Equity			
Equity attributable to shareholders of the parent	3 239 181	3 266 828	3 087 456
Non-controlling interests	47 982	51 317	37 174
TOTAL EQUITY	3 287 163	3 318 145	3 124 630
Non-current liabilities	1 170 040	456 267	518 339
Current liabilities	475 760	1 286 658	1 344 158
TOTAL EQUITY AND LIABILITIES	4 932 963	5 061 070	4 987 127

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QUARTER AND HALF YEAR ENDED DECEMBER 31, 2018

ABRIDGED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited				Audited
	Quarter ended December 31, 2018	Quarter ended December 31, 2017	Half year ended December 31, 2018	Half year ended December 31, 2017	Year ended June 30, 2018
	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
Revenue	884 495	831 058	1 694 796	1 571 943	2 927 055
Operating profit	93 453	90 566	185 567	181 011	219 200
Finance income	33	40	39	73	1 442
Finance costs	(8 811)	(10 685)	(19 882)	(23 458)	(46 861)
Share of results of associates	2 716	3 820	14 325	13 250	14 458
Profit before tax	87 391	83 741	180 049	170 876	188 239
Income tax expense	(13 546)	(13 378)	(25 679)	(25 213)	(44 014)
Profit for the period / year	73 845	70 363	154 370	145 663	144 225
Other comprehensive income					
<i>Items to be reclassified to profit or loss in subsequent periods:</i>					
Net gain on available-for-sale investments	-	856	-	1 374	5 632
Release on disposal of available-for-sale investments	-	-	-	-	(14 317)
Exchange differences on translation of foreign operations	4 514	1 464	9 243	2 089	(14 619)
Net other comprehensive income / (loss) to be reclassified to profit or loss in subsequent periods	4 514	2 320	9 243	3 463	(23 304)
<i>Items not to be reclassified to profit or loss in subsequent periods:</i>					
Re-measurement losses on defined benefit plans	-	-	-	-	(71 017)
Income tax effect on re-measurement losses on defined benefit plans	-	-	-	-	12 171
Share of movement in reserves of associates	-	(3 937)	-	(3 937)	(4 206)
Net other comprehensive loss not to be reclassified to profit or loss in subsequent periods	-	(3 937)	-	(3 937)	(63 052)
Other comprehensive income / (loss) for the period / year, net of tax	4 514	(1 617)	9 243	(474)	(86 356)
Total comprehensive income for the period / year, net of tax	78 359	68 746	163 613	145 189	57 869
Profit for the period / year attributable to:					
Equity holders of the parent	69 227	65 949	144 283	136 586	131 078
Non-controlling interests	4 618	4 414	10 087	9 077	13 147
	73 845	70 363	154 370	145 663	144 225
Total comprehensive income for the period / year attributable to:					
Equity holders of the parent	72 806	64 306	151 725	136 038	49 451
Non-controlling interests	5 553	4 440	11 888	9 151	8 418
	78 359	68 746	163 613	145 189	57 869
Earnings per share (Rs)					
Basic, profit for the period / year attributable to ordinary equity holders of the parent	2,61	2,49	5,44	5,15	4,94

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UNAUDITED ABRIDGED GROUP INTERIM FINANCIAL STATEMENTS
QUARTER AND HALF YEAR ENDED DECEMBER 31, 2018

ABRIDGED STATEMENT OF CHANGES IN EQUITY

Unaudited	Equity attributable to shareholders of the parent							Non-controlling Interests	Total	
	Issued Capital	Share Premium	Associate Companies	Revaluation Reserve	Fair Value Reserve	Translation Reserve	Retained Earnings			
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	
At July 1, 2018	265 100	7 354	101 822	1 488 373	11 444	(250)	1 213 613	3 087 456	37 174	3 124 630
Profit for the period	-	-	-	-	-	-	144 283	144 283	10 087	154 370
Other comprehensive income	-	-	-	-	-	7 442	-	7 442	1 801	9 243
Total comprehensive income for the period	-	-	-	-	-	7 442	144 283	151 725	11 888	163 613
Dividend	-	-	-	-	-	-	-	-	(1 080)	(1 080)
At December 31, 2018	265 100	7 354	101 822	1 488 373	11 444	7 192	1 357 896	3 239 181	47 982	3 287 163
At July 1, 2017	265 100	7 354	106 028	1 490 537	20 129	10 655	1 230 987	3 130 790	42 766	3 173 556
Profit for the period	-	-	-	-	-	-	136 586	136 586	9 077	145 663
Other comprehensive income / (loss)	-	-	(3 937)	-	1 374	2 015	-	(548)	74	(474)
Total comprehensive income / (loss) for the period	-	-	(3 937)	-	1 374	2 015	136 586	136 038	9 151	145 189
Dividend	-	-	-	-	-	-	-	-	(600)	(600)
At December 31, 2017	265 100	7 354	102 091	1 490 537	21 503	12 670	1 367 573	3 266 828	51 317	3 318 145

ABRIDGED STATEMENT OF CASH FLOWS

	Unaudited	
	Half year ended December 31, 2018 Rs. '000	Half year ended December 31, 2017 Rs. '000
Net cash flows from operating activities	288 406	171 987
Net cash flows used in investing activities	(128 842)	(90 146)
Net cash flows (used in)/from financing activities	(20 074)	33 940
Increase in cash and cash equivalents	139 490	115 781
MOVEMENT IN CASH AND CASH EQUIVALENTS		
At July 1,	(184 230)	(268 645)
Exchange difference	782	(674)
Movement	139 490	115 781
At December 31,	(43 958)	(153 538)

The above Unaudited Abridged Group Interim Financial Statements for the half year ended December 31, 2018 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, 2018.

THE UNITED BASALT PRODUCTS LTD AND ITS SUBSIDIARY COMPANIES
UNAUDITED ABRIDGED GROUP INTERIM FINANCIAL STATEMENTS
QUARTER AND HALF YEAR ENDED DECEMBER 31, 2018

SEGMENTAL INFORMATION

	Unaudited				Audited
	Quarter ended	Quarter ended	Half year ended	Half year ended	Year ended
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017	June 30, 2018
	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
Revenue:					
Building materials - Core business	614 204	555 832	1 233 385	1 088 150	2 100 777
Building materials - Retail	292 072	296 048	502 024	521 665	922 488
Agriculture	36 616	33 334	65 602	61 689	96 208
Consolidation adjustments	(58 397)	(54 156)	(106 215)	(99 561)	(192 418)
Total	884 495	831 058	1 694 796	1 571 943	2 927 055
Operating profit					
Building materials - Core business	67 870	72 988	158 747	152 597	201 498
Building materials - Retail	29 479	22 418	30 968	34 212	36 521
Agriculture	(3 896)	(4 840)	(4 148)	(5 798)	(18 819)
Total	93 453	90 566	185 567	181 011	219 200

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COMMENTS

The Group's revenue for the half year ended December 31, 2018 increased by 7.8% compared to that of the same period in 2017 whilst the Group's operating profit increased marginally from Rs 181.0 million to Rs 185.6 million. As shown in the segmental information disclosure, this improved profit is attributable mainly to our core business segment whose revenue increased by 13.3% for the half year period under review compared to the same period in 2017. Conversely, the revenue from our retail segment dropped by 3.8% due to lower sales to projects.

Although improving overall, our core business performance was still impacted by the negative results of our subsidiaries operating overseas.

Our share of results from associates increased for the period under review compared to the same period in 2017 due to the improved performance of our ready-mixed concrete entity.

In the light of the above, the Group's profit increased from Rs 145.7 million for the half year ended December 31, 2017 to Rs 154.7 million for the half year period under review. Earnings per share likewise increased from Rs 5.15 in 2017 to Rs 5.44 for this period.

OUTLOOK

The construction industry is expected to prosper during 2019 and beyond with several announced major public infrastructure and property development projects spanning over several years. This is promising for our future performance locally whilst the situation overseas remains challenging.

By Order of the Board

Bhooneshi Nemchand
Company Secretary

February 11, 2019

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.