

ABRIDGED STATEMENT OF FINANCIAL POSITION

	Unaudited		Audited
	As at March 31, 2023	As at March 31, 2022	As at June 30, 2022
	Rs. ' 000	Rs. ' 000	Rs. ' 000
ASSETS			
Non-current assets	4,604,596	4,588,500	4,394,790
Current assets	2,281,349	2,147,027	2,014,636
TOTAL ASSETS	6,885,945	6,735,527	6,409,426
EQUITY AND LIABILITIES			
Equity			
Equity attributable to shareholders of the parent	3,472,642	3,591,870	3,441,748
Non-controlling interests	37,755	33,412	29,660
TOTAL EQUITY	3,510,397	3,625,282	3,471,408
Non-current liabilities	1,240,099	1,476,562	1,615,533
Current liabilities	2,135,449	1,633,683	1,322,485
TOTAL EQUITY AND LIABILITIES	6,885,945	6,735,527	6,409,426

At July 1, 2022
Profit for the period
Other comprehensive income
Total comprehensive income for the period
At March 31, 2023
At July 1, 2021
Profit for the period
Other comprehensive income
Total comprehensive income for the period
Dividend
Change in percentage holding of subsidiary
At March 31, 2022

ABRIDGED STATEMENT OF CHANGES IN EQUITY

	Unaudited							Non-controlling Interests		Total
	Issued Capital	Share Premium	Associate Companies	Revaluation Reserve	Fair Value Reserve	Translation Reserve	Retained Earnings	Total	Total	
	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	-	-	-	-	-	-	18,146	18,146	7,854	26,000
Other comprehensive income	-	-	-	-	7,157	5,591	-	12,748	241	12,989
Total comprehensive income for the period	-	-	-	-	7,157	5,591	18,146	30,894	8,095	38,989
At March 31, 2023	265,100	7,354	84,993	1,861,283	24,571	12,662	1,216,679	3,472,642	37,755	3,510,397
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	-	-	-	-	-	-	92,669	92,669	11,907	104,576
Other comprehensive income	-	-	-	-	-	14,965	-	14,965	4,825	19,790
Total comprehensive income for the period	-	-	-	-	-	14,965	92,669	107,634	16,732	124,366
Dividend	-	-	-	-	-	-	-	-	(600)	(600)
Change in percentage holding of subsidiary	-	-	-	-	-	-	(71,790)	(71,790)	(24,336)	(96,126)
At March 31, 2022	265,100	7,354	109,813	1,874,102	10,980	(1,217)	1,325,738	3,591,870	33,412	3,625,282

ABRIDGED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Unaudited				Audited
	Quarter ended March 31, 2023	Quarter ended March 31, 2022	9 months ended March 31, 2023	9 months ended March 31, 2022	Year ended June 30, 2022
	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
Continuing operations					
Revenue	1,008,547	892,689	3,472,251	2,901,272	3,993,473
Operating (loss) / profit	(35,265)	(24,088)	122,269	165,446	215,696
Allowance for expected credit losses on financial assets	(4,806)	(2,062)	(12,943)	(8,221)	(23,281)
Impairment of assets	-	-	-	-	(340,686)
Gain on deemed disposal of associate	-	-	-	-	158,236
Finance income	746	1,192	746	1,396	2,090
Finance costs	(30,822)	(15,243)	(72,943)	(35,064)	(58,460)
Share of results of associates	1,463	1,749	9,852	8,945	10,678
(Loss) / profit before tax	(68,684)	(38,453)	46,981	132,502	(35,727)
Income tax (expense) / credit	(1,009)	1,851	(7,339)	(23,431)	(1,622)
(Loss) / profit for the period / year from continuing operations	(69,693)	(36,602)	39,642	109,071	(37,349)
Discontinuing operations					
Loss for the period / year from discontinuing operations	(1,961)	(3,812)	(13,642)	(4,495)	(19,364)
(Loss) / profit for the period / year	(71,654)	(40,414)	26,000	104,576	(56,713)
Other comprehensive income					
Items to be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations	(174)	18,952	5,832	19,790	30,205
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	(174)	18,952	5,832	19,790	30,205
Items not to be reclassified to profit or loss in subsequent periods:					
Net gains on equity instruments	7,157	-	7,157	-	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	7,157	-	7,157	-	83,558
Other comprehensive income for the period / year, net of tax	6,983	18,952	12,989	19,790	113,763
Total comprehensive income for the period / year, net of tax	(64,671)	(21,462)	38,989	124,366	57,050
(Loss) / profit for the period / year attributable to:					
Equity holders of the parent	(72,133)	(42,792)	18,146	92,669	(67,553)
Non-controlling interests	479	2,378	7,854	11,907	10,840
(Loss) / profit for the period / year attributable to:	(71,654)	(40,414)	26,000	104,576	(56,713)
Total comprehensive income for the period / year attributable to:					
Equity holders of the parent	(65,144)	(28,472)	30,894	107,634	37,322
Non-controlling interests	473	7,010	8,095	16,732	19,728
(Loss) / profit for the period / year attributable to:	(64,671)	(21,462)	38,989	124,366	57,050
Earnings per share (Rs)					
Basic, (loss) / profit for the period / year attributable to ordinary equity holders of the parent	(2.72)	(1.61)	0.68	3.50	(2.55)

ABRIDGED STATEMENT OF CASH FLOWS

	Unaudited	
	9 months ended March 31, 2023	9 months ended March 31, 2022
	Rs. ' 000	Rs. ' 000
Net cash flows from / (used in) operating activities	197,387	(64,162)
Net cash flows used in investing activities	(629,693)	(522,897)
Net cash flows from financing activities	501,315	175,671
Increase / (decrease) in cash and cash equivalents	69,009	(411,388)
MOVEMENT IN CASH AND CASH EQUIVALENTS		
At July 1,	(298,710)	107,328
Exchange difference	8,940	32,255
Increase / (decrease) in cash and cash equivalents	69,009	(411,388)
Movement from discontinuing operations	1,210	(5,199)
At March 31,	(219,551)	(277,004)

SEGMENTAL INFORMATION

	Unaudited				Audited
	Quarter ended March 31, 2023	Quarter ended March 31, 2022	9 months ended March 31, 2023	9 months ended March 31, 2022	Year ended June 30, 2022
	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
Revenue:					
Building materials - Core business	752,654	669,027	2,629,899	2,116,544	3,006,893
Building materials - Retail	264,815	266,771	983,413	914,470	1,200,934
Agriculture (Note 1)	85,009	20,668	195,214	97,408	123,790
Consolidation adjustments	(93,931)	(63,777)	(336,275)	(227,150)	(338,144)
Total	1,008,547	892,689	3,472,251	2,901,272	3,993,473
Operating (loss) / profit:					
Building materials - Core business	(33,500)	(16,914)	34,082	127,529	162,449
Building materials - Retail	(3,518)	4,958	55,520	61,452	70,969
Agriculture	9,604	(8,274)	44,486	(11,980)	(5,201)
Consolidation adjustments	(7,851)	(3,858)	(11,819)	(11,555)	(12,521)
Total	(35,265)	(24,088)	122,269	165,446	215,696

Note 1: The revenue for the quarter and nine months period includes the proceeds from the sale of agricultural land.

The above Unaudited Abridged Group Interim Financial Statements for the quarter and nine months ended March 31, 2023 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 nine months period ended March 31, 2023 increased by 19.7% (+Rs 571.0 million) compared to that of the same period in 2022. As shown in the segmental information disclosure, this rise in revenue was 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 five months in 2022, contributed Rs 297.4 million to the increased Group revenue for the period.

Our Group operating profit for the nine months period under review decreased from Rs 165.4 million to Rs 122.3 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 labour costs, electricity charges, quarrying costs and repairs and maintenance. Our local core business performance was also adversely impacted by the bad weather conditions prevailing during the last quarter. Furthermore, our profitability was also impacted by the inherent lower profit margin of our ready-mixed concrete activity, compared to that of our stone crushing activities.

Despite an increase of 7.5% in revenue, the profitability of our retail segment was lower than in 2022 due to an increase in staff costs, rental charges, marketing and selling expenses. Conversely, the operating result of our agricultural segment was significantly better than in 2022 due to an exceptional profit of Rs 38.3 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 nine months period under review increased by 10.1% compared to that of the same period in 2022.

Our finance costs increased significantly for both the quarter and nine months period under review due to a significant increase in borrowings resulting from the financing of investments, capital expenditure and working capital needs, and to the recent successive increases in interest rates.

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 104.6 million for the nine months period ended March 31, 2022 to Rs 26.0 million for the nine months period under review. Earnings per share likewise decreased from Rs 3.50 in 2022 to Rs 0.68 for the period under review.

OUTLOOK

On March 29, 2023 the company acquired 90.53% of shares in Flacq Associated Stonemasters Limited (FAST) for Rs 244.8 million, bringing its shareholding to 100%. This transaction is expected to generate value by enabling the enhancement of synergies within the group.

Our future performance relies on close cost control and improved efficiency as well as on the level of property development projects and on the timely realisation of announced government infrastructure projects. Based on our forecasts to June 2023, the net operating result for the last quarter of the current financial year is expected to be better than the third quarter, although the business environment remains challenging.

By Order of the Board

Christophe Quevauvilliers
Company Secretary

May 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.