



EVACO LTD
ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE ENDED
30 JUNE 2024
DOMICILED IN THE REPUBLIC OF MAURITIUS
BRN: C06040742

COMMENTS

STATEMENT OF PROFIT AND LOSS & OTHER COMPREHENSIVE INCOME

	GROUP		COMPANY	
	Year Ended 30 June 2024 Rs'000 Audited	Year Ended 30 June 2023 Rs'000 Audited	Year Ended 30 June 2024 Rs'000 Audited	Year Ended 30 June 2023 Rs'000 Audited
Revenue	758,754	1,043,474	75,936	55,736
Operating profit	108,536	175,907	35,853	27,499
Finance costs	(77,010)	(69,266)	(27,018)	(16,237)
EBT	31,526	106,641	8,835	11,262
Taxation	(26,828)	(17,819)	(1,205)	(4,197)
EAT	4,698	88,822	7,630	7,065
Other comprehensive income	25,887	5,269	(417,799)	(438,910)
Total comprehensive income	30,585	94,091	(410,169)	(431,845)
Earnings per share	306	941	(4,102)	(4,318)

SEGMENTAL INFORMATION

	Revenue		Earnings After Tax	
	Year Ended 30 June 2024 Rs'000 Audited	Year Ended 30 June 2023 Rs'000 Audited	Year Ended 30 June 2024 Rs'000 Audited	Year Ended 30 June 2023 Rs'000 Audited
EVACO Ltd & Corporate	81,417	57,633	8,821	337
EVACO Property Development	1,108,961	1,598,447	945	69,812
EVACO Property Management	89,616	99,576	(19,353)	5,386
EVACO Services	212,657	159,926	7,800	19,993
EVACO Leisure	93,978	71,816	17,220	7,242
EVACO Worldwide	-	-	(3,731)	(343)
Consolidation Adjustments	(827,875)	(943,924)	(7,004)	(13,605)
	758,754	1,043,474	4,698	88,822

STATEMENT OF FINANCIAL POSITION

	GROUP		COMPANY	
	As at 30 June 2024 Rs'000 Audited	As at 30 June 2023 Rs'000 Audited Restated	As at 30 June 2024 Rs'000 Audited	As at 30 June 2023 Rs'000 Audited Restated
ASSETS				
Non-current assets	658,358	649,045	3,090,772	3,423,314
Current assets:				
WIP & Inventories	2,476,201	1,719,128	-	-
Land under development	562,468	637,995	-	-
Others	556,969	594,526	1,310,966	1,037,523
	4,253,996	3,600,694	4,401,738	4,460,837
EQUITY AND LIABILITIES				
Share capital	100,000	100,000	100,000	100,000
Capital contribution from ultimate shareholder	30,707	30,707	30,707	30,707
Retained Earnings	395,376	352,199	399,820	362,190
Other reserves	160,717	135,170	1,688,950	2,106,749
Attributable to owners of the company	686,800	618,076	2,219,477	2,599,646
Non-controlling interests	(51,577)	(43,098)	-	-
Total equity	635,223	574,978	2,219,477	2,599,646
Non-current liabilities	1,273,719	1,543,840	784,935	1,234,150
Current liabilities	2,345,054	1,481,876	1,397,325	627,041
Total equity and liabilities	4,253,996	3,600,694	4,401,738	4,460,837

STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Group								
	Share capital	Capital contribution from ultimate shareholder	Retained earnings	Other reserves			Owners' interests	Non-controlling interests	Total Equity
	Rs'000	Rs'000	Rs'000	Translation Reserves	Actuarial Reserves	Revaluation Reserves	Rs'000	Rs'000	Rs'000
Balance at 01 July 2023	100,000	30,707	352,199	20,823	14,536	99,811	618,076	(43,098)	574,978
Profit for the period	-	-	13,177	-	-	-	13,177	(8,479)	4,698
Other comprehensive income	-	-	-	233	(283)	25,597	25,547	-	25,547
Reversal of dividend	-	-	30,000	-	-	-	30,000	-	30,000
Balance at 30 June 2024	100,000	30,707	395,376	21,056	14,253	125,408	686,800	(51,577)	635,223

STATEMENT OF CASH FLOWS

	GROUP		COMPANY	
	As at 30 June 2024 Rs'000 Audited	As at 30 June 2023 Rs'000 Audited	As at 30 June 2024 Rs'000 Audited	As at 30 June 2023 Rs'000 Audited
Net cash used in operating activities	(419,409)	(540,186)	(172,906)	3,241
Net cash used in investing activities	(34,565)	(23,398)	305	(3,764)
Net cash generated/(used) in financing activities	242,808	356,823	219,598	(11,731)
Net decrease in cash and cash equivalents	(211,169)	(206,761)	46,994	(12,254)
Cash and cash equivalents at start of period	(607,652)	(400,891)	(98,477)	(86,223)
Cash and cash equivalents at end of period	(818,821)	(607,652)	(51,481)	(98,477)

COMPANY

	Attributable to owners of the Company								
	Share capital	Capital contribution from ultimate shareholder	Retained earnings	Other reserves			Owners' interests	Non-controlling interests	Total Equity
	Rs'000	Rs'000	Rs'000	Translation Reserves	Actuarial Reserves	Revaluation Reserves	Rs'000	Rs'000	Rs'000
Balance at 01 July 2023	100,000	30,707	362,190	-	6,338	2,100,411	2,599,646	-	2,599,646
Profit for the period	-	-	7,630	-	-	-	7,630	-	7,630
Other comprehensive income	-	-	-	-	(1,499)	(416,300)	(417,799)	-	(417,799)
Reversal of dividend	-	-	30,000	-	-	-	30,000	-	30,000
Balance at 30 June 2024	100,000	30,707	399,820	-	4,839	1,684,111	2,219,477	-	2,219,477

Principal activity

EVACO Ltd (the "Company") is incorporated and domiciled in the Republic of Mauritius having its registered office and principal place of business located at Riviere Citron, 20101, Arsenal, Mauritius. The main activities of the company and its subsidiaries are related to; Property Development & Management (classified under EVACO Property); Business & Commercial Services (classified under EVACO Services); Recreational activities (classified under EVACO Leisure); and International Property Development (classified under EVACO Worldwide).

Results for the year ended 30 June 2024

For the year ending 30th of June 2024, the Group recognised revenue amounting to Rs 759M with a profit before tax of Rs 31.5M. The decrease in turnover compared to 2023 is attributed to two main factors:

- The first factor is the administrative delays from the authorities. There has been a significant delay in processing the necessary approval applications for the signature of the title deeds. Previously, the average processing time was 1 month but over the past year, it has been extended to 6 months. This has resulted in the postponement of the signing of several title deeds to the next financial year.
- The second factor is some delays in the project's progress mainly due to a labor shortage on the island and disruptions in supply chains.

The property market is still very active, and our projects are highly attractive for clients seeking a retirement or holiday home, or a valuable investment opportunity. We have managed to secure more than Rs 1 billion of sales and reservation during this financial year in Cap Marina and Nautica villas projects.

The Company Other comprehensive loss for the year relates to a loss in the fair value of investments in its subsidiaries. The valuation is realised on the DCF method which considers the present value of expected future cashflows. The loss is mainly attributable to the revised delivery periods on the different phases of Cap Marina as detailed in the review of activities below.

The Company have made significant upfront investments in the infrastructure of Cap Marina and Croatia projects at the beginning, in anticipation of future returns. Unfortunately, due to delays, primarily caused by the COVID-19 pandemic, the completion of the first phases of Cap Marina was postponed, which in turn delayed the expected revenue. This situation has resulted in a mismatch in cash flow timing. Despite these short-term challenges, Evaco remains a strong, viable, and profitable business.

Looking ahead, the sales forecast for the upcoming two years projects a positive impact on cash flow. As construction advances and more milestones are achieved, anticipated sales will begin to materialize, thus alleviating the negative cash flow situation.

The total assets of the Group increased by Rs653m over the year to 30 June 2024 mainly due to infrastructure works on the Cap Marina & Croatia projects.

Review of activities

The progress in terms of units built and delivered is as per below:

- The first phase of the Cap Marina Project comprising of 25 Harmony villas is completed and delivered;
- The deliveries of the second phase of Cap Marina comprising of 24 units have started since end of 2023;
- The deliveries of the 37 Secret suites will start as from mid of 2025;
- The deliveries of the fourth phase comprising of 21 units have been re-scheduled to mid 2025;
- The construction of the fifth phase comprising of 50 town houses is now planned to be delivered as from Feb 2025;
- The construction of the sixth phase comprising of 9 marina villas is progressing as planned with delivery as from end 2025;
- The construction of the Signature villas has started with planned deliveries as from beginning 2025;
- The construction of the general infrastructure works is still ongoing.

Earnings per share

The calculation of earnings per share is based on the profit attributable to shareholders and the number of shares in issue of 100,000 (June 2023: 100,000)

Revaluation of investments

The Company has opted to report investment in subsidiaries at fair value as from the year ending 30 June 2021 in accordance with IFRS 13. A fair value loss was recognised for the year under review mainly due to an increase in construction rates as compared to the previous year.

Redemption of Notes

The Company has 5-year Redeemable Secured Floating Rates Notes ("listed Bonds") classified under Borrowings in its financial statements, amounting to Rs 650 million at 30 June 2024 (30 June 2023: Rs 650 million) issued since 2019. The main purpose of this debt was to finance the Group's infrastructure costs for Cap Marina, land for Croatia as well as to redeem existing loan notes held by Evaco Ltd. These redeemable notes are maturing on 19 November 2024.

In view of the repayment of these notes, the Company has entered a financing arrangement (the "proposed transaction") with SBM Capital Markets Ltd ("SBMCM"), a wholly owned subsidiary of SBM (NBFC) Holdings Ltd. SBMCM is acting as transaction advisor and bookrunner for this proposed transaction. As at date, SBMCM has already contracted firm investors to secure the required amount of a minimum amount of Rs 650 million in the form of a 5-year fixed rate notes. At the date of approval of these consolidated financial statements, the directors are confident that the bond maturing on the 19th of November 2024 will be settled in full on the final payment due date which is 26 November 2024.

Others

The above abridged audited consolidated financial statements are issued pursuant to the Listing Rule 12.20 and the Securities Act 2005.

Copies of the above abridged audited consolidated financial statements are available, free of charge, upon request made to the Company Secretary at the Head Office, Riviere Citron, 20101, Arsenal.

The statement of direct and indirect interests of insiders pursuant to the rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available, free of charge, upon request made to the Company Secretary.

By Order of the Board

Company Secretary

15th November 2024