

**PROPERTY CLUSTER**



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**NEW OPERATING MODEL**



**STATEMENT OF FINANCIAL POSITION**

	Group	
	2018	2017
	Rs'000	Rs'000
<b>ASSETS</b>		
Non-current assets	295,207	310,640
Current assets	779,327	802,353
<b>Total assets</b>	<b>1,074,534</b>	<b>1,112,993</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital &amp; Reserves</b>		
Stated Capital	100,000	100,000
Retained earnings	353,256	493,756
<b>Attributable to owners of the company</b>	<b>453,256</b>	<b>593,756</b>
Non-controlling interests	(12,184)	(14,099)
<b>Total equity</b>	<b>441,072</b>	<b>579,657</b>
Non-Current Liabilities	293,688	242,144
Current liabilities	339,774	291,192
<b>Total equity and liabilities</b>	<b>1,074,534</b>	<b>1,112,993</b>

**STATEMENT OF CASH FLOWS**

	Group	
	Year ended	Year ended
	June 30,	June 30,
	2018	2017
	Rs'000	Rs'000
Net cash from/(used in) operating activities	7,388	(2,782)
Net cash used in investing activities	(39,789)	(34,606)
Net cash from financing activities	35,259	21,086
Net increase/(decrease) in cash and cash equivalents	2,858	(16,302)
Gain/(loss) on foreign exchange on cash & cash equivalent	(517)	3
Cash and cash equivalents at beginning of the year	(50,126)	(33,827)
Cash and cash equivalents at end of the year	<b>(47,785)</b>	<b>(50,126)</b>

**STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME**

	Group	
	Year ended	Year ended
	June 30,	June 30,
	2018	2017
	Rs'000	Rs'000
Revenue	605,791	661,306
Operating profit / (loss)	(99,504)	138,245
Finance costs	(14,598)	(30,783)
Profit / (loss) before taxation	(114,102)	107,462
Taxation	(1,998)	(21,611)
Profit / (loss) for the year	(116,100)	85,851
Discontinued operations	(21,947)	(10,640)
(Loss) / Profit for the year	(138,047)	75,211
Other comprehensive income / (loss)	(537)	334
Total comprehensive profit / (loss) for the year	(138,584)	75,545
Earnings / (loss) per share	(1.38)	0.755

**STATEMENT OF CHANGES IN EQUITY**

Group	Attributable to owners of the Company					Total Equity
	Stated capital	Capital contribution from ultimate shareholder	Retained earnings	Total	Non Controlling interests	
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
<b>Balance at 1 July 2016</b>	100	-	494,363	494,463	-	494,463
Increase in stated capital	99,900	-	(99,900)	-	(21,058)	(21,058)
Profit / (Loss) for the year	-	-	73,954	73,954	1,257	75,211
Other comprehensive income	-	-	334	334	-	334
Total comprehensive income / (loss) for the period	-	-	74,288	74,288	1,257	75,545
Reclassification	-	30,707	(5,702)	25,005	5,702	30,707
<b>Balance at 30 June 2017</b>	<b>100,000</b>	<b>30,707</b>	<b>463,049</b>	<b>593,756</b>	<b>(14,099)</b>	<b>579,657</b>
<b>Balance at 1 July 2017</b>	<b>100,000</b>	<b>30,707</b>	<b>463,049</b>	<b>593,756</b>	<b>(14,099)</b>	<b>579,657</b>
Profit / (Loss) for the year	-	-	(139,962)	(139,962)	1,915	(138,047)
Other comprehensive loss	-	-	(537)	(537)	-	(537)
Total comprehensive income / (loss) for the period	-	-	(140,499)	(140,499)	1,915	(138,584)
<b>Balance at 30 June 2018</b>	<b>100,000</b>	<b>30,707</b>	<b>322,550</b>	<b>453,256</b>	<b>(12,184)</b>	<b>441,072</b>

**COMMENTS**

**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 & Services; Leisure & Hospitality; Construction/Contracting & Manufacturing Services.

**Results**

Revenue for the year ended 30 June 2018 amounted to Rs 605.8M, which represents a decrease of 7% when compared to the prior year ended 30 June 2017 (Rs 661.3M).

Revenue for the period relates to property and construction cluster of Rs 469.7M and leisure & hospitality cluster of Rs 136M.

Accrued in the loss of Rs 138.6M at Group level, an amount of Rs 21.9M relates to the discontinuing activity of EVAJET, a company formerly involved in business aircraft operations.

**Review of activities**

The substantial operational loss incurred in the year under review (Rs 116M) can be attributed to the fact that some of our current secured property projects (93 units in all for a total value of Rs 2.2B) had seen their construction phases delayed by more than 1 year. This initial construction delay, being inherent to Project based companies, will be having a limited impact on the overall lifespan and profitability of the said projects. As such our profitability forecast linked to these projects do remain in line with our projections.

These initial construction delays were mainly due, but not only limited to: -

- External non controllable factors such as adverse weather conditions prevailing during the first 4 calendar months of 2018.
- Shortage and inadequacy of qualified local labour coupled with the challenges faced to import foreign labour.

In order to ensure that our profitability objectives are being met during the financial year 2018-2019, a new Group Operating Structure has been designed and implemented, with the recruitment of a new Group COO together with new General Managers and Business Units Leaders. The new organization encompass new Structures, Processes and People with a clear segregation between the Group's Construction / Contracting / Manufacturing capabilities and those of the Group's Property & Services as well as the Leisure & Hospitality Clusters ones.

This new operational model is already bringing positive results with a significant acceleration in our overall unit's delivery. Phase A of the Clos du Littoral II (CDLII) project is scheduled to be completely delivered to owners in September 2018. Phase B of CDLII is also well under way and as at the 30th of June 2018, the project was at a progress of works of 44% with the first units scheduled to be delivered in December 2018. Phase C of CDLII is in the initial phase of infrastructure construction with the first foundation works starting as from October 2018.

The Group has achieved excellent results in sales. To date, 73% of Le Clos du Littoral Phase II project has been sold.

As at 30th June 2018, total secured sales reached Rs 953M representing an increase of 31.4% over last year.

**Future Projects**

In June 2018, the EVACO Group launched its latest product/ brand on the Mauritian Market; the **SECRET Private Luxury Villa Resorts**. From its unique architecture to its interior decoration conceived in the finest detail, every SECRET villa is a jewel of sophistication that perfectly combines luxury and refinement. The harmonious combination of quality materials with seamless lines and technological innovations, enable the SECRET's villas to form part of an unparalleled concept of exclusive luxury hotel. As at to date the pre-sales levels of the Secret Private Luxury Villa Resorts are well above expectations, confirming the market readiness for such project.

**Others**

The abridged audited consolidated financial statements have been extracted from the Group audited financial statements for the year ended 30 June 2018, which have been prepared in accordance with International Reporting Standards and have been audited by Cays Associates Public Accountants. Cays Associates have issued their unqualified audit opinion on the Group's audited financial statements for the year ended 30 June 2018.

The directors are not aware of any matters or circumstances arising subsequent to the year ended 30 June 2018 that require any additional disclosure or adjustments to the financial statements.

The Board of Directors of the Company accepts full responsibility for the accuracy of the information contained in this notice.

The abridged audited consolidated financial statements are pursuant to Listing Rule 12.14 and the Securities Act 2005.

Copies of the above abridged audited financial statements are available, free of charge, upon request made to the Company Secretary, Box Office Ltd, 2nd Floor Palm Square, 90906 La Mivoie, Tamarin.

The statement of direct and indirect interests of insiders pursuant to 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**

**BOX OFFICE LTD**  
**Company Secretary**  
**27<sup>th</sup> September 2018**  
**BRN: C006040742**