### HOTELEST LIMITED AND ITS SUBSIDIARIES

Abridged audited financial statements for the year ended 31 December 2020

STATEMENT OF PROFIT OR LOSS				
	Dec 2020	Dec 2019		
THE GROUP - (MUR'000)	Audited	Audited		
Revenue	1,583,508	3,516,913		
Earnings before interest, taxation, depreciation and amortisation	210,468	976,233		
Allowance reversed/(raised) on expected credit losses:				
- on trade receivables	5,282	(11,178)		
- on financial assets at amortised costs	-	(88,002)		
Depreciation and amortisation	(577,045)	(543,703)		
Operating (loss)/profit	(361,295)	333,350		
Finance income	15,472	17,602		
Finance costs	(541,928)	(544,100)		
Share of results of associates	(1,772)	92,575		
Loss before taxation and non-recurring items	(889,523)	(100,573)		
Impairment of Goodwill	(504,377)	-		
Other non-recurring items	-	(41,863)		
Loss before taxation	(1,393,900)	(142,436)		
Income tax expense	(27,276)	3,670		
Loss for the year	(1,421,176)	(138,766)		
Attributable to:				
Owners of the parent	(724,289)	(74,681)		
Non-controlling interests	(696,887)	(64,085)		
	(1,421,176)	(138,766)		
Basic and diluted loss per share (MUR)	(12.95)	(1.34)		
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME				

THE GROUP - (MUR'000)	Dec 2020	Dec 2019			
	Audited	Audited			
Loss for the year	(1,421,176)	(138,766)			
Other comprehensive income for the year	260,516	83,094			
Total comprehensive income for the year	(1,160,660)	(55,672)			
Attributable to:					
Owners of the parent	(592,862)	(33,263)			
Non-controlling interests	(567,798)	(22,409)			
	(1,160,660)	(55,672)			
STATEMENT OF FINANCIAL POSITION					

#### STATEMENT OF FINANCIAL POSITIO

THE GROUP - (MUR'000) Assets	Dec 2020 Audited	Dec 2019 Audited			
Non-Current Assets					
Property, plant and equipment	8,265,139	8,237,098			
Right-of-use assets	4,258,884	3,479,116			
Intangible assets	14,068	502,949			
Investments in associates	2,077,053	1,754,239			
Financial assets at amortised cost		53,906			
Deferred tax assets	78,375	96,770			
	14,693,519	14,124,078			
Current Assets	915,946	1,393,177			
Total Assets	15,609,465	15,517,255			
Equity and Liabilities					
Owners' interest	2,452,740	3,045,601			
Non-controlling interests	2,349,646	2,940,176			
Total equity	4,802,386	5,985,777			
Non-Current Liabilities					
Borrowings	3,968,283	2,748,198			
Lease Liabilities	3,829,714	2,910,052			
Deferred tax liabilities	42,350	44,870			
Retirement benefit obligations	316,435	270,259			
	8,156,782	5,973,379			
Current Liabilities	2,650,297	3,558,099			
Total Liabilities	10,807,079	9,531,478			
Total Equity and Liabilities	15,609,465	15,517,255			
• •					
Net Asset Value per share (MUR)	43.86	54.46			
STATEMENT OF CASH FLOW					

# COMMENTS 1. Principal activity

The only activity of Hotelest Limited is to hold 51% of the share capital of Constance Hotels Services Limited (CHSL).

### 2. Consolidation and Accounting Standards

The financial statements comply with the Companies Act 2001 and Financial Reporting Act 2004 and have been prepared in accordance with International Financial Reporting Standards effective for the year under review. The financial statements for the year ended 31 December 2020 are audited by Ernst and Young. The impact of COVID-19 coupled with the change in external auditors have considerably delayed the presentation of the Abridged Audited Financial Statement for the year ended 31 December 2020.

#### 3. General Comments

2020 has been completely overshadowed by the COVID-19 pandemic which has wreaked havoc, on an unprecedented scale, to human life, economies and industries across the globe; the tourism industry, probably, being the hardest hit with consumer travel brought to a complete halt through national curfews and lockdowns, flight suspensions and closure of borders.

CHSL has persevered throughout 2020, with the implementation of its disaster preparedness and business continuity plan, with the opening of its hotels, where possible, to drive occupancy and raise revenue; the containment of costs and, putting in place relief measures with its providers of finance as well as Government Support Programmes.

#### 4. Results

As a result of the travel restrictions which affected the countries where the Group operates, revenue fell significantly from MUR 3,517 million in 2019 to MUR 1,584 million in 2020. With cost containment measures undertaken during the year and the support of the wage assistance scheme, EBITDA was MUR 210 million, down from MUR 976 million last year.

Both depreciation and finance cost were higher in 2020 following the finalisation of the Rights-of-Use and Lease Liability of C Mauritius.

Goodwill, that arose on the acquisition of a subsidiary in the Maldives, was fully impaired during the year as a result of the expected reduced cash flow from its cash-generating unit following the pandemic.

CHSL's associate in the Seychelles performed well with one of its resort fully booked by a special group for most of the last semester. The share of associates result was however reduced to a loss of MUR 1.8 million following the partial impairment of the underlying assets of CHSL's associate in Madagascar.

After booking tax charge of MUR 27.3 million, loss for the year was MUR 1.4 billion (2019: MUR 138.8 million).

## By order of the Board

#### La Gaieté Services Ltd Secretary

## 16 December 2021

The statement of direct and indirect interests of officers pursuant to rule 8(2)(m) of the Securities (Disclosure obligations of Reporting Issuers) Rules 2007 is available free of charge upon request from the Company Secretary, La Gaieté Services Ltd, 5th Floor, Labama House, 35 Sir William Newton Street, Port Louis. The financial statements are issued pursuant to DEM Listing Rule 18 and Securities Act 2005. The Board of Hotelest Limited accepts full responsibility for the accuracy of these financial statements. Copies of this abridged audited financial statements are available to the public free of charge at 5th floor, Labama House, 35 Sir William Newton Street, Port Louis,

CECCRAPHICAL INFORMATION

BRN: C06014126

IMENT OF CASH FLOW	GEOGRAFIICAL INFORMATION
	Revenue from external
	customers

	Dec 2020	Dec 2019	THE GROUP - (MUR'000)	Dec 2020	Dec 2019
THE GROUP - (MUR'000)	Audited	Audited	Mauritius	845,086	1,909,230
Net cash (used in)/generated from operating activities	(49,906)	643,353	Maldives	738,422	1,607,683
Net cash generated from/(used in) investing activities	11,325	(399,512)	Total	1,583,508	3,516,913
Net cash used in financing activities	(148,748)	(194,917)		Total Assets	
Net (decrease)/increase in cash and cash equivalents	(187,329)	48,924		Dec 2020	Dec 2019
Foreign exchange difference	6,012	3,121	Mauritius	9,674,064	8,964,099
Cash and cash equivalents at beginning of the year	(384,152)	(436,197)	Maldives	5,935,401	6,553,156
Cash and cash equivalents at end of the year	(565,469)	(384,152)	Total	15,609,465	15,517,255

STATEMENT OF CHANGES IN EQUITY
--------------------------------

THE GROUP - (MUR'000)	Attributable to owners of the parent					
	Stated capital	Revaluation and other reserves	Retained earnings	Owners' interest	Non-controlling interests	Total equity
At January 1, 2020	1,102,001	1,682,572	261,028	3,045,601	2,940,176	5,985,777
Loss for the year	-	-	(724,289)	(724,289)	(696,887)	(1,421,176)
Other comprehensive income for the year	-	131,428	-	131,428	129,088	260,516
Dividends		-	-	-	(22,731)	(22,731)
At December 31, 2020	1,102,001	1,814,000	(463,261)	2,452,740	2,349,646	4,802,386
At January 1, 2019	1,102,001	1,641,154	335,709	3,078,864	3,004,856	6,083,720
Loss for the year	-	-	(74,681)	(74,681)	(64,085)	(138,766)
Other comprehensive income for the year	-	41,418	-	41,418	41,676	83,094
Dividends		<u>-</u>		-	(42,271)	(42,271)
At December 31, 2019	1,102,001	1,682,572	261,028	3,045,601	2,940,176	5,985,777
	1,102,001	<u> </u>	- - 261,028		(42,271)	(42,271)