

## HOTELEST LIMITED AND ITS SUBSIDIARIES

### Abridged audited financial statements for the year ended 31 December 2020

STATEMENT OF PROFIT OR LOSS			COMMENTS
	Dec 2020 Audited	Dec 2019 Audited	
<b>THE GROUP - (MUR'000)</b>			<b>1. Principal activity</b>
Revenue	1,583,508	3,516,913	The only activity of Hotelest Limited is to hold 51% of the share capital of Constance Hotels Services Limited (CHSL).
Earnings before interest, taxation, depreciation and amortisation	210,468	976,233	<b>2. Consolidation and Accounting Standards</b>
Allowance reversed/(raised) on expected credit losses:			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.
- 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)	<b>3. General Comments</b>
Impairment of Goodwill	(504,377)	-	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.
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)	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.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
	Dec 2020 Audited	Dec 2019 Audited
<b>THE GROUP - (MUR'000)</b>		
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		
	Dec 2020 Audited	Dec 2019 Audited
<b>THE GROUP - (MUR'000)</b>		
<b>Assets</b>		
<b>Non-Current Assets</b>		
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
<b>Current Assets</b>	915,946	1,393,177
<b>Total Assets</b>	15,609,465	15,517,255
<b>Equity and Liabilities</b>		
Owners' interest	2,452,740	3,045,601
Non-controlling interests	2,349,646	2,940,176
<b>Total equity</b>	4,802,386	5,985,777
<b>Non-Current Liabilities</b>		
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
<b>Current Liabilities</b>	2,650,297	3,558,099
<b>Total Liabilities</b>	10,807,079	9,531,478
<b>Total Equity and Liabilities</b>	15,609,465	15,517,255
Net Asset Value per share (MUR)	43.86	54.46

STATEMENT OF CASH FLOW		
	Dec 2020 Audited	Dec 2019 Audited
<b>THE GROUP - (MUR'000)</b>		
Net cash (used in)/generated from operating activities	(49,906)	643,353
Net cash generated from/(used in) investing activities	11,325	(399,512)
Net cash used in financing activities	(148,748)	(194,917)
Net (decrease)/increase in cash and cash equivalents	(187,329)	48,924
Foreign exchange difference	6,012	3,121
Cash and cash equivalents at beginning of the year	(384,152)	(436,197)
Cash and cash equivalents at end of the year	(565,469)	(384,152)

STATEMENT OF CHANGES IN EQUITY						
Attributable to owners of the parent	Revenue from external customers					
	Dec 2020 Audited	Dec 2019 Audited	THE GROUP - (MUR'000)	Dec 2020	Dec 2019	
Net cash (used in)/generated from operating activities	(49,906)	643,353	Mauritius	845,086	1,909,230	
Net cash generated from/(used in) investing activities	11,325	(399,512)	Maldives	738,422	1,607,683	
Net cash used in financing activities	(148,748)	(194,917)	Total	1,583,508	3,516,913	
Net (decrease)/increase in cash and cash equivalents	(187,329)	48,924		<b>Total Assets</b>		
Foreign exchange difference	6,012	3,121	Mauritius	Dec 2020	Dec 2019	
Cash and cash equivalents at beginning of the year	(384,152)	(436,197)	Maldives	9,674,064	8,964,099	
Cash and cash equivalents at end of the year	(565,469)	(384,152)	Total	5,935,401	6,553,156	
				15,609,465	15,517,255	
<b>THE GROUP - (MUR'000)</b>						
At January 1, 2020	1,102,001	1,682,572	Retained earnings	261,028	3,045,601	2,940,176
Loss for the year	-	-	Owners' interest	(724,289)	(696,887)	(1,421,176)
Other comprehensive income for the year	-	131,428	Non-controlling interests	131,428	129,088	260,516
Dividends	-	-		-	(22,731)	(22,731)
<b>At December 31, 2020</b>	<b>1,102,001</b>	<b>1,814,000</b>		<b>2,452,740</b>	<b>2,349,646</b>	<b>4,802,386</b>
At January 1, 2019	1,102,001	1,641,154	Retained earnings	335,709	3,078,864	3,004,856
Loss for the year	-	-	Owners' interest	(74,681)	(74,681)	(64,085)
Other comprehensive income for the year	-	41,418	Non-controlling interests	41,418	41,676	83,094
Dividends	-	-		-	(42,271)	(42,271)
<b>At December 31, 2019</b>	<b>1,102,001</b>	<b>1,682,572</b>		<b>3,045,601</b>	<b>2,940,176</b>	<b>5,985,777</b>

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