

# COMPAGNIE DE BEAU VALLON LIMITEE AND ITS SUBSIDIARIES

## UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2020

### UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION

	THE GROUP		
	Quarter ended		Year Ended
	31 March 2020	31 March 2019	31 December 2019
	Rs'000	Rs'000	Rs'000
	Unaudited	Unaudited	Audited
<b>ASSETS</b>			
Non-current assets	11,042,999	9,893,625	11,192,144
Current assets	485,116	376,327	575,699
Non-current assets classified as held for sale	66,135	72,927	75,014
<b>Total assets</b>	<b>11,594,250</b>	<b>10,342,879</b>	<b>11,842,857</b>
<b>EQUITY AND LIABILITIES</b>			
Owners' interests	5,473,951	4,482,618	5,500,653
Non-controlling interests	954,671	852,191	961,688
Non-current liabilities	3,286,966	3,634,390	3,106,612
Current liabilities	1,878,662	1,373,680	2,273,904
<b>Total equity and liabilities</b>	<b>11,594,250</b>	<b>10,342,879</b>	<b>11,842,857</b>

### UNAUDITED CONDENSED STATEMENT OF CASHFLOWS

	THE GROUP		
	Quarter ended		Year Ended
	31 March 2020	31 March 2019	31 December 2019
	Rs'000	Rs'000	Rs'000
	Unaudited	Unaudited	Audited
Net cash (used in)/generated from operating activities	(28,585)	9,587	(449,140)
Net cash generated from/ (used in) investing activities	120,703	(158,014)	381,875
Net cash generated from/ (used in) financing activities	23,925	(6,313)	155,272
Increase/(decrease) in cash and cash equivalents	116,043	(154,740)	88,007
<b>Movement in cash and cash equivalents</b>			
At 1 January,	(312,183)	(400,190)	(400,190)
Increase/(decrease)	116,043	(154,740)	88,007
At 31 March/31 December,	(196,140)	(554,930)	(312,183)

### NOTES

- The interim condensed financial statements for the quarter ended 31 March 2020 are unaudited. The accounting policies and standards used in the preparation of these interim condensed financial statements are consistent with those used in the audited financial statements for the year ended 31 December 2019, except for the adoption of interim amendments to published Standards and Interpretations issued now effective. This interim report complies with IAS 34 "Interim Financial Reporting".
- The activities of the company consist of investment holding, growing and cultivation of sugar cane and other agricultural products. The subsidiaries are engaged mainly in agricultural, hotel keeping and catering activities. Due to the seasonal nature of the business in which the company operates, sugar revenue is mainly generated during harvest season, that is between July and December.
- Performance review:
  - The revenue of the group for the quarter ended 31 March 2020 amounted to Rs 204m compared to Rs 96m last year. This is mainly due to the re-opening of Preskil Island Resort coupled with improved yield in terms of higher room rates at Solana Beach. However, with the outbreak of Covid-19 pandemic and worldwide travel restrictions, the Group's revenue has been negatively impacted since the month of March 2020. The group's resorts had to cease operations since end of March 2020 following the closure of the Mauritian borders and the suspension of commercial flights.
  - For the quarter under review, operating loss amounted to Rs 31m compared to Rs 17m last year. Operating results for the Agro segment have been negatively impacted by an unfavourable variance of Rs 29m arising from the fair value movement in standing cane coupled with an increase in depreciation and amortisation charge.

### UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	THE GROUP		
	Quarter ended		Year Ended
	31 March 2020	31 March 2019	31 December 2019
	Rs'000	Rs'000	Rs'000
	Unaudited	Unaudited	Audited
Revenue	204,245	95,584	920,211
Operating loss before impairment of bearer plants and intangible assets	(28,205)	(13,351)	(71,992)
Impairment of bearer plants	(2,599)	(3,897)	(23,111)
Impairment of intangible assets	-	-	(32,764)
Operating loss	(30,804)	(17,248)	(127,867)
Increase in fair value of investment property	-	-	37,791
Other income	4,507	2,173	19,199
	(26,297)	(15,075)	(70,877)
Finance costs - Borrowings	(69,355)	(41,002)	(212,948)
Finance costs - Right-of-use assets	(5,727)	-	(23,312)
Share of result of associates	2,311	1,547	(5,388)
Loss before exceptional items	(99,068)	(54,530)	(312,525)
Exceptional items	81,666	17,851	353,431
Closure costs	(7,220)	(45,818)	(59,775)
Loss before taxation	(24,622)	(82,497)	(18,869)
Taxation	(5,023)	6,329	25,267
(Loss)/profit for the period	(29,645)	(76,168)	6,398
Other comprehensive income	(4,074)	(873)	1,044,093
Total comprehensive income for the period	(33,719)	(77,041)	1,050,491
<b>(Loss)/profit attributable to:</b>			
Owners of the parent	(22,703)	(64,342)	52,103
Non-controlling interests	(6,942)	(11,826)	(45,705)
	(29,645)	(76,168)	6,398
<b>Total comprehensive income attributable to:</b>			
Owners of the parent	(26,702)	(65,288)	952,747
Non-controlling interests	(7,017)	(11,753)	97,744
	(33,719)	(77,041)	1,050,491
(Loss)/earnings per share	Rs. (480.18)	(1,360.87)	1,102.01
Number of ordinary shares	47,280	47,280	47,280

As far as the hospitality segment is concerned, operating results for the quarter under review improved from a loss of Rs 2m last year to a profit of Rs 42m this year.

- Net finance costs for the first quarter 2020 amounted to Rs 75m and related mostly to additional debt taken to finance the renovation of Preskil Island Resort and interest expense on lease following implementation of IFRS 16.
  - Exceptional items of Rs 82m for the first quarter of year 2020 related to a profit on sale of land.
  - Following the closure of the Group's resorts on 20 March 2020 due to Covid-19 pandemic, an amount of Rs 7m has been recognised as closure costs.
  - All the above factors have resulted in a loss before tax of Rs 25m for the quarter ended 31 March 2020 compared to Rs 82m last year.
  - The sugar industry of Mauritius remains under pressure due to low sugar prices on both European and world markets as well as increased costs of production. The Government of Mauritius has commissioned a study from the World Bank aiming at restructuring the sugar sector in Mauritius with a series of mitigating and support measures that are expected to be finalised before year end 2020. A biomass framework is under consideration by the Authorities and its application should contribute to the sustainability of the sugarcane industry.
- SPECIAL NOTE:**  
With the uncertainty regarding the re-opening of the Mauritian borders and the pandemic still active in our main markets (Europe, South Africa), the Group's revenues and cash flows are being and will continue to be severely affected. The Group has taken various measures to reduce costs by putting on hold most of its contracts with

### UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY

THE GROUP	Attributable to owners of the parent					Total equity
	Share capital	Revaluation and other reserves	Revenue deficit	Total	Non-controlling interests	
Balance at 1 January 2020	47,280	5,531,498	(78,125)	5,500,653	961,688	6,462,341
Loss for the period	-	-	(22,703)	(22,703)	(6,942)	(29,645)
Other comprehensive income for the period	-	(3,999)	-	(3,999)	(75)	(4,074)
Total comprehensive income for the period	-	(3,999)	(22,703)	(26,702)	(7,017)	(33,719)
<b>Balance at 31 March 2020</b>	<b>47,280</b>	<b>5,527,499</b>	<b>(100,828)</b>	<b>5,473,951</b>	<b>954,671</b>	<b>6,428,622</b>
THE GROUP	Share capital	Revaluation and other reserves	Revenue deficit	Total	Non-controlling interests	Total equity
	Balance at 1 January 2019	47,280	4,713,521	(212,895)	4,547,906	863,944
Loss for the period	-	-	(64,342)	(64,342)	(11,826)	(76,168)
Other comprehensive income for the period	-	(946)	-	(946)	73	(873)
Total comprehensive income for the period	-	(946)	(64,342)	(65,288)	(11,753)	(77,041)
<b>Balance at 31 March 2019</b>	<b>47,280</b>	<b>4,712,575</b>	<b>(277,237)</b>	<b>4,482,618</b>	<b>852,191</b>	<b>5,334,809</b>
SEGMENTAL INFORMATION - THE GROUP						
Business segments	AGRO	HOSPITALITY	OTHERS	TOTAL		
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
<b>Unaudited quarter to 31 March 2020</b>						
Revenue	5,389	196,698	2,158	204,245		
Operating segment results before impairment	(63,973)	41,552	(5,784)	(28,205)		
Impairment losses on bearer plants	(2,599)	-	-	(2,599)		
Operating segment results	(66,572)	41,552	(5,784)	(30,804)		
<b>Unaudited quarter to 31 March 2019</b>						
Revenue	11,011	81,511	3,062	95,584		
Operating segment results before impairment and additional depreciation	(6,681)	13,015	(4,844)	1,490		
Impairment losses on bearer plants	(3,897)	-	-	(3,897)		
Consolidation adjustment:						
- Additional depreciation on fair value of assets arising on restructuring of the Group	-	(14,841)	-	(14,841)		
Operating segment results	(10,578)	(1,826)	(4,844)	(17,248)		

suppliers and freezing any new recruitment and capital expenditure. The Group has obtained financial support from its lenders by way of deferral in interest and capital repayments as well as new working capital facilities. The Group has also received wage assistance support from the Government since March 2020 and the management team and staff have voluntarily participated in a salary reduction scheme. A number of hospitality industry support measures have been announced by the Government which will alleviate the stress on the Group's cashflow. Management considers that the group's hospitality cluster will return to profitability once the tourism sector recovers and the pandemic subsides.

This 13<sup>th</sup> July 2020

By Order of the Board  
**Navitas Corporate Services Ltd**  
Company Secretary

The Board of Directors of Compagnie de Beau Vallon Limitée accepts full responsibility for the accuracy of the information contained in these condensed unaudited financial statements. Copies of the above condensed unaudited financial statements are available to the public, free of charge, at the registered office address of the Company, Riche-en-Eau, St Hubert. The statement of direct and indirect interests of officers of the Company required under Rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available, free of charge, upon request to the Company Secretary at Navitas Corporate Services Ltd, Navitas House, Robinson Road, Floréal. The above condensed unaudited financial statements are issued pursuant to Listing Rule 12.20 and Section 88 of the Securities Act 2005.