

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

CONSTANCE HOTELS SERVICES LIMITED AND ITS SUBSIDIARIES

STATEMENT OF PROFIT OR LOSS			
THE GROUP - (MUR'000)			
	Dec 2020	Dec 2019	
	Audited	Audited	
Revenue	1,583,508	3,516,913	
Earnings before interest, taxation, depreciation and amortisation Allowance reversed/(raised) on expected credit losses:	211,995	978,236	
- 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	(359,768)	335,353	
Finance income	15,472	17,602	
Finance costs	(541,761)	(543,993)	
Share of results of associates	(1,772)	92,575	
Loss before taxation and non-recurring items	(887,829)	(98,463)	
Impairment of Goodwill	(504,377)	-	
Other non recurring items	-	(41,863)	
Loss before taxation	(1,392,206)	(140,326)	
Income tax expense	(27,276)	3,670	
Loss for the year	(1,419,482)	(136,656)	
Attributable to:			
Owners of the parent	(1,416,853)	(142,296)	
Non-controlling interests	(2,629)	5,640	
	(1,419,482)	(136,656)	
Basic and diluted loss per share (MUR)	(12.92)	(1.30)	
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
THE GROUP - (MUR'000)	Dec 2020	Dec 2019	
	Audited	Audited	
Loss for the year	(1,419,482)	(136,656)	
Other comprehensive income for the year	260,516	83,094	
Total comprehensive income for the year	(1,158,966)	(53,562)	
Attributable to:			
Owners of the parent	(1,159,155)	(61,084)	
Non-controlling interests	189	7,522	
	(1,158,966)	(53,562)	
STATEMENT OF FINANCIAL POSITION			

THE GROUP - (MUR'000)	Dec 2020 Audited	Dec 2019 Audited
Assets 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
Current Assets	14,693,519 915,823	14,124,078 1,393,054
Total Assets	15,609,342	15,517,132
Equity and Liabilities		
Owners' interest	4,819,618	5,978,769
Non-controlling interests	(11,965)	10,581
Total equity	4,807,653	5,989,350
Non-Current Liabilities		
Borrowings	3,968,283	2,748,198
Lease liabilities	3,829,714	2,910,052

STATEMENT OF CASH FLOW

Deferred tax liabilities Retirement benefit obligations

Total Liabilities

Total Equity and Liabilities

Net Asset Value per share (MUR)

THE GROUP - (MUR'000)	Dec 2020	Dec 2019	
	Audited	Audited	
Net cash (used in)/generated from operating activities	(48,488)	645,762	
Net cash generated from/(used in) investing activities	11,325	(399,512)	
Net cash used in financing activities	(151,774)	(196,652)	
Net (decrease)/ increase in cash and cash equivalents	(188,937)	49,598	
Foreign exchange difference	6,012	3,121	
Cash and cash equivalents at beginning of the year	(381,271)	(433,990)	
Cash and cash equivalents at end of the year	(564,196)	(381,271)	
STATEMENT OF CHANGES IN EQUI			

STATEMENT (OF CHANGES I	N EQUITY
to to		

42,350

10,801,689

15,609,342

43.95

44,870

270,259 5,973,379

3,554,403

9,527,782

15,517,132

Attributable to owners of the parent						
THE GROUP - (MUR'000)	Stated capital	Revaluation and other reserves	Retained earnings	Owners' interest	Non-controlling interests	Total equity
Balance at January 1, 2020	2,153,395	3,347,525	477,849	5,978,769	10,581	5,989,350
Loss for the year	-	-	(1,416,853)	(1,416,853)	(2,629)	(1,419,482)
Other comprehensive income for the year	-	257,702		257,702	2,814	260,516
Dividends	-	-	-	-	(22,731)	(22,731)
Balance at December 31, 2020	2,153,395	3,605,227	(939,004)	4,819,618	(11,965)	4,807,653
Balance at January 1, 2019	2,153,395	3,266,313	620,145	6,039,853	45,330	6,085,183
(Loss)/profit for the year	-	-	(142,296)	(142,296)	5,640	(136,656)
Other comprehensive income for the year	-	81,212	-	81,212	1,882	83,094
Dividends			-		(42,271)	(42,271)
Balance at December 31, 2019	2,153,395	3,347,525	477,849	5,978,769	10,581	5,989,350

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 reques 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 Constance Hotels Services 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, Mauritius.

COMMENTS

1 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.

2 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.

Your Company 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.

3 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 1,594 million in 2020. With cost containment measures undertaken during the year and the support of the wage assistance scheme, EBITDA was MUR 212 million, down from MUR 978 million

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.

Our 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 our associate in

After booking tax charge of MUR 27.3 million, loss for the year was MUR 1.4 billion (2019: MUR 136.7 million).

GEOGRAPHICAL INFORMATION

Revenue from external customers

Total Assets Dec 2020

Dec 2019

1.909.230

1.607.683

Dec 2019

8,963,976 6,553,156 15,517,132

Dec 2020

845.086

9,673,941

5 935 401

By order of the Board

La Gaieté Services Ltd Secretary

30 November 2021

THE GROUP - (MUR'000)

Mauritius

Maldives

Mauritius

Maldives

Total

BRN: C06004335