

# MORNING LIGHT CO. LTD

## ABRIDGED UNAUDITED FINANCIAL STATEMENTS

### FOR THE QUARTER ENDED 31 MARCH 2021

#### STATEMENT OF FINANCIAL POSITION

	31 March 2021	31 December 2020
	Rs Unaudited	Rs Audited
<b>ASSETS</b>		
Non-current assets	1,698,968,751	1,711,636,974
Current assets	33,888,615	41,232,031
<b>Total assets</b>	<u>1,732,857,366</u>	<u>1,752,869,005</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Stated capital	459,615,800	459,615,800
Revaluation reserve	614,419,887	616,590,708
Accumulated losses	(69,361,637)	(33,991,454)
<b>Total equity</b>	1,004,674,050	1,042,215,054
Non-current liabilities	553,905,563	562,294,997
Current liabilities	174,277,753	148,358,954
<b>Total equity and liabilities</b>	<u>1,732,857,366</u>	<u>1,752,869,005</u>

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

	Quarter ended 31 March 2021	Quarter ended 31 March 2020
	Rs Unaudited	Rs Unaudited
Revenue	21,188,068	129,097,164
Operating (loss)/profit	(34,650,898)	7,894,526
Finance costs	(5,116,106)	(5,779,994)
(Loss)/profit before taxation	(39,767,004)	2,114,532
Taxation	2,226,000	(132,921)
(Loss)/profit for the period	(37,541,004)	1,981,611
Other comprehensive income for the period	-	-
<b>Total comprehensive (loss)/income for the period</b>	<u>(37,541,004)</u>	<u>1,981,611</u>
(Loss)/earnings per share (basic and diluted)	<u>(0.82)</u>	<u>0.04</u>

#### STATEMENT OF CHANGES IN EQUITY

	Stated capital	Revaluation reserve	(Accumulated losses)/retained earnings	Total
	Rs Unaudited	Rs Unaudited	Rs Unaudited	Rs Unaudited
Balance at 1 January 2020	459,615,800	605,119,584	61,653,677	1,126,389,064
Revaluation surplus realised on depreciation	-	(2,108,616)	2,108,616	-
Total comprehensive income for the period	-	-	1,981,611	1,981,611
<b>Balance at 31 March 2020</b>	<u>459,615,800</u>	<u>603,010,968</u>	<u>65,743,904</u>	<u>1,128,370,672</u>
Balance at 1 January 2021	459,615,800	616,590,708	(33,991,454)	1,042,215,054
Revaluation surplus realised on depreciation	-	(2,170,821)	(2,170,821)	-
Total comprehensive loss for the period	-	-	(37,541,004)	(37,541,004)
<b>Balance as at 31 March 2021</b>	<u>459,615,800</u>	<u>614,419,887</u>	<u>(69,361,637)</u>	<u>1,004,674,050</u>

#### STATEMENT OF CASH FLOWS

	Quarter ended 31 March 2021	Quarter ended 31 March 2020
	Rs Unaudited	Rs Unaudited
Net cash (used in)/generated from operating activities	(24,448,090)	39,904,682
Net cash used in investing activities	(1,381,419)	(4,607,025)
Net cash generated from/(used in) financing activities	9,000,000	(12,803,124)
Net (decrease)/increase in cash and cash equivalents	(16,829,509)	22,494,533
Net foreign exchange losses	(7,524)	-
Cash and cash equivalents at beginning of period	14,045,510	32,531,391
Cash and cash equivalents at end of period	<u>(2,791,523)</u>	<u>55,025,924</u>

#### COMMENTS

##### Principal activity

The company owns a first class resort hotel of international standard named "Hilton Mauritius Resort & Spa". The hotel is managed and operated by Hilton International LLC.

##### Results

Revenue for the quarter ended 31 March 2021 amounted to Rs21.2M, which represents a decrease of 84% as compared to the corresponding quarter ended 31 March 2020 (Rs129.1M).

The profit after taxation decreased from Rs2.0M for the quarter ended 31 March 2020 to a loss of Rs37.5M for the quarter ended 31 March 2021.

Based on the cash flow forecast projections for the next 12 months, the funding secured so far and waiver of financial covenants by the bank, the company will be able to meet its financial obligations and fund operational losses that may result from the Covid-19 impact on the company's operations. Consequently, the financial statements have been prepared on a going concern basis.

##### (Loss)/earnings per share

The calculation of loss per share is based on the loss attributable to shareholders of Rs37,541,004 (Mar 2020: profit Rs1,981,611) and the number of shares in issue of 45,961,580 (Mar 2020: 45,961,580).

##### Dividend

No dividend (Mar 2020: RsNil) was declared in respect of the financial year ended 31 December 2020.

##### Outlook

2021 remains very challenging for the business with the significant ongoing impact of the Covid 19 pandemic on international tourism. A phased opening of the borders of Mauritius during the year will be paramount for an eventual recovery of the industry and the competitiveness of the country as a tourist destination.

Management remains in constant discussions with the company's bank. The latter is supportive of the operations and has confirmed its ongoing financial support in the form of working capital facilities as well as providing an expression of interest for a potential renovation of the Hotel. The Government has extended the Wage Assistance Scheme to the hospitality sector, which continues to give some relief to the company's working capital. In addition to further funding, the Company also has recourse to the financial assistance provided by the Mauritius Investment Corporation Ltd ("MIC") which has been set up by the Bank of Mauritius to support and accelerate economic development and build a value base for the current and future generations of our country. Discussions for financial assistance with the Mauritius Investment Corporation Ltd are ongoing.

##### Others

The abridged financial statements for the quarter ended 31 March 2021 are unaudited. The accounting policies and standards used in the preparation of these abridged unaudited financial statements are consistent with those used in the audited financial statements for the year ended 31 December 2020, except for relevant amendments to published standards, standards and interpretations issued and which are effective as from 1 January 2021. This interim report complies with IAS 34.

Copies of the above abridged unaudited financial statements are available, free of charge, upon request made to the Company Secretary, at the registered office of the company, Royal Road Chapman Hill, Beau Bassin.

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

Gamma Corporate Services Ltd  
Company Secretary

3 May 2021

*These abridged unaudited financial statements are issued pursuant to DEM Rule 17 and Rule 8 of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007.*

*The Board of Directors of Morning Light Co. Ltd accepts full responsibility for the accuracy of the information contained in these abridged unaudited financial statements.*