

# MORNING LIGHT CO. LTD

## ABRIDGED UNAUDITED FINANCIAL STATEMENTS

### FOR THE QUARTER AND HALF YEAR ENDED 30 JUNE 2021

#### STATEMENT OF FINANCIAL POSITION

	30 June 2021	31 December 2020
	Rs Unaudited	Rs Audited
<b>ASSETS</b>		
Non-current assets	1,685,357,349	1,711,636,974
Current assets	26,894,337	41,232,031
<b>Total assets</b>	<u>1,712,251,686</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	612,249,066	616,590,708
Accumulated losses	(98,137,165)	(33,991,454)
<b>Total equity</b>	973,727,701	1,042,215,054
Non-current liabilities	563,514,146	562,594,997
Current liabilities	175,009,839	148,358,954
<b>Total equity and liabilities</b>	<u>1,712,251,686</u>	<u>1,752,869,005</u>

#### STATEMENT OF CASH FLOWS

	Half Year ended 30 June 2021	Half Year ended 30 June 2020
	Rs Unaudited	Rs Unaudited
Net cash (used in)/generated from operating activities	(53,414,742)	13,389,760
Net cash used in investing activities	(1,768,091)	(5,279,415)
Net cash generated from/ (used in) financing activities	37,000,000	(8,535,416)
Net decrease in cash and cash equivalents	(18,182,833)	(425,071)
Net foreign exchange gains	20,976	206,080
Cash and cash equivalents at beginning of period	14,045,510	32,531,391
Cash and cash equivalents at end of period	<u>(4,116,347)</u>	<u>32,312,400</u>

#### COMMENTS

##### Principal activity

Morning Light Co. Ltd ("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

Following cases of local infections arising from the COVID-19 pandemic, the Government of Mauritius imposed a second lockdown on 10 March 2021 for a period of 7 weeks (2020: 12 weeks). As such, this restricted the hotel from generating revenue from normal operations. All revenue reported in the above Statement of Profit or Loss and Other Comprehensive Income arose from local business only in the period before 10 March 2021.

The loss after taxation for the quarter and half year ended 30 June 2021 amounted to Rs30.9M (Jun 2020: loss Rs43.9M) and Rs68.5M (Jun 2020: loss Rs41.9M) respectively.

The Government Wage Assistance Scheme and the continuous support of the Bank of Mauritius in the form of an extension of moratorium on existing loans to June 2022 has provided relief to the Company's cash flows. Based on the projections for the next 12 months, the Company will be able to meet its financial obligations and fund operational losses that will result from Company's reduced level of activities. Consequently, the financial statements have been prepared on a going concern basis.

##### Loss per share

The calculation of loss per share is based on the loss attributable to shareholders of Rs68,487,353 (Jun 2020: Rs41,911,045) and the number of shares in issue of 45,961,580 (Jun 2020: 45,961,580).

##### Dividend

No dividend was declared during the half year ended 30 June 2021 (Jun 2020: Rs Nil).

##### Outlook

The phased opening of the borders of Mauritius as from 15 July 2021 saw a tepid response from international travellers, with bookings being below anticipated levels. However, the Company looks forward to improved level of operations as a result of the Mauritian Government's drive to vaccinate the majority of the local population, and the reopening of borders to vaccinated tourists as from 1 October 2021.

Management remains in constant discussions with the Company's bank. The latter 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.

##### Others

The abridged financial statements for the quarter and half year ended 30 June 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

9 August 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.*

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

	Quarter ended 30 June 2021	Quarter ended 30 June 2020	Half Year ended 30 June 2021	Half Year ended 30 June 2020
	Rs Unaudited	Rs Unaudited	Rs Unaudited	Rs Unaudited
Revenue	249,499	221,827	21,437,567	129,318,991
Operating loss	(27,975,965)	(49,261,953)	(62,626,863)	(41,367,427)
Finance costs	(5,379,384)	(5,026,317)	(10,495,490)	(10,806,311)
Loss before taxation	(33,355,349)	(54,288,270)	(73,122,353)	(52,173,738)
Taxation	2,409,000	10,395,614	4,635,000	10,262,693
Loss for the period	(30,946,349)	(43,892,656)	(68,487,353)	(41,911,045)
Other comprehensive loss for the period	-	(442,390)	-	(442,390)
Total comprehensive loss for the period	<u>(30,946,349)</u>	<u>(44,425,656)</u>	<u>(68,487,353)</u>	<u>(42,353,435)</u>
Loss per share (basic and diluted)	<u>(0.67)</u>	<u>(0.95)</u>	<u>(1.49)</u>	<u>(0.91)</u>

#### STATEMENT OF CHANGES IN EQUITY

	Stated capital	Revaluation reserve	Retained Earnings/ (Accumulated Losses)	Total
	Rs Unaudited	Rs Unaudited	Rs Unaudited	Rs Unaudited
Balance at 1 January 2020	459,615,800	605,119,584	58,373,627	1,108,766,002
Revaluation surplus realised on depreciation	-	(4,217,232)	4,217,232	-
Total comprehensive loss for the period	-	-	(42,353,435)	(42,353,435)
Balance at 30 June 2020	<u>459,615,800</u>	<u>600,902,352</u>	<u>23,517,474</u>	<u>1,084,035,626</u>
Balance at 1 January 2021	459,615,800	616,590,708	(33,991,454)	1,042,215,054
Revaluation surplus realised on depreciation	-	(4,341,642)	4,341,642	-
Total comprehensive loss for the period	-	-	(68,487,353)	(68,487,353)
Balance as at 30 June 2021	<u>459,615,800</u>	<u>603,010,968</u>	<u>(98,137,165)</u>	<u>973,727,701</u>

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