

# MORNING LIGHT CO. LTD

## ABRIDGED UNAUDITED FINANCIAL STATEMENTS

### FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2021

#### STATEMENT OF FINANCIAL POSITION

	30 September 2021	31 December 2020
	Rs	Rs
	Unaudited	Audited
<b>ASSETS</b>		
Non-current assets	1,681,362,960	1,711,636,974
Current assets	34,250,370	41,232,031
<b>Total assets</b>	<b>1,715,613,330</b>	<b>1,752,869,005</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Stated capital	459,615,800	459,615,800
Revaluation reserve	610,078,245	616,590,708
Accumulated losses	(138,733,702)	(33,991,454)
<b>Total equity</b>	<b>930,960,343</b>	<b>1,042,215,054</b>
Non-current liabilities	561,271,291	562,294,997
Current liabilities	223,381,696	148,358,954
<b>Total equity and liabilities</b>	<b>1,715,613,330</b>	<b>1,752,869,005</b>

#### STATEMENT OF CASH FLOWS

	Nine Months ended 30 September 2021	Nine Months ended 30 September 2020
	Rs	Rs
	Unaudited	Unaudited
Net cash used in operating activities	(84,527,955)	(5,374,701)
Net cash used in investing activities	(7,170,297)	(7,287,481)
Net cash generated from/ (used in) financing activities	42,360,580	(8,843,536)
Net decrease in cash and cash equivalents	(49,337,672)	(21,505,718)
Net foreign exchange gains/(losses)	4,578	(374,374)
Cash and cash equivalents at beginning of period	14,045,510	32,531,391
Cash and cash equivalents at end of period	<b>(35,287,584)</b>	<b>10,651,299</b>

#### 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

Revenue for the quarter and nine months ended 30 September 2021 amounted to Rs7.2M and Rs28.6M respectively, which represents a drop of 54% and 80% respectively, as compared to the corresponding quarter and nine months ended 30 September 2020 (Rs15.7M and Rs145.0M respectively). The phased opening of the borders of Mauritius as from 15 July 2021 but with a 14-day mandatory quarantine saw a tepid response from international travellers, with bookings being below anticipated levels. Business resumed with the local market as from mid-August during weekends only.

The loss after taxation increased from Rs33.0M for the quarter ended 30 September 2020 to a loss of Rs42.8M for the quarter ended 30 September 2021 whilst loss after taxation for the nine months ended 30 September 2021 increased to Rs111.3M compared to a loss after taxation of Rs74.9M for the prior corresponding period.

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. The Company's main bank is also providing further support to the Company. 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 the Company's level of activities in the foreseeable future. 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 Rs111,254,711 (Sep 2020: Rs74,895,215) and the number of shares in issue of 45,961,580 (Sep 2020: 45,961,580).

##### Dividend

No dividend was declared during the nine months ended 30 September 2021 (Sep 2020: Rs Nil).

##### Outlook

The much-awaited full re-opening of the borders of Mauritius as from 1 October is being embraced by all stakeholders of the tourism industry. Following a slow start in October, the gradual increase in the number of airlines serving the destination as well as the recovery of Air Mauritius are reflecting in a promising booking trend over the peak period. While business volumes are still below the pre-Covid level, a strong growth is expected over the foreseeable future.

Management remains in constant discussions with the Company's bank. The latter confirmed its ongoing financial support in the form of working capital facilities.

##### Others

The abridged financial statements for the quarter and nine months ended 30 September 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

8 November 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.*

BRN: C07013540

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

	Quarter ended 30 September 2021	Quarter ended 30 September 2020	Nine Months ended 30 September 2021	Nine Months ended 30 September 2020
	Rs	Rs	Rs	Rs
	Unaudited	Unaudited	Unaudited	Unaudited
Revenue	7,183,080	15,683,863	28,620,647	145,002,854
Operating loss	(38,861,038)	(27,323,756)	(101,487,901)	(68,691,183)
Finance costs	(5,872,320)	(4,883,113)	(16,367,810)	(15,689,424)
Loss before taxation	(44,733,358)	(32,206,869)	(117,855,711)	(84,380,607)
Taxation	1,966,000	(777,301)	6,601,000	9,485,392
Loss for the period	(42,767,358)	(32,984,170)	(111,254,711)	(74,895,215)
Other comprehensive loss for the period	-	-	-	(442,390)
Total comprehensive loss for the period	<b>(42,767,358)</b>	<b>(32,984,170)</b>	<b>(111,254,711)</b>	<b>(75,337,605)</b>
Loss per share (basic and diluted)	(0.93)	(0.72)	(2.42)	(1.63)

#### STATEMENT OF CHANGES IN EQUITY

	Stated capital	Revaluation reserve	Retained Earnings/ (Accumulated Losses)	Total
	Rs	Rs	Rs	Rs
	Unaudited	Unaudited	Unaudited	Unaudited
Balance at 1 January 2020	459,615,800	605,119,584	61,653,677	1,126,389,061
Revaluation surplus realised on depreciation	-	(6,325,848)	6,325,848	-
Total comprehensive loss for the period	-	-	(75,337,605)	(75,337,605)
Balance at 30 September 2020	<b>459,615,800</b>	<b>598,793,736</b>	<b>(7,358,080)</b>	<b>1,051,051,456</b>
Balance at 1 January 2021	459,615,800	616,590,708	(33,991,454)	1,042,215,054
Revaluation surplus realised on depreciation	-	(6,512,463)	6,512,463	-
Total comprehensive loss for the period	-	-	(111,254,711)	(111,254,711)
Balance as at 30 September 2021	<b>459,615,800</b>	<b>610,078,245</b>	<b>(138,733,702)</b>	<b>930,960,343</b>