

# MORNING LIGHT CO. LTD

## ABRIDGED UNAUDITED FINANCIAL STATEMENTS

### FOR THE QUARTER ENDED 31 MARCH 2022

#### STATEMENT OF FINANCIAL POSITION

|                                     | 31 March 2022        | 31 December 2021     |
|-------------------------------------|----------------------|----------------------|
|                                     | Rs<br>Unaudited      | Rs<br>Audited        |
| <b>ASSETS</b>                       |                      |                      |
| Non-current assets                  | 1,685,292,126        | 1,698,244,588        |
| Current assets                      | 104,695,651          | 106,336,942          |
| <b>Total assets</b>                 | <b>1,789,987,777</b> | <b>1,804,581,530</b> |
| <b>EQUITY AND LIABILITIES</b>       |                      |                      |
| <b>Capital and reserves</b>         |                      |                      |
| Stated capital                      | 459,615,800          | 459,615,800          |
| Revaluation reserve                 | 622,597,504          | 624,768,325          |
| Accumulated losses                  | (123,666,500)        | (117,934,321)        |
| <b>Total equity</b>                 | <b>958,546,804</b>   | <b>966,449,804</b>   |
| Non-current liabilities             | 625,751,309          | 630,036,962          |
| Current liabilities                 | 205,689,664          | 208,094,764          |
| <b>Total equity and liabilities</b> | <b>1,789,987,777</b> | <b>1,804,581,530</b> |

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

|  | Quarter ended<br>31 March 2022 | Quarter ended<br>31 March 2021 |
|--|--------------------------------|--------------------------------|
|  | Rs<br>Unaudited                | Rs<br>Unaudited                |
| Revenue  | 102,058,567                    | 21,188,068                     |
| Operating loss                                 | (3,740,222)                    | (34,650,898)                   |
| Finance costs                                  | (6,096,778)                    | (5,116,106)                    |
| Loss before taxation                           | (9,837,000)                    | (39,767,004)                   |
| Taxation                                       | 1,934,000                      | 2,226,000                      |
| Loss for the period                            | (7,903,000)                    | (37,541,004)                   |
| Other comprehensive income for the period      | -                              | -                              |
| <b>Total comprehensive loss for the period</b> | <b>(7,903,000)</b>             | <b>(37,541,004)</b>            |
| Loss per share (basic and diluted)             | (0.17)                         | (0.82)                         |

#### STATEMENT OF CHANGES IN EQUITY

|  | Stated<br>capital  | Revaluation<br>reserve | Accumulated<br>losses | Total                |
|--|--------------------|------------------------|-----------------------|----------------------|
|  | Rs<br>Unaudited    | Rs<br>Unaudited        | Rs<br>Unaudited       | Rs<br>Unaudited      |
| Balance at 1 January 2022                    | 459,615,800        | 624,768,325            | (117,934,321)         | 966,449,804          |
| Revaluation surplus realised on depreciation | -                  | (2,170,821)            | 2,170,821             | -                    |
| Total comprehensive loss for the period      | -                  | -                      | (7,903,000)           | (7,903,000)          |
| <b>Balance at 31 March 2022</b>              | <b>459,615,800</b> | <b>622,597,504</b>     | <b>(123,666,500)</b>  | <b>958,546,804</b>   |
| 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 at 31 March 2021</b>              | <b>459,615,800</b> | <b>614,419,887</b>     | <b>(69,361,637)</b>   | <b>1,004,674,050</b> |

#### STATEMENT OF CASH FLOWS

|  | Quarter ended<br>31 March 2022 | Quarter ended<br>31 March 2021 |
|--|--------------------------------|--------------------------------|
|  | Rs<br>Unaudited                | Rs<br>Unaudited                |
| Net cash used in operating activities                | (5,592,330)                    | (24,448,090)                   |
| Net cash used in investing activities                | (1,164,829)                    | (1,381,419)                    |
| Net cash generated from financing activities         | 15,751,000                     | 9,000,000                      |
| Net increase/(decrease) in cash and cash equivalents | 8,993,841                      | (16,829,509)                   |
| Net foreign exchange gains/(losses)                  | 1,621,734                      | (7,524)                        |
| Cash and cash equivalents at beginning of period     | (14,811,107)                   | 14,045,510                     |
| Cash and cash equivalents at end of period           | <b>(4,195,532)</b>             | <b>(2,791,523)</b>             |

#### 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 Worldwide Manage Limited.

##### Results

Revenue for the quarter ended 31 March 2022 amounted to Rs102.1M, which represents an increase of 382% as compared to the corresponding quarter ended 31 March 2021 (Rs21.2M).

The loss after taxation decreased to Rs7.9M for the quarter ended 31 March 2022 from a loss of Rs37.5M for the quarter ended 31 March 2021.

Based on the cash flow forecast 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 for 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 Rs7,903,000 (Mar 2021: Rs37,541,004) and the number of shares in issue of 45,961,580 (Mar 2021: 45,961,580).

##### Dividend

No dividend (Mar 2021: RsNil) was declared in respect of the financial year ended 31 December 2021.

##### Outlook

While international travel continues its recovery, the hotel's performance is still expected to lag behind pre-pandemic levels for the coming quarters.

The longer the war in Ukraine lasts, the harder it will be for the world economy to recover from the setbacks of the war and pandemic. Inflationary increases from food costs to energy costs, coupled with labour and payroll challenges, are set to have an impact on the business. Cost management action plans are therefore constantly being reviewed.

The demand for events and conferences is still hindered by the local sanitary protocol restricting the number of guests at events to 50. However, an easing of the sanitary protocol in the coming months should assist the conference business. An increase in the number of flights is also expected to boost the tourism industry.

##### Others

The abridged financial statements for the quarter ended 31 March 2022 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 2021, except for relevant amendments to published standards, standards and interpretations issued and which are effective as from 1 January 2022. 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  
4 May 2022

*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.*