

MORNING LIGHT CO. LTD
ABRIDGED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

STATEMENT OF FINANCIAL POSITION

	<u>2022</u> Rs Audited	<u>2021</u> Rs Audited
<u>ASSETS</u>		
Non-current assets	1,702,884,732	1,698,244,588
Current assets	<u>203,380,689</u>	<u>106,336,942</u>
Total assets	<u>1,906,265,421</u>	<u>1,804,581,530</u>
<u>EQUITY AND LIABILITIES</u>		
Capital and reserves		
Stated capital	459,615,800	459,615,800
Revaluation reserve	640,830,422	624,768,325
Accumulated losses	<u>(59,000,000)</u>	<u>(117,934,321)</u>
Total equity	1,041,446,222	966,449,804
Non-current liabilities	604,530,908	630,036,962
Current liabilities	<u>260,288,291</u>	<u>208,094,764</u>
Total equity and liabilities	<u>1,906,265,421</u>	<u>1,804,581,530</u>

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	<u>2022</u> Rs Audited	<u>2021</u> Rs Audited
Revenue	<u>580,870,619</u>	<u>146,033,969</u>
Operating profit/(loss)	63,186,922	(82,351,541)
Finance costs	<u>(22,623,153)</u>	<u>(22,445,049)</u>
Profit/(loss) before taxation	40,563,769	(104,796,590)
Taxation	<u>9,491,440</u>	<u>9,448,038</u>
Profit/(loss) for the year	50,055,209	(95,348,552)
Other comprehensive income for the year	<u>24,941,209</u>	<u>19,583,301</u>
Total comprehensive income/(loss) for the year	<u>74,996,418</u>	<u>(75,765,251)</u>
Earnings/(loss) per share (basic and diluted)	<u>1.09</u>	<u>(2.07)</u>

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STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs Audited	Revaluation Reserve Rs Audited	Accumulated Losses Rs Audited	Total Rs Audited
Balance at 1 January 2022	459,615,800	624,768,325	(117,934,321)	966,449,804
Revaluation surplus realised on depreciation	-	(8,894,052)	8,894,052	-
Profit for the year	-	-	50,055,209	50,055,209
Other comprehensive income/(loss) for the year	-	24,956,149	(14,940)	24,941,209
Total comprehensive income for the year	-	24,956,149	50,040,269	74,996,418
Balance at 31 December 2022	<u>459,615,800</u>	<u>640,830,422</u>	<u>(59,000,000)</u>	<u>1,041,446,222</u>
Balance at 1 January 2021	459,615,800	616,590,708	(33,991,454)	1,042,215,054
Revaluation surplus realised on depreciation	-	(8,683,284)	8,683,284	-
Loss for the year	-	-	(95,348,551)	(95,348,551)
Other comprehensive income for the year	-	16,860,901	2,722,400	19,583,301
Total comprehensive income/(loss) for the year	-	16,860,901	(92,626,151)	(75,765,251)
Balance at 31 December 2021	<u>459,615,800</u>	<u>624,768,325</u>	<u>(117,934,321)</u>	<u>966,449,804</u>

STATEMENT OF CASH FLOWS

	<u>2022</u> Rs Audited	<u>2021</u> Rs Audited
Net cash generated from/(used in) operating activities	122,616,915	(54,530,355)
Net cash used in investing activities	(39,613,754)	(17,742,619)
Net cash generated from financing activities	<u>45,931,543</u>	<u>42,360,580</u>
Net increase/(decrease) in cash and cash equivalents	128,934,704	(29,912,394)
Net foreign exchange gains	2,961,440	1,055,777
Cash and cash equivalents at beginning of year	<u>(14,811,107)</u>	<u>14,045,510</u>
Cash and cash equivalents at end of year	<u><u>117,085,037</u></u>	<u><u>(14,811,107)</u></u>

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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 until 28 February 2022 and thereafter by Hilton Worldwide Manage Limited.

Results

Revenue for the year ended 31 December 2022 amounted to Rs580.9M representing an increase of 298% when compared to the prior corresponding period (Rs146.0M).

The profit after taxation for the year ended 31 December 2022 was Rs50.1M compared to a loss after taxation of Rs95.3M for the year ended 31 December 2021.

The re-opening of the borders in October 2021 had a positive impact on the cash flows of the Company despite the absence of the Wage Assistance Scheme as from January 2022. The Company benefitted from an increased profitability after the opening of the borders and relaxation of the sanitary measures imposed during the prior period.

Based on the cash flow forecast projections for the next 12 months, the company will be able to meet its financial obligations in the next financial year. Consequently, the financial statements have been prepared on a going-concern basis.

Earnings/(loss) per share

The calculation of earnings per share is based on the loss attributable to shareholders of Rs50,055,209 (2021: loss Rs95,348,552) and the number of shares in issue of 45,961,580 (2021: 45,961,580).

Dividend

No dividend (2021: RsNil per share) was declared during the financial year ended 31 December 2022.

Outlook

January 2023 started well for Mauritius in view of the government's initiatives and actions together with the Tourism Authority and the Association of Hoteliers and Restaurants ("AHRIM") despite the worldwide challenges of geo-political uncertainty and recession and the current local situation with inflation, depreciation of the Mauritian Rupee and volatility of exchange rates.

As from mid-April 2023, the hotel will close down for major renovation works and the re-opening is scheduled for October 2023, ahead of the high season. The objective of the renovation project is to create a modernised space whereby our clients will be offered a memorable and experience at the Hilton Mauritius Resort & Spa.

Others

The abridged audited financial statements for the year ended 31 December 2022 have been extracted from the annual financial statements of the company which have been prepared in accordance with the Companies Act 2001 and the Financial Reporting Act 2004 and comply with International Financial Reporting Standards ("IFRS"), taking into consideration all revised International Accounting Standards and new IFRS effective for accounting periods beginning on 1 January 2022. The independent auditor's report to financial statements is unqualified.

Copies of the above abridged audited 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

31 March 2023

These abridged audited financial statements are issued pursuant to DEM Rule 18.

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

BRN: C07013540