

CONSTANCE HOTELS SERVICES LIMITED AND ITS SUBSIDIARIES

STATEMENT OF PROFIT OR LOSS						COMMENTS	
THE GROUP - (MUR'000)	Half year ended		Quarter ended		Year ended		
	Jun 2020	Jun 2019	Jun 2020	Jun 2019	Dec 2019		
	Unaudited	Unaudited	Unaudited	Unaudited	Audited		
Revenue	1,130,197	1,907,317	3,805	707,524	3,516,913	<p>1 Consolidation and Accounting Standards</p> <p>The abridged financial statements for the half year and quarter ended 30 June 2020 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 2019.</p>	
Earnings before interest, taxation, depreciation and amortisation	161,142	463,866	(271,228)	(7,425)	984,660		
Depreciation and amortisation	(342,961)	(250,310)	(172,632)	(116,814)	(543,703)		
Operating (loss)/profit	(181,819)	213,556	(443,860)	(124,239)	440,957		
Net impairment losses on financial assets	-	-	-	-	(88,002)		
Finance costs	(274,157)	(158,751)	(137,932)	(78,894)	(543,993)		
Share of results of associates	(14,368)	51,791	(35,037)	22,864	92,575		
(Loss)/profit before taxation and non recurring items	(470,344)	106,596	(616,829)	(180,269)	(98,463)		
Non recurring items	-	-	-	-	(41,863)		
(Loss)/profit before taxation	(470,344)	106,596	(616,829)	(180,269)	(140,326)		
Taxation	(4,667)	(5,049)	668	1,194	3,670		
(Loss)/profit for the period/year	(475,011)	101,547	(616,161)	(179,075)	(136,656)	<p>2 General Comments - COVID 19</p> <p>Our resorts remained closed during the quarter under review, except for a few F&B outlets and golf courses at our Mauritian resorts. As previously reported, we are maintaining a range of cost containment measures including voluntary wage reduction programs. The Group received support from wage assistance programs in Mauritius and Seychelles, and obtained lease reduction and moratoriums for both its Mauritian and Maldives properties. In addition, we are progressing in our discussions with the banks, financial institutions and the Mauritius Investment Corporation to secure financial support and loan deferrals.</p>	
Attributable to:							
Owners of the parent	(466,100)	96,286	(607,507)	(180,530)	(142,296)		
Non-controlling interests	(8,911)	5,261	(8,654)	1,455	5,640		
(Loss)/earnings per share (MUR)	(4.25)	0.88	(5.54)	(1.65)	(1.30)		
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME							
THE GROUP - (MUR'000)	Half year ended		Quarter ended		Year ended		
	Jun 2020	Jun 2019	Jun 2020	Jun 2019	Dec 2019		
	Unaudited	Unaudited	Unaudited	Unaudited	Audited		
(Loss)/profit for the period/year	(475,011)	101,547	(616,161)	(179,075)	(136,656)		<p>3 Results</p> <p>Turnover for the quarter ended 30 June 2020 was MUR 4 million compared to MUR 707 million for the same period last year thus, bringing the Group's cumulative turnover for the first half 2020 to MUR 1,130 million. For the first half 2020, EBITDA generated was MUR 161 million; the increases in depreciation and finance costs were mainly attributable to IFRS 16 adjustments notably, MUR 62 million and MUR 112 million respectively. After booking MUR 14 million for share of loss from associates and taxation of MUR 5 million, loss for the period was MUR 475 million.</p>
Other comprehensive income for the period/year	337,249	32,017	101,575	17,332	83,094		
Total comprehensive income for the period/year	(137,762)	133,564	(514,586)	(161,743)	(53,562)		
Attributable to:							
Owners of the parent	(132,332)	126,928	(506,700)	(163,852)	(61,084)		
Non-controlling interests	(5,430)	6,636	(7,886)	2,109	7,522		
(Loss)/profit for the period/year	(137,762)	133,564	(514,586)	(161,743)	(53,562)		
STATEMENT OF FINANCIAL POSITION							
THE GROUP - (MUR'000)	Half year ended		Quarter ended		Year ended		
	Jun 2020	Jun 2019	Jun 2020	Jun 2019	Dec 2019		
	Unaudited	Unaudited	Unaudited	Unaudited	Audited		
Assets							
Non-Current Assets							
Property, plant and equipment	8,307,946	8,078,800	8,307,946	8,078,800	8,237,098		
Rights-of-use assets	3,713,150	-	3,713,150	-	3,479,116		
Intangible assets	550,677	1,146,835	550,677	1,146,835	502,949		
Investments in associates	1,885,736	1,670,903	1,885,736	1,670,903	1,754,239		
Financial assets at amortised cost	57,000	113,826	57,000	113,826	53,906		
Deferred tax assets	86,917	83,408	86,917	83,408	96,770		
Current Assets							
Total Assets	15,715,858	12,325,195	15,715,858	12,325,195	15,517,132		
Equity and Liabilities							
Owners' interest	5,846,437	6,220,061	5,846,437	6,220,061	5,978,769		
Non-controlling interests	5,151	31,172	5,151	31,172	10,581		
Total equity	5,851,588	6,251,233	5,851,588	6,251,233	5,989,350		
Non-Current Liabilities							
Borrowings	3,259,135	3,800,317	3,259,135	3,800,317	2,748,198		
Lease liabilities	3,148,947	-	3,148,947	-	2,910,052		
Deferred tax liabilities	60,893	58,983	60,893	58,983	44,870		
Retirement benefit obligations	270,259	182,698	270,259	182,698	270,259		
Current Liabilities							
Total Liabilities	9,864,270	6,073,962	9,864,270	6,073,962	9,527,782		
Total Equity and Liabilities	15,715,858	12,325,195	15,715,858	12,325,195	15,517,132		
Net Asset Value per share (MUR)	53.32	56.72	53.32	56.72	54.52		
STATEMENT OF CASH FLOW							
THE GROUP - (MUR'000)	Half year ended		Quarter ended		Year ended		
	Jun 2020	Jun 2019	Jun 2020	Jun 2019	Dec 2019		
	Unaudited	Unaudited	Unaudited	Unaudited	Audited		
Net cash generated from operating activities	125,086	269,470	125,086	269,470	658,414	<p>4 Outlook</p> <p>The Maldives' and the Seychelles' borders reopened officially on 16th July and 1st August 2020 respectively. Constance Halaveli Resort in the Maldives have welcomed some guests, whereas Constance Ephelia Resort, Seychelles is achieving good occupancy rate due to the presence of a special group for a period of six weeks. In Mauritius, C Mauritius opened on 1st of August with half its room inventory, offering special packages, exclusively, to Mauritian residents.</p> <p>The severity of the COVID-19 impact on the travel industry and resurgences of cases in some countries, notably UK, France and Germany, continue to provide a lack of visibility and much uncertainty for the months to come. Without a clear indication on the reopening of the borders in Mauritius, we are not in a position to start marketing our properties. This will adversely affect our financial results and position for the remainder of the 2020 financial year and even into 2021.</p>	
Net cash used in investing activities	(28,189)	(108,475)	(28,189)	(108,475)	(409,043)		
Net cash used in financing activities	(268,329)	(251,976)	(268,329)	(251,976)	(196,652)		
(Decrease)/increase in cash and cash equivalents	(171,432)	(90,981)	(171,432)	(90,981)	52,719		
Cash and cash equivalents at beginning of the period/year	(381,271)	(433,990)	(381,271)	(433,990)	(433,990)		
Cash and cash equivalents at end of the period/year	(552,703)	(524,971)	(552,703)	(524,971)	(381,271)		
STATEMENT OF CHANGES IN EQUITY							
THE GROUP - (MUR'000)	Attributable to owners of the parent						Total
	Stated capital	Other reserves	Retained earnings	Owners' interest	Non-controlling interests		
Balance at January 1, 2020	2,153,395	3,347,525	477,849	5,978,769	10,581	5,989,350	
Total comprehensive income for the period	-	333,768	(466,100)	(132,332)	(5,430)	(137,762)	
Balance at June 30, 2020	2,153,395	3,681,293	11,749	5,846,437	5,151	5,851,588	
Balance at January 1, 2019	2,153,395	3,266,313	673,425	6,093,133	45,330	6,138,463	
Total comprehensive income for the period	-	30,642	96,286	126,928	6,636	133,564	
Dividends	-	-	-	-	(20,794)	(20,794)	
Balance at June 30, 2019	2,153,395	3,296,955	769,711	6,220,061	31,172	6,251,233	
Balance at January 1, 2019	2,153,395	3,266,313	621,790	6,041,498	45,330	6,086,828	
- As previously reported	-	-	(1,645)	(1,645)	-	(1,645)	
- Effect of adopting IFRS 16	2,153,395	3,266,313	620,145	6,039,853	45,330	6,085,183	
As restated	-	81,212	(142,296)	(61,084)	7,522	(53,562)	
Total comprehensive income for the year	-	-	-	-	(42,271)	(42,271)	
Dividends	-	-	-	-	(42,271)	(42,271)	
Balance at December 31, 2019	2,153,395	3,347,525	477,849	5,978,769	10,581	5,989,350	
GEOGRAPHICAL INFORMATION							
THE GROUP - (MUR'000)	6 months to Jun 2020			6 months to Jun 2019			
	Mauritius	Maldives	Total	Mauritius	Maldives	Total	
Revenue	581,825	548,372	1,130,197	1,008,300	899,017	1,907,317	
Operating (loss)/profit	(111,018)	(70,801)	(181,819)	149,953	63,603	213,556	