

CONSTANCE HOTELS SERVICES LIMITED AND ITS SUBSIDIARIES

| STATEMENT OF PROFIT OR LOSS | | | COMMENTS |
|---|---------------------|---------------------|--|
| THE GROUP - (MUR'000) | Dec 2020 Audited | Dec 2019 Audited | |
| Revenue | 1,583,508 | 3,516,913 | 1 Consolidation and Accounting Standards |
| Earnings before interest, taxation, depreciation and amortisation | 211,995 | 978,236 | |
| Allowance reversed/(raised) on expected credit losses: | | | The financial statements comply with the Companies Act 2001 and Financial Reporting Act 2004 and have been prepared in accordance with International Financial Reporting Standards effective for the year under review. The financial statements for the year ended 31 December 2020 are audited by Ernst and Young. The impact of COVID-19 coupled with the change in external auditors have considerably delayed the presentation of the Abridged Audited Financial Statement for the year ended 31 December 2020. |
| - on trade receivables | 5,282 | (11,178) | |
| - on financial assets at amortised costs | - | (88,002) | |
| Depreciation and amortisation | (577,045) | (543,703) | 2 General Comments |
| Operating (loss)/profit | (359,768) | 335,353 | |
| Finance income | 15,472 | 17,602 | 2020 has been completely overshadowed by the COVID-19 pandemic which has wreaked havoc, on an unprecedented scale, to human life, economies and industries across the globe; the tourism industry, probably, being the hardest hit with consumer travel brought to a complete halt through national curfews and lockdowns, flight suspensions and closure of borders. |
| Finance costs | (541,761) | (543,993) | |
| Share of results of associates | (1,772) | 92,575 | |
| Loss before taxation and non-recurring items | (887,829) | (98,463) | Your Company has persevered throughout 2020, with the implementation of its disaster preparedness and business continuity plan, with the opening of its hotels, where possible, to drive occupancy and raise revenue; the containment of costs and, putting in place relief measures with its providers of finance as well as Government Support Programmes. |
| Impairment of Goodwill | (504,377) | - | |
| Other non recurring items | - | (41,863) | |
| Loss before taxation | (1,392,206) | (140,326) | 3 Results |
| Income tax expense | (27,276) | 3,670 | |
| Loss for the year | (1,419,482) | (136,656) | As a result of the travel restrictions which affected the countries where the Group operates, revenue fell significantly from MUR 3,517 million in 2019 to MUR 1,594 million in 2020. With cost containment measures undertaken during the year and the support of the wage assistance scheme, EBITDA was MUR 212 million, down from MUR 978 million last year. |
| Attributable to: | | | |
| Owners of the parent | (1,416,853) | (142,296) | Both depreciation and finance cost were higher in 2020 following the finalisation of the Rights-of-Use and Lease Liability of C Mauritius. |
| Non-controlling interests | (2,629) | 5,640 | |
| | (1,419,482) | (136,656) | Goodwill, that arose on the acquisition of a subsidiary in the Maldives, was fully impaired during the year as a result of the expected reduced cash flow from its cash-generating unit following the pandemic. |
| Basic and diluted loss per share (MUR) | (12.92) | (1.30) | |

| STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME | | |
|--|---------------------|---------------------|
| THE GROUP - (MUR'000) | Dec 2020 Audited | Dec 2019 Audited |
| Loss for the year | (1,419,482) | (136,656) |
| Other comprehensive income for the year | 260,516 | 83,094 |
| Total comprehensive income for the year | (1,158,966) | (53,562) |
| Attributable to: | | |
| Owners of the parent | (1,159,155) | (61,084) |
| Non-controlling interests | 189 | 7,522 |
| | (1,158,966) | (53,562) |

| STATEMENT OF FINANCIAL POSITION | | |
|-------------------------------------|---------------------|---------------------|
| THE GROUP - (MUR'000) | Dec 2020 Audited | Dec 2019 Audited |
| Assets | | |
| Non-Current Assets | | |
| Property, plant and equipment | 8,265,139 | 8,237,098 |
| Right-of-use assets | 4,258,884 | 3,479,116 |
| Intangible assets | 14,068 | 502,949 |
| Investments in associates | 2,077,053 | 1,754,239 |
| Financial assets at amortised cost | - | 53,906 |
| Deferred tax assets | 78,375 | 96,770 |
| | 14,693,519 | 14,124,078 |
| Current Assets | 915,823 | 1,393,054 |
| Total Assets | 15,609,342 | 15,517,132 |
| Equity and Liabilities | | |
| Owners' interest | 4,819,618 | 5,978,769 |
| Non-controlling interests | (11,965) | 10,581 |
| Total equity | 4,807,653 | 5,989,350 |
| Non-Current Liabilities | | |
| Borrowings | 3,968,283 | 2,748,198 |
| Lease liabilities | 3,829,714 | 2,910,052 |
| Deferred tax liabilities | 42,350 | 44,870 |
| Retirement benefit obligations | 316,435 | 270,259 |
| | 8,156,782 | 5,973,379 |
| Current Liabilities | 2,644,907 | 3,554,403 |
| Total Liabilities | 10,801,689 | 9,527,782 |
| Total Equity and Liabilities | 15,609,342 | 15,517,132 |
| Net Asset Value per share (MUR) | 43.95 | 54.52 |

| STATEMENT OF CASH FLOW | | | GEOGRAPHICAL INFORMATION | |
|--|---------------------|---------------------|---------------------------------|------------|
| THE GROUP - (MUR'000) | Dec 2020 Audited | Dec 2019 Audited | Revenue from external customers | |
| Net cash (used in)/generated from operating activities | (48,488) | 645,762 | THE GROUP - (MUR'000) | |
| Net cash generated from/(used in) investing activities | 11,325 | (399,512) | Mauritius | 845,086 |
| Net cash used in financing activities | (151,774) | (196,652) | Maldives | 738,422 |
| Net (decrease)/ increase in cash and cash equivalents | (188,937) | 49,598 | Total | 1,583,508 |
| Foreign exchange difference | 6,012 | 3,121 | | 3,516,913 |
| Cash and cash equivalents at beginning of the year | (381,271) | (433,990) | Total Assets | |
| Cash and cash equivalents at end of the year | (564,196) | (381,271) | | Dec 2020 |
| | | | Mauritius | 9,673,941 |
| | | | Maldives | 5,935,401 |
| | | | Total | 15,609,342 |
| | | | | Dec 2019 |
| | | | Mauritius | 8,963,976 |
| | | | Maldives | 6,553,156 |
| | | | Total | 15,517,132 |

| STATEMENT OF CHANGES IN EQUITY | | | | | | |
|---|----------------|--------------------------------|-------------------|------------------|---------------------------|--------------|
| Attributable to owners of the parent | | | | | | |
| THE GROUP - (MUR'000) | Stated capital | Revaluation and other reserves | Retained earnings | Owners' interest | Non-controlling interests | Total equity |
| Balance at January 1, 2020 | 2,153,395 | 3,347,525 | 477,849 | 5,978,769 | 10,581 | 5,989,350 |
| Loss for the year | - | - | (1,416,853) | (1,416,853) | (2,629) | (1,419,482) |
| Other comprehensive income for the year | - | 257,702 | - | 257,702 | 2,814 | 260,516 |
| Dividends | - | - | - | - | (22,731) | (22,731) |
| Balance at December 31, 2020 | 2,153,395 | 3,605,227 | (939,004) | 4,819,618 | (11,965) | 4,807,653 |
| Balance at January 1, 2019 | 2,153,395 | 3,266,313 | 620,145 | 6,039,853 | 45,330 | 6,085,183 |
| (Loss)/profit for the year | - | - | (142,296) | (142,296) | 5,640 | (136,656) |
| Other comprehensive income for the year | - | 81,212 | - | 81,212 | 1,882 | 83,094 |
| 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 |

The statement of direct and indirect interests of officers pursuant to rule 8(2)(m) of the Securities (Disclosure obligations of Reporting Issuers) Rules 2007 is available free of charge upon request from the Company Secretary, La Gaieté Services Ltd, 5th Floor, Labama House, 35 Sir William Newton Street, Port Louis. The financial statements are issued pursuant to DEM Listing Rule 18 and Securities Act 2005. The Board of Constance Hotels Services Limited accepts full responsibility for the accuracy of these financial statements. Copies of this abridged audited financial statements are available to the public free of charge at 5th floor, Labama House, 35 Sir William Newton Street, Port Louis, Mauritius.

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