

COMPAGNIE DE BEAU VALLON LIMITEE AND ITS SUBSIDIARIES

UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2019

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION

	THE GROUP		
	Quarter ended		Year Ended
	31 March 2019	31 March 2018	31 December 2018
	Rs'000	Rs'000	Rs'000
	Unaudited	Unaudited	Audited
ASSETS			
Non-current assets	9,893,625	7,976,210	9,734,021
Current assets	376,327	428,490	475,359
Non-current assets classified as held for sale	72,927	31,401	82,297
Total assets	10,342,879	8,436,101	10,291,677
EQUITY AND LIABILITIES			
Owners' interest	4,482,618	3,750,648	4,547,906
Non-controlling interests	852,191	934,774	863,944
Non-current liabilities	3,634,390	2,685,932	3,643,826
Current liabilities	1,373,680	1,064,747	1,236,001
Total equity and liabilities	10,342,879	8,436,101	10,291,677

UNAUDITED CONDENSED STATEMENT OF CASHFLOWS

	THE GROUP		
	Quarter ended		Year Ended
	31 March 2019	31 March 2018	31 December 2018
	Rs'000	Rs'000	Rs'000
	Unaudited	Unaudited	Audited
Net cash generated from/ (used in) operating activities	9,587	48,157	(160,338)
Net cash used in investing activities	(158,014)	(67,958)	(912,456)
Net cash (used in)/generated from financing activities	(6,313)	(24,932)	961,065
Decrease in cash and cash equivalents	(154,740)	(44,733)	(111,729)
Movement in cash and cash equivalents			
At 1 January,	(400,190)	(288,461)	(288,461)
Decrease	(154,740)	(44,733)	(111,729)
At 31 March/31 December,	(554,930)	(333,194)	(400,190)

NOTES

- The interim condensed financial statements for the quarter ended 31 March 2019 are unaudited. The accounting policies and standards used in the preparation of these interim condensed financial statements are consistent with those used in the audited financial statements for the year ended 31 December 2018, except for the adoption of new International Financial Reporting Standards issued which are now effective. This interim report complies with IAS 34 "Interim Financial Reporting".
- The activities of the company consist of growing and cultivation of sugar cane and other agricultural products. The subsidiaries are engaged mainly in agricultural, hotel keeping and catering activities. Due to the seasonal nature of the business in which the company operates, turnover is mainly generated during harvest season, that is between July and December.
- Performance review:
 - The revenue of the group for the quarter ended 31 March 2019 amounted to Rs 96m compared to Rs 178m for the same quarter last year.
 - Revenue in the agro segment for the first quarter 2019 has increased by Rs 5m compared to last year due to a better performance in diversification activities. Revenue in the leisure segment has decreased by Rs 87m due to closure of Preskil Island Resort since April 2018 for renovation works.
 - For the quarter under review, operating loss was reduced by Rs 11.3m and amounted to Rs 17.2m compared to Rs 28.5m last year. Operating results for the Agro segment have improved by Rs 36m mainly due to a favourable variance of Rs 20m arising from the fair value movement in standing cane coupled with a decrease of Rs 12m in depreciation and amortisation charge.

UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	THE GROUP		
	Quarter ended		Year Ended
	31 March 2019	31 March 2018	31 December 2018
	Rs'000	Rs'000	Rs'000
	Unaudited	Unaudited	Audited
Revenue	95,584	177,549	705,979
Operating loss before impairment of bearer plants	(13,351)	(28,459)	(230,288)
Impairment of bearer plants	(3,897)	-	(113,492)
Operating loss	(17,248)	(28,459)	(343,780)
Other income	2,173	2,816	17,633
	(15,075)	(25,643)	(326,147)
Net finance costs	(41,002)	(36,659)	(158,709)
Share of result of associates	1,547	976	69
Loss before exceptional items	(54,530)	(61,326)	(484,787)
Exceptional items	17,851	18,048	63,876
Closure costs	(45,818)	-	(93,354)
Loss before taxation	(82,497)	(43,278)	(514,265)
Taxation	6,329	(5,633)	57,257
Loss for the period	(76,168)	(48,911)	(457,008)
Other comprehensive income	(873)	274	1,125,637
Total comprehensive income for the period	(77,041)	(48,637)	668,629
(Loss)/profit attributable to:			
Owners of the parent	(64,342)	(55,508)	(374,757)
Non-controlling interests	(11,826)	6,597	(82,251)
	(76,168)	(48,911)	(457,008)
Total comprehensive income attributable to:			
Owners of the parent	(65,288)	(55,249)	744,790
Non-controlling interests	(11,753)	6,612	(76,161)
	(77,041)	(48,637)	668,629
Loss per share	Rs. (1,360.87)	(1,174.03)	(7,926.33)
Number of ordinary shares	47,280	47,280	47,280

As far as the leisure segment is concerned, operating loss for the quarter under review amounted to Rs 2m compared to a profit of Rs 22m last year. The results are not comparable to last year's figure due to closure of Preskil Island Resort. Furthermore, Rs 46m of operating expenses have been consequently classified under closure costs. It is worth noting that the operating results of Solana Beach Mauritius have been very satisfactory for the quarter under review. Despite a decline in tourists arrivals on the island during the first quarter of 2019, occupancy rate at Solana Beach Mauritius rose by 8.6% whereas profit after tax for the quarter increased from Rs 1.5m to Rs 10.6m this year.

(iv) Net finance costs of the group for the quarter under review amounted to Rs 41m.

(v) Exceptional items of Rs 18m for the first quarter of year 2019 related to a profit on disposal of land.

(vi) All the above factors have resulted in a loss after tax of Rs 76m for the quarter ended 31 March 2019 compared to Rs 49m for last year.

4. The opening of Preskil Island Resort being scheduled for mid May 2019, we expect an increase in revenue for the second quarter 2019 for the leisure segment. The renovation, with a new concept and architecture, will substantially enhance the quality of the hotel and reposition it in the luxury segment.

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent					Non-controlling interests Rs'000	Total equity Rs'000
	Share capital Rs'000	Revaluation and other reserves Rs'000	Revenue deficit Rs'000	Total Rs'000	Total Rs'000		
THE GROUP							
Balance at 1 January 2019	47,280	4,713,521	(212,895)	4,547,906	863,944	5,411,850	
Loss for the period	-	-	(64,342)	(64,342)	(11,826)	(76,168)	
Other comprehensive income for the period	-	(946)	-	(946)	73	(873)	
Total comprehensive income for the period	-	(946)	(64,342)	(65,288)	(11,753)	(77,041)	
Balance at 31 March 2019	47,280	4,712,575	(277,237)	4,482,618	852,191	5,334,809	
	Share capital Rs'000	Revaluation and other reserves Rs'000	Retained earnings Rs'000	Total Rs'000	Non-controlling interests Rs'000	Total equity Rs'000	
Balance at 1 January 2018							
- as previously reported	47,280	3,608,031	228,762	3,884,073	928,162	4,812,235	
- effect of changes in accounting policies	-	-	(78,176)	(78,176)	-	(78,176)	
- as restated	47,280	3,608,031	150,586	3,805,897	928,162	4,734,059	
Loss for the period	-	-	(55,508)	(55,508)	6,597	(48,911)	
Other comprehensive income for the period	-	259	-	259	15	274	
Total comprehensive income for the period	-	259	(55,508)	(55,249)	6,612	(48,637)	
Release on disposal of land	-	(1,013)	1,013	-	-	-	
Balance at 31 March 2018	47,280	3,607,277	96,091	3,750,648	934,774	4,685,422	

SEGMENTAL INFORMATION - THE GROUP

Business segments	AGRO Rs'000	LEISURE Rs'000	OTHERS Rs'000	TOTAL Rs'000
	Unaudited quarter to 31 March 2019			
Revenue	11,011	81,511	3,062	95,584
Operating segment results before impairment and additional depreciation	(6,681)	13,015	(4,844)	1,490
Impairment losses on bearer plants	(3,897)	-	-	(3,897)
Consolidation adjustment:				
- Additional depreciation on fair value of assets arising on restructuring of the Group	-	(14,841)	-	(14,841)
Operating segment results	(10,578)	(1,826)	(4,844)	(17,248)
Unaudited quarter to 31 March 2018				
Revenue	5,951	168,846	2,752	177,549
Operating segment results before additional depreciation	(46,344)	37,093	(4,367)	(13,618)
Consolidation adjustment:				
- Additional depreciation on fair value of assets arising on restructuring of the Group	-	(14,841)	-	(14,841)
Operating segment results	(46,344)	22,252	(4,367)	(28,459)

This 14th May 2019

By Order of the Board
Navitas Corporate Services Ltd
Company Secretary

The Board of Directors of Compagnie de Beau Vallon Limitee accepts full responsibility for the accuracy of the information contained in these condensed unaudited financial statements. Copies of the above condensed unaudited financial statements are available to the public, free of charge, at the registered office address of the Company, Riche-en-Eau, St Hubert. The statement of direct and indirect interests of officers of the Company required under Rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available, free of charge, upon request to the Company Secretary at Navitas Corporate Services Ltd, Navitas House, Robinson Road, Florida.
The above condensed unaudited financial statements are issued pursuant to Listing Rule 12.20 and Section 88 of the Securities Act 2005.