

BLUELIFE LIMITED

Business Registration Number: C07050411

AUDITED ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

AUDITED STATEMENTS OF FINANCIAL POSITION - JUNE 30, 2020

	THE GROUP			THE COMPANY		
	Audited as at June 30, 2019	Audited as at June 30, 2019 Restated	Audited as at June 30, 2018 Restated	Audited as at June 30, 2020	Audited as at June 30, 2019 Restated	Audited as at June 30, 2018 Restated
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
ASSETS						
Non-current assets	2,983,279	3,163,910	3,231,820	2,172,100	1,936,444	2,070,505
Current assets	329,695	311,683	374,133	591,767	541,457	406,157
Non-current assets classified as held for sale	384,294	575,313	583,926	-	342,889	342,940
Total assets	3,697,268	4,050,906	4,189,879	2,763,867	2,820,790	2,819,602
EQUITY AND LIABILITIES						
Capital and reserves (attributable to owners of the parent)						
Owners' interest	1,851,028	2,091,403	2,305,154	2,076,894	2,272,581	2,488,247
Non-controlling interests	(17,965)	16,984	19,593	-	-	-
Total equity	1,833,063	2,108,387	2,324,747	2,076,894	2,272,581	2,488,247
Non-current liabilities	586,688	621,107	629,686	3,778	3,688	1,647
Current liabilities	1,067,121	895,563	928,600	683,195	409,835	323,207
Liabilities directly associated with assets classified as held-for-sale	210,396	425,849	306,846	-	134,686	6,501
Total equity and liabilities	3,697,268	4,050,906	4,189,879	2,763,867	2,820,790	2,819,602

AUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2020

	THE GROUP		THE COMPANY	
	Audited year ended June 30, 2020	Audited year ended June 30, 2019 Restated	Audited year ended June 30, 2020	Audited year ended June 30, 2019 Restated
	Rs'000	Rs'000	Rs'000	Rs'000
Continuing activities				
Revenue	470,873	575,803	6,224	9,548
Operating loss before finance costs	(156,172)	(54,791)	(45,079)	(40,767)
Finance costs	(88,285)	(84,951)	(29,002)	(19,360)
Impairment charges	-	(51,236)	(119,593)	(143,115)
Net (decrease)/increase in fair value of investment properties	(10,797)	(239)	(2,349)	9,533
Loss before taxation	(255,254)	(191,217)	(196,023)	(193,709)
Income tax credit/(charge)	3,218	(15,038)	143	326
Loss for the year from continuing operations	(252,036)	(206,255)	(195,880)	(193,383)
Loss from discontinued operations net of tax	(22,125)	(5,216)	-	-
Loss for the year	(274,161)	(211,471)	(195,880)	(193,383)
Other comprehensive income for the year, net of tax	(1,164)	(4,890)	193	(1,247)
Total comprehensive income for the year	(275,325)	(216,361)	(195,687)	(194,630)
Loss attributable to:				
Owners of the parent	(239,785)	(210,106)	(195,880)	(193,383)
Non-controlling interests	(34,376)	(1,365)	-	-
Total comprehensive income attributable to:				
Owners of the parent	(240,376)	(213,752)	(195,687)	(194,630)
Non-controlling interests	(34,949)	(2,609)	-	-
Loss per share (Rs/es)				
-From continuing and discontinued operations	(0.366)	(0.321)	(0.299)	(0.295)
-From continuing operations	(0.332)	(0.313)	(0.299)	(0.295)

AUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2020

	THE GROUP		THE COMPANY	
	Audited year ended June 30, 2020	Audited year ended June 30, 2019 Restated	Audited year ended June 30, 2020	Audited year ended June 30, 2019 Restated
	Rs'000	Rs'000	Rs'000	Rs'000
Continuing operations				
Basic loss per share (Rupees & cents)	(0.366)	(0.321)	(0.299)	(0.295)
Continuing and discontinued operations	(0.332)	(0.313)	(0.299)	(0.295)
Continuing operations				
Net Assets per share (Rupees & cents)	2.876	3.193	3.520	3.171
Number of ordinary shares in issue	654,942,099	654,942,099	654,942,099	654,942,099

AUDITED STATEMENTS OF CASH FLOWS FOR YEAR ENDED JUNE 30, 2019

	THE GROUP		THE COMPANY	
	Audited year ended June 30, 2020	Audited year ended June 30, 2019 Restated	Audited year ended June 30, 2020	Audited year ended June 30, 2019 Restated
	Rs'000	Rs'000	Rs'000	Rs'000
Operating activities				
Net cash (used in)/from operating activities	(55,794)	(200,441)	23,181	(209,938)
Investing activities				
Net cash from/(used in) investing activities	136,177	85,514	(2,524)	359
Financing activities				
Net cash (used in)/from financing activities	(116,073)	45,454	(54,254)	239,926
Decrease in cash and cash equivalents	(35,690)	(70,472)	(33,597)	26,629
Movement in cash and cash equivalents				
At July 1, 2019	(241,987)	(173,228)	(171,781)	(201,410)
Effect of foreign exchange difference	2,011	1,713	-	-
Decrease	(35,690)	(70,472)	(33,597)	26,629
At June 30, 2020	(275,666)	(241,987)	(205,378)	(171,781)

AUDITED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2020

THE GROUP	Attributable to owners of the parent					
	Stated capital	Other reserves	Actuarial reserves	Revenue deficit	Total	Non-controlling interests
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 1, 2019						
As previously reported	3,472,320	26,080	(3,439)	(1,333,152)	2,135,729	(15,553)
Effect of prior year adjustments	-	26,080	-	(44,326)	(44,326)	32,537
As restated	3,472,320	-	(3,439)	(1,377,478)	2,091,403	16,984
Loss for the year	-	-	-	(239,785)	(239,785)	(34,376)
Other comprehensive income for the year	-	-	(591)	-	(591)	(573)
Total comprehensive income for the year	-	-	(591)	(239,785)	(240,376)	(34,949)
Balance at June 30, 2020	3,472,320	26,080	(4,030)	(1,617,263)	1,851,028	(17,965)
At July 1, 2018						
As previously reported	3,472,320	26,080	207	(1,148,598)	2,350,009	(9,782)
Effect of prior year adjustments	-	(26,080)	-	(18,775)	(44,855)	29,375
As restated	3,472,320	-	207	(1,167,373)	2,305,154	19,593
Loss for the period	-	-	-	(210,105)	(210,105)	(1,365)
Other comprehensive income for the year	-	-	(3,646)	-	(3,646)	(1,244)
Total comprehensive income for the year	-	-	(3,646)	(210,105)	(213,751)	(2,609)
Balance at June 30, 2019	3,472,320	-	(3,439)	(1,377,478)	2,091,403	16,984
THE COMPANY						
Balance at July 1, 2019	3,472,320	79	(1,199,818)	2,272,581		
Loss for the year	-	-	(195,880)	(195,880)		
Other comprehensive income for the year	-	193	-	193		
Total comprehensive income for the year	-	193	(195,880)	(195,687)		
Balance at June 30, 2020	3,472,320	272	(1,395,698)	2,076,894		
Balance at July 1, 2018	3,472,320	1,326	(1,006,435)	2,467,211		
Loss for the year	-	-	(193,383)	(193,383)		
Other comprehensive income for the year	-	(1,247)	-	(1,247)		
Total comprehensive income for the year	-	(1,247)	(193,383)	(194,630)		
Balance at June 30, 2019	3,472,320	79	(1,199,818)	2,272,581		

NOTES TO THE AUDITED ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

- The abridged financial statements for the period ended June 30, 2020 have been prepared in accordance with International Financial Reporting Standards and audited by Ernst & Young Ltd.
- Performance of the Group and the Company**

We had already explained, in our published interim accounts for the period ending 31st March 2020, that the disruption caused by the Covid-19 with the closure of borders will impact severely our two main segments of business, which are hospitality and property development.

The Group registered operational losses of Rs.156.2M for the year ended June 30, 2020 as compared with restated losses of Rs.54.8M for last year. Our hotels did not derive revenue since 19th March 2020 and the hotel cluster registered a significant MUR 109.5M drop in its turnover and MUR 77.1M drop in reported gross profit. Our property development sector did not contribute to the 2019-2020 financial period; the recognition of the revenue from sale of properties to the income statement will only start when we break ground on construction. In the course of this financial year, we sold the HomeScene building in Circle Square and the 8th floor in Harbour Front Building and the proceeds from the sale transactions have been mainly used to reduce the Group's bank debts and support the Group's working capital needs.

As a consequence of this current crisis on our businesses, we have carried out impairment tests. At Group's level, provision for bad debts and expected credit losses, mainly for the hotel cluster, are reflected in the Administration Expenses and explain the upsurge in 2019-2020. The Group results were also impacted by the fair value decrease of investment properties for MUR 10.8M to which shall be added MUR 32M from discontinued activities.

For the Company, the reduction in the net asset value of subsidiaries forced provision for bad debts and expected credit losses in its Administration Expenses and impairment of MUR 119.6M in the value of its investment in subsidiaries.

Financial costs of Rs.88M have been incurred for the year ended June 30, 2020. With the prevailing difficult conditions in 2019-2020, we have not been able to reduce our financial costs as initially anticipated. We continue our efforts towards the sale of non-core assets aiming to continuously lower the Group's indebtedness and the financial costs' burden even further.

All the above contributed to Group losses of Rs.274.2M for the year ended June 30, 2020 as compared to Rs.211.5M restated for last financial year.

At year end, the Group total assets and net assets stood at Rs.3.70Bn and Rs.1.83Bn respectively (2019 restated: Rs.4.05Bn and Rs.2.11Bn). Net assets per share was Rs.2.88 as at June 30, 2020 as compared with Rs.3.30 as at June 30, 2019.

3. FUTURE PROSPECTS

The dramatic spread of COVID-19 continues to disrupt lives, livelihoods and businesses. It is not easy to anticipate the date at which our hotels will be able to welcome tourists at levels they were achieving before the outbreak. On our property cluster's side, we continue to address a number of leads received but buyers need to be able to travel free and visit before engaging into the purchase of a property in Mauritius. We are working hard towards safeguarding our assets and businesses but the financial year to come will remain a challenge in terms of revenue and profits.

We will continue to favour cash generation with the sale of non-core assets, and will focus on the implementation of property development projects. The sale of Circle Square is nearly completed and we continue our effort to sell assets earmarked for sale which we hope to conclude in the course of this financial year.

The construction of the golf estate and its residential components is planned to start in the course of this financial year and our Group's results shall be positively impacted with the profit on disposal of inventory for sale on a percentage completion basis.

By Order of the Board

IBL Management Ltd
Company Secretary

October 23, 2020

Copies of these audited abridged financial statements and the statement of direct and indirect interests of officers of the Company are available free of charge, upon request made to the Company Secretary, 4th Floor, IBL House, Caudan Waterfront, Port Louis.

The above audited abridged financial statements are issued pursuant to Listing Rule 12.14 and Securities Act 2005. The Board of Directors of BlueLife Limited accepts full responsibility for the accuracy of the information contained in these audited abridged financial statements.