

SOUTHERN CROSS TOURIST COMPANY LIMITED AND ITS SUBSIDIARIES

ABRIDGED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

ABRIDGED STATEMENTS OF FINANCIAL POSITION

| | THE GROUP | |
|-------------------------------------|------------------|---------|
| | 2014 | 2013 |
| | Rs'000 | Rs'000 |
| ASSETS | | |
| Non-current assets | 898,035 | 803,906 |
| Current assets | 153,335 | 118,281 |
| Total assets | 1,051,370 | 922,187 |
| EQUITY AND LIABILITIES | | |
| Capital and reserves | | |
| Equity holders' interests | 382,453 | 398,852 |
| Non-current liabilities | 509,576 | 60,373 |
| Current liabilities | 159,341 | 462,962 |
| Total equity and liabilities | 1,051,370 | 922,187 |

ABRIDGED STATEMENTS OF CASHFLOWS

| | THE GROUP | |
|---|------------------|-----------|
| | 2014 | 2013 |
| | Rs'000 | Rs'000 |
| Net cash (used in)/ generated from operating activities | (31,059) | 57,866 |
| Net cash used in investing activities | (343,025) | (210,977) |
| Net cash generated from financing activities | 373,562 | 104,803 |
| Decrease in cash and cash equivalents | (522) | (48,308) |
| Movement in cash and cash equivalents | (38,436) | 9,872 |
| At 1 January, | (522) | (48,308) |
| At 31 December, | (38,958) | (38,436) |

ABRIDGED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | THE GROUP | |
|--|----------------------|-----------|
| | 2014 | 2013 |
| | Rs'000 | Rs'000 |
| Revenue | 401,374 | 349,444 |
| Gross profit | 195,167 | 197,031 |
| Other income | 6,956 | 7,573 |
| | 202,123 | 204,604 |
| Administrative and other expenses | (225,354) | (170,517) |
| | (23,231) | 34,087 |
| Net finance (costs)/income | (6,304) | 6,085 |
| Share of profit of associate | 450 | 602 |
| (Loss)/profit before taxation | (29,085) | 40,774 |
| Taxation | 9,079 | (6,754) |
| (Loss)/profit for the year | (20,006) | 34,020 |
| Other comprehensive income for the year | 3,607 | (6,409) |
| Total comprehensive income for the year | (16,399) | 27,611 |
| (Loss)/profit attributable to: | | |
| Owners of the parent | (20,006) | 34,020 |
| Non-controlling interests | - | - |
| | (20,006) | 34,020 |
| Total comprehensive income attributable to: | | |
| Owners of the parent | (16,399) | 27,611 |
| Non-controlling interests | - | - |
| | (16,399) | 27,611 |
| (Loss)/earnings per share | Re /cs (0.16) | 0.27 |

ABRIDGED STATEMENTS OF CHANGES IN EQUITY

| | Stated capital | Available for-sale fair value reserve | Actuarial gains/(losses) | Retained earnings | Total |
|---|----------------|---------------------------------------|--------------------------|-------------------|----------------|
| THE GROUP | Rs'000 | Rs'000 | Rs'000 | Rs'000 | Rs'000 |
| Balance at 1 January 2014 | 253,186 | 85 | (2,252) | 147,833 | 398,852 |
| Loss for the year | - | - | - | (20,006) | (20,006) |
| Other comprehensive income | - | - | 3,607 | - | 3,607 |
| Total comprehensive income for the year | - | - | 3,607 | (20,006) | (16,399) |
| Balance at 31 December 2014 | 253,186 | 85 | 1,355 | 127,827 | 382,453 |
| Balance at 1 January 2013 | 253,186 | 73 | 4,169 | 113,813 | 371,241 |
| Profit for the year | - | - | - | 34,020 | 34,020 |
| Other comprehensive income | - | 12 | (6,421) | - | (6,409) |
| Total comprehensive income for the year | - | 12 | (6,421) | 34,020 | 27,611 |
| Balance at 31 December 2013 | 253,186 | 85 | (2,252) | 147,833 | 398,852 |

NOTES:

- The abridged consolidated audited financial statements have been audited by BDO & Co and prepared in accordance with International Financial Reporting Standards and on the basis of the accounting policies set out in the audited financial statements of the group for the year ended 31 December 2014.
- The company owns and manages the Preskil Beach Resort situated at Pointe Jerome, Mahebourg and Solana Beach at Belle Mare. It is to be noted that the turnover of the group has increased by 15% for the year ended 31 December 2014 compared to last year. The new hotel, Solana Beach, has generated a revenue of Rs 65m since its soft opening on 18 April 2014, which has compensated for the decrease of 3.7% in revenue from Preskil Beach Resort for the year ended 31 December 2014 compared to last year due to a lower occupancy rate.
- The group has made a loss after tax of Rs 20m for the year ended 31 December 2014 compared to a profit of Rs 34m last year. This is mainly attributable to the negative results of Rs 40m recorded on Solana Beach which operated approximately 8 months during year 2014. As a matter of fact, the results between the two years are not comparable as major pre-operational expenses incurred during the first 4 months of the year coupled with the expected low occupancy rate recorded for Solana Beach during its initial months of operation which coincided with the low season period, has substantially contributed to the above.
- Outlook for the year 2015 is encouraging as occupancy rate recorded for Solana Beach as well as Preskil Beach Resort for the first quarter of 2015 has been satisfactory.

By Order of the Board
Navitas Corporate Services Ltd
Company Secretary

This 25th of March 2015

The Board of Directors accepts full responsibility for the accuracy of the information contained in the above audited financial statements. Copies of the abridged audited financial statements are available to the public, free of charge, at Union Corporate Limited, Riche en Eau, St Hubert.

The Statement of interests of officers of the company required under rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request to the Secretary, free of charge, at C/O Navitas Corporate Services Ltd, Navitas House, Robinson Road, Floréal.

This statement is issued pursuant to DEM RULE 18 and Securities Act 2005.