

ATTITUDE HOSPITALITY LTD

AND ITS SUBSIDIARIES

ANNUAL REPORT

FOR THE YEAR ENDED

JUNE 30, 2024

ATTITUDE HOSPITALITY LTD AND ITS SUBSIDIARIES
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SECTION A

The Directors have the pleasure in submitting their annual report together with the audited financial statements of Attitude Hospitality Ltd (the 'Company') and its subsidiaries (the 'Group' or 'AHL Group') respectively for the year ended June 30, 2024.

PRINCIPAL ACTIVITY

The principal activity of the Company is investment holding and that of the subsidiaries vary from investment holding and hotel operations.

RESULTS FOR THE YEAR

The results for the year ended June 30, 2024 are shown on page 6.

DIVIDENDS

No dividends have been declared and paid by AHL Group for the financial year ended June 30, 2024 (2023: MUR Nil).

BOARD OF DIRECTORS

Mr. Jean Francois Desvaux De Marigny-Chairman

Mrs. Casey Jorgensen

Mrs. Jeanne Marie Solange Beatrice Maigrot

Mrs. Armelle Bourgault du Coudray
- Alternate: Mrs. Marina Harel

Mr. Jean Didier Merven

Mr. Vincent Grimond

Mr. Michel Guy Rivalland – resigned on 28.06.2024

Mr. Jitendra Nathsingh Bissessur – resigned on 15.11.2024

Mr Nicolas Marie Edouard Maigrot

Mr Marie Joseph André Barthèlemey Jean-François Colin
- Alternate Mr Jean Michel Barthèlemey Colin

Mr. Jean Michel Pitot

Mr. Vincent Desvaux de Marigny

Mr. Deenesh Seedoyal

DIRECTORS SERVICE CONTRACTS

There are no service contracts between the Company and the Directors.

ENTRIES IN INTERESTS REGISTER

No entries have been made in the interests register during the financial year (2023: Nil).

INTRODUCTION

Attitude Hospitality Ltd is a domestic private company incorporated on 7 May 2008. The Company falls under the definition of a public interest entity as defined by the Financial Reporting Act and is required to comply with the Code of Good Corporate Governance.

The Board is aware of its responsibilities for applying and implementing within the Company the eight principles contained in the National Code of Corporate Governance (2016) and is fully committed to achieving and maintaining the highest standards of corporate governance with the aim of maximising long-term value creation for the shareholders and stakeholders at large.

PRINCIPAL ACTIVITY

Attitude Hospitality Ltd is an investment entity holding shares in various companies in the hotel and tourism industry. The main activities of its subsidiaries (the 'Group') consist of operating and managing hotels locally. The Group started with two hotels and has at date a portfolio of 8 hotels under its management that are branded 'Attitude' with a room capacity of 1200 rooms. However, in July 2023, the Company has acquired from Asilia Lodges and Camps Limited 100% shares in Matemwe Bungalows Zaswi (Z) Limited, a hotel complex in the Island of Zanzibar, Tanzania.

The hotels that are branded Attitude are:

- The Ravenala Attitude 4*
- Lagoon Attitude 4*
- Sunrise Attitude 4*
- Zilwa Attitude 4*
- Tropical Attitude 3*
- Coin de Mire Attitude 3*
- Friday Attitude 3*
- Recife Attitude 3*

An overview of the hotels can be viewed on the website <https://hotels-attitude.com/en/our-hotels-mauritius>

Attitude is a purpose-driven company committed to responsible tourism through concrete actions:

- People first (Employees , Guests and Partners)
Focus on localism Care for the environment

During its first decade, Attitude focused on Mauritian authenticity:

1/ by creating 100% Mauritian experiences in its hotels. Notably, its signature restaurants as well as the Marine Discovery Centre.

2/ by inviting guests to discover the real Mauritius through its Otentik experiences;

3/ by favouring contemporary local decoration made by Mauritian craftsmen and designers, using local raw materials whenever possible.

Attitude is committed to tourism with a Positive Impact; in other words, a more responsible tourism.

RESULTS

For the year under review, the turnover for the Group and the Company reached **MUR 2,598m** (2023: MUR 2,235m) and **MUR 227.9m** (2023: MUR 67.9m) respectively, whilst the profit after tax for the Group stood at **MUR 552.8m** (2023: MUR 369.9m) and profit after tax for the Company stood at **MUR 189.9 m** (2023 : MUR 27.7m).

DIVIDENDS

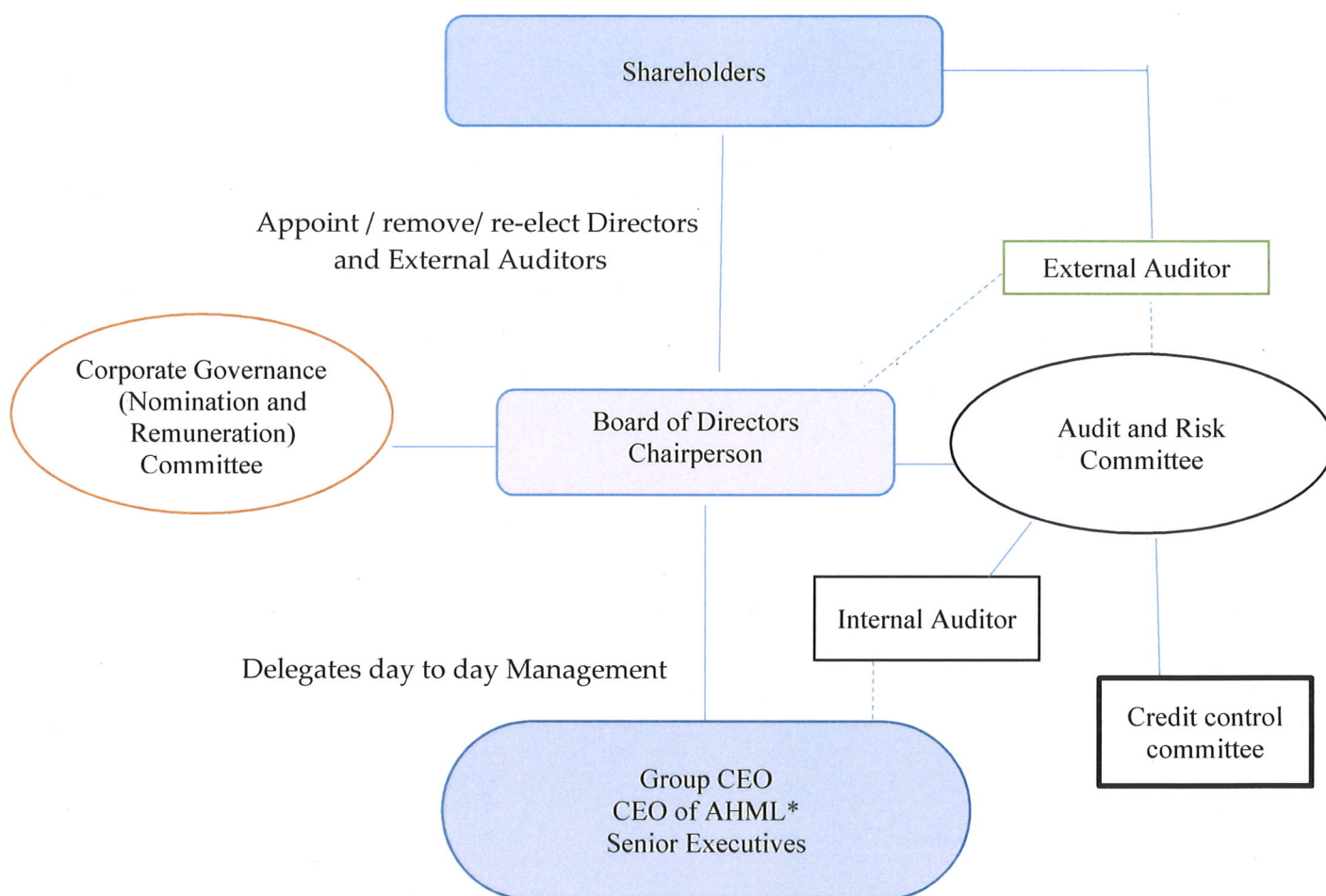
No dividends were declared and paid by the Company (2023: MUR nil). The subsidiaries of the Company declared and paid dividends totalling **MUR 216.4M** during the year ended June 30, 2024 (2023: MUR 67.9M).

PRINCIPLE 1 – GOVERNANCE STRUCTURE

Governance and organisational structure and major accountabilities

The Group operates within a defined governance framework, as explained in the chart below, through delegation of authorities and clear lines of responsibility while enabling the Board to retain effective control.

Shareholders have the power to appoint and/or remove Directors.



**Apart from the Group CEO who is under the employment of the Company, the CEO of Attitude Hospitality Management Ltd ('AHML') and Senior executives are employed by AHML, with which the Company has a management agreement.*

PRINCIPLE 1 – GOVERNANCE STRUCTURE (CONTD)

ROLE OF THE BOARD (CONTD)

The Board:

- Is collectively responsible for the performance and affairs of the Group, for setting up the Company's strategy and policies, overseeing its activities by monitoring performance and supervising management to ensure accountability to its stakeholders;
- Assumes the responsibilities for succession planning;
- Is responsible for the induction of new directors
- Has as primary objectives the protection of shareholders' value and interest within an appropriate structure; and
- Ensures constructive relations between the executive and non-executive directors.

The Board meets three times per year and at such ad hoc times as may be required. Its main functions include the following:

- Reviewing and evaluating present and future opportunities, threats and risks in the external environment, and current and future strengths, weaknesses and risks relating to the Company;
- Determining strategic options, selecting those to be pursued, and resolving the means to implement and support them;
- Determining the business strategies and plans that underpin the corporate strategy;
- Ensuring that the Company's organisational structure and capabilities are appropriate for implementing the chosen strategies;
- Delegating such authority and power to management as may be deemed appropriate and monitoring and evaluating the implementation of policies, strategies and business plans;
- Ensuring that internal controls are effective;
- Overseeing information governance within the Group and ensuring that information assets are managed effectively;
- Ensuring constructive relations between the executive and non-executive directors.
- Communicating with senior management;
- Ensuring that communications both to and from shareholders and relevant stakeholders and all strategic partners are effective; and
- Understanding and taking into account the interests of shareholders and relevant stakeholders in policy and strategy implementation.

The Board has 2 subcommittees, the Corporate Governance Committee and the Audit and Risks Committee. Each board's subcommittee operates within its terms of reference/charters approved by the Board. At Board meetings, reports from sub committees are on the agenda. The Chairperson of each subcommittee is invited to brief the Board on the matters discussed and make the necessary recommendations where applicable. The minutes of the Committee meetings are available to Directors upon request from the Company Secretary.

The organisational chart of the Company can be viewed on its website : <https://ahllcorporate.hotels-attitude.com/corporate-governance/>

CHAIRPERSON

The position statement of the Chairperson can be viewed on the website: <https://ahllcorporate.hotels-attitude.com/corporate-governance/>

Mr Jean Francois Desvaux de Marigny is the Company's Independent Chairperson.

PRINCIPLE 1 – GOVERNANCE STRUCTURE (CONTD)

ROLE OF THE BOARD (CONTD)

The Chairperson:

- Chairs the Directors and shareholders' meetings and provides overall leadership to the Board;
- Sets the board agenda together with the management and the Company Secretary.
- Ensures that Directors receive accurate, timely and clear information to enable the Board to fulfil its duties.
- Ensures that Board's committee are properly structured with appropriate terms of reference/charter.
- Manages the Board to allow enough time for discussion of complex or contentious issues
- Ensures that the Board's decisions are executed.
- Is primarily responsible for the activities of the Board and its Committees.
- Ensures that the Board satisfies its duties, is effective in its tasks of setting and implementing the Company's direction and strategy.
- Ensures that appropriate training is encouraged to continuously update the skills and knowledge of the Directors.
- Supervises the general management of the Company within the framework of the Principles of strategy as entrusted to the Chief Executive Officer.
- Ensures that Board members, when appointed, participate in an induction program and, if needed, in supplementary training programs.
- Ensures that there is appropriate delegation of authority from the Board to executive management and Board committees.
- Ensures that the performance of the Board is evaluated.

DIRECTORS

ROLE OF EXECUTIVE DIRECTORS

There are 3 Executive Directors on the Board. The Group CEO is employed by Attitude Hospitality Ltd and the other two executive directors are employed by Attitude Hospitality Management Ltd 'AHML'. The three executive directors, involved in the day-to-day management of the Group, are:

- Mr Jean Michel Pitot – Group CEO
- Mr Vincent Desvaux de Marigny –CEO of AHML
- Mr Deenesh Seedoyal - Chief Financial Officer

ROLE OF THE NON-EXECUTIVE AND INDEPENDENT DIRECTORS

The composition of the Board is such that there is an appropriate balance of power and authority between Executive, Non-Executive and Independent Directors. Non-Executive and Independent Directors play a vital role in providing judgement independent from management on issues of strategy, performance, resources, and evaluation of performance.

CHIEF EXECUTIVE OFFICER OF THE GROUP

The Chief Executive Officer of the Group is Mr Jean Michel Pitot. He oversees the implementation of the Group's long-term plans in line with its strategy and sets the strategic direction of all subsidiaries of the Group.

CHIEF EXECUTIVE OFFICER OF AHML

The Chief Executive Officer of AHML is Mr Vincent Desvaux de Marigny. He closely interacts with Senior Management and the Board and manages the day-to-day operations of the Company.

CHIEF FINANCIAL OFFICER OF AHML

The Chief Financial Officer of AHML is Mr Deenesh Seedoyal. He manages the financial actions of a Company, tracks cash flow and financial planning, drives company finances and reports to fellow executives and to the Board about organizational financial activities.

PRINCIPLE 1 – GOVERNANCE STRUCTURE (CONTD)

ROLE OF THE BOARD (CONTD)

COMPANY SECRETARY

Box Office Ltd is the Company Secretary of the Company. The position Statement of the Company Secretary can be viewed on the website: <https://ahlcorporate.hotels-attitude.com/corporate-governance/>

The Company Secretary:

- Provides the Board of Directors (the “Board”) with guidance as to its duties, responsibilities and powers
- Informs the Board of all legislation relevant to or affecting meetings of shareholders and directors.
- Ensures that the filing of any documents required of the Company under the Companies Act (the Act) are done in a timely manner.
- Assists in the drafting of the agenda of Board and committee meetings in consultation with the Chairperson and the Executive Directors
- Circulates agendas and any supporting papers to Directors in good time; Convenes, attends and drafts minutes of Board and Committee Meetings and Shareholders’ meetings.
- Ensures that there is a quorum at each meeting and that the meeting is duly constituted
- Certifies in the annual financial statements/annual report of the company/group that the company has filed with the Registrar all such returns as are required of the company under the Act.
- Checks that the Company complies with its constitution and the Act
- Assists in the drafting of the Corporate Governance Section of the Annual Report.
- Ensures that a copy of the Company’s annual financial statements /annual report, is sent in accordance with sections 219 and 220 to every person entitled thereto and filed with the Registrar of Companies and Financial Reporting Council within prescribed delays
- Assists in the induction of directors
- Communicates with the shareholders and acts as point of contact (via the share registrar) for all shareholders.

CHANGES AT BOARD LEVEL AND COMMITTEE LEVEL

Board level

New directors receive an induction pack and are invited to participate in an induction and orientation process.

Changes at Board level:

- Mr Michel Guy RIVALLAND has resigned as Non-Executive Director on 28/06/2024.
- Mr Nicolas MAIGROT was appointed as a Non-Executive Director on the 18/07/2024.
- Mr Jean-François COLIN was appointed as a Non-Executive Director on the 18/07/2024.
- Mr Jean Michel COLIN was appointed as a Alternate Director to Mr Jean-François COLIN on the 01/11/2024.
- Mr Jitendra Nathsingh Bissessur has resigned as Non-Executive Director on 15/11/2024.

Committee level

Changes at Committee level

Audit and Risk Committee:

- Mr Michel Guy Rivalland ceased to be a member on 28/06/2024
- Mr Jean Francois Desvaux de Marigny was appointed as member on 18/07/2024

PRINCIPLE 1 – GOVERNANCE STRUCTURE (CONTD)

ROLE OF THE BOARD (CONTD)

THE BOARD

The Board is the focal point of the Corporate Governance Framework and is ultimately accountable and responsible for the performance and affairs of the Company and the Group. The Board ensures that relevant laws, regulations and codes of best business practices are adhered by the Company and the Group.

The Board shall comprise of a minimum of 5 and a maximum of 12 Directors. The Mauritius Investment Corporation Ltd (“MIC”), subject to the Constitution, may appoint 1 Director. The quorum at Board Meetings is the majority of the Directors with at least 1 director representing the MIC.

The Company has adopted the following Corporate Governance documents on the 29th April 2019:

- a Board Charter
- a Code of Ethics.
- an Audit and Risk Committee Charter
- A Corporate Governance Committee charter
- A statement of accountabilities
- An organisational chart

The aforesaid documents as well as the following documents can be viewed on the website, <https://ahllcorporate.hotels-attitude.com/corporate-governance/> :

- the Constitution approved by the Shareholders on 18 May 2021 and amended thereafter on 02 June 2021 and 27 July 2021;
- the position statement for the Chairperson and the Company Secretary; and
- the IT policy.

The review process of the Charter is as detailed in each document.

The Company’s Constitution does not provide for re-election and/or re-appointment of Directors on an annual basis. Directors are appointed in accordance with the Constitution.

PRINCIPLE 2 – THE STRUCTURE OF THE BOARD AND ITS COMMITTEES

The Company is headed by a unitary Board consisting of twelve Directors, out of which two are Independent, seven are Non-Executive and three are Executive Directors . There are currently 3 women on the Board, namely Mrs Armelle Bourgault du Coudray, Mrs. Jeanne Marie Solange Beatrice Maigrot & Mrs. Casey Jane Jorgensen.

The Board’s composition and size is in accordance with the Constitution. The Board combines representatives of shareholders and has the necessary competencies, mix of skills and knowledge to discharge its duties. It also has a broad range of expertise that covers the Company’s main business, sector and geographical areas. The functions and responsibilities of the Chairperson and the Executive Directors are separate. Mr Jean-Francois Desvaux de Marigny is the Independent Chairperson of the Company, Mr Jean Michel Pitot is the Group CEO and Mr Vincent Desvaux de Marigny is the CEO of AHML.

The Board ensures that the principles of good Corporate Governance, as applicable in Mauritius, are fully adhered to and form an integral part of the Company’s and the Group’s business practices. The responsibilities and accountabilities are identified within the Company and the Group. The Board leads and controls the Group and is collectively responsible for its long-term success, reputation and governance. Its primary objective is to protect and enhance shareholder value through consistent profitable growth whilst simultaneously remaining committed to achieving success for the Company and the Group. The Board, together with senior management is responsible to shareholders and other stakeholders for the Group’s total business performance.

The business is under the Management of AHML with Management contracts between AHML and entities (Hotels) within the Group. The Group CEO is employed by Attitude Hospitality Ltd while the Chief Executive Officer and the Chief Financial Officer are both employed by Attitude Hospitality Management Ltd.

PRINCIPLE 2 – THE STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTD)

DIRECTORS AND SECRETARY

Name	Gender	Country of residence	Status of directorship	Other information
Mr Jean Francois DESVAUX DE MARIGNY-	M	Mauritius	Independent	Chairperson of the Board of Directors and member of the Corporate Governance Committee and the Audit and Risk Committee.
Mrs. Casey JORGENSEN	F	Mauritius	Independent	Chairperson of the Audit and Risk Committee
Mrs. Beatrice MAIGROT	F	Mauritius	Non-Executive Director	Chairperson of the Corporate Governance Committee
Mrs Armelle BOURGAULT DU COUDRAY	F	Mauritius	Non-Executive Director	
Mr Didier MERVEN	M	Mauritius	Non-Executive Director	
Mr Vincent GRIMOND	M	France	Non-Executive Director	Member of the Audit and Risk Committee
Mr Michel Guy RIVALLAND	M	Mauritius	Non-Executive Director	<ul style="list-style-type: none"> Member of the Audit and Risk Committee Resigned on 28.06.2024
Mr Jitendra Nathsingh BISSESSUR	M	Mauritius	Non-Executive Director	Resigned on 15.11.2024
Mr Nicolas MAIGROT	M	Mauritius	Non-Executive Director	
Mr Jean-François COLIN	M	France	Non-Executive Director	
Mr Jean Michel PITOT	M	Mauritius	Executive Director	Member of the Corporate Governance Committee <i>and Group</i> CEO Also Alternate Director to Mr Vincent DESVAUX DE MARIGNY
Mr Vincent DESVAUX DE MARIGNY	M	Mauritius	Executive Director	Also CEO of AHML
Mr Deenesh SEEDOYAL	M	Mauritius	Executive Director	Also Chief Financial Officer of the Group
Mrs Marina HAREL	F	Mauritius	Alternate Director	To Mrs Armelle BOURGAULT DU COUDRAY
Mr Jean Michel COLIN	M	Mauritius	Alternate Director	To Mr Marie Joseph André Barthélemy Jean-François COLIN
Box Office Ltd		Domestic Company incorporated in Mauritius	Company Secretary	Company with one qualified chartered Secretary Sophie Gellé, offering secretarial services to a portfolio of clients.

PRINCIPLE 2 – THE STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTD)

DIRECTORS' PROFILE

Mr Jean Francois DESVAUX DE MARIGNY- *Independent Chairperson*

Fellow of the Institute of Chartered Accountants in England and Wales; he joined MCB in 1986 after several years of experience as an auditor in Europe. He was involved in the launching of the Stock Exchange of Mauritius in 1989. He took part in the development of MCB's regional network. He retired from MCB in 2015 as Deputy CEO, after nearly 30 years' service and is still currently the Chairperson of MCB Ltd and a director of a number of other MCB Group's subsidiaries.

Other directorship in listed companies: Attitude Property Ltd

Mrs Casey Jane JORGENSEN – *Independent Non-Executive Director*

Casey is a Chartered Accountant and Executive Director with wide exposure to businesses dealing in FMCG, commodities, and most recently, in the fintech space. She has financial management experience with specific focus on administration and treasury management for multinational businesses. Casey fulfills the role of an independent, non-executive director for several public and private companies. She is an active member of the South African Institute of Chartered Accountants, as well as the Mauritius Institute of Directors. Dedicated to lifelong learning, Casey is a permanent resident of Mauritius where she has been based for 11 years.

Other directorship in listed companies: Astoria Investments Ltd, Director and ARC Chair

Mrs. Jeanne Marie Solange Beatrice MAIGROT– *Non-Executive Director*

Graduate of Sciences Po Paris (1981). She has more than 20 years' experience as a company director, member of board sub-committees, and trustee. Between 1998 and 2021, Mrs Maigrot served on the boards of Poncini & Fils Ltd and of Cernol Holdings Ltd and its operating subsidiaries. She currently chairs the board of trustees of a domestic pension fund. Between 1985 and 1991 Mrs Maigrot held fixed-income sales roles in London with Credit Lyonnais and Gerrard & National Ltd (now part of the Man Group). She started her career as a commodity trader with Cargill.

Other directorship in listed companies: None.

Mrs Armelle BOURGAULT Du COUDRAY - *Non-Executive Director*

Mrs Armelle BOURGAULT DU COUDRAY graduated with a "Brevet de Technicien Supérieur". She was appointed as director of the Company in July 2008.

Other directorship in listed companies: Attitude Property Ltd.

Mr Didier MERVEN - *Non-Executive Director*

Mr Didier MERVEN set up Portfolio Investment Management Ltd in 1992, a professional portfolio management company in Mauritius. Over the following 31 years AXYS Group evolved from these beginnings into a diversified financial services company. He was appointed as director of the Company on the 15th of March 2011.

Other directorship in listed companies: United Investments Ltd and Novus Properties Ltd.

Mr Vincent GRIMOND – *Non-Executive Director*

Graduated from the ESSEC Business School in France. He is the Founder and Chairman of Anthéma, a consulting and advisory services company specialized in media and leisure. Until 2022, he was Chairman and CEO of Wild Bunch, a major European film entertainment, distribution and production company which he had created in 2003. He also worked for the Club Med Group for 10 years from 1981 to 1991 where he held financial positions, including Group CFO from 1986 to 1991. He was appointed as Director of the Company on August 6, 2014.

Directorship in listed companies: XILAM Animation.

PRINCIPLE 2 – THE STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTD)

DIRECTORS' PROFILE (CONTD)

Mr Michel Guy RIVALLAND – *Non-Executive Director – resigned on 28th June 2024*

Graduate in Economics, Bsc (Hons), from UK. He joined AXYS Group in 1999 and became a shareholder and Director in 2002. Since 1st July 2010 he stepped into the role of CEO of United Investments Ltd, a listed investment company on the Stock Exchange of Mauritius.

Other directorship in listed companies: United Investments Ltd, Attitude Property Ltd and Les Gaz Industriels Ltd.

Mr Jitendra Nathsingh Bissessur - *Non Executive Director– resigned on 15th November 2024*

Mr Bissessur is the Chief Executive Officer of the Mauritius Investment Corporation Ltd (MIC) since March 2021. He was the Officer-in-Charge of the MIC since its inception in June 2020.

He was previously the Director of the Economic Research and Analysis and Statistics Department of the Bank of Mauritius (2018-2020). He worked as an economist in the African Department of the International Monetary Fund (IMF) (2013-14). Mr Bissessur was a Member of the Bank's Monetary Policy Committee, Statistics Board, and the IMF's Task Force on Special Purpose Entities.

He joined the Research Department of the Bank of Mauritius in January 1991 and has over 30 years of experience in the central banking field. Mr Bissessur is skilled in macroeconomic policy and statistical analysis and forecasting. Mr Bissessur holds a BA(Hons) in Mathematical Statistics from the University of Delhi, India and a MSc in Applied Economics with specialization in banking and finance from the University of Mauritius.

Mr Nicolas Marie Edouard MAIGROT - *Non-Executive Director*

Mr. Maigrot holds a degree in Management Sciences from the London School of Economics and Political Sciences. He is presently the Managing Director of Terra Mauricia Ltd. He has acquired, during his career, a rich experience at executive levels. He operated in various manufacturing industries, as well as in the areas of finance and services. Throughout his career, he had various leadership positions such as Chief Executive Officer of Ciel Textile Ltd (knit & knitwear) and Ireland Blyth Limited.

Other directorship in listed companies: Swan General Ltd, Terra Mauricia Ltd, United Investments Ltd

Mr. Marie Joseph André Barthélemy Jean-François COLIN - *Non-Executive Director*

Jean-François COLIN has been an "Avocat" at the Paris Bar since June 2006 and has dealt principally in business matters. He spent the last 18 years as a Paris-based specialist of Mauritius and offered legal, tax and other services principally to Mauritian companies and individuals. He offered similar services from time to time to clients based in France and Africa.

He works in both English and French, which he writes and speaks with native proficiency. His office is associated with Duclos Thorne Mollet-Viéville & Associés, a well-known Paris law firm with expertise in IP matters and a significant commercial and litigation practice (including arbitration).

Prior to joining the Paris Bar, Jean-François spent 25 years in the oil industry and served as in-house counsel to various affiliates of Mobil Corporation and ExxonMobil Corporation. He was General Counsel and member of the Executive Committee of Mobil Oil Française for 4 years, then of Mobil Africa and ExxonMobil Africa for more than 10 years. He held positions in Paris, Philadelphia, New York and Brussels. He also travelled extensively across Africa.

More recently, he has been asked by a number of Mauritian and French clients to assist them in the area of international taxation and French estate issues.

Other directorship in listed companies: United Investments Ltd

PRINCIPLE 2 – THE STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTD)

DIRECTORS' PROFILE (CONTD)

Mr Jean-Michel PITOT – Group Chief Executive Officer – Executive Director

Graduated from the Louisiana State University, Baton Rouge – United States of America and holds a degree in Marketing. He is the co-founder of Attitude Hospitality Ltd created in July 2008. He was appointed as Group Chief Executive Officer in 2010. He was successfully leading various key projects for the development of the group over the last decade with the aim to manage more than 1000 rooms in Mauritius. Prior to joining Attitude, he was the Managing Director of Veranda Resorts renamed into VLH Ltd for the period 1990 to 2008. As part of the Group restructuring, he was appointed as Group CEO in January 2024.

Mr Jean Michel Pitot was the President of Association des Hoteliers et Restaurateurs de L'île Maurice [AHRIM] from 2006-2007, 2007-2008 and 2018-2021.

Other directorship in listed companies: Attitude Property Ltd.

Mr Vincent DESVAUX DE MARIGNY – Executive Director

Holds an Executive Master in Marketing from HEC University Paris. He has 17 years of experience in the hospitality industry and, prior to joining Attitude, he worked for Veranda Resorts, developing the French & Southern European Market. He joined the Group in April 2010 as Sales & Marketing Director and was appointed as Executive Director in March 2011.

After 18 years spent working overseas, in New York and Paris, Vincent was back in Mauritius in September 2015. He has contributed significantly to the expansion of the Group and to successfully positioning the Attitude brand in the mid and upper market segment. He was appointed as the Chief Operating Officer of the Group as from January 2019 and promoted to CEO of AHML as from January 2024.

Other directorship in listed companies: Alternate Director for Mr Jean Michel Pitot on Attitude Property Ltd.

Mr Deenesh SEEDOYAL – Executive Director

Fellow member of the Association of Chartered Certified Accountants and holds a membership of The Institute of Hospitality UK. He is also a registered active members of the Mauritius Institute of Professional Accountants and the Mauritius Institute of Directors.

He has more than 20 years' experience at executive management level with specific focus in Corporate Finance, Treasury management and Financial reporting. He joined the Company in July 2008 and is currently the Chief Financial Officer of the Group. Prior to joining Attitude, he was the Financial Controller at Sands Resorts.

Deenesh sits on several boards of Attitude Hospitality Ltd (AHL) and its subsidiaries, including Attitude Property Ltd which is listed on the Stock Exchange of Mauritius since 2015. He is the Vice Chairperson of the Board of Trustees of the Attitude Pension Fund (APF) which was established in 2014 to provide retirement benefits to the Group's employees.

Other directorship in listed companies: Attitude Property Ltd.

COMPANY SECRETARY'S PROFILE

Box Office Ltd is a domestic Company offering corporate and secretarial as well as business facilitation services to a portfolio of domestic companies. The director and shareholder of Box Office Ltd, Mrs Sophie Gellé is a qualified chartered secretary with 25 years' experience in the corporate secretarial practice. As qualified Secretary, Mrs Sophie Gellé has to acquire continuing professional development with a minimum of 20 CPD hours, per year.

PRINCIPLE 2 – THE STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTD)

SENIOR MANAGERS' PROFILE

Mr Kannen PACKIRY POUILLÉ – resigned on 31 July 2024

Holds a Bsc in Computer Science and MBA, specializing in HR and Systems. He was previously the Director of Human Resources of the Starwood Resorts and Hotels from July 2008 to September 2014. He joined the Group in October 2014 and he is currently the Chief Human Resources Officer.

Mr Ravin UNTHIAH

Holds a Diploma in Hotel Management and a Master in Business Administration. He has several years of experience in the hospitality industry and has worked in reputed Mauritian hotels, as well as foreign ones. He joined the Group in May 2010. He is currently the Chief Officer-Hotel Operations and is in charge of all the hotels operations.

Mr Raymond DUVERGE- Chief Sales Officer

Holds a Diplôme in Hotel Management from Toulouse Hotel School. He worked at Beachcomber Hotels for 18 years and spent 30 years in the hospitality industry.

He was Managing Director of Le Récif Hotel, before joining Attitude in 2011. As from February 2015, being Head of the sales department, he was responsible for all sales-related activities in Attitude Group. He was later appointed as Chief Sales Officer in 2019 and currently sits on the Executive Committee of the Attitude Group.

Mrs Clémentine KATZ- Chief Marketing Officer

Holds a Masters in Transports, Logistics, Territories & Environments and a Bachelor in International Trade, both from University of La Sorbonne, Paris, France. She started her career in 2004 with the Mauritian hospitality group Veranda Resorts, in Paris. Then Clémentine Katz worked for Edifret (now known as Itnovem), private subsidiary of SNCF Fret, specialized in e-business, from 2006 to 2009.

She joined the Marketing Department of Attitude in 2009 and she has been given increasing responsibilities within the group, before being appointed Chief Marketing Officer in 2019. Clémentine Katz is deeply involved in the strategic thinking, brand development and positioning, expansion projects and sustainable development of the Group. She sits on the Executive Committee of the Attitude Group.

Mr Laurent BOURGAULT DU COUDRAY- Chief Officer- Business Development

Graduated in accounting and finance from Curtin University in Perth, Australia and is a member of the Institute of Chartered Accountants in Australia. He has worked over four years in Perth providing corporate and international tax services before joining United Investments Limited (UIL) in January 2013 where he acted as a Project Manager and Business Developer. With a focus on the hospitality sector, Laurent joined Attitude Hospitality Management Ltd in April 2019 as the Chief Business Development Officer.

Other directorship in listed entities: Les Gaz Industriels Ltd and Novus Properties Ltd.

DIRECTORS' SHARE INTEREST

The table below shows the directors' direct and indirect interests in shares of the Company as at 30 June 2024:

<i>DIRECTOR/ ALTERNATE*</i>	<i>DIRECT SHAREHOLDING Number of ordinary shares of no par value</i>	<i>PERCENTAGE</i>	<i>INDIRECT SHAREHOLDING</i>
Mr Jean Michel PITOT	-	-	19.42%
Mr Vincent DESVAUX DE MARIGNY	2,173,693	1.36%	-
Mrs Armelle BOURGAULT DU COUDRAY	-	-	12.65%
Mr Deenesh SEEDOYAL	565,905	0.35%	-
Mrs Marina HAREL*	-	-	12.65%

*Alternate Director

PRINCIPLE 2 – THE STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTD)

BOARD COMMITTEES

The Board has two standing committees to assist in the discharge of its duties; namely the Audit and Risk Committee and the Corporate Governance Committee (also Nomination and Remuneration Committee). The Committees, which are set out below, meet regularly under terms of reference as set by the Board in a Charter for each Committee. The Committee Charters are reviewed every five years or as and when the Board deems it fit to do so.

The Audit and Risk Committee Charter was amended on 28/07/2021 by the Directors to reflect the fact that the members shall be directors of the Company or of its subsidiaries and that its members shall be appointed for a term of office of two years as long as they remain a director of the Company or of any subsidiary and may be thereafter re-elected.

The Chairperson of each Committee has the responsibility to report to the Board regarding all decisions and matters arising at each Board Meeting. The Committees may from time to time seek independent outside professional advice which is then approved by the Board.

The composition of the Committees is as follows:

Audit and Risk Committee

Mrs Casey Jane JORGENSEN – Chairperson and Independent Director of Attitude Hospitality Ltd

Mr Vincent GRIMOND – Non-Executive Director of Attitude Hospitality Ltd

Mr Michel Guy RIVALLAND - Non-Executive Director of Attitude Hospitality Ltd (resigned on 28th June 2024)

Mr Jean-François DESVAUX DE MARIGNY - Non-Executive and Independent Director of Attitude Hospitality Ltd (appointed on 18th July 2024)

Corporate Governance Committee (also Nomination and Remuneration Committee)

The following committee members' mandates were approved for three years taking effect from 08 November 2022:

Mrs Jeanne Marie Solange Beatrice MAIGROT (Non-Executive Director – Committee Chairperson)

Mr Jean-François DESVAUX DE MARIGNY (Non-Executive Independent Director)

Mr Jean-Michel PITOT (Executive Director)

The objectives of both Committees, among other things, are as follows:

Audit and Risk Committee (ARC)

The Audit & Risk Committee shall assist the Board:

- In fulfilling its oversight responsibilities relating to the safeguarding of assets, the operation of adequate systems, control processes and the preparation of accurate financial reporting and statements in compliance with all applicable legal requirements and accounting standards;
- In monitoring and overseeing the financial responsibilities and audit process as well as the procedures for the identification, assessment and reporting of risks.

Its main objectives shall be to:

- Oversee the preparation and accuracy of the financial reporting process and ensure the integrity, transparency and performance of published financial information;
- Review the effectiveness and performance of the Company's internal financial control and risk management system and subsequently report to the Board, making recommendations as to the steps to be taken;
- Evaluate the work of the internal audit function and of the external auditors;
- Review the Company's process compliance with legal and regulatory requirements affecting financial reporting and, if applicable, its code of business conduct;
- Review and monitor Management's responsiveness to internal auditor's findings and recommendations; and
- Make recommendations to the Board as regards the appointment of replacement of the Internal and External Auditors.

PRINCIPLE 2 – THE STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTD)

Please refer to pages 1(17) and 1(19) for disclosures in respect of internal control and risk management.

Credit control Committee

A Credit Control Committee (CCC), which is composed of executive management and reporting directly to the Audit and Risk Committee, has been set up to reassess credit risk and exposure and to face the challenges in managing such risks. New credit terms and conditions are being defined by the CCC. The CCC has met three times during the Financial Year ended 30th June 2024.

The committee members' mandates are as follows:

- Ensure the company's credit policy & procedures are implemented and applied consistently across all business units
- Review of new and existing credit limit provided to Tour Operators (TO)
- Review & Approve credit applications which have been submitted by TO's
- Review & recommend provision (ECL) and write off for bad debts.
- Review of Debtors ageing on quarterly basis
- Re-assessment of the Debtors Insurance Coverage against volume turnover
- Provide recommendation to the Management on ad-hoc basis
- Report to the Audit and Risks committee on the current and long term exposures.

Corporate Governance Committee (also Nomination and Remuneration Committee)

The Corporate Governance Committee shall assist the Board in ensuring that the corporate governance activities are consistent with the eight principles of the New Code of Corporate Governance.

The Committee works on behalf of the Board; its function is limited to making recommendations to the Board and its main objectives shall be to:

- a) Review and make the adequate recommendations to the Board for the approval of the corporate governance report to be published in the Company's annual report.
- b) Ensure that the website includes the key governance documents.
- c) Make recommendations to the Board on the appointment of new directors and ensure a proper induction.
- d) Ensure that there is a director appraisal exercise carried every two years.
- e) Consider a plan for succession for both executive and non-executive directors and in particular for the key roles of Chairperson and Chief Executive Officer and make recommendations to the Board.
- f) Make the necessary recommendations to the Board for training and development of board members.
- g) Review the Directors' fees policy for all directors and the Company's Chairperson and make recommendations to the Board for then submission to the shareholders for approval.
- h) Reviews the adequacy of the remuneration of Directors and Senior Executives and determine the Company's general policy on Executive and Senior Management remuneration.

As provided in the Charters, the Audit and Risk Committee Charter and the Corporate Governance Committee Charter are to be reassessed every 5 years – or prior if considered necessary. The last review was on 21st April 2024 for the CGC Charter.

PRINCIPLE 2 – THE STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTD)

Board and Committee Meetings attendance

During the year under review Directors met four times. The attendance at Board Meetings was as follows:

Directors:	05/12/2023	01/04/2024	24/06/2024	Attendance for the financial year 30 June 2024
Mr Jean François DESVAUX DE MARIGNY	✓	✓	✓	3/3
Mrs Casey Jane JORGENSEN	✓	✓	✓	3/3
Mrs Jeanne Marie Solange Beatrice MAIGROT	✓	✓	✓	3/3
Mrs Armelle BOURGAULT DU COUDRAY	X	X	✓	1/3
Mr Didier MERVEN	✓	✓	✓	3/3
Mr Vincent GRIMOND	✓	✓	✓	3/3
Mr Michel Guy RIVALLAND	✓	X	X	1/3
Mr Jitendra Nathsinh BISSESSUR	✓	✓	✓	3/3
Mr Jean Michel PITOT	✓	✓	✓	3/3
Mr Vincent DESVAUX DE MARIGNY	✓	✓	✓	3/3
Mr Deenesh SEEDOYAL	✓	✓	✓	3/3

During the year under review Audit and Risk Committee Members met three times. The attendance at that Committee was as follows:

Directors:	29/11/2023	18/03/2024	19/06/2024	Attendance for the financial year 30 June 2024
Mrs Casey Jane JORGENSEN	✓	✓	✓	3/3
Mr Vincent GRIMOND	X	✓	✓	2/3
Mr Michel Guy RIVALLAND*	✓	✓	X	2/3

*Resigned on 28/06/2024

During the year under review the Credit Control Committee has met 3 times. The attendance at that Committee was as follows:

Directors:	12/09/2023	11/03/2024	07/06/2024	Attendance for the financial year 30 June 2024
Mr Deenesh Seedoyal	✓	✓	✓	3/3
Mr Jean Michel Pitot	✓	✓	✓	3/3

PRINCIPLE 2 – THE STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTD)

Board and Committee Meetings attendance (contd)

During the year under review the Corporate Governance (Nomination and Remuneration) Committee met three times. The attendance was as follows:

Directors:	29/11/2023	18/03/2024	19/06/2024	Attendance for the financial year 30 June 2024
Mrs Jeanne Marie Solange Beatrice MAIGROT	✓	✓	✓	3/3
Mr Jean-François DESVAUX DE MARIGNY	✓	✓	✓	3/3
Mr Jean Michel PITOT	✓	✓	✓	3/3

COMPANY SECRETARY

Box Office Ltd
2nd Floor, Palm Square
90906 La Mivoie
Tamarin
Tel: 4834 309 – Fax: 4838 952
www.box-office.mu

The Company Secretary, Box Office Ltd, is available to provide assistance and information on governance and corporate administration issues to all the Board members.

PRINCIPLE 3 – DIRECTORS APPOINTMENT PROCEDURES

The appointment of new Directors is defined in the Constitution:

- Directors can be appointed by notice signed by the majority of the holders of ordinary shares; or
- By ordinary resolution.

Directors are appointed for an indefinite term, until their resignation, removal or disqualification in accordance with the Company's Constitution.

ANNUAL RE-ELECTION OF DIRECTORS

The Constitution does not provide for annual re-election of Directors.

DIRECTORS' INDUCTION

The Board assumes responsibilities for the induction of new directors. The Board Charter provides that upon his or her election, each Board member shall participate in an induction program that covers the Company's strategy, general financial and legal affairs, financial reporting by the Company, any specific aspects unique to the Company and its business activities, and the responsibilities of a Board member.

The cost of the induction courses and any training shall be borne by the Company.

PRINCIPLE 3 – DIRECTORS APPOINTMENT PROCEDURES (CONTD)

DIRECTORS' TRAINING, SELECTION AND APPRAISAL

The Company is composed of Executive, Non-Executive and Independent Directors – the Non-Executive Directors have been appointed as representative of the shareholders of the Company.

The Board has reviewed the professional development and ongoing training of directors.

Further to the board assessment carried out every two years, the Board may identify areas where members require training. Also, members may select Director Training and Development from outside entities like the Mauritius Institute of Directors or other institutions.

SUCCESSION PLANNING

The Board assumes the responsibilities for succession planning and for the induction of new directors. The Company has a strong Management team assisting the Group Chief Executive Officer (CEO) and CEO of AHML in their duties. As part of the Succession planning, Mr Vincent Desvaux de Marigny has been appointed as CEO of AHML since January 2024. The Management team is employed by the subsidiary, Attitude Hospitality Management Ltd which has management contracts with most companies of the Group as well as with the Companies that are not subsidiaries but that own and/or operate hotels that are branded 'Attitude'.

BOARD EVALUATION

Self-Appraisal

The last exercise was carried out during the financial year 2023-2024 and also included an evaluation of the two sub-committees. No independent board evaluator was appointed.

For the evaluation, the Directors are normally invited to fill in a questionnaire, in which the questions are categorised under the following themes:

- company's relationship and communication with shareholders;
- the structure of the board;
- board efficiency and effectiveness;
- Chairperson of the Board;
- board leadership and management relations;
- directors' powers and duties;
- ethics;
- committees;
- risks;
- corporate governance; *and*
- individual assessment.

A report is thereafter drafted by the Company Secretary and reviewed by the Corporate Governance Committee, which then makes recommendations to the Board.

PRINCIPLE 4 – DIRECTORS DUTIES, REMUNERATION AND PERFORMANCE

All the Directors on the Board are fully aware of their fiduciary and legal duties as set out in the Companies Act 2001. These duties are included in the Induction Pack.

RELATED PARTY TRANSACTIONS

Related party transactions are set out on note 25. No related party transactions were outside the scope of the Company's policy.

PRINCIPLE 4 – DIRECTORS DUTIES, REMUNERATION AND PERFORMANCE (CONTD)

CONFLICTS OF INTEREST

The Board is conscious that transactions between the Company and its Management, Directors or Shareholders may be a source of conflict and ensures that transactions are disclosed and recorded in the interest register. The Board

Charter, which can be viewed on the website includes a clause (clause 8.1) on conflict of interest of board members and related party transactions.

No transactions were recorded during the financial year. The register is available to shareholders upon request to the Company Secretary. All conflicts-of-interest and related-party transactions have been conducted in accordance with clause 8.1 of the Board Charter.

INFORMATION, INFORMATION TECHNOLOGY AND INFORMATION SECURITY GOVERNANCE:

Information management is an essential part of good IT governance, which in turn is a cornerstone in corporate governance. An integral part of the IT governance is information security, in particular pertaining to personal information.

The Group has an Information Technology (IT) Security Policy that identifies the rules and procedures for all individuals accessing and using an organisation's IT assets and resources. Effective IT Security Policy is a model of the organisation's culture, in which rules and procedures are driven from its approach to information and work. Thus, an effective IT security policy is a unique document for each company, cultivated from its perspectives on risk tolerance, how the company sees and values their information, and the resulting availability that it maintains of that information.

A security policy combines legal requirements and current best practice for an information security management policy for the Company. It provides a policy with information security objectives, strategy and defines roles and responsibilities.

Core principles for information security management, as defined in ISO/IEC 27001 and complemented by ISO/IEC 27002, are adapted to the local situation for the following areas:

- Risk Assessment
- Organising information security
- Frequent monitoring of the capital & IT expenditures in line with budgets
- Asset management
- Human resources security
- Physical security and restrictions to access in some cases
- Communications and operations Management.
- Access control
- System development and Maintenance
- Information Security incident Management
- Business continuity management
- Compliance

The Board and Management involvement in information and IT governance:

- Oversee the realised total capital expenditures in line with budget at each quarterly Board meetings
- Regular evaluation of the information security systems and data access rights.
- Assess the need for independent evaluation from external experts on IT governance
- The IT Policies and IT Security Policies are being reviewed and documented during the course of financial year 2024/2025.

Proposals from the IT department for significant expenditures on information technology are reviewed and approved by the management team; namely the Group CEO, the CFO and the Hotel General Managers. Over and above, as part of the review of monthly and yearly accounts, the resultant capital expenditures on the electronic equipment, computer software and hardware are also reviewed.

PRINCIPLE 4 – DIRECTORS DUTIES, REMUNERATION AND PERFORMANCE (CONTD)

REMUNERATION OF DIRECTORS

The Executive Directors are entitled to a variable remuneration from AHML based on the performance of the Group Profit before tax.

The Corporate Governance Committee has reviewed the adequacy of the directors' fees.

The table below sets out the details of Directors' remuneration perceived from the Company during the reporting financial year:

Directors:	Remuneration received from the Company MUR
Mr Jean François DESVAUX DE MARIGNY	310,000
Mrs Casey Jane JORGENSEN	290,000
Mrs Jeanne Marie Solange Beatrice MAIGROT	250,000
Mrs Armelle BOURGAULT DU COUDRAY	116,000
Mr Didier MERVEN	140,000
Mr Vincent GRIMOND	215,000
Mr Michel Guy RIVALLAND	173,000
Mr Jitendra Nathsinh BISSESSUR	140,000
Mr Jean Michel PITOT	-
Mr Vincent DESVAUX DE MARIGNY	-
Mr Deenesh SEEDOYAL	-

There are no Director fees payable to the Executive Directors of the Company.

EXECUTIVE DIRECTORS REMUNERATION & BENEFITS

The Group CEO (Executive Director) of the Company has received a total remuneration of **Rs5.5M** during the year (2023; Rs nil). The Executive Directors of the management company, AHML have received **MUR 42.8m** as remuneration or benefits during the year (2023: MUR 29.2m).

PRINCIPLE 5 – RISK GOVERNANCE AND INTERNAL CONTROL

RISK MANAGEMENT

The Board has the overall responsibility for the Group's risk management and internal control. The management of the Company and the Audit and Risk Committee assists the Board in implementing, operating and monitoring the internal control system to achieve business objectives set for the Group.

The identification of risks is delegated to the Audit and Risk Committee. Internal Audit has the responsibility to inform the Audit and Risk Committee of any risk identified. The Audit Plan is prepared by the Internal Auditor with the assistance of the Finance Director and Audit and Risk Committee, then this is reviewed and approved on a yearly basis by the Audit and Risk Committee; reports following the internal audits carried out are presented at each Audit and Risk Committee. The highlighted risks are managed by the departments concerned and follow up reports are thereafter carried out for most occasions by the Internal Audit team and presented and reviewed by the Audit and Risk Committee.

Moreover, the Group has appointed Ernst & Young Ltd to conduct a risk assessment exercise for Attitude on 29 November 2023. However, this risk assessment exercise is still in progress.

PRINCIPLE 5 – RISK GOVERNANCE AND INTERNAL CONTROL (CONTD)

RISK MANAGEMENT (CONTD)

There is no specific risk at the Company level as all risks identified at the Group level, associated with the operations of the hotels.

Principal risks identified:

Risk Category	Descriptions	Risk management strategies
Operational	Operational risks include all processes and sub processes from the time of a booking is received by the Hotel until the guest leaves the hotel. COVID-19 has increased the scope of operational risks in all processes and sub-processes, including contamination risks during the hotel's quarantine period, which are monitored by the Health & Safety department.	Weekly operational meetings are held at both hotel and head office levels to ensure that the operational risks are well managed. Standard Operating Procedure (SOPs) in respect of our front-line activities are continuously revisited, in line with the group's philosophy of providing the best customer experience The Group has continuously invested in its properties to adhere to high quality standards in all areas of operations
Legal and regulatory	Legal and regulatory risks include those surrounding competition laws, Employment rights Act, Health and Safety requirements and compliance with the Code of Corporate Governance	Laws and regulations with respect to the following spheres are monitored: <ul style="list-style-type: none"> • Employment Rights and Workers Rights Act: being monitored by the HR departments • Health and Safety regulations: being monitored by the Health and Safety departments. • Compliance to the Code of Corporate Governance are monitored by the board via the Corporate governance reports. • The Group asks for guidance from legal adviser and Insurance broker to protect the group against exposures to potential losses.
Financial	The Financial risks include liquidity risks and risk associated with interest rates, foreign exchange rates, taxation, capital structure and profitability risks. Risks associated with liquidity, profitability and gearing have further increased following the outbreak of the COVID-19 but regular management meeting are held to monitor and minimize those risks.	Financial risks in all aspects of liquidity, interest, foreign exchange, taxation, profitability and capital structure are managed by the centralised treasury team and also by the finance team Foreign exchange risks are being managed by using forward and swaps as instruments. Refer to Note 28 in the financial statements for financial risks management
People	People risks include all risks associated with recruitment and retirement, on-going talent management & succession planning, relations with employees, staff disciplinary matters and for 'work from home' programme. Regular updates are obtained from employees with respect to the above risks and 'work from home' programme and further actions are defined to counter those risks.	The HR and training department are responsible to monitor the recruitment, training, disciplinary and success planning programmes. Selection process, training programmes are well established and employee conditions are aligned with those of the industry. Our in-house training structure, (Attitude Hospitality Training Ltd 'AHTL') enables professional knowledge and skills to be constantly enhanced.

PRINCIPLE 5 – RISK GOVERNANCE AND INTERNAL CONTROL (CONTD)

RISK MANAGEMENT (CONTD)

Risk Category	Descriptions	Risk management strategies
IT and data protection	<p>Risks associated with all IT systems and using the latest technologically prone equipment.</p> <p>Actions are in the implementation phase to mitigate the risks of data protection breach in line with the Data Protection Act. This mainly includes reviewing security controls, policies and procedures with the assistance of an external independent evaluator.</p>	<p>The IT department is well versed in managing the IT systems and data security & protection procedures.</p> <p>The Group has already embarked on its digital transformation plan which aims to create the capabilities of fully leveraging the possibilities and opportunities of new technologies.</p> <p>Procedures are in place to safeguard IT installations of all hotels of the group to ensure continuity of business.</p> <p>The overall IT systems and hardware are continuously assessed by professional teams and recommendations are put in place in a timely manner</p> <p>A new in-house data protection officer has been appointed during the year to ensure compliance with the local Data Protection Act and GDPR</p>
Health and Safety	<p>Risks associated with all events that can cause serious injury and harm to Attitude's workforce and customers.</p>	<p>The Group has a full-time health & safety and food hygiene officers who are continuously reviewing processes and ensure compliance with SOP's and International best practices (SGS)</p>
Environmental	<p>Risks that are linked with environmental conditions</p>	<p>At hotel level, the Hotel GMs schedule weekly management meeting to identify and assess all operational and environmental risks and issues. Action plans are laid down to tackle those risks.</p> <p>The group methodically identifies, assesses and responds to environmental risks.</p>
Strategic	<p>Risks that can include uncertainties and opportunities embedded in Attitude's Strategic plan and how well they are executed.</p> <p>The AHL Group defines a yearly strategic plan for the hotels branded 'Attitude', this plan is subsequently cascaded down to each hotel.</p> <p>The outbreak of the COVID-19 has adversely influenced the execution of the strategic plan both for AHL Group and at each hotel level.</p> <p>The operations of the hotel were therefore reviewed and repositioned to cater for this drastic change.</p>	<p>Yearly board meetings and weekly management meetings at Head office are held to ensure that the Group Strategic plans are being well executed.</p> <p>Through assessment of the financial performance, as well as key non-financial developments, the board and management team analyse how well the Group strategy has been executed and operational plans respected.</p> <p>Refer to Note 35 & Note 36 in the financial statements for Director's assessment of COVID-19 on the operations of the Company of the Group and measures taken to mitigate the impact of COVID-19.</p>

PRINCIPLE 5 – RISK GOVERNANCE AND INTERNAL CONTROL (CONTD)

RISK ASSESSMENT AND MANAGEMENT PROCEDURES:

The Group’s approach to risk assessment and management includes the following steps and tasks:

<p>1. <u>Risk identification</u></p>	<ul style="list-style-type: none"> • Understanding the business environment along with implications of COVID-19 • Identification of Key Business processes • Interviews with Managerial and Operational Staff • Agreeing on the risk rating scale
<p>2. <u>Risk measurement</u></p>	<ul style="list-style-type: none"> • Risks are measured in terms of their likelihood and impact • Risk score is determined for each identified risk, which is validated by management.
<p>3. <u>Control Identification</u></p>	<ul style="list-style-type: none"> • Conducting focus workshop sessions. • Identifying existing controls to mitigate internal and external risks
<p>4. <u>Assigning accountabilities</u></p>	<ul style="list-style-type: none"> • Through discussions with relevant personnel, all risks and controls have been assigned to their risk owner and control owner respectively

No significant areas have been identified as not covered by the internal controls

PRINCIPLE 6- REPORTING WITH INTEGRITY

CODE OF ETHICS

The Company has adopted a Code of Ethics; the Group is committed to the highest standards of integrity and ethical conduct in dealing with all its stakeholders. This commitment, which is actively endorsed by the Board, is based on the fundamental belief that business should be conducted honestly, fairly and legally. The Board monitors and evaluates compliance with its Code of ethics. Any review of the Code of Ethics is subject to Board’s approval on recommendation of Management.

The whistle-blower policy has been well described in clause 17 of the Code of ethics and also published on the Company website. The Gift Policy implemented by the Group since 01 December 2021 will be uploaded on Attitude website.

CORPORATE SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

Attitude Group is conscious of the social, environmental, and economic problems which are building up around the world. Mauritius island is home to sensitive ecosystems, and we owe it to ourselves to protect it. We are aware of the adverse effects our hotel operations can have on these environments, and our aim is to achieve a balance between human activities and environmental preservation. The Group also believes that a holistic and inclusive approach is required, based on the Sustainable Development Goals of the United Nations. Although our strategy includes and incorporates all the SDGs, our group focuses mainly on three goals where clear objectives are set, and the results can be quantified and translated to ensure that the targets are being met. These three objectives are in fact closely linked to Hospitality, our group’s main activity and are therefore priorities:

- SDG 8: Decent work and economic growth
- SDG 12: Responsible consumption and production
- SDC 14: Life below water

Since its creation in 2008, Attitude promoted and supported the local economy and community through its initiatives. The Group's focus on sustainable tourism has grown over the years to become central to its purpose. Far more than a results-oriented Company, Attitude is now a company with a purpose.

PRINCIPLE 6- REPORTING WITH INTEGRITY (CONTD)

CORPORATE SOCIAL AND ENVIRONMENTAL RESPONSIBILITY (CONTD)

Jean-Michel Pitot, the Group CEO of Attitude Hospitality Ltd, says: “Tourism should benefit the whole island and do good, even after the holiday is over. It isn't easy and we don't have all the answers, but we do have the drive to innovate and lead the change. As well as our desire to preserve the island's cultural and environmental heritage, we want to bring about a change in behaviour and raise awareness. The movement intends to unite guests, our partners and the wider tourism industry to follow a model for sustainable development.”

In 2020, the group experienced a significant acceleration as it introduced its sustainable strategy built around three fundamental commitments of sustainable development that align with the group's core mission: “Attitude, committed to tourism with a positive impact”.

Attitude focuses on three key pillars:



Protecting the environment

As a hotelier, and an economic player that benefits from a luxuriant nature, especially the lagoon, we believe we need to actively participate in its preservation.

We actively contribute to preserving our lagoon through our Marine Discovery Centre, which focuses on raising awareness, conducting educational initiatives, and carrying out scientific research projects on the lagoon and marine environment in collaboration with local and regional partners.

We encourage suppliers to consider a better environmental footprint by reducing packaging, banning single use plastic, and also by studying product lifecycle.

- We are committed to zero single-use plastic within the guest journey.
- Each year we set ourselves new reduction targets for electricity and water consumption.
- Since 1st July 2023, 30% of our dishes in our 4-star hotels are vegetarian and vegan.
- Reducing chemical use with 95% natural products in room and biodegradable cleaning products, reducing energy consumption thanks to solar energy devices but also natural ventilation, flow restrictors.

PRINCIPLE 6- REPORTING WITH INTEGRITY (CONTD)

CORPORATE SOCIAL AND ENVIRONMENTAL RESPONSIBILITY (CONTD)

We have implemented a waste management program across all of our hotels, emphasizing on the segregation and recycling of waste materials.

- As a player committed to sustainable development in Mauritius, we have joined the Climate Fresk project and we started to train 200 Family Members in a Climate Fresk workshop in 2023.
- All our hotels are certified Travelife Gold since 2017.

We calculated our Scope 1, 2, and 3 emissions that will help us develop a strategy for reducing carbon emissions in our operations.

Supporting the local economy

We mainly source from Mauritian producers, whenever possible, and build strong partnerships that directly benefit the local economy.

- We fund small local businesses if they align with Attitude's purpose. The first beneficiary was Kokodezil, which offers handmade organic beauty products from locally sourced natural ingredients and the second one, 'Topo Sorbe', natural, local and plastic free ice creams..
- We prioritize sourcing food locally whenever possible, unless it cannot be grown or produced on the island. For example, farmers Mr and Mrs Mayaven provide the hotels with salad and vegetables, supporting 20 jobs in a small Mauritian village. Additionally, Mr and Mrs Chetty prepare all the traditional dhol puris served at the hotels' street food vans, offering guests an authentic taste of Mauritian home cooking.
- We have been recognized with the 'Made in Moris' label, thanks to our commitment to employing local people, collaborating with local suppliers and artists, and promoting products that are locally made.
- To ensure the local value of our supply chain, 52% of all our Food & Beverages sourcing is from Made in Moris companies.
- We are associated with My Pop-Up Store to reinforce the visibility of the artisanal creations and local know-how in each of our Otentik Bazar (our hotels shops) to showcase creations of local artisans and entrepreneurs.
- 75% of the last two hotel renovation projects were sourced locally.

PRINCIPLE 6- REPORTING WITH INTEGRITY (CONTD)

CORPORATE SOCIAL AND ENVIRONMENTAL RESPONSIBILITY (CONTD)

Caring for the local community

True to our commitment from the very beginning, we remain dedicated to supporting Mauritian artists and our Family Members to preserve and promote our local heritage.

- Attitude has been awarded the label 'Great Place to Work' and remains committed to supporting the professional and personal development of our Family Members (employees). Company initiatives include a university scholarship grant for a child of one of the Attitude Family Members per year.
- Guests are encouraged to experience an authentic slice of Mauritius through its Otentik experiences. These include having dinner with a local family, where 100% of the cost goes directly to the hosting family, but also handcraft markets with 100% local artisans' products in the hotels with no profit for the group.
- Attitude is committed to gender equality and to inclusivity. We have implemented an inclusive grooming policy, developed trainings on gender stereotypes and created gender-neutral customer packages.
- Attitude supports local talents. The hotels are decorated using creations from local artists and photographers; and Attitude Hotels holds an annual music competition, giving Mauritian musicians the platform to grow and win the production of an album and music video. Many of the musicians perform at Attitude Hotels, giving guests the chance to hear up-and-coming talent.

Since 2023, Attitude is a purpose-driven company, meaning that at Attitude, we strive to create value for all our stakeholders (including guests, employees, and providers), not just for the company itself (and its shareholders). We have developed a mission statement founded on social and environmental objectives. This mission acts as a compass, pushing us all to strike the right balance between economic performance and societal impact.

HEALTH AND SAFETY

In line with its policy to provide a safe environment for its employees, guests and other stakeholders, the AHL Group has set up a Risk and Compliance Department which oversees Safety & Health, Food Safety, Fire Safety, and Security matters in compliance with local and international legislations and guidelines. In order to guarantee the standards of quality of produces, suppliers' visits are conducted on a regular basis. Safety & Health assessments are regularly conducted, fire training and fire drills are performed on a yearly basis, Asset Protection Plans are reviewed twice yearly and corporate audits are also conducted twice yearly in each hotel.

MANAGEMENT AGREEMENT

Attitude Hospitality Management Ltd is a subsidiary of AHL and has management contracts with other subsidiaries of the Company whose main activity is to manage hotels.

DONATIONS

The Group has a policy of channelling all requests for donations (excluding political donations) and other forms of social assistance through its Corporate Social Responsibility function, duly incorporated under Green Attitude Foundation since 2013.

It was agreed that all donations would be submitted to the Board for approval.

PRINCIPLE 6- REPORTING WITH INTEGRITY (CONTD)

DONATIONS (CONTD)

Donations made during the year were as follows:

	June 30, 2024		June 30,2023	
	Political	Others	Political	Others
	MUR'000	MUR'000	MUR'000	MUR'000
The Company	3,000	-	200	-
The Subsidiaries				
Compagnie Marmites Des Iles Limitée	-	-	-	-
Marina Village Hotel Limited	-	38	-	33
Tropical Hotel Ltd	-	12	-	37
East Water Ltd	-	35	-	30
Attitude Hospitality Management Ltd	-	96	-	-
The Associates				
Water Sports Village Limited	-	63	-	22
Zilwa Resorts Ltd	-	121	-	89

PRINCIPLE 7 - AUDIT

INTERNAL CONTROL

Internal Audit

The Internal Audit function is outsourced to UHY & CO and reporting is through the Audit and Risk Committee (ARC).

The internal audit team has unrestricted access to the records, management and employees of the Group. The Internal Auditor has the responsibility of ensuring that recommendations on internal controls have been implemented at Group level.

During the year under review the Internal Auditors were able to carry out all audits as planned. The audit plan's main areas of focus are on high risk areas of stock and front office management.

All high-risk areas were covered by the Internal auditors and no significant internal control issue was noted or brought to the attention of the ARC during the year.

UHY being an external service provider, only reports to the Audit and Risk Committee, thus maintaining at all times its independence and objectivity.

Internal Control and Risk Management

The Board acknowledges that it has overall responsibility for the Company's systems of risk management and internal control and for ensuring their effectiveness.

Some of the most significant risks facing the Company pertain to the economic, social, environmental, technological and political factors affecting the countries from where the Company derives business. Reputational, foreign exchange and interest rates risks also have a direct impact on the Company's and the Group's business.

For the financial risk factors, refer to note 25 of the financial statements.

PRINCIPLE 7 – AUDIT (CONTD)

EXTERNAL AUDITORS' APPOINTMENT AND REMUNERATION

Ernst & Young were appointed as external auditors by the Shareholders and the tenure of office will be reviewed in due course in line with good governance.

Unless the External Auditors resign prior or are given a notice that they shall not be re-appointed at the next Annual Meeting, the External Auditors are automatically re-appointed at each Annual Meeting. The approval of their remuneration is delegated to the Board by the shareholders.

The External Auditors has met with the Audit and Risk Committee without the presence of Management.

The ARC is responsible for reviewing with the external auditors the letter of engagement, terms and nature of the audit scope and approach and ensure that no restrictions or limitations have been placed on the scope. The external auditors report directly to the ARC which is also responsible for monitoring the external auditors' independence, objectivity and compliance with ethical, professional and regulatory requirements.

During the financial year ended June 30, 2024 the ARC has met three times and the external and internal auditors were present at the ARC meeting held on the 29/11/2023 and 18/03/2024. The Executive Directors were in attendance during this meeting. During the meeting, the accounting policies and principles were discussed.

Auditors are expected to observe the highest standards of business and professional ethics and, in particular, that their independence is not impaired in any manner. They have the duty to maintain their independence and objectivity at all times, especially when providing other than audit service to the Company or the group. Any conflicts or potential conflict of any kind are expected to be reported to the Audit and Risk Committee or the Chairperson of the Board without delay.

Effectiveness of the external audit process is assessed at regular intervals during:

- Planning meetings
- Final external audit at the end of each financial year
- Closing meetings organised at the end of the audit period.

The Shareholders shall either fix the remuneration of External Auditors at the Annual Meeting where they are appointed or reappointed or may at the said Annual Meeting resolve that the Board be authorised to approve the remuneration of External Auditors. The Shareholders have opted to authorise the Board to fix the remuneration of Auditors.

EY length of tenure is 16 years, i.e. since incorporation of AHL.

Separate engagements are defined for non-audit services from the external auditors (EY) to ensure that the external auditor's objectivity is not compromised.

PRINCIPLE 7 – AUDIT (CONTD)

EXTERNAL AUDITORS' APPOINTMENT AND REMUNERATION

The fees paid to the Auditors for audit and non-audit services were as follows:

	June 30, 2024	June 30, 2023
	MUR '000	MUR '000
Ernst & Young		
Audit services	3,480	3,033
Non-audit services (Consultancy services)	305	780
Non-audit services (Taxation services)	617	556
Total	4,402	4,369

The non-audit fees relate to taxation fees paid to EY Tax, another department at EY. The independence of the external auditors is safeguarded through appointment of two different partners, the audit partner and the tax partner.

SHAREHOLDER INFORMATION

The Company maintains a very close relationship with its shareholders. All ordinary shareholders are present or represented on the Board of Directors and take part in all important decisions. Directors receive timely information on the company's activities and results and Board meetings are held regularly.

It also endeavours, if applicable and considered appropriate, to regularly inform the shareholders on any matters affecting the Company; If, additional information may be provided by announcements and disclosures in the Annual Report which is published on the Company's website.

The Secretary is available to provide any information or advice upon request.

PRINCIPLE 8 – RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

The Board of Directors places great importance on an open and transparent communication with all the stakeholders of the Company and acknowledges its responsibility of ensuring that an appropriate dialogue takes place among the Company, its shareholders and other key stakeholders.

Ordinary shareholders, through their presence on the Board, have been involved in a dialogue on the Company's organisational performance and outlook.

The Annual report is published on the website of the Registrar of Companies (MNS platform) and on the Company's website and can be viewed by other stakeholders.

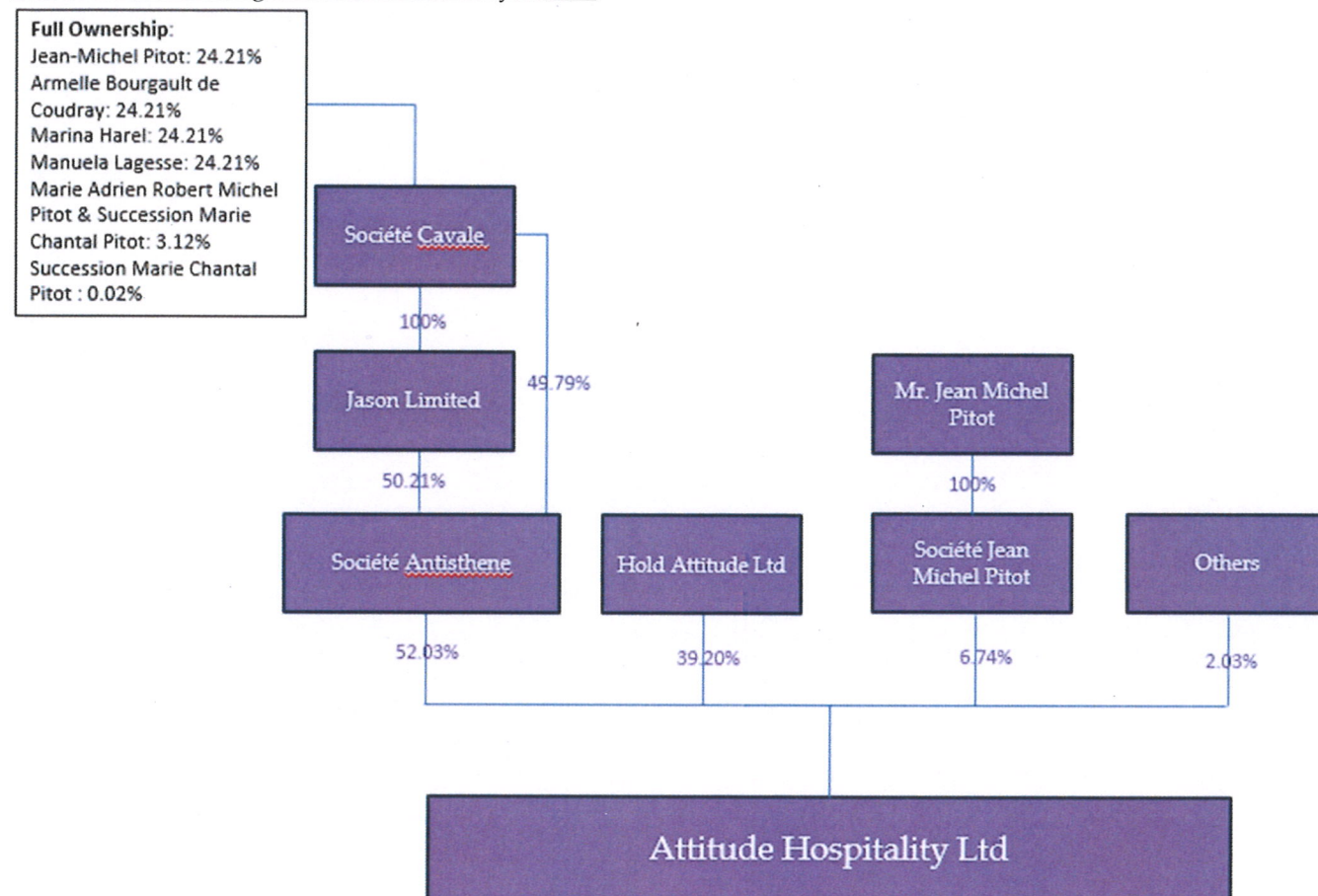
PRINCIPLE 8 – RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS (CONTD)

CASCADE SHAREHOLDING STRUCTURE AND SUBSTANTIAL SHAREHOLDERS AS AT 30 JUNE 2024

AHL is a private company. Its shareholding structure is as follows:

- 159,969,721 Ordinary Shares for a total consideration of MUR 1,296,582,800

Cascade shareholding structure – Ordinary Shares



Common Directors/ alternate*:

	Attitude Hospitality Ltd	Société Antisthène	Societe Cavale	Jason Ltd
Mr Jean Michel PITOT	✓	✓ (Gérant)	✓ (Gérant)	✓
Mrs Armelle BOURGAULT DU COUDRAY	✓			✓
Mrs Marina HAREL* (alternate to Mrs Armelle Bourgault du Coudray)	✓*			✓

Redeemable Convertible Shares

The Redeemable convertible ordinary shares were issued on the 29th of June 2018 in accordance with a Subscription Agreement signed on the same date. One of the conditions in the said Subscription Agreement was that they would be convertible or redeemable at 30 September 2021. With the Covid-19 and lockdown seriously affecting the Company's results, the Company and the holders of the said shares jointly agreed to extend the redemption/conversion process to 30 September 2023. The terms and conditions of the extension were contained in an addendum to the initial 'Subscription Agreement' which was signed on 11th of May 2022. Each redeemable convertible share has been converted into 1 ordinary shares on 19th April 2024.

PRINCIPLE 8 – RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS (CONTD)

DIVIDEND POLICY

The Board has not adopted a formal dividend policy and distributes dividends subject to the Company’s profitability and investment plan. Dividends are declared subject to the solvency test being satisfied, as required by the Companies Act 2001.

MAURITIUS INVESTMENT CORPORATION LTD (MIC)

In February 2021, a subscription agreement has been entered into between the Company and MIC whereby MIC shall provide funding to AHL through the subscription of Bonds in accordance with terms and conditions and permitted use of the funds, subject to a conversion right of any outstanding Bond at maturity (9 years after the Bonds issue) into ordinary shares at a conversion price agreed upon between the parties.

ANNUAL MEETING

All ordinary shareholders being represented on the Board, the Shareholders opt to have a written resolution signed in lieu of holding an Annual Meeting of the Company.

The Annual Meeting minutes and questions & answers are not published on the website given that AHL is a private company and, all shareholders sign a resolution in lieu of holding an Annual Meeting of the Company. Shareholders can have access to the minutes/ resolutions of the said meetings in accordance with section 226 of the Mauritius Companies Act 2001.

Key Stakeholders:

Stakeholder Groups	Expectations of Stakeholders	Our engagement with our stakeholders	Their contribution to value creation	Impact on strategy and objectives
Family members (employees)	-Safe working environment -Job security -Ongoing training programmes -Effective communication between management and employees -Career development opportunities -Competitive remuneration and benefits packages	-Regular internal communiques via email -Employee surveys -Training and development programs -Performance management programs	Our Family members are the most important asset to our business and are crucial to elevating the quality of service and elevating guest experiences.	Pro-active participation and engagement of our family members
Banks	-Adherence to terms of agreement and covenants -Involvement in expansion opportunities	-Frequent meetings and discussion with the banks (e.g. for projects and financing facilities)	-Banks are essential to the success of our business due to provision of necessary financial resources	-Improve stakeholder relationship with banks -Inclusiveness in project development

PRINCIPLE 8 – RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS (CONTD)

ANNUAL MEETING (Cont'd)

Key Stakeholders: (Cont'd)

Shareholders and investors	<ul style="list-style-type: none"> -Sustainable investment returns via business expansion, turnover growth and dividends -Maintaining sound gearing and liquidity level -Strategic growth opportunities and foster brand promises -Innovation in guest experiences and quality of service 	<ul style="list-style-type: none"> -Quarterly Board meetings -Presentation of annual financial statements and annual reports -Regular external communiques via emails -Presentation of annual budgetary plan for the next Financial Year 	Investors provide financial resources and continuous support to foster growth, development and innovation	<ul style="list-style-type: none"> -Growth in revenue -Effective cost management -Project development
Guests	<ul style="list-style-type: none"> -Quality service and experience -Prompt and effective interaction with Family members (employees) -Opportunity to live “like a local”, a genuine Mauritian experience 	<ul style="list-style-type: none"> -Personal, one-to-one interactions -Live chat -Active website and Facebook engagement -Online surveys (e.g. TripAdvisor) -Customer relationship management via calls and emails 	Their feedbacks and behaviours help us understand their needs and direct our resources to strengthen our “Attitude” brand (Otentik Attitude)	Quality service and foster brand promises.
Tour operators (TO's) and Travel agents	<ul style="list-style-type: none"> -Favourable business deals -Guest satisfaction 	<ul style="list-style-type: none"> -Regular meetings -Build and maintain a constructive relation 	Tour Operators and agents are critical stakeholders as they are at the forefront of attracting guests.	First point of contact with guests and help improve guest experiences
Local community	<ul style="list-style-type: none"> -Employment opportunities -Sponsorships -Positive impact on environment -Investment and empowerment programmes 	<ul style="list-style-type: none"> -Corporate Social Responsibility programmes via the umbrella body of the Attitude Group: Green Attitude Foundation -Local events and sponsorships -Donations 	Empowerment to local communities helps in long-term business viability and improve business reputation	Environmental and social inclusiveness.
Suppliers	<ul style="list-style-type: none"> -Fair business deals -Favourable terms of engagement 	<ul style="list-style-type: none"> -Tender and procurement processes -Meetings 	Suppliers are fundamental to the success of our business as it enables us to deliver consistent guest experience	Improve relationships with other business communities and help in cost management

PRINCIPLE 8 – RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS (CONTD)

SHAREHOLDERS’ INFORMATION AND CALENDAR OF EVENTS

10 December 2024	Board meeting for the approval of the group and Company audited financial statements for the year ending 30 th June 2024
December 2024	Annual Meeting via written resolution circulated in lieu of holding a meeting of Shareholders
March/April 2025	Board meeting for 1) the review of the first semester results 2) Review of forecasts v/s budget for the year
June 2025	Board meeting for review and approval of : 1) Forecasted results at 30 June 2025 2) annual plan and budgets for the financial year 30 June 2026

ANNUAL MEETING OF SHAREHOLDERS

Considering that the Company is a private company with only 2 shareholders entitled to attend and vote at Annual Meetings and that both shareholders are represented on the Board, unanimous written resolution are favoured in lieu of duly held Annual meetings.

SHARE OPTION PLAN

The Company has no share option plan. Non-Executive Directors have not received remuneration in the form of share option or bonus associated with the Company’s performance during the reporting year.

COMPANY’S CONSTITUTION

The Company adopted its current constitution in November 2010. Following the subscription agreement entered into between the Company and MIC, the Company adopted a new Constitution on the 18.05.2021 conformably to section 144 (1) of the Companies Act 2001 in replacement of its previous Constitution.

Special clauses are:

- Subject to the Company’s Act 2001 or to terms of issue of any existing shares, the Board may issue shares provided the issue has been approved by ordinary resolution.
- The Company may purchase or acquire its own shares.
- The Board may refuse or delay the registration of transfer of shares to any person
- Pre-emptive provisions apply for transfer of shares – save for family transactions
- Quorum for General Meetings shall be two members present in person or by proxy and entitled to vote and holding at least 51% of the issued share capital of the company carrying the right to vote.
- At meeting of shareholders, in case of equality of votes whether on a show of hands or on a poll, the Chairperson shall be entitled to a casting vote.

OTHER STATUTORY DISCLOSURES

CONTRACT OF SIGNIFICANCE

There was no contract of significance to which Attitude Hospitality Ltd was party to and in which a Director of the Company was materially interested either directly or indirectly.

PRINCIPLE 8 – RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS (CONTD)

DIRECTORS SERVICE CONTRACT

There are no service contracts between the Company and its Directors. The Executive Directors are employed by Attitude Hospitality Management Ltd, a subsidiary of Attitude Hospitality Ltd.

None of the Directors have a service contract that needs to be disclosed under Section 221 of the Companies Act 2001.

INDEMNITY INSURANCE

All directors have an indemnity insurance.

DIRECTORS SHARE INTEREST

The interests of the Directors are disclosed on page 1(11) of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors acknowledge their responsibilities for:

- a) leading and controlling the Company and meeting all legal and regulatory requirements;
- b) succession planning;
- c) approving the Charters of the two sub committees – namely the Audit and Risk Committee Charter and the Corporate Governance (Nomination and Remuneration) Committee Charter. These charters, drafted and approved on 29 April 2019, are reviewed every five years, or before if considered necessary.
- d) adequate accounting records and the maintenance of effective internal control systems;
- e) approving the Code of Ethics. ;
- f) the preparation of the Group's and the Company's financial statements to fairly state the affairs of the Company and the Group. The said financial statement adhere to international accounting standards. There has been no departure to these international accounting standards to report and no material uncertainties have been identified;
- g) a fair, balanced and understandable assessment of the Company's financial, environmental, social and governance position, performance and outlook;
- h) the use of appropriate accounting policies supported by reasonable and prudent judgments and estimates;
- i) the Company's adherence to the New Code of Corporate Governance (2016);
- j) the governance of risk and for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives, and for ensuring that the Company develops and executes a comprehensive and robust system of risk management; and
- k) ensuring that an appropriate dialogue takes place among the Company, its shareholder and other key stakeholders.

The Directors affirm that:

- (i) the Company is a public interest entity as defined by law;
- (ii) the Company is headed by an effective Board, and responsibilities and accountabilities within the Company (including at the level of Senior Management) are known to all parties;
- (iii) all new Directors have attended and participated in an induction and orientation program;
- (iv) appropriate Board committees, namely the Audit & Risk Committee and the Corporate Governance Committee (Nomination and Remuneration Committee) have been set up to assist the Board in the effective performance of its duties;
- (v) the Corporate Governance Committee has reviewed the adequacy of Directors' and Senior executives remuneration;
- (vi) the Audit and Risk Committee has monitored and evaluated the Company's strategic, financial, operational and compliance risk;
- (vii) adequate accounting records and an effective system of risk management have been maintained;
- (viii) appropriate accounting policies supported by reasonable and prudent judgments and estimates have been used consistently;
- (ix) International Financial Reporting Standards, the Financial Reporting Act and the Mauritius Companies Act have been adhered to. Any departure has been disclosed, explained and quantified in the consolidated and separate financial statements;
- (x) they have assessed the Company as a going concern and have a reasonable expectation that the Company will continue to operate for the foreseeable future and meet its liabilities as they fall due;
- (xi) the Board and the Audit and Risk Committee regularly monitor and evaluate the company's operational risk;
- (xii) the Board acknowledges its responsibility to monitor and evaluate the company's compliance risk

Statement of Directors' Responsibilities in Respect of the Financial Statements at June 30, 2024

The Company's Directors are responsible for the preparation and fair presentation of the annual report and financial statements, comprising the statements of financial position at June 30, 2024, the statements of profit or loss and other comprehensive income, the statements of changes in equity, and statement of cash flows, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001 and Financial Reporting Act 2004.

The Director's responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting judgments and estimates that have been used consistently.

The Directors have assessed the Company's ability to continue as a going concern and have no reason to believe the business will not be a going concern in the year ahead.

The Directors report that the External Auditors are responsible for reporting on whether the financial statements are fairly presented.

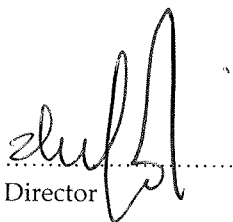
The Directors confirm that

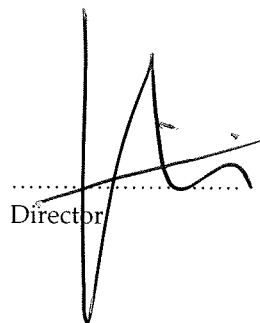
- (i) adequate accounting records and an effective system of internal controls and risk management have been maintained;
- (ii) appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;
- (iii) International Financial Reporting Standards have been adhered to. Any departure in the interest in fair presentation has been disclosed, explained and quantified;

The Directors confirm that the Code of Corporate Governance has been adhered to.

09 DEC 2024

Approved by the Board of directors on and signed on its behalf by:


.....
Director


.....
Director

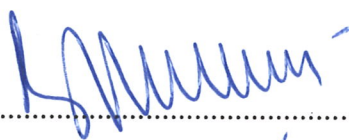
DIRECTOR' STATEMENT OF COMPLIANCE WITH NATIONAL CODE OF CORPORATE GOVERNANCE
("The Code")

Name of Public Interest Entity: Attitude Hospitality Ltd
Reporting Period: June 30, 2024

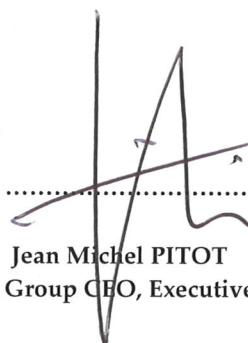
Throughout the year ended 30 June 2024, to the best of the Board's knowledge, the Company has complied to the Code. The Company has applied all of the principles set out in the Code and explained how these principles have been applied.

09 DEC 2024

SIGNED on by:



.....
Mrs. Jeanne Marie Solange Beatrice MAIGROT
Chairperson, Non-Executive Director



.....
Jean Michel PITOT
Group CEO, Executive Director

SECTION B

**ATTITUDE HOSPITALITY LTD AND ITS SUBSIDIARIES
CERTIFICATE FROM THE COMPANY SECRETARY
FOR THE YEAR ENDED JUNE 30, 2024**

1.

We certify that, to the best of my knowledge and belief, the Group and the Company have filed with the Registrar of Companies all such returns as are required under Section 166(d) of the Companies Act 2001 during the year ended June 30, 2024.



.....
BOX OFFICE LTD
Company Secretary



09 DEC 2024

Date:

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ATTITUDE HOSPITALITY LTD AND ITS SUBSIDIARIES

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the consolidated and separate financial statements of Attitude Hospitality Ltd (the "Company") and its subsidiaries (the "Group") set out on pages 5 to 78 which comprise the consolidated and separate statements of financial position as at 30 June 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including significant accounting policies.

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of Group and Company as at 30 June 2024, and of its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001 and the Financial Reporting Act 2004.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") and other independence requirements applicable to performing audits of financial statements of the Group and Company and in Mauritius. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits of the Group and Company and in Mauritius. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the 78 page document titled "Attitude Hospitality Ltd and its subsidiaries Annual Report for the year ended 30 June 2024", which includes the Annual Report, Corporate Governance Report, and the Certificate from the Company Secretary as required by the Companies Act 2001. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information (other than the Corporate Governance Report) and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act 2001 and the Financial Reporting Act 2004, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ATTITUDE HOSPITALITY LTD AND ITS SUBSIDIARIES (CONTINUED)

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

Responsibilities of the Directors for the Consolidated and Separate Financial Statements (Continued)

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the Group and the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ATTITUDE HOSPITALITY LTD AND ITS SUBSIDIARIES (CONTINUED)

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
(CONTINUED)

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements (Continued)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditor and dealings in the ordinary course of business.

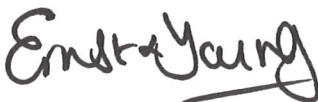
We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Financial Reporting Act 2004

Corporate Governance Report

The Directors are responsible for preparing the Corporate Governance Report. Our responsibility under the Financial Reporting Act is to report on the compliance with the Code of Corporate Governance ("the Code") disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the Group has, pursuant to section 75 of the Financial Reporting Act, complied with the requirements of the Code.



ERNST & YOUNG
Ebène, Mauritius



ANJAALA RAMKHELAWON, F.C.A.
Licensed by FRC

Date: 24 DEC 2024

	Notes	THE GROUP		THE COMPANY	
		2024	Restated 2023	2024	Restated 2023
		MUR	MUR	MUR	MUR
ASSETS					
Non-current assets					
Property, plant and equipment	3	2,748,774,067	2,690,945,169	-	-
Intangible assets and goodwill	4(a)	491,987,357	492,180,359	-	-
Right of use assets	4(b)	1,814,631,707	1,553,698,582	-	-
Investment in subsidiary companies	5	-	-	2,251,258,266	2,176,258,266
Quasi-equity loan	5(a)	-	-	486,000,000	486,000,000
Financial assets at fair value through other comprehensive income	11(iii)	2,500,000	-	-	-
Loans to related party	10(i)	-	12,250,000	-	-
Investment in associated companies	6	688,488,802	601,304,778	258,882,330	258,882,330
Long term deposits	7	22,201,966	21,481,116	-	-
Loan receivable from subsidiaries	10(ii)	-	-	222,276,290	301,522,618
Deferred tax assets	16(d)	302,135,513	316,029,336	-	-
		<u>6,070,719,412</u>	<u>5,687,889,340</u>	<u>3,218,416,886</u>	<u>3,222,663,214</u>
Current assets					
Inventories	8	31,837,584	36,048,826	-	-
Trade and other receivables*	9(a)	346,119,872	286,944,391	310,873,077	200,686,603
Loan receivable from subsidiaries	10	-	-	77,313,492	75,380,654
Other financial assets*	11(i)	10,140,673	25,702,218	-	-
Financial assets at amortised cost*	11(ii)	99,380,465	118,972,953	-	-
Cash and cash equivalents	12	372,457,294	365,820,467	42,036,114	409,144
		<u>859,935,888</u>	<u>833,488,855</u>	<u>430,222,683</u>	<u>276,476,401</u>
TOTAL ASSETS		<u>6,930,655,300</u>	<u>6,521,378,195</u>	<u>3,648,639,569</u>	<u>3,499,139,615</u>
EQUITY AND LIABILITIES					
Equity attributable to equity owners of the parent					
Issued capital	13	1,304,520,319	1,296,582,800	1,304,520,319	1,296,582,800
Convertible bonds	14	508,847,222	508,678,082	508,847,222	508,678,082
Redeemable convertible ordinary shares	24	-	8,000,021	-	8,000,021
Translation reserves		3,999,720	-	-	-
Accumulated losses		(78,270,723)	(549,867,680)	134,388,493	(37,454,096)
Equity attributable to owners of the parent		<u>1,739,096,538</u>	<u>1,263,393,223</u>	<u>1,947,756,034</u>	<u>1,775,806,807</u>
Non-controlling interests		<u>727,978,517</u>	<u>831,588,167</u>	<u>-</u>	<u>-</u>
TOTAL EQUITY		<u>2,467,075,055</u>	<u>2,094,981,390</u>	<u>1,947,756,034</u>	<u>1,775,806,807</u>
Non-current liabilities					
Interest-bearing loans and borrowings	15	2,216,589,487	2,205,575,380	1,110,000,000	1,110,000,000
Lease liabilities	4(c)	1,012,672,160	993,012,248	-	-
Employee benefit liabilities	19	25,894,055	19,327,128	-	-
Deferred tax liabilities	16(d)	611,074,895	583,279,508	-	-
		<u>3,866,230,597</u>	<u>3,801,194,264</u>	<u>1,110,000,000</u>	<u>1,110,000,000</u>
Current liabilities					
Trade and other payables	17	383,891,405	330,148,773	590,883,535	488,332,808
Contract liabilities	18	44,550,471	42,399,346	-	-
Interest-bearing loans and borrowings	15	56,105,101	193,970,679	-	125,000,000
Lease liabilities	4(c)	63,693,119	56,331,903	-	-
Current tax liabilities	16(a)	49,109,552	2,351,840	-	-
		<u>597,349,648</u>	<u>625,202,541</u>	<u>590,883,535</u>	<u>613,332,808</u>
TOTAL LIABILITIES		<u>4,463,580,245</u>	<u>4,426,396,805</u>	<u>1,700,883,535</u>	<u>1,723,332,808</u>
TOTAL EQUITY AND LIABILITIES		<u>6,930,655,300</u>	<u>6,521,378,195</u>	<u>3,648,639,569</u>	<u>3,499,139,615</u>

*Please refer to note 39 for details relating to the restatement of comparatives

These consolidated and separate financial statements have been approved for issue by the board of directors on

09 DEC 2024

Name of directors

(1) Doenech Seedoyal

(2) Jean Michel Pitot

The notes set out on pages 10 to 78 form an integral part of these consolidated and separate financial statements.
Independent auditors' report on pages 2 to 4.

ATTITUDE HOSPITALITY LTD AND ITS SUBSIDIARIES
CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

6

	Notes	THE GROUP		THE COMPANY	
		2024	Restated 2023	2024	Restated 2023
		MUR	MUR	MUR	MUR
Revenue *	20	2,597,921,669	2,234,853,474	227,907,400	67,860,000
Cost of sales	21(a)	(1,352,211,842)	(1,226,968,613)	-	-
Gross profit		1,245,709,827	1,007,884,861	227,907,400	67,860,000
Other income	22	51,343,629	80,152,342	41,627,834	39,795,981
Administrative expenses	21(b)	(688,646,491)	(624,522,833)	(24,532,307)	(5,355,078)
Operating profit		608,406,965	463,514,370	245,002,927	102,300,904
Net finance costs *	23	(191,421,060)	(171,856,693)	(55,102,310)	(70,582,953)
Movement in expected credit loss on receivables	9	(1,924,358)	(5,903)	-	-
Bargain purchase on acquisition	33	99,967,032	-	-	-
Impairment loss on investment in subsidiary companies	5	-	-	-	(4,000,000)
Share of results from associates	6	128,579,651	88,351,257	-	-
Profit before taxation		643,608,230	380,003,031	189,900,617	27,717,950
Income tax expense	16(b)	(90,763,635)	(10,053,979)	-	-
Profit after tax		552,844,595	369,949,052	189,900,617	27,717,950
Other comprehensive income for the year					
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods:</i>					
- Translation gain on acquisition of foreign subsidiary		3,999,720	-	-	-
- Share of other comprehensive loss of associates	6	(490,027)	-	-	-
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods		3,509,693	-	-	-
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:</i>					
- Remeasurement gain on defined benefit plans	19(d)	(6,215,755)	-	-	-
- Deferred tax on defined benefit plans		1,056,678	-	-	-
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods		(5,159,077)	-	-	-
Other comprehensive income for the year		(1,649,384)	-	-	-
Total comprehensive income for the year		551,195,211	369,949,052	189,900,617	27,717,950
Profit attributable to:					
- Equity holders of the parent		453,428,997	308,615,552		
- Non-controlling interests		99,415,598	61,333,500		
		552,844,595	369,949,052		
Total comprehensive income attributable to:					
- Equity holders of the parent		451,779,613	308,615,552		
- Non controlling interests		99,415,598	61,333,500		
		551,195,211	369,949,052		
Earnings per share:					
Basic and diluted earnings per share (Rs) attributable to ordinary equity holders of the parent	37	2.83	1.93		

* Please refer to note 39 for details relating to the restatement of comparatives

The notes set out on pages 10 to 78 form an integral part of these consolidated and separate financial statements.
Independent auditors' report on pages 2 to 4.

ATTITUDE HOSPITALITY LTD AND ITS SUBSIDIARIES
CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2024

THE GROUP

Attributable to the equity holders of the parent.

Notes	Issued capital		Convertible bonds		Redeemable convertible ordinary shares		Accumulated losses		Translation reserves		Total		Non-controlling interests		Total equity	
	MUR		MUR		MUR		MUR		MUR		MUR		MUR		MUR	
At July 1, 2022	1,296,582,800		508,088,889		8,000,021		(840,860,704)		-		971,811,006		834,176,703		1,805,987,709	
Dividends paid during the year	-		-		-		-		-		-		(63,922,036)		(63,922,036)	
Profit for the year	-		-		-		308,615,552		-		308,615,552		61,333,500		369,949,052	
Other comprehensive income for the year	-		-		-		-		-		-		-		-	
Total comprehensive income for the year	-		17,622,526		-		(17,622,526)		-		(17,033,333)		-		(17,033,333)	
Dividend on convertible bonds *	-		(17,033,333)		-		-		-		-		-		-	
Dividends on convertible bonds paid during the year *	-		-		-		-		-		-		-		-	
At June 30, 2023	1,296,582,800		508,678,082		8,000,021		(549,867,678)		-		1,263,393,225		831,588,167		2,094,981,392	
At July 1, 2023	1,296,582,800		508,678,082		8,000,021		(549,867,678)		-		1,263,393,225		831,588,167		2,094,981,392	
Dividends paid during the year	-		-		-		-		-		-		(90,416,240)		(90,416,240)	
Profit for the year	-		-		-		453,428,997		-		453,428,997		99,415,598		552,844,595	
Other comprehensive income for the year	-		-		-		(1,649,384)		-		(1,649,384)		-		(1,649,384)	
Total comprehensive income for the year	-		-		-		451,779,613		-		451,779,613		99,415,598		551,195,211	
Redemption of convertible ordinary shares	-		-		(62,502)		-		-		(62,502)		-		(62,502)	
Conversion of shares	7,937,519		-		(7,937,519)		-		-		-		-		-	
Acquisition of non-controlling interest	-		-		-		37,609,008		-		37,609,008		(112,609,008)		(75,000,000)	
Translation gain on acquisition of foreign	-		-		-		-		3,999,720		3,999,720		-		3,999,720	
Dividend on convertible bonds	-		17,791,666		-		(17,791,666)		-		-		-		-	
Dividends on convertible bonds paid during the year	-		(17,622,526)		-		-		-		(17,622,526)		-		(17,622,526)	
At June 30, 2024	1,304,520,319		508,847,222		-		(78,270,723)		3,999,720		1,739,096,538		727,978,517		2,467,075,055	

* Please refer to note 39 for details relating to the restatement of comparatives

The notes set out on pages 10 to 78 form an integral part of these consolidated and separate financial statements. Independent auditors' report on pages 2 to 4.

ATTITUDE HOSPITALITY LTD AND ITS SUBSIDIARIES
CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2024

8

THE COMPANY

	Issued capital	Convertible bonds	Redeemable convertible ordinary shares	Retained earnings/ (Accumulated losses)	Total
	MUR	MUR	MUR	MUR	MUR
At July 1, 2022	1,296,582,800	508,088,889	8,000,021	(47,549,520)	1,765,122,190
Profit for the year	-	-	-	27,717,950	27,717,950
Total comprehensive income for the year	-	-	-	27,717,950	27,717,950
Dividends on convertible bonds *	-	17,622,526	-	(17,622,526)	-
Dividends paid during the year *	-	(17,033,333)	-	-	(17,033,333)
At June 30, 2023	1,296,582,800	508,678,082	8,000,021	(37,454,096)	1,775,806,807
At July 1, 2023	1,296,582,800	508,678,082	8,000,021	(37,454,096)	1,775,806,807
Profit for the year	-	-	-	189,900,617	189,900,617
Total comprehensive income for the year	-	-	-	189,900,617	189,900,617
Redemption of convertible ordinary shares	-	-	(62,502)	-	(62,502)
Conversion of shares	7,937,519	-	(7,937,519)	-	-
Adjustment on dividend on convertible bonds	-	-	-	(266,362)	(266,362)
Dividends on convertible bonds	-	17,791,666	-	(17,791,666)	-
Dividends paid during the year	-	(17,622,526)	-	-	(17,622,526)
At June 30, 2024	1,304,520,319	508,847,222	-	134,388,493	1,947,756,034

* Please refer to note 39 for details relating to the restatement of comparatives

ATTITUDE HOSPITALITY LTD AND ITS SUBSIDIARIES
CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

9

	Notes	THE GROUP		THE COMPANY	
		Restated		Restated	
		2024	2023	2024	2023
		MUR	MUR	MUR	MUR
Operating activities					
Profit/(loss) before taxation		643,608,230	380,003,031	189,900,617	27,717,950
<i>Non-cash adjustments to reconcile (loss)/profit before tax to net cash flows:</i>					
- Depreciation of property, plant and equipment	3	186,337,385	164,812,436	-	-
- Amortisation of intangible assets	4(a)	1,390,148	1,732,529	-	26,534
- Depreciation of right of use assets	4(b)	73,672,975	80,414,001	-	-
- Loss/(profit) on disposal of property, plant and equipment	22	-	(93,095)	-	-
- Employee benefits liability*	19(a)	351,172	11,736,998	-	-
- Interest expense*	23	181,954,799	171,856,693	55,102,310	70,582,953
- Interest income*	11(ii)	(3,621,112)	(1,805,353)	-	-
- Dividend income*	25	-	-	(227,907,400)	(67,860,000)
- Scrap assets	3	-	45,815	-	-
- Bargain purchase	33(b)	(99,967,032)	-	-	-
- Share of profit from associated companies	6	(128,579,651)	(88,351,257)	-	-
- Provision/ (reversal) on ECL	9	1,924,358	(5,903)	-	-
- Terminated lease	4(c)	(4,602,193)	-	-	-
- Inventory write off	8	387,782	51,970	-	-
- Impairment of investment in subsidiary companies	5(a)	-	-	-	(4,000,000)
- Impairment of loans receivable from subsidiaries	10	-	-	-	38,258
- Exchange difference*	4(c)(i), 7 & 22	37,177,220	68,004,046	10,342	-
<i>Working capital adjustments</i>					
- Inventories	8	3,823,460	(5,244,511)	-	-
- Trade and other receivables	9(a)	(66,659,681)	(37,250,486)	(110,186,474)	(155,361,552)
- Trade and other payables*	17	3,164,342	39,183,238	77,284,365	177,016,873
- Contract liabilities	18	2,151,125	17,513,854	-	-
Tax paid		(4,113,937)	-	-	-
Interest paid*	23	(181,954,799)	(171,856,693)	(55,102,310)	(70,582,953)
Net cash flows generated from operating activities		646,444,591	630,747,313	(70,898,550)	(22,421,937)
Investing activities					
Purchase of property, plant and equipment	3	(243,391,180)	(132,871,499)	-	-
Acquisition of subsidiary: Matemwe Bungalows Zaswi (Z) Ltd	33(b)	(142,997,201)	-	-	-
Acquisition of treasury bills*	11(ii)	(323,786,400)	(217,167,599)	-	-
Treasury bills matured*	11(ii)	347,000,000	100,000,000	-	-
Financial assets at fair value through other comprehensive income	11(iii)	(2,500,000)	-	-	-
Proceeds from sale of property, plant and equipment	3	-	324,880	-	-
Other financial assets*	11(i)	9,314,492	(3,592,839)	-	-
Purchase of intangible assets	4(a)	(1,197,145)	(789,893)	-	-
Dividends received*	6/25	40,905,600	-	227,907,400	67,860,000
Net cash flows used in investing activities		(316,651,834)	(254,096,950)	227,907,400	67,860,000
Financing activities					
Proceeds from interest-bearing loans and borrowings	15(c)	40,000,000	-	-	-
Repayments of interest-bearing loans and borrowings	15(c)	(158,005,613)	(98,976,349)	(125,000,000)	(40,000,000)
Acquisition of non- controlling interest : Marina Village Hotel Ltd	33(a)	(50,000,000)	-	(50,000,000)	-
Repayment of loan from subsidiary companies	10(ii)	-	-	77,313,490	-
Refund of related party loan	10(i)	12,250,000	-	-	-
Redemption of convertible shares	24	(62,502)	-	(62,502)	-
Dividends paid to non controlling interest	26	(90,416,240)	(63,922,036)	-	-
Dividends paid on MIC bonds*	14	(17,622,526)	(17,033,333)	(17,622,526)	(17,033,333)
Payment of lease liabilities: principal	4(c)(i)	(50,312,818)	(93,057,408)	-	-
Net cash flows generated from/(used in) financing activities		(314,169,699)	(272,989,126)	(115,371,538)	(57,033,333)
Net increase/(decrease) in cash and cash equivalents		15,623,058	103,661,237	41,637,312	(11,595,270)
Net foreign exchange difference		4,102,135	(10,449,641)	(10,342)	-
Cash and cash equivalents as at July 1,		304,119,295	210,907,699	409,144	12,004,414
Cash and cash equivalents as at June 30,	27	323,844,488	304,119,295	42,036,114	409,144

*Please refer to note 39 for details relating to the restatement of comparatives

In the financial year 2024, there were non-cash transactions where the holding company has acquired 11.25% of the shares held in Marina Village Hotel Limited amounting to MUR 75M, out of which MUR 25M has been deferred for financial year 2025. Moreover the investment in foreign subsidiary, Matemwe Bungalows Zaswi (Z) Limited amounting to Rs 159M included a deferred consideration of Rs 16.2M.

The notes set out on pages 10 to 78 form an integral part of these consolidated and separate financial statements.
Independent auditors' report on pages 2 to 4.

1. CORPORATE INFORMATION

Attitude Hospitality Ltd and its subsidiaries is a private Group incorporated on May 7, 2008 and domiciled in Mauritius. Its registered office is situated at Office 16, 2nd Floor, Block 1, The Strand, Lakeside District, Beau-Plan.

The financial statements of Attitude Hospitality Ltd (the 'Company') and its subsidiaries (the 'Group') for the year ended June 30, 2024 were authorised for issue in accordance with a board meeting of the Directors.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The consolidated and separate financial statements of Attitude Hospitality Ltd and its subsidiaries have been prepared in accordance with IFRS accounting standards, as issued by the International Accounting Standards Board ("IASB").

The financial statements include the consolidated financial statements of Attitude Hospitality Ltd and its subsidiaries (the 'Group') and the separate financial statements of the parent company (the 'Company'). The financial statements are presented in Mauritian Rupees ("MUR").

Where necessary, comparative figures have been amended to conform with change in presentation in the current year. The financial statements are prepared under the historical cost convention, exception for relevant financial assets and financial liabilities that are carried at fair value through profit or loss or other comprehensive income.

Going concern

The Company's current liabilities exceeded its current assets by MUR 160,660,852 for the year ended 30 June 2024 (2023: MUR 336,856,407).

The Directors having considered the adequacy of the Company's funding, borrowing facilities and mainly the expected cash flow to be generated from its operation, for at least the next 12 months, are satisfied that the financial statements are prepared on a going concern basis based on the future plans that the Directors have for the business.

Based on the above assessment, the Directors have concluded that the preparation of the financial statements on a going concern basis continues to be appropriate. Refer to Note 2.6(iii) for Directors' judgement on the assessment of the going concern and see Note 37 for more details.

2.2 CHANGES IN ACCOUNTING POLICIES

STANDARDS AND AMENDMENTS TO EXISTING STANDARDS EFFECTIVE 1 JANUARY 2023

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2023 that have a material effect on the financial statements of the Group.

2.3 NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS EFFECTIVE AFTER 1 JANUARY 2023 AND HAVE NOT BEEN EARLY ADOPTED

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2023, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Group.

2. ACCOUNTING POLICIES (CONTINUED)

2.4 BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at June 30, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences, recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in statement of profit or loss
- Reclassifies the parent's share of components previously recognised in other comprehensive income to statement of profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.5 JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's and the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Judgements

In the process of applying the Group's and the Company's accounting policies, management has made the following judgements, which has any effect on the amounts recognised in the financial statements.

2. ACCOUNTING POLICIES (CONTINUED)

2.6 JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Judgements

(i) *Determination of functional currency*

As described in Note 2.5, the determination of the functional currency of the Group and the Company is critical since the way in which every transaction is recorded and whether exchange differences arising are dependent on the functional currency selected. In making this judgement, the Directors have considered the currencies in which revenue is received, the currency of the country whose competitive forces and regulations matter, the currencies in which labour, material and other costs are settled, the currencies in which funds from financing activities are generated and the currency in which receipts from operating activities are usually retained. The Directors have determined that the functional currency of the Group and the Company is in the Mauritian rupee.

(ii) *Going concern*

During the year, the Group made a profit of **MUR 552.8m** (2023: MUR 369.9m) while the Company made a profit of **MUR 189.9m** (2023: MUR 27.7m). At 30 June 2024, the Company's current liabilities exceed its current assets by **MUR 160.7m** (2023: MUR 336.8m) respectively.

The above conditions give rise to a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern where it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Company has received a letter of financial support from its shareholders to keep the Company in operation. Refer to note 36 for more details.

The Directors thus believe that it is appropriate that the financial statements are prepared on a going concern basis, which assumes that the Group and the Company will continue in operational existence for the foreseeable future.

(iii) *MIC – Convertible bonds*

During the financial year ended 30 June 2021, the Group and the Company, has contracted with the Mauritius Investment Corporation Ltd ("MIC"), a wholly owned subsidiary of the Bank of Mauritius to issue redeemable convertible bonds. Options available for the treatment of the convertible bonds by the Group and the Company can either be as equity or compound financial instrument with an embedded derivative. The Directors have applied judgement in evaluating the options available and have opted to treat the convertible bonds as equity. Please refer to note 14 for further details.

(iv) *Assessment of control*

The Company has investments of:

- 48.74% in Attitude Property Ltd and exercise control over the financial and operating activities of Attitude Property Ltd with 5 directors of AHL sitting in the board of APL out of 6 directors. The Company also has exposure to variable returns and the ability to use that power to affect its returns from APL. As such, Attitude Property Ltd is a subsidiary of the Group.

2. ACCOUNTING POLICIES (CONTINUED)

2.5 JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Judgements (continued)

(iv) *Assessment of control (continued)*

- 67.51% in Touristic United Enterprise Ltd and exercise control over the financial and operating activities of Touristic United Enterprise Ltd with 2 directors of AHL sitting in the board of Touristic United Enterprise Ltd out of 3 directors. The Company also has exposure to variable returns and the ability to use that power to affect its returns from Touristic United Enterprise Ltd. As such, Touristic United Enterprise Ltd is a subsidiary of the Group.
- 79.94% in Attitude Hospitality Management Ltd and exercise control over the financial and operating activities of Attitude Hospitality Management Ltd with 4 directors of AHL sitting in the board of Attitude Hospitality Management Ltd out of 5 directors. The Company also has exposure to variable returns and the ability to use that power to affect its returns from Attitude Hospitality Management Ltd. As such, Attitude Hospitality Management Ltd is a subsidiary of the Group.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) *Deferred tax assets*

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Main assumptions used in the determination of future taxable profits include inter-alia: occupancy rates of the hotel, room rates and margins. See note 2.6 (m).

(ii) *Impairment of goodwill*

Goodwill is tested on an annual basis for impairment loss in accordance with IAS 36. The recoverable amount of goodwill and technical knowledge have been determined using discounted cash flow projections based on financial budgets approved by Management covering a three-year period. The Directors have used their past experience in deriving the cash flows. As a result of the analysis, directors identified no impairment as at 30 June 2024 (2023: MUR nil). The discount rate used for the year ended 30 June 2024 was 10.07% (2023: 9.74%).

The key assumptions used for preparing the cash flow forecasts are based on management's past experience of the industry and the ability of each investment to at least maintain its market share as well as stable local and international economic conditions. Further details are given in Note 4(a)(i).

(iii) *Estimated useful lives and residual values of property, plant and equipment*

Determining the carrying amounts of property, plant and equipment requires the estimation of the useful lives and residual values of these assets. Certain property, plant and equipment of the Group are separated into their significant parts and estimates of the useful lives and residual values thereof are made for the purposes of calculating depreciation. The estimates of useful lives and residual values carry a degree of uncertainty. The directors have used historical information relating to the Group and the relevant industries in which the latter operates in order to best determine the useful lives and residual values of property, plant and equipment.

2. ACCOUNTING POLICIES (CONTINUED)

2.5 JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

Estimates and assumptions (Continued)

(iv) *Estimation of recoverable amounts on trade and other receivables*

For trade receivables, the Group and the Company applies a simplified approach in calculating ECLs. Therefore, the Group and the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company make use of the roll rate methodology, adjusted for forward-looking factors specific to the debtors and the economic environment.

The assessment of the correlation between historical observed default rates and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. Refer to Note 9 for more information about the ECL on the Company's trade receivable.

(v) *Employee benefit liability*

The cost of retirement benefits involves making assumptions about discount rates, future salary increases, mortality and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. The net liability at 30 June 2024 was **MUR 25.9m** (2023: MUR 19.3m). Further details are given in Note 2.6(q). Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. The Directors review all the assumptions used at each reporting date.

(vi) *Determining the lease term of contracts with renewal and termination options – Group and Company as lessee*

The Group and Company determines the lease term as the non- cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group and Company has lease contracts that include renewal options. The Group and Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group and Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

The leases of building and land contain extension options exercisable by the Group and Company and the lessor under new terms and conditions before the end of the non-cancellable contract period. Where practicable, the Group and Company seeks to include the extension period to provide operational flexibility. The extension options held are exercisable only the Group and Company and not by the lessor.

The Group and Company has elected not to recognise the right-of-use asset and lease liability for short term leases with a maturity period of 12 months or less.

(vii) *Leases - Estimating the incremental borrowing rate*

The Group and Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group and Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group and Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

The Group and Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates such as credit rating.

2. ACCOUNTING POLICIES (CONTINUED)

2.5 JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

Estimates and assumptions (Continued)

(viii) Redeemable convertible shares

During the financial year June 30, 2018, the Board of Attitude Hospitality Ltd ("AHL") and Attitude Hospitality Management Ltd ("AHML") had approved the issue of 739,133 Redeemable Convertible Shares in AHL to the employees of AHML, for a total amount of MUR 8,500,030. The exercise price of the share was equal to the market price of the underlying shares on the date of grant, at MUR 11.50 per share.

The redeemable convertible shares shall either be converted into ordinary shares or shall be redeemed on 30th September 2021, at the option of the shareholders. However with the Covid-19 and lockdown seriously affecting the Group's results, the Company and the holders of the said shares jointly agreed to extend the redemption/conversion process to 30 September 2024. The terms and conditions of the extension were contained in an addendum to the initial 'Subscription Agreement' which was circulated for approval by the Board in December 2021.

Redemption will occur, at the option of the Company at MUR 1, if:

- the employee ceases to be in employment at AHL Group or
- the IRR (internal rate of return) reaches below 10% over the initial period (from 1st July 2018 to 30th June 2021)

Conversion will occur if:

- The Company is listed on the Stock Exchange of Mauritius or
- the IRR reaches higher than 10% over the initial period (from 1st July 2018 to 30th June 2021)

For the calculation of the IRR, the equity value of MUR 23 per ordinary share shall be used as the base equity value as evidenced by the valuation report performed by an independent valuer in November 2017 and the Directors have assessed that there has been no decline in the equity value of MUR 23 in the past years.

On 19 April 2024, the 690,219 shares were converted into ordinary shares at MUR 11.50 each and some 6,435 shares were redeemed.

(ix) Impairment of investment in subsidiary companies

Investment in subsidiaries are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the investment's carrying value exceeds its recoverable amount, which represents the investment's higher of value in use less cost to sell, which require the use of assumptions. The calculations use cash flow projections of the subsidiaries based on financial forecasts prepared by management covering a five-year period. The carrying amount of the investment as at 30 June 2024 amounted to **Rs 2.25 billion** (2023: Rs 2.17 billion). Further details are provided in note 5.

2.6 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of the financial summary are set out below. These policies have been consistently applied in dealing with items which are considered to be material in relation to the financial statements.

(a) Foreign currency translation

The financial statements are presented in Mauritian Rupees ("MUR") which is the Group's functional and presentation currency.

2. ACCOUNTING POLICIES (CONTINUED)

2.6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Foreign currency translation (continued)

Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency at the rate of exchange ruling at the reporting date. All differences are taken to profit or loss with the exception of all monetary items that provide an effective hedge for a net investment in a foreign operation and for foreign currency borrowings designated as hedging instruments in a cash flow hedge. These are recognised in other comprehensive income until the disposal of the net investment or when the forecast transactions in the cash flow hedge take place at which time they are recognised in profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The gain or loss arising on retranslation of non-monetary items is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

(b) Property, plant and equipment

All property, plant and equipment are initially recorded at cost less depreciation and impairments. At Group level, buildings are shown at cost. All other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment.

The carrying values of property, plant and equipment are reviewed for impairment at each reporting date or when events or changes in circumstances indicate that the carrying value may not be recoverable.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit.

Depreciation is calculated on the straight-line method to write off the cost of each asset, to their residual values over their estimated useful lives. The useful life, residual value and method of depreciation of an item of property, plant and equipment is reviewed at each financial year end and adjusted prospectively where appropriate.

The depreciation rates of property, plant and equipment are as follows:

Improvement to building	-	2% - 9.45 %
Furniture and equipment	-	10% - 33.33%
Boat equipment	-	15%
Motor vehicles	-	20%
Electronic equipment	-	10% - 33.33%

The work in progress relates mainly to costs incurred in the construction works which are incomplete and are not depreciated.

Work in progress are carried at cost less any recognised impairment loss. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

2. ACCOUNTING POLICIES (CONTINUED)

2.6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) Investment in subsidiaries

Separate financial statements

Investment in subsidiary companies are carried at cost which is the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquirer. Acquisition-related costs are recognized in profit or loss as incurred. The carrying amount is reduced to recognise any impairment in the value of individual investments. The impairment loss is taken to profit or loss.

Consolidated financial statements

The consolidated financial statements incorporate the financial statements of the Group and entities controlled by the Group, its subsidiaries. Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

(d) Investment in an associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries. The Group's investments in its associate are accounted for using the equity method.

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment separately. The statement of profit or loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit or loss and other comprehensive income outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate. The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate in the statement of profit or loss. Upon loss of significant influence over the associate over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

At Company level the investment is kept at cost less impairment. Any impairment in value is recognised by reducing the cost of investment to its recoverable amount and charging the difference to profit or loss. On disposal of such investment, the difference between net disposal proceeds and the carrying amount is included in profit or loss.

2. ACCOUNTING POLICIES (CONTINUED)

2.6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(e) Intangible assets

Goodwill

Goodwill acquired in a business combination is initially measured as the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets and liabilities assumed. If after reassessment, the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree, the excess is recognized in profit or loss as a gain on bargain purchase. Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or group of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purposes.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units), to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Gain on bargain purchase represents the excess of the acquirer's interest in the fair values of the identifiable net assets and liabilities acquired over the cost of acquisition. It is recognised immediately as income in the statement of profit or loss and other comprehensive income.

Computer software

Computer software are measured on initial recognition at cost. Following initial recognition, computer software are carried at cost less any accumulated amortisation and accumulated impairment losses.

Computer software is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

2. ACCOUNTING POLICIES (CONTINUED)

2.6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and conditions are accounted for on a weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Provision for slow-moving items is assessed by management on an annual basis as at reporting date.

(g) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification

(i) Financial assets at amortised cost

The company's financial assets measured at amortised cost comprise trade and other receivables (excluding prepayments), cash and cash equivalents, Long term deposits and treasury b. Contract assets are evaluated for impairment using the expected credit loss model, considering the counterparty's credit risk.

(ii) Financial Liabilities

The Company includes borrowings and other payables and contract liabilities include advance deposits from guests and commissions payable to tour operators. Guest deposits pertain to clients who book their reservations directly with the hotel, bypassing tour operators.

Recognition, derecognition and measurement

Regular purchases and sales of investments are recognised on the trade date the date on which the Company commits to purchase or sell the investment. Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss' category are presented in the statement of comprehensive income within other net changes in fair value of financial assets and liabilities at fair value through profit or loss in the period in which they arise

Financial assets other than those classified as FVPL, are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit and loss when the assets are derecognised, as well as through amortisation process.

2. ACCOUNTING POLICIES (CONTINUED)

2.6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

(iii) *Subsequent measurement*

For purposes of subsequent measurement, financial assets are classified as:

1. Financial assets at amortised cost using the effective interest rate, adjusted for any loss allowance
2. Financial assets at fair value through profit or loss.

Financial assets at amortised cost

The Group and Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group and Company's financial assets at amortised cost includes loan receivable from subsidiaries companies, long-term deposits, trade and other receivables (excluding prepayments), cash and treasury bills.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value.

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss. Refer to Note 11 for more details.

Financial assets designated at fair value through OCI

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group has investment in House Of Digital Arts Ltd as financial asset at fair value through other comprehensive income.

2. ACCOUNTING POLICIES (CONTINUED)

2.6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

(iv) Derecognition

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Group and Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and Company has transferred substantially all the risks and rewards of the asset, or (b) the Group and Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Group and Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and Company could be required to repay.

(h) Impairment of financial assets

The Group and Company recognises an allowance for ECLs for trade receivables with its related parties that are not covered or partly covered by an insurance policy. ECLs are based on the difference between the contractual cash flows due and all the cash flows that the Group and Company expects to receive.

For trade receivables, the Group and Company applies a simplified approach in calculating ECLs. The Group and Company makes use of the roll rate methodology. It predicts the probability of default based on delinquency and calculates the percentage of debtors' balance in each bucket that deteriorate to the next bucket in the following month.

Therefore, the Group and Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and Company makes use of the roll rate methodology, adjusted for forward-looking factors specific to the debtors and the economic environment. The Group and Company may consider a financial asset to be in default when internal or external information indicates that the Group and Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and Company. When the trade receivables are referred to attorneys and there is no reasonable expectation of recovery the debtors are written off. The information about the ECLs on the Group and Company's trade receivables is disclosed in note 9.

The Group and Company recognises an allowance for expected credit losses (ECLs) for the long-term receivables under the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and Company expects to receive, discounted at an approximation of the original effective interest rate.

The Group and Company assesses an increase in significant risk when it determines the repayment capabilities of its receivables have deteriorated due to the global pandemic.

2. ACCOUNTING POLICIES (CONTINUED)

2.6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Impairment of financial assets (continued)

The Group has assessed for ECL on balances due from related party by looking at the financial position of the related parties and abilities for the latter to settle the balances due if demanded at the reporting date. The balances due is from a fellow subsidiary that has a sound financial position and has enough liquid asset settle balances due. No ECL has been recognised consequently.

(i) Impairment of non-financial assets

The Group and Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group and Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group and Company's assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognised in the statement of profit or loss and other comprehensive income in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss and other comprehensive income unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(j) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(k) Other financial assets/liabilities

Other financial assets/liabilities relate to forward contracts. These are contractual agreements that convey the right, but not the obligation, for the purchaser either to buy or sell a specific amount of financial instruments at a fixed price, either at a fixed future date or at any time within a specified period. The option provides the Company with the opportunity to purchase foreign currency at the strike price on the expiration of the option.

These derivative financial instruments are measured at fair value and the change in value are recognised in profit or loss. The Company has not elected to apply hedge accounting.

2. ACCOUNTING POLICIES (CONTINUED)

2.6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(l) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group and the Company are recognised at the proceeds received, net of direct issue costs.

(m) Taxes

Current tax

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group and the Company operate and generate taxable income.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilized, except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

The principal temporary differences arise from depreciation on property, plant and equipment, provisions for bad debts, tax losses carried forward and retirement benefit obligations.

2. ACCOUNTING POLICIES (CONTINUED)

2.6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(m) Taxes (continued)

Deferred tax (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantially enacted at the reporting date.

Income tax relating to items recognised directly in other comprehensive income is recognised in other comprehensive income and not profit or loss.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it is incurred during the measurement period or in profit or loss.

Value Added Tax

Revenues, expenses and assets are recognised net of the amount of value added tax except:

- Where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of accounts receivables or payables in the statement of financial position.

Corporate Social Responsibility

In line with the definition within the Income Tax Act 1995, Corporate Social Responsibility (CSR) is regarded as a tax and is therefore subsumed with the income tax expense shown within the statement of profit or loss and other comprehensive income and the current tax liabilities on the statement of financial position.

The CSR charge for the current period is measured at the amount expected to be paid to the Mauritian tax authorities. The CSR rate and laws used to compute the amount are those charged or substantively enacted at year end.

(n) Related parties

Related parties are individuals and companies where the individual or Group has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

(o) Provisions

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group and the Company expect some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the profit or loss net of any reimbursement.

2. ACCOUNTING POLICIES (CONTINUED)

2.6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(p) **Convertible bonds**

A policy choice is available for the treatment of the convertible bonds, that is, the Group and the Company can either treat the convertible bonds as equity or compound financial instrument with an embedded derivative. The Directors have opted to treat the convertible bonds as equity where both the principal and interest components have been classified as equity on initial recognition based on the subscription proceeds received, net of transaction costs, and is not subsequently remeasured.

(q) **Employee benefit liability**

Defined contributions schemes

Payments to defined contribution retirement plans are charged as an expense when employees have rendered service entitling them to the contributions.

Other retirement benefits

The Group is liable to pay severance allowance to employees at the date of their retirements under the Workers' Rights Act 2019. These benefits are unfunded. The cost of providing these benefits is determined using the projected unit credit method. Actuarial gains and losses in determining the present value of the unfunded obligations are recognised in full in the period in which they occur in other comprehensive income.

Such actuarial gains and losses are also immediately recognised in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested (that is when the employee retires). If the benefits have already vested, immediately following changes in legislation, past service costs are recognised immediately

State plan

Contributions to the National Pension Scheme are expensed to profit or loss in the period in which they fall due.

(r) **Leases**

Measurement and recognition of leases as a lessee

Group and Company as a lessee

At lease commencement date, the Group and Company recognises a right-of-use asset and a lease liability on the statement of financial position. The right-of-use assets are measured at cost for those which are classified under Property, plant and equipment, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group and Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group and Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group and Company also assesses the right-of-use asset for impairment when such indicators exist.

Initial cost is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group and Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). Subsequent re-measurements are taken to profit or loss.

2. ACCOUNTING POLICIES (CONTINUED)

2.6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(r) Leases (continued)

At the commencement date, the Group and Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group and Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group and Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Right-of-use assets

The Group and Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group and Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Short-term leases and low value assets

The Group and Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(s) Revenue recognition

(i) Revenue from contracts with customers

The Group is in the business of hotel operations. It corresponds to all the revenues received from guest by the hotel. The services rendered (including room revenue, food and beverage sales and other ancillary services) are distinct performance obligations, for which prices invoiced to the guest are representative of their stand-alone selling prices. These obligations are fulfilled over time when they relate to room rentals, along the stay in the hotel, and at a point in time for other goods or services, when they have been delivered or rendered.

Room revenue

Revenue is recognised when the performance obligation is performed i.e. once the guest's check-in at the hotel premises. Revenue is recognised over the duration of stay of the guests.

2. ACCOUNTING POLICIES (CONTINUED)

2.6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(s) Revenue recognition (*continued*)

Food & Beverage (F&B) revenue

F&B revenue is generated from package sales (e.g. half boards, full boards or all-inclusive) or through direct sales at the restaurants or bars. Packaged sales are recognised as revenue daily when it is probable that the future economic benefits will flow to the entity and those benefits can be measured reliably, i.e. upon consumption. Revenue is recognised at a point in time.

Revenue from sale of packages to customers through tour operators

The Group also sells accommodation packages, Restaurants packages, Spas & wellness treatments and activities to tour operators's customers via its online selling platform or via its agencies in Mauritius. The Group does not have control of over these services before it is being transferred to the customer. The Group is acting as an agent and recognises revenue at the net amount that is retained for these arrangements. Revenue is recognised at a point in time (i.e., upon receipt of the customer of the services) because this is when the customer benefits from the Group's services.

Performance obligations and timing of revenue recognition

The revenue is mostly derived from selling goods and services in terms of hotel rooms, with revenue recognised at a point in time when control of the goods or services has transferred to the customer.

Determining the transaction price

Most of the revenue is derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices.

Allocating amounts to performance obligations

For most contracts, there is a fixed unit price for each product sold, with reductions given for to tour operators for confirmation placed at a specific time. Therefore, there is no judgement involved in allocating the contract price to the confirmation of such contracts. The revenue is measured at the transaction price agreed under the contract. In most cases, the consideration is due when legal title has been transferred. While deferred payment terms may be agreed in rare circumstances, the deferral is usually within twelve months. The transaction price is therefore not adjusted for the effects of a significant financing component.

Other operating departments

The Group is the principal operator of other minor departments such as laundry, spa, boutique sales and their revenues are recognised at a point in time.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. Included under the contract liabilities are all guests deposits and commission payable to tour operators.

2. ACCOUNTING POLICIES (CONTINUED)

2.6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(s) Revenue recognition (*continued*)

Contract liabilities (Continued)

(i) *Other revenues earned by the Group are recognised on the following basis:*

- Interest income - For all financial instruments measured at amortised cost, interest income or expense is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in other income in profit or loss.
- Dividend income - when the shareholder's right to receive payment is established.
- Rental income – on an accrual basis.
- Management fees – 3% - 3.5% of gross revenue of hotels and incentive fees based on 8% - 12% of gross operating profit, depending on the overall performance of the hotels are received by the management company, Attitude Hospitality Management Ltd
- Training income – Attitude Hospitality Training Ltd is in business of providing training activities to the other hotels and affiliates. Revenue mainly represents recharges made to other hotels for the provision of training activities at a cost to cost basis. Recharges are recorded at a point in time once the costs to provide these services have been incurred.
- CSR – Green Attitude Foundation (GAF) is in the business of providing CSR services for Attitude Group. Revenue is recognised at an amount that reflects the consideration to which the GAF expects to be entitled in exchange for transferring goods or services to a customer.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(t) Fair value measurement

The Group and the Company measures financial instruments, such as, derivatives, and non-financial assets such as leasehold rights and buildings, at fair value at each reporting date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 35.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group and the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group and the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2. ACCOUNTING POLICIES (CONTINUED)

2.6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(t) Fair value measurement (Continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group and the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(u) Cash dividend

The Company recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised by the directors and the distribution is no longer at the discretion of the Company. A corresponding amount is recognised directly in equity.

(v) Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

2. ACCOUNTING POLICIES (CONTINUED)

2.6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(w) **Segmental reporting**

The Group presents segmental information using business segments as its primary reporting reporting format. This is based on the internal management and financial reporting systems and reflects the risks and earnings structure of the Group. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the financial statements.

ATTITUDE HOSPITALITY LTD AND ITS SUBSIDIARIES
 NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2024

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3. PROPERTY, PLANT AND EQUIPMENT

2024	THE GROUP	Buildings on leasehold land		Furniture and equipment		Electronic equipment		Boat equipment		Motor vehicles		Work in progress		Total	
		MUR		MUR		MUR		MUR		MUR		MUR		MUR	
	At July 1, 2023	3,215,832,952		779,332,501		108,431,054		7,427,521		1,360,132		28,800,933		4,141,185,093	
	Additions	50,075,242		106,671,253		7,332,940		2,284,266		-		77,027,479		243,391,180	
	Acquisition of subsidiary (Note 33(b))	-		317,474		-		-		457,700		-		775,174	
	Disposal	(44,115)		(16,146)		(50,148)		-		-		-		(110,409)	
	At June 30, 2024	3,265,864,079		886,305,082		115,713,846		9,711,787		1,817,832		105,828,412		4,385,241,038	
	DEPRECIATION														
	At July 1, 2023	767,187,549		573,603,209		101,781,996		6,307,038		1,360,132		-		1,450,239,924	
	Charge for the year	94,801,555		81,201,889		9,852,116		481,825		-		-		186,337,385	
	Disposal	(44,115)		(16,146)		(50,148)		-		-		-		(110,409)	
	At June 30, 2024	861,944,989		654,788,952		111,583,964		6,788,863		1,360,132		-		1,636,466,900	

NET BOOK VALUE

At June 30, 2024	2,403,919,090	231,516,130	4,129,882	2,922,924	457,700	105,828,412	2,748,774,138
At June 30, 2023	2,448,645,403	205,729,292	6,649,058	1,120,483	-	28,800,933	2,690,945,169

(a) Included in property, plant and equipment at June 30, 2024 was work in progress of Rs77m (2023: Rs 28.8m) relating to refurbishment works at Riviere Citron Ltee, Compagnie Marmifites Des Iles Limited, Attitude Hospitality Management Limited and Matemwe Bungalows Zaswi (Z) Limited.

(b) Bank borrowings are secured on all the assets of the Group and the Company. Interest on these bank loans amounted to Rs 65.7M.

ATTITUDE HOSPITALITY LTD AND ITS SUBSIDIARIES
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3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

2023	Buildings on leasehold land	Furniture and equipment	Electronic equipment	Boat equipment	Motor vehicles	Work in progress	Total
THE GROUP	MUR	MUR	MUR	MUR	MUR	MUR	MUR
COST							
At July 1, 2022	3,187,386,060	709,349,194	100,278,756	6,979,935	5,139,922	3,237,116	4,012,370,983
Additions	28,621,359	70,040,624	8,198,113	447,586	-	25,563,817	132,871,499
Disposal	(174,467)	(57,317)	-	-	-	-	(231,784)
Reclassified to rights of use assets	-	-	-	-	(3,779,790)	-	(3,779,790)
Scrapped assets	-	-	(45,815)	-	-	-	(45,815)
At June 30, 2023	3,215,832,952	779,332,501	108,431,054	7,427,521	1,360,132	28,800,933	4,141,185,093
DEPRECIATION							
At July 1, 2022	679,430,200	502,055,971	96,612,304	5,968,881	2,116,090	-	1,286,183,446
Charge for the year	87,757,349	71,547,238	5,169,692	338,157	-	-	164,812,436
Reclassified to rights of use assets	-	-	-	-	(755,958)	-	(755,958)
At June 30, 2023	767,187,549	573,603,209	101,781,996	6,307,038	1,360,132	-	1,450,239,924
NET BOOK VALUE							
At June 30, 2023	2,448,645,403	205,729,292	6,649,058	1,120,483	-	28,800,933	2,690,945,169

4(a). INTANGIBLE ASSETS AND GOODWILL

THE GROUP

COST	Computer software	Goodwill	Total
	MUR	MUR	MUR
At July 1, 2023	26,294,308	488,279,036	514,573,344
Additions	1,197,145	-	1,197,145
At June 30, 2024	27,491,453	488,279,036	515,770,489
At July 1, 2022	27,437,335	488,279,036	515,716,371
Additions	789,893	-	789,893
Disposal	(1,932,920)	-	(1,932,920)
At June 30, 2023	26,294,308	488,279,036	514,573,344
AMORTISATION			
At July 1, 2023	22,392,984	-	22,392,984
Charge for the year	1,390,148	-	1,390,148
At June 30, 2024	23,783,132	-	23,783,132
At July 1, 2022	22,593,375	-	22,593,375
Disposal	(1,932,920)	-	(1,932,920)
Charge for the year	1,732,529	-	1,732,529
At June 30, 2023	22,392,984	-	22,392,984
NET BOOK VALUE			
At June 30, 2024	3,708,321	488,279,036	491,987,357
At June 30, 2023	3,901,323	488,279,036	492,180,359

(i) Carrying amount of goodwill

	THE GROUP	
	2024	2023
	MUR	MUR
<i>Subsidiary companies</i>		
Marina Village Hotel Limited	412,904,291	412,904,291
Attitude Hospitality Management Ltd	75,374,745	75,374,745
	488,279,036	488,279,036

Goodwill acquired is measured as the sum of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts fair values of the identifiable assets and liabilities assumed. Goodwill has been assessed as having an indefinite life. The Group performed its annual impairment test in June 2024 and 2023. As at June 30, 2024, no impairment was booked on Marina Village Hotel Limited and Attitude Hospitality Management Ltd.

4(a). INTANGIBLE ASSETS AND GOODWILL (continued)

(ii) Impairment test on goodwill

The recoverable amount of goodwill has been determined based on value-in-use calculation. The calculation used pre-tax cash flow projection based on financial budgets approved by management covering a five-year period. The pre-tax discount rate applied represents the current market assessment of the risks specific to each investment, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investor. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. The discount rate used is 10.07% (2023: 9.74%).

A yearly growth rate of 3% (2023: 3%) has been estimated on the different investments. The growth rate has been assessed as reasonable based on worldwide growth rate estimates taken from publications by the International Monetary Fund (IMF).

The key assumptions used for preparing the cash flow forecasts are based on management's past experience of the industry and the ability of each investment to at least maintain its market share as well as stable local and international economic conditions.

An increase of 5% in the pre-tax discount rate, other variables remaining the same and a decrease of 10% in forecasted cash flows, other variables remaining constant, show no indication of impairment for Marina Village Hotel Limited and Attitude Hospitality Management Ltd.

Key assumptions used in the impairment tests for goodwill are: occupancy rate, terminal growth rate and discount rate. The assumptions used for 2024 and 2023 are as follows:

	Discount rate		Terminal growth rate		Occupancy rate	
	2024	2023	2024	2023	2024	2023
	%	%	%	%	%	%
Marina Village Hotel Limited	10.07%	9.74%	3.20%	3.20%	79%-80%	79%-80%
Attitude Hospitality Management Ltd	10.07%	9.74%	3.20%	3.20%	n/a	n/a

The Directors and management have performed a sensitivity analysis in order to consider and assess the impact of possible changes in key assumptions on the carrying value of goodwill.

The assumptions that are considered to be the main drivers in the calculation of the recoverable amount of goodwill and where changes are reasonably possible are: occupancy rate, terminal growth rate and discount rate with no additional impairment should they be stress tested.

The table below sets out the outcome of the sensitivity analysis and the resulting hypothetical additional impairments that would result from this modeling. It is the Directors' and management's view that the appropriate impairment charge has been recognised as at 30 June 2024.

The recoverable amount of the CGU which have not been impaired at 30 June 2024 would equal its carrying amount if the key assumptions were to change as follows:

2024	Discount rate		Terminal growth rate		Occupancy rate	
	From	To	From	To	From	To
	%	%	%	%	%	%
Marina Village Hotel Limited	10.07%	17.85%	3.52%	-10.44%	85%	60%
Attitude Hospitality Management Ltd	10.07%	47.18%	n/a	n/a	n/a	n/a

The directors and management have considered and assessed reasonably possible changes for other assumptions and have not identified any instances that could cause the carrying amount of the different CGUs to exceed its recoverable amount.

4(a). INTANGIBLE ASSETS AND GOODWILL (CONTINUED)

THE COMPANY	Computer software
COST	MUR
At July 1, 2023	127,363
Additions	-
At June 30, 2024	127,363
AMORTISATION	
At July 1, 2023	127,363
Charge for the year	-
At June 30, 2024	127,363
NET BOOK VALUE	
At June 30, 2024	-
At June 30, 2023	-

4(b). RIGHT-OF-USE ASSETS

Set out below are the carrying amounts of right-of-use assets recognised and the movement during the year:

THE GROUP	Leasehold land and rights	Equipment	Motor vehicles	Buildings on leasehold land	Total
2024					
COST	MUR	MUR	MUR	MUR	MUR
At July 1, 2023	1,226,902,163	13,761,565	25,542,490	595,602,363	1,861,808,581
Additions	2,820,000	2,328,940	4,484,324	29,412,322	39,045,586
Acquisition of subsidiary (Note 33(b))	290,628,719	-	-	-	290,628,719
Terminated leases	-	(836,879)	-	(3,777,872)	(4,614,751)
Lease modification	602,002	584,374	-	3,745,419	4,931,795
At June 30, 2024	1,520,952,884	15,838,000	30,026,814	624,982,232	2,191,799,930
DEPRECIATION					
At July 1, 2023	201,548,412	8,439,954	13,002,111	85,119,522	308,109,999
Charge for the year	17,999,560	2,863,799	3,991,690	48,817,926	73,672,975
Terminated lease	-	(836,879)	-	(3,777,872)	(4,614,751)
At June 30, 2024	219,547,972	10,466,874	16,993,801	130,159,576	377,168,223
NET BOOK VALUE					
At June 30, 2024	1,301,404,912	5,371,126	13,033,013	494,822,656	1,814,631,707
2023					
COST	MUR	MUR	MUR	MUR	MUR
At July 1, 2022	1,195,885,200	13,084,758	12,072,589	594,010,341	1,815,052,888
Lease remeasurement	31,016,963	-	-	-	31,016,963
Terminated lease	-	-	(884,484)	-	(884,484)
Additions	-	-	14,354,385	-	14,354,385
Lease modification	-	676,807	-	1,592,022	2,268,829
At June 30, 2023	1,226,902,163	13,761,565	25,542,490	595,602,363	1,861,808,582
DEPRECIATION					
At July 1, 2022	170,486,250	5,934,442	9,050,311	42,224,995	227,695,999
Charge for the year	31,062,162	2,505,512	3,951,800	42,894,527	80,414,001
At June 30, 2023	201,548,412	8,439,954	13,002,111	85,119,522	308,110,000
NET BOOK VALUE					
At June 30, 2023	1,025,353,751	5,321,611	12,540,379	510,482,841	1,553,698,582

*Included in 'leasehold land and rights' is an amount of Rs 271,800,000 m which represents the fair value on land leased from the zanzibar government. This fair value arose on business combination and relates to the favourable off market terms of the lease with the government. This balance is being depreciated over the same useful life of the land leased, that is, 32 years.

4(c). LEASE LIABILITIES

THE GROUP

Lease liabilities arose on the following main lease contracts:

- Leasehold land with the Government of Mauritius for a period of 49-50 years;
- Various equipment for a period of 3-4 years;
- Motor vehicles for a period of 2 - 5 years;
- Leasehold land with La Pelouse Ltee for a remaining period of 8 years;
- Boathouse for a period of 3 years; and
- Buildings on leasehold Land with The Strand for a period of 5 years.

(i) Set out below are the carrying amounts of lease liabilities and the movements during the year:

	2024	2023
	MUR	MUR
At July 1,	1,049,344,151	992,628,091
Additions	39,045,586	12,821,632
Acquisition of subsidiary (Note 33(b))	20,147,855	-
Lease modification	4,931,795	14,069,123
Lease remeasurement	-	16,750,972
Retranslation loss/(gain) (Note 21(b))	17,810,903	65,755,651
Terminated lease	(4,602,193)	(963,665)
Interest expense (Note 25)	44,187,522	41,339,755
Payments	(94,500,340)	(93,057,408)
At June 30,	<u>1,076,365,279</u>	<u>1,049,344,151</u>
Current	<u>63,693,119</u>	<u>56,331,903</u>
Non-Current	<u>1,012,672,160</u>	<u>993,012,248</u>

(ii) The lease modification during the year ended June 30, 2023 relates to East Water Ltd following the change in the payment pattern from 2 months to 6 months. For the year ended June 30, 2024, lease modification relates increase in rental for Riviere Citron Ltee. Attitude Hospitality Management Ltd changed office leading to a terminated lease in FY 2024.

(iii) The maturity of lease liabilities is as follows:

	2024	2023
	MUR	MUR
Within one year	102,578,196	99,566,158
After one year and before five years	279,927,818	364,172,960
More than five years	1,529,190,212	1,452,988,103
	<u>1,911,696,226</u>	<u>1,916,727,221</u>
Future finance charges on lease liabilities	<u>(835,330,947)</u>	<u>(867,383,070)</u>
Present value of lease liabilities	<u>1,076,365,279</u>	<u>1,049,344,151</u>

(iv) The present value of lease liabilities is analysed as follows:

	2024	2023
	MUR	MUR
Within one year	63,693,119	56,331,903
After one year and before five years	220,598,298	220,740,082
More than five years	792,073,862	772,272,166
	<u>1,076,365,279</u>	<u>1,049,344,151</u>

(v) The following are the amount recognised in profit or loss:

	2024	2023
	MUR	MUR
Depreciation expense of right-of-use assets (Note 4(b))	73,672,975	80,414,001
Interest expense on lease liabilities (Note 23)	44,187,522	41,339,755
Retranslation loss/(gain) (Note 4(c)(i))	17,810,903	65,755,651
Total amount recognised in profit or loss	<u>135,671,400</u>	<u>187,509,407</u>

The Group had total cash outflows in relation to lease payment of MUR 94,500,340 in 2024 (2023: MUR 93,057,408) and MUR 7,000,463 (2023: MUR 6,236,542) from low value leases and short term leases included in the profit or loss.

5. INVESTMENT IN SUBSIDIARY COMPANIES

	THE COMPANY	
	2024	2023
	MUR	MUR
Reconciliation		
At July 1,	2,176,258,266	2,180,258,266
Additions (Note *)	75,000,000	-
Impairment (Note **)	-	(4,000,000)
At June 30,	<u>2,251,258,266</u>	<u>2,176,258,266</u>

5. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

* Additions relates to purchase of non controlling stake of 11.25% in Marina Village Hotel Ltd.

** Impairment relates to investment in Crown Lodge Ltee. Apart from the impairment in Crown Lodge Ltee, there was no indications of impairment across the investment portfolio of the Group.

(a) Quasi- equity loan	2024	2023
	MUR	MUR
At July 01,	486,000,000	486,000,000
Disbursement to subsidiaries during the year	-	-
At June 30,	486,000,000	486,000,000

(i) The loan has been classified as quasi-equity is unsecured, interest-free and the settlement of the amount is neither planned nor likely to occur in the foreseeable future.

(ii) The quasi-equity loan is made up of the following:	Capital	Interest	Total
	MUR	MUR	MUR
Compagnie Marmites Des Iles Limitée	60,000,000	-	60,000,000
Marina Village Hotel Limited	95,000,000	-	95,000,000
Pointe Aux Piments Hotel Ltd	50,000,000	-	50,000,000
East Water Ltd	30,000,000	-	30,000,000
Tropical Hotel Ltd	46,000,000	-	46,000,000
Rivière Citron Ltée	205,000,000	-	205,000,000
At June 30, 2024	486,000,000	-	486,000,000

(b) Unpaid as at year end, accounted as payables (refer to Note 25):	2024	2023
	MUR	MUR
Investment in Ti Piment Investment Ltd	10,000	10,000
Investment in Longchamps Investment Ltd	3,868,120	3,868,120
Investment in Zanzibar Hospitality Ltd	1,000	1,000
Investment in Otentik Investments Ltd	10,000	10,000
	3,889,120	3,889,120

(c) The subsidiary companies are as follows:

Name of Companies	Country of incorporation	Business Activity	Notes	Effective shareholding			
				2024		2023	
				Direct	Indirect	Direct	Indirect
				%	%	%	%
▶ Marina Village Hotel Limited	Mauritius	Hotel operations		100	-	88.75	-
▶ Pointe Aux Piments Hotel Ltd	Mauritius	Hotel operations		100	-	100	-
▶ Compagnie Marmites Des Iles Ltée	Mauritius	Hotel operations		100	-	100	-
▶ Tropical Hotel Ltd	Mauritius	Hotel operations		100	-	100	-
▶ East Water Ltd	Mauritius	Hotel operations		100	-	100	-
▶ Attitude Hospitality Manaqement Ltd	Mauritius	Management company	26	79.94	-	79.94	-
▶ Longchamps Investments Ltd	Mauritius	Real estate activities		100	-	100	-
▶ Attitude Hospitality Training Ltd	Mauritius	Training institution		100	-	100	-
▶ Belle Mare Venture Ltd	Mauritius	Tourist residences		100	-	100	-
▶ Green Attitude Foundation	Mauritius	Social security activities		100	-	100	-
▶ Anse La Raie Resorts Ltd	Mauritius	Hotel operations real estate		-	100	-	88.75
▶ Attitude Property Ltd	Mauritius	activities	26	48.74*	-	48.74	-
▶ Rivière Citron Ltée	Mauritius	Hotel operations		100	-	100	-
▶ Touristic United Enterprise Ltd	Seychelles	Investment holding	26	67.51	-	67.51	-
▶ Colov United Enterprise Ltd	Mauritius	Other financial service activities		-	67.51	-	67.51
▶ Crown Lodge Ltée	Mauritius	General retailer		100	-	100	-
▶ Ti Piment Investment Ltd	Mauritius	Investment holding		100	-	100	-
▶ Otentik Investments Ltd	Mauritius	Investment holding		100	-	100	-
▶ Attitude Hospitality (Africa) Ltd	Mauritius	Investment holding		100	-	100	-
▶ Matemwe Bungalows Zaswi (Z) Limited ***	Zanzibar	Hotel operations		-	100	-	-

◊ Even with an investment of 48.74% in Attitude Property Ltd(APL), Attitude Hospitality Ltd exercise control over the decision making process and Board of APL and is therefore considered a subsidiary

** Zanzibar Hospitality Ltd changed its name on 21 May 2024 to Attitude Hospitality (Africa) Ltd.

*** On 29th February 2024, Attitude Hospitality (Africa) Ltd acquired 100% stake in Matemwe Bungalows Zaswi(Z) Limited incorporated in Zanzibar.

5. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

(e) Impairment testing : Investment in subsidiary companies

	Discount rate		Terminal growth rate		Occupancy rate	
	2024	2023	2024	2023	2024	2023
	%	%	%	%	%	%
Investment in Attitude Hospitality Management Ltd	10.07%	9.74%	3.20%	3.20%	n/a	n/a
Investment in Compagnie Marmites Des Iles Limitée	10.07%	9.74%	3.20%	3.20%	77% - 80%	77% - 80%
Investment in East Water Ltd	10.07%	9.74%	3.20%	3.20%	82% - 83%	82% - 83%
Investment in Marina Village Hotel Limited	10.07%	9.74%	3.20%	3.20%	79%-80%	79%-80%
Investment in Pointe Aux Piments Hotel Ltd	10.07%	9.74%	3.20%	3.20%	82% - 81%	82% - 81%
Investment in Rivière Citron Ltée	10.07%	9.74%	3.20%	3.20%	77% - 80%	77% - 80%
Investment in Tropical Hotel Ltd	10.07%	9.74%	3.20%	3.20%	79% - 82%	79% - 82%

The Directors and management have performed a sensitivity analysis in order to consider and assess the impact of possible changes in key assumptions on the carrying value of investment in subsidiary companies. The assumptions that are considered to be the main drivers in the calculation of the recoverable amount of investment in subsidiary companies and where changes are reasonably possible are: occupancy rate, terminal growth rate and discount rate.

The sensitivity analysis revealed no indication of impairment when those drivers were stress tested as follows:

- Increasing the WACC by 50 basis points
- Decreasing the terminal growth rate by 50 basis points
- Decreasing projected occupancy by 100 basis points

The recoverable amount of the CGU which have not been impaired would equal its carrying amount if the key assumptions were to change as follows:

2024	Discount rate		Terminal growth rate		Occupancy rate	
	From	To	From	To	From	To
	%	%	%	%	%	%
Attitude Hospitality Management Ltd	10.07%	81.09%	n/a	n/a	n/a	n/a
Compagnie Marmites Des Iles Limitée	10.07%	32.82%	3.20%	-156.12%	80%-81%	57%
East Water Ltd	10.07%	37.71%	3.20%	n/a	82% - 83%	71%
Marina Village Hotel Limited	10.07%	23.68%	3.20%	-30.86%	81%-85%	54%
Pointe Aux Piments Hotel Ltd	10.07%	27.60%	3.20%	-51.56%	75% - 80%	55%
Rivière Citron Ltée	10.07%	29.66%	3.20%	-63.51%	77% - 80%	66%
Tropical Hotel Ltd	10.07%	31.05%	3.20%	-88.65%	76% - 82%	67%

The directors and management have considered and assessed reasonably possible changes for other key assumptions and have not identified any instances that could cause the carrying amount of the different CGUs to exceed its recoverable amount.

6. INVESTMENT IN ASSOCIATED COMPANIES

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	MUR	MUR	MUR	MUR
At July 1,	601,304,778	512,953,521	258,882,330	258,882,330
Dividend paid	(40,905,600)	-	-	-
Share of results for the year	128,579,651	88,351,257	-	-
Share of other comprehensive income for the year	(490,027)	-	-	-
At June 30,	688,488,802	601,304,778	258,882,330	258,882,330

6. INVESTMENT IN ASSOCIATED COMPANIES (CONTINUED)

Carrying value of investment in associate

	Total	Manahe Ltd and its subsidiaries	Zilwa Resort Ltd	Water Sports Village Limited
	MUR	MUR	MUR	MUR
At 30 June 2024				
Cost	415,513,776	156,631,446	136,800,000	122,082,330
Share of post-acquisition profits, net of dividend received	357,345,626	79,668,178	216,098,968	61,578,480
Dividends	(84,370,600)	(29,400,000)	(41,985,600)	(12,985,000)
Carrying value	<u>688,488,802</u>	<u>206,899,624</u>	<u>310,913,368</u>	<u>170,675,810</u>
At 30 June 2023				
Cost	415,513,776	156,631,446	136,800,000	122,082,330
Share of post-acquisition profits, net of dividend received	229,256,002	22,179,497	170,689,073	36,387,432
Dividends	(43,465,000)	-	(30,480,000)	(12,985,000)
Carrying value	<u>601,304,778</u>	<u>178,810,943</u>	<u>277,009,073</u>	<u>145,484,762</u>

(a) The shareholding in associated companies are as follows:

	Business activity	Country of incorporation and place of business	% Effective Share	
			2024	2023
			Manahe Ltd and its subsidiaries	Car Rental and travel agency
Zilwa Resort Ltd	Hotel	Mauritius	24.00%	24.00%
Water Sports Village Limited	Hotel	Mauritius	<u>24.50%</u>	<u>24.50%</u>

The Company exercises significant influence in the above-named entities given that:

- (i) there are common board members in the Company and the 3 entities;
- (ii) the Company's directors participate in the decision making processes of the 3 entities; and
- (iii) there are material transactions between the Company and the 3 entities (for example, management contracts and tour operating agreements).

(b) Summarised financial information of the Group's associates is as follows:

Share of the associates' statement of financial position

	2024			2023	
	Manahe Ltd and its subsidiaries	Zilwa Resort Ltd	Water Sports Village Limited	Total	Total
	MUR	MUR	MUR	MUR	MUR
Non-current assets	88,513,517	1,598,208,478	848,264,554	2,534,986,549	2,407,147,963
Current assets	228,875,668	200,302,066	88,614,408	517,792,142	470,360,906
Non-current liabilities	(136,534,133)	(315,079,847)	(244,141,821)	(695,755,801)	(928,342,651)
Current liabilities	(48,954,304)	(134,142,598)	(177,635,454)	(360,732,356)	(227,824,047)
Equity	<u>131,900,748</u>	<u>1,349,288,099</u>	<u>515,101,687</u>	<u>1,996,290,534</u>	<u>1,721,342,171</u>
Shareholding	33.08%	24.00%	24.50%		
Group's share of net assets	43,632,635	323,829,144	126,199,913	493,661,692	422,103,364
Goodwill	142,324,096	-	8,930,071	151,254,167	151,254,167
Equity	<u>185,956,731</u>	<u>323,829,144</u>	<u>135,129,984</u>	<u>644,915,859</u>	<u>573,357,531</u>

6. INVESTMENT IN ASSOCIATED COMPANIES (CONTINUED)

Share of the associates' statement of profit or loss and other comprehensive income

	2024			2023	
	Manafe Ltd and its subsidiaries	Zilwa Resort Ltd	Water Sports Village Limited	Total	Total
	MUR	MUR	MUR	MUR	MUR
Revenue	582,425,216	834,585,259	522,857,732	1,939,868,207	1,753,062,256
Cost of sales	(355,842,179)	(432,432,698)	(268,446,530)	(1,056,721,407)	(969,750,934)
Other income	14,953,478	31,640,576	16,025,483	62,619,537	55,845,845
Administrative expenses	(83,113,211)	(194,732,295)	(126,957,495)	(404,803,001)	(395,135,470)
Finance costs	(5,993,783)	(9,976,949)	(19,393,280)	(35,364,012)	(39,712,477)
Profit before tax	152,429,521	229,083,893	124,085,910	505,599,324	404,309,220
Income tax (expense)/credit	22,839,165	(34,205,786)	(21,265,303)	(32,631,924)	(65,516,064)
Profit for the year	175,268,686	194,878,107	102,820,607	472,967,400	338,793,156
<i>Other comprehensive income</i>					
- Remeasurement of post employment benefit	-	(788,500)	389,455	(399,045)	-
- Deferred tax on post employment benefits	-	134,045	(66,207)	67,838	-
- Movement in cash flow hedges	(1,245,935)	-	-	(1,245,935)	-
Total comprehensive income for the year	174,022,751	194,223,652	103,143,855	471,390,258	338,793,156
Group's share of results	57,978,706	46,770,746	25,191,049	129,940,501	88,351,257
Group's share of other comprehensive profit/(loss)	(412,154)	(157,069)	79,196	(490,027)	-
Group's share of total comprehensive income	57,566,552	46,613,677	25,270,245	129,450,474	88,351,257

The share of other comprehensive income for Zilwa Resort Ltd and Water Sports Village Limited was excluded as these relate solely to revaluation of property, plant and equipment and the Group accounting policy is to measure at cost.

7. LONG TERM DEPOSITS

	Notes	THE GROUP	
		2024	Restated 2023
		MUR	MUR
As at July 1, as previously stated		12,119,010	10,957,390
Reclassification from trade and other receivables	39	9,362,106	9,362,106
As at July 1, restated		21,481,116	20,319,496
Foreign exchange movement		720,850	1,161,620
As at June 30,		22,201,966	21,481,116

Please refer to note 39 for details relating to the restatement of comparatives

The long term deposits were made by the Group as part of the lease agreements signed on August 23, 2011, under which the Group leases the property where East Water Ltd operate for a period of ten years effective as from September 01, 2011. The deposits amounted to EUR 240,000 for the hotel. On June 30, 2014, the agreements were extended for a period of seventeen years.

The Group also leases the property where Compagnie Marmite des Ile Limitee operates for an amount of Euro 192,702. Same is refundable to the lessee before three months at the end of the lease agreement. The carrying amount is interest-free and has been retranslated at 30 June 2024.

8. INVENTORIES

	THE GROUP	
	2024	2023
	MUR	MUR
Food and beverages	16,988,774	21,712,213
Operating supplies	12,326,958	11,153,326
Spare parts	2,431,830	2,479,609
Retail items	90,022	703,678
	<u>31,837,584</u>	<u>36,048,826</u>

At June 30, 2024, inventories amounting to MUR 387,782 were written off to profit or loss (2023: MUR 51,970).

Cost of inventories recognised as expense is given in note 21(a).

Inventory count was carried out on 30 June 2024 and the condition and expiry of all products were checked. No further impairment was noted.

9. TRADE AND OTHER RECEIVABLES

(a)	THE GROUP		THE COMPANY	
	2024	Restated 2023	2024	2023
	MUR	MUR	MUR	MUR
Trade receivables	229,150,184	175,556,580	-	-
Less: provision for impairment	(7,733,795)	(5,809,437)	-	-
Trade receivables - net	221,416,389	169,747,143	-	-
Receivable from subsidiary companies (Note 25)	-	-	245,363,386	128,467,201
Receivable from associates (Note 25)	3,713,123	2,141,269	-	-
Receivable from other related parties (Note 25)	1,597,500	2,084,803	-	-
Other receivables	119,392,860	112,971,176	65,509,691	72,219,402
	<u>346,119,872</u>	<u>286,944,391</u>	<u>310,873,077</u>	<u>200,686,603</u>

- Trade receivables are non-interest bearing and are generally on 30 - 60 days terms, except for amounts due from related parties which are receivable on demand.

- Impairment of receivables have been assessed on an individual basis and also on a collective basis under the "Expected Credit Loss" model.

- As at June 30, 2024, the Group made a provision of MUR 1,924,358 for credit losses (2023: MUR 5,903). Expected credit losses stood at 1.39% for 2024 (2023: 3.31%).

- In determining the recoverability of trade receivables, the Group consider any change in credit quality of the trade receivables from date of trading up to date of issuance of the financial statements. The concentration of credit risk is limited due to the customer based being large and unrelated.

- Other than trade receivables, the other classes within trade and other receivables do not contain impaired assets.

- Amount due from related parties relate to current account. For terms and conditions relating to related party receivables, refer to Note 25.

- Other receivables were neither past due nor impaired at June 30, 2024 (2023: Nil).

- Group other receivables includes mainly accrued income amounting to MUR 14m (2023: MUR 2.3m) ,short term loans to related party of MUR 65.4m (2023: MUR 46.7m) , prepayments of MUR 6.6M (2023: MUR 3.6m) and VAT of MUR 8.0M (2023: MUR 9.99m) and contract assets of MUR 9.8m (2023; Rs 8.5m) refer to note 9(b).

- Other receivables for the Company includes mainly short term loan to related parties of MUR 65.4m (2023: MUR 46.7m) .

9. TRADE AND OTHER RECEIVABLES (CONTINUED)

THE GROUP

As at June 30, 2024 and 2023, the ageing analysis of trade receivables were as follows:

	Total	Days past due				
		< 30 days	30 - 60 days	60 - 90 days	> 90 days	> 120 days
2024						
Expected credit loss rate	3.37%	3.41%	1.35%	13.65%	39.61%	0.00%
Expected credit loss (MUR)	7,733,795	5,420,087	835,264	975,797	502,647	-
Estimated total gross carrying amount at default (MUR)	229,150,184	158,862,219	61,870,693	7,148,122	1,269,150	-
2023						
Expected credit loss rate	3.31%	1.52%	4.20%	24.43%	37.42%	0.00%
Expected credit loss (MUR)	5,809,437	2,039,900	1,426,271	850,715	1,492,550	-
Estimated total gross carrying amount at default (MUR)	175,556,580	134,089,267	33,996,865	3,481,781	3,988,667	-

The Group applies IFRS 9 simplified approach to measuring expected credit losses using a life time expected allowance for trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risks characteristics and the days past due. The expected loss rates are reviewed annually or where there is significant increase in external factors, potentially impacting the credit risk and are updated where management's expectations of credit losses change. It is the Group policy to fully provide for debtors above 120 days.

Movement in the allowance for credit losses of trade receivables are as follows:

	2024	2023
	MUR	MUR
At July 01,	5,809,437	5,803,534
Provision for credit losses	1,924,358	5,903
At June 30,	7,733,795	5,809,437
Ageing of past due but not impaired:	2024	2023
	MUR	MUR
Over 90 days	1,269,150	3,988,667

The Group has subscribed to an insurance cover with The Mauritius Commercial Bank Ltd as from January 18, 2017 in view to minimise its credit risk exposure. See note 28(iii) on credit risk for further details.

As at June 30, the maximum exposure to the credit risk is the carrying value of each class of receivable mentioned above. The Company does not hold any collateral as security.

9(b). Contract assets

	2024	2023
	MUR	MUR
<i>In house guests ledger</i>		
At July 01,	8,559,032	10,734,883
Transfer to debtors	(1,788,035,253)	(1,544,482,762)
Revenue recognised	1,789,324,359	1,542,306,911
At June 30,	9,848,138	8,559,032

The in-house guest ledger balance includes the amounts due from guests for their stay and any additional charges incurred.

10(i) LOANS TO RELATED PARTY

MUR 12,250,000 was advanced to Manahe Ltd, an associate in 2021. The loan was unsecured and bore interest at a fixed rate of 7.99% and was fully repaid as at 30 June 2024.

10(ii) LOANS RECEIVABLE FROM SUBSIDIARIES

	THE COMPANY	
	2024	2023
	MUR	MUR
Loan to Compagnie Marmites des Iles Limitée	69,038,880	86,298,600
Loan to East Water Ltd	16,800,000	21,000,000
Loan to Marina Village Hotel Limited	223,415,089	279,268,859
Less: Impairment on loans receivables (see note 10 (c))	(9,664,187)	(9,664,187)
	299,589,782	376,903,272
Classified as:		
Current	77,313,492	75,380,654
Non-current	222,276,290	301,522,618
	299,589,782	376,903,272

10(ii) LOANS RECEIVABLE FROM SUBSIDIARIES (CONTINUED)

THE COMPANY

As at June 30, 2024 and 2023, expected credit loss on intercompany balances were as follows:

	2024	2023
	MUR	MUR
Expected credit loss	<u>9,664,187</u>	<u>9,664,187</u>

There were no provisions made on intercompany balances under IAS 39 (before 01 July 2018).

Intercompany balances are in line with the Group policy across all hotels and head office entities. They bear interest at 5.35%, are unsecured and repayable as per agreement. The Company has assessed that Group companies are adequately capitalised. As a result, the intercompany loans are in stage 1 and, so requires an allowance equal to the 12-month ECLs. As those balances are repayable per agreement, they attract a negligible ECL, since ECLs are only measured over the period in which the entity is exposed to credit risk. It continues to apply this method until a significant increase in credit risk has occurred, at which point the loss allowance is measured based on lifetime ECLs.

In 2019, Attitude Hospitality Ltd made shareholder's loans to three companies namely Compagnie Marmites des Iles Limitee, East Water Ltd and Marina Village Hotel Limited to settle their respective bank loans.

The terms and conditions of the shareholder's loan have been reviewed as per below:

- (a) The shareholder's loans bear a fixed interest rate of 5.35% p.a and are unsecured.
- (b) The loan principal is repayable as follows:
- 20% on 06 June 2024.
 - 20% on 06 June 2025.
 - 20% on 06 June 2026.
 - 20% on 06 June 2027.
 - 20% on 06 June 2028.
- (c) The loans receivable from subsidiary suffered an ECL provision at 2.5% as follows ; Compagnie Marmites des Iles Limitée MUR 2,157,465 , East Water Ltd MUR 525,000 and Marina Village Hotel Limited MUR 6,981,722. No additional provision was done in ECL for the loan receivable from subsidiary companies in 2024 since the entities have started settling their debts and Attitude Hospitality Ltd is certain to recover this amount.

11(i) OTHER FINANCIAL ASSETS

Forward Contracts

The fair values of derivative financial instruments are determined by reference to the market prices of underlying currencies. Either an asset or liability is recognised depending on whether the movement in these prices is favourable or unfavourable to the Company. The notional amounts of derivative instruments are not necessarily indicative of future cash flows or the current fair value, nor are they representative of the Company's exposure to credit or market price risks.

THE GROUP

	amount	Fair value	Surplus
	MUR	MUR	MUR
At June 30, 2024			
Forward contracts	<u>1,046,981,000</u>	<u>1,057,121,673</u>	<u>10,140,673</u>
At June 30, 2023			
Forward contracts	<u>1,090,248,093</u>	<u>1,115,950,311</u>	<u>25,702,218</u>

The notional principal amounts of the outstanding forward contracts as at June 30, 2024 were **MUR 1,046,981,000** (2023: MUR 1,090,248,093) maturing until March 2025.

The full fair value element of a derivative instrument is classified as current asset or liability as the maturity of the derivative instrument is less than 12 months.

Derivative contracts

Typically, derivatives contracts serve as components of the Group's investment strategy and are utilised primarily to enhance performance and reduce risk to the Group. The derivatives contracts that the Group holds or issues include forward currency contracts.

Derivatives often reflect at their inception only a mutual exchange of promises with little or no transfer of tangible consideration. However, these instruments frequently involve a high degree of leverage and are very volatile. A relatively small movement in the underlying of a derivative contract may have a significant impact on the profit or loss of the Group.

At the reporting date, the Group has positions in the following types of derivatives:

Forwards contracts

Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and date in the future. The Group has credit risk exposure to the counter parties of forward contracts. Forward contracts are settled net and, therefore, considered to bear a low liquidity risk.

For fair value hierarchy (refer to note 35).

Comparatives have been amended to conform with presentation of current year (refer to note 39).

11(ii) FINANCIAL ASSETS AT AMORTISED COSTS

Treasury bills	2024	2023
	MUR	MUR
At July 1,	118,972,953	-
Purchase of treasury bills during the year	323,786,400	217,167,599
Receipt on maturity	(347,000,000)	(100,000,000)
Interest income	3,621,112	1,805,354
At June 30,	<u>99,380,465</u>	<u>118,972,953</u>

During the year, the Attitude Property Ltd (APL), one of the subsidiaries, invested in treasury bills issued by the Bank of Mauritius ("BoM") and the Government of Mauritius ("GoM"). The treasury bills are rated Baa2 to Baa3 based on ratings of Moody's. As at June 30, 2024, APL holds a treasury bill amounting to Rs 99,280,000 which was acquired on June 18, 2024 (settlement date), having a maturity date of September 12, 2024 and a yield rate of 3.08%. Interest receivable on the above treasury bill as at June 30, 2024 amounted to Rs 1,142,888 (2023: Rs 1,243,354 at 4.19%).

11(iii) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investment by AHML into House of Digital Arts Ltd

Attitude Hospitality Management Ltd (AHML) acquired 4.17% interest into the shares of House of Digital Arts Ltd for an amount of Rs 2.5M. House of Digital Arts Ltd is a local company involved in cultural and artistic permanent exhibition, which serves educational and artistic purposes and combines art and technology. The Group has designated the investment at fair value through other comprehensive income. The entity was still at its early stage at year end, performing as per business plan and accounted at fair value as at 30 June 2024.

12. CASH AND CASH EQUIVALENTS

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	MUR	MUR	MUR	MUR
Cash in hand	416,718	1,212,215	-	-
Cash at bank	372,040,576	364,608,252	42,036,114	409,144
	<u>372,457,294</u>	<u>365,820,467</u>	<u>42,036,114</u>	<u>409,144</u>

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, no impairment loss was recognised during the year.

13. ISSUED CAPITAL

	THE GROUP AND THE COMPANY		
	Number of	2024	2023
	Units	MUR	MUR
issued and fully paid			
Ordinary shares at no par value			
At July 01,	159,279,502	1,296,582,800	1,296,582,800
Conversion of redeemable shares (see note 24)	690,219	7,937,519	-
At June 30,	<u>159,969,721</u>	<u>1,304,520,319</u>	<u>1,296,582,800</u>

14. CONVERTIBLE BONDS

	THE GROUP & THE COMPANY	THE GROUP & THE COMPANY
	2024	2023
	MUR	MUR
At July 01,	508,678,082	508,088,889
Dividends paid	(17,622,526)	(17,033,333)
Dividends accrued	17,791,666	17,622,526
At June 30,	<u>508,847,222</u>	<u>508,678,082</u>

During the financial year ended 30 June 2021, Attitude Hospitality Ltd signed a subscription agreement with the Mauritius Investment Corporation Ltd ("MIC"), a wholly owned subsidiary of the Bank of Mauritius to issue redeemable convertible bonds for a total amount of MUR 500 million comprising of 50 bonds of MUR 10 million each.

One of the main objectives of the MIC is to provide financial support to companies impacted by the Covid-19 pandemic and in particular to the tourism sector which had the worst impact due to the full border closure. The MIC support is in the form of redeemable convertible bonds to companies which required urgent working capital to sustain its viability.

An amount of MUR 200 million, 3.5% redeemable convertible bonds has been issued in favour of MIC as at 30 June 2021.

A second tranche of MUR 150 million (30 convertible bonds) was issued in September 2021 and the final tranche was issued in January 2022.

The key terms and conditions of the funding arrangements are as follows:

- The maturity date is 9 years from first disbursement of the first tranche of the subscription proceeds
- The conversion has been pre-determined prior to the subscription
- An interest rate of 3.5% p.a. over the duration of the bonds (from issue date to the earlier of the redemption date or the conversion date). The interest is payable on the last day of each interest period. On maturity date, any unpaid capital and interest is converted into ordinary shares in accordance with the predetermined conversion price.
- Redemption of the bonds shall be at the option of the issuer. The issuer may redeem some or all the bonds, any time prior to the maturity date.

15. INTEREST-BEARING LOANS AND BORROWINGS

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	MUR	MUR	MUR	MUR
Current				
Bank loans/ bond (Note 15(a))	7,492,294	125,000,000	-	125,000,000
Shareholders loan	-	7,269,507	-	-
Bank overdrafts (Note 15(b))	48,612,807	61,701,172	-	-
	<u>56,105,101</u>	<u>193,970,679</u>	<u>-</u>	<u>125,000,000</u>
Non-current				
Bank loans/ bond (Note 15(a))	2,216,589,487	2,205,575,380	1,110,000,000	1,110,000,000
	<u>2,216,589,487</u>	<u>2,205,575,380</u>	<u>1,110,000,000</u>	<u>1,110,000,000</u>
Total borrowings	<u>2,272,694,588</u>	<u>2,399,546,059</u>	<u>1,110,000,000</u>	<u>1,235,000,000</u>

(a) Interest-bearing loans and borrowings can be analysed as follows:

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	MUR	MUR	MUR	MUR
Within one year	56,105,101	193,970,679	-	125,000,000
After one year and before five years	2,216,589,487	2,205,575,380	1,110,000,000	1,110,000,000
	<u>2,272,694,588</u>	<u>2,399,546,059</u>	<u>1,110,000,000</u>	<u>1,235,000,000</u>

(b) Bank overdraft

The bank overdrafts are secured by floating charges on the assets of the Group and are used for working capital management purposes. The bank overdraft are at floating interest rates and the average interest rate as at June 30, 2024 was PLR + 1.5% (2023: PLR + 1.5%).

During the financial year ended June 30, 2024 the PLR was on average 6.75% (2023: 6.75%) and at year end, the PLR was 6.75% (2023: 6.75%). The PLR has been reviewed downward to 6.25% as from 01 October 2024.

As at June 30, 2024, the bank overdraft limit amounted to MUR 170m (2023: MUR 170m) and MUR 48m (2023: MUR 61m) has been used out of this overdraft as at June 30, 2024.

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15. INTEREST-BEARING LOANS AND BORROWINGS (CONTINUED)

(c) Reconciliation of opening and closing balance for interest-bearing loans and borrowings from financing activities :

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	MUR	MUR	MUR	MUR
Opening balance excluding bank overdraft	2,337,844,887	2,436,204,543	1,235,000,000	1,275,000,000
Additional loans	40,000,000	-	-	-
Repayment of loans	(33,005,613)	(98,359,656)	-	(40,000,000)
Foreign exchange differences on bank loans	4,242,507	-	-	-
Repayment of bonds	(125,000,000)	-	(125,000,000)	-
Closing balance excluding bank overdraft	2,224,081,781	2,337,844,887	1,110,000,000	1,235,000,000
	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	MUR	MUR	MUR	MUR
Loan/ bond amount				
	MUR	MUR	MUR	MUR
MUR	9,722,681	9,722,681	-	-
MUR	3,474,981	3,474,981	-	-
MUR	18,480,218	18,480,218	-	-
MUR	910,000,000	910,000,000	-	-
EUR	136,718,137	153,935,757	-	-
MUR	-	7,231,250	-	-
MUR	100,000,000	100,000,000	100,000,000	100,000,000
MUR	35,000,000	35,000,000	35,000,000	35,000,000
MUR	75,000,000	75,000,000	75,000,000	75,000,000
MUR	25,000,000	25,000,000	25,000,000	25,000,000
MUR	35,685,764	-	-	-
MUR	875,000,000	1,000,000,000	875,000,000	1,000,000,000
	2,224,081,781	2,337,844,887	1,110,000,000	1,235,000,000

(i) Bank borrowings are secured by fixed and floating charges over the assets of the Group and the Company.

(ii) The Group also had an undrawn loan facility of MUR 240m as at June 30, 2024 (2023: MUR 240m) from the Mauritius Commercial Bank Ltd.

(iii) The bond of MUR 875,000,000 is secured by floating charges over the assets of the Company. The Company has also pledged all its shares in its subsidiaries namely, Marina Village Hotel Limited and Compagnie Marmite des Iles Ltee.

(iv) A new term sheet was signed on 03 October 2023, whereby repayment of Rs 125M was done in January 2024. The remaining Rs 875M has a new maturity of an additional 5 years as from current maturity date to June 2029. The rate of interest has been revised to 5.9% (2023: 6.35%).

16. TAXATION

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	MUR	MUR	MUR	MUR
(a) Income tax - Statements of financial position				
At July 01,	2,351,840	-	-	-
Underprovision of tax	453,538	-	-	-
Tax on acquisition of subsidiary (note 33(b))	2,853,900	-	-	-
Corporate Social Responsibility	5,493,694	-	-	-
Tax paid during the year	(4,113,937)	-	-	-
Tax for the year	42,070,517	2,351,840	-	-
At June 30,	49,109,552	2,351,840	-	-
Disclosed as:				
Current tax liabilities	49,109,552	2,351,840	-	-
	49,109,552	2,351,840	-	-

(b) Income tax - Statements of profit or loss

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	MUR	MUR	MUR	MUR
Deferred tax (Note (d))	45,101,916	7,723,714	-	-
Over provision on deferred tax (Note (d))	(2,356,027)	-	-	-
Corporate social responsibility	5,493,694	-	-	-
Provision of income tax	42,070,517	2,351,840	-	-
Under provision of income tax from previous year	453,538	(21,575)	-	-
Income tax and deferred tax expense	90,763,638	10,053,979	-	-

(c) Reconciliation between tax expense and accounting (loss)/profit is as follows:

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	MUR	MUR	MUR	MUR
Accounting profit before taxation	643,608,230	380,003,031	189,900,617	27,717,950
- Tax calculated at a rate of 17% (2023:17%)	109,413,399	64,600,515	32,283,105	4,712,052
- Income not subject to tax *	(49,795,953)	(20,908,094)	(44,331,488)	(16,948,584)
- Non deductible expenses **	51,548,957	31,676,296	12,901,555	15,433,708
- Utilisation of tax losses	(6,554,183)	(93,666,917)	(402,834)	-
- Under provision of income tax	453,538	-	-	-
- Over provision on deferred tax (Note (d))	(2,356,028)	-	-	-
- Effect of deferential tax rate	335,440	-	-	-
- Deferred tax asset/liability not recognised****	2,022,740	(1,385,750)	-	(1,676,620)
- Effect of consolidation adjustments***	(14,304,274)	29,737,929	-	-
At the effective income tax rate of 17% (2023:17%)	90,763,636	10,053,979	-	-

* Income not subject to tax includes mainly dividend income, interest income, miscellaneous income and gain on exchange.

** Non deductible expenses includes principally consultancy fees, gifts and donations, waiver on lease, provision on retirement benefit and annual allowances.

*** Consolidation adjustment is on the elimination of Right- of-use assets and lease liabilities on Attitude Property Ltd.

**** Deferred tax asset/liability has not been recognised given that the following entity, Crown Lodge Ltee will not be making any profit in the future.

As at 30 June 2024, the Group has accumulated tax losses of **MUR 299,422,253** (2023: MUR 654,423,828) which are subject to a five year limitation period. Management believes that the accumulated tax losses will not be utilised in the next five years and therefore no deferred tax assets have been recognised.

16. TAXATION (CONTINUED)

(d) Deferred tax

THE GROUP	Statement of financial position		Statement of comprehensive income	
	2024	2023	2024	2023
	MUR	MUR	MUR	MUR
Deferred tax liability				
Accelerated depreciation for tax purposes	439,642,309	431,781,299	7,861,010	40,917,950
Right-of-Use Assets	171,432,586	151,498,209	19,934,377	(317,270,576)
	<u>611,074,895</u>	<u>583,279,508</u>	<u>27,795,387</u>	<u>(276,352,626)</u>
Deferred tax assets				
Employee benefit liabilities	(4,401,989)	(3,285,612)	(1,116,377)	(2,168,204)
Lease liabilities	(233,608,414)	(201,492,858)	(32,115,556)	295,972,421
Expected credit loss	(1,423,411)	(911,580)	(511,831)	203,795
Tax loss	(62,701,699)	(110,339,286)	47,637,587	(9,931,672)
	<u>(302,135,513)</u>	<u>(316,029,336)</u>	<u>13,893,823</u>	<u>284,076,340</u>
Deferred tax expense			<u>41,689,210</u>	<u>7,723,714</u>
Net deferred tax liability	<u>308,939,382</u>	<u>267,250,172</u>		
Reconciliation of deferred tax liabilities net:			2024	2023
			MUR	MUR
As at July 1,			267,250,172	259,526,458
Deferred tax expense recognised in statement of profit or loss(Note 16(b))			45,101,916	7,723,714
Overprovision of deferred tax(Note 16(b))			(2,356,028)	-
Deferred tax expense recognised in other comprehensive income (Note 16(b))			(1,056,678)	-
As at June 30,			<u>308,939,382</u>	<u>267,250,172</u>
			THE GROUP	
			2024	2023
			MUR	MUR
Disclosed as:				
Deferred tax asset			(302,135,513)	(316,029,336)
Deferred tax liabilities			<u>611,074,895</u>	<u>583,279,508</u>
			<u>308,939,382</u>	<u>267,250,172</u>

17. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	MUR	MUR	MUR	MUR
Trade payables (a)	134,125,899	137,646,170	421,475	26,950
Other payables (b)	249,564,157	192,308,258	43,390,698	18,846,065
Amount due to associates (c)	-	73,834	-	-
Amount due to other related parties (c)	201,349	120,511	-	-
Amount due to subsidiaries (c)	-	-	543,182,242	465,570,673
Unpaid share capital (Note 5(b))	-	-	3,889,120	3,889,120
	<u>383,891,405</u>	<u>330,148,773</u>	<u>590,883,535</u>	<u>488,332,808</u>

(a) Trade payables

- Trade payables are non-interest bearing and are normally settled on 30-90 days terms.

(b) Other payables

- Other payables consist mainly of of accruals of MUR 211.3M (2023: MUR 152.6M) , Tax Deducted at Source of MUR 7.4M (2023 ;MUR 7.9M) , VAT payable of MUR 20.9M (2023:MUR 25.7M) and deposits payables of MUR 6.2M (2023: MUR 4.9M). These are non-interest bearing.

(c) Amount due to related parties

- Amount due to related parties relate to service recharge and current account.

- For terms and conditions relating to amount due to related parties, refer to note 25.

18. CONTRACT LIABILITIES

	THE GROUP	
	2024	2023
	MUR	MUR
At July 1,	42,399,346	24,885,492
New deposit	272,513,174	211,893,964
Transferred to revenue	(270,362,049)	(194,380,110)
At June 30,	<u>44,550,471</u>	<u>42,399,346</u>

- Contract liabilities consist of commission payable to tour operators of MUR 1,442,130 (2023: MUR 587,507) and guest deposits of MUR 43,108,341 (2023: MUR 41,811,839).

19. EMPLOYEE BENEFIT LIABILITIES

	THE GROUP	
	2024	2023
	MUR	MUR
(a) Amounts recognised on the statements of financial position:		
- Other retirement benefits	<u>25,894,055</u>	<u>19,327,128</u>
Amounts charged to profit or loss:		
- Other retirement benefits (Note 21(c))	<u>4,082,707</u>	<u>12,130,821</u>

19. EMPLOYEE BENEFIT LIABILITY (CONTINUED)

	2024	2023
	MUR	MUR
(b) The movement in the present value of other retirement benefits during the year is as follows:		
As at July 1,	19,327,128	7,590,130
Interest cost	1,080,387	859,638
Current service cost	1,924,509	1,321,155
Past service cost	1,077,811	9,950,028
Benefits paid	(3,731,535)	(393,823)
Actuarial (gain)/ loss in OCI	6,215,755	-
At June 30,	<u>25,894,055</u>	<u>19,327,128</u>
(c) The amounts recognised in profit or loss are as follows:		
Net cost for the year		
Current service cost	1,924,509	1,321,155
Past service cost	1,077,811	9,950,028
Net interest cost	1,080,387	859,638
Net cost	<u>4,082,707</u>	<u>12,130,821</u>
Net interest cost for the year		
Interest on obligation	1,080,387	859,638
Net interest cost	<u>1,080,387</u>	<u>859,638</u>
(d) The amounts recognised in other comprehensive income are as follows:		
Experience gain/(loss) on liability	30,407,449	-
Change in method/assumptions to value the liability	(24,191,694)	-
Actuarial loss recognised in other comprehensive income (OCI)	<u>6,215,755</u>	<u>-</u>
(e) The principal assumptions used for accounting purposes of the actuarial valuations were as follows:		
Normal retirement age	65	65
Discount rate	5.33%-5.48%	5.53%-5.71%
Future salary increases	4.00%	4.00%
	Ages 18 to 35: 45 %	5% up to age 40
	Ages 36 to 45: 20%	Reducing to 0% by
Withdrawal rate	Ages 46 to 55: 15%	age 45
	Ages 56+: 0%	
(f) Sensitivity analysis on defined benefit obligations at end of the reporting year:		
Decrease due to 1% increase in discount rate	6,397,560	3,316,863
Increase due to 1% decrease in discount rate	5,340,357	9,070,087
Increase in Defined Benefit Obligation due to 1% increase in future long-term salary assumptions	6,154,694	7,802,639
Decrease in Defined Benefit Obligation due to 1% decrease in Future long-term salary assumptions	5,254,028	3,934,962

(g) The plan exposes the Group to normal risks described below:

- Interest risk: A decrease in the interest rate will increase the plan liability, however, this may be partially offset by a decrease in inflationary pressures on salary increases.

- Salary risk: The plan liability is calculated by reference to the future projected salaries of plan participants. As such, an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

- Longevity risk: The plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liability.

20. REVENUE

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
Revenue from contract with customers:	MUR	MUR	MUR	MUR
Room revenue	1,485,477,016	1,246,212,000	-	-
Food and beverage revenue	833,048,167	750,250,699	-	-
Banquet	70,656,564	51,481,229	-	-
Extras	113,987,161	102,473,667	-	-
Commission paid to Tour Operators	(32,688,857)	(19,769,214)	-	-
Revenue from hotel operations	2,470,480,051	2,130,648,381	-	-
Other revenues:				
Revenue from Dividend Income	-	-	227,907,400	67,860,000
Revenue from management fees	116,574,996	94,865,560	-	-
Revenue from training services	621,590	1,658,340	-	-
Revenue from corporate social responsibility	10,245,032	7,681,193	-	-
Revenue	2,597,921,669	2,234,853,474	227,907,400	67,860,000
At a point in time	1,112,444,653	988,641,474	227,907,400	67,860,000
Over time	1,485,477,016	1,246,212,000	-	-
	2,597,921,669	2,234,853,474	227,907,400	67,860,000

Please refer to note 39 for details relating to the restatement of comparatives.

21. DEPRECIATION, AMORTISATION, COST OF INVENTORIES AND EMPLOYEE BENEFIT EXPENSES

THE GROUP

(a) Included in cost of sales:	2024	2023
	MUR	MUR
Depreciation on property, plant and equipment (Note 3)	174,121,489	156,592,610
Cost of inventories recognised as an expense	392,592,508	358,385,168
Write off of inventories (Note 8)	387,782	51,970
Depreciation of Right of use assets (Note 4(b))	62,621,276	65,838,744
Employee benefit expenses (Note 21(c))	512,604,488	443,124,286
Utilities	119,835,460	110,928,011
Commission	34,845,010	34,703,070
Linen, china & glassware	20,854,380	12,234,418
Laundry outsourcing costs	31,102,759	29,674,692
Other miscellaneous expenses	3,246,690	15,435,644
	1,352,211,842	1,226,968,613

THE GROUP

(b) Included in administrative expenses:	2024	2023
	MUR	MUR
Depreciation on property, plant and equipment (Note 3)	12,215,896	8,219,826
Amortisation of intangible assets (Note 4(a))	1,390,148	1,732,529
Employee benefit expenses (Note 21(c))	277,855,691	257,718,992
Sales and marketing costs	94,520,329	71,855,712
Licences	12,742,804	10,183,474
Gifts and donations	4,140,402	-
Retranslation loss on lease liabilities (Note 4(c)(v))	-	65,755,651
Write off of receivables	1,837,009	-
Inventory written off	387,782	-
Security charges	29,073,539	24,686,071
Legal and Professional fees	49,081,058	25,483,572
Repairs and maintenance	94,423,008	89,906,842
Depreciation of Right of use assets (Note 4(b))	11,051,699	14,575,257
Telephone, printing and stationary	11,508,626	10,305,332
Syndic fees	2,731,648	1,654,427
Commission on Credit Card	21,213,509	19,148,850
Exceptional charge	8,766,572	-
Entertainment costs	22,967,750	20,277,972
Other miscellaneous expenses	3,665,482	3,018,326
	688,646,491	624,522,833

21. DEPRECIATION, AMORTISATION, COST OF INVENTORIES AND EMPLOYEE BENEFIT EXPENSES (continued)

(c) Employee benefit expenses:	2024	2023
	MUR	MUR
Wages and salaries	724,028,872	636,455,199
Pension costs	37,585,082	30,902,666
Social security costs	24,763,518	21,354,592
Expenses relating to defined contribution pension schemes (Note 19(a))	4,082,707	12,130,821
	<u>790,460,179</u>	<u>700,843,278</u>

(d) Administrative expenses for the Company relates mainly to professional fees and other consultancy fees MUR 24,532,307 (2023: MUR 5,355,078).

22. OTHER INCOME

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	MUR	MUR	MUR	MUR
Miscellaneous income	4,525,454	9,948,101	3,926,133	1,940,336
Profit on disposal of assets	-	93,096	-	-
Rental income	1,527,960	762,000	-	-
Gain on exchange rate translations	45,290,215	69,349,145	10,342	3,833
Interest income on loan to subsidiaries*	-	-	37,691,359	37,851,812
	<u>51,343,629</u>	<u>80,152,342</u>	<u>41,627,834</u>	<u>39,795,981</u>

Miscellaneous income consists mainly of Interest income of MUR 4.5M.

*Interest income is computed using effective interest rates.

23. NET FINANCE COSTS

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	MUR	MUR	MUR	MUR
<i>Interest expense on:</i>				
- Bank loans *	68,957,630	127,191,207	51,804,166	58,600,179
- Lease liabilities (Note 4(c))	44,187,522	41,339,750	-	-
- Bank overdrafts*	3,763,745	3,325,736	-	-
- Other loans and bonds*	65,045,902	-	3,298,144	11,982,774
<i>Foreign exchange difference:</i>				
- Bank loans	(4,242,507)	-	-	-
- Lease liabilities (Note 4(c)(v))	17,810,903	-	-	-
- Bank overdrafts	(4,102,135)	-	-	-
	<u>191,421,060</u>	<u>171,856,693</u>	<u>55,102,310</u>	<u>70,582,953</u>

*Interest expenses are computed using the effective interest rates.

24. REDEEMABLE CONVERTIBLE ORDINARY SHARES

	Number of shares	
	2024	2023
	MUR	MUR
Redeemable convertible ordinary shares	<u>690,219</u>	<u>8,000,021</u>

During the financial year June 30, 2018, the Board of AHL and AHML had approved the issue of 739,133 Redeemable Convertible Shares in AHL to the employees of AHML, for a total amount of MUR 8,000,021. The exercise price of the share options was equal to the market price of the underlying shares on the date of grant.

The Company has refunded the expenses incurred by AHML on the transaction and therefore the impact is on the equity of the Company only.

During the year ended 30 June 2022, 43,479 shares were exercised for an amount of MUR 500,000

On 03 July 2023, 5,435 shares were redeemed for an amount of MUR 62,502.

On 19 April 2024, the 690,219 shares were converted into ordinary shares at MUR 11.50 each.

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25. RELATED PARTY TRANSACTIONS

THE GROUP

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

2024

	Loan receivable		Management fees		Training fees		Interest on loan		Dividends paid		Amount owed to related parties		Amount owed from related parties	
	MUR		MUR		MUR		MUR		MUR		MUR		MUR	
Ultimate holding company														
Jason Limited	-		-		-		-		-		(201,349)		-	
Enterprise with common directors														
Holiday Bungalows Co. Ltd	-		24,706,388		341,420		-		-		-		1,597,500	
Axys Ltd	45,000,000		-		-		4,966,836		-		-		-	
Associates														
Water Sports Village Limited	-		36,232,585		126,330		-		-		-		901,947	
Zilwa Resort Ltd	-		57,391,170		153,840		-		11,505,600		-		2,811,176	
	<u>45,000,000</u>		<u>118,330,143</u>		<u>621,590</u>		<u>4,966,836</u>		<u>11,505,600</u>		<u>(201,349)</u>		<u>5,310,623</u>	

25. RELATED PARTY TRANSACTIONS (CONTINUED)

THE COMPANY

Name of related parties	Relationship	Amount owed (to)/from related parties			
		Dividend income		2024	2023
		2024	2023	2024	2023
		MUR	MUR	MUR	MUR
East Water Ltd	Subsidiary	-	-	(17,655,851)	(10,880,851)
East Water Ltd - Loans receivable		-	-	16,275,000	20,475,000
Pointe aux Piments Hotel Ltd	Subsidiary	-	-	1,124,326	(29,875,674)
Riviere Citron Ltd	Subsidiary	-	-	(195,263,692)	(127,657,892)
Marina Village Hotel Limited	Subsidiary	100,000,000	-	(147,126,997)	(197,121,508)
Marina Village Hotel Limited - Loans receivable		-	-	216,433,368	272,287,138
Compagnie Marmites des Iles Limitée	Subsidiary	-	-	(26,682,044)	(7,096,269)
Compagnie Marmites des Iles Limitée - Loans receivable		-	-	66,881,415	84,141,135
Tropical Hotel Ltd	Subsidiary	-	-	(31,811,643)	(31,811,643)
Belle Mare Venture Ltd	Subsidiary	-	-	942,250	867,250
Longchamps Investment Ltd	Subsidiary	-	-	(3,443,120)	425,000
Attitude Property Ltd	Subsidiary	76,433,774	67,860,000	-	-
Zilwa Resort Ltd	Associates	11,505,600	-	-	-
Attitude Hospitality Management Ltd	Subsidiary	39,968,026	-	(124,642,017)	(65,015,500)
Green Attitude Foundation	Subsidiary	-	-	500,000	500,000
Attitude Hospitality Training Ltd	Subsidiary	-	-	18,500,000	3,500,000
Ti Piment Investment Ltd	Subsidiary	-	-	1,041,254	959,038
Crown Lodge Ltd	Subsidiary	-	-	1,694,232	1,394,232
Otentik Investments Ltd	Subsidiary	-	-	1,348,622	1,651,170
Attitude Hospitality (Africa) Limited	Subsidiary	-	-	218,884,298	118,367,020
Anse La Raie Resorts Ltd	Subsidiary	-	-	882,405	803,036
		227,907,400	67,860,000	(2,118,194)	35,910,680

THE COMPANY

Amount owed (to)/by related parties	2024	2023
	MUR	MUR
<i>Disclosed as:</i>		
Receivables		
Receivable from subsidiary companies (Note 9)	245,363,386	128,467,201
Loan receivable from subsidiaries (Note 10)	299,589,782	376,903,272
	544,953,168	505,370,473
Payables		
Amount due to subsidiaries (Note 17)	(543,182,242)	(465,570,673)
Unpaid share capital (Note 5(b))	(3,889,120)	(3,889,120)
	(547,071,362)	(469,459,793)
Net amount owed by related parties	(2,118,194)	35,910,680

25. RELATED PARTY TRANSACTIONS (CONTINUED)

- Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

THE GROUP

Compensation of key management personnel of the Group

	2024	2023
	MUR	MUR
Short-term employee benefits	112,221,347	88,137,721
Post-employment pension and medical benefits	10,813,122	9,510,705
Total compensation paid to key management personnel	<u>123,034,469</u>	<u>97,648,426</u>

The Group defines its key management personnel (KMP) as the members of the Senior Management. KMP are remunerated as per their contract of employment. In addition to their remuneration, there are no other short or long-term benefits, post-employment benefits, termination benefits or share-based benefits given to the Company's key management personnel.

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

26. NON-CONTROLLING INTERESTS

Proportion of equity interest held by non-controlling interests:

Name	Country of incorporation and operation	2024	2023
Attitude Property Ltd	Mauritius	51.26%	51.26%
Touristic United Enterprise Ltd and its subsidiaries (TUE Group)	Mauritius	32.49%	32.49%
Attitude Hospitality Management Ltd	Mauritius	20.06%	20.06%
Marina Village Hotel Limited	Mauritius	0.00%	11.25%
Anse La Raie Resorts Ltd	Mauritius	0.00%	11.25%
		2024	2023
		MUR	MUR
Accumulated balances of material non-controlling interest:			
Attitude Property Ltd		663,156,722	732,753,915
TUE Group		31,622,245	14,521,958
Attitude Hospitality Management Ltd		33,199,550	27,914,744
Marina Village Hotel Limited		-	56,491,905
Anse La Raie Resorts Ltd		-	(94,355)
Total comprehensive income allocated to material non-controlling interest:			
Attitude Property Ltd		50,387,902	26,761,857
TUE Group		33,670,515	6,662,497
Attitude Hospitality Management Ltd		15,357,181	14,813,557
Marina Village Hotel Limited		-	13,103,196
Anse La Raie Resorts Ltd		-	(7,606)

26. NON-CONTROLLING INTERESTS (CONTINUED)

The summarised financial information of these subsidiaries is provided below. This information is based on amounts before inter-company eliminations.

Summarised statement of profit or loss and other comprehensive income for 2024:

	TOTAL		Attitude Property Ltd		TUE Group		Attitude Hospitality Management Ltd	
	MUR		MUR		MUR		MUR	
Revenue	501,301,054		201,731,912		-		299,569,142	
Other income	20,652,046		16,470,418		645,711		3,535,917	
Administrative expenses	(225,887,549)		(23,887,623)		(1,450,125)		(200,549,801)	
Finance costs	(84,349,943)		(78,449,087)		(2,660,525)		(3,240,331)	
Share of loss from associates	57,488,681		-		57,488,681		-	
Profit before tax	269,204,289		115,865,620		54,023,742		99,314,927	
Income tax expense	(34,542,290)		(17,566,945)		-		(16,975,345)	
Profit for the year	234,661,999		98,298,675		54,023,742		82,339,582	
Other comprehensive income								
- Actuarial gain on employee benefit liability	(2,089,021)		-		-		(2,089,021)	
Total comprehensive income	232,572,978		98,298,675		54,023,742		80,250,561	
Attributable to non-controlling interests	99,415,598		50,387,902		33,670,515		15,357,181	
Dividends paid to non-controlling interests	90,416,240		80,384,266		-		10,031,974	

26. NON-CONTROLLING INTERESTS (CONTINUED)

Summarised statement of profit or loss and other comprehensive income for 2023:

	TOTAL	Attitude Property Ltd	TUE Group	Attitude Hospitality Management Ltd	Marina Village Hotel Limited	Anse La Raie Resorts Ltd
	MUR	MUR	MUR	MUR	MUR	MUR
Revenue	978,633,323	211,024,729	-	245,775,605	521,832,989	-
Cost of sales	(260,573,359)	-	-	(6,930,004)	(253,643,355)	-
Other income	43,355,290	19,073,437	1,015,564	1,459,944	21,806,344	-
Administrative expenses	(301,819,384)	(6,445,230)	(1,583,306)	(164,761,599)	(128,961,639)	(67,609)
Finance costs	(98,167,049)	(72,360,778)	(2,564,708)	(1,068,334)	(22,173,229)	-
Share of loss from associates	24,305,298	-	24,305,298	-	-	-
Profit before tax	385,734,120	151,292,159	21,172,849	74,475,613	138,861,109	(67,609)
Income tax expense	(49,123,314)	(25,143,189)	-	(629,366)	(23,350,759)	-
Profit for the year	336,610,806	126,148,970	21,172,849	73,846,247	115,510,350	(67,609)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	336,610,806	126,148,970	21,172,849	73,846,247	115,510,350	(67,609)
Attributable to non- controlling interests	61,333,500	26,761,857	6,879,059	14,813,557	12,886,633	(7,606)
Dividends paid to non-controlling interests	-	63,922,036	-	-	-	-

Summarised statement of financial position as at June 30, 2024

	Attitude Property Ltd	TUE Group	Attitude Hospitality Management Ltd
	MUR	MUR	MUR
Current assets	367,368,968	25,854,488	226,375,131
Non Current assets	3,059,445,977	234,388,213	92,077,494
Current liabilities	(32,510,639)	(5,371,675)	(95,610,452)
Non Current liabilities	(1,373,268,521)	(31,677,880)	(87,428,908)
Total equity	2,021,035,785	223,193,146	135,413,264
Attributable to:			
Equity holders of parent	1,357,879,063	191,614,326	102,170,290
Non-controlling interest	663,156,722	31,578,820	33,242,974

26. NON-CONTROLLING INTERESTS (CONTINUED)

Summarised statement of financial position as at June 30, 2023

	Attitude Property Ltd	TUE Group	Attitude Hospitality Management Ltd	Marina Village Hotel Limited	Anse La Raie Resorts Ltd
	MUR	MUR	MUR	MUR	MUR
Current assets	421,406,478	6,957,632	173,014,831	295,539,161	10,278
Non Current assets	3,051,618,928	218,549,532	24,439,427	1,130,347,127	-
Current liabilities	(36,766,374)	(2,337,560)	(60,158,118)	(74,612,818)	(838,986)
Non Current liabilities	(1,356,705,174)	(53,927,880)	(26,705,226)	(552,310,782)	-
Total equity	2,079,553,858	169,241,724	110,590,915	798,962,689	(828,707)
Attributable to:					
Equity holders of parent	1,346,799,944	154,719,766	82,719,594	742,427,360	(734,353)
Non-controlling interest	732,753,914	14,521,958	27,871,320	56,535,329	(94,355)

Summarised cash flow information for the year ended June 30, 2024

	Attitude Property Ltd	TUE Group	Attitude Hospitality Management Ltd
	MUR	MUR	MUR
Cash flows generated from operating activities	238,226,685	11,937,283	62,100,814
Cash flows generated from/(used in) investing activities	26,420,034	29,400,000	(50,158,374)
Cash flows used in financing activities	(249,118,734)	(22,250,000)	(25,705,975)
Net (decrease)/increase in cash and cash equivalents	15,527,985	19,087,283	(13,763,535)

Summarised cash flow information for the year ended June 30, 2023

	Attitude Property Ltd	TUE Group	Attitude Hospitality Management Ltd	Marina Village Hotel Limited
	MUR	MUR	MUR	MUR
Cash flows generated from operating activities	239,721,713	-	31,240,920	93,883,047
Cash flows used in investing activities	50,321,396	12,250,000	(1,658,227)	(25,936,406)
Cash flows (used in)/generated from financing activities	(224,210,151)	-	(8,940,020)	(26,813,318)
Net (decrease)/increase in cash and cash equivalents	65,832,958	12,250,000	20,642,673	41,133,323

27. NOTES TO THE CASH FLOWS

(a) For the purpose of statements of cash flows, cash and cash equivalents comprise of:

	THE COMPANY			
	2024	2023	2024	2023
	MUR	MUR	MUR	MUR
Cash in hand and at bank	372,457,294	365,820,467	42,036,114	409,144
Bank overdrafts (Note 15)	(48,612,806)	(61,701,172)	-	-
At June 30,	323,844,488	304,119,295	42,036,114	409,144

(b) Reconciliation of liabilities arising from financing activities:

THE GROUP	Convertible bonds	Bank and other loans	Lease liabilities	Shareholders' loans	Total
	MUR	MUR	MUR	MUR	MUR
At July 01, 2023	508,678,082	2,330,575,380	1,049,344,151	7,269,507	3,895,867,120
Proceeds from borrowings	-	40,000,000	-	-	40,000,000
Repayment	-	(150,736,106)	-	(7,269,507)	(158,005,613)
Additions	-	-	39,045,586	-	39,045,586
Acquisition of subsidiary	-	-	20,147,855	-	20,147,855
Lease modifications/concessions	-	-	4,931,795	-	4,931,795
Terminated lease	-	-	(4,602,193)	-	(4,602,193)
Principal payments on lease liabilities	-	-	(50,312,818)	-	(50,312,818)
Interest paid	-	(134,003,532)	(44,187,522)	-	(178,191,054)
Dividends	17,791,666	-	-	-	17,791,666
Dividends paid	(17,622,526)	-	-	-	(17,622,526)
Interest accrued	-	134,003,532	44,187,522	-	178,191,054
Foreign exchange movements	-	4,242,507	17,810,903	-	22,053,410
At June 30, 2024	508,847,222	2,224,081,781	1,076,365,279	-	3,809,294,282

THE GROUP	Convertible bonds	Bank and other loans	Lease liabilities	Shareholders' loans	Total
	MUR	MUR	MUR	MUR	MUR
At July 01, 2022	508,088,889	2,428,935,036	992,628,091	7,231,250	3,936,883,266
Proceeds from borrowings	-	-	-	38,257	38,257
Interest paid	-	(127,191,207)	-	-	(127,191,207)
Repayment of loans	-	(98,976,349)	-	-	(98,976,349)
New lease	-	-	12,821,632	-	12,821,632
Lease modifications/concessions	-	-	30,820,095	-	30,820,095
Terminated lease	-	-	(963,665)	-	(963,665)
Principal payments on lease liabilities	-	-	(93,057,408)	-	(93,057,408)
Dividends *	17,622,526	-	-	-	17,622,526
Dividends paid *	(17,033,333)	-	-	-	(17,033,333)
Interest accrued	-	127,191,207	41,339,755	-	168,530,962
Foreign exchange movements	-	616,693	65,755,651	-	66,372,344
At June 30, 2023	508,678,082	2,330,575,380	1,049,344,151	7,269,507	3,895,867,120

THE COMPANY	Convertible bonds	Bank and other loans	Total
		MUR	MUR
At July 01, 2023	508,678,082	1,235,000,000	1,743,678,082
Payments of borrowings	-	(125,000,000)	(125,000,000)
Interest accrued	-	55,102,310	55,102,310
Interest paid	-	(55,102,310)	(55,102,310)
Dividends paid	(17,622,526)	-	(17,622,526)
Dividends	17,791,666	-	17,791,666
At June 30, 2024	508,847,222	1,110,000,000	1,618,847,222

THE COMPANY	Convertible bonds	Bank and other loans	Total
		MUR	MUR
At July 01, 2022	508,088,889	1,275,000,000	1,783,088,889
Payments of borrowings	-	(40,000,000)	(40,000,000)
Interest accrued	-	70,582,953	70,582,953
Interest paid	-	(70,582,953)	(70,582,953)
Dividends paid *	(17,033,333)	-	(17,033,333)
Dividends *	17,622,526	-	17,622,526
At June 30, 2023	508,678,082	1,235,000,000	1,743,678,082

*Please refer to note 39 for details relating to the restatement of comparatives

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise of interest-bearing loans and borrowings, lease liabilities other financial liabilities, contract liabilities and trade payables. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group also enters into derivative transactions.

The Group has various financial assets, such as trade receivables, other financial assets, financial assets at fair value through profit and loss and cash in hand and at bank which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

(i) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's loans and borrowings with floating interest rates. Interest rate risks are not hedged.

Interest rate risk table

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's loss before tax and equity (through the impact on floating rate borrowings).

Effect on profit before tax	Increase in basis points	THE GROUP		THE COMPANY	
		2024	2023	2024	2023
		MUR	MUR	MUR	MUR
Mauritian Rupees	+15	(96,541,235)	57,000,455	(28,485,093)	(2,816,026)
		<u>(96,541,235)</u>	<u>57,000,455</u>	<u>(28,485,093)</u>	<u>(2,816,026)</u>
Effect on profit before tax	Decrease in basis points	THE GROUP		THE COMPANY	
		2024	2023	2024	2023
		MUR	MUR	MUR	MUR
Mauritian Rupees	-15	96,541,235	57,000,455	28,485,093	2,816,026
		<u>96,541,235</u>	<u>57,000,455</u>	<u>28,485,093</u>	<u>2,816,026</u>

(ii) *Foreign currency risk*

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The contracts with tour operators are mainly denominated in Euro, Pound Sterling (GBP) and United States Dollar (USD) and invoices are raised in these currencies, with above 90% of Group's sales denominated in Euro, GBP and USD.

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense are denominated in a different currency from the Group's functional currency).

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28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(ii) Foreign currency risk (Continued)

THE GROUP

	MUR	EUR	GBP	USD	ZAR	Total
	MUR	MUR	MUR	MUR	MUR	MUR
As at June 30, 2023						
Long term deposit	-	21,481,116	-	-	-	21,481,116
Financial assets at amortised cost	118,972,953	-	-	-	-	118,972,953
Other financial assets	-	20,776,654	4,925,564	-	-	25,702,218
Trade and other receivables	130,610,155	115,283,996	38,945,781	2,104,459	-	286,944,391
Cash and cash equivalents	141,454,992	74,406,632	31,202,243	118,481,402	275,199	365,820,467
Total assets	391,038,100	231,948,398	75,073,588	120,585,861	275,199	818,921,145
	MUR	EUR	GBP	USD	ZAR	Total
	MUR	MUR	MUR	MUR	MUR	MUR
Trade and other payables	330,148,773	-	-	-	-	330,148,773
Lease liabilities (Note 4(c)(i))	1,916,727,221	-	-	-	-	1,916,727,221
Contract liabilities	42,399,346	-	-	-	-	42,399,346
Interest-bearing loans and borrowings	2,245,610,302	153,935,757	-	-	-	2,399,546,059
Total liabilities	4,534,885,642	153,935,757	-	-	-	4,688,821,399

Trade and other receivables exclude prepayments and VAT of MUR 30,078,262 (2022:MUR 41,412,520).

THE COMPANY

	MUR	EUR	GBP	USD	ZAR	Total
	MUR	MUR	MUR	MUR	MUR	MUR
As at June 30, 2024						
Trade and other receivables	310,872,133	-	-	-	-	310,872,133
Cash and cash equivalents	40,707,922	1,034,719	21,565	271,907	-	42,036,114
Total assets	351,580,055	1,034,719	21,565	271,907	-	352,908,247
	MUR	EUR	GBP	USD	ZAR	Total
	MUR	MUR	MUR	MUR	MUR	MUR
Trade and other payables	590,883,535	-	-	-	-	590,883,535
Interest-bearing loans and borrowings	1,110,000,000	-	-	-	-	1,110,000,000
Total liabilities	1,700,883,535	-	-	-	-	1,700,883,535

Trade receivables exclude prepayments of MUR 944 (2023:MUR 19,178).

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(ii) Foreign currency risk (Continued)

THE COMPANY

As at June 30, 2023	EUR		GBP		USD		ZAR		Total	
	MUR	MUR	MUR	MUR	MUR	MUR	MUR	MUR	MUR	MUR
Trade and other receivables	200,667,426	-	-	-	-	-	-	-	-	200,667,426
Cash and cash equivalents	131,413	29,722	22,587	225,421	-	-	-	-	-	409,144
Total assets	200,798,839	29,722	22,587	225,421	-	-	-	-	-	201,076,570
Trade and other payables	488,332,808	-	-	-	-	-	-	-	-	488,332,808
Interest-bearing loans and borrowings	1,235,000,000	-	-	-	-	-	-	-	-	1,235,000,000
Total liabilities	1,723,332,808	-	-	-	-	-	-	-	-	1,723,332,808

Trade receivables exclude prepayments of MUR 19,178 (2022:MUR 10,862).

The effect of possible changes in foreign currency exchange rates on loss and equity arising on the Group and Company's financial instruments are set out below:

	THE GROUP						THE COMPANY							
	Increase / (decrease) in exchange rate		Effect on profit before tax / equity		Effect on profit before tax / equity		Effect on profit before tax / equity		Effect on profit before tax / equity		Effect on profit before tax / equity			
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023		
- EUR	+10%	+10%	4,955,585	6,865,053	103,472	6,865,053	103,472	2,972	-10%	-10%	(4,955,585)	(6,865,053)	(103,472)	(2,972)
- GBP	+10%	+10%	6,719,824	7,507,359	2,157	7,507,359	2,157	2,259	-10%	-10%	(6,719,824)	(7,507,359)	(2,157)	(2,259)
- USD	+10%	+10%	776,609	12,058,586	27,191	12,058,586	27,191	22,542	-10%	-10%	(776,609)	(12,058,586)	(27,191)	(22,542)

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(ii) *Foreign currency risk (Continued)*

The movement in the pre-tax effect is a result of a change in the fair value of other financial assets and liabilities and monetary assets and liabilities denominated in a currency other than the functional currency of the entity, which is MUR.

The movement in pre-tax equity arises from changes in EUR borrowings.

(iii) *Credit risk*

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group's credit risk is primarily attributable to its trade receivables, which relates solely to its fellow subsidiaries and the credit quality of the tenant is assessed at the time of entering into a lease agreement. Credit risk on bank balances and other financial assets are minimal since these are maintained with reputable financial institutions. The Group's maximum exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Probability of default on the trade receivables from the tour operators has been assessed as 100% on the receivables of more than 120 days.

The Company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers. The Company has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Additionally the Group has subscribed to an insurance scheme with the Mauritius Commercial Bank Ltd as from 18th January 2017, with a view to minimise its credit risk exposure. Refer to Note 9 for more details.

The Group measures credit risk and ECL using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any ECL. Management considers the probability of default to be at 2.5% for loan given to subsidiaries. As a result, a loss allowance has been recognised based on 12-month ECL.

The Group has assessed that group companies are adequately capitalised. As a result, the intercompany loans are in stage 1 and so requires an allowance equal to the 12-month ECLs. They attract a negligible ECL, since ECLs are only measured over the period in which the entity is exposed to credit risk.

The Group has assessed credit risk over long term deposits and given that those balances are repayable on maturity, they attract a negligible ECL. Since ECLs are only measured over the period in which the entity is exposed to credit risk. It continues to apply this method until a significant increase in credit risk has occurred, at which point the loss allowance is measured based on lifetime ECLs.

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(iv) *Liquidity risk*

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Group aims at maintaining flexibility in funding by keeping reliable credit lines available. The Group monitors its risks to a shortage of funds using a recurring liquidity planning tool. The tool considers the maturity of both its financial assets and projected cash flows from operations.

The Group's objective is to maintain a flexibility between continuity of funding and flexibility through the use of bank overdrafts and bank loans.

The table below summarises the maturity profile of the Group's financial liabilities at reporting date based on contractual undiscounted payments.

THE GROUP

At June 30, 2024	On demand		Less than 3 months		3 to 12 months		1 to 5 years		More than 5 years		Total
	MUR	MUR	MUR	MUR	MUR	MUR	MUR	MUR	MUR	MUR	
Interest-bearing loans and borrowings	-	52,376,552	68,957,630	2,224,081,782	-	2,345,415,964					
Lease liabilities	-	25,644,549	76,933,647	279,927,818	1,529,190,212	1,911,696,226					
Contract liabilities	-	-	44,550,471	-	-	44,550,471					
Trade and other payables	201,349	133,896,369	249,793,687	-	-	383,891,405					
	201,349	211,917,470	440,235,435	2,504,009,600	1,529,190,212	4,685,554,066					

Interest bearing loans and borrowings and lease liabilities include interest of MUR 72,721,375 and MUR 835,330,947 respectively for FY 2024. Accruals of Rs 98mn were incorrectly omitted in the liquidity risk note for the financial year 2023. The note has been updated accordingly to include the accruals.

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28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(iv) Liquidity risk (Continued)

THE GROUP

At June 30, 2023	On demand		Less than 3 months		3 to 12 months		1 to 5 years		More than 5 years		Total	
	MUR		MUR		MUR		MUR		MUR		MUR	
Interest-bearing loans and borrowings	7,231,250		229,040,970		110,353,793		2,154,862,045		28,574,945		2,530,063,002	
Lease liabilities	-		2,281,067		322,162,722		1,300,750,884		291,532,549		1,916,727,221	
Contract liabilities	-		-		42,399,346		-		-		42,399,346	
Trade and other payables	194,345		58,809,847		271,144,581		-		-		330,148,773	
	7,425,595		290,131,884		746,060,441		3,455,612,929		320,107,494		4,819,338,343	

Interest bearing loans and borrowings include interest of MUR 130,516,943 and MUR 867,383,070 respectively for FY 2023.

THE COMPANY

At June 30, 2024	On demand		Less than 3 months		3 to 12 months		1 to 5 years		More than 5 years		Total	
	MUR		MUR		MUR		MUR		MUR		MUR	
Interest-bearing loans and borrowings	-		-		51,804,166		1,110,000,000		-		1,161,804,166	
Trade and other payables	-		-		590,883,535		-		-		590,883,535	
	-		-		642,687,701		1,110,000,000		-		1,752,687,701	

At June 30, 2023	On demand		Less than 3 months		3 to 12 months		1 to 5 years		More than 5 years		Total	
	MUR		MUR		MUR		MUR		MUR		MUR	
Interest-bearing loans and borrowings	-		89,850,179		93,750,000		1,110,000,000		-		1,293,600,179	
Trade and other payables	-		26,497		488,306,311		-		-		488,332,808	
	-		89,876,676		582,056,311		1,110,000,000		-		1,781,932,987	

Interest bearing loans and borrowings include interest of Rs 51,804,166 (2023: Rs 58,600,179).

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(v) *Capital risk management*

The primary objective of the Group in respect of capital management is to maintain a strong credit rating and healthy capital ratios in order to support the business and maximise shareholders' value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain and adjust the capital structure, the Group may adjust the dividend payment to shareholders.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus debt. The Group's strategy, which was unchanged from 2023, is to maintain the gearing ratio at the lower end, in order to secure access to finance at a reasonable cost. The Group includes within net debt, interest-bearing loans and borrowings, less cash and short-term deposit. Total capital is calculated as "equity" as shown in the statements of financial position less net unrealised gains reserves.

No changes were made in the objectives, policies or processes for managing capital during the years ended June 30, 2024 and 2023.

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	MUR	MUR	MUR	MUR
Lease liabilities	1,076,365,279	1,049,344,151	-	-
Contract liabilities	44,550,471	42,399,346	-	-
Interest-bearing loans and borrowings	2,272,694,588	2,399,546,059	1,110,000,000	1,235,000,000
Cash	(372,457,294)	(365,820,467)	(42,036,114)	(409,144)
Net debt	3,021,153,044	3,125,469,089	1,067,963,886	1,234,590,856
Total equity	2,467,075,055	2,094,981,390	1,947,756,034	1,775,806,807
Total equity and net debt	5,488,228,099	5,220,450,479	3,015,719,920	3,010,397,663
Gearing ratio	55%	60%	35%	41%

29. ULTIMATE HOLDING COMPANY

The directors regard Jason Limited, incorporated in Mauritius, as the ultimate holding company. The registered office is situated at Office 16, 2nd Floor, Block 1, The Strand, Lakeside District, Beau-Plan 21001, Mauritius.

30. COMMITMENTS

Capital commitments

- (i) *Capital commitments towards property, plant and equipment*

	THE GROUP	
	2024	2023
	MUR	MUR
Approved by directors but not yet contracted for capital expenditure	22,365,945	69,637,232

The following capital commitments stood as at June 30, 2024:

Attitude Hospitality Management Ltd : new office refurbishment commitment of MUR 10.4million.

Riviere Citron Ltee: renovations of MUR 5.9 million done through Attitude Property Ltd.

31. GUARANTEES

The Group has provided the following guarantees as at June 30, 2024:

- (i) Floating charge by Attitude Hospitality Ltd on all the Company's secured assets to a maximum amount of MUR 1bn with respect to a Bond issued by the Company to Mauritius Commercial Bank Ltd(MCB). The Company has also pledged all its shares in its subsidiaries namely, Marina Village Hotel Limited and Compagnie Marmite des Iles Limitée. Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.
- (ii) Touristic United Enterprise Ltd (the 'subsidiary') entered into facility agreements with MCB Ltd comprising of a term loan facility of MUR 70m during the year ended June 30, 2013, a short term loan of MUR 13m during the year ended June 30, 2014 and a long term loan of MUR 37.8m during the year ended June 30, 2015. Given that Attitude Hospitality Ltd is the holding company, it has provided, within its legitimate capacity, guarantee for banking facilities granted to the subsidiary.
- (iii) The Company undertakes to repay all the balance due in capital, interest, costs and commissions and accessories on the bond totalling MUR 910m taken by the subsidiary Attitude Property Ltd with the SBM Fund Services Ltd.

32. DIVIDENDS

No dividends were declared and paid by the Company (2023: MUR nil) and the subsidiaries of the Company (2023: MUR nil) during the year ended June 30, 2024 , except for Attitude Property Ltd, Attitude Hospitality Management Ltd and Marina Village Hotel Ltd.

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33. ACQUISITION OF SUBSIDIARY COMPANIES

Year ended 30 June 2024

(a) Acquisition of additional interest in Marina Village Hotel Limited

On 14 June 2024, The Group acquired 11.25% interest in the voting shares of Marina Village Hotel Limited, increasing its ownership interest to 100%. Cash consideration of MUR 50Million was paid to the non controlling shareholders and a deferred consideration of MUR 25Million will be payable in 2025. The carrying value of the net assets of Marina Village Hotel Limited (excluding goodwill on the original acquisition) was MUR 37.6Million.

Following is a schedule of additional interest acquired in Marina Village Hotel Limited :

	2024
	MUR
Cash consideration paid to non- controlling shareholders	50,000,000
Deferred consideration	25,000,000
Carrying value of the additional interest in Marina Village Hotel Limited	(112,609,008)
Difference recognised in retained earnings	(37,609,008)

(b) Acquisition of foreign subsidiary Matemwe Bungalows Zaswi (Z) Limited

On 28 February 2024, Attitude Hospitality (Africa) Limited formerly known as Zanzibar Hospitality Ltd, a wholly owned subsidiary of Attitude Hospitality Ltd acquired 100% stake in Matemwe Bungalows Zaswi (Z) Limited, a hotel operating in Zanzibar. The Group acquired Matemwe Bungalows Zaswi (Z) Limited, because it enlarges it hotel operation overseas.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of Matemwe Bungalows Zaswi (Z) Limited as at the date of acquisition were:

	Notes	Fair value recognised on acquisition
		MUR
Assets		
Property, plant and equipment	3	775,174
Right-of-use assets	4(b)	18,828,719
Leasehold rights	4(b)	271,800,000
Trade and other receivables		140,385
Cash and cash equivalents		291,544,278
Liabilities		
Trade payables		9,056,240
Lease liabilities	4(c)	20,147,855
Current income tax	16	2,853,900
		32,057,995
Total identifiable net assets at fair value		259,486,283
Bargain purchase arising on acquisition		99,967,032
Purchase consideration transferred (Deferred consideration of MUR 16,522,050)		159,519,250

The consideration paid (MUR 159.5mn) was lower than the fair value of net assets of Matemwe Bungalows Zaswi (Z) (MUR259mn) which has given rise to a bargain purchase on acquisition of MUR 99.9mn.

The bargain purchase arose given that the hotel acquired was non-operating and loss making and hence it was acquired at a discount of its fair value. At acquisition date, the building was fully impaired. Subsequent to year end the actual hotel has been pulled and building works have started. The hotel is expected to begin operation in the next 2 years.

A loss of MUR 2.2Million was suffered by Matemwe Bungalows Zaswi (Z) Limited since acquisition and is not generating any revenue given it is under renovations.

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34. SEGMENTAL REPORTING

For management purposes, the Group is organised into business units based on their nature of business and has three reportable segments, as follows:

Year ended 30 June 2024	Hotel Operations	Management company	Non hotel operations	Total segments	Adjustments and eliminations	Consolidated
Revenue						
External customers	2,470,478,760	-	-	2,470,478,760	-	2,470,478,760
Inter-segment	-	301,011,976	440,192,371	741,204,347	(613,761,437)	127,442,910
Total revenue	2,470,478,760	301,011,976	440,192,371	3,211,683,107	(613,761,437)	2,597,921,670
Income/Expenses						
Cost of sales	(34,845,010)	-	-	(34,845,010)	(1,317,366,832)	(1,352,211,842)
Other income	52,201,736	3,292,353	20,097,627	75,591,716	(24,248,087)	51,343,629
Administrative expenses	-	(8,766,572)	-	(8,766,572)	(681,804,277)	(690,570,849)
Finance costs	-	-	(328,958,414)	(328,958,414)	137,537,354	(191,421,060)
Bargain purchase	-	-	-	-	99,967,032	99,967,032
Share of profit of an associate	-	-	-	-	128,579,651	128,579,651
Segment profit	2,487,835,486	295,537,757	131,331,584	2,914,704,827	(2,271,096,596)	643,608,231
Total assets	5,351,152,578	318,452,625	7,720,843,459	13,390,448,662	(6,437,443,440)	6,953,005,222
Total liabilities	(4,284,196,194)	(183,039,360)	(3,398,194,780)	(7,865,430,334)	3,379,500,167	(4,485,930,167)
Year ended 30 June 2023						
Revenue						
External customers	2,130,648,381	-	-	2,130,648,381	-	2,130,648,381
Inter-segment	-	245,775,605	292,781,006	538,556,611	(434,351,518)	104,205,093
Total revenue	2,130,648,381	245,775,605	292,781,006	2,669,204,992	(434,351,518)	2,234,853,474
Income/Expenses						
Cost of sales	(1,282,140,251)	-	(1,406,771)	(1,283,547,022)	56,578,409	(1,226,968,613)
Other income	74,111,203	1,459,944	60,241,191	135,812,338	(55,659,996)	80,152,342
Administrative expenses	(618,015,092)	(164,761,599)	(28,241,885)	(811,018,576)	186,489,840	(624,528,736)
Finance costs	(189,578,003)	(1,068,334)	(154,452,909)	(345,099,245)	173,242,552	(171,856,693)
Share of profit of an associate	-	-	-	-	88,351,257	88,351,257
Segment profit	115,026,240	81,405,616	168,920,631	365,352,487	14,650,544	380,003,031
Total assets	5,080,387,234	202,037,036	7,375,591,767	12,658,016,037	(6,136,637,842)	6,521,378,195
Total liabilities	(4,340,450,091)	(91,446,121)	(3,304,452,109)	(7,736,348,321)	12,162,745,126	4,426,396,805

Segmental information:

Hotel operations - these relate to hotels within the Group which derive revenues from accommodation and hospitality services.

Management company - This relates to Attitude Hospitality Management Company which derives revenue from centralised management services.

Non - hotel operations - This consist mainly of non - core business operations servicing other entities within the Group. Revenue is mainly derived from rental of properties by APL and training by AHL.

35. FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

As at June 30, 2024 and 2023, the Group held the following financial instruments carried at fair value in the statement of financial position:

THE GROUP

Date of valuation	Fair value measurement using				
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	MUR	MUR	MUR	MUR	
Assets:					
Derivative financial instruments (note 11)	June 30, 2024	10,140,673	-	10,140,673	-

THE GROUP

Date of valuation	Fair value measurement using				
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	MUR	MUR	MUR	MUR	
Assets:					
Derivative financial instruments (note 11)	June 30, 2023	25,702,218	-	25,702,218	-

Management has assessed that the carrying amounts of cash and short-term deposits, trade receivables, trade payables, and other current liabilities are a reasonable approximation of their respective fair values largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair value of foreign exchange forward contracts are determined by using the foreign exchange spot and forward rates, interest rate curves and forward rate curves of each currency.

The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Derivatives valued using valuation techniques with market observable inputs are foreign exchange forward contracts and commodity forward contracts. The most frequently applied valuation techniques include forward pricing models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, interest rate curves and forward rate curves of the underlying commodity. All derivative contracts are fully cash collateralised, thereby eliminating both counterparty and the Group's own non-performance risk. As at June 30, 2024 the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

35. FAIR VALUE HIERARCHY (CONTINUED))

Accounting classification and fair values

The following table shows the carrying values of financial assets and liabilities, including their levels in the fair value hierarchy. No fair value hierarchy disclosure have been made for financial assets and financial liabilities where carrying amount approximates fair value.

Year ended 30 June 2024	Carrying value			Fair value			Total MUR
	Financial assets at amortised cost MUR	Financial assets at fair value through other comprehensive MUR	Financial liabilities at amortised cost MUR	Level 1	Level 2	Level 3	
				MUR	MUR	MUR	
Financial assets							
Other investments	-	2,500,000	-	-	-	2,500,000	2,500,000
Trade receivables	221,416,389	-	-	-	-	-	-
Loans and other receivables	119,392,860	-	-	-	-	-	-
Cash & cash equivalents	372,457,294	-	-	-	-	-	-
	<u>713,266,543</u>	<u>2,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,500,000</u>	<u>2,500,000</u>
Financial liabilities							
Trade and other payables	-	-	383,891,405	-	-	-	-
Contract liabilities	-	-	44,550,471	-	-	-	-
	<u>-</u>	<u>-</u>	<u>428,441,876</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Carrying value			Fair value			
Year ended 30 June 2023	Financial assets at amortised cost MUR	Financial assets at fair value through other comprehensive MUR	Financial liabilities at amortised cost MUR	Level 1	Level 2	Level 3	Total MUR
				MUR	MUR	MUR	
	Financial assets						
Other investments	-	-	-	-	-	-	-
Trade receivables	169,747,143	-	-	-	-	-	-
Loans and other receivables	112,971,176	-	-	-	-	-	-
Cash & cash equivalents	365,820,467	-	-	-	-	-	-
	<u>648,538,786</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities							
Trade and other payables	-	-	330,148,773	-	-	-	-
Contract liabilities	-	-	42,399,346	-	-	-	-
	<u>-</u>	<u>-</u>	<u>372,548,119</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

36. GOING CONCERN

Management has prepared forecasted operating results for the financial year ending June 30, 2025 to assess the ability of the Company to operate as a going concern.

The Directors have assessed the Company's viability over a five-year period to June 2030. The assessment is overseen by the Board of Directors and is subject to challenge by the Group Audit and Risk Committee. The Company's strategic plan projects its performance, and liquidity over a five-year period and are updated on new developments on the trend of booking and industry outlook.

The Group has witnessed a profitable growth over 23-24 with a performance exceeding pre-covid results. Management have performed an assessment over expected cash flow the Group is expected to generate over the next 12 months from report signing date and noted that its financial position is expected to outperform that of previous years.

The Company's operations will also be financed by the holding company, Attitude Hospitality Ltd, who has provided a letter of guarantee to the Company to enable the latter to cover its expenses in the foreseeable future. The guarantee will remain in place until such time that the current assets exceed the current liabilities and the Company will start to generate cashflows from operations.

37. EARNINGS PER SHARE (EPS)

The following table reflects the income and share data used in the basic and diluted EPS calculations:

	2024	2023
	MUR	MUR
<i>Profit attributable to ordinary equity holders of the parent:</i>		
Profit attributable to ordinary equity holders of the parent for basic earnings	<u>453,428,997</u>	<u>308,615,552</u>
Weighted average number of ordinary shares for basic EPS*	159,969,721	159,279,502
Effects of dilution from:		
Convertible shares	-	690,219
Weighted average number of ordinary shares adjusted for the effect of dilution*	<u>159,969,721</u>	<u>159,969,721</u>
Diluted EPS	<u>2.83</u>	<u>1.93</u>

* The weighted average number of shares takes into account the weighted average effect of changes in treasury shares during the year.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

38. EVENTS AFTER REPORTING DATE

(i) Corporate Climate Responsibility Levy (CCRL)

There have been no other material events after reporting date which would require disclosure or adjustments in the financial statements for the year ended June 30, 2024, apart from the changes below on the Corporate Climate Responsibility Levy.

In his National Budget on 7 June 2024, the Mauritian Finance Minister announced the introduction of a Corporate Climate Responsibility Levy ("CCRL"), equivalent to 2% of the company's profits, for companies with a yearly turnover of more than MUR 50 million.

Section 41(iii) of the Financial (Miscellaneous Provisions) Act 2024 ("FMPA 2024") gave effect to the CCRL and its effective date is the year of assessment 2024/2025 so that it applies to any company with a financial year that terminated on any date during the period from 1 January 2024 to 30 June 2024. The CCRL also applies to any Mauritian tax resident partnership. The CCRL is computed on the taxable profit of the company and is specifically considered to be an income tax under section 41(a)(i)(A) of the FMPA 2024.

According to IAS 12, changes in tax rates and laws should be recognized in financial statements when the legislation is substantively enacted, which is when it can no longer be amended. The 2% CCRL had not reached the point of substantive enactment by the end of the reporting period as the possibility of further amendments to the legislation still existed. In accordance with IAS 10, "Events After the Reporting Period," the introduction of the CCRL is considered a non-adjusting event. Therefore, no adjustment has been made to the current income tax and deferred tax balances in the financial statements as of 30 June 2024 even if it had a retrospective effect.

38. EVENTS AFTER REPORTING DATE (CONTINUED)

(i) Corporate Climate Responsibility Levy (CCRL) (continued)

The Group has quantified the impact of this non adjusting event as follows:

Impact of 2% CCRL	Year of assessment 2024/2025	
	Statement of profit or loss and other comprehensive income	Statement of financial position
Deferred tax liability/(asset)	-	4,904,613
Income tax liability/(asset)	-	5,438,169
Deferred tax recognised as part of other comprehensive income	(124,315)	
Income tax expense	10,467,097	-

There is no impact at Company level.

(ii) Payment of Wages relativity adjustment

On September 13, 2024, the Mauritian Ministry of Labor issued a regulation that established a new salary scale for various sectors under the "Remuneration Orders". This included employees under the Catering and Tourism Industries. Employers under these industries are expected to pay the wage relativity adjustment for the month of July and August 2024 no later than December 31, 2024. This applies to workers with a basic pay of up to MUR50K. As per the Wage Adjustment 2024, the Group has estimated the impact to be MUR34million. No adjustment has been made in these Annual Report as the Regulation was enacted subsequent to the year end.

39. COMPARATIVES

(i) Revenue/Commission to Tour Operators (TOs):

Commission paid to tour operators amounting to Rs 19,769,214 were previously shown as a line item on the face of the statement of profit and loss and deducted to arrive at the line item 'Revenue from contract with customers'. As the amount is not material, the entity has changed its presentation and resolved not to disclose the line item 'commission paid to tour operators' on the face of the income statement. The comparatives have been restated to ensure the comparability of the financial statements with previous periods. There was no impact on the revenue line item following this change in presentation.

(ii) Trade and Other Receivables/Long-term Deposit:

For the year ended 30 June 2023, a security deposit related to a lease in the Compagnie Marmites des Iles Ltee amounting to Rs 9,362,106 was incorrectly included in trade and other receivables. This deposit is refundable upon the lease expiring in 12 years. Although not material, The comparative has been restated to reflect the current and non-current portion of the lease deposit for comparability purposes. As such, MUR 9.3m that was previously recognised in current asset under trade and other receivables has been reclassified to non-current long-term deposits

	As previously stated	Adjustment	Restated balance
Long term deposits	12,119,010	9,362,106	21,481,116
Trade and other receivables	296,306,497	(9,362,106)	286,944,391

(iii) Financial Assets at Amortised Cost/Other Financial Assets:

For the year ended 30 June 2023, derivatives carried at fair value through profit or loss amounting to Rs 25,702,218 and treasury bills carried at amortised cost amounting to Rs 118,972,953 were included in other financial assets. They should not be clubbed as required by IFRS 7.B2- which prescribes that in determining classes of financial instrument an entity must, as a minimum, distinguish instruments measured at amortised cost from those measured at fair value, and treat as a separate class or classes those financial instruments outside the scope of IFRS 7. Accordingly, Treasury bills have now been shown as a separate line item named as financial assets at amortised cost on the face of the statement of financial position as a class of asset of its own in the financial year 2024. Although not material, comparatives have been restated to ensure the comparability of the financial statements with previous periods.

(iv) Statement of Changes in Equity
 Group

The following line items 'Dividend on convertible bonds' and 'Dividend on convertible bonds paid during the year' amounting to Rs 8,678,082 and Rs 8,088,889 respectively included in the statement of changes in equity was wrongly stated in the in the financial year ended 30 June 2023. Although not material, The comparatives have been restated to ensure the comparability of the financial statements with previous periods. Accordingly, the figures relating to 'Dividend on convertible bonds' and 'Dividend on convertible bonds paid during the year' have been amended to its correct figure of Rs 17,622,526 and Rs 17,033,333 respectively. This amendment did not have an impact on the closing 'convertible bonds' reserve nor the 'accumulated loss' reserve.

Company

The following line items 'Dividend on convertible bonds' and 'Dividend on convertible bonds paid during the year' amounting to Rs 8,678,082 and Rs 8,088,889 respectively included in the statement of changes in equity was wrongly stated in the in the financial year ended 30 June 2023. Although not material, The comparatives have been restated to ensure the comparability of the financial statements with previous periods. Accordingly, the figures relating to 'Dividend on convertible bonds' and 'Dividend on convertible bonds paid during the year' have been amended to its correct figure of Rs 17,622,526 and Rs 17,033,333 respectively. This amendment did not have an impact on the closing 'convertible bonds' reserve and an impact of 8,944,441 on the finance cost in the statement of profit or loss.

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39. COMPARATIVES (CONT'D)

(v) Changes in Cash Flow Statement:

The following prior period classification errors were identified in relation to the statement of cash flows as per the table below. In line with IAS 8.52. The cash flow statement for the year ended 30 June 2023 has been adjusted to reflect the correct classification under the different activities of the cash flow.

	THE GROUP			THE COMPANY		
	As previously reported 2023	Restated 2023	Impact	As previously reported 2023	Restated 2023	Impact
	MUR	MUR		MUR	MUR	
Profit before tax				18,773,506	27,717,950	(8,944,444)
Operating activities						
- Employee benefits liability	-	11,736,998	(11,736,998)			
- Interest expense	41,339,755	171,856,693	(130,516,938)	-	70,582,953	(70,582,953)
- Interest income	-	(1,805,353)	1,805,353			
- Dividend income					(67,860,000)	67,860,000
- Exchange difference	26,664,292	68,004,046	(41,339,754)			
<i>Working capital adjustments</i>						
- Employee benefit liabilities and severance allowance	12,130,821		12,130,821			
- Other financial assets	(3,592,839)		(3,592,839)			
- Employee benefit paid	(393,823)		(393,823)			
- Trade and other payables	-			169,016,873	177,016,870	(7,999,997)
Interest paid	(118,972,953)	(171,856,693)	52,883,740		(70,582,953)	70,582,953
Net cash flows generated from operating activities	(42,824,747)	77,935,691	(120,760,438)	169,016,873	109,156,870	50,915,559
Investing activities						
Dividend paid on MIC Bond				(88,891)		(88,891)
Other financial assets		(3,592,839)	3,592,839			
Acquisition of Treasury Bills		(217,167,599)	217,167,599			
Treasury Bills matured		100,000,000	(100,000,000)			
Dividend received					67,860,000	(67,860,000)
Financing activities						
Dividend paid on MIC Bond					(17,033,332)	17,033,332
Net cash flows generated from/(used in) financing activities	-	(120,760,438)	120,760,438	(88,891)	50,826,668	(50,915,559)
Net impact on cash and cash equivalents						

The above adjustments did not have any impact on the cash and cash equivalents for the year ended 30 June 2023.

39. COMPARATIVES (CONT'D)

(v) Changes in Cash Flow Statement:

(1) Employee benefits liability

Employee benefits liability movements was previously split between employee benefits/severance allowance provision (Rs12,130,821) and the employee benefits paid (Rs93,823) shown under 'working capital adjustments' the statement of cash flows. Benefits paid is a cash movement and is not expected to be shown under working capital movements when the indirect approach is used. IAS 7.18 permits an entity to report cash flows from operating activities using either the direct method or the indirect method. Consequently, the prior year figures were adjusted to show the net movement in employee benefits liability under the 'Non-cash adjustments to reconcile (loss)/profit before tax to net cash flows' section of the statement of cash flows.

(2) Interest expense

In the financial year 2023, the interest expense under the 'Non-cash adjustments to reconcile (loss)/profit before tax to net cash flows' heading initially included only the interest expense arising from lease liabilities. This figure was restated to also include the interest expense related to bank loans and bank overdrafts, totalling Rs 130,516,943. As a result, the total interest expense is correctly reported as Rs 171,856,693 in the financial year ended 30 June 2023.

(3) Other financial assets

Movement relating to forward contracts amounting to Rs3,592,839 was incorrectly included under the line item 'other financial assets' under the heading 'working capital adjustments'. Forward contracts do not meet the criteria for classification as 'cash flow from operating activities' as it is not held for trading. Accordingly, as per the requirements of IAS 7.16 (d), the movement in respect of the forward contract was classified as cash flows from investing activities.

(4) Interest income

Interest income of Rs 1,805,353 relating to Treasury bills was incorrectly included under the line item 'interest paid'. This was amended in the prior year and was shown as a separate line item under 'Non-cash adjustments to reconcile (loss)/profit before tax to net cash flows' heading.

(5) Exchange difference

Exchange difference was incorrectly stated at Rs 26,664,292 in the previous year. The correct exchange difference figure should have been Rs68,004,046 and the difference of Rs 41,339,754 was wrongly included under the line item 'interest paid'. The previous year figures were restated to show the correct figure relating to exchange difference as being Rs68,004,046.

(6) Acquisition of treasury bills/treasury bills matured

Movement in treasury bills (Acquisition Rs.217,167,199 and maturity Rs100,000,000) was incorrectly included under the line item 'interest paid'. Investment in treasury bills do not meet the criteria for classification as 'cash flow from operating activities' as it is not held for trading. Accordingly, as per the requirements of IAS 7.16 (b), the gross movement in the treasury bills was classified as cash flows from investing activities in the financial year 2023.

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39. COMPARATIVES (CONT'D)

COMPANY

(7) Dividend paid on MIC bonds

Dividend paid on MIC bonds in the financial year ended 30 June 2023 amounted Rs17,033,333 and was incorrectly stated as Rs88,891 under investing activities. The correct figure for dividend paid was accordingly amended in the statement of cash flows and this impacted profit before tax by Rs8,944,444 and movement in trade and other payables by Rs7,999,997. Moreover, the cash flows relating to this item was moved to the cash flows from financing activities as it represents a cost of obtaining financial resource (MIC bond).

(8) Dividend income

Dividend income amounting to Rs 67,860,000 was not disclosed in the statement of cash flows in the previous year. This has been reflected as dividend income under the "Non-cash adjustments to reconcile (loss)/profit before tax to net cash flows" section of the statement of cash flows and the dividend received of Rs. 67,860,000 was included under cash flow from investing activities.

(2) Interest expense

In the Company's statement of cash flows interest expense amounting to Rs79,527,397 was not disclosed in the previous year. This has been reflected under "non-cash adjustments to reconcile (loss)/profit before tax to net cash flows" section of the statement of cash flows and interest paid included under operating activities.

40. CONTINGENT LIABILITIES

In the subsidiary Attitude Property Ltd, one of the property's value has been re-assessed by the Registrar General, following this re-assessment, the Registrar has made a claim of Rs. 52.5m for additional registration duty. Under the advice of its legal counsel, the Company has made a formal objection to the Assessment Review Committee ("ARC").

Given that this case is still ongoing, there is no certainty on payment and no reliable estimate can be made. Hence, no provision has been made in the accounts.

41. SHARE PLEDGE

In June 2024, United Investments Ltd (UIL) which holds 39.37% in Attitude Hospitality Ltd ("AHL") through its investee Hold Attitude Ltd ("HAL") reactivated its listing process in AHL on the Stock Exchange of Mauritius. By 30 September 2024, UIL through its investee company HAL, had to repay Rs1,450M for two bonds that were granted by the National Pension Fund / National Solidarity Fund ("NPF/NSF"). The amount due to the NPF/NSF represents the capital and interest accrued up to 30 September 2024. The shares of AHL have been pledged by HAL in favour of the NPF/NSF.