

**Private and Confidential**

# **AIR MAURITIUS LIMITED**

## **REPLY DOCUMENT**

Pursuant to Rule 18 of the Securities (Takeover) Rules 2010

In reply to the Offer Document issued by Airport Holdings Ltd dated 28 October 2021 to the attention of the shareholders of Air Mauritius Limited

### **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

This Reply Document should not be read or otherwise construed as an investment advice. If you are in any doubt about the Reply Document or its contents or what action you should take, you are recommended to seek financial advice immediately from an independent adviser.

If you have disposed of all your Air Mauritius shares, then this reply document should be forwarded to the purchaser to whom, or the broker or agent through whom, you disposed of your shares.

**The Directors of Air Mauritius Limited accept full responsibility for the accuracy of the information contained in this Reply Document. They have been guided by an independent adviser as per the Rules.**

Dear Shareholder,

## Reply Document made pursuant to Rule 18 of the Securities (Takeover) Rules 2010

### I. EXECUTIVE SUMMARY

The Reply Document is provided by the Board of Directors (the “Board”) of Air Mauritius Limited (“MK” or “the Company”) to assist you in reaching an informed decision on the offer (the “Offer”) made by Airport Holdings Ltd (“AHL” or “the Offeror”).

Further to the review of the terms and conditions of the Offer and after due consideration of the independent adviser report, as detailed in Section III, **the Board is of the opinion that you should accept the Offer made to you.**

We wish to highlight, that in the event you do not wish to sell your shares as per the Offer, then no further action is required.

On the other hand, should you wish to accept the Offer, you should follow the steps detailed in the Offer document.

### II. INTRODUCTION

On 15 October 2021, the Board of Air Mauritius Limited (‘MK’) was informed of the firm intention of Airport Holdings Ltd to make a mandatory offer (the ‘Offer’) to the shareholders of MK to acquire all the voting shares, not already held by Airport Holdings Ltd, at a price of MUR. 5.80 per share (the ‘Offer Price’).

The Offer follows the acquisition by the Offeror of 9,429,896 shares in Air Mauritius Holding Ltd from The State Investment Corporation Limited and Rogers and Company Limited on 13 October 2021. (the ‘transaction’).

Further to the acquisition and pursuant to the Securities (Takeover) Rules 2010 (“The Rules”), AHL has made a mandatory offer to the Shareholders of MK to acquire the ordinary shares of MK not already held by AHL at MUR. 5.80 per share. The said Offer is available since 3 November 2021 and shall remain open for acceptance until the close of business on 22 November 2021 at 16h30 (Mauritius time).

Through this transaction, Government of Mauritius, Airport Holdings Ltd, Airports of Mauritius Co Ltd, Air Mauritius Holding Ltd and The State Investment Corporation Limited acting in concert have exceeded the 50% shareholding in Air Mauritius Limited and hence, a firm intention as per the Rule 33 (1) (c) of the Securities (Takeover) Rules 2010 has been made to acquire all the shares of Air Mauritius Limited.

In accordance with Rule 33 (1) (c) of the Securities (Takeover) Rules 2010 a person shall make an Offer when, following a dealing in securities of a company, that person either individually or together with a person acting in concert, acquires the right to exercise, or control the exercise of, more than 50% of the rights attached to the voting shares of the company. According to Rule 33 (2), the unconditional Offer shall be made on all voting shares of the Offeree not already held by the Offeror.

### III. VIEWS OF THE BOARD OF MK

#### A. Recommendation on the Offer

Pursuant to Rule 21 of the Rules and in the interest of the shareholders of MK, the Board appointed Ernst & Young Ltd (“EY”) as independent adviser (“Adviser”) to:

- a) carry out the valuation of MK as at 30 September 2021;
- b) advise the Board as to whether the Offer made by AHL to acquire the ordinary shares at MUR. 5.80 per share, is fair and reasonable; and
- c) submit a report to the Board.

The Adviser submitted its report to the Board on 16 November 2021.

Further to the review of the report of the Adviser and the terms of the Offer, the Board is therefore of the opinion that MK shareholders should accept the Offer made to them.

The Board reached this conclusion on the basis of the following:

- The Adviser has advised that the Offer was fair and reasonable.
- The fair value of MUR Nil as determined by the Adviser is lower than the offer price of MUR. 5.80.

#### B. Summary of the Independent Adviser’s Report

EY has been requested to complete an independent valuation as at 30 September 2021 to determine whether the Offer was fair and reasonable to the shareholders of MK. EY has adopted the Income approach valuation methodology, in particular the discounted cash flow, to value MK and has based its conclusion on the following, but not limited, sources of information:

- Audited financial statements for MK for the year ended 31 March 2019
- Unaudited management accounts for MK for the years ended 31 March 2020; 31 March 2021, and the six-months period ended 30 September 2021 which take into consideration the impact of the deed of company arrangement (DOCA)
- Management prepared financial projections for years ending 31 March 2022 to 31 March 2026 that reflect management’s best estimate of future performance;
- Discussions with management, Chairman of MK; CEO of AHL, representative of the Administrators and CEO of CAPA India
- Administrators’ report dated 21 September 2021
- Latest property valuation reports (for corroboration of value); and
- Other publicly available information that was considered to be relevant to the valuation exercise (including S&P Capital IQ and IATA)

The valuation report of the Adviser is available for consultation at the registered office of MK, 19<sup>th</sup> Floor, Air Mauritius Centre, Port Louis upon request by any shareholder of MK or by any person authorised in writing by a shareholder.

### C. Opinion of the Independent Adviser

The opinion of the Independent Adviser has been extracted from the Independent Adviser's report.

EY estimated the value of MK under the income approach at negative MUR75.84 per share based on information provided by management and concluded on a value per share of MUR Nil.

EY determined the offer to be fair to the minority shareholders of MK on the basis that the offer price of MUR 5.80 is greater than its fair value (MUR Nil).

EY deemed the offer to be reasonable considering:

- The unaudited accounts of MK indicate a deficit of EUR 172.8M as at the valuation date. Considering future losses expected as the industry gradually recovers, no dividend is likely to be paid in the next few years.
- MK would likely have become bankrupt without the support of the Government of Mauritius, via a Government owned entity, who has committed a shareholder loan of MUR 12bn, and the latter is now making an offer to buy MK shares at MUR5.80.
- The offer price of MUR 5.80 is also the price at which Air India Limited and Rogers and Company Limited have agreed to sell their shares in MK to AHL.

On the basis of the above, EY is of the opinion that the offer price is fair and reasonable to the minority shareholders of MK.

### D. Qualifications, expertise and independence of the Independent Adviser

EY is a professional services firm registered with the SEM as an independent valuer. Most of EY's professional staff are members of the Association of Chartered Certified Accountants (ACCA) or the Institute of Chartered Accountants in England and Wales (ICAEW). EY is a member firm of Ernst & Young Global Limited.

EY has advised on numerous independent valuation assignments both locally and overseas, in respect of mergers and acquisitions, takeovers and other prominent transactions.

EY has confirmed that it is independent and has no conflict of interest that could affect its ability to provide an unbiased report.

EY has confirmed that, while the entire valuation report of the Independent Adviser should be read for a full understanding of their findings and advice, the above Summary of the independent Adviser's Report and Opinion of the Independent Adviser, is fair and not misleading.

#### **IV. DIRECTORS' INTERESTS IN MK**

##### **A. Directors' interests in MK and the Offerors**

None

##### **B. Dealings by Directors in shares of MK**

None of the Directors of MK have dealt in the securities of MK within six months prior to the public announcement of the Offer.

#### **V. SHAREHOLDINGS IN AHL**

Neither MK nor its subsidiary own shares in AHL.

Neither MK nor its subsidiaries have dealt in the shares of AHL within six months prior to the public announcement of the Offer.

#### **VI. STATED CAPITAL OF MK**

The issued and fully paid capital of MK as at 30 September 2021 is MUR. 1,293,050,000 consisting of 129,305,000 ordinary shares of MUR. 10.00 each.

Each ordinary share confers to its holder the right to one vote on a poll at a meeting of the Company on any resolution, the right to an equal share of dividends authorized by the Board of Directors of the Company, and an equal share in the distribution of surplus assets of the Company. The ordinary shares are listed on the Official Market of the Stock Exchange of Mauritius.

No ordinary shares of MK have been issued since the last financial year end of 31 March 2021.

#### **VII. FINANCIAL INFORMATION**

##### **A. Audited financial statements**

Copies of the full version of the audited financial statements of MK for 31.03.19 and unaudited financial statements for 31.03.20, 31.03.21 and 30.09.21 are available on demand from MK.

MK has received an exemption from the Financial Services Commission from complying with Part 5 (a)(i) of the Second Schedule of the Securities (Takeover) Rules 2010 for the use of unaudited financial statements for 31.03.20, 31.03.21 and 30.09.21 as the company was under voluntary administrations and could not have the financial statements for these periods audited.

##### **B. Interim statements and preliminary public announcements**

All interim statements and relevant announcements made by MK since the last published audited financial statements are included in Annexure A.

### C. Material changes

Air Mauritius Limited was placed under voluntary administration on 22 April 2020 pursuant to sections 215 and 216 of the Insolvency Act.

The Watershed Meeting of MK was held on 28 September 2021 whereby the Creditors of MK resolved that MK executes a Deed of Company Arrangement (DOCA).

The Deed of Company Arrangement (DOCA), voted upon by MK's creditors at the Watershed Meeting was executed by the Board and the Deed Administrators on 1 October 2021 whereby MK was under the DOCA up to 31 October 2021.

Government of Mauritius has committed to provide up to MUR 12 Bn to MK in the form of a loan as per the letter issued on 20 September 2021. An amount of MUR 9.5 Bn was received from Airport Holdings Ltd on 1 October 2021.

### D. Accounting policies

The significant accounting policies are included in the financial statements of MK referred to in section VII (A) above. There has been no change in the accounting policy of MK.

A summary of the financial highlights of MK are provided in the following table

### **Air Mauritius Limited Financial Results Section**

<b>Financial Highlights (Euros'000)</b>	<b>FY 31.03.19 Audited</b>	<b>FY 31.03.20 Unaudited</b>	<b>FY 31.03.21 Unaudited</b>	<b>HY 30.09.21 Unaudited</b>
Revenue	498,504	501,391	57,757	30,775
Operating Profit	(33,322)	(46,641)	(76,480)	(39,102)
Profit/ (Loss) for the year	(21,669)	(184,849)	(54,686)	(3,666)
Total comprehensive income/(loss) for the year	(29,331)	(240,089)	(59,815)	55,090
Total debt	67,737	733,640	609,327	589,073
Total equity	66,116	(168,051)	(227,866)	(172,776)

<b>Performance Measures</b>				
Earnings/ (Loss) per share (MUR.)	(11.95)	(61.55)	(19.98)	(1.40)
Net Asset per share (MUR.)	25.27	(55.96)	(83.25)	(65.78)
Operating profit %	(6.68)	(9.30)	(132.42)	(127.06)
Debt to equity %	102.45	(436.56)	(267.41)	(340.95)

### **VIII. MATERIAL CONTRACTS**

During the two-year period preceding the offer, the Company has not entered into any contract of significance, as defined by the Listing Rules of the Stock Exchange of Mauritius, with third parties or with any of its Directors and shareholders.

## **IX. ARRANGEMENTS AFFECTING DIRECTORS**

MK does not anticipate any payment of benefit to directors as compensation for loss of office in connection with the Offer. There is no agreement between any Director of MK and any other person that is conditional on the outcome of the Offer or otherwise is connected with the Offer. There are no material contracts entered into by AHL in which a Director of MK has any interest.

## **X. DIRECTORS' SERVICE AGREEMENT**

MK or its subsidiaries do not have any service agreements with its Directors which have more than 12 months to terminate, or which have been entered into or amended within 6 months before the public announcement of the Offer

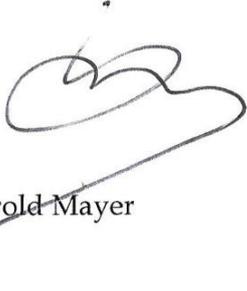
## **XI. THE DIRECTORS STATEMENT**

The Board of MK accepts full responsibility for the correctness of the information contained in this Reply Document, and having made all reasonable enquiries, states that, to the best of its knowledge and belief, there are no material facts, the omission of which would make any statement herein, whether of fact or opinion, misleading.

Date: 17 November 2021

On behalf of the Board of MK

  
Marday Venketasamy, GOSK, CSK  
Director

  
James Harold Mayer  
Director

## ANNEXURE A: Communiqué published by MK

### AIR MAURITIUS LIMITED (Subject to Deed of Company Arrangement)

#### COMMUNIQUE

The Board of Air Mauritius Limited (the Listed Company) wishes to inform its shareholders and the public that it has been notified on 15 October 2021 of the firm intention of Airport Holdings Ltd (the 'Offeror') to make a mandatory offer ('Mandatory Offer') to the shareholders of Air Mauritius Limited to acquire all the voting shares, not already held by the Offeror at a price of Rs 5.80 per share (the 'Offer Price').

The Mandatory Offer is triggered as a result of the acquisition by the Offeror of 9,429,896 shares in Air Mauritius Holding Ltd from The State Investment Corporation Limited and Rogers and Company Limited on 13 October 2021. (the 'transaction').

Pursuant to Rule 33(1)(b) and (c) of the Securities (Takeover) Rules 2010 (the 'Rules'), if a person, either individually or together with a person acting in concert, acquires effective control of a company, that person shall make an offer in accordance with the Rules, on all voting shares of the offeree not already held by the offeror.

The Board of the Offeror further confirmed that:

- a. sufficient financial resources are available to satisfy the acceptance of the Mandatory Offer;
- b. there exists no agreement between Airport Holdings Ltd on the one hand and Air Mauritius Limited on the other hand in relation to the relevant shares;
- c. the Mandatory Offer is not subject to any condition; and
- d. the Mandatory Offer to shareholders of Air Mauritius Limited will be made as soon as practicable.

According to the Rules, the Offeror must submit an offer document to the shareholders of Air Mauritius Limited following which the Board of Air Mauritius Limited will communicate to its shareholders a reply document to enable them to reach an informed decision about the Mandatory Offer.

The shareholders and the investing public will be kept informed of further developments in respect of this matter.

By Order of the Board

15 October 2021

*This Communiqué is pursuant to Listing Rule 11.3 and the Securities Act 2005*

*The Board of Directors of Air Mauritius Limited accepts full responsibility for the accuracy of the information contained in this Communiqué.*

## AIR MAURITIUS LIMITED AND ITS SUBSIDIARIES

## ABRIDGED UNAUDITED CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION AS AT DECEMBER 31, 2019

	THE GROUP		THE COMPANY	
	December 2019 €'000	March 2019 €'000	December 2019 €'000	March 2019 €'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	851,829	151,534	849,801	149,325
Investment property	10,262	10,821	-	-
Intangible assets	245	636	231	622
Investment in subsidiaries	-	-	27,051	27,051
Investment in an associate	10,046	-	10,046	-
Deferred tax asset	179	187	-	-
Long term deposits	16,832	18,100	16,832	18,100
Long term investments	2,087	2,170	-	-
Long term receivables	119	125	119	125
	<u>891,599</u>	<u>183,573</u>	<u>904,080</u>	<u>195,223</u>
<b>Current assets</b>				
Inventories	18,241	20,737	18,241	20,737
Trade and other receivables	59,298	125,700	60,222	130,905
Short-term deposits	2,084	4,219	-	-
Derivatives financial assets	1,912	6,758	1,912	6,758
Cash and cash equivalents	57,957	15,126	56,404	13,988
	<u>139,492</u>	<u>172,540</u>	<u>136,779</u>	<u>172,388</u>
Assets classified as held for sale	-	4,413	-	1,263
	<u>139,492</u>	<u>176,953</u>	<u>136,779</u>	<u>173,651</u>
<b>Total assets</b>	<u><b>1,031,091</b></u>	<u><b>360,526</b></u>	<u><b>1,040,859</b></u>	<u><b>368,874</b></u>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	48,421	41,724	48,421	41,724
Share premium	22,218	18,869	22,218	18,869
Other reserves	-8,881	(6,754)	1,332	2,964
Retained earnings	-10,782	(7,056)	(8,894)	(4,967)
Reserves of a disposal group held for sale	-	249	-	-
<b>Equity attributable to equity holders of the parent</b>	<u>50,976</u>	<u>47,032</u>	<u>63,077</u>	<u>58,590</u>
Non-controlling interests	1,092	2,364	-	-
<b>Total equity</b>	<u>52,068</u>	<u>49,396</u>	<u>63,077</u>	<u>58,590</u>
<b>Non-current liabilities</b>				
Interest-bearing loans and borrowings	651,548	12,029	651,548	12,029
Employee benefit liabilities	50,972	60,369	49,926	59,419
Provisions	12,690	5,885	12,690	5,885
	<u>715,210</u>	<u>78,283</u>	<u>714,164</u>	<u>77,333</u>
<b>Current liabilities</b>				
Trade and other payables	165,354	171,357	165,612	173,188
Interest-bearing loans and borrowings	96,963	55,708	96,820	55,708
Derivative financial liabilities	1,186	4,055	1,186	4,055
Dividend payable to non-controlling interests	310	488	-	-
Liabilities directly associated with assets held for sale	-	1,239	-	-
	<u>263,813</u>	<u>232,847</u>	<u>263,618</u>	<u>232,951</u>
<b>Total liabilities</b>	<u>979,023</u>	<u>311,130</u>	<u>977,782</u>	<u>310,284</u>
<b>Total equity and liabilities</b>	<u><b>1,031,091</b></u>	<u><b>360,526</b></u>	<u><b>1,040,859</b></u>	<u><b>368,874</b></u>

AIR MAURITIUS LIMITED AND ITS SUBSIDIARIES

ABRIDGED UNAUDITED CONSOLIDATED AND SEPARATE STATEMENTS OF

PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED DECEMBER 31, 2019

	THE GROUP				THE COMPANY			
	Quarter to December 31,		Nine months to December 31,		Quarter to December 31,		Nine months to December 31,	
	2019	2018	2019	2018	2019	2018	2019	2018
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
<b>Revenue</b>	<b>139,499</b>	<b>136,455</b>	<b>397,294</b>	<b>398,220</b>	<b>139,075</b>	<b>135,142</b>	<b>396,110</b>	<b>395,439</b>
Operating expenses, excluding depreciation and aircraft rental	(107,508)	(119,075)	(323,719)	(344,347)	(107,424)	(118,619)	(323,812)	(343,506)
Depreciation and aircraft rental	(22,178)	(19,883)	(59,477)	(60,897)	(22,030)	(19,844)	(59,072)	(60,593)
<b>Total operating expenses</b>	<b>(129,686)</b>	<b>(138,958)</b>	<b>(383,196)</b>	<b>(405,244)</b>	<b>(129,454)</b>	<b>(138,463)</b>	<b>(382,884)</b>	<b>(404,099)</b>
<b>Gross profit/(loss)</b>	<b>9,813</b>	<b>(2,503)</b>	<b>14,098</b>	<b>(7,024)</b>	<b>9,621</b>	<b>(3,321)</b>	<b>13,226</b>	<b>(8,660)</b>
Administrative expenses	(9,941)	(9,277)	(26,859)	(27,104)	(9,681)	(8,698)	(26,116)	(25,434)
Other operating income	1,196	972	6,333	3,624	1,187	918	6,293	3,496
<b>Operating profit/(loss)</b>	<b>1,068</b>	<b>(10,808)</b>	<b>(6,428)</b>	<b>(30,504)</b>	<b>1,127</b>	<b>(11,101)</b>	<b>(6,597)</b>	<b>(30,598)</b>
Finance revenue	11,554	1,447	5,012	3,952	11,521	3,729	4,903	6,040
Finance costs	(4,902)	(364)	(13,173)	(824)	(4,899)	(364)	(13,161)	(824)
<b>Profit/(loss) before tax</b>	<b>7,720</b>	<b>(9,725)</b>	<b>(14,589)</b>	<b>(27,376)</b>	<b>7,749</b>	<b>(7,736)</b>	<b>(14,855)</b>	<b>(25,382)</b>
Income tax expense	(6)	(27)	(50)	(77)	-	-	-	-
<b>Profit/(loss) for the period</b>	<b>7,714</b>	<b>(9,752)</b>	<b>(14,639)</b>	<b>(27,453)</b>	<b>7,749</b>	<b>(7,736)</b>	<b>(14,855)</b>	<b>(25,382)</b>
<b>Other comprehensive income for the period</b>								
Fair value movement in available-for-sale investments	-	3	(178)	17	-	3	(178)	17
Movement in cash flow hedges	5,995	(21,781)	(1,454)	(11,594)	5,995	(21,781)	(1,454)	(11,594)
Actuarial gain on defined benefits plan	-	-	7,526	-	-	-	7,526	-
Exchange differences on consolidation	(380)	501	(714)	1,301	-	-	-	-
	<b>5,615</b>	<b>(21,277)</b>	<b>5,180</b>	<b>(10,276)</b>	<b>5,995</b>	<b>(21,778)</b>	<b>5,894</b>	<b>(11,577)</b>
<b>Total comprehensive income for the period</b>	<b>13,329</b>	<b>(31,029)</b>	<b>(9,459)</b>	<b>(37,729)</b>	<b>13,744</b>	<b>(29,514)</b>	<b>(8,961)</b>	<b>(36,959)</b>
<b>Profit for the period attributable to:</b>								
- Equity holders of the parent	7,712	(9,873)	(14,654)	(27,555)				
- Non-controlling interests	2	121	15	102				
	<b>7,714</b>	<b>(9,752)</b>	<b>(14,639)</b>	<b>(27,453)</b>				
<b>Total comprehensive income for the period attributable to:</b>								
- Equity holders of the parent	13,350	(31,211)	(9,431)	(37,865)				
- Non-controlling interests	(21)	182	(28)	136				
	<b>13,329</b>	<b>(31,029)</b>	<b>(9,459)</b>	<b>(37,729)</b>				
<b>Earnings per share (Euro)</b>	<b>0.06</b>	<b>(0.10)</b>	<b>(0.11)</b>	<b>(0.27)</b>				

**AIR MAURITIUS LIMITED AND ITS SUBSIDIARIES**  
**ABRIDGED UNAUDITED CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED DECEMBER 31, 2019**

	Share Capital	Share Premium	Fair Value Reserve	Other Reserves			Retained Earnings	Reserves Held for sale	Total Shareholders' Interest	Non-controlling Interests	Total Equity
				Translation Reserve on Consolidation	Hedge Equity Reserve	Total Other Reserves					
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
<b>The Group</b>											
<b>At April 01, 2018</b>	41,724	18,869	165	(11,956)	19	(11,772)	33,664	82,485	3,140	85,625	
Profit for the period	-	-	-	-	-	-	(27,555)	(27,555)	102	(27,453)	
Other comprehensive income	-	-	17	1,267	(11,594)	(10,310)	-	(10,310)	34	(10,276)	
Total comprehensive income	-	-	17	1,267	(11,594)	(10,310)	(27,555)	(37,865)	136	(37,729)	
Dividends	-	-	-	-	-	-	-	-	(158)	(158)	
<b>At December 31, 2018</b>	41,724	18,869	182	(10,689)	(11,575)	(22,082)	6,109	44,620	3,118	47,738	
<b>At April 01, 2019</b>	41,724	18,869	187	(9,727)	2,786	(6,754)	(7,056)	47,032	2,364	49,396	
Issue of shares	6,697	3,349	-	-	-	-	-	10,046	-	10,046	
Assets held for sale	-	-	-	176	-	176	-	(249)	(73)	(1,317)	
Impact of adoption of IFRS 16	-	-	-	-	-	-	3,402	3,402	-	3,402	
Loss for the period	-	-	-	-	-	-	(14,654)	(14,654)	15	(14,639)	
Other comprehensive income	-	-	(178)	(671)	(1,454)	(2,303)	7,526	5,223	(43)	5,180	
Total comprehensive income	-	-	(178)	(671)	(1,454)	(2,303)	(7,128)	(9,431)	(28)	(9,459)	
<b>At December 31, 2019</b>	48,421	22,218	9	(10,222)	1,332	(8,881)	(10,782)	50,976	1,092	52,068	

AIR MAURITIUS LIMITED AND ITS SUBSIDIARIES

ABRIDGED UNAUDITED CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED DECEMBER 31, 2019

	Share Capital	Share Premium	Other Reserves		Total Other Reservee	Retained Earnings	Total Equity
			Fair Value Reserve	Hedge Equity Reserve			
	€'000	€'000	€'000	€'000	€'000	€'000	€'000
<b>The Company</b>							
<b>At April 01, 2018</b>	41,724	18,869	156	19	175	27,153	87,921
Loss for the period	-	-	-	-	-	(25,382)	(25,382)
Other comprehensive income	-	-	17	(11,594)	(11,577)	-	(11,577)
Total comprehensive income	-	-	17	(11,594)	(11,577)	(25,382)	(36,959)
<b>At December 31, 2018</b>	41,724	18,869	173	(11,575)	(11,402)	1,771	50,962
<b>At April 01, 2019</b>	41,724	18,869	178	2,786	2,964	(4,967)	58,590
Issue of shares	6,697	3,349	-	-	-	-	10,046
Impact of adoption of IFRS 16	-	-	-	-	-	3,402	3,402
Loss for the period	-	-	-	-	-	(14,855)	(14,855)
Other comprehensive income	-	-	(178)	(1,454)	(1,632)	7,526	5,894
Total comprehensive income	-	-	(178)	(1,454)	(1,632)	(7,329)	(8,961)
<b>At December 31, 2019</b>	48,421	22,218	-	1,332	1,332	(8,894)	63,077

AIR MAURITIUS LIMITED AND ITS SUBSIDIARIES

ABRIDGED UNAUDITED CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS FOR THE NINE MONTHS ENDED DECEMBER 31, 2019

	THE GROUP		THE COMPANY	
	APR-DEC 2019	APR-DEC 2018	APR-DEC 2019	APR-DEC 2018
	€'000	€'000	€'000	€'000
<b>Net cash flows from operating activities</b>	<b>35,159</b>	-3,922	<b>35,986</b>	-4,831
<b>Net cash flows used in investing activities</b>	<b>(232,808)</b>	(46,012)	<b>(234,842)</b>	(45,710)
<b>Net cash flows from financing activities</b>	<b>244,524</b>	33,037	<b>247,163</b>	35,611
<b>Net decrease in cash and cash equivalents</b>	<b>46,875</b>	(16,897)	<b>48,307</b>	(14,930)
<b>Movement in cash and cash equivalents</b>				
At April 01,	6,469	32,011	3,484	27,203
Net decrease in cash and cash equivalents	46,875	(16,897)	48,307	(14,930)
At December 31,	53,344	15,114	51,791	12,273

**AIR MAURITIUS LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE ABRIDGED UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED DECEMBER 31, 2019**

**SEGMENT INFORMATION**

**Operating Segments**

	THE COMPANY			TOTAL			SUBSIDIARIES						TOTAL											
	Aircraft operations			Ground operations			THE COMPANY			Investment Property			Hotel & Restaurant			Call Centre		Helicopter		Unallocated		THE GROUP		
	2018	2019	2018	2018	2019	2018	2018	2019	2018	2018	2019	2018	2018	2019	2018	2018	2018	2019	2018	2019	2018	2019	2018	2019
€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Revenue	389,678	389,817	6,432	5,622	396,110	395,439	891	886	-	1,813	6,157	5,311	1,163	1,251	1,163	(6,392)	397,294	398,220						
Operating expenses	(376,663)	(398,179)	(6,221)	(5,920)	(382,884)	(404,099)	(743)	(765)	-	(701)	(5,787)	(5,065)	(1,006)	(897)	(1,006)	7,115	(383,196)	(405,244)						
Segment results	13,015	-8,362	211	-298	13,226	-8,660	148	121	-	1,112	370	246	157	354	157	-	14,098	-7,024						
Administrative expenses					(26,116)	(25,434)	-	-	-	(1,044)	(282)	(156)	(470)	(452)	(470)	(9)	-26,859	-27,104						
Other operating income					6,293	3,496	28	21	-	107	12	-	-	-	-	-	6,333	3,624						
Finance revenue					4,903	6,040	109	271	-	-	-	-	-	-	-	-	5,012	3,952						
Finance cost					(13,161)	(824)	-	-	-	-	(5)	-	-	(7)	-	-	(13,173)	-824						
<b>(Loss)/profit before tax</b>					-14,855	-25,382	285	413	-	175	95	90	(313)	(105)	(313)	(9)	-14,589	-27,376						
Income tax expense					-	-	(43)	(62)	-	-	(16)	(15)	-	-	-	9	-50	-77						
<b>(Loss)/profit for the period</b>					-14,855	-25,382	242	351	-	175	79	75	(313)	(105)	(313)	-	-14,639	-27,453						
<b>(Loss)/profit for the period attributable to:</b>																								
- Owners of the Company					-14,855	-25,382	227	329	-	95	79	75	(313)	(105)	(313)	-	-14,654	-27,555						
- Non-controlling interests					-	-	15	22	-	80	-	-	-	-	-	-	15	102						
					(14,855)	(25,382)	242	351	-	175	79	75	(313)	(105)	(313)	-	(14,639)	(27,453)						

**NOTES TO THE ABRIDGED UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED DECEMBER 31, 2019.**

(1) The accounting policies used in the preparation of the abridged unaudited consolidated and separate financial statements are consistent with those used in the annual consolidated and separate financial statements for the year ended March 31, 2019 except for new standards and interpretations effective as from April 01, 2019.

(2) <b>Exchange Rates</b>	<u>EUR/MUR</u>	<u>EUR/USD</u>
Average for the period April 1, 2019 to December 31, 2019	39.96	1.11
As at December 31, 2019	40.64	1.12

(3) **Analysis of cash and cash equivalents**

	<u>THE GROUP</u>		<u>THE COMPANY</u>	
	<u>Dec-19</u>	<u>Dec-18</u>	<u>Dec-19</u>	<u>Dec-18</u>
	<u>€'000</u>	<u>€'000</u>	<u>€'000</u>	<u>€'000</u>
Cash and cash equivalents	<b>57,957</b>	15,223	<b>56,404</b>	12,273
Bank overdraft	<b>(4,613)</b>	(109)	<b>(4,613)</b>	-
	<b><u>53,344</u></b>	<u>15,114</u>	<b><u>51,791</u></b>	<u>12,273</u>

*Copies of the interim report are available to the public, free of charge, on request at the registered office of the Company, 19th floor, Air Mauritius Centre, President John Kennedy Street, Port Louis and can also be viewed on the Company website [www.airmauritius.com](http://www.airmauritius.com)*

*The statement of direct and indirect interests of insiders required under the rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available at the registered office of the Company, 19th floor, Air Mauritius Centre, President John Kennedy Street, Port Louis.*

*These abridged unaudited financial statements are issued pursuant to Listing Rule 12.20 and the Securities Act 2005. The Board of Directors of Air Mauritius Limited accepts full responsibility for the accuracy of the information contained in these abridged unaudited financial statements.*

13 -Feb-2020