

LOUIS PLC – RESULTS 2020

Turnover for the year ended 31 December 2020 was only €16,7 million compared to €215,6 million in 2019, showing a decrease of €198,9 million (92,3%) mainly due to the Coronavirus pandemic (COVID-19), which negatively affected the Group's operations.

Due to this unprecedented negative effect, the Group temporarily suspended its main business activities as from 16 March 2020 and with the exception of specific hotels, **re-operated** in July 2020. During the suspension period all hotels in both Cyprus and Greece remained closed and its vessels laid up securely in the port of Piraeus.

Despite the significant reduction of Coronavirus cases during the summer months of 2020, there was, a deterioration of the situation in the last months of the year with a significant increase of Coronavirus cases in both Cyprus and Greece. As a result, the governments in both countries took stricter measures, which included restrictions in the movement of the population, closure of leisure centers and restrictions on the operation of hotel units. As a result, the Group experienced a sharp decline in turnover, which negatively affected its liquidity. The Management of the Group re-assesses the financial viability of the Group on a continuous basis adopting an action plan, which among others include securing additional funding from banks and reducing operating expenses as much as possible, to enhance and strengthen its liquidity. (Going Concern)

The Management of the Group is positive that in 2021 the cases of Coronavirus in Cyprus and Greece will demonstrate a significant reduction during the second half of year, so that the gradual lifting of restrictions and the recovery of the global economy will begin, with a positive impact on the tourism industry and effectively on the Group's financial results.

The earnings before interest, taxes, depreciation, and amortization (EBITDA) for 2020 showed a negative deviation of €98,0 million, recording a loss of €29,1 million in relation to a profit of € 69,0 million in 2019. The operating results were significantly affected by the fact that for most of 2020 almost all the Group's operations were suspended due to the Coronavirus pandemic (COVID-19). Both, the vessels, and the hotels of the Group did not operate during most of the year, and in some cases remain inactive even until today.

The consolidated net profit after tax attributable to the Company's shareholders amounted to €12,8 million in 2020 compared to €18,2 million in 2019. In other words, there was a significant reduction in the net results for the year by €5,4 million. This is mainly due to the following factors:

- The results from operations after the net financing costs of the Group showed a loss of €69,3 million against a profit of €20,1 million in 2019. In other words, there was a negative deviation of €89,4 million mainly due to impact of the Coronavirus pandemic (COVID-19), despite immediate measures to reduce costs, while suspending operations. Additionally, the results from operations include a loss of €4 million on zero collar fuel cost hedging instruments since these were not effective in 2020, and a loss of €3,1 million related to immovable property taxation provision.
- The operating loss after net financing costs was more than covered by the significant profit of €84,0 million realized from the sale of five hotel units in Greece.
- Moreover, the Group recognized a loss of €2,8 million from the modification of borrowings in 2020 in accordance with the provisions of IFRS 9 whereas in 2019, the Group had recognized a profit from the restructuring of Celestyal debt of €17 million.
- The consolidated results for the year 2019 included a loss of € 14,0 million related to impairment of the value of cruise ships.
- The reduction of taxation for the year 2020 amounting to €5,8 million, is mainly due to the reduction of corporate tax but also due to the reduction of deferred taxation and increase of provisions of previous years' during 2020.

To deal with the Coronavirus pandemic, the Group took all the necessary measures to limit costs and expenses, while at the same time applied to both Cyprus and Greek Governments for support for both employees and business. At the same time, in 2020, there was a suspension of capital and interest payments for all loans, supporting in this way the availability of liquidity.

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CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the year ended 31 December 2020

	Note	2020 €'000	2019 €'000
Revenue	4, 5	<u>16.676</u>	<u>215.563</u>
Operating Expenses		(24.248)	(80.174)
Personnel Expenses		(24.676)	(60.766)
Administration and other expenses		(5.861)	(10.557)
Rent concessions due to COVID-19	26	8.441	-
Other income	6	<u>592</u>	<u>4.885</u>
		<u>(45.752)</u>	<u>(146.612)</u>
Operating (loss)/profit before interest, tax, depreciation and amortisation		(29.076)	68.951
Depreciation, amortisation and write-offs	15, 17	(13.345)	(17.657)
Depreciation of right of use assets	16	(11.028)	(10.536)
Other amortisations		<u>31</u>	<u>114</u>
(Loss)/Profit from operations	7	<u>(53.418)</u>	<u>40.872</u>
Finance income		1.321	370
Finance costs		<u>(17.174)</u>	<u>(21.164)</u>
Net finance costs	8	<u>(15.853)</u>	<u>(20.794)</u>
(Loss)/Profit from operations after net finance costs		<u>(69.271)</u>	<u>20.078</u>
Loss from impairment of assets	9	-	(14.000)
Net loss from loan modifications	25	(2.784)	-
Net gain from debt restructuring	25	-	16.969
Net profit from the disposal of assets and liabilities classified as held for sale	13	83.991	-
Gain from the disposal of property, vessels, plant and equipment	15	<u>10</u>	<u>10</u>
Other net profits		<u>81.217</u>	<u>2.979</u>
Profit before tax		11.946	23.057
Tax	11	<u>928</u>	<u>(4.873)</u>
Profit for the year		<u>12.874</u>	<u>18.184</u>
Profit for the year attributable to:			
Shareholder of the Company		12.813	18.173
Non-controlling interest		<u>61</u>	<u>11</u>
Profit for the year		<u>12.874</u>	<u>18.184</u>
Profit per share			
Basic and fully distributed profit per share (€ cent)	14	<u>2.78</u>	<u>3.95</u>

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CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2020

	Note	2020 €'000	2019 €'000
Profit for the year		12.874	18.184
Other comprehensive income			
Amounts not included in the consolidated statement of profit and loss			
Deferred tax from revaluation of land and buildings	29	(13)	(73)
Movement in employee benefit liability	32	7	(70)
Deferred tax from movement in employee benefit liability	29	(2)	21
Decrease of deferred tax due to change in the Greek income tax rate adjusted to reserves	29	-	96
		(8)	(26)
Amounts that may or may not be reclassified in the consolidated statement of profit and loss			
Exchange rate (loss)/gain related to a subsidiary in foreign currency		(5)	11
Fair value (loss)/profit from cash flow hedges	39	(53)	1.922
		(58)	1.933
Other (expenses)/ income of the year		(66)	1.907
Profit for the year		12.808	20.091
Profit for the year attributable to:			
Shareholders of the Company		12.747	20.080
Non-controlling interest		61	11
Profit for the year		12.808	20.091

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Note	2020 €'000	2019 €'000
Assets			
Property, vessels, plant and equipment	15	124.832	121.220
Right of use asset	16	200.314	205.611
Intangible assets	17	472	277
Financial assets at fair value through OCI		8	8
Deferred Tax	29	1.830	-
Non-current assets		<u>327.456</u>	<u>327.116</u>
Inventory	19	3.118	3.743
Trade and other receivables	20	14.009	11.276
Receivables from related parties	33	12.625	123
Derivative financial instruments	39	-	53
Refundable taxes	31	362	922
Bank deposits	21	12.748	25.999
Cash and cash equivalents	22	27.431	13.495
		70.293	55.611
Assets classified as held for sale	13	-	122.071
Current Assets		<u>70.293</u>	<u>177.682</u>
Total Assets		<u>397.749</u>	<u>504.798</u>
Equity			
Share Capital	23	9.211	9.211
Reserves	24	32.606	19.859
Equity attributable to owners of the Company		41.817	29.070
Non-controlling Interest		101	49
Total Equity		<u>41.918</u>	<u>29.119</u>
Liabilities			
Borrowings	25	95.590	162.151
Lease liabilities	26	188.311	187.036
Other liabilities	27	433	368
Trade and other payables	30	1.422	-
Deferred income	28	636	666
Deferred tax	29	9.745	9.733
Non-current liabilities		<u>296.137</u>	<u>359.954</u>
Bank overdrafts	22	4.775	9.405
Borrowings	25	7.756	10.974
Lease liabilities	26	4.357	3.670
Trade and other payables	30	27.205	27.487
Payables to related parties	33	599	541
Deferred income	28	31	32
Contract liabilities	4	14.590	8.734
Tax liability	31	381	-
		59.694	60.843
Liabilities classified as held for sale	13	-	54.882
Current liabilities		<u>59.694</u>	<u>115.725</u>
Total liabilities		<u>355.831</u>	<u>475.679</u>
Total Equity and Liabilities		<u>397.749</u>	<u>504.798</u>

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