

**CONSTANCE HOTELS SERVICES LIMITED AND ITS SUBSIDIARIES**

THE GROUP - (MUR'000)	STATEMENT OF PROFIT OR LOSS				
	6 months to		3 months to		12 months to
	Jun-22 Unaudited	Jun-21 Unaudited	Jun-22 Unaudited	Jun-21 Unaudited	Dec-21 Audited
Revenue	2,495,064	701,016	1,050,173	295,174	2,439,188
Earnings/(loss) before interest, taxation, depreciation and amortisation	739,846	(75,989)	147,560	(73,376)	534,085
Allowance charged on expected credit losses on trade receivables	-	(2,512)	3,770	(1,285)	(9,644)
Depreciation and amortisation	(315,105)	(301,123)	(156,533)	(148,434)	(614,521)
Operating profit/(loss)	424,741	(379,624)	(5,203)	(223,095)	(90,080)
Finance income	4,998	7,920	1,104	4,101	10,156
Finance costs	(295,374)	(246,105)	(142,013)	(120,346)	(597,057)
Share of results of associates	64,624	(91,451)	3,752	(5,668)	(61,704)
Profit/(loss) before taxation	198,989	(709,260)	(142,360)	(345,008)	(738,685)
Income tax (expense)/credit	(20,846)	(4,552)	(6,275)	(2,018)	25,187
Profit/(loss) for the period	178,143	(713,812)	(148,635)	(347,026)	(713,498)
Attributable to:					
Owners of the parent	172,076	(704,142)	(149,017)	(345,841)	(708,353)
Non-controlling interests	6,067	(9,670)	382	(1,185)	(5,145)
	178,143	(713,812)	(148,635)	(347,026)	(713,498)
Earnings/(loss) per share (MUR)	1.57	(6.42)	(1.36)	(3.15)	(6.46)

**COMMENTS**

**1 Consolidation and Accounting Standards**

The abridged financial statements for the quarter and half year ended 30 June 2022 are unaudited. The accounting policies and standards used in the preparation of these abridged unaudited financial statements are consistent with those used in the audited financial statements for the year ended 31 December 2021.

**2 General Comments**

The first semester of 2022 saw positive recovery of tourist arrivals in our key markets. During the period, Maldives and Seychelles, which received 813,211 and 156,287 arrivals respectively are nearing pre-pandemic levels. Tourists arrivals to Mauritius, which reopened for business in third quarter of 2021, totalled 376,556 visitors during the same period.

Constance Hotels owned and managed resorts' performance for the six months was satisfactory in all principal operating destinations, achieving combined occupancy of 70.6% (2019: 67.3%), enhanced RevPAR of MUR 12,424 (2019: MUR 10,298) and TrevPAR of MUR 21,212 (2019: MUR 16,867).

**3 Results**

Group revenue was MUR 2,495 million (June 2021: MUR 701 million) generating an EBITDA of MUR 740 million against loss before interest, taxation, depreciation and amortisation of MUR 76 million for the same period last year. Finance costs for the period were at MUR 295 million compared to MUR 246 million for the first semester 2021.

Share of profit from associates generated mainly from our operations in the Seychelles, amounted to MUR 65 million (June 2021: loss of MUR 91 million).

After accounting for income tax of MUR 21 million (June 2021: MUR 5 million), the Group profit for the period was MUR 178 million (June 2021: loss of MUR 714 million).

**4 Outlook**

Global geo-political and economic uncertainties, the conflict in Ukraine and the prolonged impact of the pandemic remain concerns for international travellers.

Nevertheless, all our hotels are seeing encouraging booking trends and we are confident that, unless impacted by unforeseen events, they should maintain their recovery pace in arrivals. Our property in Madagascar is also showing a positive trend following the recent reopening of its borders.

In light of the above, with the good positioning of our hotels in the market, we expect a better than anticipated performance in the upcoming quarters and a positive overall result for 2022.

**By order of the Board**

**ECS Secretaries Ltd  
Secretary**

**12 August 2022**

The statement of direct and indirect interests of insiders pursuant to rule 8(2)(m) of the Securities (Disclosure obligations of Reporting Issuers) Rules 2007 is available free of charge upon request from the Company Secretary, ECS Secretaries Ltd, 3rd Floor, Labama House, 35 Sir William Newton Street, Port Louis. The financial statements are issued pursuant to DEM Listing Rule 17 and Securities Act 2005. The Board of Constance Hotels Services Ltd accepts full responsibility for the accuracy of these financial statements. Copies of these abridged unaudited financial statements are available to the public free of charge at 3rd floor, Labama House, 35 Sir William Newton Street, Port Louis, Mauritius.

THE GROUP - (MUR'000)	STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME				
	6 months to		3 months to		12 months to
	Jun-22 Unaudited	Jun-21 Unaudited	Jun-22 Unaudited	Jun-21 Unaudited	Dec-21 Audited
Profit/(loss) for the period	178,143	(713,812)	(148,635)	(347,026)	(713,498)
Other comprehensive income for the period	(69,354)	153,805	(106,113)	164,509	75,038
Total comprehensive income for the period	108,789	(560,007)	(254,748)	(182,517)	(638,460)
Attributable to:					
Owners of the parent	102,333	(553,272)	(255,074)	(183,246)	(635,314)
Non-controlling interests	6,456	(6,735)	326	729	(3,146)
	108,789	(560,007)	(254,748)	(182,517)	(638,460)

THE GROUP - (MUR'000)	STATEMENT OF FINANCIAL POSITION			
	Jun-22 Unaudited	Jun-21 Unaudited	Dec-21 Audited	
	<b>Assets</b>			
<b>Non-Current Assets</b>				
Property, plant and equipment	8,164,728	8,331,183	8,245,812	
Rights-of-use assets	4,266,525	4,404,369	4,312,286	
Intangible assets	6,531	11,590	8,728	
Investments in associates	2,006,481	2,065,370	2,029,957	
Deferred tax assets	113,002	74,925	113,008	
	14,557,267	14,887,437	14,709,791	
<b>Current Assets</b>	1,325,722	886,112	1,368,046	
<b>Total Assets</b>	15,882,989	15,773,549	16,077,837	
<b>Equity and Liabilities</b>				
Owners' interest	4,226,902	4,266,346	4,135,867	
Convertible bonds	646,980	-	646,980	
Non-controlling interests	(33,157)	(27,908)	(19,767)	
<b>Total equity</b>	4,840,725	4,238,438	4,763,080	
<b>Non-Current Liabilities</b>				
Borrowings	5,421,026	4,582,026	4,902,870	
Lease liabilities	4,015,988	3,988,323	4,029,268	
Deferred tax liabilities	23,789	39,293	23,791	
Employee benefit liabilities	390,826	316,435	390,826	
	9,851,629	8,926,077	9,346,755	
<b>Current Liabilities</b>	1,190,635	2,609,034	1,968,002	
<b>Total Liabilities</b>	11,042,264	11,535,111	11,314,757	
<b>Total Equity and Liabilities</b>	15,882,989	15,773,549	16,077,837	
Net Asset Value per share (MUR)	38.55	38.91	37.72	

THE GROUP - (MUR'000)	STATEMENT OF CASH FLOW		
	6 months to		12 months to
	Jun-22 Unaudited	Jun-21 Unaudited	Dec-21 Audited
Net cash generated from/(used in) operating activities	501,410	(129,108)	5,523
Net cash used in investing activities	(42,060)	(71,642)	(18,140)
Net cash (used in)/generated from financing activities	(135,045)	(421,712)	340,344
Increase/(decrease) in cash and cash equivalents	324,305	(622,462)	327,727
Foreign exchange difference	12,137	(4,557)	(5,334)
Cash and cash equivalents at beginning of the period	(241,803)	(564,196)	(564,196)
Cash and cash equivalents at end of the period	94,639	(1,191,215)	(241,803)

THE GROUP - (MUR'000)	STATEMENT OF CHANGES IN EQUITY						
	Attributable to owners of the parent				Convertible bonds	Non-controlling interests	Total
	Stated capital	Other reserves	Retained earnings	Owners' interest			
Balance at January 1, 2022	2,153,395	3,678,266	(1,695,794)	4,135,867	646,980	(19,767)	4,763,080
Total comprehensive income for the period	-	(69,743)	172,076	102,333	-	6,456	108,789
Interest on convertible bonds	-	-	(11,298)	(11,298)	-	(215)	(11,513)
Dividends	-	-	-	-	-	(19,631)	(19,631)
Balance at June 30, 2022	2,153,395	3,608,523	(1,535,016)	4,226,902	646,980	(33,157)	4,840,725
Balance at January 1, 2021	2,153,395	3,605,227	(939,004)	4,819,618	-	(11,965)	4,807,653
Total comprehensive income for the period	-	150,870	(704,142)	(553,272)	-	(6,735)	(560,007)
Dividends	-	-	-	-	-	(9,208)	(9,208)
Balance at June 30, 2021	2,153,395	3,593,503	(1,297,306)	4,266,346	-	(19,429)	4,238,438
Balance at January 1, 2021	2,153,395	3,605,227	(939,004)	4,819,618	-	(11,965)	4,807,653
Total comprehensive income for the period	-	73,039	(708,353)	(635,314)	-	(3,146)	(638,460)
Issue of convertible bonds	-	-	-	-	646,980	-	646,980
Changes in percentage holding of subsidiary	-	-	(38,813)	(38,813)	-	38,813	-
Interest on convertible bonds	-	-	(9,624)	(9,624)	-	(183)	(9,807)
Dividends	-	-	-	-	-	(43,286)	(43,286)
Balance at December 31, 2021	2,153,395	3,678,266	(1,695,794)	4,135,867	646,980	(19,767)	4,763,080

THE GROUP - (MUR'000)	GEOGRAPHICAL INFORMATION					
	6 months to Jun-22			6 months to Jun-21		
	Mauritius	Maldives	Total	Mauritius	Maldives	Total
Revenue	1,317,730	1,177,334	2,495,064	114,039	586,977	701,016
Operating profit/(loss)	248,324	176,417	424,741	(293,239)	(86,385)	(379,624)