

## HOTELEST LIMITED AND ITS SUBSIDIARIES

### Abridged audited financial statements for the year ended 31 December 2022

STATEMENT OF PROFIT OR LOSS			COMMENTS
	Dec 2022 Audited	Dec 2021 Audited	
<b>THE GROUP - (MUR'000)</b>			<b>1. Principal activity</b>
Revenue	5,091,004	2,439,188	The only activity of Hotelest Limited is to hold 51% of the share capital of Constance Hotels Services Limited (CHSL).
Earnings before interest, taxation, depreciation and amortisation	1,522,354	532,273	<b>2. Consolidation and Accounting Standards</b>
Allowance raised on expected credit losses:			The financial statements comply with the Companies Act 2001 and Financial Reporting Act 2004 and have been prepared in accordance with International Financial Reporting Standards effective for the year under review. The financial statements for the year ended 31 December 2022 have been audited by Ernst and Young.
- on trade receivables	(22,732)	(9,644)	<b>3. General Comments</b>
Depreciation and amortisation	(638,064)	(614,521)	2022 showed increasing tourists arrivals in all CHSL's hotels' destinations compared to 2021, and demand was stronger in its main source markets.
Operating profit/(loss)	861,558	(91,892)	Hence, for the year 2022, Maldives and Seychelles achieved 98% and 86%, of their pre-pandemic levels of arrivals.
Finance income	14,610	10,156	Mauritius, whilst maintaining some health protocols at the beginning of 2022, still achieved a commendable recovery of 72% of 2019 tourists arrivals and nearly 79% of the 2019 tourists nights for the year. The increasing arrivals in Mauritius in the last quarter 2022 from CHSL's European main source markets led to a recovery rate of 88% compared to the last quarter 2019.
Finance costs	(640,545)	(597,271)	<b>4. Resorts Performances</b>
Share of results of associates	150,616	(61,704)	CHSL's owned and managed hotels achieved excellent performances during the last quarter 2022 with a combined occupancy of 76.2% (2019: 71.1%), improved RevPAR of MUR 15,980 (2019: MUR 12,639) and TrevPAR of MUR 21,869 (2019: MUR 19,951).
Profit/(loss) before taxation and non-recurring items	386,239	(740,711)	For the year 2022, the overall combined occupancy of 73.6% (2019: 66.7%), RevPAR of MUR 12,935 (2019: MUR 10,391) and TrevPAR of MUR 21,848 (2019: MUR 17,037) were reached.
Income tax (expense)/credit	(141,539)	25,187	<b>5. Results</b>
Profit/(loss) for the year	244,700	(715,524)	CHSL's Group revenue for the year doubled to MUR 5,091 million, from MUR 2,439 million in 2021. This excellent performance in revenue combined with efficient cost management contributed to EBITDA of MUR 1,522 million (2021: MUR 532 million). Finance costs, inclusive of interest on lease liabilities, increased from MUR 597 million to MUR 640 million mainly due to the increase in interest rates.
Attributable to:			The good performance of CHSL's associated companies contributed to a share of profit of MUR 151 million in 2022 compared to a loss of MUR 62 million in 2021.
Owners of the parent	111,899	(363,286)	After booking tax expense of MUR 142 million (2021: tax credit of MUR 25 million), Group profit for the year was MUR 245 million (2021: loss of MUR 716 million).
Non-controlling interests	132,801	(352,238)	<b>6. Outlook 2023</b>
	244,700	(715,524)	As we move into 2023, the near to medium term outlook is very encouraging for CHSL's main destinations and its hotels. Nonetheless, CHSL remains cautious as geopolitical and economic conditions continue to be unstable, among which inflationary pressures are bringing more challenges to the sector.
Basic and diluted earnings/(loss) per share (MUR)	2.00	(6.50)	<b>By order of the Board</b>

### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Dec 2022 Audited	Dec 2021 Audited
<b>THE GROUP - (MUR'000)</b>		
Profit/(loss) for the year	244,700	(715,524)
Other comprehensive income for the year	121,423	75,038
Total comprehensive income for the year	366,123	(640,486)
Attributable to:		
Owners of the parent	173,727	(326,037)
Non-controlling interests	192,396	(314,449)
	366,123	(640,486)

### STATEMENT OF FINANCIAL POSITION

	Dec 2022 Audited	Dec 2021 Audited
<b>THE GROUP - (MUR'000)</b>		
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	8,314,067	8,245,812
Right-of-use assets	4,146,020	4,312,286
Intangible assets	8,184	8,728
Investments in associates	2,099,623	2,029,957
Deferred tax assets	97,629	113,008
	14,665,523	14,709,791
<b>Current Assets</b>	1,745,942	1,368,837
<b>Total Assets</b>	16,411,465	16,078,628
<b>Equity and Liabilities</b>		
Owners' interest	2,263,315	2,102,001
Convertible bonds	961,715	646,980
Non-controlling interests	2,151,538	2,006,807
<b>Total equity</b>	5,376,568	4,755,788
<b>Non-Current Liabilities</b>		
Borrowings	4,922,619	4,902,870
Lease Liabilities	4,014,561	4,029,268
Deferred tax liabilities	92,418	23,791
Employee benefit obligations	507,757	390,826
	9,537,355	9,346,755
<b>Current Liabilities</b>	1,497,542	1,976,085
<b>Total Liabilities</b>	11,034,897	11,322,840
<b>Total Equity and Liabilities</b>	16,411,465	16,078,628
Net Asset Value per share (MUR) - excluding convertible bonds and non-controlling interests	40.47	37.59

### STATEMENT OF CASH FLOW

	Dec 2022 Audited	Dec 2021 Audited
<b>THE GROUP - (MUR'000)</b>		
Net cash generated from operating activities	1,286,948	4,331
Net cash used in investing activities	(199,263)	(18,140)
Net cash (used in)/generated from financing activities	(507,027)	340,915
Net increase in cash and cash equivalents	580,658	327,106
Foreign exchange difference	4,488	(5,334)
Cash and cash equivalents at beginning of the year	(243,697)	(565,469)
Cash and cash equivalents at end of the year	341,449	(243,697)

### GEOGRAPHICAL INFORMATION

	Revenue from external customers	
	Dec 2022	Dec 2021
<b>THE GROUP - (MUR'000)</b>		
Mauritius	2,958,406	1,046,613
Maldives	2,132,598	1,392,575
Total	5,091,004	2,439,188
	<b>Total Assets</b>	
	Dec 2022	Dec 2021
Mauritius	9,634,543	9,091,084
Maldives	6,776,922	6,987,544
Total	16,411,465	16,078,628

### STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent						
	Stated capital	Revaluation and other reserves	Retained earnings	Owners' interest	Convertible bonds	Non-controlling interests	Total equity
<b>At January 1, 2022</b>	1,102,001	1,851,250	(851,250)	2,102,001	646,980	2,006,807	4,755,788
Profit for the year	-	-	111,899	111,899	-	132,801	244,700
Other comprehensive income for the year	-	61,829	-	61,829	-	59,594	121,423
Issue of convertible bonds, net of transaction costs	-	-	-	-	314,735	-	314,735
Interest on convertible bonds	-	-	(12,414)	(12,414)	-	(12,422)	(24,836)
Dividends	-	-	-	-	-	(35,242)	(35,242)
<b>At December 31, 2022</b>	1,102,001	1,913,079	(751,765)	2,263,315	961,715	2,151,538	5,376,568
<b>At January 1, 2021</b>	1,102,001	1,814,000	(463,261)	2,452,740	-	2,349,646	4,802,386
Loss for the year	-	-	(363,286)	(363,286)	-	(352,238)	(715,524)
Other comprehensive income for the year	-	37,250	-	37,250	-	37,789	75,039
Issue of convertible bonds, net of transaction costs	-	-	-	-	646,980	-	646,980
Changes in percentage holding of subsidiary	-	-	(19,795)	(19,795)	-	19,795	-
Interest on convertible bonds	-	-	(4,908)	(4,908)	-	(4,899)	(9,807)
Dividends	-	-	-	-	-	(43,286)	(43,286)
<b>At December 31, 2021</b>	1,102,001	1,851,250	(851,250)	2,102,001	646,980	2,006,807	4,755,788

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