

HOTELEST LIMITED AND ITS SUBSIDIARIES

Abridged interim unaudited financial statements for the period ended March 31, 2022

STATEMENT OF PROFIT OR LOSS				COMMENTS		
THE GROUP - (MUR'000)	3 months to		12 months to			
	Mar-22 Unaudited	Mar-21 Unaudited	Dec-21 Audited			
Revenue	1,444,891	405,842	2,439,188	1. Principal activity		
Earnings/(loss) before interest, taxation, depreciation and amortisation	591,840	(3,049)	532,273	The only activity of Hotelest Limited is to hold 51% of the share capital of Constance Hotels Services Limited (CHSL).		
Allowance charged on expected credit losses	(3,770)	(1,227)	(9,644)	2. Consolidation and Accounting Standards		
Depreciation and amortisation	(158,572)	(152,689)	(614,521)	The abridged financial statements for the quarter ended 31 March 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.		
Operating profit/(loss)	429,498	(156,965)	(91,892)	3. General Comments		
Finance income	3,894	3,819	10,156	Positive trading conditions from CHSL's key markets during the first quarter 2022 saw an increase in tourists arrivals in the destinations in which the CHSL operates. Whilst Maldives has nearly reached its pre-Covid-19 levels, Seychelles has experienced an increase in arrivals. Mauritius, after opening its borders since October 2021, shows positive and encouraging trends towards tourism recovery. Resorts under Constance Hotels management achieved a satisfying performance during this quarter reaching almost pre-pandemic levels, i.e FY 2019, despite the exponential growth in the Omicron variants.		
Finance costs	(153,394)	(125,778)	(597,271)			
Share of results of associates	60,872	(85,783)	(61,704)			
Profit/(Loss) before taxation	340,870	(364,707)	(740,711)			
Income tax (expense)/credit	(14,571)	(2,534)	25,187			
Profit/(loss) for the period	326,299	(367,241)	(715,524)			
Attributable to:						
Owners of the parent	163,279	(183,189)	(363,286)			
Non-controlling interests	163,020	(184,052)	(352,238)			
Basic and diluted earnings/(loss) per share (MUR)	2.92	(3.28)	(6.50)			
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME						
THE GROUP - (MUR'000)	3 months to		12 months to			
	Mar-22 Unaudited	Mar-21 Unaudited	Dec-21 Audited			
Profit/(loss) for the period	326,299	(367,241)	(715,524)	Combined Occupancy for CHSL's hotels, owned and managed, was 71.1% (2019: 73.4%) with increased RevPAR of MUR 14,510 (2019: MUR 12,464) and TrevPAR of MUR 23,824 (2019: MUR 19,823).		
Other comprehensive income for the period	36,759	(10,704)	75,038	4. Results		
Total comprehensive income for the period	363,058	(377,945)	(640,486)	Group revenue was MUR 1,445 million (March 2021: MUR 406 million) generating an EBITDA of MUR 592 million against loss of MUR 3 million for the same period last year. Finance costs for the period were slightly higher at MUR 153 million compared to MUR 126 million for the first quarter 2021.		
Attributable to:						
Owners of the parent	181,798	(189,169)	(326,037)	Share of profit from associates amounted to MUR 61 million (2021: Loss MUR 86 million), derived mainly from CHSL's operations in the Seychelles.		
Non-controlling interests	181,260	(188,776)	(314,449)	After accounting for taxation of MUR 15 million (2021: MUR 3 million), the Group profit for the period was MUR 326 million.		
	363,058	(377,945)	(640,486)	5. Outlook		
STATEMENT OF FINANCIAL POSITION						
THE GROUP - (MUR'000)	Mar-22		Mar-21	Dec-21		
	Unaudited	Unaudited	Unaudited	Audited		
Assets						
Non-Current Assets						
Property, plant and equipment	8,222,988	8,249,582	8,245,812			
Rights-of-use assets	4,314,124	4,285,970	4,312,286			
Intangible assets	7,239	12,840	8,728			
Investments in associates	2,110,224	1,953,619	2,029,957			
Deferred tax assets	113,002	75,096	113,008			
Current Assets	14,767,577	14,577,107	14,709,791			
Total Assets	15,880,564	15,487,103	16,078,628			
Equity and Liabilities						
Owners' interest	2,280,935	2,263,571	2,102,001			
Convertible bonds	646,980	-	646,980			
Non-controlling interests	2,185,210	2,160,870	2,006,807			
Total equity	5,113,125	4,424,441	4,755,788			
Non-Current Liabilities						
Borrowings	5,489,377	4,634,216	4,902,870			
Lease liabilities	4,079,471	3,931,983	4,029,268			
Deferred tax liabilities	23,789	39,199	23,791			
Employee benefit obligations	390,826	316,435	390,826			
Current Liabilities	9,983,463	8,921,833	9,346,755			
Total Liabilities	11,234,963	11,062,662	11,322,840			
Total Equity and Liabilities	16,348,088	15,487,103	16,078,628			
Net Asset Value per share (MUR)	40.79	40.48	37.59			
STATEMENT OF CASH FLOW						
THE GROUP - (MUR'000)	3 months to		12 months to			
	Mar-22 Unaudited	Mar-21 Unaudited	Dec-21 Audited			
Net cash generated from operating activities	459,586	2,418	4,331			
Net cash used in investing activities	(87,663)	(6,907)	(18,140)			
Net cash generated from/(used in) financing activities	122,735	(172,365)	340,915			
Increase/(decrease) in cash and cash equivalents	494,658	(176,854)	327,106			
Foreign exchange difference	4,806	(2,275)	(5,334)			
Cash and cash equivalents at beginning of the period	(243,697)	(565,469)	(565,469)			
Cash and cash equivalents at end of the period	255,767	(744,598)	(243,697)			
STATEMENT OF CHANGES IN EQUITY						
THE GROUP - (MUR'000)	Attributable to owners of the parent					
	Stated capital	Revaluation and other reserves	Retained earnings	Owners' interest	Convertible bonds	Non-controlling interests
At January 1, 2022	1,102,001	1,851,250	(851,250)	2,102,001	646,980	2,006,807
Total comprehensive income for the period	-	18,519	163,279	181,798	-	181,260
Interest on convertible bonds	-	-	(2,864)	(2,864)	-	(2,857)
Balance at March 31, 2022	1,102,001	1,869,769	(690,835)	2,280,935	646,980	2,185,210
Balance at January 1, 2021	1,102,001	1,814,000	(463,261)	2,452,740	-	2,349,646
Total comprehensive income for the period	-	(5,980)	(183,189)	(189,169)	-	(188,776)
Balance at March 31, 2021	1,102,001	1,808,020	(646,450)	2,263,571	-	2,160,870
At January 1, 2021	1,102,001	1,814,000	(463,261)	2,452,740	-	2,349,646
Loss for the year	-	-	(363,286)	(363,286)	-	(352,238)
Other comprehensive income for the year	-	37,250	-	37,250	-	37,789
Issue of convertible bonds, net of transaction costs	-	-	-	-	646,980	-
Changes in percentage holding of subsidiary	-	-	(19,795)	(19,795)	-	19,795
Interest on convertible bonds	-	-	(4,908)	(4,908)	-	(4,899)
Dividends	-	-	-	-	-	(43,286)
At December 31, 2021	1,102,001	1,851,250	(851,250)	2,102,001	646,980	2,006,807
GEOGRAPHICAL INFORMATION						
THE GROUP - (MUR'000)	3 months to Mar-22			3 months to Mar-21		
	Mauritius	Maldives	Total	Mauritius	Maldives	Total
Revenue	738,701	706,190	1,444,891	68,918	336,924	405,842
Operating profit/(loss)	244,204	185,294	429,498	(144,403)	(12,562)	(156,965)