# HOTELEST LIMITED AND ITS SUBSIDIARIES

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

STATEMENT OF PROFIT OR LOSS 3 months to 12 months to THE GROUP - (MUR'000) Mar-22 Mar-21 Dec-21 Unaudited Unaudited Audited Revenue 1,444,891 405,842 2,439,188 Earnings/(loss) before interest, taxation, depreciation and amortisation 591,840 (3,049) 532,273 (3,770) (1,227) (9,644) Allowance charged on expected credit losses Depreciation and amortisation Operating profit/(loss) (158,572) (152,689) (614,521) (156,965) (91,892) 429,498 Finance income 3,819 10,156 3,894 (125,778) Finance costs (153, 394)(597, 271)Share of results of associates (61,704) 60,872 (85,783) Profit/(Loss) before taxation (364,707) (740,711) 340,870 Income tax (expense)/credit (14, 571)(2,534) 25,187 (715,524) Profit/(loss) for the period 326,299 (367,241) Attributable to: Owners of the parent 163.279 (183.189)(363.286) Non-controlling interests (352,238) 163,020 (184,052) 326,299 (367,241) (715,524) Basic and diluted earnings/(loss) per share (MUR) 2.92 (3.28) (6.50)

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

|   | 3 months to |           | 12 months to |  |
|---|-------------|-----------|--------------|--|
| THE GROUP - (MUR'000)                     | Mar-22      | Mar-21    | Dec-21       |  |
|   | Unaudited   | Unaudited | Audited      |  |
| Profit/(loss) for the period              | 326,299     | (367,241) | (715,524)    |  |
| Other comprehensive income for the period | 36,759      | (10,704)  | 75,038       |  |
| Total comprehensive income for the period | 363,058     | (377,945) | (640,486)    |  |
| Attributable to:                          |             |           |              |  |
| Owners of the parent                      | 181,798     | (189,169) | (326,037)    |  |
| Non-controlling interests                 | 181,260     | (188,776) | (314,449)    |  |
|   | 363,058     | (377,945) | (640,486)    |  |
| STATEMENT OF FINANCIAL POSITION           |             |           |              |  |

| THE GROUP - (MUR'000)           | Mar-22<br>Unaudited | Mar-21<br>Unaudited | Dec-21<br>Audited |
|---------------------------------|---------------------|---------------------|-------------------|
| Assets                          | Unaudited           | Unaudited           | Audited           |
| Assets<br>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           |
|                                 | 14,767,577          | 14,577,107          | 14,709,791        |
| Current Assets                  | 1,580,511           | 909,996             | 1,368,837         |
| Total Assets                    | 16,348,088          | 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         | 0,110,120           | -,-2-,              | 4,700,700         |
| 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           |
|                                 | 9,983,463           | 8,921,833           | 9,346,755         |
| Current Liabilities             | 1,251,500           | 2,140,829           | 1,976,085         |
| 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 FLO                                  | w         |              |           |
|--|-----------|--------------|-----------|
| THE GROUP - (MUR'000)                                  | 3 mor     | 12 months to |           |
|  | Mar-22    | Mar-21       | Dec-21    |
|  | Unaudited | Unaudited    | 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) |

### COMMENTS

## 1. Principal activity

The only activity of Hotelest Limited is to hold 51% of the share capital of Constance Hotels Services Limited (CHSL).

#### 2. Consolidation and Accounting Standards

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.

### 3. General Comments

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.

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).

#### 4. <u>Results</u>

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.

Share of profit from associates amounted to MUR 61 million (2021: Loss MUR 86 million), derived mainly from CHSL's operations in the Sevchelles.

After accounting for taxation of MUR 15 million (2021: MUR 3 million), the Group profit for the period was MUR 326 million.

#### 5. Outlook

CHSL remains cautious about the robutsness of the recovery to pre-pandemic levels as economic conditions continue to be volatile. Moreover, the geopolitical context brings more global uncertainty combined with inflationary pressures which are negatively affecting the costs of travel and imported goods.

CHSL's hotels in Mauritius, Seychelles and Maldives still show positive forward booking trends while Madagascar, following its recent border re-opening with sanitary restrictions, will welcome travellers again.

Based on current trends, CHSL believes that the 2022 results will show a positive overall performance, subject to any unforeseen circumstances.

#### By order of the Board

ECS Secretaries Ltd Secretary

#### 13 May 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 Hotelest Limited 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)                                |                | Revaluation and   |                   |                  | Convertible | Non-controlling  |                |
|--|----------------|-------------------|-------------------|------------------|-------------|------------------|----------------|
|  | Stated capital | other reserves    | Retained earnings | Owners' interest | bonds       | interests        | Total equity   |
| At January 1, 2022                                   | 1,102,001      | 1,851,250         | (851,250)         | 2,102,001        | 646,980     | 2,006,807        | 4,755,788      |
| Total comprehensive income for the period            | -              | 18,519            | 163,279           | 181,798          | -           | 181,260          | 363,058        |
| Interest on convertible bonds                        | -              | -                 | (2,864)           | (2,864)          | -           | (2,857)          | (5,721)        |
| Balance at March 31, 2022                            | 1,102,001      | 1,869,769         | (690,835)         | 2,280,935        | 646,980     | 2,185,210        | 5,113,125      |
| Balance at January 1, 2021                           | 1,102,001      | 1,814,000         | (463,261)         | 2,452,740        | -           | 2,349,646        | 4,802,386      |
| Total comprehensive income for the period            | -              | (5,980)           | (183,189)         | (189,169)        | -           | (188,776)        | (377,945)      |
| Balance at March 31, 2021                            | 1,102,001      | 1,808,020         | (646,450)         | 2,263,571        | -           | 2,160,870        | 4,424,441      |
|  |                |                   |                   |                  |             |                  |                |
| At January 1, 2021                                   | 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)       |
| At December 31, 2021                                 | 1,102,001      | 1,851,250         | (851,250)         | 2,102,001        | 646,980     | 2,006,807        | 4,755,788      |
|  | GEOG           | RAPHICAL INFO     | RMATION           |                  |             |                  |                |
| THE GROUP - (MUR'000)                                |                | 3 months to Mar-2 | 2                 |                  | 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)      |
|  |                |                   |                   |                  |             | E                | 3RN: C06014126 |

STATEMENT OF CHANGES IN EQUITY

Attributable to owners of the parent