

**CONSTANCE HOTELS SERVICES LIMITED AND ITS SUBSIDIARIES**

**STATEMENT OF PROFIT OR LOSS**

THE GROUP - (MUR'000)	3 months to		12 months to
	Mar-23 Unaudited	Mar-22 Unaudited	Dec-22 Audited
Revenue	1,791,145	1,444,891	5,091,004
Earnings before interest, taxation, depreciation and amortisation	778,896	592,286	1,524,726
Allowance raised on expected credit losses: - on trade receivables	(3,611)	(3,770)	(22,732)
Depreciation and amortisation	(162,783)	(158,572)	(638,064)
Operating profit	612,502	429,944	863,930
Finance income	6,815	3,894	14,610
Finance costs	(187,125)	(153,361)	(640,205)
Share of results of associates	77,572	60,872	150,616
Profit before taxation	509,764	341,349	388,951
Income tax expense	(36,958)	(14,571)	(141,539)
Profit for the period	472,806	326,778	247,412
Attributable to:			
Owners of the parent	460,548	321,093	224,728
Non-controlling interests	12,258	5,685	22,684
	472,806	326,778	247,412
Basic and diluted earnings per share (MUR)	4.20	2.93	2.05

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

THE GROUP - (MUR'000)	3 months to		12 months to
	Mar-23 Unaudited	Mar-22 Unaudited	Dec-22 Audited
Profit for the period	472,806	326,778	247,412
Other comprehensive income for the period	191,151	36,759	121,423
Total comprehensive income for the period	663,957	363,537	368,835
Attributable to:			
Owners of the parent	650,534	357,407	345,961
Non-controlling interests	13,423	6,130	22,874
	663,957	363,537	368,835

**STATEMENT OF FINANCIAL POSITION**

THE GROUP - (MUR'000)	Mar-23	Mar-22	Dec-22
	Unaudited	Unaudited	Audited
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	8,396,228	8,222,988	8,314,067
Rights-of-use assets	4,241,731	4,314,124	4,146,020
Intangible assets	6,771	7,239	8,184
Investments in associates	2,330,550	2,110,224	2,099,623
Deferred tax assets	97,657	113,002	97,629
	15,072,937	14,767,577	14,665,523
<b>Current Assets</b>	2,054,662	1,579,709	1,745,129
<b>Total Assets</b>	17,127,599	16,347,286	16,410,652
<b>Equity and Liabilities</b>			
Owners' interest	5,099,765	4,487,658	4,457,487
Convertible bonds	961,715	646,980	961,715
Non-controlling interests	(19,418)	(13,742)	(32,630)
<b>Total equity</b>	6,042,062	5,120,896	5,386,572
<b>Non-Current Liabilities</b>			
Borrowings	4,985,837	5,489,377	4,922,619
Lease liabilities	4,152,796	4,079,471	4,014,561
Deferred tax liabilities	95,474	23,789	92,418
Employee benefit liabilities	507,756	390,826	507,757
	9,741,863	9,983,463	9,537,355
<b>Current Liabilities</b>	1,343,674	1,242,927	1,486,725
<b>Total Liabilities</b>	11,085,537	11,226,390	11,024,080
<b>Total Equity and Liabilities</b>	17,127,599	16,347,286	16,410,652
Net Asset Value per share (MUR)	46.51	40.93	40.65

**STATEMENT OF CASH FLOW**

THE GROUP - (MUR'000)	3 months to		12 months to
	Mar-23 Unaudited	Mar-22 Unaudited	Dec-22 Audited
Net cash generated from operating activities	504,064	459,974	1,290,055
Net cash used in investing activities	(76,775)	(87,663)	(199,263)
Net cash (used in)/generated from financing activities	(156,393)	122,331	(509,930)
Increase in cash and cash equivalents	270,896	494,642	580,862
Foreign exchange difference	34,720	4,806	4,488
Cash and cash equivalents at beginning of the period	343,547	(241,803)	(241,803)
Cash and cash equivalents at end of the period	649,163	257,645	343,547

**STATEMENT OF CHANGES IN EQUITY**

**Attributable to owners of the parent**

THE GROUP - (MUR'000)	Stated capital	Revaluation and other reserves	Retained earnings	Owners' interest	Convertible bonds	Non-controlling interests	Total
	Balance at January 1, 2023	2,153,395	3,799,499	(1,495,407)	4,457,487	961,715	(32,630)
Total comprehensive income for the period	-	189,986	460,548	650,534	-	13,423	663,957
Interest on convertible bonds	-	-	(8,256)	(8,256)	-	(211)	(8,467)
Balance at March 31, 2023	2,153,395	3,989,485	(1,043,115)	5,099,765	961,715	(19,418)	6,042,062
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	-	36,314	321,093	357,407	-	6,130	363,537
Interest on convertible bonds	-	-	(5,616)	(5,616)	-	(105)	(5,721)
Balance at March 31, 2022	2,153,395	3,714,580	(1,380,317)	4,487,658	646,980	(13,742)	5,120,896
Balance at January 1, 2022	2,153,395	3,678,266	(1,695,794)	4,135,867	646,980	(19,767)	4,763,080
Profit for the year	-	-	224,728	224,728	-	22,684	247,412
Other comprehensive income for the year	-	121,233	-	121,233	-	190	121,423
Issue of convertible bonds, net of transaction costs	-	-	-	-	314,735	-	314,735
Interest on convertible bonds	-	-	(24,341)	(24,341)	-	(495)	(24,836)
Dividends	-	-	-	-	-	(35,242)	(35,242)
Balance at December 31, 2022	2,153,395	3,799,499	(1,495,407)	4,457,487	961,715	(32,630)	5,386,572

**GEOGRAPHICAL INFORMATION**

THE GROUP - (MUR'000)	3 months to Mar-23			3 months to Mar-22		
	Mauritius	Maldives	Total	Mauritius	Maldives	Total
Revenue	1,013,064	778,081	1,791,145	738,701	706,190	1,444,891
Operating profit	404,836	207,666	612,502	244,650	185,294	429,944

**COMMENTS**

**1 Consolidation and Accounting Standards**

The abridged financial statements for the quarter ended 31 March 2023 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 2022.

**2 General Comments**

2023 started well in terms of tourists arrivals in all of our operating destinations. During the first three months of this year, Mauritius saw an increase in its tourists arrivals reaching 305,197, almost doubling its previous year's arrivals. Maldives and Seychelles had double digits growth in their arrivals compared with 2022.

**TOURISTS ARRIVALS**

	2023	2022	2023 VS 2022	2019	2023 VS 2019
JAN-MAR					
MAURITIUS	305,197	158,818	92.17%	352,305	-13.37%
MALDIVES	513,795	431,520	19.07%	482,978	6.38%
SEYCHELLES	87,567	77,655	12.76%	101,514	-13.74%

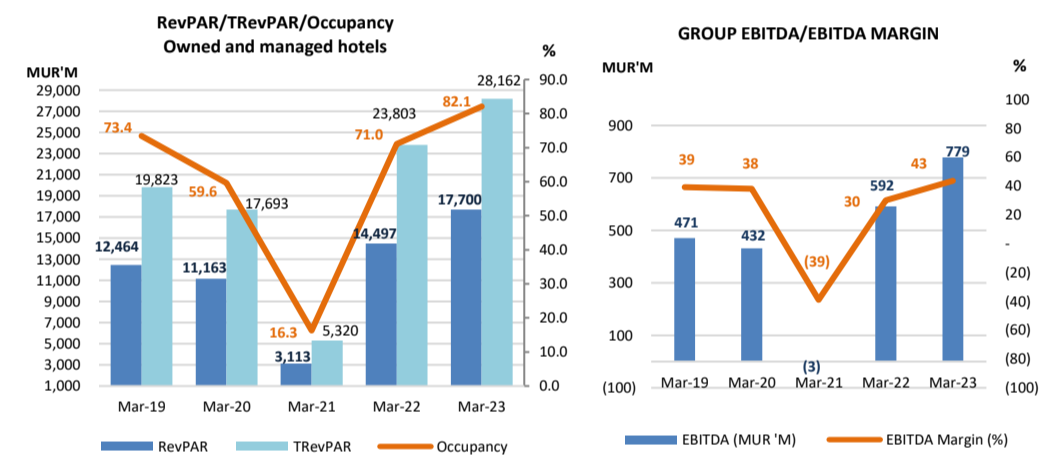
**3 Results**

The first quarter of 2023 was commendable. Combined Owned and Managed hotels' RevPAR and TrevPAR, recorded marked improvement over 2022, achieving MUR 17,700 (2022Q1: MUR 14,497) and MUR 28,162 (2022Q1: MUR 23,803) respectively from a robust occupancy level of 82.1% (2022Q1: 71.0%).

As a result of the above, Group revenue reached MUR 1,791 million (March 2022: MUR 1,445 million) generating an EBITDA of MUR 779 million (March 2022: MUR 592 million). Despite a reduction in our level of debt, finance costs for the period were higher at MUR 187 million compared to MUR 153 million for the first quarter in 2022, due to the significant interest rate hikes recorded as from the second semester of 2022.

Share of profit from associates amounting to MUR 78 million (March 2022: Profit MUR 61 million) was generated mainly from our operations in the Seychelles.

After accounting for taxation of MUR 37 million (March 2022: MUR 15 million), Group profit for the period was MUR 473 million (March 2022: MUR 327 million).



**4 Outlook**

Forward bookings show a positive trend, principally, for our hotels in Mauritius and Seychelles, but remain sensitive to adverse geopolitical events and general inflation affecting the economies of our main source markets. In addition, increasing operational costs and high interest rates cum indebtedness levels which have an impact on our performance are being closely monitored and addressed by Management. Notwithstanding the foregoing, we anticipate the continuing good performance of our operations for 2023.

**By order of the Board**

**ECS Secretaries Ltd**  
Secretary

15 May 2023

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.