

CONSTANCE HOTELS SERVICES LIMITED AND ITS SUBSIDIARIES

STATEMENT OF PROFIT OR LOSS		
THE GROUP - (MUR'000)	Dec-23 Audited	Dec-22 Audited
Revenue	5,727,053	5,091,004
Earnings before interest, taxation, depreciation and amortisation	1,570,906	1,524,726
Allowance charged on expected credit losses on trade receivables	37,634	(22,732)
Depreciation and amortisation	(641,169)	(638,064)
Operating profit	967,371	863,930
Finance income	13,312	14,610
Finance costs		
- on financial debt	(415,065)	(324,237)
- on lease liabilities	(318,438)	(315,968)
Share of results of associates	187,832	150,616
	435,012	388,951
Long term loan receivable from associates written off	(12,698)	-
Profit before taxation	422,314	388,951
Income tax expense	(101,311)	(141,539)
Profit for the year	321,003	247,412
Attributable to:		
Owners of the parent	283,316	224,728
Non-controlling interests	37,687	22,684
	321,003	247,412
Earnings per share (MUR)	2.58	2.05

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
THE GROUP - (MUR'000)	Dec-23 Audited	Dec-22 Audited
Profit for the year	321,003	247,412
Other comprehensive income for the period	187,809	121,423
Total comprehensive income for the period	508,812	368,835
Attributable to:		
Owners of the parent	469,178	345,961
Non-controlling interests	39,634	22,874
	508,812	368,835

STATEMENT OF FINANCIAL POSITION		
THE GROUP - (MUR'000)	Dec-23 Audited	Dec-22 Audited
Assets		
Non-Current Assets		
Property, plant and equipment	8,339,310	8,314,067
Rights-of-use assets	4,517,053	4,146,020
Intangible assets	84,779	8,184
Investments in associates	2,142,768	2,099,623
Deferred tax assets	90,050	97,629
	15,173,960	14,665,523
Current Assets	1,898,600	1,745,129
Total Assets	17,072,560	16,410,652
Equity and Liabilities		
Owners' interest	4,893,110	4,457,487
Convertible bonds	961,715	961,715
Non-controlling interests	(22,817)	(32,630)
Total equity	5,832,008	5,386,572
Non-Current Liabilities		
Borrowings	4,426,100	4,922,619
Lease liabilities	4,349,840	4,014,561
Deferred tax liabilities	142,981	92,418
Employee benefit liabilities	499,822	507,757
	9,418,743	9,537,355
Current Liabilities	1,821,809	1,486,725
Total Liabilities	11,240,552	11,024,080
Total Equity and Liabilities	17,072,560	16,410,652
Net Asset Value per share (MUR)	44.62	40.65

STATEMENT OF CASH FLOW		
THE GROUP - (MUR'000)	Dec-23 Audited	Dec-22 Audited
Net cash generated from operating activities	1,274,672	1,289,538
Net cash used in investing activities	(31,411)	(198,746)
Net cash used in financing activities	(1,209,461)	(509,930)
Increase in cash and cash equivalents	33,800	580,862
Foreign exchange difference	1,607	4,488
Cash and cash equivalents at beginning of the year	343,547	(241,803)
Cash and cash equivalents at end of the year	378,954	343,547

STATEMENT OF CHANGES IN EQUITY							
THE GROUP - (MUR'000)	Attributable to owners of the parent						
	Stated capital	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)	5,386,572
Profit for the year	-	-	283,316	283,316	-	37,688	321,004
Other comprehensive income for the year	-	185,862	-	185,862	-	1,947	187,809
Interest on convertible bonds	-	-	(33,555)	(33,555)	-	(866)	(34,421)
Acquisition of a subsidiary	-	-	-	-	-	8,000	8,000
Dividends	-	-	-	-	-	(36,956)	(36,956)
Balance at December 31, 2023	2,153,395	3,985,361	(1,245,646)	4,893,110	961,715	(22,817)	5,832,008
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

1 Consolidation and Accounting Standards

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 2023 have been audited by Ernst & Young.

2 General Comments

All our market destinations recorded increases in arrivals compared to 2022, although Mauritius and the Seychelles were still below their pre-covid levels.

TOURIST ARRIVALS

	2023	2022	2023 vs 2022	2019	2023 vs 2019
MAURITIUS	1,295,410	997,290	29.9%	1,383,488	-6.4%
MALDIVES	1,878,539	1,675,294	12.1%	1,702,887	10.3%
SEYCHELLES	350,879	332,068	5.7%	384,204	-8.7%

3 Resorts Performances

The performance of our owned and managed hotels in Mauritius, the Seychelles and Madagascar were excellent. On the other hand, our performance in the Maldives was affected by lower occupancies due to fierce competition among luxury hotels and by the opening of 9 new hotels in 2023, alone, representing 2,600 additional beds. Nevertheless, our overall key revenue indicators showed good growth with a combined occupancy rate of 78.2% (2022: 73.6%), RevPAR of MUR 14,451 (2022: MUR 12,944) and TrevPAR of MUR 23,781 in 2023 (2022: MUR 21,848).

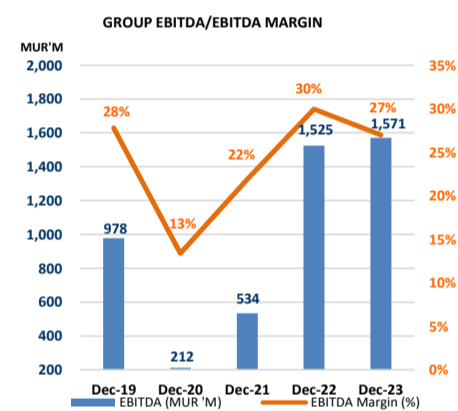
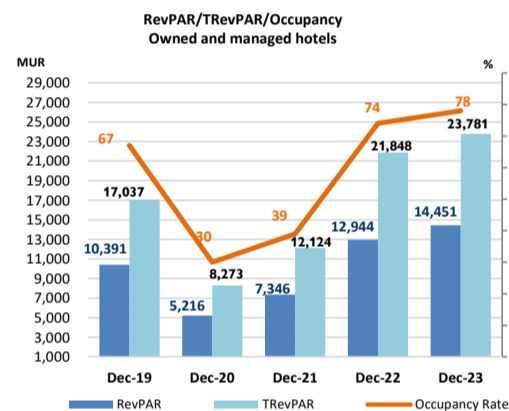
4 Group Results

Group revenue, increased by 12.5% to reach MUR 5,727 million in 2023 (MUR 5,091 million in 2022). The strong resumption of activity and occupancies in our Mauritius properties combined with inflationary pressures on staff costs and imported goods had an impact on operating costs. Consequently, EBITDA increased by 3% and reached MUR 1,570 million (2022: MUR 1,525 million).

Despite a drop in our borrowings from MUR 5.8 billion to MUR 4.8 billion since September 2022, finance costs increased from MUR 324 million to MUR 415 million due to interest rates hikes since July 2022. In addition, MUR 318 million were booked as finance costs on leases.

The excellent performances of our associates in the Seychelles and Madagascar contributed to a share of profit from associates amounting to MUR 188 million, increasing by 24.7% compared to 2022 (MUR 151 million).

Profit for the year increased by 30% and amounted to MUR 321 million (MUR 247 million in 2022) after registering taxation charges of MUR 101 million (MUR 142 million in 2022).



5 New partnership

As previously stated, in line with our strategy to increase our footprint in the Indian Ocean, the company has entered into a partnership with Trimetys Ltd to manage, effective from 1st January 2024, 3 hotels namely, Constance Sakoa Boutique Hotel in Mauritius and, in Rodrigues, Constance Tekoma and C Rodrigues Mourouk. This partnership also encompasses equity investments in both hotels in Rodrigues.

6 Outlook

Improving our top line in the Maldives with better RevPAR remains our top priority and management is implementing a range of measures which should bring benefits. For our other destinations, we anticipate further rise in the number of visitors to our hotels as trends in forward booking remain promising. Further, with new additions in the group's owned and managed hotels there is growth prospect. Nevertheless, there are still a lot of international geopolitical and economic obstacles to overcome particularly in Europe and these could impact our performances.

By order of the Board

ECS Secretaries Ltd
Secretary

28 March 2024

The statement of direct and indirect interests of officers 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 18 and Securities Act 2005. The Board of Constance Hotels Services Limited accepts full responsibility for the accuracy of these financial statements. Copies of this abridged audited financial statements are available to the public free of charge at 3rd floor, Labama House, 35 Sir William Newton Street, Port Louis, Mauritius

GEOGRAPHICAL INFORMATION

THE GROUP - (MUR'000)	Revenue from external customers		Total Assets	
	Dec 2023	Dec 2022	Dec 2023	Dec 2022
Mauritius	3,725,470	2,958,406	10,596,307	9,633,730
Maldives	2,001,583	2,132,598	6,476,253	6,776,922
Total	5,727,053	5,091,004	17,072,560	16,410,652

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