

HOTELEST LIMITED AND ITS SUBSIDIARIES

Abridged interim unaudited financial statements for the period ended March 31, 2024

THE GROUP - (MUR'000)	STATEMENT OF PROFIT OR LOSS		
	3 months to		12 months to
	Mar-24 Unaudited	Mar-23 Unaudited	Dec-23 Audited
Revenue	1,860,928	1,791,145	5,727,053
Earnings before interest, taxation, depreciation and amortisation	784,706	778,440	1,569,015
Allowance (charged)/credited on expected credit losses	(1,383)	(3,611)	37,634
Depreciation and amortisation	(178,200)	(162,783)	(641,169)
Operating profit	605,123	612,046	965,480
Finance income	65	6,815	13,312
Finance costs			
- on financial debt	(105,769)	(104,800)	(415,773)
- on lease liabilities	(86,223)	(82,379)	(318,438)
Share of results of associates	63,187	77,572	187,832
Long term loan receivable from associates written off	476,383	509,254	432,413
	-	-	(12,698)
Profit before taxation	476,383	509,254	419,715
Income tax expense	(53,252)	(36,958)	(101,311)
Profit for the period	423,131	472,296	318,404
Attributable to:			
Owners of the parent	211,644	234,370	141,892
Non-controlling interests	211,487	237,926	176,512
	423,131	472,296	318,404
Basic and diluted earnings per share (MUR)	3.78	4.19	2.54

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 2024 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 2023.

3. General Comments
Tourism continues to grow in CHSL's main operating destinations during the first quarter 2024. The table below shows the tourist arrivals by destination for the first quarter of 2024 and 2023.

	TOURISTS ARRIVALS		
	2024	2023	2024 v/s 2023
MAURITIUS	328,958	305,197	7.79%
MALDIVES	604,004	523,928	15.28%
SEYCHELLES	97,517	87,567	11.36%

New Properties
As previously announced, from January 1, 2024, the Group manages 3 new hotels in Mauritius and Rodrigues. The Group consolidates C Rodrigues Mourouk as a subsidiary and equity accounts Constance Tekoma as an associate.

THE GROUP - (MUR'000)	STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
	3 months to		12 months to
	Mar-24 Unaudited	Mar-23 Unaudited	Dec-23 Audited
Profit for the period	423,131	472,296	318,404
Other comprehensive income for the period	70,004	191,151	187,809
Total comprehensive income for the period	493,135	663,447	506,213
Attributable to:			
Owners of the parent	246,975	331,262	236,682
Non-controlling interests	246,160	332,185	269,531
	493,135	663,447	506,213

Resorts Performance of Main Destinations
Operational results for the first quarter 2024 were satisfactory.
In Mauritius and Maldives, CHSL registered an overall decrease in Occupancies which was compensated by higher Average Room Rates resulting in improved RevPARs.
In the Seychelles, CHSL enjoyed a performance almost at par with 2023 despite a decrease in combined RevPARs. CHSL's newly managed hotels showed very encouraging results, establishing a good base to improve their contributions, going forward.

With the consolidation of the new hotels the key indicators were slightly below those achieved in 2023 which was an excellent year. CHSL's owned and managed hotels' key revenue indicators showed a combined occupancy rate of 72.6% (2023: 82.1%), RevPAR of MUR 16,967 (2023: MUR 17,700) and TRevPAR of MUR 26,652 in 2024 (2023: MUR 28,260).

THE GROUP - (MUR'000)	STATEMENT OF FINANCIAL POSITION		
	3 months to		12 months to
	Mar-24 Unaudited	Mar-23 Unaudited	Dec-23 Audited
Assets			
Non-Current Assets			
Property, plant and equipment	8,446,597	8,396,228	8,339,310
Rights-of-use assets	4,605,319	4,241,731	4,517,053
Intangible assets	85,244	6,771	84,779
Investments in associates	2,258,435	2,330,550	2,142,768
Deferred tax assets	90,047	97,657	90,050
	15,485,642	15,072,937	15,173,960
Current Assets	2,150,175	2,055,413	1,899,636
Total Assets	17,635,817	17,128,350	17,073,596
Equity and Liabilities			
Owners' interest	2,725,607	2,590,366	2,482,884
Convertible bonds	961,715	961,715	961,715
Non-controlling interests	2,616,666	2,479,467	2,374,805
Total equity	6,303,988	6,031,548	5,819,404
Non-Current Liabilities			
Borrowings	4,414,493	4,985,838	4,426,100
Lease liabilities	4,502,737	4,152,796	4,349,840
Deferred tax liabilities	148,208	95,474	142,981
Employee benefit obligations	499,825	507,756	499,822
	9,565,263	9,741,864	9,418,743
Current Liabilities	1,766,566	1,354,938	1,835,449
Total Liabilities	11,331,829	11,096,802	11,254,192
Total Equity and Liabilities	17,635,817	17,128,350	17,073,596
Net Asset Value per share (MUR)	48.74	46.32	44.40

4. Group Results
Group revenue for the first quarter 2024 was enhanced by the good performances of CHSL's resorts in Mauritius and the onboarding of C Rodrigues operations as a subsidiary, increasing from MUR 1,791 million to reach MUR 1,861 million.
Despite significant increases in certain expense items, the overall cost increases were mitigated through effective costs management resulting in an EBITDA of MUR 785 million (2023: MUR 778 million). Total finance costs for the period were slightly higher at MUR 192 million compared to MUR 187 million, mainly due to lease liabilities in C Rodrigues.
The decrease in share of profit from associates from MUR 78 million to MUR 63 million arose mainly from a one-off revenue accounted in one of the associates in 2023. Profit for the first quarter was MUR 423 million (2023: MUR 472 million) after booking for taxation charges of MUR 53 million (2023: MUR 37 million).

5. Outlook
Despite prevailing geopolitical events, CHSL's Mauritius properties show promising forward bookings, surpassing last year's figures. Challenges persist in the Maldives, where CHSL is committing considerable resources to generate additional revenue. The Asian market's gradual recovery in arrival volumes post-COVID presents a positive trend. However, forthcoming months present obstacles due to fierce competition and the delayed opening of the new airport in the Maldives hindering capacity expansion. Seychelles is experiencing a marginally slower pace in bookings but maintains a positive trajectory overall. In Rodrigues, efforts to raise standards are underway, setting the stage for a solid performance in the months ahead.

Should the current trend in CHSL's forward bookings prevail, the latter is confident in achieving last year's performance for 2024.

THE GROUP - (MUR'000)	STATEMENT OF CASH FLOW		
	3 months to		12 months to
	Mar-24 Unaudited	Mar-23 Unaudited	Dec-23 Audited
Net cash generated from operating activities	567,926	503,711	1,272,019
Net cash used in investing activities	(144,543)	(76,775)	(31,411)
Net cash used in financing activities	(226,259)	(156,093)	(1,203,818)
Increase in cash and cash equivalents	197,124	270,843	36,790
Foreign exchange difference	20,544	34,720	1,607
Cash and cash equivalents at beginning of the period	379,846	341,449	341,449
Cash and cash equivalents at end of the period	597,514	647,012	379,846

By order of the Board

ECS Secretaries Ltd
Secretary
10 May 2024

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)	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
At January 1, 2024	1,102,001	2,007,869	(626,986)	2,482,884	961,715	2,374,805	5,819,404
Total comprehensive income for the period	-	35,332	211,644	246,976	-	246,160	493,136
Interest on convertible bonds	-	-	(4,253)	(4,253)	-	(4,299)	(8,552)
Balance at March 31, 2024	1,102,001	2,043,201	(419,595)	2,725,607	961,715	2,616,666	6,303,988
At January 1, 2023	1,102,001	1,913,079	(751,765)	2,263,315	961,715	2,151,538	5,376,568
Total comprehensive income for the period	-	96,892	234,370	331,262	-	332,185	663,447
Interest on convertible bonds	-	-	(4,211)	(4,211)	-	(4,256)	(8,467)
Balance at March 31, 2023	1,102,001	2,009,971	(521,606)	2,590,366	961,715	2,479,467	6,031,548
At January 1, 2023	1,102,001	1,913,079	(751,765)	2,263,315	961,715	2,151,538	5,376,568
Profit for the year	-	-	141,892	141,892	-	176,512	318,404
Other comprehensive income for the year	-	94,790	-	94,790	-	93,019	187,809
Issue of convertible bonds, net of transaction costs	-	-	-	-	-	8,000	8,000
Interest on convertible bonds	-	-	(17,113)	(17,113)	-	(17,308)	(34,421)
Dividends	-	-	-	-	-	(36,956)	(36,956)
Balance at December 31, 2023	1,102,001	2,007,869	(626,986)	2,482,884	961,715	2,374,805	5,819,404

THE GROUP - (MUR'000)	GEOGRAPHICAL INFORMATION					
	3 months to Mar-24			3 months to Mar-23		
	Mauritius	Maldives	Total	Mauritius	Maldives	Total
Revenue	1,093,122	767,806	1,860,928	1,013,064	778,081	1,791,145
Operating profit	397,241	207,882	605,123	404,380	207,666	612,046

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