

# HOTELEST LIMITED AND ITS SUBSIDIARIES

## Abridged interim unaudited financial statements for the period ended September 30, 2024

THE GROUP - (MUR'000)	STATEMENT OF PROFIT OR LOSS				
	9 months to		3 months to		12 months to
	Sep-24 Unaudited	Sep-23 Unaudited	Sep-24 Unaudited	Sep-23 Unaudited	Dec-23 Audited
Revenue	4,383,566	4,087,094	1,264,495	1,118,030	5,727,053
Earnings before interest, taxation, depreciation and amortisation	1,156,921	1,122,399	154,139	162,271	1,569,015
Allowance (charged)/credited on expected credit losses	(13,941)	(5,464)	(938)	1,466	37,634
Depreciation and amortisation	(527,034)	(486,388)	(171,028)	(159,171)	(641,169)
Operating profit/(loss)	615,946	630,547	(17,827)	4,566	965,480
Finance income	2,357	13,294	858	(115)	13,312
Finance costs	(358,525)	(313,836)	(123,386)	(176,672)	(415,773)
- on financial debt	(228,949)	(240,032)	(66,070)	48,454	(318,438)
- on lease liabilities	149,158	139,416	44,494	-	187,832
Share of results of associates	179,987	229,389	(161,931)	(123,767)	432,413
Long term loan receivable from associates written off	-	(12,075)	-	-	(12,698)
Loss on derecognition of Rights-of-use assets	(4,060)	-	-	-	-
Profit/(loss) before taxation	175,927	217,314	(161,931)	(123,767)	419,715
Income tax expense	(73,618)	(55,091)	(8,056)	(9,684)	(101,311)
Profit/(loss) for the period/year	102,309	162,223	(169,987)	(133,451)	318,404
Attributable to:					
Owners of the parent	43,182	69,013	(89,633)	(71,988)	141,892
Non-controlling interests	59,127	93,210	(80,354)	(61,463)	176,512
	102,309	162,223	(169,987)	(133,451)	318,404
Basic and diluted earnings/(loss) per share (MUR)	0.77	1.23	(1.60)	(1.29)	2.54

THE GROUP - (MUR'000)	STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME				
	9 months to		3 months to		12 months to
	Sep-24 Unaudited	Sep-23 Unaudited	Sep-24 Unaudited	Sep-23 Unaudited	Dec-23 Audited
Profit/(loss) for the period/year	102,309	162,223	(169,987)	(133,451)	318,404
Other comprehensive income/(loss) for the period/year	125,420	72,815	30,769	(96,561)	187,809
Total comprehensive income/(loss) for the period/year	227,729	235,038	(139,218)	(230,012)	506,213
Attributable to:					
Owners of the parent	106,521	105,985	(74,132)	(120,853)	236,682
Non-controlling interests	121,208	129,053	(65,086)	(109,159)	269,531
	227,729	235,038	(139,218)	(230,012)	506,213

THE GROUP - (MUR'000)	STATEMENT OF FINANCIAL POSITION		
	Sep-24 Unaudited	Sep-23 Unaudited	Dec-23 Audited
	<b>Assets</b>		
<b>Non-Current Assets</b>			
Property, plant and equipment	8,351,884	8,218,015	8,339,310
Rights-of-use assets	4,360,187	4,115,786	4,517,053
Intangible assets	84,829	6,658	84,779
Investments in associates	2,363,456	1,882,628	2,142,768
Deferred tax assets	90,047	97,657	90,050
	15,250,403	14,320,744	15,173,960
<b>Current Assets</b>	1,632,655	1,540,631	1,899,636
<b>Total Assets</b>	16,883,058	15,861,375	17,073,596
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Owners' interest	2,562,663	2,356,524	2,482,884
Convertible bonds	961,715	961,715	961,715
Non-controlling interests	2,428,573	2,240,132	2,374,805
<b>Total equity</b>	5,952,951	5,558,371	5,819,404
<b>Non-Current Liabilities</b>			
Borrowings	4,318,430	4,252,680	4,426,100
Lease liabilities	3,409,799	4,069,766	4,349,840
Deferred tax liabilities	147,454	93,577	142,981
Employee benefit obligations	499,825	507,756	499,822
	8,375,508	8,923,779	9,418,743
<b>Current Liabilities</b>	2,554,599	1,379,225	1,835,449
<b>Total Liabilities</b>	10,930,107	10,303,004	11,254,192
<b>Total Equity and Liabilities</b>	16,883,058	15,861,375	17,073,596
Net Asset Value per share (MUR)	45.82	42.14	44.40

THE GROUP - (MUR'000)	STATEMENT OF CASH FLOW		
	9 months to		12 months to
	Sep-24 Unaudited	Sep-23 Unaudited	Dec-23 Audited
Net cash generated from operating activities	964,401	825,375	1,272,019
Net cash (used in)/generated from investing activities	(1,159,300)	332,445	(31,411)
Net cash used in financing activities	(219,799)	(1,123,138)	(1,203,818)
(Decrease)/increase in cash and cash equivalents	(414,698)	34,682	36,790
Foreign exchange difference	37,978	18,565	1,607
Cash and cash equivalents at beginning of the period/year	379,846	341,449	341,449
Cash and cash equivalents at end of the period/year	3,126	394,696	379,846

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
<b>At January 1, 2024</b>	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	-	63,339	43,182	106,521	-	121,208	227,729
Interest on convertible bonds	-	-	(12,761)	(12,761)	-	(12,908)	(25,669)
Dividends	-	-	(13,981)	(13,981)	-	(54,532)	(68,513)
<b>Balance at September 30, 2024</b>	1,102,001	2,071,208	(610,546)	2,562,663	961,715	2,428,573	5,952,951
<b>At January 1, 2023</b>	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	-	36,972	69,013	105,985	-	129,053	235,038
Interest on convertible bonds	-	-	(12,776)	(12,776)	-	(12,920)	(25,696)
Dividends	-	-	-	-	-	(27,539)	(27,539)
<b>Balance at September 30, 2023</b>	1,102,001	1,950,051	(695,528)	2,356,524	961,715	2,240,132	5,558,371
<b>At January 1, 2023</b>	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)
<b>Balance at December 31, 2023</b>	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					
	9 months to Sep-24			9 months to Sep-23		
	Mauritius	Maldives	Total	Mauritius	Maldives	Total
Revenue	2,786,515	1,597,051	4,383,566	2,516,465	1,570,629	4,087,094
Operating profit	560,164	55,782	615,946	557,159	73,388	630,547

## 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 period ended 30 September 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

Tourist arrivals for the third quarter, for both Mauritius and the Maldives, experienced double-digit growth in arrivals, with each showing a 10.44% increase compared to 2023Q3. However, arrivals in the Seychelles were impacted by the ongoing war in the Middle East, resulting in a 4.7% decline for the same quarter of 2023.

Overall, total arrivals for the nine months ended September 30, 2024, were higher across our three main destinations compared to 2023, as shown in the table below.

#### TOURISTS ARRIVALS

	2024	2023	2024 v/s 2023
MAURITIUS	971,800	901,126	7.84%
MALDIVES	1,492,027	1,361,048	9.62%
SEYCHELLES	254,525	254,302	0.09%

### Performance in CHSL's main destinations

For the period under review, CHSL's overall resorts performance was commendable in spite of a number of headwinds encountered. The fully owned and managed hotels' portfolio of CHSL including their new resorts in Rodrigues, which recorded anticipated lower average occupancy and room rates, showed a satisfactory operational performance with an average occupancy rate of 74.4% (Sep-2023: 79.4%), RevPAR of MUR 13,455 (Sep-2023: MUR 13,681), and Trev PAR of MUR 22,447 (Sep-2023: MUR 22,974).

### 4. Group Results

Group revenue reached MUR 4,384 million, from MUR 4,087 million for the same period in 2023. This growth was driven primarily by increased revenue from CHSL's Mauritius operations and the addition of a new hotel in Rodrigues. This increase in revenue was however mitigated with rising costs, resulting in an EBITDA of MUR 1,157 million (Sep-2023: MUR 1,122 million).

The planned repayment of existing loan facilities in CHSL was maintained during the period. However, the reduction in borrowings was offset by an additional loan taken to finance the purchase of a headlease in the Maldives. Finance costs relating to financial debt for the period reached MUR 359 million (Sep-2023: MUR 314 million).

The share of profit from associates, primarily driven by our operations in Seychelles, was MUR 149 million (Sep-2023: MUR 139 million).

After accounting for taxes of MUR 74 million (Sep-2023: MUR 55 million), net profit for the first nine months of 2024 was MUR 102 million (Sep-2023: MUR 162 million).

### 5. Outlook

The ongoing conflicts in Ukraine and the Middle East, along with potential global economic uncertainties, present challenges for the tourism industry. Moreover, the salary realignment, higher operating costs and the new Corporate Climate Risk Levy in Mauritius will impact the last quarter of 2024.

Notwithstanding these uncertainties, CHSL's hotels in Mauritius are expected to remain resilient. In the Maldives, although they expect the market to remain highly competitive, they anticipate improved top-line performance due to their focused marketing and sales initiatives. Their resorts in the Seychelles are expected to deliver positive results, although bookings are progressing at a slower pace. Rodrigues is projected to perform well for the remainder of the year.

Based on current booking trends, they are confident of the positive performance of their hotels for the last quarter of 2024.

### By order of the Board

ECS Secretaries Ltd  
Secretary

14 August 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.

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