

Consolidated Unaudited Results for the Nine Months Ended 31 August 2022

PRESTIGE HOLDINGS LTD.



CHAIRMAN'S REPORT TO SHAREHOLDERS

Following on from the First Half of 2022, our company has continued to experience improvements in restaurant operations and overall financial performance in the 3rd Quarter. While areas of opportunity remain, much credit is due to our management and employees for our recovery to date and the current trajectory of the business.

For the First Nine Months of 2022, sales increased by 65% to \$810 million from \$491 in the previous year, and this resulted in a profit before tax of \$37 million compared to a loss of \$37.7 million for the same period in 2021. During the 3rd Quarter, our company generated \$112 million in cash from operations, repaid total borrowings of \$32.8 million and ended the period with \$80.5 million in cash. No new restaurants were opened this quarter and we ended the Nine Month period with 129 restaurants.

Food and other cost inflation remain a threat to our industry and significant increases have been experienced in virtually every area. We continue to work closely with suppliers and service providers to manage these increases and have been judicious with pricing initiatives so as to minimise the impact on customers. Overall, our brands and operations are strong and we are continuing to build on the digital and delivery capabilities developed in the last two years.

We remain positive about our performance for the remainder of 2022 and expect to end the financial year with much improved results, when compared to the two previous years which were severely impacted by the Covid-19 pandemic.

Christian E. Mouttet
Chairman
27 September 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Nine (9) Months to 31 August 2022	Nine (9) Months to 31 August 2021	Year to 30 November 2021
	(UNAUDITED) \$ '000	(UNAUDITED) \$ '000	(AUDITED) \$ '000
Profit/(loss) for the period	24,137	(30,909)	(28,302)
Other comprehensive income/(loss)			
<i>Items that may be subsequently reclassified to profit or loss</i>			
Currency translation differences	151	(139)	(261)
Total comprehensive income/(loss) for the period	24,288	(31,048)	(28,563)
Attributable To: Owners of the Parent Company	24,288	(31,048)	(28,563)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 August 2022 (UNAUDITED) \$ '000	31 August 2021 (UNAUDITED) \$ '000	30 November 2021 (AUDITED) \$ '000
ASSETS			
Property, plant and equipment	253,270	287,267	275,159
Right-of-use assets	236,410	260,314	261,874
Intangible assets	58,708	60,732	60,069
Other non current assets	10,972	14,360	12,258
Current assets	177,196	121,988	133,230
Assets classified as held for sale	5,043	--	5,287
Total assets	741,599	744,661	747,877
EQUITY AND LIABILITIES			
Share capital	23,759	23,759	23,759
Other reserves	26,526	26,497	26,375
Retained earnings	235,538	216,124	218,731
	285,823	266,380	268,865
Treasury shares	(10,630)	(11,340)	(11,340)
Total equity	275,193	255,040	257,525
Non current liabilities - lease liabilities	225,355	242,334	247,373
Other non current liabilities	39,830	54,623	56,391
Current liabilities - lease liabilities	29,051	31,182	29,045
Other current liabilities	172,170	161,482	157,543
Total liabilities	466,406	489,621	490,352
Total equity and liabilities	741,599	744,661	747,877

CONSOLIDATED CASH FLOW STATEMENT

	31 August 2022 (UNAUDITED) \$ '000	31 August 2021 (UNAUDITED) \$ '000	30 November 2021 (AUDITED) \$ '000
Cash flow from operating activities			
Cash generated from operations	112,067	20,067	50,672
Interest paid	(13,515)	(14,531)	(19,467)
Income tax paid	(5,847)	(1,885)	(2,841)
Net cash generated from operating activities	92,705	3,651	28,364
Net cash used in investing activities	(6,063)	(19,393)	(22,185)
Net cash used in financing activities	(61,143)	(1,953)	(10,919)
Net increase/(decrease) in cash and cash equivalents	25,499	(17,695)	(4,740)
Cash and cash equivalents at the beginning of the year	54,973	59,713	59,713
Cash and cash equivalents at the end of the period	80,472	42,018	54,973

CONSOLIDATED INCOME STATEMENT

	Nine (9) Months to 31 August 2022	Nine (9) Months to 31 August 2021	Three (3) Months to 31 August 2022	Three (3) Months to 31 August 2021	Year to 30 November 2021
	% Change	(UNAUDITED) \$ '000	(UNAUDITED) \$ '000	(UNAUDITED) \$ '000	(AUDITED) \$ '000
Revenue	65%	810,355	490,514	299,290	97,808
Cost of sales		(544,804)	(332,090)	(200,769)	(66,884)
Gross profit		265,551	158,424	98,521	30,924
Other operating expenses		(158,925)	(130,695)	(55,406)	(32,224)
Administrative expenses		(57,575)	(51,461)	(19,569)	(11,968)
Other income		1,442	549	455	166
Operating profit/(loss)		50,493	(23,183)	24,001	(13,102)
Finance costs		(13,515)	(14,531)	(4,297)	(4,828)
Profit/(loss) before income tax		36,978	(37,714)	19,704	(17,930)
Income tax (expense)/credit		(12,841)	6,805	(6,384)	4,505
Profit/(loss) for the period		24,137	(30,909)	13,320	(13,425)
Profit/(loss) attributable to:					
Owners of the parent company		24,137	(30,909)	13,320	(13,425)
Basic earnings per share (exclusive of treasury shares)		39.5 cents	(50.7 cents)	21.8 cents	(22.0 cents)
Diluted earnings per share		38.7 cents	(49.6 cents)	21.3 cents	(21.5 cents)

Director

Director

Notes:

- The Consolidated Financial Statements include the activities of Prestige Holdings Limited, the Parent Company (KFC, Pizza Hut, Subway and Starbucks), Weekenders Trinidad Limited (TGI Fridays Trinidad) and Prestige Restaurants Jamaica Limited (TGI Fridays Jamaica).
- The principal accounting policies applied in the preparation of these summary financial statements are consistent with those disclosed in the audited financial statements as at and for the year ended November 30, 2021, and have been consistently applied to all periods presented, unless otherwise stated.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital \$ '000	Other Reserves \$ '000	Retained Earnings \$ '000	Total \$ '000	Treasury Shares \$ '000	Total Equity \$ '000
UNAUDITED Nine months ended 31 August 2022						
Balance at 1 December 2021	23,759	26,375	218,731	268,865	(11,340)	257,525
Comprehensive income						
Profit for the period	--	--	24,137	24,137	--	24,137
Other comprehensive Income						
Currency translation differences	--	151	--	151	--	151
Total comprehensive income for the period	--	151	24,137	24,288	--	24,288
Transactions with owners						
Net dividends for 2022	--	--	(7,330)	(7,330)	--	(7,330)
-Paid 12 cents per share	--	--	--	--	710	710
Transfer of treasury shares	--	--	--	--	710	710
Total transactions with owners	--	--	(7,330)	(7,330)	710	(6,620)
Balance at 31 August 2022	23,759	26,526	235,538	285,823	(10,630)	275,193
UNAUDITED Nine months ended 31 August 2021						
Balance at 1 December 2020	23,759	26,636	250,693	301,088	(11,340)	289,748
Comprehensive loss						
Loss for the period	--	--	(30,909)	(30,909)	--	(30,909)
Other comprehensive loss						
Currency translation differences	--	(139)	--	(139)	--	(139)
Total comprehensive loss for the period	--	(139)	(30,909)	(31,048)	--	(31,048)
Transactions with owners						
Net dividends for 2020	--	--	(3,660)	(3,660)	--	(3,660)
-Paid 6 cents per share	--	--	(3,660)	(3,660)	--	(3,660)
Total transactions with owners	--	--	(3,660)	(3,660)	--	(3,660)
Balance at 31 August 2021	23,759	26,497	216,124	266,380	(11,340)	255,040
AUDITED Year ended 30 November 2021						
Balance at 1 December 2020	23,759	26,636	250,693	301,088	(11,340)	289,748
Comprehensive loss						
Loss for the year	--	--	(28,302)	(28,302)	--	(28,302)
Other comprehensive loss						
Currency translation differences	--	(261)	--	(261)	--	(261)
Total comprehensive loss for the period	--	(261)	(28,302)	(28,563)	--	(28,563)
Transactions with owners						
Net dividends for 2020	--	--	(3,660)	(3,660)	--	(3,660)
-Paid 6 cents per share	--	--	(3,660)	(3,660)	--	(3,660)
Total transactions with owners	--	--	(3,660)	(3,660)	--	(3,660)
Balance at 30 November 2021	23,759	26,375	218,731	268,865	(11,340)	257,525