

# Consolidated Unaudited Results for the Three Months Ended 28 February 2021

## PRESTIGE HOLDINGS LTD. A Restaurant Management Company

### CHAIRMAN'S REPORT TO SHAREHOLDERS

#### CONSOLIDATED UNAUDITED FINANCIAL PERFORMANCE

We have entered the new financial year with the Trinidad and Tobago economy, along with the rest of the world, experiencing similar conditions to those that prevailed for much of 2020. The global pandemic continues to weigh heavily on our economy and our industry in particular, as restrictions remain in place limiting opening hours, seating capacity, bar sales and social activity in general. Additionally, in comparison to 2021, our first quarter in 2020 occurred before the onset of the effects of the global pandemic and also had the benefit of Carnival falling within that period, which is a significant period of revenue for our company.

For the first three months of 2021, Group sales decreased by 19.2% to \$231 million from \$291 million in the prior year, which resulted in a loss before tax of \$2.4 million compared to a profit of \$12.6 million for the same period in 2020. These results include a negative net adjustment of \$1.7 million in the quarter (\$2.2 million in 2020) for the IFRS 16 standard. Cash flow from operations was \$11.6 million and we ended the quarter with \$53.7 million in cash having reduced total borrowings by \$5.1 million. During the period, we opened 1 new restaurant, a Starbucks at Gulf View, San Fernando, reimaged no stores and ended the quarter with 129 restaurants.

While these results reflect the difficulties affecting our economy and industry due to the Covid-19 pandemic, our brands and operations have remained strong. We continue to focus and invest in our digital platforms and are encouraged by the growth in our delivery, curb-side and drive-thru channels which we expect will continue to be significant contributors in the years to come. As mentioned above, we opened a new Starbucks at Gulf View, San Fernando which is performing well and plan to open 3 more Starbucks restaurants, 1 new KFC and reimage 11 stores in this financial year. We also expect to begin construction of our new Distribution Center in the second quarter of 2021 for completion in the second half of 2022.

We remain confident in the performance and strength of our business in the medium to long term, but do not expect a significant change in operating conditions in Trinidad and Tobago for much of 2021, until the vaccine programme is meaningfully implemented and restrictions lifted. As the year progresses our priorities remain safeguarding the health and well-being of our employees and customers, strengthening operational efficiency and profitability and implementing our investment programme which will position us for growth in the long term.



Christian E. Mouttet  
Chairman  
1 April 2021

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three (3) Months to 28 February 2021	Three (3) Months to 29 February 2020	Year to 30 November 2020
	(UNAUDITED)	(UNAUDITED)	(AUDITED)
	\$ '000	\$ '000	\$ '000
(Loss)/profit for the year	(2,653)	8,229	(17,749)
Other comprehensive loss			
Items that may be subsequently reclassified to profit or loss			
Currency translation differences	(1)	(13)	(59)
<b>Total comprehensive (loss)/income for the year</b>	<b>(2,654)</b>	<b>8,216</b>	<b>(17,808)</b>
<b>Attributable To:</b>			
Owners of the parent company	(2,654)	8,216	(17,808)

### CONSOLIDATED INCOME STATEMENT

	Three (3) Months to 28 February 2021	Three (3) Months to 28 February 2021	Three (3) Months to 29 February 2020	Year to 30 November 2020
	(UNAUDITED)	(UNAUDITED)	(AUDITED)	(AUDITED)
	% Change	\$ '000	\$ '000	\$ '000
<b>Revenue</b>	-19%	235,191	291,258	896,918
<b>Cost of sales</b>		(157,863)	(195,705)	(602,114)
<b>Gross profit</b>		77,328	95,553	294,804
Other operating expenses		(54,770)	(58,205)	(204,198)
Administrative expenses		(20,244)	(20,410)	(69,075)
Impairment of goodwill		--	--	(18,634)
Other income		227	641	2,594
<b>Operating profit</b>		2,541	17,579	5,491
Finance costs		(4,971)	(4,978)	(21,241)
<b>(Loss)/profit before income tax</b>	-119%	(2,430)	12,601	(15,750)
Income tax expense		(223)	(4,372)	(1,999)
<b>(Loss)/profit for the year</b>		<b>(2,653)</b>	<b>8,229</b>	<b>(17,749)</b>
<b>(Loss)/profit attributable to:</b>				
Owners of the parent company	-132%	(2,653)	8,229	(17,749)
<b>Basic earnings per share (exclusive of treasury shares)</b>		(4.35 cents)	13.5 cents	(29.1 cents)
<b>Diluted earnings per share</b>		(4.26 cents)	13.2 cents	(28.5 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, 2020, and have been consistently applied to all periods presented, unless otherwise stated.



## CONSOLIDATED BALANCE SHEET

	28 February 2021	29 February 2020	30 November 2020
	(UNAUDITED)	(UNAUDITED)	(AUDITED)
	\$ '000	\$ '000	\$ '000
<b>ASSETS</b>			
Property, plant and equipment	296,841	325,982	300,088
Right-of-use assets	278,841	277,846	288,699
Intangible assets	60,910	81,696	61,552
Other non current assets	6,414	--	5,179
Current assets	133,355	169,285	143,046
<b>Total assets</b>	<b>776,361</b>	<b>854,809</b>	<b>798,564</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	23,759	23,759	23,759
Other reserves	26,635	26,682	26,636
Retained earnings	248,040	276,671	250,693
	298,434	327,112	301,088
Treasury shares	(11,340)	(10,938)	(11,340)
<b>Total equity</b>	<b>287,094</b>	<b>316,174</b>	<b>289,748</b>
Non-current liabilities - lease liabilities	257,808	235,418	265,992
Other non current liabilities	59,012	73,166	48,888
Current liabilities - lease liabilities	31,193	44,640	31,155
Other current liabilities	141,254	185,411	162,781
<b>Total liabilities</b>	<b>489,267</b>	<b>538,635</b>	<b>508,816</b>
<b>Total equity and liabilities</b>	<b>776,361</b>	<b>854,809</b>	<b>798,564</b>

## CONSOLIDATED CASHFLOW STATEMENT

	28 February 2021	29 February 2020	30 November 2020
	(UNAUDITED)	(UNAUDITED)	(AUDITED)
	\$ '000	\$ '000	\$ '000
<b>Cash flow from operating activities</b>			
Cash generated from operations	16,621	68,763	85,437
Interest paid	(4,971)	(4,978)	(21,241)
Income tax paid	--	(4,135)	(11,844)
<b>Net cash generated from operating activities</b>	<b>11,650</b>	<b>59,650</b>	<b>52,352</b>
Net cash used in investing activities	(7,262)	(40,608)	(49,647)
Net cash used in financing activities	(10,354)	(827)	(7,282)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(5,966)</b>	<b>18,215</b>	<b>(4,577)</b>
Cash and cash equivalents at the beginning of the year	59,713	64,290	64,290
Cash and cash equivalents at the end of the year	<b>53,747</b>	<b>82,505</b>	<b>59,713</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Other Reserves	Retained Earnings	Total	Treasury Shares	Total Equity
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
<b>Balance at 1 December 2019</b>	23,759	26,695	268,442	318,896	(10,938)	307,958
<b>Comprehensive loss</b>						
Loss for the year	--	--	(17,749)	(17,749)	--	(17,749)
<b>Other comprehensive loss</b>						
Currency translation differences	--	(59)	--	(59)	--	(59)
<b>Total comprehensive loss for the year</b>	<b>--</b>	<b>(59)</b>	<b>(17,749)</b>	<b>(17,808)</b>	<b>--</b>	<b>(17,808)</b>
<b>Transactions with owners</b>						
Purchase shares	--	--	--	--	(402)	(402)
<b>Balance at 30 November 2020</b>	<b>23,759</b>	<b>26,636</b>	<b>250,693</b>	<b>301,088</b>	<b>(11,340)</b>	<b>289,748</b>
<b>Balance at 1 December 2020</b>	<b>23,759</b>	<b>26,636</b>	<b>250,693</b>	<b>301,088</b>	<b>(11,340)</b>	<b>289,748</b>
<b>Comprehensive loss</b>						
Loss for the period	--	--	(2,653)	(2,653)	--	(2,653)
<b>Other comprehensive loss</b>						
Currency translation differences	--	(1)	--	(1)	--	(1)
<b>Total comprehensive loss for the period</b>	<b>--</b>	<b>(1)</b>	<b>(2,653)</b>	<b>(2,654)</b>	<b>--</b>	<b>(2,654)</b>
<b>Balance at 28 February 2021</b>	<b>23,759</b>	<b>26,635</b>	<b>248,040</b>	<b>298,434</b>	<b>(11,340)</b>	<b>287,094</b>