

# PRESTIGE HOLDINGS LTD.

A Restaurant Management Company

## Consolidated Audited Results for the Twelve Months Ended 30 November 2023

### CHAIRMAN'S REPORT 2023

#### TO OUR SHAREHOLDERS, EMPLOYEES, CUSTOMERS AND PARTNERS

The financial year 2023 was one of investment and growth for Prestige Holdings. There has been significant effort and success towards returning our business operations to pre-pandemic levels, and achieving sustainable growth and profitability.

For the fiscal year 2023, Group revenue increased by 20% to \$1.3 billion from \$1.1 billion in the previous year, and this resulted in a Profit Before Tax of \$84 million compared to \$54 million in 2022, an increase of 56%. Diluted Earnings per Share increased by 58% from 56.8 cents to 89.6 cents. During the period, our Group generated \$182 million in Operating Cash Flow, repaid \$22 million in debt, which reduced our total borrowings to \$49 million, and we ended the year with \$114 million in cash. At year end we operated 134 restaurants, including 5 new units - 4 Starbucks cafés in Trinidad and a Starbucks in Amazonia Mall, Guyana. We completed three KFC remodels and relocated one Starbucks café during the period.

#### OPERATIONS

All of our brands posted significant operational and financial improvements over our prior year performance. The Group's overall profitability of \$84 million, was a historical high and is reflective of the investments in our people and assets. We have made significant investments in growing our operations, both in Trinidad and Tobago, as well as our external markets. The opening of the Starbucks brand in Guyana marks our entry into a third market, adding to the two existing markets, Trinidad and Tobago and Jamaica. The performance of our first Starbucks café in Amazonia Mall, Guyana has exceeded our expectations and we look forward to making further investments in that market. In addition, throughout 2023, we continued to build on the innovation and progress that has been made in our digital, delivery and drive-thru channels and expect that these platforms will continue to drive growth going forward.

#### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year to 30 November 2023	Year to 30 November 2022
	(AUDITED)	(AUDITED)
	\$ '000	\$ '000
<b>Profit for the year</b>	55,936	35,474
<b>Other comprehensive income</b>		
<b>Items that may be subsequently reclassified to profit or loss</b>		
Gain on land revaluation	10,655	--
Currency translation differences	15	42
<b>Total comprehensive income for the year</b>	<u>66,606</u>	<u>35,516</u>
<b>Attributable To:</b>		
Owners of the parent company	66,682	35,516
Non-controlling interests	(76)	--
	<u>66,606</u>	<u>35,516</u>

#### LOOKING FORWARD

As mentioned earlier, 2023 was a year in which we invested significantly in our brands, store assets and people. In 2024, we expect to build on the progress made in the last year and also continue our new store and remodelling investment programme. Building on the success of our Starbucks at Amazonia Mall, Guyana we plan to open two more Starbucks cafés in Guyana in 2024. Additional new stores in Trinidad are also planned during the financial year.

#### DIVIDENDS

The Board approved a final dividend of 30 cents (2022 - 20 cents) per common share, which, with shareholders' approval, will bring the total dividends payable for the financial year 2023 to 45 cents (2022 - 32 cents). The final dividend will be paid on 29 May 2024 to shareholders whose names appear on the Register of Members on 26 April 2024.

#### ACKNOWLEDGEMENT

I wish to recognise and thank our dedicated and hardworking employees who have enthusiastically taken on the challenge of returning Prestige Holdings to a growth mindset and driven the improvements experienced in 2023. The CEO, Brand VPs and management team have been proactive in maximizing on the investments made and successfully launching of a new market in Guyana. A very special thank you to our customers for remaining loyal to our brands, and for keeping us "in their hearts and minds for every eating experience". Lastly, I wish to thank my fellow directors for their wisdom and counsel and for the support provided to management during the year.



Christian E. Mouttet  
Chairman  
22 February 2024

### CONSOLIDATED INCOME STATEMENT

	% Change	Year to 30 November 2023	Year to 30 November 2022
		(AUDITED)	(AUDITED)
		\$ '000	\$ '000
<b>Revenue</b>	20%	1,329,212	1,105,117
<b>Cost of sales</b>		(893,214)	(744,369)
<b>Gross profit</b>	21%	435,998	360,748
Other operating expenses		(229,457)	(211,860)
Administrative expenses		(105,679)	(78,685)
Other income		922	2,278
<b>Operating profit</b>	40%	101,784	72,481
Finance costs		(18,216)	(18,792)
<b>Profit before income tax</b>	56%	83,568	53,689
Income tax expense		(27,632)	(18,215)
<b>Profit After Tax for the year</b>	58%	<u>55,936</u>	<u>35,474</u>
<b>Profit/(Loss) attributable to:</b>			
Owners of the parent company		56,012	35,474
Non-controlling interest		(76)	--
<b>Basic earnings per share (exclusive of treasury shares)</b>		91.4 cents	57.9 cents
<b>Diluted earnings per share</b>		89.6 cents	56.8 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) and PHL Guyana Inc. (Starbucks Guyana).
- 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, 2023, and have been consistently applied to all periods presented, unless otherwise stated.



## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30 November 2023	30 November 2022
	(AUDITED)	(AUDITED)
	\$ '000	\$ '000
<b>ASSETS</b>		
Property, plant and equipment	289,425	260,395
Right-of-use assets	270,937	276,771
Intangible assets	58,677	58,892
Other non current assets	11,784	10,436
Current assets	271,538	224,766
<b>Total assets</b>	<u>902,361</u>	<u>831,260</u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	23,759	23,759
Other reserves	37,085	26,417
Retained earnings	281,358	246,875
	342,202	297,051
Treasury shares	(9,587)	(9,665)
<b>Total equity</b>	<u>332,615</u>	<u>287,386</u>
Non-current liabilities - lease liabilities	260,463	261,760
Other non current liabilities	37,588	34,233
Current liabilities - lease liabilities	32,017	31,528
Other current liabilities	239,678	216,353
<b>Total liabilities</b>	<u>569,746</u>	<u>543,874</u>
<b>Total equity and liabilities</b>	<u>902,361</u>	<u>831,260</u>

## CONSOLIDATED CASHFLOW STATEMENT

	30 November 2023	30 November 2022
	(AUDITED)	(AUDITED)
	\$ '000	\$ '000
<b>Cash flow from operating activities</b>		
Cash generated from operations	181,718	163,187
Interest paid	(18,216)	(18,792)
Income tax paid	(26,299)	(12,347)
<b>Net cash generated from operating activities</b>	<u>137,203</u>	<u>132,048</u>
Net cash used in investing activities	(57,438)	(18,819)
Net cash used in financing activities	(60,984)	(73,006)
<b>Net increase in cash and cash equivalents</b>	<u>18,781</u>	<u>40,223</u>
Cash and cash equivalents at the beginning of the year	95,196	54,973
Cash and cash equivalents at the end of the year	<u>113,977</u>	<u>95,196</u>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Other Reserves	Retained Earnings	Total	Treasury Shares	Total Equity
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
<b>AUDITED</b>						
<b>Balance at 1 December 2021</b>	23,759	26,375	218,731	268,865	(11,340)	257,525
<b>Comprehensive income</b>						
Profit for the year	--	--	35,474	35,474	--	35,474
<b>Other comprehensive income</b>						
Currency translation differences	--	42	--	42	--	42
<b>Total comprehensive income for the year</b>	--	42	35,474	35,516	--	35,516
<b>Transactions with owners</b>						
Net dividends for 2022						
-Paid 12 cents per share	--	--	(7,330)	(7,330)	--	(7,330)
<b>Sale of treasury shares</b>						
Total transactions with owners	--	--	(7,330)	(7,330)	1,675	(5,665)
<b>Balance at 30 November 2022</b>	<u>23,759</u>	<u>26,417</u>	<u>246,875</u>	<u>297,051</u>	<u>(9,665)</u>	<u>287,386</u>
<b>AUDITED</b>						
<b>Balance at 1 December 2022</b>	23,759	26,417	246,875	297,051	(9,665)	287,386
<b>Comprehensive income</b>						
Profit for the year	--	--	55,936	55,936	--	55,936
<b>Other comprehensive income</b>						
Gain on land revaluation	--	10,655	--	10,655	--	10,655
Currency translation differences	--	15	--	15	--	15
<b>Total comprehensive income for the year</b>	--	10,670	55,936	66,606	--	66,606
<b>Transactions with owners</b>						
Net dividends for 2023						
-Paid 35 cents per share	--	--	(21,454)	(21,454)	--	(21,454)
Sale of treasury shares	--	--	--	--	77	77
<b>Total transactions with owners</b>	--	--	(21,454)	(21,454)	77	(21,377)
<b>Balance at 30 November 2023</b>	<u>23,759</u>	<u>37,087</u>	<u>281,357</u>	<u>342,203</u>	<u>(9,588)</u>	<u>332,615</u>