



BLANTYRE HOTEL PLC

SUMMARISED INTERIM CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 MARCH 2021

SUMMARY STATEMENTS OF COMPREHENSIVE INCOME

	Unaudited Consolidated 31-Mar-21 K'000	Audited Consolidated 30-Sep-20 K'000	Unaudited Consolidated 31-Mar-20 K'000	Unaudited Separate 31-Mar-21 K'000	Audited Separate 30-Sep-20 K'000	Unaudited Separate 31-Mar-20 K'000
Revenue	544 782	2 076 659	1 746 512	544 782	2 076 659	1 746 512
Cost of sales	<u>(339 749)</u>	<u>(1 152 931)</u>	<u>(807 780)</u>	<u>(339 749)</u>	<u>(1 152 931)</u>	<u>(807 780)</u>
Gross Profit	205 033	923 728	938 732	205 033	923 728	938 732
Other income	3 008	3 569	9 825	3 008	1 569	9 825
Selling and administrative expenses	<u>(602 633)</u>	<u>(1 642 029)</u>	<u>(858 708)</u>	<u>(564 064)</u>	<u>(1 562 603)</u>	<u>(823 090)</u>
(Loss)/profit from operating activities	(394 592)	(714 732)	89 849	(356 023)	(637 306)	125 467
Net finance income	<u>(6 360)</u>	<u>47 045</u>	<u>22 908</u>	<u>13 300</u>	<u>47 642</u>	<u>19 121</u>
(Loss)/profit before taxation	(400 952)	(667 687)	112 757	(342 723)	(589 664)	144 588
Taxation	<u>10 304</u>	<u>213 916</u>	<u>(42 745)</u>	<u>-</u>	<u>189 400</u>	<u>(52 294)</u>
(Loss)/profit for the year	<u>(390 648)</u>	<u>(453 771)</u>	<u>70 012</u>	<u>(342 723)</u>	<u>(400 264)</u>	<u>92 294</u>
Other comprehensive income(loss)(net of tax)	_____ -	<u>705 401</u>	_____ -	_____ -	<u>705 401</u>	_____ -
Total comprehensive income for the year	<u>(390 648)</u>	<u>251 630</u>	<u>70 012</u>	<u>(342 723)</u>	<u>305 137</u>	<u>92 294</u>
Shares in issue	839 750	839 750	839 750	839 750	839 750	839 750
(Loss)/earnings per share (in tambala)	(47)	(54)	8	(41)	(48)	10

SUMMARY STATEMENTS OF FINANCIAL POSITION

	Unaudited Consolidated 31-Mar-21 K'000	Audited Consolidated 30-Sep-20 K'000	Unaudited Consolidated 31-Mar-20 K'000	Unaudited Separate 31-Mar-21 K'000	Audited Separate 30-Sep-20 K'000	Unaudited Separate 31-Mar-20 K'000
ASSETS						
Non -current assets						
Property and equipment	13 113 659	12 253 081	8 431 339	8 155 755	8 249 184	7 354 347
Intangible assets	325	813	1 860	325	813	1 860
Investment in subsidiary	-	-	-	77 500	77 500	77 500
Deferred tax asset	<u>35 699</u>	<u>25 395</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total non-current assets	<u>13 149 683</u>	<u>12 279 289</u>	<u>8 433 199</u>	<u>8 233 580</u>	<u>8 327 497</u>	<u>7 433 707</u>
Current assets						
Inventories	319 665	283 129	380 212	319 665	283 129	380 212
Trade and other receivables	225 278	142 832	357 735	223 956	198 265	304 469
Tax recoverable	50 383	82 953	7 616	50 170	82 740	7 403
Cash and cash equivalents	<u>258 453</u>	<u>1 069 934</u>	<u>794 152</u>	<u>141 842</u>	<u>398 952</u>	<u>768 817</u>
Total current assets	<u>853 779</u>	<u>1 578 848</u>	<u>1 539 715</u>	<u>735 633</u>	<u>963 086</u>	<u>1 460 901</u>
Total assets	<u>14 003 462</u>	<u>13 858 137</u>	<u>9 972 914</u>	<u>8 969 213</u>	<u>9 290 583</u>	<u>8 894 608</u>

EQUITY AND LIABILITIES

Equity						
Share capital	41 988	41 988	41 988	41 988	41 988	41 988
Share premium	1 340 153	1 340 153	1 340 153	1 340 153	1 340 153	1 340 153
Revaluation reserve	4 903 821	4 903 821	4 265 148	4 903 821	4 903 821	4 265 148
Retained earnings	<u>67 830</u>	<u>458 478</u>	<u>915 533</u>	<u>171 312</u>	<u>514 035</u>	<u>939 865</u>
Total equity	<u>6 353 792</u>	<u>6 744 440</u>	<u>6 562 822</u>	<u>6 457 274</u>	<u>6 799 997</u>	<u>6 587 154</u>
Liabilities						
Non-current liabilities						
Deferred tax liabilities	<u>1 960 024</u>	<u>1 960 024</u>	<u>1 871 032</u>	<u>1 960 024</u>	<u>1 960 024</u>	<u>1 881 460</u>
Total non-current liabilities	<u>1 960 024</u>	<u>1 960 024</u>	<u>1 871 032</u>	<u>1 960 024</u>	<u>1 960 024</u>	<u>1 881 460</u>
Current liabilities						
Trade and other payables	3 814 163	3 212 479	648 130	551 915	530 562	425 994
Borrowings	1 745 605	1 786 846	890 930	-	-	-
Amount due to related parties	<u>128 878</u>	<u>154 348</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>5 688 646</u>	<u>5 153 673</u>	<u>1 539 060</u>	<u>551 915</u>	<u>530 562</u>	<u>425 994</u>
Total liabilities	<u>7 648 670</u>	<u>7 113 697</u>	<u>3 410 092</u>	<u>2 511 939</u>	<u>2 490 586</u>	<u>2 307 454</u>
Total equity and liabilities	<u>14 002 462</u>	<u>13 858 137</u>	<u>9 972 914</u>	<u>8 969 213</u>	<u>9 290 583</u>	<u>8 894 608</u>

SUMMARY STATEMENTS OF CHANGES IN EQUITY

	Unaudited Consolidated 31-Mar-21 K'000	Audited Consolidated 30-Sep-20 K'000	Unaudited Consolidated 31-Mar-20 K'000	Unaudited Separate 31-Mar-21 K'000	Audited Separate 30-Sep-20 K'000	Unaudited Separate 31-Mar-20 K'000
At the beginning of period	6 744 440	6 492 810	6 492 810	6 799 997	6 494 860	6 494 860
(Loss)/profit for the period	(390 648)	(453 771)	70 012	(342 723)	(400 264)	92 294
Total other comprehensive (loss)/income	<u>-</u>	<u>705 401</u>	<u>-</u>	<u>-</u>	<u>705 401</u>	<u>-</u>
At the end of period	<u>6 353 792</u>	<u>6 744 440</u>	<u>6 562 822</u>	<u>6 457 274</u>	<u>6 799 997</u>	<u>6 587 154</u>

SUMMARY STATEMENTS OF CASHFLOWS

	Unaudited Consolidated 31-Mar-21	Audited Consolidated 30-Sep-20	Unaudited Consolidated 31-Mar-20	Unaudited Separate 31-Mar-21	Audited Separate 30-Sep-20	Unaudited Separate 31-Mar-20
Cash generated from/ (used in) operations	300 904	357 673	66 695	(301 144)	(300 814)	57 764
Interest paid	(393)	(3 055)	-	(393)	(98)	-
Taxation paid	<u>32 570</u>	<u>(71 802)</u>	<u>(43 259)</u>	<u>32 570</u>	<u>(71 589)</u>	<u>(43 046)</u>
Net cash generated from/ (used in) operating activities	<u>333 081</u>	<u>282 816</u>	<u>23 436</u>	<u>(268 967)</u>	<u>(372 501)</u>	<u>14 718</u>
Other cash flows						
Purchase of property and equipment	(984 968)	(972 828)	(136 660)	(1 836)	(34 831)	(23 188)
Proceeds from sale of equipment	-	2 364	1 986	-	2 364	1 986
Finance income	19 961	50 100	22 908	13 693	47 740	19 121
Loan repayment	(179 555)	-	-	-	-	-
Loans received	<u>-</u>	<u>825 000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net other cash flows	<u>(1 144 562)</u>	<u>(95 364)</u>	<u>(111 766)</u>	<u>11 857</u>	<u>15 273</u>	<u>(2 081)</u>
Net (decrease)/increase in cash and cash equivalents	(811 481)	187 452	(88 330)	(257 110)	(357 228)	12 637
Cash and cash equivalents at the beginning of the year	<u>1 069 934</u>	<u>882 482</u>	<u>882 482</u>	<u>398 952</u>	<u>756 180</u>	<u>756 180</u>
Cash and cash equivalents at the end of the year	<u>258 453</u>	<u>1 069 934</u>	<u>794 152</u>	<u>141 842</u>	<u>398 952</u>	<u>768 817</u>

Publication commentary:

Overview of results

Group revenue for the half year amounted to K545million which was 69% below the revenue realized in the same period prior year. Hotel Occupancy averaged 11% in the period compared to 52% in the previous year. The drop in revenues and occupancy levels was due to the impact of the COVID-19 pandemic in the hospitality industry.

Cost of sales decreased by 58% from K808 million to K340 million mainly due to the decline in business and cost containment measures which are still being pursued as a strategy to manage performance challenges.

Prospects

The ongoing impact of the COVID-19 pandemic on the business environment continues to pose a challenge and might take longer than anticipated, however, an improvement in occupancy levels has been noted with occupancy averaging 28% in the third quarter. Food and beverage covers have also demonstrated some improvement. We continue to focus on the domestic market as the international market is slowly opening up.

The Lilongwe Hotel Project

Construction is scheduled to commence during the fourth quarter of 2021. The Board has so far raised K4 billion debt for the project and will raise the additional capital through a rights issue.

Dividends

The Board resolved not to pay an interim dividend due to the current performance levels.

Approval of the financial statements

The half year summarized unaudited financial statements were approved by the Board of Directors on 25 June 2021.

E Makuta
Chairperson

E A Malion
Director