

30 October 2019

# INTOSOL Holdings plc

## Interim results

INTOSOL Holdings Plc / Ticker: INTO / Index: LSE / Sector: Travel & Leisure

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### INTOSOL Holdings Plc ('INTOSOL' or the 'Company')

#### Interim results

INTOSOL Holdings Plc, the award-winning international luxury travel company, is pleased to announce its Interim Results for the six months ended 31 July 2019.

#### Highlights

After the listing phase with extraordinary costs the Company returns to regular business.

#### INTOSOL Executive Chairman, Rainer Spekowius, said:

Despite the fact that we observe general stagnation of the tourism markets and uncertainties with regards to Brexit, I am pleased to announce that INTOSOL Holdings PLC reached profitability in the first half of the business year 2019/2020.

For further information on INTOSOL visit the Company's website [www.intosolholdingsplc.com](http://www.intosolholdingsplc.com) or contact:

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Executive Chairman

INTOSOL Holdings Plc

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#### Notes

INTOSOL Holdings PLC is a London-listed international luxury travel company that combines highly personalised travel design with property ownership and management to provide high-end global travel experiences. To improve margins, it is building its SOUL Private Collection of leased and owned boutique properties, and is in the process of purchasing and developing a number of sites in South Africa including Oceans Wilderness, a luxury nine-bedroom boutique hotel in the Garden Route, and a commercial safari lodge in the renowned Leadwood Big Game Estate, one of the premier locations to see the so-called Big Five on safari (lion, leopard, rhinoceros, elephant and Cape buffalo).

## **The SOUL Private Collection**

INTOSOL's SOUL Private Collection includes two properties in Cape Town, South Africa: SOUL on Llandudno ([www.soulonllandudno.co.za](http://www.soulonllandudno.co.za)) and Penthouse on Beach ([www.penthouseonbeach.co.za](http://www.penthouseonbeach.co.za)).

The flagship property in the portfolio, Oceans Wilderness ([www.oceanswilderness.co.za](http://www.oceanswilderness.co.za)), which reported a strong maiden financial performance in its first year of operation, is located on the Garden Route along with SOUL Rainbow's End and SOUL on the Heads. The Company also owns a site to build the Leadwood Safari Lodge in the Leadwood Big Game Estate ([www.leadwood.net](http://www.leadwood.net)), one of the premier locations globally to see the Big Five in the wild.

## **INTOSOL Private Travel Design**

The Private Travel Design division tailors bespoke and unique experiences to a high-end client base which currently stands at over 15,000. The division has a unique and growing network of over 3,500 hotel and agency partners worldwide.

### **Statement by Rainer Spekowius, Executive Chairman:**

I am pleased to present the Chairman's Statement for the six months ended 31 July 2019.

INTOSOL is an award winning, luxury travel company providing bespoke and unique holiday experiences globally. We are focussed on growing our luxury travel experience and hotel property portfolio with a robust, low-cost and scalable business model.

Since the beginning of the financial year, we have been delivering our strategy of restructuring and growing the SOUL Private Collection of owned and managed boutique hotels in South Africa, increasing margins and building our international client base.

In the first half of the financial year from 1 February to 31 July 2019 there were only two months in the high season (February and March), as well as general stagnation in the tourism markets and uncertainties with regards to Brexit - despite these factors I am pleased to announce, that INTOSOL Holdings PLC had a profitable outcome for the period.

During the period we added new revenue streams, for example marketing of events and incentive travel, which helped enhance our gross margin. Furthermore, the traditional travel design business achieved a better gross margin through selling additional experiences to customers during their travels. The SOUL Private Collection experienced strong high season months (two of which fell within the reporting period) with a significant increase of short-term bookings.

On 29 May 2019 the Company announced it had satisfied the payment of the first tranche of €367,348.28 of the total consideration of €1,967,348.28, through the issue of 938,735 new ordinary shares in the Company to Van Zuijlekom Afrika Trust (the seller) in accordance with the Agreement for the purchase of Oceans Wilderness ('Oceans'), its flagship nine-bedroom boutique hotel located in the Garden Route in South Africa ([www.oceanswilderness.co.za](http://www.oceanswilderness.co.za)).

Simultaneously, a significant cost reduction took place in both operational companies in Germany and South Africa, which brought the operational side of the business to greater efficiency in management structures and better cost control. The cost reduction was achieved through a reorganisation of the marketing department and the implementation of a more efficient marketing strategy including strong reduction of marketing costs as well as a slight reduction of personnel costs throughout the company. I am pleased to report that following the listing phase with its associated extraordinary costs the Company has returned to profitability.

INTOSOL Holdings PLC remains focused on building a global lifestyle experience company that merges private travel and unique experiences with hotel ownership. Our growth strategy is underpinned by strong market fundamentals for high-end tourism, with research showing, that luxury travel is growing

twice as fast as the overall market. With a portfolio of high-end, boutique hotels, we are well positioned to take advantage of this.

Finally, I would like to thank all shareholders for their continued support. We were pleased to receive further equity from our base of existing shareholders. I am looking forward to providing updates on our progress to accomplish our strategic goals.

Rainer Spekowius

A handwritten signature in blue ink, appearing to be 'R. Spekowius', with a stylized, sweeping flourish extending to the right.

**Unaudited condensed consolidated statement of profit and loss and other comprehensive income  
for the six months ended 31 July 2019**

	Note	Unaudited 6 months ended 31 Jul 2019 €	Unaudited 6 months ended 31 Jul 2018 €	Audited year ended 31 Jan 2019 €
<b>Revenue</b>		<b>3,294,183</b>	<b>3,590,950</b>	<b>7,181,900</b>
Cost of sales		(2,358,013)	(2,910,152)	(5,820,304)
<b>Gross profit</b>		<b>936,170</b>	<b>680,798</b>	<b>1,361,596</b>
<i>Other Income</i>				
Own work capitalised		-	17,838	35,675
Other operating income		238,293	112,820	225,639
Finance income		339	4,980	9,959
Administrative expenses		(1,151,373)	(1,591,354)	(3,182,708)
<b>Operating profit/(loss)</b>		<b>23,429</b>	<b>(774,918)</b>	<b>(1,549,839)</b>
Finance expense		(91,718)	(104,140)	(208,277)
<b>Loss before taxation</b>		<b>(68,289)</b>	<b>(879,058)</b>	<b>(1,758,116)</b>
Taxation		-	-	-
<b>Loss for the period</b>		<b>(68,289)</b>	<b>(879,058)</b>	<b>(1,758,116)</b>
<b>Other comprehensive income</b>				
Total other comprehensive income/(expense)		69,218	(19,764)	(39,527)
<b>Total comprehensive profit/(loss) for the period</b>		<b>929</b>	<b>(898,822)</b>	<b>(1,797,643)</b>
<b>Total comprehensive profit/(loss):</b>				
Attributable to owners of the parent		929	(898,822)	(1,797,643)
<b>Loss per share – basic and diluted</b>	<b>3</b>	<b>(0.01)</b>	<b>(0.10)</b>	<b>(0.17)</b>

The above unaudited condensed consolidated statement of profit and loss and other comprehensive loss for the period relates to continuing operations for the Group.

**Unaudited condensed consolidated statement of financial position  
as at 31 July 2019**

	Note	Unaudited 31 Jul 2019 €	Audited 31 Jan 2019 €
<b>ASSETS</b>			
<b>Non-current assets</b>			
Receivables from related parties		1,316,651	1,298,693
Intangible assets		45,338	70,066
Property, plant and equipment		2,547,120	719,111
<b>Total non-current assets</b>		<b>3,909,109</b>	<b>2,087,870</b>
<b>Current assets</b>			
Trade and other receivables		1,883,796	1,330,738
Cash and cash equivalents		13,546	147,760
Inventories		7,862	7,862
Deposits paid		472,364	489,150
Receivables from related parties		982,312	1,088,497
Receivables from related parties - Directors		351,309	346,703
Prepayments and other assets		70,844	90,004
<b>Total current assets</b>		<b>3,782,033</b>	<b>3,500,714</b>
<b>Total assets</b>		<b>7,691,142</b>	<b>5,588,584</b>
<b>Non-current liabilities</b>			
Borrowings		1,801,791	1,923,724
<b>Total non-current liabilities</b>		<b>1,801,791</b>	<b>1,923,724</b>
<b>Current liabilities</b>			
Trade and other payables		4,001,734	2,237,931
Borrowings		458,705	496,970
Provisions		45,980	38,852
Other liabilities		215,132	164,563
<b>Total current liabilities</b>		<b>4,721,551</b>	<b>2,938,316</b>
<b>Total liabilities</b>		<b>6,523,342</b>	<b>4,862,040</b>
<b>Net assets/(liabilities)</b>		<b>1,167,800</b>	<b>726,544</b>
<b>Equity</b>			
Share capital	4	1,450,712	1,304,953
Share premium account		3,109,027	2,814,459
Merger reserve		(750,197)	(750,197)
Retained losses		(2,655,689)	(2,587,400)
FX reserve		13,947	(55,271)
<b>Total equity and reserves</b>		<b>1,167,800</b>	<b>726,544</b>

The interim financial report was approved by the board of Directors on 30 October 2019 and signed on its behalf by:



**Rainer Spekowius**  
*Executive Chairman of INTOSOL Holdings Plc*

**Unaudited condensed consolidated statement of changes in equity  
for the six months ended 31 July 2019**

	Share capital	Share premium	Merger reserve	FX reserve	Retained losses	Total equity
	€	€	€	€	€	€
<b>Balance as at 1 February 2019</b>	<b>1,304,953</b>	<b>2,814,459</b>	<b>(750,197)</b>	<b>(55,271)</b>	<b>(2,587,400)</b>	<b>726,544</b>
<b>Comprehensive income</b>						
Loss for the period	-	-	-	-	(68,289)	(68,289)
Other comprehensive income	-	-	-	69,218	-	69,218
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69,218</b>	<b>(68,289)</b>	<b>929</b>
<b>Transactions with owners, in their capacity as owners</b>						
Shares issued	145,759	294,568	-	-	-	440,327
<b>Total other transactions with owners</b>	<b>145,759</b>	<b>294,568</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>440,327</b>
<b>Balance as at 31 July 2019</b>	<b>1,450,712</b>	<b>3,109,027</b>	<b>(750,197)</b>	<b>13,947</b>	<b>(2,655,689)</b>	<b>1,167,800</b>

**Audited condensed consolidated statement of changes in equity  
for the year ended 31 January 2019**

	Share capital €	Share premium €	Merger reserve €	FX reserve €	Retained losses €	Total equity €
<b>Balance as at 1 February 2018</b>	975,712	-	(750,197)	(15,744)	(829,284)	(619,513)
<b>Comprehensive income</b>						
Loss for the year	-	-	-	-	(1,758,116)	(1,758,116)
Other comprehensive loss	-	-	-	(39,527)	-	(39,527)
<b>Total comprehensive expense for the year</b>	-	-	-	(39,527)	(1,758,116)	(1,797,643)
<b>Transactions with owners, in their capacity as owners</b>						
Shares issued	329,241	2,814,459	-	-	-	3,143,700
<b>Total other transactions with owners</b>	329,241	2,814,459	-	-	-	3,143,700
<b>Balance as at 31 January 2019</b>	<b>1,304,953</b>	<b>2,814,459</b>	<b>(750,197)</b>	<b>(55,271)</b>	<b>(2,587,400)</b>	<b>726,544</b>

**Unaudited condensed consolidated statement of cash flows  
for the period ended 31 July 2019**

	<b>6 months ended 31 Jul 2019</b>	<b>Year ended 31 Jan 2019</b>
	<b>€</b>	<b>€</b>
<b>Cash flows from operating activities</b>		
Loss before taxation	(68,289)	(1,758,116)
Adjustments for:		
Depreciation and amortisation	61,902	224,842
Allowance for impairment losses	-	346,412
Other expenses/(income)	-	(35,544)
	<u>(6,387)</u>	<u>(1,222,406)</u>
<b>Changes in working capital</b>		
Decrease/(increase) in trade and other receivables	(553,057)	1,669,057
(Decrease)/increase in trade and other payables	64,710	81,618
Cash (used in)/generated from operations	<u>(494,734)</u>	<u>528,269</u>
Taxation received	-	-
<b>Net (cash used in)/generated by operations</b>	<b><u>(494,734)</u></b>	<b><u>528,269</u></b>
<b>Cash flow from investing activities</b>		
Purchase of fixed assets	-	(38,335)
Loans repaid to related parties	(63,604)	-
Loans to related parties	-	(1,020,778)
<b>Net cash used in investing activities</b>	<b><u>(63,604)</u></b>	<b><u>(1,059,113)</u></b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	250,000	1,654,893
Proceeds from shareholder loans	100,000	-
Loan funds received	-	(740,840)
<b>Net cash generated from financing activities</b>	<b><u>350,000</u></b>	<b><u>914,053</u></b>
<b>Decrease in cash and cash equivalents in the period</b>	<b>(208,338)</b>	<b>343,209</b>
Effect of changes in foreign exchange rates	74,124	(22,497)
<b>Cash and cash equivalents at opening</b>	<b>147,760</b>	<b>(172,952)</b>
<b>Cash and cash equivalents at closing</b>	<b><u>13,546</u></b>	<b><u>147,760</u></b>



## Notes to the consolidated interim financial report

### 1. General information

The Company is a public limited company which is admitted to trading on the Standard Segment of the Official List of the London Stock Exchange and is incorporated and domiciled in the UK. The address of the registered office is 201 Temple Chambers, 3-7 Temple Avenue, London, EC4Y 0DT. The registered number of the Company is 10806039.

The unaudited condensed consolidated interim financial report consolidates those of the Company and its subsidiaries (together the "Group").

The 31 January 2019 figures in these interim financial statements are derived from the audited Group's Financial Report for year ended 31 January 2019.

These interim financial statements do not compromise statutory financial statements within the meaning of section 434 of the Companies Act 2006. Statutory financial statements for the year ended 31 January 2019 have been delivered to the Registrar of Companies. These interim financial statements have not been audited and have not been reviewed by the auditors.

### 2. Accounting policies

#### 2.1 Statement of compliance

The interim financial statements comply with the recognition and measurement criteria of International Financial Reporting Standards as adopted by the European Union (EU-IFRSs), with IAS 34 Interim Financial Reporting and with IFRS Interpretations Committee (IFRS IC) interpretations.

The interim financial statements were approved by the Board of Directors on 30 October 2019.

#### 2.2 Significant accounting policies

The accounting policies applied by the Group in these interim financial statements are consistent with those applied by the Group in its Financial Report for year ended 31 January 2019, which were set out on pages 22 to 31 of the annual report.

### 3. Loss per share

#### *Basic and diluted loss per share*

The calculation of basic and diluted loss per share is based upon the loss of €68,289 (2018: loss of €879,058) and the weighted average number of ordinary shares in issue for the period of 11,755,540 (2018: 9,080,636).

### 4. Share capital and reserves

Allotted, called up and fully paid	Ordinary shares	Share capital	Share premium
	No.	€	€
At 1 February 2018	8,615,101	975,712	-
Shares issued during the year	2,870,517	329,241	2,814,459
<b>As at 31 January 2019</b>	<b>11,485,618</b>	<b>1,304,953</b>	<b>2,814,459</b>
Shares issued during the period	1,728,235	145,759	294,568
<b>As at 31 July 2019</b>	<b>13,213,853</b>	<b>1,450,712</b>	<b>3,109,027</b>

All ordinary shares are equally eligible to receive dividends and the repayment of capital and represent equal votes at meetings of shareholders.

## **5. Related party transactions**

On 11 March 2019 the Company received a loan of €100,000 from Ulrich Stöwer, a shareholder of INTOSOL Holdings PLC. This loan remains outstanding at 31 July 2019.

On 14 March 2019, the Company repaid the following loans from, RSP Beteiligungs GmbH, the company of Rainer Spekowius: €25,000, originally received by the Company on 24 August 2017, and €38,604 which was received on 31 December 2017.

On 29 May 2019 INTOSOL Holdings Plc announced in accordance with the Agreement the purchase of Oceans Wilderness ('Oceans'), its flagship nine-bedroom boutique hotel located in the Garden Route in South Africa ([www.oceanswilderness.co.za](http://www.oceanswilderness.co.za)), that it has satisfied the payment of the first €367,348.28 tranche of the total consideration of €1,967,348.28, through the issue of 938,735 new ordinary shares in the Company to Van Zuijlekom Afrika Trust (the seller). RSP Beteiligungs GmbH, the company of Rainer Spekowius, supported this transaction.

## **6. Post balance sheet events**

There are no post balance sheet events to report.