



Analyst Meeting

NEW MAURITIUS HOTELS LTD

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01.

Major Events

01. Major events

during the 1st Semester ended 31 December 2022

- Airline capacity has been enhanced and has almost reached pre-COVID level which assisted the recovery of the tourism sector.
- The number of tourist arrivals for the calendar year almost reached the target of 1 million.
- Pick up in activity has been noted across all operations of the Group i.e. hotel, tour operating and inflight catering activities, both locally and internationally.
- Occupancy rates were back to pre-COVID levels for the first semester to December
 - relatively higher demand for five-star resorts
 - increase in average spend per guest

01. Major events

during the 1st Semester ended 31 December 2022

- The Ukraine-Russia conflict created uncertainty across the world.
- Disruption in the supply chain, ensuing inflationary cost pressures combined with successive increases in interest rates negatively impacted our operating and finance costs.
- However we continued to invest in our hotel infrastructure and in our people to maintain our standards and quality of service
- Bonds of Rs 0.8bn which reached maturity in November 2022 were refinanced by banks.
- The Company launched a 27-villa IHS scheme at Trou aux Biches and the expected net proceeds of Rs 0.9bn will be used to reduce bank debt.
- As demand for travel grew and on the back of a strengthening euro and pound sterling, the Group posted commendable results for the first semester.

02.

Key Focus Areas



02. 3-year plan 2025

Key Group objectives

- We launched our 3-year plan.
- The main focus areas are:
 - Maintaining high levels of profitability
 - Debt reduction
 - Digitalisation
 - Branding
 - Consolidation of our employer brand & promise to retain and attract talents
 - Operational efficiency & innovation
 - Sustainability
 - Optimisation of sales mix

02.



Emphasis on our
Employer Brand

02.

People First culture

- Our goal: Understand, Improve, Amplify the Artisan's Expérience.
- In line with this, we embarked on our Artisan Value Proposition (AVP) journey.
- Beachcomber AVP is a compelling answer to the following artisans' and candidates' questions:

Why should I work for your company instead of somewhere else?

What's in it for me?



02. People First culture

- Beachcomber AVP was developed together with its artisans
- Some 1 000 artisans were involved in the AVP building process through: one to one meetings; workshops; interviews with external consultants and questionnaires

Artisan Value Proposition (AVP)

- Last September we unveiled Beachcomber Artisan Value Proposition entitled:

*feel
the happiness
you give*



EARTHCHECK



Our sustainable
approach

02. Sustainability

EarthCheck Certification

- Since 2015, we have embarked in the EarthCheck certification programme.
- Our 8 resorts in Mauritius and our Head Office are EarthCheck Silver certified.
- Paradis Beachcomber Golf Resort & Spa and Dinarobin Beachcomber Golf Resort & Spa has achieved the EarthCheck Gold Certification in the course of this month.



EARTHCHECK

Sustainability

Our 52 commitments

Along with EarthCheck Certification, we unveiled our 52 Commitments Environmental & Social Charter in 2019.

Built on eight pillars, our 52 Commitments demonstrate our actions to reduce our carbon footprint and contribute towards a cleaner, safer and more sustainable planet.



Choose less but
Greener energy



Use water
efficiently



Manage waste
responsibly



Embellish environment/
Biodiversity



Fostering community
development



Engagement
of our artisans



Responsible
sourcing



Contribution of
our guests

02. Sustainable initiatives at national level

- Urgent need to have a common strategy to position and promote the island as a cultural and green destination although there are a number of initiatives already underway:
 - Government continues to pursue positive intentions on plastics, but also takes into account the obstacles to be overcome. Extension of the list of banned products.
 - Government wants to join the High Ambition Coalition against plastics but extends deadlines for some types of plastic where alternatives are not yet fully available.
 - UNDP continues its coral restoration programmes. In one, with Reef Conservation, hotels are invited to invest in Coral Gardens which we will be responding to.
 - Government has launched the National Environment Cleaning Authority (NECA) to better supervise and coordinate the Councils, RDA, Beach Authority, TA, etc.
 - MSAW is moving from Catch and Kill to CNR (Catch, Neuter and Release) - a major step forward for the country. AHRIM wishes to collaborate.
 - AHRIM signs MOU with Turbine to launch start ups and en(in)trapreneurs on 3 themes or risks for Mauritius - the carbon footprint of long haul destinations, the coastal zone and the lack of circularity in the country.

Social Responsabilité

Fondation Espoir Développement

Y "We are committed to offering the underprivileged communities an opportunity for a better and more sustainable future."

- pioneer of CSR in Mauritius (FED was set up in June 1999)
- aims at promoting the socio-economic development of Mauritius, as well as preserving its natural and cultural heritage so that the country remains an attractive touristic destination.
- helps communities by offering training and employment opportunities to vulnerable youth, promoting small entrepreneurs, education, and more.



Social Responsibility

Fondation Espoir Développement

Projet Employabilité Jeunes was launched in 2004 to improve the employability of out of school youths from vulnerable backgrounds.

Key indicators:

- 300 young people are admitted every year in the PEJ
- 213 PEJ trainees from the 2022 cohort were awarded their certificates, last November, during an Award Ceremony held at the Auditorium Octave Wiehé
- 164 of them have secured an internship in a Beachcomber hotel
- Over the last 18 years, some 3,000 young people have benefited from the PEJ



Social Responsibility

Fondation Espoir Développement

Beautiful LocalHands was launched in 2006 to support and empower local craftspeople - mainly women artisans - to create, showcase and sell their products.

- 50+ artisans are involved in this initiative
- Beautiful LocalHands unveiled its web platform last October: <http://www.beautiful-localhands.com/>
- This website is a valuable window for Beautiful LocalHands' artisans to display their talents.



Social Responsibility

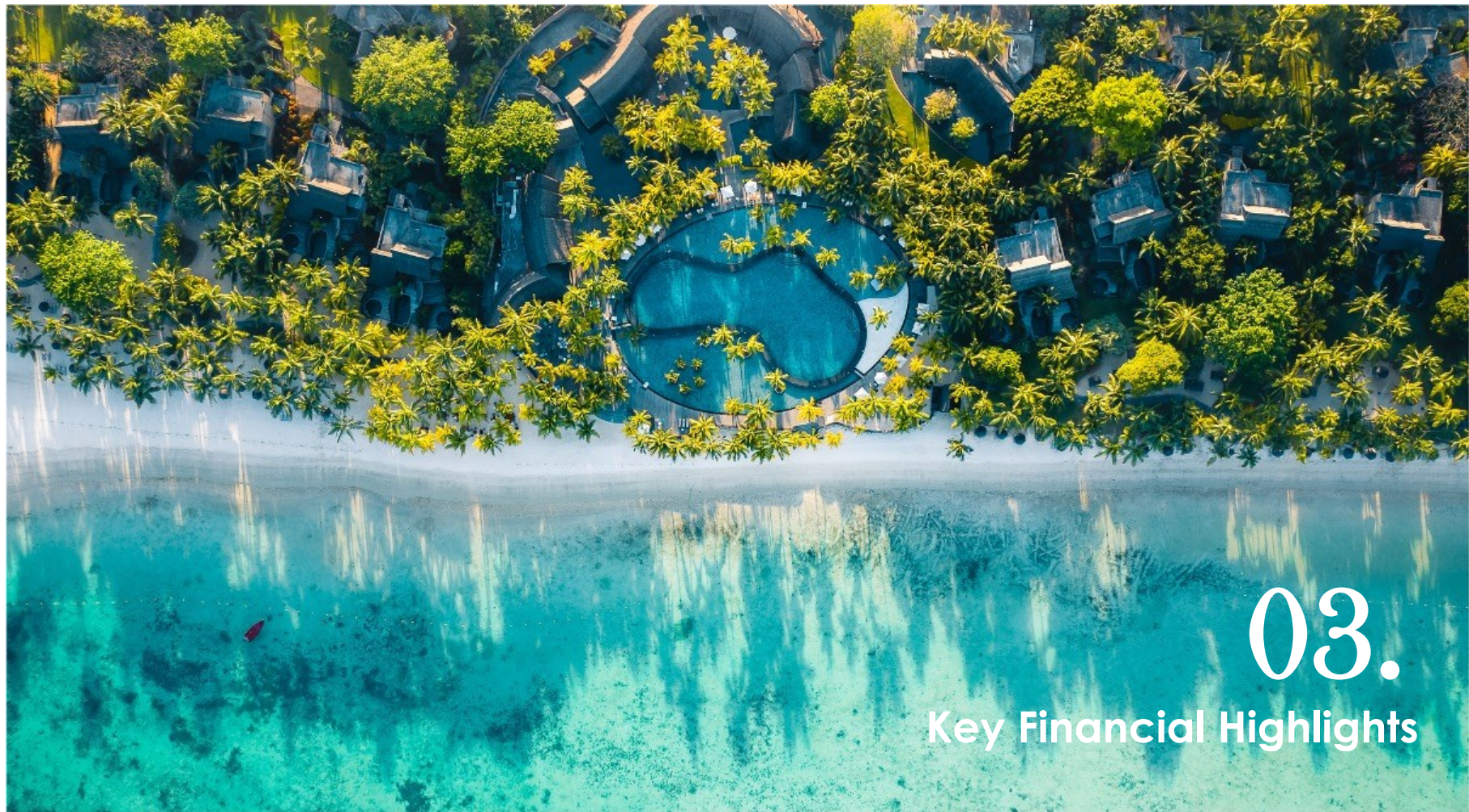
Fondation Espoir Développement

Vulnerable Lives Matter Project

FED together with the European Union has launched a 4-year social programme entitled “Vulnerable Lives Matter: Social Inclusion Development Programme for Youths, Women, Young Girls and Disabled”.

It comprises five main components:

1. Women Employability
2. Youth Employability
3. Youth Mentoring
4. From Disability to Ability
5. Networking



03.

Key Financial Highlights

03. Key indicators

% Occupancy

Hotels in Mauritius
Fairmont Royal Palm Marrakech
Average group

GNS (Rs)

Hotels in Mauritius
Fairmont Royal Palm Marrakech
Average group

ARR (Rs)

Hotels in Mauritius
Fairmont Royal Palm Marrakech
Average group

TRevPAR (Rs)

Hotels in Mauritius
Fairmont Royal Palm Marrakech
Average group

Currency

Euro (Average buying rate)
GBP (Average buying rate)
MAD (Mid Rate)

Semester ended 31 December 2022 Rs'000	Semester ended 31 December 2021 Rs'000	Semester ended 31 December 2019 Rs'000
75.8	28.4	75.1
55.5	40.7	59.0
74.5	29.2	74.0
7,753	9,194	6,547
20,150	16,074	12,120
8,235	9,753	7,116
10,247	12,922	8,877
22,869	18,920	15,170
10,833	13,444	9,412
13,210	5,412	10,656
20,864	12,579	14,414
13,687	5,860	11,273
44.2	49.5	39.6
51.3	58.1	44.9
4.19	4.70	3.78

03. Statements of Profit or Loss

	Semester ended 31 December 2022 Rs '000	Semester ended 31 December 2021 Rs '000	Semester ended 31 December 2019 Rs '000
Revenue	6,957,769	3,066,534	5,291,897
EBITDA	2,285,785	675,489	1,220,924
Profit / (loss) before tax	1,339,100	(221,908)	438,832
Income tax (expense)/ credit	(236,635)	14,560	(102,151)
Profit / (loss) after tax	1,102,464	(207,348)	336,681

03. Revenue and EBITDA Analysis

	Semester ended 31 December 2022 Rs'000	Semester ended 31 December 2021 Rs'000	Semester ended 31 December 2019 Rs'000
Revenue			
Hotel Operations:			
- Mauritius	4,921,296	2,036,262	3,949,779
- Morocco	514,415	310,159	404,713
Non-hotel Operations:			
- Beachcomber Tours	759,135	306,856	502,922
- Mautourco & Beachcomber Catering	575,058	219,010	434,483
- Seychelles	187,865	194,248	-
	6,957,769	3,066,534	5,291,897
EBITDA			
Hotel Operations:			
- Mauritius	1,681,528	397,865	958,899
- Morocco	97,997	(14,171)	51,241
Non-hotel Operations:			
- Beachcomber Tours	251,156	66,199	125,445
- Mautourco & Beachcomber Catering	70,931	24,805	49,190
- Seychelles	194,844	200,859	40,511
- Associates	(10,671)	(67)	(4,363)
	2,285,785	675,489	1,220,924

03. PAT analysis

	Semester ended 31 December 2022 Rs m	Semester ended 31 December 2021 Rs m	Semester ended 31 December 2019 Rs m
PAT			
Hotels Operations:			
- Mauritius	984	(334)	321
- Morocco	32	(107)	(89)
Non-hotel Operations:			
- Beachcomber Tours	202	58	65
- Seychelles	100	96	61
- Mautourco & Beachcomber Catering	39	5	7
- Beachcomber Hospitality Investments	111	123	91
- Associates and others	(13)	(4)	-
	1,455	(162)	455
Group adjustments	(352)	(46)	(118)
Profit after Tax	1,103	(208)	337
<u>Non-controlling Interest</u>			
- Beachcomber Tours South Africa	31	(8)	16
- Mautourco	26	7	13
- Beachcomber Hospitality Investments	41	47	38
- Others	2	1	1
Profit attributable to NCI	100	47	68
Group PAT	1,003	(255)	269

03. Statements of Financial Position

	31 December 2022 Unaudited Rs'000	30 June 2022 Audited Rs'000
ASSETS		
Non-current assets		
Property, plant and equipment	25,428,800	25,691,688
Right-of-use assets	2,280,833	2,309,277
Investment property	5,623,004	5,573,428
Intangible assets	1,270,470	1,273,592
Investment in associates	703,868	716,716
Financial assets at fair value through other comprehensive income	11,044	9,760
Financial assets at amortised cost	1,311,431	1,311,431
Deferred tax assets	208,759	222,978
	36,838,209	37,108,870
Current assets	5,429,976	3,650,605
TOTAL ASSETS	42,268,185	40,759,475
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent	9,463,396	8,801,442
Non-controlling interests	(179,162)	476,226
Non-current liabilities	22,416,515	19,987,579
Current liabilities	10,567,437	11,494,228
TOTAL EQUITY AND LIABILITIES	42,268,185	40,759,475

03. Borrowings

Company Indebtedness:

- Company's net bank borrowings stood at Rs 12.5bn at 31 December 2022, representing a gearing ratio of 56%. Total assets of company increased to Rs 37bn as at 31 December 2022.

Subsidiaries' Indebtedness:

- The facilities of Kingfisher and Ste Anne are being repaid as per contractual terms and stood at EUR64m as at 31 December 2022. The asset is valued at EUR 115m.
- Beachcomber Hospitality Investments Ltd has debt facilities of EUR 55m. The assets are valued at EUR 203m.
- Beachcomber Hotels SA (Fairmont Royal Palm Marrakech) has existing debt of Rs 520m. The hotel is valued at Rs 3bn.



04.

Outlook

04. Outlook

- It is likely that tourist arrivals in the fiscal year 22/23 will reach 1.25 million, short of the 1.4 million target, given the available seat capacity.
- ESG policies and practices will be sine qua non for Mauritius and to keep the tourism sector on the current growth path.
- A number of initiatives are being implemented to improve the quality of our resorts, maintain high level of profitability and reduce indebtedness, in line with our 3-year plan.



04. Outlook

- A protracted conflict in Ukraine could increase travel cost and reduce consumer confidence.
- Uncertainties prevail with rising interest rates, labour shortages and recently announced increase in electricity rates which will put further pressure on costs.
- Management however continues to focus on revenue improvement and cost efficiency initiatives to mitigate the impact on the results.
- Given the improved results, the Group will resume with the payment of a bonus to all employees in accordance with its existing profit-sharing scheme.
- Forward bookings for the third quarter to March 2023 are above expectations.
- The Group is expected to post good results for the year ending 30 June 2023, with all subsidiaries contributing positively to the bottom line.

Question time

Thank you

