



BEACHCOMBER

RESORTS & HOTELS

NEW MAURITIUS HOTELS LIMITED

UNAUDITED INTERIM (QUARTERLY) FINANCIAL STATEMENTS
FOR THE THIRD QUARTER AND 9 MONTHS ENDED 31 MARCH 2021



GROUP ABRIDGED STATEMENT OF PROFIT OR LOSS

| | 9 months ended 31 March 2021 Unaudited Rs'000 | 9 months ended 31 March 2020 Unaudited Rs'000 | Quarter ended 31 March 2021 Unaudited Rs'000 | Quarter ended 31 March 2020 Unaudited Rs'000 | Period ended 30 June 2020 Audited Rs'000 |
|--|---|---|--|--|--|
| CONTINUING OPERATIONS | | | | | |
| Revenue | 940,238 | 7,620,027 | 351,315 | 2,328,130 | 5,632,584 |
| Earnings from operating activities | (1,109,816) | 1,484,151 | (356,028) | 411,659 | 914,899 |
| Other income | 27,630 | 15,532 | 13,884 | 5,164 | 25,455 |
| Other (losses)/gains | (107,469) | 177,364 | (73,991) | 79,730 | (185,305) |
| Share of results from associates | 2,160 | (4,556) | 3,645 | (193) | 7,902 |
| Profit on disposal of right-of-use assets | - | - | - | - | 3,834 |
| Profit/(loss) on disposal of property, plant and equipment | 96 | 10,339 | (3,772) | 960 | (4,515) |
| Normalised EBITDA | (1,187,399) | 1,682,830 | (416,262) | 497,320 | 762,270 |
| Gain on disposal of associate | - | 301 | - | - | - |
| Gain on disposal of subsidiaries | - | 92,347 | - | - | - |
| Closure costs | - | (24,731) | - | (3,022) | (14,446) |
| Other impairment loss | - | (35,525) | - | - | (477,034) |
| EBITDA | (1,187,399) | 1,715,222 | (416,262) | 494,298 | 270,790 |
| Finance costs-Borrowings | (642,735) | (623,491) | (196,426) | (238,418) | (575,203) |
| Finance costs-Right-of-use assets | (138,398) | (87,233) | (48,173) | (47,870) | (138,362) |
| Finance revenue | 167,378 | 35,521 | (23,711) | 14,314 | 279,063 |
| Depreciation and amortisation - Property, plant and equipment and Intangibles | (525,718) | (549,497) | (169,880) | (181,859) | (521,570) |
| Depreciation - Right-of-use assets | (54,252) | (32,238) | (16,146) | (21,012) | (87,742) |
| (Loss)/profit before tax | (2,381,124) | 458,284 | (870,598) | 19,453 | (773,024) |
| Income tax credit/(expense) | 214,829 | (106,183) | 106,185 | (4,032) | 87,213 |
| (Loss)/profit from continuing activities | (2,166,295) | 352,101 | (764,413) | 15,421 | (685,811) |
| Loss from discontinued operations | - | 51,347 | - | - | - |
| (Loss)/profit for the period | (2,166,295) | 403,448 | (764,413) | 15,421 | (685,811) |
| (Loss)/profit attributable to: | | | | | |
| Owners of the parent | (2,197,150) | 312,178 | (780,303) | (7,807) | (729,773) |
| Non-controlling interests | 30,855 | 91,270 | 15,890 | 23,228 | 43,962 |
| | (2,166,295) | 403,448 | (764,413) | 15,421 | (685,811) |
| Basic (loss)/earnings per share: | | | | | |
| From continuing activities (Rs) | (4.00) | 0.48 | (1.42) | (0.01) | (1.33) |
| From continuing and discontinued activities (Rs) | (4.00) | 0.57 | (1.42) | (0.01) | (1.33) |
| Average number of shares used in calculation | 548,982,130 | 548,982,130 | 548,982,130 | 548,385,472 | 548,982,130 |

SEGMENTAL INFORMATION

| Geographical | | | | | |
|---------------------|--------------------|------------------|------------------|------------------|------------------|
| Revenue: | | | | | |
| Mauritius | 645,450 | 6,346,372 | 209,768 | 1,962,110 | 4,681,077 |
| Morocco | 185,663 | 598,253 | 67,844 | 193,540 | 455,149 |
| Others | 109,125 | 675,402 | 73,703 | 172,480 | 496,358 |
| | 940,238 | 7,620,027 | 351,315 | 2,328,130 | 5,632,584 |
| EBITDA: | | | | | |
| Mauritius | (1,003,934) | 1,522,748 | (434,520) | 478,513 | 228,254 |
| Morocco | (77,581) | 82,901 | (27,866) | 31,659 | 38,268 |
| Others | (105,884) | 109,573 | 46,124 | (15,874) | 4,268 |
| | (1,187,399) | 1,715,222 | (416,262) | 494,298 | 270,790 |

GROUP ABRIDGED STATEMENT OF OTHER COMPREHENSIVE INCOME

| | 9 months ended 31 March 2021 Unaudited Rs'000 | 9 months ended 31 March 2020 Unaudited Rs'000 | Quarter ended 31 March 2021 Unaudited Rs'000 | Quarter ended 31 March 2020 Unaudited Rs'000 | Period ended 30 June 2020 Audited Rs'000 |
|--|---|---|--|--|--|
| (Loss)/profit for the period Other comprehensive income, net of tax: | (2,166,295) | 403,448 | (764,413) | 15,421 | (685,811) |
| Other comprehensive income that may be reclassified to profit or loss in subsequent periods | (224,383) | (10,364) | 101,671 | (219,900) | (528,457) |
| Other comprehensive income that will not be reclassified to profit or loss in subsequent periods | (265) | (457,136) | (45) | - | (1,204,016) |
| Other comprehensive income for the period, net of tax: | (224,648) | (467,500) | 101,626 | (219,900) | (1,732,473) |
| Total comprehensive income for the period | (2,390,943) | (64,052) | (662,787) | (204,479) | (2,418,284) |
| Total comprehensive income attributable to: | | | | | |
| Owners of the parent | (2,273,343) | (328,323) | (743,861) | (283,182) | (2,142,510) |
| Non-controlling interests | (117,600) | 264,271 | 81,074 | 78,703 | (275,774) |
| | (2,390,943) | (64,052) | (662,787) | (204,479) | (2,418,284) |

GROUP ABRIDGED STATEMENT OF FINANCIAL POSITION

| | As at 31 March 2021 Unaudited Rs'000 | As at 30 June 2020 Audited Rs'000 |
|---|--|---|
| ASSETS | | |
| Property, plant and equipment | 23,440,903 | 23,421,766 |
| Right-of-use assets | 2,718,601 | 2,769,146 |
| Investment properties | 4,941,415 | 3,319,575 |
| Intangible assets | 1,285,492 | 1,290,029 |
| Investment in associates | 635,425 | 633,338 |
| Financial assets at fair value through other comprehensive income | 8,829 | 9,094 |
| Financial assets at amortised costs | 1,187,062 | 1,187,062 |
| Deferred tax assets | 224,746 | 207,741 |
| | 34,442,473 | 32,837,751 |
| Current assets | 2,391,537 | 3,122,199 |
| TOTAL ASSETS | 36,834,010 | 35,959,950 |
| EQUITY AND LIABILITIES | | |
| Equity attributable to owners of the parent | 4,714,706 | 6,905,702 |
| Non-controlling interests | 146,049 | 263,649 |
| Non-current liabilities | 23,633,165 | 16,576,668 |
| Current liabilities | 8,340,090 | 12,213,931 |
| TOTAL EQUITY AND LIABILITIES | 36,834,010 | 35,959,950 |

GROUP ABRIDGED STATEMENT OF CHANGES IN EQUITY

| | Equity attributable to owners of the parent Rs'000 | Non-Controlling Interests Rs'000 | Total Equity Rs'000 |
|---|---|--|---------------------------|
| Balance at 1 July 2019 | | | |
| As previously reported | 13,015,275 | 594,487 | 13,609,762 |
| Prior year error | 96,558 | (96,558) | - |
| Effect of changes in accounting policies, net of tax | (31,540) | (3,799) | (35,339) |
| As restated | 13,080,293 | 494,130 | 13,574,423 |
| Changes in equity for the period | | | |
| Conversion of preference shares | 25,750 | - | 25,750 |
| Capital reduction | (3,595,000) | - | (3,595,000) |
| Total comprehensive income for the period | (328,323) | 264,271 | (64,052) |
| Release on disposal of subsidiaries | (208,114) | - | (208,114) |
| Change in ownership interest in subsidiary that do not result in a loss of control | 22,637 | 6,320 | 28,957 |
| Dividends | (120,776) | (151,926) | (272,702) |
| Balance at 31 March 2020 | 8,876,467 | 612,795 | 9,489,262 |
| Balance at 1 July 2020 | 6,905,702 | 263,649 | 7,169,351 |
| Changes in equity for the period | | | |
| Total comprehensive income for the period | (2,273,343) | (117,600) | (2,390,943) |
| Dividends declared cancelled off | 82,347 | - | 82,347 |
| Balance at 31 March 2021 | 4,714,706 | 146,049 | 4,860,755 |

GROUP ABRIDGED STATEMENT OF CASH FLOWS

| | 9 months ended 31 March 2021 Unaudited Rs'000 | 9 months ended 31 March 2020 Unaudited Rs'000 | Period ended 30 June 2020 Audited Rs'000 |
|--|---|---|--|
| Net cash flows (used in)/generated from operating activities | (1,112,210) | 1,004,159 | 509,302 |
| Net cash flows (used in)/generated from investing activities | (1,497,271) | (1,225,568) | (1,303,226) |
| Net cash flows generated from/(used in) finance activities | 1,245,275 | (562,509) | 669,927 |
| Net cash flows generated from discontinued operations | - | 1,131,566 | - |
| Net cash (decrease)/increase in cash and cash equivalents | (1,364,206) | 347,648 | (123,997) |
| Cash and cash equivalents at beginning of period | (388,962) | 358,075 | (275,432) |
| Net foreign exchange differences | 2,019 | 32,158 | 10,467 |
| Cash and cash equivalents at end of period | (1,751,149) | 737,881 | (388,962) |

COMMENTS FOR THIRD QUARTER AND 9 MONTHS ENDED 31 MARCH 2021

RESULTS

The Group continued to be heavily impacted by the travel restrictions linked to the COVID-19 pandemic. A very low turnover of Rs 351m was recorded for the quarter ended 31 March 2021, representing less than 15% of the Group's "normal" turnover during this quarter. The Group posted a loss of Rs 764m for the quarter, bringing the loss for the 9 months to Rs 2,166m.

MAURITIUS

The ongoing closure of the island's borders continued to negatively affect the Mauritian tourism industry. The second lockdown in March dealt a blow to management's efforts to generate turnover from the local market. The Wage Assistance Scheme, additional bridging finance from banks and a significant number of cost-cutting initiatives have enabled the Company to meet its commitments.

MOROCCO

Operations at Fairmont Royal Palm Marrakech continued to face challenges linked to the COVID-19 pandemic, with restrictions imposed on travelling to and from the country. Although the resort managed to welcome local and a limited number of international guests, these were largely insufficient to meet unavoidable costs.

SEYCHELLES

Sainte Anne Resort, now rebranded Club Med Seychelles, was handed over to Club Med on 1st February 2021 after two years of redevelopment works which transformed the 87-suite hotel into a large 295-room resort with a vast array of additional facilities. The Group received its first rental income from Club Med for the period 1st February to 30th April 2021, thereby generating Rs 37m PAT for the quarter under review. The rental income from Club Med is expected to generate a yearly PAT of some Rs 200m for the Group, as compared to a loss of some Rs 100m before the hotel closed for redevelopment.

OTHER GROUP OPERATIONS

The three Beachcomber Tours as well as Mautourco continued to suffer significant losses, their activities being at a standstill until the reopening of Mauritius' borders to tourists.

MAURITIUS INVESTMENT CORPORATION (MIC)

Further to the signing of a binding Term Sheet with the MIC for the issue of Rs 2.5bn convertible bonds, the Company has signed the Subscription Agreement with this institution on 5th May 2021. Shareholders will soon be convened to a shareholders' meeting to approve the issue of the bonds. Disbursement of MIC funds is expected in June 2021.

OUTLOOK

With Mauritius' borders being closed for some 14 months, the local tourism industry is fighting for survival. The Group is actively engaged in the Public-Private sector joint committees which have been recently set up to plan for the reopening of borders. With the vaccination campaign under way, there is a welcomed strategy from the authorities for an "early and safe" reopening of the island to international travel.

It is anticipated that Morocco will gradually ease travel restrictions over the coming months and the Group expects the Fairmont Royal Palm Marrakech to start welcoming a significant number of international guests as from September 2021.

Whilst ongoing profits are expected from rental income in Seychelles, the Group will continue to record significant losses as long as the borders of Mauritius remain closed.

The interim financial report is unaudited and has been prepared using the same accounting policies as the last audited annual financial statements, except for the adoption of amendments to published standards and interpretations issued which are now effective.

The interim financial report is issued pursuant to Listing Rule 12.20 and the Securities Act 2005. The statement of direct and indirect interests of Directors and Senior Officers pursuant to section 8(2)(m) Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available free of charge at the registered office of the Company, Beachcomber House, Botanical Garden Street, Curepipe.

Copies of this report are available free of charge at the head office of the Company.

The Board of Directors accepts full responsibility for the accuracy of the information contained in this report.

By order of the Board

*ENL Secretarial Services Limited
Company Secretary*

10 May 2021