

NEW MAURITIUS HOTELS LIMITED

UNAUDITED INTERIM (QUARTERLY) FINANCIAL STATEMENTS
FOR THE QUARTER AND SEMESTER ENDED 31 DECEMBER 2023



GROUP ABRIDGED STATEMENT OF PROFIT OR LOSS

| | Semester ended 31 December 2023 Unaudited Rs'000 | Semester ended 31 December 2022 Unaudited Rs'000 | Quarter ended 31 December 2023 Unaudited Rs'000 | Quarter ended 31 December 2022 Unaudited Rs'000 | Year ended 30 June 2023 Audited Rs'000 |
|--|--|--|---|---|--|
| Revenue | 7,357,141 | 6,957,769 | 4,703,079 | 4,375,237 | 14,083,520 |
| EBITDA before impairment, fair value change, gain on business combination, closure costs and insurance compensation | 2,414,475 | 2,296,055 | 1,909,533 | 1,783,467 | 4,524,808 |
| Fair value change on Investment property | - | - | - | - | 109,271 |
| Impairment loss on financial assets | (5,239) | (10,270) | (5,239) | (10,270) | (495) |
| Gain on business combination | - | - | - | - | 236,154 |
| Closure costs | (143,736) | - | - | - | - |
| Insurance compensation for business interruption and material damage | 175,137 | - | 175,137 | - | - |
| Impairment losses | (61,519) | - | (61,519) | - | (128,889) |
| EBITDA | 2,379,118 | 2,285,785 | 2,017,912 | 1,773,197 | 4,740,849 |
| Finance costs on borrowings | (644,040) | (511,907) | (323,583) | (272,958) | (1,146,820) |
| Finance costs on lease liabilities | (105,768) | (96,326) | (57,568) | (53,062) | (180,235) |
| Exchange gain/(loss) on retranslation of currency borrowings and loan receivable | 684 | 7,351 | (23,838) | 31,155 | 48,463 |
| Finance revenue | 50,844 | 48,168 | 22,184 | 25,944 | 125,458 |
| Depreciation and amortisation | (405,503) | (393,972) | (209,423) | (197,605) | (778,433) |
| Profit before tax | 1,275,335 | 1,339,099 | 1,425,684 | 1,306,671 | 2,809,282 |
| Income tax expense | (216,540) | (236,635) | (225,644) | (215,179) | (527,142) |
| Profit for the period/year | 1,058,795 | 1,102,464 | 1,200,040 | 1,091,492 | 2,282,140 |
| Profit attributable to: | | | | | |
| Owners of the parent | 990,532 | 1,002,693 | 1,159,502 | 1,033,225 | 2,118,591 |
| Non-controlling interests | 68,263 | 99,771 | 40,538 | 58,267 | 163,549 |
| | 1,058,795 | 1,102,464 | 1,200,040 | 1,091,492 | 2,282,140 |
| Basic earnings per share: | 1.80 | 1.83 | 2.11 | 1.88 | 3.86 |
| Diluted earnings per share: | 1.13 | 1.14 | 1.32 | 1.18 | 2.42 |

SEGMENTAL INFORMATION

| Geographical | Semester ended 31 December 2023 Unaudited Rs'000 | Semester ended 31 December 2022 Unaudited Rs'000 | Quarter ended 31 December 2023 Unaudited Rs'000 | Quarter ended 31 December 2022 Unaudited Rs'000 | Year ended 30 June 2023 Audited Rs'000 |
|-----------------|--|--|---|---|--|
| Revenue: | | | | | |
| Mauritius | 5,931,241 | 5,496,354 | 3,851,987 | 3,493,051 | 11,167,439 |
| Morocco | 473,161 | 514,415 | 306,069 | 340,764 | 1,155,779 |
| Seychelles | 198,617 | 187,865 | 97,565 | 92,856 | 393,845 |
| Others | 754,122 | 759,135 | 447,458 | 448,566 | 1,366,457 |
| | 7,357,141 | 6,957,769 | 4,703,079 | 4,375,237 | 14,083,520 |
| EBITDA: | | | | | |
| Mauritius | 1,878,721 | 1,742,369 | 1,641,387 | 1,411,904 | 3,582,143 |
| Morocco | 115,123 | 97,997 | 152,651 | 93,658 | 249,054 |
| Seychelles | 198,676 | 194,844 | 95,152 | 111,122 | 510,354 |
| Others | 186,598 | 250,575 | 128,722 | 156,513 | 399,298 |
| | 2,379,118 | 2,285,785 | 2,017,912 | 1,773,197 | 4,740,849 |

GROUP ABRIDGED STATEMENT OF OTHER COMPREHENSIVE INCOME

| | Semester ended 31 December 2023 Unaudited Rs'000 | Semester ended 31 December 2022 Unaudited Rs'000 | Quarter ended 31 December 2023 Unaudited Rs'000 | Quarter ended 31 December 2022 Unaudited Rs'000 | Year ended 30 June 2023 Audited Rs'000 |
|---|--|--|---|---|--|
| Profit for the period/year | 1,058,795 | 1,102,464 | 1,200,040 | 1,091,492 | 2,282,140 |
| Other comprehensive income, net of tax: | | | | | |
| Other comprehensive income that may be reclassified to profit or loss in subsequent periods | (138,544) | (231,685) | 57,144 | (186,328) | (473,076) |
| Other comprehensive income that will not be reclassified to profit or loss in subsequent periods: | 1,889 | 1,283 | 890 | (27) | (512,101) |
| Other comprehensive income for the period/year, net of tax: | (136,655) | (230,402) | 58,034 | (186,355) | (985,177) |
| Total comprehensive income for the period/year, net of tax | 922,140 | 872,062 | 1,258,074 | 905,137 | 1,296,963 |
| Total comprehensive income attributable to: | | | | | |
| Owners of the parent | 854,544 | 842,205 | 1,217,202 | 1,042,224 | 1,308,105 |
| Non-controlling interests | 67,596 | 29,857 | 40,872 | (137,087) | (11,142) |
| | 922,140 | 872,062 | 1,258,074 | 905,137 | 1,296,963 |

GROUP ABRIDGED STATEMENT OF FINANCIAL POSITION

| | As at 31 December 2023 Unaudited Rs'000 | As at 30 June 2023 Audited Rs'000 |
|---|---|---|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 26,090,762 | 25,754,071 |
| Right-of-use assets | 2,295,401 | 2,338,270 |
| Investment property | 6,090,281 | 6,164,287 |
| Intangible assets | 1,265,286 | 1,267,256 |
| Investment in associates | 743,633 | 723,011 |
| Financial assets at fair value through other comprehensive income | 12,601 | 10,698 |
| Financial assets at amortised cost | 1,312,110 | 1,312,110 |
| Deferred tax assets | 219,962 | 227,203 |
| | 38,030,036 | 37,796,906 |
| Current assets | 5,740,567 | 4,402,250 |
| TOTAL ASSETS | 43,770,603 | 42,199,156 |
| EQUITY AND LIABILITIES | | |
| Equity attributable to owners of the parent | 9,738,059 | 8,993,311 |
| Preference share capital | 1,927,234 | 1,927,234 |
| Non-controlling interests | 94,519 | 90,214 |
| Non-current liabilities | 19,057,191 | 21,354,588 |
| Current liabilities | 12,953,600 | 9,833,809 |
| TOTAL EQUITY AND LIABILITIES | 43,770,603 | 42,199,156 |

GROUP ABRIDGED STATEMENT OF CHANGES IN EQUITY

| | Equity attributable to owners of the parent Rs'000 | Preference share capital Rs'000 | Non- controlling Interests Rs'000 | Total Equity Rs'000 |
|---|---|--|--|------------------------|
| As at 1 July 2022 | 8,801,442 | - | 476,226 | 9,277,668 |
| Total comprehensive income for the period | 842,205 | - | 29,857 | 872,062 |
| Changes in ownership interest in subsidiaries that do not result in a loss of control | (180,251) | - | 180,251 | - |
| Dividends | - | - | (865,496) | (865,496) |
| As at 31 December 2022 | 9,463,396 | - | (179,162) | 9,284,234 |
| As at 1 July 2023 | 8,993,311 | 1,927,234 | 90,214 | 11,010,759 |
| Total comprehensive income for the period | 854,544 | - | 67,596 | 922,140 |
| Dividends | (109,796) | - | (63,291) | (173,087) |
| As at 31 December 2023 | 9,738,059 | 1,927,234 | 94,519 | 11,759,812 |

GROUP ABRIDGED STATEMENT OF CASH FLOWS

| | Semester ended 31 December 2023 Unaudited Rs'000 | Semester ended 31 December 2022 Unaudited Rs'000 | Year ended 30 June 2023 Audited Rs'000 |
|---|--|--|--|
| Net cash flows generated from operating activities | 1,671,349 | 1,299,008 | 4,067,519 |
| Net cash flows used in investing activities | (810,146) | (305,425) | (766,391) |
| Net cash flows used in financing activities | (848,043) | (1,732,625) | (2,425,411) |
| Net increase/(decrease) in cash and cash equivalents | 13,160 | (739,042) | 875,717 |
| Cash and cash equivalents at beginning | 209,422 | (692,044) | (692,044) |
| Net foreign exchange differences | (22,733) | (41,639) | 25,749 |
| Cash and cash equivalents at end of period/year | 199,849 | (1,472,725) | 209,422 |

COMMENTS ON RESULTS FOR THE FIRST SEMESTER ENDED 31 DECEMBER 2023

Financial performance

For the first half of the financial year, the Group posted robust financial results with a turnover of Rs 7.4bn, representing a 6% year-on-year growth, despite 20% of room inventory being unavailable for sale in the first quarter and the earthquake in Morocco. Normalised EBITDA was above expectation reaching Rs 2.4bn while profit after tax amounted to Rs 1.1bn.

Our operations in Mauritius performed better than last year during the second quarter with all our resorts fully operational. Consequently, our hotels recorded an increase of 8% in Revenue and EBITDA which stood at Rs 5.9bn and Rs 1.9bn respectively.

Post the September earthquake in Marrakech, an insurance compensation of Rs 175m was received for material damage and loss of profit against which impairment losses of Rs 62m have been applied. However, the resort faced challenges due to the conflict in the Middle East resulting in a turnover of Rs 473m, an 8% drop from the previous year. EBITDA stood at Rs 115m inclusive of the net insurance proceeds.

Our tour operating and destination management activities, both locally and overseas, contributed significantly to profitability. Additionally, our rental agreement with Club Med at Ste Anne, Seychelles, continues to generate important revenue for the Group.

Outlook

Forward bookings for the Group's Mauritian hotels indicate a positive momentum while operations in Morocco continue to be affected by the conflict in the Middle East.

On the cost front, the increase in minimum wage and cost of living adjustment in Mauritius will significantly impact staff costs and will lead to further inflationary pressures. Management will maintain focus on cost containment while ensuring an optimal experience for both employees and guests.

Given the current visibility on bookings, the Group is on track to achieve an EBITDA of over Rs 4bn for the financial year ending on 30 June 2024.

By order of the Board

*ENL Secretarial Services Limited
Company Secretary*

13 February 2024

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.