

NEW MAURITIUS HOTELS LIMITED

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED DECEMBER 31, 2018

OCCUPANCY

74.2% -1.9% point

TRevPAR

Rs.13,437^{-2.7%}

REVENUE

Rs.3.04bn^{-0.4%}

MARKET CAPITALISATION

Rs.11.7bn^{-0.6%}

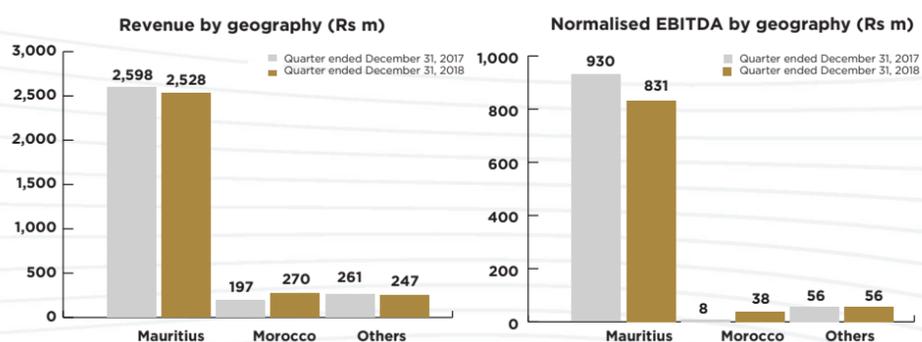
GROUP ABRIDGED STATEMENT OF PROFIT OR LOSS

	Quarter ended December 31, 2018 Unaudited Rs.'000	Quarter ended December 31, 2017 Unaudited Rs.'000	Year ended September 30, 2018 Audited Rs.'000
Revenue			
Hotel operations and others	2,997,942	3,009,388	9,537,441
Property	46,815	47,028	569,402
	3,044,757	3,056,416	10,106,843
Earnings from operating activities	927,799	988,250	1,736,399
Other income	2,495	8,036	91,473
Share of results of associates	(7,689)	(3,082)	4,943
Profit on disposal of property, plant and equipment	1,286	346	4,000
Normalised EBITDA	923,891	993,550	1,836,815
Closure costs	(18,482)	(15,524)	(78,304)
EBITDA	905,409	978,026	1,758,511
Finance costs	(194,227)	(216,903)	(862,699)
Finance revenue	3,958	4,885	14,425
Depreciation and amortisation	(179,091)	(173,699)	(679,855)
Profit before tax	536,049	592,309	230,382
Income tax expense	(90,141)	(109,485)	(95,973)
Profit for the quarter/ year	445,908	482,824	134,409
Profit attributable to:			
Owners of the parent	400,068	439,970	1,094
Non-controlling interests	45,840	42,854	133,315
	445,908	482,824	134,409
Basic earnings per share (Rs)	0.73	0.91	0.00
Weighted average number of shares	547,670,201	484,270,608	518,836,413

GROUP ABRIDGED STATEMENT OF OTHER COMPREHENSIVE INCOME

	Quarter ended December 31, 2018 Unaudited Rs.'000	Quarter ended December 31, 2017 Unaudited Rs.'000	Year ended September 30, 2018 Audited Rs.'000
Profit for the quarter/ year	445,908	482,824	134,409
Other comprehensive income, net of tax:			
Other comprehensive income to be reclassified to profit or loss in subsequent periods	(142,469)	166,524	26,689
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	-	-	886,013
Other comprehensive income for the quarter/ year, net of tax	(142,469)	166,524	912,702
Total comprehensive income for the quarter/ year	303,439	649,348	1,047,111
Total comprehensive income attributable to:			
Owners of the parent	269,633	601,187	915,446
Non-controlling interests	33,806	48,161	131,665
	303,439	649,348	1,047,111

SEGMENTAL INFORMATION



GROUP ABRIDGED STATEMENT OF FINANCIAL POSITION

	As at December 31, 2018 Unaudited Rs. '000	As at September 30, 2018 Audited Rs. '000
ASSETS		
Property, plant and equipment	25,798,675	25,747,254
Investment properties	354,594	354,102
Intangible assets	1,670,924	1,680,587
Investment in associates	710,734	718,423
Available-for-sale financial assets	11,283	8,664
Deferred tax assets	173,203	174,844
	28,719,413	28,683,874
Current assets	8,076,458	7,603,149
Non-current assets classified as held for sale	108,635	109,082
TOTAL ASSETS	36,904,506	36,396,105
EQUITY AND LIABILITIES		
Shareholders' interests	13,284,908	13,015,275
Non-controlling interests	606,363	594,487
Non-current liabilities	16,278,362	16,323,067
Current liabilities	6,734,873	6,463,276
TOTAL EQUITY AND LIABILITIES	36,904,506	36,396,105

GROUP ABRIDGED STATEMENT OF CHANGES IN EQUITY

	Shareholders' Interests Rs.'000	Non-controlling Interests Rs.'000	Total equity Rs.'000
Balance at October 1, 2017	10,870,762	548,999	11,419,761
Changes in equity for the quarter			
Total comprehensive income for the quarter	601,187	48,161	649,348
Dividends	-	(10,972)	(10,972)
Balance at December 31, 2017	11,471,949	586,188	12,058,137
Balance at October 1, 2018	13,015,275	594,487	13,609,762
Changes in equity for the quarter			
Total comprehensive income for the quarter	269,633	33,806	303,439
Dividends	-	(21,930)	(21,930)
Balance at December 31, 2018	13,284,908	606,363	13,891,271

GROUP ABRIDGED STATEMENT OF CASH FLOWS

	Quarter ended December 31, 2018 Unaudited Rs.'000	Quarter ended December 31, 2017 Unaudited Rs.'000
Net cash flows generated from operating activities	402,318	448,440
Net cash flows used in investing activities	(162,499)	(213,362)
Net cash flows (used in)/generated from financing activities	(186,080)	356,038
Net increase in cash and cash equivalents	53,739	591,116
Cash and cash equivalents at October 1,	(8,838)	(614,845)
Net foreign exchange difference	(7,846)	14,891
Cash and cash equivalents at December 31,	37,055	(8,838)

COMMENTS

FINANCIAL PERFORMANCE

Turnover for the first quarter was at par with last year, against a backdrop of a weaker euro and pound sterling. Fairmont Royal Palm Marrakech registered a marked improvement with occupancy at 68% compared to 51% last year, while hotels in Mauritius experienced a drop of 2% in number of room nights sold, primarily in the Group's 5-star hotels. Renovation works in a number of rooms and villas at Paradis Beachcomber, which were only completed in December, dampened the performance of this resort. Increase in operating costs was contained at 2% whilst finance costs reduced by 8%, reflecting the full quarter effect of the debt re-engineering and preference shares conversion. Profit after tax stood at Rs 445m for the quarter against Rs 483m last year.

PROJECTS

Construction works have started for the redevelopment of a 296-key resort on Sainte Anne in Seychelles. Delivery to Club Med is expected in October 2020.

An appeal was lodged jointly by three individuals against the EIA granted to the Group for the construction of Les Salines Beachcomber Resort & Spa. The matter is being heard before by the Environment and Land Use Appeal Tribunal, without any order granted as of date.

OUTLOOK

The weaker performance of our 5-star hotels in Mauritius will continue to impact the results of the Group in the second

quarter. On a more positive note, forward bookings for the third quarter show a healthy growth compared to last year. In addition, the better performance of Fairmont Royal Palm Marrakech is expected to continue.

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
7 February 2019