

NEW MAURITIUS HOTELS LIMITED

 AUDITED ABRIDGED FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024

GROUP ABRIDGED STATEMENT OF PROFIT OR LOSS

	Year ended 30 June 2024 Audited Rs'000	Year ended 30 June 2023 Audited Rs'000
Revenue	15,408,262	14,083,520
EBITDA before one-off items	4,734,123	4,567,804
Fair value change on investment property	(68,509)	109,271
Net impairment losses on financial assets	(20,571)	(495)
Gain on business combination	-	236,154
Insurance compensation for business interruption and material damage	151,514	-
Other impairment losses	-	(128,889)
EBITDA	4,796,557	4,783,845
Finance costs on borrowings	(1,219,396)	(1,146,820)
Finance costs on lease liabilities	(214,706)	(180,235)
Net exchange gain on retranslation of currency borrowings and loan receivable	20,597	48,463
Finance revenue	155,346	125,458
Depreciation and amortisation	(942,453)	(821,429)
Profit before tax	2,595,945	2,809,282
Income tax expense	(454,251)	(527,142)
Profit for the year	2,141,694	2,282,140
Profit attributable to:		
Owners of the parent	1,942,737	2,118,591
Non-controlling interests	198,957	163,549
	2,141,694	2,282,140
Basic earnings per share (Rs)	3.54	3.86
Diluted earnings per share (Rs)	2.22	2.42

SEGMENTAL INFORMATION

Geographical Revenue:		
Mauritius	12,519,692	11,167,439
Morocco	1,113,700	1,155,779
Seychelles	422,054	393,845
Others	1,352,816	1,366,457
	15,408,262	14,083,520
EBITDA:		
Mauritius	3,955,311	3,625,139
Morocco	230,861	249,054
Seychelles	338,650	510,354
Others	271,735	399,298
	4,796,557	4,783,845

GROUP ABRIDGED STATEMENT OF OTHER COMPREHENSIVE INCOME

	Year ended 30 June 2024 Audited Rs'000	Year ended 30 June 2023 Audited Rs'000
Profit for the year	2,141,694	2,282,140
Other comprehensive income, net of tax:		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods	108,209	(473,076)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods	63,193	(512,101)
Other comprehensive income for the year, net of tax	171,402	(985,177)
Total comprehensive income for the year, net of tax	2,313,096	1,296,963
Total comprehensive income attributable to:		
Owners of the parent	2,112,720	1,308,105
Non-controlling interests	200,376	(11,142)
	2,313,096	1,296,963

GROUP ABRIDGED STATEMENT OF FINANCIAL POSITION

	As at 30 June 2024 Audited Rs'000	As at 30 June 2023 Audited Rs'000
ASSETS		
Non-current assets		
Property, plant and equipment	26,524,041	25,754,071
Operating equipment	161,207	120,868
Right-of-use assets	2,198,467	2,338,270
Investment property	6,292,735	6,164,287
Intangible assets	1,265,418	1,267,256
Investment in associates	799,159	723,011
Financial assets at fair value through other comprehensive income	12,591	10,698
Financial assets at amortised cost	1,616,214	1,312,110
Deferred tax assets	240,081	227,203
	39,109,913	37,917,774
Current assets	4,489,811	4,281,382
TOTAL ASSETS	43,599,724	42,199,156
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent	11,095,013	8,993,311
Preference share capital	1,927,234	1,927,234
Non-controlling interests	107,982	90,214
Non-current liabilities	17,709,316	21,354,588
Current liabilities	12,760,179	9,833,809
TOTAL EQUITY AND LIABILITIES	43,599,724	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 year	1,308,105	-	(11,142)	1,296,963
Transfer on disposal of properties	1,682	-	-	1,682
Issue of preference share capital	-	1,927,234	-	1,927,234
Changes in ownership interest in subsidiaries that do not result in a loss of control	(1,117,918)	-	590,977	(526,941)
Dividends to ordinary shareholders	-	-	(965,847)	(965,847)
As at 30 June 2023	8,993,311	1,927,234	90,214	11,010,759
As at 1 July 2023	8,993,311	1,927,234	90,214	11,010,759
As previously reported	262,135	-	-	262,135
Prior year adjustment	-	-	-	-
As restated	9,255,446	1,927,234	90,214	11,272,894
Transfer of disposal of properties	1,338	-	-	1,338
Total comprehensive income for the year	2,112,720	89,085	111,291	2,313,096
Dividends to preference shareholders	-	(89,085)	-	(89,085)
Dividends to ordinary shareholders	(274,491)	-	(93,523)	(368,014)
As at 30 June 2024	11,095,013	1,927,234	107,982	13,130,229

GROUP ABRIDGED STATEMENT OF CASH FLOWS

	Year ended 30 June 2024 Audited Rs'000	Year ended 30 June 2023 Audited Rs'000
Net cash flows generated from operating activities	5,013,838	4,170,569
Net cash flows used in investing activities	(1,467,368)	(869,441)
Net cash flows used in financing activities	(3,564,307)	(2,425,411)
Net (decrease)/increase in cash and cash equivalents	(17,837)	875,717
Cash and cash equivalents at beginning	209,422	(692,044)
Net foreign exchange differences	48,020	25,749
Cash and cash equivalents at end of year	239,605	209,422

COMMENTS ON THE RESULTS FOR THE YEAR ENDED 30 JUNE 2024
PERFORMANCE FOR THE YEAR

We are pleased to report that the Group achieved a turnover of Rs 15.4 bn (FY23: Rs 14.1 bn), an EBITDA of Rs 4.8 bn (FY23: Rs 4.8 bn), and a profit of Rs 2.1 bn (FY23: Rs 2.3 bn) against a backdrop of significant increase in costs. This performance is commendable, especially considering that a significant proportion of our Group's room inventory was unavailable for sale during the year.

Mauritius

The tourism sector in Mauritius has remained resilient, with 1.3 million tourist arrivals, an 8.8% increase from the prior year. Revenue from the Group's hotel operations in Mauritius grew by 11%, reaching Rs 11.1 bn (FY23: Rs 10.0 bn), with an average occupancy rate of 73% (FY23: 74%). The slight dip in occupancy was due to the ongoing renovation work at our resorts aimed at improving guest comfort and culinary experience. Around 20% of our room inventory was closed during the first quarter for renovations at Paradis Beachcomber, Shandrani Beachcomber, and Canonnier Beachcomber. Additionally, Victoria Beachcomber, Dinarobin Beachcomber and Royal Palm Beachcomber Luxury were partially closed from mid-May 2024 for refurbishments. Despite these closures, turnover reached an unprecedented high, supported by favourable exchange rates and increased bookings through our direct channels, which yielded higher returns.

Inflationary pressures persisted throughout the year. Staff costs increased by 15% year-on-year, mainly due to local labour shortages as well as changes in employment conditions, such as adjustments to minimum wages, overtime, and paid leave. Operating costs also rose by 15%, driven by higher expenses for maintenance, security, and transport services following changes in labour laws and regulations. Nonetheless, EBITDA from Mauritius hotel operations improved to Rs 3.7 bn (FY23: Rs 3.5 bn).

Morocco

Our operations were affected by the earthquake in Morocco during the first quarter, leading to the full closure of the hotel for several weeks. Additionally, the ongoing conflict in the Middle East impacted tourism in Marrakech. Revenue for the year stood at Rs 1.1 bn (FY23: Rs 1.2 bn), with EBITDA at Rs 231 m (FY23: Rs 249 m), inclusive of Rs 121.5 m in net insurance proceeds for business interruption and material damage.

Seychelles

In February 2024, the annual rent for the hotel on Sainte Anne Island in Seychelles, leased to Club Med, was raised by 2%, as per the lease agreement. Due to additional work on staff accommodation, a fair value loss of Rs 69 m was recognised (FY23: gain of Rs 109 m), which affected EBITDA, bringing it down to Rs 339 m (FY23: Rs 510 m).

Tour Operating

Our tour operating companies in South Africa, UK, France, and Mauritius continued to contribute positively to the bottom line. With fewer room nights available for sale, the segment's turnover marginally increased reaching Rs 2.2 bn (FY23: Rs 2.1 bn), and EBITDA was Rs 452 m (FY23: Rs 515 m).

Catering Services

The Inflight and Inland Catering segment experienced a strong rebound, driven by increased passenger travel, contractual price reviews, and higher demand in the retail, educational and medical sectors. Revenue rose to Rs 530 m (FY23: Rs 374 m), and EBITDA turned positive at Rs 39 m (FY23: loss of Rs 22 m).

Net Indebtedness

The Group's net borrowings decreased by Rs 1.6 bn year-on-year, improving our gearing ratio by 10%, in line with our objectives. The net debt-to-EBITDA ratio stood at a comfortable 3.4 times, and the asset cover ratio at 2.65 times. Interest costs were contained at Rs 1.2 bn (FY23: Rs 1.1 bn), despite the full-year impact of increased interest rates. Following the CARE Rating of A- in the third quarter, interest costs have been adjusted downwards, with the full effect expected to be reflected in the next financial year.

Dividends

The Board has declared a dividend of Re 0.33 per preference share for the six-month period ended 30 June 2024, bringing the total preference share dividend for the year to Re 0.66 per share. The Board also approved an interim ordinary share dividend of Re 0.20 in January 2024 and a final dividend of Re 0.30 in May 2024.

Project Updates

Work is progressing well on our 18-hole Harmonie Golf course at Les Salines, Black River, which is the precursor to a future hotel development. Our commitment to innovation and digitalisation led to a series of initiatives that are transforming the way we operate and interact with our guests and enhance our artisan experience. We continue to invest in and modernise our infrastructure, paving the way for future efficiency gains and growth.

Outlook

With fewer rooms closed for renovation compared to last year, the Group should post improved results in the first quarter of the current financial year. The Group's room inventory will become fully available as from mid-October 2024. Forward bookings for the coming months are at par with last year which bodes well for the performance of the first semester.

By order of the Board

ENL and Rogers Secretarial Services Limited
 Company Secretary

24 September 2024

The Audited Abridged Financial Statements are issued pursuant to Listing Rule 12.14 and the Mauritian Securities Act 2005. The Board of Directors of NMH accepts full responsibility for the accuracy of the information contained therein. Copies of the Statement of direct and indirect interests of Officers pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 and the Financial Statements are available free of charge at the head office of the Company, Beachcomber House, Botanical Garden Street, Curepipe.