BEACHCOMBER
RESORTS & HOTELS

NEW MAURITIUS HOTELS LIMITED

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED DECEMBER 31, 2017

GROUP ABRIDGED STATEMENT OF PROFIT OR LOSS

	Quarter ended December 31, 2017 Unaudited Rs.'000	Quarter ended December 31, 2016 Unaudited Rs.'000	Year ended September 30, 2017 Audited Rs.'000
Revenue			
Hotel operations and others	**3,009,388**	2,987,418	9,176,573
Property	**47,028**	62,294	351,644
	3,056,416	3,049,712	9,528,217
Earnings from operating activities	**988,250**	906,877	1,432,860
Other income	**8,036**	38,919	339,376
Share of results of associates	**(3,082)**	1,941	8,860
Profit/(loss) on disposal of property, plant and equipment	**346**	(15,433)	(6,923)
Normalised EBITDA	**993,550**	932,304	1,774,173
Insurance recovery/ (loss) from fraud	**-**	-	59,151
Gain on disposal of investment	**-**	-	60,931
Closure costs	**(15,524)**	-	(101,422)
EBITDA	**978,026**	932,304	1,792,833
Finance costs	**(217,416)**	(238,810)	(1,048,592)
Finance revenue	**5,398**	117,976	94,005
Depreciation of property, plant and equipment	**(173,699)**	(161,420)	(677,935)
Profit before tax	**592,309**	650,050	160,311
Income tax expense	**(109,485)**	(102,604)	(127,452)
Profit for the quarter/ year	**482,824**	547,446	32,859
Profit/(loss) attributable to:			
Owners of the parent	**439,970**	519,230	(38,472)
Non-controlling interests	**42,854**	28,216	71,331
	482,824	547,446	32,859
Basic earnings/(loss) per share (Rs)	**0.91**	1.07	(0.08)

GROUP ABRIDGED STATEMENT OF COMPREHENSIVE INCOME

	Quarter ended December 31, 2017 Unaudited Rs.'000	Quarter ended December 31, 2016 Unaudited Rs.'000	Year ended September 30, 2017 Audited Rs.'000
Profit for the quarter/ year	**482,824**	547,446	32,859
Other comprehensive (loss)/ income, net of tax:			
Other comprehensive income to be reclassified to profit or loss in subsequent periods	**166,524**	(219,330)	(684,151)
Other comprehensive (loss)/ income not to be reclassified to profit or loss in subsequent periods	**-**	-	(251,274)
Other comprehensive (loss)/ income for the quarter/ year, net of tax	**166,524**	(219,330)	(935,425)
Total comprehensive (loss)/ income for the quarter/ year	**649,348**	328,116	(902,566)
Total comprehensive income attributable to:			
Owners of the parent	**601,187**	299,333	(979,015)
Non-controlling interests	**48,161**	28,783	76,449
	649,348	328,116	(902,566)

GROUP ABRIDGED STATEMENT OF FINANCIAL POSITION

	As at December 31, 2017 Unaudited Rs. '000	As at September 30, 2017 Audited Rs. '000
ASSETS		
Property, plant and equipment	**25,298,319**	24,975,684
Investment properties	**355,000**	343,383
Intangible assets	**1,656,548**	1,668,313
Investment in associates	**475,837**	478,919
Available-for-sale investments	**4,478**	4,114
Deferred tax assets	**136,628**	134,556
	27,926,810	27,604,969
Current assets	**8,558,466**	8,189,828
TOTAL ASSETS	**36,485,276**	35,794,797
EQUITY AND LIABILITIES		
Shareholders' interests	**11,471,949**	10,870,762
Non-controlling interests	**586,188**	548,999
Non-current liabilities	**18,314,005**	15,563,134
Current liabilities	**6,113,134**	8,811,902
TOTAL EQUITY AND LIABILITIES	**36,485,276**	35,794,797

GROUP ABRIDGED STATEMENT OF CHANGES IN EQUITY

	Shareholders' Interests	Non-controlling Interests	Total equity
	Rs.'000	Rs.'000	Rs.'000
As at October 1, 2016	11,849,777	50,006	11,899,783
Changes in equity for the quarter			
Total comprehensive (loss)/ income for the quarter	299,333	28,783	328,116
Dividends	-	(14,808)	(14,808)
As at December 31, 2016	12,149,110	63,981	12,213,091
As at October 1, 2017	10,870,762	548,999	11,419,761
Changes in equity for the quarter			
Total comprehensive (loss)/ income for the quarter	601,187	48,161	649,348
Dividends	-	(10,972)	(10,972)
As at December 31, 2017	**11,471,949**	**586,188**	**12,058,137**

GROUP ABRIDGED STATEMENT OF CASH FLOWS

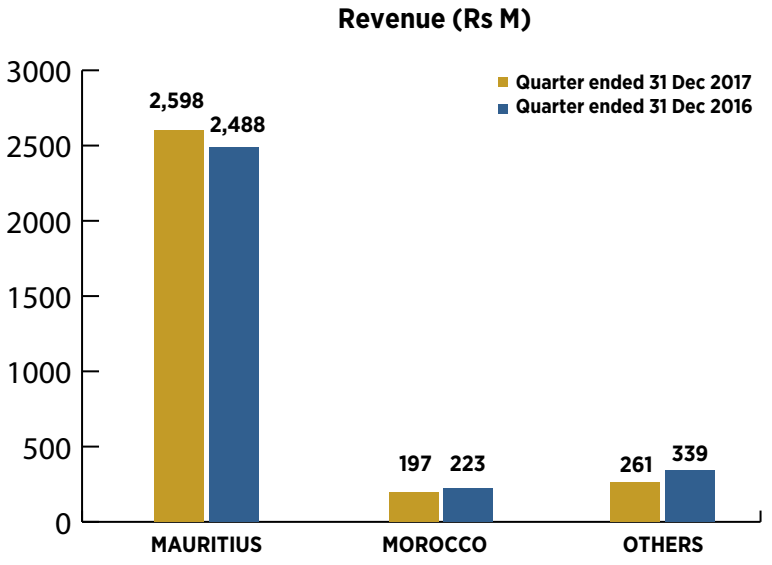
	Quarter ended December 31, 2017 Unaudited Rs.'000	Quarter ended December 31, 2016 Unaudited Rs.'000
Net cash flows generated from operating activities	**448,440**	428,120
Net cash flows (used in)/generated by investing activities	**(213,362)**	7,554
Net cash flows generated by/(used in) financing activities	**356,038**	(458,206)
Net increase/(decrease) in cash and cash equivalents	**591,116**	(22,532)
Cash and cash equivalents at October 1,	**(614,845)**	(2,061,537)
Net foreign exchange difference	**14,891**	33,991
Cash and cash equivalents at December 31,	**(8,838)**	(2,050,078)

KEY FIGURES

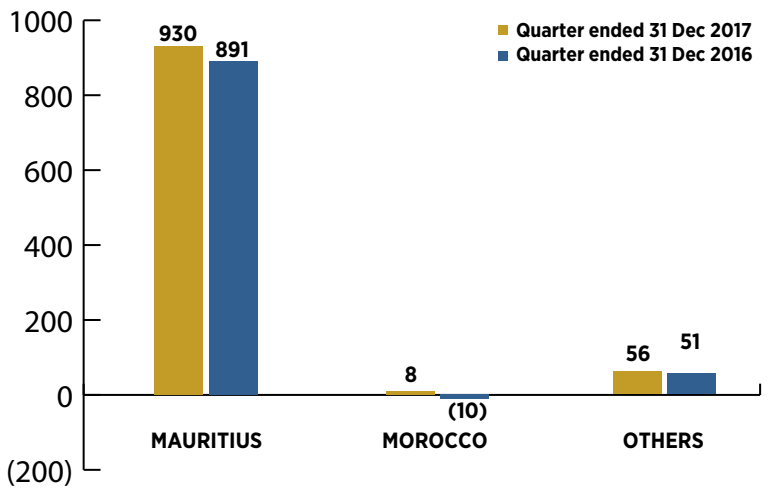
OCCUPANCY -2%	TREVPAR +7%	EBITDA +5%	MARKET CAPITALISATION +31%
76%	Rs 13,275	Rs0.98Bn	Rs11.8Bn

SEGMENTAL INFORMATION

Revenue (Rs M)



Normalised EBITDA(Rs M)



COMMENTS

FINANCIAL PERFORMANCE

Turnover for the first quarter of the financial year 17/18 was at par with last year in spite of the closure of Sainte Anne Resort since September 2017. Operating profits increased by 9% and normalised EBITDA grew by 7% to reach Rs 994M (FY 16/17: Rs 932M). This improved performance was achieved on the back of a 12% increase in Average Room Rate (ARR), the latter resulting mainly from a stronger Euro and rates increases applied as from November 2017. Occupancy of the Group's hotels in Mauritius decreased from 80% to 78%, whilst the Fairmont Royal Palm Marrakech registered an occupancy of 51% compared to 50% last year. The Group recorded a PAT of Rs 483M against Rs 547M last year. This drop is attributable to a lower finance revenue, last year's finance revenue having been positively impacted by significant gain on exchange on Euro loan reimbursements in the wake of the BHI transaction.

PROJECTS

Les Salines

The Group has submitted an EIA application for the construction of a four-star 274 room hotel, together with 60 Beachcomber branded apartments to be sold under the Invest Hotel Scheme at Les Salines. Consultations have been ongoing with the key stakeholders of Black River and relevant authorities so as to ensure that this project, the first of its kind in the region, brings significant benefits to the local community.

Sainte Anne Resort, Seychelles

As previously communicated, the Group has signed a binding MoU with Club Med SAS for the rental of the re-developed 295-key resort. Construction works are expected to start during the third quarter of the financial year 17/18.

OUTLOOK

The increase in ARR recorded in the first quarter should continue to positively impact the results of the Group's Mauritian operations and Normalised EBITDA should show similar growth to the one recorded in the first quarter. Additionally, finance costs should continue to decline after the successful refinancing of the Group's debt in November 2017 and the anticipated conversion of part of the preference shares into ordinary shares in March 2018. This reduction should positively impact PAT for the year under review.

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 2018