

ANALYST MEETING

29 October 2019

BEACHCOMBER
RESORTS & HOTELS
The Art of Beautiful

TABLE OF CONTENTS

NMH Restructuring

Semaris

NMH structure after Semaris

Industry Status & Challenges

Debt

Projects

Future focus areas

Management focus over the past 4 years

Addressing major challenges the group was facing



NMH Restructuring

culminating in Semaris Carve Out

- Debt reduction
- Repositioning of Beachcomber brand
- Turnaround of Royal Palm Marrakech
- Sainte Anne Resorts
- Refurbishment of hotels
- White Sand Tours merged with Mautourco
- Turnaround of Beachcomber Tours France
- Les Salines project about to materialize
- Carve out of Semaris



SEMARIS

Property Development

Agenda

Semaris Vision

Key Assets of Semaris

Transfer of Assets from NMH to Semaris

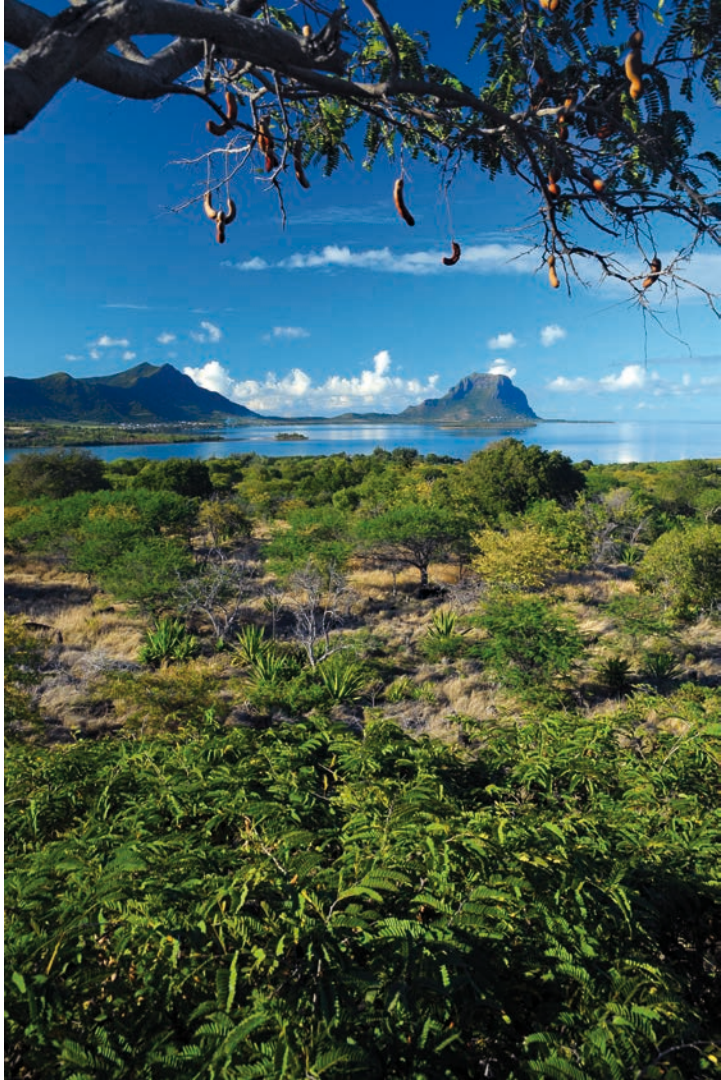
Semaris Business Model

Semaris Road Map

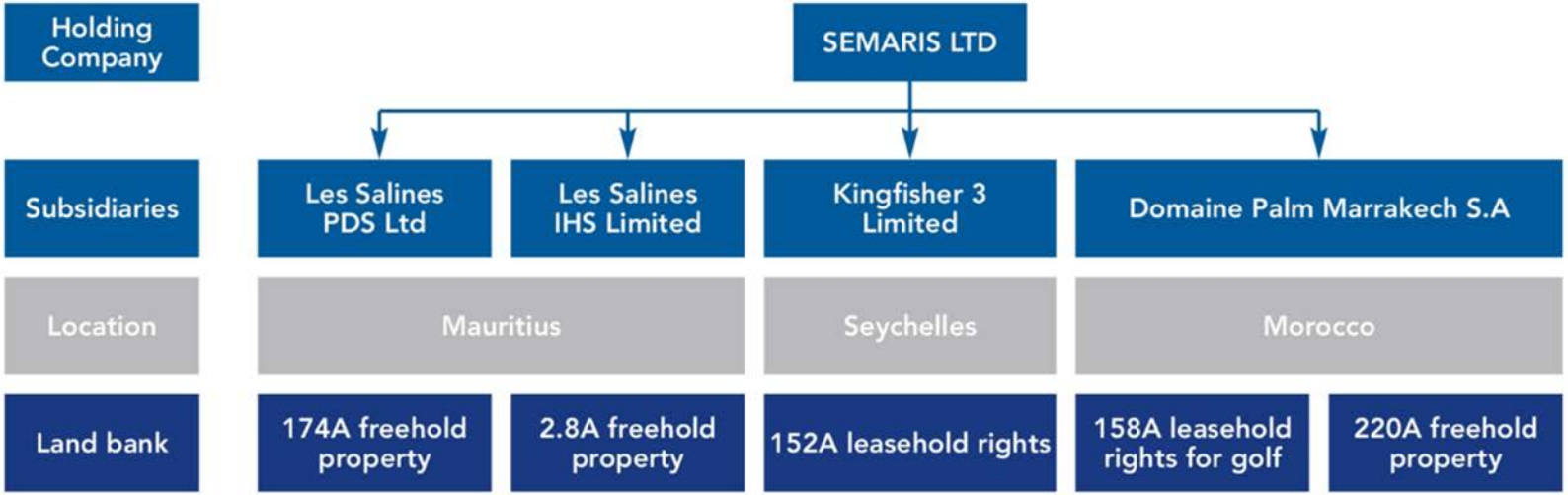
Semaris Vision

Semaris will concentrate on the development of the non-hotel real estate assets formerly owned by NMH, with the principal objective of unlocking value from the available land bank located in Seychelles, Morocco and Mauritius.

Semaris will mainly develop luxury residential real estate assets on these lands and these will be sold to generate returns for Semaris' shareholders.



Key Assets of Semaris



Transfer of assets from NMH to Semaris

PRE CARVE OUT	Value	Proceeds to NMH
1. DPM Shares	MUR 2,920M	Shares in Semaris
2. KINGFISHER 3 Shares	MUR 675M	Shares in Semaris
3. PDS Land at Les Salines	MUR 2,000M	Cash – MUR 800M Solde de Prix – MUR 1,200M
4. I H S Land at Les Salines	MUR 100M	Solde de Prix – MUR 100M
Total	MUR 5,695M	Shares in Semaris MUR 3,595M Cash MUR 800M Solde de prix MUR 1,300M

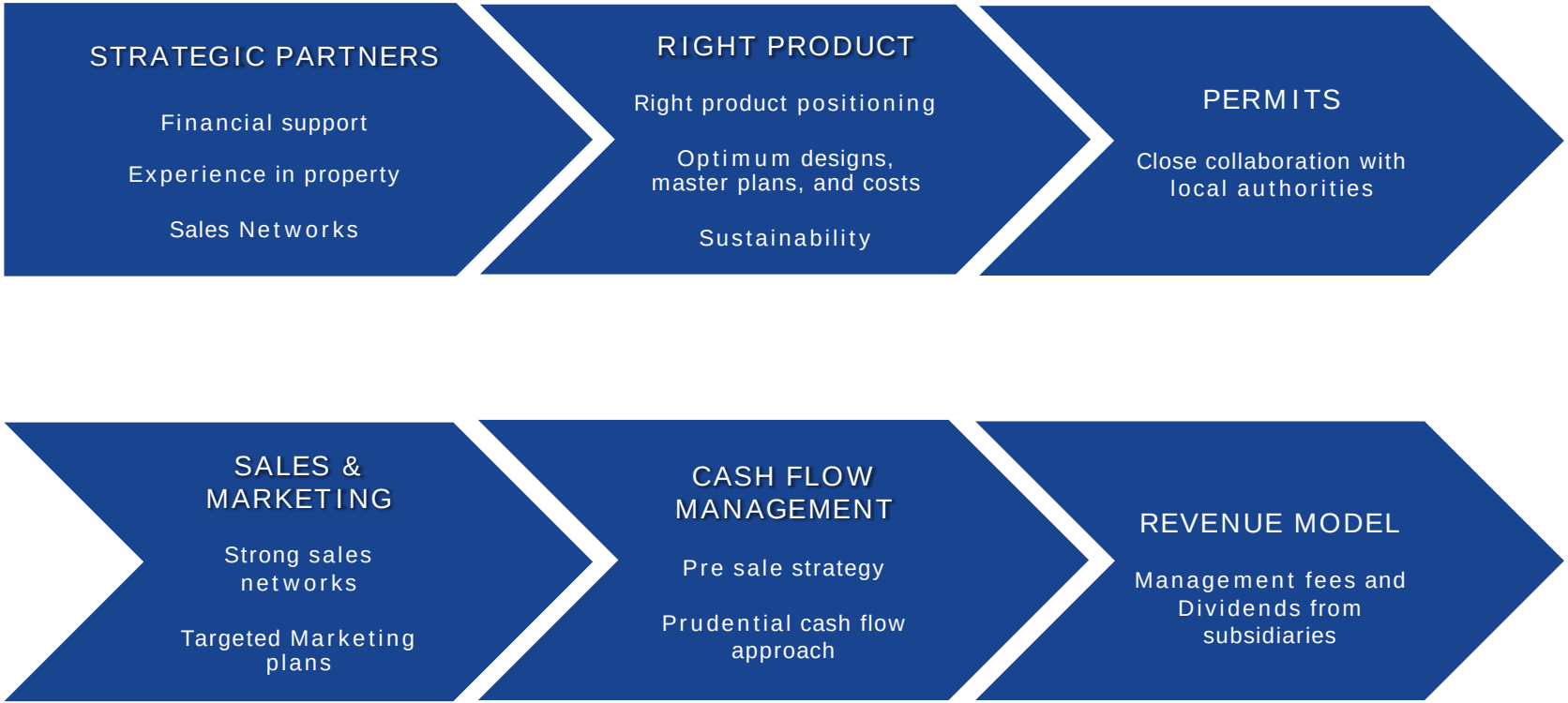
Transfer of assets from NMH to Semaris

Following the transfer of assets to Semaris, a Capital Reduction was done from NMH and NMH shareholders were allocated with Ordinary shares of Semaris.

Semaris simplified balance sheet

ASSETS	MUR M	LIABILITIES	MUR M
DPM Assets	2,920	Share Capital	3,595
Land Praslin	675	Bank Loan	800
Les Salines PDS	2,000	Due to NMH	1,300
Les Salines I H S	100		
Total Assets	5,695	Total Liabilities	5,695

Semaris Business Model



Semaris Road Map

Holding Company	Les Salines PDS Ltd	Les Salines IHS Limited	Kingfisher 3 Limited		Domaine Palm Marrakech (DPM) S.A.				TOTAL
Semaris Holding	50%	100%	100%		100%				
Location	Mauritius	Mauritius	Seychelles		Morrocco				
Project Name	Imperia Golf Estate	Les Salines I H S	Praslin Resort		Royal Palm Marrakech				
Land Bank	174 Arpents	2.8 Arpents	152 Arpents		220 Arpents			158 Arpents	707 Arpents
Product for sale	Villas and Plots	Apartments	Villas	Hotel	Villas and Plots	Apartments	Villas	Golf/Country Club	
Launch*	2020	2020	2021	2021	On sale	2022	2023		
Expected Turnover	MUR 17.6Bn	MUR 670M	MUR 2Bn	Land earmarked for Hotel project	MUR 2.2Bn	MUR 2.1Bn	MUR 5.2Bn	Non Residential assets to be sold upon project completion	MUR 29.8Bn
Expected Completion time	11 years	2 years	4 years		3 years	7.5 years	8 years		11 years
No of units for sale	220	56	40		56	150	150		672
Average selling price/unit	MUR 80M	MUR 12M	MUR 50M		MUR 39M	MUR 14M	MUR 35M		MUR 44M
Average sale pace/year (units)	20	28	10		18	20	19		61
Expected Project cash margin %	20%	24%	20%		15%	15%	15%		
Expected Total Project cash margin	MUR 3.5Bn	MUR 160M	MUR 400M	MUR 525M	MUR 330M	MUR315M	MUR 780M	MUR 1Bn	MUR 7Bn

*subject to obtention of permits

Imperia Golf Estate



Imperia Golf Estate

Semaris signed a MOU with Safran Landcorp in October 2018 for the joint development of Imperia Golf Estate at Les Salines Black River.

Project Status:

01. Letter of Approval for PDS Certificate obtained on 18 September 2019

02. Application for EIA submitted on 24th June 2019

03. Sales campaign to start once permits are obtained (target Jan 2020)

04. Construction of phase 1 to start by mid 2021

Imperia Golf Estate

Agreement with Safran Landcorp

Safran Landcorp will inject MUR 500M once conditions precedent (EIA/BLUP/etc.) are met.

These funds will be used to repay part of the Bank Loan of MUR800M.



Imperia Golf Estate


Imperia Golf
Estate


Les Salines IHS

Les Salines IHS

56 IHS units will be offered for sale within the Les Salines Beachcomber Resort and Spa project

Sales campaign and Construction to be made simultaneously with the hotel project

Les Salines IHS







Praslin

SEMARIS
Property Development

Praslin

Project status:

Project Approval obtained	May 2019
Permit/Clearances	End 2020
Sales campaign to start	End 2020
Construction to start	Beg 2021
Total land extent	152A
Lease term	45 yrs from 2019

Project structure:

- JV with Financial partner
- Semaris to bring land in JV as its share of equity
- Financial partner to bring cash to finance the hotel component of the project
- NMH to manage the hotel component (Management contract)
- Once the property development is completed and all the villas are sold and delivered, Semaris intends to sell its stake in the JV



SEMARIS
Property Development



SEMARIS
Property Development



SEMARIS
Property Development


Legend
1 Main entry
2 Vehicular parking
3 Cart parking
4 Access Road
5 Reception area A
6 Ancillary facilities to Hotel (SPA)
7 60 units Boutique Hotel B
8 Ponds & Landscaping
9 Restaurant C
10 Kitchen
11 Hotel B.o.H
12 Service Drive
13 Public Passage
14 Staff Houses
15 Bar
16 Club House D
17 Boat House
18 20 units Mangrove Villas E
19 Cart Path
20 20 units Hillside Villas F
21 Pedestrian pathway
22 Bus Drop off
23 Staff Parking
24 Staff Club House
25 250-bed Staff Quarters
26 B.o.H
27 Boat Parking
Praslin
SEMARIS

Royal Palm Marrakech





- Established resort 222 Hectares
- First phase sold out (97 villas)
- Five star hotel (Fairmont Royal Palm) in operation since the end of 2013
- 18 hole Golf course & country club in operation

On Sale

Phase 2

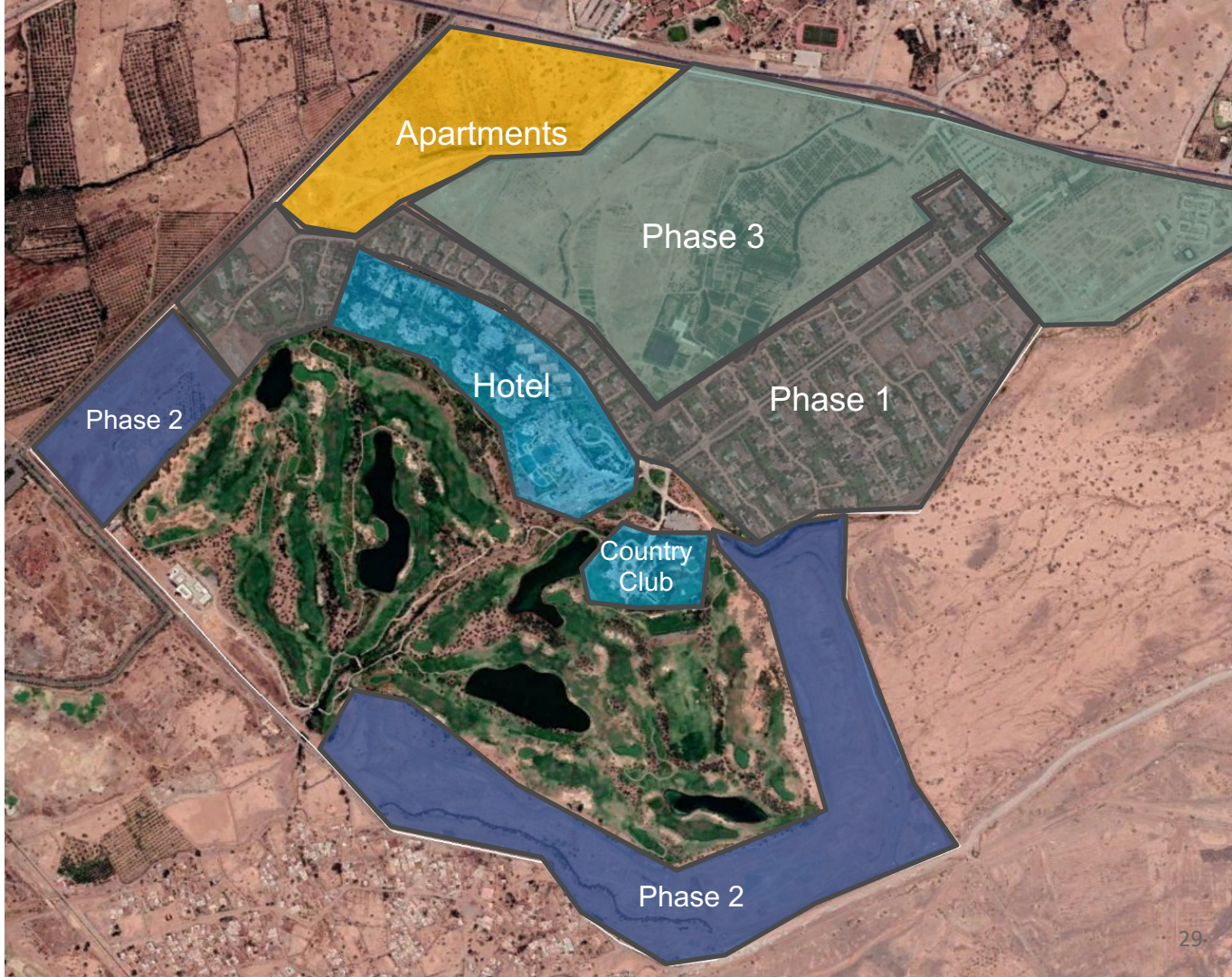
18 Fairmont estates (Plots)
38 Fairmont Branded residences

Advantages of owning a

Fairmont branded Residence

Top tier worldwide loyalty program
Privileged access to the Fairmont Royal Palm Marrakech
Participation in Fairmont rental and exchange program

Royal Palm Marrakech




Royal Palm Marrakech
Main Entrance

Royal Palm Marrakech

Fairmont Royal Palm Hotel



Royal Palm Marrakech Golf





SEMARIS
Property Development

Royal Palm Marrakech Country Club







SEMARIS
Property Development

Royal Palm Marrakech

Existing villa



SEMARIS
Property Development

Royal Palm Marrakech

Existing villa



SEMARIS
Property Development

Royal Palm Marrakech

Existing villa





Impact of the carve out of Semaris on NMH

DEBT

Immediate reduction of MUR 800M

An additional inflow of MUR1.3Bn from Semaris during the next few years

The NAV per share of NMH has decreased from Rs23.76 before the carve out to Rs17.21

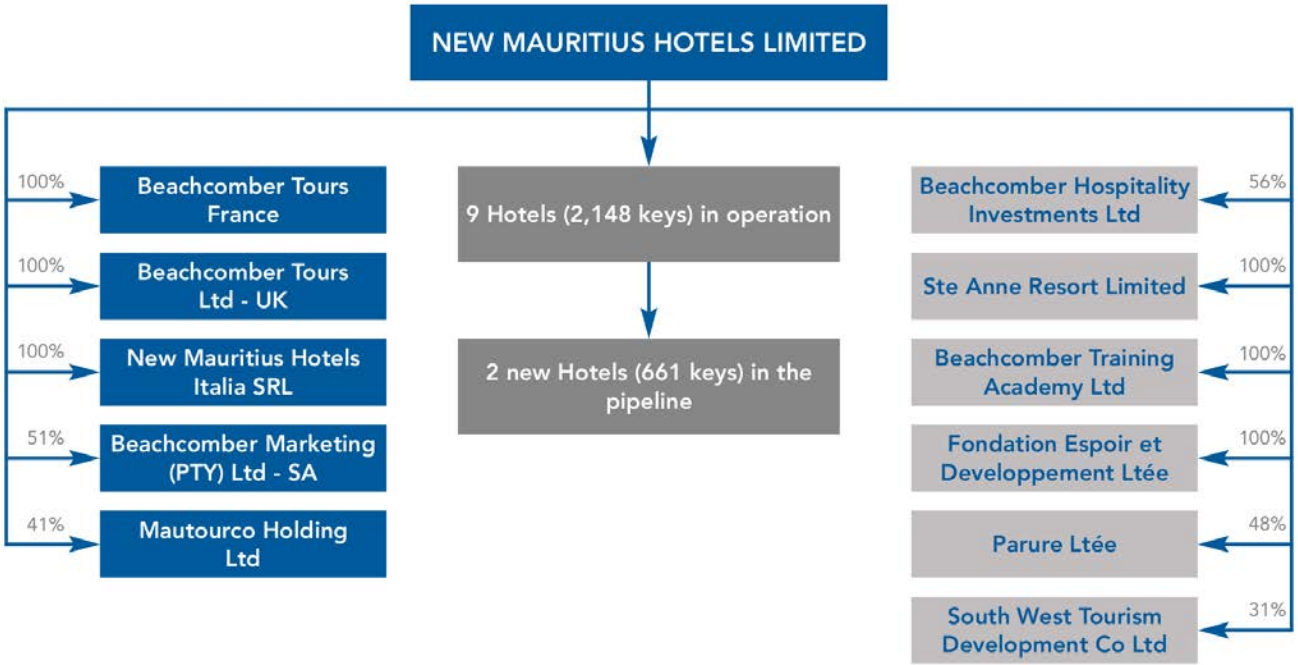
ASSETS

PROFITABILITY

During the past years, DPM has contributed negatively to the performance of NMH

The other assets being transferred to Semaris were non-cash generating

NMH Structure
after the carve out of Semaris



NMH Hotels

STATUS	COUNTRY	HOTEL NAME	CATEGORY	#KEYS
EXISTING	MAURITIUS	Royal Palm Beachcomber Luxury	5-Star Luxury	69
		Dinarobin Beachcomber Golf Resort & Spa	5-Star	175
		Paradis Beachcomber Golf Resort & Spa	5-Star	293
		Trou aux Biches Beachcomber Golf Resort & Spa	5-Star	333
		Shandrani Beachcomber Resort & Spa	5-Star	327
		Victoria Beachcomber Resort & Spa	4-Star	295
		Canonnier Beachcomber Golf Resort & Spa	4-Star	283
		Mauricia Beachcomber Resort & Spa	4-Star	239
	MOROCCO	Fairmont Royal Palm Marrakech	5-Star Luxury	134
	TOTAL EXISTING HOTELS			2,148
PROJECTS	SEYCHELLES	Club Med Sainte Anne	5-Star	295
	MAURITIUS	Les Salines Beachcomber Resort & Spa	4-Star	366
GRAND TOTAL				2,809

Tourism Industry
Status & Challenges



Industry Status & Challenges

01

Stagnation in tourist arrivals

02

The industry is dependent on air access; fewer flights results in fewer tourists.
The tourist arrivals by country show significant negative or positive variation depending on changes in frequency of air access:

- China: less 3 flights per week
- Germany: stoppage of 3 Eurowings flights
- Saudi Arabia & Italy: arrival of Saudia Airlines and Alitalia

03

Mauritius has been facing a global threat for the last two years, the Informal Tourism Sector.
This informal sector is sold mainly on the web by AirBnB and Booking.com, which are the world's two largest players.

- 15,000 rooms in Mauritius, against 12,300 hotel rooms.
- Not subject to the same regulatory and tax obligations as the hotel industry
- Pulls image of destination down

Industry Status & Challenges

04

Consolidate positioning and image of the destination (quality, top of the range and security) through a more coordinated communication strategy

05

Our industry has been facing a significant staff shortage for years.

06

The new Workers Right Act is very detrimental and costly for our industry.

07

Travellers are looking for a sustainable and environmentally preserved destination.

Situation for NMH

In a challenging environment

Despite alarming comments in the press on the Tourism Industry, and many challenges for the destination, the situation is not so bad for NHM:

- Our forecast bookings for the coming 6 months are encouraging and higher than last year
- We are increasing our Direct Web Bookings year on year
- Benefiting from several hotel renovations
- Rebranding and standards roll out creating an improved guest experience
- Strong Sustainable Policy is in line with the travellers expectations
- The strength of the Beachcomber employer brand helps to attract and retain best candidates



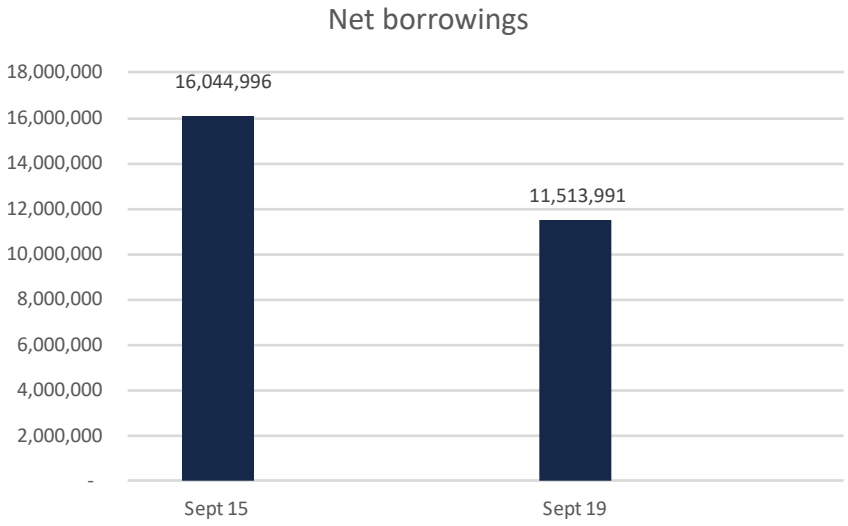
Focus on Debt

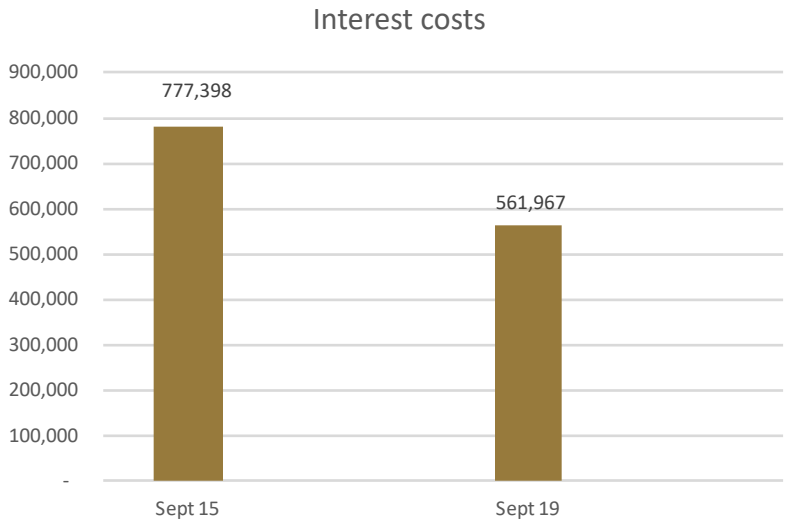
Important reduction of company’s debt.

Ring-fenced project financing.



Evolution of NMH Company Debt and Interest Costs



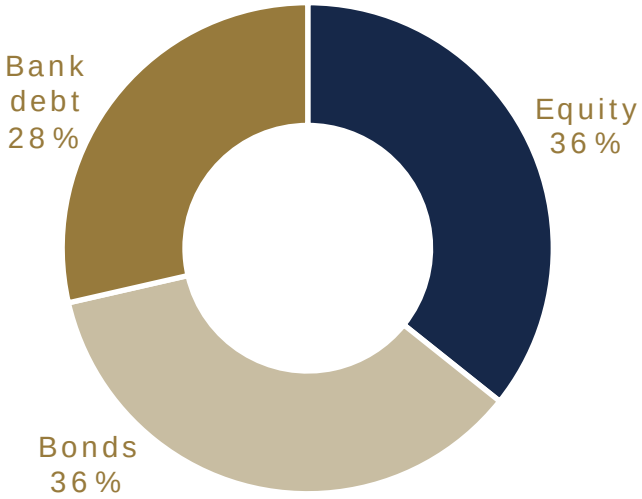


Ste Anne Resort Project



Sainte Anne Resorts Ltd

- Lease agreement with Club Med for 12 years, renovation of existing 87 suites and addition of 208 rooms
- Annual rent: MUR 302m as from Oct 2020
- Project Cost MUR 4.2Bn:
  - Existing equity : MUR 1.5Bn
  - Bonds & Bank Debts : MUR 2.7Bn
- Financing ring-fenced in Ste Anne Resorts Ltd without guarantees from NMH



Performance
Ste Anne Resort

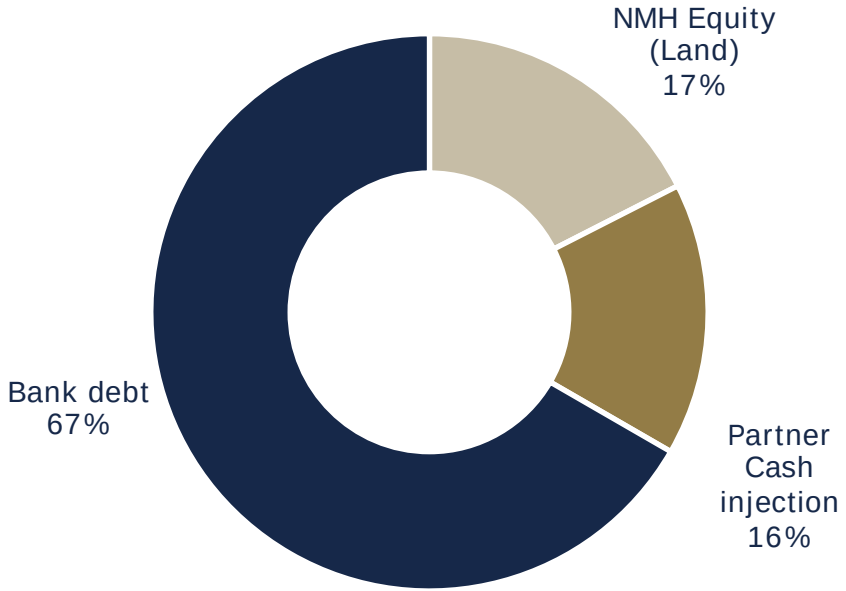
	Hotel in operation	Hotel closed			Hotel rented to Club Med		
	FY 2017	FY 2018	FY 2019	9mth2020	FY 2021*	FY 2022	FY 2023
	Rs'm	Rs'm	Rs'm	Rs'm	Rs'm	Rs'm	Rs'm
Rental Revenue					225	305	310
Incremental Interest					(101)	(130)	(128)
PAT	(143)	(98)	(95)	(70)	101	140	150

* 9mth rental as from Oct 2020


Les Salines Beachcomber
Golf Resort & Spa

Les Salines Beachcomber Golf Resort & Spa

- Project cost is estimated at MUR 3Bn comprising of
  - Land (NMH equity) : MUR 525m
  - Partner cash injection : MUR 420m
  - Bank Debt : MUR 2,055m
- 366-room 4* Resort will be owned and financed by BHI and leased to NMH
- Financing ring-fenced in BHI, without any guarantees from NMH
- Works expected to start early next year upon clearance from authorities
- Completion expected in November 2021



BHI Ltd – Forecasts with Les Salines
(NMH owns 55% of BHI)

	FY 2019	FY 2022/2023 With Les Salines
	Rs'm	Rs'm
PAT	199	299
Total equity	4 790	5 741
Bank debt	2 140	4 195
Total assets	7 820	10 820
Debt/Total assets	27%	39%

- Profitability of BHI increases with the addition of Les Salines Beachcomber
- Gearing remains relatively low in BHI after the project

Les Salines Beachcomber Golf Resort & Spa

Forecast	FY 2022 (7 months)	FY 2023	FY 2024	FY 2025
	Rs'm	Rs'm	Rs'm	Rs'm
Revenue	400	890	975	1 050
Incremental Interest	(60)	(100)	(90)	(80)
PATG	(25)	200	260	300
Occupancy rate (%)	40%	65%	70%	75%


Fairmont Royal Palm Hotel

Fairmont Royal Palm Marrakech

Performance	2017	2018	2019
	Rs'm	Rs'm	Rs'm
Revenue	465	536	760
EBITDA	(46)	(2)	100
Finance costs	(45)	(27)	(20)
Depreciation	(153)	(140)	(140)
PAT	(247)	(131)	(62)
% Occupancy	40	48	65

- In operation since 2013
- Under management by Fairmont since May 2017

Focus going forward

Over the last 4 years, we have focussed on debt reduction and restructuring of loss-making entities. All entities profitable as from FY20/21.

Over next few years focus will be on:

- Operational Excellence
- Sales & Marketing
- Sustainability & Inclusive growth



Operational Excellence

Focus areas

- Procurement
- Standards
- Training
- Innovation
- Digitalisation of Operational Processes
- Guests experiences

Sales & Marketing

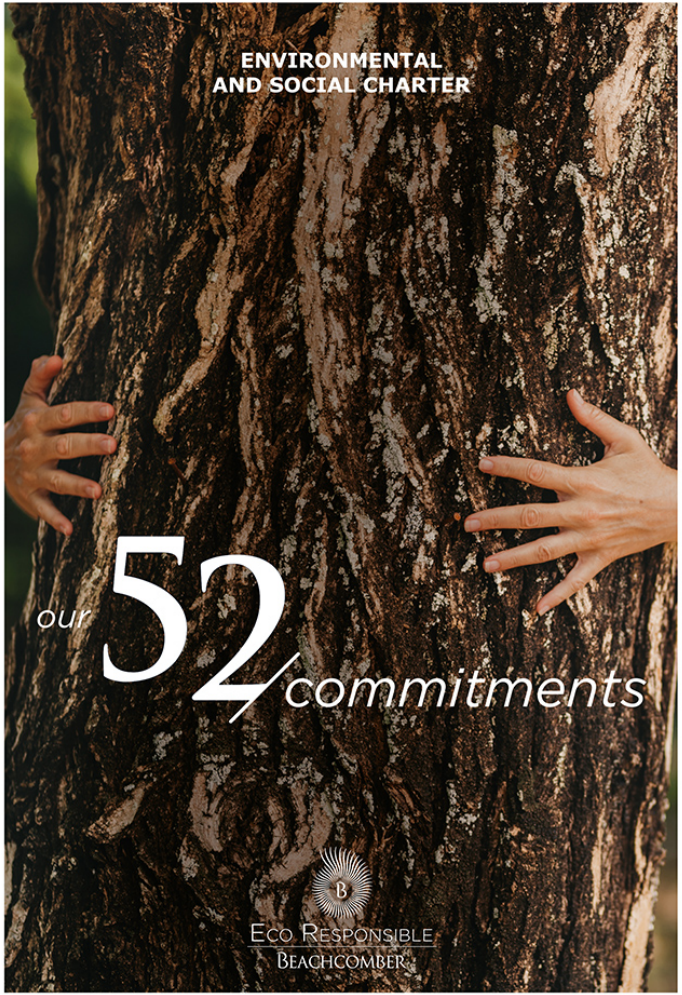
Priorities & Opportunities over next few years

- Direct bookings – WEB
- More dynamic pricing through digital integration with TO’s
- Integrated booking system (CRS / PMS)

Environment & Inclusive Growth

Our 52 Commitments

- Launch of our Environmental & Social Charter
- EarthCheck Silver Certification for our 8 resorts & head office
- #WeWalkOurTalk event



Thank you