New Mauritius Hotels Limited
18 April 2025

Ratings

Facilities/Instruments	Amount (MUR Million)	Rating[1]	Rating Action
Bank Facilities	3,455	**CARE MAU A-; Stable**	Reaffirmed
Proposed Bank Facilities	1,545	**CARE MAU A-; Stable**	Reaffirmed
Total	**5,000**		

Rating Rationale
The rating assigned to the bank facilities and proposed bank facilities of New Mauritius Hotels Limited ("NMH") continues to derive strength from its strong promoter groups comprising of ENL Limited, Rogers and Company Limited and Swan Life Ltd being among the business leaders in Mauritius and an experienced management team, the track record of operations for more than 70 years in the hospitality industry, market leadership position with an established chain of hotels serving the mid to upscale market segment and its international presence in Seychelles and Morrocco. The rating also factors in the strong operating performance with improved occupancy and ADR as compared to last year, consistent retention of strong clientele base mainly from Europe and South Africa, and forward bookings levels providing reasonable visibility of a continued improvement in performance of NMH over the medium term.

The rating is however constrained by the seasonal nature of the tourism and hospitality industry, rigid competition from regional destinations, vulnerability to external factors such as macroeconomic conditions which may affect the financial and operational performance of the hotels and the leveraged capital structure affecting the debt coverage ratios of NMH.

Rating Sensitivities
Positive Factors - Factors that could lead to positive rating action/upgrade:

- Ability to maintain occupancy rate above 75% and an improved ADR
- Improvement in operational & financial performance of its hotels in Mauritius
- Significant reduction in debt with overall gearing going below 0.8x on consolidated level

Negative Factors - Factors that could lead to negative rating action/downgrade:

- Decline in occupancy rate below 60%
- Significant debt increasing the overall gearing above 1.75x on consolidated level
- Sharp deterioration in the performance of some of the hotels.

BACKGROUND
Incorporated in December 1964, the New Mauritius Hotels Limited ("NMH" or the "Group"), operating under the brand of Beachcomber Resorts and Hotels, is one of the pioneers and leaders of the Mauritian tourism industry. NMH traces its origins back to 1952 with the establishment of its first property, Park Hotel. Over the years, the group has expanded into a collection of eight resorts in Mauritius, including the Royal Palm Beachcomber Luxury Mauritius, a flagship property renowned for luxury holidays in the region.

Portfolio: NMH caters to the mid-to-upscale market in Mauritius, operating a diverse portfolio of resorts. This includes:

[1]Complete definitions of the ratings assigned are available at www.careratingsafrica.com.

- **One 5-star luxury hotel**: Royal Palm Beachcomber Luxury
- **Three 5-star hotels**: Dinarobin Beachcomber Golf Resort & Spa, Paradis Beachcomber Golf Resort & Spa, and Trou aux Biches Beachcomber Golf Resort & Spa
- **Four 4-star hotels**: Shandrani Beachcomber Resort & Spa, Victoria Beachcomber Resort & Spa, Mauricia Beachcomber Resort & Spa, and Canonnier Beachcomber Resort & Spa

Together, these properties offer a total of 2,014 rooms in prime coastal locations across the northern, western, and southern regions of Mauritius. Additionally, NMH owns a hotel in Seychelles, leased to Club Med (295 keys), and another in Morocco, operated by Fairmont (134 keys). While NMH directly operates all its hotels in Mauritius, the group also manages a separate entity, Beachcomber Hospitality Investments Ltd (BHI), which holds select hotel properties in Mauritius and Seychelles. BHI is a wholly owned subsidiary of NMH, serving as a vehicle for holding NMH's yielding assets in the 4-star and 5-star categories. In May 2023, BHI listed its preference shares on the Stock Exchange of Mauritius. The company owns the properties of Mauricia Beachcomber Resort & Spa, Canonnier Beachcomber Golf Resort & Spa, and Victoria Beachcomber Resort & Spa in Mauritius, as well as Ste Anne Resort Limited through its subsidiary Kingfisher Ltd. NMH primarily generates revenue from its hotel operations but also has other business segments, including tour operations, flight & inland catering, and property (comprising BHI). Excluding the pandemic years (2020 and 2021), the group has experienced strong demand, reaching approximately 200,000 arrivals in FY24 with an average occupancy rate of 76%. Its main target markets include European countries (France, UK, Germany, Italy, Switzerland), South Africa, Mauritius, and Réunion Island. NMH's excellence was recognized at the Traveler Review Awards 2024, with several of its hotels receiving nominations.

Shareholding: The major shareholders of NMH are Rogers and Company Limited (22.93%), ENL Limited (15.25%) and Swan Life Ltd (10.58%)

Shareholders	Ratings
ENL Limited	CARE MAU A+; Stable
Swan Life	CARE MAU AA+ (Is); Credit Watch with Developing Implications
Rogers and Company Limited	CARE MAU A+; Stable

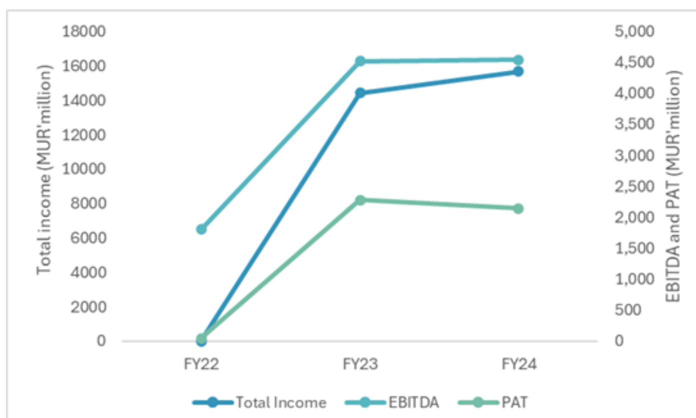
NMH is a publicly traded company listed on the Stock Exchange of Mauritius since 1994 with market capitalization of MUR 7,360.9 million on March 18, 2025.

Management: NMH is headed by a board comprising of 9 members comprising 6 non-executive directors (out of which 3 independent non-executive directors) and 3 executive directors, with Mr. Gilbert Espitalier-Noël acting as Chairman. The day-to-day operations of the company are conferred to the executive director, Mr. Stéphane Poupinel de Valencé. All members of the board have long-standing experience in business and financial matters.

Performance of NMH Company: Total income grew by 11%, primarily driven by an improvement in overall occupancy and ADR, coupled with the depreciation of the Mauritian rupee against the Euro and US Dollar, which had a favourable impact on revenue. EBITDA improved marginally by 4% in FY24, however, EBITDA margins were impacted by inflationary pressures and increasing staff costs. Profitability in FY23 was notably boosted by a one-off, non-cash exceptional dividend of MUR 828 million in the form of new shares in Beachcomber Hospitality Investments Ltd. Excluding this non-recurring item, PAT in FY24 was lower at MUR 1,664 million, with a PAT margin of 13.4%. FY24 also marked the first dividend payment by NMH post-pandemic, with a declared dividend of MUR 0.5 per ordinary share. As part of its debt reduction strategy, NMH repaid MUR 1.2 billion in FY24, leading to an improvement in overall gearing to 0.9x as of June 30, 2024.

Performance of NMH Consolidated: In FY24, total income grew by 8% driven by a 10% rise in hotel operations revenue and a 9% growth in income from tour operations, in-flight catering, and property. Despite overall growth, NMH's Moroccan operations recorded a slight revenue decline from MUR 1,156 million in FY23 to MUR 1,130 million in FY24, primarily due to a severe earthquake in Q1FY24, which disrupted the tourism sector and forced the Marrakech resort to close for several weeks.

Meanwhile, the Sainte Anne Resort in Seychelles contributed to group revenue through its triple net lease agreement with Club Med, which operates the hotel. While EBITDA remained at par with the prior year, the EBITDA margin was impacted by inflationary pressures, higher staff costs in Mauritius, and increased expenses in Morocco, including major repairs and maintenance, as well as fixed costs incurred despite the temporary hotel closure in Marrakech. Consequently, PAT declined by 6%, with PAT margin also falling as compared to last year. On the liabilities side, a net repayment of MUR 1.5 billion was effected during the year with overall gearing improving to 1.3x in June 2024. Interest coverage remained stable at 3.1x.



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Annexure II

Rating Symbols

Long /Medium-term Instruments

Symbols	***Rating Definition***
CARE MAU AAA	Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations, in Mauritius. Such instruments carry lowest credit risk.
CARE MAU AA	Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations, in Mauritius. Such instruments carry very low credit risk.
CARE MAU A	Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations, in Mauritius. Such instruments carry low credit risk.
CARE MAU BBB	Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations, in Mauritius. Such instruments carry moderate credit risk.
CARE MAU BB	Instruments with this rating are considered to have moderate risk of default regarding timely servicing of financial obligations, in Mauritius.
CARE MAU B	Instruments with this rating are considered to have high risk of default regarding timely servicing of financial obligations, in Mauritius.
CARE MAU C	Instruments with this rating are considered to have very high risk of default regarding timely servicing of financial obligations, in Mauritius.
CARE MAU D	Instruments with this rating are in default or are expected to be in default soon.

Modifiers {"+" (plus) / "-"(minus)} can be used with the rating symbols for the categories CARE MAU AA to CARE MAU C. The modifiers reflect the comparative standing within the category.

Rating Outlook

The rating outlook can be ‘Positive’, ‘Stable’ or ‘Negative’.
A ‘Positive’ outlook indicates an expected upgrade in the credit ratings in the medium term on account of expected positive impact on the credit risk profile of the entity in the medium term.
A ‘Negative’ outlook would indicate an expected downgrade in the credit ratings in the medium term on account of expected negative impact on the credit risk profile of the entity in the medium term.
A ‘Stable’ outlook would indicate expected stability (or retention) of the credit ratings in the medium term on account of stable credit risk profile of the entity in the medium term.

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About CARE Ratings (Africa) Private Limited:
CARE Ratings (Africa) Private Limited (CRAF) is the first credit rating agency to be licensed by the Financial Services Commission of Mauritius in May 2015. It is also recognized by Bank of Mauritius as External Credit Assessment Institution (ECAI) from May 2016. CRAF is also licensed by Capital Markets Authority of Kenya to operate as a Credit Rating Agency in Kenya. CRAF intends to expand across other geographies in Africa with Mauritius as its hub of operations. With an equitable position in the Mauritius capital market, CARE Ratings (Africa) Private Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.
CRAF's shareholders are CARE Ratings Limited, African Development Bank, MCB Equity Fund and SBM (NFC) Holdings Limited.
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CRAF has had a pivotal role to play in developing bank debt and capital market instruments including MMIs, corporate bonds and structured credit.