

HOSPITALITY

Through Rogers Hospitality, we deliver an integrated hospitality, dining and leisure experience via well-established brands like Veranda Resorts, Heritage Resorts and Rogers Aviation. We are Mauritian franchisees for Domino's Pizza and Ocean Basket. We are also a key shareholder in the associated company, New Mauritius Hotels, which operates the Beachcomber brand.

Operating Context

The Government's support during the pandemic to preserve hospitality activities and employment has been key in getting the industry quickly out of the crisis. This financial year, restrictions finally began to ease. Hotels reopened, travel resumed, often quicker than expected. We have been pleasantly surprised by the level of arrivals and occupancy in our hotels in October and November 2021, post-border reopening. The inclusion of Mauritius on the list of *rouge écarlate* countries by France in December 2021 has affected part of the peak season. Fortunately, restrictions were quickly lifted, and activities picked up again. The sustained demand for Mauritius among tourists confirms the destination's relevance for our target markets. For the period from January to June 2022, the country's tourism earnings reached 80% of pre-COVID-19 levels, showing that we are on the path of recovery. Connectivity is improving with existing or returning airlines being granted additional slots, enabling the country's inventories to fill at a better rate. The industry is going through some challenges that it will have to address, such as a shortage of resources post-restart of operations and inflationary pressures on costs.

Performance

This year saw the turnaround of Hospitality, going from losses of Rs 2.5 billion last year to profit of Rs 369 million. Rogers Hospitality contributed Rs 394 million to profit after recording fair value gains of Rs 246 million on land in Bel Ombre. Our share of New Mauritius Hotels' loss amounted to Rs 25 million. Focus was on the post-COVID-19 resumption of operations, border reopening and finally allowing the business to function at total capacity. By the third quarter of the year, the segment had a robust performance with guest night spending well above pre-COVID-19 levels and good occupancy levels.

We are transforming operations to navigate the recovering industry. The hotels, leisure and restaurant activities under the hospitality segment have been merged into one single entity, giving birth to Rogers Hospitality. The company's objective is to deliver premium hospitality services that benefit the environment, add value to local communities and uplift guest

experience. We focus on creating the best experience to offer unforgettable stays to our guests, so that they in turn become brand ambassadors.


The prolonged pandemic resulted in changing needs and aspirations from our clientele. We are seeing more last-minute bookings, slightly longer stays and enhanced expectations regarding sustainability commitments. The consolidation and activation of the 'Now For Tomorrow' Sustainability Roadmap were one of the team's priorities this year. The programme reflects Rogers Hospitality's commitment to consolidating resilient development, promoting sustainable consumption, protecting Mauritius' biodiversity through mindful development, valuing cultural and historical heritage, and maintaining vibrant communities.

Priorities for the next financial year

- Take advantage of the promising context for hospitality
- Continue to work on turnaround strategies for non-performing businesses
- Restructure and reduce the debt portfolio
- Keep digitalising the operations to enhance customer centricity and operational excellence
- Run the Now for Tomorrow programme

Link to risks

 Top group risks (pages 64 to 67)

 Full swing of the segment's performance, following significant boost in tourist arrivals in the backdrop of shortage of workforce



Rs **2.9 bn**
REVENUE*
 (2021: Rs 859 m)



Rs **369 m**
PROFIT AFTER TAX*
 (2021: Loss after tax Rs 2.5 bn)
**from continuing operations*

*Hospitality activities
have picked up again
with promising forward
bookings.*

