

# **FINANCIAL RESULTS FOR THE YEAR ENDING 30 JUNE 2022**

## **Analyst briefing**

23 SEPTEMBER 2022

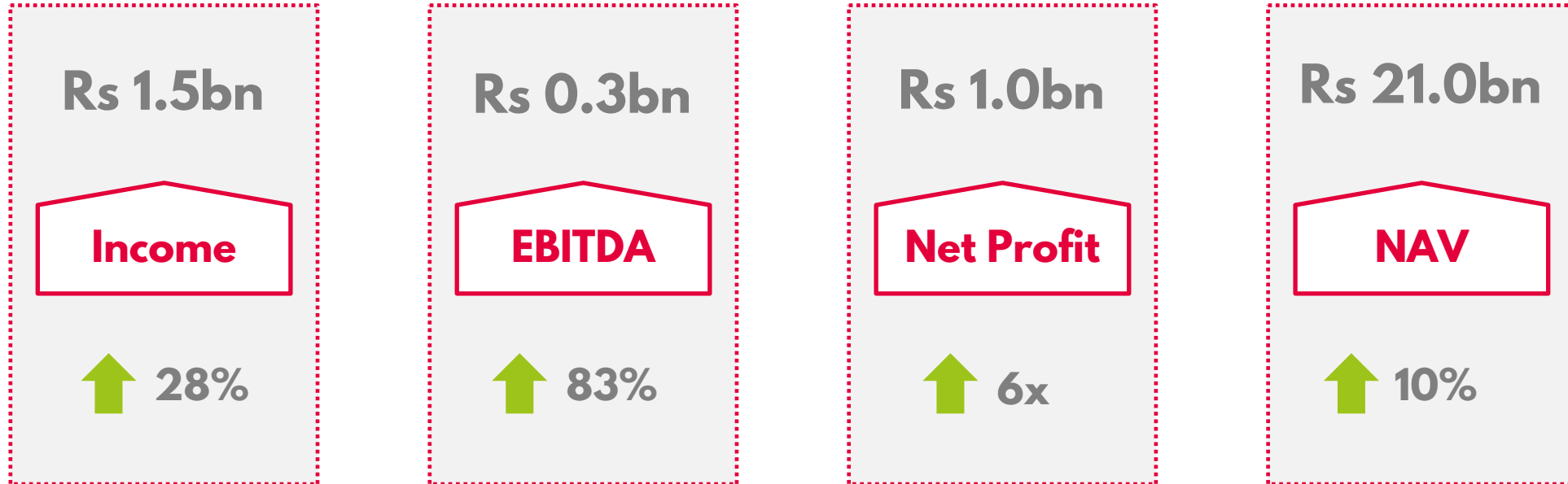
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# INVESTOR UPDATE

**Dhiren Ponnusamy**  
Chief Executive Officer

# KEY FINANCIALS DASHBOARD

Financial year ending 30 June 2022



\*Cash flow includes cash from operating activities and sale of land

OUR PERFORMANCE IMPROVED SIGNIFICANTLY, THANKS IN  
LARGE PART TO OPERATIONAL DISCIPLINE

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INCOME STATEMENT				
Rs m	FY 2022	FY 2021	▲	▲ %
Total Income	1,539	1,201	338	28%
Operating expenses	(1,250)	(1,044)	(206)	20%
EBITDA	289	157	132	83%
Profit on sale of land	1,083	228	855	375%
Net fair value and asset movements	149	295	(146)	-49%
Net finance costs	(295)	(326)	31	-10%
Depreciation and amortisation	(167)	(191)	24	-13%
Income tax charge	(16)	(13)	(3)	23%
Profit after tax	1,043	150	893	593%

Positive  
JAWS ratio

8%



# IN 2020, MEDINE EMBARKED ON AN AMBITIOUS RESTRUCTURING AGENDA AND COMMITTED TO TARGET 4:4

It consisted of an operational rationalisation to address:

**Structural issues**, with certain operations struggling to make a consistent return

**Unsustainable debt levels**

A need to sustainably fund numerous upcoming **projects and developments**

**A changing market environment**, requiring new positioning and new business models in certain sectors

Our pace of progress was slowed by the length of the COVID-19 pandemic, which significantly affected our operations and profitability

# THE OBJECTIVES OF TARGET 4:4

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**Reduce our debt to below MUR 4bn by 2023**

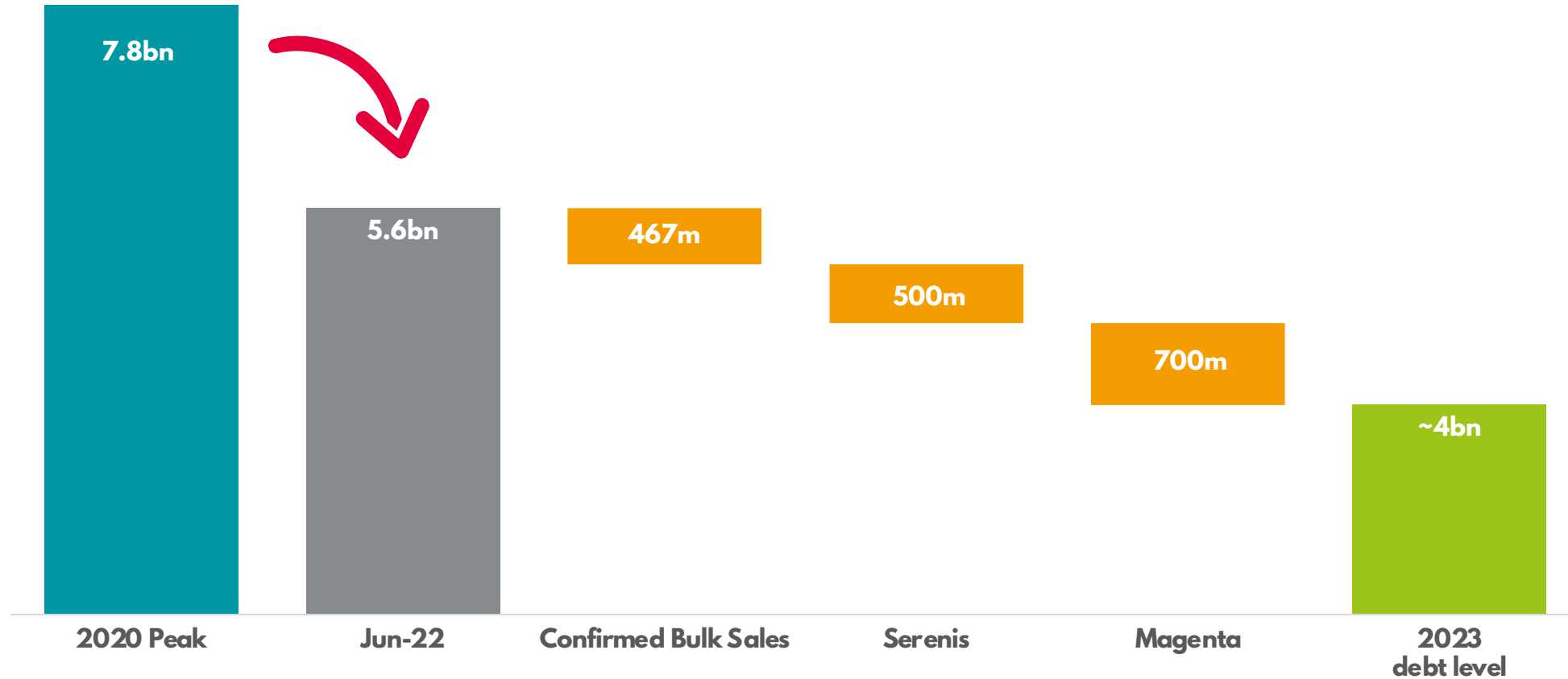


**Generate sustainable earnings per share of MUR 4 by 2023**

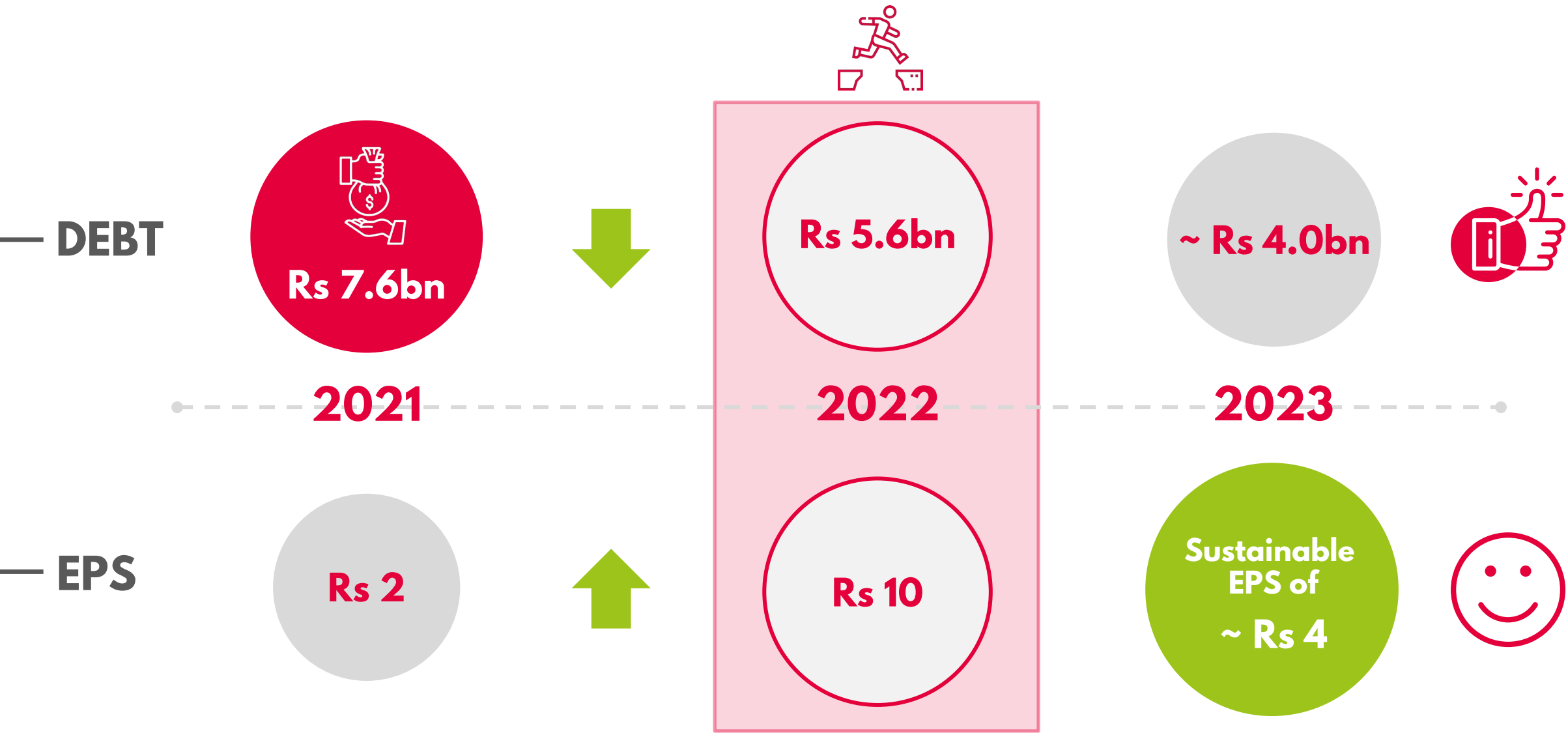


# WE HAVE SIGNIFICANTLY REDUCED OUR DEBT, AND HAVE CLEAR VISIBILITY TOWARDS OUR RS 4BN TARGET

Rs



IN SHORT, WE ARE WELL ON TRACK TO DELIVER TARGET 4:4





# **FY 2022 FINANCIAL REVIEW**

**Cindy Choong**  
Chief Financial Officer

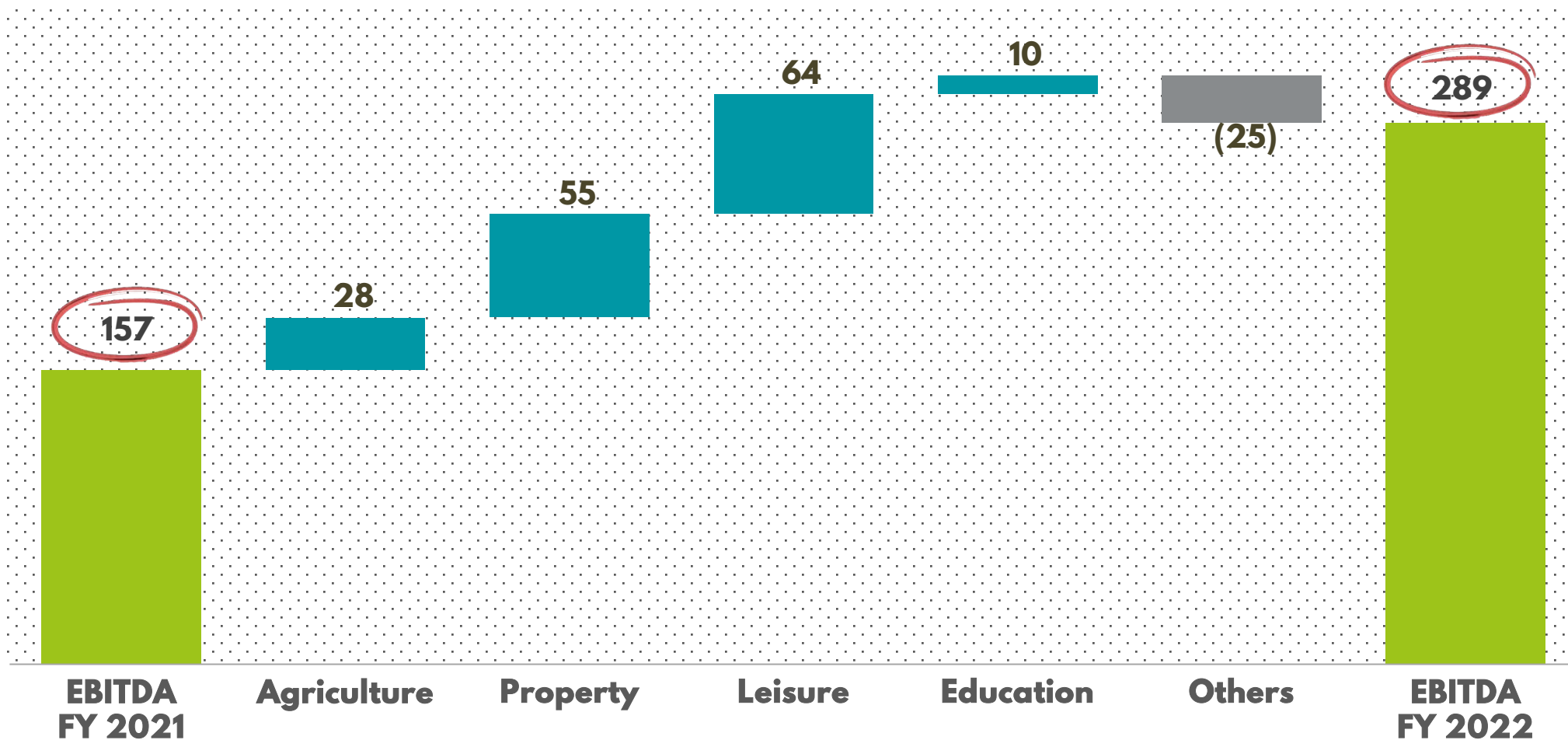
# OUR PERFORMANCE IMPROVED SIGNIFICANTLY, THANKS IN LARGE PART TO OPERATIONAL DISCIPLINE

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# ALL BUSINESS UNITS MADE A POSITIVE CONTRIBUTION TO EBITDA DESPITE THE CHALLENGING CONTEXT

Rs m





# **BUSINESS PERFORMANCE**

# AGRICULTURE



## Jardins de Medine



Chips



Spices



## La Pépinière de Medine

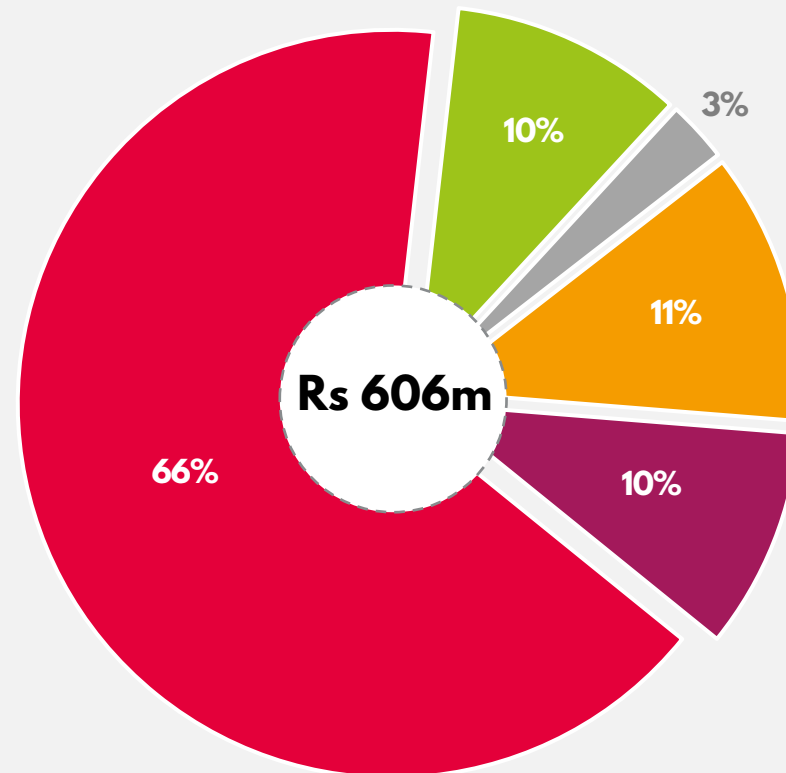


## Medine Landscaping



## Deer Farming

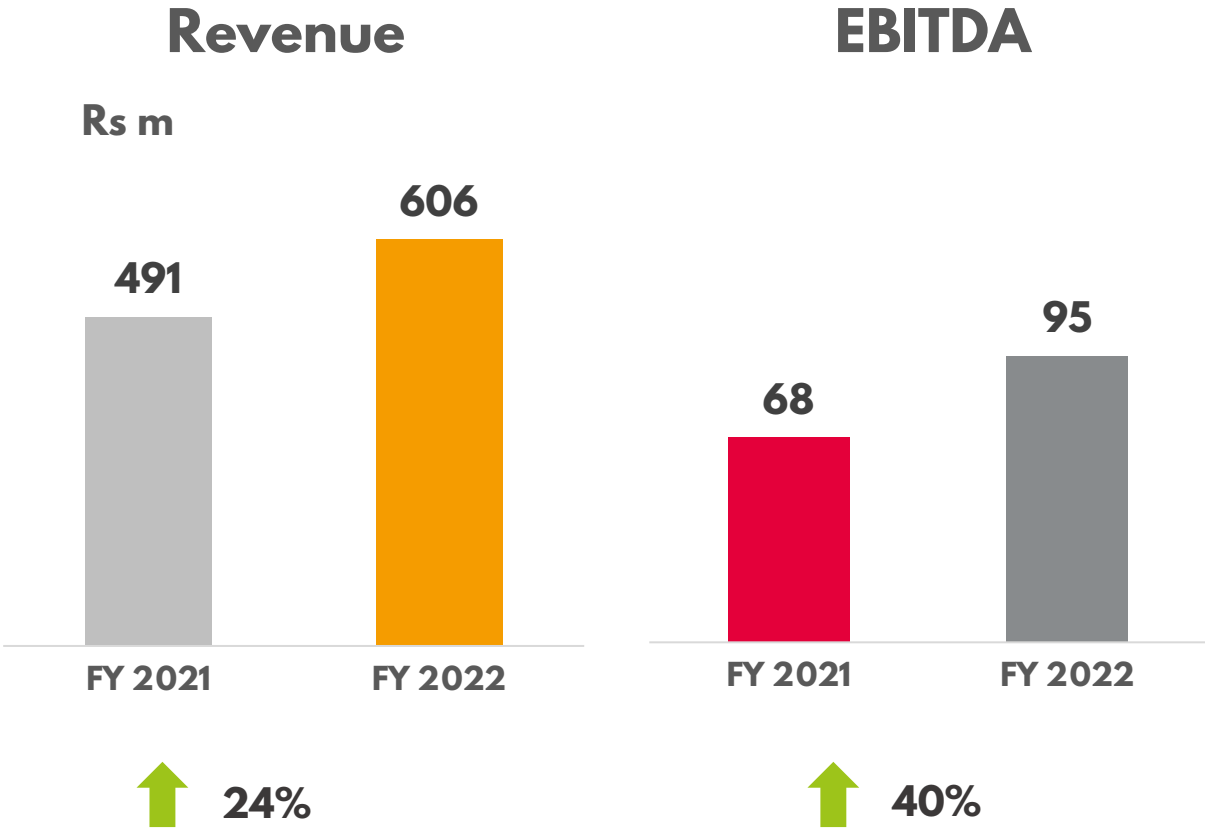
## Revenue by segment



- Sugar
- Agrinnovation
- Landscaping and nursery
- Deer farming
- Other related activities

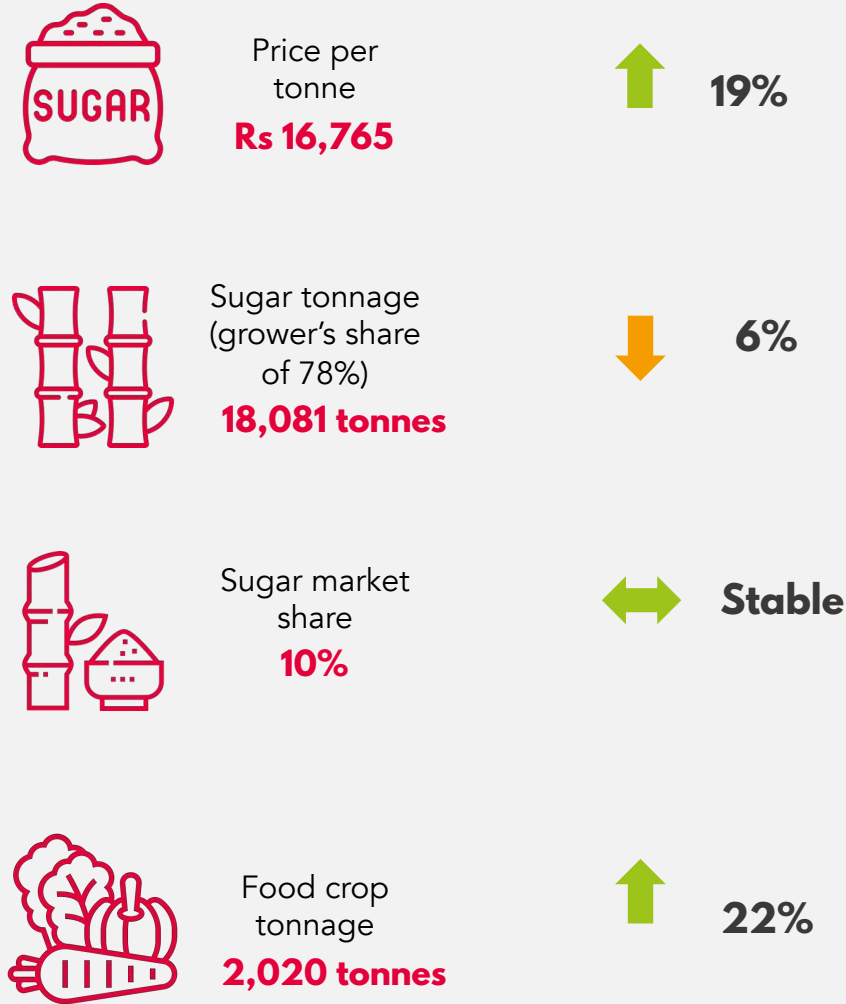
REVENUE FROM OUR AGRICULTURE  
OPERATIONS INCREASED BY 24%  
DRIVEN BY HIGHER SUGAR PRICES  
AND IMPROVEMENT IN ANCILLARY  
REVENUES

AGRICULTURE



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KEY METRICS

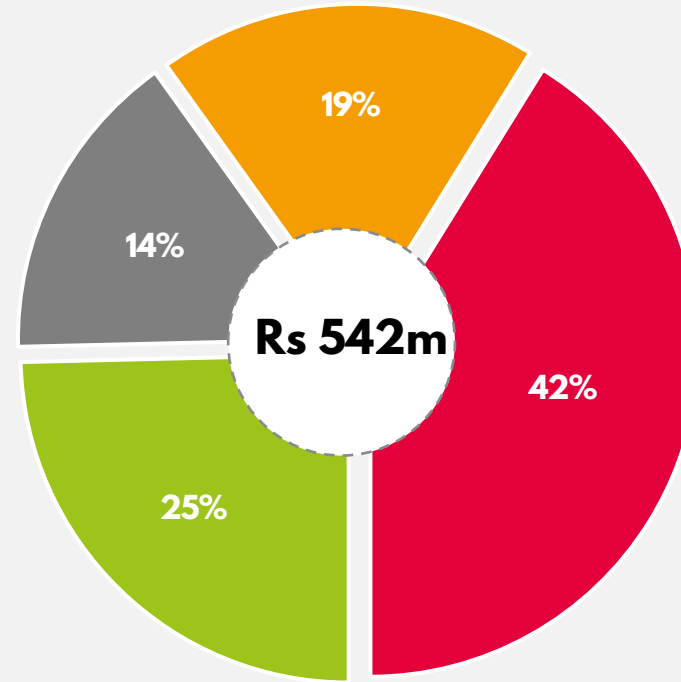




# PROPERTY



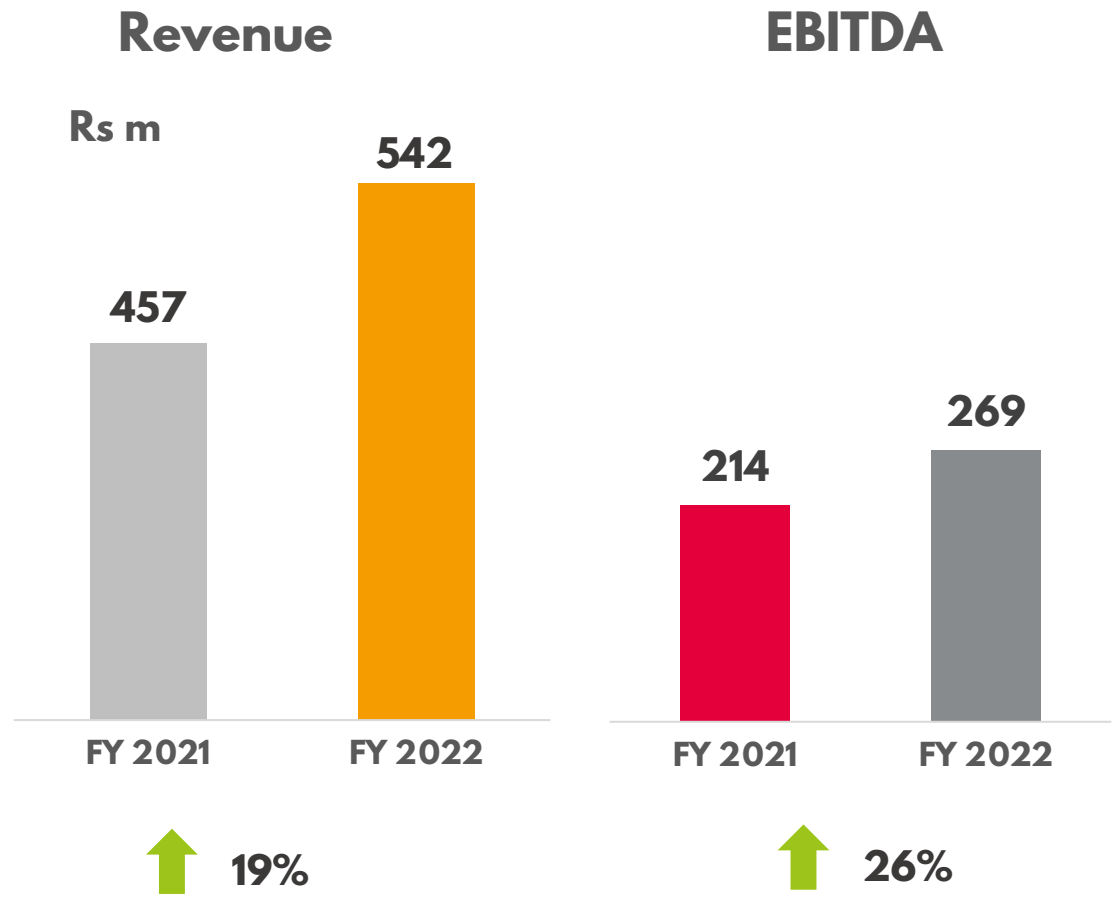
## Revenue by segment



- Offices
- Shopping mall
- Education properties
- Remaining activities

# PROPERTY REVENUE ROSE TO RS 542M, DRIVEN BY STRONG OCCUPANCY IN OUR COMMERCIAL AND OFFICE SPACES

PROPERTY



KEY METRICS



Real estate portfolio  
**Rs 4.4bn**  
↑ 5%



Rental Income yield  
**8%**  
↔ Stable

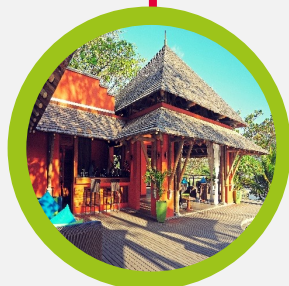


Occupancy (retail)  
**90%**  
↑ 1%

# LEISURE



**Casela**



**Tamarina  
Hotel**

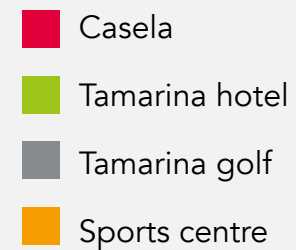
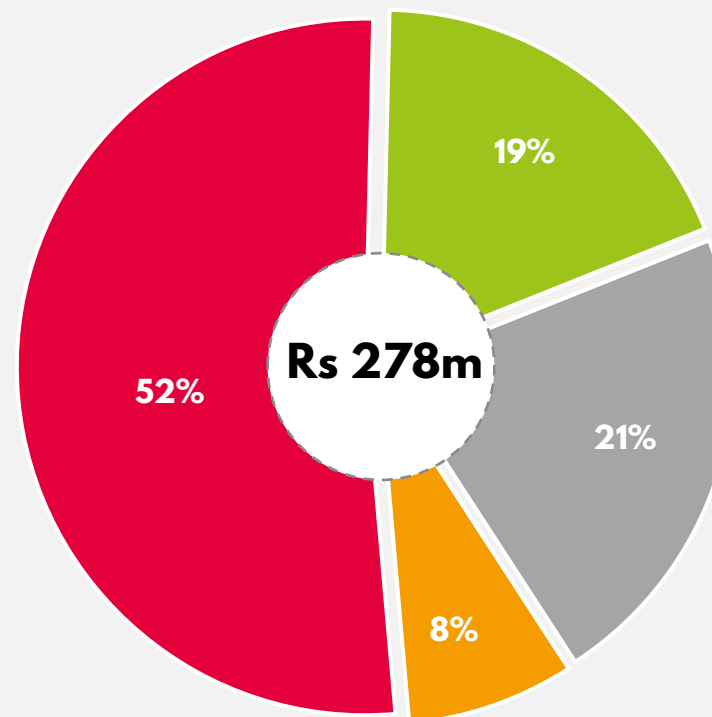


**Tamarina  
Golf**



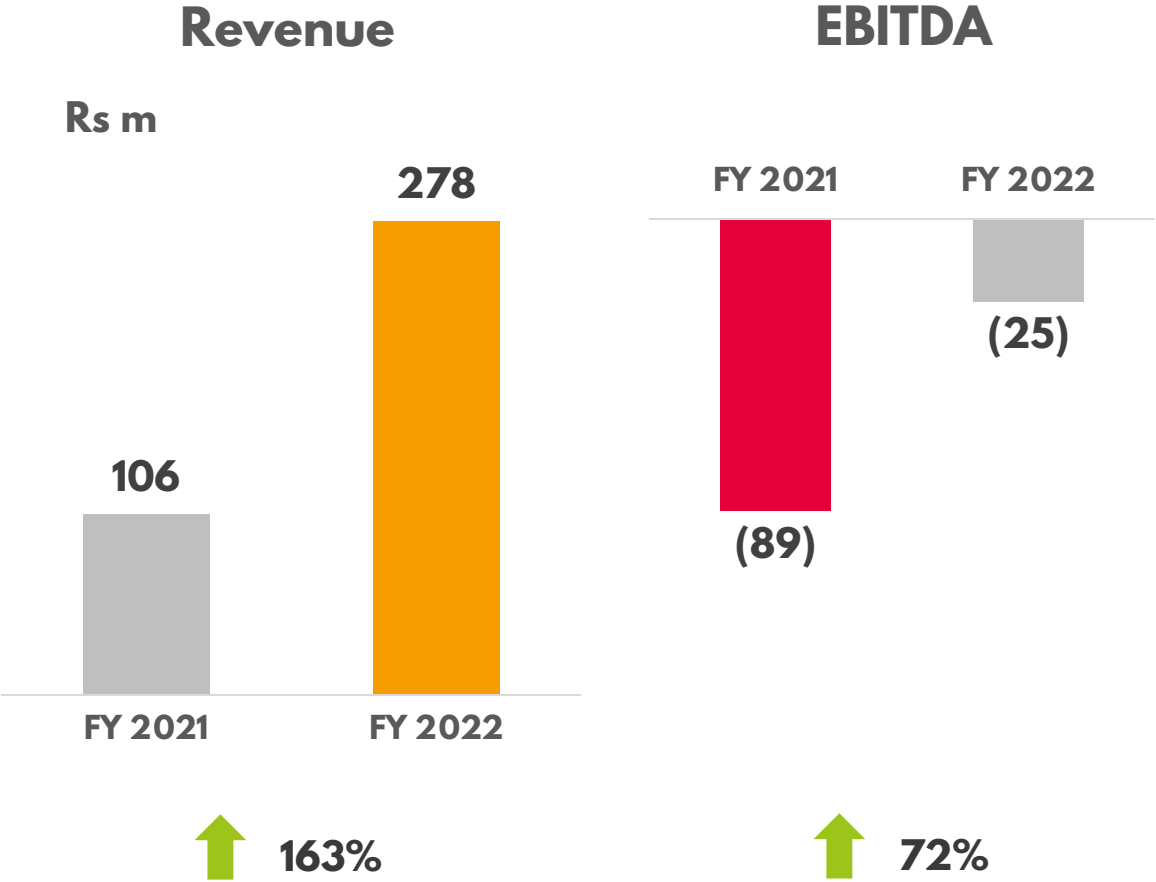
**Sports  
Centre**

## Revenue by segment



# REVENUE FROM LEISURE OPERATIONS INCREASED, REFLECTING A RECOVERY IN THE TOURISM SECTOR

LEISURE



KEY METRICS

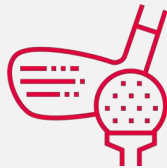


Visitors to Casela  
**189k**

↑ 63%



Of which tourists  
**55k**



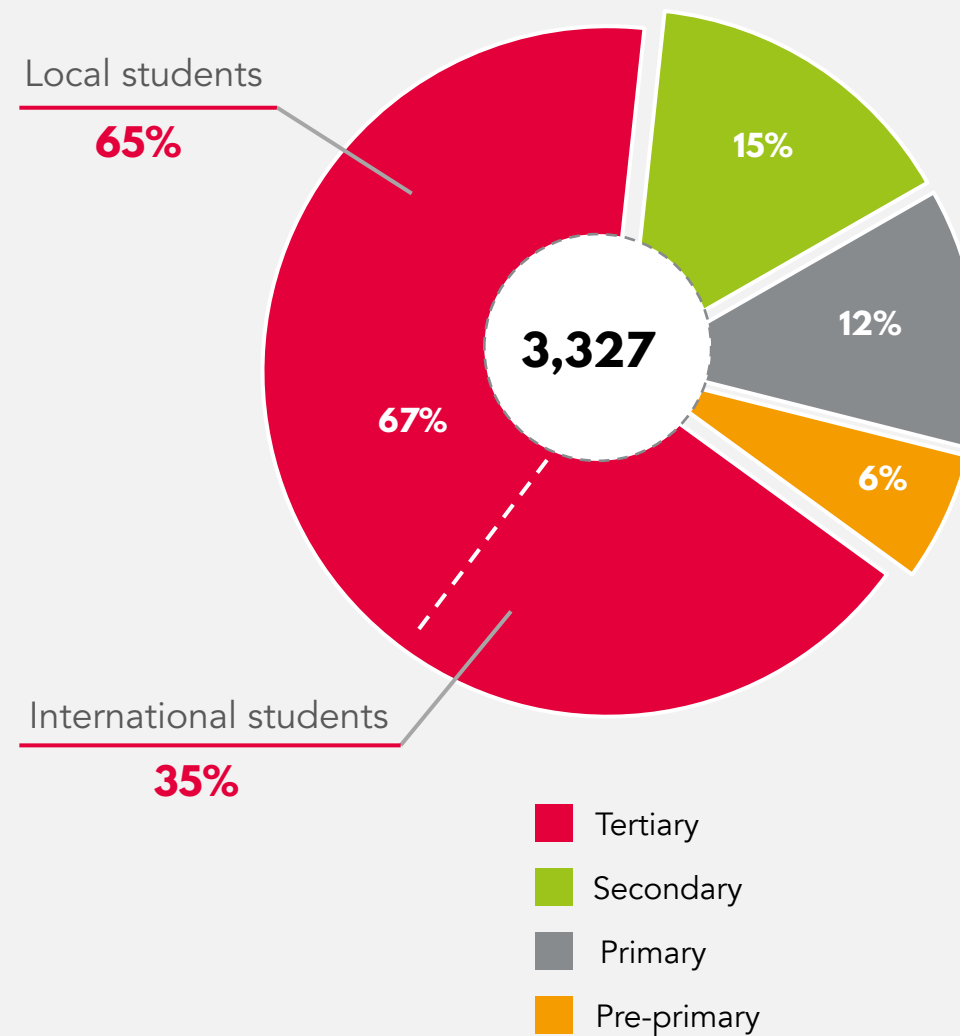
Golf rounds  
**26k**

↑ 1.3x

# EDUCATION

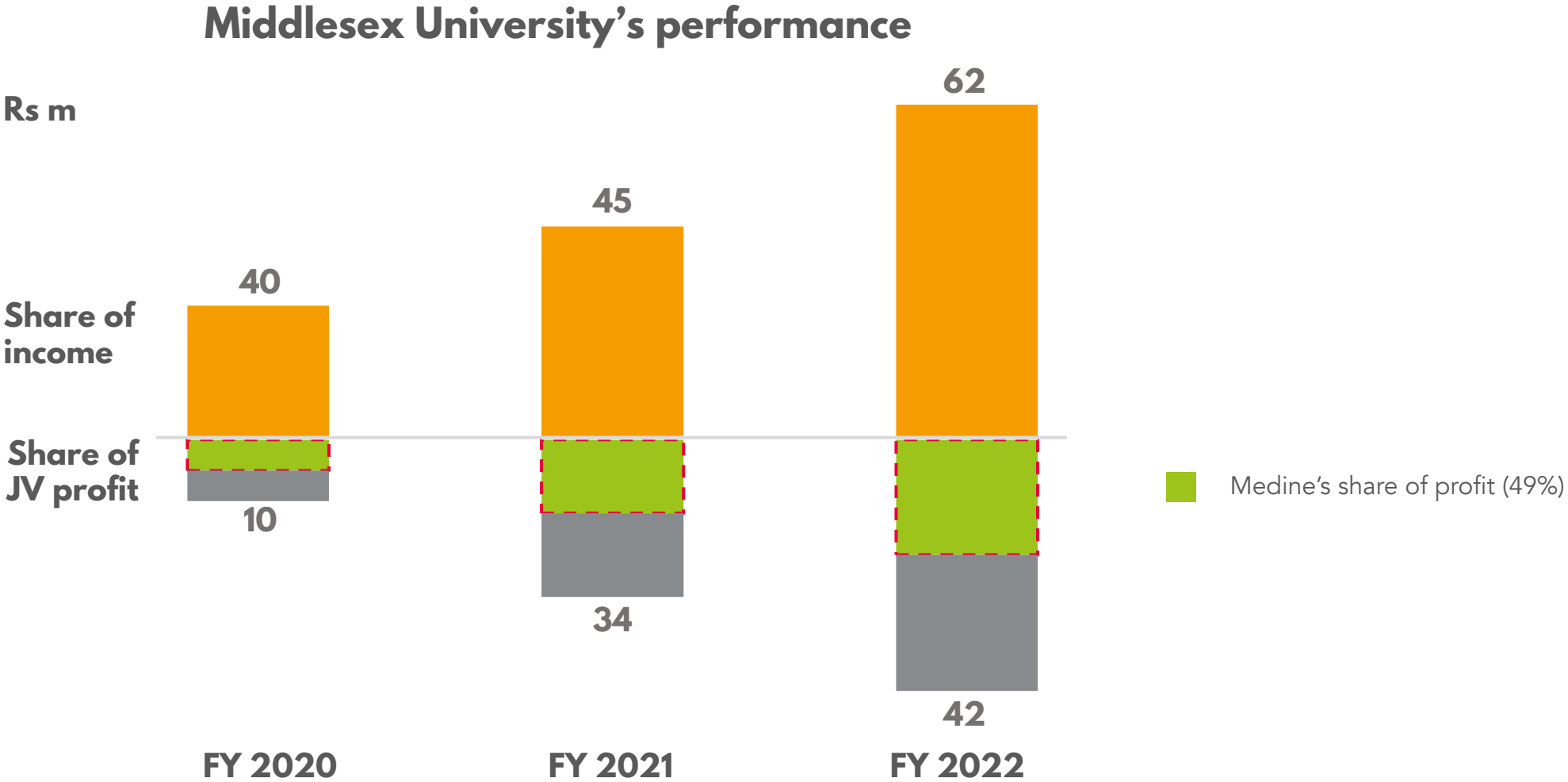


## Student Population



# MIDDLESEX UNIVERSITY REMAINS THE TOP PERFORMER IN OUR TERTIARY EDUCATION PORTFOLIO, WITH A CONTINUOUSLY GROWING STUDENT POPULATION

EDUCATION





# WE HAVE ENTERED 2023 WITH GOOD MOMENTUM ACROSS ALL OUR BUSINESSES

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**Sugar price  
on the rise:  
> Rs 20,000  
per tonne**



**Number of  
visitors  
nearing pre-  
COVID levels**



**Increased  
occupancy  
at golf and  
hotel**



**Full occupancy  
at CSM and  
extension in  
progress**



**A number  
of property  
projects in  
the pipeline**

# UPCOMING PROJECTS

**Joel Bruneau**

Managing Director, Property

# THE FLIC-EN-FLAC BYPASS IS A GAME CHANGER AND WILL UNLOCK ACCESS TO THE WEST

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5.2km single carriageway



Junction at Cascavelle



Cycle lane



Roundabouts



72m bridge



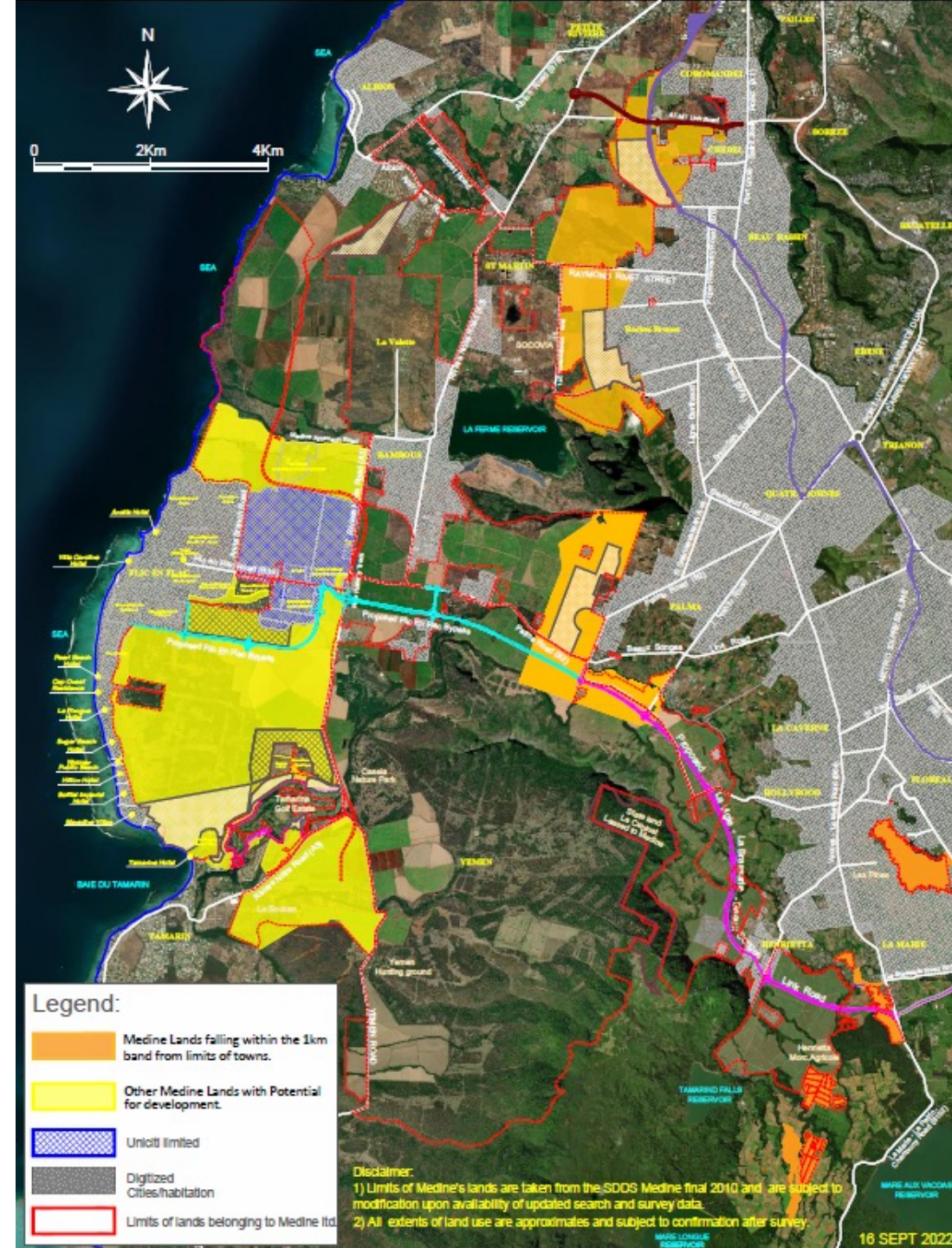
# WE ARE LEVERAGING OUR UNIQUE LAND BANK FOR PROPERTY DEVELOPMENT

## Prime Areas in Albion - Flic en Flac - Wolmar region (1,650 A)

- Medine Smart City 825A
- Wolmar 294A
- Mango 170A
- Tamarina 68A
- Magenta 192A
- Serenis 100A

## Areas adjacent to existing towns/residential areas (560 A)

- Pierrefonds 218A
- Roches Brunes 150A
- Chebel 190A



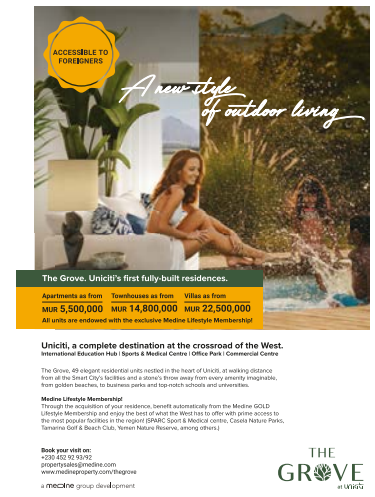


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## An aerial photograph showing a coastal landscape. In the foreground, there is a large green field with a distinct yellow and orange patch. A small town is visible in the middle ground, situated between the field and the ocean. In the background, a prominent mountain rises from the coastline, and the blue ocean extends to the horizon.

## An aerial photograph showing a landscape with a river winding through it. The river is dark and meandering. To the left of the river, there are several rectangular plots of land, some of which are green and others brown. To the right of the river, there is a large, green, rectangular area, possibly a field or a park. Below the green area, there is a road with a white line. The overall scene is a mix of natural and human-made elements.



THE  
GROVE  
at WISCONSIN

# UPCOMING RESIDENTIAL PROJECTS

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Morcellement  
Pierrefonds



Tamarina Lodges



The Grove Phase 2





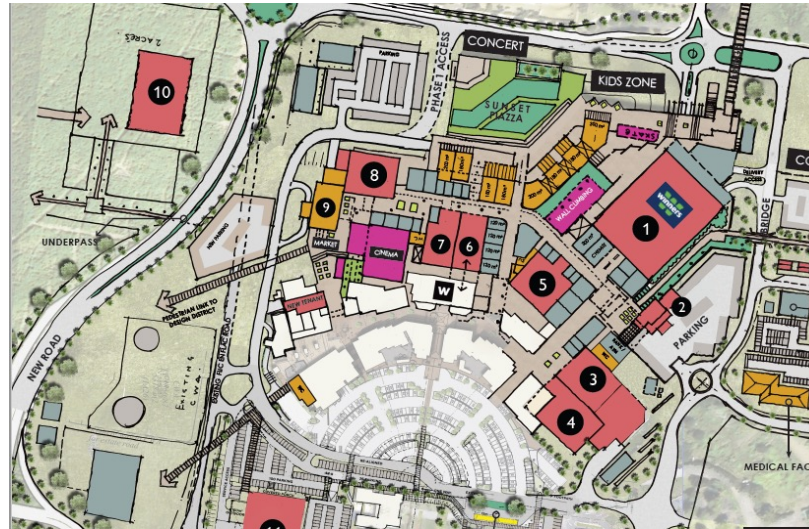
# WE ARE GROWING OUR ASSET PORTFOLIO AND LAUNCHING COMMERCIAL PLOTS FOR CORPORATE PREMISES

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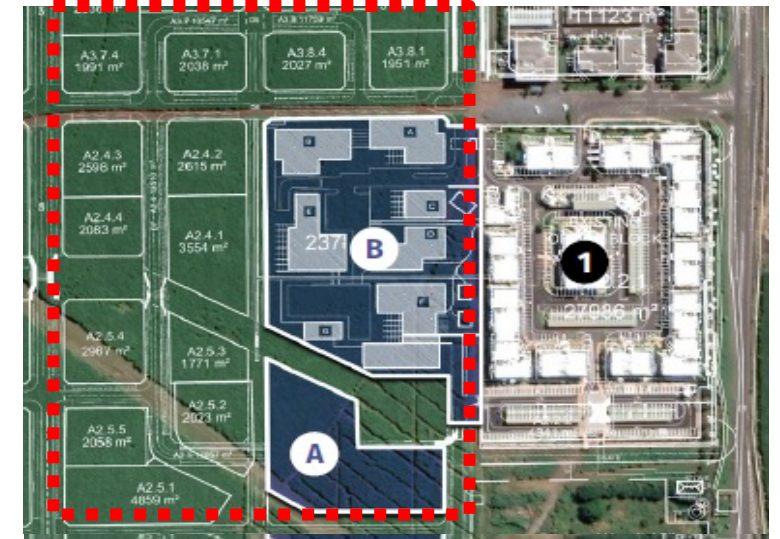
Mr Bricolage



Shopping mall extension



Bulk plots - business park



# BEYOND 4:4

**Dhiren Ponnusamy**  
Chief Executive Officer



4



4

# OUR STRATEGIC FOCUS IS CLEAR - WE WILL LEVERAGE OUR ASSET BASE AND DEVELOP OUR LAND BANK INTELLIGENTLY AND SUSTAINABLY

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Investing in cash-generating property assets to create sustainable, long-term value for shareholders



Sensitively developing our unique land bank and protecting our heritage, continuing to be a force for good in the West

# WITH TARGET 4:4 BEHIND US, WE ARE ACTIVELY FOCUSING ON TRANSFORMING PASSIVE NAV INTO ACTIVE NAV



Net Asset Value  
per share

**MUR 200**



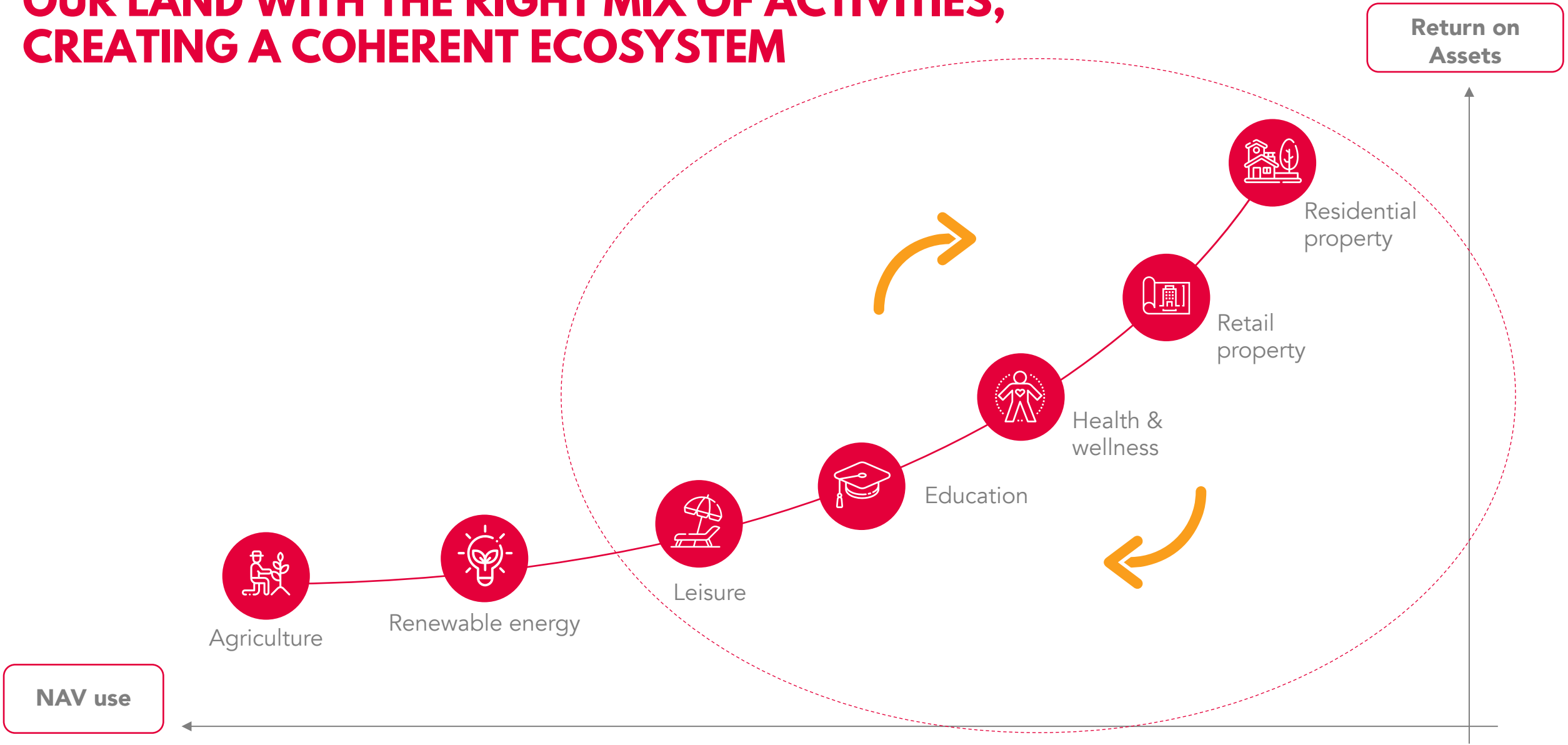
Market price  
at 30 June 2022

**MUR 56**

Discount to NAV

**72%**






WE AIM TO MAXIMISE THE VALUE WE GENERATE FROM  
OUR LAND WITH THE RIGHT MIX OF ACTIVITIES,  
CREATING A COHERENT ECOSYSTEM





# WE WILL CONTINUE TO FOCUS ON SWEATING GREATER RETURNS FROM OUR ASSETS

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	Land	Plant & equipment	Investments	Other s	Net asset base (Rs bn)	Returns FY21/22 %	Target Returns %
 <b>Agriculture</b>	7.3	0.1	-	-	7.4	1.0%	~2.1%
 <b>Yemen</b>	2.1	0.0	-	-	2.1	0.9%	~1.5%
 <b>Real estate activities</b>	-	0.2	4.4	-	4.6	4.7%	~8.0%
 <b>Casela</b>	1.5	0.4	-	-	1.9	-	~8.0%
 <b>Sports &amp; Hospitality</b>	0.1	0.6	-	-	0.7	-	~7.0%
<b>Others</b>	-	(0.0)	-	(0.7)	(0.7)		
<b>Subtotal</b>	<b>11.0</b>	<b>1.3</b>	<b>4.4</b>	<b>(0.7)</b>	<b>16.0</b>		
<b>Land inventories &amp; bare lands</b>	<b>9.5</b>	<b>-</b>	<b>1.1</b>	<b>-</b>	<b>10.6</b>	<b>2.6%</b>	<b>~3.0%</b>
<b>Total</b>	<b>20.5</b>	<b>1.3</b>	<b>5.5</b>	<b>(0.7)</b>	<b>26.6</b>		
			<b>Net debt</b>		<b>(5.6)</b>		
			<b>Net Asset Value</b>		<b>21.0</b>		

# TO CREATE SUSTAINABLE VALUE FOR ALL OUR STAKEHOLDERS, WE ARE:



Developing a growth model that can make a positive social and environmental impact, while also ensuring our profitability



Working on a more structured approach, to continuously embed sustainability into how we do business

# OUR BUSINESSES ARE CONTINUOUSLY WORKING TOWARDS A POSITIVE ENVIRONMENTAL IMPACT

- Work on energy including operating Mauritius' largest solar farm at Henrietta
- An active conservation and soil and forest regeneration programme at Casela
- Circular economy projects, particularly in Agriculture
- The preservation of carbon sinks across our land bank, including at Yemen



# DIVERSITY, EQUALITY AND INCLUSION ARE ALREADY PART OF OUR DNA

We:

- Recruit based on ability and merit
- Invest in our employees' wellbeing and work-life balance
- Support and contribute to our community via the work of Fondation Medine Horizons



# KEY MESSAGES

01.

Medine's financial performance improved substantially during 2022. While the global economic environment remains challenging, we have built stronger resilience to absorb future shocks.

02.

2022 was a watershed year as we (a) significantly brought down our debt, (b) raised the bar on performance, and (c) unlocked road access to the West.

03.

We will deliver Target 4:4 in 2023. We are now focusing on earnings quality and converting passive NAV into active NAV.

04.

We are set to benefit from good tailwinds in 2023 as tourism recovers to pre-pandemic levels, the sugar price rises and we deliver a number of property projects.

05.

We will continue to walk the talk on sustainability, embedding it in everything we do.



# CLOSING REMARKS

**René Leclézio**

Chairman

medine

Q & A