

ENL INVESTOR MEETING, CAP 23 STRATEGIC PLAN

QUESTIONS AND ANSWERS

06 AUGUST 2020

- ***Cap 23. Cap 23 will imply agility and finetuning. Give some examples of how ENL showed agility during the confinement period? What was learnt and what initiatives have already been adopted post confinement?***
 - During confinement, a crisis committee presided by the Group CEO was implemented to monitor the evolution of the pandemic, as well as numerous committees at subsidiary's level. For example, Rogers implemented Vivacis as a response to COVID-19
 - All employees were encouraged to work from home with tools such as Microsoft Teams to interact, operations were on-going where possible, Velogic ensured that the logistics platform was maintained, most companies ensured distribution of essential services, the group assisted the authorities in the fight against the spread of the pandemic (Hotels put at the disposal of the authorities, leaders engaged on the teams set by Business Mauritius, masks given to front-liners, Plastinax produced visors, etc...)
 - Post-confinement, adoption of flexible work arrangements (Digitalisation + operational efficiency).
- ***Hospitality. NMH. Ring-fencing mentioned in presentation. Does this entail that no support will be provided to NMH which is in difficulty actually?***
 - For the moment, discussions are ongoing between NMH and MIC to secure funding to see the crisis through. So, for the time being, we do not see a necessity to inject equity in NMH, but the funds will be available if necessary.
 - VLH is on the other hand well equipped, with fresh equity funds to the tune of Rs 600 million injected by Amethis Finance last year.
- ***Hospitality. NMH will be receiving the required funding from the MIC. In the worst-case scenario, if the country's borders remain closed until next year, will these funds be sufficient for its survival?***
 - If the borders remain closed for a longer period, all hotels will suffer, not only NMH.
 - The opening of borders is key to ensure survival of this industry and avoid the spill-over effects of the industry's difficulties on the economy.
- ***ENL Group. The group has a strong financial structure. During a crisis, opportunities also arise. Will ENL's focus only be on its existing served markets or will it also consider acquisitions of other companies with a growth prospect? If Cap 23 targets not met over 3 years, will it consider restructuring?***
 - We will stay focused on our existing served markets.
 - The Group remains open to opportunities should it arise.
 - We have one new segment under study, we want to start small and acquire the expertise before growing bigger.
 - If targets are not met over the 3 years of Cap 23, yes, there will be exit scenarios if necessary. However, the group is agile and there is a strict monitoring put in place under Cap 23 and re-adjustments will be made if necessary.

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- ***Real estate. Going forward, it has been noted that there is a risk of pressure on office spaces with new working habits and on the oversupply of shopping malls in Mauritius. Despite that, ENL is planning to double its office portfolio and development works are in progress at Bagatelle. What is the rationale behind this? And isn't there pressure on rentals?***
 - Offices – The demand for office spaces in our business parks are higher than expected and ENL has a differentiated offer (embracing workspitality + offer is proposed according to demand) and its offers are well positioned on the market, boosted by Moka's goodwill.
 - Retail – Bagatelle is extending its GLA to consolidate its position and offer and is aiming to improve its operational efficiency. It aims at becoming more user friendly and aims to extend its offer to customers.
 - For the time being, no pressure on rentals but the future remains uncertain.
- ***Hospitality. Is there any visibility as to the demand for the Group's hotels from tourists?***
 - Yes, there is demand for our hotels but with the country's borders remaining closed, we might be losing these bookings to our competitors who have already re-opened their borders to tourists (eg: Seychelles and Maldives)