



ClubMahindra

October 22, 2021

MHRIL/SE/21-22/76

Listing Compliance
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra E, Mumbai – 400 051
Scrip Code: MHRIL

Department of Corporate Services
BSE Limited
Floor 25, PJ Towers,
Dalal Street
Mumbai – 400 001
Scrip Code: 533088

Dear Sir/ Madam,

Sub: Presentation on Financial Results for the quarter and half year ended September 30, 2021

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), please find enclosed a presentation on Financial Results of the Company for the quarter and half year ended September 30, 2021 to be made to the Investors / Analysts.

The aforesaid presentation is also being hosted on the website of the Company www.clubmahindra.com in accordance with Regulation 46 of the SEBI Listing Regulations.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For **Mahindra Holidays & Resorts India Limited**

Dhanraj Mulki
General Counsel & Company Secretary



Encl: As above

Mahindra Holidays & Resorts India Limited
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e : memberrelations@clubmahindra.com / w : www.clubmahindra.com / CIN : L5 5101TN1996PLC036595



Mahindra Holidays & Resorts India Ltd.

India's Best Workplace in Hospitality, 2021

Great Place to Work® Institute India

Investor Presentation - Q2 & H1 FY22

22nd October 2021



CLUB MAHINDRA KANHA,
MADHYA PRADESH

Outline



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MHRIL

Unique Hospitality Business

VARCA
GOA

MHRIL Delivered Strong Q2 Performance at pre-COVID levels



Member Base

3,943

Member Additions

258,000+

Cumulative Member Base

Occupancy & Room Inventory

73%

Operational Occupancy

4,233

Total Room Inventory

Profits

EBITDA Rs. 89 Crs

Growth: 19.5% YoY & 21.9% QoQ

PBT Rs. 55 Crs

Growth: 19.9% YoY & 34.2% QoQ

Liquidity

Rs. 1,041 Crs

Cash Position

Rs. 1,129 Crs

Receivables available for
Securitization

Balance Sheet

Rs. 5,012 Crs

Deferred Revenue

Zero

Debt

Credit Rating

**Upgrade from IND A
to IND A+**

for Long-Term Facilities by
India Ratings & Research, a
Fitch Group Company

MHRIL - At a Glance



Industry Outlook

Well Poised to Drive Domestic Leisure Travel Demand

New and emerging consumer trends augur well for us:

- Demand for Leisure Travel is leading the sector recovery
- Most of our resorts are at drivable distances from cities

Large and attractive addressable market for Vacation Ownership ('VO') in India

- VO penetration in India is at ~2% vs ~11% in U.S.

Our Key Differentiators

- Unique and resilient business model
- Large base of loyal and committed members
- Wide variety of marquee properties across India and abroad
- Preferred choice for unparalleled family vacationing experiences
- Part of the Mahindra group – a trusted brand and a market leader

A Strong Performance Track Record

- Multiple annuity revenue streams
- Enhanced operational efficiencies
- Growing profitability and margins
- Supported by a strong balance sheet and liquidity position

Long-Term Value Creation

Key Strategic Initiatives to Drive Consistent Growth:

- Expand our resort network at an accelerated pace
- Deliver Superlative Customer Experience
- Grow cumulative member base through Referral, Digital & Alliances
- Consistent and sustained profit growth
- Aligning our business objectives with ESG goals

Over 25 years, MHRIL has created a **unique and sustainable Vacation Ownership business** and is the **#1 Leisure Hospitality player** in the country



MHRIL Vacation Ownership business consists of ..



258,000+ members



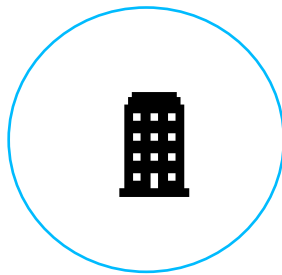
2,000+ curated experiences



Strong free cashflows



100+ resorts globally



170+ partner hotels



Debt Free on a Standalone basis

...with unique competitive advantages

Difficult to replicate model with strong economic moat

Mahindra brand equity & strong hospitality capabilities

High quality family holiday experiences

Creator of new leisure destinations

Predictable annuity revenue streams & cash generation

Ability to build & manage world-class resorts

Continuous member engagement to enhance lifetime Value

Club Mahindra's Product Portfolio



CMH 25 – 25 years, 7 nights per year



Target Consumer

Couples with Young Children
Affluent, NCCS A,
30-40 years of age

Consumer Preferences

- Cautious explorers & comfort travelers
- Plan vacations in advance

Bliss - 10 Years, Points Based Membership



Empty Nesters
Affluent, NCCS A,
50-65 years of age,

- Financially secure & free from familial responsibilities
- Place a premium on comfort and convenience

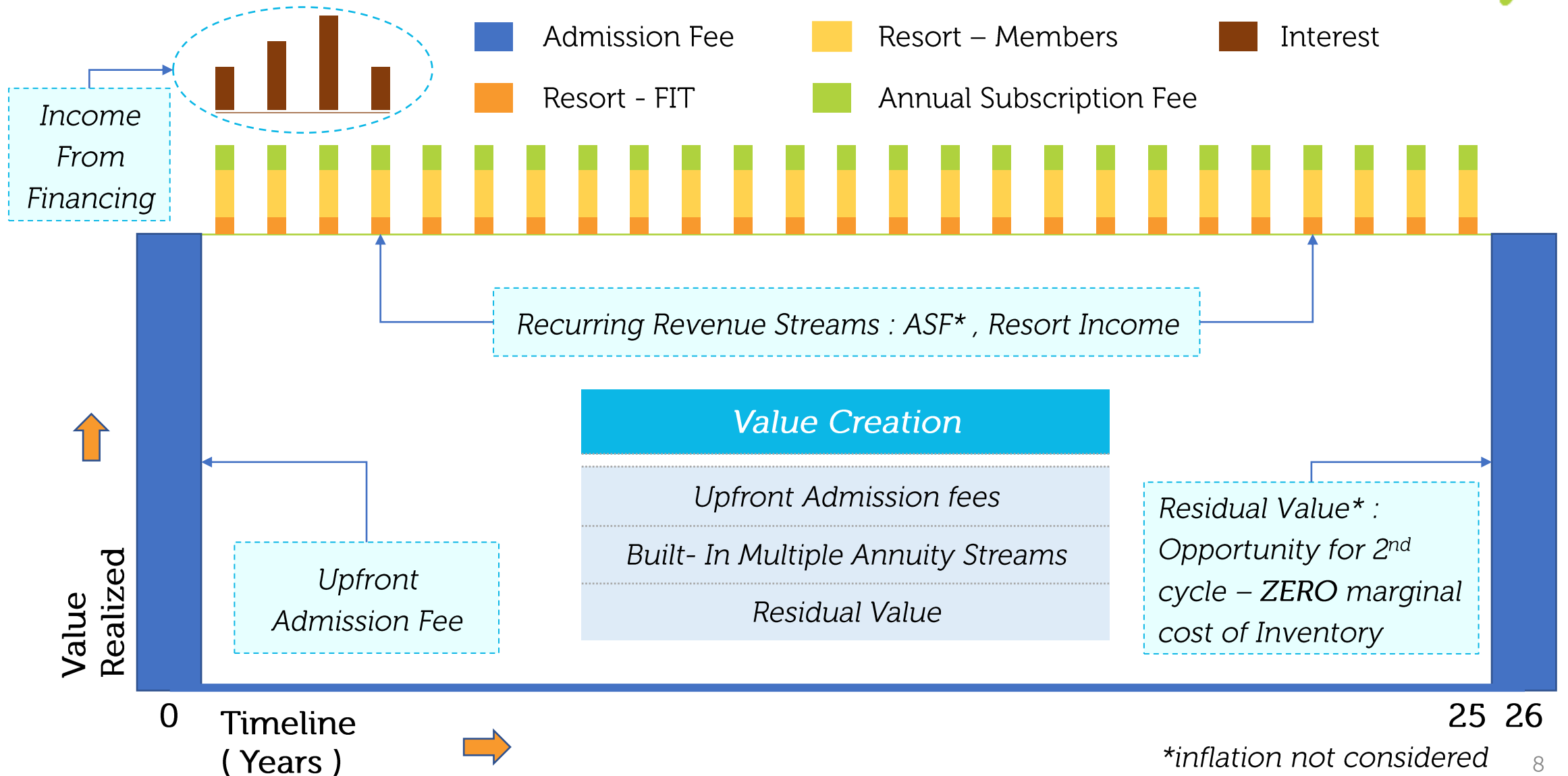
GoZest! - 3 Years, Points Based Membership



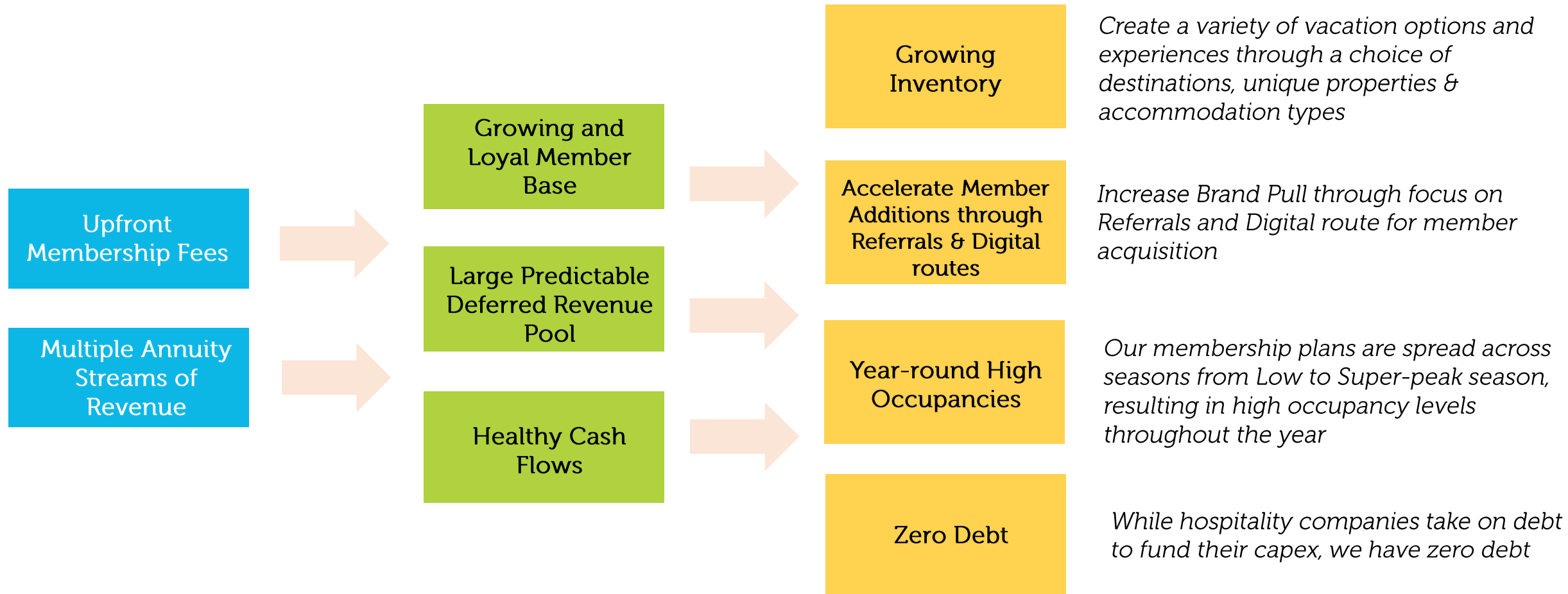
Recently Married Couples
NCCS A2-B1,
<30 years of age

- Social media influence & validation impacts choices
- Eager for new and exciting experiences, in the city or while traveling

Unique and Resilient Business Model



MHRIL Business Model is Distinct due to its Large & Growing VO Member Base with Predictable Occupancies & Cash Generation



MHRIL

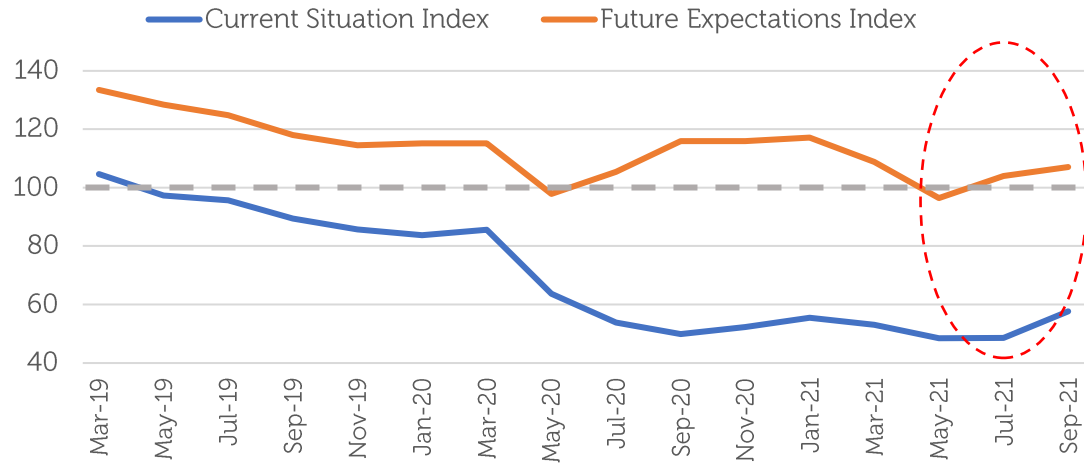
Business Environment

BINSAR
UTTARAKHAND

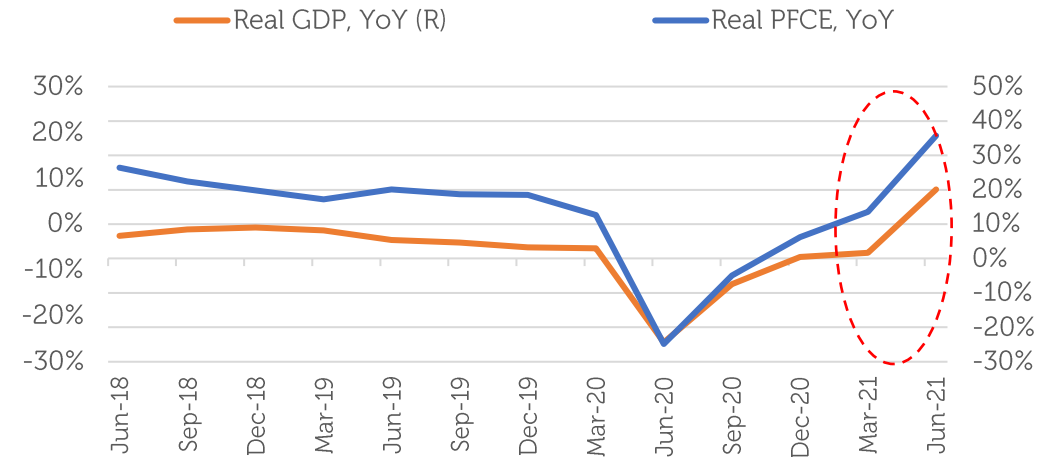
Consumer spending has shown a clear V-shaped recovery post the second Covid-19 wave



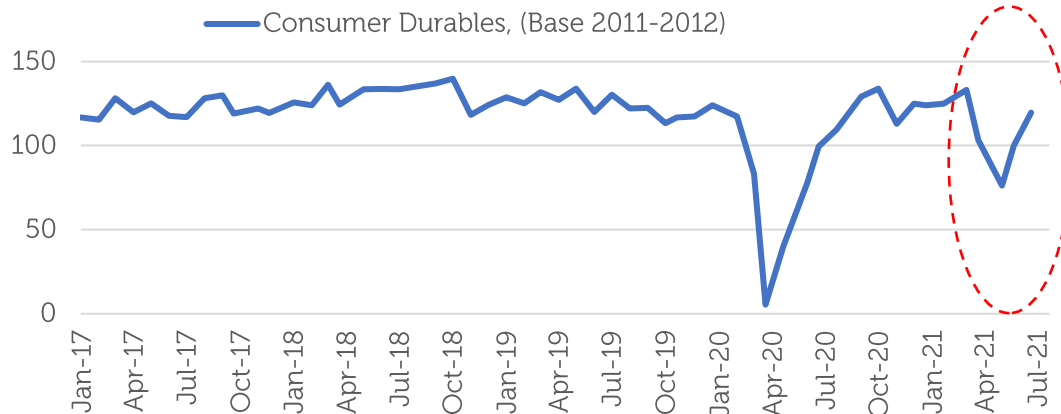
RBI Consumer Confidence indicates increasing optimism amongst consumers



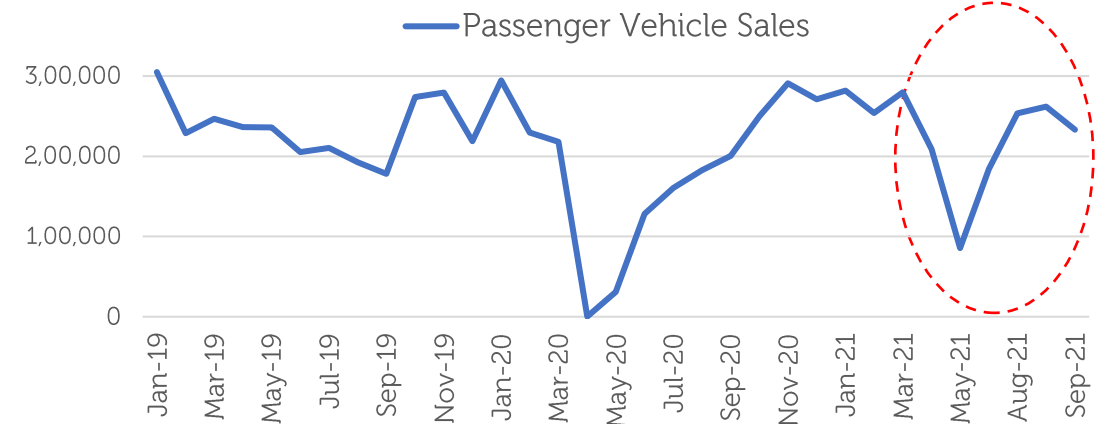
Private Consumption had started its upward trend from Q4 FY21 onwards



Higher Spends on Consumer Durables



Consumer Auto Sales demand remains strong amidst pent-up demand and preference for private transport

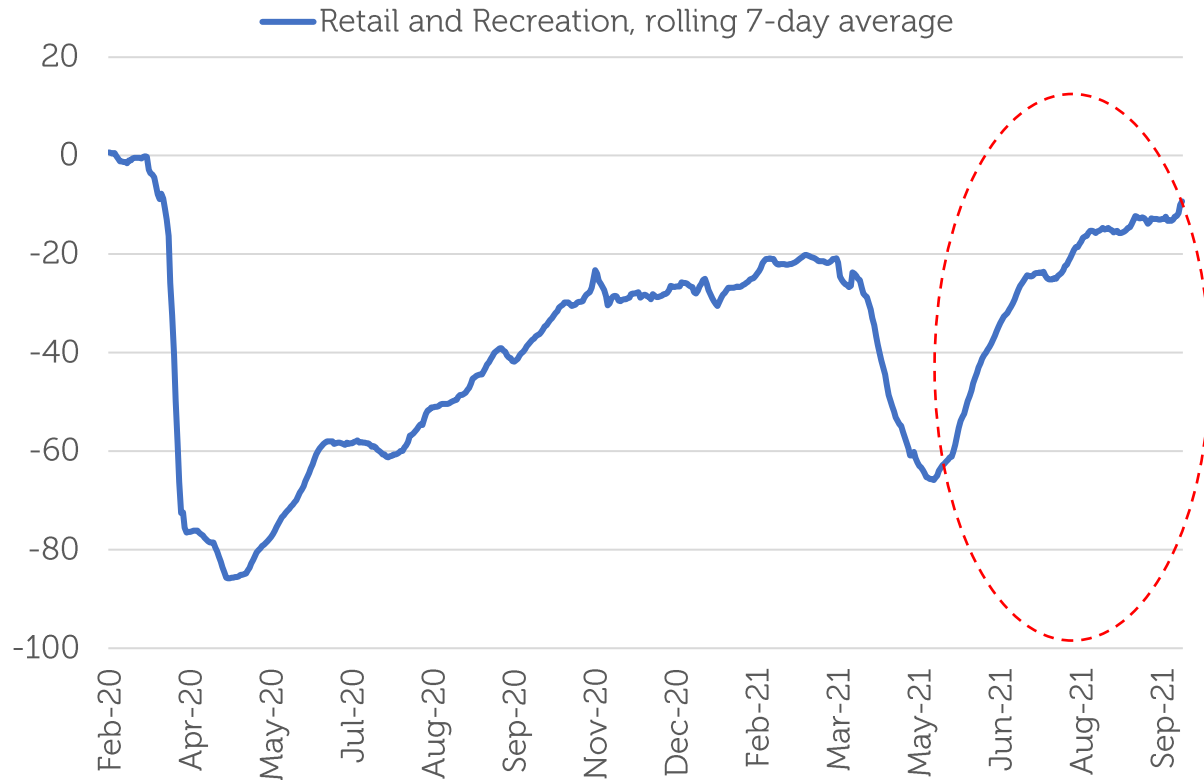


*Global Semiconductor shortage has led to supply-side issues in July 21 & Aug 21

Mobility and Travel Sentiment is showing positive uptick

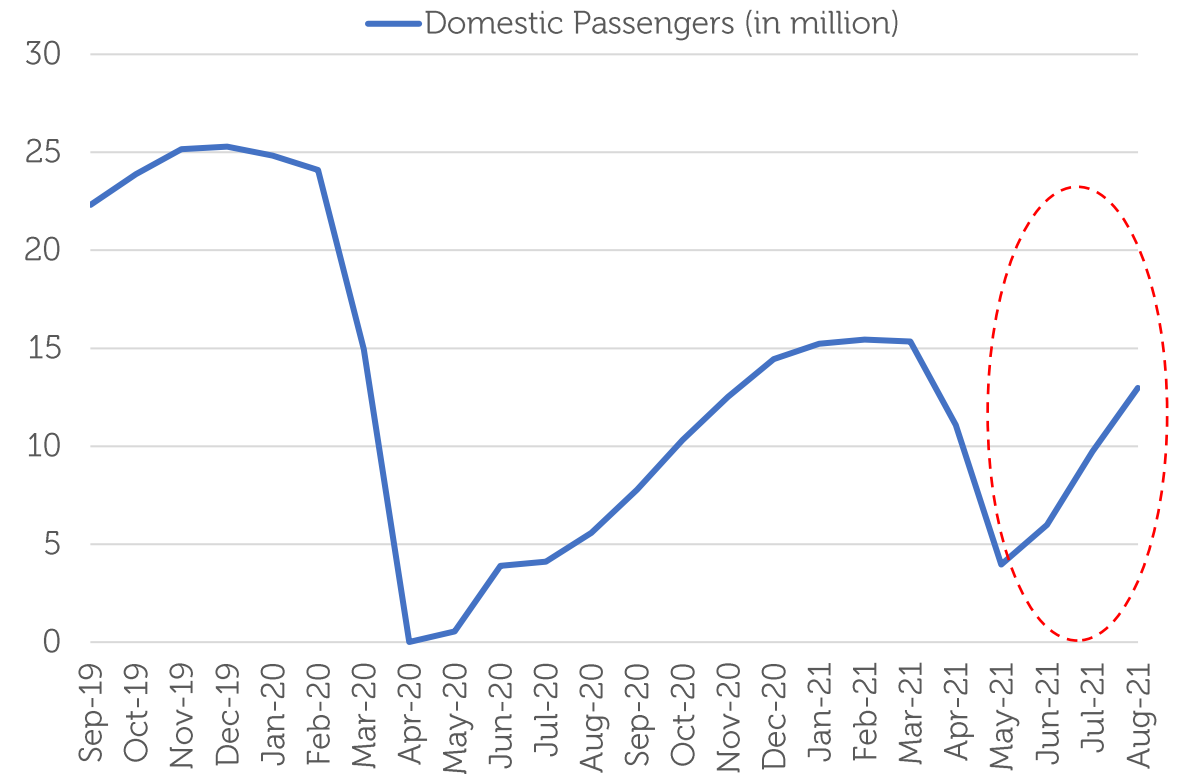


Google Mobility Trend for Retail & Recreation has significantly improved



Source: Google COVID-19 Community Mobility Reports
 Changes in visitors to places of retail and recreation relative to a baseline day. A baseline day represents a normal value for that day of the week. The baseline day is the median value from the 5-week period Jan 3 – Feb 6, 2020. This index is smoothed to the rolling 7-day average.

Domestic Airline Passenger Traffic has witnessed an upward trajectory



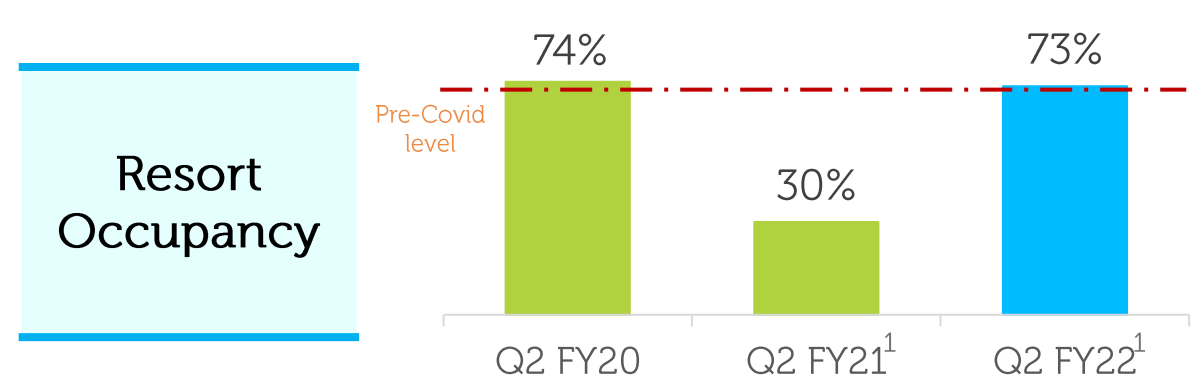
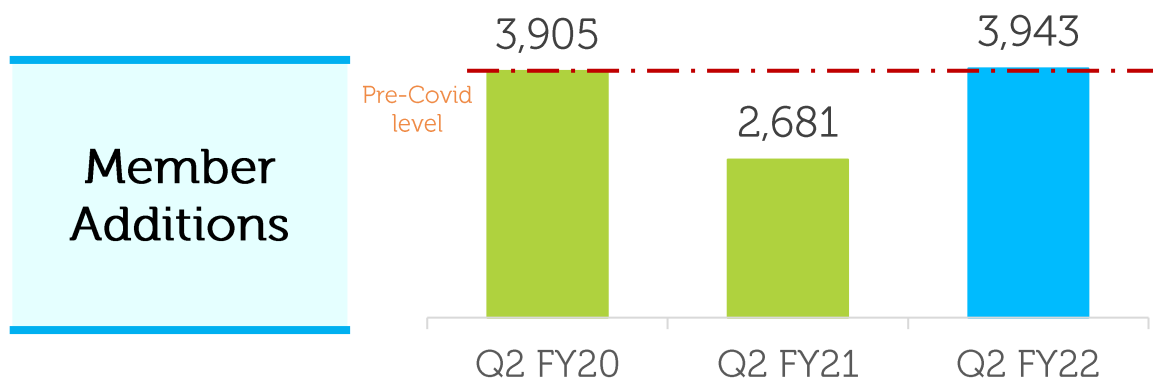
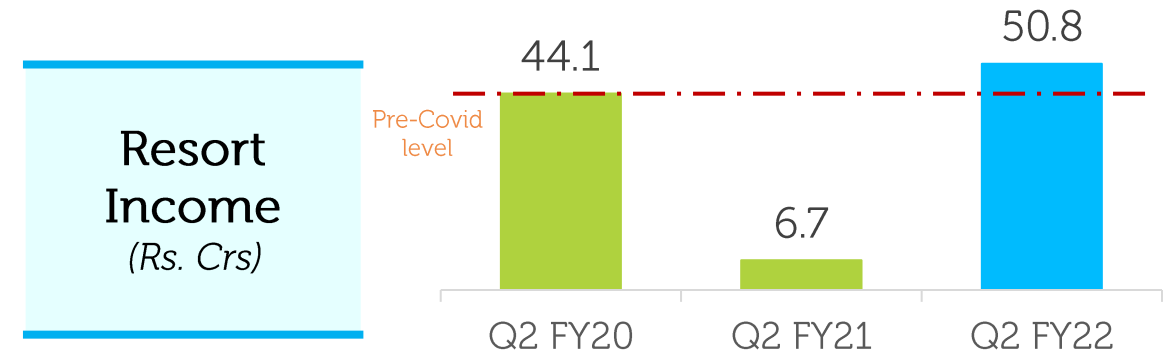
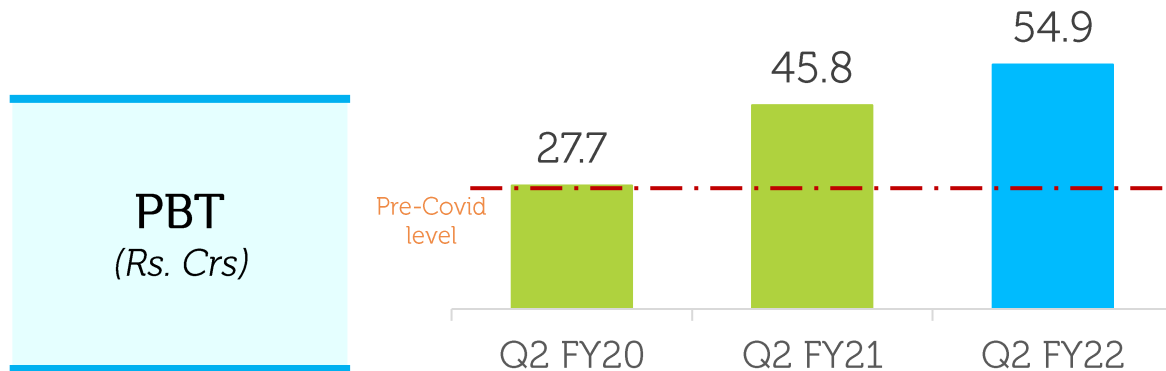
Source: Airports Authority of India, Monthly Air Traffic Reports

MHRIL

Q2 & H1 FY22 Performance

KANATAL
UTTARAKHAND

MHRIL Financial Performance better than Pre-Pandemic levels



Note: 1. Occupancies as a % of operational room inventory

Strong Business Performance Continues in Q2 FY22



Operational Resilience: Execution Strength

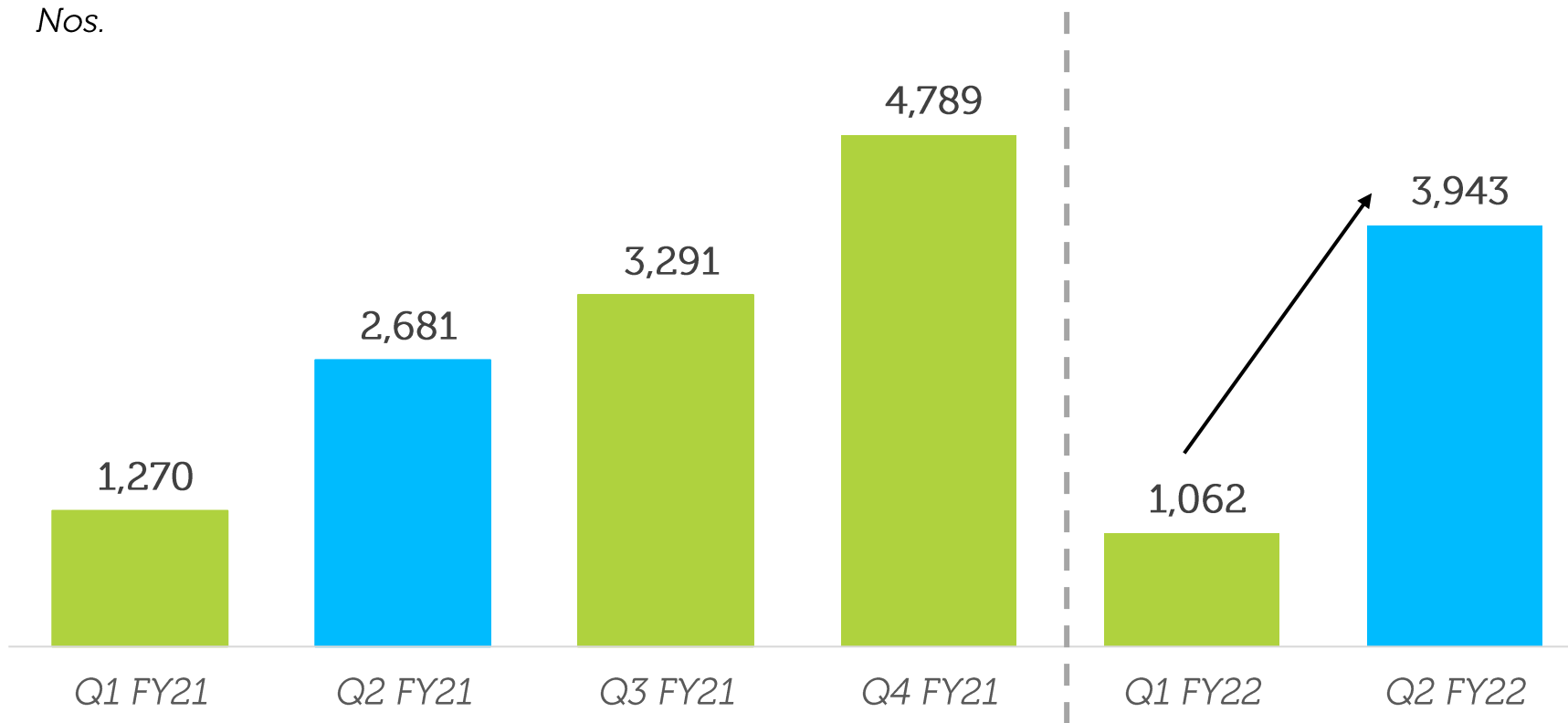
Occupancy*	73%
Member Additions	3,943 units
Operating Cash flow	Rs. 132 Crs
Total Room Inventory	4,233 units

Financial Resilience: Predictable Annuity Revenues

PBT growth	20% (YoY)
Deferred Revenue Pool	Rs. 5,012 Crs
Cash Position	Rs. 1,041 Crs
Total Receivables	Rs. 1,129 Crs

*On operational inventory

Member Acquisitions at Pre-Pandemic levels in Q2 FY22



Robust Demand for Vacation Ownership reflected in higher member additions this quarter vs 3,905 members added in Q2 FY20 (pre-pandemic)

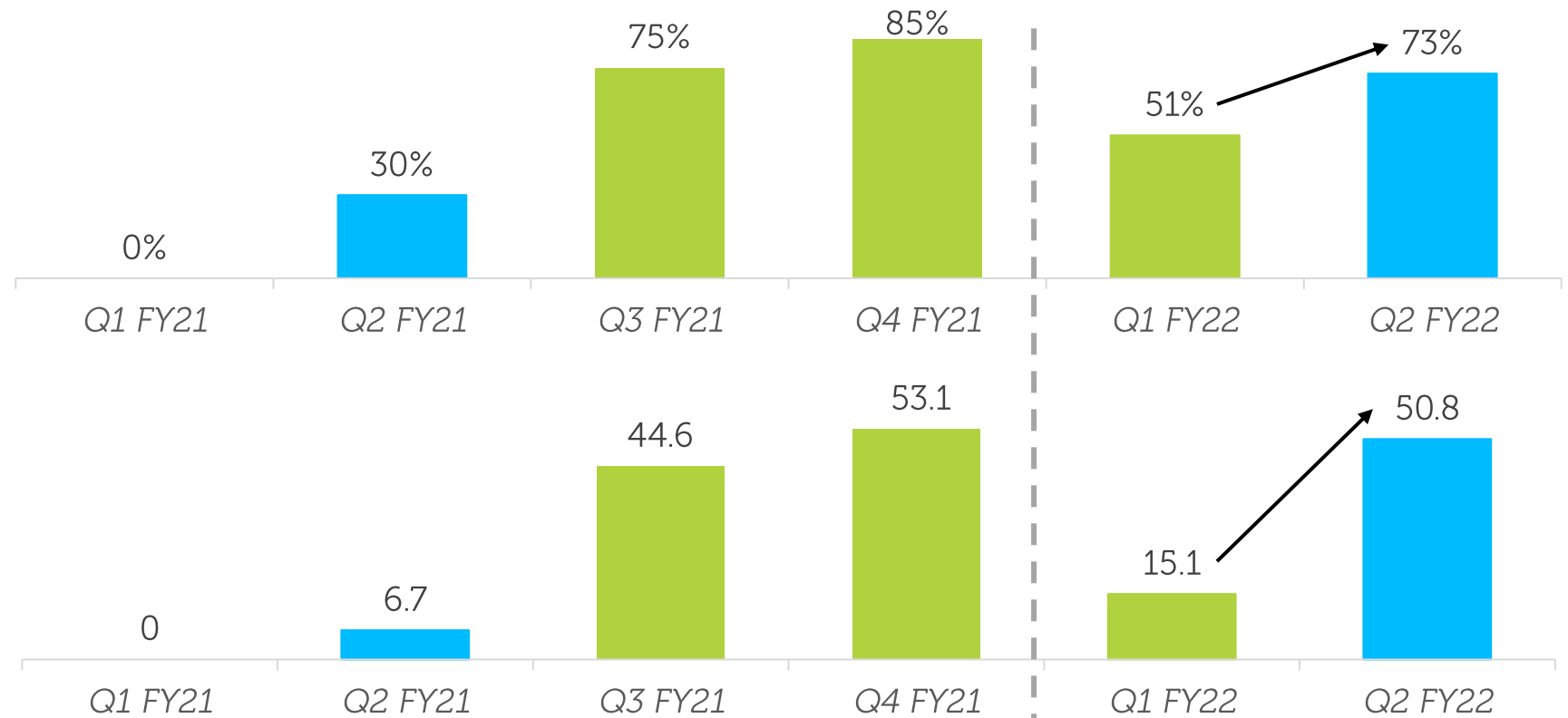
- Membership sales gained momentum m-o-m in Q2 FY22 post the second wave of Covid-19
- Member acquisitions through the Referral & Digital route at 56% in Q2 FY22

Resort Occupancies & Revenues have Strongly Bounced Back this Quarter



Rebuilding Resort Occupancy*

Resort Income
(Rs. Crs)

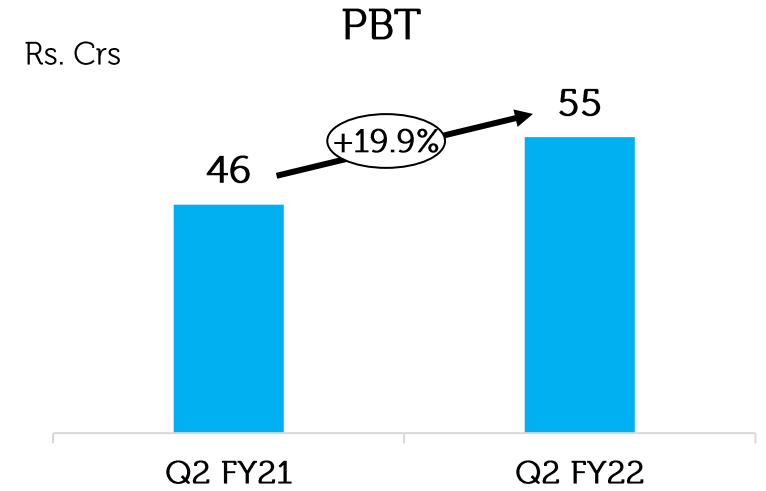
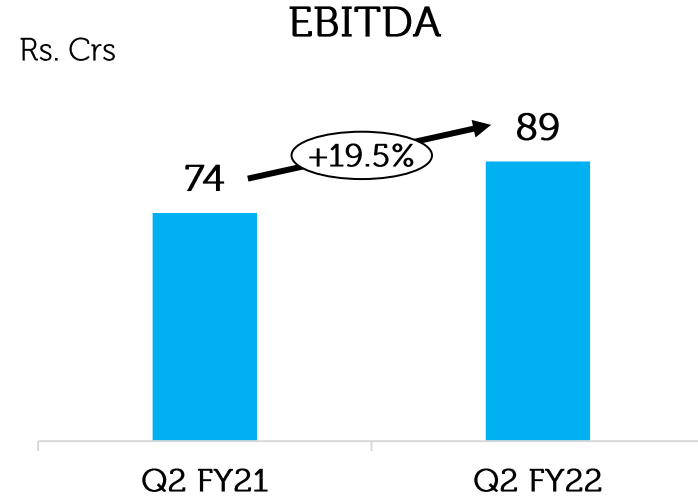
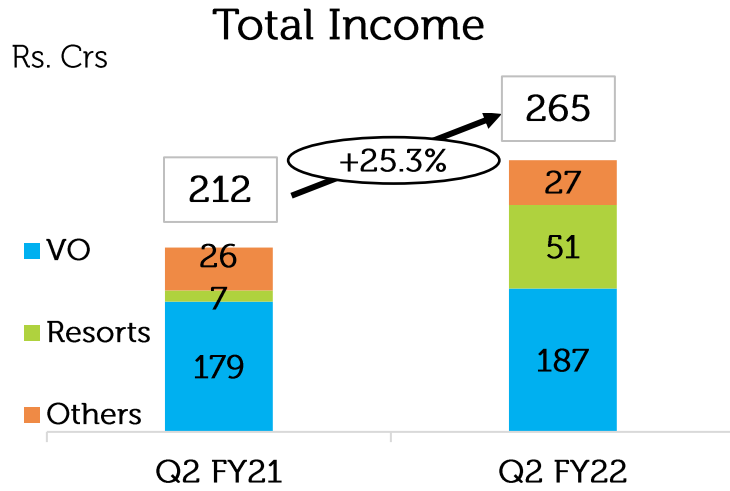


- Pace of forward bookings remains robust on account of leisure travel demand and festival season
- Resort Revenues surpassed pre-pandemic levels due to higher occupancies

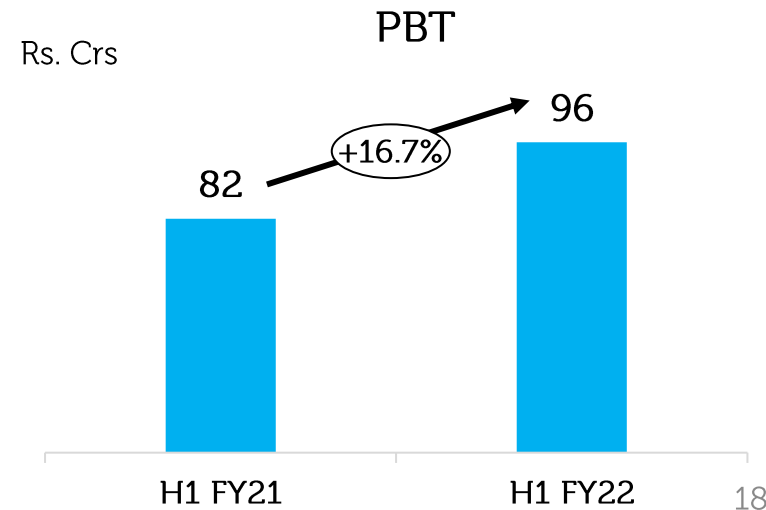
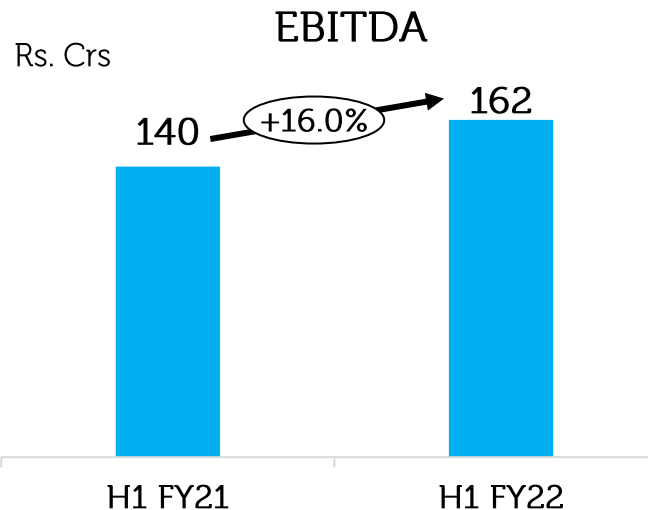
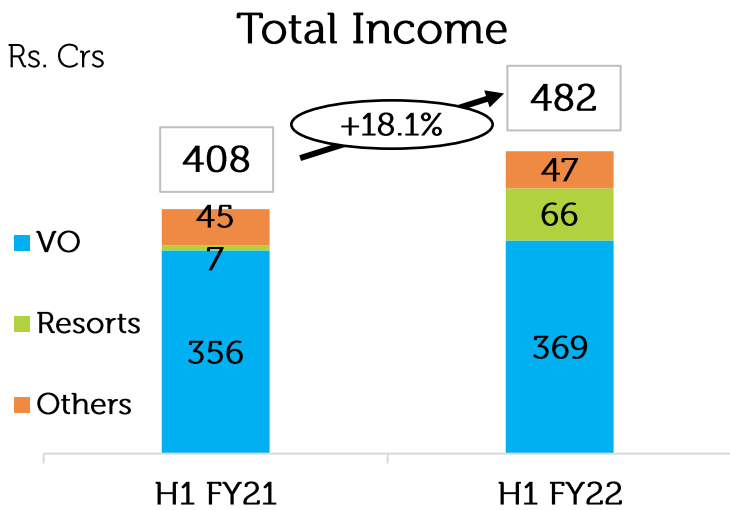
Q2 & H1 FY22 Performance



Q2 FY22



H1 FY22



Income Break Up – Q2 & H1 FY22



Total Income (Rs. Lakhs)	Quarter ended			Half Year ended		
	Q2 FY22	Q2 FY21	YoY Gr	H1 FY22	H1 FY21	YoY Gr
Income from Vacation Ownership	9,670	8,486	14.0%	18,705	16,760	11.6%
ASF	7,618	7,336	3.8%	15,125	14,834	2.0%
Interest & Others	1,403	2,085	-32.7%	3,029	4,012	-24.5%
Total VO Income	18,691	17,907	4.4%	36,859	35,606	3.5%
Resort Income	5,075	672		6,581	674	
Other Income						
Non-Operating Income	2,049	1,354	51.3%	3,636	2,668	36.3%
Income From Lease Rent waivers	709	1,238	-42.7%	1,133	1,869	-39.4%
Total Income	26,524	21,171	25.3%	48,209	40,817	18.1%

- Resort Revenue was at Rs. 50.8 Crs in Q2 FY22 on account of improved occupancies.
- Improved occupancies also resulted in a reduction in the lease rent waiver.
- Non-Operating Income includes Rs. 4.44 Crs of Interest on the Income Tax Refund received.

Profit & Loss Statement – Q2 & H1 FY22



Particulars (Rs. Lakhs)	Quarter end			Half Year ended		
	Q2 FY22	Q2 FY21	YoY Gr	H1 FY22	H1 FY21	YoY Gr
Revenue from Operations	23,766	18,579	27.9%	43,440	36,280	19.7%
Non-Operating Income	2,049	1,354	51.3%	3,636	2,668	36.3%
Income From Lease Rent waivers	709	1,238	-42.7%	1,133	1,869	-39.4%
Total Income	26,524	21,171	25.3%	48,209	40,817	18.1%
Employee Benefit Expenses	5,820	5,760	1.0%	12,091	12,350	-2.1%
Sales & Marketing Expenses	4,427	3,239	36.7%	7,286	5,267	38.3%
Rent	890	985	-9.6%	1,989	2,277	-12.6%
Other Expenses	6,486	3,738	73.5%	10,638	6,959	52.9%
Total Expenditure	17,623	13,722	28.4%	32,004	26,853	19.2%
EBITDA	8,901	7,449	19.5%	16,205	13,964	16.0%
EBITDA Margin %	33.6%	35.2%		33.6%	34.2%	
Finance Cost	562	335	67.8%	992	690	43.8%
Depreciation	2,850	2,536	12.4%	5,634	5,069	11.1%
Profit Before Tax (PBT)	5,489	4,578	19.9%	9,579	8,205	16.7%
PBT Margin %	20.7%	21.6%		19.9%	20.1%	
Tax Expenses	1,433	1,203	19.2%	2,497	2,154	15.9%
Profit after Tax (PAT)	4,056	3,375	20.2%	7,082	6,051	17.0%
PAT Margin %	15.3%	15.9%		14.7%	14.8%	

Balance Sheet and Liquidity Growing from Strength to Strength



Deferred Revenue

Rs. 5,012 Cr

Deferred Revenue pool will flow into the P&L over the membership tenure



Strong Cash Position

Rs. 1,041 Cr

In addition, Receivables of Rs. 1,129 Cr provide the company liquidity of Rs. 2,000 Cr+



Strong Asset Base

Rs. 2,255 Cr

Includes Land worth Rs. 1,233 Cr and excludes Long-Term Leases valued at Rs. 263 Cr



Debt

Zero debt

Credit Rating for Long-term facilities upgraded from IND A/Stable to IND A+/Stable

Snapshot of Balance Sheet

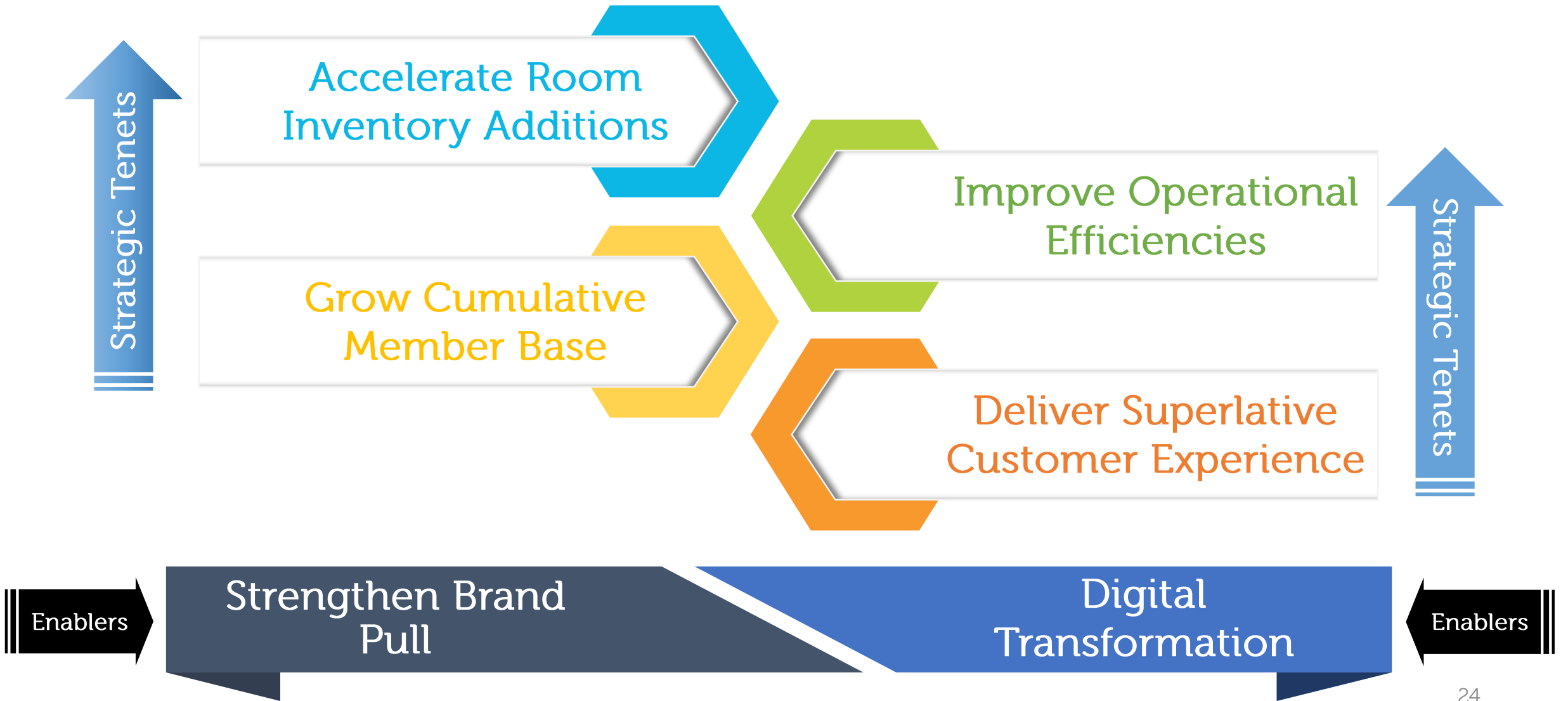


Description	Rs. Lakhs	
	As on 30 th Sept 2021	As on 31 st March 2021
ASSETS		
Property, Plant and Equipment	2,25,549	2,14,285
Right of Use Asset (IND AS 116)	26,295	15,412
Trade receivables	1,12,946	1,20,479
Cash and cash equivalents (regrouped)	1,04,131	93,967
Deferred Tax (Net)	19,448	23,637
Deferred Acquisition Cost	70,563	70,381
Other Assets	51,051	54,324
	6,09,983	5,92,485
LIABILITIES		
Shareholders Equity	19,960	13,292
Other equity		
Reserves & Surplus	84,393	83,688
Revaluation Reserve	84,007	76,926
Other Comprehensive Income	(188)	(163)
Transition Difference	(1,40,272)	(1,40,272)
	47,900	33,471
Deferred Revenue		
VO	4,84,704	4,92,933
ASF	16,468	15,193
Lease Liability (IND AS 116)	27,377	16,469
Other Liabilities	33,534	34,419
	6,09,983	5,92,485

MHRIL

Long Term Value Creation

Strategy to Drive Consistent Growth

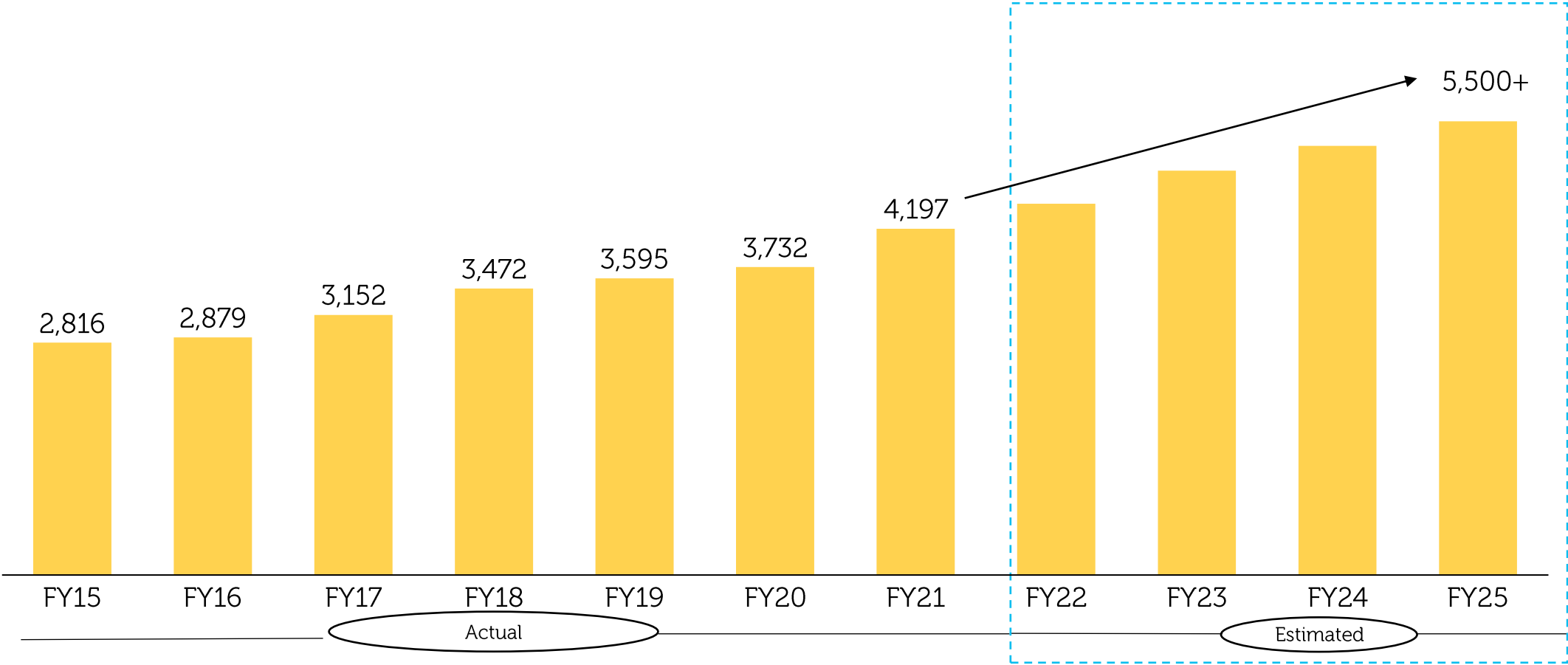


Robust Inventory Addition



Total Room Inventory

in Nos



Room inventory additions are planned to achieve 5,500+ room units in the next 4 years

Creating Superlative & Innovative Customer Experience



In Resort Experiences



Kebab and Biryani Festival



Pottery Making



Rajasthani Theme



Kids Magic Show



Yoga Session

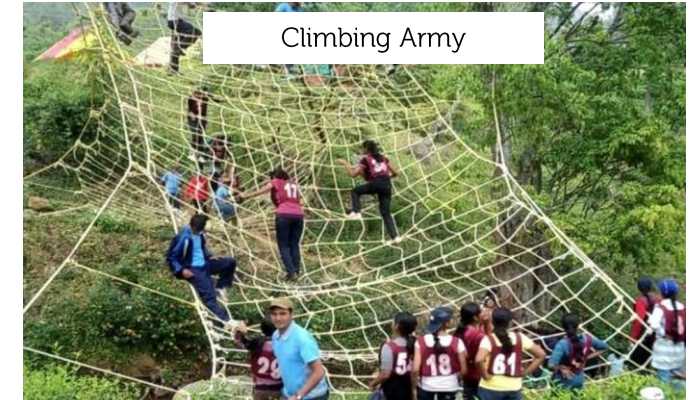
Outdoor Experiences



Wall Climbing



Trampoline Adventure



Climbing Army

Accelerate Member Additions



1

Scale up Member acquisition through Referrals, Digital and Alliances

2

Use a multi-product portfolio to acquire members based on life-stage segmentation (Go Zest, CMH-25 and Bliss)

3

Scale up resort onsite sales teams to acquire new members and upgrade existing members

4

Accelerate customer acquisition by expanding the geographical reach in Tier 2 and Tier 3 cities

Strengthening Brand Pull through Targeted Marketing Campaigns



"Jaana Kahan Hai" Kunal & Soha Digital Branded Content

- Total Impressions – 165 mn*
- Total Engagement (Clicks/Views) – 25.6 mn*



Regional Focused Campaigns

An Integrated Campaign across Print, Digital & Radio with Divya Bhaskar – Gujarat Market



Onam Travel Photo Contest with Manorama Digital – Kerala Market

Digital Tactical Campaigns



Creating a deeper connect with the target audience by engaging content that taps into their 5 senses

#BackgroundMatters



A small campaign focused towards kids during the lockdown to emphasize that a change in their surroundings can bring a smile on their faces

#SetFreeHolidaySafely



Once lockdown was lifted, the campaign urged prospects to travel and experience India, with an assurance of the safety & hygiene standards at Club Mahindra resorts



Holiday Club Resorts (HCR)

We Create Dream Holidays



Holiday Club Resorts - The Largest European Timeshare Company



Largest Vacation Ownership company in Scandinavia

- 33 Timeshare Destinations - 25 in Finland, 2 in Sweden, 6 in Spain (5 in Gran Canary, 1 in Costa del Sol)
- 60,000+ Timeshare owners



Holiday Club Saariselkä, Finland



Leading Resort Operator in Scandinavia

- 8 large Spa resorts in Finland, 1 in Sweden
- 1,200+ Hotel Rooms
- 1.3 million visitors/year



Wide variety of resort activities and services

- 8 large indoor/outdoor waterparks, 43 restaurants
- 4 Golf Courses, 2 Activity Parks, indoor ice arena, tennis, ski, gym, etc

HCR - Multiple Revenue Streams



Particulars (Euro Mn)	Quarter ended		Half Year ended	
	Q2 FY22	Q2 FY21	H1 FY22	H1 FY21
Timeshare	7.76	9.14	13.24	12.51
Spa Hotels	19.64	16.91	27.89	21.78
Renting	3.27	3.01	5.18	4.12
Real Estate Management	1.60	1.58	3.18	3.18
Villas	0.64	1.72	1.39	2.85
Other Income	1.57	0.25	4.60	0.91
Total Revenue	34.48	32.61	55.48	45.35

Nos. are as per Finnish Accounting Standards (FAS)

- Q2 FY22 Revenue from Spa Hotels increased by 16% YoY on account of:
 - All resorts were fully operational during the quarter while last year resorts were adversely impacted by Covid-19 related restrictions
 - Vaccination drive by the Finland Government boosted confidence among domestic tourists
- Renting as a segment is adding to the overall income contribution
 - Renting Income increased by 9% YoY in Q2 FY22
- During the quarter, HCR received Government Subsidies of € 1.4 Mn as part of the Covid-19 relief included in Other Income

HCR Delivered PBT better than Q2 FY20 (Pre-Pandemic)



Particulars (Euro Mn)	Quarter ended		Half year ended	
	Q2 FY22	Q2 FY21	H1 FY22	H1 FY21
Turnover	34.48	32.61	55.48	45.35
Operating Profit / (Loss)	3.89	1.91	0.43	(3.21)
Less: Depreciation and Amortisation Expense	1.20	1.35	2.37	2.70
(Add)/Less Financial (income) and expenses	0.24	0.21	0.53	0.39
Profit / (Loss) before Tax	2.45	0.35	(2.47)	(6.30)
Add/ (Less) : Minority Share + Associate Share	-	0.28	-	0.73
Add/ (Less) : Taxes	(0.51)	(0.08)	0.43	1.34
Profit / (Loss) after Tax	1.94	0.55	(2.04)	(4.23)

Nos. are as per Finnish Accounting Standards (FAS)

Highlights:

- Q2 FY22 Revenue increased by 6% YoY as resorts were fully operational during this quarter, while in Q2 FY21 operations were impacted by certain Covid-19 related restrictions
- PBT growth is mainly driven by:
 - Improvement in Spa Hotel Occupancies and Revenues
 - Government Subsidies

HCR Outlook - H2 FY22



- Vaccination rollout is improving the sentiment for tourism in Europe.
- Domestic leisure travel was strong during Q2 FY22 in Finland & Sweden. Travel restrictions have been eased off in a phased manner in the EU region.
- In Finland, occupancies and average room rates in Spa Hotels and rentals peaked during the summer holiday season of 2021.
- The winter season in Q3/Q4 will be highly dependent on domestic travel, while international tourist arrivals remain subdued.
- Leisure travel is recovering, uncertainty continues with respect to events and inbound travel.



MHRIL Consolidated Q2 & H1 FY22 Financials

Q2 FY22 Growth - Revenue 16% and PBT 91% YoY



Segment Revenue (Rs. Lakhs)	Quarter ended		Half Year ended	
	Q2 FY22	Q2 FY21	H1 FY22	H1 FY21
- MHRIL	27,225	21,134	49,013	40,635
- HCRO	32,104	29,728	52,145	42,735
Total Segment Revenue	59,329	50,862	1,01,158	83,370
- Others	-	219	-	232
Total Income	59,329	51,081	1,01,158	83,602

Segment PBT (Rs. Lakhs)	Quarter ended		Half Year ended	
	Q2 FY22	Q2 FY21	H1 FY22	H1 FY21
- MHRIL	5,631	4,567	9,865	8,117
- HCRO	2,108	310	(2,209)	(4,910)
PBT before Ind AS 116 & Consolidation adjustments	7,739	4,877	7,656	3,207
- Ind AS 116 Impact	(392)	(308)	(787)	(512)
Segment Results	7,347	4,569	6,869	2,695
- Forex Gain/ (Loss)*	811	(911)	(11)	(1,772)
- Others	(343)	430	(987)	(289)
Total Segment PBT	7,815	4,088	5,871	634

*Forex Gain/(Loss) represents the accounting impact of Forex fluctuations on our borrowings for the investment in our European subsidiary. However, there is no real gain/(loss) since our underlying asset is also in Foreign Currency which creates a natural hedge.

Consolidated Profit & Loss Statement



Particulars (Rs. Lakhs)	Quarter ended		Half Year ended	
	Q2 FY22	Q2 FY21	H1 FY22	H1 FY21
Income from Operations	54,640	48,137	91,728	77,540
Non-Operating Revenue	4,689	2,944	9,430	6,062
Total Income	59,329	51,081	1,01,158	83,602
Cost of vacation ownership weeks	4,823	6,069	8,311	9,153
Employee benefits expense	13,357	12,705	26,237	23,839
Other expenses	24,627	20,007	42,564	33,328
EBITDA	16,522	12,300	24,046	17,282
<i>EBITDA Margin %</i>	<i>27.8%</i>	<i>24.1%</i>	<i>23.8%</i>	<i>20.7%</i>
Finance costs	2,051	1,613	4,866	3,666
Depreciation	6,656	6,599	13,309	12,982
Profit/(Loss) before tax	7,815	4,088	5,871	634
Tax Expense	1,838	1,211	2,033	994
Profit/Loss after Tax	5,977	2,877	3,838	(360)

- Total Income for Q2 FY22 at Rs. 593.3 Crs, up by 16.1% YoY
- Other expenses increased in line with improved resort operations
- Q2 FY22 EBITDA at Rs. 165.2 Crs, up by 34.3% YoY
- EBITDA Margins at 27.8% in Q2 FY22, up by 377 bps YoY
- PBT Margins at 13.2% in Q2 FY22, up by 517 bps YoY
- PAT for Q2 FY22 at Rs. 59.8 Crs, up by 107.7% YoY

MHRIL

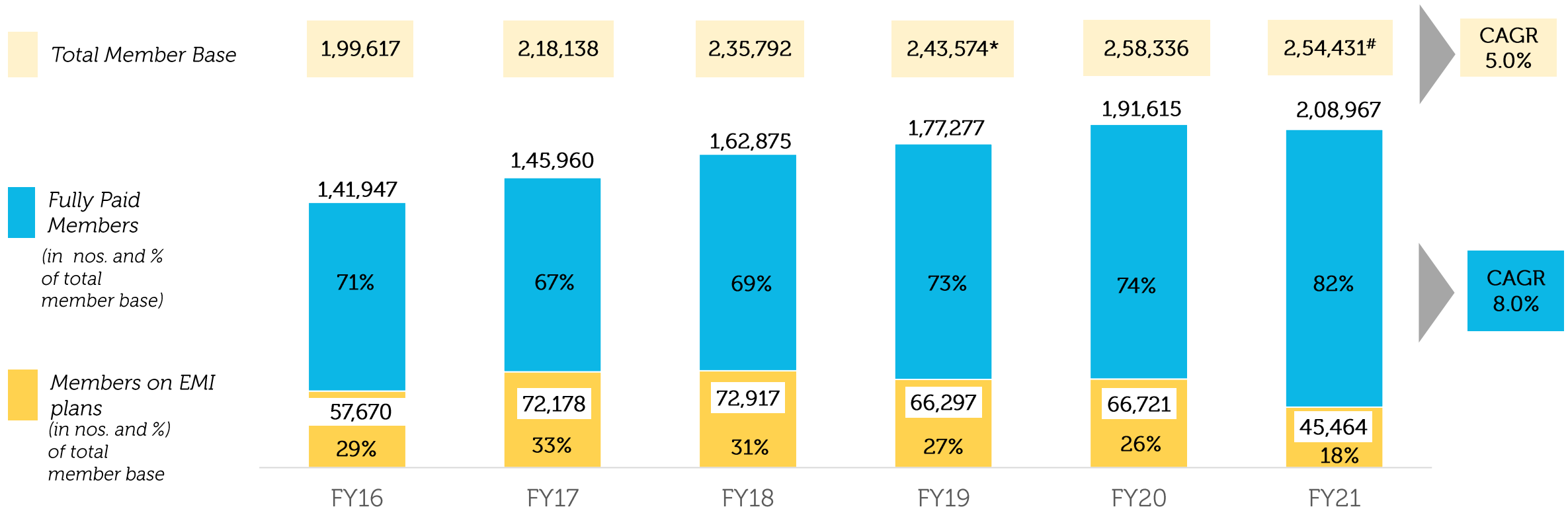
Historical Performance

VARCA
GOA

Large base of committed members continues to grow

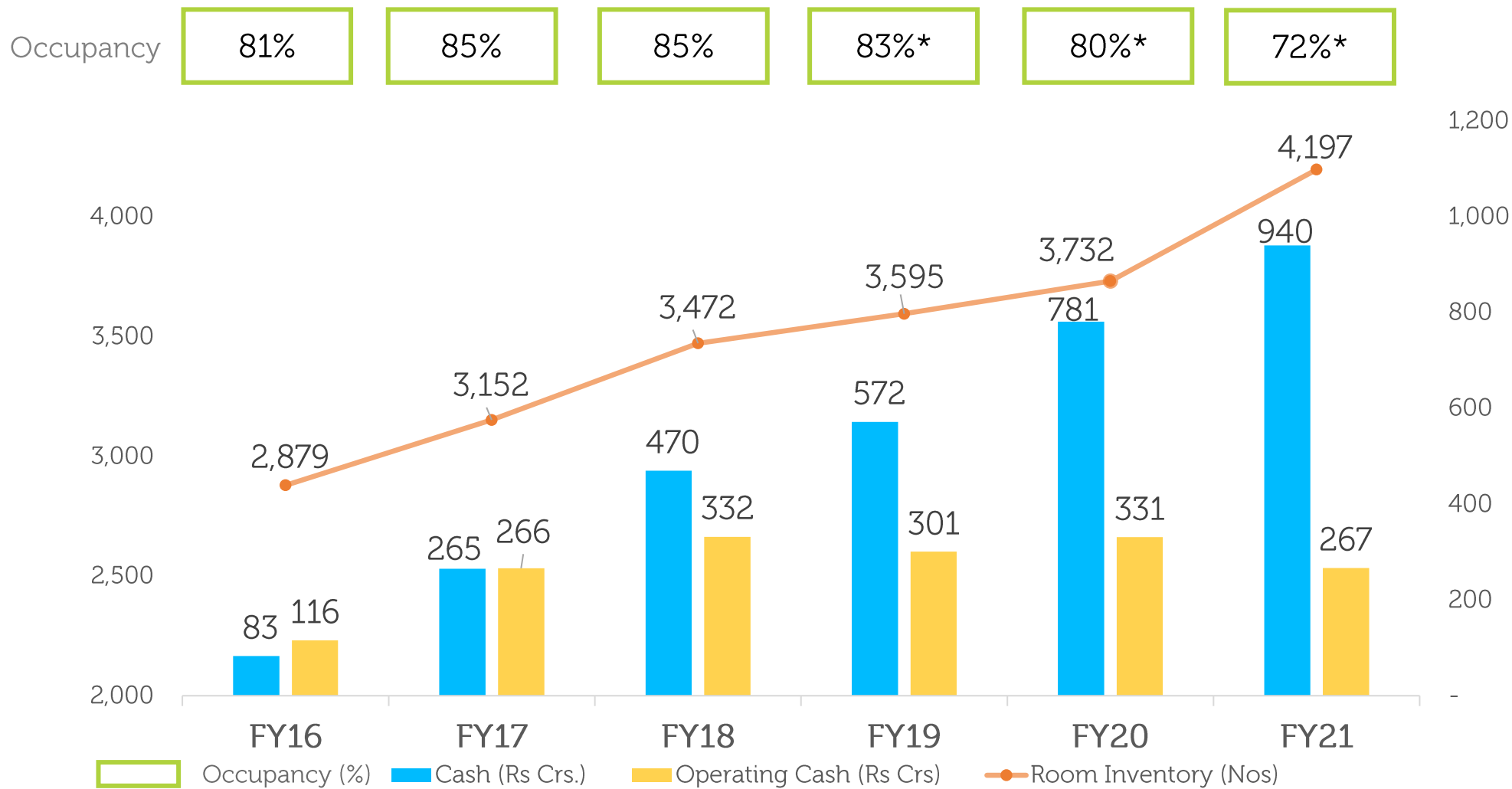


Fully paid members crossed 200,000+ in FY21 (CAGR of 8% over the FY16-21 period)



*Net of one-off cancellation of 9,556 members in FY19
 # Net of one-off cancellation of 14,782 members in FY21

Investment in Room Inventory continues with High Occupancy Levels and a growing Cash position

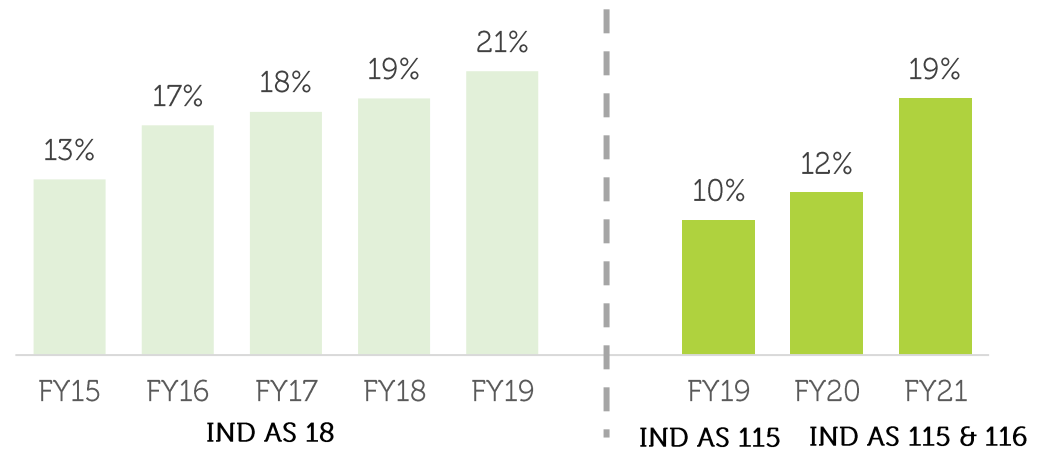
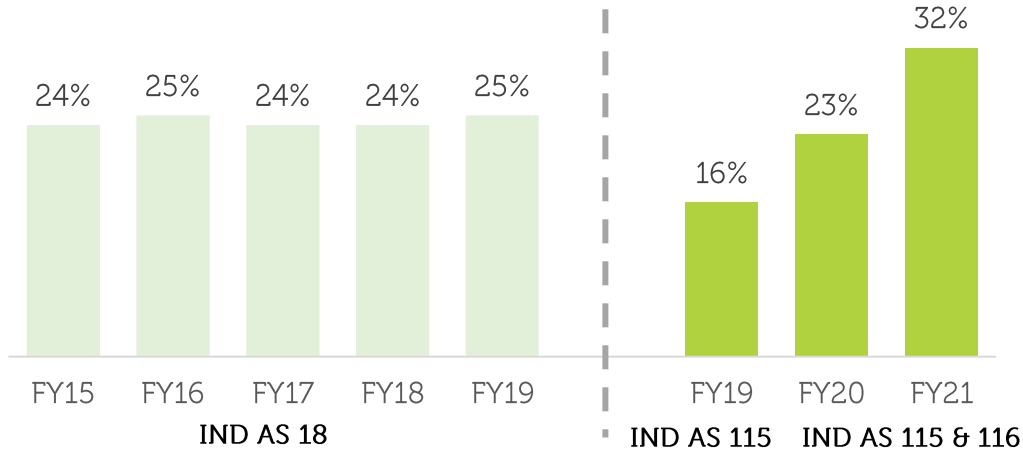


Growing Profit Margins

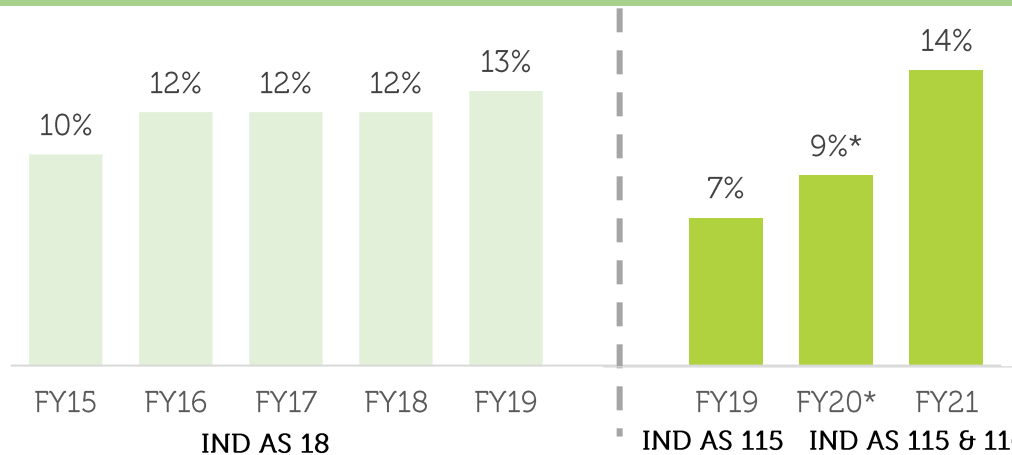


EBITDA Margin

PBT Margin



PAT Margin



* Before one-time transition impact of Rs. 199.7 Crs due to adoption of lower corporate tax rate in Q4FY20



Thank You

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