

LUX ISLAND RESORTS LTD

AND ITS SUBSIDIARIES.

The group un-audited results for the quarter and nine months period ended 31st March 2021 are as follows:

GROUP ABRIDGED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter to 31st March		Nine months to 31st March		Year ended
	2021 Rs 000 (Un-audited)	2020 Rs 000 (Un-audited)	2021 Rs 000 (Un-audited)	2020 Rs 000 (Un-audited)	30th June 2020 Rs 000 (Audited)
CONTINUING OPERATIONS					
Revenue	715,267	1,531,069	1,794,765	4,623,237	4,837,605
EBITDA before impairment	51,689	414,318	(21,017)	1,165,322	1,028,522
Impairment of financial and non-financial assets	-	-	-	-	(832,454)
EBITDA	51,689	414,318	(21,017)	1,165,322	196,068
Depreciation and amortisation	(148,283)	(126,072)	(453,113)	(400,918)	(568,519)
Operating (loss)/profit	(96,594)	288,246	(474,130)	764,404	(372,451)
Net finance costs	(124,221)	(99,511)	(353,638)	(320,435)	(448,186)
(Loss)/profit before taxation	(220,815)	188,735	(827,768)	443,969	(820,637)
Income tax expense	20,490	(37,450)	71,779	(73,864)	(57,006)
(Loss)/profit attributable to the group	(200,325)	151,285	(755,989)	370,105	(877,643)
Other comprehensive income					
Movement for the period	(134,804)	9,772	(116,007)	17,598	436,463
Total recognised income	(335,129)	161,057	(871,996)	387,703	(441,180)
Basic and Diluted - Earnings per share	Rs.		(5.51)	2.70	(6.40)
SEGMENTAL INFORMATION					
Segment revenue:					
Mauritius	206,767	910,469	640,036	2,806,812	2,352,652
Maldives	340,289	398,241	682,659	1,057,879	1,537,996
Reunion	168,211	222,359	472,070	758,546	946,957
Total revenue	715,267	1,531,069	1,794,765	4,623,237	4,837,605
Segment results:					
Mauritius	(164,141)	153,473	(497,688)	547,304	(158,436)
Maldives	77,708	114,875	54,274	175,277	(247,836)
Reunion	(10,161)	19,898	(30,716)	41,823	33,821
Results before finance costs	(96,594)	288,246	(474,130)	764,404	(372,451)

GROUP ABRIDGED STATEMENT OF FINANCIAL POSITION

	31st March 2021 Rs 000	31st March 2020 Rs 000	30th June 2020 Rs 000	
ASSETS				
Non current assets				
Property, plant & equipment	10,843,538	9,633,588	10,083,786	
Rights of use assets	3,304,217	2,363,564	3,429,232	
Intangible assets	465,258	1,913,530	467,316	
Investment property	82,212	82,212	82,212	
Deferred tax assets	145,216	208,575	137,771	
	14,840,441	14,201,469	14,200,317	
Current assets	832,367	1,344,938	1,403,734	
TOTAL ASSETS	15,672,808	15,546,407	15,604,051	
EQUITY AND LIABILITIES				
Shareholders' interest	5,045,864	6,394,743	5,565,860	
Non-current liabilities	5,356,337	4,499,823	2,856,877	
Finance lease liabilities in respect of right of use assets	2,718,748	2,215,214	2,730,306	
Current liabilities	2,551,859	2,436,627	4,451,008	
TOTAL EQUITY AND LIABILITIES	15,672,808	15,546,407	15,604,051	
Net Assets per Share	Rs.	34.23	46.64	40.59

GROUP ABRIDGED STATEMENT OF CASH FLOWS

	31st March 2021 Rs 000	31st March 2020 Rs 000	30th June 2020 Rs 000
Net cash flows (used in)/from operating activities	(86,131)	713,674	464,240
Net cash flows used in investing activities	(771,911)	(648,242)	(929,839)
Net cash flows from financing activities	852,895	15,360	297,781
Net (decrease)/increase in cash & cash equivalents	(5,147)	80,792	(167,818)
Cash and bank balance			
At beginning of period	(199,604)	(98,999)	(31,786)
At end of period	(204,751)	(18,207)	(199,604)

ABRIDGED STATEMENT OF CHANGES IN EQUITY

	31st March 2021 Rs 000	31st March 2020 Rs 000	30th June 2020 Rs 000
At beginning of period	5,565,860	6,007,040	6,007,040
Other movement	352,000	-	-
Total recognised income	(871,996)	387,703	(441,180)
At end of period	5,045,864	6,394,743	5,565,860

Commentary

The continued closure of our borders thereby restricting on international travel is severely impacting the hospitality sector. Mauritius entered into a second confinement from 10 March 2021 to 30 April 2021 following a resurgence of COVID 19 cases. Prior to the second confinement, our Mauritian hotels were opened to local residents mainly during weekends.

In the Maldives, hotels started to reopen at the end of August 2020 and the destination saw a strong recovery. During the quarter under review, LUX* South Ari Atoll operated in January and February but was closed for the entire month of March due to an increased number of positive cases. The hotel reopened beginning of April.

The domestic market was the driver of our hotel in Reunion Island during the quarter as arrivals from France were not significant.

Results

Against the above backdrop, our hotels in Mauritius posted a turnover of Rs 206m for the quarter, which is down by 77% and 18% on last year and the preceding quarter respectively. Operating loss for the quarter amounted to Rs 164m compared to a profit of Rs 153m a year ago. Despite operating for two months only, the turnover of LUX* South Ari Atoll in the Maldives for the quarter amounted to Rs 340m, a drop of 15% compared to last year but an improvement of 11% on the previous quarter. Its operating profit for the quarter was down on last year by 32% from Rs 115m to Rs 77m, but improved twofold against Q2. Regarding LUX* Saint Gilles in Reunion Island, its turnover for the third quarter compared to last year decreased by 24% from Rs 222m to Rs 168m. The operating loss for the quarter amounted to Rs 10m against a profit of Rs 20m in the same quarter last year.

The Group's EBITDA for the quarter was Rs 51m as a result of the contribution of our Maldives property, the Government Wage Assistance scheme in Mauritius and cost containment measures in place. The loss attributable to the Group for the quarter amounted to Rs 200m compared to a profit of Rs 151m in 2020. For the nine months ended 31 March 2021, the Group EBITDA was negative at Rs 21m compared to an EBITDA of Rs 1.2bn for the same period last year. The loss attributable for the nine months to 31 March 2021 amounted to Rs 755m.

During the quarter, the Company made the first drawdown under the subscription agreement with the Mauritius Investment Corporation for an amount of Rs 450m. In accordance with the relevant IFRS, the bonds are classified as equity (Rs 352m) and debt (Rs 98m) in the statement of financial position.

Outlook

While there is no visibility on how long this pandemic will last, we are witnessing early signs that the acceleration of vaccine rollouts around the world could help to drive a rebound in travel. We welcome the setting up of the joint Public-Private sectors working group to formulate recommendations for the reopening of borders of the Republic of Mauritius and relaunching of the tourism sector. Going into the second semester of 2021, the Group is looking forward to resuming its operations in Mauritius with foreign guests, given the positive development of vaccine rollout in many countries. However, the increase of positive cases in a number of countries recently, including India, is a source of concern.

Maldives hotels have seen the fastest recovery trend since the reopening with rising number of tourists month on month. Given Maldives various campaigns to attract tourists, together with initiatives of the management team to boost occupancy, good traction is expected to continue throughout 2021.

By order of the Board

IBL Management Ltd
Company Secretary

12 May 2021

Note to the above:

- The above Financial Highlights have been prepared in accordance with International Financial Reporting Standards (IFRSs).
- The Financial Highlights are issued pursuant to Listing Rule 12.20 and published according to the Securities Act 2005.
- The Financial Highlights have been prepared on the same basis of the accounting policies set out in the statutory Financial Statements of the Group for the year ended June 30, 2019, except for the relevant amendments to published Standards, Standards and Interpretations issued and effective for accounting period starting on July 1, 2020.
- Copies of the Financial Highlights and the statement of direct and indirect interests of officers of the Company required under Rule 8 (2) (m) of the Securities (Disclosure Obligations of Reporting Rules 2007) are available free of charge, upon request, from the Company Secretary, at the Company's registered office, Lux Island Resorts Ltd, Pierre Simonet Street, Floréal.
- The Board of Directors of Lux Island Resorts Ltd accepts full responsibility for the accuracy of the information contained in the Financial Highlights.