

GROUP ABRIDGED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter to 30th September		Year ended
	2022 Rs 000 (Un-audited)	2021 Rs 000 (Un-audited)	30th June 2022 Rs 000 (Audited)
Revenue	1,518,512	681,447	6,490,832
Normalised EBITDA	321,871	(83,072)	1,987,502
Other impairment and adjustments	-	-	(160,115)
LUX* Belle Mare			
Impairment of Property, Plant and Equipment	(406,248)	-	-
Closure cost	(76,286)	-	-
	(482,534)	-	-
EBITDA	(160,663)	(83,072)	1,827,387
Depreciation and amortisation	(157,186)	(153,313)	(657,480)
Operating (loss)/profit	(317,849)	(236,385)	1,169,907
Net finance costs	(121,755)	(122,955)	(454,410)
(Loss)/profit before taxation	(439,604)	(359,340)	715,497
Income tax credit/(expense)	76,562	35,990	(236,821)
(Loss)/profit attributable to the group	(363,042)	(323,350)	478,676
Other comprehensive income			
Movement for the period	(272,134)	(30,948)	378,917
Total recognised income	(635,176)	(354,298)	857,593
Basic - Earnings per share	(2.65)	(2.36)	3.49
Diluted - Earnings per share	Rs. (2.24)	(2.03)	2.96
SEGMENTAL INFORMATION			
<i>Segment revenue:</i>			
Mauritius	870,429	147,830	3,529,642
Maldives	461,473	372,518	2,108,515
Reunion	186,610	161,099	852,675
Total revenue	1,518,512	681,447	6,490,832
<i>Segment results:</i>			
Mauritius	(362,234)	(261,579)	804,162
Maldives	42,681	34,361	521,504
Reunion	1,704	(9,167)	(155,759)
Results before finance costs	(317,849)	(236,385)	1,169,907

GROUP ABRIDGED STATEMENT OF FINANCIAL POSITION

	30th September 2022 Rs 000	30th September 2021 Rs 000	30th June 2022 Rs 000
ASSETS			
<i>Non current assets</i>			
Property, plant & equipment	9,858,914	11,649,668	10,643,819
Rights of use assets	3,392,612	3,367,505	3,443,036
Intangible assets	470,843	459,916	471,077
Investment property	86,317	82,212	86,317
Other receivable	40,559	45,919	43,124
Deferred tax assets	13,368	180,957	13,429
	13,862,613	15,786,177	14,700,802
Current assets	2,445,503	913,778	2,473,935
TOTAL ASSETS	16,308,116	16,699,955	17,174,737
EQUITY AND LIABILITIES			
Total equity	5,979,742	4,787,921	6,621,971
Non-current liabilities	5,061,120	5,704,821	5,298,005
Finance lease liabilities in respect of right of use assets	2,909,559	2,981,539	2,952,562
Current liabilities	2,357,695	3,225,674	2,302,199
TOTAL EQUITY AND LIABILITIES	16,308,116	16,699,955	17,174,737
Net Assets per Share	Rs. 43.61	34.92	48.29

GROUP ABRIDGED STATEMENT OF CASH FLOWS

	30th September 2022 Rs 000	30th September 2021 Rs 000	30th June 2022 Rs 000
Net cash flows from/(used in) operating activities	179,379	(174,131)	2,009,275
Net cash flows used in investing activities	(43,201)	(216,157)	(616,311)
Net cash flows (used in)/ from financing activities	(174,620)	335,288	(139,752)
Net (decrease)/increase in cash & cash equivalents	(38,442)	(55,000)	1,253,212
<i>Cash and bank balance</i>			
At beginning of period	1,080,098	(61,307)	(61,307)
Transfer to assets held for sale	-	-	(111,807)
At end of period	1,041,656	(116,307)	1,080,098

ABRIDGED STATEMENT OF CHANGES IN EQUITY

	30th September 2022 Rs 000	30th September 2021 Rs 000	30th June 2022 Rs 000
At beginning of period	6,621,971	5,147,844	5,086,791
Issue of convertible bonds	-	-	716,200
Total recognised income	(635,176)	(354,298)	857,593
Interest on convertible bonds	(7,053)	(5,625)	(38,613)
At end of period	5,979,742	4,787,921	6,621,971

Commentary

Tourist arrivals to Mauritius for the quarter ended 30 September 2022 reached 262k representing 81% of the pre-pandemic arrivals during the corresponding quarter in 2019. Europe remains our main market, and a strong performance of the UK during the quarter was noted, with arrivals from that market increasing by 5% to 40k compared to 2019.

Arrivals in the Maldives for the quarter were 3% down compared to 2019 at 378k. Russia, India and UK were the three main markets representing 37% of total arrivals.

Group Results

The quarter under review is the low season for the hotel industry in the Indian Ocean. All our hotels were operational during the quarter except LUX* Belle Mare, which is closed for reconstruction following the fire on 2 July 2022.

Against the above backdrop, total revenue for the quarter under review reached Rs 1.5 billion, 25% higher than the corresponding quarter pre-pandemic in 2019. Normalised EBITDA improved on 2019 from Rs 159m to Rs 322m.

Discussions are still ongoing with the insurers regarding the fire damage and compensation for LUX* Belle Mare. We have impaired the Property, Plant and Equipment of LUX* Belle Mare for an amount of Rs 713m, which was damaged by the fire. Since part of the amount impaired represents the reversal of revaluation surplus recognised in prior years on that hotel, Rs 307m has been accounted as a movement in Other Comprehensive Income. The balance, Rs 406m, is accounted in the Income Statement. We have also incurred a closure cost of Rs 76m during the quarter.

Compensation receivable from the insurers in respect of material damage and loss of Profit will be recognised in the quarter after the amount has been agreed and finalised with the insurers.

Operating Profit for the quarter, excluding the impairment and closure cost of LUX* Belle Mare, was Rs 165m compared to Rs 16m in 2019.

The loss attributable to the Group for the quarter was Rs 363m, and if the impact of the fire at LUX* Belle Mare is excluded, the attributable profit would be Rs 33m.

Projects

Hotel Prestige Reunion, a wholly owned subsidiary of Lux Island Resorts Ltd, has signed a Memorandum of Understanding with Groupe Reside Etudes, a French Investment Property Company, for the sale of LUX* Saint Gilles in Reunion Island. The sale is subject to the execution of definitive transaction agreements and the fulfilment of certain conditions. The shareholders will be kept informed of further developments in respect of the sale.

Reconstruction works at LUX* Belle Mare have started, and the hotel will be ready for the high season next year.

Outlook

Reservations on the books for all our properties in operation for the second quarter ending 31 December 2022 are ahead of the corresponding quarter in 2019. If the booking trend is maintained, we should post good results for the second quarter.

Indications are that the next semester ending 30 June 2023, will be more challenging, with inflation hitting a 70-year high in Europe and rising interest rates both on the local and international markets.

By order of the Board

IBL Management Ltd
Company Secretary

14 November 2022

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, 2022, except for the relevant amendments to published Standards, Standards and Interpretations issued and effective for accounting period starting on July 1, 2022.
- 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.