

LUX ISLAND RESORTS LTD

AND ITS SUBSIDIARIES

INTEGRATED ANNUAL
REPORT 2025



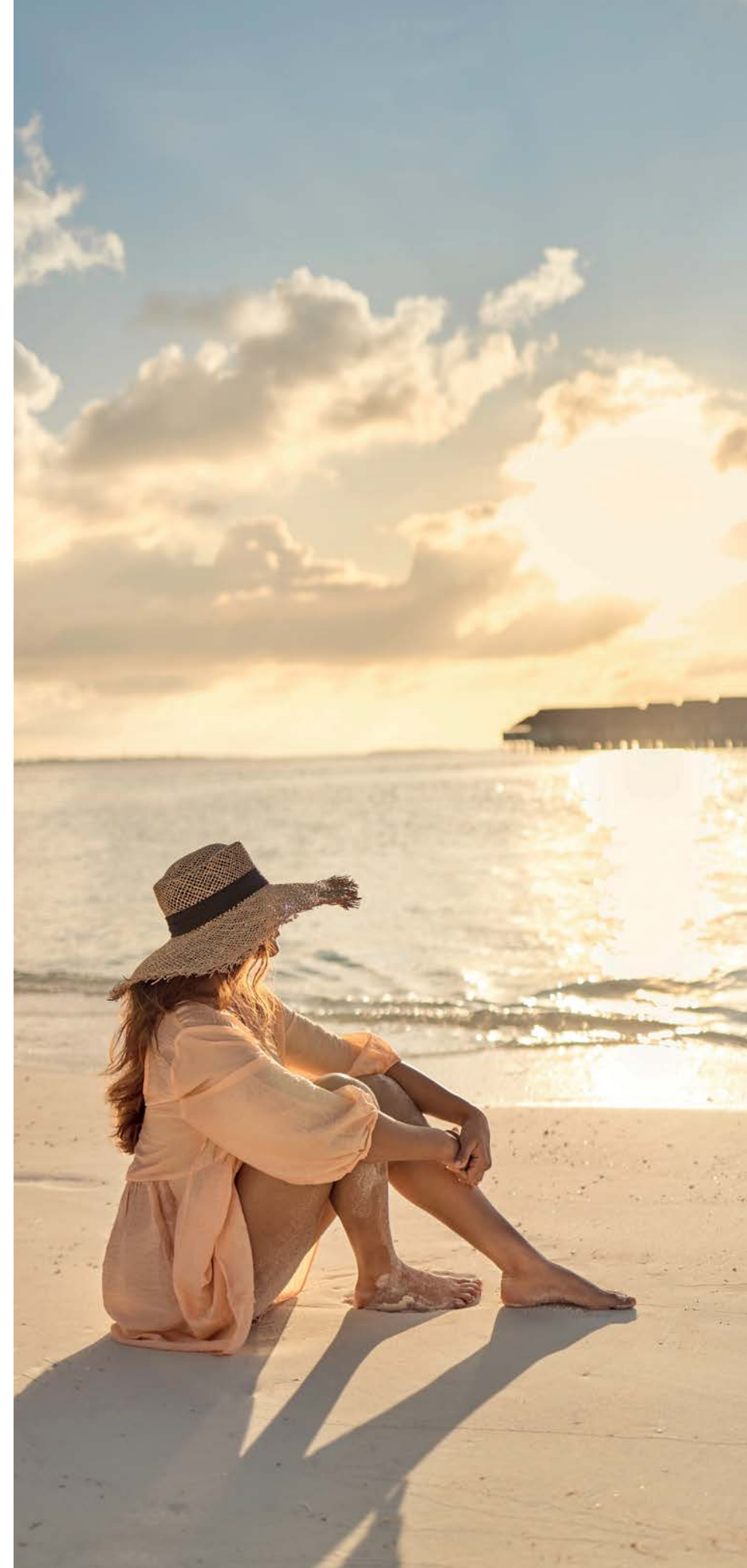
Dear Stakeholder,

Your Board of Directors is pleased to present the Integrated Annual Report of Lux Island Resorts Ltd for the year ended 30 June 2025. This report was approved by the Board of Directors on 24 September 2025.



JEAN-CLAUDE BÉGA
Chairperson

24 September 2025



An aerial photograph of a tropical island resort at sunset. The scene is dominated by a long, straight pier extending from a lush, green island into the turquoise water. Along one side of the pier, a row of overwater bungalows with thatched roofs and private decks is visible. The sun is low on the horizon, creating a warm, golden glow across the sky and reflecting on the water's surface. Several small boats are anchored near the pier. The overall atmosphere is serene and idyllic.

From sunrise to nightfall, each moment with Lux Island Resorts is a chapter in the perfect day.

This annual report is inspired by the natural flow of island life, a journey shaped by light, atmosphere, and emotion. From the first golden rays of morning to the stillness of night, we invite you to explore a year of progress, experiences, and moments that made every day truly unforgettable.

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SUN RISE

The soft warmth of the morning sun, the gentle sound of the waves, it's a privilege to rise to such beauty. The rise of the sun the feeling of peace and lightness that come together in a moment that feels almost unreal.

CHAIRMAN’S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present Lux Island Resorts’ Integrated Annual Report for the financial year ended 30 June 2025.

BUSINESS PERFORMANCES

Once again, I am pleased to report very solid performances for Lux Island Resorts. As at 30 June 2025, we benefit from a healthy balance sheet and all our key metrics are extremely positive, this despite an increase in staff costs following the 14th month bonus granted in December 2024 and the salary realignment arising from the mandatory relativity wage adjustment.

- Group total income went from Rs 9.7bn in 2023-2024 to Rs 10.6bn in 2024-2025, highlighting a 9.3% growth.
- EBITDA was Rs 2.74bn, compared to Rs 2.68bn in 2023-2024, representing an increase of 2.2%.
- Operating profit for the year 2024-2025 was at the same level as last year, at Rs 1.9bn.
- Net finance costs went down by Rs 94.0m, from Rs 568.7m to Rs 474.7m, resulting from loan repayment of Rs 924.0m during the year.
- Profit before tax was Rs 1.45bn, going up by 6.0% on last year, and attributable profit was Rs 1.21bn.
- Income tax expenses for the year initially increased by Rs 88.7m, mainly due to introduction of the Corporate Climate Responsibility Levy. However, the impact on our income statement has been mitigated by the recognition of unused tax losses on our Reunion entity for Rs 80.1m. The resulting tax charge for the year rose to Rs 247m from Rs 238m in the prior year.
- Basic Earnings Per Share was Rs 8.81, a 6.5% growth on last year.
- Total borrowings as at 30 June 2025 stood at Rs 3.2bn, compared to Rs 4.2bn a year ago. The Bank balance at year-end was Rs 1.5bn, compared to Rs 1.1bn in 2024.
- The gearing of the Group is very healthy, standing at 15.0% at year-end. This can be attributed to excellent operating performances, as well as the repayment of our debt to the amount of Rs 924.0m.

Our three destinations did very well this financial year. Mauritius posted an EBITDA of Rs 1.90bn, representing 69.4% of the Group’s overall performance, while the Maldives and Reunion Island registered an EBITDA of MUR 622.7m and MUR 217.3m, respectively.

Dividend and financial resilience

The dividend for the year remains the same as the prior year, at Rs 2.50 per share, amounting to Rs 342.8m and the final dividend



was paid on 25 June 2025. In a challenging operating environment marked by rising operating and staff costs and ongoing geopolitical headwinds in the Middle East, the Board has maintained a prudent stance to sustain shareholder value while preserving liquidity. At Rs 2.50 per share, the dividend yield stands at an attractive 5.3%, based on the share price of Rs 47.00 as at 30 June 2025. As of the date of this report, the share price is Rs 49.10, with the stock trading on a price-earnings multiple of 6, indicating potential room for capital appreciation. However, the comparatively low P/E ratio is largely attributable to the lack of liquidity of listed shares on the local market, which can constrain trading activity and valuation efficiency.

Future development and investment strategy

Our gearing stands well below our target of 45%, which provides substantial headroom for selective growth initiatives, including potential investments outside Mauritius that could deliver meaningful step growth for the Group. Management is actively evaluating new opportunities, with a disciplined approach to execution. Three overarching criteria guide any investment decision: (i) the expected return on investment, (ii) the stability and sustainability of the host country, and (iii) the ability to effectively manage foreign currency conversion risk. We will continue to pursue opportunities that meet these criteria, while maintaining strong capital discipline.

Outlook

The Group’s performance for July and August has been encouraging, with bookings for September higher than last year. We anticipate a better operating performance in the first quarter of the financial year 2025-2026. However, we expect net results to be affected by newly introduced taxes, specifically the Fair Share Contribution and Alternative Minimum Tax. The Board remains focused on optimising operational efficiency, prudently managing costs and leveraging the Group’s geographic and product diversification to mitigate risk.

BOARD AND GOVERNANCE

Since December 2024, we are fully compliant with the requirements of The Mauritian Company’s Act when it comes to the representation of women on the Board. At the time of writing, 25% of our Board members are women.

Following the review of our Board Charter and the drafting of a new Corporate Governance Charter, we have moved on to the review of our Audit & Risk Committee Charter, after over 2 years. We also finalised our new Risk Appetite Statement, outlining our investment strategy for the years to come. More details on these initiatives can be found on page 82 to 84.

CHAIRMAN'S STATEMENT (CONT'D)

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Lux Island Resorts’ commitment to sustainability is both enduring and evolving. As we continue to witness the shifting dynamics of our physical environment, it has become increasingly clear that sustainability is no longer a peripheral concern but a vital component of our long-term vision and strategic decision-making. We are proud of the strides we’ve made in advancing social sustainability. Diversity, equity and inclusion are embedded in our company’s culture, and we have strengthened our employee training and development programmes to foster a resilient and empowered workforce. Through partnerships with local organisations, we continue to support community development and responsible tourism initiatives in the regions where we operate.

I’m also proud of the meaningful engagement of our teams with the local community, bringing to life sustainability initiatives that make a genuine difference. Whether by building shelters for stray cats on our hotel grounds or supporting a child’s education and career aspirations, each initiative reflects our core values: People, Passion, Care, Innovation and Extraordinary.

Looking ahead, we recognise that the road to sustainability is a shared journey, one that requires collaboration, innovation and resilience. We will continue to engage openly with our stakeholders, listen to their concerns and work collectively towards a more sustainable future.

ACKNOWLEDGEMENT

I would like to thank all Lux Island Resorts employees for their renewed loyalty and continued efforts in 2024-2025. We would not be where we are today without their valuable input and support!

My warm thanks also go to Désiré Elliah, Lux Island Resorts’ CEO, for expertly leading the team throughout the past financial year.

I am also grateful for the support of my colleagues on the Board of Directors, as well as to our shareholders, who have maintained their trust in Lux Island Resorts this year again.



JEAN-CLAUDE BÉGA
Chairperson

24 September 2025



CHIEF EXECUTIVE OFFICER’S INTERVIEW

HOW DID LUX ISLAND RESORTS PERFORM IN 2024-2025?

This year again, I’m happy to report that Lux Island Resorts Ltd performed very well.

In Mauritius, the financial year 2024-2025 ended with a 4% increase in tourist arrivals, which positively impacted our occupancy. With all our hotels in operation throughout this financial year, the Mauritius hotels registered a record yearly occupancy of 85%. We also benefited from the appreciation of the euro and pound sterling, which positively impacted our bottom line.

As for all hospitality companies in Mauritius, Lux Island Resorts’ operating costs have significantly increased because of the compulsory 14th month bonus paid in December 2024, as well as the ensuing salary realignment impacting our profitability. Inflation also had a negative effect, but we remain very happy with the performance of our Mauritian hotels this financial year.

In the Maldives, despite the significant increase in tourist arrivals in 2024-2025, we are still facing an oversupply of rooms because of the rise in the number of guest houses opening their doors on the island. As a result, the occupancy dropped by 3 % compared to last year. We need to adapt to this new climate, as we await the imminent opening of the new terminal in September 2025, which should hopefully bring more tourists, hence positively impacting LUX* South Ari Atoll’s performances over the next financial year. The Maldivian Government is expecting some 2.3 million international tourist arrivals by the end of the 2025, a number which is expected to grow to 3.5 million by 2028.

As for Reunion Island, performances were good for the financial year 2024-2025. LUX* St Gilles’ lease issue is still unresolved at the time of writing. We are in discussion with the authorities to find a long-term solution but have decided, irrespective of the outcome, not to wait to carry out some light refurbishment of the rooms.

WHAT WERE THE MAIN CHALLENGES THE GROUP FACED THROUGHOUT THIS FINANCIAL YEAR?

The main challenge we faced in 2024-2025 is the recurring issue of labour shortage, which persists in the Mauritian hospitality sector since the Covid-19 pandemic. Despite all our efforts, it is not easy attracting local talents and things are moving very slowly when it comes to hiring foreigners, who struggle to obtain the required permits. Currently, we need to focus on retaining talents. We launched a selection of financial and non-financial initiatives to motivate our employees, which have successfully contributed to reducing staff turnover this financial year.



Another challenge involves the 2% Corporate Climate Responsibility Levy implemented in 2023-2024, which has significantly impacted Lux Island Resorts’ profitability in 2025. Companies operating in the hospitality sector are already bound to contribute 0.85% of their revenue to the Environmental Protection Fund (EPF); this new initiative from the Mauritian Government is putting a strain on our bottom line.

Rising operating costs also have posed challenges this financial year, but we are relieved by our declining debt levels, which have led to a Rs 78.5 million reduction in financing costs.

WHAT ACTIONS DID YOU TAKE TO IMPROVE LEARNING & DEVELOPMENT AT LUX ISLAND RESORTS?

In 2024-2025, our commitment to people, culture and excellence was reaffirmed thanks to the international recognition we received and to the transformative learning journeys we organized.

Both Lux Island Resorts’ corporate office and all our resorts in Mauritius and the Maldives were proudly certified as a Great Place to Work® for the period February 2025 to February 2026. This marks the 7th consecutive year of certification for our Mauritian hotels, a testament to the high-trust, high-performance culture we continue to nurture. This recognition is rooted in team member feedback and reflects practices that promote trust, collaboration, inclusivity, well-being and professional growth. It is a tribute to the dedication of our people across all our destinations.

In parallel, learning & development remained a vital enabler of our long-term vision. Over 1,000 team members engaged in online learning, strengthening both technical and service capabilities across our 3 destinations. As part of our performance management system revamp, more than 300 colleagues were introduced and trained on the new approach, reinforcing heart-of-house efficiency and digital readiness.

Our pursuit of service excellence also continued, with over 500 team members trained on Forbes Travel Guide standards. Meanwhile, the rollout of a new guest communication platform saw over 700 team members across our resorts being introduced and trained to adopt this technology, enabling more seamless, timely and personalised interactions throughout the guest journey.

Culture-building was another cornerstone this year. Top international voices inspired teams with insights on purpose, emotional intelligence and resilience. At LUX* Grand Baie, a new cultural journey began, strengthening how team members express care, pride and relational warmth. This foundational work will continue into the next financial year, as the project evolves.

CHIEF EXECUTIVE
OFFICER’S INTERVIEW (CONT’D)

In addition, over 150 team members took part in the multi-level Leadership Competencies Development Programme by The Lux Collective’s Training Academy. Such initiatives are helping shape a new generation of leaders, equipped to inspire teams, innovate operations and embody our service promise.

Together, these milestones reflect our enduring belief that people are at the heart of everything we do. By continuing to invest in them, we build a stronger, more connected future for all.

TELL US MORE ABOUT SUSTAINABILITY AT LUX
ISLAND RESORTS.

Over the past year, our sustainability team in Mauritius has surpassed expectations in implementing community and environmental initiatives across our resorts. They have devoted their time and expertise to empowering underprivileged communities, collaborating closely with NGOs, orphanages, shelters and schools. I’m especially proud of their passion and unwavering commitment to SDG 17, Partnerships for the Goals, which holds particular significance for a Small Island Developing State (SIDS) like ours.

Looking ahead, our mission continues with renewed vigour. We remain committed to continuous improvement, enhancing working conditions and easing the burdens faced by our on-the-ground teams. In collaboration with our parent company, IBL Ltd, we are launching the Embedding Project, designed to establish a robust structure for systematic data collection and analysis. Our strategy will deepen collaboration with existing partners and actively engage our team members at every level.

In the Maldives, I’m pleased to report significant progress on the pioneering floating solar project at LUX* South Ari Atoll, a key initiative in our commitment to renewable energy. Our partner, expert solar company SwimSol, has a dedicated 25-person team on site, building, moving, anchoring and cabling the floating solar platforms in the lagoon. At the time of writing, 28 out of 78 planned new platforms have been successfully installed. We anticipate completing the solar component in early Q4 this year, with the installation of the battery component following in Q1 2026. Once fully operational, the resort’s solar system will be amongst the country’s largest, at 2.9 MWp (including 2.1 MWp from this expansion). Together with the battery system, it enables us to turn off diesel generators for around 8 hours daily, operating purely on solar energy. This is projected to save over 1.1 million litres of diesel and reduce CO2 emissions by 3,000 tonnes annually, marking a significant stride towards our sustainability goals.

All in all, I’m confident that, through sustained partnership, innovation and collective dedication, we will continue making meaningful contributions to our community and environment across our 3 destinations.



GIVE US AN OVERVIEW OF THE FINANCIAL YEAR
2025-2026?

Going forward, we will continue advancing on our 5-year Cap-Ex plan, including:

- The renovation of the restaurant and public areas at LUX* Le Morne, as well as the construction of villas on the hotel’s premises throughout the next two financial years.
- The conversion of 10 rooms at LUX* South Ari Atoll into 10 villas, with a view to upgrading the overall property. The mock ups have already been approved; this project should have a very positive impact on the hotel’s results.
- The light refurbishment of rooms at LUX* St Gilles, as mentioned above.

On another note, we are still on the lookout for new opportunities in the Indian Ocean region, so as to diversify our risks and maintain a sustainable growth, with a view to increasing our dividend payout.

ACKNOWLEDGEMENTS

My warm thanks go to our incredible teams at Lux Island Resorts, in Mauritius, Reunion Island and the Maldives. Your hard work and dedication are key in helping the Group succeed and overcome challenges.

I am also grateful to my colleagues on the Board of Directors, as well as our shareholders and financial partners, for their loyalty and support during the last financial year.

Our Chairman, Jean-Claude Béga, and the CEO of The Lux Collective Ltd, Oliver Chavy, have also remained very supportive and helpful throughout the year under review; I am grateful for their precious contribution to Lux Island Resorts’ success in 2024-2025.

Finally, thanks to our guests, for keeping faith in Lux Island Resorts and carrying on choosing one or more of our hotels every year.

DÉSIRÉ ELLIAH
Chief Executive Officer

24 September 2025

GROUP STRUCTURE
AS AT 30 JUNE 2025



Note: The group structure presented relates to the operating companies only.

BOARD & COMMITTEES

DIRECTORS

Jean-Claude Béga (Chairperson)
Désiré Elliah (Chief Executive Officer)
Jan Boullé
John Brennan
Jenifer Chung Wong Tsang
Laurent de la Hogue
Pascale Lagesse
Thierry Lagesse

Maxime Rey (resigned on 09.12.2024)

AUDIT AND RISK COMMITTEE

Jenifer Chung Wong Tsang (Chairperson)
John Brennan
Laurent de la Hogue

Maxime Rey (resigned on 09.12.2024)

CORPORATE GOVERNANCE COMMITTEE

Pascale Lagesse (Chairperson)
Jean-Claude Béga
Jan Boullé
John Brennan

COMPANY SECRETARY

IBL Management Ltd



MANAGEMENT & ADMINISTRATION

HEAD OFFICE

Désiré Elliah – Chief Executive Officer
Hurrydeo Ramlagun – Chief Financial Officer
Riad Chonee – Chief Asset Management Officer

HOTELS

Stephan Anseline - General Manager - LUX* Grand Baie
Ashok Bhugoo – General Manager – LUX* Le Morne
Nitish Dhuromsingh – General Manager – LUX* Grand Gaube
Patrice Hudebine – Directeur Général – LUX* Saint Gilles
Sheila Malloo – General Manager – LUX* Belle Mare
John Rogers – General Manager – LUX* South Ari Atoll
Krishen Virasami – Resort Manager – Tamassa Bel Ombre & Ile Des Deux Cocos

CHIEF INTERNAL AUDITOR

Pritila Joynathsing-Gayan

LEGAL ADVISORS

Clarel Benoît
André Robert
Hervé Duval
ENSafrica (Mauritius)

COMMUNICATION ADVISOR

Blast Communications Ltd

AUDITOR

PricewaterhouseCoopers
Mauritius

REGISTERED OFFICE

Pierre Simonet Street
Floréal
Mauritius

NOTARY

Jean-Pierre Montocchio

REGISTRY AND TRANSFER OFFICE

Pierre Simonet Street
Floréal
Mauritius

BANKERS

ABC Banking Ltd
AfrAsia Bank Ltd
Absa Bank (Mauritius) Ltd
Bank One Limited
Bank of Ceylon
Banque Française Commerciale Océan Indien
Caisse d’Epargne-Provence-Alpes-Corse
HSBC Limited
Maubank Ltd
SBM Bank (Mauritius) Ltd
Standard Bank (Mauritius) Ltd
State Bank of India (Mauritius) Ltd
The Mauritius Commercial Bank Ltd

DIRECTORSHIP

AS AT 30 JUNE 2025

	BÉGA JEAN- CLAUDE	BOULLÉ JAN	BRENNAN JOHN	CHUNG WONG TSANG JENIFER	DE LA HOGUE LAURENT	ELLIAH DÉSIRÉ	LAGESSE PASCALE	LAGESSE THIERRY	LIU LÉON	RAMLAGUN HURRYDEO	SELLAM ERIC
Beau Rivage Co Ltd	■					■				■	
Blue Bay Tokey Island Limited	■					■				■	
FMM Ltée	■					■				■	
Holiday & Leisure Resorts Limted	■					■				■	
Hotel Prestige Réunion SAS						■					
LIR Properties Ltd	■					■				■	
Les Pavillons Resorts Ltd	■					■				■	
LIRCO Ltd						■					■
LTK Ltd	■					■				■	
Lux Island Resorts Foundation						■				■	
Lux Island Resorts Ltd	■	■	■	■	■	■	■	■			
Lux Island Resorts Maldives Ltd	■					■					
Les Villas du Lagon SAS						■					
Merville Beach Hotel Ltd	■					■				■	
Merville Limited	■					■				■	
MSF Leisure Company Ltd	■					■				■	
Néréide Limited	■					■				■	
Océanide Limited	■					■				■	
White Sands Resort & Spa Pvt Ltd	■					■			■	■	

Jean-Claude Béga and Hurrydeo Ramlagun resigned on Les Villas du Lagon SAS on 26.12.2024.
Jitendra Bissessur resigned on Merville Limited on 18.12.2024.
Maxime Rey resigned on Lux Island Resorts Ltd on 09.12.2024.

DIRECTORS' PROFILES

(DETAILED ON PAGES 24-27)



01 **Jean-Claude Béga**
Non-Executive Chairperson of the Board



02 **Jan Boullé**
Non-Executive Director



03 **Laurent De La Hogue**
Non-Executive Director



04 **Désiré Elliah**
Chief Executive Officer &
Executive Director



05 **Pascale Lagesse**
Independent Director



06 **Thierry Lagesse**
Non-Executive Director



07 **Jenifer Chung Wong Tsang**
Independent Director



08 **John Brennan**
Independent Director



08

DIRECTORS' PROFILES



01 JEAN-CLAUDE BÉGA
Non-Executive Chairperson of the Board

Member of the Corporate Governance Committee
Tenure on the Board: 21 years
Core competencies: Finances, Leadership, Entrepreneurship, Strategic Thinking

Born in 1963, Jean-Claude Béga is a Chartered Certified Accountant and has retired from IBL Ltd on 30 June 2023 after 26 years of service.

He was appointed as Director of Lux Island Resorts Ltd in June 2004 and as Non-Executive Chairperson on 01 January 2019. He is also a member of the Corporate Governance Committee of the Company.

Jean-Claude Béga also acts as Non-Executive Chairman of BlueLife Limited and of The United Basalt Products Limited and as Non-Executive Director of subsidiaries and affiliates of the above three companies.

Directorship in other listed companies:
Non-Executive Chairman of BlueLife Limited and of The United Basalt Products Limited.



02 JAN BOULLÉ
Non-Executive Director

Member of the Corporate Governance Committee
Tenure on the Board: 7 years
Core competencies: Strategic Development, Hospitality and Real Estate Development

Jan Boullé is an ‘Ingénieur Statisticien Economiste’, France and pursued post graduate studies in Economics at Université Laval, Canada. He worked for the Constance Group from 1984 to 2016 and occupied various executive positions and directorships, his latest position being the Group Head of Projects and Development.

He was appointed Non-Executive Chairman of IBL Ltd on 01 July 2016 and is also a member of the Board of Directors of several major companies within the IBL Group.

He was appointed Director of the Company and as member of the Audit and Risk Committee in April 2018. He then resigned as member of the Audit and Risk Committee in January 2019. He is a member of the Corporate Governance Committee since January 2019.

Directorships in other listed companies :
Bluelife Limited, IBL Ltd, Phoenix Beverages Limited, Phoenix Investment Company Limited and The United Basalt Products Ltd



03 LAURENT DE LA HOGUE
Non-Executive Director

Member of the Audit & Risk Committee
Tenure on the Board: 14 years
Core competencies: Management, Finance, Treasury, Merger & Acquisitions

Laurent de la Hogue holds a Masters’ degree in Management and Finance from the ‘Ecole Supérieure de Gestion et Finance’ of Paris, France. He also completed a Risk Management Programme from INSEAD, Singapore and a General Management Programme from ESSEC Business School.

He is the Head of Financial Services of IBL Ltd. He started his career with an international bank before joining GML Management Ltée in 2001 as Treasurer where he was involved in the setting up of the group central treasury management unit. He occupied various positions at executive levels and has been involved in development of projects including capital raising, mergers and acquisitions and company restructuring.

He served as Director on a number of organisations operating in the industrial, commercial, financial (regulated entities) and investment sectors. He is currently the Non-Executive Chairman of DTOS Holdings Ltd and Eagle Insurance Limited, and also a Board member of other entities related to the IBL Group.

He was appointed as Director of the Company in February 2011 and as member of the Audit and Risk Committee in January 2019.

Directorship in other listed company: None



04 DÉSIRÉ ELLIAH
Chief Executive Officer & Executive Director

Tenure on the Board: 21 years
Core competencies: Finance, Audit, Mergers and Acquisitions, Strategic Development

Désiré Elliah is the Chief Executive Officer of Lux Island Resorts Ltd (LIR) since 01 January 2019. He joined the Company in 2003 as Chief Financial Officer and has been a Director on the Board since October 2004. During his career with LIR, Désiré has gain significant executive experience in numerous aspects of the tourism industry. Prior to joining the Group, he worked at De Chazal Du Mée from 1984 to 2002, where he became a partner in the Audit and Business Advisory Department, in charge of a portfolio of prestigious clients operating in the main sectors of the Mauritius economy. He also acted as financial adviser on a number of World Bank funded projects in mainland Africa.

He was the Chairman of the Association des Hôteliers et Restaurateurs de l’île Maurice in 2021 and 2022. He is a member of its Finance Commission.

Désiré Elliah is a Fellow of the Association of Chartered Certified Accountants.

Directorship in other listed companies: None

DIRECTORS' PROFILES (CONT'D)



05 PASCALE LAGESSE
Independent Director

Chairperson of the Corporate Governance Committee
Tenure on the Board: 8 years
Core competencies: Legal Professional, Labor and Employment Law

Pascale Lagesse is a lawyer with over 30 years of experience handling domestic and international matters for large corporations.

She has been a Partner with the Paris law firm Bredin Prat since 2008 where she advises international corporate clients on a wide range of legal issues, with a particular focus on the employment aspects of mergers and acquisitions and corporate restructurings.

A frequent speaker and author of legal publications, she is recognised as one of the leading labor and employment lawyers on the French market. In 2013, she received the “Outstanding Contribution to the Legal Profession Award” from Chambers Europe.

Pascale is involved in numerous international legal organisations and is presently the Vice Chair of the LPD Division of the International Bar Association (IBA).

She plays an active role in the development of the legal profession in France and is currently the “Responsable Pédagogique du Parcours de Droit Social” at the Paris Bar School and a Member of the “Conseil Académique et Commission de la Recherche du Conseil Académique” of the University of Paris II Panthéon Assas. She was elected to the National Bar Council of France in 2005.

Pascale was appointed as Director of the Company in April 2017. She acts as Chairperson of the Corporate Governance Committee since January 2019.

Directorships in other listed companies: None



06 THIERRY LAGESSE
Non-Executive Director

Tenure on the Board: 9 years
Core competencies: Entrepreneurship, Business Development and Finance, Strategic Development, Hospitality, Manufacturing, Textile, Media

Thierry Lagesse holds a ‘Maîtrise des Sciences de Gestion’ from the University of Paris Dauphine. He was the non-executive Chairman of IBL Ltd, Alteo Limited, Phoenix Beverages Limited and The United Basalt Products Ltd. Thierry Lagesse is presently a director of several well-known companies listed on the Stock Exchange of Mauritius namely: Alteo Limited, IBL Ltd, Lux Island Resorts Ltd, Phoenix Beverages Limited, The United Basalt Products Ltd and Phoenix Investment Company Limited. He is also the Executive Chairman of Parabole Group (direct to home satellite TV broadcaster). He was appointed as Director of the Company in July 2016.

Directorship in other listed companies :
Alteo Limited, IBL Ltd, Phoenix Beverages Limited, Phoenix Investment Company Limited, The United Basalt Products Ltd



07 JENIFER CHUNG WONG TSANG
Independent Director

Chairperson of the Audit & Risk Committee
Tenure on the Board: 4 years
Core competencies: Finance, Accounting, Audit, Tax and related services, Corporate Governance

Jenifer Chung Wong Tsang is a Fellow member and a Business & Finance Professional (BFP) of the Institute of Chartered Accountants in England & Wales (ICAEW). Jenifer has over 20 years of experience in audit and tax spanning over numerous sectors including hospitality, financial services, oil & gas, telecommunications, mining, real estate and manufacturing. She started her career in the UK, having worked predominantly for PwC LLP, before returning to Mauritius in 2013 where she worked for PwC Mauritius for a few years. Jenifer is an independent business and tax adviser, and the founding director of a boutique corporate service provider of secretarial services to domestic companies; including corporate governance accompaniment. She is also an independent non-executive director of a leading local offshore management company and of a public company, MCB Factors Ltd.

She was appointed as Director of the Company and as Chairperson of the Audit and Risk Committee in November 2021.

Directorship in other listed companies: None



08 JOHN BRENNAN
Independent Director

Member of the Audit & Risk Committee and of the Corporate Governance Committee
Tenure on the Board: 2 years
Core competencies: Management, Hospitality, Strategic Development

John Brennan is non-Executive Chairman of a leading hotel investment and management group, Klarent Hospitality, owned by Henderson Park. He is also the Founder and Managing Director of Cloudbrook Partners, a boutique investment and advisory firm that provides advice to investors in the hospitality sector.

Between 2015 and 2018, John was the Chief Executive Officer of Amaris Hospitality which grew to comprise 89 hotels, operating over 14,000 rooms and employing 8,000 employees. Established by Lone Star, the business was subsequently sold to a range of international investors realising over €1.7 billion for its owners. Previously, John was Chief Executive Officer of Jurys Inn Group where, from 2009, he repositioned the brand, added 30 percent more rooms, right-sized the cost base and created a market-leading hotel management platform, before leading its successful sale in 2015. During this period, the business achieved a 10 percent EBITDA CAGR.

Prior to working in the Jurys Inn Group, John was the Head of Hospitality at Dublin based Avestus Capital Partners. In this role, John oversaw acquisitions, disposals, asset management and investor reporting on Avestus hotel investments across Europe.

John started his career with Four Seasons Hotels and Resorts in 1984. John worked for Four Seasons for 23 years and during this period he worked in 12 different hotels in 7 countries. John’s last position with Four Seasons was as Regional Vice-President with responsibility for hotels in Dublin, Budapest and Prague.

John has an MA and BSc (Management) from Trinity College Dublin.

He was appointed as Director of the Company in January 2023 and is a member of the Audit & Risk Committee and of the Corporate Governance Committee of the Company.

Directorship in other listed companies: None

BUSINESS MODEL

Capital	Inputs/Actions/Activities		Key Business Processes	Results/Outcomes
 FINANCIAL	Manage cashflow and treasury operations. Minimise foreign currency exposure impact. Improve operational efficiency. Ensure operational efficiency and compliance using internal control systems. Identify and mitigate risks, control solutions. Develop a solid investment relations plan.		Financial Management. Asset Management. Compliance. Risk Management.	Growth in Equity Value. Increased revenue and profitability. Safeguard the assets of the group. Growth in Earnings per Share. Ensure adequate liquidity to meet financial commitments. Stabilise the group’s business.
 HUMAN	Equip employees with adequate skills to carry out operations. Foster an ethical environment. Establish a culturally diverse workforce. Establish a gender-balanced workforce. Acquire & retain skilled people. Initiate a rotation scheme with our global talent pool. Effectively manage employee performance. Protect human rights and dignity. Implement health and safety measures. Initiate ongoing training and development.		Hotel operations. Hotel management. Social relationship management. Risk Management. Capacity Building.	Engaged Team Members. High-quality service and enhanced guest satisfaction. Increased loyalty. Grooming of talented leaders. Increased productivity. Skilled workforce to maintain sustainable, profitable growth. Low turnover and optimised training costs.
 NATURAL	Physical Location. Ensure energy efficiency. Reduce water use. Increase resource productivity. Lessen carbon footprint. Reduce and manage waste.		Sustainability SOPs & Procedures. Project Management. Risk Management.	Efficient utilisation of resources. Optimised costs. Enhanced corporate reputation as Responsible Business. Maximised positive impact. Sustainable growth. Light footprint.
 PRODUCTS & SERVICES	Carefully select destinations. Curate innovative design and architecture. Train and empower dedicated teams to provide services. Establish efficient, streamlined operations & processes. Maintain assets efficiently. Conceive inventive packages. Adopt modern Information Technology. Create innovative and differentiated experiences.		Compliance. Customer Satisfaction Surveys. Feedback Mechanism. Communication channels.	High quality locations. World-class resorts. Outstanding products and services. Improved Guest Satisfaction. Boost in revenue. Enhanced guest experience with technology and comfort. Increased local and international guest loyalty.
 INTELLECTUAL	Propriety knowledge. Systems and Operations. Leadership expertise.		Finance. Maintainance & Engineering. Human Resources. Information Technology. Legal and secretarial. Sales and marketing/Revenue management. Property development. Sustainability & CSR. Operations.	Innovation-driven culture. Efficient operations with relevant policies and procedures. Development of a culture founded on trust and respect.
 SOCIAL	Build and nurture trust within various teams. Deliver exceptional design and architecture experience to guests. Develop strong relationships with suppliers. Create lasting relationships with business partners. Consistently create value for investors and shareholders. Purposeful interactions with the community.		Social Relationship Management. Stakeholder Inclusion & Engagement.	Top-rated guest satisfaction. Loyal supplier base. Empowered community. Increased industry participation and engagement. Positive corporate reputation. Inclusive business.
 DIGITAL	Data automation for KPIs monitoring and reporting. Implementing best technology for resources optimisation. Building Management System. Tools for Sustainable Asset Management. Low-cost Devices.		Operations. Engineering Team. Design Team for upcoming projects (e.g., LUX* Belle Mare renovation). Asset Manager. Sustainability Team. IT Team. Sales & Marketing Team.	Asset Management. Smart Building/Resorts/Properties. Energy Efficiency. Reduce costs. Increase revenue. Decarbonisation. Resources optimiation. Purpose-driven.



MID DAY

As the sun rises higher, the day comes alive. Laughter by the sea, footsteps on warm pathways. It's a time for discovery, connection, and soaking in the light. The time where every moment feels vibrant, effortless, and full of possibility.

FINANCIAL HIGHLIGHTS
& RATIOS

	YEAR ENDED 30 JUNE				
	2025	2024	2023	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
STATEMENT OF PROFIT OR LOSS					
Total income	10,661,854	9,762,976	8,265,011	6,810,220	2,334,695
EBITDA before impairment and other gains and losses	2,777,158	2,666,344	2,338,481	1,987,502	12,749
Impairment of goodwill	-	-	-	-	(23,731)
Other gains and losses	(35,369)	18,422	559,669	(160,115)	(37,958)
EBITDA	2,741,789	2,684,766	2,898,150	1,827,387	(48,940)
Depreciation and amortisation	(812,155)	(743,405)	(625,791)	(657,478)	(596,038)
Operating profit/(loss)	1,929,634	1,941,361	2,272,359	1,169,909	(644,978)
Net finance charges	(474,668)	(568,720)	(538,968)	(454,412)	(479,799)
Profit/(loss) before tax	1,454,966	1,372,641	1,733,391	715,497	(1,124,777)
Income tax (expense)/credit	(246,682)	(238,079)	(275,608)	(236,821)	90,458
Profit/(loss) attributable to the group	1,208,284	1,134,562	1,457,783	478,676	(1,034,319)
DIVIDEND DECLARED	342,790	342,790	274,232	-	-
STATEMENT OF FINANCIAL POSITION					
Total Assets	19,290,800	18,964,730	19,230,108	17,174,737	16,339,190
Equity	9,840,544	8,768,798	8,063,486	6,621,971	5,086,791
Total liabilities	9,450,256	10,195,932	11,166,622	10,552,766	11,252,399
Interest bearing loans net of cash balance	1,738,927	3,118,242	3,774,993	3,993,854	6,089,232
FINANCIAL RATIOS					
Earnings per share	8.81	8.27	10.63	3.49	(7.54)
Dividend per share	2.50	2.50	2.00	-	-
Net Assets per share	71.77	63.95	58.81	48.29	37.10
EBITDA margin ^(Note a)	26%	27%	28%	29%	1%
Interest Cover ^(Note a)	5.85	4.69	4.34	4.37	0.03
Dividend Cover	3.52	3.31	5.32	NA	N/A
Return on Equity	12%	13%	18%	7%	-20%
Debt to Equity ^(Note b)	0.18	0.36	0.47	0.60	1.20

(Note a) EBITDA margin and Interest Cover have been calculated using EBITDA before impairment and other gains and losses

Finance charge includes interest on lease liabilities arising upon adoption of IFRS 16.

(Note b) Debt used to calculate the ratio excludes lease liabilities arising upon adoption of IFRS 16.

BALANCE SHEET
STATUS AT A GLANCE

AS AT 30 JUNE 2025

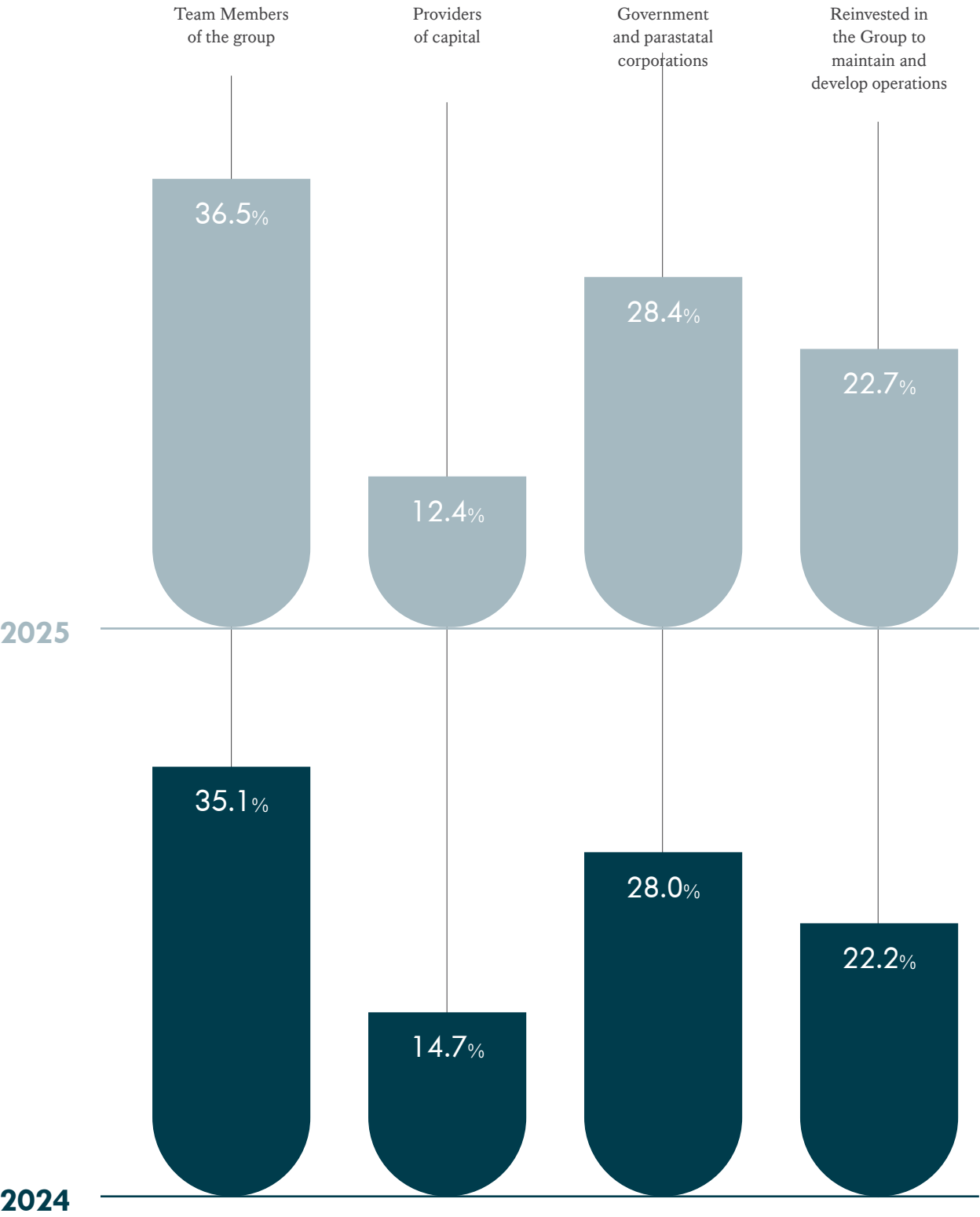
STATEMENT OF FINANCIAL POSITION		CONSOLIDATED STATEMENT OF CASH FLOW		STATEMENT OF FINANCIAL POSITION	
As at 30 June 2024		Year Ended 30 June 2025		As at 30 June 2025	
Rs'000		Rs'000		Rs'000	
ASSETS		CONSOLIDATED STATEMENT OF INCOME		ASSETS	
Cash and Cash Equivalents net of bank overdraft		Year Ended 30 June 2025		Cash and Cash Equivalents net of bank overdraft	
1,044,915		Rs'000		1,504,815	
Current Assets		Total Income		Current Assets	
990,956		10,661,854		899,421	
Investment and Other		Profit for the year		Investment and Other	
4,217,556		1,208,284		4,052,672	
Property, Plant and Equipment		SHARE CAPITAL & RESERVES		Property, Plant and Equipment	
12,697,951		As at 30 June 2025		12,833,367	
Total Assets		Rs'000		Total Assets	
18,951,378		Balance at 30 June 2024		19,290,275	
LIABILITIES & EQUITY		Foreign exchange and other reserve		LIABILITIES & EQUITY	
Current liabilities excluding bank overdraft		291,151		Current liabilities excluding bank overdraft	
3,313,924		Balance at 30 June 2025		3,090,175	
Non Current liabilities		5,253,780		Non Current liabilities	
6,868,656		RETAINED EARNINGS		6,359,556	
Share Capital, Premium & Reserves		As at 30 June 2025		Share Capital, Premium & Reserves	
4,962,629		Rs'000		5,253,780	
Retained Earnings		Balance at 30 June 2024		Retained Earnings	
2,345,886		2,345,886		3,126,481	
Convertible bonds		Profit for the year		Convertible bonds	
1,460,283		1,208,284		1,460,283	
18,951,378		Dividends		19,290,275	
		(342,790)			
		Interest on bonds and others			
		(84,899)			
		Balance at 30 June 2025			
		3,126,481			

VALUE ADDED STATEMENTS

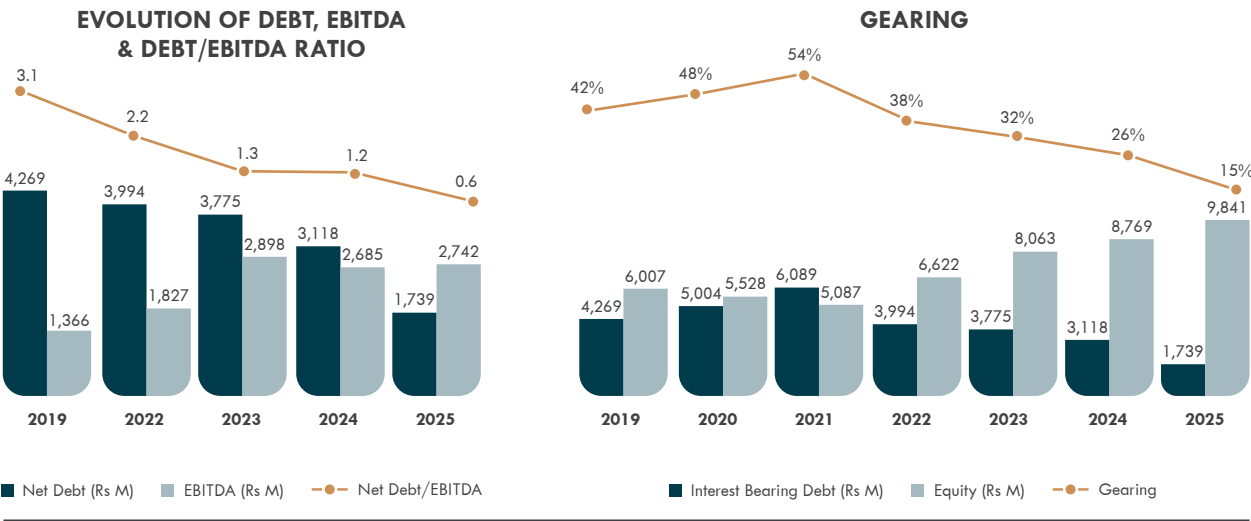
AS AT 30 JUNE 2025

	YEAR ENDED 30 JUNE	
	2025	2024
	Rs'000	Rs'000
Total Income	10,661,854	9,762,976
Value Added Tax	1,530,177	1,368,085
Total Revenue	12,192,031	11,131,061
Paid to suppliers for materials and services	5,046,162	4,516,646
Value added	7,145,869	6,614,415
Other gains and losses	(35,369)	18,422
Total wealth created	7,110,500	6,632,837
Distributed as follows:		
TEAM MEMBERS OF THE GROUP		
Salaries and other benefits	2,593,140	2,330,953
PROVIDERS OF CAPITAL		
Dividend to ordinary shareholders	342,790	342,790
Interest paid on borrowings net of finance income	474,668	568,720
Interest to MIC	64,681	65,715
	882,139	977,225
GOVERNMENT AND PARASTATAL CORPORATIONS		
Value Added Tax	1,530,177	1,368,085
Income tax (Current and deferred)	246,682	238,079
Environment Protection Fee	108,986	86,022
Licences, permits and levies	15,724	53,226
Lease costs	120,684	109,785
	2,022,253	1,855,197
REINVESTED IN THE GROUP TO MAINTAIN AND DEVELOP OPERATIONS		
Depreciation and amortisation	812,155	743,405
Retained profit	800,813	726,057
	1,612,968	1,469,462
	7,110,500	6,632,837

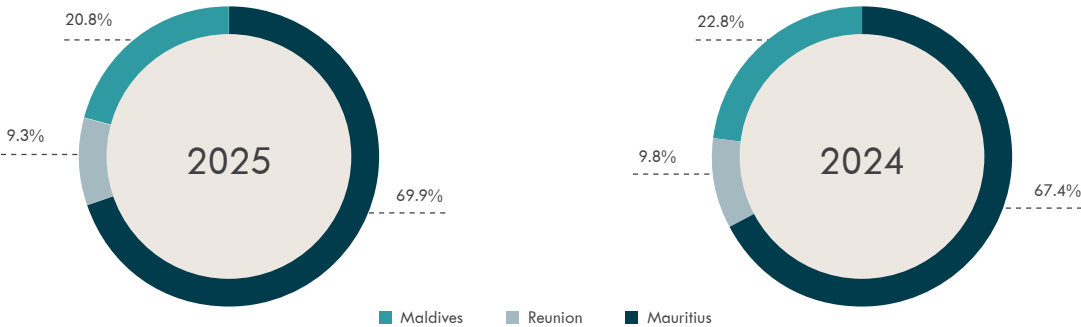
SHARED VALUE CREATION



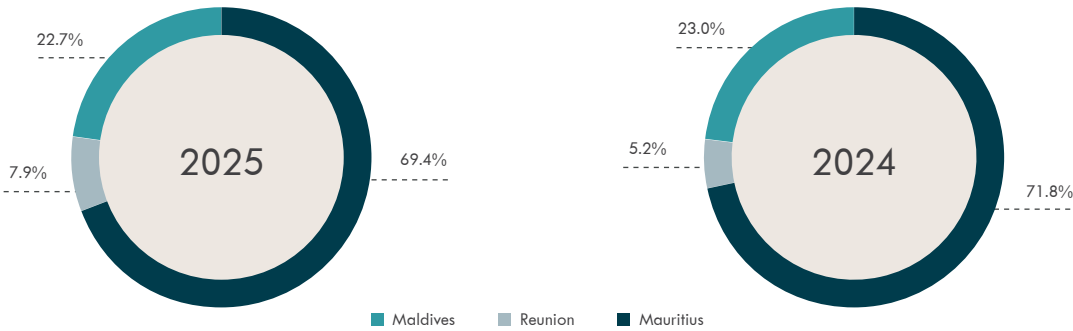
FINANCIAL HIGHLIGHTS



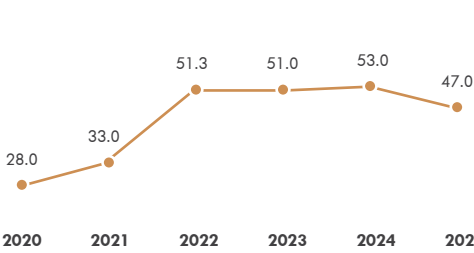
REVENUE BY DESTINATION



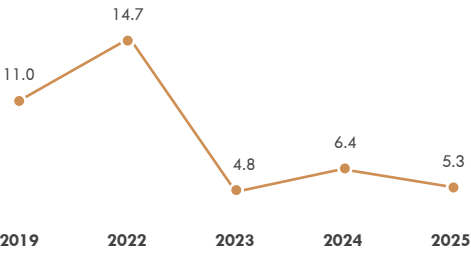
EBITDA BY DESTINATION



EVOLUTION OF SHARE PRICE (MUR)



PRICE EARNING RATIO



OVERVIEW OF HOTEL PROPERTIES AND DATE OF LAST REFURBISHMENT

Hotel	Location	Rating	Lease Expiry (Year)	Number of Keys	Last Renovation	Years from Last Renovation
LUX* Belle Mare	Mauritius	5* Luxury	2069	186	Oct 23	1.5 years
LUX* Grand Baie	Mauritius	5* Luxury	2064	116	Dec 21	3.5 years
LUX* Le Morne	Mauritius	5*	2069	149	Nov 20	4.5 years
LUX* Grand Gaube	Mauritius	5*	2068	186	Dec 17	7.5 years
LUX* South Ari Atoll	Maldives	5*	2094	193	Sep 16	8.5 years
LUX* St Gilles	Reunion	5*	2031 ⁽¹⁾	174	Oct 08	17 years

(1) Lease with French Govt expires in Year 2031. LIR is in negotiation with Reunion Authorities in this respect. If successful, LSG will soon be subject to a renovation.

Note for Tamassa Bel Ombre: Building of Tamassa is leased. Lease Agreement between LIR and the Owner, GRIT, expires in Year 2027.

MATERIAL ELEMENTS & CONNECTIVITY
TO ACHIEVE STRATEGIC PLANS & OBJECTIVES

VALUE DRIVERS							
Capital	 FINANCIAL	 HUMAN	 PRODUCTS & SERVICES		 NATURAL	 DIGITAL	 EXTERNAL LINKS
Objectives	Revenue Growth. Cost Optimisation. Project Development.	The Welfare of People.	Brand Strength and Optimal Distribution.		Environmental Sustainability.	Asset Management, Efficiency and Risk Management.	Elevate the Partnership Quality.
Outcomes	Profitable Growth (Earnings per Share). Capital and Cost Efficiency.	Human Resources and Training. Company Culture.	Best in class hotel operation. Sustain a well established brand name.		Energy & water. Waste, Elements & Biodiversity.	Automation of data.	Systems.

MATERIAL ISSUES																		
Short Term	Managing exchange rate impact.		Employ talented and fully engaged people.			Positive feedback, such as on online platforms like TripAdvisor (high guest satisfaction scores).			Deployment plan for full implementation of energy management system to reduce energy consumed by heating and air conditioning.		Reduce solid waste through waste management system (measure, benchmark and reduce year on year).	Plan for digitalisation and data automation.		Work with experts in this area for low cost devices, tools, building management systems.				
	Sustainaning optimal level of working capital.		Investment to give the best trainings to Team Members.						Focus on Efficiency and Asset Management.									
Medium Term	Grow into new markets.	Efficient capital structure.	Talent and skills management.	Retention of talent through training initiatives and competitive remuneration package.	Develop and adopt 'one company' culture.	Effective communication of values, mission and vision to Team Members and guests	Refreshed and reinvented properties, with enhanced amenities, plus a continuous focus on our hospitality standards for best guest experience and satisfaction.		Invest in Renewable energy technologies aiming to reduce carbon footprint.	Continuous deployment of the “Tread Lightly” initiative to offset carbon and support biodiversity conservation projects (endemic fauna and flora).	Optimise use of Low-cost devices and automated data tools and enhance reporting.	Engage with suppliers, partners, and consultant for efficient properties.						
													Improve international competitiveness.	Cost optimisation and cost-reduction programs.	Enhance promotion and marketing investment.	Optimise use of fresh water and ensure efficient consumption.	Invest in Systems and technologies which will reduce energy consumption, hence reduce carbon footprint.	Maintenance facilities and tools.
Long Term	Strategic acquisitions into new territories.		Engage professional services of firms committed to creating value through leadership and talent.			Superb and unique experience to each and every guest.			Research, test and invest in technologies to reduce energy consumption.		Invest in technologies to optimise on resources and manage risks.	Focus on sustainable properties and asset management.						
	Optimal funding sources.					Ensure strict compliance with water protection legislations, against pollution, conduct regular water quality tests and control.			Low impact Technologies and properties.									

STAKEHOLDER INCLUSIVENESS

	 OUR PEOPLE AND THE MANAGEMENT	 SHAREHOLDERS AND INVESTORS	 GUESTS	 LOCAL COMMUNITY	 ACCREDITED ORGANISATIONS, LEGISLATIONS, POLICIES AUTHORITIES & GOVERNMENT	 SOCIAL
How we engage with our stakeholders	Internal newsletters. Intranet Platform. CEO roadshows. Executive committees. Regular updates via email/Memos. Employee surveys. Induction programs. On-going training and education. Performance management programs.	Regular presentations and roadshows. External newsletters. Integrated reports and financial statements. Media releases and published results. Annual General Meeting. Dedicated analyst and investor meetings. LUX Island Resorts website.	Online satisfaction surveys (e.g TripAdvisor). Dedicated customer relationship managers and call centres. Active website, Twitter and Facebook engagement. Personal, one-to-one interactions. Live Chat.	Events and sponsorships. Corporate Social. Responsibility programmes. Donations. Media channels.	Establish and maintain constructive relationships. Comment on developments in legislation. Participate in forums. Regulatory surveillance, reporting and interaction. Membership of industry bodies (e.g MTPA).	One-to-one meetings. Tender and procurement processes. Supplier forums.
Their contribution to values creation	Team Members are our most important asset and are the foundation of our business by their being productive and elevating guest experiences to LUX* Shining level.	Investors provide the financial capital necessary to sustain growth, development and innovation.	Their perceptions and behaviours help us to understand their needs and deliver relevant experiences, leading to brand enhancement and increase in revenue.	The empowerment of local communities contributes to the long-term viability of our business.	Government and other regulatory bodies provide us with our licence to trade and the regulatory frameworks within which we operate.	Suppliers are vital to the success of our business by enabling us to deliver consistent guest experience.
What our stakeholders expect from us and their concerns	Expectation: Provide a safe, stimulating and rewarding work environment that offers opportunities for personal and career development. Concern: Health and safety performance. Job security. Performance management. Decent Work & Labour Practices. Equal Opportunity. Gender Equality. Ongoing training programmes and education. Open communication between Team Members and Management. Provision of competitive remuneration and benefits packages.	Expectation: Provide sustained returns on investment through sound risk management, strategic growth opportunities and good governance practices. Hotel reputation (Responsible Business). Concern: Deliver sustainable growth and returns. Dividends. Leadership and strategic direction. Corporate governance and ethics. Projects progression. Capital expenditure plans for current and future periods (risks and opportunities of expansion). Liquidity and gearing.	Expectation: Provide consistent quality experiences that meet their expectations and needs. Concern: Unique, consistent and quality experience. Simple and quick interaction with Team Members. Value offerings. Recognition for loyalty. Innovative products and services.	Expectation: Help provide a better environment by offering job opportunities, organising social events and sponsorships. Concern: Investment in disadvantage communities (education, health, poverty and empowerment). Employment opportunities. Sponsorships.	Expectation: Provide incentives for community empowerment through job creation, compliance with laws and regulations, and generate taxation revenue. Concern: Taxation revenue. Compliance with legislation and licence conditions. Job creation. Investment in public and tourism infrastructure. Investment in disadvantaged communities. Environmentally-friendly operations and reduction in energy and water consumption.	Expectation: Provide a framework for transparent supplier selection and effectuate payments in a timely manner. Concern: Timely payment and favourable terms. Fair treatment.
Impact on Objectives and Strategy	Elevate Team Member engagement.	Growth revenue. Cost optimisation. Project development.	Increase in direct bookings and retain guests.	Environmental sustainability and Inclusive Business.	Elevate the experience & Stakeholder relationship.	Stakeholder Relationship.

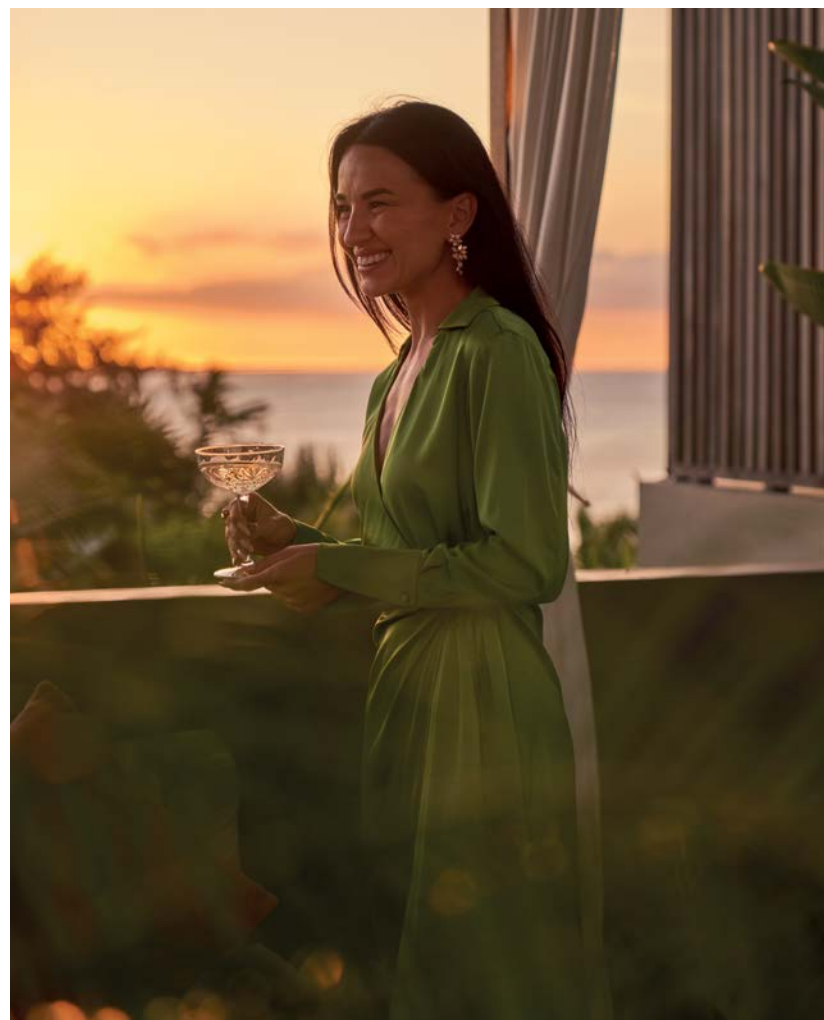


**LUX* Le Morne
Mauritius**



Blessed with the best sunset of the island, life's a beach at LUX* Le Morne. The chic and serene boutique resort at the foot of Le Morne mountain calls all lovers of mindful luxury. The postcard beach barely needs an introduction. As for the hotel, it's a gem that not only embodies the spirit of island living- it elevates it.

LUX* Grand Baie Mauritius



LUX* Grand Baie, a modernist marvel seemingly dropped onto a crescent of sand on the northern shores of Mauritius, turns heads. This new generation boutique-style resort introduces travelers to the seductive, slow pace of island living. But not too slow... LUX* Grand Baie, mirroring the adjacent beach town from which it takes its name, is exciting and playful.





**LUX* Grand Gaube
Mauritius**



The totally reimagined retro-chic tropical retreat tucked away on a peninsula bordering two coves, celebrates life in the tropics the LUX* way. The eye-catching design of Kelly Hoppen blends perfectly with the surrounding tropical greenery, and each room, suite, and villa is made to feel like a home—that is, if home is having an outdoor bathtub overlooking the Indian Ocean.

**LUX* Belle Mare
Mauritius**



There's the iconic postcard beach, the striking design in shades of sand white, coral and greens, a wild variety of dining experiences, mindful wellness... The spirit of tropical island living permeates throughout our beloved resort, calling travellers of all ages to live Life Extraordinary.





LUX* St Gilles
La Reunion



Life is sweet at LUX* Saint Gilles, Reunion Island's only five-star. The island is ripe for exploration and LUX* Saint Gilles is the perfect base from which to experience what is known as "l'île intense"—the wild island. Tucked away under the filao trees on the beach facing L'Hermitage, the prettiest lagoon, it will quickly become your colonial-style home in the tropics.



LUX* South Ari Atoll
Maldives



Travelers seeking the ultimate Robinson Crusoe fantasy find solace at this luxury hotel in Maldives. Here, days are spent on the breath-taking beaches of these remote islands, and swimming in the warm, azure waters. And above all, basking in the luxury offered by the Maldives hotel.





**Tamassa, Bel Ombre
Mauritius**



Derived from ‘tamasha’, a Hindi word used in Mauritian Creole meaning festive, Tamassa’s three syllables evoke the pounding beat of the tam-tam drum. Our rallying call to gather family and friends and join us at a place dedicated to sharing good times, together.



Ile Des Deux Cocos
Mauritius



This beautiful jewel surrounded by turquoise ocean lies just off the south east coast of Mauritius. Reserve this island resort in Mauritius for an overnight stay, visit for day trips, or host your own exclusive party or special event, including weddings and anniversaries.





**Emba Filao
Mauritius**



Emba Filao is the only beachside public restaurant on the west coast of the island. The restaurant sits directly on Le Morne public beach and offers gorgeous panoramic views on the azure lagoon. Popular to both local residents and tourists, it offers a menu filled with fresh seafood and local specialties.

AWARDS 2025

LUX* GRAND BAIE, MAURITIUS

2025

Forbes Travel Guide
Awarded 5-Star Rating - Resorts
Awarded 5-Star Rating - LUX* ME Spa

2024

Forbes Travel Guide
Awarded 5-Star Rating - Resorts
Awarded 5-Star Rating - LUX* ME Spa
Net-A-Porter
Awarded as World’s Best Beach Club

LUX* GRAND GAUBE, MAURITIUS

2025

Forbes Travel Guide
Awarded 4-Star Rating – Resorts
British Airways Customer Excellence Award
Recognised for nine consecutive years as the only hotel in Mauritius to receive this honour

2024

Forbes Travel Guide Star Awards
Awarded 5-Star Rating – Resorts

LUX* BELLE MARE, MAURITIUS

2025

Forbes Travel Guide
Awarded 5-Star Rating – Resorts

2024

Forbes Travel Guides
Awarded 5-Star Rating - Resorts
Awarded 4-Star Rating - LUX* Me Spa
Go Travel Annual Awards
Luxury Ocean Island Destination Hotel

LUX* LE MORNE, MAURITIUS

2025

Forbes Travel Guide Star Awards
Awarded 4-Star Rating
British Airways Holidays
Holidays Customer Excellence Award

2024

Forbes Travel Guide Star Awards
Awarded 4-Star Rating

LUX* SAINT GILLES, REUNION

2025

World Travel Awards
Awarded Reunion Island’s Leading Hotel

2024

World Travel Awards
Awarded as Reunion Island’s Leading Hotel

TAMASSA, BEL OMBRE, MAURITIUS

2025

Kayak Travel Awards 2025
Awarded as Top Rated property

2024

Trip Advisor Travelers’ Choice Awards
Ranked 2nd - Best of the Best Hotels All Inclusive in Africa
Ranked 9th - Best of the Best Hotels All Inclusive in the World
Holiday Check Awards
Ranked in Top 10 Best Resort in Mauritius
Ranked in in Top 10 Best Beach Vacations in Mauritius
Ranked in Top 10 Best Resort in Mauritius

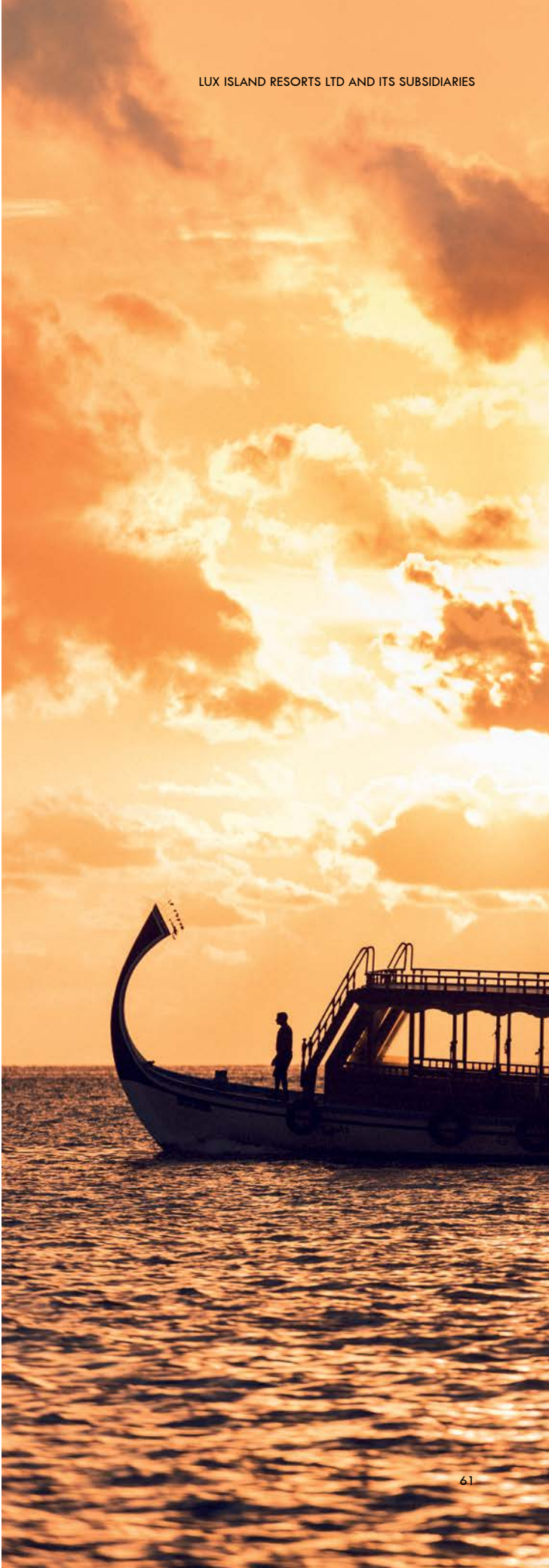
LUX* SOUTH ARI ATOLL, MALDIVES

2025

Forbes Travel Guide
Awarded 5-Star Rating - Resorts
Awarded 4-Star Rating - LUX* ME Spa
Globalspa India Awards 2025
Awarded as Favourite Honeymoon Resort & Spa of the year – Global
British Airways Holidays
Holidays Customer Excellence Award

2024

Forbes Travel Guides
Awarded 5-Star Rating - Resorts
Awarded 4-Star Rating - LUX* Me Spa
Condé Nast Traveller India’s Readers Travel Awards
Awarded as Favourite Overseas Leisure Hotel
Condé Nast Traveller Readers’ Choice Awards
Ranked as 6th out of Top 10 Best House Reef
Travel + Leisure Luxury
Ranked 5th out Top 10 - Best Hotel Pools
Ranked 6th out of Top 10 - Best House Reef
Ranked 6th out of Top 10 - Best Resorts for Families



CORPORATE GOVERNANCE

STATEMENT OF COMPLIANCE BY THE BOARD

Lux Island Resorts Ltd (‘the Company’ or ‘LIR’) and its subsidiaries (together ‘the Group’) have always been committed to observing high standards of Corporate Governance, promoting corporate transparency and enhancing shareholder value.

We are pleased to confirm that we have complied with all of the requirements and provisions of the National Code of Corporate Governance for Mauritius 2016 (NCCG) for the year ended 30 June 2025, except for:

- The composition of the Board: The Board is composed of seven non-executive directors and one executive director. The Board is of the view that a strong management presence is important. In this context, depending on the subject on the agenda, the Board invites executives with the relevant expertise to participate in the discussion. The Board is considering appointing one additional non-executive independent female director and another executive director.
- Other directorships of the Board: The list of directorships of the directors in listed companies is disclosed on pages 24 to 27. Directorships (other than those in listed companies) is available upon request at the registered office of the Company.

This report, along with the Annual Report, is published in its entirety on the Company’s website.

RELATIONS WITH SHAREHOLDERS AND KEY STAKEHOLDERS

Company Constitution

A copy of the Constitution is available at the registered office of the Company and on its website: www.luxislandresorts.com

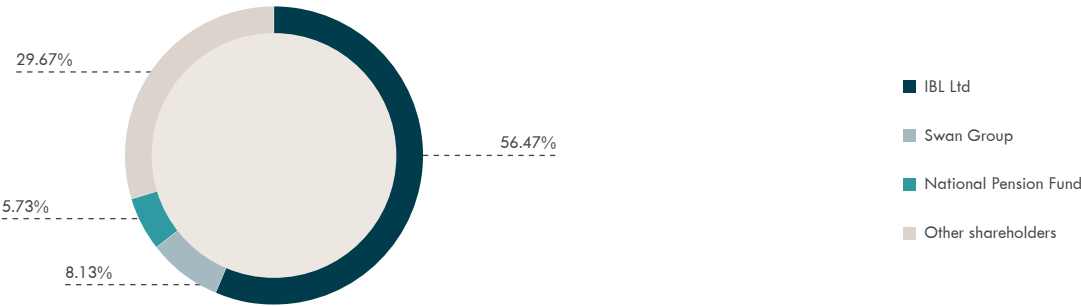
Shareholding

The directors view IBL Ltd as the ultimate holding company and as at 30 June 2025, two directors were common to the Company and IBL Ltd, namely Mr Jan Boullé and Mr Thierry Lagesse.

As at 30 June 2025, the Company’s share capital was Rs 1,371,159,430 (137,115,943 shares) and 4,699 shareholders (30 June 2024: 4,759) recorded on the shareholder’s registry. There has been no change in the share capital during this financial year.

The following shareholders had more than 5% of the capital of the Company at 30 June 2025:

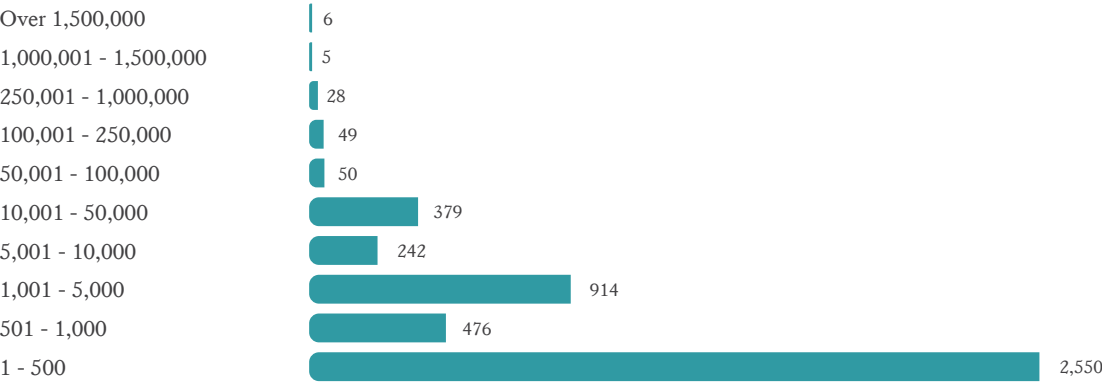
SHAREHOLDERS WITH MORE THAN 5% OF THE CAPITAL



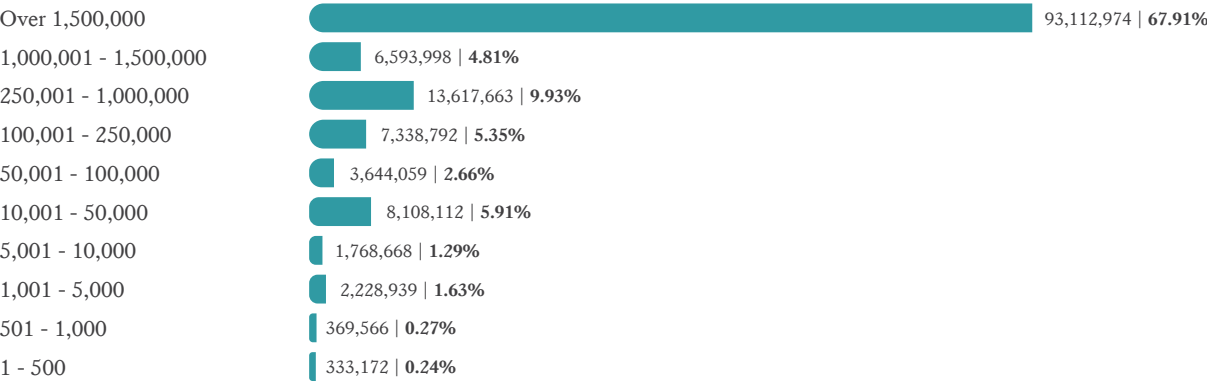
Shareholding Profile and Category

The Company’s shareholding profile by defined brackets and the summary by category of shareholders as at 30 June 2025 was as follows:

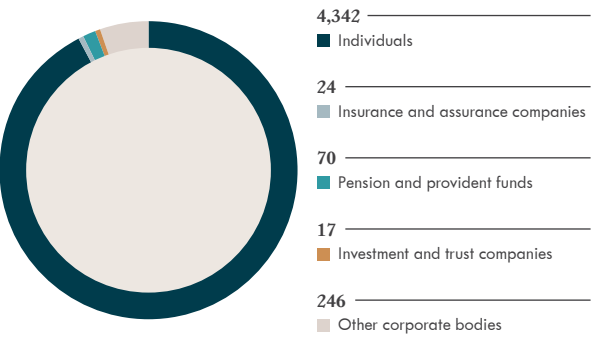
Number of Shareholders



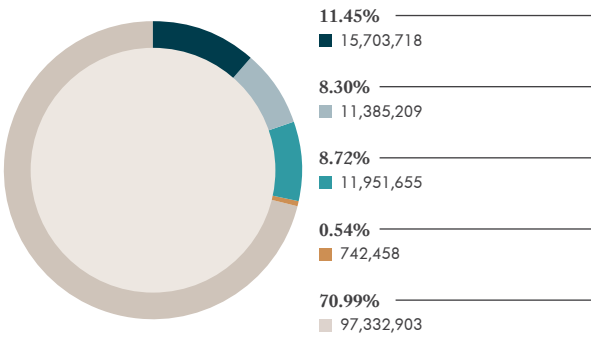
Shares owned and %



Shareholders category - Number of shareholders (4,699)



Shares owned (137,115,943) and %



CORPORATE GOVERNANCE (CONT'D)

Share Price Information

As at 30 June 2025, the share price of the Company was Rs 47, compared to Rs 53 as at 30 June 2024.

Shareholder Rights

The Company recognises the importance of maintaining transparency and accountability to its shareholders. The Board ensures that the Company’s shareholders are treated fairly and equitably, and that their rights are protected.

The Directors are committed to providing shareholders with adequate, timely, and sufficient information pertaining to the Company’s and the Group’s business which could have a material impact on the Company’s share price.

All the shareholders of the Company are entitled to attend and vote at shareholders’ meetings, in person or by proxy. The shareholders also receive the annual reports of the Company and the notice of Annual Meeting of shareholders, which is also published in the newspapers.

Similar to the previous financial year, in line with the Practice Direction on the circulation of Annual Reports and financial statements (“the Practice Direction”), the shareholders are invited to access the Annual Report for the year ended 30 June 2025 via a QR Code or on the website www.luxislandresorts.com.

The notice and proxy form of the Annual Meeting have been sent to all shareholders via registered post.

Should the shareholder wish to retain his/her right to receive a hard copy of the Annual Report, he/she can do so by sending a notification to the Company to that effect and the Annual Report shall be sent to the shareholder within three working days after notification.

Communication with shareholders and stakeholders

Engagement with the shareholders and wider stakeholder groups plays a vital role throughout the business, therefore the Company actively engages with its shareholders and stakeholders to promote regular, effective and fair communication.

The Board recognises the importance of two-way communications with its shareholders and stakeholders. In addition to giving a balanced report of results and progress at each annual meeting, the board ensures that transparency and disclosure are at the centre of the Company’s communication with the shareholders. The Company is committed to delivering thorough and updated information to the global investing community in order to support informed investment decisions. The Company does not practice selective disclosure of material information. The Company conveys material information in its quarterly results through published announcements, in accordance with the provisions of the Stock Exchange of Mauritius’s Listing Rules under the continuous disclosure obligations. Results and annual reports are announced and issued within the specified period. All announcements are posted immediately on the Company’s website.

The Company conducts regular analysts and media meetings. At those meetings, the Company provides material information, including the financial statements and Management discussions and analysis. The Chairperson and the Chief Executive Officer review the most recent performance, analyse the business key-value drivers and metrics, and share the Company’s and the Group’s insights and business strategy. The analysts, fund managers and journalists have the opportunity to ask questions to the Chairperson and the Chief Executive Officer. Any figures or information presented during the media meetings are posted on the Company’s website.

Dividend Policy

The amount of dividends declared and paid depends on many factors, including the results of the operations, cash flow projections, capital expenditure and working capital requirements, future projects, and other factors deemed relevant by the Board.

In that context, subject to internal cash-flow requirements and the need for future capital investments, the Board decides the amount of dividend to be declared. The Audit & Risk Committee and the Board ensure that the Company satisfies the solvency test before declaring any dividend.

For this financial year, the Board has declared an interim dividend of Rs 1.00 per share in January 2025 and a final dividend of Rs 1.50 per share in April 2025, thus bringing the total dividend paid to Rs 2.50 per share as at 30 June 2025. The same amounts had been declared for the financial year ended 30 June 2024.

Summary of dividend per share declared over the past five years in Mauritian rupees:

Period	Final paid
Year ended 30 June 2021	-
Year ended 30 June 2022	-
Year ended 30 June 2023	2.00
Year ended 30 June 2024	2.50
Year ended 30 June 2025	2.50

Conduct of Shareholder Meetings

During the Annual Meeting of Shareholders, which is held in Mauritius, the shareholders are given the opportunity to share their views and to discuss with the Board and Management of the Company, with regard to the Company’s and the Group’s business activities and financial performance.

Directors are encouraged to attend Shareholders’ meetings.

The external auditors are also present at such meeting.

The Constitution also allows a shareholder of the Company to appoint a proxy (in the case of an individual shareholder) or a representative (in the case of a body corporate which is a shareholder of the Company, by way of a proxy), whether a shareholder or not, to attend and vote on their behalf. Since last year, the shareholders have been offered the possibility to make a postal vote. This year again, this initiative will be re-conducted.

At the shareholders’ meeting, each item is proposed in a separate resolution:

- The Annual Report
- The approval of the audited financial statements
- The election or re-election of each Director of the Board
- The approval of the remuneration of the Non-Executive Directors for the next financial year and the ratification of the remuneration of the Non-Executive Directors for the financial year under review
- The ratification of the remuneration paid to the Auditor
- The appointment or re-appointment of Auditor under section 200 of the Mauritian Companies Act 2001
- Any other matter which may require the Shareholder’s approval

CORPORATE GOVERNANCE (CONT’D)

Director’s Interests Register

The table below outlines each Director’s respective direct and indirect interests and number of other directorships in listed companies as at 30 June 2025.

Directors	Direct Interest		Indirect Interest	Number of Other Directorships in Listed Companies
	Shares	%	%	
Jean-Claude Béga	79,651	0.06	0.04	2
Jan Boullé	-	-	0.05	5
John Brennan	-	-	-	-
Jenifer Chung Wong Tsang	-	-	-	-
Laurent de la Hogue	25,000	0.02	-	-
Désiré Elliah	72,025	0.05	0.50	-
Pascale Lagesse	-	-	-	-
Thierry Lagesse	1,378	0.00	0.06	5
Maxime Rey <i>(resigned on 9 December 2024)</i>	4,000	0.00	-	1

Other than having shares in the holding company, none of the directors have any interest in the subsidiaries of the Company as at 30 June 2025.

During the year under review, there were no share dealings by the directors.

The Company complies with Appendix 6 (Model Code for Securities transactions by Directors of Listed Companies) of the Listing Rules established by the Stock Exchange of Mauritius Ltd and ensures that all dealings in which a Director is or is deemed to be interested is conducted in accordance with the model code.

The Company keeps an Interests Register in accordance with the Mauritian Companies Act 2001 and an Insider Register pursuant to the Securities Act 2005. The registers are regularly updated with the information submitted by the directors and/or other insiders as applicable.

CALENDAR OF IMPORTANT EVENTS WITH RESPECT TO THE FORTHCOMING FINANCIAL PERIOD

Annual Meeting of shareholders	Dec-25
Declaration/payment of interim dividend (if applicable)	Jan-26
Publication of half-yearly results	Jan-26
Publication of 3 rd -quarter results	Apr-26
Declaration /payment of final dividend	Jun-26
Publication of abridged audited results	Sep-26
Publication of 1 st quarter results FY 2027	Oct-26

GOVERNANCE STRUCTURE

Lux Island Resorts Ltd is a public interest entity (PIE), as defined by law.

The primary function of the Board of Directors of the Company (“Board”) is to provide effective leadership and direction to enhance the long-term value of the Company to its shareholders and other stakeholders as enumerated in the Board Charter as approved by the Board and which is published on the Company’s website. The Board has, inter alia, the responsibility to fulfil its role, which entails the following:

- Ensure that the long-term interests of the Company and its shareholders are being served, and to ensure the proper safeguard of the Group’s assets;
- Assess major risk factors relating to the Company’s and the Group’s operations and review measures, including internal controls, to address and mitigate such risks;
- Review and approve Management’s strategic and business plans, including understanding the business and questioning the assumptions upon which plans are based, in order to reach an independent judgement and to determine the feasibility of the plans and/or forecasts being realised;
- Monitor the performance of the group regarding budgets and forecasts prepared by Management;
- Monitor the execution of the strategy by Management;
- Review and approve significant corporate actions and major transactions;
- Assess the effectiveness of the Board in accomplishing its function and meeting out its objectives;
- Ensure ethical behaviour and compliance with laws and regulations, accounting principles and the Company’s own governing documents;
- Identify key stakeholder groups and acknowledge that their perceptions affect the Company’s reputation;
- Consider sustainability issues, e.g environmental and social factors, as part of its strategic formulation; and
- Perform such other functions as prescribed by law, or assigned to the Board in the Company’s governing documents.

The Board has approved a ‘Statement of Accountabilities’, under its Board Charter, describing the major accountabilities within the organisation.

The Board Charter is reviewed on an annual basis.

Chairperson of the Board

The Board is headed by the Chairperson and there is a clear separation of responsibilities between the leadership of the Board and the Executives responsible for managing the Company’s business. The Board notes that the Chairperson plays an instrumental role in developing the business of the Company and the Group and that he provides the Company and the Group with strong leadership and vision. The Chairperson of the company is Mr Jean-Claude Béga.

Mr Jean-Claude Béga is responsible, inter alia, for:

- Leading the Board to ensure its effectiveness in all aspects of its role;
- Setting the agenda and ensuring that adequate time is granted to discuss all agenda items particularly strategic issues;
- Ensuring that the Directors receive complete and adequate information in a timely manner;
- Ensuring effective communication with shareholders;
- Encouraging constructive relations within the Board and between the Board and Management;
- Facilitating the effective contribution of non-executive directors in particular; and
- Promoting high standards of Corporate Governance

Code of Ethics

The Company has a commitment to moral conduct, to ethical behavior and to operations within the letter and spirit of the law. In carrying out their duties, Officers of the Group should adhere to local and all other applicable laws, regulations, principles and standards, in everything that they do and be aware that compliance with such laws, regulations, principles and standards is the basis of sound business conduct.

CORPORATE GOVERNANCE (CONT'D)

The Board has adopted a Code of Ethics for the directors and the employees which is available for consultation on its website.

The Audit & Risk Committee (ARC) and the Corporate Governance Committee (CGC) annually monitor and evaluate compliance with its Code of Ethics respectively. Appropriate actions are taken in case of non-compliance.

STRUCTURE OF THE BOARD

Board Size and composition

The Board is a unitary board that currently consists of 8 directors as shown below, along with their roles and responsibilities on the various Committees.

Each year, the Board examines the size, composition, skills and core competencies of its members to ensure there is an appropriate balance and diversity of gender, skills, experience and knowledge. The Board includes Directors from different industries and backgrounds, with business and management experience, who, collectively, provide the core abilities for the leadership of the Company. Taking into account the scope and nature of the Group’s operations, the Board considers that the current Board of 8 Directors is appropriate for enabling effective decision-making.

The directors of the Company and their functions in the various Committees are as follows:

Name	Board Appointment	Gender	Nationality	Board Committee Appointment	
Jean-Claude Béga	Non-Executive Chairperson of the Board			CGC	
Désiré Elliah	Executive Director and Chief Executive Officer				
Jan Boullé	Non-Executive Director			CGC	
John Brennan	Independent Director			CGC	ARC
Jenifer Chung Wong Tsang	Independent Director			ARC	
Laurent de la Hogue	Non-Executive Director			ARC	
Pascale Lagesse	Independent Director			CGC	
Thierry Lagesse	Non-Executive Director				

CGC Corporate Governance Committee

ARC Audit and Risk Committee

 Male

 Female

 Board Chairperson

 Committee Chairperson

The Company is compliant with Section 133 of the Mauritian Companies Act with regards to women representation on the Board.

The diversity of the Board with respect to gender is currently as per below.



All Board members are non-executive, except for:

- The Chief Executive Officer

Director's independence review

Having at least 3 independent directors plays a crucial role in ensuring that we have a strong and impartial Board. The objective is to facilitate the exercise of independent and objective judgement on corporate affairs, and to ensure that discussion and review of key issues take place in a critical, yet constructive, manner.

The Board evaluates, on an annual basis, and as and when the circumstances require, whether or not a director is independent, bearing in mind the provisions of the NCCG, and any other salient factors.

The Board considers that the following Directors are regarded as Independent Directors:

- Mrs Pascale Lagesse
- Ms Jenifer Chung Wong Tsang
- Mr John Brennan

Mrs Pascale Lagesse was appointed as an Independent Director on the Board on 20 April 2017, Ms Jenifer Chung Wong Tsang on 25 November 2021 and Mr John Brennan on 24 January 2023.

The Board believes that the Independent Directors have and will continue to demonstrate a high commitment in their roles as Directors.

Delegation by the Board

The Board has delegated certain functions to 2 Committees, namely the Audit & Risk Committee (ARC) and the Corporate Governance Committee (CGC). Each committee has its own written terms of reference, which are available on the Company’s website. Please refer to pages 70 to 72 of this report for further information on these Committees.

CORPORATE GOVERNANCE (CONT'D)

Directors’ time, commitment, and multiple directorships

The NCCG recommends that Directors collectively come to a consensus on the maximum number of listed companies’ boards that each Director may serve on, in order to properly address time commitment that may arise due to one individual serving on multiple boards.

The Board believes that each Director who already serves on several boards, when accepting yet another appointment, has the individual responsibility to personally determine the demands of his competing directorships and obligations, and ensure that he/she can allocate sufficient time and attention to the affairs of each Company.

The Board considers that setting a limit on the number of listed companies directorships a Director may hold, is arbitrary, given that time requirements for each person vary. Therefore, the Board prefers not to be prescriptive. As a safeguard, the CGC reviews each Director’s ability to devote sufficient time and attention to the affairs of the Company during the CGC’s annual assessment process. The CGC is currently satisfied with the time committed and participation by each Director.

Company secretary

The Company Secretary is IBL Management Ltd. IBL Management Ltd comprises a team of experienced company secretaries providing support and services to the Company. As a governance expert, the Company Secretary guides the Board on corporate governance principles and on its statutory duties and responsibilities.

In its advisory role, the Company Secretary provides support and advice to the Company on corporate transactions/projects.

The Company Secretary is responsible for the efficient administration of the Company, particularly with regard to ensuring compliance with statutory and regulatory requirements and for ensuring that the Board’s decisions are implemented.

Directors may separately and independently contact the Company Secretary or its nominee who attends and prepares minutes for all Board meetings. The Company Secretary’s role is defined, and includes the responsibility for ensuring that Board procedures are followed and that applicable rules and regulations are abided by.

The appointment and dismissal of the Company Secretary are matters requiring the Board’s approval.

Audit & Risk Committee (ARC)

The ARC is presently chaired by Ms Jenifer Chung Wong Tsang.

The ARC is governed by a Charter, in line with the provisions of the NCCG. The Charter of the ARC has been reviewed during this financial year and is available on the website of the Company.

The Board considers that the members of the ARC are appropriately qualified to discharge the responsibilities of the ARC. The ARC has the explicit authority to investigate any matter within its terms of reference. In addition, the ARC has full access to, and co-operation of Management as well as full discretion to invite any Director or executive officer to attend its meetings. Reasonable resources are made available to enable the ARC to discharge its functions properly.

In addition to its statutory functions, the ARC considers and reviews any other matters as may be agreed by the ARC and the Board. The duties of the ARC include amongst others:

- a. Examining and reviewing the quality and integrity of the financial statements of the Company and the Group, and any formal announcement relating to the Company’s and the Group’s financial performance; including reviewing and reporting to the Board significant financial reporting issues and judgement which these financial statements contain;
- b. Reviewing and reporting to the Board, at least annually, on the adequacy and effectiveness of the Company’s and the Group’s internal controls, including financial, operational, compliance and information technology controls;
- c. Reviewing the effectiveness of the Company’s and the Group’s internal and external audit functions;
- d. Reviewing the scope and results of the external audit, and the independence and objectivity of the external auditors; and
- e. Making recommendations to the Board on the proposals to the shareholders with regards to the appointment, re-appointment and dismissal of external auditor, and approving the remuneration and terms of engagement of the external auditors.

The ARC reviews with Management, and where relevant, the auditors, the results of the current financial year, annual report and financial statements, interested person transactions and the corporate governance report, before recommendation to the Board for approval and adoption.

In performing its functions, the ARC meets with the internal and external auditors, and reviews the audit plans and overall scope of both internal and external audits, and the co-operation and assistance given by Management to the respective auditors. Where necessary, the ARC also meets separately with the internal and external auditors whereby any issues may be raised directly with the ARC, without the presence of Management. The internal and external auditors have unrestricted access to the ARC.

For the year ended 30 June 2025, the ARC has discussed with external auditors and Management on matters of material significance to the financial statements, which include the following:

- Impairment assessment of property, plant and equipment, Right of use assets and Goodwill
- Impairment assessment of investment in subsidiary companies

These matters as well as any other issues identified by the ARC are discussed with both the internal and external auditors. Depending on the issue, independent expert advice is sought. Some of the matters listed above have also been addressed by the auditors under the “Key Audit Matters” section in the Independent Auditor’s Report. The ARC is satisfied that these matters have been appropriately addressed. The ARC recommended to the Board the approval of the audited financial statements of the Company and the Group for the financial year ended 30 June 2025 (“FY 2025 Financial Statements”). The Board has approved the FY 2025 Financial Statements on 24 September 2025.

The ARC met 7 times during the year and has considered, inter alia, the following:

- Review of the budget for the financial year ended 30 June 2025;
- Review of the financial statements as at 30 June 2024;
- Review of the results for Q1, Q2 and Q3;
- Meeting with the external auditors on planning of the audit;
- Recommendation of an interim and a final dividend for the year ended 30 June 2025;
- Review of the budget for the financial year ending 30 June 2026;
- Review of the Audit & Risk Committee Charter;
- Review of the Risk Register and the Risk Appetite Statement;
- Taking cognisance of the internal audit reports issued.
-

The members of the ARC are as follows:

- | | |
|--|------------------------|
| • Jenifer Chung Wong Tsang (Chairperson) | Independent Director |
| • John Brennan | Independent Director |
| • Laurent de la Hogue | Non-Executive Director |

CORPORATE GOVERNANCE (CONT’D)

Profiles and qualifications of the members of the ARC are disclosed on pages 24 to 27.

Corporate Governance Committee (CGC)

The Committee is governed by a Charter that determines its objects and functions.
The Charter of the Committee is available on the website of the Company and is reviewed on an annual basis.

The main objects and functions of the Committee, amongst others are:

- To advise and make recommendations to the Board on all aspects of Corporate Governance which should be followed by the Company, so that the Board remains effective while complying with sound and recommended corporate practices and principles.
- The approval of a general framework of remuneration for the key management personnel.

The members of the CGC are:

- | | |
|---------------------------------|--|
| • Pascale Lagesse (Chairperson) | Independent Director |
| • John Brennan | Independent Director |
| • Jean-Claude Béga | Non-Executive Chairperson of the Board |
| • Jan Boullé | Non-Executive Director |

Profiles and qualifications of the members of the CGC are disclosed on pages 24 to 27.

The Board deems that the current composition of this committee is adequate with 2 Independent Directors, amongst which is the Chairperson.

Attendance

Below are details on the number of Board meetings and Board Committee meetings held during the last financial exercise, as well as the attendance of Directors and Board Committee members at those meetings:

Name	Board Meetings	ARC Meetings	CGC Meetings
Executive Director			
Désiré Elliah		in attendance	in attendance
Non-Executive Directors			
Jean-Claude Béga			
Jan Boullé			
John Brennan			
Jenifer Chung Wong Tsang			
Laurent de la Hogue			
Pascale Lagesse			
Thierry Lagesse			
Maxime Rey (resigned on 9 December 2024)			
Number of Meetings held	6	7	5

Present Excused

DIRECTOR APPOINTMENT PROCEDURES

Role of the CGC in the Director's appointment

The CGC is responsible for selecting and appointing new Directors.
All new Board members are first considered, and recommended by the CGC, before being brought up to the Board for approval. Potential candidates for casual vacancies are sourced with recommendations from Directors, or the Shareholders as provided in article 13.1.5 of the Constitution of the Company. The CGC then evaluates the suitability of potential candidates for the position, taking into account, inter alia, the skills, knowledge, experience and ability to contribute to the Board's effectiveness.

Upon the CGC recommendation, the Board approves the appointment of the new Director.

In accordance with the provisions of the NCCG governing the election and re-election of Directors, all Directors are to present themselves for re-election every year at the Annual Meeting of Shareholders. Newly-appointed Directors, during the year under review, are proposed for election at the forthcoming Annual Meeting of Shareholders.

Under Section 138 of the Mauritian Companies Act 2001, the office of a Director shall become vacant at the conclusion of the Annual Meeting of Shareholders commencing next after the Director attains the age of 70 years and shall then be subject to yearly re-appointment. The Board is satisfied with the current practice. In that respect, Mr Thierry Lagesse will submit his re-election as Board Member under Section 138 of the Mauritian Companies Act 2001.

All other directors will submit their re-election as Board Members.

The CGC has recommended the re-election and/or election of all Board members who present themselves for election, after taking into consideration each one's attendance, participation, contribution and performance during the past financial year.

Board orientation and training for new Directors

A procedure has been put in place to ensure that newly-appointed Directors receive an induction and orientation upon joining the Board.

New Directors are provided with the Board Charter, which clearly outlines their duties and obligations. The Company's relevant governing documents are also handed over to the new Directors.

Newly-appointed non-executive directors who are not familiar with the Company's and the Group's business or the Hospitality Sector's activities are invited to visit each hotel and meet their General Manager to get acquainted with each resort's operations, strengths and weaknesses.

Management is also responsible for briefing new directors on the Company's and the Group's business. This process ensures the creation of a well-informed and competent Board.

Continuing development of Directors

The Chairperson ensures that all Directors have received proper training and the Company provides, as far as possible, the necessary resources for the Director to best develop his/her knowledge and capabilities. In that respect, during the year under review, the Company proposed to its Directors to participate in some trainings and courses delivered by the Mauritius Institute of Directors.

In parallel, the Company has engaged for a training focused on hospitality and real estate development. This training is scheduled to happen in January 2026.

CORPORATE GOVERNANCE (CONT'D)

Succession Planning and Directors service contract

The Board believes that good succession planning is a key contributor to the delivery of the Company’s and of the Group’s strategy and its ability to create value in the long term. The Board is committed to recognising and nurturing talent across the Company’s and the Group’s executive and management teams in order to develop current and future leaders. Succession planning, at leadership level including the CEO, is reviewed on an annual basis within the purview of the Corporate Governance Committee.

The Executive Director has a contract of employment which runs up to 30 November 2029.

Directors profile

Please refer to pages 24 to 27 for the Directors profile.

Please refer to pages 20 to 21 for the the list of directors of each susbisidiary including the name of any director who ceased to hold office during the year under review.

DUTIES, REMUNERATION AND PERFORMANCE

Key features of Board processes

To assist the Directors in planning their attendance at meetings, the dates of Board Meetings, Board Committees meetings, Annual Meetings together with the agenda of items or matters to be discussed, are scheduled up to one year in advance, with Board Meetings occurring at least each quarter. In addition to the regular scheduled meetings, ad-hoc Committees are convened as and when circumstances warrant. Besides physical meetings, the Board and the Board Committees may also make decisions by way of written resolutions under the Company’s Constitution and their respective Terms of Reference.

Board meetings are generally held and chaired in Mauritius, while the Company’s Constitution permits Board Members to also participate by teleconference or other similar means of communication.

From 01 July 2024 to 30 June 2025, the Board met 6 times for the purpose of considering and approving, amongst others, the following items:

- Approval of the budget as at 30 June 2025;
- The review of the performance of the LIR hotels with the representative of The Lux Collective (TLC), the Management Company;
- The audited financial statements for the year ended 30 June 2024 and relevant publications including the annual report for the year ended 30 June 2024;
- Approval of Q1 results;
- Approval of Q2 results;
- Approval of Q3 results;
- Approval of an interim and a final dividend for the year ended 30 June 2025;
- Approval of new projects;
- Approval of the budget as at 30 June 2026.

Complete, adequate, and timely information

To ensure that the Board is able to fulfil its responsibilities, Management provides the Board with complete and adequate information in a timely manner. Such information extends to documents on matters to be brought up at Board and Board Committee meetings which, as a standard procedure, are circulated to Board and Board Committees’ members, in advance for their review and consideration.

Senior Management, Senior Executives of the Management Company (TLC), the Company’s auditors and other professionals who can provide additional insights into matters to be discussed at Board and/or Board committee meetings are also invited to be present at these meetings, when necessary. As Directors may have further queries on the information provided, they have separate and independent access to the Company’s Senior Management, which addresses individual Directors’ requests for additional information/documents accordingly.

Management provides the Board with the Group’s Financial Statements and Management Reports on a quarterly basis and, upon request, as and when required. Explanations are given by Management for material variance (if any) between budgeted and actual results.

There are no restrictions over the right of access to information for the directors.

Related party transactions

For the purpose of these financial statements, parties are considered to be related to the Company or the Group if they have the ability, directly or indirectly, to control the Company or the Group or exercise significant influence over the Company or the Group in making financial and operating decisions, or vice versa, or if they and the Company or the Group are subject to common control. Related party transactions are disclosed in note 36 on pages 200 to 201 in the financial statements.

Related party transactions have been conducted at arm’s length and in accordance with the laws.

Conflicts of Interests

The Company’s Code of Ethics which includes a section on conflict of interest, is applicable to the directors and all the employees of the Group. The Whistleblowing Policy, which is an extension of the Code of Ethics, provides employees and other stakeholders a reporting channel on suspected misconduct or malpractice within the Company or the Group without fear of reprisal or victimisation. It also outlines the complaint handling and reporting processes to improve transparency.

All directors and employees of the Group receive training on the Code of Ethics and the Whistleblowing policy. The Company Secretary maintains an interest register and in case he or she notices any potential conflict of interest, timely reporting is made to the Board. No addition has been made to the interest register during the year under review for the Company and its subsidiairies. The interest register is available for inspection upon written request from the shareholders.

The Company has a policy in place where a Board member shall immediately report to the Chairperson of the Board about any conflict of interest or potential conflict of interest with respect to a transaction under consideration and shall provide all information in that respect. The conflicted Board member should not take part in any discussion or decision regarding such transaction.

All conflicts of interest have been dealt with in accordance with the Company’s Code of Ethics.

There was no major transaction to disclose as per section 130 (2) of the Mauritian Companies Act 2001 for the financial year ended 30 June 2025.

Board Evaluation Process

The CGC is tasked with carrying out the processes implemented by the Board, assessing the effectiveness of the Board as a whole and the contribution by each individual Director to the effectiveness of the Board every two years. An independent Board appraisal was performed during the financial year ended 30 June 2024.

CORPORATE GOVERNANCE (CONT'D)

This exercise is conducted by means of a questionnaire completed by each Director.

The questions are categorized as follows:

- The Company’s relationship and communication with its shareholders;
- The functions of the Board;
- The size, composition and independence of the Board;
- The Board meetings and Chairperson’s appraisal;
- The Audit & Risk Committee;
- The Corporate Governance Committee;
- The director’s individual assessment/evaluation.

During the evaluation process, each Director is required to complete the respective forms for self-assessment of the performance of the Board, based on predetermined and approved performance criteria.

If ever there is a deliberation on the performance of a particular Director who is also a member of the CGC, that member abstains from the discussion in order to avoid any conflict of interests. The Board considers that the current assessment process of the Board and Individual Directors is sufficient for the Company.

Independent Professional Advice

The Directors, either individually or as a group, in the discharge of their duties, may require professional advice. The Company Secretary can assist them in obtaining independent professional advice at the Company’s expenses.

REMUNERATION MATTERS

Statement of Remuneration Philosophy

All directors receive a fixed fee and an additional fee for each board meeting attended. In addition, members of the committees receive an annual fee. The fee for the Board Members and the fee for the ARC & CGC Members, for the current financial year, have been approved at the previous Annual Meeting and are as per below.

Board	Rs
Chairperson	575,000
Board Members’ Fee	350,000
Meeting Fee for the Chairperson	46,000
Meeting Fee for the Board Members	35,000
Audit & Risk Committee	
Chairperson	230,000
Member’s Fee	145,000
Corporate Governnace Committee	
Chairperson	175,000
Member’s Fee	115,000

Two independent Directors who do not reside in Mauritius are paid a remuneration of Euros 21,500 each.

The level of Directors’ fees shall be reviewed periodically by the Board, taking into account factors such as regulatory changes, responsibilities and market benchmarks.

Remuneration of the Executive Director and key management personnel

In designing the compensation structure, the Company seeks to ensure that the level and mix of remuneration is competitive, relevant and suitable.

The remuneration structure for the executive director and key management personnel consists of (a) fixed remuneration (b) variable bonus and/ or (c) other benefits. The Executive Director does not receive directors’ fees.

The level of remuneration is determined by various factors including group performance, industry practices and the individual’s performance for the year under review.

Directors remuneration for the year ended 30 June 2025

Remuneration and benefits (including bonuses and commissions) paid and payable by the Company and its subsidiaries were as follows:

	Year ended 30 June 2025		Year ended 30 June 2024	
	Executive	Non-Executive	Executive	Non-Executive
	Rs	Rs	Rs	Rs
The company	23,854,523	6,455,421	16,108,754	5,660,500
Subsidiaries (Note 1)	15,232,049	189,822	14,166,128	250,000

Non-Executives	Year ended 30 June 2025	Year ended 30 June 2024
	Rs	Rs
Jean-Claude Béga (Note 2)	966,000	760,000
Jan Boullé (Note 2)	675,000	520,000
John Brennan	1,338,790	1,192,750
Laurent de la Hogue (Note 2)	705,000	545,000
Pascale Lagesse	1,254,381	1,117,750
Thierry Lagesse	560,000	360,000
Maxime Rey (resigned on 9 December 2024)	166,250	545,000
Jenifer Chung Wong Tsang	790,000	625,000
	6,455,421	5,660,500
Executive director of the holding company		
Désiré Elliah	23,854,523	16,108,754

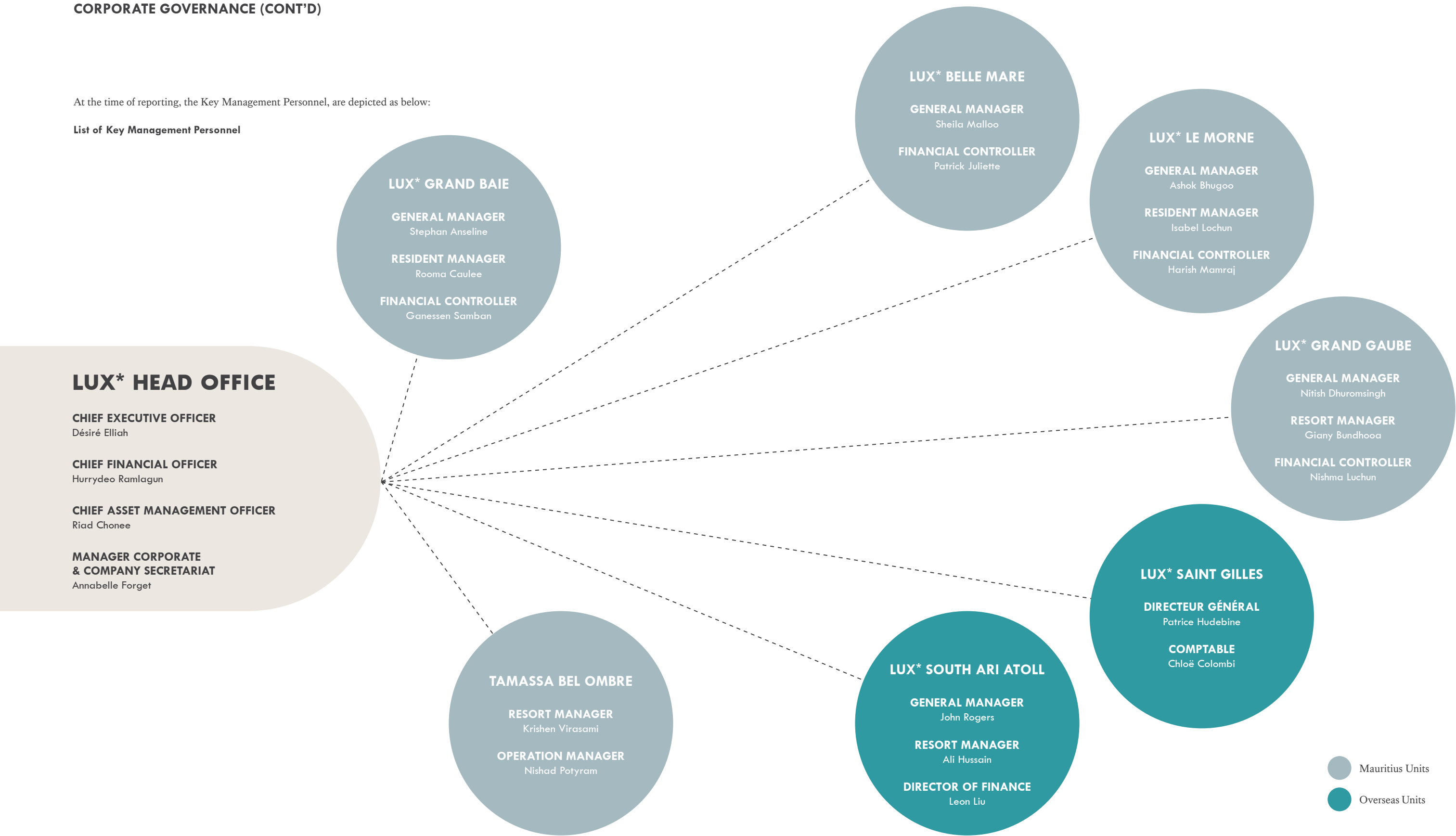
Note 1 : The remuneration paid in the subsidiairies relates to the remuneration of executives directors employed by those subsidiairies.

Note 2 : The fees of Mr Jean-Claude Béga, Mr Jan Boullé and Mr Laurent de la Hogue are paid to IBL Management Ltd.

CORPORATE GOVERNANCE (CONT'D)

At the time of reporting, the Key Management Personnel, are depicted as below:

List of Key Management Personnel



CORPORATE GOVERNANCE (CONT'D)

The job description of the above Executives has been approved by the Corporate Governance Committee.

The organisation chart of the Group can be consulted on the Company’s website.

Remuneration of the Non-Executive Directors

The Non-Executive Directors are not permitted to participate in any of the Company’s incentives arrangements in line with the NCCG that stipulates that “they should not normally receive remuneration in the form of share options or bonuses associated with organisational performance”.

The aim of a Non-Executive Director basic fee is to provide a fair remuneration, at a rate that attracts and retains high-calibre Non-Executive Directors, and that acknowledges the scope of their role and required time commitment.

RISK GOVERNANCE AND INTERNAL CONTROL

Responsibilities for Risk Management and Internal Controls

Responsibility for risk management and internal controls lies with the management company, The Lux Collective (“TLC”), for all hotel operations. The internal auditors are employed by TLC, but also report to the LIR ARC on matters of internal controls for all hotels. The Company collaborates with TLC to ensure that the system of risk governance is appropriate to safeguard shareholders’ interests and the Group’s assets.

ARC processes regarding management of risks

The Board has the ultimate responsibility for the governance and oversight of the risk management process. The ARC assists the Board in their oversight of the process, financial reporting risk and the effectiveness of the Company’s and the Group’s internal control and compliance systems. Management is responsible for assuring the Board as to the adequacy and effectiveness of the risk management lifecycle and ensuring the quality and timeliness of information.

Assurance from the Chief Executive Officer and the Chief Financial Officer.

The Board has received assurance from the Chief Executive Officer and the Chief Financial Officer that:

- a. The financial records of the Company and the Group for the financial year ended 30 June 2025 have been properly maintained, and the financial statements give a true and fair view of the Company’s and the Group’s operations and finances in accordance with the applicable financial reporting framework and are free from material misstatement; and
- b. The system of risk management and internal controls in place within the Company and the Group is adequate and effective in addressing the material risks that the Company and the Group may face in their current business environment including material financial, operational, compliance and information technology risks.

Opinion on adequacy and effectiveness of internal controls and risk management systems

The ARC is responsible for making the necessary recommendations to the Board so that the Board can form an opinion concerning the adequacy and effectiveness of the Company’s and the Group’s risk management and internal control systems.

The Board is satisfied that the ARC’s review of the Company’s and the Group’s internal controls, including operational, compliance, and information technology controls, financial risks, and risk management policies and systems established by Management was adequate. The ARC was assisted by the internal auditor in its review, which is conducted at least once a year.

Over the course of the audit, the external auditors have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

Internal control deficiencies noted during the audit, together with the recommendations of the external auditors have been presented to the ARC.

Based on the framework established and maintained, the work performed by the ARC, and the internal audit function as well as the assurance received from the Chief Executive Officer and the Chief Financial Officer, the Board with the concurrence of the ARC, is of the opinion that the Company’s and the Group’s internal controls including financial, operational, compliance and information technology controls, and risk management systems, were adequate and effective in meeting the needs of the Company and the Group in their current business environment.

IT Governance

Through its management company, the Group has an IT Security policy in place in all its hotels and relevant parts of this policy are communicated to its Team Members. This is regularly reviewed by the Board and Executive Management to ensure it is up to date with changes in technology and security standards. The Board also approves all major IT expenditures to ensure value is obtained from the investments in information technology.

Risk Appetite Statement

The corporate strategy of LIR is to deliver superior, risk-adjusted returns to stakeholders through active asset management and a disciplined external growth strategy while maintaining a strong and flexible balance sheet. The following are the three key pillars of LIR corporate strategy:

Operational excellence through active asset management

LIR is focused on continually improving operating performance at property level through proactive asset management efforts together with its preferred Management Company, The Lux Collective Ltd. LIR continues to identify revenue enhancement opportunities and drives cost efficiencies to maximize the operating performance, cash flow and value of each property.

Prudent capital allocation

LIR aims to leverage its scale, liquidity and transactions expertise to create value throughout all phases of the hospitality cycle through opportunistic acquisitions, disposals and/or corporate transactions, in addition to value-enhancing return on investment (“ROI”) projects, which LIR believes will enable to further diversify its portfolio.

Strong and flexible balance sheet

LIR strives to maintain a strong and flexible balance sheet that will enable it to navigate the various phases of the hospitality cycle. LIR expects to maintain sufficient liquidity and access to multiple types of financing, including corporate Bonds, credit facilities and the sale of a small proportion of its inventory in accordance with applicable laws in the destinations where it operates.

Risk appetite forms an integral part of LIR’s risk management and governance frameworks. It refers to the amount and type of risks that LIR is willing to take to achieve its strategic objectives. The Company faces several risks which are inherent to its operations, and which have to be managed within a tolerance scale. However, where risks fall outside its tolerance boundaries, LIR will take a zero tolerance stand.

The risk appetite statements, set out below, aim to put into words the Company’s risk appetite so as to ensure clarity and direction for the leadership team in its decision-making process. They will also serve as a systematic reminder to consider risk factors and mitigation strategies in all crucial projects and initiatives.

Deviations from the risk appetite statements can be accepted for strategic reasons or for arising opportunities where the reward overrides risks taken. Those deviations should however be exceptional, justified, closely monitored, time-barred and approved by the Board or other relevant Board committee.

CORPORATE GOVERNANCE (CONT'D)

When setting its risk appetite statements, LIR’s management team has been guided by the Company’s corporate strategy and values, leadership statements, corporate disclosures, policies and its risk register.

The risk appetite statements have been regrouped under the Company’s main risk categories set out below:

Strategic	Financial	Operational	Compliance
Risks that relate to the Company’s effective utilisation of its resources to accomplish its goals and objectives	Risks that relate to the effectiveness of the Company’s financial management governance	Risks that relate to the effectiveness and efficiency of the Company’s operations, including performance and profitability goals	Risks that relate to the Company’s compliance with applicable laws and regulations

The Company’s risk document has been approved by the Board and may be reviewed as and when required.

Risk Category	Risk Areas	Risk Description	Risk Appetite Statements/ Mitigating Factors
 Strategic	Market Concentration	Heavy exposure to Mauritius and Maldives increases vulnerability to regional disruptions.	Currently, the Mauritian and Maldives destinations represent more than 90% of our turnover/EBITDA. In the medium to long-term, we aim to hold a more diversified portfolio of resorts in terms of destinations.
	Asset Management & Performance	The ability of LIR to achieve its strategic goals depends on the performance of the Management Company (e.g. market share expansion, business continuity and growth).	- The Lux Collective is our preferred partner to manage our hotels under the LUX* brand. However, LIR may also consider working with other luxury hotel brands to diversify its portfolio if an opportunity arises outside Mauritius and where TLC cannot operate. - We will only select commercial partners which align with our values and work ethics.
	Reputation	Damage to brand perception due to poor guest experiences or negative social media, resulting in reputational damage and loss of business.	- We will adopt and promote the highest standards of ethics in our operations and towards our workforce to avoid damaging our reputation. - We will nurture our reputation through clear and transparent communication with all our stakeholders, directly or through our Management Company. It is essential that our branded hotels be clearly separated from other brands operated by our Management Company to avoid cross-reputational damage.
	Sustainability	Risk from adverse consequences of climate change compromising the sustainability of LIR’s operations.	- Sustainability is of strategic relevance to LIR; sustainability considerations are therefore embedded in our ways of working, decision making and investment decisions aiming to create community, business, environmental and destination resilience. - Given the possible impact of climate change on beaches, we may also diversify our portfolio to mitigate that risk.
	Innovation	Risk of falling behind in technology adoption, including AI, or hotel sector trends to optimise guest experience and efficiency.	We respond positively to all reasonable innovation initiatives of the Management Company, TLC, in line with our corporate strategy, by allocating reasonable resources, and training where applicable.

Risk Category	Risk Areas	Risk Description	Risk Appetite Statements/ Mitigating Factors
 Financial	Funding	Risk that LIR cannot fund its ongoing or new projects	- Funding is essential for LIR to develop its portfolio. LIR will seek to find the most appropriate funding option(s) and financial partners after assessing key financial ratios and covenants. - LIR will maintain a healthy gearing ratio, considering industry norms, refurbishment (and renovation) cycles and projected new investments.
	Financial Management	Risk of excessive fluctuations in exchange rates (foreign currency to MUR), resulting in volatile financial performance.	- LIR will manage its finances in a prudent and sustainable manner having regards to cost optimisation best practices. - Foreign currency volatility is a priority concern for LIR. To that effect, we will implement adequate hedging and treasury management solutions to mitigate this risk. 75% of our revenue is in foreign currency and we aim to increase this percentage.
 Operational	People	Risk that LIR is unable to attract, develop and retain talent, which has a direct effect on hotel operations and guest satisfaction.	- Our people are a fundamental asset of our operations and crucial to our success. We will do our utmost to create an inspiring and safe work environment where our team members can embrace their talent and also openly raise their concerns. To enforce this culture of openness, we will closely collaborate with our management companies in the recruitment, development and severance of key positions within our resorts. - Given the scarcity of talents in the hospitality sector, LIR will do its best to attract local and foreign young talents, whilst trying to maintain a “Mauritian hospitality” culture.
	Safety & Health	Risk that the health and safety of guests and Team Members is compromised through various hazards (security, fire, diseases, food safety) resulting in reputational damage.	The safety and health of our people and guests are essential for LIR. We will not compromise on investing in safety and health measures and initiatives in our resorts. This principle is non-negotiable, and all third-party contractors including management company will have to comply with it when operating our resorts.
	Infrastructure	Risk that LIR’s infrastructure is not adequately and timeously maintained and/or upgraded, resulting in high costs, shorter economic useful lives and guest dissatisfaction	- In view of the substantial capital investment required with hotel construction and renovation, LIR consistently ensures that superior preventive maintenance procedures are in place to maximise the life of its assets and therefore extend the renovation cycle. - LIR will ensure the best-in-class project deliveries by collaborating with renowned designers and consultants. - Our infrastructure, technology and architectural design shall continuously meet required standards.

Risk Ranking



CORPORATE GOVERNANCE (CONT'D)

Risk Category	Risk Areas	Risk Description	Risk Appetite Statements/ Mitigating Factors
Operational			- LIR will consider promoting “smart” resorts and investing in new technologies to meet the expectations of our guests and operations. - Our properties, which are our principal revenue assets are exposed to fire and other allied perils. LIR, as owner, will ensure that adequate protective measures and insurances are in place to mitigate the impact of these perils on its assets and profits.
	Cybersecurity	Risk that cyber-related incidents disrupt business operations, or lead to breaches in guest or corporate data.	- Given the progress in technology and artificial intelligence, cyber criminals are finding new ways to sophisticate cyberattacks. To protect its assets and stakeholders, LIR will continue investing in cyber security solutions and promote awareness to strengthen cyber resilience at all levels of the organisation. - LIR has taken an insurance cover on cybersecurity risk which covers all its hotels.
 Compliance	Laws and Regulations	Risk of non-compliance with laws and regulations, resulting in reputation damage, losses and fines.	- As a public listed company, we endeavour to comply with all applicable laws and regulations including listing and governance requirements. We appreciate and will promote compliance as a value-added practice and necessary culture to strengthen our stakeholders’ trust. - As a responsible citizen, LIR is committed to environment protection and will comply with applicable environmental requirements, especially regarding pollution and waste.
	Financial Crimes	Risk of fraud and money laundering resulting in reputation damage and sanctions.	- We have zero-tolerance for financial crimes and corruption. We will endeavour to fight these plagues by putting in place appropriate internal measures to prevent and detect occurrences of such crimes and take immediate remedial actions against offenders. Furthermore, LIR will not allow any of its activities to be a channel for money laundering or terrorism financing. - LIR has an insurance cover which covers financial crime risk.

Risk Ranking

High

Medium

Data Protection

Regulations on data protection, including the EU General Data Protection Regulation (GDPR), remain a focus area for the Company and the Group. Through the Management Company, TLC, the Company and the Group ensure that all their operations are compliant with the data protection regulations.

INSURANCE

Overview of the Group’s insurance policy

The Company’s and the Group’s risk management policy is part of a dynamic process: the systematic and centralised identification of risks, the implementation and coordination of insurance as part of worldwide activities, the organisation of preventive and protective measures for property and persons and the deployment of a crisis management structure, internationally.

ACCOUNTABILITY AND AUDIT

The Board should present a balanced and comprehensible assessment of the Company’s and the Group’s performance, position and prospects.

Accountability

The Board reviews and approves the results announcements, before the release of each announcement. In presenting the annual and quarterly financial statements to the shareholders, the Board aims to provide shareholders with a balanced and clear assessment of the Company’s and the Group’s performance, position and prospects.

For interim financial statements, the Board gives its approval for the publication of the said accounts.

INTERNAL AND EXTERNAL AUDIT

Internal audit

The Company shares an in-house internal audit function with its management company, TLC. The primary role of the internal audit team is to assist the ARC to ensure that the Company maintains a sound system of internal control.

The Chief Internal Auditor (“CIA”) is independent of Executive Management and reports to the ARC. On administrative matters, the CIA reports to the Chief Executive Officer of LIR & TLC. The ARC approves the hiring and dismissal of the CIA and ensures that the internal audit function is adequately staffed and has appropriate standing within the Company. The internal audit function works in accordance with the Standards for the Professional Practice of Internal Audit set by the Institute of Internal Auditors.

The annual internal audit plan is established in consultation with, but independently of Management, and is reviewed and approved by the ARC. The CIA presents audit reports regularly to the ARC and discusses key issues contained therein.

There was no limitation of scope placed on the internal auditors in conducting the audits.

External Audit Independence

The ARC reviews the independence of the external auditors. During this process, the ARC also reviews all non-audit services provided by the external auditors to ensure the nature and extent of such non-audit services do not affect their independence. The ARC confirms that after reviewing all non-audit services, if any, by the external auditors during the financial year, they do not, in the ARC’s opinion, affect the external auditor’s independence.

In appointing the audit firms for the Group, the ARC is satisfied by the Company’s compliance with the provisions of the Listing rules of the Stock Exchange of Mauritius Ltd.

Following a tender exercise in 2020, PricewaterhouseCoopers (PwC) was appointed as external auditor. PricewaterhouseCoopers Ltd (PwC) was re-appointed as auditors of the Company and some of its subsidiaries for the year ended 30 June 2025 at the last Annual Meeting.

CORPORATE GOVERNANCE (CONT'D)

The fees paid to the auditors and other advisors, for audit and other services were as follows:

	THE GROUP		THE COMPANY	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	Rs	Rs	Rs	Rs
(a) PWC				
Audit services	7,000,000	6,500,000	2,365,000	2,185,000
Other services	200,000	-	100,000	-
Tax services	344,000	344,000	36,000	36,000
	7,544,000	6,844,000	2,501,000	2,221,000
(b) Other Auditors				
Audit services	1,676,000	1,702,584	-	-
Other services	317,636	310,538	-	-
Tax services	109,369	104,650	-	-
	2,103,005	2,117,772	-	-
Total	9,647,005	8,961,772	2,501,000	2,221,000

The details of the audit fees, other services and tax services for the Group are disclosed below:

	Audit fees	Other services	Tax
	Rs	Rs	Rs
Holiday & Leisure Resorts Ltd	860,000	-	44,000
Beau Rivage Co Ltd	860,000	-	44,000
Les Pavillons Resorts Ltd	860,000	-	44,000
Merville Limited	860,000	100,000	38,500
White Sands Resort & Spa Pvt Ltd	599,000	317,636	109,369
Les Villas du Lagon SAS	1,077,000	-	-
Néréide Limited	860,000	-	38,500
Lux Island Resorts Ltd	2,365,000	100,000	36,000
Lux Island Resorts Maldives Ltd	175,000	-	11,000
Océanide Limited	160,000	-	5,500
Blue Bay Tokey Island Limited	-	-	27,500
MSF Leisure Company Ltd	-	-	27,500
FMM Ltee	-	-	5,500
LTK Ltd	-	-	5,500
Merville Beach Hotel Ltd	-	-	5,500
Lux Island Resorts Foundation	-	-	5,500
LIR Properties	-	-	5,500
TOTAL	8,676,000	517,636	453,369

OTHER DISCLOSURE

Donations

Donations, other than contributions made under CSR projects, made by the the Company and its subsidiaries amounted to **Rs 552,766** (2024: Rs 769,577) and are disclosed as per below :

Political donations of **Rs 3,000,000** was made for the financial year ended 30 June 2025 (2024 : Rs Nil).

Name of Company	Donations 30.06.2025	Donations 30.06.2025	Donations 30.06.2024
	- Normal	- Political	- Normal
	Rs	Rs	Rs
Beau Rivage Co Ltd	-	500,000	37,065
Holiday & Leisure Resorts Ltd	18,007	500,000	85,883
Les Pavillons Resorts Ltd	120,943	500,000	213,389
White Sands Resort & Spa Pvt Ltd	130,312	-	366,275
Merville Limited	-	500,000	50,000
Néréide Limited	12,253	500,000	16,965
Lux Island Resorts Ltd	271,250	500,000	-
TOTAL	552,766	3,000,000	769,577

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF FINANCIAL STATEMENTS, INTERNAL CONTROL AND RISK MANAGEMENT

For the year under review, the directors report that:

- the financial statements fairly present the state of affairs of the Group and the Company as at the end of the financial year and the result of operations and cash flows for that period;
- adequate accounting records and an effective system of internal controls and risk management have been maintained;
- appropriate accounting policies supported by reasonable and prudent judgement and estimates have been used consistently;
- the financial statements have been prepared in accordance with IFRS Accounting Standards and comply with the requirements of the Mauritian Companies Act 2001 and the Financial Reporting Act 2004;
- the financial statements have been prepared on the going concern basis;
- they are responsible for safeguarding the assets of the Group and of the Company; and
- they have taken reasonable steps for the prevention and detection of fraud and other irregularities.

The external auditors are responsible for reporting on whether the consolidated and separate financial statements give a true and fair view of the financial position of Lux Island Resorts Ltd (the “Company”) and its subsidiaries (together the “Group”) and of the Company standing alone as at 30 June 2025, and of their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards and in compliance with the Mauritian Companies Act 2001.

Approved by the Board of Directors on 24 September 2025 and signed on its behalf by:

JEAN-CLAUDE BÉGA
Chairperson

PASCALE LAGESSE
Chairperson of the Corporate
Governance Committee



SUN SET

When daylight softens, everything slows. The sky begins to blush, and golden light dances across the water. Conversations linger, and time seems to stretch gently. It's a moment to pause, to reflect, and to enjoy the beauty of the present.

OUR SUSTAINABILITY JOURNEY



“We are actively advancing on our sustainability journey. We are strengthening our organizational structure, enhancing effectiveness, and working on the implementation of a robust, long-term ESG framework. This framework is designed for our group’s future growth while ensuring full alignment with international standards and local legislation.”

With our double materiality assessment highlighting Climate as a priority, establishing a robust baseline for our transition plan was key. This year, we joined the IBL Group’s NEXUS project for the implementation of a carbon accounting platform with Ecoact as climate experts. The platform considers the interconnectedness of Lux Island Resorts Ltd and its subsidiaries with other companies of IBL Group and applies GHG Protocol in establishing the Group’s carbon footprint. By adopting a decentralised approach, we ensured data integrity and comparability. This process has also enabled us to engage with internal stakeholders from different perspective, helping us identify our most significant emission sources and design tailored decarbonisation roadmaps.

SNAPSHOT OF THE GROUP’S SUSTAINABILITY INITIATIVES

FACTS FY 24-25

MUR 8,500,000 Guest contribution to the Tread Lightly Fund	MUR 7,470,075 AMONG 26 BENEFICIARIES CSR Funds contribution
8 PROPERTIES Proudly Certified Great Place to Work® Including our HQ for 7 consecutive years	121 TONS Waste diverted from landfill
10,688 KG FRESH PRODUCE From our gardens to table	RENEWABLE ENERGY Produced by our solar panels 54,311 kWh Ile des Deux Cocos 1,070,646 kWh Lux* South Ari Atoll
46.6 Average Energy Intensity (kWh per guest night)	<71 Ideal Sustainable Energy Intensity (kWh per guest night)

Source: <https://www.scribd.com/document/490719067/BEA-Fact-Sheets-hotels-Final-ed-pdf>

SNAPSHOT OF THE GROUP’S SUSTAINABILITY INITIATIVES (CONT'D)



 **Health Day in Flacq Coeur de Ville.** The Health Day initiative, fully sponsored by LUX* Belle Mare and its partners, brought together 30 dedicated team members after two months of preparation. More than 10 doctors and medical officers volunteered their expertise over six hours (9 a.m. – 3 p.m.), welcoming over 200 community participants. Of the 105 individuals who registered as voluntary blood donors, 82 successfully contributed this precious gift of life.

 **Beach and Ocean Care.** In June 2025, a beach clean-up was organized with the support of 25 LUX* Belle Mare team members and 16 Boat House colleagues. Together, they cleared the Belle Mare beach, lagoon, and parking area, collecting over 25 bags of waste, including approximately 50 kg retrieved from the lagoon.

 **Dive into Marine Conservation - Protection of sea turtles and lagoon ecosystems.** This ongoing project focuses on marine conservation and sustainable tourism, with a particular emphasis on protecting sea turtles and preserving lagoon ecosystems. To date, three awareness sessions have been organized with the local community and secondary school students, highlighting the importance of safeguarding these fragile environments. The initiative is carried out in collaboration with:

- Kélonia (Réunion): Sea turtle observatory, research, and care center
- CEDTM (Réunion): Research and education center for marine turtles
- EcoSud (Mauritius): NGO dedicated to marine and coastal conservation, with a focus on coral reefs and lagoon protection

At LUX* Belle Mare, sustainability takes root—quite literally—at Aubergine, our on-site organic farm. Free from synthetic fertilizers and pesticides, Aubergine is home to a thriving garden of local fruit trees and seasonal produce, all grown using natural, regenerative methods. The farm supplies fresh ingredients directly to our kitchens, allowing guests to enjoy wholesome, garden-to-

table meals. In support of biodiversity, we’ve also established eight beehives on the farm to help pollinate plants, support a healthy ecosystem, and contribute to the protection of our vital bee population. Aubergine not only enhances our culinary offerings but also reflects our commitment to promoting sustainable, organic agricultural practices in harmony with nature.



SNAPSHOT OF THE GROUP'S SUSTAINABILITY INITIATIVES (CONT'D)



Les Cuisines Solidaires. This year, LUX* Grand Baie proudly joined hands with Les Cuisines Solidaires, an inspiring NGO turning unsold food, food that was meant to be thrown away, into nutritious meals for families in need around Curepipe. Operating five days a week, the NGO works tirelessly to bring nourishment and hope to vulnerable communities by distributing around 200 – 250 meals daily. Motivated by their mission, our team rolled up our sleeves to make a difference. After insightful meetings and a site visit, we co-created a plan to strengthen their operations. Our Quality Team provided food safety and hygiene training, sharing best practices for storage and cooking. Our Chefs designed easy-to-follow, nutritious recipes for main dishes and desserts, based on their donations, while guiding the NGO team to prepare meals with more variety and care.



First Response awareness for the Community. At LUX* Grand Baie, community well-being is as important as hospitality. This belief inspired our collaboration with the NGO Fellowship First Aiders (Mauritius) to bring life-saving knowledge to the wider public through a Community First Aid Awareness initiative. The project began with a shared vision: to empower people with the skills and confidence to act in emergencies. Together with Fellowship First Aiders, our teams organized two major awareness sessions—one at the Grand Baie Village Council and another at La Cuvette beach, where locals, visitors, and our team members gathered to learn. The talks covered vital topics such as hemorrhage, nosebleeds, shock, burns, food poisoning, fractures, drowning, marine stings, and CPR. Practical demonstrations were carried out, and the response was powerful—many participants eagerly requested deeper training, especially on CPR and the right first aid gestures for burns and electrocution. In total, 126 people attended.



Easter by the Lagoon. At LUX* Grand Baie, Easter is more than a holiday—it is an opportunity to celebrate togetherness, creativity, and purpose. During the week of 16th to 23rd April, we hosted “Easter by the Lagoon”, a program that blended festive joy with sustainability and community spirit. The celebration began with a blue-and-white themed management cocktail by the beach, welcoming guests in an atmosphere of elegance and warmth. Every department contributed to the initiative, creating unique moments that touched both adults and children alike. From wellness and family activities to creative culinary experiences and artistic surprises, the entire resort worked together to craft an Easter journey inspired by the lagoon. A highlight of the initiative was the launch of a special blue Easter cocktail, with proceeds supporting Ecosud’s coral restoration program. This simple yet impactful idea transformed celebration into action to protect our marine ecosystem.



SNAPSHOT OF THE GROUP'S SUSTAINABILITY INITIATIVES (CONT'D)



- 

Beach cleanup and planting of 25 mangroves.
- 

4 workshops on the upcycling of waste bottles to empower 25 women at the hotel's Junk Art Gallery.
- 

Installation of 10 solar lights at the village of Grand Gaube.
- 

Provided materials for rainwater harvesting to 10 underprivileged inhabitants of Grand Gaube village.
- 

Around 50 TMs participated in the donation of school materials, benefiting 25 underprivileged children.
- 

4 pyrography workshops were organized at the Junk Art Gallery, with about 25 inhabitants participating.
- 

3 sterilization campaigns organized with the collaboration of PAWS to sterilize 120 dogs and 25 cats.
- 

A workshop was organized with 100 participants from the village of Grand Gaube to educate the community on the use of online payment platforms for electricity and water bills.
- 

On World Food Day, 250 Team members were sensitized about Food Waste.
- 

For Diwali, the Festival of Light, LGG provided cake for 700 people in the village of Grand Gaube.
- 

On the International Day for the eradication of Poverty and on World's Orphan Day, 50 of our team members participated in the donation of food and clothes items, benefitting 25 underprivileged children in the village of Grand Gaube.
- 

Our hotel celebrated Christmas with 25 disabled children of Mille Soleil school and 25 children from World Light Kids Orphanage, providing refreshments, cakes and gifts.



SNAPSHOT OF THE GROUP’S SUSTAINABILITY INITIATIVES (CONT'D)



LUX*
LE MORNE

- 

Waste management system in place: Recycling of kitchen oil, plastic bottles, carton, cans and eggshells.
- 

Mangrove Restoration Project: Partnered with Odysseo Foundation and ADD to restore Blue Carbon Ecosystems.
- 

Endemic Plant Corners: Planted with Mauritian Wildlife Foundation and Ebony Forest at key sites.
- 

Le Morne Beach Cleaning: Community-driven cleanup involving LLM team, guests, and partners.
- 

World Ocean Day (VARUNA Project): Full-day awareness event with Odysseo Foundation.
- 

Tropi Garden: Expanded kitchen garden using composted organic waste from kitchen.
- 

“We Care for You Kids” – Notre Dame du Mont Carmel: Provided holistic care, education support, and facility upgrades.
- 

“We Care for You Teens” – SSS La Gaulette: Sponsored higher education, employment, and hosted intergenerational event.
- 

Food Donation Initiative: Partnered with Foodwise to support Case Noyale RCA school.



SNAPSHOT OF THE GROUP'S SUSTAINABILITY INITIATIVES (CONT'D)



-  **Food waste donation:** 10,212 kg of chicken carcasses were donated to Indie’s World, an animal rescue association in Baie du Cap, with the aim of reducing our food waste.
-  Another initiative to **reduce waste:** Upcycling slippers and bedsheets that would have gone to waste, to make night gowns, pillowcases, wall hangers and toddler pouches which were donated to local NGOs.
-  **Composted** 1,248 kg of coffee grounds, which were used to fertilize the gardens of Tamassa.
-  Rs 96,756 raised under the **Bell of Happiness** initiative: part of the fund was donated to Southern Handicapped Association, to sponsor 8 students who were travelling to India for a dance competition.
-  Several **community projects** include organizing the sports day of Le Morne Government School, Dog adoption campaign in collaboration with Animal Saviors, Plant donation to RCA Baie du Cap School, donation of food and drinks to the community on Ganesh Chaturthi, blood donation, with the help of our team members and police officers, we organized a food and clothes donation for the underprivileged in the vicinity.
-  **Christmas blessings:** We started by organizing a Christmas market for our team members with local artisans, donated 100 gifts to the children of APEDED NGO and Creche Coeur Immaculee de Marie.



SNAPSHOT OF THE GROUP’S SUSTAINABILITY INITIATIVES (CONT'D)



- 

Life Skills, Work and Professional Skills Lab Project at a Pilot Skill (Primary and Secondary Education) – Capital City – Great Male Area. The Project includes remodeling and furnishing labs that can be used as BTEC Hospitality Model Lab, Sewing Machine and Tailor Studio, Creative and Fine Arts Exhibit, Carpentry and Basic Electrical and Electronics Workshop, and Student Counseling Spot (Classroom).
- 

Professional Development Programs for School, Community and Student Leaders of Nearby Schools to LUX* South Ari Atoll. Programs conducted by the HRTQA and Leadership Team of LUX* South Ari Atoll. Topics included are Leadership Program, Learning and Culture and Mindset and Future Work Skills such as Emotional Intelligence and Digital Literacy.
- 

Hydroponics Lettuce Project at a Pilot School in Male City (Capital City) and LUX* South Ari Atoll. Set up a Lettuce Hydroponics Garden at the Hiriya School in partnership with the School Environment Club. LUX* South Ari Atoll have set up the Lettuce Hydroponics Program with the help of the students from Hiriya School – Male City. The Environment Club Student will help the LUX* Team and teach our gardening team to manage the program.
- 

Enhance the project of **collecting plastic bottles** from local islands and sending them for recycling in partnership with MOPA (Maldives Ocean Plastic Alliance). 55 tons of these are sent to Addidas Factory for recycling by MOPA.

We’re proud to share strong progress on our pioneering floating solar project at LUX* South Ari Atoll—one of our flagship renewable energy initiatives. In partnership with the expert solar company Swimsol, a dedicated on-site team of 25 is actively constructing, relocating, anchoring, and cabling the floating solar platforms in the resort’s lagoon. As of July 2025, 28 of the planned 78 platforms have been successfully installed. We expect to complete the solar installation by early Q4 2025, with the battery component scheduled for installation in Q1 2026. Once fully operational,

the system will rank among the largest solar installations in the Maldives, with a capacity of 2.9 MWp—including 2.1 MWp from this latest expansion. Combined with the battery storage system, it will allow us to switch off diesel generators for approximately 8 hours each day, relying entirely on solar energy during that time. This transition is projected to save over 1.1 million liters of diesel annually and cut CO2 emissions by 3,000 tons, marking a major step forward in our journey toward a more sustainable future.



SNAPSHOT OF THE GROUP'S SUSTAINABILITY INITIATIVES (CONT'D)



- 

Partnership with the Réserve Naturelle Marine of Reunion Island, with marine sensitization in the lagoon.
- 

Launched BiobiN for the composting of organic waste.
- 

Partnership with Globice, we received them for their Annual General Assembly where they present the ongoing actions to their volunteers.
- 

We participate annually to a beach clean up.
- 

Partnership with Reutiliz who collects our glass bottles to wash them and to send them back on the market.
- 

Sustainable Development Committee recently created.
- 

Training with the SEOR (Société d'Etudes Ornithologiques de la Réunion) to learn the rescue actions for a wounded Petrel de Barau.
- 

Partnership with Karos, an app for free carshare for the employees to go to work (starting the 30th of June).

OBJECTIVES FY 25-26

- 1

Conduct a refreshed double materiality assessment to pinpoint sustainability priorities across our operations.
- 2

Build ESG capacity at every level of the organization.
- 3

Select key SDGs and ESG metrics that resonate with our strategic direction and group values.
- 4

Develop a sustainability framework and roadmap as per IFRS S1 & S2 and GRI standards.
- 5

Achieve 100% diversion of organic waste from landfill by 2027
- 6

Align our sustainability roadmap with Mauritius' national GHG reduction goal of 40% by 2030, through targeted interventions in energy efficiency, clean energy adoption, and low-carbon innovation.

Our goal is to establish a solid foundation for sustainability governance and reporting within the next 12 months — a structure designed to evolve continuously.

Implementation Rollout

- Launch sustainability initiatives across all group properties, beginning in Mauritius.
- Short, medium, and long-term implementation roadmap to guide progress and accountability.



SNAPSHOT OF THE GROUP'S SUSTAINABILITY INITIATIVES (CONT'D)

KEY INITIATIVES

1. Waste management system

Collaborate with Regen on waste segregation and recycling (currently at Tamassa Bel Ombre & Lux* Le Morne).

In line with our target to achieve 100% diversion of organic waste (kitchen and garden waste) from landfill by 2027, we have introduced the following measures at select properties—initiatives that will be progressively rolled out across all our hotels in Mauritius; Food waste reduction in partnership with Foodwise (currently at Lux* Grand Gaube & Lux* Le Morne) & In partnership with BiobiN, we process kitchen waste into organic compost for on-site use, supporting our circular waste management approach and reducing landfill contribution (currently at Lux* Saint Gilles)



2. Beehive program

To support biodiversity (currently at Lux* Grand Gaube & Lux* Belle Mare).

3. Sustainability strategy

Implement a sustainability framework and roadmap rooted in Lux Island Resort’s culture and long-term vision by designing a strategy built around IBL’s Embedding materiality topics to adopt IFRS S1 & S2 and Global Reporting Initiative (GRI) standards which provides for broader sustainability matters including non-financial information. Sustainability policy updates and visibility across properties and HQ.

4. From vision to action

Behind the scenes of paradise, we’re working hard to reduce our energy use—



swapping in smarter systems, embracing solar power, and finding every opportunity to operate more efficiently and sustainably.

Lux Island Resort is proud to sponsor a documentary that explores how one hospitality group is redefining luxury through purpose-driven action. More than a story about hotels, this film is a compelling narrative of transformation—highlighting ocean conservation, the journey toward zero waste, community empowerment, and sustainable agriculture.

5. Data and Reporting Integration

Together with our parent company, IBL, we’re rolling out an embedding project to streamline ESG KPI reporting. This secure and structured system enhances data collection, enables precise carbon emissions tracking, and ensures accurate, verifiable statistics.



LUX Resorts & Elles C Nous Association 2015 – 2025

This year, we proudly celebrate a decade of partnership with the Elles C Nous Association — an organization we have consistently supported through our CSR funding, donations, workshops, and a range of collaborative initiatives.

May 2025 : Donation of 50 bedsheets and 50 towels by Lux* Belle Mare.

June 2025: Donation of 82 bedsheets, 67 duvet covers, 50 pillowcases, 600 reusable bottles and 600 bags by Lux* Grand Baie.



Every smile we inspire and every life we touch contributes to a greater purpose — because even the smallest actions drive meaningful and lasting impact



SDG 17: Partnerships for the goals

As we redefine our sustainability goals and reassess our material topics, we also take this opportunity to highlight and celebrate a key Sustainable Development Goal: SDG 17 – Partnerships for the Goals. We firmly believe that collaboration, rather than working in isolation, enables us to drive deeper, more lasting impact within our communities and natural environment.

LUX is committed to this goal for the long term, recognizing that through strong partnerships and shared purpose, we can both protect and elevate the island we call home. Together, we strive to make it a model for genuine green tourism and conscious living — a true “green island” that reflects our collective vision for a sustainable future.*

SNAPSHOT OF THE GROUP'S SUSTAINABILITY INITIATIVES (CONT'D)

PEOPLE: CHAMPIONING HUMAN RIGHTS, GROWTH & WELL-BEING

At Lux Island Resorts, we believe that our people are our greatest asset — the true heartbeat of our operations.

In 2024–2025, our commitment to human rights, dignity, and inclusive growth remained central to our strategy. Aligned with the United Nations Sustainable Development Goal 8 (Decent Work and Economic Growth) and Goal 10 (Reduced Inequalities), we continued to promote fair, equitable, and empowering work environments across all our properties.

We are proud to share that our corporate office and all eight of our properties in Mauritius and the Maldives have once again been certified as a Great Place to Work® by the globally recognized Great Place to Work® Institute, for the period February 2025 to February 2026. This marks the seventh consecutive year of certification for our Mauritius resorts — a reflection of the high-trust, high-performance culture we continue to nurture.

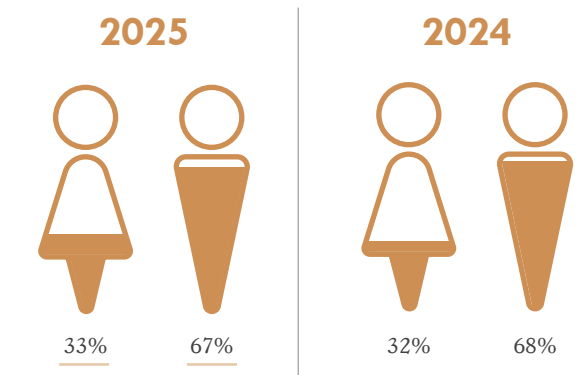
This recognition is based on team member feedback and celebrates our unwavering focus on trust, collaboration, inclusion, and well-being. It is also a reflection of the tangible benefits and support we provide — from comprehensive medical insurance to housing assistance, nutritious meals, transport or fuel allowances, birthday leave, service charge bonuses, and performance-based commissions.

Equally vital is our commitment to learning and development. Whether through structured training programs, leadership development, or hands-on learning journeys, we continue to invest in the personal and professional growth of our team members at every level.

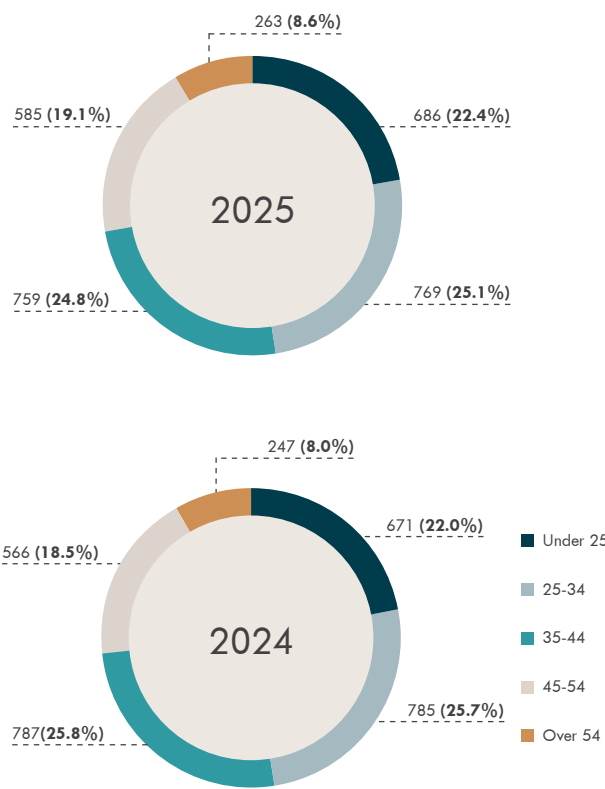
As we look ahead, we are deepening our focus on employee retention by fostering stronger engagement, creating meaningful career paths, and prioritizing the mental, emotional, and physical well-being of our teams.

Our ambition remains clear: to be a workplace where every individual feels valued, heard, and empowered — and to lead the way in advancing human rights and sustainable development through every aspect of our people strategy.

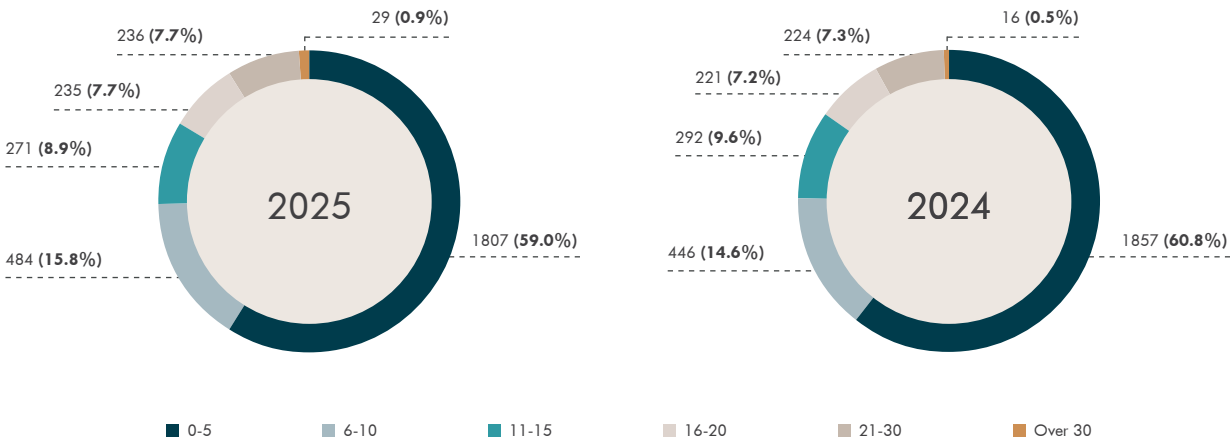
DIVERSITY BY GENDER



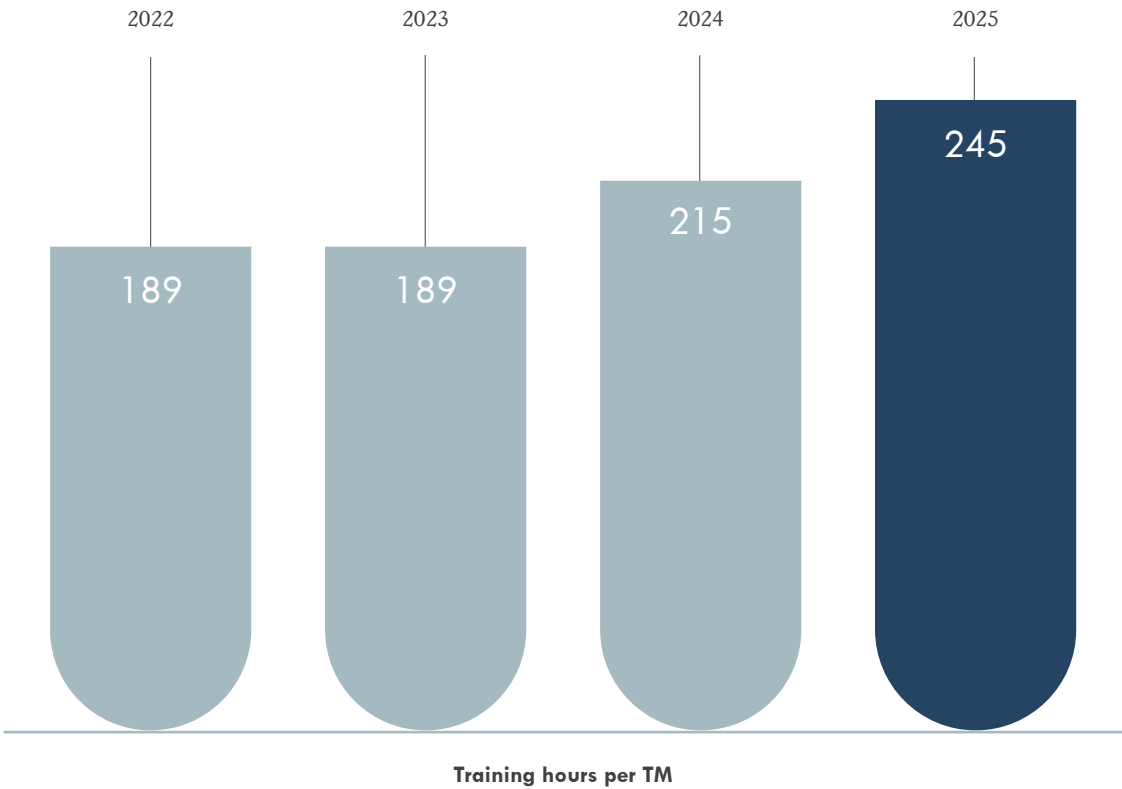
GROUP - PERSONNEL BY AGE GROUP



PERSONNEL BY LENGTH OF SERVICE



AVERAGE TRAINING HOURS PER TEAM MEMBER, EVOLUTION LAST FOUR YEARS



STATEMENT OF COMPLIANCE BY THE BOARD

Section 75 (3) of the Financial Reporting Act)

Name of PIE: Lux Island Resorts Ltd

Reporting Period: 30 June 2025

We are pleased to confirm that we have complied with all of the requirements and provisions of the National Code of Corporate Governance for Mauritius 2016 (NCCG) for the year ended 30 June 2025, except for:

- The composition of the Board: The Board is composed of seven non-executive directors and one executive director. The Board is of the view that a strong management presence is important. In this context, depending on the subject on the agenda, the Board invites executives with the relevant expertise to participate in the discussion. The Board is considering appointing one additional non-executive independent female director and another executive director.
- Other directorships of the Board: The list of directorships of the directors in listed companies is disclosed on pages 24 to 27. Directorships (other than those in listed companies) is available upon request at the registered office of the Company.

Signed by:



JEAN-CLAUDE BÉGA
Chairperson



PASCALE LAGESSE
Chairperson of the Corporate Governance Committee

24 September 2025

COMPANY SECRETARY'S CERTIFICATE

We hereby certify that, to the best of our knowledge and belief, the Company has filed with the Registrar of Companies, all such returns as are required of the Company under the Companies Act 2001, in terms of section 166(d).



IBL MANAGEMENT LTD
Company Secretary

24 September 2025



NIGHT FALL

When night falls, a different kind of magic settles in. The stars emerge, the air cools, and silence becomes luxurious. It's a time for quiet joy. The world rests, and so do we, wrapped in the comfort of a day well lived.

INDEPENDENT AUDITOR’S REPORT

TO THE SHAREHOLDERS OF LUX ISLAND RESORTS LTD

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Our Opinion

In our opinion, the consolidated and separate financial statements give a true and fair view of the financial position of Lux Island Resorts Ltd (the “Company”) and its subsidiaries (together the “Group”) and of the Company standing alone as at 30 June 2025, and of their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards and in compliance with the Mauritian Companies Act 2001.

What we have audited

Lux Island Resorts Ltd’s accompanying consolidated and separate financial statements comprise:

- the consolidated and separate statements of financial position as at 30 June 2025;
- the consolidated and separate statements of profit or loss for the year then ended;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the separate statement of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the financial statements, which include material accounting policy information and other explanatory information.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the “IESBA Code”). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR’S REPORT

TO THE SHAREHOLDERS OF LUX ISLAND RESORTS LTD (CONT'D)

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS *(cont.)*

Key Audit Matters *(cont.)*

Key audit matter - Group	How our audit addressed the key audit matter
Impairment assessment of Property, Plant and Equipment, Right-of-use assets and Goodwill (see notes 4, 5 and 7 to the financial statements)	
The Group has Property, Plant and Equipment, Right-of-use assets and Goodwill amounting to MUR 12,833 million, MUR 3,431 million and MUR 475 million respectively as at 30 June 2025 (2024: MUR 12,698 million, MUR 3,628 million and MUR 488 million respectively). Management performed an impairment assessment on Property, Plant and Equipment, Right-of-use assets and Goodwill as at 30 June 2025 using discounted cash flows to determine the recoverable amounts of the respective cash generating units (CGUs) to which the assets relate. The recoverable amount of each CGU has been determined based on their fair value less cost to sell. The assessment of the recoverable amount of each cash generating unit requires the use of a number of key assumptions and judgement, including the estimated future cash flows, long-term growth rates, profitability levels and discount rates applied. This was an area of focus in light of the amounts involved and the level of judgement and estimation required from management.	We discussed triggering events and indicators of impairment for Goodwill and impairment or impairment reversals, where applicable, for Property, Plant and Equipment and Right-of-use assets with management. We obtained management’s workings of the recoverable amounts of the different CGUs. With the support of our internal valuation experts: i. we tested the key assumptions used in the discounted cash flow models by comparing these assumptions to our independently derived expectations, which are based on the historical performance of the businesses and expectations for the markets in which the CGUs operate. ii. we considered reasonable possible changes in key assumptions, such as occupancy rate and average room rate using our knowledge and experience of the hospitality industry. iii. the budgeted figures used in the discounted cash flow models were compared to the historical performance of the respective CGUs in order to assess the reasonableness of the forecasted cash flows. iv. the terminal growth rates were assessed for reasonableness based on market expected long-term growth rates. v. we determined the reasonableness of the discount rates used in the cash flow models by comparing them to point estimates independently calculated by us based on the markets in which the CGUs operate, taking into consideration the nature of the CGUs. We verified the mathematical accuracy of the models. We also assessed whether appropriate disclosures were made by management in the financial statements.

INDEPENDENT AUDITOR’S REPORT
TO THE SHAREHOLDERS OF LUX ISLAND RESORTS LTD (CONT'D)

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS *(cont.)*

Key Audit Matters *(cont.)*

Key audit matter - Company	How our audit addressed the key audit matter
Impairment assessment of investment in subsidiary companies (see note 8 to the financial statements)	
The Company holds investments in subsidiary companies which amounted to MUR 3,472 million as at 30 June 2025 (2024: MUR 3,810 million). Management determines at the end of each reporting period the existence of any indication of impairment or reversal of previously recognised impairment on the Company’s investments in subsidiary companies. If there are indicators of impairment or reversal of impairment, management would assess the recoverable amounts of the investment in subsidiary companies. Any excess or shortfall between the recoverable amounts of the subsidiary companies and their carrying value is recognised in profit or loss. The assessment of indicators of impairment or reversal of impairment and the determination of the recoverable amounts of the investments in subsidiary companies require judgement. The determination of the recoverable amounts, using a fair value less cost to sell model, requires the use of a number of key assumptions and estimates such as the estimated future cash flows, long-term growth rates, discount rates and profitability levels. This was an area of focus in light of the amounts involved and the level of judgement and estimation required from management.	We considered whether there were internal and external indicators of impairment or reversal of impairment for investments in subsidiary companies. For those investments in subsidiary companies whereby indicators of impairment or reversal of impairment were identified, we obtained management assessment of the recoverable amounts, which were based on a discounted cash flow model. With the support of our internal valuation experts: i. we obtained an understanding of management’s planned business strategies around revenue and cost initiatives and challenged management’s forecasted revenues and growth rates based on our knowledge of the subsidiary companies’ operations, and compared them against past performance. ii. we assessed the terminal growth rates used in the discounted cash flow models by comparing them to market expected long-term growth rates. iii. we assessed the reasonableness of the discount rates used by comparing them to point estimate discount rates independently calculated by us based on the markets in which the businesses operate, taking into account the nature of the individual businesses. We assessed whether appropriate disclosures were made by management in the financial statements.

INDEPENDENT AUDITOR’S REPORT
TO THE SHAREHOLDERS OF LUX ISLAND RESORTS LTD (CONT'D)

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS *(cont.)*

Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated and separate financial statements and our auditor’s report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards and in compliance with the Mauritian Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group’s and the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Group’s and Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

INDEPENDENT AUDITOR’S REPORT
TO THE SHAREHOLDERS OF LUX ISLAND RESORTS LTD (CONT'D)

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS *(cont.)*

Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements *(cont.)*

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s and Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s and Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR’S REPORT
TO THE SHAREHOLDERS OF LUX ISLAND RESORTS LTD (CONT'D)

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS *(cont.)*

Mauritian Companies Act 2001

The Mauritian Companies Act 2001 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

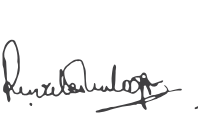
- a. we have no relationship with or interests in the Company or any of its subsidiaries other than in our capacity as auditor and tax advisor of the Company and some of its subsidiaries and dealings in the ordinary course of business;
- b. we have obtained all the information and explanations we have required; and
- c. in our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Mauritian Financial Reporting Act 2004

Our responsibility under the Mauritian Financial Reporting Act 2004 is to report on the compliance with the Code of Corporate Governance (“Code”) disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the Company has, pursuant to section 75 of the Mauritian Financial Reporting Act 2004, complied with the requirements of the Code.

OTHER MATTER

This report, including the opinion, has been prepared for and only for the Company’s shareholders, as a body, in accordance with Section 205 of the Mauritian Companies Act 2001 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



PRICEWATERHOUSECOOPERS



GILLES BEESOO
licensed by FRC

24 September 2025

CONSOLIDATED AND SEPARATE STATEMENTS
OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Notes	THE GROUP		THE COMPANY	
		2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
ASSETS					
Non-current assets					
Property, plant and equipment	4	12,833,367	12,697,951	37,779	38,438
Right-of-use assets	5(a)	3,431,390	3,627,777	-	-
Investment property	6	-	91,145	95,518	91,145
Intangible assets	7	482,911	498,612	187	187
Investment in subsidiary companies	8	-	-	3,471,954	3,810,182
Deferred tax assets	10	84,800	-	-	-
Investment in associated company	13	49,827	-	49,827	-
Post-employment benefit obligations	18(b)	3,744	22	3,744	22
		16,886,039	16,915,507	3,659,009	3,939,974
Current assets					
Inventories	11	246,409	248,338	165	-
Trade and other receivables	12	653,012	742,618	1,707,545	2,033,516
Cash and cash equivalents	32(a)	1,505,340	1,058,267	1,263,343	852,550
		2,404,761	2,049,223	2,971,053	2,886,066
TOTAL ASSETS		19,290,800	18,964,730	6,630,062	6,826,040
EQUITY AND LIABILITIES					
Equity					
Issued capital	14(a)	1,371,159	1,371,159	1,371,159	1,371,159
Share premium	14(b)	1,320,986	1,320,986	1,320,986	1,320,986
Other reserves	15	2,561,635	2,270,484	43,627	42,934
Retained earnings		3,126,481	2,345,886	1,317,053	1,324,718
		8,380,261	7,308,515	4,052,825	4,059,797
Convertible bonds	16	1,460,283	1,460,283	914,083	914,083
Total equity		9,840,544	8,768,798	4,966,908	4,973,880
Non-current liabilities					
Interest-bearing loans and borrowings	17	2,472,909	3,063,937	-	-
Lease liabilities	5(a)	2,674,874	2,853,326	-	-
Deferred tax liabilities	10	976,258	767,045	1,811	36,387
Post-employment benefit obligations	18(b)	235,515	184,348	12,774	10,137
		6,359,556	6,868,656	14,585	46,524
Current liabilities					
Interest-bearing loans and borrowings	17	771,358	1,112,572	6	6
Lease liabilities	5(a)	214,938	193,521	-	-
Contract liabilities	22 (a)	445,902	356,237	-	-
Provision for vacation leave	19	20,146	19,445	517	422
Trade and other payables	20	1,446,241	1,440,643	1,644,807	1,787,528
Current tax liabilities	21 (d)	192,115	204,858	3,239	17,680
		3,090,700	3,327,276	1,648,569	1,805,636
Total liabilities		9,450,256	10,195,932	1,663,154	1,852,160
TOTAL EQUITY AND LIABILITIES		19,290,800	18,964,730	6,630,062	6,826,040

These financial statements have been approved for issue by the Board of Directors and signed on its behalf on 24 September 2025:

Name of Directors:


JEAN-CLAUDE BÉGA


JENIFER CHUNG WONG TSANG

The notes set out on pages 128 to 214 form an integral part of these financial statements.
Independent Auditor’s report on pages 116 to 121.

CONSOLIDATED AND SEPARATE STATEMENTS
OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	THE GROUP		THE COMPANY	
		2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Revenue from contracts with customers	22	10,555,607	9,514,650	-	-
Other operating income	23	106,247	248,326	786,210	295,611
		10,661,854	9,762,976	786,210	295,611
Direct operating expenses	24	(2,715,734)	(2,394,205)	-	-
Employee benefit expenses	25	(2,593,140)	(2,330,953)	(88,930)	(65,752)
Other operating expenses	26	(2,575,822)	(2,371,474)	(50,063)	(46,667)
		(7,884,696)	(7,096,632)	(138,993)	(112,419)
Earnings before interest, tax, depreciation, amortisation, impairment and write offs		2,777,158	2,666,344	647,217	183,192
(Impairment)/ reversal of impairment of property, plant and equipment	4	(5,685)	4,408	-	-
Fair value gain on investment property	6	-	-	4,373	-
(Impairment)/ reversal of impairment of investment in subsidiary companies	8	-	-	(338,228)	22,619
Impairment of financial assets	12 (iii)	(357)	(9,571)	-	-
(Impairment)/ reversal of impairment of right-of-use assets	5 (a)	(29,327)	23,585	-	-
		(35,369)	18,422	(333,855)	22,619
Earnings before interest, tax, depreciation and amortisation		2,741,789	2,684,766	313,362	205,811
Depreciation and amortisation	27	(812,155)	(743,405)	(5,744)	(4,971)
Operating profit		1,929,634	1,941,361	307,618	200,840
Finance income	28	42,506	26,966	94,265	95,841
Finance costs	29	(517,174)	(595,686)	(52,986)	(35,775)
Profit before income tax		1,454,966	1,372,641	348,897	260,906
Income tax (expense)/ credit	21 (a)	(246,682)	(238,079)	11,042	(27,721)
Profit for the year		1,208,284	1,134,562	359,939	233,185
Profit for the year attributable to: - Owners of the parent		1,208,284	1,134,562	359,939	233,185
		Rs	Rs		
Basic Earnings per share attributable to equity holders of the parent:	31	8.81	8.27		
Diluted Earnings per share attributable to equity holders of the parent:	31	7.34	6.89		

The notes set out on pages 128 to 214 form an integral part of these financial statements.
Independent Auditor’s report on pages 116 to 121.

CONSOLIDATED AND SEPARATE STATEMENTS
OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	THE GROUP		THE COMPANY	
		2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Profit for the year		1,208,284	1,134,562	359,939	233,185
Other comprehensive income that will not be reclassified to profit or loss subsequently					
Revaluation of property, plant and equipment	15	384,540	(129,336)	855	-
Deferred tax relating to revaluation of property, plant and equipment	15	(78,921)	13,601	(162)	-
Remeasurements of post-employment benefit obligations	18(f)	(24,619)	(4,862)	3,912	(3,221)
Deferred tax relating to remeasurements of post-employment benefit obligations		4,401	659	(743)	548
		285,401	(119,938)	3,862	(2,673)
Other comprehensive income that may be reclassified to profit or loss subsequently					
Cash flow hedge movement	15	(47,237)	(64,461)	-	-
Cash flow hedge - reclassified to profit or loss	15	74,556	84,673	-	-
Exchange difference on translation of foreign operations	15	(41,787)	78,981	-	-
		(14,468)	99,193	-	-
Total other comprehensive income, net of tax		270,933	(20,745)	3,862	(2,673)
Total comprehensive income for the year, net of tax		1,479,217	1,113,817	363,801	230,512

The notes set out on pages 128 to 214 form an integral part of these financial statements.
Independent Auditor’s report on pages 116 to 121.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2025

THE GROUP	Attributable to the equity holders of the parent					Convertible bonds (Note 16) Rs'000	Total Equity Rs'000
	Issued capital (Note 14) Rs'000	Share premium (Note 14) Rs'000	Other reserves (Note 15) Rs'000	Retained earnings Rs'000	Total Rs'000		
At 01 July 2023	1,371,159	1,320,986	2,287,026	1,624,032	6,603,203	1,460,283	8,063,486
Other comprehensive income for the year	-	-	(16,542)	(4,203)	(20,745)	-	(20,745)
Profit for the year	-	-	-	1,134,562	1,134,562	-	1,134,562
Total comprehensive income for the year, net of tax	-	-	(16,542)	1,130,359	1,113,817	-	1,113,817
Interest on convertible bonds	-	-	-	(65,715)	(65,715)	-	(65,715)
Transaction with owners:							
Dividends (Note 40)	-	-	-	(342,790)	(342,790)	-	(342,790)
At 30 June 2024	1,371,159	1,320,986	2,270,484	2,345,886	7,308,515	1,460,283	8,768,798
At 01 July 2024	1,371,159	1,320,986	2,270,484	2,345,886	7,308,515	1,460,283	8,768,798
Other comprehensive income for the year	-	-	291,151	(20,218)	270,933	-	270,933
Profit for the year	-	-	-	1,208,284	1,208,284	-	1,208,284
Total comprehensive income for the year, net of tax	-	-	291,151	1,188,066	1,479,217	-	1,479,217
Interest on convertible bonds	-	-	-	(64,681)	(64,681)	-	(64,681)
Transaction with owners:							
Dividends (Note 40)	-	-	-	(342,790)	(342,790)	-	(342,790)
At 30 June 2025	1,371,159	1,320,986	2,561,635	3,126,481	8,380,261	1,460,283	9,840,544

The notes set out on pages 128 to 214 form an integral part of these financial statements.
Independent Auditor’s report on pages 116 to 121.

SEPARATE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2025

THE COMPANY	Attributable to the equity holders of the Company					Convertible bonds (Note 16) Rs'000	Total Equity Rs'000
	Issued capital (Note 14) Rs'000	Share premium (Note 14) Rs'000	Other reserves (Note 15) Rs'000	Retained earnings Rs'000	Total Rs'000		
At 01 July 2023	1,371,159	1,320,986	42,934	1,464,967	4,200,046	914,083	5,114,129
Other comprehensive income for the year	-	-	-	(2,673)	(2,673)	-	(2,673)
Profit for the year	-	-	-	233,185	233,185	-	233,185
Total comprehensive income for the year, net of tax	-	-	-	230,512	230,512	-	230,512
Interest on convertible bonds	-	-	-	(27,971)	(27,971)	-	(27,971)
Transaction with owners:							
Dividends (Note 40)	-	-	-	(342,790)	(342,790)	-	(342,790)
At 30 June 2024	1,371,159	1,320,986	42,934	1,324,718	4,059,797	914,083	4,973,880
At 01 July 2024	1,371,159	1,320,986	42,934	1,324,718	4,059,797	914,083	4,973,880
Other comprehensive income for the year	-	-	693	3,169	3,862	-	3,862
Profit for the year	-	-	-	359,939	359,939	-	359,939
Total comprehensive income for the year, net of tax	-	-	693	363,108	363,801	-	363,801
Interest on convertible bonds	-	-	-	(27,983)	(27,983)	-	(27,983)
Transaction with owners:							
Dividends (Note 40)	-	-	-	(342,790)	(342,790)	-	(342,790)
At 30 June 2025	1,371,159	1,320,986	43,627	1,317,053	4,052,825	914,083	4,966,908

The notes set out on pages 128 to 214 form an integral part of these financial statements.
Independent Auditor’s report on pages 116 to 121.

CONSOLIDATED AND SEPARATE STATEMENTS
OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	THE GROUP		THE COMPANY	
		2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
OPERATING ACTIVITIES					
Profit before tax		1,454,966	1,372,641	348,897	260,906
Adjustments for:					
- Waiver of lease payments	23 (b)	-	(5,789)	-	-
- Impairment/ (reversal of impairment) of right-of-use assets	5 (a)	29,327	(23,585)	-	-
- Impairment of financial assets	12 (iii)	357	9,571	-	-
- Impairment/ (reversal of impairment) of investment in subsidiary companies	8	-	-	338,228	(22,619)
- Impairment/ (reversal of impairment) of property, plant and equipment	4	5,685	(4,408)	-	-
- Movement in provision for slow moving stock		(500)	(500)	-	-
- Foreign exchange differences		73,364	82,019	57,750	31,562
- Depreciation and amortisation	27	812,155	743,405	5,744	4,971
- Profit on disposal of property, plant and equipment	23 (c)	(953)	(779)	-	-
- Post-employment benefit obligations		26,383	17,618	1,360	1,048
- Provision for vacation leaves	19	701	19,445	95	422
- Interest income	28	(42,506)	(26,966)	(94,265)	(95,841)
- Interest expense	29	517,174	595,686	52,986	35,775
- Fair value gain on investment property	6	-	-	(4,373)	-
		2,876,153	2,778,358	706,422	216,224
Changes in working capital:					
- Decrease/ (increase) in inventories		516	9,687	(165)	-
- Decrease/ (increase) in trade and other receivables		95,043	662,663	321,577	(34,321)
- Increase/ (decrease) in trade and other payables		150,887	(150,446)	(194,240)	482,938
Cash generated from operations		3,122,599	3,300,262	833,594	664,841
Interest received		42,506	26,966	42,506	25,293
Contribution paid	18 (g)	-	(2,407)	-	(2,407)
Benefits paid	18 (q)	(4,979)	(4,972)	-	-
Income tax paid	21 (d)	(198,195)	(155,314)	(38,880)	(26,382)
Interest paid		(581,855)	(653,863)	(27,983)	(27,107)
Net cash flows generated from operating activities		2,380,076	2,510,672	809,237	634,238
INVESTING ACTIVITIES					
Purchase of shares in associated company	13	(49,827)	-	(49,827)	-
Acquisition of property, plant and equipment	32 (b)	(427,937)	(962,514)	(8,171)	(2,672)
Purchase of intangible assets	7	(1,193)	(6,980)	-	-
Proceeds from sale of property, plant and equipment	23 (c)	5,259	1,486	3,941	-
Net cash flows used in investing activities		(473,698)	(968,008)	(54,057)	(2,672)
FINANCING ACTIVITIES					
Payments of long term borrowings	17 (c)	(924,047)	(803,754)	-	-
Principal elements of lease payments	5 (a)	(181,214)	(176,056)	-	-
Dividend paid	40	(342,790)	(617,022)	(342,790)	(617,022)
Net cash flows used in financing activities		(1,448,051)	(1,596,832)	(342,790)	(617,022)
Net increase/ (decrease) in cash and cash equivalents		458,327	(54,168)	412,390	14,544
Cash and cash equivalents at 01 July		1,044,915	1,095,121	852,544	839,871
Effects of exchange rate changes on cash and cash equivalents		1,573	3,962	(1,597)	(1,871)
Cash and cash equivalents at 30 June	32 (a)	1,504,815	1,044,915	1,263,337	852,544

Refer to note 32 (b) for non-cash transactions.

The notes set out on pages 128 to 214 form an integral part of these financial statements.
Independent Auditor’s report on pages 116 to 121.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

1. CORPORATE INFORMATION

Lux Island Resorts Ltd is a public company incorporated in Mauritius and its shares are listed on the Stock Exchange of Mauritius. Its registered office is situated at 58, Pierre Simonet Street, Floréal. The main activity of the Group and the Company is investment in hotel properties as well as operations of those hotels. The management of the different hotels is entrusted to its sister company, The Lux Collective Ltd, under a long term management contract.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated and separate financial statements have been prepared on a historical cost basis, except for the following:

- land and buildings and investment property – measured at fair value or revalued amount, and
- plan assets for post-employment benefit obligations – measured at fair value

The consolidated and separate financial statements are presented in Mauritian rupees and all values are rounded to the nearest thousand (Rs’000) except when otherwise indicated.

Statement of Compliance

The consolidated and separate financial statements of Lux Island Resorts Ltd and its subsidiaries have been prepared in accordance with IFRS Accounting Standards and in compliance with the requirements of the Mauritian Companies Act 2001.

The consolidated financial statements comprise the financial statements of Lux Island Resorts Ltd and its subsidiaries as at 30 June 2025. Where necessary, comparative figures have been amended to conform with change in presentation in the current year.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s and the Company’s accounting policies. The areas including a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed Note 3.

During the year, the Group made a profit after tax of **Rs 1,208 million** (2024- Rs 1,135 million) while the company made a profit of **Rs 360 million** (2024- Rs 233 million). At 30 June 2025, the Group’s current liabilities exceeded its current assets by **Rs 686 million** (2024- Rs 1.3 billion) and was in a net asset position of **Rs 9.8 billion** (2024- Rs 8.8 billion) while the Company’s current assets exceeded its current liabilities by **Rs 1.3 billion** (2024- Rs 1.1 billion) and was in a net asset position of **Rs 5.0 billion** (2024- Rs 5.0 billion).

Based on the above performance, the Group has satisfied all the financial covenants applicable at 30 June 2025 for its 2 main bankers as well as those of the Mauritius Investment Corporation (MIC). Furthermore, at 30 June 2025, the Group has **Rs 1.5 billion** surplus cash which has been earmarked for project development but which could also be used to prepay some loans and convertible bonds.

Future Outlook

The Group has prepared its 2026 budgets on the following basis:

- All its hotels will be fully operational during FY 25-26.
- The Group is not forecasting any major renovation during the financial year ending 30 June 2026 except for usual maintenance capital expenditure.

NOTES TO THE FINANCIAL STATEMENTS (CONT’D)

FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.1 Basis of preparation (cont.)

Future Outlook (cont.)

- Booking in hands for Quarter 1 for FY 25-26 is encouraging and the Group expects to achieve better results than Quarter 1 of the previous year.
- The group is forecasting to end FY 25-26 with surplus cash balance as at end of FY 24-25 after payments of loan capital of Rs 1 billion and the cash flow forecast provides for a dividend payout at same level as the current financial year.

Based on the above, the financial statements have been prepared on a going concern basis, which assumes that the Group and the Company will continue in operational existence for the foreseeable future. The directors believe that it is appropriate for the financial statements to be prepared on the going concern basis since based on the financial forecast, the Group and the Company would have sufficient cash to sustain their operations over at least the next twelve months.

New standards, amendments to existing standards and interpretation issued and effective for the first time for the financial year beginning on 01 July 2024

In the current year, the Group and the Company have assessed all of the new standards, amendments to existing standards and interpretations issued by the International Accounting Standards Board (“IASB”) that are relevant to their operations and effective for accounting periods beginning on 01 July 2024.

Amendments to IAS 1, ‘Presentation of financial statements’, on classification of liabilities as Current or Non-current (effective for annual periods beginning on or after 01 January 2024)

The amendments made to IAS 1 clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity’s expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date.

The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include:

- the carrying amount of the liability
- information about the covenants, and
- facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants.

The amendments also clarify what IAS 1 means when it refers to the ‘settlement’ of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity’s own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible note.

The amendments must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Special transitional rules apply if an entity had early adopted the 2020 amendments regarding the classification of liabilities as current or non-current. The amendments did not have a material impact on the Group’s and the Company’s financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.1 Basis of preparation (cont.)

New standards, amendments to existing and interpretations issued but effective for financial years beginning after 01 July 2024 which are applicable to the Group and the Company and which have not been early adopted

Amendments to IFRS 9 and IFRS 7, 'Amendments to the Classification and Measurement of Financial Instruments' (effective for annual periods beginning on or after 1 January 2026)

On 30 May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system,
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion,
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets), and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

IFRS 18, 'Presentation and Disclosure in Financial Statements' (effective for annual periods beginning on or after 1 January 2027)

IFRS 18 will replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of IFRS 18 will have no impact on the group's net profit, the group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the group has performed, the following items might potentially impact operating profit:
 - (a) Foreign exchange differences currently aggregated in the line item 'other income and other gains/(losses) – net' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
 - (b) IFRS 18 has specific requirements on the category in which derivative gains or losses are recognised – which is the same category as the income and expenses affected by the risk that the derivative is used to manage. Although the group currently recognises some gains or losses in operating profit and others in finance costs, there might be a change to where these gains or losses are recognised, and the group is currently evaluating the need for change.
- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the statement of financial position, the group will disaggregate goodwill and other intangible assets and present them separately in the statement of financial position

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.1 Basis of preparation (cont.)

New standards, amendments to existing and interpretations issued but effective for financial years beginning after 01 July 2024 which are applicable to the Group and the Company and which have not been early adopted (cont.)

IFRS 18, 'Presentation and Disclosure in Financial Statements' (effective for annual periods beginning on or after 1 January 2027) (cont.)

- The group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
 - (a) management-defined performance measures,
 - (b) a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses, and
 - (c) for the first annual period of application of IFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying IFRS 18 and the amounts previously presented applying IAS 1.
- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

IFRS 19, 'Subsidiaries without Public Accountability: Disclosures' (effective for annual periods beginning on or after 1 January 2027)

Issued in May 2024, IFRS 19 allows for certain eligible subsidiaries of parent entities that report under IFRS Accounting Standards to apply reduced disclosure requirements.

There are no other new standards, amendments to existing standards and interpretations that are effective for annual period beginning after 01 July 2024 that would be relevant or have a material impact on the Group's and on the Company's financial statements.

2.2 Principles of consolidation

Separate financial statements of the Company

In the separate financial statements of the Company, investment in subsidiary companies are carried at cost net of impairment losses. The carrying amounts are reduced to recognise any impairment in the value of individual investments.

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.2 Principles of consolidation (cont.)

Subsidiaries (cont.)

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets given, liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest’s proportionate share of recognised amounts of the acquiree’s net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer’s previously-held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such remeasurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

Inter-company transactions, balances and expenses on transactions between group companies are eliminated. Profits or losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of the subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Disposal of subsidiaries

When the Group ceases to have control or significant influence, any retained interest in the entity is re-measured to its fair value, at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture, or financial asset.

In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Investment in subsidiaries

Investments in subsidiaries are carried at cost in the separate financial statements. Where an indication of impairment exists, the recoverable amount of the investment is assessed. Where the recoverable amount of an investment in subsidiary is less than its carrying amount, the investment is written down immediately to its recoverable amount and the impairment loss is recognised as an expense in profit or loss.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.2 Principles of consolidation (cont.)

Investment in subsidiaries (cont.)

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position.

Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

Investment in associate

An associate is an entity over which the Group has significant influence but not control, or joint control, generally accompanying a shareholding between 20% and 50% of the voting rights.

Separate financial statements

In the separate financial statements, investment in associated company is carried at cost. The carrying amount is reduced to recognise any impairment in the value of individual investment.

Consolidated financial statements

Investments in associate is accounted for using the equity method except when classified as held-for-sale. Investments in associates are initially recognised at cost as adjusted by post acquisition changes in the Group’s share of the net assets of the associate less any impairment in the value of individual investment.

Any excess of the cost of acquisition and the Group’s share of the net fair value of the associate’s identifiable assets and liabilities recognised at the date of acquisition is recognised as goodwill, which is included in the carrying amount of the investment. Any excess of the Group’s share of the net fair value of identifiable assets and liabilities over the cost of acquisition, after assessment, is included as income in the determination of the Group’s share of the associate’s profit or loss.

When the Group’s share of losses exceeds its interest in an associate, the Group discontinues recognising further losses, unless it has incurred legal or constructive obligation or made payments on behalf of the associate.

Unrealised profits and losses are eliminated to the extent of the Group’s interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, appropriate adjustments are made to the financial statements of associate to bring the accounting policies used in line with those adopted by the Group.

If the ownership in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

Dilution gains or losses arising in investments in associates are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.3 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). For the purpose of the consolidated and the separate financial statements, the results and financial position of each entity are expressed in Mauritian rupee (“Rs”), which is the functional currency of the Company, and the presentation currency for the consolidated and separate financial statements.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when deferred in equity as qualifying cash-flow hedge.

Foreign exchange gains and losses are presented in profit or loss on a net basis within other operating income/expense.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

The results and financial position of foreign operations that have a functional currency different from the presentation currency of the Group are translated into the Group’s presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the statement of financial position date;
- share capital are stated at their historical value on the statement of financial position;
- income and expenses for each statement of profit or loss and statement of other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.4 Property, plant and equipment

All property, plant and equipment are initially recorded at cost. Land and buildings are subsequently shown at fair value, based on valuations carried out by an external independent valuer, less accumulated depreciation for buildings and impairment losses recognised after the date of revaluation. The Group’s policy is to revalue its property every three years unless there is evidence that the fair value of the assets differs materially from the carrying amount. During the financial year 2025, the Mauritian entities were revalued using a full valuation exercise while for the two other hotels which are outside Mauritius, a desktop valuation was carried out to assess the fair value of the land and buildings. All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.4 Property, plant and equipment (cont.)

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group or the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Construction in progress are stated at cost and are not depreciated. When completed, construction in progress are transferred to plant and equipment.

Increases in the carrying amount arising on revaluation are credited to the revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged through other comprehensive income against the revaluation reserve to the extent that the decrease does not exceed the amount held in the revaluation reserve in respect of that same asset; all other decreases are charged to profit or loss. The carrying values of property, plant and equipment are reviewed for impairment at each reporting date or when events or changes in circumstances indicate that the carrying value may not be recoverable.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining the operating profit. On disposal of revalued assets, amounts in the revaluation and other reserves relating to that asset are transferred to retained earnings.

Depreciation is calculated on the straight-line method to write off the cost of each asset, or the revalued amounts, to their residual values over their estimated useful lives. The useful life, residual value and method of depreciation of an item of property, plant and equipment are reviewed at the end of each financial year and adjusted prospectively if appropriate. The residual values and remaining useful lives of buildings have been estimated by the independent external valuer and for other types of assets, these are determined by the directors.

The annual rate of depreciation is as follows:

Buildings	2% - 9.45 %
Plant and equipment	10% - 20%
Furniture and fittings	10% - 33.33%
Motor vehicles	20%
Computer equipment	10% - 33.33%

Leased assets are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.5 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect. Fair values are determined based on an annual valuation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. The amount of consideration to be included in the gain or loss arising from the derecognition of investment property is determined in accordance with the requirements for determining the transaction price in IFRS 15.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group and the Company account for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

2.6 Intangible assets

Goodwill

Goodwill acquired in a business combination is initially measured as the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer’s previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets and liabilities assumed. If after reassessment, the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer’s previously held interest in the acquiree, the excess is recognised in profit or loss as a gain on bargain purchase. Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group’s cash-generating units, or group of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- is not larger than a segment based on either the Group’s primary or the Group’s secondary reporting format determined in accordance with IFRS 8 Segment Reporting.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units), to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Gain on bargain purchase represents the excess of the acquirer’s interest in the fair values of the identifiable net assets and liabilities acquired over the cost of acquisition. It is recognised immediately as income in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.6 Intangible assets (cont.)

Goodwill (cont.)

Gain on bargain purchase arising from the acquisition of an associated company is included as income in the determination of the Group’s share of the associate’s profit or loss of the period in which the associate was acquired.

Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is charged against profit or loss in the year in which the expenditure is incurred. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset. The estimated useful lives of intangible assets with finite useful lives are as follows:

Computer software & Licenses	-	5 years
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Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

2.7 Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Group’s business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies in section 2.22 Revenue from contracts with customers.

The Group’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.7 Financial assets (cont.)

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments);
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group’s financial assets at amortised cost includes trade and other receivables (excluding prepayments) and cash and cash equivalents.

Financial assets at fair value through OCI (debt instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange gains or losses and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation, and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Changes in the fair value of equity investments at fair value through other comprehensive income are not recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right to receive payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.7 Financial assets (cont.)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised on profit or loss.

Trade and other receivables

Trade and other receivables are initially recognised at original invoice amount and are subsequently carried at amortised cost using the effective interest rate method less any allowance for impairment (i.e expected credit loss). Gains and losses are recognised in profit or loss when the receivables are derecognised or impaired, as well as through the amortisation process.

For trade receivables, the Group applies a simplified approach in calculating expected credit losses (ECLs). Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at the end of the reporting period. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset to be in default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. The information about the ECLs on the Group’s trade receivables is disclosed in note 37 (c) (iv).

Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purpose of presentation in the consolidated and separate statements of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Such financial assets are carried at amortised cost using the effective interest rate method. Bank overdrafts are classified as part of interest bearing loans and borrowings under current liabilities

2.8 Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of interest bearing loans and borrowings, lease liabilities, dividend payable and trade and other payables, these are accounted net of directly attributable transaction costs.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.8 Financial liabilities (cont.)

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group or the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. In that case, the borrowings are classified as non-current liabilities.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group or the Company prior to the end of financial year which are unpaid at year end. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

Dividend payable

An accrual is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the financial year but not distributed at the end of the financial year. Further details are provided in note 40.

The Group’s financial liabilities which are measured at amortised cost, include trade and other payables, bank overdrafts, interest-bearing loans and borrowings, lease liabilities and dividend payable.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.9 Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Company or the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a ‘pass-through’ arrangement; or
- the Company or the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Where the Company or the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company’s or the Group’s continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company or the Group could be required to repay.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Company’s or the Group’s continuing involvement is the amount of the transferred asset that the Company or the Group may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Company’s or the Group’s continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.10 Impairment of financial assets

For trade and intercompany account receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2.11 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated and separate statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.12 Fair value of financial instruments

Determination of fair value

The Company and the Group determine the fair value of their financial instruments, such as equities and other interest-bearing investments, at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company and the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price or binding dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

Where the Company and the Group have financial assets and financial liabilities with offsetting positions in market risks or counterparty credit risk, they have elected to use the measurement exception provided in IFRS 13 to measure the fair value of its net risk exposure by applying the bid or ask price to the net open position as appropriate.

For all other financial instruments not traded in an active market, the fair value is determined by using valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (i.e., using recent arm’s length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company and the Group determine whether transfers have occurred between levels in the hierarchy by re-assessing the categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the beginning of each reporting period.

2.13 Share Capital

Ordinary shares are classified as ‘issued capital’ in equity. Any premium received over and above the par value of the shares is classified as ‘share premium’ in equity. Incremental costs directly attributable to the issue of the new shares or options are shown in equity as deduction, net of tax, from proceeds.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.14 Hedge accounting

For the purpose of hedge accounting, hedges are classified as:

- fair value hedges when the hedging exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment; or
- cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment; or
- hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the hedging instrument’s effectiveness in offsetting the exposure to changes in the hedged item’s fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow Hedge

The Group currently has only cash flow hedges as it is exposed to foreign currency risk, most significantly to the Euro, Pound Sterling and US Dollar, on the Group’s sales denominated in these currencies. The Group hedges these exposures by entering into foreign currency loans and leases (“hedging instruments”) with future principal payments that will match the future sales (“hedged item”) in these currencies. The Group has elected to continue applying the accounting policies for hedge accounting under IAS 39.

The group does not hedge 100% of its future foreign currency denominated revenue, therefore the hedged item is identified as a proportion of the future foreign currency denominated revenue up to the carrying amount of the loans/leases. As all critical terms matched during the year, there is an economic relationship.

The effective portion of the gain or loss on the hedging instrument is recognised directly in other comprehensive income, while any ineffective portion is recognised immediately in profit or loss.

Amounts taken to other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. Where the hedged item is the cost of a non-financial asset or non-financial liability, the amounts taken to other comprehensive income are transferred to the initial carrying amount of the non-financial asset or liability.

If the forecast transaction or firm commitment is no longer expected to occur, amounts previously recognised in other comprehensive income are transferred to profit or loss. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in other comprehensive income remains separately in equity until the forecast transaction or firm commitment affects profit or loss.

Financial risk management strategy

The hedge on the foreign currency revenues by the foreign currency loans and leases are treated as cash flow hedge and the purpose is to hedge the foreign currency risks relating to the Euro (“EUR”), Great Britain Pound (“GBP”) and United State Dollars (“USD”) sales. Refer to Note 37 for more details on the risk management policies.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.15 Impairment of non-financial assets

The Group assesses at each reporting date whether there is any indication that an asset may be impaired. Non-financial assets are considered to be impaired when there is an objective evidence that, as a result of one or more events that occurred after the initial recognition of the non-financial asset, the estimated future cash flows of the non-financial asset has been affected. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the fair value (using a fair value less cost to sell model), the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

2.16 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition, are accounted for on a weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Cost of inventory expensed comprise of food and beverage costs attributable to food and beverage revenue in the various outlets of the hotels of the Group as well as Room and other amenities and cost of boutique items. Further details are provided in note 24.

2.17 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.17 Provisions (cont.)

Provision for vacation leaves

The amendments to the Workers' Rights Act (WRA) came into force on 24 October 2019, whereby an employee earning less than Rs 50,000, who remains in continuous employment with the same employer for a period of at least 5 consecutive years is entitled to vacation leaves of not more than 30 days, for every period of 5 consecutive years. This is already provided in the legislation since 2019. As such, a number of workers who have stayed with the Group or the Company since then are eligible to the vacation leave as from October 2024.

2.18 Post employment benefit obligations

The Group operates a defined benefit plan for some of its employees. For the remaining employees, the Group contributes to an unutilised defined contribution pension scheme that was established on 01 July 2002.

In addition, for the Contribution Social Généralisée (CSG) employers deduct the employee's contribution from his or her wage or salary and pay that contribution together with the employer's contribution to the Mauritius Revenue Authority (MRA). For employees earning less than Rs 50,000 per month the employee's contribution is 1.5% of the wage or salary and the employer's share is 3%. For employees earning more than Rs 50,000 per month the employee's contribution is 3% of the wage or salary and the employer's share is 6%.

Defined benefits schemes

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding net interest and the return on plan assets (excluding net interest), are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment; and
- The date that the Group recognises restructuring-related costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under 'employee benefit expenses' in profit or loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income

Defined contributions schemes

Payments to defined contribution retirement plans are charged as an expense as they fall due. Unpaid contributions are recognised as a liability.

Other retirement benefits

For employees who are not covered (or who are insufficiently covered by the above pension plans), the net present value of gratuity on retirement payable under the Workers Rights Act (WRA) 2019 is calculated by a qualified actuary and provided for. The obligations arising under this item are not funded.

Liabilities with respect to above schemes and the provision for the vacation leave are calculated by Swan Life Ltd (Actuarial Valuer) annually.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.18 Post employment benefit obligations (cont.)

Right of set off

The Group does not offset the asset relating to one plan against a liability relating to another plan as it:

- does not have a legally enforceable right to use a surplus in one plan to settle obligations under the other plan; and
- does not intend to either to settle the obligations on a net basis, or to realise the surplus in one plan and settle its obligation under the other plan simultaneously.

Employee benefit expenses comprise of total basic salaries and bonuses of all team members employed by the Group. Bonuses include incentive bonus for all team members determined on the basis of achievable financial targets. Other payroll costs include contributions to post retirement benefit obligations as well as other costs associated with the employment of the team members such as travelling, meals, uniforms, medical etc. Further details are provided in note 25.

2.19 Taxes

Current income tax

Tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

Deferred tax is provided using the liability method on all temporary differences arising at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profits will be available against which the temporary differences can be utilised.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.19 Taxes (cont.)

Deferred income tax (cont.)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised only to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

The principal temporary differences arise from depreciation on property, plant and equipment, revaluations of certain non-current assets, provisions for loss allowance on trade receivables, provision for slow moving stock, tax losses carried forward, lease liabilities, provision for vacation leaves and post employment benefit obligations.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantially enacted by the end of the reporting period in the countries where the company and its subsidiaries operate and generate taxable income.

Current and deferred tax is recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and taxes levied by the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it is incurred during the measurement period or in profit or loss.

Value Added Tax

Revenues, expenses and assets are recognised net of the amount of value added tax except:

- Where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of trade and other receivables or trade and other payables in the statement of financial position.

Corporate Social Responsibility (CSR) tax

Corporate Social Responsibility (CSR) tax was legislated by the Government of Mauritius in July 2009. The Group and the Company are entitled to allocate a percentage of their chargeable income of the preceding year to a CSR programme approved by the National Social Inclusion Foundation and the remaining to the Mauritius Revenue Authority.

Corporate Climate Responsibility Levy (“CCR”)

In July 2024, the Finance Act 2024 was enacted and any Company meeting the prescribed condition of earning a yearly turnover of more than Rs 50m is required to pay a Corporate Climate Responsibility Levy (“CCR”) equivalent to 2% of its chargeable income.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.20 Leases

The group leases land, buildings, vehicles, computer and other equipment. Rental contracts are typically made for fixed periods of 5 to 99 years but may have extension options as described below.

Contracts may contain both lease and non-lease components. However, the Group has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the group under residual value guarantees;
- the exercise price of a purchase option if the group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease agreement. If that rate cannot be readily determined, which is generally the case for leases of the group, the lessee’s incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third-party financing; and
- makes adjustments specific to the lease, eg term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the group uses that rate as a starting point to determine the incremental borrowing rate.

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Whenever there are adjustments relating to timing of lease payments, the lease liability is reassessed and adjusted in profit or loss.

Lease payments are allocated between principal and finance cost (interest charge). The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.20 Leases (cont.)

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset’s useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset’s useful life. While the group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use land and buildings held by the group.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets comprise IT equipment and small items of office furniture.

Variable lease payments

The Group has three property leases which contain variable payment terms that are linked to revenue and profit. For the lease of Nereide Ltd, over and above the fixed element of the lease, there is a variable element of the lease representing 20% of the gross operating profit after fixed rental. For Beau Rivage Co Ltd, the rental payment of IHS villas is determined on the basis of 38% of room revenue, subject to a minimum guaranteed return of 5% of amount invested over the first 10 years of the lease while for Merville Limited, the rental is determined on the basis of 38% of room revenue, subject to a minimum guaranteed return of 3% of amount invested over the first 5 years of the lease. For White Sand Resorts & Spa Pvt Ltd the lease payment for the land lease includes a variable element representing 15% of profit for the year.

Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the group. These are used to maximise operational flexibility in terms of managing the assets used in the group’s operations. The majority of extension and termination options held are exercisable only by the group and not by the respective lessor.

Lessor

The Group and company derives income from rental of its investment property. Lease rental from operating leases where the Group or the Company is a lessor is recognised as an income on a straight-line basis over the lease term.

2.21 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to profit or loss in equal annual amounts over the expected useful life of the related asset.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.22 Revenue recognition

(i) Revenue from contracts with customers

The Group is in the business of hotel operation. Revenue is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer.

Recognition of packages sales to tour operators.

The Group derives package revenue (room revenue and food and beverage revenue) via tour operators (“TO”). The TOs receives or retains a percentage of the package revenue – usually called a commission - collected from the guests. Revenue from packages sales are recognised net of commission.

The mainstream of revenue of the Group is as follows:

Hotel Revenues

It corresponds to all the revenues received from guests by the hotels. The services rendered (including room rentals, food and beverage sales and other ancillary services) are distinct performance obligations, for which prices invoiced to the guests are representative of their stand-alone selling prices. These obligations are fulfilled over time when they relate to room rentals, along the stay in the hotel, and at a point in time for other goods or services, when they have been delivered or rendered.

Room Revenue

Recognised as revenue when performance obligation is performed. Revenue is recognised over the duration of stay of the guests. Where the Group acts as the principal, the gross revenue is recognised as income.

Food & Beverage revenue

F&B revenue is recognised upon consumption at the different restaurants or bars (i.e at a point in time).

Other Operating Departments

Minor other departments include the provision of services such as laundry, spa and boutique sales. The Group acts as an agent from time to time (e.g. for diving, big game fishing, horse riding, etc.).

In an agency relationship, the gross inflows of economic benefits include amounts collected on behalf of the principal and which do not result on increases in equity for the entity. The amounts collected on behalf of the principal are not revenue. Instead revenue is the amount of commission received/ receivable by the Group.

(ii) Other revenues

Other revenues earned by the Company are recognised on the following basis:

- Management fees are recognised on an accrual basis.

Other revenues earned by the Group are recognised on the following basis:

- Profit on sale of IHS units is recognised net of revenue less cost incurred for construction and disposal under other operating income (Note 23(a)).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.22 Revenue recognition (cont.)

Insurance recoverable

Following the fire at Beau Rivage Co Ltd (Lux Belle Mare) on 02 July 2022, the amount receivable from the insurer amounted to **Rs Nil** at 30 June 2025, after accounting for amount disbursed of **Rs 109.8m**. Refer to note 30 for further details.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services provided in the ordinary course of business. If collection is expected within one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate method. Details about the Group’s impairment policies and the calculation of the loss allowance are provided in note 37 (c) (iv).

Contract liabilities

A contract liability is an obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

2.23 Operating expenses

(i) Other operating expenses

Other operating expenses are accounted for in profit or loss on an accrual basis. Other operating expenses comprise of administrative costs and other expenses which are not directly allocated to the main operating departments, namely room and food and beverage. Further details are provided in note 26.

(ii) Direct operating expenses

Direct operating expenses are accounted for in profit or loss on an accrual basis. Direct operating expenses comprise main operating departments, namely room and food and beverage. Further details are provided in note 24.

2.24 Earnings before interest, tax, depreciation, amortisation, impairment and write offs

Earnings before interest, tax, depreciation, amortisation, impairment and write offs is stated after adding to earnings before interest, tax, depreciation, amortisation (EBITDA) significant items of a non-recurring nature such as impairment charges and write off.

Due to the nature of the exceptional items, certain one-off and non-trading items are classified separately in order to draw the attention of the users of the financial statements. In the judgement of the Directors, this presentation shows the underlying performance of the Group and the Company more accurately.

NOTES TO THE FINANCIAL STATEMENTS (CONT’D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.25 Segmental reporting

The Group presents segmental information using business segments as its primary reporting format and geographical segments as its secondary reporting format. This is based on the internal management and financial reporting systems and reflects the risks and earnings structure of the Group. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the financial statements.

2.26 Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.27 Dividend payable

The Company recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised by the directors and the distribution is no longer at the discretion of the Company. A corresponding amount is recognised directly in equity.

2.28 Convertible bonds

The convertible bonds issued by the Mauritius Investment Corporation (MIC) has been treated as equity where both the principal and interest components have been classified as equity on initial recognition based on the subscription proceeds received, net of transaction costs, and is not subsequently remeasured.

NOTES TO THE FINANCIAL STATEMENTS (CONT’D)
FOR THE YEAR ENDED 30 JUNE 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

2.29 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group and the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

2.30 Finance costs

The finance costs is included as part of profit or loss on the following:

- Leases - interest is charged over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.
- Bank borrowings and bank overdraft– borrowing cost on non-qualifying assets is calculated using the effective interest rate method.

2.31 Finance income

The Group earns finance income such as interest on its bank accounts and the Company earns interest both on its bank accounts and amount due from its subsidiaries. These are accounted for as follows:

- Interest income - as it accrues (using the effective interest rate) unless the collectability is in doubt.

2.32 Other income

The Group earns other income such as gain on sale on IHS villas, residences and apartments and the Company earns dividend income from subsidiaries. These are accounted for as follows:

- Dividend income - when the shareholder’s right to receive payment is established.
- Gain on sale of villas, residences and apartments - recognised net of deposits received less cost of construction and cost to sell.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

3. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES

The preparation of the Group’s consolidated and the Company’s separate financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

Estimates and assumptions

The Group and the Company make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Revaluation of land and buildings

Land and buildings are carried at fair value and it is the Group’s policy to revalue its land and buildings every three years unless there is evidence that the fair value of the assets differ materially from the carrying amount. The revaluation is carried out by an external valuer and the Directors perform an assessment of the fair value of property, plant and equipment on an annual basis. The land and buildings for the Mauritian entities were revalued by an independent professional valuer using a full valuation exercise while for the two other hotels which are outside Mauritius, a desktop valuation review was performed during the current financial year. The valuation takes into consideration recent market transactions, the income generating capacity of the assets being revalued as well as expected yield.

(ii) Assets lives and residual values

Property, plant and equipment are depreciated over their useful lives taking into account their residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing assets’ lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. Consideration is also given to the extent of current profits and losses on the disposal of similar assets.

Property, plant and equipment are depreciated to their residual values over their estimated useful lives. The residual value of an asset is the estimated net amount that the Group and the Company would currently obtain from disposal of the asset, if the asset was already of the age and in the condition expected at the end of its useful life.

The directors therefore make estimates based on historical experience and use best judgement to assess the useful lives of assets and to forecast the expected residual values of the assets at the end of their expected useful lives.

(iii) Impairment of other non-current assets

Property, plant and equipment, intangible assets and right of use assets are considered for impairment if there is a reason to believe that impairment may be necessary. Factors taken into consideration by management in reaching such a decision include the economic viability of the asset itself and where it is a component of a larger economic unit, the viability of that unit itself. Directors have made use of approved cash flow projections based on financial budgets covering up to a five-year period. These cash flow projections make use of growth rate, occupancy rate, average room rate which are based on estimates.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

3. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES (cont.)

(iv) Impairment of goodwill

The Group tests whether goodwill has suffered any impairment on an annual basis. For the 2025 and 2024 reporting periods, the recoverable amount of the cash-generating units (CGUs) was determined based on fair value less cost to sell models which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. The carrying amount of goodwill as at 30 June 2025 amounted to **Rs 475.0m** (2024: Rs 488.4m). Further details are given in note 7.

(v) Impairment or reversal of impairment of investment in subsidiary companies

Investment in subsidiaries are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may differ from the recoverable amount. An impairment loss or reversal of impairment is recognised for the amount by which the investment’s carrying value differs its recoverable amount, which represents the investment’s fair value less cost to sell, which require the use of assumptions. The calculations use cash flow projections of the subsidiaries based on financial forecasts prepared by management covering a five-year period. The carrying amount of the investment as at 30 June 2025 amounted to **Rs 3.5 billion** (2024: Rs 3.8 billion). During the year an amount of **Rs 338m** (2024: reversal of impairment of Rs 22.6m) was booked in relation to impairment of investment in Oceanide Ltd and White Sand Resorts & Spa Pvt Ltd. Further details are provided in note 8.

(vi) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that future taxable profits will be available against which the losses can be utilised. Recoverability of deferred tax assets have been assessed for each subsidiary based on the forecasted taxable profits to be generated during the next financial periods.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Main assumptions used in the determination of future taxable profits include inter-alia: occupancy rates of the hotels, room rates and margins. At 30 June 2025 and 30 June 2024, the status of unused tax losses of the Group was as follows:

	2025		
	Recognised Rs’000	Unrecognised Rs’000	Total Rs’000
Tax losses	579,797	810,907	1,390,704

	2024		
	Recognised Rs’000	Unrecognised Rs’000	Total Rs’000
Tax losses	735,476	1,048,327	1,783,803

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

3. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES (cont.)

(vii) Post employment benefit obligations

The cost of defined benefit pension plans and related provision, as disclosed in note 18 to the financial statements requires the use of actuarial valuations. The actuarial valuation involves the use of significant estimates in respect of inter-alia, discount rate, expected return on plan assets, future salary increases, mortality rate and future pension increases. Any change in these assumptions will impact the carrying amount of pension obligations. The Group and the Company determine the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. Other key assumptions for pension obligations are based in part on the current market conditions. The net post-employment benefit obligations at 30 June 2025 is **Rs 231.8m** (2024: Rs 184.3m). Further details are set out in note 18.

(viii) Determining the lease term

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group applies judgement in evaluating whether it is reasonably certain or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination, including: whether there are significant penalties to terminate (or not extend); whether any leasehold improvements are expected to have a significant remaining value; historical lease durations; the importance of the underlying asset to the Group’s operations; and the costs and business disruption required to replace the leased asset. The lease term is reassessed if a significant event or a significant change in circumstances occurs which affects the assessment of reasonable certainty.

During the financial year ended 30 June 2025, no option has been exercised. For Merville Ltd, the lease term was assessed on a 5 year period where a guaranteed fixed rental has been used for the calculation of the lease.

(ix) Hedge ineffectiveness

The Group is exposed to foreign currency risk, most significantly to the EUR, GBP and USD, on the Group’s sales denominated in these currencies. The Group hedges these exposures by entering into foreign currency loans or leases (“hedging instruments”) with future principal payments that will match the future sales (“hedged item”) in these currencies. To apply hedge accounting, a condition is that the forecast transaction must be “highly probable”. The Group has applied judgement in assessing whether the forecasted foreign currency revenue remain “highly probable”, still expected to occur or is no longer expected to occur following normal operations of the Group after the COVID-19 pandemic. In making this assessment, the Group has considered the most recent approved budgets and plans. There were no hedging ineffectiveness for the current year which impacted the profit or loss of the Group as disclosed in note 15 (2024: Rs Nil).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

4. PROPERTY, PLANT AND EQUIPMENT

THE GROUP	Freehold Land and Buildings Rs’000	Buildings on Leasehold Land Rs’000	Plant and Equipment Rs’000	Furniture and Fittings Rs’000	Motor Vehicles Rs’000	Computer Equipment Rs’000	Construction in Progress Rs’000	Total Rs’000
COST AND VALUATION								
At 01 July 2023	482,101	10,350,522	1,563,962	716,780	78,861	198,588	1,026,687	14,417,501
Additions (Note i)	4,257	78,660	97,117	133,431	1,058	25,689	734,651	1,074,863
Disposal	-	-	(157,470)	(2,730)	(3,638)	(6,494)	-	(170,332)
Transfer from construction in progress (Note iv)	-	1,274,782	136,001	178,696	-	41,579	(1,631,058)	-
Transfer from right-of-use assets (Notes 5(a) & ii)	-	-	-	-	-	800	-	800
Reversal of impairment (Note iii)	-	-	4,408	-	-	-	-	4,408
Revaluation adjustment	26,926	(447,118)	-	-	-	-	-	(420,192)
Exchange difference	-	145,083	30,052	14,119	1,728	3,663	4,036	198,681
At 30 June 2024	513,284	11,401,929	1,674,070	1,040,296	78,009	263,825	134,316	15,105,729
Additions (Note i)	14,723	51,297	130,577	39,948	11,575	20,955	158,862	427,937
Transfer from construction in progress (Note iv)	-	119,132	-	37,482	-	-	(156,614)	-
Disposal	-	-	(13,440)	(3,726)	(14,786)	(7,108)	-	(39,060)
Transfer from investment property (Note 6)	-	91,145	-	-	-	-	-	91,145
Write off	-	-	(233)	-	-	-	-	(233)
Impairment (Note v)	-	(271)	(3,612)	(1,180)	(11)	(611)	-	(5,685)
Revaluation adjustment	1,111	(409,788)	-	-	-	-	-	(408,677)
Exchange difference	-	(120,658)	(28,700)	(13,560)	(1,662)	(2,815)	(1,112)	(168,507)
At 30 June 2025	529,118	11,132,786	1,758,662	1,099,260	73,125	274,246	135,452	15,002,649
DEPRECIATION								
At 01 July 2023	54,917	451,388	1,106,433	397,170	56,131	154,445	-	2,220,484
Charge for the year (Note 27)	46,303	272,085	141,238	86,995	7,316	28,249	-	582,186
Disposal	-	-	(156,924)	(2,584)	(3,638)	(6,479)	-	(169,625)
Revaluation adjustment	(46,263)	(244,593)	-	-	-	-	-	(290,856)
Transfer from right-of-use assets (Notes 5(a) & ii)	-	-	-	-	-	800	-	800
Exchange difference	-	24,385	24,058	11,381	1,625	3,340	-	64,789
At 30 June 2024	54,957	503,265	1,114,805	492,962	61,434	180,355	-	2,407,778
Charge for the year (Note 27)	50,548	306,172	150,803	97,282	7,522	32,413	-	644,740
Disposal	-	-	(13,239)	(3,590)	(10,845)	(7,080)	-	(34,754)
Write off	-	-	(233)	-	-	-	-	(233)
Revaluation adjustment	-	(793,217)	-	-	-	-	-	(793,217)
Exchange difference	-	(16,220)	(23,931)	(10,643)	(1,612)	(2,626)	-	(55,032)
At 30 June 2025	105,505	-	1,228,205	576,011	56,499	203,062	-	2,169,282
NET BOOK VALUE								
At 30 June 2025	423,613	11,132,786	530,457	523,249	16,626	71,184	135,452	12,833,367
At 30 June 2024	458,327	10,898,664	559,265	547,334	16,575	83,470	134,316	12,697,951

Note (i) - The main component of additions of property, plant and equipment in work-in-progress during the financial year 2025 related to White Sand Resorts & Pvt Ltd. For financial year 2024, the big chunk in addition was in relation to work-in-progress in respect of the reconstruction of the resort held and operated by the subsidiary, Beau Rivage Co Ltd.
(ii) - Related to items where the leases were matured and these assets were now the property of the hotels.
(iii) - Reversal of impairment loss of Rs 4.4m related to part of property, plant and equipment of the subsidiary Nereide Ltd. This is explained by the fact that the recoverable amount of this cash generating unit exceeded its carrying value due to the improved customer confidence in the post covid era.
(iv) - The transfer from construction in progress for the financial year 2025 is mainly in respect of White Sand Resorts & Spa Pvt Ltd where work-in-progress were transferred to other classes of assets. For the financial year 2024 the transfer were mainly in respect of Beau Rivage Co Ltd which started its operation on 01 October 2023.
(v) - The impairment loss relates to part of property, plant and equipment of the subsidiary, Nereide Ltd.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

4. PROPERTY, PLANT AND EQUIPMENT (cont.)

THE COMPANY	Freehold Land and Buildings Rs'000	Plant and Equipment Rs'000	Motor Vehicles Rs'000	Computer Equipment Rs'000	Furniture and Fittings Rs'000	Total Rs'000
COST AND VALUATION						
At 01 July 2023	15,393	12,208	16,371	1,989	11,920	57,881
Additions	-	2,220	-	440	12	2,672
At 30 June 2024	15,393	14,428	16,371	2,429	11,932	60,553
Additions	-	1,572	5,752	533	314	8,171
Disposal	-	-	(8,442)	-	-	(8,442)
Revaluation adjustment	813	-	-	-	-	813
At 30 June 2025	16,206	16,000	13,681	2,962	12,246	61,095
DEPRECIATION						
At 01 July 2023	-	6,738	2,387	417	7,602	17,144
Charge for the year (Note 27)	42	764	3,274	430	461	4,971
At 30 June 2024	42	7,502	5,661	847	8,063	22,115
Charge for the year (Note 27)	-	957	3,798	521	468	5,744
Disposal	-	-	(4,501)	-	-	(4,501)
Revaluation adjustment	(42)	-	-	-	-	(42)
At 30 June 2025	-	8,459	4,958	1,368	8,531	23,316
NET BOOK VALUE						
At 30 June 2025	16,206	7,541	8,723	1,594	3,715	37,779
At 30 June 2024	15,351	6,926	10,710	1,582	3,869	38,438

- (a) The freehold land and buildings, structures and site improvement on leasehold land of the Group which are located in Mauritius were revalued during the year at their open market value using a full valuation exercise, by reference to recent market transactions on arm’s length term, by Noor Dilmahomed & Associates, an independant professional valuer. A desktop valuation has been performed by the valuer for all buildings of the Group outside Mauritius and and the carrying amount for all the entities were adjusted by way of revaluation adjustment where applicable.

Freehold land was valued taking into consideration the comparable sales evidences. Sales prices of comparable land in close proximity were adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square metre.

The buildings, structures and site improvement have been valued on a depreciated replacement cost basis taking into consideration their replacement cost, with adjustments being made for age and condition. This method of valuation is based on the theory of substitution and is used in situations where it is difficult to estimate inputs to be used to calculate value due to volatile market factors. The most significant input into this method of valuation is the replacement cost per square metre.

The Group’s policy is to revalue its property every three years unless there is evidence that the fair value of the assets differ materially from the carrying amount.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

4. PROPERTY, PLANT AND EQUIPMENT (cont.)

- (b) The following table gives information about how the fair values of land and buildings were determined and sensitivity analysis of reasonable changes in key inputs.

Sensitivity analysis

Increases/(decreases) in estimated price per square metre by 100 basis points in isolation would result in a higher/ (lower) fair value on a linear basis.

	Valuation technique and key input	Fair value		Fair Value Hierarchy	Significant unobservable input	Sensitivity of the input to fair value	
		THE GROUP Rs'000	THE COMPANY Rs'000			THE GROUP Rs'000	THE COMPANY Rs'000
2025							
Land	Sales comparison approach	487,802	3,977	Level 3	Price per square metre	4,878	40
Buildings	Depreciated replacement cost	11,068,597	12,229	Level 3	Replacement cost per square metre	110,686	122
		11,556,399	16,206			115,564	162
2024							
Land	Sales comparison approach	487,802	3,977	Level 3	Price per square metre	4,878	40
Buildings	Depreciated replacement cost	10,869,189	11,374	Level 3	Replacement cost per square metre	108,692	114
		11,356,991	15,351			113,570	154

Transfers between levels

There were no transfers into or out of Level 1 and Level 2 of the fair value hierarchy during the year (2024: Nil).

The table below shows a reconciliation of all movements in the fair value categorised within Level 3 of the fair value hierarchy between the beginning and end of the reporting year:

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
At 01 July	11,356,991	10,326,318	15,351	15,393
Additions	66,020	82,917	-	-
Transfer from construction in progress	119,132	1,274,782	-	-
Depreciation	(356,720)	(318,388)	-	(42)
Impairment	(271)	-	-	-
Transfer from investment property	91,145	-	-	-
Revaluation adjustment	384,540	(129,336)	855	-
Exchange difference	(104,438)	120,698	-	-
At 30 June	11,556,399	11,356,991	16,206	15,351

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

4. PROPERTY, PLANT AND EQUIPMENT (cont.)

If the land and buildings were stated on the historical cost basis, the amounts would be as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
<u>Buildings on leasehold land</u>				
Cost	10,171,269	10,000,840	-	-
Accumulated depreciation	(2,611,714)	(2,408,289)	-	-
Net book value	7,559,555	7,592,551	-	-
<u>Freehold land and buildings</u>				
Cost	327,572	312,849	8,562	8,562
Accumulated depreciation	(84,774)	(78,223)	(2,984)	(2,813)
Net book value	242,798	234,626	5,578	5,749

- (c) Bank borrowings are secured on all the assets of the Group and the Company. There is no restriction on title or use of the property, plant and equipment (PPE) pledged as security for bank borrowings. However in the event of potential disposal of the pledged assets by the Group or the Company, the latter should inform the banks/financial institutions with whom the borrowings have been contracted. The banks/financial institutions shall rank first in the settlement of the outstanding borrowings out of the proceeds to be received from the disposal.
- (d) Borrowing costs capitalised during the year is **Rs Nil** and capitalisation rate was **Nil** (2024: Rs Nil and capitalisation rate was Nil).
- (e) Refer to note 35 for capital commitments.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

5. RIGHT-OF-USE ASSETS & LEASE LIABILITIES

(a) Amounts recognised in the statement of financial position

RIGHT-OF-USE ASSETS	Land & Buildings Rs'000	Plant & equipment Rs'000	Computer equipment Rs'000	Total Rs'000
Costs				
At 01 July 2023	4,599,373	2,021	1,254	4,602,648
Reassessment of right-of-use assets	101,624	-	-	101,624
Addition	11,677	-	-	11,677
Transfer to property, plant and equipment (Note 4 & (i))	-	-	(800)	(800)
Reversal of impairment (Note ii)	23,585	-	-	23,585
Exchange Difference	120,972	-	-	120,972
At 30 June 2024	4,857,231	2,021	454	4,859,706
At 01 July 2024	4,857,231	2,021	454	4,859,706
Reassessment of right-of-use assets	99,619	-	-	99,619
Impairment (Note iii)	(29,327)	-	-	(29,327)
Exchange Difference	(116,730)	-	-	(116,730)
At 30 June 2025	4,810,793	2,021	454	4,813,268
Amortisation				
At 01 July 2023	1,048,224	1,796	1,139	1,051,159
Charge for the year (Note 27)	158,285	225	-	158,510
Transfer to property, plant and equipment (Note 4 & (i))	-	-	(800)	(800)
Exchange difference	23,060	-	-	23,060
At 30 June 2024	1,229,569	2,021	339	1,231,929
At 01 July 2024	1,229,569	2,021	339	1,231,929
Charge for the year (Note 27)	163,937	-	-	163,937
Exchange difference	(13,988)	-	-	(13,988)
At 30 June 2025	1,379,518	2,021	339	1,381,878
Net Book Values				
At 30 June 2025	3,431,275	-	115	3,431,390
At 30 June 2024	3,627,662	-	115	3,627,777

Note (i) - Related to items where the leases were matured and these assets were now the property of the hotels.
Note (ii) & (iii) - Impairment for financial year 2025 amounting to **Rs 29.3m** relates to part of right-of-use assets of the subsidiary of Nereide Ltd, (2024: Reversal of impairment amounting to Rs 23.6m in relation to the right-of-use assets of Nereide Ltd).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

5. RIGHT-OF-USE ASSETS & LEASE LIABILITIES *(cont.)*

(a) Amounts recognised in the statement of financial position *(cont.)*

LEASE LIABILITIES

	THE GROUP	
	2025	2024
	Rs'000	Rs'000
At 01 July	3,046,847	3,022,420
Reassessment of lease liability (Note (i))	99,619	101,624
Additions	-	11,677
Interest expense (Note 29)	260,997	267,256
Interest paid	(260,997)	(260,776)
Principal elements of lease payments	(181,214)	(176,056)
Amount waived (Note 23 (b))	-	(5,789)
Exchange difference	(75,440)	86,491
At 30 June	2,889,812	3,046,847
Analysed as follows:		
Current	214,938	193,521
Non-current	2,674,874	2,853,326
Total	2,889,812	3,046,847

Note (i) - The lease rental of most the hotels for financial year 2025 and 2024 were revised due to changes in consumer price index, as such we had performed a reassessment of all the leases which were impacted.

The lease agreement between Nereide Ltd and Mara Delta will expire on 31 March 2027. At 30 June 2025, no decision has been made in relation to the renewal of the lease agreement between the two parties.

(b) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

	THE GROUP	
	2025	2024
	Rs'000	Rs'000
Depreciation charge of right-of-use assets (Note 27)	163,937	158,510
Interest expense (Note 29)	260,997	267,256
Expense relating to variable leases accounted as part of other operating expenses	102,154	91,063
Expense relating to short-term leases accounted as part of other operating expenses	6,780	6,053

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

6. INVESTMENT PROPERTY

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
At 01 July	91,145	91,145	91,145	91,145
Fair value gain	-	-	4,373	-
Transfer to Property, plant and equipment (Note 4)	(91,145)	-	-	-
At 30 June	-	91,145	95,518	91,145

The Company's investment property consists of part of the head office property situated in Floreal. The major part of the building was occupied by the sister company, The Lux Collective Ltd up to January 2025. As from April 2025, the Company is renting spaces to its subsidiaries for archiving purposes thus held to earn rental income.

Given that the Group is renting spaces to its subsidiaries, the building is no longer considered as an investment property as such the balance was transferred to Property, plant and equipment.

The property was revalued during the current financial year at its open market value using a full valuation exercise, by reference to recent market transactions on arm's length term, by Noor Dilmahomed & Associates, an independent professional valuer.

The fair value as per the independant valuation was different from the carrying value by **Rs 4,373,000**. The gain arising on fair value of the investment property has been credited to profit or loss (2024: Rs Nil).

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Rental income derived from the investment property (Note 23 (a))	3,749	5,624	3,749	5,624

Presently, all direct operating expenses, (repairs and maintenance, insurance etc) are borne by the lessor. A total of **Rs 2.6m** (2024: Rs 3.2m) has been paid during the financial year, out of which **Rs 1.2m** (2024: Rs 1.9m) relates to repairs and maintenance and **Rs 1.4m** (2024: Rs 1.3m) relates to insurance.

The fair value of the investment property of the Company is categorised within Level 3 of the fair value hierarchy as it is based on significant unobservable inputs. Its value is most sensitive to the price per square metre used to determine the fair value, ranging from **Rs 32,500 to Rs 42,500** (2024: Rs 30,000 to Rs 40,000) for buildings and **Rs 8,000** (2024: Rs 8,000) for land. A 1% change in the price per square metre will impact the value of the investment by **Rs 955,180** (2024: Rs 911,450).

At 30 June 2025, the property still qualifies as investment property for the Company as the subsidiary companies are renting the asset for archiving purposes as from April 2025.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

6. INVESTMENT PROPERTY (cont.)

Maturity analysis

	THE COMPANY	
	2025	2024
	Between 1 and 5 years Rs'000	Between 1 and 5 years Rs'000
Rental income derived from the investment property	496	2,812

Minimum lease payments receivable are as follows:

	THE COMPANY	
	2025	2024
	Rs'000	Rs'000
Within 1 year	496	2,812

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

7. INTANGIBLE ASSETS

THE GROUP

COST

At 01 July 2023
Additions
Exchange difference
At 30 June 2024
Additions
Write off
Exchange difference

At 30 June 2025

AMORTISATION

At 01 July 2023
Charge for the year (Note 27)
Exchange difference
At 30 June 2024
Charge for the year (Note 27)
Write off
Exchange difference

At 30 June 2025

NET BOOK VALUE

At 30 June 2025
At 30 June 2024

Goodwill Rs'000	Computer Software & Licences Rs'000	Total Rs'000
475,841	18,313	494,154
-	6,980	6,980
12,589	653	13,242
488,430	25,946	514,376
-	1,193	1,193
-	(4,120)	(4,120)
(13,410)	(452)	(13,862)
475,020	22,567	497,587

-	12,500	12,500
-	2,709	2,709
-	555	555
-	15,764	15,764
-	3,478	3,478
-	(4,120)	(4,120)
-	(446)	(446)
-	14,676	14,676

475,020	7,891	482,911
488,430	10,182	498,612

THE COMPANY

At 01 July
Amortisation during the year
Net book value at 30 June

Computer Software	
2025	2024
Rs'000	Rs'000
187	187
-	-
187	187

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

7. INTANGIBLE ASSETS (cont.)

Impairment assessment on goodwill

Goodwill acquired is measured as the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer’s previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed. Goodwill has been assessed as having an indefinite life and in accordance with IAS 36, goodwill has been assessed for impairment for each cash generating unit at year end.

	THE GROUP	
	2025	2024
	Rs’000	Rs’000
Les Pavillons Resorts Ltd	70,000	70,000
Holiday & Leisure Resorts Limited	83,658	83,658
Lux Island Resorts Maldives Ltd	311,175	324,585
MSF Leisure Company Ltd	10,187	10,187
	475,020	488,430

The Group has not impaired its goodwill for the year ended 30 June 2025 (2024: Rs Nil).

The recoverable amount of each cash generating unit (CGU) has been determined based on their fair value less cost to sell. The post-tax cash flow projection is based on financial budgets approved by management covering a five-year period. The post-tax discount rate applied represents the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC) which ranges between **10.70% to 15.40%** (2024: 11.10% to 15.15%) for the various entities of the Group. The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group’s investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service.

The fair value of the intangible assets is categorised within Level 3 of the fair value hierarchy as it is based on significant unobservable inputs.

Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. These growth rates are consistent with the industry in which each CGU operates.

A terminal growth of **3.0% to 4.0%** (2024: 3.3% to 4.5%) has been assumed in the calculation.

The key assumptions used for preparing the cash flow forecasts are based on management’s past experience of the industry and the ability of each cash generating unit to at least maintain its market share.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

7. INTANGIBLE ASSETS (cont.)

Impairment assessment on goodwill (cont.)

Key assumptions used in the impairment assessment for goodwill are: occupancy rate and discount rate. The assumptions used for 2025 and 2024 are as follows:

	Discount rate		Occupancy rate	
	2025	2024	2025	2024
Les Pavillons Resorts Ltd	10.70%	11.10%	81%-85%	87%-87.4%
Holiday & Leisure Resorts Limited	10.70%	11.10%	81%-83.5%	85.7%-86.7%
Lux Island Resorts Maldives Ltd	15.20%	14.55%	81%-85%	71.6%-72%
MSF Leisure Company Ltd	15.40%	15.15%	50,770-57142*	58,688 - 59,000*

*MSF Leisure Company Ltd - The number of tickets sold is considered as one of the key assumptions used in the impairment assessment.

The Directors and management have performed a sensitivity analysis in order to consider and assess the impact of possible changes in key assumptions on the carrying value of goodwill.

The table below sets out the outcome of the sensitivity analysis and the resulting hypothetical additional impairments that would result from this modeling. It is the Directors’ and management’s view that no impairment charge should be recognised as at 30 June 2025.

Additional impairment to be recognised for a reasonable change in key assumptions:

Sensitivity analysis	Increase of 0.5% in Discount rate		Decrease of 1% in Occupany rate	
	2025	2024	2025	2024
	Rs’000	Rs’000	Rs’000	Rs’000
Les Pavillons Resorts Ltd	-	-	-	-
Holiday & Leisure Resorts Limited	-	-	-	-
Lux Island Resorts Maldives Ltd	(1,859)	-	(351)	-
MSF Leisure Company Ltd	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

7. INTANGIBLE ASSETS (cont.)

Impairment assessment on goodwill (cont.)

The recoverable amounts of the CGUs which have not been impaired at 30 June 2025 and 30 June 2024 would equal their carrying amount if the key assumptions were to change as follows:

	Discount rate		Occupancy rate	
	From	To	From	To
2025				
Les Pavillons Resorts Ltd	10.70%	20.38%	81%-85%	35% - 39%
Holiday & Leisure Resorts Limited	10.70%	25.25%	81%-83.5%	66% - 67%
Lux Island Resorts Maldives Ltd	15.20%	15.27%	81%-85%	67.2% - 69.6%
MSF Leisure Company Ltd	15.40%	85.83%	50,770-57142*	23,477 - 25,242*
	Discount rate		Occupancy rate	
	From	To	From	To
2024				
Les Pavillons Resorts Ltd	11.10%	55.50%	87%-87.4%	63.10%-75.90%
Holiday & Leisure Resorts Limited	11.10%	31.53%	85.7%-86.7%	53.10%-78.00%
Lux Island Resorts Maldives Ltd	14.55%	17.69%	71.6%-72%	29.80% - 50.01%
MSF Leisure Company Ltd	15.15%	81.44%	58,688 - 59,000*	29,950 - 43,688*

The directors and management have considered and assessed reasonably possible changes for other assumptions and have not identified any instances that could cause the carrying amount of the different CGUs to exceed the recoverable amount.

8. INVESTMENT IN SUBSIDIARY COMPANIES

THE COMPANY	2025	2024
	Rs'000	Rs'000
At 01 July	3,810,182	3,787,563
(Impairment)/ reversal of impairment	(338,228)	22,619
At 30 June	3,471,954	3,810,182

Investment in subsidiaries are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The Company has during the year, computed the recoverable amount of its investments in subsidiaries using the Discounted Cash Flow techniques and has accounted for an impairment of its investment of **Rs 338.2m** since the recoverable amount was lower than its carrying value for the respective subsidiaries (2024: Reversal of impairment of Rs 22.6m since the recoverable amount of Oceanide Ltd was higher than its carrying value).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

8. INVESTMENT IN SUBSIDIARY COMPANIES (cont.)

	Lux Island Resorts Maldives Ltd Rs'000	Oceanide Ltd Rs'000	Total Rs'000
At 30 June 2025			
Equity value determined on the basis of discounted cash flow	1,226,060	199,827	1,425,887
Carrying amount of the investment	(1,531,338)	(232,777)	(1,764,115)
Amount impaired	(305,278)	(32,950)	(338,228)
At 30 June 2024			
Equity value determined on the basis of discounted cash flow	1,531,338	232,777	1,764,115
Carrying amount of the investment	(1,531,338)	(210,158)	(1,741,496)
Reversal of amount previously impaired	-	22,619	22,619

The recoverable amount has been determined by calculating the equity value. The discount rate has been determined using a capital asset model to calculate a post-tax rate that reflects market assessment of the time value of money.

The recoverable amount of each cash generating unit (CGU) has been determined based on their fair value less cost to sell. The post-tax cash flow projection is based on financial budgets approved by management covering up to five-year period. The post-tax discount rate applied represents the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC) which ranges between **8.61% to 15.4%** (2024: 8.88% to 15.15%) for the various entities of the Group. The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service.

Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. These growth rates are consistent with the industry in which each CGU operates.

A terminal growth of **3.0% to 4.0%** (2024: 1.3% to 4.5%) has been assumed in the calculation except for Oceanide Ltd and SAS Hôtel Prestige Réunion where no terminal growth rate has been used as impairment has been calculated up to the expiry of the lease term.

Key assumptions used in the impairment tests for investment in subsidiary companies are: occupancy rate and discount rate. The assumptions used are as follows:

	Discount rate		Occupancy rate	
	2025	2024	2025	2024
Les Pavillons Resorts Ltd	10.70%	11.10%	81% - 85%	87.0%-87.4%
Holiday & Leisure Resorts Limited	10.70%	11.10%	81%-83.5%	85.7%-86.7%
Lux Island Resorts Maldives Ltd	15.20%	14.55%	67.3% - 69.6%	71.6%-72.0%
Oceanide Ltd	10.70%	11.10%	85% - 87.5%	84.8%-86.5%
Blue Bay Tokey Island Limited	15.40%	15.15%	23,447-26,390#	21,610-22,000#
SAS Hôtel Prestige Réunion	8.61%	8.88%	75.3% - 72%	73.0%-76.8%
Beau Rivage Co Ltd	10.70%	11.10%	81%-84.3%	55.5%-85.3%
Merville Ltd	10.70%	11.10%	67% - 67.1%	60.0%-65.0%

#Blue Bay Tokey Island Limited - The number of guests is considered as one of the key assumptions used in the impairment assessment.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

8. INVESTMENT IN SUBSIDIARY COMPANIES (cont.)

The Directors and management have performed a sensitivity analysis in order to consider and assess the impact of possible changes in key assumptions on the carrying value of investment in subsidiary companies.

The table below sets out the outcome of the sensitivity analysis and the resulting hypothetical additional impairments that would result from this modeling. It is the Directors’ and management’s view that no additional impairment charge should be recognised as at 30 June 2025 and 30 June 2024.

Additional impairment to be recognised for a reasonable change in key assumptions:

Sensitivity analysis	Increase of 0.5% in Discount rate		Decrease of 1% in Occupancy rate	
	2025	2024	2025	2024
	Rs’000	Rs’000	Rs’000	Rs’000
Les Pavillons Resorts Ltd	-	-	-	-
Holiday & Leisure Resorts Limited	-	-	-	-
Lux Island Resorts Maldives Ltd	72,360	-	6,152	-
Oceanide Ltd	-	-	-	-
Blue Bay Tokey Island Limited	-	-	-	-
SAS Hôtel Prestige Réunion	-	-	-	-
Beau Rivage Co Ltd	-	-	-	-

The recoverable amount of the CGU which have not been impaired would equal its carrying amount if the key assumptions were to change as follows:

2025	Discount rate		Occupancy rate	
	From	To	From	To
Les Pavillons Resorts Ltd	10.70%	37.08%	81% - 85%	25.7% -31%
Lux Island Resorts Maldives Ltd	15.20%	28.35%	67.3% - 69.6%	64%-69%
Holiday & Leisure Resorts Limited	10.70%	29.85%	81%-83.5%	61.4% - 63.8%
SAS Hôtel Prestige Réunion	8.61%	62.42%	75.3% - 72%	60%-64.4%
Beau Rivage Co Ltd	10.70%	29.57%	81%-84.3%	53.80% - 57.66%
Merville Ltd	10.70%	11.29%	67% - 67.1%	64%-64.1%

2024	Discount rate		Occupancy rate	
	From	To	From	To
Les Pavillons Resorts Ltd	11.10%	304.83%	87.0%-87.4%	21.0%-25.0%
Lux Island Resorts Maldives Ltd	14.55%	16.03%	71.6%-72.0%	67.0%-72.3%
Holiday & Leisure Resorts Limited	11.10%	34.82%	85.7%-86.7%	81.5%-85.0%
SAS Hôtel Prestige Réunion	8.88%	14.06%	73.0%-76.8%	62.0%-74.8%
Beau Rivage Co Ltd	11.10%	31.06%	55.5%-85.3%	45.0%-78.4%
Merville Ltd	11.10%	28.39%	60.0%-65.0%	48.0%-52.0%

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

8. INVESTMENT IN SUBSIDIARY COMPANIES (cont.)

The directors and management have considered and assessed reasonably possible changes for other key assumptions and have not identified any instances that could cause the carrying amount of the different CGUs to exceed its recoverable amount.

- (a) The subsidiary companies are as follows:

Name of Companies	Country of incorporation	Effective Shareholding 2025		Effective Shareholding 2024	
		Direct %	Indirect %	Direct %	Indirect %
Les Pavillons Resorts Ltd	Mauritius	100	-	100	-
Beau Rivage Co Ltd	Mauritius	100	-	100	-
Blue Bay Tokey Island Limited	Mauritius	100	-	100	-
Holiday & Leisure Resorts Limited	Mauritius	100	-	100	-
LIR Properties Ltd	Mauritius	-	100	-	100
Merville Beach Hotel Limited	Mauritius	-	100	-	100
Merville Limited	Mauritius	100	-	100	-
MSF Leisure Company Ltd	Mauritius	-	100	-	100
LTK Ltd	Mauritius	-	100	-	100
FMM Ltee	Mauritius	-	100	-	100
Naiade Holidays (Pty) Ltd	South Africa	100	-	100	-
SAS Hôtel Prestige Réunion	Reunion Island	100	-	100	-
SAS Les Villas Du Lagon	Reunion Island	-	100	-	100
SAS Saint Paul	Reunion Island	-	100	-	100
Lux Island Resort Foundation	Mauritius	100	-	100	-
Lux Island Resorts Maldives Ltd	Mauritius	100	-	100	-
White Sand Resorts & Spa Pvt Ltd	Maldives	-	100	-	100
LIRCO Ltd	Luxembourg	100	-	100	-
Oceanide Ltd	Mauritius	50.03	100	50.03	100
Nereide Ltd	Mauritius	-	100	-	100

The subsidiaries listed above operate in the hospitality sector or provide related services.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

9. OTHER RECEIVABLE

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
At 01 July	-	48,187	-	-
Payment received during the year	-	(47,196)	-	-
Exchange difference	-	(991)	-	-
At 30 June	-	-	-	-

On 01 August 2020, the group has finalised the sale of Hotel Le Recif, in Reunion Island for a total proceeds of EUR 9 million, payable as follows:

- EUR 7 million payable on date of signature
- EUR 1 million payable 4 years after date of signature
- A contingent fee upon Hotel Le Recif achieving a target EBITDA between 01 July 2020 to 31 December 2024

The amount of EUR 7 million as per the deed of sale has already been paid. There was no impairment of the assets of Hotel Le Recif as the disposal proceeds exceeded the fair value of the net assets.

The effective date of the disposal was 01 July 2020 where the net asset value of the subsidiary after netting off of intercompany transactions was Rs 264.5m. This resulted in a gain on disposal of Rs 12.5m at 30 June 2021. Cash proceeds upon disposal of Hotel Le Récif was Rs 231.1m. Total fair value of consideration was Rs 277m.

As per the deed of sale of SAS Hotel Le Récif, an amount of EUR 1 million (Rs 48.2m) is receivable 4 years after effective date of transfer, the said amount was received during the previous financial year. Furthermore, a contingent fee is receivable upon Hotel le Recif achieving a target EBITDA from 01 July 2022 to 31 December 2024. Based on assessment carried out by management, the conditions for the contingent fee was crystalised and an amount of **EUR 1.3 million (Rs 65.7m)** was recognised as part of other operating income (Note 23).

10. DEFERRED TAX LIABILITIES/(ASSETS)

Deferred income taxes are calculated on all temporary differences under the liability method.

Deferred tax is reflected in the statement of financial position as follows:

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Deferred tax assets	(84,800)	-	-	-
Deferred tax liabilities	976,258	767,045	1,811	36,387
Net deferred tax liabilities	891,458	767,045	1,811	36,387

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

10. DEFERRED TAX LIABILITIES/(ASSETS) (cont.)

The movement in the deferred income tax account is as follows:

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
At 01 July	767,045	710,426	36,387	35,836
Recognised in profit or loss (Note 21 (a))	56,756	69,065	(35,481)	1,099
Recognised in other comprehensive income	74,520	(14,260)	905	(548)
Exchange difference	(6,863)	1,814	-	-
At 30 June	891,458	767,045	1,811	36,387

Deferred income tax at 30 June relates to the following:

THE GROUP	Balance		Movement	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Deferred tax liabilities				
Accelerated depreciation	884,584	695,668	188,916	167,405
Revaluation of property, plant and equipment	266,212	219,914	46,298	(34,078)
Post employment benefit obligations	(34,080)	(25,200)	(8,880)	(2,213)
Tax losses	(142,176)	(125,031)	(17,145)	(66,390)
Lease liabilities	9,765	12,094	(2,329)	(4,783)
Provision for vacation leave	(390)	(2,182)	1,792	(2,182)
Provision for written down of inventories	(5,213)	(4,753)	(460)	152
Provision for loss allowance of trade receivables	(2,444)	(3,465)	1,021	(1,292)
	976,258	767,045	209,213	56,619
Deferred tax assets				
Tax losses	(84,800)	-	(84,800)	-
	(84,800)	-	(84,800)	-
Net deferred tax liabilities	891,458	767,045		
Total movement for the year			124,413	56,619
Recognised as follows:				
In profit or loss (Note 21(a))			56,756	69,065
In other comprehensive income			74,520	(14,260)
Exchange differences			(6,863)	1,814
			124,413	56,619

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

10. DEFERRED TAX LIABILITIES/(ASSETS) (cont.)

THE COMPANY

	Balance		Movement	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Deferred tax liabilities				
Accelerated depreciation	14,598	12,772	1,826	132
Others	(11,071)	25,298	(36,369)	922
	3,527	38,070	(34,543)	1,054
Deferred tax assets				
Post employment benefit obligations	(1,716)	(1,683)	(33)	(503)
	(1,716)	(1,683)	(33)	(503)
Net deferred tax liabilities	1,811	36,387		
Total movement for the year			(34,576)	551
Recognised as follows:				
In profit or loss (Note 21(a))			(35,481)	1,099
In other comprehensive income			905	(548)
			(34,576)	551

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. The Directors have assessed the recoverability of deferred tax assets for each subsidiary based on the forecasted taxable profit to be generated during the next financial periods.

Deferred tax assets have not been recognised on tax losses amounting to **Rs 811 million** (2024: Rs 1,048 million). Refer to Note 3(vi) for further details.

The tax losses of the Group on which deferred tax assets arising on capital allowance have been recognised are available for offset against future taxable profits as follows:

Financial year ending	Tax year ending	Losses relating to tax year ended	THE GROUP
			2025 Rs'000
30 June 2029	2029/2030	2024/2025	-
Indefinite			579,797
			579,797

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

11. INVENTORIES

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Food and beverages - at cost	96,553	99,671	-	-
Spare parts and maintenance - at cost	37,891	44,884	-	-
Boutique items - at Net realisable value	31,330	33,212	-	-
Others*- at cost	80,635	70,571	165	-
	246,409	248,338	165	-

* Others for the Group include mainly Room amenities & guest supplies, Food & Beverage supplies and printing & stationary.

Inventories amounting to **Rs 246.4m** (2024: Rs 248.3m) have been pledged as securities for bank borrowings of the Group. All inventories are stated at the lower of cost and net realisable value. Provision for write downs of inventories at 30 June 2025 amounted to **Rs 29.3m** (2024: Rs 29.8m).

The costs of individual items of inventories are determined using weighted average costs.

Amount of inventory expensed has been disclosed in note 24.

12. TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Trade receivables	475,827	419,874	-	-
Receivable from fellow subsidiaries and other related parties (Note 36)	51	1,098	-	-
Receivable from subsidiaries (Note 36)	-	-	1,692,054	2,022,981
Prepayments	45,492	36,568	-	-
Other receivables*	154,751	319,603	15,491	10,535
	676,121	777,143	1,707,545	2,033,516
Less loss allowance (Note 37 c (iv))	(23,109)	(34,525)	-	-
	653,012	742,618	1,707,545	2,033,516

* Other receivables for the Group include insurance proceeds receivable amounting to **Rs Nil** (2024: Rs 109.8m for Beau Rivage Co Ltd). The remaining material items are: refundable deposits **Rs 105.8m** (2024: Rs 93.1m), sundry debtors **Rs 30.4m** (2024: Rs 67.3m) and VAT, GST and other taxes **Rs 18.5m** (2024: Rs 47.2m).

- (i) Trade receivables are not secured, non interest-bearing and are generally on 30 days term. Impairment of receivables have been assessed on an individual basis and also on a collective basis under the ‘Expected Credit loss’ model. The Group has subscribed to a credit protection scheme for some of its trade receivables with a Global Service Provider, with a view to minimise its credit risk exposure.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

12. TRADE AND OTHER RECEIVABLES (cont.)

(ii) At year end, the ageing analysis of trade receivables by due dates is as follows:

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Not past due	210,025	176,789	-	-
Due less than 30 days	133,604	122,333	-	-
More than 30 and less than 60 days	81,454	44,183	-	-
More than 60 and less than 90 days	20,467	28,147	-	-
More than 90 and less than 180 days	13,292	28,008	-	-
More than 180 days	16,985	20,414	-	-
	475,827	419,874	-	-

(iii) The movement in expected credit losses on trade receivables were as follows:

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
At 01 July	34,525	28,235	-	-
Provision for the year	357	9,571	-	-
Write off	(11,644)	(3,812)	-	-
Exchange difference	(129)	531	-	-
At 30 June (Note 37 c (iv))	23,109	34,525	-	-

Other financial assets excluding trade receivables comprise of amount due from a fellow subsidiary, receivable from subsidiaries and other short term sundry receivables. The Group and the Company have performed an impairment assessment for other financial asset and the impairment loss is immaterial.

Bad debts written off of **Rs 11.6m** (2024: Rs 3.8m) relate to individual debtor balances which have been impaired during the year and which were previously provided for.

13. INVESTMENT IN ASSOCIATED COMPANY

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
At 01 July	-	-	-	-
Investment made during the year	49,827	-	49,827	-
At 30 June	49,827	-	49,827	-

During the year the Group and the Company made an investment of **EUR 1 m (Rs 49.8m)** in Run Sky Ltd, an investment holding company incorporated in Mauritius and not listed on any public exchange. The Group and the Company holds 33.33% of the ordinary share capital of Run Sky Ltd.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

13. INVESTMENT IN ASSOCIATED COMPANY (cont.)

The following table summarises the financial information of the Group and the Company's underlying investment in Run Sky Ltd as at 30 June 2025 :

	2025 Rs'000
Statement of financial position	
Non-current assets	107,762
Current assets	46,811
Current liabilities	(11)
Equity	154,562
Proportions of the Company's ownership	33%
Share of net assets	51,005
Statement of profit or loss and other comprehensive income	
Other income	7
Operating expenses	(11)
Finance income	620
Result before tax	616
Income tax expense	-
Result for the year	616
Other comprehensive income	-
Total comprehensive income	616
Proportions of the Company's ownership	33%
Share of total comprehensive income	203

As at 30 June 2025, the Directors did not identify any impairment on the value of the investment.

14. ISSUED CAPITAL

(a) Authorised and issued capital	THE GROUP AND THE COMPANY			
	2025 Number of shares	2024 Number of shares	2025 Rs'000	2024 Rs'000
Ordinary shares of Rs 10 each fully paid At 30 June	137,115,943	137,115,943	1,371,159	1,371,159
(b) Share premium			THE GROUP AND THE COMPANY	
			2025 Rs'000	2024 Rs'000
At 30 June			1,320,986	1,320,986

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

15. OTHER RESERVES

(a) THE GROUP	Foreign exchange translation reserve	Asset revaluation reserve	Total
	Rs'000	Rs'000	Rs'000
At 01 July 2023	185,417	2,101,609	2,287,026
Cash flow hedge on loans and leases in foreign currency	(64,461)	-	(64,461)
Cash flow hedge reserve released on repayment of loans and leases	84,673	-	84,673
Currency translation difference	78,981	-	78,981
Revaluation of property, plant and equipment (Note i)	-	(129,336)	(129,336)
Tax on revaluation of property, plant and equipment	-	13,601	13,601
At 30 June 2024	284,610	1,985,874	2,270,484
Cash flow hedge on loans and leases in foreign currency	(47,237)	-	(47,237)
Cash flow hedge reserve released on repayment of loans and leases	74,556	-	74,556
Currency translation difference	(41,787)	-	(41,787)
Revaluation of property, plant and equipment (Note ii)	-	384,540	384,540
Tax on revaluation of property, plant and equipment	-	(78,921)	(78,921)
At 30 June 2025	270,142	2,291,493	2,561,635

Note i - During the previous financial year, there was a revaluation gain on property, plant and equipment for the Mauritian entities amounting to Rs 406.9m, however this was offset against a revaluation loss recognised on the Maldivian’s entity amounting to Rs 536.2m. The revaluation loss on White Sand Resorts & Spa Pvt Ltd was offset against previously recognised gain.

Note ii - During the current financial year, there was a revaluation gain on property, plant and equipment for the Mauritian entities and Reunion entities amounting to Rs 462.5m and Rs 8.8m respectively, however this was offset against a revaluation loss recognised on the Maldivian’s entity amounting to Rs 86.8m. The revaluation loss on White Sand Resorts & Spa Pvt Ltd was offset against previously recognised gain.

(b) THE COMPANY

Asset revaluation reserve	
2025 Rs'000	2024 Rs'000
At 01 July	42,934
Revaluation of property, plant and equipment	855
Tax on revaluation of property, plant and equipment	(162)
At 30 June	43,627

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

15. OTHER RESERVES (cont.)

Nature and purpose of other reserves

Foreign exchange translation reserve

This reserve is in respect of cash flow hedge reserve as well as foreign currency translation reserve. The hedge reserve is used to record the exchange differences arising on the EURO, GBP and USD loans and leases of the Group and which have been designated as hedging instruments against future revenues of the Group in the respective currencies. The risk management objective is to hedge the changes in cash flows arising from foreign exchange rate risk associated with future revenues and cash flows of the Group. The hedging strategy is to enter into loans and lease agreements (the “hedging instruments”), in EURO, GBP and USD with future principal payments that will be matched by the future remittances from customers in these currencies. The movement for the year is in respect of exchange difference on conversion of loan in USD, GBP and EURO at year end rate. Upon annual repayment of long term borrowings and leases, the portion of hedge realised is released from the hedge reserve. The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

Asset revaluation reserve

The asset revaluation reserve is used to record increases in the fair value of land and buildings (net of deferred tax on the revalued asset) and decreases to the extent that such decreases relates to an asset for which a revaluation gain has been previously recognised in equity.

16. CONVERTIBLE BOND

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
At 30 June	1,460,283	1,460,283	914,083	914,083

During the financial year ended 30 June 2021, Lux Island Resorts Ltd signed a subscription agreement with the Mauritius Investment Corporation Ltd (“MIC”), a wholly owned subsidiary of the Bank of Mauritius to issue redeemable convertible bonds for a total amount of Rs 1 billion comprising of 100 bonds of Rs 10 million each. Subsequently both parties have mutually agreed to reduce the subscription amount to Rs 920 million (92 bonds).

During the financial year 2022, the Group, through one of its subsidiary companies, Merville Limited also signed an agreement with the MIC to issue redeemable convertible bonds for a total amount of Rs 700 million comprising of 70 bonds of Rs 10 million each. Only Rs 550 million out of the total amount of Rs 700 million have been subscribed for up to date.

Transaction costs for Lux Island Resorts Ltd and Merville Limited amounted to Rs 5.9m and Rs 3.8m respectively and were netted off against the proceeds.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

16. CONVERTIBLE BOND (cont.)

The key terms and conditions of the funding arrangements for Lux Island Resorts Ltd and Merville Limited are as follows:

- The maturity date is 9 years from disbursement of the first tranche of the subscription proceeds
- The conversion has been pre-determined prior to subscription
- Interest rates are as follows:
 - (a) 3.00% p.a. over the duration of the bonds for Lux Island Resorts Ltd (from issue date to the earlier of the redemption date or the conversion date). The interest is payable on the last day of each interest period. On maturity date, any unpaid capital and interest is converted into ordinary shares in accordance with the predetermined conversion price.
 - (b) the key repo rate plus 2.25% but subject to a floor of 4.10% p.a.over the duration of the bonds for Merville Limited (from issue date to the earlier of the redemption date or the conversion date). The interest is payable on the last day of each interest period. On maturity date, any unpaid capital and interest is converted into ordinary shares in accordance with the predetermined conversion price.
- Redemption of the bonds shall be at the option of the issuer. The issuer may redeem some or all the bonds, any time prior to the maturity date. The option price shall be determined as follows:
 - if redemption happens before the 4th anniversary of the first subscription, the redemption price shall be the nominal amount,
 - if redemption happens after the 4th anniversary of the first subscription, the redemption amount shall be 100.5% of the nominal amount.
- All outstanding bonds will be converted into ordinary shares at a pre-agreed formula and price on maturity date.

The number of shares to be issued shall be determined as per below formula:

$$[(A+B)/C]$$

- A is the nominal amount of all bonds held by the subscriber
- B is equal to the amount of outstanding and unpaid interest in relation to the bonds held by the subscriber, and
- C is the conversion price which has been set at Rs 33.52 and Rs 405 for Lux Island Resorts Ltd and Merville Limited respectively.

17. INTEREST-BEARING LOANS AND BORROWINGS

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Current				
Bank loans (Note (a))	770,833	1,099,220	-	-
Bank overdrafts (Note 32a))	525	13,352	6	6
	771,358	1,112,572	6	6
Non-current				
Bank loans (Note (a))	2,472,909	3,063,937	-	-
	2,472,909	3,063,937	-	-
Total interest-bearing loans and borrowings	3,244,267	4,176,509	6	6

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

17. INTEREST-BEARING LOANS AND BORROWINGS (cont.)

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
(a) Bank loans can be analysed as follows:- Loan repayable: - Within one year - After one year and before two years - After two years and before five years - After five years	770,833 479,287 1,113,026 880,596 3,243,742	1,099,220 550,309 1,006,670 1,506,958 4,163,157	- - - - -	- - - - -

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Denomination				
Mauritian Rupee	209,367	373,638	-	-
EURO	-	21,376	-	-
EURO	-	12,791	-	-
EURO	24,627	49,430	-	-
USD	2,672	36,235	-	-
USD	-	7,197	-	-
EURO	24,593	92,930	-	-
USD	37,900	197,667	-	-
USD	329,503	420,911	-	-
EURO	159,506	205,126	-	-
EURO	651,929	722,716	-	-
GBP	563,213	614,138	-	-
USD	163,728	213,480	-	-
USD	176,704	212,240	-	-
Mauritian Rupee	-	72,000	-	-
Mauritian Rupee	-	11,282	-	-
Mauritian Rupee	900,000	900,000	-	-
Total bank loans	3,243,742	4,163,157	-	-

(b) Financial covenants

For financial year 30 June 2025 and 30 June 2024, the Group did not satisfy the debt covenant for one of its bank which stated that at the end of each quarter the DSCR (debt-service coverage ratio) of the subsidiary that subscribed for the loan cannot exceed 1.25 times, otherwise the bank has the right to claim the whole amount due with respect to this loan. As a consequence of the breach, the Group has reclassify Rs 106m of loan payable of more than one year to current liability at 30 June 2025 (2024: Rs 205m). The Group had met all the financial covenants from the other borrowings at 30 June 2025 and 30 June 2024.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

17. INTEREST-BEARING LOANS AND BORROWINGS (cont.)

(c) The movement in interest-bearing loans and borrowings is as follows:

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
At 01 July	4,163,157	4,870,114	-	-
Repayments of loans	(924,047)	(803,754)	-	-
Exchange difference	4,632	96,797	-	-
At 30 June	3,243,742	4,163,157	-	-
Bank overdrafts	525	13,352	6	6
Total interest-bearing loans and borrowings	3,244,267	4,176,509	6	6

At 30 June 2025, the Group and the Company have undrawn facilities amounting to **Rs 632.5m** and **Rs 149m** respectively (2024: Rs 643.3m and Rs 155m for the Group and Company respectively).

18. POST EMPLOYMENT BENEFIT OBLIGATIONS

(a) The benefits of employees of the Group fall under three different types of arrangements:

- (i) A defined benefit scheme which is funded. The plan assets are held independently by a pension fund;
- (ii) A defined contribution scheme; and
- (iii) A residual gratuity for employees under a defined contribution scheme in line with the requirements of the Workers Rights Act (WRA) 2019.

(b) The (assets)/ liabilities in respect of the defined benefit obligations (i) and (iii) above are analysed as follows:

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Funded obligation - (Notes (c - o))	(3,744)	(22)	(3,744)	(22)
Unfunded obligation (Notes (p - u))	235,515	184,348	12,774	10,137
	231,771	184,326	9,030	10,115

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

18. POST EMPLOYMENT BENEFIT OBLIGATIONS (cont.)

FUNDED OBLIGATION

(c) The amounts recognised in the statement of financial position in respect of the funded obligation are as follows:

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Present value of funded obligation (Note 18(h))	57,032	61,603	57,032	61,603
Fair value of plan assets (Note 18(g))	(60,776)	(61,625)	(60,776)	(61,625)
Asset in the statement of financial position	(3,744)	(22)	(3,744)	(22)

(d) Movement in the statement of financial position:

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
At 01 July	(22)	1,145	(22)	1,145
Total expenses (Note 18(e))	352	361	352	361
Remeasurements of post-employment benefit obligations recognised in other comprehensive income	(4,074)	879	(4,074)	879
Contributions paid	-	(2,407)	-	(2,407)
At 30 June	(3,744)	(22)	(3,744)	(22)

(e) The amounts recognised in profit or loss are as follows:

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Current service cost	341	354	341	354
Interest cost	11	7	11	7
Total included in employee benefit expenses (Note 25)	352	361	352	361

(f) The total actuarial losses/(gains) recognised in other comprehensive income are as follows:

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Funded obligation (Note 18(j))	(4,074)	879	(4,074)	879
Unfunded obligation (Note 18(s))	28,693	3,983	162	2,342
	24,619	4,862	(3,912)	3,221

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**FOR THE YEAR ENDED 30 JUNE 2025****18. POST EMPLOYMENT BENEFIT OBLIGATIONS** *(cont.)***FUNDED OBLIGATION** *(cont.)*

(g) Changes in the fair value of plan assets are as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
At 01 July	61,625	64,185	61,625	64,185
Interest on plan assets	3,008	3,112	3,008	3,112
Employer's contribution	-	2,407	-	2,407
Scheme expenses	(341)	(246)	(341)	(246)
Cost of insuring risk benefits	-	(108)	-	(108)
Remeasurements of post-employment benefit obligations	1,351	5,401	1,351	5,401
Benefits paid	(4,867)	(13,126)	(4,867)	(13,126)
At 30 June	60,776	61,625	60,776	61,625

(h) Changes in defined benefit obligation are as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
At 01 July	61,603	65,330	61,603	65,330
Interest cost	3,019	3,119	3,019	3,119
Remeasurements of post-employment benefit obligations	(2,723)	6,280	(2,723)	6,280
Benefits paid	(4,867)	(13,126)	(4,867)	(13,126)
At 30 June	57,032	61,603	57,032	61,603

(i) The main categories of plan assets are as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Local equities	22,244	18,161	22,244	18,161
Overseas equities	18,719	23,590	18,719	23,590
Fixed interest	13,128	15,671	13,128	15,671
Cash	6,685	4,203	6,685	4,203
Total market value of assets	60,776	61,625	60,776	61,625

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**FOR THE YEAR ENDED 30 JUNE 2025****18. POST EMPLOYMENT BENEFIT OBLIGATIONS** *(cont.)***FUNDED OBLIGATION** *(cont.)*

(j) Analysis of amount recognised in other comprehensive income:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Gains on pension scheme assets	(1,351)	(5,401)	(1,351)	(5,401)
Experience losses on the liabilities	531	5,109	531	5,109
Changes in assumptions underlying the present value of the scheme	(3,254)	1,171	(3,254)	1,171
Remeasurements of post-employment benefit obligations recognised in other comprehensive income	(4,074)	879	(4,074)	879

(k) Sensivity analysis

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Decrease in defined benefit obligation due to 1% increase in discount rate	4,788	5,492	4,788	5,492
Increase in defined benefit obligation due to 1% decrease in discount rate	5,605	6,481	5,605	6,481

The sensitivity analysis above have been determined based on sensibly possible changes of the discount rate occurring at the end of the reporting period if all other assumptions remained unchanged.

The plan is a defined benefit arrangement, with benefits based on final salary, it provides for a pension at retirement and a benefit on death or disablement in service before retirement.

- (l) (i) The assets of the plan are managed by IBL Pension Fund which invests in a diversified portfolio of asset classes. In view of exposure to equities, some volatility in the return from one year to the other is expected.
- (ii) As the fund is expected to produce a smooth return, a fairly reasonable indication of the future returns can be obtained by looking at historical ones. Therefore, the long term expected return on asset assumption has been based on historical performance of the fund.
- (iii) The fixed interest portfolio includes government bonds, debentures, mortgages and cash. The expected return for this asset class has been based on yields of government bonds at 30 June 2025.

(m) Future cash flows

- The funding policy is to pay benefits out of the reporting entity's cashflow as and when due.
- The weighted average duration of the defined benefit obligation is **9 years**.
- Employer's contributions to be paid in the next reporting period is estimated at **Rs Nil** (2024: Rs Nil).
- The plan entitles the employees to a lump sum and pension payments at retirement age.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

18. POST EMPLOYMENT BENEFIT OBLIGATIONS (cont.)

FUNDED OBLIGATION (cont.)

- (n) Risk Associated with the Plans

The Defined Benefit Plans expose the Group to actuarial risks such as interest rate risk and salary risk.

Interest rate risk

If the bond interest rate decreases, the liabilities would be calculated using a lower discount rate, and would therefore increase.

Salary risk

If salary increases are higher than assumed in our basis, the liabilities would increase the actuarial losses.

- (o) The principal actuarial assumptions with respect to the defined benefit scheme used for accounting purposes were:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	%	%	%	%
Discount rate	5.7	5.1	5.7	5.1
Future expected increase in pension scheme	0.0	0.0	0.0	0.0
Future long term salary increase	4.0	4.0	4.0	4.0
Post retirement mortality tables	PNA00	PNA00	PNA00	PNA00

UNFUNDED OBLIGATION

- (p) The amounts recognised in the statement of financial position in respect of unfunded obligation are as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Present value of unfunded obligation	235,515	184,348	12,774	10,137

- (q) Movement in the liability recognised in the statement of financial position:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
At 01 July	184,348	168,170	10,137	6,317
Transfer	702	(539)	1,467	791
Total expenses (Note 18(r))	26,031	17,257	1,008	687
Remeasurements of post-employment benefit obligations (Note 18(s))	28,693	3,983	162	2,342
Benefits paid	(4,979)	(4,972)	-	-
Exchange differences	720	449	-	-
At 30 June	235,515	184,348	12,774	10,137

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

18. POST EMPLOYMENT BENEFIT OBLIGATIONS (cont.)

UNFUNDED OBLIGATION (cont.)

- (r) The amounts recognised in the statement of profit or loss are as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Current service cost	17,389	8,866	491	340
Interest cost	8,642	8,391	517	347
Total included in employee benefit expenses (Note 25)	26,031	17,257	1,008	687

- (s) Amount recognised in other comprehensive income

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Remeasurements of post-employment benefit obligations	45,714	(6,415)	970	1,800
Changes in assumptions	(17,021)	10,398	(808)	542
	28,693	3,983	162	2,342

- (t) Sensivity analysis

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Decrease in defined benefit obligation due to 1% increase in discount rate	28,320	23,941	1,446	1,299
Increase in defined benefit obligation due to 1% increase in future long-term salary assumption	33,893	28,641	1,686	1,498

- (u) The principal actuarial assumptions with respect to the unfunded scheme used for accounting purposes were as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	%	%	%	%
Discount rate	5.60 to 5.80	5.10 to 5.30	5.60	5.10
Future salary increases	4.00	4.00	4.00	4.00

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

19. PROVISION FOR VACATION LEAVE

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
At 01 July	19,445	-	422	-
Total expenses	701	19,445	95	422
At 30 June	20,146	19,445	517	422

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	%	%	%	%
Discount rate	4.6 - 4.7	3.3 - 3.5	4.6	3.3
Future long term salary increase	4	4	4	4

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Sensitivity analysis				
Decrease in defined benefit obligation due to 1% increase in discount rate	218	215	1	1
Increase in defined benefit obligation due to 1% increase in future long-term salary assumption	224	219	1	2

The sensitivity analysis above have been determined based on sensibly possible changes of the discount rate or salary increase rate occurring at the end of the reporting period if all other assumptions remained unchanged.

20. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Trade payables	503,632	521,572	-	817
Amount payable to subsidiaries (Note 36)	-	-	1,596,003	1,744,301
Amount payable to fellow subsidiaries and other related parties (Note 36)	175,392	183,802	11,312	6,344
Accrued expenses	355,002	334,989	15,749	26,108
Other payables	412,215	400,280	21,743	9,958
	1,446,241	1,440,643	1,644,807	1,787,528

Trade and other payables are non-interest bearing and are normally settled on a 60-days term.

Other payables comprises mainly of accruals for payroll related costs and other accruals made in the normal course of business.

For the term and amount payable to subsidiaries and fellow subsidiaries and other related parties refer to Note 36.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

21. TAXATION

(a) Charge for the year

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Current tax on taxable profit for the year (Note (d))	167,933	159,457	20,636	28,348
Withholding tax	3,133	9,141	-	-
Underprovision/ (overprovision) in previous year (Note (d))	18,860	416	3,803	(1,726)
Deferred taxation movement (Note 10)	56,756	69,065	(35,481)	1,099
Income tax expense	246,682	238,079	(11,042)	27,721

(b) Reconciliation between income tax expense and accounting profit is as follows:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
	Rs'000	Rs'000	Rs'000	Rs'000
Profit before tax	1,454,966	1,372,641	348,897	260,906
Tax calculated at a rate of 19% (2024: 17%)	276,444	233,349	66,290	44,354
Effect of different tax rates	2,667	(2,810)	-	-
Impairments not allowable for tax purposes	-	-	(831)	(3,845)
Expenses not deductible for tax purposes (Note(i))	35,121	32,114	2,980	291
Tax incentives and allowances	(23,953)	(20,892)	(64,875)	(11,353)
Underprovision/ (overprovision) of income tax in previous year (Note (a))	18,860	416	3,803	(1,726)
Underprovision/ (overprovision) of deferred tax in previous year	50,725	12,605	(18,409)	-
Recognition of previously unused tax losses	(113,182)	(16,703)	-	-
	246,682	238,079	(11,042)	27,721

Note (i) - Expenses not deductible for the Group is mainly in respect of the subsidiary, White Sand Resorts & Spa Pvt Ltd, where finance charges are capped as eligible for tax purposes.

(c) Different tax rates arise on the taxation of foreign units located in Réunion Island and Maldives.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

21. TAXATION (cont.)

(d) Statement of financial position

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
At 01 July	204,858	198,361	17,680	17,440
Change for the year inclusive of Corporate Social Responsibility (CSR) (Note (a))	167,933	159,457	20,636	28,348
Underprovision/ (overprovision) in prior year (Note (a))	18,860	416	3,803	(1,726)
Paid during the year	(198,195)	(155,314)	(38,880)	(26,382)
Exchange difference	(1,341)	1,938	-	-
At 30 June	192,115	204,858	3,239	17,680
Income tax is reflected in the statement of financial position as follows:				
Current tax liabilities	(192,115)	(204,858)	(3,239)	(17,680)

22. REVENUE FROM CONTRACTS WITH CUSTOMERS

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Room revenue	6,537,991	5,854,056	-	-
Food and beverages	3,192,578	2,876,396	-	-
Others	825,038	784,198	-	-
	10,555,607	9,514,650	-	-
Timing of revenue recognition:				
Point in time	4,017,616	3,660,594	-	-
Over time	6,537,991	5,854,056	-	-
	10,555,607	9,514,650	-	-
Revenue by geographical region:				
Mauritius	7,382,623	6,414,879	-	-
Reunion	978,676	927,810	-	-
Maldives	2,194,308	2,171,961	-	-
	10,555,607	9,514,650	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

22. REVENUE FROM CONTRACTS WITH CUSTOMERS (cont.)

(a) Contract liabilities

The contract liabilities are in respect of deposits collected from customers for future stay at the hotels of the Group.

The following table shows the movement in deposits:

	THE GROUP	
	2025 Rs'000	2024 Rs'000
At 01 July	356,237	404,223
Deposit received during the year	4,207,403	2,909,172
Amount released to profit or loss	(4,117,738)	(2,957,158)
At 30 June	445,902	356,237

23. OTHER OPERATING INCOME

(a) Operating income

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Management fee from subsidiaries	-	-	95,320	85,253
Rental income	3,749	5,624	3,749	5,624
Foreign exchange gains	24,576	146,794	81,358	204,054
Dividend income	-	-	600,000	-
Profit on sale of IHS units (Note (d))	-	47,129	-	-
Others	12,250	42,990	5,783	680
	40,575	242,537	786,210	295,611

(b) Other income

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Contingent consideration (Note 9)	65,672	-	-	-
Lease payments waiver (Note (i))	-	5,789	-	-
	65,672	5,789	-	-
Total other operating income	106,247	248,326	786,210	295,611

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

23. OTHER OPERATING INCOME (cont.)

(b) Other income (cont.)

Note (i) - Lease payment waiver is in relation to Beau Rivage Co Ltd and is as follows:

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Variable lease payments waiver	-	5,789	-	-

As per the lease agreement between Beau Rivage Co Ltd (The Lessee) and the lessors, it was understood that the guaranteed rental for the previous year will not be payable if the IHS villas are not being used by the lessee for renting to clients because of the closure of the hotel due to a force majeure. The previous year included three months of closure.

(c) Profit on disposal of property, plant and equipment

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Disposal proceeds	5,259	1,486	3,941	-
Net book value of assets disposed/scrapped	(4,306)	(707)	(3,941)	-
Net profit	953	779	-	-

The profit on disposal of property, plant and equipment for the current year is included as part of “Others” in note (a) above.

(d) Profit on sale of IHS units

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Revenue recognised	-	90,000	-	-
Expenditure attributable	-	(42,871)	-	-
Net gain on sale of IHS units	-	47,129	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

24. DIRECT OPERATING EXPENSES

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Food, beverages and room supplies	2,064,168	1,830,040	-	-
Others	651,566	564,165	-	-
	2,715,734	2,394,205	-	-

Others include minor operating departments which are directly linked with the hotel operations. The main departments are SPA and shops.

Cost of inventories included in direct operating expenses amounts to **Rs 1.79 billion** (2024: Rs 1.64 billion).

25. EMPLOYEE BENEFIT EXPENSES

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Wages and salaries	2,421,343	2,180,287	83,040	59,899
Social security costs	85,456	78,110	3,197	2,772
Pension costs:				
Defined contribution scheme	59,958	54,938	1,333	2,033
Defined benefit scheme (Note 18(e))	352	361	352	361
Other retirement benefit (Note 18(r))	26,031	17,257	1,008	687
	2,593,140	2,330,953	88,930	65,752

26. OTHER OPERATING EXPENSES

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Marketing expenses	408,110	365,479	-	-
Heat, light and power	420,569	448,816	-	-
Repairs and maintenance	280,247	236,208	1,223	1,863
Insurance	224,353	201,782	1,387	1,298
Communication expenses	100,072	85,587	2,686	1,601
Bank charges and commissions	170,125	137,220	3,125	3,243
Management fees	504,180	501,886	-	-
Others*	468,166	394,496	41,642	38,662
	2,575,822	2,371,474	50,063	46,667

*Others include mainly security & yard expenses, environment protection fee, printing and stationery and motor vehicles running expenses.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

27. DEPRECIATION AND AMORTISATION

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Depreciation of property,plant and equipment (Note 4)	644,740	582,186	5,744	4,971
Amortisation of intangible assets (Note 7)	3,478	2,709	-	-
Amortisation of Right-of-use assets (Note 5(a))	163,937	158,510	-	-
	812,155	743,405	5,744	4,971

28. FINANCE INCOME

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Interest income	42,506	26,966	94,265	95,841

Interest income computed under the effective interest rate method on financial assets at amortised costs includes interest on bank account and interest on current account with related companies.

29. FINANCE COSTS

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Interest expense on:				
- Bank overdrafts	259	907	70	91
- Bank loans	255,918	327,523	-	-
- Leases (Note 5(a))	260,997	267,256	-	-
- Other loans and payables	-	-	52,916	35,684
	517,174	595,686	52,986	35,775

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

30. INSURANCE RECOVERY

The negotiated compensation for Lux Belle Mare for loss of profit as well as for material damages and amount disbursed by the insurers were as follows:

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
At 01 July	109,762	720,421	-	-
- Adjustment following final agreement with loss adjustor (Note i)	-	(19,392)	-	-
Impact on profit or loss:	-	(19,392)	-	-
Amount disbursed during the year	(109,762)	(591,267)	-	-
Amount receivable	-	109,762	-	-

Note i - “Adjustment following final agreement with loss adjustor” was included as part of “others” in other operating revenue (Note 23 (a))

The Group has received the final disbursement during the current financial year.

31. EARNINGS PER SHARE

	THE GROUP	
	2025 Rs'000	2024 Rs'000
Profit attributable to equity holders of the parent (Rs' 000)	1,208,284	1,134,562
Weighted average number of ordinary shares	137,115,943	137,115,943
Basic earnings per share (Rs)	8.81	8.27
Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.		
Diluted Earnings per share		
Convertible Bonds subscribed to date by LIR (Rs' 000)	920,000	920,000
Conversion price (Rs)	33.52	33.52
Weighted number of ordinary shares to be issued upon conversion of Bonds subscribed to date	27,446,301	27,446,301
Existing number of shares	137,115,943	137,115,943
Total number of shares	164,562,244	164,562,244
Diluted earnings per share (Rs)	7.34	6.89

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

32. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Cash and cash equivalents

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Cash and cash equivalents	1,505,340	1,058,267	1,263,343	852,550
Bank overdrafts (Note 17)	(525)	(13,352)	(6)	(6)
	1,504,815	1,044,915	1,263,337	852,544

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

(b) Non-cash transactions

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Total amount of property, plant and equipment acquired (Note 4)	427,937	1,074,863	8,171	2,672
Release from advance payment to suppliers	-	(112,349)	-	-
Financed by cash	427,937	962,514	8,171	2,672

(c) Net Debt Reconciliation

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Net debt				
Cash and cash equivalents (Note 32 (a))	(1,504,815)	(1,044,915)	(1,263,337)	(852,544)
Borrowings (Excluding bank overdraft and lease liabilities) (Note 17 (a))	3,243,742	4,163,157	-	-
Lease liabilities (Note 5 (a))	2,889,812	3,046,847	-	-
	4,628,739	6,165,089	(1,263,337)	(852,544)

All the above borrowings carry variable and fixed interest rates.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

32. NOTES TO THE STATEMENT OF CASH FLOWS (cont.)

(c) Net Debt Reconciliation (cont.)

Liabilities from financing activities - the Group

	Convertible bonds Rs'000	Dividend paid Rs'000	Borrowings Rs'000	Leases Rs'000	Sub-total Rs'000	Cash and cash equivalents Rs'000	TOTAL Rs'000
At 01 July 2023	1,460,283	-	4,870,114	3,022,420	9,352,817	(1,095,121)	8,257,696
Cash flows	-	(617,022)	(803,754)	(176,056)	(1,596,832)	54,168	(1,542,664)
Other movements	-	-	-	113,992	113,992	-	113,992
Exchange difference	-	-	96,797	86,491	183,288	(3,962)	179,326
At 30 June 2024	1,460,283	(617,022)	4,163,157	3,046,847	8,053,265	(1,044,915)	7,008,350
Cash flows	-	(342,790)	(924,047)	(181,214)	(1,448,051)	(458,327)	(1,906,378)
Other movements	-	617,022	-	99,619	716,641	-	716,641
Exchange difference	-	-	4,632	(75,440)	(70,808)	(1,573)	(72,381)
At 30 June 2025	1,460,283	(342,790)	3,243,742	2,889,812	7,251,047	(1,504,815)	5,746,232

Liabilities from financing activities - the Company

	Convertible bonds Rs'000	Cash and cash equivalents Rs'000	TOTAL Rs'000
At 01 July 2023	914,083	(839,871)	74,212
Cash flows	-	(14,544)	(14,544)
Exchange difference	-	1,871	1,871
At 30 June 2024	914,083	(852,544)	61,539
Cash flows	-	(412,390)	(412,390)
Exchange difference	-	1,597	1,597
At 30 June 2025	914,083	(1,263,337)	(349,254)

33. SEGMENTAL REPORTING

Primary segment - Business

Internal reports reviewed by the Chief Operating Decision Makers (i.e the Directors) in order to allocate resources to the segments and to assess their performance, comprise the hotel segment and the non-hotel segment. The non-hotel segment remains insignificant (i.e less than 10%) both in terms of revenue and trading results compared to the Group. The Directors therefore consider that there is no relevance in disclosing segmental information at this level.

Secondary segment - Geographical

The contribution of the hotel units in Réunion Island via SA Les Villas Du Lagon and for the unit in Maldives via White Sand Resorts & Spa Pvt Ltd for the year ended 30 June 2025 and 30 June 2024 are more than 10% in terms of revenue and the following disclosures are made with respect to segmental reporting.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

33. SEGMENTAL REPORTING (cont.)

	Mauritius Rs'000	Reunion Rs'000	Maldives Rs'000	Total Rs'000
For the year ended 30 June 2025				
Segment revenue from contract with customers	7,382,623	978,676	2,194,308	10,555,607
Segment interest income	42,506	-	-	42,506
Segment finance cost	(246,502)	(2,968)	(267,704)	(517,174)
Segment depreciation and amortisation	(554,123)	(78,044)	(179,988)	(812,155)
Segment result before finance charges	1,347,645	139,272	442,717	1,929,634
Segment assets	12,681,753	692,484	5,916,563	19,290,800
Segment liabilities	5,897,459	303,706	3,249,091	9,450,256
Capital expenditure	263,014	28,550	136,373	427,937
Cash flows from operating activties	1,819,136	111,559	449,381	2,380,076
Cash flows used in investing activities	(308,775)	(28,550)	(136,373)	(473,698)
Cash flows used in financing activities	(1,105,182)	(42,348)	(300,521)	(1,448,051)
	Mauritius Rs'000	Reunion Rs'000	Maldives Rs'000	Total Rs'000
For the year ended 30 June 2024				
Segment revenue from contract with customers	6,414,879	927,810	2,171,961	9,514,650
Segment interest income	25,293	1,673	-	26,966
Segment finance cost	(278,361)	(3,605)	(313,720)	(595,686)
Segment depreciation and amortisation	(503,481)	(76,489)	(163,435)	(743,405)
Segment result before finance charges	1,424,606	62,533	454,222	1,941,361
Segment assets	12,090,798	581,987	6,291,945	18,964,730
Segment liabilities	6,204,017	323,095	3,668,820	10,195,932
Capital expenditure	933,506	35,152	106,205	1,074,863
Cash flows from operating activties	2,082,870	55,943	371,770	2,510,583
Cash flows used in investing activities	(825,527)	(35,152)	(107,329)	(968,008)
Cash flows used in financing activities	(1,265,959)	(39,945)	(290,928)	(1,596,832)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

34. CONTINGENT LIABILITIES

THE GROUP	
At 30 June 2025, the Group had the following contingent liabilities:	
(a)	Bank guarantees of Rs 25.0m and guarantee for loans of USD 14.8m and EUR 3m (2024: Bank guarantees of Rs 49.4m and guarantee for loans of USD 18.6m and EUR 4m) given on behalf of subsidiaries arising in the ordinary course of business from which it is anticipated that no material losses will arise. The Directors consider that no liabilities will arise as the probability for default in respect of the guarantees is remote.
(b)	Legal claims of Rs 7.0m (2024: Rs 63.0m) have been lodged against the Group in the Intermediary Court of Mauritius arising from claims mainly in respect of termination of employment or contracts. The directors have been advised that some claims appear unfounded and that the severance allowance/damages claim in others appear grossly exaggerated. At this stage, the Directors do not believe that the Group will be required to settle the amounts claimed, thus no provision was made at 30 June 2025.
THE COMPANY	
Bank guarantees of Rs 25.0m and guarantee for loans of USD 14.8m and EUR 3m (2024: Bank guarantees of Rs 49m and guarantee for loans of USD 18.6m and EUR 4m) have been given on behalf of subsidiary companies with respect to long term debt contracted by the latter arising in the ordinary course of business from which it is anticipated that no material losses will arise. The Directors consider that no liabilities will arise as the probability for default in respect of the guarantee is remote.	

35. COMMITMENTS

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Capital commitments				
Authorised by directors but not yet contracted for	1,039,117	426,658	-	-
The above capital commitments relate only to property, plant and equipment. There are no capital commitment in relation to investment property or intangible assets.				

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

36. RELATED PARTY DISCLOSURES

Key management personnel

		Purchase of goods and services from related parties Rs'000	Right-of-use assets relating to related parties Rs'000	Lease liabilities relating to related parties Rs'000	Amount due to related party Rs'000	Emoluments Rs'000
The Group						
Transactions during the year	2025	8,166	12,134	2,879	1,887	106,569
	2024	6,586	12,425	4,374	2,615	102,907
The Company						
Transactions during the year	2025	-	-	-	-	40,595
	2024	-	-	-	-	31,648

Key management personnel includes executive directors and top level management personnel. For the Group, the emoluments include short-term employee benefits of **Rs 97.4m** (2024: Rs 100.4m) as well as contributions to pension scheme for post retirement benefits of **Rs 9.2m** (2024: Rs 2.5m). For the Company, the emoluments include short term benefits of **Rs 31.4m** (2024: Rs 29.2m) and contributions to pension scheme for post retirement benefits of **Rs 9.2m** (2024: Rs 2.4m). The short-term benefits and contributions to pension scheme are included under employee benefit expenses (Note 25).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

36. RELATED PARTY DISCLOSURES (cont.)

		Purchase of goods and services from related parties Rs'000	Purchase of property, plant and equipment from related party Rs'000	Work in progress in relation to property, plant and equipment from related party Rs'000	Other operating income from related party Rs'000	Amount due to related party Rs'000	Amount due from related parties Rs'000	Interest received from related party Rs'000	Loan due to related party Rs'000	Interest paid to related party Rs'000	Net bank balance with related party Rs'000
The Group											
Fellow subsidiaries (Note a)											
	2025	1,020,272	-	-	-	174,189	51	-	-	-	-
	2024	966,277	566	327,108	-	183,363	1,098	-	-	-	-
Entities over which directors have significant influence (Note b)											
	2025	35,426	-	-	-	1,203	-	7,497	159,506	6,095	400,652
	2024	54,199	-	-	-	439	-	9,135	205,126	16,033	251,145
The Company											
Subsidiaries (Note d)											
	2025	-	-	-	-	1,596,003	1,692,054	51,759	-	52,916	-
	2024	-	-	-	-	1,744,301	2,022,981	70,548	-	35,684	-
Fellow subsidiaries (Note a)											
	2025	3,812	-	-	3,749	11,312	-	35,979	-	-	-
	2024	23,590	-	-	5,624	6,344	-	21,704	-	-	-
Entities over which directors have significant influence (Note b)											
	2025	-	-	-	-	-	-	-	-	-	400,652
	2024	-	-	-	-	-	-	-	-	-	251,145

Note (a) - Fellow subsidiaries are entities over which the ultimate holding company, IBL Ltd, exercises control.

Note (b) - Entities over which directors have significant influence and which are associated companies of the ultimate holding, IBL Ltd. The bank loan from the associated company of the ultimate holding company is denominated in EURO and comprised of a term loan of EURO 5 million (the balance at 30 June 2025 is EURO 3 million) repayable by monthly installments carrying interest rate of EURIBOR +2.6% per annum.

Note (c) - Amount due to and receivable from subsidiaries are unsecured and bears interest at 4.5% (repo rate) (2024: 4.5% (repo rate)). Settlement occurs in cash and there is no fixed repayment terms.

There has been no impairment of amount due to and receivable from related parties. The amount receivable from related parties are neither past due nor impaired.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balances.

The Group manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. No changes were made in the objectives, policies or processes during the years ended 30 June 2025 and 2024.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus debt. The Group's policy is to keep the gearing ratio below 45% (2024: 45%) during normal trading conditions. The Group includes within net debt, interest bearing loans and borrowings and lease liabilities, less cash in hand and at bank. The gearing ratios at 30 June 2025 and 2024 were as follows:

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Debt (i)	6,134,079	7,223,356	6	6
Cash in hand and at bank	(1,505,340)	(1,058,267)	(1,263,343)	(852,550)
Net debt	4,628,739	6,165,089	(1,263,337)	(852,544)
Equity (ii)	9,840,544	8,768,798	4,966,908	4,973,880
Total capital plus debt	14,469,283	14,933,887	3,703,571	4,121,336
Gearing ratio	32%	41%	Nil	Nil
Gearing ratio excluding IFRS 16 leases	15%	26%	Nil	Nil

- (i) Debt is defined as long and short term borrowings, as detailed in Note 17 and lease liabilities as detailed in Note 5.
- (ii) Equity includes all capital and reserves as well as the Convertible Bonds of the Group and the Company respectively.
- (iii) All the hotels have maintained their performance and the Group is repaying its long term borrowings, resulting in an increase in equity.
- (iv) Some of the loan agreements of the Group include a clause of compliance with financial covenants, the main ones being the gearing ratio, the interest cover and the debt-service coverage ratio (DSCR). For one of the loan agreement it is mentioned that the DSCR cannot exceed 1.25 times. There is no form of penalty imposed by the said bank in case of breach of the covenants, except that the bank reserves the right to claim the whole amount due with respect to that loan. It should also be noted that there is no imposed capital requirement for the Group towards that banker, except for the financial ratios mentioned above.

For financial year 30 June 2025 and 30 June 2024, given the fact that one of the Group's subsidiary has started repaying its long term borrowings, the Group did not satisfy the financial covenant for the said bank which stated that at the end of each quarter the DSCR (debt-service coverage ratio) of the subsidiary that subscribed for the loan cannot exceed 1.25 times. As such, the Group has not satisfied its financial covenants which as per the loan agreement represented a breach of contract and the bank had the right to claim back the whole amount due with respect to that loan.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont.)

As a consequence of the breach, the Group has reclassified **Rs 106m** (2024: Rs 205m) of loan payable of more than one year to current liability at 30 June 2025. The Group is in the process of renegotiating the repayment term with the said bank. The Group had met all the financial covenants from the other borrowings at 30 June 2025 and 30 June 2024.

- (v) The Group has agreed with its bankers to exclude the impact of IFRS 16 in the computation of all financial covenants. If debt at 30 June 2025 and 2024 is adjusted with the impact of the lease liabilities, the gearing ratio would have been at 15% and 26% respectively.

(b) Categories of financial instruments

	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Financial assets				
Financial assets at amortised cost	2,094,344	1,717,185	2,968,639	2,885,366
	2,094,344	1,717,185	2,968,639	2,885,366
Financial liabilities				
Financial liabilities at amortised cost	7,875,980	8,432,844	1,644,496	1,785,250
	7,875,980	8,432,844	1,644,496	1,785,250

Financial assets at amortised costs include trade and other receivables and cash and cash equivalents, but exclude prepayments, advance payment and taxes amounting to **Rs 64.0m** (2024: Rs 83.7m) for the Group and **Rs 2.2m** for the Company (2024: Rs 0.7m).

Financial liabilities at amortised cost consist of trade and other payables, interest bearing loans and borrowings and lease liabilities, but excludes taxes and levy refutable amounting to **Rs 255.5m** (2024: Rs 231.2m) for the Group and **Rs 0.3m** (2024: Rs 2.7m) for the Company.

(c) Financial risk management

The Group has exposure to the following risks arising from financial instruments: market risk (foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Board of Directors has the overall responsibility for the establishment and oversight of the Group's risk management framework which focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on Group's financial performance. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

(i) Foreign currency risk management

The Group has transactional currency exposure. It is the practice in the hospitality industry to fix tariffs yearly in advance. In order to achieve stability of tariffs in the overseas markets and as a hedge against a fall in the value of the Mauritian Rupee, contracts with tour operators are denominated in the major international currencies of the markets in which the foreign tour operators belong.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont.)

(c) Financial risk management (cont.)

(i) Foreign currency risk management (cont.)

A significant number of contracts are therefore denominated in Euros, Pounds Sterling and US Dollars and invoices are raised in these currencies, with above 90% of Group’s sales denominated in Euros, Pounds Sterling and US Dollars. While protecting against any fall in the parity of the Mauritian Rupee, this strategy exposes the Group to a fall in revenue should the Rupee appreciate against one or more of the international currencies. The risk management policies are detailed under Note 15. In this hedge relationship, the main source of ineffectiveness is if the forecasted sales in foreign currency is no longer “highly probable” to occur.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency risk. Currency exposure arising from the net assets of the Group’s foreign operation is managed primarily through borrowings denominated in the relevant foreign currencies.

The currency profile of the financial assets and financial liabilities at 30 June 2025 and at 30 June 2024 is as follows:

	THE GROUP		THE COMPANY	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
	Rs'000	Rs'000	Rs'000	Rs'000
30 June 2025				
Euro	401,630	1,457,930	70,344	287,158
Pound sterling	91,132	563,213	8,149	-
US Dollar	288,483	3,029,580	1,012,799	-
Other foreign currencies	1	-	50	-
Total foreign currencies	781,246	5,050,723	1,091,342	287,158
Mauritian Rupee	1,313,098	2,825,257	1,877,297	1,357,338
Total	2,094,344	7,875,980	2,968,639	1,644,496
30 June 2024				
Euro	341,084	1,604,189	62,440	169,999
Pound sterling	98,733	614,138	6,278	-
US Dollar	265,232	3,401,382	928,696	-
Other foreign currencies	1	-	50	77
Total foreign currencies	705,050	5,619,709	997,464	170,076
Mauritian Rupee	1,012,135	2,813,135	1,887,902	1,615,174
Total	1,717,185	8,432,844	2,885,366	1,785,250

The following table details the Group’s sensitivity to a 5% decrease and increase in the Mauritian Rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management’s assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A positive number below indicates an increase in profit and equity where the Mauritian Rupee depreciates 5% against the relevant currency. There would be an equal and opposite impact on the profit and equity, if the Mauritian Rupee strengthens by 5% against the relevant currency.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont.)

(c) Financial risk management (cont.)

(i) Foreign currency risk management (cont.)

Sensitivity Analysis	EURO IMPACT			
	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Profit or loss	(52,815)	(63,155)	(10,841)	(5,378)
Equity	(26,268)	(54,635)	-	-

	GBP IMPACT			
	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Profit or loss	(23,604)	(25,770)	407	314
Equity	(28,161)	(30,707)	-	-

	US DOLLAR IMPACT			
	THE GROUP		THE COMPANY	
	2025 Rs'000	2024 Rs'000	2025 Rs'000	2024 Rs'000
Profit or loss	(137,055)	(156,807)	50,640	46,435
Equity	(48,682)	(68,027)	-	-

The equity impact of a change in rate of Euro vis-à-vis the Mauritian Rupee is attributable mainly to net investment in the subsidiary in Réunion Island and also to the hedge reserve arising on hedge accounting of Euro loans and leases.

The equity impact of a change in rate of USD vis-à-vis the Mauritian Rupee is attributable mainly to net investment in the subsidiary, Lux Island Resorts Maldives Ltd, and also to the hedge reserve arising on hedge accounting of USD loans and leases.

The equity impact of a change in rate of GBP vis-à-vis the Mauritian Rupee is attributable mainly to the hedge reserve arising on hedge accounting of Holiday & Leisure Resorts Limited’s GBP loan.

(ii) Interest rate risk management

The Group is exposed to interest rate risk as entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

The Group analyses its interest rate exposure on a dynamic basis. The Group considers various scenarios in assessing its interest rate exposure, including refinancing, renewal of existing facilities, alternative financing and hedging. Based on these scenarios, the Group calculates the sensitivity of the Group’s profit before tax to a defined interest rate shift. The scenarios are run only for liabilities that represent the major interest-bearing positions.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont.)

(c) Financial risk management (cont.)

(ii) Interest rate risk management (cont.)

The interest rate profile of the Group at 30 June was:

Financial assets

	2025		2024	
	Balances with banks <i>Interest rate</i> %	Trade receivables <i>Interest rate</i> %	Balances with banks <i>Interest rate</i> %	Trade receivables <i>Interest rate</i> %
GBP	EURIBOR-1%	Nil	EURIBOR-1%	Nil
EURO	EURIBOR-1%	Nil	EURIBOR-1%	Nil
USD	SOFR-1%	Nil	SOFR-1%	Nil
Mauritan Rupee	PLR - 4%	Nil	PLR - 4%	Nil

Financial liabilities

	2025			2024		
	Bank overdrafts <i>Floating interest rate</i> %	Loans <i>Floating interest rate</i> %	<i>Fixed interest rate</i> %	Bank overdrafts <i>Floating interest rate</i> %	Loans <i>Floating interest rate</i> %	<i>Fixed interest rate</i> %
GBP	N/A	SOFR + 3.8%	N/A	N/A	SOFR + 3.8%	N/A
EURO	N/A	EURIBOR + 1.3% - 5.0%	N/A	N/A	EURIBOR + 1.3% - 5.0%	N/A
USD	N/A	SOFR + 2.6% - 5%	N/A	N/A	SOFR + 2.6% - 5%	N/A
Mauritan Rupee	PLR	PLR + 0.5% - 1.5%	1.5%	PLR	PLR + 0.5% - 1.5%	1.5%

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates on the financial instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel. It represents management’s assessment of the reasonably possible change in interest rate.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont.)

(c) Financial risk management (cont.)

(ii) Interest rate risk management (cont.)

If interest rates had been 50 basis points higher for Mauritan Rupee borrowings (loans and leases) and 25 basis points for EURO, USD and GBP borrowings (loans and leases) impact will be as follows:

	EURO IMPACT			
	THE GROUP		THE COMPANY	
	2025 Rs’000	2024 Rs’000	2025 Rs’000	2024 Rs’000
Profit or loss	(2,187)	(887)	-	-
Equity	-	-	-	-

	US DOLLAR IMPACT			
	THE GROUP		THE COMPANY	
	2025 Rs’000	2024 Rs’000	2025 Rs’000	2024 Rs’000
Profit or loss	(1,776)	(2,701)	-	-
Equity	-	-	-	-

	GBP IMPACT			
	THE GROUP		THE COMPANY	
	2025 Rs’000	2024 Rs’000	2025 Rs’000	2024 Rs’000
Profit or loss	(1,408)	(1,535)	-	-
Equity	-	-	-	-

	MUR IMPACT			
	THE GROUP		THE COMPANY	
	2025 Rs’000	2024 Rs’000	2025 Rs’000	2024 Rs’000
Profit or loss	(5,354)	(6,672)	-	-
Equity	-	-	-	-

A decrease in interest rate by 50 basis points of Mauritan Rupee borrowings (loan and leases) and by 25 basis points for EURO and USD borrowings (loan and leases) will have an equal and opposite impact of an increase in the profit as shown above.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont.)

(c) Financial risk management (cont.)

(iii) Other price risks

The Group is not exposed to equity price risks arising from equity investments.

(iv) Credit risk management

The Group’s credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of allowances for credit losses, estimated by the Group’s management based on prior experience and the current economic environment.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. The Group has subscribed to a credit protection scheme for its client portfolio across the Group with a Global Service Provider, with a view to minimise its credit risk exposure. At 30 June 2025, **66%** of trade debtors of the Group were covered under the credit protection insurance policy (2024: 43% of trade debtors of the Group were covered under the credit protection insurance policy).

With respect to credit risk arising from other financial assets of the Group which are neither past due nor impaired, comprising cash and cash equivalents and other receivables, the Group’s exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Refer to Note 37(b) above for maximum exposure to credit risk of the Group’s financial assets at 30 June 2025 and 2024.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit loss.

Loss rates are calculated using a “roll rate” method based on the probability of a receivable progressing through successive stages of delinquency to write off. No segregation has been made among the debtors due to their homogeneity.

Loss rates are based on actual credit loss experience over the past eight years. These are further adjusted by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group’s view of economic conditions over the expected lives of the receivables.

The Group considers debtors in default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. The information about the ECLs on the Group’s trade receivables is disclosed in note 12.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont.)

(c) Financial risk management (cont.)

(iv) Credit risk management (cont.)

The Group’s trade receivable exposure to credit risk is set out below:

	Total Rs'000	Current Rs'000	< 30 days Rs'000	< 60 days Rs'000	< 90 days Rs'000	< 180 days Rs'000	>180 days Rs'000
30 June 2025							
<i>Expected credit loss rate</i>		<i>1.59%</i>	<i>2.41%</i>	<i>1.37%</i>	<i>3.43%</i>	<i>26.50%</i>	<i>66.00%</i>
Carrying amount	475,827	210,025	133,604	81,454	20,467	13,292	16,985
Expected credit loss	23,107	3,337	3,219	1,115	703	3,523	11,210
30 June 2024							
<i>Expected credit loss rate</i>		<i>5.52%</i>	<i>8.08%</i>	<i>4.98%</i>	<i>9.86%</i>	<i>17.59%</i>	<i>24.36%</i>
Carrying amount	419,874	176,789	122,333	44,183	28,147	28,008	20,414
Expected credit loss	34,525	9,765	9,884	2,202	2,774	4,928	4,972

The decrease in expected credit loss is principally the result of a full provision for a tour operator who went into bankruptcy during the financial year ended 30 June 2024.

(v) Liquidity risk management

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Group aims at maintaining flexibility in funding by keeping reliable credit lines available.

The Directors are aware that the Group has a net current liability of **Rs 0.7 billion** as at 30 June 2025 (2024: Rs 1.3 billion) and this has been the case over the last few years. The Group is in a positive cash situation and at 30 June 2025, cash and cash equivalents amounted to **Rs 1.5 billion** (2024: Rs 1.0 billion). The Group achieved positive results and based on the forecasts, the performance is expected to improve further over the coming years. This can be supported by high booking on hand as at 30 June 2025. The Directors are confident and are satisfied that Group has the adequate resources to continue operating in the near future.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont.)

(c) Financial risk management (cont.)

(v) Liquidity risk management (cont.)

Liquidity and interest rate risk tables - financial liabilities - undiscounted

THE GROUP						
	Weighted average effective interest rate %	At Call Rs'000	Within one year Rs'000	1 to 5 years Rs'000	More than 5 years Rs'000	Total Rs'000
<u>30 June 2025</u>						
Non-interest bearing	-	1,741,899	-	-	-	1,741,899
Variable interest rate instruments	4.5%-10%	525	937,673	1,855,585	928,637	3,722,420
Fixed interest rate instruments	1.5%-9.3%	-	470,601	1,095,694	13,155,363	14,721,658
Financial and other guarantees	-	856,548	-	-	-	856,548
		2,598,972	1,408,274	2,951,279	14,084,000	21,042,525
<u>30 June 2024</u>						
Non-interest bearing	-	1,209,488	-	-	-	1,209,488
Variable interest rate instruments	4.5%-10%	13,352	2,065,623	1,377,971	797,307	4,254,253
Fixed interest rate instruments	1.5%-9.3%	-	2,503,455	1,716,692	13,761,397	17,981,544
Financial and other guarantees	-	1,169,910	-	-	-	1,169,910
		2,392,750	4,569,078	3,094,663	14,558,704	24,615,195

THE COMPANY						
	Weighted average effective interest rate %	At Call Rs'000	Within one year Rs'000	1 to 5 years Rs'000	More than 5 years Rs'000	Total Rs'000
<u>30 June 2025</u>						
Non-interest bearing	-	1,644,496	-	-	-	1,644,496
Variable interest rate instruments	6.75%	6	-	-	-	6
Financial and other guarantees	-	831,607	-	-	-	831,607
		2,476,109	-	-	-	2,476,109
<u>30 June 2024</u>						
Non-interest bearing	-	1,785,250	-	-	-	1,785,250
Variable interest rate instruments	6.75%	6	-	-	-	6
Financial and other guarantees	-	1,136,113	-	-	-	1,136,113
		2,921,369	-	-	-	2,921,369

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont.)

(d) Fair value of financial instruments

The carrying amounts of the Group's and the Company's financial assets and financial liabilities approximate their fair values due to the short-term nature of the balances involved. The carrying amounts of the interest-bearing loans and borrowings approximate their fair values since the majority of these facilities carry interest rates which are linked to market rates. They are classified under Level 2 of the fair value hierarchy, with the significant input in determining fair value being the applicable interest rates. A summary of the carrying amounts and fair values of the financial instruments at 30 June 2025 and 30 June 2024 are as follows:

THE GROUP					
	Fair value hierarchy	2025 Carrying value Rs'000	Fair value Rs'000	2024 Carrying value Rs'000	Fair value Rs'000
Financial assets:					
Amortised costs:					
Trade and other receivables	Level 2	589,004	589,004	658,918	658,918
Cash and short-term deposits	Level 2	1,505,340	1,505,340	1,058,267	1,058,267
		2,094,344	2,094,344	1,717,185	1,717,185
Financial liabilities:					
Amortised costs:					
Interest-bearing loans and borrowings	Level 2	3,244,267	3,244,267	4,176,509	4,176,509
Lease Liabilities	Level 2	2,889,812	2,889,812	3,046,847	3,046,847
Trade and other payables	Level 2	1,741,901	1,741,901	1,209,488	1,209,488
		7,875,980	7,875,980	8,432,844	8,432,844

THE COMPANY					
	Fair value hierarchy	2025 Carrying value Rs'000	Fair value Rs'000	2024 Carrying value Rs'000	Fair value Rs'000
Financial assets:					
Amortised costs:					
Trade and other receivables	Level 2	1,705,296	1,705,296	2,032,816	2,032,816
Cash and cash equivalents	Level 2	1,263,343	1,263,343	852,550	852,550
		2,968,639	2,968,639	2,885,366	2,885,366
Financial liabilities:					
Amortised costs:					
Borrowings	Level 2	6	6	6	6
Dividend payable	Level 2	-	-	-	-
Trade and other payables	Level 2	1,644,490	1,644,490	1,785,244	1,785,244
		1,644,496	1,644,496	1,785,250	1,785,250

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont.)

(d) Fair value of financial instruments (cont.)

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

There has been no transfers between the hierarchy levels in the current and prior year.

Refer to Note 4 for classification of Land and Buildings in the fair value hierarchy.

38. FINANCIAL SUMMARY

(a) THE GROUP

	2025 Rs'000	2024 Rs'000
Non-current assets	16,886,039	16,915,507
Current assets	2,404,761	2,049,223
Issued capital	1,371,159	1,371,159
Share premium	1,320,986	1,320,986
Convertible bonds	1,460,283	1,460,283
Other reserves	2,561,635	2,270,484
Retained earnings	3,126,481	2,345,886
Current liabilities	3,090,700	3,327,276
Non-current liabilities	6,359,556	6,868,656
Total income	10,661,854	9,762,976
Profit before tax	1,454,966	1,372,641
Profit attributable to owners of the parent	1,208,284	1,134,562

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

38. FINANCIAL SUMMARY (cont.)

(b) THE COMPANY

	2025 Rs'000	2024 Rs'000
Non-current assets	3,659,009	3,939,974
Current assets	2,971,053	2,886,066
Issued capital	1,371,159	1,371,159
Share premium	1,320,986	1,320,986
Convertible bonds	914,083	914,083
Other reserves	43,627	42,934
Retained earnings	1,317,053	1,324,718
Current liabilities	1,648,569	1,805,636
Non-current liabilities	14,585	46,524
Total income	786,210	295,611
Profit before tax	348,897	260,906
Profit for the year	359,939	233,185

39. ULTIMATE HOLDING COMPANY

The ultimate holding company is IBL Ltd, a company incorporated in Mauritius and listed on the Stock Exchange of Mauritius. The registered office is situated at 4th Floor, IBL House, Le Caudan Waterfront, Port Louis.

40. DIVIDENDS

On 22 January 2025, the Board of Directors have declared an interim dividend of **Rs 1.00** (2023: Rs 1.00) per each ordinary share held, totalling **Rs 137,115,943** (2024: Rs 137,115,943). The interim dividend was paid on 07 March 2025. Furthermore on 28 April 2025, the Board of Directors have declared a final dividend of **Rs 1.50** (2024: Rs 1.50) per each ordinary share held, totalling **Rs 205,673,915** (2024: Rs 205,673,915) with respect to the year ended 30 June 2025. The final dividend for financial year 2024 was paid on 27 June 2024 and the final dividend for financial year 2025 was paid on 25 June 2025. Dividend payable at 30 June 2025 amounted to **Rs Nil** (2024: Rs Nil).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 30 JUNE 2025

41. EVENTS OCCURING AFTER THE REPORTING PERIOD

There are no significant events occurring since the end of the reporting period which require adjustment or additional disclosures in the financial statements, except for the following:

a. Voluntary early redemption of bonds issued to the Mauritius Investment Corporation Ltd

On 15 July 2025, the Board of Directors resolved to proceed with the voluntary early redemption of 20 bonds issued by the Company and 55 bonds issued by its subsidiary, Merville Ltd, in accordance with clause 5 (“Voluntary Redemption and Cancellation”) of their respective agreements with the Mauritius Investment Corporation Ltd (“MIC”).

The redemption date was set for 31 July 2025. The redemption was unconditional and the redeemed bonds were settled at nominal value, amounting to **Rs 201** million for the Company and **Rs 550** million for Merville Ltd.

In addition, accrued interest payable on the redeemed bonds was also settled, amounting to **Rs 0.5** million for the Company and **Rs 3.2** million for Merville Ltd.

b. Amendments to tax legislations

On 09 August 2025, the Finance (Miscellaneous Provisions) Act 2025 was published and introduced the following new tax charges which will impact both the Group and the Company:

1. Fair share contribution (FSC)

The FSC is applicable for every company having a chargeable income exceeding Rs 24m in an accounting year and will be at the rate of 5% of the company’s chargeable income.

2. Alternative minimum tax (AMT)

The AMT will be applicable for companies where tax payable is less than 10% of their adjusted book profit, the tax payable for that income year shall be deemed to be 10% of the adjusted book profit.

The expected impact of the two amendments on income tax expenses and deferred tax liabilities for the year ended 30 June 2025 would be **Rs 89.3m** and **Rs 265.0m** respectively for the Group and **Rs 5.8m** and **Rs 0.5m** respectively for the Company.

The redemption of MIC bonds, fair share contribution and alternative minumum tax are considered to be non-adjusting events.



LUX ISLAND RESORTS LTD
(THE COMPANY)

NOTICE TO SHAREHOLDERS

Notice is hereby given that the Annual Meeting of Shareholders of the Company will be held at Cyril Lagesse Auditorium, 1st Floor, IBL House, Caudan Waterfront, Port Louis, on Wednesday 10 December 2025 at 10.00am with the following agenda:

RESOLUTIONS

- To consider the Annual Report of the Company for the year ended 30 June 2025
- To receive the Auditor’s report
- To consider and approve the audited financial statements of the Company for the year ended 30 June 2025
- To re-elect Mr Jean-Claude Béga as Director of the Company*
- To re-elect Mr Désiré Elliah as Director of the Company*
- To re-elect Mr Jan Boullé as Director of the Company*
- To re-elect Mr John Brennan as Director of the Company*
- To re-elect Ms Jenifer Chung Wong Tsang as Director of the Company*
- To re-elect Mr Laurent de la Hogue as Director of the Company*
- To re-elect Mrs Pascale Lagesse as Director of the Company*
- To re-elect Mr Thierry Lagesse as Director of the Company under Section 138(6) of the Companies Act 2001*
- To fix the remuneration of the non-executive directors for the year ending 30 June 2026 and to ratify the remuneration paid to the non-executive directors for the year ended 30 June 2025
- To ratify the remuneration paid to the auditors for the year ended 30 June 2025
- To appoint the auditors under Section 200 of the Companies Act 2001 and to authorise the Board to fix their remuneration

By Order of the Board



IBL Management Ltd
Company Secretary

17 November 2025

- * Biography of the directors can be found at pages 24 to 27 of the Integrated Annual Report

NOTES:

Should a shareholder be unable to attend the meeting, he/she may opt to:

- Either** appoint a proxy of his/her own choice to attend and vote on his/her behalf. A proxy need not be a member of the Company. Any such appointment must be made on the attached form and should reach the Registered Office of the Company, Pierre Simonet Street, Floreal, Mauritius, not less than twenty-four hours before the time appointed for the holding of the meeting or adjourned meeting.
- Or** cast his/her vote through the Postal Vote Form. The Postal Vote Form section must be made in writing on the attached form and the document should reach the Registered Office of the Company, Pierre Simonet Street, Floreal, Mauritius, not less than forty-eight hours before the time appointed for the holding of the meeting or adjourned meeting.

For the purpose of this Annual Meeting, the Directors have resolved in compliance with Section 120 (3) of the Companies Act 2001, that the shareholders who are entitled to receive notice of the meeting and attend such meeting shall be those shareholders whose names are registered in the share register of the Company as at 12 November 2025.

This notice is issued pursuant to Listing Rule 11.16.

PROXY FORM

I / We
of
being a shareholder of Lux Island Resorts Ltd hereby appoint
of
or failing him/her,
of.....
or failing him/her, the Chairperson of the Meeting as my / our proxy to vote for me / us on my / our behalf at the Annual Meeting of Shareholders of the Company to be held at Cyril Lagesse Auditorium, 1st Floor, IBL House, Caudan Waterfront, Port Louis on Wednesday 10 December 2025 commencing at 10.00 am and at any adjournment thereof.

I/We direct my/our proxy to vote in the following manner:

RESOLUTIONS
(Vote with a tick)

		For	Against	Abstain
3	To consider and approve the audited financial statements of the Company for the year ended 30 June 2025			
4	To re-elect Mr Jean-Claude Béga as Director of the Company			
5	To re-elect Mr Désiré Elliah as Director of the Company			
6	To re-elect Mr Jan Boullé as Director of the Company			
7	To re-elect Mr John Brennan as Director of the Company			
8	To re-elect Ms Jenifer Chung Wong Tsang as Director of the Company			
9	To re-elect Mr Laurent de la Hogue as Director of the Company			
10	To re-elect Mrs Pascale Lagesse as Director of the Company			
11	To re-elect Mr Thierry Lagesse as Director of the Company under Section 138(6) of the Companies Act 2001			
12	To fix the remuneration of the non-executive directors for the year ending 30 June 2026 and to ratify the remuneration paid to the non-executive directors for the year ended 30 June 2025			
13	To ratify the remuneration paid to the auditors for the year ended 30 June 2025			
14	To appoint the auditors under Section 200 of the Companies Act 2001 and to authorise the Board to fix their remuneration			

Signed this 2025

Signature Name

POSTAL VOTE FORM

I / We
of
being a shareholder of Lux Island Resorts Ltd entitled to attend the Annual Meeting of Shareholders of the Company to be held at Cyril Lagesse Auditorium, 1st Floor, IBL House, Caudan Waterfront, Port Louis on Wednesday 10 December 2025 commencing at 10.00 am and at any adjournment thereof, cast my/our votes on the proposed resolutions in the following manner:

NOTES

IMPORTANT NOTES:

1. Should a shareholder be unable to attend the meeting, he/she may **either** appoint a proxy, whether a shareholder or not, to attend and vote on his/her behalf **or** cast his/her vote by post.
2. **Appointment of Proxy:**
 - a. If the form is used as a **Proxy Form**, to be valid, it must be completed and reached the Registered Office of the Company, Pierre Simonet Street, Floréal, Mauritius, not less than **24** hours before the time fixed for holding the meeting or adjourned meeting.
 - b. A shareholder may appoint a proxy of his/her own choice. Insert the name of the person appointed as proxy in the space provided.
 - c. If this **Proxy Form** is returned, duly signed, without any indication of proxy, the shareholder will be deemed to have authorised the Chairperson to act as his/her proxy.
 - d. If this **Proxy Form** is returned without any indication as to how the person appointed proxy shall vote, the person appointed proxy will exercise his/her discretion as to how he/she votes or whether he/she abstains from voting.
3. **Postal Vote Form:**
 - a. If the form is used as a **Postal Vote Form**, to be valid, it must be completed and reached the Registered Office of the Company, Pierre Simonet Street, Floréal, Mauritius, not less than **48** hours before the time fixed for holding the meeting or adjourned meeting.
 - b. This **Postal Vote Form** must be signed by the shareholder, or his/her attorney duly authorised in writing.
 - c. If this **Postal Vote Form** is returned without any indication of vote in respect of a resolution, the shareholder shall be deemed to have abstain on such resolution.
 - d. If this **Postal Vote Form** is signed by an attorney of the shareholder, a certificate of non-revocation of the power of attorney must be attached, together with a copy of the power of attorney unless it has previously been produced to the Company.
4. If both the **Proxy Form** and the **Postal Vote Form** are completed, only the **Postal Vote Form** will be considered.
5. **Joint Shareholding:**
 - a. In case of joint holders, the signature of any one holder shall be sufficient, but the names of all the joint holders should be stated.
 - b. However, in case of one or more proxy/postal vote form is received from the joint holders, the proxy/postal vote form received from the shareholder whose name appear first on the register will be considered.

**** PLEASE FILL IN EITHER THE PROXY FORM OR THE POSTAL VOTE FORM, BUT NOT BOTH ****

Registered Office - Pierre Simonet Street Floreal

[illegible]