

LUX ISLAND RESORTS LTD AND ITS SUBSIDIARIES.

The group un-audited results for the quarter and half year ended 31st December 2020 are as follows:

GROUP ABRIDGED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter to 31st December		Half Year to 31st December		Year ended 30th June
	2020 Rs 000 (Un-audited)	2019 Rs 000 (Un-audited)	2020 Rs 000 (Un-audited)	2019 Rs 000 (Un-audited)	2020 Rs 000 (Audited)
Continuing operations					
Revenue	749,721	1,881,649	1,079,498	3,092,168	4,837,605
EBITDA before impairment	60,247	613,001	(72,706)	792,788	1,028,522
Impairment of financial and non-financial assets	-	-	-	-	(832,454)
EBITDA	60,247	613,001	(72,706)	792,788	196,068
Depreciation and amortisation	(152,720)	(132,588)	(304,830)	(274,846)	(568,519)
Operating (loss)/profit	(92,473)	480,413	(377,536)	517,942	(372,451)
Net finance costs	(119,208)	(107,633)	(229,417)	(220,924)	(448,186)
(Loss)/profit before taxation	(211,681)	372,780	(606,953)	297,018	(820,637)
Income tax	20,890	(50,814)	51,289	(36,414)	(57,006)
(Loss)/profit attributable to the group	(190,791)	321,966	(555,664)	260,604	(877,643)
Other comprehensive income					
Movement for the period	18,797	(3,844)	18,797	7,826	436,463
Total recognised income	(171,994)	318,122	(536,867)	268,430	(441,180)
Basic and Diluted - (Loss)/earnings per share	Rs		(4.05)	1.60	(6.40)
SEGMENTAL INFORMATION					
Segment revenue:					
Mauritius	251,294	1,155,476	433,269	1,896,343	2,352,652
Maldives	306,976	406,949	342,370	659,638	1,537,996
Reunion	191,451	319,224	303,859	536,187	946,957
Total revenue	749,721	1,881,649	1,079,498	3,092,168	4,837,605
Segment results:					
Mauritius	(118,260)	354,941	(290,929)	397,502	(158,436)
Maldives	23,635	83,728	(66,052)	78,187	(247,836)
Reunion	2,152	41,744	(20,555)	42,253	33,821
Results before finance costs	(92,473)	480,413	(377,536)	517,942	(372,451)

GROUP ABRIDGED STATEMENT OF FINANCIAL POSITION

	31st December 2020 Rs 000	31st December 2019 Rs 000	30th June 2020 Rs 000
ASSETS			
Non current assets			
Property, plant & equipment	10,483,795	9,276,232	10,083,786
Rights of use assets	3,318,363	2,389,931	3,429,232
Intangible assets	462,076	1,818,237	467,316
Investment property	82,212	82,212	82,212
Deferred tax assets	145,117	199,971	137,771
	14,491,563	13,766,583	14,200,317
Current assets	1,002,061	1,350,386	1,403,734
TOTAL ASSETS	15,493,624	15,116,969	15,604,051
EQUITY AND LIABILITIES			
Shareholders' interest	5,028,993	6,233,686	5,565,860
Non-current liabilities	5,080,610	4,230,183	2,856,877
Finance lease liabilities in respect of right of use assets	2,702,495	2,261,467	2,730,306
Current liabilities	2,681,526	2,391,633	4,451,008
TOTAL EQUITY AND LIABILITIES	15,493,624	15,116,969	15,604,051
Net Assets per Share	Rs. 36.68	45.46	40.59

GROUP ABRIDGED STATEMENT OF CASH FLOWS

	31st December 2020 Rs 000	31st December 2019 Rs 000	30th June 2020 Rs 000
Net cash flows (used in)/from operating activities	(2,084)	407,092	464,240
Net cash flows used in investing activities	(337,598)	(420,220)	(929,839)
Net cash flows from/(used in) financing activities	631,179	(18,055)	297,781
Net increase/(decrease) in cash & cash equivalents	291,497	(31,183)	(167,818)
Cash and bank balance			
At beginning of period	(199,604)	(98,999)	(31,786)
At end of period	91,893	(130,182)	(199,604)

GROUP ABRIDGED STATEMENT OF CHANGES IN EQUITY

	31st December 2020 Rs 000	31st December 2019 Rs 000	30th June 2020 Rs 000
At beginning of period	5,565,860	6,007,040	6,007,040
Total recognised income	(536,867)	226,646	(441,180)
At end of period	5,028,993	6,233,686	5,565,860

COMMENTS

The Covid 19 pandemic is still significantly impacting our business due to travel restrictions to control its spread. In Mauritius, the Government has recently announced the extension of the quarantine period to 31st March 2021, with passengers from UK and South Africa banned until 31st January 2021.

Borders in our other markets, namely Maldives and Reunion Island are opened subject to certain conditions like temperature screening, pre-departure and arrival testing etc.

Results

The team has worked on multiple attractive offers to drive occupancy and extra revenue through special events on the domestic market during the festive period. Our hotels in Mauritius posted a turnover of Rs 252m for the quarter, which is down by 78% compared to the corresponding quarter last year but is an improvement of 65% on the preceding quarter excluding non-operating income. The increase in revenue coupled with the cost-containment measures in place and the Government's wage assistance have helped reduce the quarter's operating loss compared to the previous quarter from Rs 173m to Rs 118m.

LUX* South Ari Atoll in the Maldives has performed exceptionally in the current circumstances with an occupancy of 54% for the second quarter peaking at 87% in December. Turnover for the quarter reached Rs 406m down by 25% on the corresponding quarter a year ago, however an improvement of sevenfold in Q1. Operating profit improved by Rs 113m on the previous quarter from a loss of Rs 89m to a profit of Rs 24m.

Regarding LUX* Saint Gilles in Reunion Island, its turnover and operating profit for the second quarter stood at Rs 191m and Rs 2m respectively. Its turnover grew by 70% and its operating results improved by Rs 24m compared to Q1.

The Group's EBITDA for the quarter was Rs 60m due to the contribution of our Maldives and Reunion properties. For the semester, the Group EBITDA was negative at Rs 73m. The loss attributable for the quarter and semester ended 31st December 2020 amounted to Rs 191m and Rs 556m respectively.

Project development and financing

The construction of LUX* Grand Baie is progressing well, and its opening is scheduled for October 2021.

At the special meeting held on 30th December 2020, the shareholders of the Company approved both the ordinary and special resolutions in connection with the issue of 100 Redeemable Convertible Secured Bonds of MUR 10,000,000 each for an aggregate amount of MUR 1,000,000,000 to the Mauritius Investment Corporation Ltd.

Outlook

A full industry recovery will take time, and uncertainty remains regarding the market recovery. However, with the recent uplift of our properties and LUX* Grand Baie's planned opening, we are confident that we will be in a better position once the market recovers.

By order of the Board

IBL Management Ltd

Company Secretary

22nd January 2021.

Note to the above:

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