

LUX ISLAND RESORTS LTD

AND ITS SUBSIDIARIES.

The group un-audited results for the quarter and semester ended 31 December 2021 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
	2021 Rs 000 (Un-audited)	2020 Rs 000 (Un-audited)	2021 Rs 000 (Un-audited)	2020 Rs 000 (Un-audited)	30th June 2021 Rs 000 (Audited)
Revenue	1,913,417	749,721	2,594,864	1,079,498	2,305,715
EBITDA before exceptional items	606,357	60,247	523,285	(72,706)	(16,231)
Gain on disposal of IHS units	154,090	-	154,090	-	-
Impairment of financial and non-financial assets	-	-	-	-	(61,689)
EBITDA	760,447	60,247	677,375	(72,706)	(77,920)
Depreciation and amortisation	(152,948)	(152,720)	(306,261)	(304,830)	(596,038)
Operating profit/(Loss)	607,499	(92,473)	371,114	(377,536)	(673,958)
Net finance costs	(128,245)	(119,208)	(251,200)	(229,417)	(479,799)
Profit/(loss) before taxation	479,254	(211,681)	119,914	(606,953)	(1,153,757)
Income tax (expense)/credit	(55,710)	20,890	(19,720)	51,289	95,386
Profit/(loss) attributable to the group	423,544	(190,791)	100,194	(555,664)	(1,058,371)
Other comprehensive income					
Movement for the period	82,489	18,797	51,541	18,797	(98,765)
Total recognised income	506,033	(171,994)	151,735	(536,867)	(1,157,136)
Earnings per share					
-Basic	Rs. 3.09	(1.39)	0.73	(4.05)	(7.72)
-Diluted	Rs. 2.66	(1.20)	0.63	(3.48)	(6.64)
SEGMENTAL INFORMATION					
Segment revenue:					
Mauritius	1,071,858	251,294	1,219,688	433,269	772,080
Maldives	557,899	306,976	930,417	342,370	956,513
Reunion	283,660	191,451	444,759	303,859	577,122
Total revenue	1,913,417	749,721	2,594,864	1,079,498	2,305,715
Segment results:					
Mauritius*	406,772	(118,260)	145,193	(290,929)	(775,602)
Maldives	158,171	23,635	192,532	(66,052)	119,418
Reunion	42,556	2,152	33,389	(20,555)	(17,774)
Results before finance costs	607,499	(92,473)	371,114	(377,536)	(673,958)

*Operating results for Mauritius in December 2021 includes IHS gain of Rs 154m

GROUP ABRIDGED STATEMENT OF FINANCIAL POSITION

	31st December 2021 Rs 000	31st December 2020 Rs 000	30th June 2021 Rs 000
ASSETS			
Non current assets			
Property, plant & equipment	11,704,743	10,483,795	11,606,594
Rights of use assets	3,346,962	3,318,363	3,422,217
Intangible assets	459,702	462,076	461,889
Investment property	82,212	82,212	82,212
Other receivable	45,919	-	45,919
Deferred tax assets	161,767	145,117	173,916
	15,801,305	14,491,563	15,792,747
Current assets	1,694,720	1,002,061	775,211
TOTAL ASSETS	17,496,025	15,493,624	16,567,958
EQUITY AND LIABILITIES			
Shareholders' interest	5,288,344	5,028,993	5,147,844
Non-current liabilities	5,906,337	5,080,610	5,422,215
Finance lease liabilities in respect of right of use assets	2,985,255	2,702,495	3,028,953
Current liabilities	3,316,089	2,681,526	2,968,946
TOTAL EQUITY AND LIABILITIES	17,496,025	15,493,624	16,567,958
Net Assets per Share	Rs 38.57	36.68	37.54

GROUP ABRIDGED STATEMENT OF CASH FLOWS

	31st December 2021 Rs 000	31st December 2020 Rs 000	30th June 2021 Rs 000
Net cash flows from/(used in) operating activities	142,451	(2,084)	88,025
Net cash flows from/(used in) investing activities	176,319	(337,598)	(1,374,708)
Net cash flows from financing activities	394,825	631,179	1,424,980
Net increase in cash & cash equivalents	713,595	291,497	138,297
Cash and bank balance			
At beginning of period	(61,307)	(199,604)	(199,604)
At end of period	652,288	91,893	(61,307)

ABRIDGED STATEMENT OF CHANGES IN EQUITY

	31st December 2021 Rs 000	31st December 2020 Rs 000	30th June 2021 Rs 000
At beginning of period	5,147,844	5,565,860	5,565,860
Total recognised income	151,735	(536,867)	(1,157,136)
Other movement	(11,235)	-	739,120
At end of period	5,288,344	5,028,993	5,147,844

Comments

The full reopening of borders in Mauritius was a success, with arrivals to the destination for October and November 2021 reaching 120k. Although still representing a drop from the corresponding pre-COVID level, there were some encouraging signs at the beginning of December 2021. The average spend per guest was higher by 20%. Furthermore, the bookings in hand for the month, particularly during the festive period, were promising. However, once Mauritius was subject to travel restrictions during the first week of December, we observed huge cancellations from the french market which we have not been able to mitigate. Travel restrictions with Reunion Island and South Africa compounded the issue. Consequently, the number of tourists in Mauritius for December 2021 was 50k, a third of the arrivals in 2019.

In the Maldives, the number of visitors for the quarter under review reached 440k, three times higher than 2020 and similar to the corresponding quarter in 2019 despite the closure of China, (a key source market pre-COVID), which accounted for 30% of its arrivals. For the semester ended 31 December 2021, tourist arrivals to the Maldives was 810k, down by only 30k compared to the corresponding semester in 2019 and an eightfold increase from 2020.

Results

Against the above backdrop, our hotels in Mauritius, which were fully operational during the quarter, achieved an occupancy of 65% and a turnover of Rs 1 bn; more than a fourfold increase from the corresponding quarter last year and 13% less than in 2019. Operating profit from normal operations for the quarter amounted to Rs 252m compared to an operating loss of Rs 118m a year ago. As a measure of comparison, operating profit for the quarter ended 31 December 2019 was Rs 318m.

LUX* South Ari Atoll in the Maldives has performed well in the current circumstances with an occupancy of 79% higher by 25 and 6 percentage points from corresponding quarter last year and 2019, respectively. Turnover reached Rs 558m, an increase of 82% and 37% on the previous year and 2019. Operating profit which was Rs 24m a year ago and Rs 90m in 2019, went up to Rs 158m.

Despite the travel restrictions to Reunion Island, LUX* Saint Gilles performed well, achieving an occupancy of 79% due to its strong domestic market. Its turnover for the quarter under review grew by 48% from Rs 191m in 2020 to Rs 284m. In 2019, its turnover was Rs 319m. Operating profit went up from Rs 2m last year to Rs 43m for the current quarter but down when compared to 2019 by Rs 28m.

As of 31 December 2021, deeds of sales for 26 IHS units out of the 29 units were executed at LUX* Grand Baie. Four villas were completed and delivered, and in accordance with the relevant IFRS, the profit on those four villas amounting to Rs 154m has been recognised in the current quarter. Deposits on the other units which were still under construction and / or not delivered at 31 December 2021 amounting to Rs 570m are shown as accounts payable in the financial statements.

The total revenue of the Group for the quarter amounted to Rs 1.9bn compared to Rs 750m last year. Profit attributable to the Group was Rs 423m against a loss of Rs 191m last year. For the semester ended 31 December 2021, turnover increased by more than twofold from Rs 1bn to Rs 2.6bn. Profit went up to Rs 100m compared to a loss of Rs 556m for the same semester in 2020.

Project Development

LUX* Grand Baie opened successfully in December 2021. The feedback from the trade and the guests have been positive. This augurs well for the future of this hotel. The residences are still under construction and completion is expected by the beginning of March 2022. Upon completion and delivery, the profit on sale of the residences and the remaining villas will be recognised in the quarter ending 31 March 2022.

Outlook

The current environment is still very uncertain, and it is difficult to forecast the number of tourists who will visit Mauritius for the remaining months of the current financial year. However, the latest relevant data from several countries is a cause for optimism. It would appear that, with the vaccine and the level of immunity attained, COVID cases seem to be stabilising across large parts of Europe, our primary market, with the lifting of travel restrictions in some countries, a real possibility. The reopening of the South African and eventually Reunion Island markets should boost arrivals.

Arrivals to the Maldives continue to grow, as confirmed by the latest statistics for the first twelve days of January 2022. Arrivals are higher than 2021 by 53% and close to 2019 at 55k.

By order of the Board

IBL Management Ltd
Company Secretary

24 January 2022.

Note to the above:

- The above Financial Highlights have been prepared in accordance with International Financial Reporting Standards (IFRSs).
- The Financial Highlights are issued pursuant to Listing Rule 12.20 and published according to the Securities Act 2005.
- The Financial Highlights have been prepared on the same basis of the accounting policies set out in the statutory Financial Statements of the Group for the year ended June 30, 2021, except for the relevant amendments to published Standards, Standards and Interpretations issued and effective for accounting period starting on July 1, 2021.
- 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.