

LUX ISLAND RESORTS LTD AND ITS SUBSIDIARIES.

The group un-audited results for the period ended 30th September 2023 are as follows:

GROUP ABRIDGED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter to 30th September		Year ended
	2023 Rs 000 (Un-audited)	2022 Rs 000 (Un-audited)	30th June 2023 Rs 000 (Audited)
Income	1,724,447	1,518,512	8,226,497
Normalised EBITDA	331,784	283,357	2,352,961
Other gains	-	-	144,027
Gain on sale of IHS units	-	38,514	38,514
Fire impact at LUX* Belle Mare			
Compensation from insurance	-	-	973,082
Impairment of property, plant and equipment	-	(406,248)	(313,583)
Closure cost	(94,467)	(76,286)	(296,851)
	(94,467)	(482,534)	362,648
EBITDA	237,317	(160,663)	2,898,150
Depreciation and amortisation	(164,151)	(157,186)	(625,791)
Operating profit/(loss)	73,166	(317,849)	2,272,359
Net finance costs	(138,845)	(121,755)	(538,968)
(Loss)/profit before taxation	(65,679)	(439,604)	1,733,391
Income tax credit/(expense)	9,480	76,562	(275,608)
(Loss)/profit attributable to the group	(56,199)	(363,042)	1,457,783
Other comprehensive income			
Total other comprehensive income	6,891	(272,134)	319,341
Total recognised income	(49,308)	(635,176)	1,777,124
Basic - Earnings per share	(0.41)	(2.65)	10.63
Diluted - Earnings per share	(0.34)	(2.21)	8.86
SEGMENTAL INFORMATION			
Segment income:			
Mauritius	1,099,958	870,429	5,044,336
Maldives	419,213	461,473	2,298,959
Reunion	205,276	186,610	883,202
Total segment income	1,724,447	1,518,512	8,226,497
Segment results:			
Mauritius	64,815	(362,234)	1,613,169
Maldives	13,374	42,681	519,345
Reunion	(5,023)	1,704	139,845
Results before finance costs	73,166	(317,849)	2,272,359

GROUP ABRIDGED STATEMENT OF FINANCIAL POSITION

	30th September 2023 Rs 000	30th September 2022 Rs 000	30th June 2023 Rs 000
ASSETS			
Non current assets			
Property, plant & equipment	12,380,888	9,858,914	12,197,017
Rights of use assets	3,437,561	3,392,612	3,551,489
Intangible assets	471,934	470,843	481,654
Investment property	91,145	86,317	91,145
Other receivable	-	40,559	48,187
Deferred tax assets	-	13,368	-
	16,381,528	13,862,613	16,369,492
Current assets	2,104,084	2,445,503	2,860,616
TOTAL ASSETS	18,485,612	16,308,116	19,230,108
EQUITY AND LIABILITIES			
Total equity	7,997,584	5,979,742	8,063,486
Non-current liabilities (excluding lease liabilities)	4,630,251	5,061,120	4,945,722
Finance lease liabilities in respect of right of use assets	2,918,753	2,909,559	3,022,420
Current liabilities (excluding lease liabilities)	2,939,024	2,357,695	3,198,480
TOTAL EQUITY AND LIABILITIES	18,485,612	16,308,116	19,230,108
Net Assets per Share	Rs. 58.33	43.61	58.81

GROUP ABRIDGED STATEMENT OF CASH FLOWS

	30th September 2023 Rs 000	30th September 2022 Rs 000	30th June 2023 Rs 000
Net cash flows generated from operating activities	233,877	179,655	1,768,469
Net cash flows used in investing activities	(341,090)	(43,201)	(1,188,930)
Net cash flows used in financing activities	(515,690)	(174,620)	(684,513)
Net decrease in cash & cash equivalents	(622,903)	(38,166)	(104,974)
Cash and bank balance			
Net foreign exchange difference	(9,789)	(276)	8,190
At beginning of period	1,095,121	1,080,098	1,080,098
Transfer from assets held for sale	-	-	111,807
At end of period	462,429	1,041,656	1,095,121

ABRIDGED STATEMENT OF CHANGES IN EQUITY

	30th September 2023 Rs 000	30th September 2022 Rs 000	30th June 2023 Rs 000
At beginning of period	8,063,486	6,621,971	6,621,971
Total recognised income	(49,308)	(635,176)	1,777,124
Dividends	-	-	(274,232)
Interest on convertible bonds	(16,594)	(7,053)	(61,377)
At end of period	7,997,584	5,979,742	8,063,486

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, 2023, except for the relevant amendments to published Standards, Standards and Interpretations issued and effective for accounting period starting on July 1, 2023.
- 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.

Commentary

Tourist arrivals to Mauritius for the quarter ended 30 September 2023 reached 304,660, representing an increase of 16% on last year and 94% of the pre-pandemic arrivals during the corresponding quarter in 2019. Europe remains our primary market, and a strong performance of the French market during the quarter was noted, with arrivals from that market increasing by 33% and 11% on the corresponding quarters in 2022 and 2019, respectively.

Arrivals in the Maldives for the quarter went from 377,409 in 2022 to 431,441 in 2023, an improvement of 14%. 82,559 Chinese tourists visited the island during the quarter compared to 3,851 last year and 90,084 for the corresponding quarter in 2019.

Group Results

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

Our hotels in Mauritius posted an occupancy of 88%, up by six percentage points on last year and their ADR (Room Revenue per occupied room) increased by 37%. The increase in occupancy and ADR resulted in an increase in RevPAR (Revenue per Available Room) of 44%. Turnover of our Mauritius hotels increased by 26% from Rs 870m to Rs 1.1bn.

LUX* Saint Gilles in Reunion Island achieved an occupancy of 77%, down by five percentage points from last year. Its ADR and RevPAR improved by 8% and 1% respectively. Its turnover grew by 10% to Rs 205m.

In the Maldives, competition is getting more challenging, with several luxury brands entering the market, significantly increasing new room supply. The occupancy of LUX* South Ari Atoll went down by six percentage points to 66%, and its ADR was reduced by 9%. Its RevPAR decreased by 16%. Turnover of LUX* South Ari Atoll decreased by 10% to Rs 419m.

Against the above backdrop, total revenue of the Group for the quarter ended 30 September reached Rs 1.7bn up by 14% on last year. Normalised EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) increased by 17% from Rs 283m a year ago to Rs 332m. EBITDA for the current quarter amounted to Rs 237m and was negative last year at Rs 161m.

Operating Profit for the quarter was Rs 73m compared to a loss of Rs 318m a year ago. The loss attributable to the Group for the quarter was lower by Rs 307m from Rs 363m to Rs 56m.

Projects

LUX* Belle Mare reopened on schedule on 1 October 2023. The feedback from the trade and the guests is very positive which augurs well for the future of this hotel. Discussion is ongoing positively with the Authorities in Reunion Island concerning the lease of LUX* Saint Gilles.

Outlook

Reservations on the books for our Mauritius properties for the second quarter ending 31 December 2023 are ahead of last year. We will also benefit from the reopening of LUX* Belle Mare. Our Mauritius hotels should post good growth in Q2 compared to the corresponding quarter last year.

Business on the books of LUX* South Ari Atoll in the Maldives is behind last year. The increase in arrivals for the nine months ended 30 September 2023 and the initiatives undertaken by the Management Company should mitigate the impact of increasing room supply.

Bookings in hand for LUX* Saint Gilles for the second quarter ending 31st December 2023 are at par with last year.

We are confident that provided that there is no deterioration in the environment, especially the wars in Ukraine and the Middle East, the results for the first semester ending 31 December 2023 will improve on the corresponding semester in 2022.

By order of the Board

IBL Management Ltd
Company Secretary

20 October 2023