

LUX ISLAND RESORTS LTD

AND ITS SUBSIDIARIES.

The group un-audited results for the quarter and nine months ended 31st March 2023 are as follows:

GROUP ABRIDGED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter to 31st March		Nine Months to 31st March		Year ended
	2023 Rs 000 (Un-audited)	2022 Rs 000 (Un-audited)	2023 Rs 000 (Un-audited)	2022 Rs 000 (Un-audited)	30th June 2022 Rs 000 (Audited)
Revenue	2,322,913	1,939,007	6,122,021	4,533,871	6,490,832
Normalised EBITDA	786,448	562,094	1,852,783	1,085,379	1,668,114
Impairment and other adjustments	-	-	-	-	(160,115)
Gain on sale of IHS units	-	71,860	38,514	225,950	319,388
Fire impact at LUX* Belle Mare					
Closure cost	(66,231)	-	(208,040)	-	-
Compensation receivable	763,916	-	763,916	-	-
Impairment of property, plant and equipment	-	-	(406,248)	-	-
	697,685	-	149,628	-	-
EBITDA	1,484,133	633,954	2,040,925	1,311,329	1,827,387
Depreciation and amortisation	(152,517)	(181,575)	(473,766)	(487,836)	(657,480)
Operating profit	1,331,616	452,379	1,567,159	823,493	1,169,907
Net finance costs	(132,792)	(126,577)	(391,490)	(377,777)	(454,410)
Profit before taxation	1,198,824	325,802	1,175,669	445,716	715,497
Income tax expense	(181,290)	(49,755)	(160,467)	(69,475)	(236,821)
Profit attributable to the group	1,017,534	276,047	1,015,202	376,241	478,676
Other comprehensive income					
Movement for the period	(28,081)	19,949	(278,589)	71,490	378,917
Total recognised income	989,453	295,996	736,613	447,731	857,593
Basic - Earnings per share	7.42	2.01	7.40	2.74	3.49
Diluted - Earnings per share	6.29	1.68	6.27	2.29	2.96
SEGMENTAL INFORMATION					
Segment revenue:					
Mauritius	1,327,745	1,051,218	3,568,790	2,270,906	3,529,642
Maldives	765,812	685,696	1,869,533	1,616,113	2,108,515
Reunion	229,356	202,093	683,698	646,852	852,675
Total revenue	2,322,913	1,939,007	6,122,021	4,533,871	6,490,832
Segment results:					
Mauritius	1,046,532	219,951	1,008,630	365,144	804,162
Maldives	265,504	230,060	484,660	422,592	521,504
Reunion	19,580	2,368	73,869	35,757	(155,759)
Operating Profit	1,331,616	452,379	1,567,159	823,493	1,169,907

GROUP ABRIDGED STATEMENT OF FINANCIAL POSITION

	31st March 2023 Rs 000	31st March 2022 Rs 000	30th June 2022 Rs 000
ASSETS			
Non current assets			
Property, plant & equipment	10,321,183	11,451,352	10,643,819
Rights of use assets	3,377,489	3,376,866	3,443,036
Intangible assets	476,969	465,302	471,077
Investment property	86,317	82,212	86,317
Other receivable	45,221	45,919	43,124
Deferred tax assets	13,672	171,925	13,429
	14,320,851	15,593,576	14,700,802
Current assets	3,382,839	1,883,957	2,473,935
TOTAL ASSETS	17,703,690	17,477,533	17,174,737
EQUITY AND LIABILITIES			
Total equity	7,314,850	5,747,772	6,621,971
Non-current liabilities	5,067,227	5,824,626	5,298,005
Finance lease liabilities in respect of right of use assets	2,888,921	3,034,261	2,952,562
Current liabilities	2,432,692	2,870,874	2,302,199
TOTAL EQUITY AND LIABILITIES	17,703,690	17,477,533	17,174,737
Net Assets per Share	Rs. 53.35	41.92	48.29

GROUP ABRIDGED STATEMENT OF CASH FLOWS

	31st March 2023 Rs 000	31st March 2022 Rs 000	30th June 2022 Rs 000
Net cash flows from operating activities	1,057,402	672,869	2,009,275
Net cash flows (used in)/ from investing activities	(640,381)	222,608	(616,311)
Net cash flows (used in)/ from financing activities	(542,863)	205,016	(139,752)
Net (decrease)/increase in cash & cash equivalents	(125,842)	1,100,493	1,253,212
Cash and bank balance			
At beginning of period	1,080,098	(61,307)	(61,307)
Transfer to assets held for sale	-	-	(111,807)
At end of period	954,256	1,039,186	1,080,098

ABRIDGED STATEMENT OF CHANGES IN EQUITY

	31st March 2023 Rs 000	31st March 2022 Rs 000	30th June 2022 Rs 000
At beginning of period	6,621,971	5,147,844	5,086,791
Issue of convertible bonds	-	170,000	716,200
Total recognised income	736,613	447,731	857,593
Interest on convertible bonds	(43,734)	(17,803)	(38,613)
At end of period	7,314,850	5,747,772	6,621,971

Commentary

Tourist arrivals to Mauritius for the quarter ended 31st March 2023 doubled compared to the corresponding quarter last year to 305k. This figure represents a recovery rate of 87% of the pre-pandemic arrivals during the same quarter in 2019. Europe remains our primary market and arrivals from UK are higher than 2019 by 4%.

For the nine months ended 31st March 2023, tourist arrivals in Mauritius reached 926k representing a recovery rate of 84% on 2019.

Arrivals in the Maldives for the quarter reached 523k, up by 21% and 8% on last year and the corresponding quarter in 2019 respectively. For the nine months ended 31st March 2023, the Maldives welcomed 1.4m tourists compared to 1.2m a year ago. Russia, India and UK were the three main markets representing 33% of total arrivals. Data for Reunion Island was not available at the time of reporting.

Group Results

The Group Operating results for the quarter and nine months ended 31st March 2023 were affected by the closure of LUX* Belle Mare for the entire period following the fire on 2nd July 2022.

The hotels, which were fully in operation in Mauritius during the quarter, posted an occupancy rate of 81%, up by 20 percentage points on the corresponding quarter last year, and their ADR (Room Revenue per occupied room) increased by 24%. The increase in occupancy and ADR significantly improved the Rev PAR (Room Revenue per available room) by 65%. LUX* Saint Gilles in Reunion Island posted a higher occupancy at 78% and its RevPar improved by 8%. LUX* South Ari Atoll in the Maldives posted an occupancy of 84% for the quarter, up by 3 percentage points compared to last year and increased its ADR by 14%. As a result, the RevPAR for the quarter went up by 18%.

Against the above backdrop, total revenue for the quarter under review increased by 20% from Rs 1.9bn a year ago to Rs 2.3bn. Normalised EBITDA amounted to Rs 786m, an improvement of 40% on last year. The turnover of the Group for the nine months to 31st March 2023 increased by 35% to Rs 6.1bn and normalised EBITDA for the same period grew by 71% to Rs 1.9bn

We have accounted Rs 764m in this current quarter in respect of our insurance recovery for Materials Damage and Business Interruption for LUX* Belle Mare. This is based on a provisional estimate of the amount of recovery as determined by the Insurers at the date of this report. Any adjustments will be reflected in the quarter and year ending 30th June 2023, once the loss assessment is completed.

EBITDA for the quarter after compensation receivable for LUX* Belle Mare net of closure cost and impairment reached Rs 1.48bn compared to Rs 634m for the corresponding quarter last year. EBITDA for the nine months ended 31st March 2023 was Rs 2bn compared to Rs 1.3bn a year ago. Profit attributable to the Group for the quarter and nine months ended 31st March 2023 was similar at Rs 1.02bn against Rs 276m and Rs 376m for the quarter and nine months last year, respectively.

The movement in the Other Comprehensive Income is the reversal of the revaluation surplus of the assets of LUX* Belle Mare destroyed by the fire.

The Group at 31st March 2023 had a positive bank balance of Rs 954m after financing the reconstruction of LUX* Belle Mare out of its own cash flow for Rs 512m. At the same date, the net debt of the Group was Rs 3.8 bn translating into a healthy gearing of 34%.

Projects

Reconstruction works at LUX* Belle Mare are well underway and the hotel reopening is scheduled for the high season this year.

We are still in discussion with the potential buyer for the sale of LUX* Saint Gilles. The shareholders will be informed of further developments regarding the sale.

Outlook

Reservations on the books for all our properties in operation for the last quarter ending 30th June 2023 are very encouraging. If the booking trend is maintained, we should post good results for the last quarter and financial year ending 30th June 2023. However, the rising Interest rate and inflation, coupled with the continuing war in Ukraine, remain a source of concern.

By order of the Board

IBL Management Ltd
Company Secretary

08 May 2023.

Note to the above:

- The above Financial Highlights have been prepared in accordance with International Financial Reporting Standards (IFRSs).
- The Financial Highlights are issued pursuant to Listing Rule 12.20 and published according to the Securities Act 2005.
- The Financial Highlights have been prepared on the same basis of the accounting policies set out in the statutory Financial Statements of the Group for the year ended June 30, 2022, except for the relevant amendments to published Standards, Standards and Interpretations issued and effective for accounting period starting on July 1, 2022.
- Copies of the Financial Highlights and the statement of direct and indirect interests of officers of the Company required under Rule 8 (2) (m) of the Securities (Disclosure Obligations of Reporting Rules 2007) are available free of charge, upon request, from the Company Secretary, at the Company's registered office, Lux Island Resorts Ltd, Pierre Simonet Street, Floréal.
- The Board of Directors of Lux Island Resorts Ltd accepts full responsibility for the accuracy of the information contained in the Financial Highlights.