

LUX ISLAND RESORTS LTD

AND ITS SUBSIDIARIES.

The group un-audited results for the quarter and semester ended 31st December 2023 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
	2023 Rs 000 (Un-audited)	2022 Rs 000 (Un-audited)	2023 Rs 000 (Un-audited)	2022 Rs 000 (Un-audited)	30th June 2023 Rs 000 (Audited)
Income	2,890,224	2,280,596	4,614,671	3,799,108	8,226,497
Normalised EBITDA	956,954	717,455	1,194,271	924,526	2,299,967
Other gains	-	-	-	-	144,027
Gain on sale of IHS units	-	-	-	38,514	38,514
Fire impact at LUX* Belle Mare	-	-	-	-	-
Compensation for material damage	-	-	-	-	729,225
Impairment of property, plant and equipment	-	-	-	(406,248)	(313,583)
	-	-	-	(406,248)	415,642
EBITDA	956,954	717,455	1,194,271	556,792	2,898,150
Depreciation and amortisation	(172,910)	(164,063)	(337,061)	(321,249)	(625,791)
Operating profit	784,044	553,392	857,210	235,543	2,272,359
Net finance costs	(145,632)	(136,943)	(284,477)	(258,698)	(538,968)
Profit/(loss) before taxation	638,412	416,449	572,733	(23,155)	1,733,391
Income tax (expense)/credit	(107,087)	(55,739)	(97,607)	20,823	(275,608)
Profit/(loss) attributable to the group	531,325	360,710	475,126	(2,332)	1,457,783
Other comprehensive income					
Total other comprehensive income	(3,265)	21,626	3,626	(250,508)	319,341
Total recognised income	528,060	382,336	478,752	(252,840)	1,777,124
Basic - Earnings per share	3.88	2.63	3.47	(0.02)	10.63
Diluted - Earnings per share	3.23	2.23	2.89	(0.01)	8.86
SEGMENTAL INFORMATION					
Segment income:					
Mauritius	2,028,411	1,370,616	3,128,369	2,241,045	5,044,336
Maldives	574,460	642,248	993,673	1,103,721	2,298,959
Reunion	287,353	267,732	492,629	454,342	883,202
Total segment income	2,890,224	2,280,596	4,614,671	3,799,108	8,226,497
Segment results:					
Mauritius	593,331	324,332	658,146	(37,902)	1,613,169
Maldives	141,364	176,475	154,738	219,156	519,345
Reunion	49,349	52,585	44,326	54,289	139,845
Results before finance costs	784,044	553,392	857,210	235,543	2,272,359

GROUP ABRIDGED STATEMENT OF FINANCIAL POSITION

	31st December 2023 Rs 000	31st December 2022 Rs 000	30th June 2023 Rs 000
ASSETS			
Non current assets			
Property, plant & equipment	12,712,204	10,033,769	12,197,017
Rights of use assets	3,464,668	3,328,360	3,551,489
Intangible assets	474,446	467,079	481,654
Investment property	91,145	86,317	91,145
Other receivable	-	42,890	48,187
Deferred tax assets	-	13,216	-
	16,742,463	13,971,631	16,369,492
Current assets	2,379,562	2,574,459	2,860,616
TOTAL ASSETS	19,122,025	16,546,090	19,230,108
EQUITY AND LIABILITIES			
Total equity	8,509,051	6,355,024	8,063,486
Non-current liabilities (excluding lease liabilities)	4,491,225	4,936,037	4,945,722
Finance lease liabilities in respect of right of use assets	2,949,976	2,861,588	3,022,420
Current liabilities (excluding lease liabilities)	3,171,773	2,393,441	3,198,480
TOTAL EQUITY AND LIABILITIES	19,122,025	16,546,090	19,230,108
Net Assets per Share	Rs. 62.06	46.35	58.81

GROUP ABRIDGED STATEMENT OF CASH FLOWS

	31st December 2023 Rs 000	31st December 2022 Rs 000	30th June 2023 Rs 000
Net cash flows generated from operating activities	1,058,507	500,509	1,768,469
Net cash flows used in investing activities	(754,801)	(358,039)	(1,188,930)
Net cash flows used in financing activities	(744,479)	(339,119)	(684,513)
Net decrease in cash & cash equivalents	(440,773)	(196,649)	(104,974)
Cash and bank balance			
Net foreign exchange difference	(3,864)	(452)	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	650,484	882,997	1,095,121

ABRIDGED STATEMENT OF CHANGES IN EQUITY

	31st December 2023 Rs 000	31st December 2022 Rs 000	30th June 2023 Rs 000
At beginning of period	8,063,486	6,621,971	6,621,971
Total recognised income	478,752	(252,840)	1,777,124
Dividends	-	-	(274,232)
Interest on convertible bonds	(33,187)	(14,107)	(61,377)
At end of period	8,509,051	6,355,024	8,063,486

Commentary

Tourist arrivals statistics to Mauritius for December 2023 are unavailable at the time of reporting. From July to November 2023, Mauritius welcomed 549,799 tourists, up by 13% on last year and 95% of the pre-pandemic arrivals during the same period in 2019. France, UK, Reunion and Germany remain our main markets, representing 56% of the total arrivals. The strong performance of the Reunion and French markets was noted during that period, with arrivals increasing by 34% and 20%, respectively.

Arrivals in the Maldives for the semester were up by 10% on last year, from 862,083 to 948,930. The Chinese market has regained its number one position, with 123,691 tourists representing 13% of the total arrivals for the semester. China, Russia and India were the three main markets, representing 34% of total arrivals.

Data for Reunion Island were not available at the time of reporting.

Group Results

The group results for the quarter ended 31st December 2023 benefitted from the reopening of LUX* Belle Mare on 1st October 2023.

During the quarter, the hotels in Mauritius posted an occupancy rate of 81%, down by one percentage point on the corresponding quarter last year, but their ADR (Room Revenue per occupied room) increased by 24%. The increase in ADR significantly improved the RevPAR (Room Revenue per available room) by 24%. LUX* South Ari Atoll in the Maldives posted an occupancy of 71% for the quarter, down by three percentage points compared to last year. Its ADR decreased by 10%, and its RevPAR decreased by 15%. LUX* Saint Gilles in Reunion Island posted an occupancy of 74%, down by four percentage points from last year, but maintained its ADR. As a result, its RevPAR was reduced by 4%.

Against the above backdrop, total revenue for the quarter under review increased by 26% from Rs 2.3bn a year ago to Rs 2.9bn. Normalised EBITDA amounted to Rs 957m, an improvement of 33% on last year. Attributable profit for the quarter increased by 47% from Rs 361m a year ago to Rs 531m.

The turnover of the Group for the six months to 31st December 2023 increased by 21% to Rs 4.6bn, and normalised EBITDA for the same period increased by 29% from Rs 925m to Rs 1.2bn. Attributable profit for the semester reached Rs 475m against a loss of Rs 2m last year. In 2022, Rs 406m was booked as impairment in respect of the Property, plant and equipment of LUX* Belle Mare destroyed by fire.

On 31st December 2023, the Group had a positive bank balance of Rs 650m. At the same date, the net debt of the Group was Rs 3.8bn translating into a healthy gearing of 31%.

Projects

LUX* Belle Mare reopened successfully on the 1st of October 2023. We are confident that its contribution to the Group's profit will be significant in the coming years.

Discussion with the Reunion Authorities concerning the lease of LUX* Saint Gilles is ongoing, and we expect to reach a positive outcome by the end of this financial year.

Outlook

Reservations on the books for all our properties in operation for the third quarter ending 31st March 2024 are satisfactory. If the booking trend is maintained, we should post good results for the next quarter and year ending 30th June 2024. The rising interest rate, inflation and the recent increase in the minimum wage and salary compensation will put a pressure on margins, and the continuing war in Ukraine and the Middle East remain sources of concern.

Dividend

The Board has declared an interim dividend of Re 1.00 (one rupee) per share in respect of the financial year ending 30th June 2024. The dividend will be paid on or about 4th March 2024 to all shareholders of the company registered at close of business on 9th February 2024.

By order of the Board

IBL Management Ltd
Company Secretary

19th January 2024.

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.