

LUX ISLAND RESORTS LTD

AND ITS SUBSIDIARIES.

The group un-audited results for the quarter and nine months ended 31 March 2022 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
	2022 Rs 000 (Un-audited)	2021 Rs 000 (Un-audited)	2022 Rs 000 (Un-audited)	2021 Rs 000 (Un-audited)	30th June 2021 Rs 000 (Audited)
Revenue	1,939,007	715,267	4,533,871	1,794,765	2,305,715
EBITDA before exceptional items	562,094	51,689	1,085,379	(21,017)	(16,231)
Gain on disposal of IHS units	71,860	-	225,950	-	-
Impairment of financial and non-financial assets	-	-	-	-	(61,689)
EBITDA	633,954	51,689	1,311,329	(21,017)	(77,920)
Depreciation and amortisation	(181,575)	(148,283)	(487,836)	(453,113)	(596,038)
Operating profit/(loss)	452,379	(96,594)	823,493	(474,130)	(673,958)
Net finance costs	(126,577)	(124,221)	(377,777)	(353,638)	(479,799)
Profit/(loss) before taxation	325,802	(220,815)	445,716	(827,768)	(1,153,757)
Income tax (expense)/credit	(49,755)	20,490	(69,475)	71,779	95,386
Profit/(loss) attributable to the group	276,047	(200,325)	376,241	(755,989)	(1,058,371)
Other comprehensive income					
Movement for the period	19,949	(134,804)	71,490	(116,007)	(98,765)
Total recognised income	295,996	(335,129)	447,731	(871,996)	(1,157,136)
Basic - Earnings per share	Rs. 2.01	(1.46)	2.74	(5.51)	(7.72)
Diluted - Earnings per share	Rs. 1.68	(1.26)	2.29	(4.74)	(6.64)
SEGMENTAL INFORMATION					
<i>Segment revenue:</i>					
Mauritius	1,051,218	206,767	2,270,906	640,036	772,080
Maldives	685,696	340,289	1,616,113	682,659	956,513
Reunion	202,093	168,211	646,852	472,070	577,122
Total revenue	1,939,007	715,267	4,533,871	1,794,765	2,305,715
<i>Segment results:</i>					
Mauritius	219,951	(164,141)	365,144	(497,688)	(775,602)
Maldives	230,060	77,708	422,592	54,274	119,418
Reunion	2,368	(10,161)	35,757	(30,716)	(17,774)
Results before finance costs	452,379	(96,594)	823,493	(474,130)	(673,958)

GROUP ABRIDGED STATEMENT OF FINANCIAL POSITION

	31st March 2022 Rs 000	31st March 2021 Rs 000	30th June 2021 Rs 000
ASSETS			
<i>Non current assets</i>			
Property, plant & equipment	11,451,352	10,843,538	11,606,594
Rights of use assets	3,376,866	3,304,217	3,422,217
Intangible assets	465,302	465,258	461,889
Investment property	82,212	82,212	82,212
Non-current receivable	45,919	-	45,919
Deferred tax assets	171,925	145,216	173,916
	15,593,576	14,840,441	15,792,747
Current assets	1,883,957	832,368	775,211
TOTAL ASSETS	17,477,533	15,672,809	16,567,958
EQUITY AND LIABILITIES			
Shareholders' interest	5,747,772	5,045,864	5,147,844
Non-current liabilities	5,824,626	5,356,337	5,422,215
Finance lease liabilities in respect of right of use assets	3,034,261	2,718,748	3,028,953
Current liabilities	2,870,874	2,551,860	2,968,946
TOTAL EQUITY AND LIABILITIES	17,477,533	15,672,809	16,567,958
Net Assets per Share	Rs. 41.92	36.80	37.54

GROUP ABRIDGED STATEMENT OF CASH FLOWS

	31st March 2022 Rs 000	31st March 2021 Rs 000	30th June 2021 Rs 000
Net cash flows from/(used in) operating activities	672,869	(86,131)	88,025
Net cash flows from/(used in) investing activities	222,608	(771,911)	(1,374,708)
Net cash flows from financing activities	205,016	852,895	1,424,980
Net increase/(decrease) in cash & cash equivalents	1,100,493	(5,147)	138,297
<i>Cash and bank balance</i>			
At beginning of period	(61,307)	(199,604)	(199,604)
At end of period	1,039,186	(204,751)	(61,307)

ABRIDGED STATEMENT OF CHANGES IN EQUITY

	31st March 2022 Rs 000	31st March 2021 Rs 000	30th June 2021 Rs 000
At beginning of period	5,147,844	5,565,860	5,565,860
Total recognised income	447,731	(871,996)	(1,157,136)
Other movement	152,197	352,000	739,120
At end of period	5,747,772	5,045,864	5,147,844

Comments

Tourist arrivals to Mauritius continue to grow, and in March 2022, the country welcomed 66k tourists, aided by the lifting of travel restrictions for France, Reunion and South Africa. For the quarter ended 31 March 2022, the number of visitors reached 158k. Whilst tourist arrivals for the quarter under review stood at only 45% of the pre-pandemic level, encouraging progress is being seen in some European markets, with France and UK accounting for 29% and 10% of total arrivals respectively.

In the Maldives, the number of visitors for January to March 2022 reached 432k, higher by 44% compared to the corresponding quarter in 2021 and representing 90% of arrivals before the Covid outbreak in 2020. It is worth noting that China, a key source market for the Maldives, representing 30% of its arrivals before the pandemic, is still closed for international travel.

Results

Against the above backdrop, our hotels in Mauritius recorded an occupancy of 61% and a turnover of Rs 1.05 bn; almost at par with Quarter 3 in 2019. Operating profit from normal operations for the quarter amounted to Rs 149m compared to an operating loss of Rs 164m a year ago. As a measure of comparison, operating profit for the quarter ended 31 March 2019 was Rs 256m.

LUX* South Ari Atoll in the Maldives has performed well in the current circumstances with an occupancy of 81% higher by 27 and 4 percentage points from corresponding quarter last year and on 2019, respectively. Its turnover reached Rs 686m, an increase of 89% and 31% on the previous year and on 2019. Its operating profit which was at Rs 77m a year ago and Rs 160m in 2019, reached Rs 230m.

Despite some local restrictions in Reunion Island, LUX* Saint Gilles performed reasonably well, achieving an occupancy of 68% thanks to its strong domestic market. Its turnover for the quarter under review grew by 19% from Rs 168m in 2021 to Rs 202m. In 2019, its turnover was Rs 156m. LUX* Saint Gilles posted a positive operating profit of Rs 2m during the current quarter compared to operating losses of Rs 10m last year and in 2019.

As of 31 March 2022, deeds of sales for 27 out of the 29 IHS units were executed at LUX* Grand Baie. In addition to the four villas handed over during Quarter 2, 1 villa and nine residences were delivered during Quarter 3, and in accordance with the relevant IFRS, the profit on these units amounting to Rs 72m was recognised in the current quarter. Deposits on the other completed units not yet delivered to the owners at 31 March 2022 amounting to Rs 313m are shown as accounts payable in the financial statements.

The total revenue of the Group for the quarter amounted to Rs 1.94bn compared to Rs 715m last year. Profit attributable to the Group was Rs 276m against a loss of Rs 200m last year. For the Nine months period ended 31 March 2022, turnover increased by more than twofold from Rs 1.8bn to Rs 4.5bn. Profit before tax reached Rs 446m compared to a loss of Rs 828m last year.

Outlook

Bookings in hand for the last quarter of the financial year ending 30 June 2022 in the three destinations we operate are encouraging. However, the magnitude of the economic impact of the war in Ukraine remains uncertain and will ultimately depend on its duration, as outlined by the IMF. Europe countries, our primary markets, are likely to be the hardest hit because of their energy reliance on Russia.

The Mauritian authorities are targeting one million tourists for the calendar year 2022. However, air connectivity and seat availability remain a challenge.

Based on the booking trend and provided there is no further deterioration in the economic environment, the Group should post positive results for the year ending 30 June 2022.

By order of the Board

IBL Management Ltd
Company Secretary

22 April 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.