

GROUP ABRIDGED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter to 30th September		Year ended 30 June
	2021 Rs 000 (Un-audited)	2020 Rs 000 (Un-audited)	2021 Rs 000 (Audited)
Continuing Operations			
Revenue			
- Fees from hotel management and other services	327,318	20,152	181,016
- Revenue from other operations	700	6,080	10,378
- Other operating income	30,218	7,961	54,011
Total Operating Income	358,236	34,193	245,405
EBITDA before expected credit loss	228,795	(66,841)	(188,417)
Expected credit loss provision	-	-	(172,189)
EBITDA	228,795	(66,841)	(360,606)
Depreciation and amortisation	(6,550)	(8,742)	(29,634)
Operating profit/(loss)	222,245	(75,583)	(390,240)
Net finance costs	(34,450)	(3,289)	(19,308)
Profit/(loss) before tax from continuing operations	187,795	(78,872)	(409,549)
Income tax (charged)/credit	(29,912)	-	5,053
Profit/(loss) for the period	157,883	(78,872)	(404,496)
Discontinued operations			
Loss from discontinued operations after tax	-	(8,417)	(42,294)
Gain on deemed disposal of subsidiary	-	-	206,065
(Loss)/gain from discontinued operations	-	(8,417)	163,771
Profit/(loss) for the period	157,883	(87,289)	(240,725)
Profit/(loss) attributable to the group	157,883	(87,289)	(240,725)
Other comprehensive income			
Movement for the period	24,395	(20)	(4,943)
Total recognised profit/(loss)	182,279	(87,309)	(245,667)
Basic- Earnings/(loss) per share - (Rs)	0.68	(0.56)	(1.04)
Diluted- Earnings/(loss) per share - (Rs)	0.68	(0.56)	(1.37)

GROUP ABRIDGED STATEMENT OF FINANCIAL POSITION

	30th Sept 2021 Rs 000 (Un-audited)	30th Sept 2020 Rs 000 (Un-audited)	30th June 2021 Rs 000 (Audited)
ASSETS			
<i>Non current assets</i>			
Property, plant & equipment	17,145	82,098	19,209
Right of use assets	10,962	340,347	14,546
Intangible assets	205,912	208,368	206,790
Other financial assets	4	4	4
Contract assets	-	82,628	77,600
Long term receivables	3,591	-	3,591
Deferred tax assets	46,624	28,988	51,562
	284,238	742,433	373,302
<i>Current assets</i>			
TOTAL ASSETS	571,061	874,189	589,830
EQUITY AND LIABILITIES			
Shareholders' interest	45,873	(151,545)	(136,405)
Non-current liabilities	192,280	645,337	333,208
Current liabilities	332,908	380,397	393,027
TOTAL EQUITY AND LIABILITIES	571,061	874,189	589,830
Net Assets per Share	Rs. 0.20	(0.65)	(0.59)
Gearing	% 69%	127%	164%

ABRIDGED STATEMENT OF CHANGES IN EQUITY

	Period ended 30th September		Year Ended 30 June
	2021 Rs 000 (Un-audited)	2020 Rs 000 (Un-audited)	2021 Rs 000 (Audited)
At beginning of year	(136,405)	(64,236)	(64,236)
Issue of share capital	-	-	173,499
Other movement	24,395	(20)	(4,943)
Profit/(loss) for the period	157,883	(87,289)	(240,725)
At end of period	45,873	(151,545)	(136,405)

GROUP ABRIDGED STATEMENT OF CASH FLOWS

	Period ended 30th September		Year Ended 30 June
	2021 Rs 000 (Un-audited)	2020 Rs 000 (Un-audited)	2021 Rs 000 (Audited)
Net cash from/(used in) operating activities	138,518	(60,955)	(248,411)
Net cash from/(used in) investing activities	106,350	(1,053)	(4,323)
Net cash (used in)/from financing activities	(143,613)	54,445	272,431
Net increase/(decrease) in cash & cash equivalents	101,255	(7,563)	19,697
Cash and bank balance			
At beginning of period	(24,878)	(44,575)	(44,575)
At end of period	76,377	(52,138)	(24,878)

Commentary

Background

In Mauritius, the borders opened on 15 July 2021 with a few hotels allowed to operate as 'In Resorts Stay' and the unrestricted opening announced for 01 October 2021. During the quarter, our hotels were opened with a mixture of either 'In Resort Stay' or local guest. In the Maldives, our hotels operated under the current Covid protocol for international visitors and tourist arrivals to the destination for the quarter was 360,313 and last year was 18,887 as borders reopened on 01 July 2020. For the quarter under review, India represented 31% of the total arrivals, followed by Russia with 13%. In Reunion Island, our hotels operated without any major restrictions on international travel and the Covid curfew was lifted in August 2021. China is still closed for international visitors and our hotels continue to operate for the domestic market, with inter-provincial borders being frequently closed due to periodic Covid outbreaks.

Performance

In the Maldives, the sale of LUX* North Male Atoll, by the owners, to Dubai Holding was completed on 30 September 2021, on which date The Lux Collective handed over the management to the new management company, Jumeirah. The proceeds of the termination of our management agreement have been used, inter alia, to refund part of our bank borrowings.

As a result of the fees received from the termination of LUX* North Male Atoll, coupled with the solid performance of our hotels in Maldives and Reunion, the Group generated revenue of Rs 358.2 million for the quarter. After adjusting for termination fee and gain on key money, turnover increased by 130% on last year. EBITDA for the quarter was Rs 228.8 million, with a margin of 68%. Net finance cost includes an amount of Rs 24M, which represent realised exchange loss on reimbursement of a Euro loan. The loss on exchange was previously included under other comprehensive income as hedge reserve and has now been transferred to the income statement. Profit attributable to the Group for the quarter was Rs 157.9 million as compared to a loss of Rs 87.3 million last year. EPS for the quarter was Rs 0.68 and interest cover ratio was 6.45. During the quarter, the Group reimbursed bank loans for an amount of Rs 222.8 million, thus bringing the gearing down to 69%. Debt servicing coverage ratio (DSCR) as at 30 September 2021 stands at 0.86. Shareholders' interest which was negative at 30 June 2021 has now progressed to a positive figure of Rs 45.9 million. The Group liquidity position has improved significantly with cash balance of Rs 76.4 million at 30 September 2021 and a current ratio of 0.83. Net assets per share was Rs 0.20 as compared to negative of Rs 0.59 at 30 June 2021.

Outlook

Tourism seems to be flourishing again as travel restrictions have been lifted in our three main destinations and our resorts in Mauritius, Maldives and Reunion Island are recording good pick up in bookings. In addition, many of our key feeder markets have achieved high levels of vaccination, hence lifting travel restrictions. This coupled with the increase in number of flights to Mauritius announced by Air Mauritius, the booking pattern is expected to grow substantially.

In the short-term, we are optimistic that we will realise progressive growth in demand from our traditional key feeder markets, especially for the festive season and therefore remain confident that the Group will post significantly improved results on last year for the next quarter.

By order of the Board,
IBL Management Ltd,
Company Secretary
27 October 2021

Notes to the Financial Highlights

- The Financial Highlights have been prepared in accordance with International Financial Reporting Standards (IFRSs).
- The Financial Highlights have been prepared on the same basis as the accounting policies set out in the audited statutory Financial Statements of the Group for the period ended June 30, 2020, except for the adoption of relevant amendments to published Standards, Standards and Interpretations issued and effective for accounting period starting on July 1, 2020.
- The Financial Highlights are published according to the Securities Act 2005.

- 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 Issuers) Rules 2007 are available free of charge, upon request, from the Company Secretary, at the Company's registered office, The Lux Collective Ltd, Pierre Simonet Street, Flóréal.
- The Board of Directors of The Lux Collective Ltd accepts full responsibility for the accuracy of the information contained in the Financial Highlights.