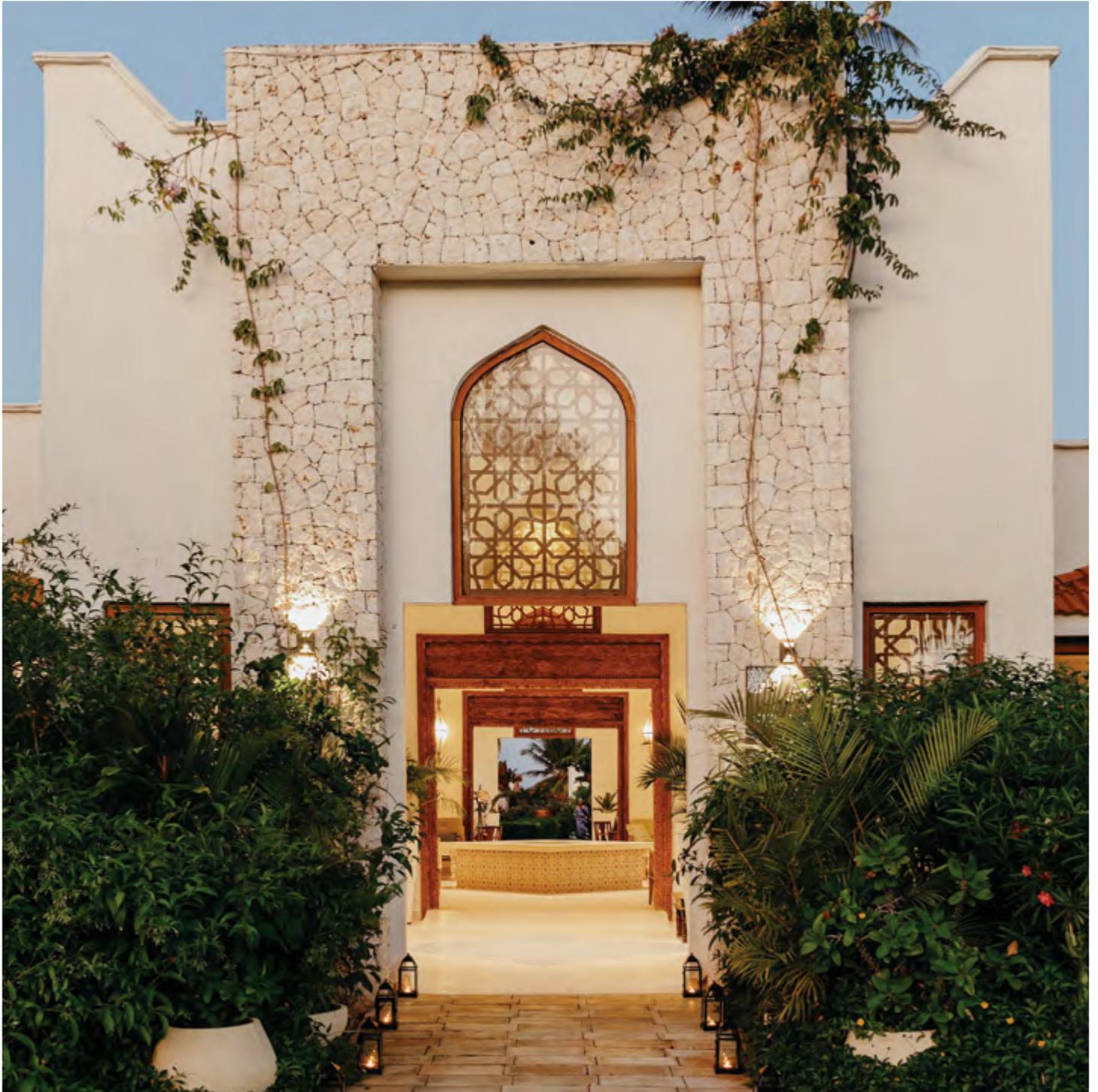


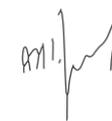
THE LUX COLLECTIVE

INTEGRATED ANNUAL
REPORT 2024



Dear
Shareholders,

The Board of Directors is pleased to present the Integrated Annual Report of The Lux Collective Ltd for the year ended 30th June 2024. This report was approved by the Board of Directors by written resolution on 28th October 2024.



Arnaud Lagesse,
Chairperson

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We Make
Each Moment
Matter

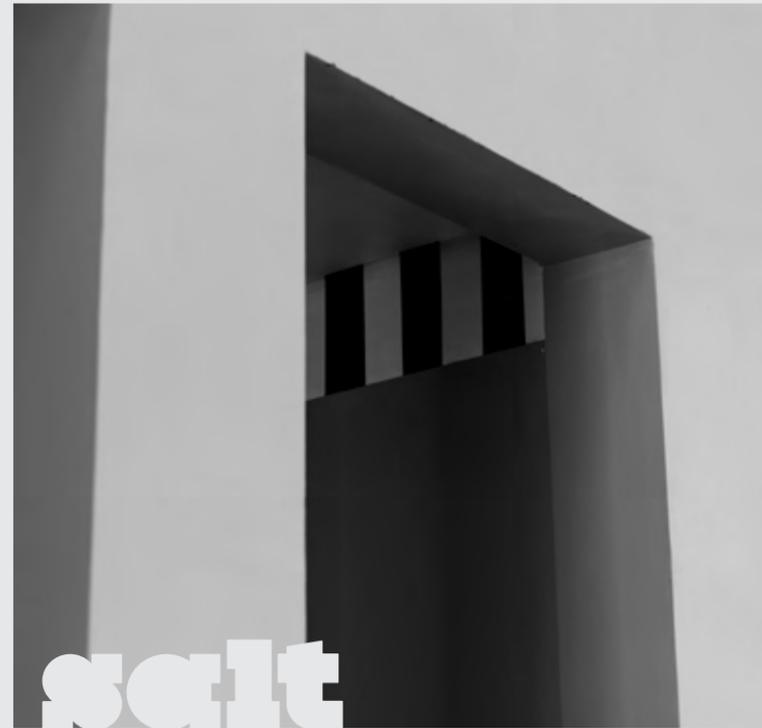
We Care
About What
Matters

**THE LUX
COLLECTIVE**

As a hotel management company, service is our passion. We provide comfort through thoughtful & exquisite design, creating experiences that make each moment matter for all our guests.

We care about what matters and are committed to operating in a considered, respectful manner, mindful of our contribution to future generations.

Our Hospitality Brands



AUDIENCE Simplicity Searchers,
Social Capital Seekers.

Cultural Purists,
Ethical Travellers.

Simplicity Searchers,
Obligation Meeters.

Obligation Meeters,
Social Capital Seekers.

PURPOSE Helping people
celebrate life.

Connecting people to
local people and places.

Bringing people
together.

Helping people be the best
version of themselves 24/7.

VALUES People,
Passion,
Care,
Innovation,
Extraordinary.

Human,
Transformational,
Local,
Simple,
Curious.

Joyful,
Playful,
Vibrant,
Generous,
Thoughtful.

Mindful,
Flexible,
Creative,
Welcoming.

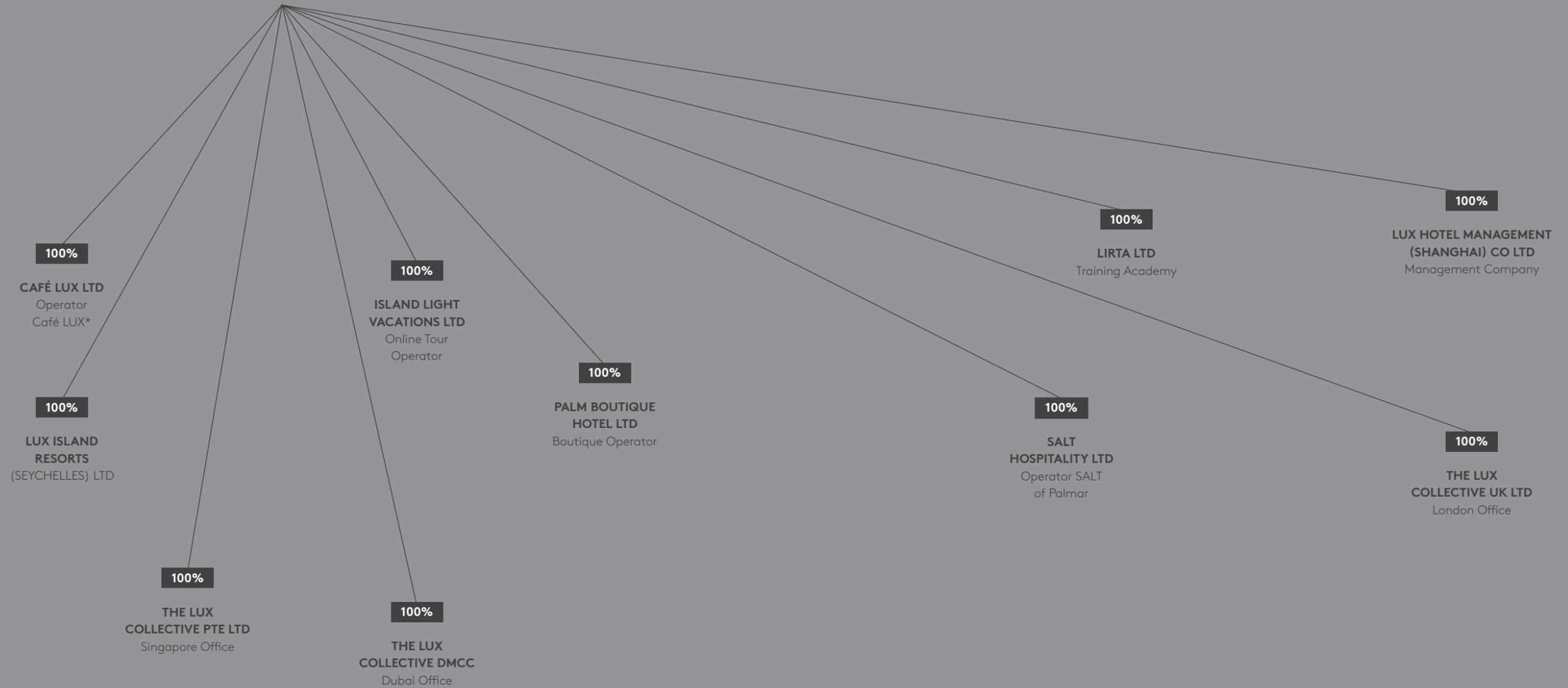
TAGLINE Life
Extraordinary.

We are
SALT.

Good times,
together.

Get Social.
Stay Socio.

THE LUX COLLECTIVE



Board & Committees

Directors	Arnaud Lagesse (<i>Chairperson</i>) David Amsellem Olivier Chavy (<i>appointed on 01 July 2024</i>) Jean de Fondaumière Alexis Harel Paul Jones (<i>resigned on 30 June 2024</i>) Diya Nababsing-Jetschan Hans Olbertz Deodass (Dev) Poolovadoo Scott J. Woroch
Audit and Risk Committee	Jean de Fondaumière (<i>Chairperson</i>) Alexis Harel Hans Olbertz
Corporate Governance and Nomination Committee	David Amsellem (<i>Chairperson</i>) Alexis Harel Arnaud Lagesse
Remuneration Committee	David Amsellem (<i>Chairperson</i>) Jean de Fondaumière Alexis Harel Arnaud Lagesse
Company Secretary	IBL Management Ltd
Registered Office	58, Pierre Simonet Street Floréal, Mauritius

Management & Administration

Executives	Olivier Chavy (<i>Chief Executive Officer</i>) (<i>appointed on 03 June 2024</i>) Marie-Laure Ah-You (<i>Chief Strategy Officer</i>) Nicolas Autrey (<i>Chief Human Resources Officer</i>) Oliviero Cassini (<i>Chief Development Officer - EMEA</i>) Ashish Modak (<i>Chief Operating Officer - EMEA</i>) Nitesh Pandey (<i>Chief Operating Officer - Asia Pacific (APAC)</i>) Dev Poolovadoo (<i>Chief Financial Officer</i>) Guillaume Valet (<i>Group Head of Legal, Secretarial and Corporate Affairs</i>)
Chief Internal Auditor	Pritila Joynathsing-Gayan
Senior Managers	Sandy Chen (<i>Vice President-S&M Asia Pacific</i>) Clinton Ross Harmon (<i>Vice President - S&M, LUX* Resorts & Hotels, Mauritius</i>) Tobi Kuhlant (<i>Senior Vice President - Revenue Management & Distribution</i>) Fuji Kusaka (<i>Vice President - Web Development and Digital Transformation</i>) Walter Lanfranchi (<i>Vice President - Food & Beverage</i>) Kerensa Langitan (<i>Group Spa & Wellness Manager</i>) Renee Lim (<i>Vice President - Public Relations & Corporate Communications</i>) Smita Modak (<i>Group Head of Learning and Development and Talent Management</i>) Roshan Radhay (<i>Vice President - S&M Maldives & GCC</i>) Darnen Ramassami (<i>Vice President - Information Technology</i>) Evita Fakun (<i>Chief Sustainability Officer</i>) Ruben Thumiah (<i>Group Finance Manager</i>) Stephan Anseline (<i>General Manager - LUX* Grand Gaube</i>) Sumit Bhardwaj (<i>General Manager - LUX* Marjani</i>) Ashok Bhugoo (<i>General Manager - LUX* Le Morne</i>) Sheila Malloo (<i>General Manager-LUX* Belle Mare</i>) (<i>appointed on 26 November 2024</i>) Gerhard Hecker (<i>General Manager - LUX* Belle Mare</i>) (<i>until 25 November 2024</i>) Patrice Hudebine (<i>Directeur General - LUX* Saint Gilles</i>) Nicolas Messian (<i>General Manager - LUX* Grand Baie</i>) Nitish Dhuromsingh (<i>Hotel Manager - Tamassa Bel Ombre & Ile Des Deux Cocos</i>) Raj Reedoy (<i>General Manager - SALT of Palmar</i>) John Rogers (<i>General Manager - LUX* South Ari Atoll</i>) Aubrey Wang (<i>Hotel Manager - LUX* Chongzuo</i>)
Legal Advisors	Clarel Benoit, André Robert, Hervé Duval
Communication Advisor	Blast Communications Ltd
Auditors	Ernst & Young, Chartered Accountants
Registered Office	58, Pierre Simonet Street, Floréal, Mauritius
Notary	Jean Pierre Montocchio
Registry and Transfer Office	DTOS Ltd, 3 rd Floor, Eagle House, 15A Wall Street, Ebene, 72201, Mauritius
Bankers	ABC Banking Ltd, HSBC Limited (UK, Germany), The Mauritius Commercial Bank Ltd

Directorship



	Café LUX Ltd	Island Light Vacations Ltd	LIRTA Ltd	Lux Hotel Management (Shanghai) Co Ltd	Lux Island Resorts (Seychelles) Ltd	Palm Boutique Hotel Ltd	Salt Hospitality Ltd	The Lux Collective Ltd	The Lux Collective Pte Ltd	The Lux Collective DMCC	The Lux Collective UK Ltd
Amsellem David								○			
Autrey Nicolas			○								
Chavy Olivier	○	○	○	○		○	○	○		○	○
De Fondaumière Jean								○			
Harel Alexis								○			
Lagesse Arnaud	○	○		○	○	○	○	○	○		○
Nababsing-Jetshan Diya								○			
Olbertz Hans								○			
Pandey Nitesh									○		
Poolovadoo Dev	○	○	○	○	○	○	○	○	○	○	○
Valet Guillaume		○									
Woroch Scott								○			

Directors' Profiles



ARNAUD LAGESSE

*Executive Director & Group CEO, IBL Group
Non-Executive Chairperson of the Board, The Lux Collective Ltd*

Nationality: Mauritian
IBL Group CEO: 01/07/2016
Former CEO of GML Investissement

Skills and Experience

Arnaud Lagesse is the Group CEO of IBL Ltd. He is one of the Mauritian private sector's most prominent leaders and is known to drive IBL Group with innovative and challenging undertakings. In 2016, he initiated the merger of GML Investissement Ltée and Ireland Blyth Limited and created the new entity IBL Ltd which thus became the n°1 group in Mauritius and 2nd largest group in the region excluding South Africa.

Qualifications

- Anti-Money Laundering/Combating the Financing of Terrorism Introduction Course – DTOS – April 2023
- Breakthrough Executive Program – Egon Zehnder-Mobius, Portugal
- Advanced Management Program (AMP180) – Harvard Business School, United States
- Executive Education Program – INSEAD, France
- Graduated from the Institut Supérieur de Gestion – Paris, France
- Masters in Management – Université d'Aix-Marseille II, France

External appointments in both listed and non-listed companies

Chairman

- Bloomage Ltd
- Camp Investment Limited
- City Brokers Ltd
- Fondation Joseph Lagesse
- Phoenix Beverages Limited
- Phoenix Investment Company Limited
- The Lux Collective Limited
- Miwa Sugar Ltd

Member of the Board of Directors

- IBL Ltd
- Alteo Limited
- Pick and Buy Limited
- Seafood Hub Limited
- Other non-listed Mauritian Companies

Core competencies

- Business & Finance, Deal Structuring, Strategic Business Development.



OLIVIER CHAVY

Executive Director

Olivier Chavy serves as CEO The Lux Collective, a prominent global hotel management company based in Mauritius, overseeing the renowned LUX* Resorts and Hotels brand properties in the luxury hospitality sector. With a commitment to excellence and innovation, The Lux Collective has transformed the hospitality landscape, earning recognition and acclaim. TLC currently has 19 properties across Africa, the Middle East, and Asia and 13 in the pipeline.

Prior to joining TLC, he served as President of Travel + Leisure Group - Panorama, the business line managing the company's exchange and membership travel brands delivering a broader perspective to the world of travel as part of Travel + Leisure Co. He is also a member of the Travel + Leisure Co. Executive Committee. The Panorama portfolio includes RCI, the world's leading global exchange network, offering 3.7 million members access to more than 4,200 affiliated resorts in 110 countries, along with exchange brands 7Across and The Registry Collection; travel and leisure businesses Love Home Swap and Extra Holidays; and, travel technology platforms @Work International and Alliance Reservations Network (ARN).

Previously, he served as CEO of Mövenpick Hotels & Resorts where he led the company's expansion through new resort openings, pipeline development and portfolio growth of more than 40 percent.

Prior to Mövenpick, Chavy served as President and CEO of international interior design firm Wilson Associates, fueling the growth of the business through brand development, innovative design, and client engagement. He previously held executive roles with Hilton, serving as Senior Vice President, Resort Operations for Hilton Grand Vacations, Area Vice President Hotel Operations for all Hilton brands in the Southeast region and International Head of Luxury & Lifestyle Brand Performance. He has also served as General Manager of renowned luxury hotels including Hilton Arc deTriomphe Paris, France and Hilton Mauritius Resort & Spa, Mauritius Island.

A native of France, Chavy earned an MBA from Cornell University, a post-graduate diploma from Europe's prestigious ESSEC Business School, and a bachelor's degree in hotel management from St. Quentin en Yvelines Hotel Management School. Chavy earned as well an Executive Development Program Casino Management at University of Nevada.

He serves advisory boards including the French Foreign Trade Advisory Board – CCEF, The University of Central Florida's Rosen College of Hospitality Management.

Chavy is also a board member of Sweet Inn, a new travel concept that combines the luxurious accommodation and amenities of a 5-star hotel with beautifully designed apartments, situated in the heart of the most exciting cities in the world.

In 2020, he also joined the board of PIF Hospitality - Saudi Arabia's Public Investment Fund (PIF) working to expand its investment portfolio in Saudi Arabia's travel, tourism, and leisure infrastructure. Chavy seats as well on its Nomination & Compensation committee.

Directorship in Mauritian listed companies: none



DEV POOLOVADOO
Executive Director

Born in 1962, Dev Poolovadoo is a highly experienced and accomplished finance professional with over 30 years of expertise in the hospitality industry. He possesses a wealth of experience and holds a diploma in management from the United Kingdom. Dev is a qualified accountant and an Associate of the Chartered Institute of Management Accountants (CIMA).

Dev is one of the longest serving team member of the group and throughout his career, he has demonstrated his ability to drive financial growth and success in various roles, ranging from Chief Accountant to Chief Financial Officer. He has a proven track record of participating in and leading complex financial operations, including raising finance from various stakeholders.

One of Dev's notable achievements is his role in the acquisition of Merville Beach Hotel and Le Grand Gaube Hotel (the Illovo Deal) in 2001. As a financial leader, he was instrumental in finalizing the deal by liaising with the seller and banks. Currently, as Chief Financial Officer, Dev continues to contribute his analytical skills and comprehensive knowledge of corporate regulations, audit procedures, and regulatory reporting. In this position, he oversees the financial, information technology, and treasury functions of the group, in addition to his operational responsibilities.

In addition to his financial acumen, Dev has actively engaged in project development and possesses a profound understanding of hotel construction and renovation. He is well-versed in interacting with stakeholders, including investment bankers, fund managers, insurance carriers, and has extensive experience in addressing issues across the organization.

Dev's dedication to the hospitality industry is further evident through his involvement as a past board member of the Association of Hoteliers and Restaurants in Mauritius (AHRIM) and his previous roles as Treasurer and President of the Economic Commission within the association. He has also contributed to the development of education as a member of the board of governors of a private school, where he served for 14 years, assuming key positions such as Treasurer and Chairperson.

Dev's extensive experience and proven track record make him a highly qualified and effective finance professional who is well-equipped to bring value to the board of The Lux Collective Ltd.

Directorship in Mauritian listed companies: none



DIYA NABABSING-JETSHAN
Non-Executive Director

Diya Nababsing-Jetshan is the Head of Technology and Digital Transformation of IBL Ltd. She joined IBL in 2018 to drive the digital transformation programme initially composed of 450+ initiatives. She later took over the technology mandate and setup the IT governance framework for IBL in 2021. She drives the IBL Group's IT Committee, sub-committee of the Audit and Risk Committee. She is reinforcing technology infrastructure, information security and data capabilities along with new ways of working with agile and design thinking methodologies across IBL Group.

She graduated with a master's degree in information systems Engineering from Imperial College, London and successfully completed the Senior Executive Programme Africa from Harvard Business School in 2024. She began her career as software developer in a startup company in Mauritius in 2001. She then joined Mauritius Telecom where she spearheaded several innovative projects. She spent over 10 years in software delivery, operations and outsourcing strategy for large European clients at Accenture and AXA Insurance based out of Mauritius.

During her career, she setup her own consulting company providing IT advisory and project management services. Prior to joining IBL, she spent 4 years at Cim Group initially heading projects, developing management KPIs and monitoring the execution of the Group strategic plan. She later moved on to drive the digital transformation of Cim Finance and the development of a fintech business in Kenya.

Directorship in Mauritian listed companies: none



DAVID AMSELLEM
Independent Non-Executive Director

David Amselem is a French native and graduate from the French Engineering University of Centrale-Supelec. David has over 20 years of Leadership experience across a variety of industries and markets (Hospitality, Tech & web3).

David is an active investor and supporter in digital and consumer services with several well-known European start-ups. Experienced operating at board level across various sectors (hospitality, law firm, logistics, tech, B2B), he excels at mentoring teams with an ingrained passion for excellence and innovation.

After graduating from the French engineering university Centrale Supélec in 2001, David began his career as a founding shareholder of Poweo. In 2008, David founded a start-up in the field of the digital concierge services, John Paul, a technology enabled B2B service player, which then became the worldwide leader in premium loyalty. Since its inception, John Paul has been characterized by forward thinking and technological advancement. David sought to define John Paul's role not only as the bridge between private concierge services and businesses, but as an active revolutionizer of the industry, reinventing concierge know-how with the tools of today's Digital Age. This vision has not ceased to fascinate and attract the biggest companies to drive long-term loyalty and advocacy with their clients. In 2016 the business was acquired by Accor.

Directorship in Mauritian listed companies: none



SCOTT J. WOROCH
Non-Executive Director

Scott Woroch has been active in the luxury lodging sector for 30 years, working for hotel brands, hotel owners and developers, hotel advisors, and as well as a transactional lawyer. He has been based in Asia, Europe and North America.

As Managing Director of Kadenwood Partners in London, Scott advises clients on a variety of capital and strategic advisory assignments, for hotel brands, and for hotel real estate owners. Kadenwood's clients include hedge funds and private equity groups, along with dedicated hotel developers and hotel owners. Scott also serves as a Board Member for hotel companies.

Prior to forming Kadenwood Partners, Scott was with Four Seasons Hotels and Resorts for nearly 15 years. He served in a variety of senior development positions in Asia and North America, and for the last eight years with Four Seasons, he was Executive Vice President, Worldwide Development, overseeing global development, and served on the Company's Management Committee.

Scott joined Four Seasons in 2000 as Vice President Business Development, Asia Pacific, after a 10-year career in hotel development, representing both hotel companies and real estate owners. Prior to entering the hospitality industry, he had a successful career practicing real estate law in Washington, D.C. He has an A.B., cum laude, from Cornell University, majoring in Political Science, and a Law degree from the George Washington University National Law Center.

He currently lives and works in London.

Directorship in Mauritian listed companies: none



JEAN DE FONDAUMIÈRE
Independent Non-Executive Director

Born in 1953, Jean de Fondaumière is a chartered Accountant of Scotland. He worked in Australia for eleven years and subsequently in Mauritius for fifteen years until he retired as the CEO of the Swan Group at the end of 2006. He is a past Chairperson of The Stock Exchange of Mauritius and his former directorships include companies operating in the African, Indian Ocean and Asia Pacific regions. Jean holds a portfolio of directorships in Mauritius.

He was appointed as director of the company in January 2019, at which time he was also appointed as Chairperson of the Audit and Risk Committee, and member of the Remuneration Committee.

Directorship in Mauritian listed companies: BMH Ltd



ALEXIS HAREL
Independent Non-Executive Director

Bachelor of Science Degree in Business Administration-Accounting from Louisiana State University, USA. He started his career in auditing with De Chazal Du Mee, then occupied managerial position in the industrial sector and participated in setting up the first BPO (Business Process Outsourcing) company in Mauritius where he was Managing Director. He joined Grays & Co in 1992 and currently holds the position of Managing Director. He is an Executive Director of Terra Mauricia. He also serves as Director of Rehm Grinnaker Construction Co Ltd, Terragri and Grays Distilling amongst others. He was appointed as Director of Lux Island Resorts Ltd and as Chairperson of the Audit Committee in April 2004, then as Chairperson of the Corporate Governance Committee in April 2005. He resigned from the Board of Lux Island Resorts Ltd and its Audit and Corporate Governance Committees in November 2015 to be appointed on the Board of its Management Company, The Lux Collective Ltd, where he actually sits as Director.

He was also appointed as member of the Remuneration Committee, the Corporate Governance Committee, and the Audit and Risk Committee in January 2019.

Directorship in Mauritian listed companies: Terra Mauricia Limited, United Docks Ltd.



HANS OLBERTZ
Independent Non-Executive Director

German, born in 1952, Hans Olbertz graduated with a diploma as Hotel Economist from the school of Hotel Administration of Business Management Hotel Industry, Berlin, Germany.

He also holds a diploma in Hotel Management from the Hotel school Bad Reichenhall, Germany. Hans Olbertz is a very experienced international hotelier for over 40 years. He joined Intercontinental Hotels in 1973 after his apprenticeship and worked in Germany, England, Thailand, China, Egypt, Jordan, Greece, Austria, Korea and the United Arab Emirates.

He was holding several Senior Executive and Area President Positions with Intercontinental hotels in the 34 years with the group.

In 2008 Hans Olbertz joined the Kempinski Hotel Group and he was managing the prestigious Emirates Palace for over 3 years before he moved to Vienna to open the new Kempinski Hotel in 2013.

Hans Olbertz is holding since 2013 several board positions in hotel companies and in the hospitality industry around the world and is actually acting as Director on the Board of The Lux Collective Ltd, since December 2015.

He was also appointed as member of the Audit and Risk Committee in January 2019.

Directorship in Mauritian listed companies: none



Chairperson's Message



Dear Stakeholders,

The past year has been marked by significant geopolitical shifts, including the ongoing Ukraine-Russia war, tensions in the Middle East, and growing friction between the U.S. and China. These events, coupled with global inflation, have led major economies to tighten monetary policies and increase interest rates. The hospitality sector, in particular, has faced labour shortages, and has had to innovate to attract and retain talent.

Despite these challenges, I am happy to report that our properties have maintained high occupancy rates, averaging between 70% and 80%, even during traditionally low seasons.

PERFORMANCE AND DIVIDEND

Our managed properties in Mauritius, the Maldives, Reunion Island, China and Zanzibar have performed strongly, with turnover growing 19% overall. This success underscores the effectiveness of our management and the appeal of our brand portfolio. I'm pleased to announce that the Board has approved a final dividend of Rs 12 cents per ordinary share for the 2023-2024 financial year.

In a significant move for our company, shareholders approved the transfer of TLC's registration to Guernsey on 20th June 2024. This re-domiciliation aims to improve our risk management, streamline currency handling across multiple jurisdictions, and pave the way for a future listing on a foreign stock exchange, potentially creating additional value for our shareholders.

NEW LEADERSHIP AT TLC

This year, we bid farewell to Paul Jones, whose exceptional contributions during his 14 years as TLC's CEO will be remembered by the Board, management team, and all of our team members. Paul's inspiring leadership has made a lasting impact on

hospitality in Mauritius and significantly advanced TLC's growth, including the development of TLC's four brands. His dedication, vision, and attention to detail have helped us build a solid foundation for our ambitious growth strategy. Paul, thank you for everything.

On behalf of the Board of Directors, I would like to welcome Olivier Chavy as our new CEO. Olivier brings a wealth of industry experience, including leadership roles at Travel and Leisure's Americas operations and Movenpick Hotels and Resorts. The Board and I are confident he will take TLC to new heights, and we wish him all the best.

A NEW STRATEGY

Under Olivier's leadership, we have refreshed our strategy to sharpen our focus on winning in a competitive marketplace and creating long-term value for all stakeholders. We remain committed to our asset-light, fee-based business model, emphasizing regional flexibility across our brands, loyalty programs, and the use of technology to enhance performance, drive growth, and create value for our shareholders.

Over the past year, in line with this new strategy, we made significant strides towards expanding our global footprint. Highlights including opening LUX* Marijani in Zanzibar, our first property on the African continent. We also signed two new Hotel Management Agreements in China, positioning us strongly in one of the world's most dynamic travel markets. Looking ahead, LUX* Phu Quoc in Vietnam, which is scheduled to open in Q4 2025, is set to become our flagship in Southeast Asia – a major milestone for our growth in this region.

Additionally, I'm pleased to report the successful reopening of LUX* Belle Mare on 1st October 2023. The hotel was fully renovated following a major fire in July

2022, and we aim to continue to enhance its positioning this year.

Sustainability remains central to our business model; environmental conservation and the empowerment of the communities we work in are key priorities. With beach resorts representing a significant portion of our portfolio, we recognize our responsibility to protect the environment around our hotel sites. We are also committed to using innovative, clean, and efficient technologies to optimize energy and resource use across all our managed properties.

OUTLOOK

As a global business, we remain aware of the potential challenges arising from political instability and conflict in parts of the world. But the hospitality industry has proven its resilience, and we are confident that it will weather these challenges. The expanding middle class in emerging markets, rising GDP, and continued consumer demand for travel and branded hotel stays are likely to be key drivers of industry demand and future supply growth – and are therefore cause for optimism.

With our new leadership, upcoming hotel openings, and strategic initiatives, we believe strongly in The Lux Collective's future. Together, we will continue to create extraordinary moments for our guests, setting new standards in luxury and service.

Thank you to our Board members, management team, and all of our team members in our managed hotels, as well as our customers, stakeholders, and partners for their unwavering support and trust over the years.

Warm regards,

Arnaud Lagesse,
Chairperson



You succeeded to Paul Jones, after he took the reins of the Company in 2010. How do you assess his legacy?

A legendary figure in the hospitality industry, Mr. Jones's immense impact earned him a lasting legacy. Mr Jones, as you know, was all about "exceptional guest experiences". This philosophy continues to guide us, shaping our values and defining the way we care for our guests around the world.

Under Mr. Jones's visionary leadership, TLC paved the way for new standards of luxury and customer service that have

stood the test of time. To Mr. Jones, people always came first, and he considered the Company's team members as an extension of his own family. "Our first asset is people" he used to say. This guiding belief defined his every decision.

My objective is to build on this legacy while starting a new chapter in TLC's young history.

What was your first assessment of TLC?

During my first months as CEO, I have been impressed by my conversations with

the Chairman, the Board Members and the senior leadership team. I am proud to say that these conversations made me understand the reasons of TLC's success and I feel fully aligned with their vision, values and goals.

I spent time with our owners, particularly Lux Island Resorts Ltd, and his CEO, Mr Désiré Elliah, who provided me with daily support in my first weeks on the job. I shall always consider the hotel guests and owners' perspective in every decision I take. I have also valued time spent meeting many owners who clearly appreciate TLC's strong commitments in managing their properties.

TLC has such strong growth potential, and I'm inspired by the passion of our team members, and the power of their collaboration to drive performance and returns using the strong enterprise platform we have built in recent years.

How did the Company perform in 2024?

The group has delivered a strong performance for the year, with turnover of Rs 1,224 million, representing a 19% growth from the previous year's Rs 1,030 million. This substantial increase is primarily attributed to the excellent performance of our managed hotels across all destinations and the successful reopening and partial-year contribution of LUX* Belle Mare as from October 2023.

EBITDA for the year stood at Rs 188 million. While this figure appears lower than the previous year's Rs 214 million, it's important to note that when adjusted for non-recurring items, our underlying EBITDA shows a significant increase of 13%.

Net finance costs for the year decreased by Rs 9 million, primarily due to a continued reduction in interest-bearing loans, which decreased by 15% from the previous year.

What have been the highlights since becoming CEO in June 2024?

As mentioned above, I've really valued time spent personally meeting the team members, and the property owners, during visits in the destinations where we operate, seeing the relationships we have built, hearing first-hand what we are doing well, where we need to go further and how we can best work together to achieve shared success. At end of October, I had visited all our portfolio and met with every owner. What I have seen till now, is how deep the culture and the DNA of our company is engrained in all our associates.

The Group's attributable profit for the year was Rs 83 million. Again, when considering the impact of non-recurring items, our underlying profitability has increased by 30 %.

Our financial position remains strong, with total assets reaching Rs 854 million as of 30 June 2024. Shareholders' interest has seen a marked improvement, increasing from Rs 70 million to Rs 124 million. This improvement is further evidenced by the significant rise in our Net Assets per Share, which increased from Rs 0.30 to Rs 0.53.

The Group has reduced its long-term debts this year and our non-current liabilities has

decreased from Rs 478 million to Rs 360 million. Our gearing ratio improved by 12%.

Mauritius

As global travel confidence is restored, Mauritius is primed for further growth in 2024. Progressive open sky policies have underpinned the diversification of source markets to Mauritius over the past decade. Nonetheless, Europe remains the most prevalent source market, contributing to 2/3 of arrivals to Mauritius in 2024.

Mauritius' tourism industry has shown resilience, with tourist arrivals nearly reaching pre-pandemic levels.

As global travel confidence is restored, despite ongoing instability, Mauritius is primed for further growth in 2024-2025. Airline access to Mauritius remains key, as it allows diversification of source markets.

However, assessing the market within different quality segments is essential, particularly in the shift towards a more volume-driven destination. The five star segment trades at a far lower occupancy than the 3 and 4 star segments. In the Mauritian market, there tends to be a permanent arbitration between rate and volume; as such, the 3 and 4 star properties operate at the highest occupancy.

LUX* Belle Mare reopened on 1st of October 2023 and received great acclaims from both guests and trade partners.

Salt of Palmar performed well thanks to a good growth in both occupancy and ADR.

China

China is open again for inbound and outbound travel, however for our hotels, domestic business continues to represent the majority, until leisure travel to China increases.

Maldives

Tourism in Maldives experienced a steady growth, with an increase in arrivals compared to previous year, but slightly below pre-Covid levels.

Despite the continuous growth in tourist arrivals, resort occupancy rates have declined over the years. This trend can be attributed to the increasing number of resorts in the Maldives, resulting in a more distributed tourist population across various accommodation options.

Reunion

Despite an ageing product, LUX* St Gilles, and the destination in general, proves to remain quite popular, particularly amongst mainland French tourists. The demand from Reunion residents is also strong.

We can be proud of this performance alongside all we have done to strengthen our business on multiple fronts for guests and owners.

On behalf of the Executive Committee, I would like to thank all our corporate teams for delivering this excellent performance, and our owners for their continued commitment to TLC.

How has TLC's strategy changed since you became Group CEO?

Our strategy needs to constantly evolve in this dynamic industry. Having four main brands, namely LUX*, Socio, Salt, and Tamassa and having made big investments to support them, it was important to reassess how TLC capitalises on these brands, to drive growth for our existing and future owners in a competitive landscape.

Our Vision, Purpose and Values remain unchanged and keep resonating strongly across the organisation.

However, our strategy will necessarily evolve, like any strategy, bearing in mind that we will maintain our focus on a simple ambition: being the hotel management company of choice for owners, and the hotels of choice for the guests.

We will adopt more and more a targeted approach to expanding our brands in high value markets.

Starting an ambitious digital transformation will mean investing in the technology and digital tools that drive revenue growth and commercial success, while helping our guests to improve their experience. We need to focus on top lines, optimising every opportunity and enhancing existing channels of distribution.

What strategic progress was made in 2023/2024?

In the 2023/2024 fiscal year, TLC made significant strategic progress across several key areas:

Expansion of Flagship Properties

We successfully signed two new Hotel Management Agreements in China namely SALT of Anji and SALT of Siguniang Mountain. These agreements represent important milestones in our growth strategy, allowing us to bring our distinctive management approach and brand standards.

Enhanced Digital Marketing Strategy

We continued to evolve our marketing approach with a sharpened focus on increasing our direct business through digitalisation. This strategy aims to reduce our dependence on third-party booking channels, improve our profit margins, and build stronger, direct relationships with our guests. We continue to invest in enhancing our digital platforms, improving our online user experience, and implementing data-

driven marketing initiatives to drive more direct bookings. We are migrating our property management system to the cloud, and will launch a new CRM tool to better personalise the guests' stay in our resorts.

Regional Focus for Hotel Management Agreements

We have strategically prioritised specific regions for our Hotel Management Agreement expansion efforts. This focused approach allows us to concentrate our resources and expertise on markets where we see the greatest potential for growth and success. By targeting these priority regions, we aim to establish a stronger presence in key markets and create a more cohesive, impactful brand footprint.

These strategic initiatives demonstrate our commitment to thoughtful expansion, digital innovation, and targeted growth, positioning TLC for continued success in the changing hospitality landscape.

How did LUX* Marijani in Zanzibar perform?

LUX* Marijani in Zanzibar has demonstrated impressive performance in its inaugural year under the LUX* brand. The hotel achieved significant year-on-year growth, showcasing the positive impact of the brand transition and our management approach.

In the fiscal year 2023/2024, which concluded on June 30th 2024, the property excelled under TLC management. We saw marked improvements in key performance indicators compared to the previous management:

1. Occupancy rates increased, indicating stronger demand and improved market positioning.
2. Average Daily Rate rose, reflecting the property's enhanced value proposition under the LUX* brand.

3. EBITDA showed notable improvement, highlighting more efficient operations and better overall financial performance.

The rebranding to LUX* has significantly elevated the property's market perception and visibility. This transformation has not only attracted more guests but also allowed for a more premium positioning, contributing to the improved financial results.

These outcomes demonstrate that our management strategies and the strength of the LUX* brand have successfully enhanced the property's performance, setting a strong foundation for continued growth in the coming years.

In previous years, the focus has been very much on Asia, both China and South East Asia. How is TLC's expansion evolving?

While TLC's hotel management expansion has previously centered on Asia, particularly China and Southeast Asia, our growth strategy is now evolving to place greater emphasis on the EMEA (Europe, Middle East, and Africa) region. This shift reflects our recognition of the significant opportunities for hotel development and management across these diverse markets.

In EMEA, we see a rich landscape of potential for new Hotel Management Agreements and partnerships with developers. From established tourism destinations in Europe to emerging markets in Africa and the rapidly developing hospitality sector in the Middle East, EMEA offers a wide range of opportunities for TLC to expand its hotel management portfolio.

Key factors driving this strategic pivot include:

1. Diverse Market Opportunities: EMEA's hospitality sector spans from luxury resorts in the Mediterranean to business hotels in growing African regions,

allowing us to diversify our managed property types.

2. Development Pipeline: Many EMEA countries are experiencing significant investment in infrastructure and tourism, creating a robust pipeline of new hotel projects seeking experienced management.

3. Strong Developer Relationships: We're focusing on building partnerships with both established and emerging developers in the region who are looking for a management company with a fresh perspective.

4. Emerging Destinations: Several countries in Africa and the Middle East are actively developing their tourism sectors, presenting opportunities to establish our brands in new and exciting destinations.

5. Balancing Seasonal Demand: By expanding into EMEA, we can better balance our portfolio across different seasonal patterns, improving overall performance throughout the year.

While we continue to value and grow our presence in Asia, this evolved focus on EMEA represents a strategic expansion of our global hotel management footprint. We are actively seeking HMA opportunities and looking to connect with developers who share our vision for delivering exceptional hospitality experiences across the EMEA region.

The Indian Ocean remains an obvious pocket of growth that we continue to work on.

What are, according to you, the most coveted awards and ratings obtained by The Lux Collective?

I would like to take the time here to thank all our team members in marketing and development for winning some very coveted

awards, namely international Forbes Travel Guide Star Awards, World Spa Awards and Tripadvisor Travellers' Choice - Best of the Best Awards.

The Lux Collective's portfolio of resorts and spas has once again been recognised amongst the best in the world by global rating experts in the 2024 Forbes Travel Guide. Our hotels have been awarded a harvest of nine prestigious Forbes Travel Guide Star Awards, including four highly coveted Five-Star awards.

The newly unveiled LUX* Belle Mare and LUX* South Ari Atoll have emerged as new Five-Star award winners, alongside the ultra-luxury flagship resort LUX* Grand Baie and its LUX* ME Spa. At the same time, sister resorts and spas including LUX* Grand Gaube, LUX* Le Morne, SALT of Palmar, LUX* ME Spa at LUX* Belle Mare and LUX* South Ari Atoll have secured the Four-Star accolade.

The Forbes Travel Guide is the world-acclaimed authority on excellence in hospitality and the Five-Star rating is considered the hospitality industry's most prestigious recognition of quality. The rigorous process sees anonymous professional inspectors evaluate hotels based on up to 900 objective standards with an emphasis on service, flawless experience and amazing facilities. These accolades have cemented The Lux Collective's established reputation as a renowned global luxury resort operator of choice.

At the same time, with wellbeing as the Group's core DNA, LUX* Grand Baie's LUX* ME Spa shines in the competitive global wellness scene having won the prestigious World Spa Awards 2023 - Mauritius' Best Wellness Retreat.

In addition, LUX* Grand Gaube's Peruvian fine-dining restaurant - INTI is recognised with Tripadvisor Travellers' Choice - Best of the Best Awards 2023, amongst the top 1% restaurants in the world.

Tell us about your main objectives for this financial year 2024-25.

I intend to focus on multiple fronts for the coming year :

We need to maintain our strategy to increase our brand presence within and outside the Indian Ocean, and more particularly in the APAC and EMEA region .

The growth of our revenue shall be my second priority : to that end, I will ensure optimisation of our pricing strategies, improvement of the occupancy rates, and the enhancement of our ancillary services across all properties.

To achieve the above objectives, we shall rely on 3 key pillars:

- Brand strengthening: to improve our brands' recognition and our customers' loyalty, through targeted marketing campaigns and improved guest experiences;
- Digital transformation: It goes without saying that today's operational efficiency in the hospitality world must necessarily involve the implementation of the latest technologies and streamlining of processes, to reduce costs and improve efficiency & profit margins. This will necessitate investments in digital solutions at all steps of the guest journey, from booking to check-out, including mobile apps and contactless services;
- Staff development: through the implementation of training programs to upskill our team members and improve retention rates in the face of the global staffing shortage.

Besides the global staffing shortage, what would you say are the main challenges that the hospitality industry is or will be facing?

Some challenges impact all sectors, and some are more specific to the hospitality industry:

From an economic standpoint, fluctuating economic conditions in different regions may impact travel patterns and spending.

From a geopolitical standpoint, ongoing conflicts and political instability in various parts of the world, could affect tourism flows and investor confidence.

From a hospitality standpoint, we need to adapt to evolving traveller expectations, including increased demand for personalised experiences, wellness offerings, and leisure travel, combining business and leisure.

We obviously also face competition from emerging markets, and new destinations and properties, particularly in rapidly developing regions.

There are also some challenges which are specific to the Hospitality Industry:

The necessity to keep pace with rapidly evolving technology and the threat of disruptive platforms like Airbnb and online travel agencies.

The cybersecurity risks, which put a huge responsibility on all stakeholders in our industry, to protect guest data and maintain secure systems in the face of increasing cyber threats.

Sustainability pressures, and an expected commitment, from our guests, from the communities in which we operate, from the authorities, to meet growing expectations

for environmentally friendly practices while managing associated costs. I would include here the climate change impacts: some of the destinations where we operate are particularly exposed and impacted by the increased frequency of extreme weather events. We therefore will need in the years to come to adapt more and more to changing climate patterns that may affect tourist destinations.

What lessons have you learned this past year that will guide future decisions for the year ahead?

I have devoted a lot of my first weeks to fully step into TLC's culture and vision. We have many areas where we can always bring some improvements:

The ADR could be uplifted through a better distribution, ongoing improvements in service delivery and guest satisfaction, in particular to ensure that our product offerings within the properties we manage are aligned with the market trends. We need to assess positioning of each property and make sure we optimise their pricing on feeder markets, and not only room pricing but ancillary revenues such as food and beverage or spa.

Outlook

Looking ahead, we are encouraged by the current booking trends across our managed properties, with reservations generally tracking ahead of last year's pace. With this positive momentum, if sustained, we should post growth in revenue in the first quarter of the financial year ending 30th June 2025.

In addition to the new management contracts in China, we continue to pursue our objective of signing new hotel management contracts in the EMEA region. We remain optimistic about further growth of our brands, especially in EMEA.

While we anticipate continued growth, we remain cognizant of the evolving global economic landscape, in particular rising payroll cost and its potential impact. However, we are confident that our diverse portfolio and strong brand recognition and marketing strategies in place will position us well to navigate these challenges and continue an upward trend for the first semester.

As we move forward, The Lux Collective remains committed to delivering exceptional experiences to our guests, value to our hotel owners, and sustainable growth for our shareholders.

Acknowledgements

To conclude, I want to express my heartfelt appreciation to all our incredible, dedicated team members who remained unwavering in the face of the many challenges we encountered throughout the past financial year. In addition, I wish to highlight the ever-present support provided by the Chairman of TLC, Arnaud Lagesse, and each and everyone of my Board members. Last but not least, I would like to express my recognition to all our hotel owners, especially the largest, Lux Island Resorts, for their continued trust.



Olivier Chavy,
Chief Executive Officer

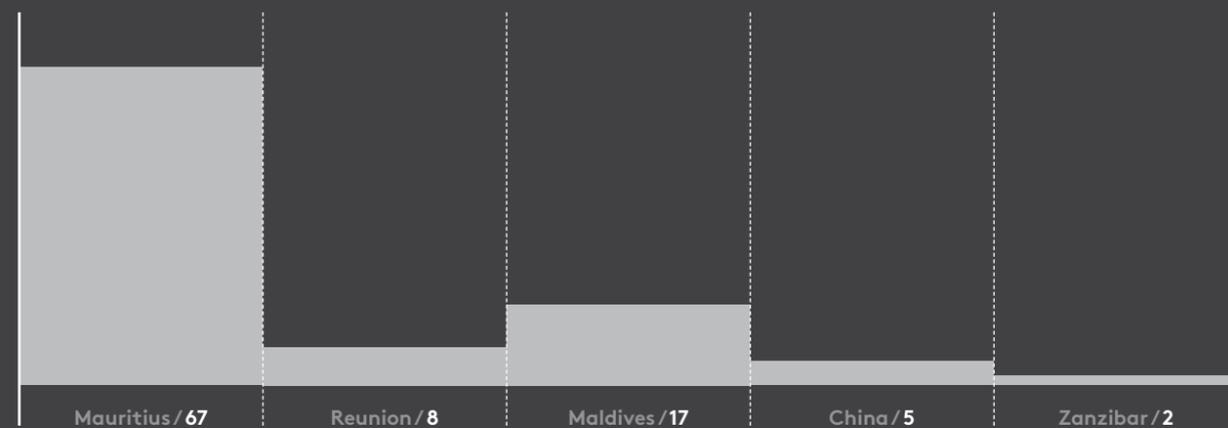


Financial Overview

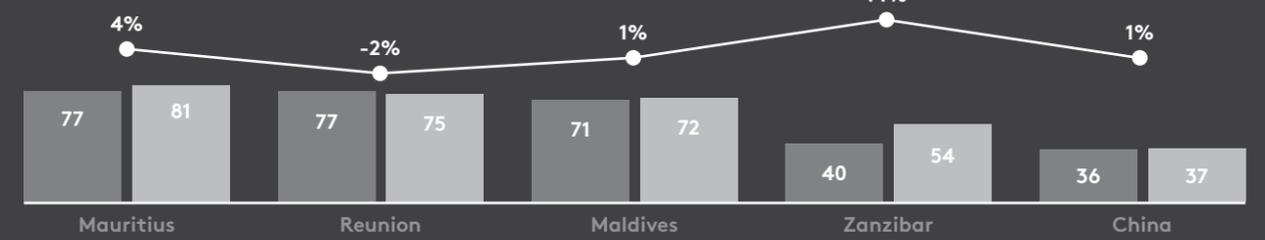
Normalised EBITDA reached Rs 234 million, representing an increase of Rs 20 million compared to the previous year.

THE GROUP	YEAR ENDED 30 JUNE		
	2024	2023	Variance
	Rs.'000	Rs.'000	Rs.'000
Revenue	1,224,211	1,030,580	193,631
Fees from hotel management and other services	890,416	720,940	169,476
Hotel operations and other services	273,858	245,871	27,987
Other income	59,937	63,769	(3,832)
Operating expenses	(990,022)	(816,559)	173,463
Normalised EBITDA	234,189	214,021	20,168
Expected credit loss allowance	(52,722)	3,323	(56,045)
EBITDA	181,467	217,344	(35,877)
Depreciation and amortisation	(46,136)	(57,757)	11,621
On right of use assets	(34,012)	(41,383)	7,371
On Property, plant and equipment and intangible assets	(12,124)	(16,374)	4,250
Operating profit	135,331	159,587	(24,256)
Net Finance costs	(32,154)	(41,474)	9,320
On leases with respect of right of use assets	(19,807)	(22,361)	2,554
On bank loans and other borrowings	(12,347)	(19,113)	6,766
Profit before tax from continued operations	103,177	118,113	(14,936)
Income tax expense	(20,506)	(14,765)	(5,741)
Profit after tax from continued operations	82,671	103,348	(20,677)

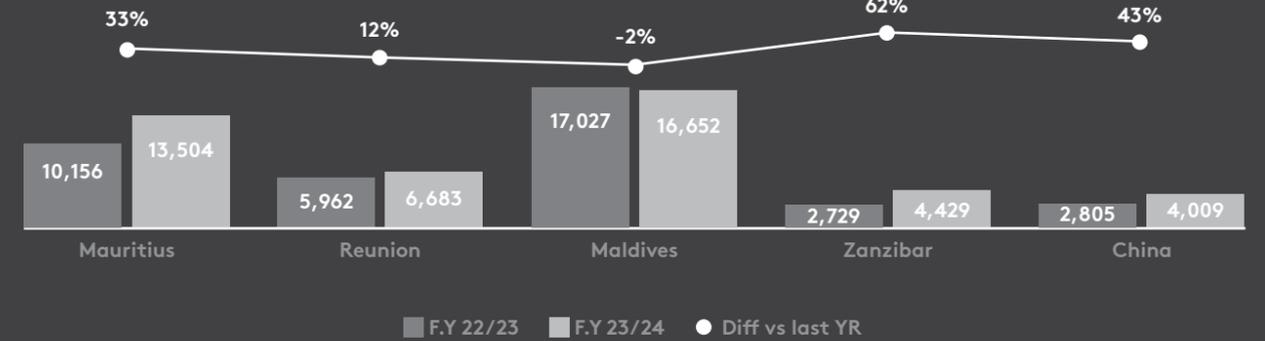
Management Fee Income by Operating Destination (%)



Occupancy by Operating Destination (%)



Revenue Per Available Room (RevPAR) by Destination (Rs)



30 June 2024 (Rs.'000)	30 June 2023 (Rs.'000)
Current Assets / 353,661	306,945
Other Non Current Assets / 45,241	35,056
Intangible Assets / 202,885	201,880
Right of Use Assets / 213,864	233,956
Property, Plant & Equipment / 37,996	43,561
Current and Non Current Liabilities / 281,805	257,648
Lease Liabilities / 261,366	279,989
Borrowings** / 186,758	214,243
Equity / 123,717	69,518

**Borrowings excludes lease liabilities

Our Brands

LUX*

When time away is rare, every second counts. But the transition from everyday routine to a deeper state of relaxation can be hard. And 'paradise' can be bittersweet when you can't let go.

It's why at LUX* we make the ordinary, the enemy. Navigating a paradox that underlies the very best travel experiences: To fully disconnect, you have to connect to something new. And so, every LUX* focuses on creative experiences that break with reality.

From discovering underwater kingdoms as you swim beside the gentle Whale Shark, to stargazing in the night sky, and on the screen with Cinema Paradiso. From taking your afternoon tea on a bamboo raft, to seeing the sunset for the first time on Le

Morne - the mountain. From finding the finest Parisian pastries perfected in the Indian Ocean, to leaving wishes in a tree, or finding a message in a bottle, or being invited to a beach shack for bbq & local stories...

From the azure waters of the Maldives to the foothills of Tea Horse Road, the joy of the unexpected is created in moments big and small. Delivered by a team who surprise even themselves with their imagination and passion. People who over 10 years have helped LUX* become what it is today.

Places that provide guests with ways to truly disconnect, by connecting them to a world unlike their own. A world where life is always... Life Extraordinary.

AUDIENCE

Simplicity Searchers,
Social Capital Seekers.

PURPOSE

Helping people
celebrate life.

RESORTS IN OPERATION

Mauritius

LUX* Grand Gaube
LUX* Le Morne
LUX* Grand Baie
LUX* Belle Mare

Maldives

LUX* South Ari Atoll

COMING SOON

Middle East

LUX* Al Jabal, Sharjah
LUX* Al Bridi, Sharjah

Vietnam

LUXNAM* Phu Quoc

VALUES

People,
Passion,
Care,
Innovation,
Extraordinary.

Reunion Island

LUX* Saint Gilles

Tanzania

LUX* Marijani, Zanzibar

China

LUX* Chongzuo, Guangxi

China

LUX* Hengqin, Zhuhai
LUX* Liyang, Jiangsu
LUX* Guangzhou, Guangdong
LUX* Doumen, Zhuhai
LUX* Emei, Sichuan

TAGLINE

Life
Extraordinary.

LUX* Tea Horse Road, China

LUX* Lijiang
LUX* Benzilan
LUX* Peach Valley
LUX* Sangushui
LUX* Daju Village
LUX* Stone Town
LUX* Shangri-La
LUX* Lashi Lake

LUX* Tea Horse Road, China

LUX* Pu'er





salt

We believe in meaningful travel. That's travel that takes you to people, not just places. Meaningful travel satisfies curiosity and connects you to the local community and their way of life. You're listening to and tasting local.

You're out there exploring. You're in it, not beside it.

SALT are beautiful bases that give you everything you need to discover the place you are in. But also everything you need to relax, escape, and recharge.

Even better, you're involved in a good thing. We give back to the local communities we're part of and do all we can to protect their environments. Sustainability starts there. We boost economies by employing, sourcing, and collaborating locally. This celebrates culture and it makes for smiles.

We keep it simple. We remove the obstacles to your being in the place you're in. That's luxury in our book. It's all about inspiration, adventure, and positive impact.

AUDIENCE

Cultural Purists,
Ethical Travellers.

PURPOSE

Connecting people to
local people and places.

VALUES

Human,
Transformational,
Local,
Simple,
Curious.

TAGLINE

We are
SALT.

RESORTS IN OPERATION

Mauritius

SALT of Palmar

COMING SOON

China

SALT of Anji
SALT of Mount Siguniang

tamassa

The more we're connected, the less we're connecting. It's hard to find quality time for loved ones, and all too easy to lose touch with those closest to you.

We believe holidays are not just about escaping the everyday, they're about reconnecting with those that matter most and making memories to last a lifetime.

Our mission is to bring people together and joy to life, and we've created a holiday experience that's designed to do just that.

Whether it be through dining experiences to remember, activities to share or simply moments to cherish, at TAMASSA you have it all making 'together' a wonderful place to be.

AUDIENCE

Simplicity Searchers,
Obligation Meeters.

PURPOSE

Bringing people
together.

VALUES

Joyful,
Playful,
Vibrant,
Generous,
Thoughtful.

TAGLINE

Good times,
together.

RESORTS IN OPERATION

Mauritius

TAMASSA, Bel Ombre





SOCIO

We're social creatures, us humans. Looking to connect wherever we go. But in this age of global business travel, it's all too easy to end up spending more time alone than you'd like.

Socio is all about people. We make it easy for locals and visitors to connect, naturally. As soon as you walk in, you get this feeling that you belong. We know how to read a room. And our spaces adapt and change throughout the day.

Work meets play. Hustle meets downtime. Café meets bar, co-working desk meets conference room and people meet people. You aren't bound by desks, time zones or 9-5. And neither are we.

Everyone is welcome here. So no matter what kind of person you are, or what kind of connection you're looking to make, we have just the right people around to make it happen.

AUDIENCE

Obligation Meeters,
Social Capital Seekers.

PURPOSE

Helping people be the best
version of themselves 24/7.

VALUES

Mindful,
Flexible,
Creative,
Welcoming.

TAGLINE

Get Social.
Stay Socio.

COMING SOON

Mauritius

SOCIO Tribeca

Our Properties Around the World



IN OPERATION		
◎	Mauritius	LUX* Grand Gaube
		LUX* Le Morne
		LUX* Grand Baie
		LUX* Belle Mare
		SALT of Palmar
		TAMASSA Bel Ombre
	China	LUX* Chongzuo, Guangxi
		LUX* Tea Horse Road Lijiang
		LUX* Tea Horse Road Benzilan
		LUX* Tea Horse Road Peach Valley
	LUX* Tea Horse Road Sangushui	
	LUX* Tea Horse Road Daju Village	
	LUX* Tea Horse Road Stone Town	
	LUX* Tea Horse Road Shangri-La	
	LUX* Tea Horse Road Lashi Lake	
	Maldives	LUX* South Ari Atoll
	Reunion Island	LUX* Saint Gilles
	Tanzania	LUX* Marijani, Zanzibar

COMING SOON		
◇	Mauritius	SOCIO Tribeca
	China	LUX* Hengqin, Zhuhai
		LUX* Liyang, Jiangsu
		LUX* Guangzhou, Guangdong
		LUX* Doumen, Zhuhai
		LUX* Emei, Sichuan
		LUX* Tea Horse Road Pu'er
		SALT of Anji
		SALT of Mount Siguniang
	Middle East	LUX* Al Bridi, Sharjah
		LUX* Al Jabal, Sharjah
	Vietnam	LUXNAM* Phu Quoc

Growing the Portfolio



CHINA LUX* Guangzhou

An urban resort that irresistibly combines modernity, contemporary art and the warmth of the LUX* brand for an extraordinary experience of Guangzhou.

LUX* Guangzhou brings Life Extraordinary into the city. An antidote to the fast-paced metropolis, where the beauty of art, historic heritage and nature inspire travel and enrich the body, mind and soul.

The unobstructed views from high within its twin towers—one being the resort, the other its residences—, the sheer variety of dining destinations, the sensory LUX* ME Spa, and the vast collection of curated experiences seduce the senses and elevate the experience of the city itself. It's an oasis of zen in the midst of a dynamic city.

(Coming soon)

CHINA

SALT of Anji

The SALT of Anji is located in Anji County, Zhejiang Province, China, in a prime location surrounded by mountains and water. Anji is well-known for its bamboo forests set amidst lush natural environment and prized white tea. It is also the integral originating source of the Huangpu River Tourism Area and is only 2.5 hours' drive from Shanghai.

With an area of close to 400,000 square metres, the artistic property inspired by

Gaudi is built using stones and designed by renowned South African Lifetime Architectural Achievement Award Winner Peter Rich, who focuses on preserving culture and tradition while accentuating natural materials.

The sustainability-focused resort will feature 108 guestrooms, comprising secluded stone villas, uniquely-styled stone hotel rooms and exquisite one and two-bedroom residences. It has a scenic outdoor pool,

flexible meeting spaces, themed specialty restaurants, SALT bakery and an elegant SALT Equilibrium spa and wellness centre.

The expansive outdoor spaces provide the perfect setting for unique and meaningful local experiences, connecting guests with local people and culture. SALT of Anji is expected to open in the second quarter of 2025 and will be the first Salt-branded resort in China under global luxury hospitality group The Lux Collective.





SHARJAH

LUX* Al Bridi

An African-inspired wildlife sanctuary in the desert. The wide-open spaces are soul restoring. As for the gorgeous, contemporary resort, it strikes a balance between pristine wilderness, conservation and care, and luxury tents.

The 1,690 hectares of Al Bridi Nature Reserve, making it the largest safari outside of Africa, are home to 50,000 animals.

There's no better seat to watch the drama of the wild. The setting sun brings startling sherbet colored skies and the anticipation of a night safari. Climb up to our platform to stargaze. There's little doubt : the safari magic is well and alive out here.

(Coming soon)

SHARJAH

LUX* Al Jabal

A luxurious beach resort overlooking the Gulf of Oman that immerses you in the vibrant local culture.

Positioned away from the winds, Khorfakkan draws scuba-divers, sunseekers and beachlovers with its golden sandy shores and corals. Our hillside resort, tucked away between Khorfakkan Beach and Luluya Beach, offers plenty of vantage points from which you can gaze at the Oman blue.

Access to the private beach means entire days soaking up the sun, jet-skiing, kayaking and parasailing on the water or diving below the surface to glimpse the thriving marine life. Sunset hour in Khorfakkan is something else... You may want to catch it while sailing on a traditional dhow.

(Coming soon)





VIETNAM

LUXNAM* PHU QUOC

Peeking out among the tropical jungle, you will find LUXNAM* Phu Quoc, an unexpected, modernist resort sitting above the shallow waters and coral reefs of Kien Giang biosphere reserve. A one-of-a-kind overwater resort in Vietnam, its design inspiration originates from reimagined Vietnamese traditions with a minimalist twist. Building in harmony with nature and biodiversity, the Group's sustainability DNA is thoughtfully incorporated throughout the resort. Overseeing panoramic seaviews, the 126-villa only resort includes 109 overwater villas (most with private pool), 13 beach pool villas, 2 penthouses and 2 beachfront pool mansions.

Set overwater on stilts are intimate and private one- to five-bedroom villas and penthouses. The stylish ambience combines comfort and sophistication. There's also Beach Rouge, inspired by the glitz of the 1950s French Riviera in Saigon. Dip into the crystalline waters of your private pool and sunbathe under the balmy sun in this oasis of beauty and serenity. LUXNAM* Phu Quoc is a place to renew yourself and reconnect.

(Coming soon)



THE LUX COLLECTIVE

2023

NATIONAL GEOGRAPHIC TRAVELER
CHINA GOLDEN AWARDS
Best Hotel Group

IN-TRAVEL CHINA HOTEL AWARDS
Best Hotel Group of The Year



LUX* GRAND BAIE, MAURITIUS

2024

FORBES TRAVEL GUIDE STAR AWARDS
5-Star Rating - Resort
5-Star Rating - LUX ME Spa*

NET-A-PORTER
The World's Best Beach Clubs
- Top 15 (#7)

2023

WORLD SPA AWARDS 2023
Mauritius' Best Wellness Retreat

ROBB REPORT CHINA
BEST OF THE BEST AWARDS
Island Resort of The Year

MAURITIUS TOURISM AUTHORITY
5-Star Luxury Accreditation



LUX* LE MORNE, MAURITIUS

2024

FORBES TRAVEL GUIDE STAR AWARDS
4-Star Rating - Resort

2023

BRITISH AIRWAYS HOLIDAYS
Customer Excellence Award



LUX* GRAND GAUBE, MAURITIUS

2024

FORBES TRAVEL GUIDE STAR AWARDS
4-Star Rating - Resort

2023

WORLD TRAVEL AWARDS
Mauritius' Leading Resort

TRIPADVISOR TRAVELLERS' CHOICE
AWARDS
BEST OF THE BEST
Top 1% Restaurants Worldwide
INTI

TRIPADVISOR TRAVELLERS' CHOICE
AWARDS
Top 10% Restaurants Worldwide
Beach Rouge
Bodrum Blue
Creole Smokehouse



LUX* BELLE MARE, MAURITIUS

2024

FORBES TRAVEL GUIDE STAR AWARDS
5-Star Rating - Resort
4-Star Rating - LUX ME Spa*

GO TRAVEL ANNUAL AWARDS
Luxury Island Destination Hotel

2023

BRITISH AIRWAYS HOLIDAYS
Customer Excellence Award



LUX* SOUTH ARI ATOLL, MALDIVES

2024

FORBES TRAVEL GUIDE STAR AWARDS
5-Star Rating - Resort
4-Star Rating - LUX* ME Spa

TRAVEL+LEISURE LUXURY AWARDS ASIA
PACIFIC

Best Hotel Pools in Maldives
- Top 10 (#5)
Best House Reef in Maldives
/ South Ari Atoll - Top 10 (#6)
Best Resorts for Families in Maldives
- Top 10 (#6)

2023

ASIAN HOTELS AWARDS
Best Healing Resort

IN-TRAVEL AWARDS
Annual Best Overseas Hotel

SHUIKA GOLDEN SCALE AWARDS
Annual Overseas Luxury Resort

CONDE NAST JOHANSENS AWARDS FOR
EXCELLENCE
Readers' Award

SOUTH ASIAN TRAVEL AWARDS
Winner - Leading F&B Resort

KAYAK TRAVEL AWARDS
Best Resort

TRAVEL TRADE MALDIVES AWARDS
Best Fun & Friendly Resort

GUESTREVVU GREAT AWARDS



LUX* SAINT GILLES, REUNION

2024

WORLD TRAVEL AWARDS
Reunion Island's Leading Hotel



LUX* MARIJANI, ZANZIBAR

2024

TRIPADVISOR TRAVELERS' CHOICE
AWARDS
BEST OF THE BEST HOTEL
Top 1% Hotels Worldwide
Best of the Best Hotels - Top Hotels in
Africa (#10)
Best of the Best Hotels - Luxury Hotels
in Africa (#18)



LUX* CHONGZUO, GUANGXI

2024

HOTEL SHARE AWARDS
Resort of The Year

VOYAGE HOTELS & RESORTS AWARDS
China's Top 50 Hotels - 2 Diamonds

DELICIOUS TRAVEL AWARDS
China's Top 50 Hotels

2023

CONDE NAST TRAVELER GOLD LIST
Best Resort

JIEMIAN TRAVEL LIST
Best Scenic Hotel of The Year

GOLDEN PILLOW HOTEL AWARDS
Most Popular Resort Hotel

PUTIKE BOUTIQUE HOTEL AWARDS
Best Getaway Hotel
Best Scenic Hotel

TRAVELLING SCOPE STAR AWARDS
Best Luxury Resort

YOUZI WEDDING AWARDS
Wedding Destination Hotel of The Year



LUX* TEA HORSE ROAD, CHINA

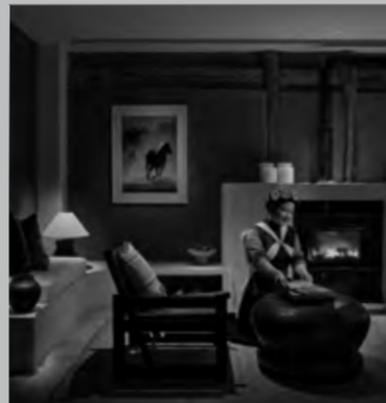
2024

TOUR MEET - FUTURE TRAVEL AWARDS
*Tourism Destination Contribution
Achievement Award*

KOL GOLD LIST
*China's Top 100 Hotels With Best
Experiences*

2023

YUNNAN CULTURE AND TOURISM
BUREAU
Banshan Hotel Award



LUX* TEA HORSE ROAD, LASHI LAKE

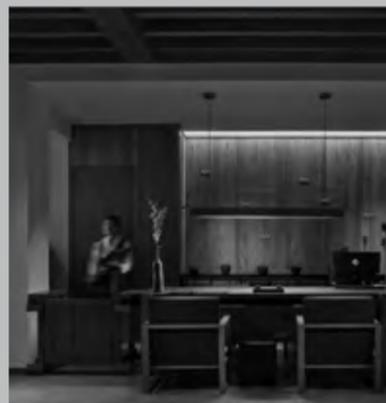
2024

BLACK TRUFFLE AWARDS
Best Resort Hotel of The Year

2023

IN-TRAVEL CHINA HOTEL AWARDS
Best New Hotel of The Year

SPLendeur LUXURY HOTELS AWARDS
Best Leisure Destination Hotel



LUX* TEA HORSE ROAD, SHANGRI-LA

2023

SHUIKA GOLDEN SCALE AWARDS 2023
Wild Luxury Resort of The Year

BLACK TRUFFLE AWARDS
*Best Small & Boutique Destination Hotel
of The Year*



SALT

2024

FORBES TRAVEL GUIDE STAR AWARDS
4-Star Rating - Resort

TRIPADVISOR TRAVELERS' CHOICE
AWARDS
BEST OF THE BEST HOTEL
*Top 1% Hotels Worldwide
Best of the Best Hotels - Luxury Hotels in
Africa (#1)
Best of the Best Hotels - Top Hotels in
Africa (#2)*



TAMASSA

2024

TRIPADVISOR TRAVELERS' CHOICE
AWARDS
BEST OF THE BEST HOTEL
*Top 1% Hotels Worldwide
Best of the Best Hotels - All-Inclusive
Hotels in Africa (#2)
Best of the Best Hotels - All-inclusive
Hotels in the World (#9)*

HOLIDAYCHECK AWARDS
*Top 10 Best Resorts in Mauritius
Best All-Inclusive Hotels (#6)
Best Beach Hotels (#6)
Best Active Vacations (#6)
Best Beach Vacations (#6)*



Throughout the financial year 2023-2024, Global Learning & Development (L&D) and Talent Management remained pivotal to our growth strategy, reflecting our unwavering commitment to nurturing talent and fostering continuous improvement. We embarked on a range of impactful initiatives aimed at elevating leadership capabilities, enhancing our service culture, and developing competencies across our global destinations. Notably, we achieved an impressive average of 211 training manhours per Team Member, surpassing our set target and underscoring our dedication to continuous learning.

STRENGTHENING OUR SERVICE CULTURE

This year, we reinforced our core values and vision through impactful service culture training programs designed to elevate guest experiences and empower our Team Members:

- "Raising Our Standards" with Robin Banks: Conducted in July 2023, this program engaged over 2,000 Team Members across all properties in Mauritius. Robin Banks, a renowned expert in personal mastery and motivation, inspired our teams to elevate their service delivery and embrace our culture of excellence.
- Uplifting Service Workshop Leader Certification: Between March and May 2024, 29 Team Members participated in this certification program. This initiative expanded our community of certified workshop leaders, enabling us to extend our uplifting service culture education to more Team Members and align with our purpose of creating meaningful moments for both guests and colleagues.
- Learning Festival at LUX* South Ari Atoll: From June 10-16, 2024, LUX* South Ari Atoll hosted a Service Culture Learning Festival, featuring esteemed speakers Ajantha Dharnasiri from Sri Lanka, Nick Jones from Sweden, and Kiruba Shankar from India. The event

focused on key topics, including the impact of guest reviews on revenue, emotional intelligence for leaders in the service industry, and discovering personal purpose. A total of 137 team members participated, enriching their understanding of service excellence and personal growth.

LEADERSHIP DEVELOPMENT

Investing in leadership development remained a key focus, providing leaders at all levels with critical skills to navigate the evolving business landscape:

- IBL Management Development Programme: In November 2023, seven leaders graduated from this esteemed program, while five additional leaders embarked on the journey set for completion in November 2024. This program continues to play a pivotal role in nurturing our middle management talent and amplifying their leadership competencies. Our past graduates also benefitted from refreshing their knowledge on innovation through a master class session organized by the IBL Learning Academy.
- Leadership Competencies Development Program (Levels 1 & 2): Designed to cultivate leadership talent and strengthen decision-making capabilities, these programs were delivered in-house by our Training

Academy, with over 117 participants from Mauritius successfully completing the courses.

- Staging LUX* Shining Leadership Program at LUX* South Ari Atoll: Delivered by our in-house experts from October 2023 to May 2024, the Staging LUX* Shining Leadership Program empowered 54 team members. Through dynamic modules, participants sharpened vital leadership skills, from public speaking and emotional intelligence to driving operational excellence and mastering performance feedback, setting a new standard for leadership across our operations in Maldives.
- Leadership Coaching and Transformation Program: Senior managers participated in this program to gain valuable insights into fostering team performance, enhancing communication, and driving organizational success.
- John Maxwell Leadership Program: Under our partnership with The John Maxwell Company 125 senior leaders benefitted from a self paced learning opportunity through the John Maxwell Online Academy. We embarked on the LeaderShift Program which focuses on helping leaders make essential shifts in mindset and behavior to lead more effectively in a dynamic business environment.
- Crisis and Communication Management Training: The Crisis and Communication Management training equipped 68 senior leaders with skills to handle crises. The program focused on crisis identification, preparedness, effective communication, and decision-making under pressure, ensuring enhanced crisis management and smooth operations across all properties.
- Leadership Development Through Cross-Exposure Training: Senior leaders from LUX* Tea Horse Road in China, LUX* Marijani in Zanzibar, and LUX* Saint Gilles in Ile de la Réunion participated in structured

cross-exposure training programs in our operations in Mauritius and the Maldives. The focus was on deepening their understanding of brand standards, cultural alignment, and the leadership role in guiding, supporting, and inspiring their teams. This initiative also facilitated the exchange of best practices across regions, enriching their leadership capabilities. Additionally, we encouraged inter-resort cross-exposures within our various destinations, promoting a culture of continuous learning and collaboration.

SUCCESSFUL REOPENING OF LUX* BELLE MARE

The reopening of LUX* Belle Mare on October 1, 2023, was a testament to the dedication and hard work of our Team Members. With many team members returning to this magnificent resort, they were well-prepared to meet and exceed the high expectations of delivering excellence and making each moment matter.

During the resort's closure, our Team Members were deputed to other operational properties in Mauritius. This experience proved invaluable as they acquired new skills and were exposed to the Forbes Travel Guide Standards, integrated with our own Shining Hospitality Standards. Our commitment to these standards, coupled with training from Forbes Master Trainers, ensured readiness for the rigorous Forbes audits.

From July 2023, we dedicated three months to intensive pre-opening training, achieving over 60,000 manhours of training. This period involved collaboration with industry experts and consultants to enhance our offerings:

- Spa Services: Partnered with BGA Corp to introduce Bastien Gonzalez's award-winning hand and foot care treatments, along with new wellness experiences.

- Food and Beverage: A celebrated mixologist from London curated bespoke beverage menus for our outlets. A wine consultant developed our LUX* Wine menu, enhancing our guests' dining experiences. Collaboration with a barista champion from Johannesburg transformed Café LUX* into Maison LUX*, elevating our coffee culture. Additionally, a pizza master chef from Naples refined our authentic Italian pizzas.
- Butler Service: Our Butlers team completed certification training delivered by a premier butler school from South Africa, ensuring personalized and exceptional service.
- Service Excellence with Ron Kaufman: A leading global educator in service performance, Ron Kaufman conducted sessions on "Delivering LUX* Shining Care," reinforcing our commitment to exceptional guest service.
- PLAY Team Certification: Our team at PLAY achieved City & Guilds accredited certification in international childcare for leisure and tourism, ensuring we meet the highest standards for welcoming young travellers.
- Health and Safety Training: We revisited all health and safety procedures, equipping our Team Members with essential skills and knowledge in safety, food allergy management, and risk prevention.
- Operational Standards Training: Heads of Departments completed comprehensive operational standards training, ensuring all Team Members are capable of delivering outstanding service.

These extensive training efforts culminated in LUX* Belle Mare achieving a Forbes Five-Star rating in its first year of being audited. This prestigious accolade is a testament to the commitment and hard work of all our Team Members, showcasing their dedication to delivering exceptional service.

SUCCESSFUL TRANSFORMATION OF LUX* MARIJANI

This year also marked the entry of the LUX* brand into the East African market with the transformation of an existing resort and commencement of operations as LUX* Marijani. We embraced the opportunity to learn about the rich culture of Zanzibar and infused our LUX* energy and philosophy, which was warmly welcomed by our Team Members.

Our team at LUX* Marijani has shown remarkable enthusiasm, embracing their new identity with pride. The transformation, focused on culture building and creating immersive LUX* experiences for our guests. Initiatives were rolled out to recognize and grow our local talent as we prepare to expand in this region.

COMPETENCY ENHANCEMENT AND DIGITAL LEARNING PLATFORMS

- Online Learning: As of June 30, 2024, over 1700 Team Members were given access to our learning management platform, with access to over 150 short courses. We also continued with our partnership with TYPsy with over 500 Team Members having benefitted from the learning opportunity. These tools support the development of critical skills through diverse and customized on-demand learning programs.
- Cybersecurity Awareness Training: In response to emerging digital risks, Cybersecurity Awareness training was introduced company-wide, enhancing digital security protocols across all levels and ensuring the protection of our data and systems.
- Forbes Training: Over 250 Team Members took part in the training to align with the latest luxury service standards set by Forbes Travel Guide, ensuring our properties meet

international benchmarks of excellence. Our Team Members worked diligently resulting in LUX* Grand Baie, Mauritius retaining its 5-star rating with the addition of the LUX* Grand Baie Spa, LUX* South Ari Atoll, Maldives, and LUX* Belle Mare, Mauritius joining in to achieve their 5-star accolade while all our other participating resorts achieved a 4-star rating.

Overall more than 1000 Team Members benefitted from some form of professional competency enhancement opportunity.

APPRENTICESHIP PROGRAM MILESTONE

In April 2024, 20 team members from our resorts in Mauritius proudly completed the National Certificate Level 3 in Restaurant & Bar Service after a year of intensive training. Developed and facilitated by The Lux Collective Training Academy (LIRTA Ltd) in partnership with the Mauritius Institute of Training and Development, this accredited apprenticeship program provided over 2,000 hours of theory, practical, and placement experience. The program, running from April 2023 to April 2024, enhanced participants' Food and Beverage skills, aligned with our Shining Standards.

On August 28, 2024, a graduation ceremony at LUX* Grand Gaube celebrated their achievement, with three members earning distinctions. Senior management, alongside representatives from the Human Resources Development Council and Ministry of Education, commended the graduates for their dedication to excellence. Looking ahead, a new cohort will begin the National Certificate Level 2 program in mid-September 2024.

PROFESSIONAL BARISTA PROGRAM

We invested in specialized skills training, including the Professional Barista Program. Several of our Team Members were certified in advanced coffee preparation techniques, enhancing guest experiences at our Cafe LUX* and Maison LUX* outlets and reinforcing our commitment to excellence in every detail.

GLOBAL COLLECTIVE LEARNING WEEK

In May 2024, we held our 5th Global Collective Learning Week, reinforcing our commitment to immersive education. Team members across our resorts engaged in diverse programs, curated by our Learning and Development teams, covering topics like mindfulness, well-being, self-defence, sustainability, and emotional intelligence.

LOOKING AHEAD

As we prepare for future expansions, our focus on training and development will continue to drive the growth of our team and strengthen The Lux Collective's Purpose: "We Make Each Moment Matter. We Care About What Matters." By nurturing our people and reinforcing our service culture, we remain committed to creating meaningful moments and maintaining excellence across every destination.





Corporate Governance

Corporate Governance

STATEMENT OF COMPLIANCE BY THE BOARD

The Lux Collective Ltd ('the Company' or 'TLC') and its subsidiaries ('the Group') is committed to observing high standards of Corporate Governance, promoting corporate transparency and enhancing shareholder value.

The Lux Collective Ltd is a Public Interest Entity as defined by the Financial Reporting Act 2004. We are pleased to confirm that we have complied with all of the requirements and provisions of the National Code of Corporate Governance (hereinafter referred as "the Code") for Mauritius for the year ended 30th June 2024.

The Company has ensured that a written description of the major accountabilities within the organisation have been formalised. This report, along with the Annual Report, is published in its entirety on the Company's website.

RELATIONS WITH SHAREHOLDERS AND KEY STAKEHOLDERS

Company Constitution

The company is governed by the provisions of the Companies Act 2001.

Shareholding

The directors regard IBL Ltd as the ultimate holding company.

As at 30 June 2024, the Company's share capital was Rs 30,163,337, composed of 232,170,133 shares with 4,482 shareholders present on the registry.

The following shareholders had more than 5% of the capital of the Company at 30 June 2024:

IBL Ltd	56.37%
Paul Tobin Jones	5.04%
Other shareholders	38.59%
Total	100.00%

Shareholding Profile

The Company's shareholding profile as at 30th June 2024 was as follows:

Defined Brackets	Number of Shareholders	Number of Shares Owned	Percentage %
1-500	2,206	285,941	0.123
501-1,000	462	353,333	0.152
1,001-5,000	916	2,230,198	0.961
5,001-10,000	291	2,102,561	0.906
10,001-50,000	412	8,624,577	3.715
50,001-100,000	74	5,460,896	2.352
100,001-250,000	60	9,158,341	3.945
250,001-1,000,000	52	25,391,216	10.937
1,000,001-1,500,000	1	1,471,714	0.634
Over 1,500,000	8	177,091,356	76.277

RELATIONS WITH SHAREHOLDERS AND KEY STAKEHOLDERS (cont.)

Shareholding Profile (cont.)

Summary of Shareholder Category

Category of Shareholders	Number of Shareholders	Number of Shares Owned	% of Total Issued Shares
Individuals	4,110	51,492,505	22.179
Insurance and assurance companies	13	9,208,596	3.966
Pension and provident funds	111	26,214,200	11.291
Investment and trust companies	31	896,333	0.386
Other corporate bodies	217	144,358,499	62.178

Shareholder Rights

The Company recognises the importance of maintaining transparency and accountability to its shareholders. The Board ensures that the Company's shareholders are treated fairly and equitably, and that their rights are protected. The Company is committed to providing shareholders with adequate, timely, and sufficient information pertaining to the Group's business, which could have a material impact on the Company.

All shareholders of the Company are entitled to attend and vote at general meetings, in person or by proxy. Shareholders also receive the annual report of the Company and the notice of Annual General Meeting, which is also advertised in the newspapers.

Communication with Shareholders and Stakeholders

The Company actively engages with its shareholders to promote regular, effective, and fair communication with shareholders and investors at large. The Company frequently enters into dialogue with its key stakeholders on a variety of topics, including the organisational position, performance and outlook. The Directors are encouraged to have face-to-face contact with key stakeholders.

Employees

Directors always have a listening ear for employees and are committed to promoting sound industrial relations and best practices in human resource management. The Company maintains a constant dialogue with its employees through departmental meetings on a frequent basis. Training needs of employees are regularly assessed and addressed. However, employment stability and capacity to pay remain to a large extent dependent on the macroeconomic environment and market conditions.

Customers and Suppliers

The Company works closely with its suppliers to have an effective relationship that would ensure that suppliers adopt best management practices. Debtors and creditors are offered opportunities to suggest ways of improving the services to them.

Financing Institutions

Regular communication with financial institutions is actively pursued and usually takes place through meetings and presentations. The annual report, which provides information on the business and its performance, is accessible to them, either through the website, or custody accounts.

RELATIONS WITH SHAREHOLDERS AND KEY STAKEHOLDERS (cont.)

Regulatory Authorities

Relationship with the regulators is critical to the success of the Group to ensure that global best practices with full transparency are maintained.

Communities

The Company pays great attention to the communities where it operates. By nature of its businesses, the Company has an impact on local communities and society as a whole. The Group constantly displays information to the attention of the public.

Election of Directors

Directors are appointed from time to time by ordinary resolutions of the Shareholders. Besides, the Directors shall have power at any time to appoint any person to be a Director either to fill a casual vacancy or as addition to the existing Directors. Furthermore, each Director offers himself/herself for re-election at each Annual Meeting of Shareholders of the Company.

Dividend Policy

The declaration amount and payment of future dividends depend on many factors, including the results of the operations, cash flow and financial conditions, expansion, working capital requirements, future projects, and other factors deemed relevant by the Board and the Shareholders. A dividend of Rs 0.12 per share has been paid on the 30th of September 2024 for the financial year ending 30th June 2024. The Audit & Risk Committee and the Board ensured that the Company satisfied the solvency test before the dividend declaration.

Conduct of Shareholder Meetings

During the Annual Meeting of shareholders, which is held in Mauritius, Shareholders are given the opportunity to communicate their views and to engage with the Board and Management with regards to the Group's business activities and financial performance. Directors are encouraged to attend Shareholders' meetings. The members of the Audit & Risk Committee and external auditors are asked to be present at such meetings. The Companies Act 2001 also allows a shareholder of the Company to appoint a proxy (in the case of an individual shareholder) or a representative (in the case of a shareholder Company, by way of a written resolution), whether a shareholder or not, to attend and vote on their behalf.

DIRECTORS SHAREHOLDING

Interests of Directors

The table below outlines each Director's respective direct and indirect interests and number of other directorships in listed companies as at June 30, 2024.

DIRECTORS SHAREHOLDING (cont.)

Interests of Directors (cont.)

Directors	Shares	Direct Interest	Indirect Interest	Number of Other Directorships in Listed Companies
		%	%	
David Amsellem	-	-	-	-
Jean de Fondaumière	-	-	-	1
Olivier Chavy	-	-	-	-
Alexis Harel	355,819	0,05	0,10	2
Paul Jones (until 30.06.2024)	11,701,334	5,04	-	-
Arnaud Lagesse	46,764	-	0,02	5
Diya Nababsing- Jetshan	-	-	-	-
Hans Olbertz	-	-	-	-
Dev Poolovadoo	515,507	0,20	0,02	-
Scott J. Woroch	-	-	-	-

CALENDAR OF IMPORTANT EVENTS FOR FORTHCOMING FINANCIAL PERIOD

Publication of 1 st quarter results	October 2024
Annual Meeting of Shareholders	4 December 2024
Publication of half-yearly results	January 2025
Publication of 3 rd quarter results	April 2025
Declaration/payment of dividend (if applicable)	Q4 2025
Financial year-end	June 2025

GOVERNANCE STRUCTURE

The primary function of the Board of Directors of the Company ("Board") is to provide effective leadership and direction to enhance the long-term value of the Group to its shareholders and other stakeholders as enumerated in the Board Charter as approved by the Board. The Board has the responsibility to fulfil its role, which entails the following:

- Ensure that the long-term interests of the shareholders are being served, and to ensure proper safeguard of the Group's assets
- Assess major risk factors relating to the Group and review measures, including internal controls, to address and mitigate such risks
- Review and approve Management's strategic and business plans, including understanding the business and questioning the assumptions upon which plans are based, in order to reach an independent judgment and determine the probability of the plans and/or forecasts being realised
- Monitor the performance of the Group Management regarding budgets and forecasts prepared by management
- Review and approve significant corporate actions and major transactions
- Assess the effectiveness of the Board in accomplishing its function and meeting its objectives
- Ensure ethical behaviour and compliance with laws and regulations, auditing and accounting principles and the Company's own governing documents
- Identify key stakeholder groups and acknowledge that their perceptions affect the Company's reputation
- Consider sustainability issues, e.g. environmental and social factors, as part of its strategic formulation
- Perform such other functions as prescribed by law, or assigned to the Board in the Company's governing documents.

GOVERNANCE STRUCTURE (cont.)

Chairperson of the Board

The Board is headed by the Chairperson and there is a clear separation of responsibilities between the leadership of the Board and the Executives responsible for managing the Company’s business. The Board notes that the Chairperson plays an instrumental role in developing the business of the Group and that he provides the Group with strong leadership and vision. The Chairperson of the Board is Mr Arnaud Lagesse and he is responsible for:

- Leading the Board to ensure its effectiveness in all aspects of its role
- Setting the agenda and ensuring that adequate time is granted to discuss all agenda items particularly strategic issues
- Ensuring that the Directors receive complete, adequate information in a timely manner
- Ensuring effective communication with shareholders
- Encouraging constructive relations within the Board and between the Board and Management
- Facilitating the effective contribution of all directors
- Promoting high standards of Corporate Governance

The Executives of the Group, headed by the Chief Executive Officer are as follows:

- Paul Jones - Chief Executive Officer (resigned on 30.06.2024)
- Olivier Chavy - Chief Executive Officer (appointed on 03.06.2024)
- Marie-Laure Ah-You - Chief Strategy Officer
- Nicolas Autrey - Chief Human Resources Officer
- Ashish Modak- Chief Operating Officer- EMEA
- Nitesh Pandey - Chief Operating Officer - Asia Pacific (APAC)
- Oliviero Cassini – Chief Development Office (EMEA)
- Dev Poolovadoo – Chief Financial Officer
- Guillaume Valet - Group Head of Legal, Secretarial and Corporate Affairs

The job descriptions of the above Executives have been approved by the Remuneration Committee.

Code of Ethics

The Lux Collective Ltd has a commitment to moral conduct, to ethical behaviour and to operations within the letter and spirit of the law. In carrying out their duties, Officers of the Group should adhere to local and all other applicable laws, regulations, principles and standards, in everything that they do and be aware that compliance with such laws, regulations, principles and standards is the basis of sound business conduct.

The Audit and Risk Committee regularly monitors and evaluates compliance with its Code of Ethics. Appropriate actions are taken in case of non-compliance.

STRUCTURE OF THE BOARD

Board Size and Composition

The Board is a unitary board that currently consists of 9 directors, as shown below, along with their membership on the Board Committees of the Company.

Each year the Board examines the size, composition, skills and core competencies of its members to ensure there is an appropriate balance and diversity of skills, experience and knowledge. The Board includes Directors from different industries and backgrounds,

STRUCTURE OF THE BOARD (cont.)

Board Size and Composition (cont.)

with business and management experience, who, collectively, provide the core abilities for the leadership of the company.

Notwithstanding the above, the Board considers that the current Board of 9 Directors is appropriate for enabling effective decision-making, taking into account the scope and nature of the Group’s operations.

The directors of the Company and their representations in the various Committees are as follows:

Name	Gender	Country of Residence	Board Appointment	Board Committee Appointment
Arnaud Lagesse (Chairperson)	M	Mauritius	Non-Executive Chairperson of the Board	Member of the Corporate Governance & Nomination Committee and Member of the Remuneration Committee
David Amsellem	M	Mauritius	Independent Non- Executive Director	Chairperson of the Corporate Governance & Nomination Committee and Chairperson of the Remuneration Committee
Jean de Fondaumière	M	Mauritius	Independent Non- Executive Director	Chairperson of the Audit & Risk Committee, and member of the Remuneration Committee
Olivier Chavy (appointed on 01.07.2024)	M	Mauritius	Executive Director	-
Alexis Harel	M	Mauritius	Independent Non- Executive Director	Member of the Audit & Risk Committee, the Corporate Governance & Nomination Committee, and the Remuneration Committee
Paul Jones (Chief Executive Officer) (until 30.06.2024)	M	Singapore	Executive Director	-
Diya Nababsing- Jetshan	F	Mauritius	Non-Executive Director	-
Hans Olbertz	M	United Arab Emirates	Independent Non- Executive Director	Member of the Audit & Risk Committee
Dev Poolovadoo	M	Mauritius	Executive Director	-
Scott J. Woroch	M	United Kingdom	Non-Executive Director	-

The profile of all Directors as well as their directorship details in other listed companies are set out on the Company’s website, “www.theluxcollective.com”.

Director’s Independence Review

Having independent directors plays a crucial role in ensuring that we have a strong, impartial element on the Board. The objective is to facilitate the exercise of independent and objective judgement on corporate affairs, and to ensure that discussion and review of key issues take place in a critical yet constructive manner.

STRUCTURE OF THE BOARD (cont.)

Director's Independence Review (cont.)

The Board evaluates, on an annual basis, and as and when the circumstances require, whether or not a director is independent, bearing in mind the provisions of the Code.

We believe that our Independent Directors have and will demonstrate a high commitment to their roles as Directors and will ensure that there is a good balance of power and authority within the Company. The Directors of the Company are free from any business or other relationships which would materially affect their ability to exercise independent judgement.

The Board considers the following Directors as independent directors of the Company:

- David Amsellem
- Jean de Fondaumière
- Alexis Harel
- Hans Olbertz

Delegation by the Board

To assist the Board, the Board has delegated certain functions to 3 Committees, namely the Audit & Risk Committee (ARC), the Remuneration Committee (RC) and the Corporate Governance & Nomination Committee (CGNC). Each committee has its own written terms of reference. Please refer to pages 65 to 68 of this report for further information on these Committees.

Directors' Time, Commitment, and Multiple Directorships

The 2016 National Code of Corporate Governance recommends that Directors collectively come to a consensus on the maximum number of listed-company Boards that each Director may serve on, in order to properly address time commitments that may arise due to one individual serving on multiple Boards.

The Board believes that each Director who already serves on several Boards, when accepting yet another appointment, has the individual responsibility to personally determine the demands of his competing directorships and obligations, and ensure that he can allocate sufficient time and attention to the affairs of each Company.

The Board considers that setting a limit on the number of listed-company directorships a Director may hold is arbitrary, given that time requirements for each person vary. Therefore, the Board prefers not to be prescriptive. The CGNC is currently satisfied with the commitment of each director to fulfil his responsibilities. The Directors of the Company are aware of their legal duties and responsibilities as listed in the Companies Act 2001. The Directors further confirm that they exercise their duties with a degree of care, skill and diligence.

Company Secretary

Directors may separately and independently contact the Company Secretary or its nominee, who attends and prepares minutes for all Board meetings. The Company Secretary's role is defined, and includes the responsibility for ensuring that Board procedures are followed and that applicable rules and regulations are complied with.

The appointment and dismissal of the Company Secretary are matters requiring the Board's approval.

The role of the Company Secretary is carried out by IBL Management Ltd.

STRUCTURE OF THE BOARD (cont.)

Audit & Risk Committee (ARC)

The ARC is governed by a Charter in line with the provisions of the Code. During the financial year, the ARC recommended the approval of its revised Charter to the Board.

The Board considers that the members of the ARC are appropriately qualified to discharge their responsibilities. The ARC has the explicit authority to investigate any matter within its terms of reference. In addition, the ARC has full access to, and co-operation of, the Management as well as full discretion to invite any Director or executive officer to attend its meetings. Reasonable resources are made available to enable the ARC to discharge its functions properly.

In addition to its statutory functions, the ARC considers and reviews any other matters as may be agreed to by the ARC and the Board. The duties of the ARC include amongst others:

- Reviewing significant financial reporting issues and judgments to ensure the integrity of the financial statements of the Group and any formal announcement relating to the Group's financial performance.
- Reviewing and reporting to the Board, at least annually, the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls.
- Reviewing the effectiveness of the Group's internal audit function.
- Reviewing the scope and results of the external audit, and the independence and objectivity of the external auditors.
- Making recommendations to the Board on the proposals to the shareholders on appointment, re-appointment and dismissal of external auditors, and approving the remuneration and terms of engagement of the external auditors.

The ARC reviews with Management, and where relevant, the external auditors, the results announcements, annual report and financial statements, before submission to the Board for approval and adoption.

In performing its functions, the ARC meets with the internal and external auditors, and reviews the audit plans and overall scope of both internal and external audits, and the co-operation and assistance given by Management to the respective auditors. Where necessary, the ARC also meets separately with the internal and external auditors, whereby any issues may be raised directly with the ARC, without the presence of Management. The internal and external auditors have unrestricted access to the ARC.

The ARC has discussed with external auditors and Management on matters of significance to the financial statements, which include the following:

- The consideration for a declaration of a dividend
- Re-domiciliation of the Company
- The path to digital transformation of the Company
- Succession planning

The ARC is satisfied that these matters have been appropriately addressed. Depending upon the issue, independent expert advice is sought, when required. The ARC recommended to the Board to approve the audited financial statements of the Group for the financial year ended 30th June 2024 ("FY 2024 Financial Statements"). The Board has approved the FY 2024 Financial Statements on 27th September 2024.

The ARC, met 4 times during the year and has considered the following:

- Approval of the results for Q1, Q2 and Q3
- Review of the budget for 2024/25
- Audit Plan for 2024/25
- Internal and external audit reports issued.

STRUCTURE OF THE BOARD (cont.)

Audit & Risk Committee (ARC) (cont.)

The members of the ARC are as follows:

Jean de Fondaumière (Chairperson)	Independent Non-Executive Director
Alexis Harel	Independent Non-Executive Director
Hans Olbertz	Independent Non-Executive Director

These members of the ARC comply with the definition of an 'independent director' as stipulated by the Code.

Corporate Governance and Nomination Committee (CGNC)

The CGNC is governed by a Charter that determines the objects and functions of the Committee. During the financial year, the CGNC recommended the approval of its revised Charter to the Board.

The main role of the CGNC is to advise and make recommendations to the Board on all aspects of corporate governance which should be followed by the Company, so that the Board remains effective while complying with sound and recommended corporate practices and principles.

The members of the Committee are :

- David Amsellem - Chairperson
- Alexis Harel
- Arnaud Lagesse

Messrs. David Amsellem and Alexis Harel are Independent Non-Executive Directors.

Remuneration Committee (RC)

The RC is governed by a charter that determines the role and responsibilities of the Committee. During the financial year, the RC recommended the approval of its revised Charter to the Board.

The duties of the RC include, amongst others, the recommendation to the Board for approval of the following:

- The organisational chart of the Company
- A general framework of remuneration for the Board and key management personnel
- Specific remuneration packages for each director and key management personnel
- The company's obligations in the event of the termination of an executive director or key management personnel's contract of service, to ensure that such contracts of service contain fair and reasonable termination clauses.

The RC may, during its annual review of remuneration of Directors and key management personnel, seek advice from external remuneration consultants as and when deemed necessary.

The Remuneration Committee includes the following directors:

- David Amsellem – Chairperson
- Jean de Fondaumière

STRUCTURE OF THE BOARD (cont.)

Remuneration Committee (RC) (cont.)

- Alexis Harel
- Arnaud Lagesse

Messrs. David Amsellem, Jean de Fondaumière and Alexis Harel are Independent Non-Executive Directors

Attendance

Below are details on the number of Board meetings and Board Committee meetings held during the last financial exercise, as well as the attendance of Directors and Board Committee members:

Name	Board Meetings	Audit & Risk Committee Meetings	Corporate Governance & Nomination Meetings	Remuneration Committee Meetings	Total Attendance at Meetings
No. of meetings held during the year	5	4	4	4	17
No of Meetings attended by Directors					
Executive Directors					
Paul Jones (till 30.06.2024)	4	1 (in attendance)	-	1 (in attendance)	6
Dev Poolovadoo	5	4 (in attendance)	-	2 (in attendance)	11
Non-Executive Directors					
Arnaud Lagesse	5	-	4	4	13
David Amsellem	5	-	4	4	13
Jean de Fondaumière	5	4	-	3	12
Alexis Harel	5	4	4	4	17
Diya Nababsing- Jetshan	5	-	-	-	5
Hans Olbertz	4	4	-	-	8
Scott J. Woroch	5	-	-	-	5

DIRECTOR APPOINTMENT PROCEDURES

Role of the Corporate Governance & Nomination Committee ("CGNC") in the Director's Appointment

The CGNC is responsible for selecting and appointing new Directors.

All new Board members are first considered and reviewed by the CGNC, before being recommended to the Board for approval. Potential candidates are recommended by Directors or Shareholders. The CGNC then evaluates the suitability of potential candidates for the position, taking into account, inter-alia, the candidate's age, gender, skills, knowledge, experience and ability to contribute to the Board's effectiveness.

In accordance with the provisions of CGNC governing the election and re-election of Directors, all Directors are to present themselves for re-election every year at the Annual Meeting of Shareholders. Newly appointed Directors, during the year under review, must present themselves for election at the forthcoming Annual Meeting of Shareholders.

DIRECTOR APPOINTMENT PROCEDURES (cont.)

Role of the Corporate Governance & Nomination Committee (“CGNC”) in the Director’s Appointment (cont.)

Under Section 138 of the Companies Act 2001 of Mauritius, the office of a Director shall become vacant at the conclusion of the Annual Meeting of Shareholders commencing next after the Director attains the age of 70 years, and shall then be subject to yearly re-appointment. The Board is satisfied with the current practice.

This year, to comply with the provisions of the Code, Mrs. Nababsing- Jetshan and Messrs. David Amsellem, Jean de Fondaumière, Alexis Harel, Dev Poolovadoo, Arnaud Lagesse, Hans Olbertz and Scott J. Woroch will submit their re-election as Board Members at the forthcoming Annual Meeting of Shareholders.

Mr. Olivier Chavy will submit his election as Board Member at the forthcoming Annual Meeting of Shareholders.

The CGNC has recommended the re-election and election of the Board members listed above, after taking into consideration each one’s attendance, participation, contribution and performance during the past year.

Board Orientation and Training for New Directors

We have put in place procedures to ensure that newly-appointed Directors receive an induction and orientation upon joining the Board.

Directors Development

The Chairperson should regularly review and come to an agreement with each Director, if necessary, his or her training and Development needs. The Company must provide the necessary resources and training for the Director to best develop his knowledge and capabilities.

Succession Planning and Directors Service Contract

Given the importance of a proper succession plan for the continued growth of the company, the Board was very pleased to report the recruitment of Mr Chavy, opening a new chapter for the Company. The Board was confident since the start of the recruitment process that Mr Chavy’s invaluable industry experience will help the Company to reach a new level in its development.

The Board will also keep placing great value on succession planning and talent development of the key executives, to ensure an efficient asset-light and fee-base model and to allow the executive committee, under the direction of Mr Chavy, to deliver success on the next stage of TLC’s growth journey.

DUTIES, REMUNERATION AND PERFORMANCE

Key features of Board Processes

To assist the Directors in planning their attendance at meetings, the dates of Board Meetings, Committee Meetings and Annual Meetings are scheduled up to one year in advance. In addition to the regular scheduled meetings, ad-hoc Committees are convened as and when circumstances warrant. Besides physical meetings, the Board and the Committees may also make decisions by way of written resolutions, as specified in their respective Terms of Reference.

From 1st July 2023 to 30th June 2024, the Board met 5 times for the purpose of considering and approving, amongst others, the following items:

- The audited financial statements for the year ended June 2024 and relevant publications
- Updates on new management contracts
- Approval of Q1 results

DUTIES, REMUNERATION AND PERFORMANCE (cont.)

Key features of Board Processes (cont.)

- Approval of Q2 results
- Approval of Q3 results
- Re-domiciliation of The Lux Collective Ltd
- Business plan for the financial year ending 30th June 2025 and the five year plan

Complete, Adequate, and Timely Information

To ensure that the Board and Committees are able to fulfil their responsibilities, Management provides them with complete and adequate information in a timely manner. Senior Management, the Company’s auditors and other professionals who can provide additional insights into matters to be discussed at Board and/or Committee meetings are also invited to be present at these meetings, when necessary. As Directors may have further queries on the information provided, they have separate and independent access to the Company’s Senior Management.

Management provides the Board with the Group’s Financial Statements and Management Reports on a quarterly basis and upon request. Explanations are given by Management for material variance (if any) between any projections in the budget and actual results.

Related Party Disclosures

For the purpose of these financial statements, parties are considered to be related to the Group if they have the ability, directly or indirectly, to control the Group or exercise significant influence over the Group in making financial and operating decisions, or vice versa, or if they and the Group are subject to common control. Related party transactions are disclosed in note 29 to the financial statements.

Related party transactions have been conducted at arm’s length and in accordance with the laws.

Conflicts of Interests

The Company’s Code of Ethics, which includes a section on conflict of interest, is applicable to all employees, senior officers and directors of the Company. The Whistleblowing Policy, which is an extension of the Code of Ethics, provides employees and other stakeholders a reporting channel on suspected misconduct or malpractice within the Company without fear of reprisal or victimisation. It also outlines the complaint handling and reporting processes to improve transparency.

All new employees and directors of the Company receive training on the Code of Ethics and the Whistleblowing policy.

The Company has a policy and process in place where all Board members and Senior Officers of the Company self-disclose any cases of conflict of interest or potential conflict of interest to which they may be party. These are notified and dealt with by the CGNC as required.

The Company Secretary maintains an Interest Register with any disclosure made by the Directors.

Board Evaluation Process

The CGNC is tasked with carrying out the processes implemented by the Board, assessing the effectiveness of the Board as a whole and the contribution by each individual Director to the effectiveness of the Board on a bi-annual basis. The Company has established a system of Board Appraisal to assess the effectiveness/performance of the Board and acts upon feedback from Board members on improvement, when deemed appropriate.

DUTIES, REMUNERATION AND PERFORMANCE (cont.)

Board Evaluation Process (cont.)

The next board evaluation will be conducted in FY 2025/26.

Independent Professional Advice

The Directors, either individually or as a group, in the furtherance of their duties, can require professional advice. The Company Secretary can assist them in obtaining independent professional advice at the Company's expenses.

REMUNERATION MATTERS

Statement of Remuneration Philosophy

Our Board members are remunerated according to market rates.

Board	Rs
Board members' annual fee	350,000
Audit & Risk Committee	
Chairperson annual fee	300,000
Members annual fee	150,000
Corporate Governance and Nomination Committee	
Chairperson annual fee	200,000
Members' annual fee	50,000
Remuneration Committee	
Chairperson annual fee	100,000
Member's annual fee	-

Two of the Directors who do not reside in Mauritius have received each a remuneration of Euro 25,000.

Remuneration of Executives Directors and Key Management Personnel

In designing the compensation structure, the Company seeks to ensure that the level and mix of remuneration is competitive, relevant and suitable.

The remuneration structure for executive directors and key management personnel consists of (a) fixed remuneration (b) variable bonus and/or (c) other benefits. Executive Directors do not receive directors' fees.

The level of remuneration is determined by various factors including group performance, industry practices and the individual's performance and contributions towards meeting conditions for the year under review.

REMUNERATION MATTERS (cont.)

Remuneration of Executives Directors and Key Management Personnel (cont.)

Directors remuneration for the year ended June 30, 2024 is as follows:

	30 June 2024			30 June 2023		
	From the holding company	From subsidiaries	Total	From the holding company	From subsidiaries	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Jean de Fondaumiere	650	-	650	425	-	425
Alexis Harel	550	-	550	400	-	400
Hans Olbertz	1,350	-	1,350	960	-	960
Scott W Woroch	1,200	-	1,200	1,200	-	1,200
David Ansellem	650	-	650	200	-	200
Total Non-Executive	4,400	-	4,400	3,185	-	3,185
Paul Jones	-	101,800	101,800	-	54,496	54,496
Julian Hagger (until 15 December 2022)	-	-	-	-	18,317	18,317
Dev Poolovadoo	5,210	-	5,210	5,955	-	5,955
Total Executive	5,210	101,800	107,010	5,955	72,813	78,768
Total Non-Executive and Executive	9,610	101,800	111,410	9,140	72,813	81,954

Remuneration of Non-Executive Directors

The Non-Executive Directors are not permitted to participate in any of the Company's incentives arrangements in line with the Code that stipulates that "they should not normally receive remuneration in the form of share options or bonuses associated with organisational performance".

The aim of a Non-Executive Director fee is to provide a fair remuneration, at a level that attracts and retains high-caliber Non-Executive Directors, and that acknowledges the scope of their role and required time commitment.

TLC - RISK GOVERNANCE AND INTERNAL CONTROL

Responsibilities for Risk Management and Internal Controls

The Board, assisted by the ARC and the internal auditors, is responsible for risk governance by ensuring that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Group's assets, and determines the nature and extent of the significant risks that the Board is willing to take to achieve its strategic objectives.

TLC - RISK GOVERNANCE AND INTERNAL CONTROL (cont.)

ARC Processes Regarding Management Of Risks

The Board has the ultimate responsibility for the governance and oversight of the risk management process. The ARC assists the Board in their oversight of the process and the effectiveness of the Company's internal control and compliance systems. Management is responsible for assuring the Board as to the adequacy and effectiveness of the risk management lifecycle and ensuring the quality and timeliness of information.

Assurance from the Chief Executive Officer and the Chief Financial Officer

The Board has received assurance from the Chief Executive Officer and the Chief Financial Officer that:

- a. The financial records of the Group for the financial year ended 30th June 2024 have been properly maintained, and the financial statements give a true and fair view of the Group's operations and finances, in accordance with the applicable financial reporting framework, that are free from material misstatement; and
- b. The system of risk management and internal controls in place within the Group is adequate and effective in addressing the material risks in the Group in its current business environment including material financial, operational, compliance and information technology risks.

The Chief Executive Officer and the Chief Financial Officer have in turn obtained relevant assurance from Internal and External Auditors of the Group.

Opinion on Adequacy and Effectiveness of Internal Controls and Risk Management Systems

The ARC is responsible for making the necessary recommendations to the Board such that the Board can form an opinion concerning the adequacy and effectiveness of the risk management and internal control systems of the Group.

The Board is satisfied by the ARC's adequate review of the Group's internal controls, including operational, compliance and information technology controls, and risk management policies and systems established by Management. In its review, the ARC is assisted by both the external and internal auditors. This review is conducted at least once a year.

Over the course of the audit, the external auditors carried out a review of the adequacy and effectiveness of the Group's material internal controls, including financial, operational, compliance and information technology controls to the extent of their scope as laid out in their audit plan. Material non-compliance and internal control weaknesses noted during the audit were reported to the ARC along with the recommendations of the external auditors.

Based on the framework established and maintained, the work performed by the ARC, and the internal audit function as well as the assurance received from the Chief Executive Officer and the Chief Financial Officer, the Board with the concurrence of the ARC, is of the opinion that the Group's internal controls including financial, operational, compliance and information technology controls, and risk management systems, were adequate and effective in meeting the needs of the Group in its current business environment.

TLC - RISK GOVERNANCE AND INTERNAL CONTROL (cont.)

Risk Factors

Our risk management policy allows us to maintain an appropriate risk culture that supports business operations and assists the Board, via the ARC, in complying with obligations under the Code of Corporate Governance.

We have continued to follow our risk management disciplines and managed risks in line with good practice.

This section presents these principal risks and the mitigation measures in place to deal with them.

	Risk Name	Risk Description	Mitigation Measures/Controls	Risk Level
1	Macro-Economic risk	Economic slowdowns in the regions where the Group trades, adversely affect demand for leisure activities, particularly vacation travel. This means that the Group is exposed to the impacts of geopolitical disruptions, inflation and interest rate fluctuations on the regions where its main guests originate. These lead to declines in consumer spending in its feeder markets, which affect the growth rates and margins.	<ul style="list-style-type: none"> - Diverse geographical operating presence. - International customer base. - Flexible business model that allows targeting marketing spend to relevant customer segments and changing hospitality trends. 	H
2	Talent Management risk & Succession Planning	Our growth depends largely on our ability to retain and recruit talented Team Members (TMs) in key positions. If we are unable to recruit and retain enough TMs, our ability to manage and service our properties could be impaired which could reduce guest satisfaction. A shortage of skilled labour could also require higher replacement wages, which increase our operating expenses. Our future success depends in large part upon the efforts of our senior management. Competition for such personnel is intense. We may not be prepared to deal with unexpected needs for succession planning of key management positions.	<ul style="list-style-type: none"> - Talent development and management plan in place to retain Team Members. - Be known as the Employer of choice in our countries of operation. - Engage with governments for work permits and marketing of industry. - Regional headquarters based in Singapore and an office in Dubai with a wider reach for talent. 	H
3	Brand risk	Our future success and our ability to manage future growth depend upon our ability to protect our reputation and brands, including sub-brands, to continue to attract guests and management contracts. However, there is a risk that we engage with partners who eventually do not respect our brand standards which may affect our credibility for future expansion.	<ul style="list-style-type: none"> - Background checks on owners for management contracts. - Management contracts signed with owners with terms and conditions clearly laid out. 	H

TLC - RISK GOVERNANCE AND INTERNAL CONTROL (cont.)

Risk Factors (cont.)

Risk Name	Risk Description	Mitigation Measures/Controls	Risk Level
4 Destination Disruption risk	Major natural or man-made catastrophes such as cyclones, floods, earthquakes, tsunami, oil spills, disease outbreaks, political instability and terrorist attacks in locations where we manage properties could cause a decrease in demand for our properties, which could adversely affect our revenues.	- Our diversification plan through management contracts continues to limit risks of over-dependence on one country/location only.	H
5 Currency risk	Our reporting currency is in MUR and our main revenue is in MUR, EURO and USD. Any major fluctuation in USD/EURO affects our revenue, EBITDA and cash flow. This has a direct effect on our costs and financial situation.	- Diversification plan through management contracts in various locations and currencies. - Advanced planning for our yearly needs in foreign currency.	H
6 Cybersecurity risk	Despite our efforts, information networks and systems may be vulnerable to threats such as system, network or internet failures, computer hacking or business disruption, cyber-terrorism, viruses, worms or other malicious software programs, employee error, negligence, fraud, or misuse of systems, or other unauthorised attempts by third parties to access, modify or delete our proprietary and personal information.	- Network security and internal control measures in place to continually monitor our traffic. - IT Security audits. - Regular training to our TMs on information security	M
7 Fire, Life and Safety risk	The health and safety of our guests and Team Members is of utmost importance, in order to maintain our reputation and our revenue. However we still face the risks of fire hazards, food safety or health related incidents which could lead to casualties or spread of diseases in our resorts. This would have a major impact on our brand.	- Safety certifications from trusted service providers - Audits by reputable companies and action plan by each resort, which is closely monitored. - Regular trainings on fire, life and safety risks to all our Team Members. - Regular review of all Health and Safety procedures - Structure reinforced by recruiting a Health & Safety Manager at group level to coordinate all measures. - Insurance Policy which covers risks related to fire and food safety.	M

TLC - RISK GOVERNANCE AND INTERNAL CONTROL (cont.)

Risk Factors (cont.)

Risk Name	Risk Description	Mitigation Measures/Controls	Risk Level
8 Air Accessibility risk	We are highly reliant on flights that come to the countries where we operate. Hence our growth is directly linked to air access in these countries and the policies of governments and airlines on air access.	- Our diversification plan through management contracts continues to limit risks of over-dependence on one country/location only. - We work with authorities via hotelier associations in countries where we manage hotels to ensure that the needs of the industry are taken into account in government policies, including air access policies.	M
9 Sustainability & Climate Change	Growing regulatory requirements and societal expectations around sustainability pose both risks and opportunities. Failure to comply with environmental regulations or meet customer expectations could harm our reputation and financial performance.	We have committed to the UN Global Compact's ten principles and have already implemented sustainable practices (e.g., energy efficiency, waste reduction) across our resorts. Our long-standing initiative Tread Lightly, established in 2011, is the umbrella under which we operate, to conduct our projects relating to sustainability and communicate with our guests.	M
10 Technology Obsolescence risk	We are not an IT company but technology is important if we want to be known as an innovator in our industry. We face the risk of losing our competitive edge due to obsolescence of our technology, which results in decreased customer loyalty and a loss in market share.	We have embarked on a digital transformation journey to maximise performance, leveraging technology for our long-term success.	M
11 Operating model risk	We are a new hospitality management company and the choices we make in the operating models for our management contracts will affect our future profitability. We remain at risk of not being able to select contracts based on Hotel Management Agreements only, and may have to invest our funds in some hotels we wish to manage.	Management decision to stick to HMAs only and not to invest the funds of TLC in managed hotels.	L
12 Legal/Regulatory risk	Due to the nature of its business and its international presence, the Group is subject to varied, changing and sometimes contradictory laws and regulations in numerous areas (safety, health, environment, tourism, transportation, taxation, human resources, etc.). The application of these laws and regulations including the laws on data protection can be a source of operating difficulty and can lead to disputes with suppliers, owners, staff and even local authorities. Changes in laws and regulations applicable to the Group's entities could, in some cases, limit the Group's business activities as well as its ability to grow. These may also involve significant compliance costs, which could negatively affect the Group's results and outlook.	- Diversification of our operations to various countries to spread our risks. - Work with reputable local law firms to understand laws in new countries of operation. - Set up internal working groups and procedures to ensure compliance with all relevant regulations.	L

TLC - RISK GOVERNANCE AND INTERNAL CONTROL (cont.)

IT Governance

During the year, all our Team Members have been trained on information security threats and good practices. We have implemented new Information Security policies and procedures across the Group and continue to work on updating our IT governance framework. We also engaged an external consultant to conduct an IT Security audit across the group and the results were delivered during the financial year. We are actively working on remediation actions identified.

The shift towards digital transformation continues to ensure that the Group keeps at the forefront of technological innovation in the hospitality industry. It is actively pursuing upgrades to its information systems to support its growth strategy across multiple locations and brands. This is being done with data privacy and security at the forefront to ensure that we are compliant with all relevant data protection laws and regulations.

ACCOUNTABILITY AND AUDIT

Accountability

The Board reviews and approves the results announcements, before the release of each announcement. In presenting the annual and quarterly financial statements to the shareholders, the Board aims to provide shareholders with a balanced and clear assessment of the Company's performance, position and prospects.

For the financial year under review, the Chief Executive Officer and the Chief Financial Officer have provided assurance to the Board on the integrity of the financial statements of the Company and its subsidiaries. For interim financial statements, the Board gives its approval for the publication of the said accounts.

Internal Audit

The Company has an in-house internal audit function. The primary role of the internal auditors is to assist the ARC to ensure that the Company maintains a sound system of internal controls.

The Chief Internal Auditor ("CIA") is independent of Executive Management and reports to the ARC. On administrative matters, the CIA reports to the Chief Executive Officer. The ARC approves the hiring and dismissal of the CIA and ensures that the internal audit function is adequately staffed and has appropriate standing within the Company. The internal audit function works in accordance with the Standards for the Professional Practice of Internal Audit set by the Institute of Internal Auditors.

The annual internal audit plan is established in consultation with, but independently of, Management, and is reviewed and approved by the ARC. The CIA presents audit reports regularly to the ARC and discusses key issues contained therein. There was no limitation of scope placed on the internal auditors in conducting these audits.

ACCOUNTABILITY AND AUDIT (cont.)

External Auditor Independence

The ARC reviews the independence of the external auditors. During this process, the ARC also reviews all non-audit services provided by the external auditors to ensure the nature and extent of such non-audit services do not affect their independence. The ARC confirms that, in its opinion, the non-audit services offered by the external auditors during the financial year, did not affect the external auditor's independence.

In appointing the audit firms for the Group, the ARC is satisfied with the Company's compliance with the provisions of the Companies Act 2001.

The ARC has recommended to the Board that the external auditors be nominated for reappointment at the forthcoming Annual General Meeting.

Details of remunerations paid to auditors are as follows:

	THE GROUP		THE COMPANY	
	30-Jun-24	30-Jun-23	30-Jun-24	30-Jun-23
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
(a) Ernst & Young				
Audit services	1,779	1,442	975	706
Other services - Taxation	370	101	331	35
	2,149	1,543	1,306	741
(b) Other Auditors				
Audit services	307	459	-	-
	307	459	-	-
TOTAL	2,456	2,002	1,306	741

Statement of Compliance

Name of PIE: The Lux Collective Ltd

Reporting period: 30th June 2024

We, the Directors of The Lux Collective Ltd, confirm that to the best of our knowledge, The Lux Collective Ltd has complied with all the obligations and requirements of the Code of Corporate Governance.



Arnaud Lagesse,
Chairperson



Jean de Fondaumière,
Chairperson of the Audit and Risk Committee

This 27 September 2024

Secretary's Certificate

I hereby certify that to the best of my knowledge and belief, the Company has filed with the Registrar of Companies all such returns as are required of the Company under the Companies Act 2001 in terms of Section 166 (d).



IBL Management Ltd
Company Secretary

IBL House
Caudan Waterfront
Port Louis

This 27 September 2024

Statement of Directors' Responsibilities

In Respect of the Preparation of Financial Statements, Internal Control and Risk Management

For the year under review, the directors report that:

- the financial statements fairly present the state of affairs of the Group and the Company as at the end of the financial year and the result of operations and cash flows for that period;
- adequate accounting records and an effective system of internal controls and risk management have been maintained;
- appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;
- the financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and comply with the Companies Act 2001
- the financial statements have been prepared on the going concern basis;
- they are responsible for safeguarding the assets of the Group and of the Company;
- they have taken reasonable steps for the prevention and detection of fraud and other irregularities

The external auditors are responsible for reporting on whether the financial statements are fairly presented.

Approved by the Board of Directors on 27 September 2024

and signed on its behalf by:



Arnaud Lagesse,
Chairperson



Jean de Fondaumière,
Chairperson of the Audit and Risk Committee

Sustainability Report





Since The Lux Collective was founded in 2018, we've sought to constantly evolve our sustainability approach by aligning with international standards and initiatives. We've remained committed to responsible business practices that empower and support community and environmental resilience in each of the areas we operate.

While our commitment remains intact, The Lux Collective is currently in a period of transition. We're reassessing our sustainability priorities to ensure they meet the evolving challenges of our time and align with our business growth. The aim is to strengthen our existing sustainability framework, ensuring that The Lux Collective remains a leader in sustainable hospitality.

Our Journey So Far

2011

1. HISTORY
2011

CREATION OF LUX ISLAND RESORTS LTD (CEO PAUL JONES)
REPORTING ALIGNED WITH GRI SUSTAINABILITY REPORTING-STANDARDS
1ST HOTEL GROUP LISTED ON SUSTAINABILITY INDEX OF MAURITIUS EXCHANGE
PROPERTIES GREEN GLOBE CERTIFIED
GRI COMMUNITY MEMBER

2013

2. SUSTAINABILITY
2013

START OF SUSTAINABILITY DATA COLLECTION

2018

3. CREATION
2018

THE LUX COLLECTIVE IS BORN (HOTEL MANAGEMENT COMPANY)

SUSTAINABILITY ANCHORED IN COMPANY HIGHER PURPOSE WE CARE ABOUT WHAT MATTERS
SIGNATORY OF UNITED NATIONS GLOBAL COMPACT
GRI COMMUNITY MEMBER

2019

4. COMMITMENT
2019

COMMITTED TO SET A SCIENCE-BASED TARGET
MAPPING 17 SDGS
FOLLOWING 10 GLOBAL COMPACT PRINCIPLES

2021

6. ACTION
2021

SETTING PUBLIC SCIENCE-BASED TARGET
CSR PROJECTS INCREASED TO 22 PROJECTS
STATUS UPGRADED TO UN GLOBAL COMPACT PARTICIPANT
CEO'S REPRESENTATION AT UN GLOBAL COMPACT LEADERS SUMMIT (RESILIENCE IN TOURISM PANEL)
RENEWAL OF MEMBERSHIP WITH GLOBAL REPORTING INITIATIVE
LETTER FROM WE MEAN BUSINESS COALITION TO G20 LEADERS ENDORSED BY CEO

2024

7. JOURNEY
FY2023-24
- 2030

DOUBLE MATERIALITY MATERIALITY MATRIX
SETTING PUBLIC NET-ZERO CARBON SCIENCE-BASED TARGET IN 2022
ALL LUX* PROPERTIES IN MAURITIUS ACHIEVE EARTHCHECK 5 EARTH RATING (YEARLY AUDIT)
ETHICAL PROCUREMENT POLICY IN PIPELINE
GENDER DIVERSITY CHARTER IN PIPELINE : EMBED UN WOMEN EMPOWERMENT PRINCIPLES IN COMPANY-WIDE TARGETS

2020

5. CONTINUITY
2020

CEO PARTICIPATION ON FRANCOPHONE PANEL OF UNITED NATIONS GLOBAL COMPACT LEADERS SUMMIT 2020
CEO REPRESENTATION ON UN GLOBAL COMPACT SPECIAL COVID-19 SESSIONS FOR AFRICA
2 POWERFUL UN #UNITING-BUSINESS AND #RECOVERBETTER STATEMENTS ENDORSED BY CEO
ALL LUX* PROPERTIES IN MAURITIUS ACHIEVE EARTH-CHECK 5 EARTH RATING
TLC & LIR TOGETHER INCREASE KEY CSR PARTNERSHIPS TO 20

Evolving Our Approach

In partnership with the IBL Sustainability team and the Embedding Project, a global public-benefit research organisation, The Lux Collective has begun to conduct a double materiality assessment using the Embedding Project methodology. This process builds on a previous materiality assessment carried out in 2022.

The updated materiality assessment has so far confirmed several of the issues we had identified as priorities and identified several new ones:



The objective is to integrate sustainability more deeply into our decision-making processes, align our sustainability efforts with our core business strategies, and improve how and what we sustainability indicators we measure – as well as how we hold ourselves to account.

Ongoing Commitments

The Lux Collective remains committed to aligning with international and regional guidelines:

The UN Sustainable Development Goals (SDGs) continue to guide our corporate actions and investment decisions

We have continued to drive our flagship environmental project, Tread Lightly, across our hotels this year

We remain a participant in the UN Global Compact, upholding principles of human rights, labour rights, environmental stewardship, and anti-corruption

We stand by our CEO's pledge to the Science-Based Target Initiative for decarbonisation



How We Engage With Our Stakeholders

	OUR PEOPLE & THE MANAGEMENT	INVESTORS & SHAREHOLDERS	GUESTS	TOUR OPERATORS & TRAVEL AGENTS, BUSINESS SOURCES	LOCAL COMMUNITY	ACCREDITED ORGANISATIONS, GOVERNMENT & LEGISLATION	SUPPLIERS
How we engage with our Stakeholders	<ul style="list-style-type: none"> - Internal newsletters - Intranet Platform - CEO roadshows - Executive committees - Regular updates via email/ Memos - Employee surveys - Induction programs - On-going training and education - Performance management programs 	<ul style="list-style-type: none"> - Regular presentations and roadshows - External newsletters - Integrated reports and financial statements - Media releases and published results - Annual General Meeting - Dedicated analyst and investor presentation - LUX* Resorts & Hotels website 	<ul style="list-style-type: none"> - Online satisfaction surveys (e.g TripAdvisor) - Reward programmes - Dedicated customer relationship managers and call centres - Active website, Twitter and Facebook engagement - Personal, one-to-one interactions - Live Chat 	<ul style="list-style-type: none"> - Meet regularly - Participate in forums - Establish and maintain constructive relationships 	<ul style="list-style-type: none"> - Events and sponsorships - Corporate Social Responsibility programmes - Donations - Media channels 	<ul style="list-style-type: none"> - Establish and maintain constructive relationships - Comment on developments in legislation - Participate in forums - Regulatory surveillance, reporting and interaction - Membership of industry bodies (e.g MTPA) 	<ul style="list-style-type: none"> - One-to-one meetings - Tender and procurement processes - Supplier forums
Their contributions to value creation	Team Members are our most important asset and are the foundation of our business by their being productive and elevating guest experiences to Shining level.	Investors provide the financial capital necessary to sustain growth, development and innovation.	Their perceptions and behaviours help us to understand their needs and deliver relevant experiences, leading to brand enhancement and increase in revenue.	Tour operators and travel agents are essential to the success of our business since they are at the forefront of attracting guests and generating revenue.	The empowerment of local communities contributes to the long-term viability of our business.	Government and other regulatory bodies provide us with our licence to trade and the regulatory frameworks within which we operate.	Suppliers are vital to the success of our business by enabling us to deliver consistent guest experience.
What our Stakeholders expect from us & their concerns	<p>Expectation</p> <p>Provide a safe, stimulating and rewarding work environment that offers opportunities for personal and career development.</p> <p>Concern</p> <ul style="list-style-type: none"> - Health and safety performance - Job security - Performance management - Decent Work & Labour Practices - Equal Opportunity - Gender Equality - Ongoing training programmes and education - Open communication between Team Members and Management - Provision of competitive remuneration and benefits packages 	<p>Expectation</p> <p>Provide sustained returns on investment through sound risk management, strategic growth opportunities and good governance practices. Brand reputation (Responsible Business)</p> <p>Concern</p> <ul style="list-style-type: none"> - Deliver sustainable growth and returns - Dividends - Leadership and strategic direction - Corporate governance and ethics - Projects progression - Capital expenditure plans for current and future periods (risks and opportunities of expansion) - Liquidity and gearing 	<p>Expectation</p> <p>Provide consistent quality experiences that meet their expectations and needs.</p> <p>Concern</p> <ul style="list-style-type: none"> - Unique, consistent and quality experience - Simple and quick interaction with Team Members - Value offerings - Recognition for loyalty - Innovative products and services 	<p>Expectation</p> <p>Provide exceptional service to guests and engage in favourable business deals</p> <p>Concern</p> <ul style="list-style-type: none"> - Guest Satisfaction - Favourable terms - Timely payment 	<p>Expectation</p> <p>Help provide a better environment by offering job opportunities, organising social events and sponsorships.</p> <p>Concern</p> <ul style="list-style-type: none"> - Investment in disadvantaged communities (education, health, poverty and empowerment) - Employment opportunities - Sponsorships 	<p>Expectation</p> <p>Provide incentives for community empowerment through job creation, compliance with laws and regulations, and generate taxation revenue.</p> <p>Concern</p> <ul style="list-style-type: none"> - Taxation revenue - Compliance with legislation and licence conditions - Job creation - Investment in public and tourism infrastructure - Investment in disadvantaged communities - Environmentally-friendly operations and reduction in energy and water consumption 	<p>Expectation</p> <p>Provide a framework for transparent supplier selection and effectuate payments in a timely manner.</p> <p>Concern</p> <ul style="list-style-type: none"> - Timely payment and favourable terms - Fair treatment
Impact on objectives & strategies	Elevate Team Member engagement	Growth revenue Cost optimisation Project development	Brand strength and optimal distribution	Elevate the experience	Environmental sustainability and Inclusive Business	Elevate the experience & Stakeholder relationship	Stakeholder Relationship

Our Approach to CSR

The Lux Collective Ltd and its sister organisation, LUX Island Resorts, support initiatives that align with our values. These efforts reflect key national priorities in each of the areas in which we work and align with principles of the United Nations Sustainable Development Goals, including poverty alleviation, quality education, women’s empowerment, and biodiversity conservation.

Across our resorts, we contributed to projects and ran educational activities and apprenticeships to promote the growth and development of the surrounding areas and communities, including our team members. The tables below summarise the main initiatives that were run this year.

1. ENVIRONMENT

Tread Lightly

We continued to drive our flagship environmental project, Tread Lightly, across our hotels this year. Aligned with eight UN Sustainable Development Goals, this internationally recognised programme focuses on climate change mitigation and adaptation, with a particular emphasis on renewable energy and biodiversity conservation. Tread Lightly offers guests a 100% carbon-free stay for a voluntary €1 nightly contribution. In the last financial year, the project raised nearly MUR 3.7 million from just two hotels.

The Tread Lightly project is also the umbrella under which we collaborate with local NGOs on biodiversity conservation in

the areas where we operate. We support various conservation initiatives that align with the United Nations Development Goals. Tread Lightly also encourages our guests to participate in Responsible Tourism by visiting endemic forests and protected areas, where they can contribute to conservation efforts.

By integrating environmental stewardship with guest experiences, Tread Lightly not only enhances our sustainability profile but also creates a unique value proposition in the competitive luxury travel market.

Biodiversity Conservation	<ul style="list-style-type: none"> - Invested over MUR 3.7 million in partnerships with environmental conservation associations. - Hosted awareness sessions on marine conservation practices. - Organized campaigns to promote endemic trees and mangrove importance - In the Maldives: <ul style="list-style-type: none"> - Funded the Maldives Whaleshark Research Programme. - Expanded solar power capacity with Swimsol, aiming to: <ul style="list-style-type: none"> - Save 1.1 million liters of diesel per year. - Reduce CO2 emissions by 3,000 tons annually.
Animal Welfare	<ul style="list-style-type: none"> - Launched sterilization campaigns for stray dogs and cats. - Installed food & water dispensers in Grand Gaube village. - Supported adoption efforts in South-West Mauritius.
Waste Management	<ul style="list-style-type: none"> - Implemented initiatives to reduce, recycle, and repurpose waste, with activities including: <ul style="list-style-type: none"> - Upcycling plastic bottles. - Training on waste sorting. - Promoting sustainable gardening practices. - Installing water fountains to reduce plastic bottle use. - Collaborated with Mauritian NGO Indie’s World and local pig farmers to repurpose over 10,000 kg of food waste.

2. SOCIAL

Donations and community support projects	<ul style="list-style-type: none"> - Provided school supplies, birthday cakes, Christmas gifts, daily essentials, and meals to underprivileged children. - Supported orphanages and shelters across our areas of operation. - Provided support to students from underprivileged communities in Mauritius and the Maldives. - Visited care homes to offer food and entertainment to their residents. - Contributed essential items to the homeles.
Educational Activities	<ul style="list-style-type: none"> - Collaborations with local councils to educate families about online payment platforms and sustainable practices. - Working with NGOs to offer educational activities to schools, including football coaching sessions, educational field trips, beach cleanups, tree planting as well as offering career guidance in hospitality. - Partnering with the Global Rainbow Foundation to provide specialised hospitality training to team members with disabilities. - Taught our staff sign language, to encourage a more inclusive work environment.
Financial Support	<ul style="list-style-type: none"> - Invested approximately MUR 2 million in key community projects. - Funded activities for pre-primary and primary schools and NGOs. - Supported the opening of the first Safe Haven Halfway Home for women in Mauritius. - Assisted the Thalassaemia Society of Mauritius with medical equipment. - Funded ambulance equipment for Fellowship First Aiders.
Cultural Diversity	<ul style="list-style-type: none"> - Supported initiatives promoting cultural heritage and religious celebrations. - Extended support to orphanages and elderly homes during cultural festivals. - Renovated the St François d’Assise Presbytery.





Financial Position

Independent Auditor's Report

To the Members of The Lux Collective Ltd and its Subsidiaries

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the consolidated and separate financial statements of The Lux Collective Ltd (the "Company") and its subsidiaries (the "Group") set out on pages 96 to 154 which comprise the consolidated and separate statements of financial position as at June 30, 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policies.

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Group and Company as at June 30, 2024, and of its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and comply with the Companies Act 2001 and the Financial Reporting Act 2004.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including

International Independence Standards) (the "IESBA Code") and other independence requirements applicable to performing audits of financial statements of the Group and Company and in Mauritius. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits of the Group and Company and in Mauritius. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "The Lux Collective Ltd and its subsidiaries Financial Statements for the year ended June 30, 2024", which includes the Annual report and the Secretary's Certificate as required by the Companies Act 2001, which we obtained prior to the date of this report, and the Integrated Annual Report, which are expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date

of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2001 and the Financial Reporting Act 2004, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement

Independent Auditor's Report
To the Members of The Lux Collective Ltd and its Subsidiaries (cont.)

when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention

in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion. We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our Report

This report is made solely to the Company's members, as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditor, tax advisors and dealings in the ordinary course of business.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Financial Reporting Act 2004

The Directors are responsible for preparing the Corporate Governance Report. Our responsibility under the Financial Reporting Act is to report on the compliance with the Code of Corporate Governance ("the Code") disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the Group has, pursuant to section 75 of the Financial Reporting Act, complied with the requirements of the Code.

Ernst & Young,
Ebène, Mauritius

Winda Chevalier, F.C.C.A.,
Licensed by FRC

27th September 2024

Statements of Financial Position

As at June 30, 2024

	Notes	THE GROUP		THE COMPANY	
		2024 Rs.'000	2023 Rs.'000	2024 Rs.'000	2023 Rs.'000
ASSETS					
Non-current assets					
Property, plant and equipment	4	37,996	43,561	7,071	6,110
Right of use assets	18	213,864	233,956	2,100	2,700
Intangible assets	5	202,885	201,880	3,035	2,030
Investment in subsidiaries	6	-	-	214,608	214,595
Investment in other financial assets	7	4	4	-	-
Long-term deposit	10	7,821	-	-	-
Deferred tax assets	8 (a)	37,416	35,052	24,408	21,253
		499,986	514,453	251,222	246,688
Current assets					
Inventories	9	7,596	9,295	443	461
Trade and other receivables	10	259,888	162,528	313,183	173,620
Cash in hand and at bank	28	86,177	135,122	32,712	84,777
		353,661	306,945	346,338	258,858
TOTAL ASSETS		853,647	821,398	597,560	505,546
EQUITY AND LIABILITIES					
Equity					
Stated capital	11	30,164	30,164	30,164	30,164
Other reserves	12	15,960	15,308	-	-
Retained Earnings		77,593	24,046	136,546	65,162
Total equity		123,717	69,518	166,710	95,326
Non-current liabilities					
Employee defined benefit liabilities	14	31,694	28,974	28,635	26,362
Interest-bearing loans and borrowings	15	328,541	433,638	102,435	187,161
Trade and other payables	16	-	15,173	-	-
		360,235	477,785	131,070	213,523
Current liabilities					
Interest-bearing loans and borrowings	15	119,583	60,594	87,916	26,478
Contract liabilities	16 (iv)	4,544	3,532	-	-
Trade and other payables	16	213,973	175,318	184,004	142,359
Dividends payable	13	27,860	27,860	27,860	27,860
Income tax liability	17 (b)	3,735	6,791	-	-
		369,695	274,095	299,780	196,697
Total liabilities		729,930	751,880	430,850	410,220
TOTAL EQUITY AND LIABILITIES		853,647	821,398	597,560	505,546

These financial statements have been approved for issue by the Board of Directors on 27 September 2024 and signed on its behalf by:



Arnaud Lagesse, Chairperson
Jean de Fondaumiere, Director

The notes set out on pages 101 to 154 form an integral part of these financial statements.
Independent auditor's report on pages 94 to 95.

Statements of Profit or Loss and Other Comprehensive Income

As at June 30, 2024

	Notes	THE GROUP		THE COMPANY	
		2024 Rs.'000	2023 Rs.'000	2024 Rs.'000	2023 Rs.'000
Revenue from contracts with customers	19	1,164,274	966,811	705,351	524,977
Other operating income	21	59,937	63,769	126,879	147,121
Total operating income		1,224,211	1,030,580	832,230	672,098
Cost of inventories	20	(35,905)	(38,408)	-	-
Employee benefit expenses	22	(646,507)	(439,048)	(406,389)	(191,077)
Depreciation and amortisation	23	(46,136)	(57,757)	(4,015)	(10,028)
Expected credit loss allowance	24	(6,657)	3,323	(2,076)	2,000
Other operating expenses	25	(353,675)	(339,103)	(307,603)	(365,839)
Total operating expenses		(1,088,880)	(870,993)	(720,083)	(564,944)
Operating profit	26	135,331	159,587	112,147	107,154
Finance costs	27	(32,154)	(41,474)	(11,116)	(15,341)
Profit before tax		103,177	118,113	101,031	91,813
Income tax expense	17(a)	(20,506)	(14,765)	(744)	(3,626)
Profit for the year		82,671	103,348	100,287	88,187
Other comprehensive income:					
- Other comprehensive income that may be reclassified to profit or loss subsequently					
Exchange difference on translation of foreign operations	12	652	4,145	-	-
		652	4,145	-	-
- Other comprehensive (loss)/income that may not be reclassified to profit or loss subsequently					
Actuarial gain/ (loss) on employee defined benefit liabilities - funded	14(i)	390	(3,213)	390	(3,213)
Actuarial (loss)/ gain on employee defined benefit liabilities - unfunded	14(r)	(1,913)	9,089	(1,647)	8,985
Deferred tax on employee defined benefit liabilities	8(a)	259	(999)	214	(981)
		(1,264)	4,877	(1,043)	4,791
Total other comprehensive (loss)/income for the year, net of tax		(612)	9,022	(1,043)	4,791
Total comprehensive income for the year, net of tax		82,059	112,370	99,244	92,978
Earnings per shares (Rs.)	30	0.36	0.45	-	-

* Dividend income of Rs. 95m (2023: 111m) is a non-cash item that has been adjusted in the working capital. The Dividend Income has been recovered through offsetting through intercompany accounts.

The notes set out on pages 101 to 154 form an integral part of these financial statements.
Independent auditor's report on pages 94 to 95.

Statements of Changes in Equity

For the year ended June 30, 2024

THE GROUP					
	Notes	Stated capital	Other reserves*	(Accumulated losses)/Retained Earnings	Total
		Rs.'000	Rs.'000	Rs.'000	Rs.'000
At 01 July 2022		390,164	11,163	(416,319)	(14,992)
Profit for the year		-	-	103,348	103,348
Other comprehensive income/(loss) for the year		-	4,145	4,877	9,022
Total comprehensive income for the year		-	4,145	108,225	112,370
Capital reduction	11	(360,000)	-	360,000	-
Dividends	13	-	-	(27,860)	(27,860)
At 30 June 2023		30,164	15,308	24,046	69,518
At 01 July 2023		30,164	15,308	24,046	69,518
Profit for the year		-	-	82,671	82,671
Other comprehensive income for the year		-	652	(1,264)	(612)
Total comprehensive income for the year		-	652	81,407	82,059
Dividends	13	-	-	(27,860)	(27,860)
At 30 June 2024		30,164	15,960	77,593	123,717

* Other reserves comprise of foreign exchange translation reserve as disclosed in Note 12.

The notes set out on pages 101 to 154 form an integral part of these financial statements. Independent auditor's report on pages 94 to 95.

Statements of Changes in Equity

For the year ended June 30, 2024

THE COMPANY				
	Notes	Stated capital	(Accumulated Losses)/Retained Earnings	Total
		Rs.'000	Rs.'000	Rs.'000
At 01 July 2022		390,164	(359,956)	30,208
Profit for the year		-	88,187	88,187
Other comprehensive income for the year		-	4,791	4,791
Total comprehensive income for the year		-	92,978	92,978
Capital reduction	11	(360,000)	360,000	-
Dividends	13	-	(27,860)	(27,860)
At 30 June 2023		30,164	65,162	95,326
At 01 July 2023		30,164	65,162	95,326
Profit for the year		-	100,287	100,287
Other comprehensive income for the year		-	(1,043)	(1,043)
Total comprehensive income for the year		-	99,244	99,244
Dividends	13	-	(27,860)	(27,860)
At 30 June 2024		30,164	136,546	166,710

The notes set out on pages 101 to 154 form an integral part of these financial statements. Independent auditor's report on pages 94 to 95.

Statements of Cash Flows

For the year ended June 30, 2024

	Notes	THE GROUP		THE COMPANY	
		2024 Rs.'000	2023 Rs.'000	2024 Rs.'000	2023 Rs.'000
OPERATING ACTIVITIES					
Profit before tax		103,177	118,113	101,031	91,813
<i>Adjustments to reconcile profit before tax to net cash flows from operating activities:</i>					
Depreciation of property, plant and equipment	4	11,008	14,630	2,299	2,942
Amortisation of intangible assets	5	1,116	1,744	1,116	1,737
Depreciation of right of use assets	18	34,012	41,383	600	5,349
Profit/loss on scrapped/ sales of assets		(64)	149	-	30
Foreign Exchange differences		(155)	-	(354)	-
Derecognition of Leases		-	598	-	-
Interest expense	27	32,154	34,477	11,116	11,267
Employee defined benefit liabilities	14	1,197	1,926	1,016	1,823
Dividend income*	21	-	-	(95,151)	(110,517)
		182,445	213,020	21,673	4,444
<i>Working capital adjustments:</i>					
Decrease/(increase) in inventories		1,699	(3,292)	18	(9)
(Increase) in trade and other receivables*		(105,181)	(9,364)	(44,412)	106,616
Increase in contract liabilities		1,012	1,175	-	-
Increase/(decrease) in trade and other payables		21,854	(12,557)	41,658	(35,812)
Cash from /(used in) operations		101,829	188,982	18,937	75,239
Interest paid		(30,526)	(33,003)	(11,116)	(11,267)
Income tax paid	17(b)	(25,793)	(25,050)	(3,685)	(4,760)
Net cash flows generated from operating activities		45,510	130,929	4,136	59,212
INVESTING ACTIVITIES					
Acquisition of shares in subsidiary	6	-	-	(13)	-
Acquisition of property, plant and equipment	4	(5,416)	(8,283)	(3,260)	(2,650)
Acquisition of intangible assets	5	(2,121)	-	(2,121)	-
Proceeds from sale of property, plant and equipment		64	2,149	-	-
Net cash flows used in investing activities		(7,473)	(6,134)	(5,394)	(2,650)
FINANCING ACTIVITIES					
Repayment long term borrowings	15 (c)	(20,445)	(20,236)	(22,821)	(22,471)
Repayment of principal portion of obligation under leases	18 (b)	(32,542)	(37,408)	(466)	(6,356)
Dividends paid		(27,860)	-	(27,860)	-
Net cash flows used in financing activities		(80,847)	(57,644)	(51,147)	(28,827)
Net (decrease)/increase in cash and cash equivalents		(42,810)	67,151	(52,405)	27,735
At July 1,		128,009	60,264	84,777	57,042
Exchange difference		978	594	340	-
At June 30,	28 (a)	86,177	128,009	32,712	84,777

* Dividend income of Rs. 95m (2023: 111m) is a non-cash item that has been adjusted in the working capital. The Dividend Income has been recovered through offsetting through intercompany accounts.

The notes set out on pages 101 to 154 form an integral part of these financial statements. Independent auditor's report on pages 94 to 95.

Notes to the Financial Statements

For the year ended June 30, 2024

1. CORPORATE INFORMATION

The Lux Collective Ltd is a public company incorporated in Mauritius and having its registered office situated at 58, Pierre Simonet Street, Floréal. The main activity of the Group and the Company is the provision of hotel management services as well as hotel operation. The Company is a subsidiary of IBL Limited, a listed company incorporated in Mauritius.

2. ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated and separate financial statements have been prepared on a historical cost basis except for investments in financial assets at fair value through other comprehensive income which are stated at their fair values as disclosed in the accounting policies hereafter. The financial statements are presented in Mauritian Rupees and rounded to the nearest Rupee and rounded to the nearest thousands.

The Group has prepared the financial statements on the basis that it will continue as a going concern.

Statement of Compliance

The consolidated and separate financial statements of The Lux Collective Ltd have been prepared in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board (IASB).

2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of The Lux Collective Ltd and its subsidiaries as at June 30, 2024.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee),
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

2. ACCOUNTING POLICIES (cont.)

2.2 Basis of Consolidation (cont.)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences, recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in statement of profit or loss

Reclassifies the parent's share of components previously recognised in other comprehensive income to statement of profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.3 Changes in Accounting Policies and Disclosures

New and amended standards and interpretations

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2023. The nature and the effect of changes as a result of adopting these new accounting standards is described below.

Several other amendments and interpretations apply for the first time in 2023, but do not have an impact on the financial statements of the Group. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. The accounting policies adopted are consistent with those of the previous financial year, except for the following new and amendments to IFRS as from 1 July 2023:

		Effective for accounting period beginning on or after
Amendments		
IAS 1	Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	1 January 2023

Where the adoption of the standards or amendments is deemed to have an impact on the financial statements or performance of the Group, their impact is described below:

Amendments to IAS 1 and IFRS Practice Statement 2

The amendments to IAS 1 and IFRS Practice Statement 2 *Making Materiality Judgements* provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

2. ACCOUNTING POLICIES (cont.)

2.3 Changes in Accounting Policies and Disclosures (cont.)

Amendments to IAS 1 and IFRS Practice Statement 2 (cont.)

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

The adoption of the other above revised standard or amendments, which came into effect on 1 January 2023 had no impact on the financial statements or performance of the Group and Company.

2.4 Accounting Standards and Interpretations Issued but not yet effective

The following standards, amendments to existing standards and interpretations were in issue but not yet effective. The Group would adopt these standards, if applicable, when they become effective. No early adoption of these standards and interpretations is intended by the Board of directors.

		Effective for accounting period beginning on or after
Amendments		
IAS 1	Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1	1 January 2024
IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027

The Group is still assessing the potential impact of those standards and amendments to existing standards on its financial statements. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

2.5 Summary of Material Accounting Policies

(a) Foreign currency translation

The consolidated and separate financial statements are presented in Mauritian Rupees ("Rs"), which is the parent's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded in the functional currency at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated to the functional currency at the rate of exchange ruling at the reporting date. All differences are taken to profit or loss with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken to other comprehensive income until the disposal of the net investment, at which time they are recognised in profit or loss. Tax charges and credits attributable to exchange differences on those borrowings are also dealt with in other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

2. ACCOUNTING POLICIES (cont.)

2.5 Summary of Material Accounting Policies (cont.)

(a) Foreign currency translation (cont.)

Where the functional currency of the subsidiaries at the reporting date is not the presentation currency of the Group (the Mauritian Rupee), the assets and liabilities of these subsidiaries are translated into Mauritian Rupee at the rate of exchange ruling at the reporting date and, income and expenses are translated at the average exchange rates for the year. The exchange differences arising on the translation are taken through other comprehensive income. On disposal of a foreign entity, the deferred cumulative amount recognised in other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

(b) Property, plant and equipment

All property, plants and equipment are stated at historical cost less accumulated depreciation and impairment losses.

The carrying values of property, plant and equipment are reviewed for impairment at each reporting date or when events or changes in circumstances indicate that the carrying value may not be recoverable.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit.

Depreciation is calculated on the straight-line method to write off the cost of each asset to their residual values over their estimated useful lives. The useful life, residual value and method of depreciation of an item of property, plant and equipment is reviewed at each financial year-end and adjusted prospectively if appropriate. The annual rate of depreciation is as follows:

Improvement to leasehold building	10%-20%
Plant and equipment	10% - 20%
Furniture and fittings	10% - 20%
Motor vehicles	20%
Computer equipment	20%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss when the asset is derecognised.

(c) Investment in subsidiaries

Company financial statements

Investment in subsidiary companies is carried at cost which is the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquirer. Acquisition-related costs are recognised in profit or loss as incurred. The carrying amount is reduced to recognise any impairment in the value of individual investments. The impairment loss is taken to profit or loss.

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

2. ACCOUNTING POLICIES (cont.)

2.5 Summary of Material Accounting Policies (cont.)

(d) Intangible assets

Goodwill

Goodwill acquired in a business combination is initially measured as the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquire (if any) over the net of the acquisition-date amounts of the identifiable assets and liabilities assumed. If after reassessment, the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree, the excess is recognized in profit or loss as a gain on bargain purchase. Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or group of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units), to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year-end. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset. The estimated useful life of intangible asset with finite useful life is as follows:

Computer software	-	5 years
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(e) Financial assets

Initial recognition and measurement

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies in section (q) (i) Revenue from contracts with customers.

2. ACCOUNTING POLICIES (cont.)

2.5 Summary of Material Accounting Policies (cont.)

(e) Financial assets (cont.)

Initial recognition and measurement (cont.)

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost include trade and other receivables, as well as cash and cash equivalents.

Other income

The Group earns other income such as dividend income from investee companies.

- Dividend income - when the shareholder's right to receive payment is established.

(f) Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand.

For the purpose of the consolidated and separate statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Such financial assets are carried at amortised cost using the effective interest rate method.

(g) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss (FVTPL), loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

2. ACCOUNTING POLICIES (cont.)

2.5 Summary of Material Accounting Policies (cont.)

(g) Financial liabilities (cont.)

Initial recognition and measurement (cont.)

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, less directly attributable transaction costs. The Group's financial liabilities include trade and other payables, bank overdrafts and loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Trade and other payables and, Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate method (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

(h) Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Company or the Group retains the right to receive cash flows from the asset but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

(i) Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

2. ACCOUNTING POLICIES (cont.)

2.5 Summary of Material Accounting Policies (cont.)

(i) Impairment of financial assets (cont.)

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(j) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated and separate statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(k) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. Non-financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the non-financial asset, the estimated future cash flows of the investment has been affected. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

2. ACCOUNTING POLICIES (cont.)

2.5 Summary of Material Accounting Policies (cont.)

(l) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition, are accounted for on a weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(m) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to income in equal annual amounts over the expected useful life of the related asset.

(n) Retirement benefit obligations

The Group operates a defined benefit plan for some of its employees. For the remaining employees, the Group contributes to a unitised defined contribution pension scheme that was established on 1 July 2002. The employer contributes 9% of salaries in respect of members of the fund, while members contribute 6% of salaries. In each case the minimum monthly contribution is Rs. 100.

Defined benefits schemes

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding net interest (not applicable to the Group) and the return on plan assets (excluding net interest), are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under 'employee benefit expenses' in profit or loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income

Defined contributions schemes

Payments to defined contribution retirement plans are charged as an expense as they fall due. Unpaid contributions are recognized as a liability.

2. ACCOUNTING POLICIES (cont.)

2.5 Summary of Material Accounting Policies (cont.)

(n) Retirement benefit obligations (cont.)

Other retirement benefits

For employees who are not covered by any of the above plan, the Group contributes to the Portable Retirement Gratuity fund established under the Workers Right Act 2019. The net present value of gratuities payable under the Workers' Rights Act 2019 is calculated and a liability accounted for. The obligations under this item are not funded.

Liabilities with respect to above schemes are calculated by Swan Life Ltd (Actuarial Valuer) annually.

Vacations Leave

Following the amendments of Workers' Rights Act in 2019, employees are entitled to 30 calendar days of employer-paid vacation leave for employees earning up to MUR 600,000 annually after five consecutive years of service with the same employer effective as of 24 October 2024.

The provision for the vacation leave was determined by Swan Life Ltd as part of the IAS 19 requirements.

(o) Taxes

Current tax

Tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2. ACCOUNTING POLICIES (cont.)

2.5 Summary of Material Accounting Policies (cont.)

(o) Taxes (cont.)

Deferred tax (cont.)

Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilized, except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

The principal temporary differences arise from depreciation on property, plant and equipment, Right of used assets, expected credit loss allowances, tax losses carried forward and retirement benefit obligations.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantially enacted at the reporting date.

Income tax relating to items recognised directly in other comprehensive income is recognised in other comprehensive income and not profit or loss.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it is incurred during the measurement period or in profit or loss.

Value Added Tax

Revenues, expenses and assets are recognised net of the amount of value added tax except:

- Where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of accounts receivables or payables in the statement of financial position.

2. ACCOUNTING POLICIES (cont.)

2.5 Summary of Material Accounting Policies (cont.)

(p) Leases

Group as lessee

The Group assesses at contract inception whether a contract is or contains a lease. That is, if the contract conveys the right to control the use of an identifiable assets for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated amortisation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

• Land and building	Period of the lease (between 4 to 12 years)
• Plant and equipment	5 to 7 years
• Furniture & fittings	5 to 7 years
• Computer equipment	5 years
• Motor vehicle	5 years

If ownership of the lease asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The Right-of-use asset are assessed for impairment losses.

(ii) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payment (include in substance fixed payments) less any lease incentives received, variable lease payments that depend on an index or rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price option reasonably certain to be exercised by the Group and payments of penalties for termination of lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payment, the Group uses its incremental borrowing rate at the lease commencement date, because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2. ACCOUNTING POLICIES (cont.)

2.5 Summary of Material Accounting Policies (cont.)

(p) Leases (cont.)

Group as lessee (cont.)

(ii) Lease liabilities (cont.)

The Group's lease liabilities are included in interest-bearing loans and borrowings.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(q) Revenue recognition

(i) Revenue from contracts with customers

The Group is in the business of hotel management and hotel operation. Revenue is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer.

Recognition of management and brand fees

Management and brand fees are recognised over time and accrued for when the amount of revenue can be measured reliably and it is probable that the economic benefits will flow to the entity.

Recognition of packages sales to tour operators.

The Group derives package revenue (room revenue and food and beverage revenue) via tour operators ("TO") from its hotel operation activities. The TOs receives or retains a percentage of the package revenue – usually called a commission – collected from the guests. Revenue from packages sales are recognised net of commission.

Recognition of Training fees income

The Group derives income for the training provided to the hotel employees. The income is recognised as and when the training is provided.

Recognition of Commission income

The Group derives commission income as it acts as an agent to connect the hotels and customers via its booking platform. Only a percentage of the package revenue is recognised as revenue. The main stream of hotel operations revenue of the Group is as follows:

Room Revenue

Room revenue is recognised over time. Recognition starts once the guests check-in at the hotel premises and ends at check-out.

2. ACCOUNTING POLICIES (cont.)

2.5 Summary of Material Accounting Policies (cont.)

(q) Revenue recognition (cont.)

(i) Revenue from contracts with customers (cont.)

Food & Beverage Revenue

F&B revenue is generated from packaged sales (e.g. half boards, full boards or All-inclusive) or through direct sales (at a point in time) at the restaurants or bars. Unlike direct sales, packaged sales are recognised over time as revenue daily when it is probable that the future economic benefits will flow to the entity and those benefits can be measured reliably, i.e. upon consumption.

Other Operating Departments

Other operating departments include the provision of services such as laundry, spa and boutique sales. The Group acts as an agent from time to time (e.g. for diving, big game fishing, horse riding, etc.).

In an agency relationship, the gross inflows of economic benefits include amounts collected on behalf of the principal and which do not result on increases in equity for the entity. The amounts collected on behalf of the principal are not revenue. Instead revenue is the amount of commission.

(ii) Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (e) Financial instruments – initial recognition and subsequent measurement.

(iii) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated and separate financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

(a) Judgements

In the process of applying the Group's accounting policies, management has made the following judgement, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements:

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (cont.)

(a) Judgements (cont.)

(i) Determination of functional currency

The determination of the functional currency of the Group is critical since recording of transactions and exchange differences arising thereon are dependent on the functional currency selected. Despite the fact that prices of the services in the tourism industry are generally denominated and settled in foreign currency, the actual underlying computation to arrive at those prices significantly depend on the country's competitive forces, which, in line with IAS 21 para 9(a) gives a strong indication that the Mauritian Rupee is the functional currency. Besides, in line with IAS 21 para 9(b) the currency in which labour, material and costs of providing services is materially the Mauritian Rupee. Furthermore, the shareholders of the Company are looking for returns in Mauritian Rupee and the Group's performance is evaluated in Mauritian Rupee. Therefore, management considers Mauritian Rupee as the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions.

(ii) Going concern

The Group reported a profit of Rs 82m for the financial year ended 30 June 2024 (2023: Profit of Rs 103m) and as at this date, the Group had net current liabilities of Rs 16m (2023: net current assets of Rs 25m). The Company reported a profit of Rs 100m for the financial year ended 30 June 2024 (2023: Rs 88m) and had net current assets of Rs 46m (2023: Rs 62m).

Consequently, as at 30 June 2024 and up to the date of this report, the directors have assessed the Group's and the Company's ability to continue as a going concern taking into account projected cash flows for the next twelve months, with an assessment of past performance, the economic environments in the destinations where the Group's operate as well as in its main feeder markets. Management has also addressed the net current liability of the Group and entered into negotiation with its main banker for restructuring of its bank loans post year end.

In July 2024, the Group was successful in securing a commercial loan for an amount of Rs 63m to refinance subsidised loans with a maturity date set for August and September 2024. New loan repayments have been agreed with the bank and the maturity date has been rescheduled after 36 months.

Based on the above, management is satisfied that the Group and the Company have the adequate resources to continue in business for the foreseeable future and be able to discharge their liabilities as and when they fall due. Furthermore, management is not aware of any material uncertainties that may cast doubt upon the Group's or Company's ability to continue as a going concern. Therefore, the financial statements are prepared on a going concern basis.

(b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Employee benefit liabilities

The cost of defined benefit pension plans and related provision, as disclosed in Note 14 to the financial statements requires the use of actuarial valuations. The actuarial valuation involves the use of significant estimates in respect of inter-alia, discount rate, expected return on plan assets, future salary increases, mortality rate and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. The Group's and the Company's net employee defined benefit liabilities at 30 June 2024 is Rs 32m (2023: Rs 29m) and Rs 29m (2023: Rs 26m) respectively. Further details are set out in Note 14.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (cont.)

(b) Estimates and assumptions (cont.)

(ii) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Recoverability of deferred tax assets have been assessed for each subsidiary based on the forecasted taxable profit to be generated during the next financial period.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Main assumptions used in the determination of future taxable profits include inter-alia: occupancy rates and room rates of hotels under management.

At 30 June, the status of unused tax losses of the Group and the Company was as follows:

	2024	
	THE GROUP	THE COMPANY
	Rs'000	Rs'000
Tax losses	326,753	204,282

	2023	
	THE GROUP	THE COMPANY
	Rs'000	Rs'000
Tax losses	325,102	136,037

(iii) Impairment of goodwill

Goodwill is tested on an annual basis for impairment loss in accordance with IAS 36. This requires an estimation of the "value in use" of the cash generating units to which goodwill is allocated. Estimating a value in use amount requires management to make estimates of the expected future cash flows from the cash generating unit and the selection of suitable discount rate in order to compute the present value of expected cash flow. The carrying amount of goodwill as at 30 June 2024 amounted to Rs 199.8m (2023: Rs 199.8m). Further details are given in Note 5.

(iv) Provision for expected credit losses on trade receivables

For trade and other receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The assessment of the correlation between historical observed default rates and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 34.

4. PROPERTY, PLANT AND EQUIPMENT

THE GROUP	Improvement to leasehold building	Plant and equipment	Furniture and fittings	Motor vehicle	Computer equipment	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
COST						
At July 1, 2022	20,736	38,564	23,327	9,435	47,798	139,860
Additions	-	3,136	668	-	4,479	8,283
Disposal (Note (iii))	(14,436)	-	(182)	-	(6,546)	(21,164)
Assets written off	-	(398)	-	-	(175)	(573)
Exchange difference	153	16	7	-	79	255
At July 1, 2023	6,453	41,318	23,820	9,435	45,635	126,661
Additions	-	1,965	363	1,162	1,926	5,416
Disposal	-	(20)	(73)	(610)	(138)	(841)
Exchange difference	-	11	-	-	58	69
At June 30, 2024	6,453	43,274	24,110	9,987	47,481	131,305
DEPRECIATION						
At July 1, 2022	17,548	11,944	8,142	8,995	41,086	87,715
Charge for the year	1,505	5,469	2,392	63	5,201	14,630
Disposal (Note (iii))	(12,826)	-	(164)	-	(5,908)	(18,898)
Assets written off	-	(398)	-	-	(144)	(542)
Exchange difference	121	9	7	-	58	195
At July 1, 2023	6,348	17,024	10,377	9,058	40,293	83,100
Charge for the year	61	4,963	2,348	194	3,442	11,008
Disposal	-	(20)	(73)	(610)	(138)	(841)
Exchange difference	-	9	-	-	33	42
At June 30, 2024	6,409	21,976	12,652	8,642	43,630	93,309
NET BOOK VALUES						
At June 30, 2024	44	21,298	11,458	1,345	3,851	37,996
At June 30, 2023	105	24,294	13,443	377	5,342	43,561

- (i) Bank borrowings are secured by way of floating charges on the assets of the Group.
- (ii) No borrowing costs were capitalised during the year (2023: nil).
- (iii) The significant disposal of PPE, in prior year, followed the cancellation of the long term lease agreement of the Singapore office, with the subsequent disposal of the building improvements, furnitures and other equipment to the landlord.

4. PROPERTY, PLANT AND EQUIPMENT (cont.)

THE COMPANY	Plant and equipment	Furniture and fittings	Motor vehicle	Computer equipment	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
COST					
At July 1, 2022	8,512	5,200	3,130	37,384	54,226
Additions	22	234	-	2,394	2,650
Assets written off	-	-	-	(175)	(175)
At July 1, 2023	8,534	5,434	3,130	39,603	56,701
Additions	172	101	1,312	1,675	3,260
Assets written off	-	-	-	(138)	(138)
At June 30, 2024	8,706	5,535	4,442	41,140	59,823
DEPRECIATION	8,534	5,434			
At July 1, 2022	6,399	3,589	2,830	34,975	47,793
Charge for the year	406	446	10	2,080	2,942
Assets written off	-	-	-	(144)	(144)
At July 1, 2023	6,805	4,035	2,840	36,911	50,591
Charge for the year	519	433	153	1,194	2,299
Assets written off	-	-	-	(138)	(138)
At June 30, 2024	7,324	4,468	2,993	37,967	52,752
NET BOOK VALUES					
At June 30, 2024	1,382	1,067	1,449	3,173	7,071
At June 30, 2023	1,729	1,399	290	2,692	6,110

- (a) Bank borrowings are secured by way of floating charges on the assets of the Company. There are no restrictions on these.
- (b) No borrowing costs were capitalised during the year (2023: nil).

5. INTANGIBLE ASSETS

THE GROUP	Goodwill	Software	Total
	Rs.'000	Rs.'000	Rs.'000
COST			
At July 1, 2022 & 2023	199,880	31,449	231,329
Addition	-	2,121	2,121
At June 30, 2024	199,880	33,570	233,450
Disposal			
At July 1, 2022	30	27,675	27,705
Charge for the year	-	1,744	1,744
At July 1, 2023	30	29,419	29,449
Charge for the year	-	1,116	1,116
At June 30, 2024	30	30,535	30,565
NET BOOK VALUES			
At June 30, 2024	199,850	3,035	202,885
At June 30, 2023	199,850	2,030	201,880

Goodwill

During the financial year 2022, a goodwill arose on business combination of SALT Hospitality Ltd and was assessed as fully impaired during the same year. The remaining goodwill arose on the acquisition of investment in Lux Island Resorts Seychelles Ltd and has an indefinite life. Impairment assessment is performed on an annual basis.

Impairment test on goodwill

The recoverable amount of the Cash Generating Unit (CGU) has been determined based on the value-in-use. The Pre-tax cash flow projection is based on financial budgets approved by management covering a five-year period. The pre-tax discount rate applied represents the current market assessment of the risks specific to the CGU, taking into consideration the time value of money and individual risks of these underlying assets that have not been incorporated in the cash flow estimate. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC) which ranges between 7% to 12% for the various entities of the Group. The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to serve. A terminal growth rate of 3% has been assumed in the calculation.

The key assumptions used for preparing the cash flow forecasts are based on management's past experience of the industry and the ability of the CGU to at least maintain its market share. No impairment loss has been identified this financial year relating to the existing goodwill of Lux Island Resorts Seychelles Ltd.

Any reasonable possible change in key assumptions on which management has based its determination of recoverable amounts of CGU are not expected to cause their carrying amount to exceed the recoverable amounts.

5. INTANGIBLE ASSETS (cont.)

THE COMPANY	COMPUTER SOFTWARE	
	2024	2023
	Rs.'000	Rs.'000
COST		
At July 1,	30,905	30,905
Additions	2,121	-
At June 30,	33,026	30,905
AMORTISATION		
At July 1,	28,875	27,138
Charge for the year	1,116	1,737
At June 30,	29,991	28,875
Net book value at June 30,	3,035	2,030

6. INVESTMENT IN SUBSIDIARIES

THE COMPANY	2024	2023
At cost	Rs.'000	Rs.'000
At July 1,	214,595	214,595
Additions	13	-
At June 30,	214,608	214,595

Details of the investments which are unquoted are as follows:

Name of companies	Country of incorporation	% Held	
		2024	2023
Island Light Vacations Ltd	Mauritius	100.00%	100.00%
LIRTA Ltd	Mauritius	100.00%	100.00%
Lux Island Resorts Seychelles Ltd	Mauritius	100.00%	99.98%
Lux Hotel Management (Shanghai) Co Ltd	China	100.00%	100.00%
The Lux Collective Pte Ltd	Singapore	100.00%	100.00%
The Lux Collective DMCC*	UAE	100.00%	0.00%
SALT Hospitality Ltd	Mauritius	100.00%	100.00%
Café Lux Ltd	Mauritius	100.00%	100.00%
The Lux Collective UK Ltd	UK	100.00%	100.00%
Palm Boutique Hotel Ltd	Mauritius	100.00%	100.00%

* On 15 February 2024, the Company acquired 100% of the ordinary shares of the newly incorporated entity namely The Lux Collective DMCC for an amount of AED 1,000 (Rs. 13,000) that will be used as platform to oversee the operations in Dubai. As at 30 June 2024, the entity is dormant and not yet in operations.

6. INVESTMENT IN SUBSIDIARIES (cont.)

The directors have reviewed the financial position and performance of the above subsidiaries. They are of the opinion that the estimated recoverable amount of the investments are not lower than their carrying amount.

7. INVESTMENT IN OTHER FINANCIAL ASSETS

	THE GROUP	
	2024	2023
	Rs.'000	Rs.'000
Financial assets at fair value through other comprehensive income.		
- Quoted shares		
At July 1 and June 30,	4	4

The fair value of quoted ordinary shares (classified as Level 1 as detailed in Note 34) is determined by reference to published price quotations in an active market at the reporting date.

8. DEFERRED TAX

Deferred tax asset

Deferred tax is calculated on all temporary differences under the liability method at the rate of 17% (2023: 17%). The movement in the deferred tax account is as follows:

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
At July 1,	35,052	21,100	21,253	21,100
Recognised in profit or loss (Note 17)	2,105	14,951	2,941	1,134
Recognised in other comprehensive income	259	(999)	214	(981)
At June 30,	37,416	35,052	24,408	21,253

Deferred income tax relates to the following:-

THE GROUP	BALANCE		MOVEMENT	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Deferred tax assets				
Accelerated depreciation	21,755	13,730	8,025	(1,852)
Employee defined benefit liabilities	5,296	4,926	370	(258)
Right of use assets/ lease liabilities	8,986	8,552	434	8,423
Expected credit losses	1,376	190	1,186	(15)
Tax losses	3	7,654	(7,651)	7,654
	37,416	35,052	2,364	13,952

8. DEFERRED TAX (cont.)

Deferred tax asset (cont.)

Deferred income tax relates to the following:-

THE GROUP	2024	2023
	Rs.'000	Rs.'000
Recognised as follows:		
- in profit or loss	2,105	14,951
- in other comprehensive income	259	(999)
Total movement for the year	2,364	13,952

Deferred tax assets of Rs. 0.03m (2023: Rs 7.6M) has been recognised on tax losses of Rs 240m (2023: Rs 45m out of total tax losses of Rs 325m). The directors believe that there is no convincing evidence that the Group will realise sufficient taxable profit to utilise the remaining unrecognised tax losses, before the tax losses lapsed.

The tax losses of the Group on which deferred tax assets have not been recognised have the following expiry dates.

	Opening tax losses	Tax losses Lapsed/originate	Utilised tax losses	Closing tax losses	Available for set off up to
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	
Financial Year 30 June 2019	27,535	(11,078)	(16,458)	(1)	30/06/2024
Financial Year 30 June 2020	57,907	-	(16,791)	41,116	30/06/2025
Financial Year 30 June 2021	290,685	-	(8,503)	282,182	30/06/2026
Financial Year 30 June 2022	1,626	-	-	1,626	30/06/2027
Financial Year 30 June 2024	-	1,759	-	1,759	30/06/2029
	292,311	(9,319)	(41,752)	326,682	

THE COMPANY	Balance		Movement	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Accelerated depreciation	18,959	9,049	9,910	(6,533)
Employee defined benefit liabilities	4,776	4,482	294	(702)
Expected credit losses and provisions	670	68	602	(137)
Tax losses	3	7,654	(7,651)	7,654
	24,408	28,907	3,155	282

8. DEFERRED TAX (cont.)

Deferred tax asset (cont.)

	2024	2023
	Rs.'000	Rs.'000
Recognised as follows:		
- in profit or loss	2,941	1,134
- in other comprehensive income	214	(981)
Total movement for the year	3,155	153

The tax losses of the Company on which deferred tax assets have not been recognised have the following expiry dates.

	Opening tax losses	Tax losses Lapsed/originate	Utilised tax losses	Closing tax losses	Available for set off up to
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	
Financial Year 30 June 2020	14,129	-	(14,129)	-	30/06/2025
Financial Year 30 June 2021	212,785	-	(8,503)	204,282	30/06/2026
	212,785	-	(22,632)	204,282	

9. INVENTORIES

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Food and beverage	4,980	5,992	-	-
Consumables	2,616	3,303	443	461
	7,596	9,295	443	461

All inventories are stated at the lower of cost and net realisable value. There were no write down of inventories during the year (2023: Nil). Bank borrowing is secured by floating charges on the assets of the Group for an amount of Rs4,950K (2023 : Rs4,698K) and or the Company Rs443K (2023 : Rs461K).

10. TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Trade receivables	54,487	31,641	27,858	9,816
Trade receivables from fellow subsidiaries (Note 29)	165,981	57,013	154,975	46,439
Due from subsidiaries (Note 29)	-	-	111,524	69,310
Other receivables and prepayments*	47,253	81,340	31,846	58,999
	267,721	169,994	326,203	184,564
Less expected credit losses	(7,833)	(7,466)	(13,020)	(10,944)
	259,888	162,528	313,183	173,620

* Other receivables and prepayments comprise of deposits and advance payments for relocation of the office from Floréal to Tribeca by end of 2024. These are not subject to ECL.

- (i) Trade receivables are not secured, non-interest bearing and are generally on 30 days term. Impairment of receivables have been assessed on an individual basis and also on a collective basis under the 'Expected Credit Loss' model.
- (ii) Trade receivables net of Expected Credit Loss

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Not past due	98,097	53,779	102,261	50,289
Due less than 30 days	7,897	14,291	4,847	11,148
More than 30 and less than 60 days	27,285	3,630	28,170	4,855
More than 60 and less than 90 days	5,568	2,726	33,123	9,334
More than 90 days	73,788	6,762	112,936	38,995
	212,635	81,188	281,337	114,621

- (iii) The movement in expected credit losses on trade and other receivables were as follows:

THE GROUP	2024	2023
	Rs.'000	Rs.'000
Trade and other receivables		
At July 1	7,466	11,570
Charge/ (reversal) for the year (iii (a))	221	(3,323)
Bad debts written off	-	(553)
Exchange difference	146	(228)
At June 30	7,833	7,466

10. TRADE AND OTHER RECEIVABLES (cont.)

THE COMPANY	Inter-company trade receivables	Trade and other receivables	Total
	Rs.'000	Rs.'000	Rs.'000
At June 30, 2022	10,544	2,400	12,944
Reversal for the year (iii (a))	-	(2,000)	(2,000)
At June 30, 2023	10,544	400	10,944
Charge for the year (iii (a))	-	2,076	2,076
At June 30	10,544	2,476	13,020

Refer to Note 34 for the related credit risk disclosures.

- (iii(a)) Reversal of expected credit losses accrued upon recognition of actual losses and/or subsequent settlement of doubtful balances.
- (iv) Prepayments amounting to Rs 12,153,164 (2023: Rs 9,861,412) for the Group and Rs7,214,649 (2023: Rs 5,444,573) for the Company have been included in the total balance for trade and other receivables.
- (v) For terms and conditions relating to related party receivables, refer to Note 29.

11. STATED CAPITAL

	2024	2023	2024	2023
Stated capital - No par value shares	Number of shares	Number of shares	Rs.'000	Rs.'000
At July 1,	232,170,133	232,170,133	30,164	390,164
Capital reduction	-	-	-	(360,000)
At June 30,	232,170,133	232,170,133	30,164	30,164

The shareholders of the Company, at its annual general meeting held on June 13, 2023 , approved the reduction of the stated capital of the company from Rs 390,163,337 to Rs 30,133,337, through an absorption of accumulated losses up to the amount of the reduction.

12. OTHER RESERVES

THE GROUP	THE GROUP	
	2024	2023
	Rs.'000	Rs.'000
Foreign exchange translation reserve		
At July 1,	15,308	11,163
Exchange difference on translation of foreign operations	652	4,145
At June 30	15,960	15,308

12. OTHER RESERVES (cont.)

Nature and purpose of other reserves

Foreign exchange translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of financial statements of foreign subsidiaries into the reporting currency.

13. DIVIDENDS

On 27 June 2024, the Board of directors have declared a dividend of Rs 0.12 per each ordinary share in respect of the year ended 30 June 2024 (2023: Rs 0.12). The dividend amounting to Rs 27.9m will be payable in September 2024.

14. EMPLOYEE DEFINED BENEFIT LIABILITIES

(a) The benefits of employees of the Group and the Company fall under three different types of arrangements:

- (i) A defined benefit scheme which is funded. The plan assets are held independently by a pension fund;
- (ii) A defined contribution scheme; and
- (iii) Retirement benefits as defined under the Workers' Rights Act 2019 and which are unfunded.

(b) The liabilities in respect of the defined benefit obligations (i) and (iii) above are analysed as follows:

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Funded obligation (Note (c - n))	9,698	9,580	9,698	9,580
Unfunded obligation (Note (o - u))	21,996	19,394	18,937	16,782
	31,694	28,974	28,635	26,362

FUNDED OBLIGATION

The Group and the Company

(c) The amounts recognised in the statement of financial position in respect of the funded obligation are as follows:

	2024	2023
	Rs.'000	Rs.'000
Present value of funded obligation (Note (g))	19,042	19,054
Fair value of plan assets (Note (f))	(9,344)	(9,474)
Liability in the statement of financial position	9,698	9,580

14. EMPLOYEE DEFINED BENEFIT LIABILITIES (cont.)

FUNDED OBLIGATION (cont.)

The Group and the Company (cont.)

(d) Movement in the statement of financial position:

	2024	2023
	Rs.'000	Rs.'000
At July 01,	9,580	6,616
Total expenses (Note (e))	508	319
Actuarial (gains)/ loss recognised in other comprehensive income	(390)	3,213
Contributions paid	-	(568)
At June 30,	9,698	9,580

(e) The amounts recognised in the statement of profit or loss are as follows:

	2024	2023
Current service cost	-	46
Net interest cost	508	273
Total included in staff costs	508	319

(f) Changes in the fair value of plan assets are as follows:

	2024	2023
At July 01,	9,474	14,356
Interest on plan assets	465	497
Employer's contribution	-	568
Scheme expenses	-	(18)
Cost of insuring risk benefits	-	(28)
Actuarial gains	807	293
Benefits paid	(1,402)	(6,194)
At June 30,	9,344	9,474

(g) Changes in defined benefit obligation are as follows:

	2024	2023
At July 01,	19,054	20,972
Current service cost	-	-
Interest cost	973	770
Actuarial losses	417	3,506
Benefits paid	(1,402)	(6,194)
At June 30,	19,042	19,054

14. EMPLOYEE DEFINED BENEFIT LIABILITIES (cont.)

FUNDED OBLIGATION (cont.)

The Group and the Company (cont.)

(h) The main categories of plan assets are as follows:

	2024	2023
	Rs.'000	Rs.'000
Local equities	2,115	2,145
Overseas equities	2,759	2,797
Fixed interest	2,550	2,585
Properties	1,920	1,947
Total market value of assets	9,344	9,474

(i) Analysis of amount recognised in other comprehensive income

Gains on pension scheme assets	(807)	(293)
Experience gains on the liabilities	52	5,552
Changes in assumptions underlying the present value of the scheme	365	(2,046)
Actuarial (gains)/loss recognised in other comprehensive income	(390)	3,213

(j) Sensitivity analysis

	2024	2023
	Rs.'000	Rs.'000
Increase in Defined Benefit Obligation due to 1% decrease in Discount Rate	2,026	1,251
Decrease in Defined Benefit Obligation due to 1% increase in Discount Rate	1,714	1,728

The sensitivity analysis above have been determined based on sensibly possible changes of the discount rate or salary increase rate occurring at the end of the reporting period if all other assumptions remained unchanged.

The plan is a defined benefit arrangement, with benefits based on final salary, it provides for a pension at retirement and a benefit on death or disablement in service before retirement.

For the year ended 30 June 2024, no sensitivity has been performed in respect of future long term salary increase as the only employee under this scheme has already retired.

Sensitivity analysis has been provided for all the significant actuarial assumptions.

14. EMPLOYEE DEFINED BENEFIT LIABILITIES (cont.)

FUNDED OBLIGATION (cont.)

The Group and the Company (cont.)

(k) (i) The assets of the plan are invested in IBL Pension Fund which includes a diversified portfolio of asset classes. In view of exposure to equities, some volatility in the return from one year to the other is expected.

(ii) As the fund is expected to produce a smooth return, a fairly reasonable indication of the future returns can be obtained by looking at historical ones. Therefore, the long term expected return on asset assumption has been based on historical performance of the fund.

(iii) The fixed interest portfolio includes government bonds, debentures, mortgages and cash. The expected return for this asset class has been based on yields of government bonds at June 30, 2024.

(l) Employer's contributions to be paid in the next reporting period is estimated at Rs. NIL (2023: NIL) and the weighted average duration of the defined benefit obligation is 9 years. The funding policy is to pay benefits out of the reporting entity's cash flow as and when due. The plan entitles the employees to a lump sum and pension payments at retirement age.

(m) Risk Associated with the Plans

The Defined Benefit Plans expose the Company to actuarial risks such as interest rate risk, salary risk and investment risk.

Interest rate risk

If the bond interest rate decreases, the liabilities would be calculated using a lower discount rate, and would therefore increase.

Investment risk

If the return on the plan asset is lower than the discount rate, a deficit will arise.

(n) The principal actuarial assumptions with respect to the Funded Scheme used for accounting purposes were:

	2024	2023
	%	%
Discount rate	5.10	5.30
Expected return on plan assets	5.10	5.30
Future guaranteed pension increase	0.00	0.00
Future long term salary increase	N/A	N/A
Post retirement mortality tables	PA92	PA92

14. EMPLOYEE DEFINED BENEFIT LIABILITIES (cont.)

UNFUNDED OBLIGATION

(o) The amounts recognised in the statement of financial position in respect of unfunded obligation are as follows:

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Present value of unfunded obligation	22,052	19,419	18,937	16,782
Value of PRGF assets	(56)	(25)	-	-
	21,996	19,394	18,937	16,782

(p) Movement in the liability recognised in the statement of financial position:

At July 01,	19,394	26,641	16,782	23,879
Total expenses (Note (q))	1,946	2,200	1,734	2,072
Actuarial loss/ (gains) recognised in other comprehensive income	1,913	(9,089)	1,647	(8,985)
Payment	(1,796)	(25)	(1,765)	-
Transfer from/ (to) related companies	539	(333)	539	(184)
At June 30,	21,996	19,394	18,937	16,782

(q) The amounts recognised in the statement of profit or loss are as follows:

Current service cost	923	970	859	926
Interest cost	1,023	1,230	875	1,146
Total included in staff costs	1,946	2,200	1,734	2,072

(r) Amount recognised in other comprehensive income

Gains on pension scheme assets	(2)	-	-	-
Actuarial (losses)/gains	(563)	7,728	(536)	7,846
Changes in assumptions	(1,348)	1,361	(1,111)	1,139
	(1,913)	9,089	(1,647)	8,985

(s) Changes in defined benefit obligation are as follows:

At July 01,	19,419	26,641	16,782	23,879
Current service cost	923	970	859	926
Interest cost	1,025	1,230	875	1,146
Actuarial losses/ (gains)	1,911	(9,089)	1,647	(8,985)
Payment	(1,765)	-	(1,765)	-
Transfer	539	(333)	539	(184)
At June 30,	22,052	19,419	18,937	16,782

14. EMPLOYEE DEFINED BENEFIT LIABILITIES (cont.)

UNFUNDED OBLIGATION (cont.)

(t) Changes in the fair value of plan assets are as follows:

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
At July 01,	25	-	-	-
Interest on plan assets	2	1	-	-
Employer's contribution	31	25	-	-
Actuarial loss	(2)	(1)	-	-
At June 30,	56	25	-	-

(u) Sensitivity analysis

Increase in defined benefit obligation due to 1% decrease in discount rate	4,871	4,106	4,192	3,485
Decrease in defined benefit obligation due to 1% increase in discount rate	4,020	3,402	3,461	2,898
Decrease in defined benefit obligation due to 1% decrease in future long-term salary assumption	4,934	3,509	4,245	2,989
Increase in defined benefit obligation due to 1% increase in future long-term salary assumption	4,134	4,172	3,559	3,540

(v) The principal actuarial assumptions with respect to the unfunded scheme used for accounting purposes were as follows:

	2024	2023
	%	%
Discount rate	5.25	5.60
Future salary increases	3.00	3.00

15. INTEREST BEARING LOANS AND BORROWINGS

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Current				
Bank overdraft (Note 28)	-	7,113	-	-
Bank loans (Note (b))	84,887	23,636	87,421	26,012
Lease liabilities (Note (a))	34,696	29,845	495	466
	119,583	60,594	87,916	26,478
Non-current				
Bank loans (Note (b))	101,871	183,494	100,978	185,209
Lease liabilities (Note (a))	226,670	250,144	1,457	1,952
	328,541	433,638	102,435	187,161
Total interest bearing loans and borrowings	448,124	494,232	190,351	213,639

15. INTEREST BEARING LOANS AND BORROWINGS (cont.)

(a) Lease Liabilities

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<i>Lease liabilities - minimum lease payments:</i>				
Within one year	51,283	51,267	603	603
Later than one year and not later than two years	48,421	51,010	603	603
Later than two years and not later than five years	152,741	147,806	954	1,583
Later than five years	71,187	122,831	-	-
	323,632	372,914	2,160	2,789
Future finance charges on leases	(62,266)	(92,925)	(208)	(371)
Present value of lease liabilities	261,366	279,989	1,952	2,418
<i>The present value of lease liabilities may be analysed as follows:</i>				
Within one year	34,696	29,845	495	466
Later than one year and not later than two years	34,150	32,065	527	495
Later than two years and not later than five years	124,726	106,699	930	1,457
Later than five years	67,794	111,380	-	-
	261,366	279,989	1,952	2,418

Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

(b) Bank loans can be analysed as follows:-

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Loan repayable:				
-Within one year	84,887	23,636	87,421	26,012
-After one year and before two years	23,315	86,955	22,688	89,568
-After two years and before five years	67,322	68,688	67,056	67,791
-After five years	11,235	27,851	11,235	27,850
	186,759	227,227	188,400	190,110

15. INTEREST BEARING LOANS AND BORROWINGS (cont.)

(b) Bank loans can be analysed as follows (continued):-

Denomination	Effective interest rate	Maturity	THE GROUP		THE COMPANY	
			2024	2023	2024	2023
			Rs.'000	Rs.'000	Rs.'000	Rs.'000
MUR	Fixed rate 1.5%	Sep-24	37,501	37,501	37,500	37,500
MUR	Fixed rate 1.5%	Sep-24	25,550	34,736	25,550	-
GBP	Fixed rate 2.5%	Dec-26	1,505	2,380	-	-
MUR	PLR	Sep-27	16,894	24,610	16,894	24,610
MUR	PLR	Jun-30	105,309	128,000	105,309	128,000
MUR	Fixed Rate 6.65%	Jun-25	-	-	3,147	-
Total bank loans			186,759	227,227	188,400	190,110

(c) The movement on bank borrowings is as follows:

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
At July 01,	207,130	227,227	211,221	190,110
Transfer from Other Liabilities	-	-	-	43,582
Repayment long term borrowings	(20,445)	(20,236)	(22,821)	(22,471)
Exchange differences	74	139	-	-
At June 30,	186,759	207,130	188,400	211,221

16. TRADE AND OTHER PAYABLES, AND CONTRACT LIABILITIES

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Trade and other payables				
Trade payables (Note (i))	64,507	44,800	25,245	14,343
Accruals and other payables - Payroll related (Note (ii))	67,241	90,119	41,816	60,237
Accruals and other payables - others (Note (ii))	74,610	49,906	50,403	22,006
Provision - (Note (iii))	2,591	-	1,467	-
Due to fellow subsidiaries (Note 29)	5,024	5,666	3,035	-
Due to group companies (Note 29)	-	-	62,038	45,773
	213,973	190,491	184,004	142,359
Analysed as follows:				
Non-current trade and other payables	-	15,173	-	-
Current trade and other payables	213,973	175,318	184,004	142,359
	213,973	190,491	184,004	142,359
Contract liabilities (Note (v))	4,544	3,532	-	-

(i) Trade and other payables are non-interest bearing and are normally settled in the next financial year.

The non-current portion relates to certain creditors to be settled by 31 January 2025.

(ii) Accruals and other payables comprises mainly of accruals for payroll related costs and other accrued expenses arising in the normal course of business.

(iii) Provision is in respect of vacation leaves for staff as per provision of Workers' Rights Act 2019

(iv) For terms and conditions relating to related parties, refer to Note 29.

(v) *Contract liabilities*

The contract liabilities are in respect of deposits collected from customers for future stay in our hotels. During the year, an amount of Rs 87M (2023: Rs 27M) was recognised as revenue.

17. TAXATION

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
(a) Income tax expense for the year				
Income tax charge	22,738	28,363	3,685	4,760
(Over)/ Under provision of tax in previous year	(127)	1,353	-	-
Deferred tax movement (Note 8(a))	(2,105)	(14,951)	(2,941)	(1,134)
Income tax charged	20,506	14,765	744	3,626
<i>Reconciliation between tax expense and accounting profit is as follows:</i>				
Profit before tax	103,177	118,113	101,031	91,813
Tax calculated at the rate of 17% (2023: 17%)	17,540	20,079	17,175	15,608
Effect of different tax rates (Note (i))	4,366	(1,861)	-	-
Add expenses not deductible for tax purposes (Note (ii))	2,056	2,205	1,745	816
Exempt income (Note (iv))	(526)	(1,076)	(16,376)	(17,449)
(Over)/ Under provision of tax in previous year	(127)	1,353	-	-
Deferred tax assets not recognised	299	986	-	-
Utilisation of unused of tax losses (Note (iii))	(2,758)	(727)	-	-
Under provision of deferred tax asset in previous years	(4,030)	(10,954)	(5,485)	(109)
Irrecoverable Withholding tax (Note (iv))	3,685	4,760	3,685	4,760
Income tax charged	20,505	14,765	744	3,626

(i) Different tax rates arise on the taxation of foreign units located overseas.

(ii) Non deductible expenses include mainly provisions and non-qualified expenses.

(iii) Exempt income consists of dividends income from domestic companies as well as partial exempt income of taxable income of one overseas subsidiary.

(iv) Withholding tax arise on the management fee charged to overseas hotels in Reunion Island and Maldives and for which the Group/Company has not been able to claim foreign tax credit.

(b) Income tax liability

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
At 1 July	6,791	1,972	-	-
Charge for the year	22,738	28,363	3,685	4,760
(Over)/ Under provision of tax in previous year	(127)	1,353	-	-
Income tax paid	(25,793)	(25,050)	(3,685)	(4,760)
Exchange difference	126	153	-	-
At 30 June	3,735	6,791	-	-

18. LEASES

(a) Right of use assets

Group as a lessee

The Group has lease contracts for various plant, equipment and vehicles as well as buildings, with leases terms varying from 4 years to 12 years. The Group's obligations are secured by the lessors' title to the leased assets for such leases.

The Group has options to purchase certain equipment for a nominal amount at the end of the lease term.

The Group has also certain leases of equipment with lease terms of 12 months or less or/ and of low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Below are the carrying amount of right-of-use assets recognised and the movements during the year for the Group and the Company.

THE GROUP	Land & Building	Plant and Equipment	Furniture & Fittings	Computer Equipment	Motor Vehicles	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
COST						
At July 1, 2022	315,188	5,446	4,161	4,938	-	329,733
Addition	-	-	-	-	3,000	3,000
Re-measurement of ROU assets*	8,769	-	-	-	-	8,769
Derecognised on termination**	(37,780)	-	-	(930)	-	(38,710)
Exchange difference	403	-	-	10	-	413
At June 30, 2023	286,580	5,446	4,161	4,018	3,000	303,205
Addition	1,682	-	-	-	-	1,682
Re-measurement of ROU assets*	12,238	-	-	-	-	12,238
At June 30, 2024	300,500	5,446	4,161	4,018	3,000	317,125
AMORTISATION						
At July 1, 2022	56,522	401	303	817	-	58,043
Charge for the year	39,006	1,038	543	496	300	41,383
Derecognised on termination**	(29,853)	-	-	(604)	-	(30,457)
Exchange difference	274	-	-	6	-	280
At June 30, 2023	65,949	1,439	846	715	300	69,249
Charge for the year	31,412	884	543	573	600	34,012
At June 30, 2024	97,361	2,323	1,389	1,288	600	103,261
NET BOOK VALUE						
At June 30, 2023	203,139	3,123	2,772	2,730	2,400	213,864
At June 30, 2022	220,631	4,007	3,315	3,303	2,700	233,956

* Re-measurement of right of use assets has arisen upon revision of fixed rental of SALT Hospitality Ltd, in line with CPI and as per agreement

** Termination has arisen on cancellation of the long term lease agreement of the Singapore office, with the subsequent disposal of the building improvements, furnitures and other equipment to the landlord.

18. LEASES (cont.)

(a) Right of use assets (cont.)

The Company as a lessee

	Land & Building	Motor Vehicles	Total
	Rs.'000	Rs.'000	Rs.'000
COST			
At July 1, 2022	20,190	-	20,190
Addition	-	3,000	(800)
At June 30, 2023 and June 30, 2024	20,190	3,000	19,390
AMORTISATION			
At July 1, 2022	15,141	-	15,141
Charge for the year	5,049	300	5,349
At June 30, 2023	20,190	300	20,490
Charge for the year	-	600	600
At June 30, 2024	20,190	900	21,090
NET BOOK VALUE			
At June 30, 2024	-	2,100	2,100
At June 30, 2023	-	2,700	2,700

(b) Lease liabilities

The carrying amount of the lease liabilities (included under interest-bearing loans and borrowings) and the movement during the year is set out below.

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
At July 1,	279,987	313,154	2,418	5,774
New leases during the year	1,682	3,000	-	3,000
Accretion of interest	19,807	22,361	137	244
Payments	(52,349)	(59,769)	(603)	(6,600)
On termination of leases	-	(7,655)	-	-
Re-measurement of lease obligations	12,238	8,769	-	-
Exchange difference	-	127	-	-
As at June 30,	261,365	279,987	1,952	2,418

The maturity analysis of lease liabilities are disclosed in Note 15.

18. LEASES (cont.)

(b) Lease liabilities (cont.)

The following amounts have been recognised in the statement of profit or loss for the year:

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Amortisation of right-of-use assets	34,012	41,383	600	5,349
Interest expense on lease liabilities	19,807	22,361	137	244
Expenses relating to leases of low-value items, short term leases and variable rental (included in administrative expenses)*	27,842	11,307	12,503	-
Total net amount recognised in profit or loss	81,661	75,051	13,240	5,593

The following amounts are recognised in the statement of cash flows.

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Lease liability principal portion payments	32,542	37,408	466	6,356
Interest on lease liabilities	19,807	22,361	137	244
Short term/ low value operating lease and variable rental payments	27,842	11,307	12,503	-
Total cash outflows	80,191	52,777	13,106	6,600

The Group had one lease contract that includes extension option through one subsidiary (Salt Hospitality Ltd). This option has been negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether the extension option is reasonable certain to be exercised.

Set out below is the undiscounted potential future rental payments relating to periods following the exercise date of the extension option that are not included in the lease term:

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
More than five years				
Extension option expected not to be exercised	611,081	605,148	-	-

19. REVENUE FROM CONTRACTS WITH CUSTOMERS

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Hotel services- management and brand fees	890,416	720,940	705,351	523,577
Hotel operations	273,858	244,471	-	-
Franchise fee	-	1,400	-	1,400
	1,164,274	966,811	705,351	524,977
Timing of revenue recognition				
- Products and services transferred at a point in time	61,730	42,665	54,517	38,833
- Products and services transferred over time	1,102,544	924,146	650,834	486,144
	1,164,274	966,811	705,351	524,977
Primary geographical market				
- Mauritius	872,450	669,512	616,667	441,535
- Maldives	155,568	187,173	-	-
- Reunion	74,067	77,922	74,067	77,922
- China	47,572	26,684	-	-
- Others	14,617	5,520	14,617	5,520
	1,164,274	966,811	705,351	524,977

20. COST OF INVENTORIES

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Food, beverages and room supplies	35,905	38,408	-	-

21. OTHER OPERATING INCOME

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Dividend income	-	-	95,151	110,517
Commission income	2,444	1,632	-	-
Training fee income	14,991	-	-	-
Government Grant- GWAS	-	64	-	64
Foreign exchange gains	16,615	7,575	14,184	2,549
Profit on disposal of property, plant and equipment	64	-	-	-
Insurance proceeds	2,603	22,000	1,668	22,000
Refund of administrative and logistics cost	19,003	31,994	11,445	11,466
Others **	4,217	504	4,431	525
	59,937	63,769	126,879	147,121

** Others include recharged for administrative costs to a related company as mutually agreed by the relevant parties.

22. EMPLOYEE BENEFIT EXPENSES

	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Wages and salaries	577,076	405,936	364,157	172,072
Social security costs	53,414	20,638	28,293	8,744
Pension costs:				
-Defined contribution scheme	13,563	9,955	11,697	7,870
-Defined benefit scheme (Note 14 (e))	508	319	508	319
-Other retirement benefit (Note 14 (q))	1,946	2,200	1,734	2,072
	646,507	439,048	406,389	191,077

23. DEPRECIATION AND AMORTISATION

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Depreciation on property, plant and equipment	11,008	14,630	2,299	2,942
Amortisation of Right of use assets	34,012	41,383	600	5,349
Amortisation of intangible assets	1,116	1,744	1,116	1,737
	46,136	57,757	4,015	10,028

24. EXPECTED CREDIT LOSS ALLOWANCE

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Movement on ECL for trade debtors	(2,136)	(3,725)	2,076	(2,000)
Movement on ECL for other receivables	2,357	402	-	-
Bad debts written off	6,436	-	-	-
	6,657	(3,323)	2,076	(2,000)

25. OTHER OPERATING EXPENSES

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Utilities	14,653	16,066	2,919	2,415
Motor vehicle running expenses	2,181	7,598	1,623	6,359
Repairs and maintenance	10,534	12,551	1,858	5,540
Printing, postage and stationeries	3,702	4,300	2,549	2,894
Marketing expenses	109,723	142,747	85,674	151,640
Project costs	7,433	10,038	3,593	4,847
IT and communication expenses	43,682	33,243	37,392	28,396
Professional fees	12,271	13,159	6,737	4,859
Direct operating expenses*	42,960	28,227	-	-
Bank commissions and charges	8,815	7,907	1,807	1,616
Refund regional office costs	-	-	108,532	127,599
Insurance	12,948	5,449	5,674	3,121
Director fee	11,639	9,946	11,639	9,946
Overseas travelling	14,705	13,873	7,634	6,021
Security expenses	5,023	4,770	3,576	3,064
Low value items and short term leases	27,842	11,307	12,503	30
Loss on disposal of PPE and asset written off	-	149	-	-
Foreign exchange losses	2,626	-	2,498	-
Derecognised of lease	-	598	-	-
Sundry expenses	22,938	17,175	11,395	7,492
	353,675	339,103	307,603	365,839

* These relates to direct expenses from hotel operations such as food and beverage, room cleaning and SPA products.

26. OPERATING PROFIT

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
The operating profit for the year is arrived at after crediting:				
Dividend income	-	-	95,151	110,517
and charging:				
(Profit)/loss on disposal of PPE and asset written off	(64)	149	-	30
Depreciation and amortisation of non-current assets	46,136	57,757	4,015	10,028
Payment on low value / short term lease expenses	27,842	11,307	12,503	30

27. FINANCE COSTS

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Interest expense on:				
- Bank overdraft	557	677	546	614
- Bank loan	10,162	9,965	10,117	10,409
- Other liabilities	-	-	-	-
- Others (Note (a))	1,628	1,474	-	-
- Finance charges on leases	19,807	22,361	453	244
- Foreign exchange losses	-	6,997	-	4,074
	32,154	41,474	11,116	15,341

Note (a) :- Interest on others relate to adjustment to the unwinding of long term trade creditors balances measured at amortised cost for which extended credit facilities had been obtained.

28. NOTES TO THE STATEMENT OF CASH FLOWS

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
(a) Cash and cash equivalents				
Cash in hand and at bank	86,177	135,122	32,712	84,777
Bank overdraft (Note 15)	-	(7,113)	-	-
Cash and cash equivalents	86,177	128,009	32,712	84,777

The undrawn borrowing facilities held at year end relate to Rs 50m (2023: Rs 50m) on bank overdraft and Rs NIL (2023: Rs 128m) on term loan. There are no restrictions on the undrawn borrowing facilities.

29. RELATED PARTY DISCLOSURES

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Related party transactions are as follows:				
<i>Purchases of goods or services</i>				
Subsidiaries	-	-	137,203	154,131
Entities over which directors have control/significant influence	22,867	16,614	10,611	7,791
<i>Sales of goods or services</i>				
Subsidiaries	-	-	18,075	16,495
Fellow subsidiaries	832,214	667,481	653,835	480,308
<i>Other income (dividend income)</i>				
Subsidiaries	-	-	95,151	110,517
<i>Amounts payable to related companies</i>				
Subsidiaries	-	-	62,038	45,773
Fellow subsidiaries	5,024	5,666	3,035	-
<i>Amounts receivable from related companies</i>				
Subsidiaries	-	-	111,524	69,310
Fellow subsidiaries	165,981	57,013	154,975	46,439
<i>Compensation to key management personnel</i>	170,916	159,607	45,124	47,747

- Fellow subsidiaries are entities over which the ultimate holding company, IBL Ltd, exercises control.
- Amount receivable from fellow subsidiaries and amount due to fellow subsidiaries are interest free and repayable at call.
- Amount due to and receivable from subsidiaries are unsecured, interest free and settlement occurs in cash and there is no fixed repayment terms.
- Key management personnel includes executive directors and top level management personnel. The emoluments include contribution to pension scheme for post retirement benefit of Rs. Nil (2022: Rs 0.4m).
- An impairment provision of Rs 10.5m (2023: Rs 10.5m) has been recognised on balances receivable from subsidiary companies.

30. EARNINGS PER SHARE

	THE GROUP	
	2024	2023
	Rs.'000	Rs.'000
Profit for the year	82,671	103,348
Average number of ordinary shares during the year	232,170,133	232,170,133
Total earnings per share - Basic	0.36	0.45

No other class of shares or conversion options exist that have any dilutive effect on the weighted average number of shares.

31. CONTINGENT LIABILITIES

- (a) Payment guarantee on a lease agreement entered into by one subsidiary representing an unexpired commitment of Rs 303m as at 30 June 2024 (2023: Rs 346m).
- (b) The Company has issued letter of financial support for two subsidiaries which posted a net current liabilities situation last year which extends to at least the next 12 months from issue. Based on assessment made, the Directors consider that there will be no provision arising from these commitments.

32. COMMITMENTS

Company

- (a) Bank guarantees amounting to Rs 1.7m as at June 2024 (2023: Rs 1.7m) given by the Company to a shipping company for custom clearance of marketing materials from which it is anticipated that no material losses will arise.
- (b) Bank guarantees of up to Rs 5m as at 30 June 2024 (2023: Rs 5m) given on behalf of one subsidiary arising in the ordinary course of business for banking facilities.

Group

- (c) As at 30 June 2024, the Group has entered into a contract for improvement to leasehold building, including office furniture and fitting for its new office building for an estimated sum of Rs65M. Works were expected to start after the balance sheet and to be completed within a period of six months.

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Contracted but not yet provided for	65,000	-	-	-

33. ULTIMATE HOLDING COMPANY

The ultimate holding company is IBL Ltd, a listed company incorporated in Mauritius. The registered office is situated at 4th Floor, IBL House, Le Caudan Waterfront, Port Louis.

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from previous years.

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont.)

Gearing ratio

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus debt. The Company includes within net debt, interest bearing loans and borrowings, less cash in hand and at bank. The Company's policy is to keep the gearing ratio below 45% in line with Group policy.

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Debt (i)	448,124	494,232	190,351	213,639
Cash in hand and at bank	(86,177)	(128,009)	(32,712)	(84,777)
Net debt	361,947	366,223	157,639	128,862
Equity (ii)	123,717	69,518	166,710	95,326
Total equity plus debt	485,664	435,741	324,349	224,188
Gearing ratio	75%	84%	49%	57%

- (i) Debt is defined as long and short term borrowings, as disclosed in Note 15.
- (ii) Equity includes all capital and reserves of the Group.

Categories of financial instruments

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Financial assets				
Financial assets at fair value through OCI	4	4	-	-
Financial assets at amortised cost	307,149	274,684	320,734	249,956
	307,153	274,688	320,734	249,956
Financial liabilities				
Financial liabilities at amortised cost	610,631	661,347	357,013	343,781
	610,631	661,347	357,013	343,781

Financial assets at amortised cost consist of all financial assets except investment at fair value.

At the reporting date there are no significant concentrations of credit risk for financial assets at amortised cost. The carrying amount reflected above represents the Group's maximum exposure to credit risk for the trade and other receivables.

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont.)

Financial risk management

The Group's principal liabilities comprise bank loans and overdrafts, leases and trade payables and other payables. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has various financial assets, such as trade and other receivables and cash and cash equivalent which arise directly from its operations.

The Group's activities, therefore, expose it to a variety of financial risks: market risk (including foreign currency risk and interest rate risk) credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on Group's financial performance. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below:

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Group has transactional currency exposure. Foreign currency risk is managed primarily through borrowings denominated in the relevant foreign currencies.

The currency profile of the financial assets and financial liabilities at 30 June 2024 and 2023 is as follows:

	THE GROUP		THE COMPANY	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
	Rs.'000.	Rs.'000.	Rs.'000.	Rs.'000.
30 June 2024				
Euro	75,370	14,057	65,241	5,485
US\$	28,618	21,555	27,302	1,069
GBP	5,784	5,219	653	4,643
Mauritian Rupee	167,354	567,103	171,976	345,816
Others	30,028	2,697	55,562	-
Total	307,154	610,631	320,734	357,013
30 June 2023				
Euro	50,488	-	24,089	5,485
US\$	52,703	22,320	44,007	1,069
GBP	15,235	5,444	10,995	4,643
Mauritian Rupee	142,278	631,185	140,017	332,584
Others	13,984	2,398	30,848	-
Total	274,688	661,347	249,956	343,781

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont.)

Sensitivity analysis

The following table details the Company's sensitivity to a 5% decrease in the Mauritian Rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit and equity where the Mauritian Rupee depreciates 5% against the relevant currency. There would be an equal and opposite impact on the profit and equity, if the Mauritian Rupee strengthens by 5% against the relevant currency.

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
EURO				
Effect on profit	3,066	2,524	2,988	1,204
Effect on equity	3,066	2,524	2,988	1,204
US\$				
Effect on profit	353	1,519	1,312	1,503
Effect on equity	353	1,519	1,312	1,503
GBP				
Effect on profit	28	490	(200)	151
Effect on equity	28	490	(200)	151

Interest rate risk

The Group is exposed to interest rate risk, as entities in the Group borrows funds at variable interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rates borrowings.

The Group analyses its interest rate exposure on a dynamic basis. The Group considers various scenarios in assessing its interest rate exposure, including refinancing, renewal of existing facilities, alternative financing and hedging. Based on these scenarios, the Group calculates the sensitivity of the Group's profit before tax to a defined interest rate shift. The scenarios are run only for liabilities that represent the major interest-bearing positions.

Interest rate sensitivity analysis

Based on the simulation performed, the impact on pre-tax profit of an increase/decrease of 1% in the average interest rate for the year, with all other variables held constant, would be to decrease/ increase profit before tax and equity for the Group by Rs 1,222,028 (2023: Rs 1,491,928) and for the Company by Rs1,222,028 (2023: Rs 1,420,798)

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont.)

Credit risk

The Group's credit risk is primarily attributable to its trade receivables and financial guarantees given. The amounts presented at the reporting date are net of allowances for credit losses, estimated by the Group's management based on prior experience and the current economic environment.

The Group's main source of income represent management fees receivable from related companies for hotel management services and from Tour operators and on-line travel agents for hotel operation and others. The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers. The Group has policies in place to ensure that sales of products and services are made to clients with an appropriate credit history.

Expected credit losses on trade receivables is based on simplified approach while that on balances due from subsidiaries/ fellow subsidiaries/ related company is based on the general approach. In respect of the trade receivable and trade receivables due from related companies, an impairment analysis is performed at each reporting date using a provision matrix to measure expected credit loss. The provisions are based on days past due for groupings of the customer segment with similar loss patterns (i.e. Tour Operators, Ground Handlers, Online Travel Agents, customers with special credit agreements). The calculation reflects the probability-weighted outcome that is available at the reporting date about past events, current conditions and future economic conditions. Generally trade receivables are written-off if past due for more than one year except for customers with special credit agreement. Management deems it to be appropriate to adjust ratings and the probabilities of default on a collective basis, considering risk characteristics such as the industry or geographical location of the borrowers.

The Group recognises an allowance for expected credit losses ("ECLs") on intercompany receivables under the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash received from the operations of the borrowers.

The Group has assessed the counterparties' ability to pay their debt as they become due in the normal course of business and/or in any adverse economic and business conditions. The probability of default in respect of these financial assets are negligible as are considered to have a low credit risk given that these are intergroup balances. The Group has not accounted for any impairment loss as deemed immaterial.

The trade and other receivable exposure to credit risk is set out below:

THE GROUP			
30 June 2024	Total	Current	> 90 days
	Rs.'000	Rs.'000	Rs.'000
Expected credit loss rate	4%	0%	9%
Carrying amount	220,468	139,144	81,324
Expected credit loss	7,833	297	7,536
<hr/>			
<u>30 June 2023</u>	Total	Current	> 90 days
	Rs	Rs	Rs
<i>Expected credit loss rate</i>	8%	0%	54%
<i>Carrying amount</i>	88,654	75,130	13,524
<i>Expected credit loss</i>	7,466	182	6,762

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont.)

Credit risk (cont.)

THE COMPANY			
30 June 2024	Total	Current	> 90 days
	Rs.'000	Rs.'000	Rs.'000
Expected credit loss rate	4%	0%	10%
Carrying amount	294,357	168,401	125,955
Expected credit loss	13,020	-	13,020
<hr/>			
<u>30 June 2023</u>	Total	Current	> 90 days
	Rs.'000	Rs.'000	Rs.'000
<i>Expected credit loss rate</i>	7%	0%	18%
<i>Carrying amount</i>	125,565	75,626	49,939
<i>Expected credit loss</i>	10,944	-	10,944

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 30 June 2024 and 2023 respectively and the corresponding historical credit losses experienced within this period. As at year end, the historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP of the country in which it sells its goods to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. The changes in the loss rate are reflective of the history of defaults.

The ECL arises at Group Level relates mainly to debtors under hotels managed by the Group - the balance accounted for Rs. 155M of outstanding debtors at year-end of which 35% were above 90 days. Post-year end 50% of the balance was recovered. Hence explaining the low ECL arising in FY24. In addition the changes in loss allowance is mainly due to derecognition of allowances on trade receivable from prior years, which have now been recovered

Cash and cash equivalents which are neither past due nor impaired are placed with or entered into with reputable financial institutions, with no history of default. Counterparty credit limits are reviewed by the directors throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty's failure.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Group aims at maintaining flexibility in funding by keeping reliable credit lines available.

The Company monitors its risk to a shortage of funds using a recurring liquidity planning tool. The tool considers the maturity of both its financial assets and financial liabilities as well as projected cash flows from operation. If concentration of risk is considered high, the Company has access to sufficient source of funding and debts maturing within the next 12 months can be roll-over with existing lenders.

The tables below summarises the maturity profile of the Group/Company financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont.)

Liquidity risk (cont.)

THE GROUP							
Financial Liabilities	Weighted average effective interest rate	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
	%	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
30 June 2024							
Non-interest bearing liabilities	-	68,505	-	16,801	-	-	85,306
Fixed rate instruments (Note 15)	6.20%	35,931	40,219	38,944	202,072	71,187	388,353
Variable rate instruments (Note 15)	6.80%	8,484	16,969	3,597	99,713	11,621	140,384
		112,920	57,188	59,342	301,785	82,808	614,043
30 June 2023							
Non-interest bearing liabilities	-	151,942	-	-	15,173	-	167,115
Disposal	6.39%	4,402	8,803	39,620	263,482	122,831	439,138
Variable rate instruments (Note 15)	5.60%	7,597	967	30,440	113,185	32,537	184,726
		163,941	9,770	70,060	391,840	155,368	790,979

Fair value of financial instruments

Except where stated elsewhere, the carrying amounts of the Group's financial assets and financial liabilities approximate their fair values due to the short-term nature of the balances involved. The interest-bearing loans and borrowings' carrying amounts approximate their fair values. They are classified as level 2 items in the fair value hierarchy, with the significant input in determining fair value being the applicable interest rates. The technique used to determine the fair value is the discounted cash flow method. For long-term loans and borrowings, valuation technique used is the present value of future cash flows, with discount rate being at market rate.

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont.)

Liquidity risk (cont.)

Liquidity and interest risk tables

THE COMPANY							
Financial Liabilities	Weighted average effective interest rate	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
	%	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
30 June 2024							
Disposal		114,792	-	-	-	-	114,792
Fixed rate instruments (Note 15)	2.04%	31,654	31,665	452	1,557	-	65,328
Variable rate instruments (Note 15)	6.94%	8,484	16,969	3,597	99,713	11,621	140,384
		154,930	48,634	4,049	101,270	11,621	320,504
30 June 2023							
Non-interest bearing liabilities		130,142	-	-	-	-	130,142
Fixed rate instruments (Note 15)	2.18%	366	736	3,391	68,476	-	72,969
Variable rate instruments (Note 15)	5.77%	484	967	30,440	113,185	32,537	177,613
		130,992	1,703	33,831	181,661	32,537	380,724

Fair value of financial instruments

Except where stated elsewhere, the carrying amounts of the Company's financial assets and financial liabilities approximate their fair values due to the short-term nature of the balances involved. The interest-bearing loans and borrowings' carrying amounts approximate their fair values. They are classified as level 2 items in the fair value hierarchy, with the significant input in determining fair value being the applicable interest rates. The technique used to determine the fair value is the discounted cash flow method.

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont.)

Fair value of financial instruments (cont.)

A summary of the carrying amounts and fair values of the financial instruments at 30 June 2023 and 30 June 2022 are as follows:

THE GROUP					
Fair value hierarchy		2024		2023	
		Carrying value	Fair value	Carrying value	Fair value
		Rs.'000.	Rs.'000.	Rs.'000.	Rs.'000.
Financial assets:					
Financial assets at fair value through other comprehensive income	Level 1	4	4	4	4
Trade and other receivables	Level 2	220,972	220,972	139,563	139,563
Cash in hand and at banks	Level 2	86,177	86,177	135,122	135,122
		307,153	307,153	274,689	274,689
Financial liabilities:					
Interest-bearing loans and borrowings	Level 2	448,124	448,124	494,232	494,232
Trade and other payables	Level 2	85,306	85,306	167,115	167,115
		533,430	533,430	661,347	661,347

THE COMPANY					
Fair value hierarchy		2024		2023	
		Carrying value	Fair value	Carrying value	Fair value
		Rs.'000.	Rs.'000.	Rs.'000.	Rs.'000.
Financial assets:					
Trade and other receivables	Level 2	288,022	288,022	165,179	165,179
Cash in hand and at banks	Level 2	32,712	32,712	84,777	84,777
		320,734	320,734	249,956	249,956
Financial liabilities:					
Interest-bearing loans and borrowings	Level 2	190,351	190,351	213,639	213,639
Trade and other payables	Level 2	114,792	114,792	130,142	130,142
		305,143	305,143	343,781	343,781

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont.)

Fair value of financial instruments (cont.)

Deposits and prepayments have been excluded from trade and other receivables

Accrued charges and VAT payable have been excluded from Financial liabilities.

There has been no transfers between the hierarchy levels in the current and prior year.

35. EVENTS AFTER THE REPORTING DATE

Below are the material non adjusting events after the reporting date:

(a) Re-domiciliation

On 30 November 2023 through a special resolution, the shareholders approved the Memorandum of Articles for the Company under the laws of Guernsey. The process for re-domiciliation was still in process at the time of this report.

(b) Loan Restructuring

In July 2024, the Group was successful in securing a commercial loan for an amount of Rs. 63m to refinance subsidised loans with a maturity dates set for August 2024 and September 2024. Hence, as part of restructuring of its bank facilities, new loan repayments had been agreed with the bank and maturity set for 36 months.

(c) Corporate Climate Responsibility Levy ("CCRL")

In his National Budget on 7 June 2024, the Mauritian Finance Minister announced the introduction of a Corporate Climate Responsibility Levy ("CCRL"), equivalent to 2% of the company's profits, for companies with a yearly turnover of more than MUR 50 million.

Section 41(iii) of the Financial (Miscellaneous Provisions) Act 2024 ("FMPA 2024") gave effect to the CCRL and its effective date is the year of assessment 2024/2025 so that it applies to any company with a financial year that terminated on any date during the period from 1 January 2024 to 30 June 2024. The CCRL also applies to any Mauritian tax resident partnership. The CCRL is computed on the taxable profit of the company and is specifically considered to be an income tax under section 41(a) (i) (A) of the FMPA 2024.

According to IAS 12, changes in tax rates and laws should be recognized in financial statements when the legislation is substantively enacted, which is when it can no longer be amended. The 2% CCRL had not reached the point of substantive enactment by the end of the reporting period as the possibility of further amendments to the legislation still existed.

In accordance with IAS 10, "Events After the Reporting Period," the introduction of the CCRL is considered a non-adjusting event. Therefore, no adjustment has been made to the current income tax and deferred tax balances in the financial statements as of 30 June 2024, even if it had a retrospective effect.

35. EVENTS AFTER THE REPORTING DATE (cont.)

(c) Corporate Climate Responsibility Levy ("CCRL") (cont.)

The Group/Company have quantified the impact of this non-adjusting event as follows:

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Deferred tax liability/(asset)	(4,402)	-	(2,872)	-
Income tax liability/(asset)	2,118	-	-	-
Income tax expense	(2,253)	-	(2,847)	-
Income tax impact on OCI	(30)	-	(25)	-



Notice to Shareholders

Notice is hereby given that the Annual Meeting of Shareholders of the Company will be held at Cyril Lagesse Auditorium, 1st Floor, IBL House Caudan Waterfront, Port Louis on Wednesday 04th December 2024 at 10h30 with the following agenda:

Resolutions

1. To receive, consider and adopt the audited financial statements for the year ended 30th June 2024, including the Annual Report and the Auditors' Report.
2. To re-elect Mr Arnaud Lagesse as Director of the Company **
3. To re-elect Mr Scott Woroch as Director of the Company **
4. To re-elect Mr Alexis Harel as Director of the Company **
5. To re-elect Mr Jean de Fondaumière as Director of the Company, as per section 138 (6) of the Companies Act 2001 **
6. To re-elect Mr Hans Olbertz as Director of the Company, as per section 138 (6) of the Companies Act 2001 **
7. To re-elect Mr David Amsellem as Director of the Company **
8. To re-elect Mrs Diya Nababsing-Jetshan as Director of the Company **
9. To re-elect Mr Deodass Poolovadoo as Director of the Company **
10. To elect Mr Olivier Chavy as Director of the Company **
11. To ratify the remuneration paid to the auditors for the year ended 30th June 2024
12. To reappoint Messrs Ernst & Young as the auditors under Section 200 of the Companies Act 2001 and to authorise the Board to fix their remuneration
13. To ratify the remuneration of the Non-Executive Directors for the year ended 30th June 2024 and to approve the remuneration of the Non-Executive Directors for the year ended 30th June 2025

By Order of the Board



IBL Management Ltd
Company Secretary

28th October 2024

**** - Biography of the directors can be found at pages 14 to 18.**

A shareholder of the Company entitled to attend and vote at this meeting may appoint a proxy (in the case of an individual shareholder or a representative (in the case of a shareholder company, by way of a written board resolution), whether a member or not, to attend and vote on his behalf.

The instrument appointing a proxy, any general power of attorney or the written resolution appointing a representative should reach the registered office of the Company, Pierre Simonet Street, Floreal, Mauritius, not less than twenty-four hours before the time appointed for the holding of the meeting or adjourned meeting. In default, the instrument of proxy shall not be treated as valid.

A proxy form is included in this annual report and is also available at the registered office of the Company.

For the purpose of this Annual Meeting, the Directors have resolved in compliance with Section 120 (3) of the Companies Act 2001, that the shareholders who are entitled to receive notice of the meeting and attend such meeting shall be those shareholders whose names are registered in the share register of the Company as at 06th November 2024.

Proxy Form

I/We of being a shareholder of The Lux Collective Ltd hereby appoint of or failing him/her, the Chairperson of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Annual Meeting of Shareholders of the Company to be held at Cyril Lagesse Auditorium, 1st Floor, IBL House, Caudan Waterfront, Port Louis on Wednesday 04th December 2024 commencing at 10h30 and at any adjournment thereof.

I/We direct my/our proxy to vote in the following manner:

		(Vote with a tick)		
Resolutions		For	Against	Abstain
1.	To receive, consider and adopt the audited financial statements for the year ended 30 th June 2024, including the Annual Report and the Auditors' Report.			
2.	To re-elect Mr Arnaud Lagesse as Director of the Company			
3.	To re-elect Mr Scott Woroch as Director of the Company			
4.	To re-elect Mr Alexis Harel as Director of the Company			
5.	To re-elect Mr Jean de Fondaumière as Director of the Company, as per section 138 (6) of the Companies Act 2001			
6.	To re-elect Mr Hans Olbertz as Director of the Company, as per section 138 (6) of the Companies Act 2001			
7.	To re-elect Mr David Amsellem as Director of the Company			
8.	To re-elect Mrs Diya Nababsing-Jetshan as Director of the Company			
9.	To re-elect Mr Deodass Poolovadoo as Director of the Company			
10.	To elect Mr Olivier Chavy as Director of the Company			
11.	To ratify the remuneration paid to the auditors for the year ended 30 th June 2024			
12.	To reappoint Messrs Ernst & Young as the auditors under Section 200 of the Companies Act 2001 and to authorise the Board to fix their remuneration			
13.	To ratify the remuneration of the Non-Executive Directors for the year ended 30 th June 2024 and to approve the remuneration of the Non-Executive Directors for the year ended 30 th June 2025			

Signed this Signature

Registered Office - 58, Pierre Simonet Street Floreal





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