THE LUX COLLECTIVE

The Lux Collective Ltd and its Subsidiaries.

The group audited results for the year ended 30 June 2025 are as follows:

GROUP ABRIDGED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Year ended 30th June 2025 Rs 000 (Audited)	2024 Rs 000 (Audited)
Continuing Operation		
Revenue		
- Fees from hotel management and other services	890,277	890,416
- Revenue from other operations	260,837	273,858
- Others operating income	36,321	59,937
Total Operating Income	1,187,435	1,224,211
EBITDA before expected credit losses and impairment losses	219,773	188,124
Expected credit loss provision	(1,571)	(6,657)
Impairment of non-current assets	(12,233)	-
EBITDA	205,969	181,467
Depreciation and amortisation	(51,007)	(46,136)
Operating profit	154,962	135,331
Net finance costs	(31,001)	(32,154)
Profit before tax from continuing operation	123,961	103,177
Income tax charged	(24,749)	(20,506)
Profit for the year from continued operation	99,212	82,671
Discontinued Operation		
Gain on deemed disposal of subsidiary	127	-
Gain/(loss) for the year from discontinued operation	127	-
Profit attributable to the group	99,339	82,671
Other comprehensive income		
Movement for the year	4,297	(612)
Total recognised profit	103,636	82,059
Earnings per shares (Basic) Rs.	0.43	0.36

GROUP ABRIDGED STATEMENT OF FINANCIAL POSITION

	30th June 2025 Rs 000 (Audited)	30th June 2024 Rs 000 (Audited)
ASSETS		
Non current assets		
Property, plant & equipment	118,648	37,996
Right of Use Assets	232,721	213,864
Intangible assets	201,853	202,885
Other financial assets	7,818	7,829
Deferred tax assets	35,369	37,416
	596,409	499,990
Current assets	371,302	353,656
TOTAL ASSETS	967,711	853,646
EQUITY AND LIABILITIES		
Shareholders' interest	227,353	123,717
Non-current liabilities	418,937	360,235
Current liabilities	321,421	369,694
TOTAL EQUITY AND LIABILITIES	967,711	853,646
Net Assets per Share Rs.	0.98	0.53

GROUP ABRIDGED STATEMENT OF CASH FLOWS

	Year ended 30th June 2025 Rs 000	2024 Rs 000
Net cash flows from operating activities	194,640	46,490
Net cash flows used in investing activities	(90,899)	(7,474)
Net cash flows used in financing activities	(64,647)	(80,848)
Net increse/(decrease) in cash & cash equivalents	39,094	(41,832)
Cash and bank balance		
At beginning of year	86,177	128,009
At end of year	125,271	86,177

ABRIDGED STATEMENT OF CHANGES IN EQUITY

	Year ended 30th June 2025 Rs 000	2024 Rs 000
At beginning of year	123,717	69,518
Other movement	4,297	(612)
Profit for the year	99,339	82,671
Dividends declared	-	(27,860)
At end of year	227,353	123,717

Financial Results for the Year Ended 30 June 2025

Corporate Information

At a special meeting of shareholders in June 2024, approval was granted for The Lux Collective Ltd to transfer its registration from Mauritius to Guernsey. This re-domicile process was successfully completed on 31 December 2024, with the company now officially registered in Guernsey. Additionally, a foreign branch was registered in Mauritius in April 2025, and the Dubai subsidiary was registered in DMCC (Dubai Multi Commodities Centre). The company also relocated to new offices in Tribeca during the year.

Industry Background

Mauritius welcomed 1.4 million visitors for FY 24/25, representing growth of 4% compared to the previous year, with tourism earnings growing by 9%. Air seat capacity increased by 1%, and the hospitality industry occupancy improved by 2 percentage points to 77%. The top markets were France (24%), UK (11%), Reunion (10%), Germany (8%), and South Africa (8%).

The Maldives posted strong performance with tourist arrivals of 2.1 million, representing growth of 9% year-on-year. The destination maintained stable resort capacity with 173 resorts operating, similar to the previous year. The top five markets were China (13%), Russia (12%), UK (9%), Germany (8%), and Italy (7%), collectively comprising 49% of total arrivals.

Zanzibar achieved record breaking performance with 782,000 tourist arrivals, an impressive increase of 18% compared to the previous year and 25% versus FY 22/23. The top markets were Germany (13%), Italy (11%), France (9%), Poland (7%), and UK (6%).

In **China**, our managed hotels serve primarily the domestic tourism market. While specific national tourism data varies by region, the local tourism sector has shown resilience with domestic travel continuing to sustain our managed properties.

Reunion Island does not publish tourist arrival data.

Performance Analysis

Our managed properties in Mauritius, Maldives, Reunion, China, and Zanzibar performed strongly with occupancy reaching 87% and RevPAR of Rs 12,900, representing an increase of 8% compared to the previous year.

Revenue Performance: Total revenue decreased by 3.0% to Rs 1,187.4 million compared to Rs 1,224.2 million in FY 2023/24. This decrease was primarily attributed to the absence of a one-off Technical Services Agreement (TSA) fee of Rs 39.6 million received in the previous year. Excluding this one-off amount, underlying revenue increased by 5%.

Management fees, our largest revenue source, grew by 2.8% to Rs 583.3 million, demonstrating the resilience of our core hotel management business.

Geographic Revenue Distribution: Maldives increased its contribution to 19% of service revenue (from 17% in FY 2023/24), while Zanzibar contributed 2% of service revenue, reflecting good progress in our diversification strategy. China maintained its contribution at 5% of service revenue, consistent with the previous year, with our flagship property LUX* Chongzuo consistently outperforming occupancy and average daily rate as the primary contributor to this revenue stream. Mauritius remained our dominant market at 65% of service revenue, though this represented a slight decrease from 67% in the previous year.

EBITDA Performance: EBITDA increased by 16% to Rs 219.8 million from Rs 188.1 million, highlighting the underlying operational improvements. Costs were effectively mitigated during the year to achieve this EBITDA level. When excluding the one-off non-recurrent expense of Rs 46.1 million incurred in FY 2023/24, adjusted EBITDA increased substantially by Rs 36.8 million (20%).

Profitability Improvement: Despite the revenue decrease, the company achieved significant improvement in profitability. Profit for the year increased by 20% to Rs 99.3 million from Rs 82.7 million. An impairment of Rs 12 million was recorded relating to SALT of Palmar due to its operating performance.

Key Financial Metrics:

- EBITDA Margin: Improved from 15% to 18%
- Return on Capital Employed (ROCE): 15.1% (decreased from 17.1% due to higher capital base)
- Earnings Per Share (EPS): Increased from Rs 0.36 to Rs 0.43 (+19.4%)
- Gearing Ratio: Improved significantly to 61% from 75%
- Debt to Equity Ratio: Reduced from 2.93 to 1.58
- Current Ratio: Improved from 0.98 to 1.20, indicating better liquidity management

Balance Sheet Strengthening

The Group's balance sheet showed significant improvement with shareholders' equity nearly doubling to Rs 227.4 million from Rs 123.7 million. Total assets increased to Rs 967.7 million from Rs 853.6 million, primarily driven by investments in new office facilities and right-of-use assets related to new office contracts.

Non-current liabilities increased to Rs 418.9 million from Rs 360.2 million due to new loans for office financing and conversion of COVID-19 loans to commercial loans with longer maturity periods. Current liabilities decreased by 13% to Rs 321.4 million, mainly due to revised loan maturities and improved working capital management.

Cash Flow

Operating cash flow improved to Rs 193.8 million from Rs 45.5 million in the previous year. The company invested Rs 70 million primarily in new office facilities, while financing activities included Rs 103.0 million in new borrowings offset by Rs 102.8 million in loan repayments.

The overall cash position strengthened significantly from Rs 86.2 million to Rs 125.3 million, providing improved financial flexibility.

Dividend

A dividend of Rs 0.12 per share was declared on 2 July 2025 and paid in August 2025.

Strategic Developments

During the year, the company signed 5 new Hotel Management Agreements (HMAs), expanding its portfolio and demonstrating continued confidence from hotel owners in TLC's management capabilities. The company made significant progress in digitalization initiatives, moving to cloud-based systems for hotel Property Management Systems (PMS) and the TLC Central Reservation Office.

The appointment of a Chief Commercial Officer strengthened the leadership team's commercial focus and strategic capabilities.

Outlook

Our bookings in hand for Mauritius, Maldives, Reunion, and Zanzibar for the first quarter of FY 25/26 are ahead compared to the same period last year. We expect the booking pace to improve further due to the continuing trend of last-minute reservations.

The appreciation of the Euro against the Mauritian Rupee should positively impact our Average Daily Rate, helping hotel performance show growth compared to the same period last year. Consequently, we expect management fees attributable to The Lux Collective to improve compared to last year, resulting in EBITDA growth for the quarter.

Our pipeline for signing new HMAs remains promising. In addition to the 5 HMAs signed in FY 24/25, we expect to conclude several more during the coming financial year, supporting our long-term growth strategy.

The successful completion of our corporate restructuring, including the Guernsey redomicile and new operational base, positions us well for future expansion and improved operational efficiency.

While we remain cautious about global economic uncertainties and their potential impact on travel patterns, the strong performance of our key destination markets and improving operational metrics give us confidence in our ability to deliver sustainable growth and value creation for shareholders.

By order of the Board,
6 October 2025

Notes to the Financial Highlights

- The Financial Highlights have been prepared in accordance with International Financial Reporting Standards (IFRSs), as issued by the International Accounting Standards Board (IASB).
- The Financial Highlights have been prepared on the same basis as the accounting policies set out in the audited statutory Financial Statements of the Group for the year ended June 30, 2024, except for the adoption of relevant amendments to published Standards, Standards and Interpretations issued and effective for accounting period starting on July 1, 2024.
- The Board of Directors of The Lux Collective Ltd accepts full responsibility for the accuracy of the information contained in the Financial Highlights.
- The company is registered in Guernsey bearing registration number 74949.
- Copy of the Financial Highlights is available on the company website: www.theluxcollective.com