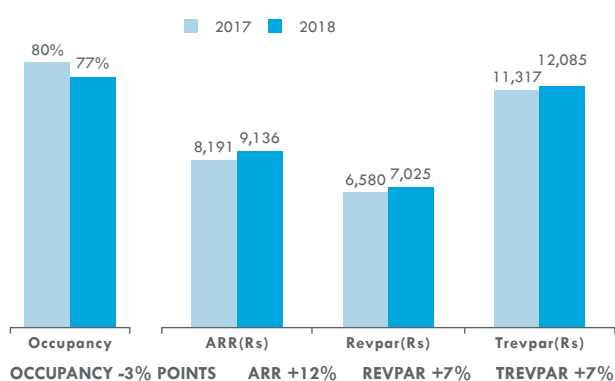


GROUP ABRIDGED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 30th June 2018	Year ended 30th June 2017
	Rs 000 (Audited)	Rs 000 (Audited)
Revenue	5,850,491	5,260,500
Earnings before Interest, Tax, Depreciation and Amortisation	1,162,213	1,089,020
Depreciation and amortisation	(501,819)	(442,214)
Operating profit	660,394	646,806
Gain on bargain purchase of subsidiary	75,677	-
Profit on disposal of property, plant and equipment	-	177,884
Net finance costs	(235,109)	(241,831)
Profit before tax	500,962	582,859
Taxation	(86,322)	(75,123)
Profit after tax	414,640	507,736
Non-controlling interest	74	7,213
Profit attributable to the group	414,714	514,949
Other comprehensive income		
Movement for the year	(27,761)	(561,569)
Total comprehensive income/(loss) for the year	386,953	(46,620)
Earnings per share - Continuing operations	3.02	3.75
Average number of shares	137,115,943	137,012,673
SEGMENTAL INFORMATION		
Segment revenue:		
Mauritius	3,408,491	3,598,514
Maldives	1,515,187	1,016,413
Reunion	926,813	645,573
Total revenue	5,850,491	5,260,500
Segment results:		
Mauritius	351,610	676,995
Maldives	230,874	(44,055)
Reunion	77,910	13,866
Operating profit	660,394	646,806

REVENUE PERFORMANCE



COMMENTARY

MARKET ENVIRONMENT

Tourist arrivals to Mauritius for the financial year ended 30th June 2018 increased by 4% to reach 1,314,622. Arrivals from Europe, our main market, increased by a similar percentage to reach 769,089. France and UK improved by 4% whilst Germany posted a double-digit growth of 14%. Arrivals from China for the year under review were down on last year by 14% to 67,673, and may be due to a reduction in seat capacity from that country. Arrivals in the Maldives for the same period increased by 10% to 1,485,517 and the Chinese market, which remains the main market for the Maldives, contracted by 5%. With regard to Reunion Island, tourist arrivals to the destination increased by 10% on last year.

GROUP RESULTS

The Group results for the year under review were affected by the closure for renovation of LUX* Grand Gaube during the months of July to December 2017. It reopened in January 2018 with a significantly reduced inventory and was fully operational as from March 2018. Last financial year, LUX* South Ari Atoll was closed for two months. The total closure cost incurred in the financial year ended 30th June 2018 amounted to Rs 165 m compared to Rs 132 m last year.

Against the above background, the Group delivered commendable results with turnover increasing by 11% to reach Rs 5.8bn and EBITDA (Earnings before Interest, Tax, Depreciation and Amortization) amounted to Rs 1.2bn, an improvement of 7% on last year. Except occupancy, all the metrics that we use to track performance have improved on last year as shown in the opposite bar charts and graphs. Depreciation and amortization for the year increased by Rs 60m or 13% on the prior year mainly due to additional charges following the renovation of LUX* South Ari Atoll and LUX* Grand Gaube. The net finance costs for the year amounted to Rs 235m down by Rs 6m on last year and the interest cover is similar as last year at around 5 times. The profit attributable to the Group for the year under review was down on last year by Rs 100m to Rs 414m explained by the net profit recorded on the sale of Tamassa last year of Rs 177m mitigated by the gain of Rs 76m recognized this year on repossession of Hotel Le Récif in Reunion Island.

Net interest bearing debt as at 30th June 2018 was Rs 4.6bn compared to Rs 3.8bn a year ago due to banking facilities contracted for the renovation of LUX* Grand Gaube. The gearing of the Group is still healthy at 43%.

NEW BRAND

The opening of the hotel identified by the Management to launch the new brand is scheduled, after renovation, on 1st November 2018.

OUTLOOK

It is encouraging to note that tourist arrivals are increasing in the destinations where we operate. The reaction from the trade on the new LUX* Grand Gaube has been extremely positive and the feedback from the guests outstanding. We are very confident that this hotel will be successful.

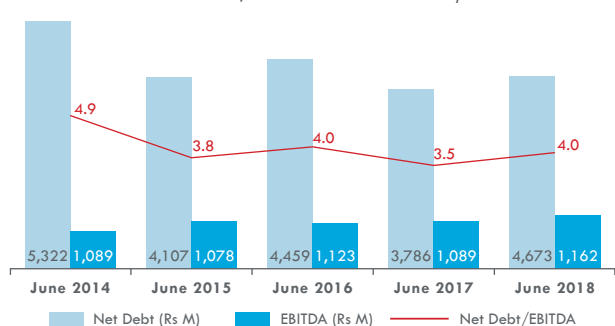
After renovating LUX* Belle Mare, LUX* South Ari Atoll and LUX* Grand Gaube, Management is working on a redevelopment plan for the other hotels of the Group but no construction work is envisaged in the financial year ending 30th June 2019.

We anticipate good growth in attributable earnings since all of the flagship hotels will be fully operational during financial year 2019.

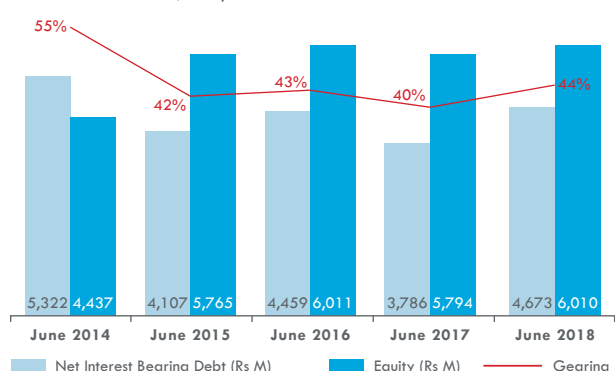
Business currently held for the first quarter ending September 2018 is satisfactory. Should there be no deterioration in the current environment, the group EBITDA for the quarter should improve on last year.

By order of the Board
LUX Hospitality Ltd
Company Secretary
22nd August 2018.

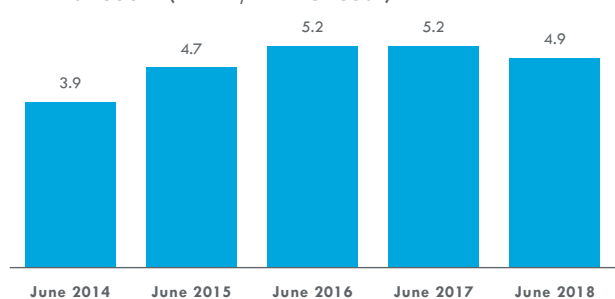
EVOLUTION OF NET DEBT, EBITDA AND NET DEBT/EBITDA RATIO



EVOLUTION OF EQUITY, NET DEBT AND GEARING



INTEREST COVER (EBITDA/FINANCE COST)



GROUP ABRIDGED STATEMENT OF FINANCIAL POSITION

	30th June 2018	30th June 2017
	Rs 000 (Audited)	Rs 000 (Audited)
ASSETS		
Non current assets		
Property, plant & equipment	9,846,874	8,636,882
Intangible assets	1,649,157	1,639,799
Other financial assets	5	5
Deferred tax assets	192,409	115,064
	11,688,445	10,391,750
Current assets	1,240,493	1,146,409
TOTAL ASSETS	12,928,938	11,538,159
EQUITY AND LIABILITIES		
Shareholders' interest	6,008,773	5,791,479
Non-controlling interest	1,523	2,578
Non-current liabilities	4,302,665	3,522,532
Current liabilities	2,615,977	2,221,570
TOTAL EQUITY AND LIABILITIES	12,928,938	11,538,159
Net Assets per Share	Rs. 43.82	42.30
Net Assets per Share including value of leasehold land	Rs. 58.67	57.15

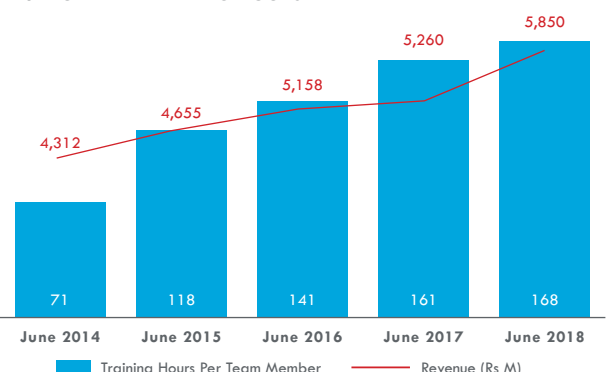
GROUP ABRIDGED STATEMENT OF CASH FLOWS

	30th June 2018	30th June 2017
	Rs 000	Rs 000
Net cash flows from operating activities	741,962	847,527
Net cash flows from investing activities	(1,421,909)	(43,106)
Net cash flows from financing activities	654,557	(584,149)
Net (decrease)/increase in cash & cash equivalents	(25,390)	220,272
Cash and bank balance		
At beginning of year	(73,609)	(293,881)
At end of year	(98,999)	(73,609)

GROUP ABRIDGED STATEMENT OF CHANGES IN EQUITY

	30th June 2018	30th June 2017
	Rs 000	Rs 000
At beginning of year	5,791,479	6,007,393
Other movement in Equity	1,736	(7,747)
Total comprehensive income/(loss) for the year	386,953	(46,620)
Issue of shares	-	9,834
Dividend	(171,395)	(171,381)
At end of year	6,008,773	5,791,479

REVENUE AND TRAINING HOURS PER TEAM MEMBER



Notes to the Financial Highlights

- The Financial Highlights have been prepared in accordance with International Financial Reporting Standards (IFRSs).
- The Financial Highlights have been prepared on the same basis as the accounting policies set out in the audited statutory Financial Statements of the Group for the year ended June 30, 2018.
- The Financial Highlights are issued pursuant to Listing Rule 12.14 and published according to the Securities Act 2005.
- Copies of the Financial Highlights and the statement of direct and indirect interests of officers of the Company required under Rule 8 (2) (m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 are available free of charge, upon request, from the Company Secretary, at the Company's registered office, Lux Island Resorts Ltd, Pierre Simonet Street, Floréal.
- The Board of Directors of Lux Island Resorts Ltd accepts full responsibility for the accuracy of the information contained in the Financial Highlights.