

SUN LIMITED ABRIDGED FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 30 SEPTEMBER 2024 (UNAUDITED)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (ABRIDGED)	QUARTER ENDED 30 SEPTEMBER (UNAUDITED)	
	2024 Rs'000	2023 Rs'000
Continuing Operations		
Revenue	1,213,579	1,118,602
Operating expenses	(943,043)	(825,534)
Earnings before interest, tax, depreciation and amortisation and impairment charges	270,536	293,068
Impairment charges of financial and non-financial assets	(888)	(488)
Earnings before interest, tax, depreciation and amortisation	269,648	292,580
Depreciation and amortisation	(72,831)	(65,222)
Operating profit	196,817	227,358
Net finance costs	(33,710)	(57,160)
Share of result of joint venture and associate	13,560	9,262
Profit before tax	176,667	179,460
Income tax charge	(31,907)	(27,248)
Profit for the period from continuing operations	144,760	152,212
Loss for the period from discontinued operations	(122,448)	(13,557)
Profit for the period	22,312	138,655
Profit attributable to:		
Owners of the Company	55,647	146,957
Non-controlling interests	(33,335)	(8,302)
	22,312	138,655
Other comprehensive income:		
Movement for the period	(55,968)	191,977
Total comprehensive income for the period	(33,656)	330,632
Total comprehensive income attributable to:		
Owners of the Company	3,883	327,810
Non-controlling interests	(37,539)	2,822
	(33,656)	330,632
Basic and diluted earnings per share (Rs)	0.32	0.84

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (ABRIDGED)	30 SEPTEMBER 2024	30 JUNE 2024
	Rs'000 UNAUDITED	Rs'000 AUDITED
ASSETS		
Non-current assets		
Property, plant and equipment	7,864,469	7,989,994
Right-of-use assets	906,975	880,543
Intangible assets	15,562	13,351
Investments in associates and joint ventures	762,209	748,649
Other non-current assets	117,254	121,474
	9,666,469	9,754,011
Current assets	1,950,173	1,805,225
Assets held for distribution	12,130,683	12,021,290
Total assets	23,747,325	23,580,526
EQUITY AND LIABILITIES		
Shareholders' equity	12,150,815	12,171,339
Non-controlling interests	910,698	948,488
Total equity	13,061,513	13,119,827
Loans and other borrowings	1,865,492	1,929,907
Lease liabilities	1,191,730	1,158,011
Deferred tax liability	591,807	579,477
Provision	22,990	19,261
Contract liabilities	56,586	56,902
Employee benefit liability	286,606	282,011
Non-current liabilities	4,015,211	4,025,569
Current liabilities	2,537,523	2,592,187
Liabilities directly associated with assets held for distribution	4,133,078	3,842,943
Total liabilities	10,685,812	10,460,699
Total equity and liabilities	23,747,325	23,580,526
Group's net debt	3,587,110	2,671,553
Gearing ratio	21.4%	16.7%

CONSOLIDATED STATEMENT OF CASH FLOWS (ABRIDGED)	QUARTER ENDED 30 SEPTEMBER (UNAUDITED)	
	2024 Rs'000	2023 Rs'000
Operating profit before working capital changes	160,930	386,562
Movement in working capital	(68,390)	(18,650)
Cash generated from operations	92,540	367,912
Income taxes paid	(3,631)	-
Net cash flows from operating activities	88,909	367,912
Net cash flows used in investing activities	(383,860)	(111,207)
Net cash flows used in financing activities	(448,418)	(570,904)
Net decrease in cash and cash equivalents	(743,369)	(314,199)
Net foreign exchange differences	15,991	(30,188)
Cash and cash equivalents - Opening	1,534,126	1,822,216
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	806,748	1,477,829

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (ABRIDGED)	THE GROUP (UNAUDITED)		
	Attributable to owners of the Company Rs'000	Non-controlling interests Rs'000	Total equity Rs'000
At 30 June 2023 (audited)	10,843,998	926,097	11,770,095
Total comprehensive income for the period	327,814	2,822	330,636
Convertible bonds	(24,345)	-	(24,345)
Dividends	-	(251)	(251)
At 30 September 2023 (unaudited)	11,147,467	928,668	12,076,135
At 30 June 2024 (audited)	12,171,339	948,488	13,119,827
Total comprehensive income for the period	3,883	(37,539)	(33,656)
Convertible bonds	(24,407)	-	(24,407)
Dividends	-	(251)	(251)
At 30 September 2024 (unaudited)	12,150,815	910,698	13,061,513

CORPORATE RESTRUCTURING

Following the Scheme of Arrangement (the "Scheme") sanctioned by the Supreme Court on 12 September 2024, the Listing Committee of the Stock Exchange of Mauritius approved the listing of shares of Riveo Limited ("Riveo") on 25 October 2024. The distribution of Riveo share is planned on or about 20 November 2024 with its listing on the Official Market of The Stock Exchange of Mauritius Ltd around 25 November 2024. As such, the financial results of Riveo have been classified as discontinued operations, and the comparative results from the previous quarter have been adjusted accordingly.

COMMENTARY

The hospitality industry registered an increase of 7.1% in tourist arrivals in Q1 FY25 compared to same quarter last year. The top three countries of origin for tourists during this quarter remained France at 22%, followed by the UK at 13% and Reunion at 10%.

RESULTS

Sunlife (continuing operations)

Revenue for this quarter reached Rs 1.2 billion, reflecting an 8.5% increase compared to the same quarter last year. Occupancy was 81.2%, up by 3.7% points from the same quarter last year whilst Revenue per Available Room (RevPAR) grew by 10.7%.

Normalised EBITDA at Rs 270.5 million was marginally lower than last year (Rs 292.6 million) mainly due to the impact of higher payroll costs following a combination of the mandatory minimum salary and the recent Wage Relativity Adjustment, coupled with the revised Hospitality Remuneration Orders ("RO") effective as from 1 July 2024. EBITDA margin at 22% remained reasonable in the low season quarter.

Net finance costs of Rs 33.7 million were lower than the last period, mainly due to exchange gains on retranslation and lower interest costs.

Profit after tax from continuing operations amounted to Rs 144.8 million for this quarter, slightly lower than same quarter last year (Q1 FY24: Rs 152.2 million).

Riveo (discontinued operations)

The financial results of Riveo were heavily impacted by the closure of Shangri-La Le Touessrok's renovation from June 2024, resulting in a loss after tax of Rs 122.4 million (Q1 FY24: loss of Rs 13.6 million). This major renovation has now been successfully completed, and the resort has

re-opened as planned on 19 October with new exciting Food and Beverage concepts for its restaurants and nicely refurbished rooms and suites. Forward bookings post renovation are looking promising at this stage, and we expect positive feedback from the trade after the official launch scheduled on 29 October 2024.

The Group's cash balances stood at Rs 806.7 million as at 30 September 2024, a decrease of Rs 671.1 million compared to the same quarter last year, attributable to dividend payments and renovation funding for the Shangri-La Le Touessrok. Similarly, net debt for the Group rose by 34.3%, reaching Rs 3.6 billion as of 30 September 2024, compared to Rs 2.7 billion on 30 June 2024, with debts contracted for Shangri-La Le Touessrok renovation.

OUTLOOK

With the split of SUN and Riveo expected in November 2024, the published results as from that date will disclose separately these two groups in the second quarter.

The outlook for Sunlife remains positive as forward bookings are ahead of same date last year, although the Wage Relativity and RO adjustments mentioned above will continue to impact payroll and operating costs. In addition, 2% Corporate Climate Risk Levy imposed retrospectively for FY24 will be due in December 2024 and will have a material impact for the quarter.

Riveo will benefit from the operation of the renovated Shangri-La Le Touessrok for two months and is expected to post positive results for the second quarter.

By Order of the Board

CIEL Corporate Services Ltd
Company Secretary

25 October 2024

Notes to the above:

- The interim financial report has been prepared in accordance with IAS 34 Interim Financial Statements and using the same accounting policies and methods adopted as the last audited financial statements, except for the adoption of new and amended IFRS in the year commencing 1 July 2024.
- This interim financial report is issued pursuant to Listing Rule 12.20 and the Securities Act 2005.
- 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 is available upon request from the Secretary, free of charge at CIEL Corporate Services Ltd, Ebène Skies, Ebène, Mauritius. Copies of this report are available to the public, free of charge, at the Registered Office of the Company.
- The Board of Directors of Sun Limited accepts full responsibility for the accuracy of the information contained in this report