

SUN LIMITED ABRIDGED FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 30 SEPTEMBER 2023 (UNAUDITED)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (ABRIDGED)	QUARTER ENDED 30 SEPTEMBER (UNAUDITED)	
	2023 Rs'000	2022 Rs'000
Revenue	1,808,158	1,541,861
Operating expenses	(1,409,268)	(1,234,649)
Earnings before interest, tax, depreciation and amortisation and impairment reversals	398,890	307,212
Impairment reversals	418	2,409
Earnings before interest, tax, depreciation and amortisation	399,308	309,621
Depreciation and amortisation	(135,565)	(139,802)
Operating profit	263,743	169,819
Net finance costs	(105,456)	(150,688)
Share of result of joint venture	9,262	2,767
Profit before tax	167,549	21,898
Income tax charge	(28,890)	(13,191)
Profit for the period	138,659	8,707
Other comprehensive income, net of tax	191,977	382,020
Total comprehensive income for the period	330,636	390,727
Profit/(loss) attributable to:		
Owners of the Company	146,961	14,168
Non-controlling interests	(8,302)	(5,461)
	138,659	8,707
Total comprehensive income attributable to:		
Owners of the Company	327,814	374,012
Non-controlling interests	2,822	16,715
	330,636	390,727
Basic and diluted earnings per share (Rs)	0.84	0.08

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (ABRIDGED)	30 SEPTEMBER (UNAUDITED)	30 JUNE (AUDITED)
	2023 Rs'000	2023 Rs'000
ASSETS		
Non-current assets		
Property, plant and equipment	18,067,693	18,070,344
Right-of-use assets	1,640,477	1,595,986
Intangible assets	241,372	238,196
Investments in associates and joint ventures	356,890	347,629
Other non-current assets	271,652	270,133
	20,578,084	20,522,288
Current assets	2,606,409	2,712,949
Total assets	23,184,493	23,235,237
EQUITY AND LIABILITIES		
Shareholders' equity	11,147,467	10,843,998
Non-controlling interests	928,668	926,097
Total equity	12,076,135	11,770,095
Loans and other borrowings	4,122,890	4,433,102
Lease liabilities	1,704,448	1,664,250
Deferred tax liability	1,533,013	1,516,553
Provision	20,940	20,940
Contract liabilities	84,551	82,349
Employee benefit liability	292,500	288,446
Non-current liabilities	7,758,342	8,005,640
Current liabilities	3,350,016	3,459,502
Total liabilities	11,108,358	11,465,142
Total equity and liabilities	23,184,493	23,235,237
Net debt	3,479,935	3,447,664
Gearing ratio	22.4%	22.7%

CONSOLIDATED STATEMENT OF CASH FLOWS (ABRIDGED)	QUARTER ENDED 30 SEPTEMBER (UNAUDITED)	
	2023 Rs'000	2022 Rs'000
Operating profit before working capital changes	409,973	344,154
Movement in working capital	(40,621)	(86,667)
Cash generated from operations	369,352	257,487
Income taxes paid	-	(45)
Net cash flows from operating activities	369,352	257,442
Net cash flows used in investing activities	(109,743)	(46,948)
Net cash flows used in financing activities	(564,288)	(249,449)
Net decrease in cash and cash equivalents	(304,679)	(38,955)
Net foreign exchange differences	(30,026)	(127,422)
Cash and cash equivalents - Opening	1,822,216	1,580,713
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	1,487,511	1,414,336

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (ABRIDGED)	THE GROUP		
	Attributable to owners of the Company Rs'000	Non-controlling interests Rs'000	Total equity Rs'000
At 30 June 2022 (audited)	8,995,576	844,748	9,840,324
Total comprehensive income for the period	374,012	16,715	390,727
Convertible bonds	250,138	-	250,138
At 30 September 2022 (unaudited)	9,619,726	861,463	10,481,189
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

COMMENTS ON THE RESULTS

Financial results for the quarter ended 30 September 2023

The tourism industry continues to recover with tourist arrivals reaching 304,660 for this quarter, representing a growth of 16.4% over the same period last year.

In line with the increase in tourist arrivals, the Group achieved a growth in revenue for the first quarter, reaching Rs 1.8 billion (Q1 FY23: Rs 1.5 billion), driven by a RevPAR increase of 27.2% against the corresponding quarter of the prior year.

Inflationary pressures and shortage of labour remain a challenge but the Group managed to improve its margin with EBITDA up by 29.0% to reach Rs 399 million.

Net finance costs of Rs 105 million were significantly lower than last year mainly due to lower exchange losses on retranslation. The Group posted profit after tax of Rs 139 million (Q1 FY23: Rs 9 million), a commendable performance for a traditionally low season period.

Net interest-bearing debt was Rs 3.5 billion, representing a gearing of 22.4% (30 June 2023: 22.7%).

Outlook

Based on the forward bookings to date, the trend looks positive and notwithstanding unforeseen negative factors, the Group expects the results for the first semester to be better than last year. However, the current situation in the Middle East should be closely monitored for any impact on the tourism industry.

By Order of the Board

CIEL Corporate Services Ltd
Company Secretary
25 October 2023

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 2023.
- 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.