

# SUN LIMITED ABRIDGED FINANCIAL STATEMENTS

## FOR THE QUARTER ENDED 31 DECEMBER 2021 (UNAUDITED)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (ABRIDGED)	QUARTER ENDED		HALF-YEAR ENDED	
	31 DECEMBER (UNAUDITED)		31 DECEMBER (UNAUDITED)	
	2021 Rs'000	2020 Rs'000	2021 Rs'000	2020 Rs'000
<b>Continuing operations</b>				
Revenue	1,817,656	373,500	2,098,357	617,548
Operating expenses	(1,183,375)	(496,330)	(1,730,886)	(950,282)
<b>Earnings/(loss) before interest, tax, depreciation and amortisation and impairment reversals/(charges)</b>	<b>634,281</b>	<b>(122,830)</b>	<b>367,471</b>	<b>(332,734)</b>
Impairment reversals/(charges)	4,339	1,473	5,067	(8,052)
<b>Earnings/(loss) before interest, tax, depreciation and amortisation</b>	<b>638,620</b>	<b>(121,357)</b>	<b>372,538</b>	<b>(340,786)</b>
Depreciation and amortisation	(141,175)	(144,633)	(282,110)	(286,470)
<b>Operating profit/(loss)</b>	<b>497,445</b>	<b>(265,990)</b>	<b>90,428</b>	<b>(627,256)</b>
Net finance costs	(98,140)	(190,333)	(218,238)	(451,833)
Share of result of joint venture	13,056	443	9,339	(7,444)
<b>Profit/(loss) before tax</b>	<b>412,361</b>	<b>(455,880)</b>	<b>(118,471)</b>	<b>(1,086,533)</b>
Income tax (charge)/credit	(71,545)	62,953	3,198	134,722
<b>Profit/(loss) for the period from continuing operations</b>	<b>340,816</b>	<b>(392,927)</b>	<b>(115,273)</b>	<b>(951,811)</b>
Loss from discontinued operation	-	(32,441)	-	(100,212)
<b>Profit/(loss) for the period</b>	<b>340,816</b>	<b>(425,368)</b>	<b>(115,273)</b>	<b>(1,052,023)</b>
<b>Other comprehensive income, net of tax</b>	<b>40,845</b>	<b>(139,479)</b>	<b>168,521</b>	<b>(267,520)</b>
<b>Total comprehensive income for the period</b>	<b>381,661</b>	<b>(564,847)</b>	<b>53,248</b>	<b>(1,319,543)</b>
<b>Profit/(loss) attributable to:</b>				
Owners of the Company	308,363	(408,904)	(126,235)	(1,008,322)
Non-controlling interests	32,453	(16,464)	10,962	(43,701)
	340,816	(425,368)	(115,273)	(1,052,023)
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	347,849	(540,520)	34,137	(1,260,713)
Non-controlling interests	33,812	(24,327)	19,111	(58,830)
	381,661	(564,847)	53,248	(1,319,543)
<b>Basic and diluted earnings/(loss) per share (Rs)</b>	<b>1.77</b>	<b>(2.34)</b>	<b>(0.72)</b>	<b>(5.78)</b>

CONSOLIDATED GEOGRAPHICAL AND SEGMENTAL INFORMATION	QUARTER ENDED		HALF-YEAR ENDED	
	31 DECEMBER (UNAUDITED)		31 DECEMBER (UNAUDITED)	
	2021 Rs'000	2020 Rs'000	2021 Rs'000	2020 Rs'000
<b>Geographical revenue:</b>				
<b>Continuing operations</b>				
Mauritius	1,809,762	365,950	2,088,142	606,652
Others	7,894	7,550	10,215	10,896
	1,817,656	373,500	2,098,357	617,548
<b>Discontinued operation</b>				
Maldives	-	80,456	-	81,161
<b>Total revenue</b>	<b>1,817,656</b>	<b>453,956</b>	<b>2,098,357</b>	<b>698,709</b>
<b>Segment revenue:</b>				
Hotel operations - External sales	1,809,762	446,406	2,088,142	687,813
Hotel operations - Inter-segment sales	7,894	853	9,179	855
	1,817,656	447,259	2,097,321	688,668
Others - External sales	7,894	7,550	10,215	10,896
Elimination of inter-segment sales	(7,814)	(853)	(9,179)	(855)
<b>Total revenue</b>	<b>1,817,656</b>	<b>453,956</b>	<b>2,098,357</b>	<b>698,709</b>
<b>Geographical results:</b>				
<b>Continuing operations</b>				
Mauritius	342,917	(388,721)	(106,964)	(942,754)
Others	(2,101)	(4,206)	(8,309)	(9,057)
<b>Profit/(loss) for the period from continuing operations</b>	<b>340,816</b>	<b>(392,927)</b>	<b>(115,273)</b>	<b>(951,811)</b>
<b>Discontinued operation</b>				
Maldives	-	(32,441)	-	(100,212)
<b>Profit/(loss) for the period</b>	<b>340,816</b>	<b>(425,368)</b>	<b>(115,273)</b>	<b>(1,052,023)</b>
<b>Segment results:</b>				
Hotel operations	342,917	(421,162)	(106,964)	(1,042,966)
Others	(2,101)	(4,206)	(8,309)	(9,057)
<b>Profit/(loss) for the period</b>	<b>340,816</b>	<b>(425,368)</b>	<b>(115,273)</b>	<b>(1,052,023)</b>

CONSOLIDATED STATEMENT OF CASH FLOWS (ABRIDGED)	QUARTER ENDED		HALF-YEAR ENDED	
	31 DECEMBER (UNAUDITED)		31 DECEMBER (UNAUDITED)	
	2021 Rs'000	2020 Rs'000	2021 Rs'000	2020 Rs'000
<b>Operating profit/(loss) before working capital changes</b>	<b>606,457</b>	<b>(174,186)</b>	<b>356,565</b>	<b>(438,954)</b>
Movement in working capital	299,067	32,123	462,353	(132,100)
<b>Cash generated from/(used in) operations</b>	<b>905,524</b>	<b>(142,063)</b>	<b>818,918</b>	<b>(571,054)</b>
Income taxes paid	-	(1,867)	-	(2,916)
<b>Net cash flows from/(used in) operating activities</b>	<b>905,524</b>	<b>(143,930)</b>	<b>818,918</b>	<b>(573,970)</b>
<b>Net cash flows used in investing activities</b>	<b>(122,643)</b>	<b>(163,541)</b>	<b>(195,705)</b>	<b>(229,220)</b>
<b>Net cash flows (used in)/from financing activities</b>	<b>(1,191,590)</b>	<b>589,090</b>	<b>(1,252,885)</b>	<b>871,926</b>
Net (decrease)/increase in cash and cash equivalents	(408,709)	281,619	(629,672)	68,736
Net foreign exchange differences	(12,900)	11,210	(23,026)	18,836
Cash and cash equivalents - Opening	1,316,771	381,784	1,547,860	587,041
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	<b>895,162</b>	<b>674,613</b>	<b>895,162</b>	<b>674,613</b>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (ABRIDGED)	31 DECEMBER	30 JUNE
	(UNAUDITED)	(AUDITED)
	2021 Rs'000	2021 Rs'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	15,231,188	15,321,636
Right-of-use assets	1,601,307	1,518,315
Intangible assets	264,659	269,394
Investments in associates and joint ventures	398,057	441,922
Other non-current assets	379,393	368,850
	17,874,604	17,920,117
Current assets	1,951,131	2,088,235
<b>Total assets</b>	<b>19,825,735</b>	<b>20,008,352</b>
<b>EQUITY AND LIABILITIES</b>		
Shareholders' equity	6,551,165	6,242,028
Non-controlling interests	696,122	677,011
<b>Total equity</b>	<b>7,247,287</b>	<b>6,919,039</b>
Loans and other borrowings	6,557,064	6,686,989
Lease liabilities	1,734,926	1,648,043
Deferred tax liability	953,553	946,728
Provision	9,913	9,913
Contract liabilities	88,392	90,503
Employee benefit liability	298,659	266,752
<b>Non-current liabilities</b>	<b>9,642,507</b>	<b>9,648,928</b>
Current liabilities	2,935,941	3,440,385
<b>Total liabilities</b>	<b>12,578,448</b>	<b>13,089,313</b>
<b>Total equity and liabilities</b>	<b>19,825,735</b>	<b>20,008,352</b>
<b>Net debt</b>	<b>6,259,145</b>	<b>7,087,513</b>
<b>Gearing ratio</b>	<b>46.3%</b>	<b>50.6%</b>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (ABRIDGED)	THE GROUP		
	Attributable to owners of the Company	Non-controlling interests	Total equity
	Rs'000	Rs'000	Rs'000
At 30 June 2020 (audited) - restated	5,341,637	765,561	6,107,198
Total comprehensive income for the period	(1,260,713)	(58,830)	(1,319,543)
Convertible bonds	498,125	-	498,125
<b>At 31 December 2020 (unaudited)</b>	<b>4,579,049</b>	<b>706,731</b>	<b>5,285,780</b>
At 30 June 2021 (audited)	6,242,028	677,011	6,919,039
Total comprehensive income for the period	34,137	19,111	53,248
Convertible bonds	275,000	-	275,000
<b>At 31 December 2021 (unaudited)</b>	<b>6,551,165</b>	<b>696,122</b>	<b>7,247,287</b>

### Commentary

With the full reopening of the Mauritian border on 1 October 2021, the Group posted encouraging results for the quarter with the resorts benefitting from pent-up demand mainly from the European market. In line with the progression of its reservations, SUN proceeded with a gradual reopening of its six resorts until full operations in November 2021 when bookings trends looked very promising. Unfortunately, the outbreak of the Omicron variant resulted in the ban on South African tourists and restrictions imposed by France on their travellers to the island which impacted severely the bookings as from the first week of December. Tourist arrivals to the island for the quarter were 169,814, 56% below pre-COVID level in 2019.

### Quarterly results

Revenue for the quarter under review amounted to Rs 1,818 million compared to Rs 374 million a year ago but was 11% behind the same quarter ended 31 December 2019. Resorts' occupancy averaged 48% in the quarter compared to 19% in the same quarter last year and 39% behind corresponding quarter in 2019. Reported EBITDA for the quarter increased by Rs 760 million over same quarter last year to finish at Rs 639 million and was 10% behind 2019 figure. The Group realised an operating profit in this quarter of Rs 497 million, compared to an operating loss of Rs 266 million in same quarter last year and was down 10% on 2019. Reported profit after tax stood at Rs 341 million as compared to a loss of Rs 393 million in the same quarter last year and Rs 360 million profit for the corresponding quarter in 2019.

The gearing ratio improved to 46.3% (50.6% at 30 June 2021)

### Outlook

Given that the Omicron variant is still propagating in Europe and some countries like China, Reunion and Saudi Arabia are still closed, trading conditions remain very difficult to predict. However, with the recent easing of sanitary protocols in UK and the re-opening of the South African borders, there is cautious optimism especially with the recent encouraging bookings' pick up.

### By Order of the Board

CIEL Corporate Services Ltd

Company Secretary

10 February 2022

### Notes to the above:

- The abridged financial statements for the quarter ended 31 December 2021 have been prepared using the same accounting policies and methods adopted in the financial statements for the year ended 30 June 2021, audited by Messrs. PricewaterhouseCoopers, Chartered Accountants, except for the adoption of new and amended IFRS in the year commencing 1 July 2021.
- The interim financial statements have been prepared in accordance with IAS 34 Interim Financial Statements.
- This announcement is issued pursuant to Listing Rule 12.20 and the Securities Act 2005.
- The Board of Directors of Sun Limited accepts full responsibility for the accuracy of the information contained in this report.
- The statement of direct and indirect interests of officers of the Company required under rule 81(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, Ebene Skies, Ebene, Mauritius. Copies of this report are available to the public, free of charge, at the Registered Office of the Company. Copies of this report are available to the public, free of charge, at the Registered Office of the Company.