



(File No. 3886)  
Business Registration No : C06003886  
Incorporated in the Republic Of Mauritius

## SUN RESORTS LIMITED

### Unaudited Abridged Financial Statements

#### for the quarter and half year ended 30 June 2014

The Group unaudited results for the quarter and half year ended 30 June 2014 are as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME( ABRIDGED)				
	THE GROUP			
	Quarter ended 30 June		Half-Year ended 30 June	
	2014 Rs'000	2013 Rs'000	2014 Rs'000	2013 Rs'000
Revenue	895,611	764,805	1,965,146	1,970,679
Other operating income	19,579	6,473	37,969	24,932
<b>Total revenue</b>	<b>915,190</b>	<b>771,278</b>	<b>2,003,115</b>	<b>1,995,611</b>
Total expenses	(977,170)	(933,568)	(1,959,537)	(1,926,046)
<b>Operating (loss) / profit</b>	<b>(61,980)</b>	<b>(162,290)</b>	<b>43,578</b>	<b>69,565</b>
Finance costs	(82,540)	(89,518)	(165,116)	(183,793)
Finance income	1,494	753	3,045	1,697
<b>Loss before tax</b>	<b>(143,026)</b>	<b>(251,055)</b>	<b>(118,493)</b>	<b>(112,531)</b>
Income tax credit	22,065	38,444	19,699	20,191
<b>Loss for the period</b>	<b>(120,961)</b>	<b>(212,611)</b>	<b>(98,794)</b>	<b>(92,340)</b>
<b>Other comprehensive income net of tax</b>	<b>5,785</b>	<b>5,037</b>	<b>18,960</b>	<b>49,695</b>
<b>Total comprehensive income</b>	<b>(115,176)</b>	<b>(207,574)</b>	<b>(79,834)</b>	<b>(42,645)</b>
<b>Profit / (Loss) attributable to:</b>				
Owners of the Company	(120,976)	(212,626)	(98,824)	(92,370)
Non-controlling interests	15	15	30	30
	<b>(120,961)</b>	<b>(212,611)</b>	<b>(98,794)</b>	<b>(92,340)</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	(115,191)	(207,589)	(79,864)	(42,675)
Non-controlling interests	15	15	30	30
	<b>(115,176)</b>	<b>(207,574)</b>	<b>(79,834)</b>	<b>(42,645)</b>
<b>Loss per share (Rs)</b>	<b>(1.29)</b>	<b>(2.27)</b>	<b>(1.05)</b>	<b>(0.98)</b>

CONSOLIDATED GEOGRAPHICAL AND SEGMENTAL INFORMATION				
	THE GROUP			
	Quarter ended 30 June		Half-Year ended 30 June	
	2014 Rs'000	2013 Rs'000	2014 Rs'000	2013 Rs'000
Geographical revenue:				
Mauritius	690,328	553,375	1,411,091	1,346,192
Maldives	121,350	108,306	328,132	353,158
Others	103,512	109,597	263,892	296,261
<b>Total revenue including other operating income</b>	<b>915,190</b>	<b>771,278</b>	<b>2,003,115</b>	<b>1,995,611</b>
Geographical results:				
Mauritius	(103,005)	(175,533)	(145,813)	(142,844)
Maldives	(5,708)	(21,565)	58,284	61,729
Others	(12,248)	(15,513)	(11,265)	(11,225)
<b>Loss for the period</b>	<b>(120,961)</b>	<b>(212,611)</b>	<b>(98,794)</b>	<b>(92,340)</b>
Segment revenue:				
Hotel operations - External sales	785,833	661,681	1,713,378	1,693,124
Hotel operations - Inter-segment sales	77,165	84,239	194,780	224,652
	862,998	745,920	1,908,158	1,917,776
Real estate	25,845	-	25,845	6,226
Others - External sales	103,512	109,597	263,892	296,261
Elimination of inter-segment sales	(77,165)	(84,239)	(194,780)	(224,652)
<b>Total revenue including other operating income</b>	<b>915,190</b>	<b>771,278</b>	<b>2,003,115</b>	<b>1,995,611</b>
Segment results:				
Hotel operations	(115,601)	(197,208)	(94,576)	(82,445)
Real estate	6,888	110	7,047	1,330
Others	(12,248)	(15,513)	(11,265)	(11,225)
<b>Loss for the period</b>	<b>(120,961)</b>	<b>(212,611)</b>	<b>(98,794)</b>	<b>(92,340)</b>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (ABRIDGED)		
	THE GROUP	
	30 Jun 2014	31 Dec 2013
	Audited	Audited
	Rs'000	Rs'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	9,654,250	9,765,724
Operating equipment	139,874	147,980
Intangible assets	1,521,672	1,521,158
Other investments	10,591	10,591
Leasehold rights and leasehold land prepayments	194,715	198,737
Other financial assets	105,929	165,876
	<b>11,627,031</b>	<b>11,810,066</b>
<b>Current assets</b>	<b>972,554</b>	<b>1,195,624</b>
<b>Total assets</b>	<b>12,599,585</b>	<b>13,005,690</b>
<b>EQUITY AND LIABILITIES</b>		
Shareholders' equity	5,298,113	5,377,977
Non-controlling interests	1,803	1,773
<b>Total equity</b>	<b>5,299,916</b>	<b>5,379,750</b>
Interest-bearing loans and borrowings	4,176,012	3,796,198
Deferred tax liability	502,184	532,099
Employee benefit liability	113,592	113,593
<b>Non-current liabilities</b>	<b>4,791,788</b>	<b>4,441,890</b>
<b>Current liabilities</b>	<b>2,507,881</b>	<b>3,184,050</b>
<b>Total liabilities</b>	<b>7,299,669</b>	<b>7,625,940</b>
<b>Total equity and liabilities</b>	<b>12,599,585</b>	<b>13,005,690</b>

CONSOLIDATED STATEMENT OF CASH FLOWS (ABRIDGED)		
	THE GROUP	
	Half Year ended 30 June	
	2014 Rs'000	2013 Rs'000
Cash generated from operations	230,578	242,474
Income taxes paid	(11,580)	(7,245)
<b>Net cash flows from operating activities</b>	<b>218,998</b>	<b>235,229</b>
Net cash flows from investing activities	10,368	106,013
Net cash flows used in financing activities	(82,914)	(266,436)
<b>Net increase in cash and cash equivalents</b>	<b>146,452</b>	<b>74,806</b>
Cash and cash equivalents at 1 January	(239,119)	(368,880)
<b>Net cash and cash equivalents at 30 June</b>	<b>(92,667)</b>	<b>(294,074)</b>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (ABRIDGED)			
	THE GROUP		
	Shareholders' equity	Non-controlling interests	Total equity
	Rs'000	Rs'000	Rs'000
At 1 January 2013	5,470,736	1,773	5,472,509
Total comprehensive income for the half year	(42,675)	30	(42,645)
<b>At 30 June 2013</b>	<b>5,428,061</b>	<b>1,803</b>	<b>5,429,864</b>
At 1 January 2014	5,377,977	1,773	5,379,750
Total comprehensive income for the half year	(79,864)	30	(79,834)
<b>At 30 June 2014</b>	<b>5,298,113</b>	<b>1,803</b>	<b>5,299,916</b>

Notes to the above:

(i) The Group's statements for the quarter and half year ended 30 June 2014 have been prepared using the same accounting policies and methods adopted in the audited financial statements for the year ended 31 December 2013 except for changes in standards and interpretations adopted by the Group during the period. However, none of these changes have had an impact on the reported financial position or results of the Group.

The interim financial statements have been prepared in accordance with IAS 34 Interim Financial Statements.

(ii) The Group's principal activity is in the hospitality industry. Hence, performance is subject to seasonality and varies significantly from quarter to quarter. Therefore, in respect of interim reporting, the results in the first and last quarters of each year are significantly higher than the other two quarters, as they relate to the high season.

(iii) The results for the quarter and half year ended 30 June 2014 consolidate real estate sales relating to IHS rooms at Long Beach.

#### 1. Comments on Results

Tourist arrivals to Mauritius during this quarter registered a growth of 10.5% against same quarter of last year with the Easter period falling in the second quarter this year, whilst it overlapped March and April in 2013. Statistics for the Maldives also showed a 13.5% growth in tourist arrivals over last year. These positive factors created a more favourable trading environment for our hotels in the second quarter.

After experiencing a difficult first quarter, the Group achieved much improved results versus same quarter last year. Occupancy increased from 56.0% in the corresponding quarter of 2013 to 59.6% in this quarter, resulting in a growth of 11% in Revenue per Available Room. Thus, against same quarter of last year, group's revenues grew by 19% to reach Rs 915 million in this quarter. All our resorts showed improvement against the prior year as the group was able to capitalise on its new sales and marketing structure and its pricing strategy. This resulted in an improvement in the operating loss by Rs 100 million to Rs 62 million year on year. Loss after tax finished at Rs 121 million against Rs 213 million in the same quarter last year.

#### 2. Transactions Update

The transaction in respect of the partnership and participation of 26% by Shangri-La in Le Touessrok is now nearing its closing and is expected to be concluded shortly. Discussions concerning the proposed acquisition of 50% of Anahita Hotel Ltd (Four Seasons Resort Mauritius at Anahita) are in progress.

#### 3. Rights Issue

The Board has approved to proceed with a rights issue of 33,333,333 new Ordinary Shares, to rank pari passu in all respects with the existing Ordinary Shares. Each shareholder will be entitled to 0.355361 new Ordinary Shares for every one (1) Ordinary Share held rounded to the lowest integer when fractions occur, for a consideration of Rs 36.00 per new ordinary share, payable in one full installment. Subject to the approval of the relevant regulatory authorities and shareholders, it is expected that the rights issue subscription period will be completed by November 2014.

#### 4. Short Term Outlook

The third quarter is traditionally the most difficult quarter for the industry. However, with the encouraging progression seen in the second quarter, management expects the next quarter to show improved results over the corresponding quarter of the prior year.

For and on behalf of the Board

**Clothilde de Comarmond, ACIS**  
Per CIEL Corporate Services Ltd  
Company Secretary

24 July 2014

*This announcement is issued pursuant to Listing Rule 12.20 and the Securities Act 2005. The Board of Directors of Sun Resorts 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 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.*

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