



**SUN RESORTS LIMITED**  
**Unaudited Abridged Financial Statements**  
**for the quarter and twelve months ended 31 December 2014**

(File No. 3896)  
 Business Registration No : C06003886  
 Incorporated in the Republic Of Mauritius

The Group unaudited results for the quarter and twelve months ended 31 December 2014 are as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (ABRIDGED)				
	THE GROUP			
	Quarter ended 31 December		Twelve months ended 31 December	
	2014 Rs'000	2013 Rs'000	2014 Rs'000	2013 Rs'000
Revenue	1,429,350	1,380,156	4,209,474	4,038,084
Other operating income	10,352	12,365	79,941	41,930
<b>Total revenue</b>	<b>1,439,702</b>	<b>1,392,521</b>	<b>4,289,415</b>	<b>4,080,014</b>
Total expenses	(1,056,822)	(958,301)	(3,980,157)	(3,776,501)
<b>Operating profit</b>	<b>382,880</b>	<b>434,220</b>	<b>309,258</b>	<b>303,513</b>
Finance costs	(73,013)	(74,719)	(319,689)	(353,167)
Finance income	2,896	2,061	7,929	5,708
Share of profit of Associate	30,524	-	30,524	-
<b>Profit / (Loss) before tax and exceptional items</b>	<b>343,287</b>	<b>361,562</b>	<b>28,022</b>	<b>(43,946)</b>
Restructuring, Branding and Transaction Costs	(17,711)	-	(94,273)	-
<b>Profit / (Loss) before tax</b>	<b>325,576</b>	<b>361,562</b>	<b>(66,251)</b>	<b>(43,946)</b>
Income tax (expense) / credit	(43,991)	(55,222)	14,609	12,097
<b>Profit / (Loss) for the period</b>	<b>281,585</b>	<b>306,340</b>	<b>(51,642)</b>	<b>(31,849)</b>
<b>Other comprehensive income net of tax</b>	<b>77,098</b>	<b>(65,987)</b>	<b>207,751</b>	<b>(60,910)</b>
<b>Total comprehensive income</b>	<b>358,683</b>	<b>240,353</b>	<b>156,109</b>	<b>(92,759)</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	342,289	240,398	140,442	(92,759)
Non-controlling interests	16,394	(45)	15,667	-
	<b>358,683</b>	<b>240,353</b>	<b>156,109</b>	<b>(92,759)</b>
<b>Earnings / (Loss) per share (Rs)</b>	<b>2.83</b>	<b>3.27</b>	<b>(0.72)</b>	<b>(0.34)</b>

CONSOLIDATED GEOGRAPHICAL AND SEGMENTAL INFORMATION				
	THE GROUP			
	Quarter ended 31 December		Twelve months ended 31 December	
	2014 Rs'000	2013 Rs'000	2014 Rs'000	2013 Rs'000
<b>Geographical revenue:</b>				
Mauritius	1,088,563	993,678	3,175,091	2,844,498
Maldives	150,811	168,487	571,646	618,370
Others	200,328	230,356	542,678	617,146
<b>Total revenue including other operating income</b>	<b>1,439,702</b>	<b>1,392,521</b>	<b>4,289,415</b>	<b>4,080,014</b>
<b>Geographical results:</b>				
Mauritius	238,085	237,942	(99,486)	(106,814)
Maldives	13,742	38,272	43,669	64,853
Others	29,758	30,126	4,175	10,112
<b>Profit / (Loss) for the period</b>	<b>281,585</b>	<b>306,340</b>	<b>(51,642)</b>	<b>(31,849)</b>
<b>Segment revenue:</b>				
Hotel operations - External sales	1,223,977	1,140,060	3,697,241	3,426,807
Hotel operations - Inter-segment sales	132,097	156,122	385,503	447,937
Real estate	1,356,074	1,296,182	4,082,744	3,874,744
Others - External sales	15,397	22,105	49,496	36,061
Others - Inter-segment sales	200,328	230,356	542,678	617,146
<b>Elimination of inter-segment sales</b>	<b>(132,097)</b>	<b>(156,122)</b>	<b>(385,503)</b>	<b>(447,937)</b>
<b>Total revenue including other operating income</b>	<b>1,439,702</b>	<b>1,392,521</b>	<b>4,289,415</b>	<b>4,080,014</b>
<b>Segment results:</b>				
Hotel operations	252,529	274,830	(59,152)	(46,655)
Real estate	(702)	1,384	3,335	4,694
Others	29,758	30,126	4,175	10,112
<b>Profit / (Loss) for the period</b>	<b>281,585</b>	<b>306,340</b>	<b>(51,642)</b>	<b>(31,849)</b>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (ABRIDGED)		
	THE GROUP	
	31 Dec 2014	31 Dec 2013
	Rs'000	Audited Rs'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	9,653,309	9,765,724
Operating equipment	131,266	147,980
Intangible assets	1,585,216	1,521,158
Investments in Associates	1,006,321	-
Other investments	5,551	10,591
Leasehold rights and leasehold land prepayments	192,404	198,737
Other financial assets	46,071	165,876
	<b>12,620,138</b>	<b>11,810,066</b>
<b>Current assets</b>	<b>1,297,430</b>	<b>1,195,624</b>
<b>Total assets</b>	<b>13,917,568</b>	<b>13,005,690</b>
<b>EQUITY AND LIABILITIES</b>		
Shareholders' equity	5,518,419	5,377,977
Non-controlling interests	882,590	1,773
<b>Total equity</b>	<b>6,401,009</b>	<b>5,379,750</b>
Interest-bearing loans and borrowings	3,432,693	3,796,198
Deferred tax liability	510,411	532,099
Employee benefit liability	137,177	113,593
<b>Non-current liabilities</b>	<b>4,080,281</b>	<b>4,441,890</b>
<b>Current liabilities</b>	<b>3,436,278</b>	<b>3,184,050</b>
<b>Total liabilities</b>	<b>7,516,559</b>	<b>7,625,940</b>
<b>Total equity and liabilities</b>	<b>13,917,568</b>	<b>13,005,690</b>

CONSOLIDATED STATEMENT OF CASH FLOWS (ABRIDGED)		
	THE GROUP	
	Twelve months ended 31 December	
	2014 Rs'000	2013 Rs'000
Cash generated from operations	552,725	648,874
Income taxes paid	(12,773)	(16,525)
<b>Net cash flows from operating activities</b>	<b>539,952</b>	<b>632,349</b>
Net cash flows (used in) / from investing activities	(190,352)	6,320
Net cash flows used in financing activities	(13,517)	(508,908)
Net increase in cash and cash equivalents	336,083	129,761
Cash and cash equivalents at 1 January	(239,119)	(368,880)
<b>Net cash and cash equivalents at 31 December</b>	<b>96,964</b>	<b>(239,119)</b>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (ABRIDGED)			
	THE GROUP		
	Shareholders' equity Rs'000	Non-controlling interests Rs'000	Total equity Rs'000
At 1 January 2013	5,470,736	1,773	5,472,509
Total comprehensive income for the period	(92,759)	-	(92,759)
<b>At 31 December 2013</b>	<b>5,377,977</b>	<b>1,773</b>	<b>5,379,750</b>
At 1 January 2014	5,377,977	1,773	5,379,750
Issue of Shares to Non Controlling Interest	-	865,150	865,150
Total comprehensive income for the period	140,442	15,667	156,109
<b>At 31 December 2014</b>	<b>5,518,419</b>	<b>882,590</b>	<b>6,401,009</b>

**Notes to the above:**

(i) Proforma results

	THE GROUP			
	Quarter ended 31 December		Twelve months ended 31 December	
	2014 Rs'000	2013 Rs'000	2014 Rs'000	2013 Rs'000
<b>Profit on a like for like basis</b>				
Profit / (Loss) before tax and exceptional items	343,287	361,562	28,022	(43,946)
Less : share of profit of Associate, net of interest on investment	(24,710)	-	(24,710)	-
Add One-time items	27,100	(18,800)	53,100	(30,795)
Profit / (Loss) before tax	345,677	342,762	56,412	(74,741)
Income tax (expense) / credit	(50,713)	(52,402)	(7,497)	16,716
Recurring profit / (Loss) for the period	294,964	290,360	48,915	(58,025)

This above table reflects the recurring profit/loss incurred this quarter and twelve months cumulative by excluding one-time operational items (NRB industry back pay, consultancy fees and change in accounting treatment), exceptional items and the share of associate, to have a comparable comparison on a year on year basis.

(ii) The Group's statements for the quarter and twelve months ended 31 December 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

(iii) 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.

(iv) The results for the quarter and twelve months ended 31 December 2014 consolidate real estate sales relating to IHS rooms at Long Beach.

(v) Following the acquisition of the 50.0% stake in Anahita Hotel Ltd (Four Seasons Resort Mauritius at Anahita), its results are being accounted for as share of associate in this quarter.

**1. Comments on Results**

**Quarter 4 2014**

In this quarter, tourist arrivals to Mauritius registered 4.9% growth against same quarter last year whereas the Maldives experienced a drop of 1.0%.

Similar to the previous two quarters, the Group continued its steady progression and outperformed the industry by gaining market share. Occupancy rose from 75.4% to reach 84.1% in this quarter despite mitigated performance from our Maldivian resort. Group revenues grew by 3.4% against same quarter last year to reach Rs 1.44 billion. The Group posted an operating profit of Rs 383 million against Rs 434 million in same quarter of last year due to one-time items as set out in note (i) above, totalling Rs 27.1 million. In addition, exceptional items of Rs 17.7 million were expensed in respect of restructuring, branding and Shangri-La's transaction costs. The Group accounted for Rs 30.5 million as associated profit in this quarter. The Group's profit after tax amounted to Rs 282 million in the quarter against Rs 306 million for 2013. On a like for like basis, net recurring profit after tax improved to Rs 295 million from Rs 290 million in the corresponding quarter of 2013.

**Twelve months to 31 December 2014**

On a yearly basis, a growth of 4.6% and 7.1 % was registered in tourist arrivals in the local industry and the Maldives respectively.

The Group managed to recover from a weak first quarter to improve its operational performance over last year as a result of the new pricing and marketing strategy rolled out at the beginning of the year 2014. Thus, Group occupancy for the year improved to 67.6% from 62.0% in 2013, outperforming the industry's growth in arrivals. Group revenue increased from Rs 4.1 billion to Rs 4.3 billion, representing a 5.1% increase year on year. Operating profit increased by 1.9% to reach Rs 309 million despite one-time items of Rs 53.1 million. The Group recorded a net loss of Rs 52 million for the year after exceptional items of Rs 94 million in respect of restructuring, branding and Shangri-La's transaction costs. On a like for like basis, the Group reversed its negative results of Rs 58 million in 2013 to record net recurring profit after tax of Rs 49 million in this transformation year.

**2. Short Term Outlook**

Based on current holdings as at to-date, the outlook for the quarter ending March 2015 looks promising. Provided trading conditions do not deteriorate, results should improve compared to the same quarter of 2014.

**3. Transactions Update**

As previously announced, the acquisition of 50% shareholding in Anahita Hotel Ltd (which owns the Four Seasons Resort Mauritius at Anahita) from Alteo Ltd for a consideration of Rs 926.4 million has been approved at a Special Meeting held on 1 December 2014 and the Group started to account for share of profit of Associate of Rs 30.5 million as from December 2014.

**4. Rights Issue**

At a Special Meeting held on 1 December 2014, the Shareholders approved that the Board of Directors of SRL be authorised to issue up to 33,333,333 new ordinary shares of Rs 10.00 each at an issue price of Rs 36.00 per share. The Board is pleased to announce that the Rights Issue has been successfully completed and the offered shares were over-subscribed by more than 10%. All new ordinary shares not subscribed for have been allotted by the Board to applicants for excess shares, on a pro-rata basis in relation to their shareholding prior to the Rights Issue. The Board has approved the allotment of the new ordinary shares. A communiqué to that effect has been issued today.

**5. Change of Accounting Year**

As previously communicated, the Board of Directors has approved the change in accounting date of the Company from 31 December to 30 June. All necessary applications for the change in accounting date have been approved by the relevant regulatory Authorities. In this respect, the Company and Group will present an 18 months accounts ending 30 June 2015 as its next reporting audited financial statements.

**By Order of the Board**

CIEL Corporate Services Ltd  
 Company Secretary

13 February 2015

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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