

SUN LIMITED ABRIDGED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023 (AUDITED)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (ABRIDGED)

	YEAR ENDED 30 JUNE (AUDITED)	
	2023 Rs'000	2022 Rs'000
Revenue	8,132,580	5,164,895
Operating expenses	(5,684,877)	(3,952,626)
Earnings before interest, tax, depreciation and amortisation and impairment reversals	2,447,703	1,212,269
Impairment reversals of financial and non-financial assets	9,708	10,816
Earnings before interest, tax, depreciation and amortisation	2,457,411	1,223,085
Depreciation and amortisation	(527,167)	(561,719)
Operating profit	1,930,244	661,366
Finance costs	(454,321)	(487,709)
Finance income	279,365	58,274
Share of result of joint venture	24,700	19,515
Profit before tax	1,779,988	251,446
Income tax charge	(261,452)	(51,366)
Profit for the year	1,518,536	200,080
Profit attributable to:		
Owners of the Company	1,467,491	185,704
Non-controlling interests	51,045	14,376
Profit for the year	1,518,536	200,080
Other comprehensive income:		
Movement for the year	585,738	2,251,008
Total comprehensive income for the year	2,104,274	2,451,088
Total comprehensive income attributable to:		
Owners of the Company	2,022,673	2,283,451
Non-controlling interests	81,601	167,637
	2,104,274	2,451,088
Basic and diluted earnings per share (Rs)	8.42	1.06

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (ABRIDGED)

	YEAR ENDED 30 JUNE (AUDITED)	
	2023 Rs'000	2022 Rs'000
ASSETS		
Non-current assets		
Property, plant and equipment	18,070,344	17,183,844
Right-of-use assets	1,595,986	1,625,698
Intangible assets	238,196	237,087
Investments in associates and joint ventures	347,629	348,900
Other non-current assets	270,133	335,164
	20,522,288	19,730,693
Current assets	2,712,949	2,278,667
Total assets	23,235,237	22,009,360
EQUITY AND LIABILITIES		
Shareholders' equity	10,843,998	8,995,576
Non-controlling interests	926,097	844,748
Total equity	11,770,095	9,840,324
Loans and other borrowings	4,433,102	5,555,645
Lease liabilities	1,664,250	1,664,674
Deferred tax liability	1,516,553	1,252,489
Provisions	20,940	33,738
Contract liabilities	82,349	85,844
Employee benefit liability	288,446	219,672
Non-current liabilities	8,005,640	8,812,062
Current liabilities	3,459,502	3,356,974
Total liabilities	11,465,142	12,169,036
Total equity and liabilities	23,235,237	22,009,360
Net debt	3,447,664	5,262,052
Gearing ratio	22.7%	34.8%

CONSOLIDATED STATEMENT OF CASH FLOWS (ABRIDGED)

	YEAR ENDED 30 JUNE (AUDITED)	
	2023 Rs'000	2022 Rs'000
Operating profit before working capital changes	2,648,688	1,302,232
Movement in working capital	(66,807)	474,092
Cash generated from operations	2,581,881	1,776,324
Income taxes paid	(14,701)	(1,576)
Net cash flows from operating activities	2,567,180	1,774,748
Net cash flows used in investing activities	(350,727)	(253,928)
Net cash flows used in financing activities	(2,024,775)	(1,395,043)
Net increase in cash and cash equivalents	191,678	125,777
Net foreign exchange differences	49,825	(92,921)
Cash and cash equivalents - Opening	1,580,714	1,547,858
CASH AND CASH EQUIVALENTS AT 30 JUNE	1,822,217	1,580,714

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (ABRIDGED)

	THE GROUP (AUDITED)		
	Attributable to owners of the Company Rs'000	Non-controlling interests Rs'000	Total equity Rs'000
At 30 June 2021 (audited)	6,242,028	677,011	6,919,039
Total comprehensive income for the year	2,283,451	167,637	2,451,088
Total transactions with owners of the Company	470,097	100	470,197
At 30 June 2022 (audited)	8,995,576	844,748	9,840,324
At 1 July 2022 (audited)	8,995,576	844,748	9,840,324
Total comprehensive income for the year	2,022,673	81,601	2,104,274
Total transactions with owners of the Company	(174,251)	(252)	(174,503)
At 30 June 2023 (audited)	10,843,998	926,097	11,770,095

COMMENTS ON THE RESULTS

Financial results

Tourist arrivals for this financial year were 1.22 million, representing 88% recovery from FY19 (1.38 million) confirming the positive trend for the industry.

With the sustained recovery experienced in the tourism industry for the financial year ended 30 June 2023, the Group managed to increase its market share and post satisfactory results. On the revenue line, the Group reached Rs 8.1 billion with occupancy of 74.0% surpassing pre-COVID level (FY19: 72.4%) and ADR at Rs 13,359 was up 42% versus FY19.

The flow-through to EBITDA at Rs 2.4 billion was very satisfactory with the margin improving to 30.1% (FY19: 23.4%). Net finance costs of Rs 175 million were much lower than last year mainly due to treasury gains achieved during the year. Profit after tax closed at Rs 1.5 billion compared to Rs 200 million last year (FY19: profit from continuing operations: Rs 172 million).

At year end, the Group performed a revaluation of its freehold land and buildings which resulted in a gain of Rs 971 million posted in 'Other Comprehensive Income'. Net debt at 30 June 2023 was Rs 3.4 billion, representing a reduction of Rs 1.8 billion and free cash flow stood at Rs 2.2 billion (2022: Rs 1.6 billion). Thus, the gearing ratio for the Group ended at 22.7% (2022: 34.8%).

Outlook

The results for the first quarter of FY24 are better than the same period last year. Forward bookings for the second quarter are very encouraging with the forthcoming tourist arrivals and air seat capacity progressively recovering to pre-Covid levels.

By Order of the Board

CIEL Corporate Services Ltd
Company Secretary

15 September 2023

Notes to the above:

- The audited abridged financial statements are issued pursuant to Listing Rule 12.14 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.