



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

## SUN RESORTS LIMITED

### Abridged Financial Statements

#### for the quarter (unaudited) ended 31 March 2014

The Group unaudited results for the quarter ended 31 March 2014 are as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (ABRIDGED)		
	THE GROUP	
	Quarter ended 31 March	
	2014 Rs'000	2013 Rs'000
Revenue	1,069,535	1,205,874
Other operating income	18,391	18,459
<b>Total revenue</b>	<b>1,087,926</b>	<b>1,224,333</b>
Total expenses	(982,368)	(992,480)
<b>Operating profit</b>	<b>105,558</b>	<b>231,853</b>
Finance costs	(82,576)	(94,275)
Finance income	1,552	944
<b>Profit before tax</b>	<b>24,534</b>	<b>138,522</b>
Income tax expense	(2,366)	(18,254)
<b>Profit for the quarter</b>	<b>22,168</b>	<b>120,268</b>
<b>Other comprehensive income net of tax</b>	<b>13,174</b>	<b>44,660</b>
<b>Total comprehensive income</b>	<b>35,342</b>	<b>164,928</b>
<b>Total comprehensive profit attributable to:</b>		
Owners of the Company	35,327	164,913
Non-controlling interests	15	15
	<b>35,342</b>	<b>164,928</b>
<b>Profit per share (Rs)</b>	<b>0.24</b>	<b>1.28</b>

CONSOLIDATED GEOGRAPHICAL AND SEGMENTAL INFORMATION		
	THE GROUP	
	Quarter ended 31 March	
	2014 Rs'000	2013 Rs'000
Geographical revenue:		
Mauritius	720,763	792,817
Maldives	206,782	245,306
Others	160,381	186,210
<b>Total revenue including other operating income</b>	<b>1,087,926</b>	<b>1,224,333</b>
Geographical results:		
Mauritius	(42,807)	32,686
Maldives	63,992	83,293
Others	983	4,289
<b>Profit for the quarter</b>	<b>22,168</b>	<b>120,268</b>
Segment revenue:		
Hotel operations - External sales	927,545	1,031,897
Hotel operations - Inter-segment sales	117,614	139,959
	1,045,159	1,171,856
Real estate	-	6,226
Others - External sales	160,381	186,210
Elimination of inter-segment sales	(117,614)	(139,959)
<b>Total revenue including other operating income</b>	<b>1,087,926</b>	<b>1,224,333</b>
Segment results:		
Hotel operations	21,026	114,759
Real estate	159	1,220
Others	983	4,289
<b>Profit for the quarter</b>	<b>22,168</b>	<b>120,268</b>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (ABRIDGED)		
	THE GROUP	
	31 Mar 2014	31 Dec 2013
	Rs'000	Audited Rs'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	9,703,872	9,765,724
Operating equipment	144,502	147,980
Intangible assets	1,521,534	1,521,158
Other investments	10,591	10,591
Leasehold rights and leasehold land prepayments	196,726	198,737
Other financial assets	165,170	165,876
	<b>11,742,395</b>	<b>11,810,066</b>
<b>Current assets</b>	<b>1,109,991</b>	<b>1,195,624</b>
<b>Total assets</b>	<b>12,852,386</b>	<b>13,005,690</b>
<b>EQUITY AND LIABILITIES</b>		
Shareholders' equity	5,413,304	5,377,977
Non-controlling interests	1,788	1,773
<b>Total equity</b>	<b>5,415,092</b>	<b>5,379,750</b>
Interest-bearing loans and borrowings	3,642,810	3,796,198
Deferred tax liability	524,670	532,099
Employee benefit liability	124,388	113,593
<b>Non-current liabilities</b>	<b>4,291,868</b>	<b>4,441,890</b>
<b>Current liabilities</b>	<b>3,145,426</b>	<b>3,184,050</b>
<b>Total liabilities</b>	<b>7,437,294</b>	<b>7,625,940</b>
<b>Total equity and liabilities</b>	<b>12,852,386</b>	<b>13,005,690</b>

CONSOLIDATED STATEMENT OF CASH FLOWS (ABRIDGED)		
	THE GROUP	
	Quarter ended 31 March	
	2014 Rs'000	2013 Rs'000
Cash generated from operations	353,779	222,888
Income taxes paid	(1,720)	(917)
<b>Net cash flows from operating activities</b>	<b>352,059</b>	<b>221,971</b>
Net cash flows used in investing activities	(19,160)	(16,329)
Net cash flows used in financing activities	(316,315)	(67,525)
<b>Net increase in cash and cash equivalents</b>	<b>16,584</b>	<b>138,117</b>
Cash and cash equivalents at 1 January	(239,119)	(368,880)
<b>Net cash and cash equivalents at 31 March</b>	<b>(222,535)</b>	<b>(230,763)</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 quarter	164,913	15	164,928
<b>At 31 March 2013</b>	<b>5,635,649</b>	<b>1,788</b>	<b>5,637,437</b>
At 1 January 2014	5,377,977	1,773	5,379,750
Total comprehensive income for the quarter	35,327	15	35,342
<b>At 31 March 2014</b>	<b>5,413,304</b>	<b>1,788</b>	<b>5,415,092</b>

Notes to the above:

(i) The Group's statements for the quarter ended 31 March 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.

#### 1. Comments on Results

Trading conditions in this first quarter did not improve with tourist arrivals to Mauritius experiencing a 0.8% decrease. The local industry engaged in a major price war and aggressive promotions from competitors in all markets heavily impacted our performance as we tried to protect our rates. Additionally, the Easter period fell in the second quarter this year, whilst it overlapped March and April in 2013.

Against these negative factors, the Group suffered a drop in occupancy from 62% in the corresponding quarter of 2013 to 59% in this quarter. Thus, Group's revenues fell by 12% to Rs 1.1 billion compared to the corresponding quarter of last year. This resulted in the operating profit decreasing to Rs 106 million (2013:Rs 232 million) despite savings achieved in direct and other operating costs. Profit after tax finished at Rs 22 million against Rs 120 million in the same quarter last year.

#### 2. Reply Document

The Company has approved the Reply Document pursuant to Rule 18 of the Securities (Takeover) Rules 2010 in reply to the Offer Document issued by CIEL Limited dated 22 April 2014 to the attention of the shareholders of Sun Resorts Limited. The Reply Document shall be posted to all shareholders on or about 16 May 2014.

#### 3. Transactions Update

The transactions in respect of the partnership and participation of 26% by Shangri-La in Le Touessrok and the proposed acquisition of 50% of Anahita Hotel Ltd (Four Seasons Resort Mauritius at Anahita) are progressing well. Also, the proposed Rights Issue is targeted to take place in September 2014.

#### 4. Short Term Outlook

Although market conditions will remain challenging in the second quarter with low season rates and discounting, the Board expects reduced losses when compared to same quarter of last year.

For and on behalf of the Board

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

9 May 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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