

CEO'S INTERVIEW



What were the key highlights for SUN this year?

This year has been a confirmation of our transformation journey for SUN ("the Group"). We've continued to focus on enhancing the guest experience, investing in our people, and rolling out key projects that set the foundation for long-term growth. Our commitment to innovation, operational excellence, and employee engagement has driven success across our portfolio. These achievements have not gone unnoticed.

In 2024, our leadership and team efforts were recognized through numerous National Sustainability Awards, which reflect our dedication to delivering on our sustainability objectives.

On the digital transformation front, we have implemented advanced technologies, including AI, to enhance guest and employee experiences as well as improve operational efficiencies.

How did the Group perform in the 2024 financial year?

The Group delivered a solid performance this year. Our revenue grew to Rs 8.8 billion, driven by an 11% increase in the Group's average daily rate (ADR). EBITDA

also rose to Rs 2.6 million, up from Rs 2.4 million last year, with a healthy margin of 30%.

We achieved a record profit after tax (PAT) of Rs 2.0 billion, with a gain of Rs 371 million resulting from an increase in the share of profit and a reversal of previously booked impairments, following the change in the majority shareholder in EastCoast Hotel Investment Ltd (ECHI), the property company of Ambre Resort. This change in shareholding enabled SUN to secure a new long-term rental agreement with ECHI and brings clear visibility on the long-term enhancement of Ambre Resort.

What major strategic decisions were made this year?

One of the most significant decisions we made this year was to split Sun Limited into two distinct listed entities. On 24 June 2024, we announced that owner-managed resorts would now operate under the Sunlife brand, while Riveo will hold the asset managed branded luxury resorts, including the Shangri-La Le Touessrok, Four Seasons Resort Mauritius at Anahita and Ile aux Cerfs. Shares of Riveo will be distributed through a special dividend, with plans to list the company on 25 October 2024. This strategic move enables each business to focus on its unique business model and strengths, creating greater value for both entities.

Our commitment to innovation, operational excellence, and employee engagement has driven success across our portfolio.

I am also very proud of our progress in enhancing the employee experience. Our Employee Value Proposition (EVP) rollout was celebrated at Sugar Beach and we've validated 26 new innovative employee experiences aimed at improving the overall employee journey and attracting top talents. With our EVP statement "You are our gift of kindness" we have given our employees their purpose to deliver on our mission "To see a world where kindness shines".

In addition, the results of our 2023/24 Great Place to Work survey reflected a significant improvement in engagement, rising from 65% to 73%.

What progress has been made in customer satisfaction?

Our focus on delivering exceptional customer satisfaction is a daily commitment from every Sunlife employee. Over the past year, we've seen strong customer satisfaction scores, a testament to our dedication to service excellence. This achievement has been supported by a more stable and engaged workforce.

Every year, Sunlife resorts introduce several new and innovative customer experiences through our 'Come Alive Collection', continually enhancing the guest experience.

Can you give us an update on SUN's key projects?

We've made significant progress on several key projects this year. The renovation of Shangri-La Le Touessrok, which began in June 2024, is on track and progressing smoothly. When the resort reopens in mid-October, guests will enjoy an enhanced experience with renovated rooms, public spaces, and restaurants. We anticipate strong growth in ADR following these improvements.

Our property and hotel residences projects are also advancing well. Construction of La Pirogue Residences began in June, and we're excited about its development.

Meanwhile, the Ile aux Cerfs Regeneration Master Plan is progressing, in consultation with the respective stakeholders.

At Ambre, we are pleased to welcome Mauritius Investment Corporation Ltd as our new partner following their acquisition of a majority stake in ECHI.

What message would you like to convey to SUN's shareholders and stakeholders?

I am incredibly proud of what we've accomplished this year. Despite various challenges, we delivered strong financial results, maintained operational excellence and prioritised the well-being of our employees and guests. I can sense the dynamism and the energised Sunlife culture within all our teams. In the coming year, our operational focus will be on mitigating cost increases by improving productivity, driving additional sales and reducing energy consumption.

The decision to split Sun Limited is a bold and strategic step toward future growth, enabling us to streamline operations and unlock new opportunities for both Sunlife and Riveo. Looking ahead, we remain committed to driving long-term value creation, ensuring that the SUN Group continues to thrive and lead in the hospitality industry. Together, we will build on this momentum and capitalise on new opportunities for growth.

I look forward to the year ahead and the exciting possibilities that await the Group.

Francois Eynaud
CEO