

CHAIRMAN'S LETTER



SUN delivered an **outstanding year**, achieving our best performance to date ... and reported a profit after tax of **Rs 2.0 bn**.

Dear Shareholders,

I am pleased to present to you the annual report for Sun Limited ("SUN") for the year ended 30 June 2024 - a year marked by strength, innovation and progress, especially in how we engaged with our most valuable assets: our employees, our guests and our shareholders.

This year has been transformative, particularly in how we serve our guests. Through our 'Come Alive' collection of experiences, the Sunlife brand has continued to evolve, creating moments that inspire, energise and connect with our guests. Our employees, as ambassadors of our brand, have been instrumental in bringing this vision to life. At SUN, we believe that our success is built on the foundation of a strong and motivated team, guided by purpose. This year, we continued to invest in our Employee Value Proposition, ensuring an environment where trust, collaboration and personal growth thrive. Our teams across all levels have worked together with dedication and a shared sense of purpose, embodying the spirit of teamwork and excellence that defines our culture.

Financially, SUN delivered an outstanding year, achieving our best performance to date. Despite operating in a high-inflation environment, we managed costs effectively and maintained healthy margins across our operations and reported a profit after tax of Rs 2.0 bn. Our proactive approach to managing debt, bringing it down by circa 20%, coupled with the strong recovery post-COVID, has led to a significant reduction in leverage, positioning the Company for long-term sustainable growth. Our share price has reflected this success, with continued upward momentum throughout the year and the Group declared a dividend of Rs 2.50 for the year.

A major milestone during the year was the announcement on 24 June 2024 that the Group had decided to split Sun Limited into two distinct listed companies. On the one hand, Sunlife, will focus on the owner-managed resorts, namely, Sugar Beach, La Pirogue, Long Beach and Ambre, and on the other, Riveo, which hold the asset-managed branded luxury resorts, the Shangri-La Le Touessrok and

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the Four Seasons Resort Mauritius at Anahita as well as the islands of Ile aux Cerfs. Riveo's success will be driven from its distinctive blend of international luxury brand expertise combined with Sunlife's innovative local knowledge. We believe that this strategic move will create significant value for our shareholders by centering our attention on each business model and thereby unlocking new growth opportunities. We will continue to leverage on the scale and expertise of the two new businesses, aiming at accelerating progress through economies of scale in procurement, training and operational efficiencies.

Like any year, 2024 was not without its challenges. Rising inflation, wage pressures and increased international competition tested our resilience. By maintaining a strong focus on guest experience, cost management and employee engagement, we were able to navigate these headwinds effectively.

We remain wholly committed to our sustainability journey as we continue to evolve our operations by minimising our environmental footprint, embracing energy efficiency and promoting long-term value for our stakeholders. As we renovate our resorts, we will continue to foster innovation through sustainable practices. These investments in our prime-location properties will enhance their competitiveness while also creating work environments that promote employee productivity and well-being. Renovations at the Shangri-La Le Touessrok are progressing smoothly, with completion expected in time for the peak season as from mid-October 2024. This will be followed by a significant investment program at the Four Seasons Resort Mauritius at Anahita to ensure that we maintain leadership in the luxury segment.

I would like to extend my appreciation to our CEO, Francois Eynaud, for leading SUN with unwavering dedication over the last five years. Francois and his team navigated the extremely challenging COVID years with determination, positioning the Company on a foundation of operational excellence whilst ensuring its financial strength to support future expansion.

As I step down after seven and a half years of serving as Chairman, I want to extend my deepest gratitude to our dedicated team, valued guests, loyal shareholders and fellow directors. Together, we have navigated challenges and achieved incredible milestones, always staying true to our commitment to excellence.

On 17 September 2024, we announced Guillaume Dalais as my successor. With Guillaume's leadership and vision, SUN is well-positioned for an exciting new chapter. We are entering a transformative phase with the upcoming split, creating a win-win formula for all. Our team is proud to be part of this evolution, and I am confident that Guillaume will lead with the great passion and dedication, whilst driving long-term value.

Together, we will continue to innovate, inspire and deliver experiences that keep SUN at the forefront of its industry and at the same time set new standards for excellence with a clear vision for sustainable growth.

Jean-Pierre Dalais
Chairman